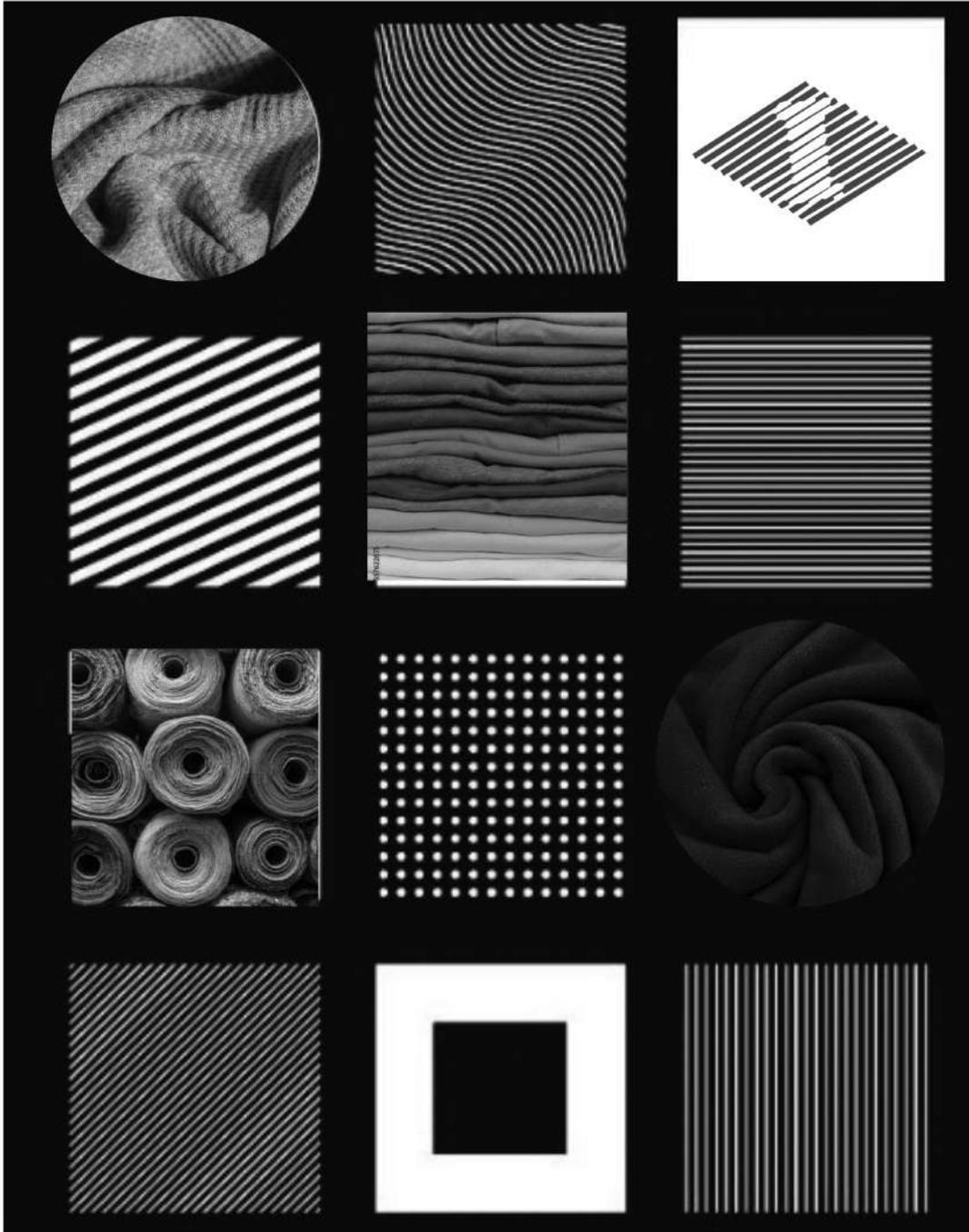


International Knitwear Limited



**CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED
DECEMBER 31, 2025**



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COMPANY INFORMATION

BOARD OF DIRECTORS	Mr. Khalid Jamil Siddiqi Mr. Naeem Shafi Mr. Waseem Shafi Mr. Javed Khan Mr. Abdullah Ahsan Saleem Ms. Saleha Majid Mr. Muhammad Shafi	Chairman Chief Executive
CHIEF FINANCIAL OFFICER	Mr. Javed Khan	
COMPANY SECRETARY	Mr. Salik Sultan - FCA	
AUDIT COMMITTEE	Mr. Abdullah Ahsan Saleem Mr. Khalid Jamil Siddiqi Ms. Saleha Majid	Chairman
HR & REMUNERATION COMMITTEE	Mr. Khalid Jamil Siddiqi Mr. Naeem Shafi Mr. Abdullah Ahsan Saleem	Chairman
AUDITORS	RSM Avais Hyder Liaquat Nauman Chartered Accountants	
LEGAL ADVISOR	Ali Associates	
BANKERS	Bank Al Habib Limited Habib Bank Limited Bank Alfalah Dubai Islamic Bank Faysal Bank Limited Habib Metropolitan Bank Limited	
REGISTERED OFFICE & FACTORY	F-2A/(L), S.I.T.E., Karachi-75730	
REGISTRAR	CDC Registrar Services Limited CDC House, 99-B, Block 'B', S.M.C.H.S. Main Shahra-e-Faisal, Karachi-74400	
WEBSITE	www.internationalknitwear.com	



Directors' Report

The Board of Directors of International Knitwear Limited (INKL) is pleased to present the company's unaudited financial statements for the half year ended December 31, 2025.

