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AL-KHAIR GADOON LTD.

Condensed Interim Financial Statements First Quarter Ended

September 30, 2026 (Un-Audited)

www.alkhairgadoon.com



COMPANY INFORMATION

BOARD OF DIRECTORS:	Muhammad Afzal Sheikh	Chairman
	Muhammad Amin Sheikh	Chief Executive
	Muhammad Saeed Sheikh	Non-Executive Director
	Mrs. Parveen Afzal	Non-Executive Director
	Mrs. Farnaz Saeed	Non-Executive Director
	Mrs. Nafisa Amin	Non-Executive Director
	Mr. Asif Sajjad	Independent Director
	Mr. Kamal Subhani	Independent Director
AUDIT COMMITTEE:	Mr. Kamal Subhani	Chairman
	Mrs. Farnaz Saeed	Member
	Mr. Asif sajjad	Member
	Mr. Khurram Iftikhar	Secretary
HUMAN RESOURCE & REMUNERATION COMMITTEE:	Mr. Kamal Subhani	Chairman
	Mrs. Farnaz Saeed	Member
	Mrs. Parveen Afzal	Member
	Miss Samina Kokab	Secretary
CFO / CHIEF ACCOUNTANT:	Muhammad Tariq Amin	
COMPANY SECRETARY:	Miss Samina Kokab	
AUDITORS:	M/s. Tahir Siddiqi & Co., Chartered Accountants.	
LEGAL ADVISOR:	Mr. Umer Jamil (Advocate High Court)	
SHARES REGISTRAR:	Corplink (Private) Limited Wings Arcade,1-K Commercial, Model Town , Lahore	
BANKERS:	Meezan Bank Limited Bank Alfalah Limited. Habib Metropolitan Bank Limited Allied Bank Limited Soneri Bank Limited United Bank Limited Bank Al-Habib Limited.	
REGISTERED OFFICE & FACTORY SITE:	92/3, 94A & 94B Phase III, Industrial Estate, Gadoon Amazai, District Swabi, (K.P.K) Tel: (0938) 270260 Fax: (0938) 270270	
CORPORATE OFFICE:	Al-Khair House, 43–T, Gulberg II, Lahore. Tel: (0342)-111111605 Fax: (042) 35716588, 35753719 Email: info@alkhairgadoon.com Website: www.alkhairgadoon.com	

DIRECTORS' REVIEW REPORT
For the Quarter Ended September 30, 2026

On behalf of the board of directors of the Company, we are pleased to present Condensed Interim Financial Statements of the Company for the Quarter ended September 30, 2026.

Financial Highlights

Particulars	September, 2026	September, 2025
Net Sales	276.29	277.79
Gross Profit	40.63	31.08
Operating Profit	15.84	3.80
Finance Cost	8.40	10.59
Profit/(Loss) Before Taxation	8.91	-10.21
Profit/(Loss) After Taxation	4.36	-10.21
Earnings/(Loss) Per Share (Rs.)	0.44	-1.02

Operational Results

During the quarter under review, the Company recorded net sales of Rs. 276.29 million compared with Rs. 277.79 million in the corresponding quarter of the previous year, representing a marginal decrease of 0.54%. Despite the slight reduction in sales, the Company achieved a significant improvement in profitability through better cost management and control over operating expenses.

The gross profit increased to Rs. 40.63 million compared with Rs. 31.08 million in the corresponding period of last year, reflecting an increase of 30.73%. The gross profit margin improved from 11.19% to 14.71%. The operating profit increased substantially to Rs. 15.84 million compared with Rs. 3.80 million in the corresponding quarter of the previous year. The Company earned a profit after taxation of Rs. 4.36 million compared with a loss of Rs. 10.21 million in the corresponding quarter of the previous year.

Future Outlook

The Board remains focused on improving operational efficiency, controlling production and administrative costs, managing working capital effectively, and strengthening the Company's financial performance. The Company will continue to exercise financial discipline and pursue opportunities to improve profitability while remaining mindful of prevailing economic and market conditions. The Board is cautiously optimistic about maintaining the improvement in operating performance during the remaining financial year.

Appreciation

The Board of Directors expresses its appreciation to the Company's shareholders, customers, bankers, suppliers, and other stakeholders for their continued confidence and support. The Board also acknowledges the dedication and efforts of the Company's management and employees.

