KHAADI PAKISTAN (SMC-PRIVATE) LIMITED [FORMERLY WEAVES PAKISTAN (SMC-PRIVATE) LIMITED]

CONDENSED INERIM FINANCIAL STATEMENTS

FOR THE SIX-MONTHS ENDED JUNE 30, 2026

YOUSUF ADIL
PACE ALIGNED ...

Yousuf Adil
Chartered Accountants

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INDEPENDENT AUDITORS' REVIEW REPORT

To the members of Khaadi Pakistan (SMC-Private) Limited [Formerly Weaves Pakistan (SMC-Private) Limited]

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Khaadi Pakistan (SMC-Private) Limited [Formerly Weaves Pakistan (SMC-Private) Limited]** as at **June 30, 2026** and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six months then ended (here-in-after referred to as "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for the interim financial reporting.

The engagement partner on the audit resulting in this independent auditor's review report is **Arif Nazeer.**

Yousuf Adil

Chartered Accountants

Place: Karachi
Dated: August 18, 2026
UDIN: RR202610099erHJb12ul

KHAADI PAKISTAN (SMC-PRIVATE) LIMITED [FORMERLY WEAVES PAKISTAN (SMC-PRIVATE) LIMITED]
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
		---------- Rupees '000 ----------	
ASSETS			
Non-current assets			
Property and equipment	4	**9,052,905**	7,590,837
Investment property	5	**4,483,299**	4,483,299
Intangible assets	6	**8,000,000**	8,000,000
Deferred tax asset - net		**913,313**	1,072,237
Total non-current assets		**22,449,517**	21,146,373
Current assets			
Inventories	7	**5,302,130**	4,669,273
Trade receivables	8	**1,427,790**	170,259
Prepayments and advances		**30,381**	485,751
Short-term investments		**-**	1,235,000
Refunds due from the government - sales tax	9	**503,122**	766,933
Taxation - provision less payments		**14,343**	228,593
Other receivables	10	**1,187,685**	987,809
Cash and bank balances		**150,913**	84,686
Total current assets		**8,616,364**	8,628,304
TOTAL ASSETS		**31,065,881**	29,774,677
EQUITY AND LIABILITIES			
Equity			
Share capital	11	**250,000**	5,027
Share premium		**1,707,152**	1,952,125
Capital reserves		**2,420,226**	2,420,226
Unappropriated profit		**2,930,118**	2,970,506
Revaluation reserve		**171,930**	171,930
Total equity		**7,479,426**	7,519,814
LIABILITIES			
Non-current liabilities			
Long-term borrowings	12	**4,755,000**	6,249,500
Due to related party	13	**8,000,000**	8,000,000
Total non-current liabilities		**12,755,000**	14,249,500
Current liabilities			
Current portion of long-term borrowings	12	**1,745,000**	483,333
Trade and other payables		**7,873,224**	6,843,778
Short-term borrowings	14	**1,112,078**	551,073
Accrued mark-up		**101,153**	127,179
Total current liabilities		**10,831,455**	8,005,363
Total liabilities		**23,586,455**	22,254,863
Contingencies and commitments	15		
TOTAL EQUITY AND LIABILITIES		**31,065,881**	29,774,677

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.

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Chief Executive / Director

Chief Financial Officer

KHAADI PAKISTAN (SMC-PRIVATE) LIMITED [FORMERLY WEAVES PAKISTAN (SMC-PRIVATE) LIMITED]
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE SIX MONTHS ENDED JUNE 30, 2026

	Note	Six months ended	
		June 30, 2026	June 30, 2025
		---------- Rupees '000 ----------	
Revenue from contracts with customers - net	16	**17,080,305**	13,442,726
Cost of sales		**(10,833,620)**	(8,537,320)
Gross profit		**6,246,685**	4,905,406
Selling and distribution expenses		**(2,620,496)**	(2,477,117)
Administrative expenses		**(1,030,014)**	(535,000)
Operating profit		**2,596,175**	1,893,289
Other expenses		**(22,155)**	(377,415)
Other income	17	**81,659**	29,205
Finance costs		**(513,234)**	(741,221)
Profit before revenue taxes and taxation		**2,142,445**	803,858
Revenue taxes	18	**-**	-
Profit before taxation		**2,142,445**	803,858
Taxation - net	18	**(536,127)**	(120,177)
Profit after taxation		**1,606,318**	683,681
Other comprehensive income for the period		**-**	-
Total comprehensive income for the period		**1,606,318**	683,681
		---------- (Rupees) ----------	
			Restated
Earnings per share - basic and diluted	19	**0.80**	0.34

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.

