



Financial Statements

For the First Quarter Ended

September 30, 2026

FRONTIER CERAMICS LIMITED

FRONTIER CERAMICS LIMITED

Financial Statements for first quarter ended September 30, 2026

CONTENTS

- COMPANY INFORMATION
- VISION AND MISSION STATEMENT
- DIRECTORS' REPORT
- STATEMENT OF FINANCIAL POSITION
- STATEMENT OF PROFIT OR LOSS
- STATEMENT OF COMPREHENSIVE INCOME
- STATEMENT OF CHANGES IN EQUITY
- STATEMENT OF CASH FLOW
- NOTES TO THE FINANCIAL STATEMENTS

VISION AND MISSION STATEMENT

VISION STATEMENT

To become industry leader by instilling ethical and moral values, honest practices according to the Principles of Islam, offering the best innovative, competitive and quality products, ensuring direct benefit for all stake holders.

MISSION STATEMENT

- Deliver un-paralleled value to customers by continuous striving and to exceed their expectations;
- Under the guiding principles of Islam, to inculcate the culture of honest practices, ethical and moral values in our employees;
- Special emphasis on workforce, health, safety, environment. Constant motivation of employees by fair benevolence;
- To ensure reasonable growth and profits of the Group, to the shareholders on their investment; and
- The Group will assert efforts towards the social development of society and be instrumental in the industrial growth of Pakistan.

COMPANY INFORMATION

BOARD OF DIRECTORS

Ms. Shabina Anjum	Independent Director & Chairperson
Mr. Omer Khalid	Non-Executive Director
Mr. Javid Khalid	Non-Executive Director
Mr. Zia Khalid	Executive Director
Ms. Numrah Khalid	Executive Director
Mr. Muhammad Riaz Khan	Independent Director
Mrs. Shazia Khalid	Non-Executive Director
Mr. Muhammad Nehmattula Toor	Non-Executive Director

Audit Committee

Mr. Muhammad Riaz Khan	Chairman
Mr. Omer Khalid	Member
Mr. Javid Khalid	Member

Human Resource & Remuneration Committee

Ms. Shabina Anjum	Chairperson
Ms. Numrah Khalid	Member
Mr. Javid Khalid	Member

Chief Executive Officer

Mr. Nadeem Khalid

Chief Financial Officer

Khawaja Mushtaq Ahmed FCA, ACIS
khawaja.mushtaq@forte.com.pk

Company Secretary

Mr. Rehman Khan Sherwani
rehman.khan@forte.com.pk

Head of Internal Audit

Mr. Wasif Naeem
wasif.naeem@forte.com.pk

Bankers

Conventional Banks

Allied Bank Limited
Bank Al Habib Limited
Bank Alfalah Limited
Faysal Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Silk Bank Limited
Meezan Bank Limited
United Bank Limited

Habib Bank Limited
AL baraka Bank Limited

Islamic Banks

Bank Al Habib Islamic Limited
Bank Alfalah Islamic Limited
Silk Emaan Islamic Bank Limited
UBL Ameen Limited
First Habib Islamic Income Fund
Alfalah Asset Management Limited

Auditors

M/S Crowe Hussain Chaudhry & Co Chartered Accountants
House No, 982 St 21, Bahria Town Phase IV Phase 4 Bahria
Town, Rawalpindi,

Legal Advisor

Mr. Ishtiaq Ahmed
Advocate & Legal Consultant
Flat No. 42, Block C, 2nd Floor, Cantonment Plaza,
Saddar Road, Peshawar Cantt.

Registrar and Share Transfer Office

Central Depository Company of Pakistan Ltd
CDC House, 99-B, Block B, S.M.C.H.S,
Main Sharah-e-Faisal, Karachi. Ph: 021-111-111-500

Head Office/Registered Office

29-Industrial Estate, Jamrud Road, Peshawar
Ph: 091-5891470-79, Fax: 091-5830290.

Website

www.forte.com.pk

or scan QR code



DIRECTORS' REPORT TO THE SHAREHOLDERS

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2026

Dear Shareholders,

The Directors take pleasure in presenting their report along with unaudited financial statements of the Company for the first quarter ended September 30, 2026.

BUSINESS CHALLENGES AND FINANCIAL PERFORMANCE

The domestic economy continues to show modest growth, with early signs of recovery in the construction sector. However, the overall tile market remains subdued due to reduced demand, with most activity limited to renovation and public sector projects. Private sector development has slowed considerably. Going forward, the outlook for the industry will depend heavily on supportive government policies to stimulate construction and related industries.