MUHAMMAD AFZAL SHEIKH
Chairman

MUHAMMAD AMIN SHEIKH
Chief Executive

Lahore: October 30, 2026

ڈائریکٹرز کی جائزہ رپورٹ

برائے سہ ماہی اختتام پذیر 30 ستمبر 2026

بورڈ آف ڈائریکٹرز کی جانب سے ہمیں کمپنی کے 30 ستمبر 2026 کو ختم ہونے والی سہ ماہی کے غیر آڈٹ شدہ مختصر عبوری مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس ہو رہی ہے۔

مالیاتی کارکردگی کی اہم جھلکیاں

تفصیلات	ستمبر 2025 (ملین روپے)	ستمبر 2026(ملین روپے)
خالص فروخت	277.79	276.29
مجموعی منافع	31.08	40.63
آپریٹنگ منافع	3.8	15.84
مالیاتی اخراجات	10.59	8.4
انکم ٹیکس سے قبل منافع/(نقصان)	-10.21	8.91
انکم ٹیکس کے بعد منافع/(نقصان)	-10.21	4.36
فی حصص آمدنی/(نقصان) (روپے)	-1.02	0.44

کاروباری نتائج

زیر جائزہ سہ ماہی کے دوران کمپنی کی خالص فروخت 276.29 ملین روپے رہی، جبکہ گزشتہ سال کی اسی سہ ماہی میں یہ 277.79 ملین روپے تھی، جو 0.54 فیصد کی معمولی کمی کو ظاہر کرتی ہے۔ فروخت میں اس معمولی کمی کے باوجود کمپنی نے لاگت کے بہتر انتظام اور آپریٹنگ اخراجات پر مؤثر کنٹرول کے ذریعے منافع میں نمایاں بہتری حاصل کی۔ کمپنی کا مجموعی منافع گزشتہ سال کی اسی مدت کے 31.08 ملین روپے کے مقابلے میں بڑھ کر 40.63 ملین روپے ہو گیا، جو 30.73 فیصد اضافے کو ظاہر کرتا ہے۔ مجموعی منافع کی شرح 11.19 فیصد سے بڑھ کر 14.71 فیصد ہو گئی۔ آپریٹنگ منافع بھی گزشتہ سال کی اسی سہ ماہی کے 3.80 ملین روپے کے مقابلے میں نمایاں طور پر بڑھ کر 15.84 ملین روپے ہو گیا۔ کمپنی نے زیر جائزہ سہ ماہی کے دوران انکم ٹیکس کے بعد 4.36 ملین روپے کا منافع حاصل کیا، جبکہ گزشتہ سال کی اسی سہ ماہی میں 10.21 ملین روپے کا نقصان ہوا تھا۔

مستقبل کے امکانات

بورڈ آف ڈائریکٹرز کی توجہ کاروباری کارکردگی کو مزید بہتر بنانے، پیداواری اور انتظامی اخراجات پر قابو پانے، ورکنگ کیپیٹل کے مؤثر انتظام اور کمپنی کی مالیاتی کارکردگی کو مستحکم کرنے پر مرکوز ہے۔ کمپنی مالیاتی نظم و ضبط کو برقرار رکھتے ہوئے منافع میں اضافے کے مواقع سے فائدہ اٹھانے کی کوششیں جاری رکھے گی، جبکہ موجودہ معاشی اور مارکیٹ کے حالات کو بھی مدنظر رکھا جائے گا۔ بورڈ آف ڈائریکٹرز محتاط انداز میں پُرامید ہے کہ رواں مالی سال کی باقی مدت کے دوران آپریٹنگ کارکردگی میں حاصل ہونے والی بہتری کو برقرار رکھا جا سکے گا۔

اظہار تشکر

بورڈ آف ڈائریکٹرز کمپنی کے حصص یافتگان، صارفین، بینکاروں، سپلائرز اور دیگر متعلقہ فریقین کے مسلسل اعتماد اور تعاون پر ان کا شکریہ ادا کرتا ہے۔ بورڈ کمپنی کی انتظامیہ اور ملازمین کی محنت، لگن اور خدمات کو بھی قدر کی نگاہ سے دیکھتا ہے۔

