

Quarterly Report
For The 1st Quarter
Ended September 30, 2026



OUR MISSION

To be an agent of **positive change** for stakeholders and the community by pursuing an **ethical** and **sustainable** business.

TABLE OF CONTENTS

Company Information	02
Directors' Review Report	04
ڈائریکٹر صاحبان کی جائزہ رپورٹ	11

Unconsolidated Condensed Interim Financial Statements

Unconsolidated Condensed Interim Statement of Financial Position	14
Unconsolidated Condensed Interim Statement of Profit or Loss	16
Unconsolidated Condensed Interim Statement of Comprehensive Income	17
Unconsolidated Condensed Interim Statement of Changes in Equity	18
Unconsolidated Condensed Interim Statement of Cash Flows	19
Notes to the Unconsolidated Condensed Interim Financial Statements	21

Consolidated Condensed Interim Financial Statements

Consolidated Condensed Interim Statement of Financial Position	34
Consolidated Condensed Interim Statement of Profit or Loss	36
Consolidated Condensed Interim Statement of Comprehensive Income	37
Consolidated Condensed Interim Statement of Changes in Equity	38
Consolidated Condensed Interim Statement of Cash Flows	39
Notes to the Consolidated Condensed Interim Financial Statements	41

COMPANY INFORMATION

BOARD OF DIRECTORS

Musadaq Zulqarnain
Chairperson

Navid Fazil
Chief Executive Officer

Muhammad Maqsood

Farwa Hasnain

Fatima Asad Khan

Romana Abdullah

Tariq Iqbal Khan

Faryal Sadiq

Jahan Zeb Khan Banth

AUDIT COMMITTEE

Romana Abdullah
Chairperson

Tariq Iqbal Khan

Farwa Hasnain

Jahan Zeb Khan Banth

HUMAN RESOURCE & REMUNERATION COMMITTEE

Fatima Asad Khan
Chairperson

Farwa Hasnain

Faryal Sadiq

Jahan Zeb Khan Banth

NOMINATION COMMITTEE

Musadaq Zulqarnain
Chairperson

Navid Fazil

Muhammad Maqsood

RISK MANAGEMENT COMMITTEE

Tariq Iqbal Khan
Chairperson

Muhammad Maqsood

Fatima Asad Khan

Romana Abdullah

ENVIRONMENTAL, SOCIAL & GOVERNANCE COMMITTEE

Navid Fazil
Chairperson

Muhammad Maqsood

Faryal Sadiq

CHIEF FINANCIAL OFFICER

Syed Hamza Gillani

COMPANY SECRETARY

Rana Ali Raza

HEAD OF INTERNAL AUDIT

Jamshaid Iqbal

CHIEF INFORMATION OFFICER

Muhammad Yaqub Ahsan Bhatti

LEGAL ADVISOR

Haidermota & Co.

AUDITORS

Kreston Hyder Bhimji & Co. Chartered Accountants

SHARE REGISTRAR / TRANSFER AGENT

CDC Share Registrar Services Limited

KARACHI OFFICE:

Share Registrar Department
CDC House, 99-B, Block B, S.M.C.H.S, Main
Shahra-e-Faisal, Karachi – 74400
Tel: (92-21) 111-111-500

LAHORE OFFICE:

Mezzanine Floor,
South Tower, LSE Plaza, 19-Khayaban-e-
Aiwan-e-Iqbal, Lahore.
Tel: (92-42) – 36362061-66

BANKERS

Allied Bank Limited
Bank Alfalah Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Standard Chartered Bank Pak Limited
The Bank of Punjab
United Bank Limited
BankIslami Pakistan Limited

E-COMMUNICATION

Website: www.interloop-pk.com



LinkedIn: Interloop Limited
X: @InterloopLtd
Instagram: interlooplimited
YouTube: Interloop Limited

REGISTERED OFFICE

Interloop Limited

15-A, Peoples Colony No. 1,
Faisalabad, Pakistan
Phone: (92-41) 4360400
Fax: (92-41) 2428704
Email: externalaffairs@interloop.com.pk
Website: www.interloop-pk.com

PLANT LOCATIONS

Hosiery Plant 1 - Corporate Office

1 KM Khurrianwala-Jaranwala Road,
Khurrianwala, Faisalabad, Pakistan. Phone:
(92-41) 4360400
Fax: (92-41) 2428704

Hosiery Plant 2 & 4

7 KM Khurrianwala-Jaranwala Road,
Khurrianwala, Faisalabad, Pakistan.

Hosiery Plant 3 & Denim Plant

8 KM, Manga-Raiwind Road, Distt. Kasur,
Lahore, Pakistan.

Apparel Plant 1

117 / J.B near Paharang Nala, Millat Road,
Dhanola, Faisalabad, Pakistan.

Hosiery Plant 5 & 6, Apparel Plant 2

6 KM, Bypass Road, Khurrianwala,
Faisalabad, Pakistan.

DIRECTORS' REVIEW REPORT

For The Quarter Ended September 30, 2026

The Directors of Interloop Limited "Interloop" or "the Company" are pleased to present the Directors' Review Report along with the Unaudited Financial Results of the Company for the first quarter ended September 30, 2026 (Q1FY2027).

ECONOMIC AND INDUSTRIAL REVIEW

The global economic environment remained challenging during the first quarter of FY2027, shaped by escalating geopolitical tensions, energy-market volatility and uncertainty in international trade. The US-Iran conflict and heightened risks to commercial shipping through the Strait of Hormuz intensified concerns over energy supply disruptions, contributing to volatility in oil prices and higher freight and marine insurance costs. Renewed inflationary pressures prompted the US Federal Reserve and European Central Bank to tighten monetary policy in September, adding to financing costs and uncertainty over the global economic outlook. In its October 2026 World Economic Outlook, the IMF projected global economic growth of 3.1% in 2026 and 3.4% in 2027, with inflation forecast at 4.7% in 2026.

Pakistan's economy continues to face external and domestic pressures, particularly from energy-price volatility and rising inflation. Average CPI inflation increased to 10.2% in the first quarter of FY2027, compared with 4.3% in the corresponding period last year, while the State Bank of Pakistan maintained its policy rate at 11.5%. In the external sector, merchandise exports increased 10.8% to USD 8.42 billion, while imports grew faster by 13.2% to USD 19.22 billion, widening the trade deficit to USD 10.79 billion. Consequently, the current account deficit widened to USD 874 million, compared with USD 755 million in the corresponding period last year. Workers' remittances rose 14.0% to USD 10.87 billion, supporting foreign-exchange inflows, while reserves stood at USD 26.77 billion.

Pakistan's textile and apparel sector sustained export growth during the first quarter FY2027, with exports increasing by 5.3% year-on-year to USD 5.03 billion, compared with USD 4.78 billion in the corresponding period last year. Growth was led by ready-made garments, which rose by 15.7% and knitwear, which increased by 4.1%, while bedwear exports remained broadly flat. Meanwhile, cotton arrivals at ginneries reached approximately 3.21 million bales by September, representing an increase of 5.4% over the corresponding period last year. Alongside concerns over crop losses, pest infestation and lint quality, heightened uncertainty regarding the final harvest and the availability of suitable raw material. The Government's subsequent crop assessment placed expected production for FY2027 at 6.71 million bales.

UNCONSOLIDATED FINANCIAL REVIEW

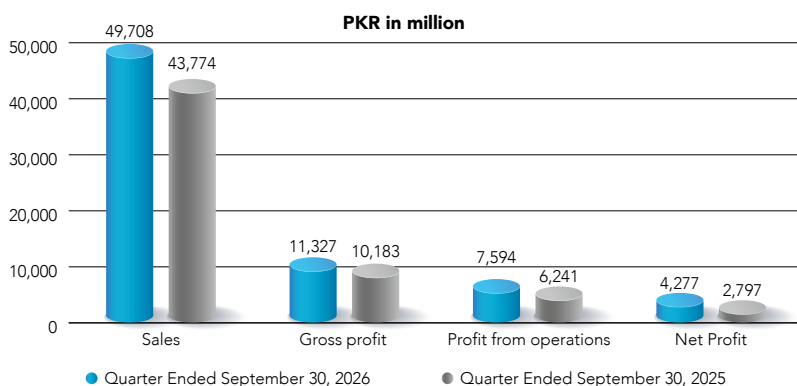
The Company delivered a strong performance during the first quarter of FY2027, reflecting strong revenue growth, improved operating profitability and a significant increase in earnings. Net sales grew by 13.6% year-on-year to PKR 49,708 million, compared with PKR 43,774 million in the corresponding period last year. Gross profit increased by 11.2% to PKR 11,327 million, with Gross Profit margins remaining approximately at 23% for current and corresponding periods. This overall improvement was driven by higher sales volumes and enhanced capacity utilization, a favorable product mix, and Management's continued focus on optimizing key cost drivers.

Operating profit surged by 21.7% to PKR 7,594 million in Q1FY2027 from PKR 6,241 million in Q1FY2026, supported by stronger gross profitability and higher other income of PKR 1,714 million (1QFY2026: PKR 700 million), primarily attributed to gains on derivatives.

The strong operating performance translated into a substantial improvement in the Company's bottom line, with profit after taxation increasing by 52.9% to PKR 4,277 million from PKR 2,797 million in the corresponding period last year. Consequently, net profit margin improved significantly to 8.6% from 6.4%, while earnings per share rose to PKR 3.05 from PKR 2.00, representing growth of approximately 53%. Overall, the results demonstrate the Company's ability to translate revenue growth into stronger profitability and enhanced shareholder returns.

The following table summarizes the Company's unconsolidated financial results for the quarter ended September 30, 2026, together with comparatives for the quarter ended September 30, 2025:

	Quarter Ended September 30		
	2026	2025	Variance
	PKR in million		%
Sales- Net	49,708	43,774	13.6%
Gross Profit	11,327	10,183	11.2%
Profit from Operations	7,594	6,241	21.7%
Net Profit	4,277	2,797	52.9%
Gross Profit Ratio	23%	23%	-
Net Profit Ratio	8.6%	6.4%	2.2%
Earnings per Share - Basic and Diluted (PKR)	3.05	2.00	52.9%



CONSOLIDATED FINANCIAL REVIEW

In Q1FY2027, consolidated net sales of the Group increased by 12.3% year-on-year to PKR 50,749 million from PKR 45,202 million in Q1FY2026. Gross profit rose by 9.7% to PKR 11,537 million (Q1FY2026: PKR 10,520 million), while profit from operations increased by 21.1% to PKR 7,550 million from PKR 6,237 million. Profit attributable to the shareholders

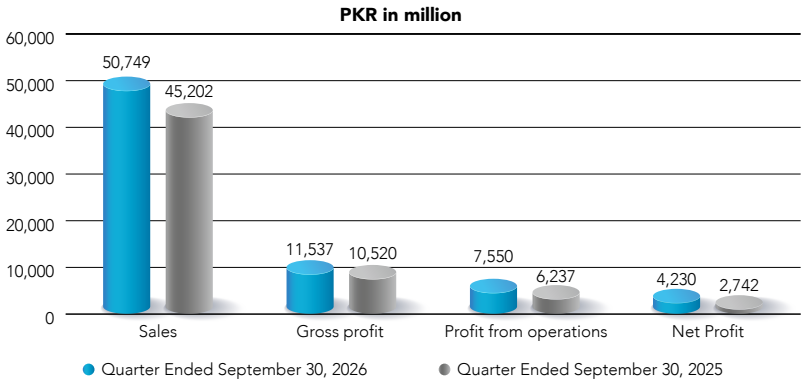
of Interloop rose by 53.8% to PKR 4,247 million, compared with PKR 2,762 million in the corresponding quarter, translating into earnings per share of PKR 3.03 (Q1FY2026: PKR 1.96).