Despite the challenging circumstances, your company managed to sustain its operations and achieve better-than-expected results. Management implemented several measures including timely price revisions, improvement in overall product.

	Sep 30,2026	Sep 30,2025
	(Rupees in Million)	
Turnover – net	1,061.8	1,155.4
Gross profit	103.6	102.4
Operating Profit	77.4	78.6
Profit before taxation	101.0	69.4
Profit after taxation	78.9	44.3
EPS (Rs.)	2.08	1.17

During the period, net turnover decreased by **8.10%** compared to the corresponding quarter of the previous year. Despite this, gross margins improved to **9.76%**, compared to **8.86%** in the corresponding quarter of the previous year. Together with higher other income and lower finance cost, this resulted in an after-tax profit of **Rs. 78.934 million**, as against **Rs. 44.298 million** earned in the same period last year.

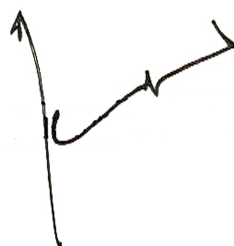
OUTLOOK

We remain optimistic about the future as Pakistan benefits from a more favorable political and economic landscape, coupled with renewed international support. These positive developments are expected to strengthen investor confidence, boost economic activity, and create opportunities for growth. Your Company is well-positioned to leverage these factors to further enhance its market presence and deliver sustainable value to stakeholders.

Also, please refer to the Directors' Report for the year ended June 30, 2026 which provides a detailed review of the Company's operations and future strategy.

Nadeem Khalid
Chief Executive Officer

Peshawar:
Dated: October 30, 2026



Numrah Khalid
Director



شیر ہولڈر کے لیے ڈائریکٹرز کی رپورٹ

برائے پہلی سہ ماہی اختتامیہ 30 ستمبر 2026

محترم شیر ہولڈر،

ڈائریکٹرز 30 ستمبر 2026 کو ختم ہونے والی پہلی سہ ماہی کے لیے کمپنی کے غیر آڈٹ شدہ مالیاتی گوشواروں کے ہمراہ اپنی رپورٹ پیش کرتے ہوئے مسرت محسوس کرتے ہیں۔

کاروباری چیلنجز اور مالی کارکردگی۔

مقامی معیشت میں معمولی نمو جاری ہے، اور تعمیراتی شعبے میں بحالی کے ابتدائی آثار نظر آرہے ہیں۔ تاہم، طلب میں کمی کے باعث ٹائلوں کی مجموعی مارکیٹ سست روی کا شکار ہے، اور زیادہ تر سرگرمی مرمت و تزئین اور سرکاری شعبے کے منصوبوں تک محدود ہے۔ نجی شعبے کی ترقی میں نمایاں کمی آئی ہے۔ آگے چل کر، صنعت کا مستقبل تعمیرات اور متعلقہ صنعتوں کو فروغ دینے والی معاون حکومتی پالیسیوں پر بہت حد تک منحصر ہوگا۔

مشکل حالات کے باوجود، آپ کی کمپنی اپنا کاروبار جاری رکھنے اور توقع سے بہتر نتائج حاصل کرنے میں کامیاب رہی۔ انتظامیہ نے متعدد اقدامات کیے جن میں بروقت قیمتوں پر نظر ثانی اور مجموعی مصنوعات میں بہتری شامل ہیں۔

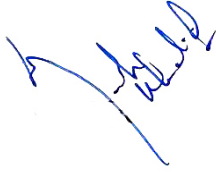
30 ستمبر 2025	30 ستمبر 2026	
(روپے ملین میں)		
1,155.4	1,061.8	خالص فروخت (ٹرن اوور)
102.4	103.6	مجموعی منافع
78.6	77.4	آپریٹنگ منافع
69.4	101.0	قبل از ٹیکس منافع
44.3	78.9	بعد از ٹیکس منافع
1.17	2.08	فی حصص آمدنی (روپے)

اس مدت کے دوران خالص فروخت میں گزشتہ سال کی اسی سہ ماہی کے مقابلے میں 8.10 فیصد کمی ہوئی۔ اس کے باوجود، مجموعی منافع کا مارجن گزشتہ سال کی اسی سہ ماہی کے 8.86 فیصد کے مقابلے میں بہتر ہو کر 9.76 فیصد ہو گیا۔ دیگر آمدنی میں اضافے اور مالیاتی لاگت میں کمی کے ساتھ مل کر اس کے نتیجے میں بعد از ٹیکس منافع 78.934 ملین روپے رہا، جو گزشتہ سال اسی مدت میں 44.298 ملین روپے تھا۔