Chief Executive / Director

Chief Financial Officer

KHAADI PAKISTAN (SMC-PRIVATE) LIMITED [FORMERLY WEAVES PAKISTAN (SMC-PRIVATE) LIMITED]
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX MONTHS ENDED JUNE 30, 2026

	RESERVES					
	CAPITAL			REVENUE		
	Share capital	Share premium	Equity of Weaves Undertaking	Revaluation reserve	Unappropriated profit	Total Equity
	Rupees '000					
Balance as at January 1, 2025 (Audited)	5,027	1,952,125	2,420,226	171,930	2,459,006	7,008,314
Total comprehensive income for the period						
Profit after taxation	-	-	-	-	683,681	683,681
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	683,681	683,681
Balance as at June 30, 2025 (Un-Audited)	5,027	1,952,125	2,420,226	171,930	3,142,687	7,691,995
Balance as at January 1, 2026 (Audited)	**5,027**	**1,952,125**	**2,420,226**	**171,930**	**2,970,506**	**7,519,814**
Total comprehensive income for the period						
Profit after taxation	-	-	-	-	**1,606,318**	**1,606,318**
Dividend paid	-	-	-	-	**(1,646,706)**	**(1,646,706)**
Issue of Bonus Share	**244,973**	**(244,973)**	-	-	-	-
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	**244,973**	**(244,973)**	-	-	**(40,388)**	**(40,388)**
Balance as at June 30, 2026 - (Un-audited)	**250,000**	**1,707,152**	**2,420,226**	**171,930**	**2,930,118**	**7,479,426**

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.

Chief Executive / Director

Chief Financial Officer

KHAADI PAKISTAN (SMC-PRIVATE) LIMITED [FORMERLY WEAVES PAKISTAN (SMC-PRIVATE) LIMITED]
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE SIX MONTHS ENDED JUNE 30, 2026

	Note	Six months ended	
		June 30, 2026	June 30, 2025
		------- Rupees '000 -------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	20	**2,594,868**	3,047,445
Finance costs paid		**(539,260)**	(817,034)
Income tax paid		**(162,953)**	(289,545)
Net cash generated from operating activities		**1,892,655**	1,940,866
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property and equipment		**(1,764,360)**	(453,189)
Interest received		**21,466**	1,529
Net cash used in investing activities		**(1,742,894)**	(451,660)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term loan (repaid) / obtained		**(232,833)**	1,000,000
Dividend paid		**(1,646,706)**	-
Net cash (used in) / generated from financing activities		**(1,879,539)**	1,000,000
Net (decrease) / increase in cash and cash equivalents		**(1,729,778)**	2,489,206
Cash and cash equivalents at the beginning of the period		**768,613**	(5,528,583)
Cash and cash equivalents at the end of the period	21	**(961,165)**	(3,039,377)

The annexed notes 1 to 27 form an integral part of these condensed interim financial statements.

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Chief Executive / Director

Chief Financial Officer

KHAADI PAKISTAN (SMC-PRIVATE) LIMITED [FORMERLY WEAVES PAKISTAN (SMC-PRIVATE) LIMITED]
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE SIX MONTHS ENDED JUNE 30, 2026

1. LEGAL STATUS AND NATURE OF OPERATIONS

1.1 Khaadi Pakistan (SMC-Private) Limited (the Company), was incorporated in Pakistan on July 15, 2015 as a single member company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). Previously, the "Khaadi" products were sold by sole proprietorship managed by the single member.The Company is a subsidiary of Weaves Corporation Limited (the Parent Company) which is a wholly owned subsidiary of Weaves Holding Limited (the Ultimate Parent Company).

1.2 During the period, the name of the Company was changed from "Weaves Pakistan (SMC-Private) Limited" to "Khaadi Pakistan (SMC-Private) Limited" with effect from 16 June 2026.

1.3 The Company is principally engaged in a business of designing, marketing, distributing and selling textile products and other accessories under the brand name "Khaadi".

1.4 The registered office of the Company is at 22nd Floor, Sky Tower B, East Wing, Dolmen City, HC # 3 Marine Drive, Clifton, Karachi. The details of geographical locations of Company's business units are given in note 41.