FINANCIAL PERFORMANCE

	Un-Audited	
	July-December 2025	July- December 2024
	Rupees	Rupees
Profit or Loss		
Net Sales	507,989,337	572,378,150
Cost of goods sold	(450,654,567)	(533,979,605)
Gross profit	57,334,770	38,398,545
Profit before income taxes and final taxes	20,868,069	17,209,558
Profit after taxation	12,489,958	10,923,146
Earnings per share	1.29	1.13

PROFIT AND LOSS ANALYSIS

During the period under review, the Company's net sales amounted to Rs.507.98 million, which declined by 11.24% compared to Rs.572.38 million in the preceding period. The Company recorded a gross profit of Rs. 57.33 million during the period under review against Rs. 38.39 million, showing an increase of Rs.18.93 million, which is 49.31% as compared to the previous year. Despite the reduction in sales, the gross profit margin improved from 6.70% to 11.30%. Similarly, the profit before tax and profit after tax ratios increased from 3.0% to 4.1% and from 1.9% to 2.4%, respectively, from the corresponding period. This improvement in profitability is primarily attributable to a 4.6% reduction in cost of goods sold compared to the corresponding period. Earnings per share (EPS) for the period were Rs. 1.29 compared to Rs. 1.13 for the corresponding period.

REVIEW OF OPERATION

During the half-year period under review, local sales revenue increased substantially from Rs. 226.91 million to Rs. 368.21 million, representing an increase of Rs. 141.30 million (62.3%). Conversely, export sales declined from Rs. 345.45 million to Rs. 139.77 million, reflecting a decrease of Rs. 205.68 million, or 59.5%, compared to the corresponding period last year. The increase in finance costs was primarily attributable to extended credit terms offered to customers, together with a reduction in the credit period received from suppliers, resulting in higher utilization of bank credit facilities. The Company's investment portfolio is expected to contribute positively to overall profitability. Other income mainly comprises dividend income from equity investments.

FUTURE OUTLOOK

The Company remains optimistic about its prospects despite prevailing global challenges. On the international front The imposition of new tariffs by the U.S. and shifting trade policies in Asia have led to cautious purchasing behavior among global buyers, with many placing only minimal orders. Improving domestic economic conditions, including lower interest rates and easing inflation, are expected to support business growth in the local and export sectors. With a focus on operational efficiency, market diversification, and customer relationships, the Company is well-positioned to enhance performance and achieve sustainable growth in the coming periods.

ACKNOWLEDGEMENT

We express our sincere appreciation to our committed employees and gratefully acknowledge the continued support of our valued customers, financial institutions, shareholders, and the esteemed Board of Directors.

For and on behalf of the Board

NAEEM SHAFI
Chief Executive Officer

JAVED KHAN
Director & Chief Financial Officer



INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF INTERNATIONAL KNITWEAR LIMITED REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **International Knitwear Limited** as at December 31, 2025 and the related condensed interim statement of profit or loss, condensed interim statement of 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-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim 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 are not prepared, in all material respects, in accordance with the approved accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matter

The figures for the quarters ended December 31, 2025 and December 31, 2024 in the condensed interim statement of profit or loss and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

The engagement partner on the audit resulting in this independent auditor's report is Syed Naveed Abbas.

Chartered Accountants

Karachi

Dated: February 17, 2026

UDIN: RR2025102397zvFQ8Ohj



CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2025

		(Un-Audited) DECEMBER 2025 Rupees	(Audited) JUNE 2025 Rupees
ASSETS	Note		
Non-Current Assets			
Property, plant and equipment	5	99,386,101	97,333,097
Long term deposits		1,500,000	1,500,000
Loan and advances	9	1,718,790	927,500
Long term investments	6	32,341,487	29,907,662
		134,946,378	129,668,259
Current Assets			
Stock in trade	7	126,796,489	174,951,260
Short term investments	6	46,239,023	42,614,407
Trade debts - considered good	8	221,048,447	424,314,509
Short term loans and advances	9	10,914,689	6,331,066
Other receivables	10	12,543,704	15,134,391
Taxation - net		15,973,211	15,703,936
Cash and bank balances	11	3,064,297	2,646,910
		436,579,860	681,696,479
TOTAL ASSETS		571,526,238	811,364,738
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised Capital			
20,000,000 Ordinary shares of Rs. 10 each		200,000,000	200,000,000
Issued, subscribed & paid-up capital	12	96,750,000	96,750,000
Revenue Reserves			
Unappropriated profit		87,821,564	85,006,606
		184,571,564	181,756,606
Capital Reserves			
Unrealized gain on revaluation of investments - FVTOCI		14,987,230	12,647,282
		199,558,794	194,403,888
Non-Current Liabilities			
Deferred Liabilities - Deferred Taxation Liability/(Asset)		3,475,386	3,444,616
		3,475,386	3,444,616
Current Liabilities			
Short term finance under mark-up arrangement - Secured	16	206,932,052	402,871,536
Creditors, accrued and other liabilities	17	158,712,045	208,132,871
Unclaimed dividend		2,847,961	2,511,823
		368,492,058	613,516,230
Contingencies and Commitments	18	-	-
TOTAL EQUITY AND LIABILITIES		571,526,238	811,364,738

The annexed notes 1 to 22 form an integral part of these financial statements.

