

**GHAZI FABRICS INTERNATIONAL LIMITED
QUARTERLY FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2026**



Ghazi Fabrics International Limited

8-C, E-III, Gulberg-III, Lahore - 54660, Pakistan



DIRECTORS' REPORT

The directors of Ghazi Fabrics International Limited ("the Company") are pleased to present the financial statements for the nine months ended March 31, 2026.

Economic/Industry Overview

Due to increase in cost of raw material and increase in utilities cost the production remained suspended.

In order to reduce the losses, the production of Spinning and Weaving Division was stopped. This resulted a decline in sales but the management managed to reduce the losses with timely operating decisions.

The future outlook appears quite challenging. The textile industry is becoming increasingly competitive on a global scale and is experiencing significant commoditization. Additionally, our higher production costs compared to regional competitors are creating difficulties in staying competitive in the international market.

Operating Financial Results

During the period under review, the Company declares gross loss of Rs. 187.73 million (corresponding period loss: Rs 216.23 million) and the loss after tax of Rs. 444.36 million (corresponding period loss: Rs. 279.88 million). Loss per share is Rs. 13.62 (corresponding period loss per share: Rs. 8.58).

Financial highlights

	For The Nine Months Ended March 31,	
	2026	2025
	Rupees	
Sales	1,069,640	572,596,451
Gross loss	(187,734,408)	(216,229,788)
Loss after tax	(444,361,674)	(279,882,500)
Loss per share -EPS- Rs.	(13.62)	(8.58)

Given the figures above, sales have nearly fallen to zero, and production has been halted, leading to a reduction in losses. The gross loss has decreased by 13.18%, and the loss after tax has increased by 58.77% compared to the same period last year. Despite the plant shutdown, the future outlook for the Company remains positive, driven by the Management's efforts to improve performance through the implementation of best business practices.

Acknowledgement

We are grateful to the management and employees of the Company for their hard-work and dedication. We also express our gratitude to our shareholders, bankers, suppliers and valued customers who cooperated with us throughout the period.

For and on behalf of the Board

Rizwan Arshad
Director

Kamran Arshad
Director
Lahore
April 30, 2026

GHAZI FABRICS INTERNATIONAL LIMITED**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)****AS AT MARCH 31, 2026**

	Note	Unaudited March 31, 2026 Rupees	Audited June 30, 2025 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital	6.1	<u>400,000,000</u>	<u>400,000,000</u>
Issued, subscribed and paid-up capital	6.2	<u>326,356,000</u>	<u>326,356,000</u>
Capital reserve-revaluation surplus on property plant and equipment		2,298,532,018	2,979,034,752
Revenue reserves-accumulated loss		(2,796,413,616)	(3,032,554,676)
Directors' loan		4,092,420,783	4,317,736,878
		<u>3,920,895,185</u>	<u>4,590,572,954</u>
NON CURRENT LIABILITIES			
Deferred liabilities		9,796,214	6,071,644
CURRENT LIABILITIES			
Trade and other payables		<u>105,485,770</u>	<u>37,136,727</u>
Unclaimed dividends		<u>5,889,632</u>	<u>5,889,632</u>
Provision for taxation		<u>13,371</u>	<u>6,053,021</u>
		<u>111,388,773</u>	<u>49,079,380</u>
CONTINGENCIES AND COMMITMENTS			
	7	<u>-</u>	<u>-</u>
		<u>4,042,080,172</u>	<u>4,645,723,978</u>
ASSETS			
NON CURRENT ASSETS			
Operating fixed assets	8	<u>3,181,115,742</u>	<u>3,956,253,317</u>
Long term deposit		103,626,594	103,626,594
Deferred tax-net		<u>120,996,228</u>	<u>120,996,228</u>
		<u>3,405,738,564</u>	<u>4,180,876,139</u>
CURRENT ASSETS			
Stores, spares and loose tools		<u>124,965,247</u>	<u>126,455,720</u>
Stock in trade		60,546	1,101,326
Trade debts		13,748,257	31,333,635
Loans and advances		4,701,408	5,038,974
Refunds from Government agencies		480,863,469	291,204,233
Cash and bank balances		<u>12,002,681</u>	<u>9,713,951</u>
		<u>636,341,608</u>	<u>464,847,839</u>
		<u>4,042,080,172</u>	<u>4,645,723,978</u>

The annexed notes form an integral part of this condensed interim financial information.


