



Towellers Limited

**Unaudited Accounts for the
Nine Months Ended
March 31st, 2026**

www.towellers.com

A large, faint, light-gray watermark of the Towellers Limited logo is visible in the bottom right corner of the page, partially overlapping the text.

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TOWELLERS LTD

COMPANY INFORMATION BOARD OF DIRECTORS

Mrs.	Mahjabeen Obaid	Chairperson
Mrs.	Mehreen Obaid Agha	Chief Executive Officer
Mrs.	Sana Bilal	Director
Mrs.	Hadeel Obaid	Director
Mr.	Zeeshan K. Sattar	Director
Mr.	Valy Tariq Rangoon wala	Director
Mr.	Niaz Muhammad	Independent Director
Mr.	Muhammad Sarfraz	Independent Director

BOARD AUDIT COMMITTEE

Mr.	Muhammad Sarfraz	Chairman
Mrs.	Hadeel Obaid	Member
Mr.	Zeeshan K. Sattar	Member

HUMAN RESOURCE AND REMUNERATION COMMITTEE:

Mr.	Niaz Muhammad	Chairman
Mrs.	Mehreen Obaid Agha	Member
Mr.	Valy Tariq Rangoon wala	Member

CHIEF FINANCIAL OFFICER

Mr. Adnan Moosaji

COMPANY SECRETARY

Mr. M. Farhan Adil

STATUTORY AUDITORS

Mushtaq & Company
Chartered Accountants
407-Commerce Centre, Hasrat Mohani Road, Karachi.

BANKERS

Soneri Bank Limited
Allied Bank Limited
Bank Al Habib Limited
MCB Bank Limited
Faysal Bank Ltd
Al Baraka Bank Pakistan Limited
Dubai Islamic Bank Pakistan Ltd
Bank Alfalah Limited
Meezan Bank Limited
Habib Metropolitan Bank Limited

REGISTRAR & SHARE REGISTRATION OFFICE

T.H.K., Associates Pvt. Ltd
Plot No. 32-C, Jami Commercial Street – 2
D.H.A., Phase-VII, Karachi, 75500, Pakistan

REGISTERED OFFICE

WSA-30 & 31, Block-1, Federal "B" Area, Karachi-75950

Web Site: www.towellers.com

Company Registration
C.R. # 0004042

National Tax
NTN 0676889-0,

& Sales Tax No.
Sales Tax # 02-03-5111-007-55

FACTORIES

Plots No. 14 & 17/1 Sector 12-D, N.K.I.A. Plot No. 9 & 10, Sector 12-C, N.K.I.A., Karachi,
PLOT NO. 48, SECTOR - 28, Korangi Industrial Area, Korangi Karachi,

TOWELLERS LTD

DIRECTORS' REPORT TO THE SHAREHOLDERS

The Board of Directors are pleased to present their report together with the un-audited financial statements of the Company for the third quarter ended March 31, 2026.

The Company's export sales have reduced by 17.5% as compared to the same period last year. Sales during the period remained at Rs. 8.07 B as compared to Rs. 9.78 B during the corresponding period. The profit margins have further decreased during the period owing to lower sales which has resulted in reduced gross margins. Furthermore, increased taxes, extremely competitive international market, inflationary pressures on cost of goods manufactured, increased utilities cost and increase in minimum wages have all contributed to the reduced margins. The profit after tax is Rs. 120.96 M as compared to Rs. 271.03 M during the same period last year.

The financial highlights of the performance of the Company is as under:

FINANCIAL HIGHLIGHTS

THIRD QUARTER ENDED MARCH 31, 2026

	Rupees in Thousands	
	Jul-Mar, 2026	Jul-Mar, 2025
Sales	8,067,296	9,776,708
Gross Profit	999,280	965,911
Profit from operations	293,257	305,206
Taxation	29,303	34,180
Profit after taxation	120,963	271,026

International disputes and an increasingly hostile political environment have further intensified unrest across major global economies during the period under review. The ongoing conflict involving the United States, Israel and Iran, along with the effective disruption of the Strait of Hormuz, has significantly impacted global energy supply chains and trade routes, leading to sharp increases in oil prices and inflationary pressures worldwide. Additionally, prolonged geopolitical tensions, including the Russia-Ukraine conflict and instability in the Middle East, have continued to dampen global economic sentiment.