مستقبل کا منظر نامہ۔

ہم مستقبل کے بارے میں پُر امید ہیں کیونکہ پاکستان کو زیادہ سازگار سیاسی و معاشی ماحول اور بین الاقوامی حمایت کی تجدید سے فائدہ حاصل ہو رہا ہے۔ ان مثبت پیش رفتوں سے سرمایہ کاروں کے اعتماد کو تقویت ملے، معاشی سرگرمیوں کو فروغ حاصل ہونے اور ترقی کے مواقع پیدا ہونے کی توقع ہے۔ آپ کی کمپنی ان عوامل سے فائدہ اٹھانے اور مارکیٹ میں اپنی موجودگی کو مزید مستحکم کرنے اور اسٹیک ہولڈرز کے لیے پائیدار قدر پیدا کرنے کے لیے اچھی پوزیشن میں ہے۔

مزید برآں، براہ کرم 30 جون 2026 کو ختم ہونے والے سال کی ڈائریکٹرز کی رپورٹ ملاحظہ فرمائیں، جس میں کمپنی کے امور اور مستقبل کی حکمت عملی کا تفصیلی جائزہ پیش کیا گیا ہے۔



نمرہ خالد
ڈائریکٹر



ندیم خالد
چیف ایگزیکٹو آفیسر

پشاور:

تاریخ: 30 اکتوبر 2026

FRONTIER CERAMICS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2026

	Note	Un-audited 30-Sep-26 Rupees	Audited 30-Jun-26 Rupees
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment			
Operating fixed assets	6.1.1	2,239,732,129	2,283,388,262
Investment property	6.1.2	459,438	465,254
		<u>2,240,191,568</u>	<u>2,283,853,516</u>
Long term deposits		5,925,450	5,925,450
Long term advances	7	550,880,130	550,880,130
		<u>2,796,997,148</u>	<u>2,840,659,096</u>
CURRENT ASSETS			
Stores, spares and loose tools		186,592,327	199,713,939
Stock in trade		476,169,469	469,402,911
Trade debts		10,928,314	11,738,477
Other receivables		6,894,720	35,531,760
Due from related parties	8	1,195,662,840	1,105,179,894
Advances		65,853,893	74,619,884
Tax refunds due from government		28,582,787	63,438,230
Cash and bank balances	9	81,914,127	86,563,586
		<u>2,052,598,477</u>	<u>2,046,188,681</u>
TOTAL ASSETS		<u><u>4,849,595,625</u></u>	<u><u>4,886,847,777</u></u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital		378,738,210	378,738,210
Discount on issue of right shares	10	(180,795,726)	(180,795,726)
		<u>197,942,484</u>	<u>197,942,484</u>
Revaluation surplus on property, plant and equipment		1,155,188,842	1,155,188,842
Unappropriated profit		716,162,922	637,228,809
		<u>2,069,294,248</u>	<u>1,990,360,135</u>
NON CURRENT LIABILITIES			
Loan from related parties	11	38,569,059	24,973,995
Deferred liability		25,393,458	25,393,458
Deferred taxation		378,409,754	407,550,083
		<u>442,372,271</u>	<u>457,917,536</u>
CURRENT LIABILITIES			
Unclaimed dividend		3,189,224	3,189,224
Gas Infrastructure Development Cess	12	253,699,675	250,358,275
Due to related parties		443,549	-
Due to Financial Institution		200,000,000	-
Contract liability		767,978,323	819,014,622
Trade and other payables		1,112,618,334	1,366,007,985
		<u>2,337,929,106</u>	<u>2,438,570,106</u>
CONTINGENCIES AND COMMITMENTS	13	-	-
TOTAL EQUITY AND LIABILITIES		<u><u>4,849,595,625</u></u>	<u><u>4,886,847,777</u></u>

The annexed notes from 1 to 18 form an integral part of these financial statements.