1.5 The Company is in the process of changing its status from private limited company to public limited company.

1.6 These condensed interim financial statements have been prepared by the company for the half year ended June 30, 2026 for internal management purposes and in order to comply with the requirement for initial public offering of shares.

2. BASIS OF PREPARATION

2.1 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention except as stated otherwise.

The comparative statement of financial position, presented in these condensed interim financial statements as at June 30, 2026 has been extracted from the financial statements of the Company for the year ended December 31, 2025, whereas the comparative condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and unconsolidated condensed interim statement of cash flows have been extracted from the condensed interim financial statements of the Company for the six months ended June 30, 2025.

As stated in 1.6, the condensed interim financial statements have been prepared for the half year ended June 30, 2026 in order to be published in the prospectus for initial public offering of shares.

These condensed interim financial statements of the Company do not include all of the information and disclosures, required for annual financial statements and should be read in conjunction with the annual audited financial statements of the Company as at and for the year ended December 31, 2025. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the latest annual financial statements.These condensed interim financial statements have been prepared solely for the internal use of the management of the Company and are not intended for any other purpose.

These condensed interim financial statements are un-audited, however, the same have been subject to limited scope review by the statutory auditors of the Company.

The condensed interim statement of profit or loss and other comprehensive income for the six months ended June 30, 2025, together with the notes forming part thereof, has not been reviewed by the statutory auditors of the Company.

2.2 Statement of compliance

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, "Interim Financial Reporting", issued by the International Accounting Standard Board (IASB) as notified under the Act ; and

- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as notified under the Companies Act, 2017; and

- Provisions of, directives and notifications issued under the Act.

Where the provisions of, directives and notifications issued under the Act differ with the requirements of IAS 34, the provisions of, directives and notifications issued under the Act have been followed.

2.3 Functional and presentation currency

These condensed interim financial statements are presented in Pakistani rupees which is also the Company's functional currency and all financial information presented has been rounded off to the nearest thousand rupee, except otherwise stated.

2.4 Critical accounting estimates, judgements and assumptions

The preparation of these condensed interim financial statements, in conformity with accounting and reporting standards as applicable in Pakistan, requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. Judgments and estimates made by management in the preparation of these condensed interim financial statements are the same as those that were applied to the annual financial statements for the year ended December 31, 2025.

2.5 Change in accounting standards, interpretations and amendments to published accounting and reporting standards

(a) New standards, amendments and interpretations that are effective for the accounting period beginning January 01, 2026

There are certain amendments and interpretations to accounting and reporting standards which are mandatory for the Company's annual accounting period beginning January 01, 2026; however, these do not have any significant impact on these condensed interim financial statements.

(b) Standards, interpretations and amendments to published approved accounting standards not yet effective

There are certain amendments to published accounting and reporting standards that will be applicable for the financial year beginning on or after January 01, 2027 but are considered not to be relevant or to have any significant effect on these condensed interim financial statements.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies applied in the preparation of these condensed interim financial information are the same as those applied in preparation of the audited financial statements of the Company for the year ended December 31, 2025

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
			----------(Rupees in '000)----------	
4.	**PROPERTY AND EQUIPMENT**			
	Operating fixed assets	4.1	**8,781,272**	6,802,626
	Capital work in progress (CWIP)	4.2	**271,633**	788,211
			9,052,905	7,590,837
4.1	**Operating fixed asset**			
	The movement of balance during the period / year :			
	Opening balance - written down value (WDV)		**6,802,626**	6,735,172
	Addition		**-**	69,084
	Transfers from CWIP - shop fitouts	4.1.1	**2,280,937**	3,603,786
	Revaluation gain		**-**	242,155
	Write off (at NBV)	4.1.2	**-**	(3,207,410)
	Depreciation charged		**(302,291)**	(342,316)
	Tranfer from investment property		**-**	(297,845)
	Closing balance (WDV)		**8,781,272**	6,802,626
4.1.1	Transfers during the period / year			
	Shop fitouts		**1,670,889**	3,029,389
	Office and other equipment		**188,588**	236,048
	Furniture and fittings		**421,460**	407,433
			2,280,937	3,672,870
4.1.2	Write off (at NBV)			
	Leasehold improvements		**-**	457,239
	Shop fitouts		**-**	2,491,697
	Office and other equipment		**-**	200,084
	Furniture and fittings		**-**	46,719
	Motor vehicles		**-**	11,671
			-	3,207,410
4.2	**Capital work in progress**			
	The movement of balance during the period / year :			
	Opening balance		**788,211**	1,885,281
	Additions - shop fitouts		**1,764,359**	2,506,716
	Transfers to operating fixed assets		**(2,280,937)**	(3,603,786)
	Closing balance		**271,633**	788,211
5.	**INVESTMENT PROPERTY**			
	Opening balance		**4,483,299**	926,000
	Transfer from property and equipment		**-**	297,845
	Increase in fair value		**-**	3,259,454
			4,483,299	4,483,299