Director
Chief Financial Officer
Director

GHAZI FABRICS INTERNATIONAL LIMITED**CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)****FOR THE NINE MONTHS ENDED MARCH 31, 2026**

	Note	Nine Months Ended		Quarter Ended	
		March 31,		March 31,	
		2026	2025	2026	2025
		Rupees		Rupees	
SALES - Net	9	1,069,640	572,596,451	-	6,536,246
COST OF SALES	10	188,804,048	788,826,239	52,557,987	58,123,330
GROSS LOSS		(187,734,408)	(216,229,788)	(52,557,987)	(51,587,084)
SELLING AND DISTRIBUTION ADMINISTRATIVE EXPENSES OTHER OPERATING EXPENSES		1,019,948 45,909,353 210,173,234	5,391,017 45,843,326 7,584,657	345,550 18,045,407 964,169	583,238 9,976,944 155,613
		257,102,535	58,819,000	19,355,126	10,715,795
OPERATING LOSS		(444,836,943)	(275,048,788)	(71,913,113)	(62,302,879)
OTHER INCOME		3,145,674	5,070,482	245,977	-
		(441,691,269)	(269,978,306)	(71,667,136)	(62,302,879)
FINANCE COST		575,462	1,737,250	6,821	274,950
LOSS BEFORE TAXATION		(442,266,731)	(271,715,556)	(71,673,958)	(62,577,829)
PROVISION FOR TAXATION		2,094,943	8,166,944	-	369,525
LOSS AFTER TAXATION		(444,361,674)	(279,882,500)	(71,673,958)	(62,947,354)
Earnings per share - Basic		(13.62)	(8.58)	(2.20)	(1.93)

The annexed notes form an integral part of this condensed interim financial information.


Director
Chief Financial Officer
Director

GHAZI FABRICS INTERNATIONAL LIMITED

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2026**

	<u>Nine Months Ended</u>		<u>Quarter Ended</u>	
	<u>March 31,</u>		<u>March 31,</u>	
	<u>2026</u>	<u>2025</u>	<u>2026</u>	<u>2025</u>
	<u>Rupees</u>		<u>Rupees</u>	
Loss after taxation	(444,361,674)	(279,882,500)	(71,673,958)	(62,947,354)
Other comprehensive income for the period	-	-	-	-
Total comprehensive loss for the period	<u>(444,361,674)</u>	<u>(279,882,500)</u>	<u>(71,673,958)</u>	<u>(62,947,354)</u>

The annexed notes form an integral part of this condensed interim financial information.



Director



Chief Financial Officer



Director

GHAZI FABRICS INTERNATIONAL LIMITED**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2026**

	March 31, 2026 Rupees	March 31, 2025 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(442,266,731)	(271,715,556)
Adjustment for:		
Depreciation	66,644,511	70,490,835
Gain on disposal of fixed assets	(3,069,428)	3,261,809
Loss on disposal of Land	206,804,227	-
Staff retirement benefits	4,871,466	76,936,646
Finance cost	575,462	1,737,250
	<u>275,826,238</u>	<u>152,426,540</u>
Cash flows before working capital changes	(166,440,493)	(119,289,016)
(Increase)/decrease in current assets		
Stores, spares and loose tools	1,490,473	(10,015,466)
Stock in trade	1,040,780	207,088,331
Trade debts	17,585,378	70,600,276
Loans and advances	337,566	13,481,018
Refunds from Govt. Agencies	(167,498,450)	51,384,532
Increase/(decrease) in current liabilities		
Trade and other payables	68,464,949	(345,636,041)
	<u>(78,579,304)</u>	<u>(13,097,350)</u>
Cash (Outflows) / Inflows from operations	(245,019,797)	(132,386,366)
Finance cost paid	(575,462)	(4,394,601)
Staff retirement benefits paid	(1,146,896)	(77,025,437)
Income tax paid	(31,477,020)	(55,293,304)
Net cash used in operating activities	(278,219,175)	(269,099,708)
CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment purchased	(86,000)	-
Proceeds from disposal of Property, plant and equipment	-	6,580,000
Proceeds from disposal of land	500,000,000	-
Proceeds from disposal of vehicle	5,910,000	-
Bank profit	-	-
Long term deposits	-	(90,614,900)
Net cash used in investing activities	505,824,000	(84,034,900)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing	-	-
Loan from directors and others-net	(225,316,095)	390,500,000
Dividend Paid	-	(12,192)
Short term borrowings- net	-	(40,455,522)
Net cash generated from financing activities	(225,316,095)	350,032,286
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	2,288,730	(3,102,323)
CASH AND CASH EQUIVALENTS		
AT THE BEGINNING OF THE PERIOD	9,713,951	10,205,148
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	12,002,681	7,102,825

The annexed notes form an integral part of this condensed interim financial information.



