NAGINA GROUP

ELLCOT SPINNING MILLS LTD.

Corporate Briefing Session

2025-26

Financial year ended June 30, 2026 | Q1 FY2026-27 update (quarter ended September 30, 2026)

Ellcot Spinning Mills Limited (ESML)

Important Disclaimer

THIS PRESENTATION IS NOT AN OFFER OR SOLICITATION OF AN OFFER TO BUY OR SELL ANY SECURITIES OR ANY INVESTMENT

This presentation is solely for information purposes

The information contained in this presentation should be considered in the context of the circumstances prevailing at the time and will not be updated to reflect any developments that may occur after the date of presentation.

During the course of this presentation, we may make forward-looking statements regarding future events or the future performance of the Company. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific. Risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved.

ESML does not undertake any obligation to update or revise any statement therein, whether as a result of new information, future events or otherwise.

When relying on forward-looking statements you should carefully consider the political, economic, social and legal environment in which the Company operates.

Actual results may vary from those forecasted or estimated, in case of forecast or estimate of financials or operations and inclusion of assumptions or basis for such forecast or estimate, if any.

Nagina Group

Nagina Group was founded in 1967 with the incorporation of Nagina Cotton Mills Limited by Mr. Shaikh Enam Ellahi (Late). Since then the Group has expanded and comprises the following companies:

#	Company name	Nature of business	Status
1	Nagina Cotton Mills Ltd.	Textile Spinning	Public Listed
2	Ellcot Spinning Mills Ltd.	Textile Spinning	Public Listed
3	Prosperity Weaving Mills Ltd.	Textile Weaving	Public Listed
4	Ellahi International (Pvt) Ltd.	Trading	Private
5	ARH (Pvt) Ltd.	Trading	Private
6	Haroon Omer (Pvt) Ltd.	Construction / Trading	Private
7	Monell (Pvt) Ltd.	Trading	Private
8	ICARO (Pvt) Ltd.	Construction / Trading	Private
9	Pacific Industries (Pvt) Ltd.	Trading	Private

Company Brief

Who we are

Ellcot Spinning Mills Limited was incorporated in Pakistan on December 22, 1988 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is listed on the Pakistan Stock Exchange. The principal activity is manufacturing and sale of yarn.

Certifications

Global Recycled Standard (GRS) · Recycled Claim Standard (RCS) · Organic Content Standard (OCS) · Global Organic Textile Standard (GOTS) · OEKO-TEX · ISO 9001:2015 · Social Labor Convergence Program (SLCP) · Regen Agri CS · Better Cotton Initiative (BCI) · Cotton made in Africa (CMiA) · Forest Stewardship Council (FSC) · US Trust Protocol

ISO 9001:2015 certification is valid until July 10, 2027.

Registered / Head Office

Nagina House, 91-B-1, M.M. Alam Road, Gulberg-III, Lahore-54660, Punjab

Manufacturing facility

6.3 K.M, Manga Mandi, Raiwind Road, Mouza Rossa, Tehsil and District Kasur, Punjab

Liaison office

2nd Floor, Shaikh Sultan Trust Building No. 2, 26-Civil Lines, Beaumont Road, Karachi-75530, Sindh

Board of Directors

#	Name	Designation
1	Mr. Shahzada Ellahi Shaikh	Chairman / Non-Executive Director
2	Mr. Haroon Shahzada Ellahi Shaikh	Executive Director / CEO
3	Mr. Shafqat Ellahi Shaikh	Executive Director
4	Mr. Agha Ghulam Ahmed Gul	Independent Non-Executive Director
5	Mr. Imran Motiwala	Independent Non-Executive Director
6	Mrs. Faaria Rehman Salahuddin	Independent Non-Executive Director
7	Mr. Jamal Nasim (NIT)	Non-Executive Director
8	Mr. Shaukat Ellahi Shaikh	Non-Executive Director
9	Mr. Raza Ellahi Shaikh	Non-Executive Director
10	Mr. Amin Ellahi Shaikh	Non-Executive Director

CFO: Mr. Muhammad Ahmad | Company Secretary: Mr. Syed Mohsin Gilani | Auditors: Rahman Sarfaraz Rahim Iqbal Rafiq, Chartered Accountants

Ellcot Spinning Mills Limited

Financial highlights

Year ended June 30, 2026 (audited) and quarter ended September 30, 2026 (un-audited)

FY2026 at a Glance

Year ended June 30, 2026 vs. 2025 (audited)