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
			----------(Rupees in '000)----------	
6.	**INTANGIBLE ASSETS**			
	Intellectual Property Rights	6.1	**8,000,000**	8,000,000

6.1 During the previous year, the company purchased intellectual property rights from Weaves Corporation Limited, a parent company,at a mutually agreed price of Rs. 8,000 million.

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
			--------Rupees '000--------	
7.	**INVENTORIES**			
	Finished goods	7.1	**4,445,096**	4,618,809
	Raw materials		**824,938**	-
	Non-trading inventory		**32,096**	50,464
			5,302,130	4,669,273

7.1 The Company has written off finished goods amounting to Rs. 94.6 million (December 2025: Rs. 157.52 million).

8 TRADE RECEIVABLES

This includes trade receivable amounting to Rs. 1,315.268 million (December 31, 2025: Nil) which were outstanding against exports made to foreign related parties. The outstanding balances are unsecured, interest-free, recoverable under normal credit terms, and are expected to be settled in cash.

9. REFUNDS DUE FROM THE GOVERNMENT - SALES TAX

As at June 30, 2026, there is no change in the status of matters reported in note 15 of the audited financial statements of the Company for the year ended December 31, 2025

		Note	(Un-audited) June 30, 2026	(Audited) December 31, 2025
			---------- Rupees '000 ----------	
10.	**OTHER RECEIVABLES**			
	Receivable from related parties	10.1	**960,004**	880,668
	Others		**227,681**	107,141
			1,187,685	987,809
10.1	**Receivable from related parties**			
	Weaves Corporation Limited	10.1.1	**843,725**	884,000
	Weaves UAE		**14,496**	-
	Weaves UK		**46,406**	-
	Weaves USA		**55,377**	-
			960,004	884,000
	Age analysis of other receivable from related parties			
	Not past due		**960,004**	884,000

10.1.1 This represents amount transferred to Weaves Corporation Limited on current account basis for working capital purpose and are repayable on demand.

11. SHARE CAPITAL

Authorised share capital

(Un-audited) June 30, 2026	(Audited) December 31, 2025		(Un-audited) June 30, 2026	(Audited) December 31, 2025
Number of shares			---------- Rupees '000 ----------	
4,000,000,000	1,000,000	Ordinary shares of Rs. 0.125 each (December 31, 2025 : Rs. 10) - note 11.1	**500,000**	10,000

Issued, subscribed and paid-up share capital

(Un-audited) June 30, 2026	(Audited) December 31, 2025		(Un-audited) June 30, 2026	(Audited) December 31, 2025
Number of shares			---------- Rupees '000 ----------	
2,000,000,000	502,666	Ordinary shares of Rs. 0.125 each (December 31, 2025 : Rs. 10) - note 11.2	**250,000**	5,027
2,000,000,000	502,666		**250,000**	5,027

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
	number of ordinary share	
The movement of ordinary shares during the period / year is as under:		
Opening	**502,666**	502,666
Issue of bonus share	**24,497,334**	-
Effect of sub-division of authorised and paid-up capital	**1,975,000,000**	-
	2,000,000,000	502,666

11.1 During the period, the shareholders of the Company, through a special resolution passed on June 22, 2026, approved an increase in the authorised share capital of the Company from Rs. 10 million (1,000,000 ordinary shares of Rs. 10 each) to Rs. 500 million (50,000,000 ordinary shares of Rs. 10 each), and the Memorandum and Articles of Association of the Company were amended accordingly. Subsequently, the Company completed a sub-division of its ordinary shares, in accordance with a special resolution passed by the shareholders on June 26, 2026, whereby the face value of each ordinary share was reduced from Rs. 10 to Rs. 0.125 (paisa) each, by sub-dividing every existing ordinary share into 80 ordinary shares of Rs. 0.125 each.

