

ZIL LIMITED

Personal Care & Hygiene Products Company

QUARTERLY REPORT JAN. - SEPT. 2026

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Company Information

Board of Directors

Dr. Salomon Jacobus Van Rooijen
Chairman, Non-Executive Director

Mr. Muhammad Irfanulhaq
Executive Director & Chief Executive Officer

Mrs. Feriel Ali Mehdi
Non-Executive Director

Mr. Mubashir Hasan Ansari
Non-Executive Director

Mr. M. Salman Husain Chawala
Non-Executive Director

Mr. Ahsan Rashid
Independent, Non-Executive Director

Mrs. Faeyza Khan Faheem
Independent, Non-Executive Director

Board Nomination Committee

Mrs. Feriel Ali Mehdi
Chairman

Dr. Salomon Jacobus Van Rooijen
Member

Mr. Muhammad Irfanulhaq
Member

Board Audit & Risk Committee

Mrs. Faeyza Khan Faheem
Chairperson

Mr. Mubashir Hasan Ansari
Member

Mr. M. Salman Husain Chawala
Member

Human Resource and Remuneration Committee

Mr. Ahsan Rashid
Chairman

Mr. Muhammad Irfanulhaq
Member

Mr. M. Salman Husain Chawala
Member

Statutory Auditors

BDO Ebrahim & Co. Chartered Accountants

Chief Financial Officer

Mr. Ata-ur-Rehman Shaikh

Company Secretary

Mr. Nadir Ali

Secretary HR&R Committee

Mr. Aneel Arshad Ali

Head of Internal Audit

Mr. Syed Abid Raza Rizvi

Legal Advisors

A. Qadir & Company

Registered Office

Ground Floor, Bahria Complex III,
M. T. Khan Road, Karachi - Pakistan.
Tel: +9221 35630251-60
Fax: +9221 35630266
Website: www.zil.com.pk
Email: Info@zil.com.pk

Bankers

Dubai Islamic Bank
Habib Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan Limited
Soneri Bank Limited
United Bank Limited
Standard Chartered Bank
Bank of Khyber

Shares Registrar

THK Associates (Pvt) Limited
Plot No. 32, Jami Commercial Street 2,
D.H.A., Phase VII, Karachi.
Ph: (021) 111-000-322

Directors' Review

The Board of Directors of ZIL Limited is pleased to present the Company's financial results for the nine months ended September 30, 2026.

Company's Operating Performance:

The Company achieved gross sales of **PKR 8.1 billion,** representing an **11% year-on-year increase**. This performance demonstrates continued topline growth despite a highly competitive operating environment and subdued consumer demand.

Profitability continued to be adversely affected by an increase in commodities and raw material prices due to global geopolitical tensions, which contributed to higher operating costs. In response, management continues to pursue appropriate measures to mitigate cost pressures, improve operational efficiency and safeguard the Company's competitive position and generated a gross profit of **PKR 1,637** million. The Company continues to track market developments and adopt innovative strategic plans to support long-term value creation.

The Company remains committed to initiatives that support the long-term sustainability and growth of its business. Nevertheless, elevated, and volatile operating costs arising from the prevailing geopolitical and economic environment significantly constrained profitability. Consequently, Company delivered positive bottom line and reported profit after tax of PKR 5 million for the period.

Financial Performance at a Glance

	Jan to Sep	
	2026	**2025**
	Rs. in Millions	
Gross Sales	**8,082**	7,304
Net Sales	**5,665**	5,166
Gross Profit	**1,637**	1,694
Profit before levy and taxation	**81**	221
Profit after taxation	**5**	135
Earnings per share (PKR)	**0.87**	22.12

Future Outlook

Pakistan entered 2026 demonstrating early signs of macroeconomic stabilization. However, escalating Middle East conflicts pose critical external risks-most notably driven by elevated crude prices, inflationary momentum, and foreign exchange volatility. Global logistics constraints and commodity imbalances continue to inflate raw and packaging material costs, eroding gross margins.

In response, management has executed disciplined pricing measures to safeguard profitability, though persistent input volatility is anticipated to weigh on operational performance in the upcoming quarter.