The Group's performance remained broadly in line with the Parent Company's unconsolidated results, however, due to 20% decline in sales of the subsidiary company, the subsidiary company incurred losses leading to fall in profitability of the Group, in comparison to Parent's standalone financial results.

The Group's net profit margin improved to 8.3% from 6.1% in the corresponding period last year.

The Group's consolidated financial results for the quarter ended September 30, 2026, along with comparatives for the corresponding quarter of the previous year, are summarised below:

	Quarter ended Sep 30		
	2026	2025	Variance
	PKR in million		%
Sales- Net	50,749	45,202	12.3%
Gross Profit	11,537	10,520	9.7%
Profit from Operations	7,550	6,237	21.1%
Net Profit	4,230	2,742	54.3%
Net Profit attributable to Interloop Shareholders	4,247	2,762	53.8%
Gross Profit Ratio	23%	23%	-
Net Profit Ratio	8.3%	6.1%	2.2%



FUTURE OUTLOOK:

Looking ahead for FY2027, the operating environment is expected to remain challenging amid geopolitical uncertainty, evolving trade dynamics and persistent cost pressures. Elevated energy and freight costs, trade barriers and subdued demand in key export markets, particularly the United States and the European Union, may continue to weigh on industry competitiveness and supply chain resilience. Domestically, inflationary pressures, energy tariffs and raw material prices remain key concerns, while exchange rate fluctuations may further influence export competitiveness and profit margins.

Despite these headwinds, management remains focused on converting the Company's strong demand pipeline into sustainable growth through enhanced capacity utilization, a value-driven product mix and continued cost optimization. Disciplined sourcing, prudent inventory management and rigorous control over conversion costs will remain central to protecting margins, strengthening operational efficiency and reinforcing the Company's competitive position.

Sustainability and social responsibility remain integral to the Company's business philosophy. During the period, the Company continued to advance its social impact agenda across education, healthcare and inclusion, earning recognition through the Global Compact Network Pakistan's Sustainability Award – Four Pillar Excellence. Key milestones included the inauguration of its 40th TCF school in Kasur, expanded scholarships and student development opportunities, continued support for free healthcare, and the launch of dialysis services at partner hospitals in August 2026. The Company also advanced deaf inclusion through ConnectHear and supported animal rehabilitation through the Tahira Animal Welfare Foundation.

ACKNOWLEDGEMENT

The Board places on record its sincere appreciation for the continued trust and support of the Company's shareholders, customers, bankers and regulatory authorities. It also recognizes the dedication and contributions of the Management team and employees, whose commitment and teamwork remain integral to the Company's continued progress and future growth.

For and on behalf of the Board of Directors



Muhammad Maqsood
(Director)



Jahan Zeb Khan Banth
(Director)

Place: Faisalabad
Date: October 22, 2026

مستقبل کا نقطہ نظر

مالی سال 2027 کے دوران جغرافیائی و سیاسی غیر یقینی صورتحال، بدلتی ہوئی تجارتی حرکیات اور مسلسل لاگتی دباؤ کے باعث کاروباری ماحول بدستور چیلنجنگ رہنے کی توقع ہے۔ توانائی اور مال برداری کے بلند اخراجات، تجارتی رکاوٹیں اور اہم برآمدی منڈیوں، بالخصوص امریکہ اور یورپی یونین، میں طلب کی کست روی صنعت کی مسابقت اور سپلائی چین کی پائیداری پر بدستور اثر انداز ہو سکتی ہیں۔ ملکی سطح پر افراط زر کا دباؤ، توانائی کے نرخ اور خام مال کی قیمتیں بدستور اہم خدشات ہیں، جبکہ شرح مبادلہ میں اتار چڑھاؤ برآمدی مسابقت اور منافع کے مارجن کو مزید متاثر کر سکتا ہے۔

ان چیلنجز کے باوجود انتظامیہ کمپنی کے مضبوط آرڈر ز اور طلب کو پیداواری صلاحیت کے بہتر استعمال، قدر پر مبنی پروڈکٹس اور لاگت میں مسلسل کفایت کے ذریعے پائیدار ترقی میں ڈھالنے پر توجہ مرکوز رکھے ہوئے ہے۔ منظم خریداری بخاطر انوینٹری مینجمنٹ اور کٹورڈن لاگت پر جانچ کنٹرول منافع کے مارجن کے تحفظ، آپریشنل استعداد کو مستحکم کرنے اور کمپنی کی مسابقتی پوزیشن کو مزید مضبوط بنانے میں کلیدی حیثیت کے حامل رہیں گے۔

(Sustainability) اور سماجی ذمہ داری کمپنی کے کاروباری فلسفے کا لازمی جزو ہیں۔ زبرد جائزہ مدت کے دوران کمپنی نے تعلیم و صحت اور معاشرتی شمولیت کے شعبوں میں اپنے سماجی ترقی کے ایجنڈے کو آگے بڑھایا، جس کے اعتراف میں اسے گلوبل کمیونٹ نیٹ ورک پاکستان کی جانب سے سسٹین ایبلٹی ایوارڈ۔ فور پلر ایکیلیپس سے نوازا گیا۔ اہم سنگ میل میں تصور میں 40 ویں سی ایف ایف اسکول کا افتتاح، وظائف اور طلباء کی ترقی کے مواقع میں توسیع، مفت طبی سہولیات کے لیے مسلسل معاونت، اور اگست 2026 میں پارٹنر اسپتالوں میں ڈائلاز سرسروسز کا آغاز شامل ہیں۔ کمپنی نے کنکیت ہسپتال کے اشتراک سے ساعت سے محروم افراد کی شمولیت کو فروغ دیا اور طاہرہ انشیل و بلیٹریئر فاؤنڈیشن کے ذریعے جانوروں کی بحالی کے اقدامات میں معاونت فراہم کی۔

اظہار تشکر:

بورڈ کمپنی کے حصص یافتگان، صارفین، بینکاروں اور ریگولیٹری اداروں کے مسلسل اعتماد اور تعاون پر ان کا تہ دل سے شکریہ ادا کرتا ہے۔ بورڈ انتظامیہ کی ٹیم اور ملازمین کی لگن اور خدمات کا بھی اعتراف کرتا ہے، جن کی وابستگی اور ٹیم ورک کمپنی کی مسلسل ترقی اور مستقبل کی پیش رفت کا لازمی جزو ہیں۔

برائے اور از طرف بورڈ آف ڈائریکٹرز

Taham Zed



جہاں زیب خان بختہ
(ڈائریکٹر)

محمد مقصود

(ڈائریکٹر)

بمقام: فیصل آباد

22 اکتوبر 2026

مجموعی مالیاتی جائزہ

مالی سال 2027 کی پہلی سہ ماہی میں گروپ کی مجموعی خالص فروخت گزشتہ سال کی پہلی سہ ماہی کے 45,202 ملین روپے سے سال بہ سال 12.3 فیصد اضافے کے ساتھ 50,749 ملین روپے ہو گئی۔ خام منافع 9.7 فیصد اضافے کے ساتھ 11,537 ملین روپے رہا (گزشتہ سال کی پہلی سہ ماہی میں 10,520 ملین روپے)، جبکہ آپریشنز سے حاصل ہونے والا منافع 6,237 ملین روپے سے 21.1 فیصد اضافے کے ساتھ 7,550 ملین روپے ہو گیا۔ انٹرلوپ کے حصص یافتگان سے منسوب منافع گزشتہ سال کی اسی سہ ماہی کے 2,762 ملین روپے کے مقابلے میں 53.8 فیصد اضافے کے ساتھ 4,247 ملین روپے رہا، جس کے نتیجے میں فی حصص آمدنی 3.03 روپے رہی (گزشتہ سال کی پہلی سہ ماہی میں 1.96 روپے)۔

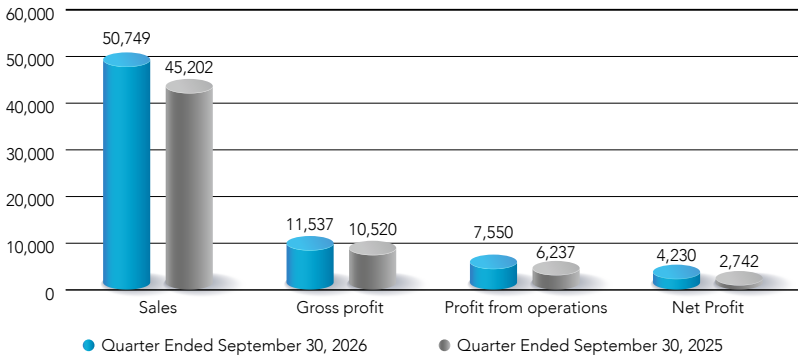
گروپ کی کارکردگی مجموعی طور پر پیرنٹ کمپنی کے غیر مجموعی نتائج سے ہم آہنگ رہی، تاہم فروخت میں 20 فیصد کمی کے باعث ذیلی کمپنی کو نقصان ہوا، جس کی وجہ سے پیرنٹ کمپنی کے انفرادی مالیاتی نتائج کے مقابلے میں گروپ کے منافع میں کمی واقع ہوئی۔

گروپ کا خالص منافع کارجن گزشتہ سال کی اسی مدت کے 6.1 فیصد سے بہتر ہو کر 8.3 فیصد ہو گیا۔

30 ستمبر 2026 کو ختم ہونے والی سہ ماہی کے لیے گروپ کے مجموعی مالیاتی نتائج، گزشتہ سال کی اسی سہ ماہی کے تقابلی اعداد و شمار کے ساتھ، درج ذیل ہیں:

فرق	30 ستمبر کو ختم ہونے والی سہ ماہی		
	2025	2026	
فیصد	ملین روپے		
خالص سیلز	45,202	50,749	12.3%
مجموعی منافع	10,520	11,537	9.7%
آپریشنز سے منافع	6,237	7,550	21.1%
خالص منافع	2,742	4,230	54.3%
انٹرلوپ کے حصص یافتگان سے منسوب منافع	2,762	4,247	53.8%
مجموعی منافع کی شرح	23%	23%	-
خالص منافع کی شرح	6.1%	8.3%	2.2%