Net sales

Rs. 16.23 bn

+2.1% vs Rs. 15.89 bn

Gross profit

Rs. 1.13 bn

6.95% margin vs 6.11%

Profit before levies & tax

Rs. 443.8 m

+15.4% vs Rs. 384.6 m

Profit after tax

Rs. 206.2 m

+169% vs Rs. 76.6 m

Earnings per share

Rs. 18.83

vs Rs. 7.00

Cash dividend per share

Rs. 6.50

65% (2025: Rs. 4.00)

Key drivers

- Sales rose on higher volumes, which offset lower per-unit selling prices; cost of sales improved to 93.05% of sales (2025: 93.89%).
- Finance cost eased to 1.84% of sales (2025: 2.08%) on lower debt and monetary easing; domestic sales were 93.3% of revenue (2025: 88.2%).
- Levies and income tax fell to Rs. 237.6 m (2025: Rs. 308.0 m). Technology Upgradation Fund (TUF) claims were released by the Government.

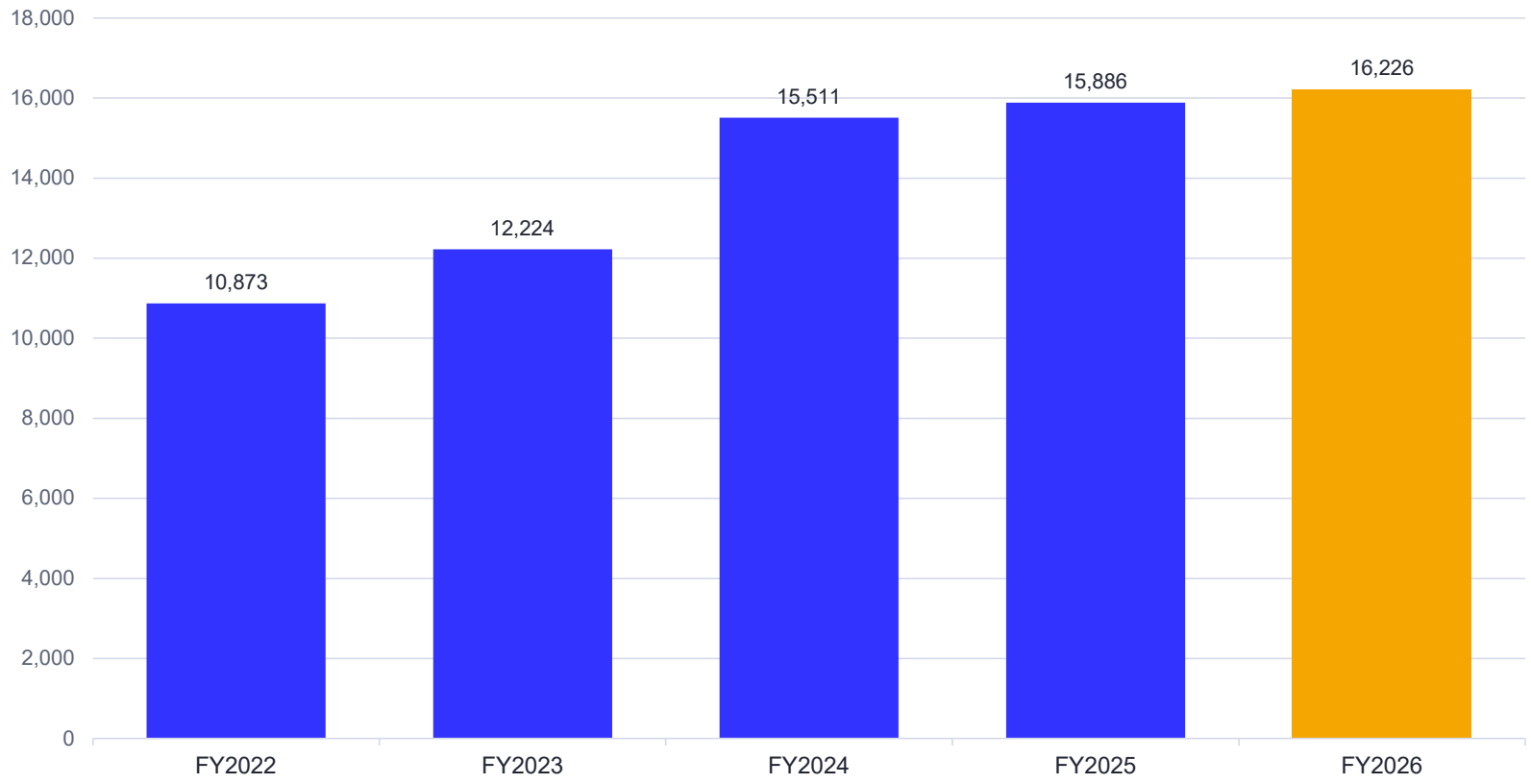
Financial Highlights

Income statement | Rs. '000 unless stated

	Unit	Q1 FY27 (Sep-26)	2026	2025	2024	2023	2022
Sales	Rs.'000	4,421,309	16,225,620	15,886,089	15,510,705	12,224,218	10,873,425
Gross profit	Rs.'000	391,414	1,128,202	970,916	1,047,131	1,042,049	2,148,878
Profit before levies & taxation	Rs.'000	226,123	443,770	384,619	319,625	614,456	1,629,169
Levies & taxation	Rs.'000	56,054	237,595	308,001	166,645	194,721	397,869
Profit after tax	**Rs.'000**	**170,069**	**206,175**	**76,618**	**152,980**	**419,735**	**1,231,300**
Gross profit margin	%	8.85	6.95	6.11	6.75	8.52	19.76
Levies & tax as % of PBT	%	24.79	53.54	80.08	52.14	31.69	24.42
Earnings per share - after tax	Rs.	15.53	18.83	7.00	13.97	38.33	112.45
Cash dividend per share	Rs.	-	6.50	4.00	5.00	6.00	10.00
Dividend payout	%	-	34.52	57.14	35.79	15.65	8.89
Dividend yield	%	-	5.41	3.92	5.88	6.43	6.14
Market value per share (30 June)	Rs.	-	120.04	102.00	85.00	93.28	162.99