Muhammad Amin
محمد امین شیخ
چیف ایگزیکٹو

محمد افضل شیخ
چیئرمین

لاہور: 30 اکتوبر 2026

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2026

	Note	Un-Audited September,30 2026 Rupees	Audited June,30 2026 Rupees
ASSETS			
NON CURRENT ASSETS			
Property, Plant and Equipment	5	**139,983,936**	143,243,161
		139,983,936	143,243,161
CURRENT ASSETS			
Stores and Spares		**2,525,697**	3,558,114
Stock in Trade		**490,347,592**	470,428,653
Trade Debts		**9,343,256**	11,215,590
Advances, Deposits and Prepayments		**13,756,872**	42,155,632
Advance Taxes - Net		**95,474,537**	86,240,538
Cash and Bank Balances		**20,173,882**	14,306,184
		631,621,836	627,904,711
TOTAL ASSETS		**771,605,772**	771,147,872
EQUITY AND LIABILITIES			
Authorized Capital			
30,000,000 Ordinary shares of Rs. 10 each		**300,000,000**	300,000,000
Issued, Subscribed and Paid up Capital		**100,000,000**	100,000,000
Capital Reserves - Share Premium		**25,000,000**	25,000,000
Unappropriated Profit		**228,278,177**	223,915,559
Shareholders' Equity		**353,278,177**	348,915,559
NON CURRENT LIABILITIES			
Deferred Liabilities		**22,843,080**	22,843,080
CURRENT LIABILITIES			
Trade and Other Payables		**56,089,716**	47,805,749
Taxes Payable		**5,646,009**	8,296,854
Short Term Borrowings	6	**331,971,089**	341,508,929
Un-Claimed Dividend		**1,777,700**	1,777,700
		395,484,514	399,389,232
CONTINGENCIES AND COMMITMENTS	7	**-**	-
TOTAL EQUITY AND LIABILITIES		**771,605,772**	771,147,872

The annexed notes from 1 to 11 form an integral part of these financial statements.

MUHAMMAD AFZAL SHEIKH
CHAIRMAN

MUHAMMAD AMIN SHEIKH
CHIEF EXECUTIVE

MUHAMMAD TARIQ AMIN
CHIEF FINANCIAL OFFICER

Lahore: Oct 30, 2025

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2026

	2026 Rupees	2025 Rupees
Sales - net	**276,293,494**	277,785,442
Cost of sales	**(235,659,189)**	(246,702,609)
Gross profit	**40,634,305**	31,082,833
Administrative expenses	**(12,865,825)**	(15,216,564)
Distribution expenses	**(11,930,511)**	(12,069,752)
	(24,796,336)	(27,286,316)
Operating profit	**15,837,969**	3,796,517
Finance cost	**(8,402,626)**	(10,592,911)
Other operating income	**1,481,290**	56,752
	(6,921,336)	(10,536,159)
Profit before Levies and Income Tax	**8,916,633**	(6,739,642)
Levy	**(3,453,669)**	(3,472,318)
Profit before Income Tax	**5,462,964**	(10,211,960)
Income tax expense	**(1,100,346)**	-
Profit after Income Tax	**4,362,618**	(10,211,960)
Earnings per share - before tax (basic and diluted - Rupees)	**0.55**	(0.67)
Earnings per share - after tax (basic and diluted - Rupees)	**0.44**	(1.02)

The annexed notes from 1 to 11 form an integral part of these financial statements.

MUHAMMAD AFZAL SHEIKH
CHAIRMAN

MUHAMMAD AMIN SHEIKH
CHIEF EXECUTIVE

MUHAMMAD TARIQ AMIN
CHIEF FINANCIAL OFFICER

Lahore: Oct 30, 2025

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2026

	Note	2026 Rupees	2025 Rupees
CASH FLOW FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	9	**47,997,767**	54,114,894
Finance cost paid		**(19,836,561)**	(9,576,561)
Income tax (paid) / refunds received		**(16,509,660)**	(6,997,372)
Sales tax (paid) / refunds received		**3,821,992**	(6,806,809)
		(32,524,229)	(23,380,742)
Net cash (used in) generated from operating activities		**15,473,538**	30,734,152
Cash flows from investing activities			
Fixed capital expenditure		**(68,000)**	(1,443,594)
Net cash (used in) investing activities		**(68,000)**	(1,443,594)
Cash flows from financing activities			
Short term borrowings		**(9,537,840)**	(36,407,300)
Net cash generated / (used in) financing activities		**(9,537,840)**	(36,407,300)
Net (decrease)/increase in cash and cash equivalents		**5,867,698**	(7,116,743)
Cash and cash equivalents at the beginning of the year		**14,306,184**	32,106,299
Cash and cash equivalents at the end of the year		**20,173,882**	24,989,556

The annexed notes from 1 to 11 form an integral part of these financial statements.