PKR in million

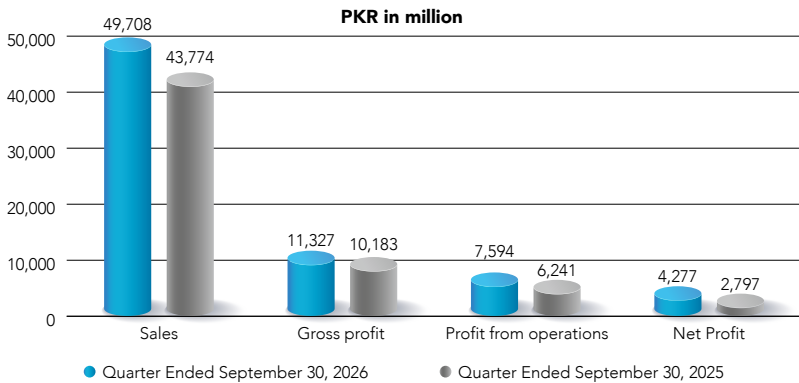


آپریٹنگ منافع گزشتہ سال کی پہلی سہ ماہی کے 6,241 ملین روپے کے مقابلے میں 21.7 فیصد اضافے کے ساتھ رواں سہ ماہی میں 7,594 ملین روپے ہو گیا۔ اس اضافے کو ختام منافع میں بہتری کے ساتھ ساتھ دیگر آمدنی میں اضافے سے تقویت ملی، جو 1,714 ملین روپے رہی (گزشتہ سال کی پہلی سہ ماہی میں 700 ملین روپے) اور جس کی بنیادی وجہ (derivatives) پر حاصل ہونے والا منافع ہے۔

مضبوط آپریٹنگ کارکردگی کے نتیجے میں کمپنی کے خالص منافع میں نمایاں بہتری آئی، اور بعد از ٹیکس منافع گزشتہ سال کی اسی مدت کے 2,797 ملین روپے سے 52.9 فیصد اضافے کے ساتھ 4,277 ملین روپے ہو گیا۔ نتیجتاً خالص منافع کا مارجن 6.4 فیصد سے نمایاں بہتری کے ساتھ 8.6 فیصد ہو گیا، جبکہ فی شخص آمدنی 2.00 روپے سے بڑھ کر 3.05 روپے ہو گئی، جو تقریباً 53 فیصد اضافے کو ظاہر کرتی ہے۔ مجموعی طور پر یہ نتائج اس امر کا ثبوت ہیں کہ کمپنی محصولات میں اضافے کو مستحکم منافع اور حصص یافتگان کے لیے بہتر منافع میں ڈھالنے کی صلاحیت رکھتی ہے۔

درج ذیل جدول میں 30 ستمبر 2026 کو ختم ہونے والی سہ ماہی کے لیے کمپنی کے غیر مجموعی مالیاتی نتائج کا خلاصہ، 30 ستمبر 2025 کو ختم ہونے والی سہ ماہی کے تقابلی اعداد و شمار کے ساتھ پیش کیا گیا ہے:

فرق	30 ستمبر کو ختم ہونے والی سہ ماہی		
	2025	2026	
	ملین روپے		
فیصد			
13.6%	43,774	49,708	خالص سیلز
11.2%	10,183	11,327	مجموعی منافع
21.7%	6,241	7,594	آپریٹنگ منافع
52.9%	2,797	4,277	خالص منافع
-	23%	23%	مجموعی منافع کی شرح
2.2%	6.4%	8.6%	خالص منافع کی شرح
52.9%	2.00	3.05	آمدنی فی شیئر - بنیادی اور تحلیل شدہ (روپے)



ڈائریکٹر صاحبان کی جائزہ رپورٹ

انٹرنول لینڈ ("انٹرولپ" یا "کمپنی") کے ڈائریکٹرز 30 ستمبر 2026 کو ختم ہونے والی پہلی سرمایہ کے لیے کمپنی کے غیر آڈٹ شدہ مالیاتی نتائج کے ہمراہ ڈائریکٹرز کی جائزہ رپورٹ پیش کرتے ہوئے مسرت محسوس کرتے ہیں۔

معاشی اور صنعتی جائزہ

مالی سال 2027 کی پہلی سرمایہ کے دوران عالمی معاشی ماحول بدستور چیلنج رہا، جس کی بنیادی وجوہات بڑھتی ہوئی جغرافیائی و سیاسی کشیدگی، توانائی کی منڈیوں میں اتار چڑھاؤ اور بین الاقوامی تجارت سے متعلق غیر یقینی صورتحال تھیں۔ امریکہ اور ایران کے مابین تنازع اور آبنائے ہرمز سے گزرنے والی تجارتی جہاز رانی کو روک پیش بڑھتے ہوئے خطرات نے توانائی کی ترسیل میں قفل کے خدشات کو مزید تقویت دی، جس کے نتیجے میں تیل کی قیمتوں میں اتار چڑھاؤ آوار مال برداری (فریٹ) اور میرین انشورنس کے اخراجات میں اضافہ ہوا۔ افراط زر کے نئے دباؤ کے پیش نظر امریکی فیڈرل ریزرو اور یورپی مرکزی بینک نے ستمبر میں مائیکرو پالیسی سخت کی، جس سے مالیاتی لاگت اور عالمی معاشی منظر نامے سے متعلق غیر یقینی صورتحال میں اضافہ ہوا۔ بین الاقوامی مالیاتی فنڈ (آئی ایم ایف) نے اپنی اکتوبر 2026 کی ورلڈ ایکٹو آؤٹ لک رپورٹ میں 2026 کے لیے عالمی معاشی شرح نمو 3.1 فیصد اور 2027 کے لیے 3.4 فیصد رہنے کا تخمینہ لگایا ہے، جبکہ 2026 میں افراط زر کی شرح 4.7 فیصد رہنے کی توقع ظاہر کی گئی ہے۔

پاکستان کی معیشت کو بدستور بیرونی اور اندرونی دباؤ کا سامنا رہا، بالخصوص توانائی کی قیمتوں میں اتار چڑھاؤ اور بڑھتی ہوئی مہنگائی کے باعث۔ مالی سال 2027 کی پہلی سرمایہ میں صارف قیمت اشاریہ (سی پی آئی) کی بنیاد پر اوسط افراط زر بڑھ کر 10.2 فیصد ہو گئی، جو گزشتہ سال کی اسی مدت میں 4.3 فیصد تھی، جبکہ اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ 11.5 فیصد پر برقرار رکھا۔ بیرونی شعبے میں اشیاء کی برآمدات 10.8 فیصد اضافے کے ساتھ 8.42 ارب امریکی ڈالر رہیں، جبکہ درآمدات 13.2 فیصد کی زیادہ رفتار سے بڑھ کر 19.22 ارب امریکی ڈالر ہو گئیں، جس کے نتیجے میں تجارتی خسارہ بڑھ کر 10.79 ارب امریکی ڈالر ہو گیا۔ نتیجتاً جاری کھاتے کا خسارہ بڑھ کر 874 ملین امریکی ڈالر ہو گیا، جبکہ گزشتہ سال کے اسی عرصے میں یہ خسارہ 755 ملین امریکی ڈالر تھا۔ بیرون ملک مقیم پاکستانی کارکنوں کی ترسیلات زر 14 فیصد اضافے کے ساتھ 10.87 ارب امریکی ڈالر تک پہنچ گئیں، جس سے زرمبادلہ کی آمد کو تقویت ملی، جبکہ زرمبادلہ کے ذخائر 26.77 ارب امریکی ڈالر رہے۔

مالی سال 2027 کی پہلی سرمایہ کے دوران پاکستان کے ٹیکسٹائل اور ملبوسات کے شعبے نے برآمدات میں اضافے کا تسلسل برقرار رکھا، برآمدات میں سالانہ بنیادوں پر 5.3 فیصد اضافہ ہوا، جس کے نتیجے میں ان کا حجم بڑھ کر 5.03 ارب امریکی ڈالر ہو گیا، جبکہ گزشتہ سال کے اسی عرصے میں یہ 4.78 ارب امریکی ڈالر تھا۔ برآمدات میں یہ اضافہ بنیادی طور پر ریڈیڈ گاڑمنٹس کی 5.03 برآمدات میں 15.7 فیصد اور ونٹ دیئر (نئے ہوئے کپڑوں) کی برآمدات میں 4.1 فیصد اضافے کی وجہ سے ہوا، جبکہ ہڈو دیئر کی برآمدات تقریباً مستحکم رہیں۔ دریں اثنا، تمبر تک جنگل گھیرالوں میں کپاس کی آمد تقریباً 3.21 ملین گانٹھ رہی، جو گزشتہ سال کی اسی مدت کے مقابلے میں 5.4 فیصد زیادہ ہے۔ فصل کے نقصانات، کیڑوں کے حملوں اور دروئی کے معیار سے متعلق خدشات کے ساتھ ساتھ تھمی پیداوار اور موسموں خام مال کی دستیابی کے حوالے سے غیر یقینی صورتحال میں اضافہ ہوا۔ حکومت کے بعد از اس جاری کردہ تخمینے کے مطابق مالی سال 2027 کے لیے کپاس کی متوقع پیداوار 6.71 ملین گانٹھ ہے۔

غیر مجموعی مالیاتی جائزہ

کمپنی نے مالی سال 2027 کی پہلی سرمایہ کے دوران مضبوط کارکردگی کا مظاہرہ کیا، جو محصولات میں مستحکم اضافے، آپریٹنگ منافع میں بہتری اور خالص منافع میں نمایاں اضافے کی عکاس ہے۔ خالص فروخت سال بہ سال 13.6 فیصد اضافے کے ساتھ 49,708 ملین روپے رہی، جو گزشتہ سال کی اسی مدت میں 43,774 ملین روپے تھی۔ خام منافع 11.2 فیصد اضافے کے ساتھ 11,327 ملین روپے رہا، جبکہ خام منافع کا مارجن رواں اوگزشتہ سال کی اسی مدت میں 23 فیصد پر برقرار رہا۔ یہ مجموعی بہتری فروخت کے حجم میں اضافے، پیداواری صلاحیت کے بہتر استعمال، سازگار پروڈکٹس اور اہم لاگتی عوامل کو موثر بنانے پر انتظامیہ کی مسلسل توجہ کا نتیجہ ہے۔



UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

For The Quarter Ended September 30, 2026

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at September 30, 2026

	Note	Unaudited September 30, 2026 (Rupees in '000)	Audited June 30, 2026 (Rupees in '000)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	80,051,879	80,854,247
Intangible assets		430,955	436,372
Long term investments		1,727,763	1,727,763
Long term loans		84,745	81,338
Long term deposits		309,291	306,096
		82,604,633	83,405,816
CURRENT ASSETS			
Stores and spares		4,348,432	3,996,870
Stock in trade		33,407,002	31,478,419
Trade debts	6	50,819,758	55,657,287
Loans and advances		2,555,367	2,484,153
Deposit, prepayments and other receivables		576,832	456,331
Derivative financial instruments		1,221,406	399,321
Accrued income		916	919
Refunds due from Government and statutory authorities		8,874,477	9,195,846
Short term investments		5,530,101	500,000
Cash and bank balances		896,898	92,555
		108,231,189	104,261,701
TOTAL ASSETS		190,835,822	187,667,517

	Note	Unaudited September 30, 2026 (Rupees in '000)	Audited June 30, 2026 (Rupees in '000)
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital	7	50,000,000	50,000,000
Issued, subscribed and paid up capital	8	14,017,095	14,017,095
Reserves		3,158,734	3,158,734
Unappropriated profit		51,643,842	47,366,643
		68,819,671	64,542,472
NON-CURRENT LIABILITIES			
Long term financing	9	14,753,755	22,150,326
Lease liabilities		263,548	143,656
Deferred liabilities		13,722,840	13,280,222
Infrastructure cess		750,805	734,808
		29,490,948	36,309,012
CURRENT LIABILITIES			
Trade and other payables		18,892,194	22,586,171
Unclaimed dividend		2,590	2,885
Accrued mark up		773,784	975,846
Short-term borrowings		70,429,854	60,549,549
Current portion of non-current liabilities		2,426,781	2,701,582
		92,525,203	86,816,033
CONTINGENCIES AND COMMITMENTS	10	–	–
TOTAL EQUITY AND LIABILITIES		190,835,822	187,667,517

The annexed notes 1 to 18 form an integral part of these unconsolidated condensed interim financial statements.



