

SHABBIR TILES AND CERAMICS LIMITED

Condensed Interim Financial Statements

For the first quarter ended

September 30, 2026

(Un-Audited)



Shabbir Tiles and Ceramics Limited

COMPANY INFORMATION

BOARD OF DIRECTORS	Imran Ali Habib Syed Abul Fazal Rizvi Muhammad Salman Burney Asad Said Jafar Farhana Mowjee Khan Zehra Hassan	Chairman Chief Executive Officer Director Director Director Director
BOARD, AUDIT AND RISK COMMITTEE	Farhana Mowjee Khan Asad Said Jafar Zehra Hassan	Chairperson Member Member
HUMAN RESOURCES AND REMUNERATION COMMITTEE	Asad Said Jafar Muhammad Salman Burney Farhana Mowjee Khan Syed Abul Fazal Rizvi	Chairman Member Member Member
CHIEF FINANCIAL OFFICER	Umair Ali Bhatti	
COMPANY SECRETARY	Natasha Khalid	
AUDITORS	A.F. Ferguson & Co Chartered Accountants	
LEGAL ADVISOR	Sohail and Partners	
BANKERS	Habib Metropolitan Bank Limited Habib Bank Limited Dubai Islamic Bank Pakistan Limited Faysal Bank Limited Allied Bank Limited Meezan Bank Limited Bank Al Falah Limited Bank Al Habib Muslim Commercial Bank United Bank Limited Askari Bank Limited	
REGISTERED OFFICE AND FACTORY UNIT-1	15th Milestone, National Highway Landhi Industrial Area, Karachi-75120 Phone: (021) 38183610-3 E-mail: info@stile.com.pk	URL: http://www.stile.com.pk
REGISTRAR AND SHARE TRANSFER OFFICE	CDC Share registrar Services Limited, CDC House, 99-B, Block 'B', S.M.C.H.S Main Shahrah-e-Faisal, Karachi-74400. URL: www.cdcsrsl.com	Phone: 0800 23275 Email: info@cdcsrsl.com
FACTORY UNIT-2	Deh Khanto, Tappo Landhi, District Malir, Bin Qasim Town, Karachi Phone: (021) 34102702	Fax: (021) 34102709
ISLAMABAD (BUILDING MATERIAL PRODUCTS)	Plot No 1, ANF Empty Parking Road, Yamaha Chowk Road, Model Town, Humak, Islamabad.	
LAHORE (BUILDING MATERIAL PRODUCTS)	78-A , Factory Adda, Dina Nath main Multan Road, 46KM, Lahore	

Shabbir Tiles and Ceramics Limited

COMPANY INFORMATION

STILE EMPORIUM AND DESIGN STUDIOS AND SALES OFFICES

STAR GATE EMPORIUM, KARACHI	Metro Cash & Carry, CAA, Near Star Gate, Main Shahrah-e-Faisal, Karachi. Phone: (021) 34601372-74
FACTORY EMPORIUM, KARACHI	15th Milestone, National Highway, Landhi Industrial Area, Karachi Phone: (021) 38183610-3
DHA BUKHARI EMPORIUM, KARACHI	39-C, Bukhari Commercial area, Lane 15, Main Khayaban-e-Ittehad Road DHA Phase 6, Karachi Phone: (021) 37121778
DHA 26TH STREET EMPORIUM, KARACHI	26th Street Plot C-8-C, DHA Phase 5, Tauheed Commercial, Karachi. Phone: (021) 37228922
BUILD MATE EMPORIUM, KARACHI	Build Mate 82-B, Midway Commercial, Bahria Town, Karachi Phone: 0324-2018875
NEW TOWN EMPORIUM, KARACHI	Shop No. 3, KDA Scheme No. 7, Chandni Chowk (New Town), Karachi Phone: (021) 34921011 , 0301-8726966
DHA EMPORIUM, LAHORE	DHA Lahore 164, CCA , Phase 4, Lahore Phone: (042) 37185710-12
THOKAR NIAZ BAIG EMPORIUM, LAHORE	Metro Cash & Carry, Thokar Niaz Baig Multan Road, Lahore Phone: 0315-8673721
FEROZEPUR ROAD, LAHORE	Plot No. 1, Fazilia Colony, Ferozepur Road, Lahore Phone: 0301-8262428
MUREE ROAD EMPORIUM, RAWALPINDI	Al Shareef Plaza, Ground Floor, Shamsabad, Murree Road, Rawalpindi Phone: (051) 4935525
ISLAMABAD METRO EMPORIUM	Metro Islamabad: Metro Cash & Carry, Sector I-11/4, Islamabad Phone: (051) 8469524
PESHAWAR EMPORIUM	Khalil Heights, Nasir Bagh Rd, Opposite Police Colony (near DHA), Peshawar. Phone: 0300-4008026
FAISALABAD EMPORIUM	Talha Heights , Main Susan Road, P-243, 2A, Faisalabad Phone: (041) 8739988
HYDERABAD EMPORIUM	Shop no. 13 & 14, Fortune Arcade, Jamshoro Road, next to KFC Near Qasim Chowk, Hyderabad. Phone: 0315-3008034
MULTAN EMPORIUM	Property no. 2378, Northern Bypass road, near Syedan Wala Chowk, Wapda town road, Multan. Phone: 0300-8249656
BAHAWALPUR EMPORIUM	Ground Floor, Commercial Building, Khawat No. 199/197, Moza Bandra Multan Road, Bahawalpur. Phone: 0300-2032142
WAH CANTT EMPORIUM	Khan Plaza, Khasra No 434, GT Road, near Raja Saab Mall, Wah Cantt Phone: (051) 4926280-81
GILGIT BALSTISTAN EMPORIUM	Shop no. 14, Akbar Market, Khomar Yarkot, Gilgit Phone: 0300-8285725
DERA GHAZI KHAN EMPORIUM	Plot No. A-1/2, New Defence View Housing Scheme, Jampur Road, Dera Ghazi Khan. Phone: 0315-2781937
SUKKUR EMPORIUM	Shop No. 80, Opposite JS Bank, Military Road, Sukkur Phone: (071) 5816848 , 0315-3008046
RAHIM YAR KHAN EMPORIUM	Commercial Plot No. 1, New Officers Colony, Club Road, Near Jullundur Mall Rahim Yar Khan. Phone: 0300-8216848