MUHAMMAD AFZAL SHEIKH
CHAIRMAN

MUHAMMAD AMIN SHEIKH
CHIEF EXECUTIVE

MUHAMMAD TARIQ AMIN
CHIEF FINANCIAL OFFICER

Lahore: Oct 30, 2025

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED SEPTEMBER 30, 2026

	Issued, Subscribed and Paid up Share Capital	Share Premium	Unappropriated Profit	Total
	(----------Rupees----------)			
Balance as at 1 July 2025(Audited)	**100,000,000**	**25,000,000**	**217,086,171**	**342,086,171**
Comprehensive income for the year				
Profit for the year	-	-	7,820,536	7,820,536
Other comprehensive income (loss) for the year	-	-	(991,148)	(991,148)
	-	-	6,829,388	6,829,388
Balance as at 30 June 2026	**100,000,000**	**25,000,000**	**223,915,559**	**348,915,559**
Balance as at 1 July 2026	**100,000,000**	**25,000,000**	**223,915,559**	**348,915,559**
Comprehensive income for the period				
Profit for the Period	-	-	4,362,618	4,362,618
Other comprehensive (loss) for the Period	-	-	-	-
	-	-	4,362,618	4,362,618
Balance as at 30 Sep 2026 (Un-audited)	**100,000,000**	**25,000,000**	**228,278,177**	**353,278,177**

The annexed notes from 1 to 11 form an integral part of these financial statements.

MUHAMMAD AFZAL SHEIKH
CHAIRMAN

MUHAMMAD AMIN SHEIKH
CHIEF EXECUTIVE

MUHAMMAD TARIQ AMIN
CHIEF FINANCIAL OFFICER

Lahore: Oct 30, 2025

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the Period Ended September 30, 2026 (Un-Audited)

1 THE COMPANY AND ITS OPERATIONS

The Company was incorporated as a Private Limited Company on August 27, 1990 under the Companies Ordinance, 1984 (now the Companies Act, 2017) and converted into Public Limited Company on August 31, 1995. The shares of the Company are listed on Pakistan Stock Exchange Limited. The Company is principally engaged in manufacturing and sale of foam and allied products. The manufacturing facilities of the Company are located at 92/3, 94-A & 94-B, Industrial Estate, Gadoon Amazai, District Swabi, KPK. The registered office of the Company is situated at 92/3, Phase III, Industrial Estate, Gadoon Amazai, District Swabi, Khyber Pakhtunkhwa – Pakistan.

2 BASIS OF PREPARATION

These financial statements are un-audited and are being submitted to the shareholders as required under section 237 of the Companies Act, 2017, and prepared in accordance with requirements of the International Accounting Standard-34 (IAS 34) "Interim Financial Reporting" issued by the International Accounting Standards Board (IASB).

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies for the preparation of quarterly financial statements for the quarter ended September 30, 2026 are the same as those applied in the preparation of the preceding annual published financial statements of the Company for the year ended June 30, 2026.

4 ACCOUNTING ESTIMATES AND JUDGMENTS

4.1 The preparation of this condensed interim financial information inconformity with the approved accounting standards requires the use of certain accounting estimates. It also requires exercising 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. Actual results may differ from these estimates.

4.2 During the preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the audited annual financial statements for the year ended June 30, 2026.

4.3 The provision for taxation for the quarter ended September 30, 2026. has been made on an estimated basis.

5 PROPERTY, PLANT & EQUIPMENT

	Note	30-Sep-26 Un-audited Rupees	30-Jun-26 Audited Rupees
Operating Assets			
Book value at the beginning of the period		**143,243,161**	156,667,777
Addition during the period		**68,000**	1,932,594
Deletion during the period		**-**	-
		143,311,161	158,600,369
Depreciation charged during the period		**(3,327,225)**	(15,357,207)
Book value at the end of the period		**139,983,936**	143,243,161

6 SHORT TERM BORROWINGS

Banking Companies - Secured	6.1	**186,865,748**	196,403,588
Loan from Directors – Unsecured	6.2	**145,105,341**	145,105,341
		331,971,089	341,508,929

6.1 The Company has obtained the facility of finance against imported material from Bank Al-Falah Limited amounting to Rs.415 million (2025: 415 million). The facility attracts mark-up at flexible rate linked with 1 months KIBOR plus 180 (2025: 180) basis points per annum. The facility is secured against lien over imported documents, pledge of imported material and personal guarantees of Directors of the Company. The Company has also been provided the facility for sight letter of credit (SLC) of Rs 400 million (2025: Rs 400 million) to import raw material. The facility is secured against import documents of import letters of credit.

