FRONTIER CERAMICS LIMITED

Corporate Briefing Session

November 26, 2026

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BOARD OF DIRECTORS

Ms. Shabina Anjum	Chairperson & Independent Director
Mr. Nadeem Khalid	Chief Executive Officer
Mr. Javid Khalid	Non-Executive Director
Mr. Zia Khalid	Executive Director
Mr. Muhammad Riaz Khan	Independent Director
Mr. M. Nehmatullah Toor	Non-Executive Director
Mr. Omer Khalid	Non-Executive Director
Ms. Numrah Khalid	Executive Director

OPERATIONAL HIGHLIGHTS

Profit and Loss Account	2026	2025 Restated
	Rupees	Rupees
Sales	4,820,595,814	4,390,409,288
Cost of Sales	(4,497,109,257)	(3,989,523,886)
Gross Profit	**323,486,557**	**400,885,402**
Operating Expenses		
- Selling & Distribution cost	(15,832,553)	(14,692,658)
- Administrative & General expenses	(60,825,206)	(48,409,930)
- Other expenses	(32,248,891)	(27,978,298)
	(108,906,650)	(91,080,886)
Operating profit	**214,579,906**	**309,804,516**
Other Income	92,375,944	5,852,387
Finance Cost	(31,455,455)	(29,100,601)
Profit before levy and taxation	**275,500,395**	**286,556,302**
Levy	-	-
Profit before taxation	**275,500,395**	**286,556,302**
Taxation	(110,307,218)	(236,418,974)
Profit after taxation	**165,193,178**	**50,137,328**
Earnings per share - basic and diluted	4.36	1.32
Balance Sheet		
Share Capital	378,738,210	378,738,210
Long Term Financing	24,973,995	118,740,891
Property, plant and equipment	2,283,853,516	2,431,513,871
Current assets	2,046,188,681	1,300,691,971
Current liabilities	2,438,570,106	1,869,424,778
Key Financial Ratios		
Gross Profit ratio (%)	6.71%	9.13%
Operating profit ratio (%)	4.45%	7.06%
Profit after taxation (%)	3.43%	1.14%
Current Ratio	0.84	0.70
Units Sold (SQM)	6,346,511	5,956,814
No. of Employees	720	745

FRONTIER CERAMICS LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED

	30-Jun-2026	30-Jun-2025
	Rupees	Restated Rupees
Sales - net	4,820,595,814	4,390,409,288
Cost of sales	(4,497,109,257)	(3,989,523,886)
Gross profit	**323,486,557**	**400,885,402**
Distribution cost	(15,832,553)	(14,692,658)
Administrative expenses	(60,825,206)	(48,409,930)
Other operating expenses	(32,248,891)	(27,978,298)
Operating profit	**214,579,906**	**309,804,516**
Other income	92,375,944	5,852,387
Finance cost	(31,455,455)	(29,100,601)
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Earnings per share - basic and diluted	**4.36**	**1.32**

MANAGEMENT OVERVIEW ON FINANICL PERFORMACE

The financial year 2026 continued to present a difficult operating environment for Pakistan's ceramic tiles industry. Although the broader economic landscape showed some signs of stabilization, including moderation in inflationary pressures, the recovery in construction, real estate and housing activities remained limited. Consequently, demand for tiles and other construction-related materials remained under pressure during the year.

The industry also faced continued cost pressures arising from developments in the regional and global environment. Geopolitical uncertainties contributed to fluctuations in energy prices and affected the availability and cost of transportation and other supply-chain inputs. Higher fuel, freight and logistics costs, particularly during the latter part of the year, continued to impact operating margins and placed additional pressure on overall industry profitability.

Against this backdrop, the Company continued to focus on strengthening its competitive position and sustaining its presence in the market. Management remained focused on prudent cost management, improving operational efficiencies, broadening the product offering and undertaking targeted marketing and brand-building initiatives. These measures were aimed at navigating the prevailing market conditions while positioning the Company to benefit from an improvement in construction activity and consumer demand as economic conditions gradually stabilize.

During the year ended 2026, the Company achieved net sales of Rs. 4.821 billion, compared with Rs. 4.390 billion in 2025, representing an increase of 9.8%. However, due to higher cost of sales, gross profit decreased to Rs. 323.49 million from Rs. 400.89 million in the preceding year. Consequently, operating profit declined to Rs. 214.58 million, compared with Rs. 309.82 million in 2025.

The Company recorded a profit before taxation of Rs.275.50 million, compared with Rs.286.56 million in the previous year, representing a decrease of 3.9%. After accounting for taxation, the profit after taxation stood at Rs. 165.193 million, compared with Rs. 50.14 million (restated figure) of 2025. The Directors remain focused on improving operational efficiency, managing costs, strengthening margins and maintaining sustainable growth in the coming year.

FRONTIER CERAMICS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT

	30-Jun-2026	30-Jun-2025
	Rupees	Restated Rupees
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment	2,283,388,262	2,431,024,130
Investment property	465,254	489,741
	2,283,853,516	**2,431,513,871**
Long term deposits	5,925,450	5,925,450
Long term advances	550,880,130	550,880,130
	2,840,659,096	**2,988,319,451**
CURRENT ASSETS		
Stores, spares and loose tools	199,713,939	233,692,687
Stock in trade	469,402,911	561,169,457
Trade debts	11,738,477	21,829,614
Other receivables	35,531,760	-
Due from related parties	1,105,179,894	236,469,796
Advances and deposits	74,619,884	71,010,671
Tax refunds due from Government	63,438,230	111,861,137
Cash and bank balances	86,563,586	64,658,609
	2,046,188,681	**1,300,691,971**
TOTAL ASSETS	**4,886,847,777**	**4,289,011,422**

FRONTIER CERAMICS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT

	30-Jun-2026	30-Jun-2025
	Rupees	Restated Rupees
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Share capital	378,738,210	378,738,210
Discount on issue of right shares	(180,795,726)	(180,795,726)
	197,942,484	**197,942,484**
Revaluation surplus on property, plant and equipment	1,155,188,842	1,209,596,516
Unappropriated profits	637,228,809	417,627,957
	1,990,360,135	**1,825,166,957**
NON CURRENT LIABILITIES		
Loan from related parties	24,973,995	118,740,891
Deferred liability	25,393,458	25,393,458
Deferred taxation	407,550,083	450,285,338
	457,917,536	**594,419,687**
CURRENT LIABILITIES		
Unclaimed dividend	3,189,224	3,189,224
Current portion of GIDC payable	250,358,275	129,395,113
Due to related parties	-	1,891,360
Contract liability	819,014,622	744,354,190
Trade and other payables	1,366,007,985	990,594,891
	2,438,570,106	**1,869,424,778**
TOTAL EQUITY AND LIABILITIES	**4,886,847,777**	**4,289,011,422**

FUTURE PROSPECTS

Looking ahead, we remain cautiously optimistic about the future. We will continue to prioritize product innovation, customer satisfaction, and operational excellence by increasing the production capacity more efficiently. The Company's unwavering dedication to excellence and customer satisfaction has remained steadfast. Even in these challenging times, our customers' unwavering trust continues to serve as a driving force.

Question

&

Answer