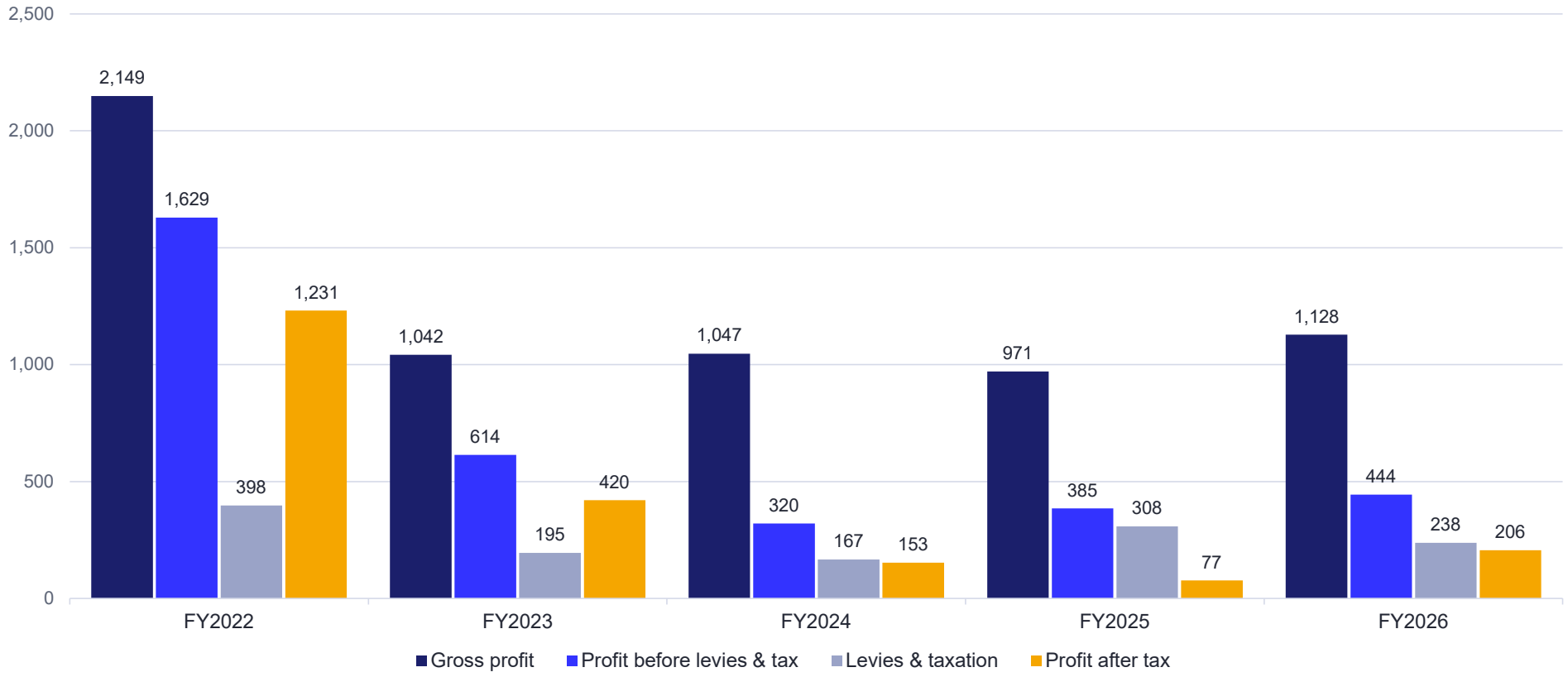
Year-on-Year Sales Growth

Net sales, Rs. million



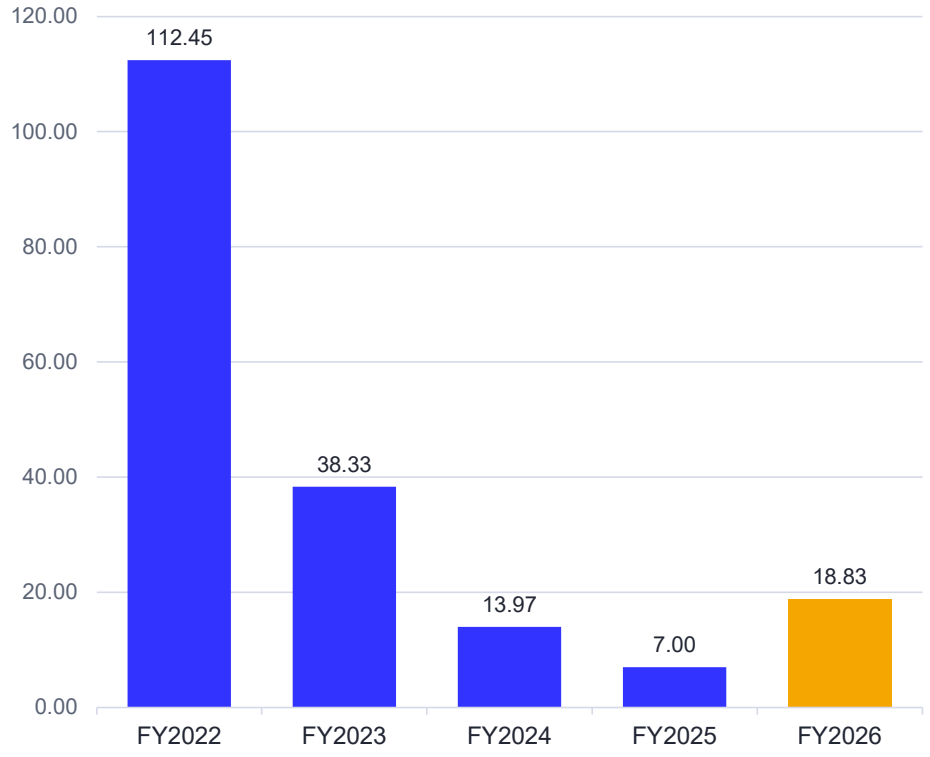
Profitability Trend