Khalid Jamil Siddiqi
Chairman

Naeem Shafi
Chief Executive

Javed Khan
Director / CFO



CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UN-AUDITED)

	Note	QUARTER ENDED		HALF YEAR ENDED	
		December 2025	December 2024	December 2025	December 2024
		----- (Rupees) -----		----- (Rupees) -----	
Sales - net	13	232,062,476	230,479,572	507,989,337	572,378,150
Cost of goods sold		(208,512,189)	(215,718,624)	(450,654,567)	(533,979,605)
Gross profit		23,550,287	14,760,948	57,334,770	38,398,545
Administrative and selling expenses		(10,730,151)	(9,986,647)	(21,591,509)	(19,211,027)
Operating profit		12,820,136	4,774,301	35,743,261	19,187,518
Other income	14	3,475,017	3,771,587	2,807,868	4,256,000
Unrealized gain on revaluation of investments through P&L		(686,641)	5,207,155	4,793,222	7,346,350
		2,788,376	8,978,742	7,601,090	11,602,350
		15,608,513	13,753,043	43,344,351	30,789,868
Financial charges	15	(9,583,590)	(5,664,900)	(20,929,669)	(12,304,845)
Other charges		(415,720)	(558,081)	(1,546,613)	(1,275,466)
		(9,999,310)	(6,222,981)	(22,476,282)	(13,580,311)
Profit before income taxes and final taxes		5,609,203	7,530,062	20,868,069	17,209,558
Taxation - Final taxes		(493,261)	(580,979)	(499,704)	(607,604)
Profit before income tax		5,115,942	6,949,083	20,368,365	16,601,954
Taxation - Income tax					
Current - for the year		(4,076,947)	(2,871,754)	(8,075,677)	(5,678,808)
Deferred Tax		197,270	-	197,270	-
		(3,879,677)	(2,871,754)	(7,878,407)	(5,678,808)
Profit after Income tax		1,236,265	4,077,329	12,489,958	10,923,146
Earning per share-basic and diluted		0.13	0.42	1.29	1.13

The annexed notes 1 to 22 form an integral part of these financial statements.

Khalid Jamil Siddiqi
Chairman

Naeem Shafi
Chief Executive

Javed Khan
Director / CFO



CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UN-AUDITED)

	QUARTER ENDED		HALF YEAR ENDED	
	December	December	December	December
	2025	2024	2025	2024
	------(Rupees)-----		------(Rupees)-----	
Profit for the period	1,236,265	4,077,329	12,489,958	10,923,146
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Unrealised gain / loss remeasurement of investments classified as fair value through OCI - Net off tax	(6,025,594)	6,727,760	2,357,240	6,365,763
Reclassification of OCI on disposal of fair value through OCI investment directly into equity - netoff tax	-	-	(17,292)	-
	(6,025,594)	6,727,760	2,339,948	6,365,763
Total comprehensive income for the period	(4,789,329)	10,805,089	14,829,906	17,288,909

The annexed notes 1 to 20 form an integral part of these financial statements.

Khalid Jamil Siddiqi
Chairman

Naeem Shafi
Chief Executive

Javed Khan
Director / CFO



CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UN-AUDITED)

	-----Reserves-----			Total
	--Capital Reserve--	--Revenue Reserve--		
	Issued, Subscribed and Paid up Share Capital	Unrealized gain / (loss) on revaluation of investments	Unappropriated profit	
	----- Rupees -----			
Balance as at July 01, 2024	96,750,000	9,157,568	61,404,293	167,311,861
Total comprehensive income:				
Profit for six months ended December 31, 2024	-	-	10,923,146	10,923,146
Fair value adjustment on investment classified as FVTOCI	-	6,365,763	-	6,365,763
Transaction with owners:				
7.5% cash dividend paid for the year ended June 30, 2024	-	-	(7,256,250)	(7,256,250)
Balance as at December 31, 2024 (Un-Audited)	96,750,000	15,523,331	65,071,189	177,344,520
Total comprehensive income:				
Profit for six months ended June 30, 2025	-	-	19,935,417	19,935,417
Reclassification on disposal of FVTOCI directly into equity	-	(3,160,648)	-	(3,160,648)
Fair value adjustment on investment classified as FVTOCI	-	284,599	-	284,599
Balance as at June 30, 2025 (Audited)	96,750,000	12,647,282	85,006,606	194,403,888
Total comprehensive income:				
Profit for six months ended December 31, 2025	-	-	12,489,958	12,489,958
Reclassification on disposal of FVTOCI directly into equity	-	(17,292)	-	(17,292)
Fair value adjustment on investment classified as FVTOCI	-	2,357,240	-	2,357,240
Transaction with owners:				
10% cash dividend paid for the year ended June 30, 2025	-	-	(9,675,000)	(9,675,000)
Balance as at December 31, 2025 (Un-Audited)	96,750,000	14,987,230	87,821,564	199,558,794

The annexed notes 1 to 22 form an integral part of these financial statements.

Khalid Jamil Siddiqi
Chairman

Naeem Shafi
Chief Executive

Javed Khan
Director / CFO



CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UN-AUDITED)

	31-Dec-25 Rupees	31-Dec-24 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before income taxes and final taxes	20,868,069	17,209,558
Adjustment for non cash items:		
Depreciation	6,662,387	5,373,476
Gain on sale of property, plant and equipment	-	(95,800)
Other income	(2,807,868)	(4,160,200)
Unrealized gain on remeasurement of investment	(4,793,222)	(7,346,350)
Finance cost	20,929,669	12,304,845
	<u>19,990,966</u>	<u>6,075,971</u>
Profit before changes in working capital	40,859,035	23,285,529
Decrease/ (increase) in current assets		
Stock in trade	48,154,771	83,155,300
Trade debts	203,266,062	21,024,859
Loans and advances	(5,374,913)	(5,741,688)
Other receivables	2,590,687	(1,227,629)
	<u>248,636,607</u>	<u>97,210,842</u>
Increase in current liabilities		
Creditors, accrued and other liabilities	(49,420,826)	14,707,284
	<u>(49,420,826)</u>	<u>14,707,284</u>
Cash proceed from Sales tax	2,948,132	11,680,119
Cash proceed from Export Rebate	782,197	-
Financial charges paid	(23,173,413)	(11,942,622)
Taxes paid	(8,219,316)	(8,211,390)
	<u>(27,662,400)</u>	<u>(8,473,893)</u>
Net cash generated from/ (used) in operating activities	212,412,416	126,729,761
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure	(6,642,051)	(16,069,964)
Additions in investment	(12,939,503)	(15,162,786)
Disposal of investment	6,881,062	950,469
Proceeds from sale of property, plant and equipment	-	227,100
Net cash used in investing activities	(12,700,492)	(30,055,181)
CASH FLOW FROM FINANCING ACTIVITIES		
Cash proceeds from short term finance under markup arrangement	590,605,794	132,344,782
Repayment of short term finance under markup arrangement	(786,508,279)	(231,256,752)
Dividend paid	(9,339,057)	(5,870,844)
Net cash (used in)/ generated from financing activities	(205,241,542)	(104,782,814)
Net decrease in cash and cash equivalents	(5,529,619)	(8,108,233)
Cash and cash equivalents at the beginning of the year	2,646,910	3,272,247
Cash and cash equivalents at the end of the period	(2,882,709)	(4,835,986)
Cash and cash equivalent at the end of the period		
Cash and bank balances	3,064,297	1,144,089
Running finance facility	(5,947,006)	(5,980,075)
	<u>(2,882,709)</u>	<u>(4,835,986)</u>

