CORPORATE BRIEFING SESSION

Elahi Cotton Mills Limited

For the year ended June 30, 2026

Est. 1970
Listed on the Pakistan Stock Exchange

AGENDA

Presentation outline

01 **Company Brief**
History, legal structure, location, management, vision and mission

02 **Financial Details**
Highlights, net sales trend, profit or loss and financial position

03 **Future Outlook & Operational Developments**
Industry outlook and energy initiatives

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01

Company Brief

Company at a glance

History

- Incorporated on June 22, 1970 as a public limited company
- Principal business: manufacture and sale of pure polyester yarn

Legal Structure

- Public limited company under the Companies Act, 2017
- Listed on the Pakistan Stock Exchange; paid-up capital Rs 13.0 million
- Auditors: BDO Ebrahim & Co., Chartered Accountants

Location

- Registered office: 270, Sector I-9, Industrial Area, Islamabad
- Mills: Jurian, Mandra–Chakwal Road, Tehsil Gujar Khan, District Rawalpindi

Management Team

- Mahboob Elahi — Chairman
- Mahfooz Elahi — Chief Executive
- Mrs. Tabassum Shaheen — Chief Financial Officer
- Saleem Ahmed — Company Secretary

Vision and mission

Vision

To run on purely professional grounds and to accomplish, build up and sustain a good reputation within the textile industry by marketing premium quality yarn by means of honesty, integrity and commitment.

Mission

- Transform the Company into a modern and dynamic yarn manufacturer providing premium quality products
- Foster a culture of trust that makes professional life stimulating and challenging for all our people
- Build on sound financial footings, with adequate returns to shareholders and employees and contribution to government revenues
- Expand sales through good governance and a sound, dynamic team for sustainable and equitable growth
- Make comprehensive arrangements for the training of our workers and technicians
- Strive for the continuous development of Pakistan while adding value to the textile sector
- Continue to earn the respect, confidence and goodwill of customers and suppliers
- Earn and sustain the trust of stakeholders through efficient resource management

02

Financial Details

Financial highlights: FY2026 vs FY2025

Sales revenue
Rs in million

949.914

FY2025: **996.624** | -4.7% year on year

Operating profit / (loss)
Rs in million

(23.546)

FY2025: **22.610** | From profit to loss

Profit / (loss) after tax
Rs in million

(34.919)

FY2025: **10.592** | From profit to loss

EPS / (LPS)
Rs per share

(26.86)