CHIEF FINANCIAL OFFICER

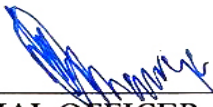
CHIEF EXECUTIVE OFFICER

DIRECTOR

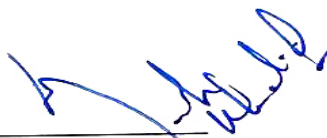
FRONTIER CERAMICS LIMITED
STATEMENT OF PROFIT OR LOSS (Un-Audited)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2026

	For Quarter Ended	
	30-Sep-26	30-Sep-25
	Rupees	Rupees
Sales - net	1,061,784,201	1,155,427,298
Cost of sales	(958,145,599)	(1,053,052,221)
Gross profit	103,638,602	102,375,077
Distribution cost	(3,988,950)	(3,940,387)
Administrative expenses	(12,199,216)	(12,679,225)
Other operating expenses	(10,071,738)	(7,169,166)
Operating profit	77,378,697	78,586,299
Other income	34,367,755	6,712,456
Finance cost	(10,701,374)	(15,924,837)
Profit before taxation	101,045,078	69,373,918
Taxation	(22,110,964)	(25,076,027)
Profit after taxation	78,934,113	44,297,891
Earnings per share - basic and diluted	2.08	1.17

The annexed notes from 1 to 18 form an integral part of these financial statements.


CHIEF FINANCIAL OFFICER

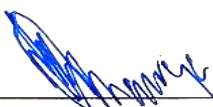

CHIEF EXECUTIVE OFFICER

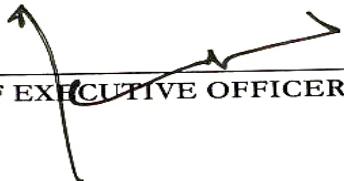

DIRECTOR

FRONTIER CERAMICS LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2026

	2026 Rupees	2025 Rupees
Profit for the quarter	78,934,113	44,297,891
Other comprehensive income for the quarter	-	-
Effect of change in tax rate on deferred tax on revaluation surplus on property, plant and equipment	-	-
Total comprehensive income for the period	<u>78,934,113</u>	<u>44,297,891</u>

The annexed notes from 1 to 18 form an integral part of these financial statements.



CHIEF FINANCIAL OFFICER

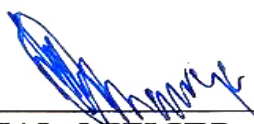
CHIEF EXECUTIVE OFFICER

DIRECTOR

FRONTIER CEREMICS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2026

	Share capital		Reserves		Total
	Issued, subscribed and paid up capital	Discount on issue of right shares	Capital	Revenue	
			Revaluation surplus on property, plant and equipment	Unappropriated profit	
Balance as at July 01, 2025	378,738,210	(180,795,726)	1,201,961,280	522,622,187	1,922,525,951
Total comprehensive Income for the Quarter ended September 30, 2025	-	-	-	44,297,891	44,297,891
Balance as at September 30, 2025	378,738,210	(180,795,726)	1,201,961,280	566,920,078	1,966,823,842
Balance as at July 01, 2026	378,738,210	(180,795,726)	1,155,188,842	637,228,809	1,990,360,134
Total comprehensive Income for the Quarter ended September 30, 2026	-	-	-	78,934,114	78,934,114
Balance as at September 30, 2026	378,738,210	(180,795,726)	1,155,188,842	716,162,923	2,069,294,248

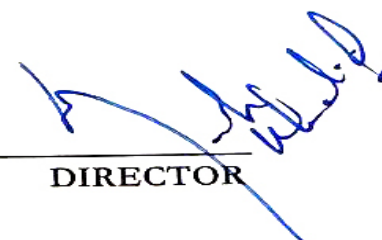
The annexed notes from 1 to 18 form an integral part of these financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR

FRONTIER CERAMICS LIMITED
STATEMENT OF CASH FLOW
FOR FIRST QUARTER ENDED SEPTEMBER 30, 2026

	Sep 30, 2026 Rupees	Sep 30, 2025 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	101,045,078	69,373,918
Adjustment for:		
Depreciation	43,661,949	47,642,666
Finance Cost	10,701,374	15,924,837
Profit before working capital changes	155,408,401	132,941,421
Changes in working capital:		
Decrease / (increase) in current assets		
Stores, spares and loose tools	13,121,612	7,640,442
Stock in trade	(6,766,558)	76,352,817
Trade debts	810,163	431,186
Other receivables	28,637,040	-
Advances	8,765,991	(27,655,738)
Short term Lending	(90,482,946)	(246,220,915)
Increase / (decrease) in current liabilities		
Trade and other payables	(253,389,651)	31,426,050
Gas Infrastructure Development Cess	3,341,400	-
Due to related parties	443,549	405,954
Contract liability	(51,036,299)	172,738,171
	(346,555,699)	15,117,967
Cash generated from operations	(191,147,298)	148,059,387
Finance Cost Paid	(10,701,374)	(15,924,837)
Taxes paid	(16,395,852)	(24,719,357)
Net cash generated from operating activities	(218,244,524)	107,415,193
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of operating fixed assets	-	-
Increase in long term advances	-	-
Net cash used in investing activities	-	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing - net	-	-
Due to Financial Institution	200,000,000	-
Loan from related parties	13,595,064	(82,321,617)
Net cash used in financing activities	213,595,064	(82,321,617)
Net (Decrease)/ increase in cash and cash equivalents	(4,649,460)	25,093,576
Cash and cash equivalents at the beginning of the period	86,563,586	64,658,609
Cash and cash equivalents at the end of the period	81,914,127	89,752,186

The annexed notes from 1 to 18 form an integral part of these financial statements.