The annexed notes 1 to 22 form an integral part of these financial statements.

Khalid Jamil Siddiqi
Chairman

Naeem Shafi
Chief Executive

Javed Khan
Director / CFO



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UN-AUDITED)

1 STATUS AND NATURE OF THE BUSINESS

International Knitwear Limited (hereinafter referred as the "Company" or "INKL") is incorporated in Pakistan and is listed on Pakistan Stock Exchange Limited. The geographical location and address of the head office and manufacturing plant of the Company is Plot # F-2A/L, SITE, Karachi, Pakistan.

We are leaders in creating, developing and manufacturing knitted and woven apparel products right from basic to highly fashioned garments. We are engaged in the export of quality garments. We have established a name of credentials owing to the projected commitments, working speed and quality practices. Our operating philosophy is to provide buyers with products that meet their specification, and are reliably delivered at a reasonable price in domestic and international markets.

2 STATEMENT OF COMPLIANCE

- 2.1 These condensed interim financial information of the Company for the period ended December 31, 2025 have been prepared in accordance with the requirements of the International Accounting Standard 34 - "Interim Financial Reporting" and provisions of the Companies Act, 2017 and directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements differ, the provisions of the Companies Act, 2017 and the said directives have been followed.
- 2.2 These condensed interim financial information do not include all the information and disclosures required in the Annual Financial Statements, and should be read in conjunction with the Company's Annual Financial Statements for the year ended June 30, 2025.
- 2.3 The figures included in the condensed interim statement of profit or loss and other comprehensive income for the quarters ended December 31, 2025 and 2024 and in the notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the accumulated figures for the half years ended December 31, 2025 and 2024.

3 MATERIAL ACCOUNTING POLICIES

- 3.1 The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the consistent as those applied in the preparation of the audited annual financial statements for the year ended 30 June 2025.

3.2 Change in accounting standards, interpretations and amendments to the accounting and reporting standards

a) Standards and amendments to accounting and reporting standards which became effective during the half year ended December 31, 2025

There were certain amendments to accounting and reporting standards which became mandatory for the Company's annual accounting period which began on July 1, 2025. However, these do not have any significant impact on the Company's financial reporting and, therefore, have not been detailed in these condensed interim financial statements.

b) Standards and amendments to accounting and reporting standards that are not yet effective

There is a new standard an interpretation and certain amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2025. However, these will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions.

Judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied in the Company's annual audited financial statements for the year ended June 30, 2025.



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UN-AUDITED)**

	Note	(Un-audited) December 31, 2025	(Audited) June 30, 2025
------(Rupees)-----			
5 PROPERTY, PLANT & EQUIPMENT			
Property and equipment - at cost less accumulated depreciation	5.1	99,386,101	97,333,097
Capital work in progress	5.4	-	-
		<u>99,386,101</u>	<u>97,333,097</u>
5.1 Operating assets			
Opening book value		97,333,097	73,514,794
Additions during the period	5.2	8,715,391	35,973,140
Disposals during the period at book value	5.3	-	(637,058)
Depreciation charged during the period		(6,662,387)	(11,517,780)
		<u>99,386,101</u>	<u>97,333,097</u>
5.2 Additions during the period/year			
Factory building		6,794,991	6,049,341
Plant and machinery		713,500	25,159,050
Computers		71,200	458,000
Furniture Fitting		703,900	971,214
Office equipment		58,000	231,000
Motor vehicles		373,800	3,104,535
		<u>8,715,391</u>	<u>35,973,140</u>
5.3 Disposal / write-off / adjustments at book value - period/year			
Plant and machinery		-	385,292
Computers		-	8,166
Furniture Fitting		-	-
Office equipment		-	44,750
Motor vehicles		-	198,850
		<u>-</u>	<u>637,058</u>
5.4 Movement in Capital Work in Progress			
Opening balances		-	-
Add: Additions during the period - Building		3,121,651	6,609,815
Less: Transfer to operating assets		(3,121,651)	(6,609,815)
		<u>-</u>	<u>-</u>
6 INVESTMENTS			
Long Term Investments			
At fair value through other comprehensive income (FVTOCI)			
Equity securities - listed	6.1	32,341,487	29,907,662
Short Term Investments			
At fair value through profit or loss (FVTPL)			
Equity securities - listed	6.2	18,725,680	14,808,265
Mutual funds - listed	6.3	27,513,343	27,806,142
		<u>46,239,023</u>	<u>42,614,407</u>
		<u>78,580,510</u>	<u>72,522,069</u>
6.1 Long Term Investments			
Equity Securities - listed			
Name of Shares			
Engro Fertilizer Limited		1,131,750	927,950
Mari Energies Limited		715,890	626,890
Engro Holdings Limited		1,186,350	912,800
Pakistan Oilfields Limited		25,253,165	24,492,055
The Hub Power Company Limited		3,210,010	1,998,245
Millat Tractors Limited		-	949,722
Meezan Bank Limited		844,322	-
		<u>32,341,487</u>	<u>29,907,662</u>
6.2 Short Term Investments			
Equity securities - listed			
Name of Shares			
Attock Petroleum Limited		1,636,680	1,438,860
Engro Holdings Limited		1,304,985	1,004,080
Pakistan Oilfields Limited		5,578,211	5,410,088
Pakistan State Oil Company Limited		5,879,584	4,681,372
The Hub Power Company Limited		3,652,770	2,273,865
United Distributors Pakistan Limited		673,450	-
		<u>18,725,680</u>	<u>14,808,265</u>