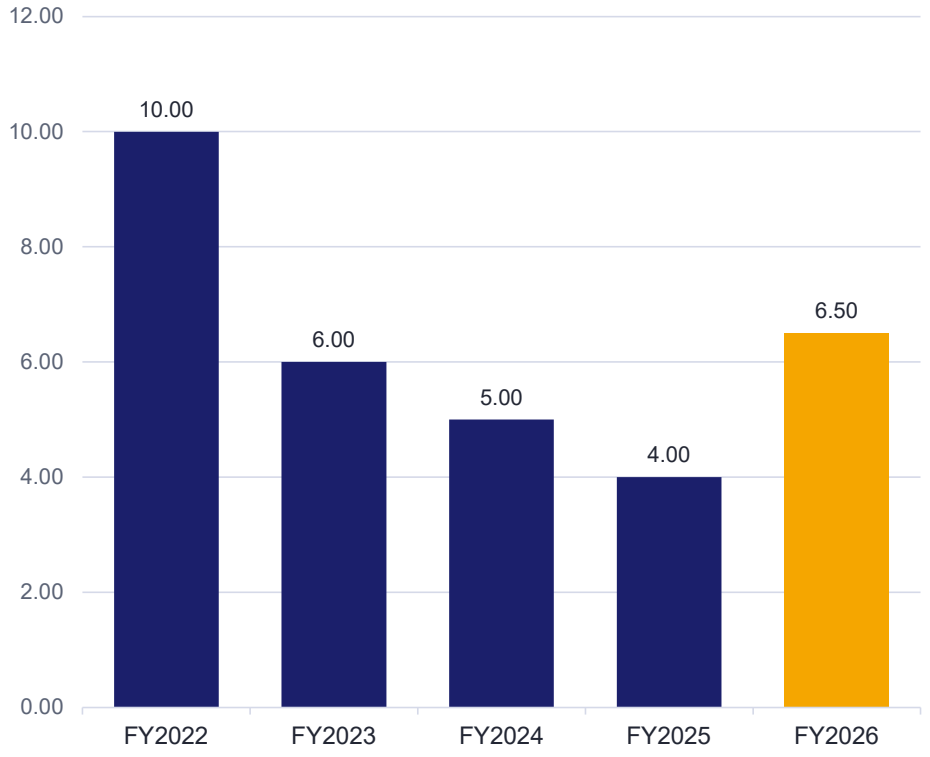
Gross profit, profit before levies & tax, levies & taxation and profit after tax | Rs. million



Earnings and Dividend per Share

