KARAM CERAMICS LIMITED
LETTER TO PAKISTAN STOCK EXCHANGE

October 30, 2026

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road,
Karachi - 74000

Dear Sir,

Subject: FINANCIAL RESULTS - FOR THE QUARTER ENDED SEPTEMBER 30, 2026

We have to inform you that the Board of Directors of the Company in their Meeting held on Thursday October 30, 2026 at 3:00 p.m. at Registered Office Karachi, has approved the Quarterly Financial Statements for the quarter ended September 30, 2026 and recommended the following:

1. Cash Dividend: NIL
2. Bonus Shares: NIL
3. Right Shares: NIL

The financial results of the Company are annexed.

The Interim Financial Statements of the Company for the period ended September 30, 2025 will be transmitted through PUCARS separately, within the specified time.

Thanking You,

Yours Truly,

For Karam Ceramics Limited

Syed Mazhar Ali Nasir
Chief Executive Officer

KARAM CERAMICS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2026 (UNAUDITED)
(Expressed in Pakistani Rupees)

	Note	SEPTEMBER 2026	JUNE 2026
ASSETS			
Non-current assets			
Property, plant and equipment	3	1,528,370,002	1,545,299,843
Long term deposits	4	66,326,223	66,326,223
		1,594,696,225	1,611,626,066
Current assets			
Stores and spares	5	53,465,559	52,965,559
Stock in trade	6	132,242,485	234,888,674
Loans and advances - considered good		2,000	117,249
Advance tax		7,586,702	6,062,237
Refunds due from the government	7	16,089,556	19,680,984
Deposits, prepayments and other receivables	8	1,384,235	-
Cash and bank balances	9	12,424,810	9,749,352
		223,195,348	323,464,055
TOTAL ASSETS		1,817,891,572	1,935,090,121
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
		450,000,000	450,000,000
45,000,000 (JUNE 30 2026: 45,000,000) ordinary shares of Rs.10 each			
Issued, subscribed and paid-up capital		145,486,760	145,486,760
Accumulated losses		(1,705,219,666)	(1,638,550,261)
Revaluation surplus on property, plant and equipment		1,031,992,901	1,031,992,901
Remeasurement of retirement benefit obligation		2,340,702	2,340,702
Subordinated loan		1,736,034,796	1,738,034,796
		1,210,635,493	1,279,304,898
LIABILITIES			
Non-current liabilities			
Deferred taxation		-	-
Current liabilities			
Trade and other payables		283,833,298	382,251,080
Post employment benefits		7,339,897	16,190,497
Short term borrowings		116,500,000	116,500,000
Contract liability		194,548,862	129,463,490
Unclaimed dividend		513,191	513,191
Dividend payable		3,148,405	3,148,406
Levy		1,372,425	7,718,559
		607,256,079	655,785,223
Total liabilities		607,256,079	655,785,223
Contingencies and Commitments			
TOTAL EQUITY AND LIABILIITIES		1,817,891,572	1,935,090,121

The annexed notes from 1 to 16 an integral part of these financial statements.

Chief Executive Officer **Chief Financial Officer** **Director**

KARAM CERAMICS LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE 1ST QUARTER ENDED SEPTERMBER 30, 2026 (UNAUDITED)
(Expressed in Pakistani Rupees)

	Note	Sept-2026	Sept-2025
Revenue		**109,794,028**	**160,694,415**
Cost of sales		**(182,388,175)**	**(172,757,194)**
Gross loss		**(72,594,147)**	**(12,062,779)**
Selling and distribution expenses		**(995,704)**	**(4,154,124)**
Administrative expenses		**(3,105,818)**	**(8,141,633)**
Other expenses		**-**	**-**
		(4,101,522)	**(12,295,757)**
Operating loss		**(76,695,669)**	**(24,358,536)**
Other income		**11,400,762**	**122,964**
Finance cost		**(2,070)**	**(297,845)**
		11,398,692	**(174,881)**
Loss before levy and Income tax		**(65,296,977)**	**(24,533,417)**
Levy		**(1,372,425)**	**(2,008,684)**
Loss before Income tax		**(66,669,402)**	**(26,542,101)**
Deffered tax income		**-**	**-**
Loss after taxation		**(66,669,402)**	**(26,542,101)**
Loss per share - basic and diluted		**(4.16)**	**(1.82)**

The annexed notes from 1 to 15 an integral part of these financial statements.

Chief Executive **Chief Financial Officer** **Director**

KARAM CERAMICS LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE 1ST QUARTER ENDED SEPTERMBER 30, 2026
(Expressed in Pakistani Rupees)

	Cumulative	
	30-Sep-26	**30-Sep-25**
Loss after taxation	**(66,669,402)**	**(26,542,101)**
Other comprehensive income		
Items that will not be subsuqently reclassified to		
Surplus on revaluation of land and buildings	-	-
Deferred tax on surplus of buildings		-
	-	-
Total comprehensive loss for the year	**(66,669,402)**	**(26,542,101)**

The annexed notes from 1 to 16 an integral part of these financial statements.