To navigate this complex operating environment, management's strategic priorities are squarely focused on strengthening long-term resilience and value creation. Key initiatives center on optimizing value-chain efficiency to mitigate supply-chain vulnerabilities, leveraging brand equity to maintain pricing power, and strengthening strategic alignment with key suppliers and customers. Through proactive risk governance and agile commercial execution, the business remains positioned to protect core margins while driving sustainable growth over the strategic planning horizon.

Acknowledgement

The Board would like to express its sincere appreciation for commitment, diligence and contributions of the Company's employees and management team, which have significantly improved organizational performance. The Board also extends its sincere gratitude to the Company's distributors, financial institutions, vendors, customers and other stakeholders for their continued cooperation, support, and confidence in the Company.

For and on behalf of the Board of Directors



Muhammad Irfan-ul-Haq
CEO / Director

Karachi: October 23, 2026

Condensed Interim Statement of Financial Position (Un-audited)
As at September 30, 2026

	Note	September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
		(Rs. in '000)	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	7	**605,170**	649,197
Intangible assets	8	**20,599**	12,784
Investment property	9	**1,276,782**	1,304,303
Long-term deposits		**54,154**	49,960
Long term loans to employees		**845**	803
		1,957,551	2,017,047
CURRENT ASSETS			
Stores and spares		**74**	169
Stock-in-trade	10	**1,063,748**	709,301
Trade debts	11	**255,008**	148,766
Advances, deposits, prepayments and other receivables	12	**62,748**	34,870
Advance taxation		**98,063**	126,250
Short term investments	13	**-**	100,000
Cash and bank balances	14	**300,620**	178,000
		1,780,262	1,297,356
TOTAL ASSETS		**3,737,813**	3,314,403
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
40,000,000 (December 31, 2025: 40,000,000) ordinary shares of Rs. 10/- each		**400,000**	400,000
Issued, subscribed and paid-up capital		**61,226**	61,226
Revenue reserves			
General reserves		**6,000**	6,000
Dies and change parts		**346,935**	341,082
		352,935	347,082
Surplus on revaluation of property, plant and equipment		**970,771**	986,577
		1,384,932	1,394,885
NON-CURRENT LIABILITIES			
Long term loan	15	**63,273**	10,244
Deferred taxation		**178,602**	174,204
Deferred staff liabilities		**216,956**	206,461
Lease liabilities		**117,545**	141,487
		576,377	532,396
CURRENT LIABILITIES			
Trade and other payables	16	**1,505,913**	1,133,453
Current maturity of long term liabilities		**53,775**	40,349
Contract liabilities		**33,295**	179,894
Short term borrowings	17	**181,846**	31,846
Unclaimed dividends		**1,675**	1,580
		1,776,503	1,387,122
CONTINGENCIES AND COMMITMENTS	18		
TOTAL EQUITY AND LIABILITIES		**3,737,813**	3,314,403

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.

Chief Financial Officer | Chief Executive Officer | Director

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

For the Nine months period ended September 30, 2026

		Nine months ended		Quarter ended	
		September 30, 2026	September 30, 2025	**September 30, 2026**	September 30, 2025
	Note	---------- (Rupees in '000) ----------			
Sales - net	19	**5,665,064**	5,166,357	**2,223,396**	1,983,015
Cost of sales	20	**(4,028,235)**	(3,472,232)	**(1,600,036)**	(1,314,113)
Gross profit		**1,636,829**	1,694,125	**623,360**	668,902
Selling and distribution expenses		**(1,162,240)**	(1,021,962)	**(411,439)**	(357,782)
Administrative expenses		**(334,494)**	(360,552)	**(114,941)**	(122,570)
		(1,496,735)	(1,382,514)	**(526,380)**	(480,352)
Other income		**41,618**	29,277	**18,887**	11,091
Operating profit		**181,713**	340,888	**115,867**	199,641
Other charges		**(43,858)**	(51,536)	**(18,316)**	(24,926)
Financial charges		**(56,783)**	(68,155)	**(23,655)**	(20,331)
		(100,641)	(119,691)	**(41,970)**	(45,257)
Profit before levy and minimum tax differential		**81,072**	221,196	**73,897**	154,383
Levy and minimum tax differential	21	**(41,166)**	-	**(6,006)**	-
Profit before tax		**39,905**	221,196	**67,890**	154,383
Taxation					
Current - for the period		**(30,154)**	(98,333)	**(21,841)**	(48,706)
Deferred		**(4,400)**	12,560	**5,025**	(2,032)
		(34,554)	(85,772)	**(16,816)**	(50,737)
Profit after tax for the period		**5,352**	135,425	**51,074**	103,646
Earnings per share - basic and diluted (Rupees)		**0.87**	22.12	**8.34**	16.93

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.