SHABBIR TILES AND CERAMICS LIMITED
DIRECTORS' REPORT TO THE SHAREHOLDERS
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2026

The Directors are pleased to present the un-audited condensed interim financial statements of the Company for the first quarter ended September 30, 2026.

ECONOMIC OVERVIEW

The quarter began against a challenging macroeconomic backdrop. Geopolitical developments in the region pushed up energy and commodity prices and disrupted supply chains. Inflationary pressure returned, and interest rates remained high. Construction activity showed early signs of recovery, but housing demand remained subdued because of high financing costs and pressure on consumer purchasing power.

INDUSTRY OVERVIEW

The tile industry continues to face surplus capacity and intense price competition. These conditions, together with higher energy, raw material and freight costs, continued to put pressure on margins across the industry.

FINANCIAL PERFORMANCE

During the quarter, the Company's net turnover increased by 16% over the same quarter last year, reflecting improved sales. However, rising input costs could not be fully passed on to customers in a highly competitive market, so margins remained under pressure. The Company also faced multiple unannounced gas supply interruptions during the quarter, resulting in significant production losses. These factors, together with higher operating and financing costs, resulted in a loss after tax of Rs. 387 million for the quarter. Management remains focused on cost rationalisation, operational efficiency and working capital management.

OPERATIONAL REVIEW

The Company continued to implement measures to improve efficiency and control costs, including:

- aligning production with market demand;
- shifting the product mix towards higher-margin products;
- improving energy efficiency through greater use of solar power and progress on the Battery Energy Storage (BESS) Project;
- rationalising fixed and variable costs.

RISK MANAGEMENT

The Company operates within an established risk management framework. The key risks it monitors are:

- a prolonged slowdown in construction activity;
- volatility in energy and input prices;
- disruption in gas supply to the manufacturing facilities, which may affect production;

- high financing costs;
- supply chain disruption;
- liquidity constraints.

Mitigating measures are in place and are reviewed regularly.

FUTURE OUTLOOK

The outlook for the tile industry remains linked to the recovery of construction activity and an improvement in consumer purchasing power. While the near-term outlook remains cautious, the Company will keep strengthening its market position through product diversification, consistent quality and the continued development of the STILE brand, supported by its established retail and distribution network.

To improve financial performance, the Company plans to consolidate its production operations to reduce overheads, make better use of capacity and lower the cost base. Together with ongoing cost and energy initiatives, it is expected to help reduce losses and position the Company for improved results as market conditions recover.

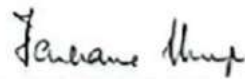
ACKNOWLEDGEMENT

The Directors thank the Company's shareholders, customers, dealers, suppliers and financial institutions for their continued support, and appreciate the dedication of the Company's employees.

For and on behalf of the Board of Directors



SYED ABUL FAZAL RIZVI
Chief Executive Officer



FARHANA MOWJEE KHAN
Director

Karachi
October 30, 2026

شبیر ٹائلز اینڈ سیرامکس لمیٹڈ

ڈائریکٹرز کی رپورٹ برائے حصص یافتگان

برائے پہلی سہ ماہی اختتامیہ 30 ستمبر، 2026

ڈائریکٹرز 30 ستمبر 2026 کو ختم ہونے والی پہلی سہ ماہی کے غیر آڈٹ شدہ عبوری مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

معاشی صورتحال

اس سہ ماہی کے آغاز میں معاشی حالات مشکل تھے۔ خطے میں ہونے والی تبدیلیوں کے باعث توانائی اور دوسری اشیاء کی قیمتوں میں اضافہ ہوا اور سامان کی ترسیل بھی متاثر ہوئی۔ مہنگائی دوبارہ بڑھنے لگی جبکہ شرح سود بھی بلند رہی۔ تعمیراتی سرگرمیوں میں بہتری کے کچھ آثار نظر آئے، لیکن قرضوں کی زیادہ لاگت اور لوگوں کی قوت خرید پر دباؤ کے باعث گھروں کی طلب کم رہی۔