CHIEF FINANCIAL OFFICER


CHIEF EXECUTIVE OFFICER


DIRECTOR

FRONTIER CERAMICS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2026

1 STATUS AND NATURE OF BUSINESS

Frontier Ceramics Limited (the Company) was incorporated in July 1982 as a Public Limited Company with its shares quoted on Pakistan Stock Exchange Limited (formerly Karachi Stock Exchange Limited in which Lahore and Islamabad Stock Exchanges have merged). The principal activities of the Company are manufacturing of ceramic tiles, sanitary wares and related ceramic products.

The registered office and manufacturing unit of the Company is situated at 29-Industrial Estate, Jamrud Road, Peshawar, Pakistan.

2 STATEMENT OF COMPLIANCE

This condensed interim financial information has 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:

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

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

3 BASIS OF PREPARATION

This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended June 30, 2026.

This condensed interim financial information has been presented in Pak Rupees, which is the functional and presentation currency of the Company.

4 ACCOUNTING POLICIES

- 4.1 The accounting policies adopted and methods of computation followed in the preparation of these interim financial statements are same as those applied in the preparation of financial statements for the year ended June 30, 2026.
- 4.2 The preparation of these interim financial statements in conformity with approved accounting standards require management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

4.3 The significant estimates, judgments and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2025.

4.4 There are certain standards, interpretations and amendments to approved accounting standards which have been published and are mandatory for the Company's accounting period beginning on or after July 01, 2018. These standards, interpretations and amendments are either not relevant to the Company's operations or are not expected to have a significant effect on these interim financial statements.

4.5 **Ijarah**

The Company accounts for assets under ijarah arrangements in accordance with Islamic Financial Accounting Standard (IFAS) 2 - Ijarah whereby rental payments due under these arrangements are recognized as an expense in the statement of profit or loss on a straight line basis over the ijarah (lease) term.

5 **TAXATION**

The provision for taxation for the quarter ended September 30, 2026 has been made using the estimated effective tax rate applicable to expected total annual earnings.

	Note	Un-audited 30-Sep-26 Rupees	Audited 30-Jun-26 Rupees
6 OPERATING FIXED ASSETS			
6.1 Operating fixed assets		2,239,732,129	2,283,388,262
Investment Property		459,438	465,254
		2,240,191,568	2,283,853,516
6.1.1 Operating Fixed Assets			
Opening Written Down Value		2,283,388,262	2,475,428,251
Revaluation during the year		-	-
Depreciation Charge		(43,656,133)	(192,039,989)
		2,239,732,129	2,283,388,262
6.1.2 Investment Property			
Opening Written Down Value		465,254	489,741
Depreciation Charge		(5,816)	(24,487)
		459,438	465,254
6.1.3			
This represents two offices bearing no. 102 and 103 measuring 1,200 Sq.ft each, situated at 1st floor, Kashif centre, Shahrah e Faisal, Karachi owned by the Company. This has been held to earn rental income by letting out its office and disclosed in the financial statements as an investment property applying cost model in accordance with IAS 40 "Investment Property". Fair value of the investment property assessed by the management amounts to Rs. 7 million (2026: Rs. 7 million) at period end.			

	Note	Un-audited 30-Sep-26 Rupees	Audited 30-Jun-26 Rupees
7 LONG TERM ADVANCES			
Balance as at July 01,		43,536	43,536
Additions during the year		-	-
Adjusted during the year		-	-
	7.1	43,536	43,536
Advance against land		750,836,594	750,836,594
Less: current portion classified under due from		(200,000,000)	(200,000,000)
	7.2	550,836,594	550,836,594
Balance at end of the period		550,880,130	550,880,130

7.1 This represents unsecured, interest-free advance given to related parties, Toyota Rawal Motors (Private) Limited and Rawal Industrial Equipment (Private) Limited, for the lease of vehicles for employees. This balance will be adjusted against the salaries of employees of the Company. These are not amortised as per IFRS 9 as the impact of amortisation is not material in respect of these financial statements.