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UN-AUDITED)**

6.3 Short Term Investments		(Un-audited)	(Audited)
Mutual Funds - listed	Note	December 31, 2025	June 30, 2025
------(Rupees)-----			
<u>Name of the Fund</u>			
AKD Islamic Fund		783,976	744,083
Faysal Funds		1,455,622	1,392,523
MCB Cash Management Optimizer Fund		1,029,844	980,605
UBL Al-Ameen Islamic Cash Plan-I Fund		18,104,260	17,148,436
UBL Liquidity Plus Fund		6,139,640	7,540,494
UBL Money Market Fund		1	1
		<u>27,513,343</u>	<u>27,806,142</u>
7 STOCK IN TRADE			
Raw material		53,620,350	74,096,585
Work-in-process		67,746,724	52,919,607
Finished goods	7.1	5,429,415	47,935,068
		<u>126,796,489</u>	<u>174,951,260</u>
7.1 Finished goods			
Finished stock		-	42,597,397
Scrap / Left over stock		5,429,415	5,337,671
		<u>5,429,415</u>	<u>47,935,068</u>
8 TRADE DEBTS - CONSIDERED GOOD			
Foreign - secured, considered good		-	155,259,677
Gain/(loss) on translation of export debtors		-	(15,970)
		-	155,243,707
Local - unsecured			
- Considered good		221,048,447	269,070,802
- Considered doubtful		523,270	523,270
		221,571,717	269,594,072
Less: Provision for doubtful debts		(523,270)	(523,270)
		<u>221,048,447</u>	<u>424,314,509</u>
9 LOANS AND ADVANCES			
Loans and advances to employees - Long term portion - unsecured, considered good			
Loan to employees		2,354,105	2,434,605
Less: current portion of loan to employees		(635,315)	(1,507,105)
		<u>1,718,790</u>	<u>927,500</u>
Short term Loans and advances - unsecured, considered good			
Advance to contractor and supplier		10,279,374	4,823,961
Current portion of advances to employees		635,315	1,507,105
		<u>10,914,689</u>	<u>6,331,066</u>
10 OTHER RECEIVABLES			
Sales tax refundable		-	3,314,643
Export rebate receivables		8,956,268	8,214,849
Research and development receivable		2,557,316	2,574,779
Receivable from Bank BAH/SBP		1,030,120	1,030,120
		<u>12,543,704</u>	<u>15,134,391</u>
11 CASH AND BANK BALANCES			
Cash in hand		200,000	200,000
With banks in:			
Treasures call accounts (deposit accounts)		1,523,527	1,435,177
Saving account		50,824	71,739
Current accounts		1,289,946	939,994
		2,864,297	2,446,910
		<u>3,064,297</u>	<u>2,646,910</u>



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UN-AUDITED)**

11.1 Deposit and savings accounts carry profit of 9.25% per annum (June 30, 2025: 9.50% to 19.0% per annum)

12 Share capital

Authorized share capital

December 31, 2025	June 30, 2025		December 31, 2025	June 30, 2025
Number of Shares			------(Rupees)-----	
20,000,000	20,000,000	Ordinary Shares of Rs. 10/- each	200,000,000	200,000,000
<u>20,000,000</u>	<u>20,000,000</u>		<u>200,000,000</u>	<u>200,000,000</u>

Issued, subscribed and paid-up share capital

3,000,000	3,000,000	Ordinary shares of Rs. 10/- each fully paid in cash.	30,000,000	30,000,000
225,000	225,000	Ordinary shares of Rs. 10/- each issued as bonus shares	2,250,000	2,250,000
6,450,000	6,450,000	Right shares of Rs. 10/- each fully paid in cash	64,500,000	64,500,000
<u>9,675,000</u>	<u>9,675,000</u>		<u>96,750,000</u>	<u>96,750,000</u>

The Company has one class of ordinary shares which carries no right to fixed income. The holders are entitled to receive dividends as declared from time to time and are entitled to one vote per share at company. All Share rank equal with regards to the company's residual assets.

	(Un-audited) Quarter ended		(Un-audited) Half year ended	
	December	December	December	December
	2025	2024	2025	2024
	------(Rupees)-----		------(Rupees)-----	
13 NET SALES				
Export	78,479,131	105,388,340	139,771,010	345,459,479
Sales local	151,730,236	122,918,747	366,663,295	221,687,015
Other sales	1,758,674	2,035,933	2,206,966	3,566,373
Export rebates	910,697	1,053,884	1,523,616	3,454,595
	<u>232,878,738</u>	<u>231,396,904</u>	<u>510,164,887</u>	<u>574,167,462</u>
Sales discount	(405,899)	(182,795)	(1,293,115)	(807,075)
Rebate Commission	-	-	(20,911)	(71,817)
Inspection Fees	(410,363)	(734,537)	(861,524)	(910,420)
	<u>(816,262)</u>	<u>(917,332)</u>	<u>(2,175,550)</u>	<u>(1,789,312)</u>
	<u>232,062,476</u>	<u>230,479,572</u>	<u>507,989,337</u>	<u>572,378,150</u>