11.2 During the period, the paid-up share capital of the Company was increased from Rs. 5,026,660 (502,666 ordinary shares of Rs. 10 each) to Rs. 250,000,000 (25,000,000 ordinary shares of Rs. 10 each), through the issuance of 24,497,334 fully paid-up bonus shares of Rs. 10 each to Weaves Corporation Limited, the existing shareholder of the Company, in the proportion of 48.73 new shares for every 1 existing share held (i.e. 4,873%), in accordance with a resolution passed by the Director of the Company on June 24, 2026.

Subsequently, the Company completed a sub-division of its ordinary shares, in accordance with the special resolution referred to above, whereby the face value of each ordinary share was reduced from Rs. 10 to Rs. 0.125 each, by sub-dividing every existing ordinary share into 80 ordinary shares of Rs. 0.125 each.

11.3 The share subdivision was undertaken to facilitate the proposed Initial Public Offering (IPO) of the Company.

		Note	(Un-audited) June 30 2026	(Audited) December 31, 2025
12.	**LONG-TERM BORROWINGS**		---------- Rupees '000 ----------	
	Term Finance Facility	12.1	**3,300,000**	3,532,833
	Diminishing Musharka		**2,200,000**	2,200,000
	Running Musharka		**1,000,000**	1,000,000
			6,500,000	6,732,833
	Less: Current maturity of long-term borrowing		**1,745,000**	483,333
			4,755,000	6,249,500

12.1 During the period, the Company made an early repayment of Rs. 232 million against the Term Finance Facility, resulting in a corresponding reduction in the outstanding principal balance as at the reporting date.

13. DUE TO RELATED PARTY

This represents amount due to Weaves Corporation Limited in relation to purchase of intellectual property rights as disclosed in note 6.1. The amount is payable on demand anytime after 12 months from the balance sheet date.

	(Un-audited) June 30, 2026	(Audited) December 31, 2025
14. SHORT-TERM BORROWINGS	---------- Rupees '000 ----------	
Running finance under mark-up arrangement	**784,205**	551,073
Running Musharaka	**327,873**	-
	1,112,078	551,073

14.1 The mark-up rate for running finance facilities ranges from 0.5% to 1.25% (December 31, 2025: 0.5% to 1.25%) above KIBOR per annum.

14.2 The said facilities are secured by way of 1st joint parri passu hypothecation charge of Rs. 11.062 billion (December 31, 2025: Rs. 11.062 billion) over all present and future current assets of the Company.

14.3 This represents Musharaka facilities aggregating to Rs 1 billion (December 31, 2025: Rs 1 billion) out of which 672 million (December 31, 2025: Rs. 1 billion) remained unutilised at the year end and carry markup at the rate of three month KIBOR + 0.45% to 0.5% (December 31, 2025: KIBOR + 0.45% to 0.5%). These are secured against first joint pari passu hypothentication charge over present and future current assets of the Company with 20% margin.

15. CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

Contingencies in condensed interim financial statements are the same as those disclosed in annual audited financial statements of the Company for the year ended December 31, 2025.

15.2 Commitments

15.2.1 Letters of credit issued by different commercial banks are Rs. 2.12 billion (December 31, 2025: Rs. 1.87 billion).

	(Un-audited) June 30, 2026	(Un-audited) June 30, 2025
16. REVENUE FROM CONTRACTS WITH CUSTOMERS - NET	----------(Rupees in '000)----------	
Retail	**18,191,880**	14,798,900
Export	**2,372,594**	-
E-commerce	**1,687,452**	1,074,547
	22,251,926	15,873,447
Discount	**(2,465,659)**	-
Export rebate	**24,673**	-
Sales tax	**(2,730,635)**	(2,430,721)
	17,080,305	13,442,726

		(Un-audited) June 30, 2026	(Un-audited) June 30, 2025
		----------(Rupees in '000)----------	
17.	**OTHER INCOME**		
	Income from financial assets		
	Interest income	**21,466**	1,529
	Exchange gain	**-**	7,198
	Income from non-financial assets		
	Scrap sales	**60,193**	12,779
	Recovery from insurance claim	**-**	4,234
	Others	**-**	3,465
		60,193	20,478
		81,659	29,205
18.	**LEVIES AND TAXATION**		
	Levies and taxes	**536,127**	16,929
18.1	**Revenue Tax**	**-**	-

This represents minimum tax provision under section 113 of the Income Tax Ordinance, 2001. The provision for minimum tax has been recognized as levies in these financial statements as per the requirements of IFRIC 21 / IAS 37 and guidance on IAS 12 issued by ICAP on the turnover of the group.