7.2 The Board of Directors of the Company, in its meeting held on January 07, 2021, decided in principle to avail the opportunity of initially acquiring 1,031 kanals of land situated off CPEC Highway and Jand-Mianwali Road, Mouza Masan, Tehsil and District Mianwali, from a related party, Mr. Nadeem Khalid (Chief Executive Officer), under agreed payment terms spread over a period of five years.

Last year, the Company reassessed its future expansion plans and, considering the prevailing market conditions and the level of market saturation, concluded that expansion through establishment of a new business unit was not considered commercially feasible. Accordingly, the Company decided then to withdraw from the Land Sale Agreement, subject to approval of the Board of Directors.

Subsequent to year ended June 30, 2025, the Board of Directors, in its meeting held on October 07, 2025, approved the withdrawal from the said Land Sale Agreement. At that time, it was agreed between the Company and the counterparty that an amount of Rs. 200 million out of the advance paid by the Company would be settled by May 31, 2026, while the balance amount would be settled subsequently upon mutual agreement between the parties, including consideration of the compensation sought by the counterparty in connection with the withdrawal from the Land Sale Agreement.

Subsequently, the Company and the counterparty continued discussions for an equitable and mutually acceptable settlement of the matter. As a result of these discussions, the parties have mutually agreed that the repayment of Rs. 200 million, originally agreed to be settled by May 31, 2026, shall now be settled by June 25, 2027. The settlement of the remaining outstanding amount shall be made subsequently in accordance with the mutually agreed terms between the parties. The Company continues to engage with the counterparty with a view to concluding the settlement of the outstanding amount in accordance with the agreed terms.

			Un-audited 30-Sep-26 Rupees	Audited 30-Jun-26 Rupees
	Note			
8		DUE FROM RELATED PARTIES		
		Current portion of long term advances	7 200,000,000	200,000,000
		Khalid and Khalid Holdings (Private) Limited	8.1 995,662,840	905,179,894
			1,195,662,840	1,105,179,894
8.1		Balance at start of the year	905,179,894	36,469,796
		Additions during the year	103,315,191	1,047,110,181
		Mark up	34,367,755	83,001,617
		Payments received during the year	(47,200,000)	(261,401,700)
		Balance at end of the year	995,662,840	905,179,894

This represents amount advanced to Khalid and Khalid Holdings (Private) Limited, a related party due to common directorship. The advance is unsecured and interest is charged at 1 year KIBOR + 3.25%.

			Un-audited 30-Sep-26 Rupees	Audited 30-Jun-26 Rupees
	Note			
9		CASH AND BANK BALANCES		
		Cash in hand	219,676	95,024
		Cash at bank - local currency		
		Current accounts		
		- conventional	4,302,362	12,736,805
		- under shariah arrangements	3,473,831	579,831
		Savings accounts		
		- under shariah arrangements	73,918,258	73,151,926
			81,914,127	86,563,586

This includes balance of Rs. 73.918 million (June 2026: Rs. 73.152 million) held by the Company on account of provident fund contributions maintained in separate bank account as required by section 218 of the Companies Act, 2017. This balance is restricted for settlement of provident fund liabilities and is not available for the Company's operational use.

The saving accounts earn profit at floating rates ranging approximately from 11.28% to 11.30% (2026: 9.15% to 18.5%).

10 DISCOUNT ON ISSUE OF RIGHT SHARES

This represents discount on issue of right shares upon exercising the option given to members in board of directors meeting held on February 18, 2014 to subscribe for the right shares issue which were allotted on August 08, 2014 at a discount of Rs. 6 per share with the entitlement of 389.25% shares against SECP approval vide letter No. EMD/233/584/02 dated February 07, 2014 for the total right issue of 30.133 million shares at Rs. 4 per share (discount of Rs. 6 per share) by way of right issue. All the relevant legal formalities required by the repealed Companies Ordinance, 1984 (now Companies Act, 2017) were completed by the Company before issuance of the right shares.