Director



Director



Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS

For The Quarter Ended September 30, 2026

	Note	Quarter ended	
		Unaudited September 30, 2026 (Rupees in '000)	Unaudited September 30, 2025 (Rupees in '000)
Sales - Net		49,708,147	43,774,357
Cost of sales	11	(38,380,668)	(33,591,416)
Gross profit		11,327,479	10,182,941
Distribution cost		(1,925,541)	(1,532,778)
Administrative expenses		(2,786,988)	(2,548,136)
Other operating expenses		(734,668)	(561,109)
Other income		1,714,039	699,750
		(3,733,158)	(3,942,273)
Profit from operations		7,594,321	6,240,668
Finance cost		(1,570,097)	(1,697,581)
Profit before income tax and levies		6,024,224	4,543,087
Levies		(7,102)	–
Profit before income tax		6,017,122	4,543,087
Income tax		(1,739,923)	(1,745,654)
Profit for the period		4,277,199	2,797,433
Earnings per share – basic and diluted (Rupees)		3.05	2.00

The annexed notes 1 to 18 form an integral part of these unconsolidated condensed interim financial statements.



Director



Director



Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For The Quarter Ended September 30, 2026

	Quarter ended	
	Unaudited September 30, 2026 (Rupees in '000)	Unaudited September 30, 2025 (Rupees in '000)
Profit for the period	4,277,199	2,797,433
Other comprehensive income:		
Items that will not be reclassified subsequently to profit or loss:	—	—
Items that may be reclassified subsequently to profit or loss:	—	—
Total comprehensive income for the period	4,277,199	2,797,433

The annexed notes 1 to 18 form an integral part of these unconsolidated condensed interim financial statements.



Director



Director



Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For The Quarter Ended September 30, 2026

	Share Capital	Capital Reserve Share Premium	Revenue Reserve Unappropriated Profit	Total
	(Rupees in '000)			
Balance as at July 01, 2025 – audited	14,017,095	3,158,734	38,047,206	55,223,035
Profit for the period	–	–	2,797,433	2,797,433
Other comprehensive income	–	–	–	–
Total comprehensive income for the period	–	–	2,797,433	2,797,433
Balance as at September 30, 2025 (un-audited)	14,017,095	3,158,734	40,844,639	58,020,468
Balance as at July 01, 2026 – audited	14,017,095	3,158,734	47,366,643	64,542,472
Profit for the period	–	–	4,277,199	4,277,199
Other comprehensive income	–	–	–	–
Total comprehensive income for the period	–	–	4,277,199	4,277,199
Balance as at September 30, 2026 (un-audited)	14,017,095	3,158,734	51,643,842	68,819,671

The annexed notes 1 to 18 form an integral part of these unconsolidated condensed interim financial statements.



Director



Director



Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS

For The Quarter Ended September 30, 2026

	Unaudited September 30, 2026 (Rupees in '000)	Unaudited September 30, 2025 (Rupees in '000)
A) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax and levies	6,024,224	4,543,087
Adjustments for:		
Depreciation on operating fixed assets	1,986,611	1,846,660
Depreciation on right of use assets	41,042	26,263
Amortization of intangible assets	21,403	18,743
Workers' profit participation fund	317,242	244,055
Workers' welfare fund	122,944	93,686
Staff retirement gratuity	700,136	991,108
Loss on disposal of non-current assets	12,646	11,687
Realized gain on derivative financial instruments	(686,240)	(14,867)
Unrealized gain on derivative financial instruments	(822,085)	(661,561)
Provision for obsolete inventory	62,553	80,530
Performance based rebate	(119,567)	-
Profit on term finance certificates TFCs	(16,910)	(16,135)
Finance cost	1,570,097	1,697,581
Operating cash flows before working capital changes	9,214,096	8,860,837
Changes in working capital		
(Increase)/decrease in current assets		
Stores and spares	(351,562)	(279,168)
Stock in trade	(1,991,136)	(851,498)
Trade debts	4,837,529	4,154,172
Loans and advances	(69,181)	(1,202,408)
Deposit, prepayments and other receivables	(120,501)	(175,818)
Refunds due from Government and statutory authorities	(41,208)	458,593
Short term investments	(5,030,101)	-
(Decrease)/increase in current liabilities		
Trade and other payables	(2,994,551)	2,656,398
	(5,760,711)	4,760,271
Cash generated from operations	3,453,385	13,621,108
Finance cost paid	(1,720,738)	(1,162,505)
Income tax paid	(1,158,812)	(1,275,831)
Staff retirement gratuity paid	(358,794)	(396,928)
Workers' profit participation fund paid	(1,103,798)	(502,403)
Workers' welfare fund paid	(60,000)	(30,000)
Long term loans (paid)/received	(5,440)	24,653
Settlement of derivative financial instruments	686,240	14,867
Long term deposits (paid)/received	(3,195)	4,170
Net cash (used in) / generated from operating activities	(271,152)	10,297,131

	Unaudited September 30, 2026 (Rupees in '000)	Unaudited September 30, 2025 (Rupees in '000)
B) CASH FLOWS FROM INVESTING ACTIVITIES		
Additions in:		
Property, plant and equipment	(1,092,962)	(1,704,987)
Intangible asset	(15,986)	(16,460)
Proceeds from disposal of non-current assets	70,246	88,087
Profit on term finance certificates (TFCs) received	16,913	16,144
Net cash used in investing activities	(1,021,789)	(1,617,216)
C) CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term financing – net	(7,733,246)	(5,650,621)
Payment of lease rentals	(49,480)	(32,418)
Changes in short term borrowings – net	9,880,305	(2,993,969)
Dividend paid	(295)	(192)
Net cash generated from / (used in) financing activities	2,097,284	(8,677,200)
Net increase in cash and cash equivalents (A+B+C)	804,343	2,715
Cash and cash equivalents at the beginning of the period	92,555	357,519
Cash and cash equivalents at the end of the period	896,898	360,234

The annexed notes 1 to 18 form an integral part of these unconsolidated condensed interim financial statements.



Director



Director



Chief Financial Officer

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

For The Quarter Ended September 30, 2026

1. LEGAL STATUS AND OPERATIONS

Interloop Limited (the Company) was incorporated in Pakistan on April 25, 1992 and publicly listed on Pakistan Stock Exchange on April 5, 2019. The registered office of the Company is situated at 15-A, Peoples Colony No. 1, Faisalabad, Pakistan. The manufacturing facilities are located at 1-km, 6-km, 7-km Jaranwala Road, Khurrianwala, Faisalabad and 8-km Manga Mandi, Raiwind Road, Lahore. The Company is a vertically integrated multi-category Full Family Clothing, manufacturing Hosiery, Denim, Knitted Apparel and Seamless Active wear, for top international brands and retailers, besides producing yarns for a range of textile customers. The Company's commitment to environmental, social and governance (ESG) is deeply rooted in its mission and has gained it global recognition as a pioneer in responsible manufacturing. The Company's diverse & engaged workforce and operational excellence have established it as a Partner of Choice for its customers.

2. BASIS OF PREPARATION

These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- i) International Accounting Standard ('IAS') 34, 'Interim Financial Reporting', issued by International Accounting Standards Board ('IASB') as notified under the Companies Act, 2017, and
- ii) Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These unconsolidated condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the financial statements for the year ended June 30, 2026.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of unconsolidated condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

In preparing these unconsolidated condensed interim financial statements, the significant judgments made by the management in applying accounting policies and the key sources of estimates were the same as those applied to the annual financial statements of the Company for the year ended June 30, 2026.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies and methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the Company's annual financial statements for the year ended June 30, 2026.

	Note	Unaudited September 30, 2026 (Rupees in '000)	Audited June 30, 2026 (Rupees in '000)
5. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	78,168,558	78,636,289
Capital work in progress	5.2	1,518,579	2,027,389
Right of use assets		364,742	190,569
		80,051,879	80,854,247
5.1 Operating fixed assets			
Opening written down value		78,636,289	72,704,304
Add: Additions during the period/year	5.1.1	1,601,772	14,218,751
Less: Disposals during the period/year		(82,892)	(353,864)
Less: Depreciation charged during the period/year		(1,986,611)	(7,932,902)
Closing written down value		78,168,558	78,636,289
5.1.1 Additions during the period/year			
Freehold land		23,111	25,365
Buildings on freehold land		143,600	2,827,665
Buildings on leasehold land		12,583	–
Plant and machinery		757,425	7,875,879
Tools and equipments		93,761	877,521
Office equipments		172,935	459,160
Electric installations		95,472	1,284,097
Furniture and fixtures		102,545	320,637
Vehicles		200,340	548,427
		1,601,772	14,218,751
5.2 Capital work in progress			
Civil works		340,247	465,226
Plant and machinery		560,424	520,241
Capital stores	5.2.1	231,192	412,548
Advances to suppliers		386,716	629,374
		1,518,579	2,027,389

5.2.1 Capital stores include factory tools and equipments, office equipments, electric installations and furniture and fixtures that are held in store for future use and capitalization.