Rupees per share

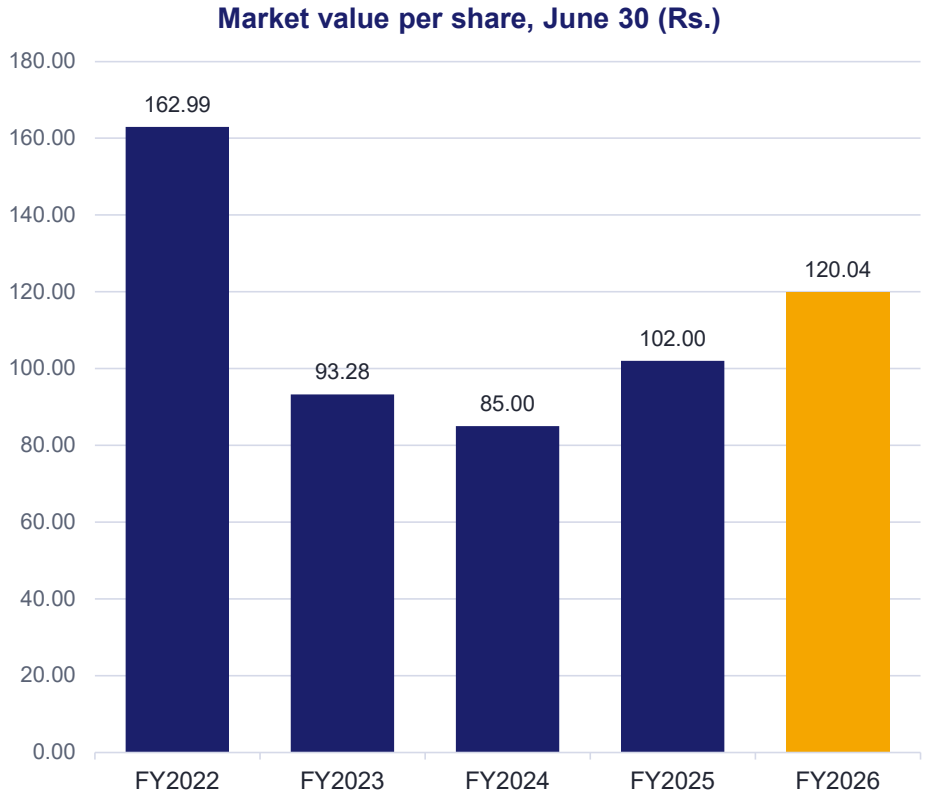




Dividend Yield and Market Value

Dividend yield (%) and market price per share on June 30 (Rs.)