	Note	Un-audited 30-Sep-26 Rupees	Audited 30-Jun-26 Rupees
11 LOAN FROM RELATED PARTIES			
From associated person - unsecured	11.1	31,404,579	17,628,888
From associated company - unsecured			
- Rawal Industrial Equipment (Pvt.) Ltd	11.2	7,094,545	7,275,172
- Toyota Rawal Motors (Pvt.) Ltd	11.3	69,935	69,935
		38,569,059	24,973,995
11.1 From associated person - unsecured			
Balance at start of the year		17,628,888	104,245,797
Additions during the year		16,882,558	12,060,000
Mark up		298,205	(86,319,822)
Payments during the year		(3,405,072)	(12,357,087)
Balance at end of the year		31,404,579	17,628,888
11.1	This represents interest bearing unsecured loan and accumulated markup thereon received from Chief Executive Officer of the Company for working capital requirements. The loan carries mark up at the rate of 1 year KIBOR plus 2% per annum and was restructured on April 01, 2021. As per the revised terms, the borrower will accrue interest over the years for a grace period of six years after which the payment of principal amount stands due. Moreover, markup will be payable after the settlement of the principal amount.		
11.2 Rawal Industrial Equipment (Private) Limited			
Balance at start of the year		7,275,172	5,651,834
Additions during the year		-	-
Mark up		273,373	1,050,530
Adjusted during the year			1,147,808
Payments during the year		(454,000)	(575,000)
Balance at end of the year		7,094,545	7,275,172
11.3 Toyota Rawal Motors (Private) Limited			
Balance at start of the year		69,935	8,843,261
Additions during the year		-	47,000,000
Mark up		-	1,159,306
Adjusted during the year		-	2,367,368
Payments during the year		-	(59,300,000)
Balance at end of the year		69,935	69,935

This represents interest bearing unsecured loans and accumulated markup thereon received from related parties, Rawal Industrial Equipment (Private) Limited and Toyota Rawal Motors (Private) Limited for working capital requirements of the Company. The loan was restructured on April 01, 2021 and carries mark up at the rate of 1 year KIBOR plus 2% per annum. As per the revised terms, the borrower will accrue interest over the years for a grace period of six years after which the payment of principal amount stands due. Moreover, markup will be payable after the settlement of the principal amount.

	Note	Un-audited 30-Sep-26 Rupees	Audited 30-Jun-26 Rupees
12	GAS INFRASTRUCTURE DEVELOPMENT CESS		
Total GIDC Charges		250,358,275	129,395,113
Future finance cost			-
Additions			119,171,930
Surcharge during the year		3,341,400	1,791,232
Accumulated present value of GIDC	12.1	253,699,675	250,358,275

- 12.1 In 2011, GIDC was imposed on natural gas consumers including companies with effect from January 01, 2012 to finance the cost of laying the overland gas pipeline. In 2013, the Peshawar High Court declared the GIDC Act, 2011 as ultra vires the constitution and struck down the GIDC Act, 2011. In August 2014, Supreme Court of Pakistan dismissed the appeal filed by the Federal Government of Pakistan deciding that GIDC is a fee and not a tax and could not be imposed by money bill. In September 2014, the GIDC Ordinance was promulgated by the President of Pakistan with retrospective effect with original imposition. In October 2016, the Sindh High Court declared the levy to be un-constitutional. In August 2020, the Honourable Supreme Court of Pakistan held that GIDC is validly levied and allowed the Government to collect the amount in 24 equal instalments. Further, in November 2020, the Supreme Court dismissed the review petition seeking review of its order (issued in August 2020). Supreme Court in its judgement on the review petitions noted that Government is agreeing to recover the arrears for GIDC in 48 monthly instalments (instead of 24 months, as mentioned in August 2020 order of the Supreme Court). The Federal Government has initiated the recovery of GIDC, and the Company has recognized outstanding GIDC dues amounting to Rs. 250.358 million based on the bill received from SNGPL in June 30, 2026, including a late-payment surcharge of Rs. 1.791 million. Accordingly, the entire outstanding amount has been classified as a current liability as at June 30, 2026.

13 CONTINGENCIES AND COMMITMENTS

13.1 CONTINGENCIES

The status of Contingencies remained un-change as reported in annual financial statements for the year ended June 30, 2026.

		Un-audited 30-Sep-26 Rupees	Audited 30-Jun-26 Rupees
13.2	COMMITMENTS		
	The Company has following commitments:		
	- in respect of letter of credit		
	- against import of raw materials	211,430,400	132,637,716
	- against import of stores and spares	36,539,260	38,281,590
	- against import of plant & machinery	29,243,000	32,364,000
		<u>277,212,660</u>	<u>203,283,306</u>
13.2	This amount represents future letter of credit commitments which will be fulfilled in respect of import of raw material, stores and spares and plant and machinery.		

FRONTIER CERAMICS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2026

14 DISCLOSURE REQUIREMENT FOR ALL SHARE ISLAMIC INDEX

Following information has been disclosed with reference to disclosure requirements of The Fourth Schedule of the Companies Act, 2017, relating to "All Shares Islamic Index".