Furthermore, evolving trade policies, including renewed tariff measures and persistent trade frictions between United States and China, have contributed to increased costs and uncertainty in international markets. The resulting surge in energy and commodity prices, couple with supply chain disruptions and elevated shipping costs, has weakened consumer demand in key markets.

All these factors, collectively, have adversely affected global trade flows and contributed to reduced orders and shipments during the current period.

The increase in revenue remains critical for enhancing the profitability and long-term sustainability of the Company. The Company continues to focus on expanding its export turnover by diversifying and strengthening its customer base, with the aim of optimizing capacity utilization and reducing the burden of fixed costs, which have risen due to capacity enhancements, capital expenditures, and increases in minimum wages announced by the provincial government.

In addition, the Company is actively undertaking measures to improve operational efficiencies within its manufacturing processes, including better resource utilization and process optimization. The Company remains optimistic that these initiatives will contribute to improved sales performance and profit margins during the last quarter, thereby strengthening overall profitability.

Acknowledgment

Directors would like to extend their gratitude towards shareholders and staff for their continued support and appreciation.


Mehreen Obaid Agha
Chief Executive


Sana Bilal
Director

Karachi:
Dated : 28th-APRIL 2026

TOWELLERS LTD

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2026

	UNAUDITED		AUDITED	
	31-Mar-26		30-Jun-25	
	Rupees			
ASSETS				
NON CURRENT ASSETS				
Property, plant and equipment	5	6,006,491,054	5,987,803,782	
Intangible Asset		2,049,893	2,216,100	
Right of use asset		4,378,837	4,831,820	
Long Term Loans And Advances		10,733,713	28,153,616	
Long term deposits		30,163,335	30,163,335	
		6,053,816,832	6,053,168,653	
CURRENT ASSETS				
Stores, spare parts and loose tools		78,672,960	58,601,444	
Stock in trade	6	3,083,670,193	2,072,517,088	
Trade debts	7	1,437,402,722	2,088,285,764	
Loans and advances		112,986,898	82,396,912	
Trade deposits and short term prepayments		54,710,064	41,339,711	
Other receivables		157,742,796	218,858,181	
Income tax and sales tax refundable		697,027,854	700,777,719	
Short term investment		233,778,898	246,543,690	
Cash and bank balances	8	713,435,453	824,933,145	
		6,569,427,838	6,334,253,654	
TOTAL ASSETS		12,623,244,670	12,387,422,307	
EQUITY AND LIABILITIES				
SHARE CAPITAL AND RESERVES				
Authorized capital				
25,000,000 (June 30, 2025: 25,000,000) ordinary shares of Rs. 10 each		250,000,000	250,000,000	
Issued, subscribed and paid up capital				
17,000,000 (June 30, 2025: 17,000,000) ordinary shares of Rs. 10 each		170,000,000	170,000,000	
Reserves		6,145,596,440	5,945,433,021	
Surplus on revaluation of property, plant & equipment		2,683,323,275	2,762,524,029	
TOTAL SHAREHOLDERS EQUITY		8,998,919,713	8,877,957,050	
NON CURRENT LIABILITIES				
Staff Retirement Benefits		195,438,672	219,288,055	
Deferred Tax		166,596,452	133,137,169	
Lease Liability		2,402,772	3,258,372	
Long Term Loan		25,310,794	28,395,486	
		389,748,690	384,079,082	
CURRENT LIABILITIES				
Trade and other payables		2,269,717,680	2,296,506,744	
Unclaimed dividend		3,964,601	3,964,601	
Accrued markup		165,655	161,392	
Book overdraft		107,267,991	27,697,886	
Current Portion of Lease Liability		3,797,854	2,942,254	
Current Portion of Long Term Loan		4,112,924	4,112,924	
Short Term Borrowings		845,549,561	790,000,374	
		3,234,576,266	3,125,386,175	
CONTINGENCIES AND COMMITMENTS	9			
TOTAL EQUITY AND LIABILITIES		12,623,244,670	12,387,422,307	

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


Mehreen Obaid Agha
Chief Executive


Sana Bilal
Director


Adnan Moosaji
Chief Financial Officer

Karachi:
Dated : 28th-APRIL 2026

TOWELLERS LTD

Condensed Interim Statement of Profit or Loss (Un-audited)