	Note	Unaudited September 30, 2026 (Rupees in '000)	Audited June 30, 2026 (Rupees in '000)
6. TRADE DEBTS			
Foreign			
– Secured		16,712,687	15,649,939
– Unsecured	6.1	32,080,776	37,974,861
Local			
– Unsecured	6.1	2,026,295	2,032,487
		50,819,758	55,657,287

6.1 Management considers that these debts are good and will be recovered accordingly.

7. AUTHORIZED SHARE CAPITAL

Unaudited September 30, 2026 [Number of shares in '000]	Audited June 30, 2026		Unaudited September 30, 2026 (Rupees in '000)	Audited June 30, 2026
5,000,000	5,000,000	Ordinary shares of Rs. 10 each	50,000,000	50,000,000

8. ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Unaudited September 30, 2026 [Number of shares in '000]	Audited June 30, 2026		Unaudited September 30, 2026 (Rupees in '000)	Audited June 30, 2026
132,429	132,429	Ordinary shares of Rs. 10 each fully paid in cash	1,324,289	1,324,289
1,269,281	1,269,281	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	12,692,806	12,692,806
1,401,710	1,401,710		14,017,095	14,017,095

	Unaudited September 30, 2026 (Rupees in '000)	Audited June 30, 2026 (Rupees in '000)
9. LONG TERM FINANCING		
From financial institutions – secured	17,009,056	24,736,230
Less: Current portion of long term financing	(2,255,301)	(2,585,904)
	14,753,755	22,150,326

10. CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

10.1.1 The Punjab Revenue Authority (PRA) raised a demand of Rs. 60.720 million against the Company for the alleged default in withholding provincial sales tax on various transport services obtained during the period March 01, 2015 to May 31, 2016. The demand, comprising principal tax, default surcharge, and penalty, was raised under the provisions of the Punjab Sales Tax on Services Act, 2012 through Order No. ENF-Unit-1/32/2018 dated March 15, 2018. Aggrieved by the order, the Company filed an appeal before the Commissioner (Appeals), PRA, who through Appellate Order No. 175/2018 partially allowed the appeal by deleting amount of Rs. 36.753 million, while upholding a balance demand of Rs. 23.967 million. The Company further contested the matter before the Honourable Appellate Tribunal PRA, which, through Order No. 85/2018 dated February 21, 2019, set aside the earlier decision and remanded the case back to the assessing officer for fresh examination.

In the second round of litigation, the Commissioner PRA, through Order-in-Original No. 16/2019 dated July 16, 2019, revised the demand to Rs. 13.195 million. The Company once again appealed before the Honourable Appellate Tribunal, which through Order-in-Appeal No. 99/2019 dated October 22, 2019, again remanded the matter back to the Additional Commissioner Enforcement – I for denovo consideration. Meanwhile, the department initiated coercive recovery measures and forcibly recovered Rs. 15.317 million by attaching the Company's bank account. In response, the Company filed a writ petition before the Honourable Lahore High Court, Lahore, which directed the concerned Commissioner PRA to review the matter and either refund the amount recovered or appropriately adjust it against any lawful tax liability.

However, in compliance with the aforementioned Order dated October 22, 2019 of the Honourable Appellate Tribunal, a third round of litigation was initiated, resulting in the creation of an alleged tax demand of Rs. 45.248 million. After adjusting the previously recovered amount of Rs. 15.317 million, a net demand of Rs. 29.931 million was raised through Order-in-Original No. 109/2020 dated June 30, 2020. The Company filed an appeal before the Commissioner (Appeals), PRA, who, through Appeal No. 203/2020 dated November 28, 2023, upheld the order of the assessing authority in its entirety. Consequently, the Company has preferred a further appeal before the Honourable Appellate Tribunal PRA. Subsequently, the Honourable Appellate Tribunal PRA has remanded the matter back to the Additional Commissioner, PRA for fresh adjudication, where the case is currently pending.

The Company has not made any provision against the above demand as the management is confident that the ultimate outcome of the appeal would be in favor of the Company, inter alia on the basis of the advice of the tax consultant and relevant law and facts.

10.1.2 Bank guarantees issued by various banks on behalf of the Company in favour of:

	Unaudited September 30, 2026 (Rupees in '000)	Audited June 30, 2026 (Rupees in '000)
Sui Northern Gas Pipelines limited against supply of gas.	1,731,380	1,731,380
State Bank of Pakistan against Technology Upgradation Fund	110,112	–
The Director, Excise and Taxation, Karachi against imposition of infrastructure cess	–	1,500
Faisalabad Electric Supply Company (FESCO) against supply of electricity	154,425	154,425
Lahore Electric Supply Company (LESCO) against supply of electricity	7,370	7,370
Punjab Revenue Authority against imposition of infrastructure cess	11,533	11,533
Total Parco Pakistan Limited	6,000	6,000
	2,020,820	1,912,208
10.1.3 Post dated cheques issued in favour of custom authorities for release of imported goods	6,024,929	6,320,941
10.2 Commitments		
Under letters of credit for:		
Raw materials	3,344,756	2,824,307
Capital expenditure	421,014	658,688
Stores and spares	61,071	76,883
	3,826,841	3,559,878

	Quarter ended	
	Unaudited September 30, 2026 (Rupees in '000)	Unaudited September 30, 2025 (Rupees in '000)
11. COST OF SALES		
Raw material consumed	24,104,609	18,852,476
Stores and spares consumed	1,053,581	924,058
Knitting, processing and packing charges	1,749,199	878,904
Salaries, wages and benefits	9,200,072	8,098,517
Staff retirement gratuity	642,531	867,151
Fuel and power	2,780,400	2,825,603
Repairs and maintenance	206,871	225,993
Insurance	57,419	51,135
Depreciation on operating fixed assets	1,738,659	1,611,081
Depreciation on right of use assets	41,042	26,263
Amortization of intangible assets	68	85
Rent, rate and taxes	13,378	19,406
Other manufacturing costs	168,705	120,606
	41,756,534	34,501,278
Opening work in process	7,937,497	5,012,176
Closing work in process	(8,398,105)	(5,406,478)
	(460,608)	(394,302)
Cost of goods manufactured	41,295,926	34,106,976
Opening finished goods	8,672,200	8,346,950
Closing finished goods	(11,587,458)	(8,862,510)
	(2,915,258)	(515,560)
	38,380,668	33,591,416

12. TRANSACTIONS WITH RELATED PARTIES

Related parties include subsidiaries, associated companies and undertakings, entities under common directorship, directors, major shareholders, key management personnel, employees benefit trust and post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

Name	Nature of transaction	Quarter ended	
		Unaudited September 30, 2026 (Rupees in '000)	Unaudited September 30, 2025 (Rupees in '000)
Interloop Holdings (Pvt.) Limited – Associate	Services received	82,936	109,403
	Commission paid	15,579	10,329
	Gratuity transferred	–	2,607
Texlan Center (Pvt.) Limited – Associate	Sale of yarn	522,536	418,537
	Sale of packing material	20,733	21,732
	Services received	650,325	85,636
Momentum Logistics (Pvt.) Limited – Associate	Services received	394,655	398,162
Interloop Europe – Associate	Sale of socks	7,437	25,224
PrintKraft (Pvt.) Limited–Associate	Purchase of packing material	46,618	36,974
Socks & Socks (Pvt.) Limited – Associate	Services received	–	64,270
	Sale of goods – net	–	716
Interloop Welfare Trust	Donation paid	69,885	–
Octans Digital (Pvt.) Limited – Associate	Services received	11,984	–
	Purchase of assets	–	4,900
Interloop Employees Provident Fund	Contribution to the fund	321,772	32,890
ILNA Inc., USA - Associate	Services received	560,922	502,714
Zhejiang Top Circle Textiles Co., Ltd. – Subsidiary	Services received	551,477	469,295
Pinghu Top Circle Knitting Co., Ltd. – Subsidiary	Services received	–	94
IRC Dairy Products (Pvt.) Limited – Associate	Purchase of goods	6,415	–
Key management personnel & other related parties	Sale of asset	89	18,303
	Rent expenses	–	439
	Remuneration and other benefits	2,154,494	1,811,114
	Directorship fee	8,400	5,600

	Unaudited September 30, 2026 (Rupees in '000)	Audited June 30, 2026 (Rupees in '000)
13. SHARIAH DISCLOSURES UNDER CLAUSE VII OF PART I OF SCHEDULE IV OF THE COMPANIES ACT, 2017		
<u>Statement of Financial Position – Liability Side:</u>		
Financing (long-term, short-term, or lease financing) obtained as per Islamic mode		
Long-term financing	10,656,721	15,694,334
Short-term borrowings	21,185,498	19,123,930
Interest or mark-up accrued on any conventional loan or advance	477,449	559,003
<u>Statement of Financial Position – Asset Side:</u>		
Long-term and short-term Shariah-compliant Investments		
Long-term investment	1,727,763	1,727,763
Shariah-compliant bank deposits, bank balances, and TDRs		
Bank balances	93,559	31,159
STATEMENT OF PROFIT OR LOSS		
Revenue earned from a Shariah-compliant business segment	49,708,147	182,843,131
Break-up of late payments or liquidated damages	–	–
Gain or loss or dividend earned on Shariah compliant investments or share of profit from Shariah-compliant associates	–	–
Profit earned from Shariah-compliant bank deposits, bank balances, or TDRs	–	–
Exchange gain earned from actual currency	5,119	20,841
Exchange gains earned using conventional derivative financial instruments	1,508,325	2,697,889
Profit paid on Islamic mode of financing	652,598	2,518,088
Total Interest earned on any conventional loan or advance	–	–

	Unaudited September 30, 2026 (Rupees in '000)	Audited June 30, 2026 (Rupees in '000)
Source and detailed breakup of other income, including breakup of other or miscellaneous portions of other income into Shariah-compliant and non-compliant income		
Shariah-compliant income:		
Exchange gain earned from actual currency	5,119	20,841
Scrap sales	58	234
Remeasurement gain of SIDC	—	470,193
Performance based rebate	119,567	—
Non-Shariah-Compliant income:		
Realized gain on derivative financial instruments	686,240	2,298,568
Unrealized gain on derivative financial instruments	822,085	399,321
Profit on term finance certificates (TFCs)	16,910	63,366
Profit on saving accounts	35,651	64,129
Gain on investment in mutual funds	28,409	115,577

Relationship with Shariah-compliant banks

Name of institutions	Relationship with institutions
MCB Islamic Bank	Bank balance, long-term financing and short-term borrowing
Meezan Bank Limited	Bank balance, long-term financing and short-term borrowing
Habib Bank Limited (Islamic Banking)	Bank balance, long-term financing and short-term borrowing
Faysal Bank Limited	Bank balance, long-term financing and short-term borrowing
Bank Alfalah Limited (Islamic)	Bank balance and short-term borrowing
Bank of Punjab (Taqwa Islamic Banking)	Bank balance
United Bank Limited – Ameen	Bank balance and short-term borrowing
Allied Bank Limited (Islamic Banking)	Bank balance
Standard Chartered Bank Pakistan Limited	Short-term borrowing
Bank Islami Pakistan Limited	Bank balance and short-term borrowing

14. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. To provide an indication about the reliability of the inputs used in determining fair value, the Company classifies its financial instruments into the three levels prescribed under the IFRSs.

Level 1: Fair value measurements using quoted (unadjusted) in active markets for identical asset or liability.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The following table presents the Company's significant financial assets and liabilities measured and recognized at fair value at September 30, 2026 and June 30, 2026 on a recurring basis:

Unaudited				
September 30, 2026				
	Level 1	Level 2	Level 3	Total
Rupees in '000				
Financial assets				
Derivative financial instruments	–	1,221,406	–	1,221,406
Total financial assets	–	1,221,406	–	1,221,406
Total financial liabilities	–	–	–	–
Audited				
June 30, 2026				
	Level 1	Level 2	Level 3	Total
Rupees in '000				
Financial assets				
Derivative financial instruments	–	399,321	–	399,321
Total financial assets	–	399,321	–	399,321
Total financial liabilities	–	–	–	–

During the period, there were no significant changes in the business or economic circumstances that affect the fair value of the Company's financial assets and financial liabilities. Furthermore, there were no reclassifications of financial assets.

15. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The Company finances its operations through equity, borrowings and management of working capital with a view to maintain an appropriate mix between various sources of finance to minimize risk. The Company follows an effective cash management and planning policy and maintains flexibility in funding by keeping committed credit lines available. Market risks are managed by the Company through the adoption of appropriate policies to cover currency risks and interest rate risks.

The Company has managed its currency risks by forward currency contracts.

There have been no changes in the risk management policies since June 30, 2026 except for those specifically mentioned. Consequently, these condensed interim financial statements do not include all the financial risk management information and disclosures required for the annual financial statements.

16. DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on October 22, 2026 by the Board of Directors of the Company.

17. EVENT AFTER THE REPORTING DATE

The Board of Directors in their meeting held on September 10, 2026 proposed a final cash dividend of Rs. 2 per share (2025: Re. 1 per share), amounting to Rs. 2,803.42 million (2025: Rs. 1,401.71 million), for the year ended June 30, 2026. The same has been approved by the members at the Annual General Meeting of the Company.

18. GENERAL

18.1 Corresponding figures

In order to comply with the requirements of IAS 34, the unconsolidated condensed interim statement of financial position has been compared with the balances of annual audited financial statements of immediately preceding financial year, whereas, the unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim statement of cash flows have been compared with the balances of comparable periods of immediately preceding financial year.

18.2 Rounding

Figures have been rounded off to the nearest thousand.



Director



Director



Chief Financial Officer



CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

For The Quarter Ended September 30, 2026

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

As at September 30, 2026

	Note	Unaudited September 30, 2026 (Rupees in '000)	Audited June 30, 2026 (Rupees in '000)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	81,737,180	82,611,701
Intangible assets		444,858	450,553
Long term investments		161,416	160,157
Long term loans		84,745	81,338
Long term deposits		309,291	306,096
		82,737,490	83,609,845
CURRENT ASSETS			
Stores and spares		4,348,432	3,996,870
Stock in trade		34,250,106	32,174,004
Trade debts	7	51,307,746	56,309,003
Loans and advances		3,056,888	2,812,852
Deposits, prepayments and other receivables		906,183	789,000
Derivative financial instruments		1,221,406	399,321
Accrued income		916	919
Refunds due from Government and statutory authorities		8,963,230	9,288,189
Short term investment		5,530,101	500,000
Cash and bank balances		1,439,904	659,861
		111,024,912	106,930,019
TOTAL ASSETS		193,762,402	190,539,864

	Note	Unaudited September 30, 2026 (Rupees in '000)	Audited June 30, 2026 (Rupees in '000)
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital	8	50,000,000	50,000,000
Issued, subscribed and paid up capital	9	14,017,095	14,017,095
Reserves		3,232,254	3,214,697
Unappropriated profit		52,076,868	47,829,663
Equity attributable to owners of parent company		69,326,217	65,061,455
Non – controlling interest		1,256,798	1,263,795
		70,583,015	66,325,250
NON-CURRENT LIABILITIES			
Long term financing	10	14,753,755	22,150,326
Lease liabilities		281,938	143,656
Deferred liabilities		13,722,840	13,280,222
Infrastructure cess		750,805	734,808
		29,509,338	36,309,012
CURRENT LIABILITIES			
Trade and other payables		20,037,040	23,611,950
Unclaimed dividend		2,590	2,885
Accrued mark up		773,784	975,846
Short term borrowings		70,429,854	60,549,549
Current portion of non-current liabilities		2,426,781	2,765,372
		93,670,049	87,905,602
CONTINGENCIES AND COMMITMENTS	11	–	–
TOTAL EQUITY AND LIABILITIES		193,762,402	190,539,864

The annexed notes form an integral part of these consolidated condensed interim financial statements.



Director



Director



Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS

For The Quarter Ended September 30, 2026

	Note	Quarter ended	
		Unaudited September 30, 2026 (Rupees in '000)	Unaudited September 30, 2025 (Rupees in '000)
Sales - Net		50,748,759	45,202,252
Cost of sales	12	(39,212,228)	(34,682,641)
Gross profit		11,536,531	10,519,611
Distribution cost		(2,024,154)	(1,619,005)
Administrative expenses		(2,916,810)	(2,763,161)
Other operating expenses		(754,343)	(607,438)
Other income		1,708,978	706,919
		(3,986,329)	(4,282,685)
Profit from operations		7,550,202	6,236,926
Finance cost		(1,572,844)	(1,702,740)
Profit before income tax and levies		5,977,358	4,534,186
Levies		(7,102)	–
Profit before income tax		5,970,256	4,534,186
Income tax		(1,739,923)	(1,791,734)
Profit for the period		4,230,333	2,742,452
Attributable to:			
Owners of parent company		4,247,205	2,762,245
Non – controlling interest		(16,872)	(19,793)
		4,230,333	2,742,452
Earnings per share – basic and diluted (Rupees)		3.03	1.96

The annexed notes form an integral part of these consolidated condensed interim financial statements.



Director



Director



Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For The Quarter Ended September 30, 2026

	Quarter ended	
	Unaudited September 30, 2026 (Rupees in '000)	Unaudited September 30, 2025 (Rupees in '000)
Profit for the period	4,230,333	2,742,452
Other comprehensive income/(loss):		
Items that may be reclassified subsequently to profit or loss:		
Exchange difference on translation of foreign operations	27,432	(10,188)
Total comprehensive income for the period	4,257,765	2,732,264
Attributable to:		
Owners of parent company	4,264,762	2,755,724
Non – controlling interest	(6,997)	(23,460)
	4,257,765	2,732,264

The annexed notes form an integral part of these consolidated condensed interim financial statements.



Director



Director



Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For The Quarter Ended September 30, 2026

	Attributable to owners of the Parent					Non - controlling Interest	Total
	Share Capital	Capital Reserve	Revenue Reserves		Sub total		
		Share Premium	Unappropriated Profit	Translation Reserve			
(Rupees in '000)							
Balance as at July 01, 2025 – audited	14,017,095	3,158,734	38,960,121	(27,941)	56,108,009	1,469,665	57,577,674
Profit for the period	–	–	2,762,245	–	2,762,245	(19,793)	2,742,452
Other comprehensive loss	–	–	–	(6,521)	(6,521)	(3,667)	(10,188)
Total comprehensive income for the period	–	–	2,762,245	(6,521)	2,755,724	(23,460)	2,732,264
Balance as at September 30, 2025 (un-audited)	14,017,095	3,158,734	41,722,366	(34,462)	58,863,733	1,446,205	60,309,938
Balance as at July 01, 2026 – audited	14,017,095	3,158,734	47,829,663	55,963	65,061,455	1,263,795	66,325,250
Profit for the period	–	–	4,247,205	–	4,247,205	(16,872)	4,230,333
Other comprehensive income	–	–	–	17,557	17,557	9,875	27,432
Total comprehensive income for the period	–	–	4,247,205	17,557	4,264,762	(6,997)	4,257,765
Balance as at September 30, 2026 (un-audited)	14,017,095	3,158,734	52,076,868	73,520	69,326,217	1,256,798	70,583,015

The annexed notes form an integral part of these consolidated condensed interim financial statements.



Director



Director



Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS

For The Quarter Ended September 30, 2026

	Unaudited September 30, 2026 (Rupees in '000)	Unaudited September 30, 2025 (Rupees in '000)
A) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax and levies	5,977,358	4,534,186
Adjustments for:		
Depreciation on operating fixed assets	2,040,844	1,899,563
Depreciation on right of use assets	63,162	47,521
Amortization of intangible assets	21,791	18,888
Workers' profit participation fund	317,242	244,055
Workers' welfare fund	122,944	93,686
Staff retirement gratuity	700,136	991,108
Loss on disposal of non-current assets	20,794	11,687
Provision for obsolete inventory	62,553	80,530
Exchange loss – net	20,777	9,223
Realized gain on derivative financial instruments	(686,240)	(14,867)
Unrealized gain on derivative financial instruments	(822,085)	(661,561)
Performance based rebate	(119,567)	–
Profit on term finance certificates TFCs	(16,910)	(16,135)
Finance cost	1,572,844	1,702,740
Operating cash flows before working capital changes	9,275,643	8,940,624
Changes in working capital		
(Increase)/decrease in current assets		
Stores and spares	(351,562)	(279,168)
Stock in trade	(2,132,628)	(919,719)
Trade debts	4,974,095	4,275,855
Loans and advances	(252,304)	(1,144,429)
Deposits, prepayments and other receivables	(340,950)	(401,061)
Refunds due from Government and statutory authorities	(41,208)	458,593
Short term investment	(5,030,101)	–
(Decrease)/increase in current liabilities		
Trade and other payables	(2,608,281)	3,050,861
	(5,782,940)	5,040,932
Cash generated from operations	3,492,703	13,981,556
Finance cost paid	(1,722,909)	(1,166,490)
Income tax paid	(1,158,812)	(1,321,911)
Staff retirement gratuity paid	(358,794)	(396,928)
Workers' profit participation fund paid	(1,103,798)	(502,403)
Workers' welfare fund paid	(60,000)	(30,000)
Long term loans (paid)/received	(5,440)	24,653
Settlement of derivative financial instruments	686,240	14,867
Long term deposits (paid) / received	(3,195)	4,170
Exchange loss – net	(20,772)	(159)
Net cash (used in) / generated from operating activities	(254,777)	10,607,355

	Unaudited September 30, 2026 (Rupees in '000)	Unaudited September 30, 2025 (Rupees in '000)
B) CASH FLOWS FROM INVESTING ACTIVITIES		
Additions in:		
Property, plant and equipment	(1,093,003)	(1,714,039)
Intangible asset	(15,986)	(18,251)
Proceeds from disposal of non-current assets	71,439	88,087
Profit on term finance certificates (TFCs) received	16,913	16,144
Net cash used in investing activities	(1,020,637)	(1,628,059)
C) CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term financing – net	(7,733,246)	(5,650,621)
Payment of lease rentals	(95,658)	(76,801)
Changes in short term borrowings – net	9,880,305	(3,112,630)
Dividend paid	(295)	(192)
Net cash generated from / (used in) financing activities	2,051,106	(8,840,244)
Net increase in cash and cash equivalents (A+B+C)	775,692	139,052
Cash and cash equivalents at the beginning of the period	659,861	1,088,334
Effect of exchange rate changes on cash and cash equivalents	4,351	(2,008)
Cash and cash equivalents at the end of the period	1,439,904	1,225,378

The annexed notes form an integral part of these consolidated condensed interim financial statements.