ٹائلوں کی صنعت کی صورتحال

ٹائلوں کی صنعت میں پیداوار کی گنجائش ضرورت سے زیادہ ہے اور قیمتوں کا مقابلہ بھی سخت ہے۔ توانائی، خام مال اور سامان کی ترسیل کے اخراجات بڑھنے سے صنعت کے منافع پر دباؤ برقرار رہا۔

مالی کارکردگی

اس سہ ماہی میں کمپنی کی خالص فروخت گزشتہ سال کی اسی سہ ماہی کے مقابلے میں 16 فیصد بڑھ گئی۔ تاہم مارکیٹ میں سخت مقابلے کی وجہ سے خام مال اور دیگر اخراجات میں اضافے کا پورا بوجھ صارفین پر منتقل نہیں کیا جا سکا، جس سے منافع کی شرح متاثر ہوئی۔

سہ ماہی کے دوران گیس کی فراہمی کئی بار بغیر اطلاع کے بند ہوئی، جس سے پیداوار کو خاصا نقصان پہنچا۔ ان مسائل اور آپریٹنگ و مالیاتی اخراجات میں اضافے کے باعث کمپنی کو ٹیکس کے بعد 387 ملین روپے کا خسارہ ہوا۔ انتظامیہ اخراجات کم کرنے، کام کی کارکردگی بہتر بنانے اور ورکنگ کیپیٹل کے بہتر انتظام پر توجہ دے رہی ہے۔

آپریشنل جائزہ

کمپنی نے کارکردگی بہتر بنانے اور اخراجات قابو میں رکھنے کے لیے یہ اقدامات جاری رکھے

پیداوار کو مارکیٹ کی طلب کے مطابق رکھنا؛

زیادہ منافع دینے والی مصنوعات پر توجہ بڑھانا؛

شمسی توانائی کا زیادہ استعمال کرنا اور بیٹری انرجی منصوبے پر پیش رفت جاری رکھنا؛ (BESS) اسٹوریج مستقل اور متغیر اخراجات کو کم کرنا۔

خطرات کا انتظام

کمپنی اپنے کاروبار سے متعلق اہم خطرات پر مسلسل نظر رکھتی ہے، جن میں شامل ہیں تعمیراتی سرگرمیوں میں طویل عرصے تک سست روی؛ توانائی اور خام مال کی قیمتوں میں اتار چڑھاؤ؛ فیکٹریوں میں گیس کی فراہمی میں رکاوٹ، جس سے پیداوار متاثر ہو سکتی ہے؛ قرضوں اور مالی اعانت کی زیادہ لاگت؛ سپلائی چین میں رکاوٹ؛ نقد رقم کی دستیابی میں مشکلات۔ ان خطرات کو کم کرنے کے لیے اقدامات موجود ہیں اور ان کا باقاعدگی سے جائزہ لیا جاتا ہے۔

مستقبل کے امکانات

ٹائلوں کی صنعت میں بہتری کا انحصار تعمیراتی سرگرمیوں کی بحالی اور لوگوں کی قوت خرید بہتر ہونے پر ہے۔ قریبی مدت میں حالات کے بارے میں محتاط رہنے کی ضرورت ہے، تاہم کمپنی اپنی مصنوعات میں تنوع لانے، معیار برانڈ کو مزید مضبوط بنانے کے ذریعے مارکیٹ میں اپنی پوزیشن بہتر بناتی رہے STILE کو برقرار رکھنے اور گی۔ اس مقصد کے لیے کمپنی کا موجودہ ریٹیل اور ڈسٹری بیوشن نیٹ ورک بھی معاون ثابت ہوگا۔

مالی کارکردگی بہتر بنانے کے لیے کمپنی اپنے پیداواری کام کو یکجا کرنے کا ارادہ رکھتی ہے، تاکہ انتظامی اخراجات کم ہوں، موجودہ پیداواری گنجائش بہتر طور پر استعمال ہو اور مجموعی لاگت میں کمی آئے۔ اخراجات اور توانائی بچانے کے جاری اقدامات کے ساتھ اس سے خسارہ کم کرنے اور مارکیٹ کے حالات بہتر ہونے پر مالی نتائج بہتر بنانے میں مدد ملنے کی توقع ہے۔

اظہار تشکر

ڈائریکٹرز کمپنی کے حصص یافتگان، صارفین، ڈیلرز، سپلائرز اور مالیاتی اداروں کے مسلسل تعاون پر ان کے شکر گزار ہیں۔ وہ کمپنی کے ملازمین کی محنت اور لگن کو بھی سراہتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے



سید ابوالفضل رضوی

چیف ایگزیکٹو آفیسر

کراچی

اکتوبر 30 2026



فرحانہ موجی خان

ڈائریکٹر

SHABIR TILES AND CERAMICS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT SEPTEMBER 30, 2026