13.1 Segment Information

	EXPORT		LOCAL		TOTAL	
	December	December	December	December	December	December
	2025	2024	2025	2024	2025	2024
Sales	139,771,010	345,459,479	366,663,295	221,687,015	506,434,305	567,146,494
Other sales	-	-	2,206,966	3,566,372	2,206,966	3,566,372
Export rebates	1,523,616	3,454,595	-	-	1,523,616	3,454,595
	<u>141,294,626</u>	<u>348,914,074</u>	<u>368,870,261</u>	<u>225,253,387</u>	<u>510,164,887</u>	<u>574,167,461</u>
Sales discount	(1,293,115)	(605,850)	-	(201,224)	(1,293,115)	(807,074)
Rebate Commission	(20,911)	(71,817)	-	-	(20,911)	(71,817)
Inspection Fees	(861,524)	(910,420)	-	-	(861,524)	(910,420)
	<u>(2,175,550)</u>	<u>(1,588,087)</u>	<u>-</u>	<u>(201,224)</u>	<u>(2,175,550)</u>	<u>(1,789,311)</u>
Net Sales	<u>139,119,076</u>	<u>347,325,987</u>	<u>368,870,261</u>	<u>225,052,163</u>	<u>507,989,337</u>	<u>572,378,150</u>
Cost of goods sold	(129,023,724)	(325,754,141)	(321,630,843)	(208,225,464)	(450,654,567)	(533,979,605)
Gross profit	<u>10,095,353</u>	<u>21,571,846</u>	<u>47,239,418</u>	<u>16,826,699</u>	<u>57,334,771</u>	<u>38,398,545</u>
Admin and selling expenses	(5,913,098)	(11,657,484)	(15,678,411)	(7,553,543)	(21,591,509)	(19,211,027)
Operating profit	<u>4,182,255</u>	<u>9,914,362</u>	<u>31,561,007</u>	<u>9,273,156</u>	<u>35,743,262</u>	<u>19,187,518</u>



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UN-AUDITED)**

	(Un-audited) Quarter ended		(Un-audited) Half year ended	
	December	December	December	December
	2025	2024	2025	2024
14 OTHER INCOME	------(Rupees)-----		------(Rupees)-----	
Income From Financial Assets				
Exchange loss -Net	(68,463)	(201,306)	(815,353)	(411,045)
Profit on bank accounts	186,419	168,451	295,808	392,766
Dividend Income	3,288,400	3,751,160	3,331,350	4,173,079
Gain on disposal of investment	68,660	-	68,660	-
Gain on translation of foreign currency debtors	-	5,401	(72,597)	5,401
Income From Non-Financial Assets				
Gain / (loss) on disposal of property, plant and equipment	-	37,500	-	95,800
	3,475,017	3,761,205	2,807,868	4,256,000
15 FINANCE COST				
Mark-up on export refinance	1,633,059	1,179,151	2,789,090	2,325,151
Mark-up on running finance	196,718	272,619	397,237	613,619
Mark-up short term finance raw material local	1,573,202	940,219	3,134,213	1,063,836
Mark-up short term finance Solar	56,329	-	58,909	-
Bank charges	1,335,321	574,674	2,304,355	1,545,955
Mark-up on short term finance loan & Discounting	4,413,673	228,706	11,206,963	541,240
Mark-up on finance from Twinco	-	-	-	925,367
Late Shipment charges	-	2,469,531	-	5,289,677
Mark-up on export Discounting	375,289	-	1,038,902	-
	9,583,590	5,664,900	20,929,669	12,304,845

	Note	(Un-audited)	(Audited)
		December 31, 2025	June 30, 2025
16 SHORT TERM FINANCE UNDER MARK-UP ARRANGEMENT		------(Rupees)-----	
Running finance facility		5,947,006	5,984,005
Export refinance facility		36,800,000	60,000,000
Short term finance - local sales		5,000,000	5,000,000
Finance against Foreign documentary bills		-	81,425,574
Finance against local documentary bills		121,081,681	194,486,540
Short term finance - Against Raw Material Local		36,318,798	49,810,550
Short term finance - Against Solar		1,784,567	6,164,867
		206,932,052	402,871,536

16.1 Running finance facility

Secured from Bank Al Habib Limited against hypothecation charge over stocks and equitable mortgage over factory property at Plot # F-2A/L, SITE, Karachi amounting to Rs.405.76 million (2025: Rs. 405.76 million) (with 50% margin), and lien over export documents and personal guarantees of Directors of the Company. The rate of mark-up is equal to 3 Months KIBOR + 2.5% p.a (2025: 3 Months KIBOR + 2.5% p.a). The facility is renewable and is valid till June 30, 2026. The facility for running finance as at December 31, 2025 amounts to Rs. 5.94 million (2025: Rs. 5.96 million) of which amount remaining unutilized at the period end was Rs. 0.06 million (2025 : Rs. 0.02 million)

16.2 Export refinance facility

Secured from Bank Al Habib Limited against hypothecation charge over stocks and equitable mortgage over factory property at Plot # F-2A/L, SITE, Karachi amounting to Rs.405.76 million (2024: Rs. 405.76 million) (with 50% margin), and lien over export documents and personal guarantees of directors of the Company. The rate of mark-up is equal to 3 months' KIBOR + 1.0% p.a (2025: 3 Months KIBOR + 1.0% p.a). The facility is renewable and is valid till June 30, 2026. The facility for export refinance as at December 31, 2025 amounts to Rs. 36.80 million (2025: Rs. 60.0 million) of which amount remaining unutilized at the period end was Rs. 23.2 million. (2025: Rs. nil million)