For the nine months ended March 31, 2026

	Nine Months ended		Quarterly	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
Rupees				
Net Sales	8,067,295,642	9,776,708,413	2,320,013,913	2,899,284,601
Cost of sales	(7,068,016,080)	(8,810,797,075)	(2,025,074,259)	(2,626,839,104)
Gross profit	999,279,561	965,911,338	294,939,654	272,445,497
Distribution cost	(350,660,194)	(379,692,203)	(100,331,319)	(112,208,717)
Administrative expenses	(406,264,958)	(337,905,868)	(149,194,540)	(119,507,484)
Other operating expenses	(11,905,089)	(34,234,408)	(2,182,981)	(7,248,670)
Other operating income	62,807,807	112,696,157	19,235,173	18,582,123
	(706,022,434)	(639,136,322)	(232,473,668)	(220,382,748)
Profit from operations	293,257,128	326,775,016	62,465,986	52,062,749
Finance cost	(29,303,184)	(21,568,434)	(4,670,237)	(4,369,304)
Profit/ (loss) Before Levies And Income T	263,953,945	305,206,582	57,795,748	47,693,445
Levies	(105,786,331)	(51,036,626)	(30,806,148)	(21,895,680)
Profit/ (loss) Before Income Tax	158,167,614	254,169,956	26,989,600	25,797,765
Income Tax Expenses	(37,204,950)	16,856,478	(11,881,098)	43,701,260
Profit for the period	120,962,664	271,026,434	15,108,503	69,499,025
Earning per share-basic and diluted	7.12	11.85	0.89	1.40

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


Mehreen Obaid Agha
 Chief Executive


Sana Bilal
 Director


Adnan Moosaji
 Chief Financial Officer

Karachi:
 Dated : 28th-APRIL 2026

TOWELLERS LTD

Condensed Statement of Comprehensive Income (Un-audited) For the nine months ended March 31, 2026

	Nine Months ended		Quarter ended	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
	Rupees		Rupees	
Profit / (loss) for the period	120,962,664	271,026,434	15,108,503	69,499,025
Other comprehensive income for the period	-	-	-	-
Items that will not be reclassified to profit and loss account:				
Surplus on revaluation of property plant and equipment-deferred tax	-	-	-	-
Total comprehensive Profit for the period	120,962,664	271,026,434	15,108,503	69,499,025

Condensed Statement of Changes in Equity (Un-audited) For the nine months ended March 31, 2026

Particulars	Issued, subscribed and paid up capital	Capital Reserve Share premium	Reserves		Total
			Revenue Unappropriated profit	Capital Reserve Revaluation Surplus	
Balance as at July 1, 2024	170,000,000	63,000,000	5,626,919,726	2,879,858,480	8,739,778,206
Profit for the period	-	-	271,026,434	-	271,026,434
Other comprehensive income for the period	-	-	-	-	-
Annual dividend of PKR 8.00 per share for the year ended June 30, 2024	-	-	(136,000,000)	-	(136,000,000)
Transferred from surplus on revaluation of property, plant & equipment	-	-	84,272,561	(84,272,561)	-
Balance as at March 31, 2025	170,000,000	63,000,000	5,846,218,721	2,795,585,919	8,874,804,640
Balance as at July 1, 2025	170,000,000	63,000,000	5,882,433,021	2,762,524,029	8,877,957,050
Profit for the period	-	-	120,962,664	-	120,962,664
Other comprehensive income for the period	-	-	-	-	-
Transferred from surplus on revaluation of property, plant & equipment	-	-	79,200,754	(79,200,754)	-
Balance as at March 31, 2026	170,000,000	63,000,000	6,082,596,440	2,683,323,275	8,998,919,713

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


Mehreen Obaid Agha
Chief Executive


Sana Bilal
Director


Adnan Moosaji
Chief Financial Officer

Karachi:
Dated : 28th-APRIL 2026

TOWELLERS LTD

Condensed Cash Flow Statement (Un-audited) For the nine months ended March 31, 2026