		September 30, 2026 (Un-audited)	June 30, 2026 (Audited)
	Note	----- (Rupees in '000) -----	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	2,913,823	2,939,207
Intangible assets		14,739	11,945
Investment property		1,878	1,878
Right of use assets	7	325,765	369,765
Long-term deposits		52,422	52,422
Deferred tax asset - net	8	264,720	208,687
		<u>3,573,347</u>	<u>3,583,904</u>
CURRENT ASSETS			
Stores and spare parts	9	973,602	984,528
Stock-in-trade		3,320,895	3,344,327
Trade debts	10	692,161	625,135
Prepayments, deposits and other receivables		18,603	41,642
Loans and advances		467,189	271,054
Taxation-net		177,333	294,206
Short-term investments	11	56,000	56,000
Cash and bank balances		310,486	257,334
		<u>6,016,269</u>	<u>5,874,226</u>
		<u>9,589,616</u>	<u>9,458,130</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
240,000,000 (2026: 240,000,000) ordinary shares of Rs.5/- each		<u>1,200,000</u>	<u>1,200,000</u>
Issued, subscribed and paid-up capital			
239,320,475 (2026: 239,320,475) ordinary shares of Rs.5/- each		<u>1,196,600</u>	<u>1,196,600</u>
Capital reserves			
Share premium		449,215	449,215
Revenue reserves			
(Accumulated losses) / Unappropriated profit		(664,008)	(277,144)
General reserve		<u>478,000</u>	<u>478,000</u>
TOTAL EQUITY		<u>1,459,807</u>	<u>1,846,671</u>
NON-CURRENT LIABILITIES			
Long-term financing	12	930,793	929,475
Deferred income		32,791	34,357
Lease liabilities	13	243,689	289,301
Long term portion of Sindh Infrastructure Development Cess		98,401	98,401
		<u>1,305,674</u>	<u>1,351,534</u>
CURRENT LIABILITIES			
Trade and other payables		2,521,268	2,494,094
Short-term financing		2,899,303	2,358,438
Current portion of long-term financing - secured	12	115,277	145,757
Current portion of lease liability against right-of-use assets	13	142,597	142,597
Current portion of deferred income	14	6,267	6,267
Gas Infrastructure Development Cess (GIDC) Payable	15	638,162	638,162
Unclaimed dividend		4,138	4,139
Unpaid dividend		2,451	2,451
Sales tax payable		494,672	468,020
Taxation-net		-	-
		<u>6,824,135</u>	<u>6,259,925</u>
		<u>8,129,809</u>	<u>7,611,459</u>
		<u>9,589,616</u>	<u>9,458,130</u>
TOTAL EQUITY AND LIABILITIES			
CONTINGENCIES AND COMMITMENTS			

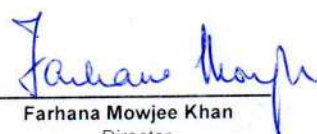
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The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.


Umair Ali Bhatti
 Chief Financial Officer


Syed Abul Fazal Rizvi
 Chief Executive Officer


Farhana Mowjee Khan
 Director

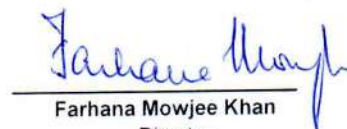
SHABBIR TILES AND CERAMICS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2026

	Quarter ended	
	September 30, 2026	September 30, 2025
	(Rupees in '000)	
Turnover - net	3,697,396	3,190,983
Cost of sales	(3,137,545)	(2,686,985)
Gross profit	559,851	503,998
Selling and distribution expenses	(662,061)	(559,544)
Administrative expenses	(190,220)	(161,953)
(Reversal) / Allowance for expected credit loss	9,450	(224)
	(842,831)	(721,721)
Other income	26,304	14,863
Operating loss	(256,676)	(202,860)
Finance costs	(130,679)	(48,369)
Other expenses	-	(9,609)
	(130,679)	(57,978)
Loss before taxation and levy	(387,355)	(260,838)
Taxation		
- Current	(55,542)	(40,044)
- Deferred	56,033	108,858
	491	68,814
Loss after taxation	(386,864)	(192,024)
Loss per share – basic and diluted	(1.62)	(0.80)

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.


 Umair Ali Bhatti
 Chief Financial Officer


 Syed Abul Fazal Rizvi
 Chief Executive Officer


 Farhana Mowjee Khan
 Director

SHABBIR TILES AND CERAMICS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2026

	<u>Quarter ended</u> <u>September 30,</u> <u>2026</u>	<u>Quarter ended</u> <u>September 30,</u> <u>2025</u>
	<u>----- (Rupees in '000) -----</u>	
Loss after taxation	(386,864)	(192,024)
Other comprehensive income	-	-
Total comprehensive loss for the period	<u><u>(386,864)</u></u>	<u><u>(192,024)</u></u>

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.