		(Un-audited) June 30, 2026	(Un-audited) June 30, 2025
		----------(Rupees in '000)----------	
18.2	**Taxation - Net**		
	Current	**377,203**	16,929
	Deferred	**158,924**	103,248
		536,127	120,177
19.	**EARNINGS PER SHARE - BASIC AND DILUTED**		
	Profit for the period attributable to ordinary shareholders	**1,606,318**	683,681
		---------- (Number) ----------	
	Weighted average number of ordinary shares outstanding during the period	**2,000,000,000**	2,000,000,000
		---------- (Rupees) ----------	
			Restated
	Earnings per share - basic and diluted	**0.80**	0.34

19.1 There were no convertible dilutive potential ordinary shares outstanding as at June 30, 2026 and June 30, 2025.

	Note	(Un-audited) June 30, 2026	(Un-audited) June 30, 2025
		---------- Rupees '000 ----------	
20. CASH GENERATED FROM OPERATIONS			
Profit before taxation		**2,142,445**	803,858
Add / (less): Adjustments for non-cash charges and other items			
Depreciation / amortisation		**302,292**	305,315
Interest income		**(21,466)**	(1,529)
Finance costs		**513,234**	741,221
Profit before working capital changes		**2,936,505**	1,848,865
EFFECT ON CASH FLOW DUE TO WORKING CAPITAL CHANGES			
Decrease / (increase) in current assets:			
Inventories		**(632,857)**	(338,655)
Trade receivables		**(1,257,531)**	957,848
Prepayments and advances		**455,370**	50,259
Other receivables		**(199,876)**	(992,990)
Refunds due from the government - sales tax		**263,811**	482,528
		(1,371,083)	158,990
Increase in current liabilities:			
Trade and other payables		**1,029,446**	1,039,590
		(341,637)	1,198,580
		2,594,868	3,047,445
21. CASH AND CASH EQUIVALENTS			
Cash and bank balances		**150,913**	541,419
Short-term borrowings	14	**(1,112,078)**	(3,580,796)
		(961,165)	(3,039,377)

22. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of the associated companies, staff retirement funds, director, key management personnel and close members of the family of all aforementioned related parties. The Company in the normal course of business carries out transactions with various related parties duly approved by the Board of Directors of the Company. Following are the details of transaction other than disclosed elesewhere in the financial statements.

Relationship with the Company		Nature of transaction	June 30, 2026	June 30, 2025
			---------- Rupees '000 ----------	
i)	Parent Company	- Bonus share issued	**244,973**	-
		- Dividend paid	**1,646,706**	-
		- Management fees and reimbursement	**1,000,000**	535,000
ii)	Associated Companies	- Outlent rent	**934,882**	791,932
		- Sales made	**2,372,594**	-
iii)	Other related parties	- Purchase of finished goods	**6,680,513**	4,879,359
		- CMT charges	**4,284**	-
		- Financial charges against letter of credit	**-**	199,498
		- Reimbursement charges	**86,998**	129,389
iv)	Key management personnel	- Remuneration	**270,064**	251,690

22.1 Outstanding balances with related parties as at period ended have been included in trade and other receivables and trade and other payables respectively. These are settled in ordinary course of business. The Company continues to have a policy whereby transactions with related parties are entered into at a rate agreed under a contract / arrangement duly approved by the Board of Directors.

22.2 Following are the related parties including associated companies with whom the Company had entered into transactions or have arrangements / agreements in place.

23. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

There have been no changes in the financial risk management policies during the period, consequently these condensed interim financial statements do not include all the financia! risk management information and disclosures required in the annual financial statements.

FAIR VALUE ESTIMATION

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.

The carrying values of all financial assets and liabilities reflected in the condensed interim financial statements approximate their fair values.

Fair value of financial assets and financial liabilities

Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

The different levels of fair valuation method have been defined as follows:

- **Level 1** fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2** fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3** fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at June 30, 2026, the Company holds investment property which are valued at fair value.