The Company has obtained the letter of credit facility from Habib Metropolitan Bank Limited amounting to Rs.170 million (2025: Rs.170 million). The facility attracts commission at the rate of 0.1% per quarter. The facility is secured against lien over import documents. The Company has also been provided the facility for Murabaha Import (Pledge/Spot/Deferred) amounting to Rs.150 million (2025: Rs.150 million) which carries profit at 3MK + 1.80% per annum and is secured against pledge of imported goods and specific charge on pledged goods and ranking charge over current assets of the Company. Further, the Company has also obtained Al-Bai / Istisna Finance facility of Rs.30 million (2025: Rs.30 million) which carries profit at 3MK + 1.80% per annum and is secured against ranking charge over current assets of the Company with 25% margin. In addition, a collateral security in shape of an equitable mortgage charge of Rs 313 million was also created against the company's fixed assets along with Token Registered Mortgage of 500k.

The Company has obtained the letter of credit facility from Soneri Bank Limited amounting to Rs.100 million. The facility attracts commission at the rate of 0.20% per quarter and is secured against lien over import documents. The Company has also been provided the Finance Against Imported Merchandise (FIM) facility amounting to Rs.100 million which carries mark-up at 3 Month KIBOR + 2.00% per annum and is secured against 5% cash margin and pledge of imported merchandise, with a sub-limit of Rs.100 million available for FIM-in-Transit for the intermediary clearance of imported goods from the port to the pledge site, provided that the total exposure under FIM/FIM-in-Transit does not exceed Rs.100 million at any point in time. In addition, a collateral security in the shape of a 1st exclusive charge of Rs.133.33 million over the Company's fixed assets (land, building and machinery), backed by a Token Registered Mortgage of Rs.0.100 million and an Equitable Mortgage over the industrial property (factory) measuring 1 acre situated at Gadoon Amazai, District Swabi, KPK, was also created, along with a specific charge of Rs.125 million over pledged imported raw materials/chemicals, a corporate guarantee of M/s Noble Foam (Pvt.) Limited, and personal guarantees of all directors of the Company.

6.2 This represents the interest free loan of 70 million(2025:70 million) received form directors to meet working capital requirement of the Company. It is unsecured and interest free loan which is repayable on demand. Moreover additional loans received from directors amounting to Rs. 75 million to meet the working capital requirements of the Company. The loans are unsecured and carry markup at the rate of KIBOR + 2% per annum, calculated on a simple interest basis, and are repayable within a maximum period of one year from the date of disbursement, along with accrued markup, not later than June 2027. The transactions with the directors are related party transactions.

7 CONTINGENCIES & COMMITMENTS

Contingencies

The commercial banks have issued guarantees on behalf of the Company amounted to Rs.Nil million (2026 : Rs.Nil million).

Commitments

Commitments in respect of letters of credit for raw materials at the terminal date were Rs. 97.68 million (2026: Rs.120 million).

8 TRANSACTIONS WITH RELATED PARTIES

There were no related parties transactions during the period.

The transactions with realted parties are executed arm's length prices . Directors are interested to the exetnd of their directorship /shareholdering.There is no change in nature of realtionship with related parties as reported in the financial statements for the preceeding financial year ended 30,June 2026 .

9 CASH GENERATED FROM OPERATIONS

Cash flows from operating activities	30-Sep-26 Un-Audited Rupees	30-Sep-25 Un-Audited Rupees
Profit before taxation	**8,916,633**	(6,739,642)
Adjustments for:		
Depreciation	**3,327,225**	3,823,523
Finance cost	**8,402,626**	10,592,911
Provisions for loss allowance	**(78,014)**	-
	11,651,838	14,416,434
Operating profit before working capital changes	**20,568,471**	7,676,792
(Increase)/decrease in current assets		
Stores and spares	**1,032,417**	992,997
Stock-in-trade	**(19,918,939)**	(13,484,623)
Trade debts	**1,950,348**	(6,924,460)
Advances, deposits, prepayments and other receivables	**28,398,760**	30,227,192
	11,462,586	10,811,106
Increase/(decrease) in current liabilities		
Trade and other payables	**15,966,710**	35,626,996
Cash (used in) from operations	**47,997,767**	54,114,894

10 CORRESPONDING FIGURES AND GENERAL

Figures Have been rounded off to the nearest rupee and previous period 's figures have been re-classified where necessary.

11 DATE OF AUTHORIZATION

These Condensed interim financial statements were authorized for issue on October 30, 2026 by the board of directors of the Company.

MUHAMMAD AFZAL SHEIKH	MUHAMMAD AMIN SHEIKH	MUHAMMAD TARIQ AMIN
CHAIRMAN	CHIEF EXECUTIVE	CHIEF FINANCIAL OFFICER

Lahore: Oct 30, 2025

Contact Information

Alkhair Gadoon Limited

Al-Khair House, 43-T, GulbergII, Lahore.

042-111-111-605

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/Alkhair Gadoon Limited

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