Chief Financial Officer | Chief Executive Officer | Director

Condensed Interim Statement of Comprehensive Income (Un-audited)

For the Nine months period ended September 30, 2026

	Nine months ended		Quarter ended	
	September 30, 2026	September 30, 2025	**September 30, 2026**	September 30, 2025
	(Rupees in '000)			
Profit for the period	**5,352**	135,425	**51,074**	103,646
Other comprehensive income for the period	**-**	-	**-**	-
Total comprehensive Income for the period	**5,352**	135,425	**51,074**	103,646

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.

Chief Financial Officer | Chief Executive Officer | Director

Condensed Interim Statement of Changes in Equity (Un-audited)

For the Nine months period ended September 30, 2026

	Issued, subscribed and paid up capital	Capital Reserves	Revenue Reserves			Total
		Surplus on revaluation of property, plant and equipment	General Reserve	Unappropriated profit	Total Reserves	
	(Rs. in '000)					
Balance as at January 01, 2025 - (Audited)	61,226	1,033,587	6,000	274,940	280,940	1,375,753
Total comprehensive income for the period						
Profit for the period				135,425	135,425	135,425
Other comprehensive income (OCI)					-	-
Transferred from surplus on revaluation of property, plant and equipment - net of tax (incremental depreciation)"	-	(15,824)		15,824	15,824	-
	-	(15,824)	-	151,249	151,249	135,425
Dividend paid for the year ended December 31, 2024	-			(15,307)	(15,307)	(15,307)
Balance as at September 30, 2025 (Unaudited)	**61,226**	**1,017,763**	**6,000**	**410,882**	**416,882**	**1,495,871**
Balance as at January 01, 2026 (Audited)	**61,226**	**986,577**	**6,000**	**341,082**	**347,082**	**1,394,885**
Total comprehensive income for the period						
Profit for the period	-	-	-	5,352	5,352	5,352
Other comprehensive income (OCI)						
Transferred from surplus on revaluation of property, plant and equipment - net of tax (incremental depreciation)	-	(15,806)		15,806	15,806	-
	-	(15,806)	-	21,157	21,157	5,352
Dividend paid for the year ended December 31, 2025				(15,307)	(15,307)	(15,307)
Balance as at September 30, 2026 (Unaudited)	**61,226**	**970,771**	**6,000**	**346,932**	**352,932**	**1,384,930**

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.

Chief Financial Officer | Chief Executive Officer | Director

Condensed Interim Statement of Cash Flow (Un-audited)