Director



Chief Financial Officer



Director

GHAZI FABRICS INTERNATIONAL LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2026

	Issued, subscribed and paid-up capital	Capital reserve- Revaluation surplus on property plant & equipment	Director's Loan	Accumulated losses	Total
			<i>R U P E E S</i>		
Balance as at July 01, 2024	326,356,000	2,979,034,752	3,835,736,878	(2,655,783,277)	4,485,344,353
Transaction with owner loan from directors	-	-	390,500,000	-	390,500,000
Total comprehensive loss for the period	-	-	-	(279,882,500)	(279,882,500)
Balance as at March 31, 2025	326,356,000	2,979,034,752	4,226,236,878	(2,935,665,777)	4,595,961,853
Balance as at July 01, 2025	326,356,000	2,979,034,752	4,317,736,878	(3,032,554,676)	4,590,572,954
Transaction with owner loan from directors	-	-	(225,316,095)	-	(225,316,095)
Transfer of revaluation surplus due to disposal of land	-	(680,502,734)	-	680,502,734	-
Total comprehensive loss for the period	-	-	-	(444,361,674)	(444,361,674)
Balance as at March 31, 2026	326,356,000	2,298,532,018	4,092,420,783	(2,796,413,616)	3,920,895,185

The annexed notes form an integral part of this condensed interim financial information.



Director



Chief Financial Officer



Director

GHAZI FABRICS INTERNATIONAL LIMITED

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2026**

1 STATUS AND ACTIVITIES

Ghazi Fabrics International Limited ("the Company") was incorporated in Pakistan on April 30, 1989 as a Private Limited Company under the Companies Ordinance 1984 (repealed with the enactment of the Companies Act 2017); and converted into Public Limited Company on January 07, 1990. Its shares are quoted on Pakistan Stock Exchange. The main activities of the Company are textile manufacturing, production of cotton and P.C. yarn and grey cloth that are marketed both within and outside Pakistan. The registered office of the Company is situated at 8-C, E-III, Gulberg III, Lahore and mill is located at 46-km, Multan Road, Bhaiphero, Kasur.

2 GOING CONCERN ASSUMPTION

During the third quarter ended March 31, 2026 (the interim period), the Company incurred a gross loss of Rs. 187.734 million (March 31, 2025: Rs. 216.229 million); and it reported a net loss of Rs. 444.362 million (March 31, 2025: net loss of Rs. 279.882 million), mainly due to loss recognized on the sale of an extra piece of land. As at the period end, the Company's accumulated losses stood at Rs. 2,796.414 million (June 30, 2025: Rs. 3,032.555 million), and it generated negative operating cash flows of Rs. 278.154 million during the period (March 31, 2025: Rs. 269.099 million). These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and, accordingly, it may be unable to realize its assets and discharge its liabilities in the normal course of business.

However, these interim financial statements have been prepared on going concern basis on the grounds that the Company will be able to achieve satisfactory levels of profitability and liquidity in the future based on the plans drawn up by the management for this purpose and availability of the adequate working capital from its lenders and sponsors. In this regard, following events are of significance and importance on which attention of the members is drawn:

- That company had replaced certain outdated machines under business process reengineering (BMR) arrangement and which would ensure that company shall has better efficiency and would generate more resources to operate cost effectively in future periods;
- That the Company has successfully settled all the long-term loans and short term borrowings. Further, upon the full repayment of the loans, all associated charges and pledges have been released. This will further improve the liquidity and working capital position of the company in current and future periods.
- That the working capital and debtor collection days have positively improved which will contribute positively in cash flow of the company during the year and the similar & further improvement is anticipated;

3 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 applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provision of and directives issued under the Companies Act, 2017.
- Where the provision of and directives issues under the Companies Act, 2017 differ with the requirements of IAS 34 or IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

4 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods for computation adopted for the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements for the year ended June 30, 2025.

5 REISSUANCE OF CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD DECEMBER 31, 2025

These quarterly financial statements incorporate the effects of adjustments identified in the half-yearly financial statements of the Company for the period ended December 31, 2025, which have been subsequently reissued. Detailed disclosure of the matter is provided in the reissued interim financial statements

	March 31, 2026 Rupees	June 30, 2025 Rupees
6 SHARE CAPITAL		
6.1 Authorized capital 40,000,000 (June 30, 2025 : 40,000,000) ordinary shares of Rs. 10/- each paid in cash.	<u>400,000,000</u>	<u>400,000,000</u>
6.2 Issued, subscribed and paid up capital: 32,635,600 (June 30, 2025 : 32,635,600) ordinary shares of Rs. 10/- each paid in cash.	<u>326,356,000</u>	<u>326,356,000</u>

7 CONTINGENCIES AND COMMITMENTS

- 7.1 There is no material change in the status of the contingencies reported in the annual financial statements for the year ended June 30, 2025.
- 7.2 There are no major commitments as at the reporting date (June 2025:nil).