Financial Highlights - Balance Sheet

Rs. '000

	As at 30-Sep-26	2026	2025	2024	2023	2022
Non-current assets	4,960,135	4,996,247	4,801,967	4,851,039	5,360,916	4,081,594
Current assets	6,672,100	5,972,194	6,414,261	5,416,642	5,473,311	5,297,880
Total assets	**11,632,235**	**10,968,442**	**11,216,229**	**10,267,682**	**10,834,227**	**9,379,474**
Equity	4,639,573	4,470,172	4,268,132	4,211,332	4,020,588	3,738,930
Non-current liabilities	3,475,422	3,579,962	3,875,874	4,040,798	4,656,599	3,713,947
Current liabilities	3,517,241	2,918,308	3,072,222	2,015,551	2,157,040	1,926,597
Total equity and liabilities	**11,632,235**	**10,968,442**	**11,216,229**	**10,267,682**	**10,834,227**	**9,379,474**
Spindles installed (No.)	79,200	79,200	79,200	79,200	79,200	62,400
Number of employees	-	914	904	878	957	881

Production

The Company operates 79,200 spindles of latest-technology machinery with related process machines. It produces cotton and synthetic blended yarns, carded and combed, for weaving and knitting applications. The spun yarn count ranges from 10/1 single to 80/1.

79,200

Spindles installed

19.6 m kg

Plant capacity, 30s count (2025: 21.6 m kg)

18.8 m kg

Actual production, 30s count (2025: 21.1 m kg)

914

Employees at June 30 (2025: 904)

Major Variation in Income Statement and Balance Sheet

Year ended June 30, 2026 vs. 2025 (Rupees)

Description	2026	2025	Difference	%	Explanation
Income Statement					
Sales	16,225,619,768	15,886,089,353	339,530,415	**+2.14%**	Higher sales volume.
Gross profit	1,128,201,858	970,916,060	157,285,798	**+16.20%**	Cost of sales eased to 93.05% of sales (93.89%) on lower raw material, power & fuel and stores & spares.
Other income	51,004,078	106,974,695	(55,970,617)	**-52.32%**	Lower net realized gains because of lower investment in mutual funds.
Other expenses	32,889,013	29,229,075	3,659,938	**+12.52%**	Higher contributions to Workers' Profit Participation Fund (WPPF) and Workers' Welfare Fund (WWF) on improved profit.
Finance cost	297,989,491	330,605,138	(32,615,647)	**-9.87%**	Lower long-term finance cost on scheduled repayments and reduction in working capital rates.
Profit before levies and taxation	443,770,015	384,619,332	59,150,683	**+15.38%**	Higher gross profit (+Rs. 157.3 m) and lower finance cost.
Levies and taxation	237,594,981	308,001,707	(70,406,726)	**-22.86%**	
Profit after tax	206,175,034	76,617,625	129,557,409	**+169.10%**	Higher pre-tax profit and lower levies and income tax charge.
Earnings per share (Rs.)	18.83	7.00	11.83	**+169.00%**	
Balance Sheet					
Short-term borrowings	362,508,816	778,749,346	(416,240,530)	**-53.45%**	Repayment of scheduled long term borrowings and lower working capital utilization because of lower stock in trade.
Stock-in-trade	2,053,515,663	2,889,492,253	(835,976,590)	**-28.93%**	Lower raw material and finished yarn stocks.
Trade receivables	1,698,437,365	1,239,334,933	459,102,432	**+37.04%**	Higher local credit sales. All are good.
Short-term investments	521,917,205	218,966,706	302,950,499	**+138.35%**	Placement of surplus funds

Current and Future Challenges and Risks

1. Finished goods
Yarn margins remain thin (FY26 gross margin 6.95%). Q1 FY27 improved to 8.85% on better yarn prices, but demand and pricing remain volatile.

2. Policy issues
Energy tariffs and heavy taxation remain unpredictable. Timely refunds of outstanding taxes and a lower corporate tax burden are key requests.

3. Raw material
Cotton arrivals to Oct 15, 2026: 4.081 m bales (+7.53%). The 2026-27 crop is forecast at about 6 m bales, below demand, so imports will rise.

4. Energy
High energy costs continue to weigh on competitiveness. The Company is expanding solar capacity to cut energy spend. The current capacity of solar is 6.52 MW.

5. Policy rate
SBP raised the policy rate by 50 bps to 12% effective Oct 27, 2026, to anchor inflation expectations. Higher rates would add to financing cost.

6. Exchange rate & global
Rates were reasonably stable during the year, supporting predictable sales revenue and landed cost of imported materials.

Outlook: the Board expects the first half of FY2026-27 to remain profitable, supported by good raw material inventory levels.

Questions & Answers

Thank you