For the Nine months period ended September 30, 2026

	Note	September 30, 2026	September 30, 2025
		(Rs. in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation & levy		**81,072**	221,196
Adjustments for:			
Depreciation and amortization		**134,136**	119,246
Provision of slow moving obsolete stock	10	**613**	(2,281)
Provision for Gratuity		**34,921**	41,250
Profit on bank deposit		**(633)**	(603)
Dividend income		**(1,867)**	(1,107)
Provision for doubtful debts		**(5,400)**	29,251
Gain on early termination of lease		**(1,834)**	(1,166)
Finance costs		**56,783**	68,155
(Gain) / Loss on disposal of operating fixed assets		**593**	1,063
		217,312	253,809
Operating cashflows before changes in working capital		**298,384**	475,005
Working capital changes:			
Decrease/(increase) in current assets:			
Stores and Spares		**95**	232
Stock-in-trade	10	**(355,059)**	(338,378)
Trade debts	11	**(100,842)**	86,533
Loans to employees		**(982)**	523
Long term deposits		**(4,196)**	(11,099)
Advances, deposits, prepayments and other receivables	12	**(26,937)**	(15,552)
		(487,921)	(277,740)
Increase/(decrease) in current liabilities:			
Contract liabilities		**(146,599)**	(53,202)
Trade and other payables	16	**371,193**	220,170
Cash generated from operations		**35,057**	364,235
Taxes paid		**(43,134)**	(157,692)
Staff gratuity paid		**(24,431)**	(34,551)
Retirement benefit paid		**(2,812)**	-
Financial charges paid		**(38,622)**	(49,295)
		(108,999)	(241,538)
Net cash flows from operating activities		**(73,942)**	122,697
CASH FLOWS FROM INVESTING ACTIVITIES			
Addition in capital expenditure	7.3.18	**(95,804)**	(127,754)
Proceeds from disposal of operating fixed assets		**32,697**	25,146
Short term investments		**100,000**	(35,000)
Dividend received		**1,867**	1,107
Profit received on bank deposits		**633**	603
Net cash flows used in investing activities		**39,394**	(135,899)
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease rentals paid		**(44,457)**	(36,496)
Diminishing Musharaka/Long term loan	15	**66,837**	(1,469)
Running Musharaka/Short Term Financing		**150,000**	
Dividend paid		**(15,211)**	(15,212)
Net cash used in financing activities		**157,168**	(53,177)
Net increase/(decrease) in cash and cash equivalents		**122,620**	(66,379)
Cash and cash equivalents at the beginning of the period		**178,000**	151,877
Cash and Bank Balances		**300,620**	85,498
Cash and cash equivalents at the end of the period		**300,620**	85,498

The annexed notes from 1 to 26 form an integral part of these condensed interim financial statements.

Chief Financial Officer | Chief Executive Officer | Director

Notes to the Condensed Interim Financial Statements (Un-audited)

For the Nine months period ended September 30, 2026

1 STATUS AND NATURE OF BUSINESS

ZIL Limited ("the Company") was incorporated as a private limited company in February 1960 under the Companies Act, 1913 (repealed Companies Ordinance, 1984 and now the Companies Act, 2017) and was subsequently converted into a public limited company in November 1986. Its shares are listed on the Pakistan Stock Exchange. The principal activity of the Company is to manufacture and sale of home and personal care products.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

Location	Nature	Address
Karachi	Head Office Land (Plot) QA Lab & Sales South Office	Bahria Complex 3, Plot no. MISC-2, M.T. Khan Road Plot # G-1 Located In Chemical Area Of Eastern Industrial Zone, Port Qasim Authority 1st Floor, Pardesi House, Plot No. 2/1, RY-16, Old Queens Road
Hyderabad	Land (Plot) Warehouse Sale South Office	Link Hali Road, Hyderabad Plot No. C-6, SITE Area, Near Mirpurkhas Road, SITE, Hyderabad. Plot # 11, Block A, Unit no 6, Latifabad Hyderabad
Lahore	Commerical & Sale Central Office I Warehouse	RT House, 1st Floor,59/A, 31, C-II, Gulberg III, Lahore. Khewat No. 55, situated at 16-KM, Multan Road, Lahore.
Multan	Warehouse Sale Central Office	1st Part of Plot No. 21-B, Industrial Estate, Multan Naeema Azam Tower 1st floor Office No 08. Commercial Area Phase I Industrial Estate, Multan
Islambad	Sale North Office	3rd Floor, 52 Corniche Road, Phase 4, Bahria Town, Islamabad.

3 BASIS OF PREPARATION

3.1 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 Companies Act, 2017;

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

- Provisions of and directives issued under the Companies Act, 2017;

Where provisions of and directives issued under the Companies Act, 2017 differ from the IAS 34, 'Interim Financial Reporting' and IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements do not include all the information and disclosures required for full 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, which have been prepared in accordance with accounting and reporting standards as applicable in Pakistan. 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 last annual financial statements.

The comparative statement of financial position presented in these condensed interim financial statements has been extracted from the annual audited financial statements of the Company for the year ended December 31, 2025, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the un-audited condensed interim financial statements for the nine months ended september 31, 2025.