FY2025: **8.15** | From earnings to loss

Paid-up capital
Rs in million

13.000

FY2025: **13.000** | Unchanged

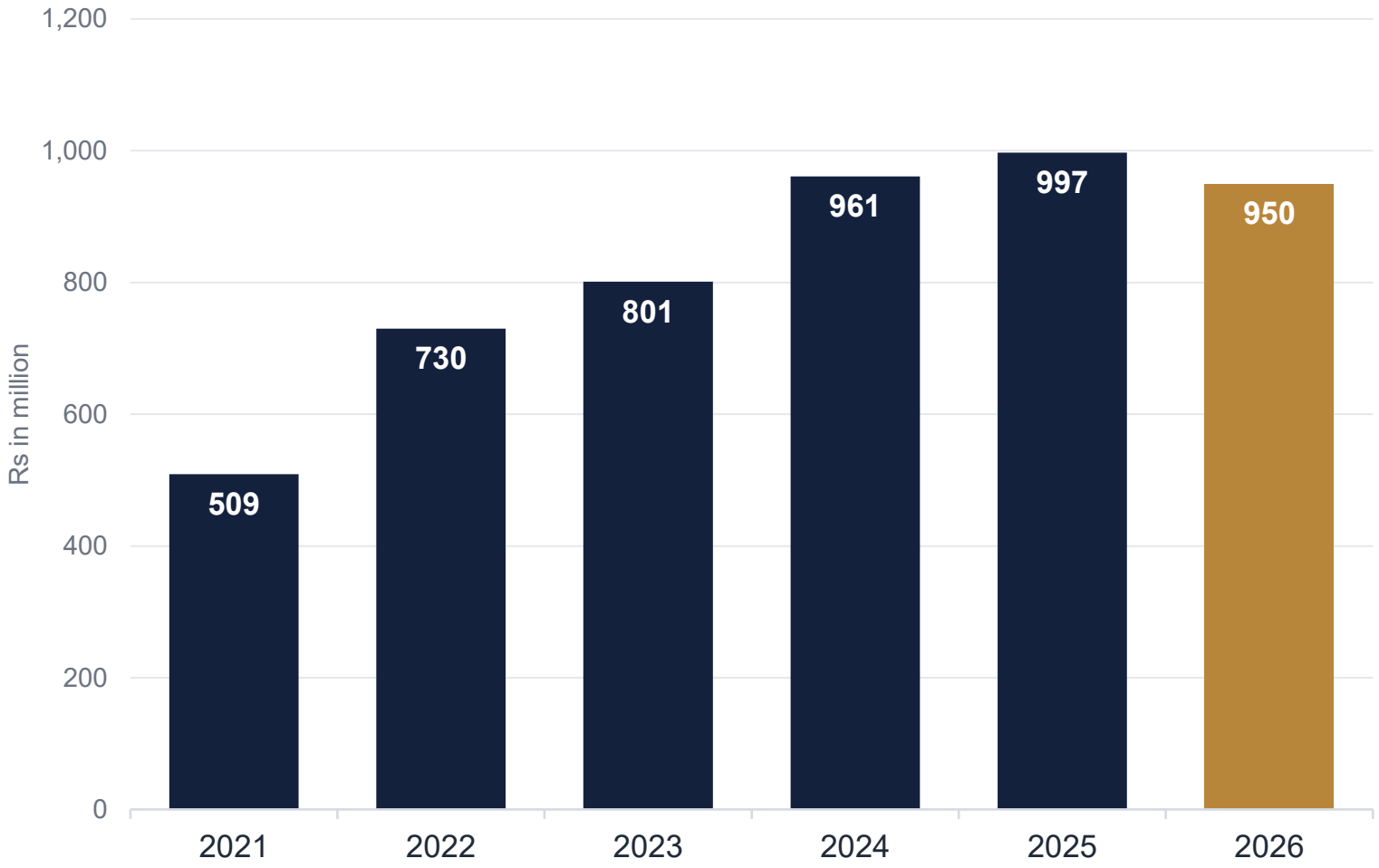
Return on equity
%

(268.6)

FY2025: **81.5** | From positive to negative

Large figures are FY2026. Return on equity is profit / (loss) after tax divided by paid-up capital, as in prior briefings. Source: audited financial statements.

Net sales: six-year trend



Rs 949.9M
FY2026 net sales

-4.7%
Change vs FY2025 (Rs 996.6M)

+87%
Growth since FY2021 (Rs 509M)

Statement of profit or loss: 2026 vs 2025

Rupees	2026	% of sales	2025	% of sales
Sales	949,914,283	100.00	996,623,852	100.00
Cost of sales	(949,695,104)	(99.98)	(954,986,185)	(95.82)
Gross profit	**219,179**	**0.02**	**41,637,667**	**4.18**
Administration & distribution expenses	(22,800,318)	(2.40)	(16,565,114)	(1.66)
Other operating charges	(964,375)	(0.10)	(2,462,816)	(0.25)
	(23,764,693)		**(19,027,930)**	
Operating profit / (loss)	**(23,545,514)**	**(2.48)**	**22,609,737**	**2.27**
Other income	583,629	0.06	617,836	0.06
Financial cost	(79,409)	(0.01)	(173,634)	(0.02)
Profit / (loss) before income tax and minimum tax	**(23,041,294)**	**(2.43)**	**23,053,939**	**2.31**
Minimum tax	(11,877,490)	(1.25)	(12,461,916)	(1.25)
Profit / (loss) before income tax	**(34,918,784)**	**(3.68)**	**10,592,023**	**1.06**
Income tax	-	-	-	-
Profit / (loss) after taxation	**(34,918,784)**	**(3.68)**	**10,592,023**	**1.06**

Source: audited statement of profit or loss for the year ended June 30, 2026. Administration & distribution expenses combine administrative (Rs 19.26M) and selling & distribution (Rs 3.54M) expenses; minimum tax is shown as levies in the statements.