	Nine Months ended	
	31-Mar-26	31-Mar-25
	Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	263,953,945	305,206,582
Adjustments for:		
Depreciation/amortization	208,729,450	213,839,679
Finance cost	29,303,184	21,568,434
(Gain) / loss on disposal of property, plant and equipment	(3,315,640)	(1,493,881)
Workers' profit participation fund & workers welfare fund	11,905,089	34,234,408
Provision for gratuity	50,879,909	51,040,588
	297,501,991	319,189,228
Profit before working capital changes	561,455,936	624,395,810
(Increase) / decrease in current assets		
Stock, stores, spare parts and loose tools	(1,031,224,621)	(269,932,601)
Trade debts	650,883,042	(214,666,914)
Loans and advances	(30,589,985)	29,731,502
Trade deposits and short term prepayments	(13,370,353)	(19,554,415)
Other receivables	61,115,385	11,193,428
	(363,186,533)	(463,229,000)
(Decrease) / increase in current liabilities		
Trade and other payables	(24,286,085)	(220,922,213)
Cash generated from operations	173,983,318	(59,755,403)
Finance cost paid	(29,298,921)	(21,077,302)
Taxes refund / (paid)	(105,782,132)	(295,402,933)
Long term loan paid	17,419,903	(4,199,806)
Workers' profit participation fund paid	(14,408,067)	(43,734,148)
Staff retirement benefits - gratuity ne	(74,729,292)	(44,421,460)
Net cash generated from operating activities	(32,815,191)	(468,591,053)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	3,499,900	2,180,000
Short term investment	12,764,792	626,674,013
Fixed capital expenditure	(226,981,794)	(564,172,629)
Net cash used in investing activities	(210,717,102)	64,681,384
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank borrowings - net	52,464,495	336,915,675
Bank overdraft	79,570,105	-
Dividend paid	-	(135,554,639)
Net cash used in financing activities	132,034,600	201,361,036
Net increase / (decrease) in cash and cash equivalents	(111,497,692)	(202,548,632)
Cash and cash equivalents at the beginning of the year	824,933,145	701,752,715
Cash and cash equivalents at the end of the period	713,435,453	499,204,083

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


Mehreen Obaid Agha
Chief Executive


Sana Bilal
Director


Adnan Moosaji
Chief Financial Officer

Karachi:
Dated : 28th-APRIL 2026

TOWELLERS LTD

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

1 LEGAL STATUS AND NATURE OF BUSINESS

The company was incorporated in Pakistan as a Private Limited Company on May 31, 1973 and subsequently converted into Public Limited Company on June 22, 1994 under the Companies Act, 1913 (Now Companies Ordinance, 1984) and is quoted on stock exchanges at Karachi and Lahore. The principal business of the company is to manufacture and export of textile made ups, garments and towels. The registered office of the company is situated at WSA - 30 & 31, Block - 1, Federal "B" Area, Karachi in the province of Sindh,

2 BASIS OF PREPARATION

Statement of compliance

This condensed interim financial information is un-audited and has been prepared in accordance with the requirements of the International Finance Reporting Standard (IFRS) IAS 34 Interim Financial Reporting as applicable in Pakistan. This condensed interim financial information does not include all of the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statements of the Company as at and for the year ended June 30, 2025.

This condensed interim financial information is being submitted to the shareholders as required by the Listing regulations of Karachi, Lahore and Islamabad Stock Exchanges and section 237(2) of the Companies Act, 2017.

These condensed financial statements comprise of condensed interim balance sheet, condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes for the Nine months ended March 31, 2026.

3 MATERIAL ACCOUNTING POLICIES INFORMATION

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

Amendments to certain existing standards and new interpretations on approved accounting standards effective during the period either were not relevant to the company's operations or did not have any impact on the accounting policies of the company.

4 ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and 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 recognized prospectively commencing from the period of revision.

Judgments and estimates made by management in the preparation of this condensed interim financial information are the same as those that were applied to the financial statements as at and for the year ended June 30, 2025.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2025.

5 PROPERTY, PLANT AND EQUIPMENT

		(Un-audited)	(Audited)
	Note	31-Mar-26 ----- Rupees	30-Jun-25 -----
Operating assets at net book value (note 5.1)	5.1	5,421,502,045	5,514,494,384
Capital work in progress-at cost (note 5.2)	5.2	584,989,009	473,309,398
		6,006,491,054	5,987,803,782

5.1 Following is the cost of operating fixed assets that have been added / disposed off during the period ended March 31, 2026:

Additions / Transfers (at cost)		Disposals at net book value	
31-Mar-26 (Unaudited)	30-Jun-25 (Audited)	31-Mar-26 (Unaudited)	30-Jun-25 (Audited)

TOWELLERS LTD

----- Rupees -----

Leasehold land	-	310,466,608	-	-
Plant and machinery	48,874,645	69,497,765	1,097	-
Furniture and fixture	72,500	755,025	-	-
Office equipment	10,280,881	14,813,646	-	-
Solar	8,001,170	2,061,707	-	-
Vehicles	48,072,987	20,254,868	183,163	714,841
	115,302,183	417,849,619	184,260	714,841