Investment property are measured at fair value (Level 3 measurement) as determined by an independent professional valuer based on their assessment of market values, as disclosed in note 6 to the annual audited financial statements as at December 31, 2025. The effect of changes in the unobservable inputs used in the valuation cannot be determined with certainty. Accordingly, a qualitative disclosure of sensitivity has not been presented in these financial statements.

	Level 1	Level 2	Level 3	Total
	----------	(Rupees in '000)	----------	
Investment property at fair value				
June 30, 2026 (Un-audited)	**-**	**-**	**4,483,299**	**4,483,299**
December 31, 2025 (Audited)	-	-	4,483,299	4,483,299

There were no transfers between Levels 1, 2 and 3 during the year.

24 DISCLOSURE REQUIREMENT FOR SHARIAH COMPLIANT COMPANIES

As per the requirements of the fourth schedule to the Companies Act, 2017, shariah compliant companies and the companies listed on Islamic Index shall disclose the following:

	2026			2025		
	Conventional	Shariah Compliant	Total	Conventional	Shariah Compliant	Total
	(Rupees '000)					
Sales - net	-	17,080,305	17,080,305	-	13,442,726	13,442,726
Finance cost						
Long term loan	254,580	133,498	388,078	99,239.82	-	99,240
Short term borrowings	4,196	13,000	17,196	124,970	138,638	263,608
Supplier finance arrangments	-	-	-	273,112	-	273,112
Credit card charges	54,565	38,601	93,166	48,050	26,953	75,003
Bank charges	6,019	8,776	14,795	15,427	14,832	30,259
Other income						
Intrest income	5,450	16,016	21,466	1,426	104	1,530
Exchange gain	-	-	-	-	7,198	7,198
Scrap sales	-	60,193	60,193	-	12,779	12,779
Recovery from insurance claim	-	-	-	-	4,234	4,234
Others	-	-	-	-	3,465	3,465
Asset						
Bank balances	91,370	8,210	99,580	40,457	9,593	50,050
Liabilities						
Long term loan	3,300,000	3,200,000	6,500,000	3,532,833	3,200,000	6,732,833
Accrued profit / mark-up	43,364	57,789	101,153	50,020	77,159	127,179
Short-term borrowings	784,205	327,873	1,112,078	-	551,073	551,073

Relationship with shariah compliant banks

Name	Relationship
Dubai Islamic Bank Pakistan Limited	Bank balances and Letter of Credit facility
Meezan Bank Limited	Bank balances, Letter of Credit, Bank guarantee and Diminishing Musharakah facilities
BankIslami Pakistan Limited	Bank balances
Faysal Bank Limited	Bank balances, Letter of Credit and Diminishing Musharakah facilities
The Bank of Khyber	Bank balances, Letter of Credit ,Diminishing Musharakah and Running Musharakah facilities
Al Baraka Bank (Pakistan) Limited	Bank balances, Letter of Credit ,Diminishing Musharakah and Running Musharakah facilities
The Bank of Punjab	Bank balances and Letter of Credit facility

Relationship with shariah compliant insurance companies

Name	Relationship
Askari Insurance Limited	Takful operator
Century Insurance Limited	Takful operator

25. BUSINESS UNITS - GEOGRAPHICAL LOCATIONS AND ADDRESSES

There has been no change in the business units as reported in the audited annual financial statements of the Company for the year ended December 31, 2025, except that three new retail outlets located at Multan, Faisalabad, and KDA were opened during the period ended June 30, 2026.

26. CORRESPONDING FIGURES

Corresponding figures have been reclassified for the purposes of better presentation. Accordingly, an amount of Rs. 1,164.77 million has been reclassified from "Refunds due from the government - sales" to "Taxation - provision less payments" (Note 9), as a result of which "Refunds due from the government - sales tax" as at December 31, 2025, previously reported at Rs. 1,931.70 million, now stands at Rs. 766.93 million, and "Taxation - provision less payments" as at December 31, 2025, previously reported at Rs. (936.17 million), now stands at Rs. 228.59 million. This reclassification has no impact on the profit for the prior year or on total equity.

26.1 Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

27. DATE OF AUTHORISATION

These financial statements were authorised for issue by the Chief Executive Officer / Director and Chief Financial Officer of the Company on 11 AUG 2026.

Chief Executive / Director

Chief Financial Officer