Umair Ali Bhatti
 Chief Financial Officer



Syed Abul Faza Rizvi
 Chief Executive Officer



Farhana Mowjee Khan
 Director

SHABBIR TILES AND CERAMICS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2026

Issued, subscribed and paid-up capital	Reserves				Total reserves	Total equity	
	Capital reserve	Revenue reserves					
		Share premium	General reserve				Unappro- priated profit

Balance as at June 30, 2025 (Audited)

1,196,600 449,215 478,000 524,960 1,452,175 2,648,775

Profit after taxation

-	-	-	(192,024)	(192,024)	(192,024)
-	-	-	-	-	-

Other comprehensive income

Total comprehensive income for the period

- - - (192,024) (192,024) (192,024)

Balance as at September 30, 2025 (Un-audited)

1,196,600 449,215 478,000 332,936 1,260,151 2,456,751

Balance as at June 30, 2026 (Audited)

1,196,600 449,215 478,000 (277,144) 650,071 1,846,671

Loss after taxation

-	-	-	(386,864)	(386,864)	(386,864)
-	-	-	-	-	-

Other comprehensive income

Total comprehensive income for the period

- - - (386,864) (386,864) (386,864)

Balance as at September 30, 2026 (Un-audited)

1,196,600 449,215 478,000 (664,008) 263,207 1,459,807

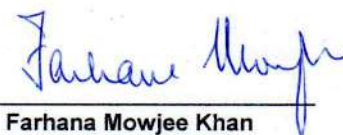
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Umair Ali Bhatti
Chief Financial Officer



Syed Abul Fazal Rizvi
Chief Executive Officer



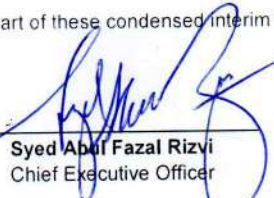
Farhana Mowjee Khan
Director

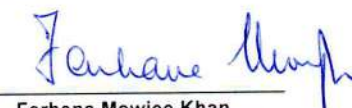
SHABBIR TILES AND CERAMICS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2026

		September 30, 2026 (Un-audited)	September 30, 2025 (Un-audited)
	Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation		(387,355)	(260,838)
Adjustments for non-cash and other items:			
Depreciation on:			
Operating fixed assets	6.1	97,459	144,379
Right-of-use assets	7.2	44,000	41,000
Investment property		311	932
Finance costs		130,679	48,369
(Reversal)/Allowance for expected credit losses		(9,450)	224
Profit on debt		(207)	(2,209)
(Reversal)/Provision for slow moving stores and spare parts		(5,042)	11,611
Provision for slow moving and obsolete stock-in-trade		16,376	10,935
Amortisation of deferred income	14	(1,566)	(1,210)
Gain on disposal of operating fixed assets		(2,609)	-
		<u>269,950</u>	<u>254,031</u>
Operating profit before working capital changes		<u>(117,405)</u>	<u>(6,807)</u>
(Increase) / decrease in current assets			
Stores and spare parts		15,968	(137,423)
Stock-in-trade		7,056	(254,532)
Trade debts		(57,576)	(254,380)
Loans and advances		(196,135)	4,759
Trade deposits, short-term prepayments and other receivables		23,039	16,834
Long-term deposits		-	(562)
		<u>(207,648)</u>	<u>(625,304)</u>
Increase in current liabilities			
Trade and other payables		27,970	6,694
Sales tax payable		26,652	47,401
		<u>54,622</u>	<u>54,095</u>
Cash generated from / used in operations		<u>(270,431)</u>	<u>(578,016)</u>
Income tax receipt		61,331	106,216
Profit on savings account		52	797
Interest on term deposit receipts (TDRs)		155	951
Finance costs paid		(115,679)	(33,369)
Long-term Deposit		-	(562)
Net cash used in operating activities		<u>(324,571)</u>	<u>(503,983)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on operating fixed assets		(75,826)	(211,929)
Capital expenditure on intangible assets		(2,794)	-
Proceeds from disposal of operating fixed assets		6,360	-
Net cash used in / generated from investing activities		<u>(72,260)</u>	<u>(211,929)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long-term financing		(45,270)	(63,144)
Short term financing obtained during the period		540,865	810,870
Repayment of principal portion of lease liabilities		(45,612)	(51,847)
Dividend paid		-	29
Net cash generated / used in from financing activities		<u>449,983</u>	<u>695,908</u>
Net increase / (decrease) in cash and cash equivalents		<u>53,152</u>	<u>(20,004)</u>
Cash and cash equivalents at the beginning of the period		257,334	185,350
Cash and cash equivalents at the end of the period	17	<u>310,486</u>	<u>165,346</u>

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.


Umair Ali Bhatti
 Chief Financial Officer


Syed Abul Fazal Rizvi
 Chief Executive Officer


Farhana Mowjee Khan
 Director

SHABBIIR TILES AND CERAMICS LIMITED
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2026

1 THE COMPANY AND ITS OPERATIONS

1.1 Shabbir Tiles and Ceramics Limited (the Company) was incorporated in Pakistan as a public limited company under the repealed Companies Act, 1913 (now the Companies Act, 2017) on November 07, 1978 and listed on the Pakistan Stock Exchange Limited. The Company is primarily engaged in the manufacture and sale of tiles and trading of allied building products.