14.1 FINANCING STRUCTURE / MODE

Conventional mode:

Assets

Short-term lending
Bank Balance

Liabilities

Due to Related Parties
Due to Financial Institution
Loan from related parties

Shariah compliant mode:

Assets

Short-term lending
Cash and bank balances

Liabilities

Loan/advances obtained as per Islamic mode

Loans
Contract liabilities
Short-term payable

September 2026 Rupees	June 2026 Rupees
1,195,662,840	1,105,179,894
4,302,362	12,736,805
1,199,965,202	1,117,916,699
443,549	-
200,000,000	-
38,569,059	24,973,995
239,012,608	24,973,995
-	-
77,392,089	73,731,757
77,392,089	73,731,757
-	-
767,978,323	819,014,622
1,112,618,334	1,366,007,985
1,880,596,658	2,185,022,607

FRONTIER CERAMICS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2026

14.2 SHARIAH COMPLIANCE DISCLOSURE

	September 30, 2026			September 30, 2025		
	Conventional	Shariah Compliant	Total	Conventional	Shariah Compliant	Total
Statement of Profit or Loss	(Rupees).....			(Rupees).....		
Sales - net	-	1,061,784,201	1,061,784,201	-	1,155,427,298	1,155,427,298
Other income			-			-
Profit earned from conventional loan -						
Short term lending	34,367,755	-	34,367,755	6,712,456	-	6,712,456
Rental Income	-	-	-	-	-	-
Reversal of provision for doubtful debts	-	-	-	-	-	-
Profit earned from shariah compliant bank deposit	-	-	-	-	-	-
Exchange gain earned	-	-	-	-	-	-
Others	-	-	-	-	-	-
Gain/Loss or dividend earned from shariah compliant investments	-	-	-	-	-	-
Finance costs	10,701,374	-	10,701,374	15,924,837	-	15,924,837
Markup paid on Islamic mode of financing - Ijarah	-	-	-	-	42,564	42,564
	45,069,129	1,061,784,201	1,106,853,330	22,637,293	1,155,469,862	1,178,107,155

14.3 The Company has working relation with First Habib Modaraba under Islamic windows. There is no other bank balance / investments which carry any interest or markup arrangements.

15 TRANSACTION WITH RELATED PARTIES

The related parties and associated undertakings of the Company comprise of group companies, other associate companies, directors and key management personnel. Transactions with related parties and associated undertakings during the period are as follows :

Name of the related party	Relationship	Transactions during the period	For Quarter Ended	
			Sep 30,2026 (Rupees)	Sep 30,2025
Toyota Rawal Motors (Private) Limited	Associated company by virtue of common directorship	Interest on short term borrowings	-	384,893
		Rental for building	413,549	375,954
		Long term borrowing paid	-	15,050,000
		Long term borrowing received	-	16,700,000
		Utilities	30,000	30,000
Rawal Industrial Equipment (Private) Limited	Associated company by virtue of common directorship	Interest on Long term borrowings	273,373	280,556
		Long term loan repaid	454,000	60,000
		Long term loan received	-	-
Mr. Nadem Khalid	Chief Executive	Long term financing - Loan repaid	3,405,072	300,000
		Long term financing - Loan Received	16,882,558	-
		Mark-up on paid	-	82,321,617
		Mark-up on long term loan	298,205	1,498
Khalid & Khalid Holdings	Associated company by virtue of common directorship	Short term Lending	103,315,191	239,508,459
		Short term Lending received	47,200,000	-
		Interest on short term Lending	34,367,755	6,712,456

15.1 The transaction with key management personnel includes remuneration and other benefits under the terms of their employment which are as follows:

	For Quarter Ended	
	Sep 30,2026 Rupees	Sep 30,2025 Rupees
Chief Executive Officer	1,530,000	2,550,000
Directors	1,000,500	935,928
Executives	2,932,200	2,745,726
	5,462,700	6,231,655

16 CORRESPONDING FIGURES

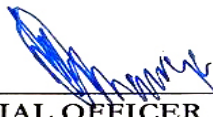
No reclassification has been made in the corresponding figures during the year. Accordingly, the corresponding figures are presented consistently with the current year.

17 DATE OF AUTHORIZATION

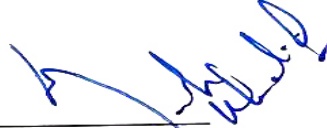
These condensed interim financial information were authorized for issue on **October 30, 2026** by the Board of Directors of the Company.

18 GENERAL

Figures have been rounded off to the nearest rupee.



CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFICER

DIRECTOR



If not delivered, please return to:

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