5.2 CAPITAL WORK IN PROGRESS

Land	-	-
Building - civil works	445,168,176	343,358,102
Motor vehicle	-	-
Solar plant	353,550	353,550
Plant and machinery	139,467,283	129,597,746
	584,989,009	473,309,398

The movement in Capital work in progress is as follows:

Balance at the beginning of the year	473,309,398	214,578,727
Additions during the year:		
Land	-	310,466,608
Building - civil works	101,810,074	230,359,022
Solar plant	-	353,550
Plant and machinery	9,869,537	28,018,099
	111,679,611	569,197,279
Transfer to operating fixed assets		
Land	-	310,466,608
Building - civil works	-	-
Motor vehicle	-	-
Plant and machinery	-	-
Solar plant	-	-
	-	310,466,608
Balance at the end of the year	584,989,009	473,309,398

5.3 Depreciation Amounting Rs.134,379,999 on Operating Fixed Assets and Depreciation Amounting Rs.241,591 on Right of Use Asset is charged during the period.

6 STOCK IN TRADE

Raw material	991,124,808	1,286,119,870
Work in process	835,055,658	442,713,741
Finished goods	1,257,489,727	343,683,477
	3,083,670,193	2,072,517,088

7 TRADE DEBTS

Secured - considered good			
Foreign debts	486,191,833	1,194,309,105	
Unsecured - considered good			
Foreign debts	973,538,915	913,998,353	
Domestic debts	3,839,132	4,092,969	
	977,378,047	918,091,322	
Allowance for ECL	(26,167,157)	(24,114,663)	
	1,437,402,722	2,088,285,763	

8 CASH AND BANK BALANCE

Cash in hand	2,126,826	1,823,535
Cash at banks:		
In current accounts	66,931,936	126,960,127
In saving accounts	644,376,690	696,149,483
	711,308,626	823,109,610
	713,435,453	824,933,145

TOWELLERS LTD

8.1 It carries mark up at the rate of 4.50% to 10.50% (2025: 4.5% to 20.50%) per annum.

9 CONTINGENCIES AND COMMITMENTS

There has been no significant change in the contingencies since the last audited financial statements.

9.1 Commitments

Raw material	39,000,000	19,945,826
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10 TRANSACTIONS WITH RELATED PARTIES

The related parties comprises associated companies, directors and key management personnel. Amounts due to related parties are shown in the relevant notes to the financial statements. Transactions with related parties are disclosed below:

Nature of transaction	Relationship	31-Mar-26	30-Jun-25
Salaries and other benefits	Key management personnel	56,081,885	64,875,517

11 SHARIAH COMPLIANT DISCLOSURE

Statement of Financial Position

1 Shariah compliant bank borrowings	874,973,279	822,508,784
2 Mark-up accrued on Shariah compliant	-	161,392
3 Short term Shariah compliant investments	233,778,898	246,543,690
4 Shariah compliant bank deposits	691,077,407	743,498,795

Shariah compliant income

5 Income from Mutual Islamic Funds	23,948,541	50,536,535
6 Profit on Islamic saving accounts	33,651,395	61,426,754
7 Un-Realized Exchange gain on FCY	-	3,429,945

Non-Shariah compliant income

8 Profit on saving accounts	1,892,231	13,111,476
9 Gain on disposal of property plant and equipment	3,315,640	2,930,159

Relationship with Shariah compliant financial institutions.

Bank Alhabib Limited.
Dubai Islamic Bank of Pakistan.
Albaraka Bank Limited Pakistan,

Facilities from Islamic banks

The Company has facilities with Islamic Bank for Islamic Export Financing Scheme and SBP Financing Scheme for Renewable Energy to Rs.845.55 million and Rs.29.42 respectively.

Takaful operators

The Company has Takaful relationship with Century Insurance Company Limited and EFU General Insurance Company Limited.

12 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on 28 April 2026 by the board of directors of the company.

13 GENERAL

Figures have been rounded off to the nearest rupees.


Mehreen Obaid Agha
Chief Executive


Sana Bilal
Director


Adnan Moosaji
Chief Financial Officer

Karachi:
Dated : 28th-APRIL 2026

BOOK POST

UNDER POSTAL CERTIFICATE

If undelivered, please return to:

TOWELLERS LIMITED

W.S.A. 30, Block-1, Federal 'B' Area, Karachi.