16.3 Short term finance - local sales

The Finance secured from Bank Al Habib Limited against invoice of KHAADI (80% of invoice amount) The rate of mark-up is equal to 3 Months KIBOR + 2.5% p.a (2025: 3 Months KIBOR + 2.5% p.a). The facility is renewable and is valid till June 30, 2026. The facility for Short term finance - local sales as at December 31, 2025 amounts to Rs. 5 million (2025: 5.0 million) of which amounts remaining unutilized at the period end was Rs. nil million. (2025 : nil million)



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UN-AUDITED)

16.4 Finance against Foreign documentary bills

This facility is secured from Bank Al Habib Limited provided to negotiate (purchase) Foreign Documentary bills/documents submitted by the company on export made against export L/C denominated in Foreign Currency. The rate of mark-up 3 Month KIBOR + 2.5 % p.a (2025: 3 Month KIBOR + 2.5 % p.a). The facility is renewable and valid till June 30, 2026. The facility for Finance against Foreign documentary bills as at December 31, 2025 amounts to Rs. nil million (2025: 81.42 million) of which amounts remaining unutilized at the period end was Rs. 115.0 million . (2025 : 33.58 million)

16.5 Finance against local documentary bills

This facility is secured from Bank Al Habib Limited provided to negotiate (purchase) local Documentary bills/documents submitted by the company on local sales made against local L/C. The rate of mark-up 3 Month KIBOR + 2.5 % p.a (2025: 3 Month KIBOR + 2.5 % p.a). The facility is renewable and valid till June 30, 2026. The facility for Finance against Local documentary bills as at December 31, 2025 amounts to Rs. 121.0 million (2025: 194.48 million) of which amounts remaining unutilized at the period end was Rs. 179.0 million . (2025 : 105.52 million)

16.6 Short term finance - Against Raw Material Local

The Finance secured from Bank Al Habib Limited against purchase of raw material for export orders. The rate of mark-up is equal to 3 Months KIBOR + 2.5% p.a . The facility is renewable and is valid till June 30, 2026. The facility for Short term finance - Against Raw Material Local as at December 31, 2025 amounts to Rs. 36.31 million (June 30, 2025: 49.81 million) of which amounts remaining unutilized at the period end was Rs. 13.69 million. (June 30, 2025 :0.19 million)

16.7 Short term finance - Against Solar

The Finance secured from Bank Al Habib Limited against Solar system. The rate of mark-up is equal to 3 Months KIBOR + 2.5% p.a. The facility is one off as at December 31, 2025 amounts to Rs. 1.78 million (June 30, 2025: 6.164 million) of which amounts remaining unutilized at the

16.8 Letter of credit Sight

This finance against import of packing and raw materials. Payment is made by the bank upon verification of documents.

This facility for import as at December 31, 2025 amounts to nil million. (2025: nil million) of which the amount remaining unutilized at the period end was 2.0 million. (2025: 2.0 million)

	(Un-audited) December 31, 2025	(Audited) June 30, 2025
Note	-----{Rupees}-----	
17 CREDITORS, ACCRUED AND OTHER PAYABLES		
Creditors	118,167,620	174,930,102
Accrued expenses	16,739,509	20,427,580
Compensated absences payable	3,675,336	3,334,009
Other fund payable	748,958	753,072
Workers' profit participation fund	3,760,450	2,639,716
Workers' welfare fund	4,923,848	4,497,969
Advance from customers	543,707	519,356
Payable to Brokers	15,594	96,279
Others	2,458,701	934,788
Sales tax Payable	1,678,322	-
Loan from CEO	17.1 6,000,000	-
	<u>158,712,045</u>	<u>208,132,871</u>

17.1 An interest free Loan has been taken from Mr. Naeem Shafi to meet the expenditures of the Company.

18 CONTINGENCIES AND COMMITMENTS

18.1 Commitments

Commitments under letters of credit as at December 31, 2025 amounted to Rs. 34.67 million (June 30, 2025: Rs. 67.50).



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED DECEMBER 31, 2025 (UN-AUDITED)

19 TRANSACTIONS WITH RELATED PARTIES

All transactions involving related parties arising in the normal course of business are conducted at commercial terms and conditions. The related parties comprise staff retirement funds, directors and key management personnel. Transactions with related parties, other than those disclosed elsewhere in these financial statements, are follows:

Note	(Un-audited)	(Audited)
	December 31, 2025	June 30, 2025
	----- (Rupees) -----	
Transactions:		
PF contribution paid	3,748,834	2,569,791
Key Management Personals remuneration paid	15,800,000	17,256,194
Loan from CEO	6,000,000	-
Balances:		
PF Contribution payable	591,658	720,142
Key Management Personals remuneration payable	2,633,333	1,568,745
Loan from CEO	6,000,000	-

20 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

20.1 Financial risk factors

The Board of Directors of the Company have overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies. The Company's activities expose it to a variety of liquidity risk, credit risk, and market risk (including currency risk, interest rate risk and price risk). Company's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

20.2 Fair value hierarchy

The table below analyses financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- inputs for the asset or liability that are not based on observable market data (level 3).

Assets	December 31, 2025 (Un-Audited)			Total
	Level 1	Level 2	Level 3	
Financial assets - fair value through profit or loss				
- Short-term investments (units of mutual fund)	27,513,343	-	-	27,513,343
- Short-term investment (shares of PSX)	18,725,680	-	-	18,725,680
Financial assets - fair value through other comprehensive income				
- Long-term investment (shares of PSX)	32,341,487	-	-	32,341,487
	<u>78,580,510</u>	<u>-</u>	<u>-</u>	<u>78,580,510</u>

21 DATE OF AUTHORIZATION

These condensed interim financial statements was authorized by the Board of Directors of the Company on February 16, 2026.

22 GENERAL

- 22.1 Figures have been rounded off to the nearest of Rupee, unless otherwise stated.
- 22.2 Corresponding figures have been rearranged and reclassified, where necessary, for the purpose of better presentation and comparison. However no significant reclassification has been made during the period.