3.2 Basis of measurement

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

3.3 Functional and presentation currency

This condensed interim financial information are presented in Pakistani rupee ('Rupees' or 'Rs.') which is the functional and presentation currency of the Company.

4 ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED APPROVED ACCOUNTING STANDARDS

4.1 Standards, amendments and interpretations to accounting standards that are effective in the current period

There were certain amendments to accounting and reporting standards which became mandatory for the Company during the period. However, the amendments did not have any significant impact on the financial reporting of the Company and, therefore, not detailed in these condensed interim financial statements.

4.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

There are various standards, amendments and interpretations to the accounting and reporting standards as applicable in Pakistan which are not yet effective in the current accounting period. These are not likely to have any significant impact on the Company's financial reporting and, therefore, have not been detailed in these condensed interim unconsolidated financial statements.

5 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies adopted and methods of computation followed in the preparation of these condensed interim financial statements are same as those for the preceding annual financial statements for the year ended December 31, 2025.

6 ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial statements requires management to make certain judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended December 31, 2025.

	Note	September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
		(Rs. in '000)	
7 PROPERTY, PLANT AND EQUIPMENT			
Owned assets	7.1	**465,797**	451,079
Right-of-use assets	7.2	**128,055**	152,311
Capital work in progress	7.3	**11,318**	45,807
		605,170	649,197
7.1 Owned assets			
Net carrying value basis			
Opening net book value		**451,079**	1,286,087
Transfer from capital work in progress during the period / year (at cost)	7.1.1	**118,511**	119,788
Transfer from Held for Sale Assets		**-**	57,266
		569,590	1,463,141
Disposals during the period / year	7.1.2	**(33,590)**	(23,385)
Depreciation charged during the period / year		**(70,203)**	(88,896)
Transferred to investment property		**-**	(896,287)
Impairment		**-**	(3,494)
		(103,793)	(1,012,062)
Closing net book value		**465,797**	451,079
7.1.1 Details of transfer from CWIP (at cost) during the period / year are as follows:			
Plant and machinery		**890**	9,331
Furniture and fixtures		**1,250**	25,229
Dies and change parts		**8,812**	2,982
Vehicles		**97,772**	70,628
Computers		**9,787**	11,618
		118,511	119,788
7.1.2 Details of disposals (NBV) during the period / year are as follows:			
Plant and machinery		**138**	390
Computers		**781**	637
Furniture & Fixtures		**38**	31
Vehicles		**32,633**	22,327
		33,590	23,385

		Note	September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
			(Rs. in '000)	
7.2	**Right-of-use assets**			
	Net carrying value basis			
	Opening net book value		**152,311**	128,917
	Additions (at cost) during the period/year		**18,847**	147,222
	Disposal during the period / year		**(10,871)**	(82,749)
	Depreciation charged during the period / year		**(32,232)**	(41,079)
	Closing net book value		**128,055**	152,311
7.3	**Capital work in progress**			
	Dies and change parts		**9,255**	-
	Vehicles		**460**	45,807
	Plant, machinery and equipment		**1,603**	-
		7.3.1	**11,318**	45,807
7.3.1	**Movement in capital work in progress**			
	Balance at the beginning of the period / year		**45,807**	51,097
	Addition during the period / year		**84,022**	154,574
	Addition/Transfer to Investment Property		**-**	(40,076)
	Transferred to operating fixed asset		**(118,511)**	(119,788)
	Balance at the end of the period / year		**11,318**	45,807
8	**INTANGIBLE ASSETS**			
	Intangible asset - net carrying value		**8,817**	12,784
	Capital work in progress		**11,782**	-
			20,599	12,784
9	**INVESTMENT PROPERTY**			
	Cost - written down value		**1,304,303**	1,336,404
	Depreciation charged during the period / year		**(27,521)**	(32,101)
	Carrying amount		**1,276,782**	1,304,303
	For lease hold property remaining lease term (in years)		**30**	31