1.2 Geographical location and addresses of all the business units other than those stated in note 1.3 are as under:

Business Unit	Address	Production Facility
Registered office & production plant (Unit 1):	15th Milestone, National Highway, Landhi, Karachi.	Tiles & building material products
Production plant (Unit 2):	Deh Khanto, Tappo Landhi, District Malir, Bin Qasim Town Karachi.	Tiles
Production plant (Islamabad):	Plot No 01, ANF road, Yamaha Chok Road, Model Town, Humak, Islamabad.	Building material products
Production plant (Lahore):	78-A Factory Adda, Dina Nath main Multan Road, 46 KM Road, Lahore	Building material products

1.3 The Company also make sales through various sales outlets located across the country. Considering the quantum, the geographical locations and addresses of all the locations are not presented in these condensed interim financial statements.

2 STATEMENT OF COMPLIANCE

2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting which comprise of International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' (IAS 34), issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act) and provisions of and directives issued under the Act. Where the provisions of and directives issued under the Act differ with the requirement of IAS 34, the provisions of and directives issued under the Act have been followed.

2.2 These condensed interim financial statements are unaudited and are being submitted to the shareholders as required under section 237 of the Act.

3 BASIS OF PREPARATION

3.1 These condensed interim financial statements are un-audited and do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2026.

3.2 These condensed interim financial statements are presented in Pakistan Rupees which is the Company's functional and presentation currency.

4 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company's annual audited financial statements for the year ended June 30, 2026.

4.1 New standards, amendments to accounting and reporting standards and new interpretations

(a) Amendments and interpretations to accounting and reporting standards that are effective in the current period

There are certain new amendments and interpretations to the accounting and reporting standards which are mandatory for the Company during the current period. However, these do not have any significant impact on the Company's financial statements and therefore are not disclosed in these condensed interim financial statements.

4.3 New standards, amendments to accounting and reporting standards and new interpretations

(a) Amendments and interpretations to accounting and reporting standards that are effective in the current period

There are certain new amendments and interpretations to the accounting and reporting standards which are mandatory for the Company during the current period. However, these do not have any significant impact on the Company's financial statements and therefore are not disclosed in these condensed interim financial statements.

(b) Standards, amendments and interpretations to accounting and reporting standards that are not yet effective

There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after July 1, 2025 but are considered not to be relevant or will not have any significant effect on the Company's operations and therefore are not disclosed in these condensed interim financial statements except for the following:

- The new standard - IFRS 18 'Presentation and Disclosure in Financial Statements' (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 when adopted and applicable shall impact the presentation of 'Statement of Profit or Loss' with certain additional disclosures in the financial statements;
- amendments to IFRS 9 and IFRS 7 - Classification and Measurements of Financial Instruments (published in May 2024) applicable for periods beginning on or after January 1, 2026. These amendments:
 - clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; and
 - clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion.

The management is in the process of assessing the impacts of the new standards and amendments on the financial statements of the Company.

5 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND FINANCIAL RISK MANAGEMENT

The preparation of these condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied in the Company's annual financial statements for the year ended June 30, 2026.

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements as at and for the year ended June 30, 2026.

	Note	September 30, 2026 (Un-audited) ----- (Rupees in '000) -----	June 30, 2026 (Audited)
6 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets - at net book value	6.1	2,166,389	2,212,526
Capital work-in-progress (CWIP) - cost	6.2	747,434	726,681
		<u>2,913,823</u>	<u>2,939,207</u>
6.1 Operating fixed assets			
Opening Net Book Value (NBV)		2,212,526	2,419,247
Additions including transfers from CWIP during the period / year - at cost	6.1.1	55,073	374,049
		<u>2,267,599</u>	<u>2,793,296</u>
Disposals during the period / year at NBV	6.1.1	(3,751)	(25,017)
Depreciation charged during the period / year		(97,459)	(555,753)
Closing Net Book Value		<u>2,166,389</u>	<u>2,212,526</u>

6.1.1 Additions and disposals of operating fixed assets

	Additions at cost / transfers		Disposals at NBV	
	For the period ended September 30, 2026 (Unaudited)	For the year ended June 30, 2026 (Audited)	For the period ended September 30, 2026 (Unaudited)	For the year ended June 30, 2026 (Audited)
	(Rupees in '000)			
Building on freehold land	-	-	-	-
Plant and machinery	35,852	314,424	-	2,550
Office equipment	2,184	453	-	-
Computers and accessories	-	2,609	-	17
Vehicles	17,037	56,563	3,751	22,450
	<u>55,073</u>	<u>374,049</u>	<u>3,751</u>	<u>25,017</u>

6.2 Capital work-in-progress

	Note	September 30, 2026 (Un-audited)	June 30, 2026 (Audited)
		(Rupees in '000)	
Plant and machinery		747,434	726,681
	6.2.1	<u>747,434</u>	<u>726,681</u>

6.2.1 Movement in capital work-in-progress

Balance at the beginning of the period / year		726,681	73,634
Additions during the period / year		56,605	1,027,096
Transfers to operating fixed assets	6.2.2	(35,852)	(374,049)
Balance at the end of the period / year		<u>747,434</u>	<u>726,681</u>

6.2.2 Includes vehicles of Rs. 17.037 (June 2026: Rs. 56.563) purchased from Indus Motors Company Limited, a related party.