Chief Executive Officer	**Chief Financial Officer**	**Director**

KARAM CERAMICS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE YEAR ENDED SEPTEMBER 30, 2026
(Expressed in Pakistani Rupees)

	Note	SEPTEMBER 2026	SEPTEMBER 2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before levy and income tax		**(65,296,977)**	(101,091,951)
Adjustments for non-cash items			
Depreciation		**16,929,845**	21,734,243
Other income / settlement gain		**(11,400,762)**	-
Finance cost		**2,070**	538,944
		5,531,153	22,273,187
Operating loss before working capital changes		**(59,765,824)**	(78,818,764)
(Increase) / decrease in current asset			
Long term deposits		**-**	-
Stores and spares		**(500,000)**	16,542,903
Stock in trade		**102,646,184**	75,149,804
Loans and advances		**115,249**	(315,475)
Deposits, prepayments and other receivables		**(1,384,235)**	(11,634)
		100,877,198	91,365,597
(Decrease) / Increase in current liabilities			
Trade and other payables		**(98,417,782)**	(114,772,082)
Contract liability		**65,085,372**	78,916,122
		(33,332,410)	(35,855,960)
Cash flows (used in) / generated from operations		**7,778,965**	(23,309,127)
Finance cost paid		**(2,070)**	(538,944)
Other income / settlement gain		**11,400,762**	
Exchange Gain or Loss		**-**	-
Taxes refunded / (paid) - net		**(5,651,596)**	7,435,673
Gratuity paid		**(8,850,600)**	(577,484)
		(3,103,505)	6,319,245
Net cash flows (used in) / generated from operations		**4,675,460**	(16,989,882)
CASH FLOWS FROM INVESTING ACTIVITIES			
Addition in property plant and equipment		**-**	(190,000)
Proceeds from disposal of property, plant and equipments		**-**	(1,198,080)
Net cash flows used in investing activities		**-**	(1,388,080)
CASH FLOWS FROM FINANCING ACTIVITIES			
Subordinated loan obtained during the year		**(2,000,000)**	23,000,000
Short term borrowings obtained during the year - net		**-**	5,000,000
			-
Net cash flows generated from financing activities		**(2,000,000)**	28,000,000
Net increase in cash and cash equivalents		**2,675,460**	9,622,038
Cash and cash equivalents at the beginning of the year		**9,749,351**	11,484,767
Cash and cash equivalents at the end of the year		**12,424,810**	21,106,805

Chief Executive Officer **Chief Financial Officer** **Director**

KARAM CERAMICS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE 1ST QUARTER ENDED SEPTERMBER 30, 2026
(Expressed in Pakistani Rupees)

	Share capital	Subordinated loan	Accumulated losses	Surplus on revaluation of property, plant and equipment	Remeasure-ment of retirement benefit obligation	Total
Balance as at June 30, 2025	145,486,760	1,701,734,796	(1,575,302,084)	630,926,498	2,340,702	905,186,672
Loss after taxation for the year ended June 30, 2026	-	-	(100,457,286)	-	-	(100,457,286)
Subordinated loan	-	36,300,000	-	-	-	36,300,000
Other comprehensive income for the year						
Surplus on revaluation of land and building - net of deferred tax	-	-	-	438,275,512	-	438,275,512
Transferred from surplus on revaluation of property, plant and equipment	-	-	37,209,109	(37,209,109)	-	-
	-	-	37,209,109	401,066,403	-	438,275,512
Balance as at June 30, 2025	145,486,760	1,738,034,796	(1,638,550,261)	1,031,992,901	2,340,702	1,279,304,898
Loss after taxation for the 1st quarter ended Septermber 30, 2026	**-**	**-**	**(66,669,402)**	**-**	**-**	**(66,669,402)**
Subordinated loan	**-**	**(2,000,000)**	**-**	**-**	**-**	**(2,000,000)**
Other comprehensive income for the year						
Surplus on revaluation of land and building - net of deferred tax	-	-	-	-	-	-
Related Deferred tax Liability			-	-		
Transferred from surplus on revaluation of property, plant and equipment incremental depreciation for the year - net of deferred tax	-	-	-	-	-	-
	-	-	-	-	-	-
Balance as at September 30, 2026	**145,486,760**	**1,736,034,796**	**(1,705,219,663)**	**1,031,992,901**	**2,340,702**	**1,210,635,496**

The annexed notes from 1 to 16 an integral part of these financial statements.

Chief Executive Officer **Chief Financial Officer** **Director**