Director



Director



Chief Financial Officer

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

For The Quarter Ended September 30, 2026

1. THE GROUP AND ITS OPERATIONS

The Group comprises of:

Interloop Limited – The Holding Company

Interloop Limited (the Holding Company) was incorporated in Pakistan on April 25, 1992 and publicly listed on Pakistan Stock Exchange on April 5, 2019. The registered office of the Holding Company is situated at 15–A, Peoples Colony No. 1, Faisalabad, Pakistan. The manufacturing facilities are located at 1–km, 6–km, 7–km Jaranwala Road, Khurrianwala, Faisalabad and 8–km Manga Mandi, Raiwind Road, Lahore. The Holding Company is a vertically integrated multi–category Full Family Clothing, manufacturing Hosiery, Denim, Knitted Apparel and Seamless Active wear, for top international brands and retailers, besides producing yarns for a range of textile customers. The Holding Company's commitment to environmental, social responsibility & governance (ESG) is deeply rooted in its mission and has gained it global recognition as a pioneer in responsible manufacturing. The Holding Company's diverse & engaged workforce and operational excellence has established it as a Partner of Choice for its customers.

Top Circle Hosiery Mills Co., Inc. – The Subsidiary Company (Holding– 64% (June 30, 2026: 64%))

Top Circle Hosiery Mills Co., Inc. was incorporated in 1992. The registered office of the company is situated at 329 Franklin St. Weissport, PA, USA and manufacturing facility is located in 800 Quyang Road, Shanghai, China. The principal business activity is manufacturing and trading of highest quality hosiery products. The company has 100% equity stake directly and indirectly in following companies:

- Shanghai Haolu Trading Co., Ltd
- Pinghu Top Circle Knitting Co., Ltd
- Zhejiang Top Circle Textiles Co., Ltd
- Shanghai Chenzhou Industry Co., Ltd
- Haolu Trading USA Co., Inc.

2. BASIS OF PREPARATION

These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- i) International Accounting Standard ('IAS') 34, 'Interim Financial Reporting', issued by International Accounting Standards Board ('IASB') as notified under the Companies Act, 2017, and
- ii) Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These consolidated condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the financial statements for the year ended June 30, 2026.

3. BASIS OF CONSOLIDATION

Subsidiaries

Subsidiaries are the entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are deconsolidated from the date that control ceases.

The assets and liabilities of Subsidiary Companies have been consolidated on a line by line basis and carrying value of investments held by the Holding Company is eliminated against Holding Company's share in paid up capital of the Subsidiary Companies.

Intragroup balances and transactions have been eliminated.

Non-controlling interests are that part of net results of the operations and of net assets of Subsidiary Companies attributable to interest which are not owned by the Holding Company. Non-controlling interests are presented as separate item in the consolidated financial statements.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of consolidated condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

In preparing these consolidated condensed interim financial statements, the significant judgments made by the management in applying accounting policies and the key sources of estimates were the same as those applied to the annual financial statements of the Group for the year ended June 30, 2026.

5. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies and the methods of computation adopted in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of annual audited financial statements of the Group for the year ended June 30, 2026.

	Note	Unaudited September 30, 2026 (Rupees in '000)	Audited June 30, 2026 (Rupees in '000)
6. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	6.1	79,665,843	80,185,215
Capital work in progress	6.2	1,650,273	2,158,001
Right of use assets		421,064	268,485
		81,737,180	82,611,701
6.1 Operating fixed assets			
Opening written down value		80,185,215	74,380,911
Add: Additions during the period/year	6.1.1	1,601,772	14,252,115
Less: Disposals during the period/year		(92,243)	(353,864)
Less: Depreciation charged during the period/year		(2,040,844)	(8,149,700)
Exchange rate translation impact on opening balances		11,943	55,753
Closing written down value		79,665,843	80,185,215
6.1.1 Additions during the period/year			
Freehold land		23,111	25,365
Buildings on freehold land		143,600	2,827,665
Buildings on leasehold land		12,583	–
Plant and machinery		757,425	7,905,266
Tools and equipments		93,761	877,521
Office equipments		172,935	463,137
Electric installations		95,472	1,284,097
Furniture and fixtures		102,545	320,637
Vehicles		200,340	548,427
		1,601,772	14,252,115
6.2 Capital work in progress			
Civil works		340,246	465,226
Plant and machinery		692,119	650,853
Capital stores	6.2.1	231,192	412,548
Advances to suppliers		386,716	629,374
		1,650,273	2,158,001

6.2.1 Capital stores include factory tools and equipments, office equipments, electric installations and furniture and fixtures that are held in store for future use and capitalization.

	Note	Unaudited September 30, 2026 (Rupees in '000)	Audited June 30, 2026 (Rupees in '000)
7. TRADE DEBTS			
Foreign			
– Secured		16,712,687	15,649,939
– Unsecured	7.1	32,568,764	38,626,577
Local			
– Unsecured	7.1	2,026,295	2,032,487
		51,307,746	56,309,003

7.1 Management considers that these debts are good and will be recovered accordingly.

8. AUTHORIZED SHARE CAPITAL

Unaudited September 30, 2026 [Number of shares in '000]	Audited June 30, 2026 [Number of shares in '000]		Unaudited September 30, 2026 (Rupees in '000)	Audited June 30, 2026 (Rupees in '000)
5,000,000	5,000,000	Ordinary shares of Rs. 10 each	50,000,000	50,000,000

9. ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Unaudited September 30, 2026 [Number of shares in '000]	Audited June 30, 2026 [Number of shares in '000]		Unaudited September 30, 2026 (Rupees in '000)	Audited June 30, 2026 (Rupees in '000)
132,429	132,429	Ordinary shares of Rs. 10 each		
		fully paid in cash	1,324,289	1,324,289
1,269,281	1,269,281	Ordinary shares of Rs. 10 each issued as		
		fully paid bonus shares	12,692,806	12,692,806
1,401,710	1,401,710		14,017,095	14,017,095

	Unaudited September 30, 2026 (Rupees in '000)	Audited June 30, 2026 (Rupees in '000)
10. LONG TERM FINANCING		
From financial institutions – secured	17,009,056	24,736,230
Less: Current portion of long term financing	(2,255,301)	(2,585,904)
	14,753,755	22,150,326

11. CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

11.1.1 The Punjab Revenue Authority (PRA) raised a demand of Rs. 60.720 million against the Holding Company for the alleged default in withholding provincial sales tax on various transport services obtained during the period March 01, 2015 to May 31, 2016. The demand, comprising principal tax, default surcharge, and penalty, was raised under the provisions of the Punjab Sales Tax on Services Act, 2012 through Order No. ENF–Unit–1/32/2018 dated March 15, 2018. Aggrieved by the order, the Holding Company filed an appeal before the Commissioner (Appeals), PRA, who through Appellate Order No. 175/2018 partially allowed the appeal by deleting amount of Rs. 36.753 million, while upholding a balance demand of Rs. 23.967 million. The Holding Company further contested the matter before the Honourable Appellate Tribunal PRA, which, through Order No. 85/2018 dated February 21, 2019, set aside the earlier decision and remanded the case back to the assessing officer for fresh examination.

In the second round of litigation, the Commissioner PRA, through Order–in–Original No. 16/2019 dated July 16, 2019, revised the demand to Rs. 13.195 million. The Holding Company once again appealed before the Honourable Appellate Tribunal, which through Order–in–Appeal No. 99/2019 dated October 22, 2019, again remanded the matter back to the Additional Commissioner Enforcement – I for denovo consideration. Meanwhile, the department initiated coercive recovery measures and forcibly recovered Rs. 15.317 million by attaching the Holding Company’s bank account. In response, the Holding Company filed a writ petition before the Honourable Lahore High Court, Lahore, which directed the concerned Commissioner PRA to review the matter and either refund the amount recovered or appropriately adjust it against any lawful tax liability.

However, in compliance with the aforementioned Order dated October 22, 2019 of the Honourable Appellate Tribunal, a third round of litigation was initiated, resulting in the creation of an alleged tax demand of Rs. 45.248 million. After adjusting the previously recovered amount of Rs. 15.317 million, a net demand of Rs. 29.931 million was raised through Order–in–Original No. 109/2020 dated June 30, 2020. The Holding Company filed an appeal before the Commissioner (Appeals), PRA, who, through Appeal No. 203/2020 dated November 28, 2023, upheld the order of the assessing authority in its entirety. Consequently, the Holding Company has preferred a further appeal before the Honourable Appellate Tribunal PRA. Subsequently, the Honourable Appellate Tribunal PRA has remanded the matter back to the Additional Commissioner, PRA for fresh adjudication, where the case is currently pending.

The Holding Company has not made any provision against the above demand as the management is confident that the ultimate outcome of the appeal would be in favor of the Holding Company, inter alia on the basis of the advice of the tax consultant and relevant law and facts.

11.1.2 Bank guarantees issued by various banks on behalf of the Holding Company in favour of:

	Unaudited September 30, 2026 (Rupees in '000)	Audited June 30, 2026 (Rupees in '000)
Sui Northern Gas Pipelines limited against supply of gas	1,731,380	1,731,380
State Bank of Pakistan against Technology Upgradation Fund	110,112	–
The Director, Excise and Taxation, Karachi against imposition of infrastructure cess	–	1,500
Faisalabad Electric Supply Company (FESCO) against supply of electricity	154,425	154,425
Lahore Electric Supply Company (LESCO) against supply of electricity	7,370	7,370
Punjab Revenue Authority against imposition of infrastructure cess	11,533	11,533
Total Parco Pakistan Limited	6,000	6,000
	2,020,820	1,912,208
11.1.3 Post dated cheques issued in favour of custom authorities for release of imported goods	6,024,929	6,320,941
11.2 Commitments		
Under letters of credit for:		
Raw materials	3,344,756	2,824,307
Capital expenditure	421,014	658,688
Stores and spares	61,071	76,883
	3,826,841	3,559,878

	Quarter ended	
	Unaudited September 30, 2026 (Rupees in '000)	Unaudited September 30, 2025 (Rupees in '000)
12. COST OF SALES		
Raw material consumed	25,462,630	20,024,334
Stores and spares consumed	1,054,441	933,229
Knitting, processing and packing charges	1,219,718	442,778
Salaries, wages and benefits	9,274,861	8,198,947
Staff retirement gratuity	642,531	867,151
Fuel and power	2,808,538	2,869,908
Repairs and maintenance	208,318	226,368
Insurance	57,419	51,135
Depreciation on operating fixed assets	1,776,852	1,646,909
Amortization of intangible assets	68	85
Depreciation on right of use assets	56,717	41,327
Rent, rate and taxes	13,867	22,613
Other manufacturing costs	171,895	120,606
	42,747,855	35,445,390
Opening work in process	8,106,705	5,196,278
Closing work in process	(8,542,295)	(5,558,955)
	(435,590)	(362,677)
Cost of goods manufactured	42,312,265	35,082,713
Opening finished goods	8,828,825	8,807,001
Closing finished goods	(11,928,862)	(9,207,073)
	(3,100,037)	(400,072)
	39,212,228	34,682,641

13. TRANSACTIONS WITH RELATED PARTIES

Related parties include associated companies and undertakings, entities under common directorship, directors, major shareholders, key management personnel, employees benefit trust and post employment benefit plans. The Group in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties are as follows:

Name	Nature of transaction	Quarter ended	
		Unaudited September 30, 2026 (Rupees in '000)	Unaudited September 30, 2025 (Rupees in '000)
Interloop Holdings (Pvt.) Limited – Associate	Services received	82,936	109,403
	Commission paid	15,579	10,329
	Gratuity transferred	–	2,607
Texlan Center (Pvt.) Limited – Associate	Sale of yarn	522,536	418,537
	Sale of packing material	20,733	21,732
	Services received	650,325	85,636
Momentum Logistics (Pvt.) Limited – Associate	Services received	394,655	398,162
Interloop Europe – Associate	Sale of socks	7,437	25,224
PrintKraft (Pvt.) Limited – Associate	Purchase of packing material	46,618	36,974
Socks & Socks (Pvt.) Limited – Associate	Services received	–	64,270
	Sale of goods– net	–	716
Interloop Welfare Trust – Trustee	Donation paid	69,885	–
Octans Digital (Pvt.) Limited – Associate	Services received	11,984	–
	Purchase of asset	–	4,900
Interloop Employees Provident Fund	Contribution to the fund	321,772	32,890
ILNA Inc., USA - Associate	Services received	560,922	502,714
IRC Dairy Products (Pvt.) Limited – Associate	Purchase of goods	6,415	–
Key management personnel & other related parties	Sale of asset	89	18,303
	Rent expenses	–	439
	Remuneration and other benefits	2,169,681	1,839,474
	Directorship fee	8,400	5,600

	Unaudited September 30, 2026 (Rupees in '000)	Audited June 30, 2026 (Rupees in '000)
14. SHARIAH DISCLOSURES UNDER CLAUSE VII OF PART I OF SCHEDULE IV OF THE COMPANIES ACT, 2017		
<u>Statement of Financial Position – Liability Side:</u>		
Financing (long-term, short-term, or lease financing) obtained as per Islamic mode		
Long-term financing	10,656,721	15,694,334
Short-term borrowings	21,185,498	19,123,930
Interest or mark-up accrued on any conventional loan or advance	477,449	559,003
<u>Statement of Financial Position – Asset Side:</u>		
Long-term and short-term Shariah compliant Investments		
Long-term investment	161,416	160,157
Shariah-compliant bank deposits, bank balances, and TDRs		
Bank balances	93,559	31,159
<u>STATEMENT OF PROFIT OR LOSS</u>		
Revenue earned from a Shariah-compliant business segment	50,748,759	187,698,400
Break-up of late payments or liquidated damages	–	–
Gain or loss or dividend earned on Shariah compliant investments or share of profit from Shariah-compliant associates	–	–
Profit earned from Shariah-compliant bank deposits, bank balances, or TDRs	–	–
Exchange gain earned from actual currency	–	–
Exchange gains earned using conventional derivative financial instruments	1,508,325	2,697,889
Profit paid on Islamic mode of financing	652,598	2,518,088
Total Interest earned on any conventional loan or advance	–	–

	Unaudited September 30, 2026 (Rupees in '000)	Audited June 30, 2026 (Rupees in '000)
Source and detailed breakup of other income, including breakup of other or miscellaneous portions of other income into Shariah-compliant and non-compliant income		
Shariah compliant income:		
Exchange gain earned from actual currency	—	—
Scrap sales	116	12,971
Remeasurement gain of SIDC	—	470,193
Performance based rebate	119,567	—
Non – shariah compliant income:		
Realized gain on derivative financial instruments	686,240	2,298,568
Unrealized gain on derivative financial instruments	822,085	399,321
Profit on term finance certificates (TFCs)	16,910	63,366
Profit on saving accounts	35,651	64,418
Gain on investment in mutual funds	28,409	115,577

Relationship with shariah compliant banks

Name of institutions	Relationship with institutions
MCB Islamic Bank	Bank balance, long term financing and short term borrowing
Meezan Bank Limited	Bank balance, long term financing and short term borrowing
Habib Bank Limited (Islamic Banking)	Bank balance, long term financing and short term borrowing
Faysal Bank Limited	Bank balance, long term financing and short term borrowing
Bank Alfalah Limited (Islamic)	Bank balance and short term borrowing
Bank of Punjab (Taqwa Islamic Banking)	Bank balance
United Bank Limited – Ameen	Bank balance and short term borrowing
Allied Bank Limited (Islamic Banking)	Bank balance
Standard Chartered Bank Pakistan Limited	Short term borrowing
Bank Islami Pakistan Limited	Bank balance and short term borrowing

15. OPERATING SEGMENTS

Management has determined the operating segments based on the information that is presented to the Board of Directors of the Holding Company for allocation of resources and assessment of performance. Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker ('CODM'). Segment performance is generally evaluated based on certain key performance indicators including business volume and measure of profit.

Based on internal management reporting structure and products produced and sold, the Group is organized into the following operating segments :

a) Garments

This segment relates to the sale of hosiery and other garments.

b) Yarns

This segment relates to the sale of yarns.

c) Other operating segments

This represents various segments of the Group which currently do not meet the minimum reporting threshold mentioned in International Financial Reporting Standards 'Operating Segments' (IFRS 8). These mainly include energy and other subsidiaries.

15.1 Segment Information

	Garments		Yarns		Other Segments		Elimination of Intersegment Transactions		Total Group	
	Quarter ended	September 30, 2025	September 30, 2026	Quarter ended	September 30, 2025	September 30, 2026	Quarter ended	September 30, 2025	September 30, 2026	Quarter ended
	Rupees in '000		Rupees in '000		Rupees in '000		Rupees in '000		Rupees in '000	
Sales - Net										
External sales	46,325,673	41,995,101	3,382,474	1,779,255	1,040,612	1,427,895	-	-	50,748,759	45,202,252
Intersegment sales	70,384	39,894	3,009,534	2,588,913	4,098,593	3,810,616	(7,178,511)	(6,439,423)	-	-
	46,396,057	42,034,995	6,392,008	4,368,168	5,139,205	5,238,511	(7,178,511)	(6,439,423)	50,748,759	45,202,252
Other income	1,672,825	695,801	36,100	3,951	53	7,167	-	-	1,708,978	706,919
Finance cost	(1,180,575)	(1,370,843)	(253,869)	(179,380)	(138,399)	(152,518)	-	-	(1,572,844)	(1,702,740)
Levies and income tax	(1,704,413)	(1,721,726)	(42,612)	(23,928)	-	(46,080)	-	-	(1,747,029)	(1,791,734)
Profit/(loss) for the period	3,496,264	2,811,665	360,410	(154,038)	373,660	84,825	-	-	4,230,333	2,742,452
Depreciation and amortization	1,738,591	1,651,950	140,829	58,908	246,377	255,114	-	-	2,125,797	1,965,972

15.2 Reconciliation of reportable segment assets and liabilities

	Garments		Yarns		Other Segments		Unallocated		Total Group	
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
	September 30, 2026	June 30, 2026	September 30, 2026	June 30, 2026	September 30, 2026	June 30, 2026	September 30, 2026	June 30, 2026	September 30, 2026	June 30, 2026
	Rupees in '000		Rupees in '000		Rupees in '000		Rupees in '000		Rupees in '000	
Assets	153,522,400	155,293,489	12,623,383	12,891,959	10,277,175	10,531,239	17,339,444	11,823,177	193,762,402	190,539,864
Liabilities	48,452,461	59,112,769	1,143,655	1,336,669	2,377,042	2,236,895	71,206,229	61,528,281	123,179,387	124,214,614
Segment Capital Expenditures	1,084,161	5,713,567	14,148	1,106,321	10,679	331,136	-	-	1,108,989	7,151,024

15.3 The Group disaggregated revenue based on geographical locations of its customers:

	Quarter ended	
	September 30, 2026	September 30, 2025
	Rupees in '000	
Foreign countries	48,006,012	43,154,020
Pakistan	2,742,747	2,048,232
	50,748,759	45,202,252

16. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. To provide an indication about the reliability of the inputs used in determining fair value, the Group classifies its financial instruments into the three levels prescribed under the IFRSs.

Level 1: Fair value measurements using quoted (unadjusted) in active markets for identical asset or liability.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The following table presents the Group's significant financial assets and liabilities measured and recognized at fair value at September 30, 2026 and June 30, 2026 on a recurring basis:

	Unaudited			
	September 30, 2026			
	Level 1	Level 2	Level 3	Total
	Rupees in '000			
Financial assets				
Derivative financial instruments	–	1,221,406	–	1,221,406
Total financial assets	–	1,221,406	–	1,221,406
Total financial liabilities	–	–	–	–

	Audited			
	June 30, 2026			
	Level 1	Level 2	Level 3	Total
	Rupees in '000			
Financial assets				
Derivative financial instruments	–	399,321	–	399,321
Total financial assets	–	399,321	–	399,321
Total financial liabilities	–	–	–	–

During the period, there were no significant changes in the business or economic circumstances that affect the fair value of the Group's financial assets and financial liabilities. Furthermore, there were no reclassifications of financial assets.

17. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The Group finances its operations through equity, borrowings and management of working capital with a view to maintain an appropriate mix between various sources of finance to minimize risk. The Group follows an effective cash management and planning policy and maintains flexibility in funding by keeping committed credit lines available. Market risks are managed by the Group through the adoption of appropriate policies to cover currency risks and interest rate risks.

The Group has managed its currency risks by forward currency contracts.

There have been no changes in the risk management policies since June 30, 2026 except for those specifically mentioned. Consequently, these consolidated condensed interim financial statements do not include all the financial risk management information and disclosures required for the annual financial statements.

18. DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were authorized for issue on October 22, 2026 by the Board of Directors of the Holding Company.

19. EVENT AFTER THE REPORTING DATE

The Board of Directors of the Holding Company in their meeting held on September 10, 2026 have proposed a final cash dividend of Rs. 2 per share (2025: Re. 1 per share), amounting to Rs. 2,803.42 million (2025: Rs. 1,401.71 million), for the year ended June 30, 2026. The same has been approved by the members at the Annual General Meeting of the Holding Company.

20. GENERAL

20.1 Corresponding figures

In order to comply with the requirements of IAS 34, the consolidated condensed interim statement of financial position has been compared with the balances of annual audited financial statements of immediately preceding financial year, whereas, the consolidated condensed interim statement of profit or loss, consolidated condensed interim statement of comprehensive income, consolidated condensed interim statement of changes in equity and consolidated condensed interim statement of cash flows have been compared with the balances of comparable periods of immediately preceding financial year.

20.2 Rounding

Figures have been rounded off to the nearest thousand.



Director



Director



Chief Financial Officer

NOTE

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



Corporate Office

1KM, Khurrianwala - Jaranwala Road,
Khurrianwala, Faisalabad, Pakistan.

☎ +92 41 4360 400

☎ +92 41 2428 704

✉ externalaffairs@interloop-pk.com

Registered Office

15-A, Peoples Colony No.1,
Faisalabad, Pakistan.

☎ +92 41 4360 400

☎ +92 41 2428 704

[in](#) InterloopLimited [X](#) InterloopLtd [@](#) Interlooplimited

[▶](#) Interlooplimited [🌐](#) www.interloop-pk.com