7 RIGHT-OF-USE ASSETS

	Note	September 30, 2026 (Un-audited)	June 30, 2026 (Audited)
		(Rupees in '000)	
Cost	7.1	917,981	917,981
Accumulated depreciation	7.2	(592,216)	(548,216)
		<u>325,765</u>	<u>369,765</u>

7.1 Cost

Balance at the beginning of the period / year		917,981	862,738
Additions during the period / year		-	164,348
Derecognition on lease expiry		-	(68,918)
Termination during the year		-	(40,187)
Balance at end of the period / year		<u>917,981</u>	<u>917,981</u>

7.2 Accumulated depreciation

Balance at beginning of the period / year		548,216	485,557
Charged during the period / year	7.3	44,000	158,000
Derecognition on lease expiry		-	(68,918)
Termination during the year		-	(26,423)
Balance at end of the period / year		<u>592,216</u>	<u>548,216</u>
		<u>325,765</u>	<u>369,765</u>
Lease term - years		<u>10-48</u>	<u>10-48</u>

7.3 Depreciation charge for the period has been allocated as follows

	September 30, 2026 (Un-audited) ----- (Rupees in '000) -----	September 30, 2025 (Un-audited) ----- (Rupees in '000) -----
Cost of sales- Manufacturing	9,000	9,000
Selling and distribution expenses	35,000	32,000
	<u>44,000</u>	<u>41,000</u>

8 Deferred tax asset - net

Deferred tax asset on deductible temporary differences:

- provisions
- tax depreciation
- lease liabilities and right of use assets

Note	September 30, 2026 (Un-audited) ----- (Rupees in '000) -----	June 30, 2026 (Audited) ----- (Rupees in '000) -----
	199,293	199,309
	35,089	-
	30,338	18,019
	<u>264,720</u>	<u>217,328</u>

Deferred tax liabilities on taxable temporary differences:

- accelerated tax depreciation

	-	(8,641)
	<u>264,720</u>	<u>208,687</u>

9 STOCK-IN-TRADE

- Raw material - in hand
- in transit

	1,320,276	1,193,656
	62,059	175,064
	<u>1,382,335</u>	<u>1,368,720</u>

Work-in-process

	138,914	150,496
--	---------	---------

Finished goods

	1,959,784	1,970,689
--	-----------	-----------

- manufacturing

	48,790	46,974
--	--------	--------

- trading

	(208,928)	(192,552)
--	-----------	-----------

Less: Provision for slow moving and obsolete stock-in-trade

	<u>3,320,895</u>	<u>3,344,327</u>
--	------------------	------------------

- 9.1 Includes stock-in-trade costing Rs. 530.450 million (June 2026: Rs. 520.12 million) which has been written down to its net realizable value (NRV) amounting to Rs. 398.537 million (June 2026: Rs. 323.51 million) during the year.

10 TRADE DEBTS

Unsecured

- Related Parties
- Other Parties

Note	September 30, 2026 (Un-audited) ----- (Rupees in '000) -----	June 30, 2026 (Audited) ----- (Rupees in '000) -----
	1,586	1,092
	880,533	823,507
	<u>882,119</u>	<u>824,599</u>

Allowance for expected credit loss (ECL)

	(189,958)	(199,464)
	<u>692,161</u>	<u>625,135</u>

11 SHORT-TERM INVESTMENTS

At amortised cost

Term deposit receipts (TDRs)

Note	September 30, 2026 (Un-audited) ----- (Rupees in '000) -----	June 30, 2026 (Audited) ----- (Rupees in '000) -----
11.1	56,000	56,000
	<u>56,000</u>	<u>56,000</u>

- 11.1 This represents TDR placed with the Bank Alfalah Limited amounting to Rs. 56.00 million (June 2026: Rs. 56.00 million) which is placed under lien against the SBP refinance scheme for renewable energy as disclosed in note 11 and carries profit rate of 11% (2026: 10.45%)

	Note	September 30, 2026 (Un-audited)	June 30, 2026 (Audited)
		----- (Rupees in '000) -----	
12 LONG-TERM FINANCING - SECURED			
Conventional Banks			
SBP refinance scheme for renewable energy	12.1 & 12.3	151,397	157,061
Term loan	12.2	145,000	181,250
Liabilities against assets subject to Diminishing Musharakah		709,376	709,376
Accrued markup on long-term loan		40,297	27,545
Current maturity of long-term financing		(115,277)	(145,757)
		<u>930,793</u>	<u>929,475</u>

- 12.1 There is no material change in the terms and conditions of the long-term financing obtained from a conventional bank under State Bank of Pakistan's (SBP) Refinance Scheme for Renewable Energy as disclosed in the Company's annual audited financial statements for the year ended June 30, 2026.
- 12.2 There is no material change in the terms and conditions of the term loan obtained from Allied Bank Limited to finance the CAPEX requirement of the Company as disclosed in the Company's annual audited financial statements for the year ended June 30, 2026.