Statement of financial position: assets as at June 30, 2026

Rupees	2026	2025
NON-CURRENT ASSETS		
Property, plant and equipment – operating fixed assets	253,664,194	174,896,304
Long term security deposits	918,810	918,810
Loans and advances	4,594,250	4,929,750
Total non-current assets	**259,177,254**	**180,744,864**
CURRENT ASSETS		
Stores, spares and loose tools	3,763,589	3,880,337
Stock in trade	50,596,684	38,739,116
Trade debts	31,949,580	35,114,638
Loans and advances	596,581	2,099,918
Short term prepayments	374,772	364,605
Short term investment	712,681	663,890
Prepaid levy	5,299,783	4,345,417
Sales tax refundable	-	421,083
Cash and bank balances	9,933,747	10,159,419
Total current assets	**103,227,417**	**95,788,423**
TOTAL ASSETS	**362,404,671**	**276,533,287**

Total assets

Rs 362.4M

+31.1% vs FY2025

Stock in trade

Rs 50.6M

+30.6% vs FY2025

Statement of financial position: equity and liabilities

Rupees	2026	2025
SHARE CAPITAL AND RESERVES		
Share capital	13,000,000	13,000,000
Revaluation surplus on property, plant and equipment	220,601,998	138,408,462
Accumulated loss	(90,875,845)	(58,732,763)
Total equity	**142,726,153**	**92,675,699**
NON-CURRENT LIABILITIES		
Deferred liabilities	53,315,388	38,635,595
Non current portion of lease liability	-	-
Total non-current liabilities	**53,315,388**	**38,635,595**
CURRENT LIABILITIES		
Short term loan from directors	122,579,471	108,929,471
Trade and other payables	43,522,680	32,370,884
Financial liabilities	-	2,453,967
Lease liabilities	-	1,200,000
Unclaimed dividend	260,979	267,671
Total current liabilities	**166,363,130**	**145,221,993**
TOTAL EQUITY AND LIABILITIES	**362,404,671**	**276,533,287**

Total equity

Rs 142.7M

+54.0% vs FY2025

Loans from directors

Rs 122.6M

+12.5% vs FY2025

03

Future Outlook & Operational Developments

Pakistan textile sector: operating environment in 2026

$17.93bn

Textile exports FY2026

Up just 0.26% year on year. Value-added segments grew, while traditional yarn and fabric exports fell about 7% (Jul–Mar).

100+

Spinning mills non-operational

Industry cites high power tariffs, taxes and cheap yarn imports; APTMA reports 42M kg of MMF yarn imported under EFS in Jul–Dec 2025.

~80%

Energy imports via Hormuz

Shipping through the Strait of Hormuz disrupted since the US-Israel campaign against Iran began on Feb 28, 2026; crude above $100.

12.0%

SBP policy rate

Raised 100 bps in April and 50 bps on Oct 27, 2026 as energy prices lifted inflation; CPI was 9.6% in October 2026.

Some relief: industrial power tariffs cut by up to Rs 4.58/unit from February to December 2026, and textile exports rose 5.55% in July–August FY2027. Industrial power still costs about 12.5 US cents/unit versus about 7.5 cents in India.

Sources: PBS via Profit (Jul 16, 2026); PTC via INP-WealthPk; Dawn; Business Recorder; PTC letter to Ministry of Commerce; ARY; SBP; PBS; APP; Profit (Feb 17, 2026). Full list in appendix.

Outlook and operational developments

Industry and market outlook

The textile industry is currently facing significant challenges, with both global and domestic markets experiencing slowdowns. Reduced demand from the value-added textile industry is likely to affect sales volumes. Increased costs across various areas such as energy, wages, administration, packaging and transportation are negatively impacting profit margins. As a result, the outlook for the first quarter of the current financial year seems to be negative. Nevertheless, management is actively pursuing strategies to maintain profitability through stringent cost management, proactive marketing and producing a variety of products.

Operational developments: solar energy

The Company has installed some portion of solar system at the Mills premises and plans to increase it in future to reduce the energy cost. With this installation, we expect that it would increase the efficiency that will contribute to profitability.

04

Question & Answer Session

Thank you

Elahi Cotton Mills Limited

Registered office: 270, Sector I-9, Industrial Area, Islamabad

www.elahicotton.com