	March 31, 2026 Rupees	June 30, 2025 Rupees
8 OPERATING FIXED ASSETS		
Opening written down value	3,956,253,317	4,060,580,291
Addition during the period		
Land - freehold	-	-
Plant and machinery	-	-
Vehicles	-	-
Equipment	86,000	-
	86,000	-
Book value of assets disposed off during the period	(708,579,064)	(8,821,965)
Depreciation for the period	(66,644,511)	(95,505,009)
	<u>3,181,115,742</u>	<u>3,956,253,317</u>

	Unaudited Nine Months Ended		Unaudited Quarter Ended	
	March 31, 2026 Rupees	March 31, 2025 Rupees	March 31, 2026 Rupees	March 31, 2025 Rupees
9 SALES-NET				
Sales	1,069,640	572,596,451	-	6,536,246
Rebate	-	-	-	-
	<u>1,069,640</u>	<u>572,596,451</u>	<u>-</u>	<u>6,536,246</u>

10 COST OF SALES

Raw material consumed	-	286,344,982	-	87,964
Raw material direct sale	1,029,052	-	-	-
Ex bonding	34,359,537	-	-	-
Fabric conversion, dyeing and bleaching	-	-	-	-
Salaries, wages and benefits	42,819,519	102,300,633	15,786,755	19,900,597
Fuel and power	35,028,259	120,469,477	11,728,471	12,009,118
Packing material consumed	-	-	-	-
Sizing material consumed	-	-	-	-
Store and spares consumed	4,417,901	30,014,018	868,974	659,892
Insurance	4,359,792	7,182,153	1,883,256	3,045,935
Repair and maintenance	133,750	1,916,099	16,700	51,150
Depreciation	66,644,511	70,490,835	22,273,832	22,582,708
	<u>188,792,320</u>	<u>618,718,198</u>	<u>52,557,987</u>	<u>58,337,365</u>
Adjustment of work in process	-	64,209,161	-	-
Cost of goods manufactured	<u>188,792,320</u>	<u>682,927,359</u>	<u>52,557,987</u>	<u>58,337,365</u>
Adjustment of finished goods	11,728	105,898,881	-	(214,035)
	<u>188,804,048</u>	<u>788,826,239</u>	<u>52,557,987</u>	<u>58,123,330</u>

Nine Months Ended
March 31, **March 31,**
2026 **2025**
Rupees **Rupees**

11 TRANSACTION WITH RELATED PARTIES

Receipt / (Repayment) of Sponsors' loan - net (225,316,095) 390,500,000

12 INFORMATION ABOUT REPORTING SEGMENT

The following table presents revenue and profit/(loss) information regarding the Company's operating segments for the nine months ended March 31, 2025 and March 31, 2026.

	Spinning	Weaving	Inter - segment Transactions	Consolidated
	Amount (Rupees)			
	March 31, 2026			
Sales	-	1,069,640	-	1,069,640
Cost of Sales:	<u>(80,531,796)</u>	<u>(108,272,253)</u>	-	<u>(188,804,048)</u>
Gross Loss	(80,531,796)	(107,202,613)	-	(187,734,408)
Selling and distribution costs	-	1,019,948	-	1,019,948
Administrative and general expenses	-	45,909,353	-	45,909,353
Loss before taxation & un-allocated expenses	(80,531,796)	(154,131,914)	-	(234,663,709)
Un-allocated expenses:				210,173,234
Other operating expenses				3,145,674
Other operating income				575,462
Finance cost				<u>(442,266,731)</u>
Loss before taxation				(2,094,943)
Taxation				<u>(444,361,674)</u>
Net Loss for the period				
	Amount (Rupees)			
	March 31, 2025			
Sales	-	572,596,451	-	572,596,451
Cost of Sales:	<u>(112,473,019)</u>	<u>(676,353,220)</u>	-	<u>(788,826,239)</u>
Gross Loss	(112,473,019)	(103,756,769)	-	(216,229,788)
Selling and distribution costs	-	5,391,017	-	5,391,017
Administrative and general expenses	-	45,843,326	-	45,843,326
Loss before taxation & un-allocated expenses	(112,473,019)	(52,522,426)	-	(267,464,131)
Un-allocated expenses:				7,584,657
Other operating expenses				5,070,482
Other operating income				1,737,250
Finance cost				<u>(271,715,557)</u>
Loss before taxation				(8,166,944)
Taxation				<u>(279,882,500)</u>
Net Loss for the period				

13 AUTHORIZATION FOR ISSUE

This financial statement for the period was approved by the Board of Directors and authorized for issue on April 30, 2026.

14 CORRESPONDING FIGURES

- 14.1 Corresponding figures have been re-arranged, wherever necessary to the facilitation of comparison.
- 14.2 Figures have been rounded off to the nearest rupee.


Director


Chief Financial Officer


Director