Khalid Jamil Siddiqi
Chairman

Naeem Shafi
Chief Executive

Javed Khan
Director / CFO



ڈائریکٹران کی رپورٹ

انٹرنیشنل نٹ ویئر لمیٹڈ (آئی این کے ایل) کے بورڈ آف ڈائریکٹرز 31 دسمبر، 2025 کو ختم ہونے والی ششماہی کیلئے کمپنی کے غیر پڑتال شدہ مالی گوشوارے پیش کرنے میں مسرت محسوس کرتے ہیں۔

کاروباری نتائج	جولائی - دسمبر 2025	جولائی - دسمبر 2024
	روپے	روپے
خالص فروخت	507,989,337	572,378,150
فروخت شدہ اشیاء کی لاگت	(450,654,567)	(533,979,605)
خام منافع	57,334,770	38,398,545
قبل ازین ٹیکس اور حتمی ٹیکس منافع	20,868,069	17,209,558
بعد از ٹیکس منافع	12,489,958	10,923,146
فی شخص آمدن	1.29	1.13

منافع اور نقصان کا تجزیہ

زیر جائزہ مدت کے دوران کمپنی کی خالص فروخت گزشتہ سال 572.38 ملین روپے کے مقابلے میں 507.98 ملین روپے رہی جو 11.24 ملین روپے کی ظاہر کرتا ہے۔ زیر جائزہ مدت کے دوران کمپنی کا مجموعی منافع گزشتہ سال کے 38.39 ملین روپے کے مقابلے میں 57.33 ملین روپے رہا جو 18.93 ملین روپے (49.31 فیصد) زیادہ ہے۔ فروخت میں کمی کے باوجود مجموعی منافع 6.70 فیصد سے بڑھ کر 11.30 فیصد ہو گیا۔ اسی طرح قبل از اور بعد از ٹیکس منافع کا تناسب گزشتہ سال کی مدت کے مقابلے میں بالترتیب 3.0 فیصد سے بڑھ کر 4.1 فیصد اور 1.9 فیصد سے بڑھ کر 2.4 فیصد ہو گیا۔ منافع میں بہتری کی بنیادی وجہ گزشتہ مدت کے مقابلے میں فروخت شدہ اشیاء کی لاگت میں 4.6 فیصد کمی ہے۔ زیر جائزہ مدت کے دوران فی شخص آمدنی 1.29 روپے درجہ گزشتہ سال کی اسی مدت میں فی شخص آمدن 1.13 روپے تھی۔

کاروباری جائزہ

زیر جائزہ ششماہی کے دوران بکنی فروخت سے حاصل ہونے والی آمدن 226.9 ملین سے بڑھ کر 368.21 ملین روپے ہو گئی جو 141.30 ملین روپے (63.3 فیصد) کا اضافہ ظاہر کرتی ہے۔ اس کے برعکس برآمدی فروخت 345.45 ملین روپے سے کم ہو کر 139.77 ملین روپے رہ گئی جو گزشتہ سال کی اسی مدت کے مقابلے میں 205.68 ملین روپے یا 59.5 فیصد کمی ظاہر کرتی ہے۔ مالی لاگوں میں اضافہ کی بنیادی وجوہات صارفین کو ادائیگی کی مدت میں اضافہ کے ساتھ ساتھ پلاٹرز سے حاصل ہونے والی کریڈٹ مدت میں کمی ہے جس کے نتیجے میں بینک کریڈٹ سہولیات کے استعمال میں اضافہ ہوا۔

مستقبل کی پیش بینی

کمپنی موجودہ عالمی مشکل حالات اور چیلنجز کے باوجود مستقبل کے امکانات کے بارے میں پر امید ہے۔ عالمی سطح پر امریکہ کی طرف سے عائد کردہ نئے ٹیرف اور ایشیا میں تجارتی پالیسیوں میں تبدیلی کے باعث عالمی خریدار خریداری کے حوالے سے محتاط رویہ کا مظاہرہ کر رہے ہیں جس میں بہت سے خریداروں نے صرف انتہائی محدود مقدار میں آرڈرز دیے۔ ملکی معاشی حالات میں بہتری بشمول کم ترین شرح سود اور افراط زر میں کمی سے توقع ہے کہ مقامی اور برآمدی شعبوں میں کاروباری ترقی کو تقویت ملے گی۔ کمپنی کی کاروباری صلاحیت کو بہتر بنانے، نئی منڈیاں تلاش کرنے اور صارفین سے اچھے تعلقات بنانے پر توجہ دے رہی ہے۔ یہی وجہ ہے کہ کمپنی کو امید رکھتی ہے کہ آنے والے وقت میں اس کی کارکردگی بہتر ہوگی اور کاروبار مسلسل ترقی کرے گا۔

اظہار تشکر

ہم کمپنی کے ملازمین کی لگن و عزم، صارفین، مالیاتی اداروں، جھص یا فیکٹن اور معزز بورڈ آف ڈائریکٹرز کی غیر متزلزل معاونت کا اعتراف کرتے ہوئے اظہار تشکر کرتی ہے۔

جاوید خان

ڈائریکٹر اینڈ سی ایف او

نعیم شفیع

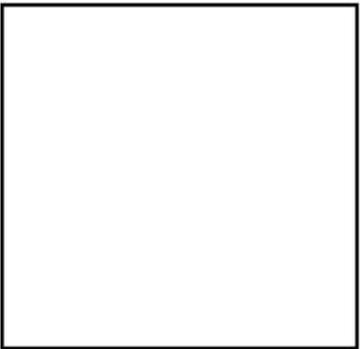
چیف ایگزیکٹو

برائے و منجانب

کراچی، 16 فروری، 2026



International Knitwear Limited



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