	Note	September 30, 2026 (Un-audited)	June 30, 2026 (Audited)
		----- (Rupees in '000) -----	
12.3 Movement of long-term financing under SBP refinance scheme for renewable energy:			
Balance at beginning of the period / year		157,061	187,093
Reversal of government grant		-	-
Repayment made during the period / year		(9,020)	(44,861)
Unwinding of finance cost		3,356	14,829
Balance at end of the period / year		<u>151,397</u>	<u>157,061</u>
Current maturity of long-term financing		(42,877)	(42,877)
		<u>108,520</u>	<u>114,184</u>
13 Lease liability against right-of-use assets			
Lease liability against right-of-use assets	13.1	386,286	431,898
Current portion of lease liability against right-of-use assets		(142,597)	(142,597)
		<u>243,689</u>	<u>289,301</u>

13.1 Movement of lease liability against right-of-use assets:

Balance at beginning of the period / year	431,898	446,831
Additions during the period / year	-	164,348
Unwinding of finance cost during the period / year	15,000	61,951
Payments made during the period / year	(60,612)	(224,327)
Termination of Lease Liabilities		(16,905)
Balance at end of the period / year	<u>386,286</u>	<u>431,898</u>

	September 30, 2026 (Un-audited)	June 30, 2026 (Audited)
	----- (Rupees in '000) -----	
14 DEFERRED INCOME		
Balance at beginning of the period / year	40,624	46,891
Amortised during the period / year	(1,566)	(6,267)
Balance at end of the period / year	39,058	40,624
Current maturity of deferred income	(6,267)	(6,267)
	<u>32,791</u>	<u>34,357</u>

15 GAS INFRASTRUCTURE DEVELOPMENT CESS (GIDC) PAYABLE

Balance at beginning of the period / year	638,162	830,408
Unwinding of finance cost during the period / year	-	-
Reversal of provision	-	(192,246)
Current maturity of GIDC payable	(638,162)	(638,162)
Balance at end of the period / year	<u>-</u>	<u>-</u>

15.1 There is no material change in the status of GIDC as disclosed in note 24 to the annual financial statement of the Company for the year ended Jun 30, 2026.

16 CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

There is no change in the status of contingencies as disclosed in note 28.1 in the audited financial statements of the Company for the year ended June 30, 2026.

16.2 Commitments

(i) Commitments in respect of outstanding letters of credit against raw materials and spares amounting to Rs. 537.76 million (2026: Rs. 423.17 million), issued by commercial banks

(ii) Commitment in respect of bank guarantees issued by a commercial bank in favour of:

BANK GUARANTEES

	September 30, 2026 (Un-audited)	June 30, 2026 (Audited)
	----- (Rupees in '000) -----	
Sui Southern Gas Company Limited	923,195	923,195
Nazir of Sindh High Court	382,044	382,044
Pakistan State Oil Company Limited	70,000	70,000
Excise and Taxation Department	2,669	2,669
K-Electric Limited	16,516	16,516
Lucky Cement	20,000	20,000
	<u>1,414,424</u>	<u>1,414,424</u>

	September 30, 2026 (Un-audited)	September 30, 2025 (Un-audited)
	----- (Rupees in '000) -----	
17 CASH AND CASH EQUIVALENTS		
Cash and bank balances	310,486	165,346

18 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties of the Company comprise of associated companies, staff retirement benefits, directors and key management personnel. All the transactions with related parties are entered into at agreed terms as approved by the Board of Directors of the Company. Balances outstanding with related parties have been disclosed in the respective notes to these financial statements. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in these condensed interim financial statements, are as follows:

	September 30, 2026	September 30, 2025
	----- (Rupees in '000) -----	----- (Rupees in '000) -----
	----- (Un-audited) -----	----- (Audited) -----
Associated companies		
Sales	8,375	88
Purchases of goods, material and services	190,342	110,341
Insurance premium	-	11,002
Insurance claims received	-	52
Rent and service charges paid	6,025	10,018
Staff retirement benefits		
Contribution to provident fund	12,422	12,301
Key management personnel		
Remuneration and other benefits	42,873	28,662
Fee for attending board meetings	800	1,200
	September 30, 2026	June 30, 2026
	----- (Rupees in '000) -----	----- (Rupees in '000) -----
	(Un-audited)	(Audited)
Balances as at period / year end		
Long-term security deposits	1,270	1,270
Trade debts	1,586	799
Bank balances	29,461	20,180
Trade and other payables	80,974	17,702

19 FAIR VALUE OF FINANCIAL INSTRUMENTS

- 19.1 Fair value is 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. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of investments in units of open-end collective investment schemes (mutual funds) are based on the net assets quoted by the respective funds and the Mutual Fund Association of Pakistan at each reporting date. The estimated fair value of all other assets and liabilities are considered not to be significantly different from carrying values as the items are either short-term in nature or are periodically repriced.

19.2 The market value of TDRs is approximately equal to its carrying amount.

20 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on October 30, 2026 by the Board of Directors of the Company.

21 GENERAL

21.1 Figures have been rounded off to the nearest rupees in thousands unless otherwise stated.

21.2 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, where considered necessary, for the purposes of comparison and to reflect the substance of the transactions. There have been no significant reclassifications or rearrangements in these condensed interim financial statements during the current period.



Umair Ali Bhatti
Chief Financial Officer



Syed Abul Fazal Rizvi
Chief Executive Officer



Farhana Mowjee Khan
Director



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