		September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
		(Rs. in '000)	
10	**STOCK IN TRADE**		
	Raw material		
	In hand	**213,252**	169,267
	In transit	**1,051**	15,688
		214,303	184,955
	Packing material	**163,339**	127,588
	Finished goods	**690,046**	400,086
		1,067,688	712,629
	Provision for slow moving inventory	**(3,940)**	(3,328)
		1,063,748	709,301
11	**TRADE DEBTS**		
	Unsecured - considered good	**255,008**	148,766
	Considered doubtful	**73,942**	79,342
		328,950	228,108
	Less: allowance for expected credit loss	**(73,942)**	(79,342)
		255,008	148,766
11.1	**Allowance for expected credit loss**		
	Opening balance	**79,342**	9,397
	Allowance charge/(reversal) during the period / year	**(5,400)**	69,945
	Closing balance	**73,942**	79,342

		Note	September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
			(Rs. in '000)	
12	**ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES**			
	Considered good - unsecured			
	Advance to employees		**3,344**	2,404
	Advance to suppliers and contractors		**15,549**	14,515
	Prepayments		**9,019**	13,792
	Rent Receivable		**31,142**	-
	Others receivables		**3,695**	4,159
			62,748	34,870
	Considered doubtful			
	Advances to suppliers and contractors		**803**	803
	Less: allowance for expected credit loss		**(803)**	(803)
			-	-
			62,748	34,870
13	**SHORT TERM INVESTMENTS**			
	At fair value through profit or loss:			
	Meezan Cash Fund		**-**	100,000
			-	100,000
14	**CASH AND BANK BALANCES**			
	Cash in hand		**127**	89
	Cash with banks			
	- current / collection accounts		**31,229**	62,813
	- remittance in transit		**265,566**	102,193
	- saving accounts	14.1	**3,698**	12,905
			300,493	177,911
			300,620	178,000

14.1 This carries profit rate at ranges from 9.5% to 10.5% (December 31, 2025: ranges from 9.5% to 10.5%) per annum.

	Note	September 30, 2026 (Un-audited)	December 31, 2025 (Audited)
		(Rs. in '000)	
15 LONG TERM LOAN			
Diminishing musharaka		**78,736**	11,899
Less: current maturity shown under current liability		**(15,463)**	(1,655)
		63,273	10,244

15.1 The Company had acquired vehicles under diminishing musharaka agreement from First Habib Modaraba. The loan was for a period of five years expiring on March 2031, with an option to purchase the asset at nominal amount. This carries profit at the rate 3 months' KIBOR + 1.75% per annum (December 31,2025: 3 months' KIBOR + 1.75% per annum).

16 TRADE AND OTHER PAYABLES			
Trade creditors		**1,006,548**	702,865
Accrued expenses		**398,146**	344,785
Sales tax payable		**59,542**	20,061
Deposit on account of vehicles from the employees		**15,114**	16,501
Accrued mark-up		**1,623**	277
Workers' Welfare Fund		**4,515**	7,058
Workers' Profit Participation Fund		**4,473**	6,423
Security deposit		**-**	1,602
Income Tax withholding		**4,149**	5,893
Other liabilities		**11,801**	27,988
		1,505,913	1,133,453
17 SHORT TERM BORROWINGS			
From New Future Consumer International LLC	17.1	**31,846**	31,846
From banking Companies -Secured			
Running Musharaka/ Salam/Istasna	17.2	**150,000**	-
		181,846	31,846

17.1 This represents interest free short term loan. The loan is immediately payable pending State Bank of Pakistan approval for repatriation .

17.2 The facility represents Running Musharaka, Tijaraha and Salam financing facility available from Soneri Bank Limited amounting to Rs. 150 million (2025: Rs. 150 million) and carries mark-up of 3 months' KIBOR+1.5% and matching tenor KIBOR+1.5% (2025: 3 months' KIBOR+1.5%) per annum.

17.3 Tijarah finance limit from Bank of Khyber amounting to Rs. 50 million (2025: Rs. 50) carries mark-up of 3 months' KIBOR+1.5% per annum. Soneri Bank facility is secured by way of first Pari Passu charge over present and future current assets amounting to Rs. 400 million (2025: Rs. 400 million) and Bank of Khyber facility is secured by 1st Pari Passu charge over present and future current assets amounting to Rs. 134 million. As of the reporting date, unutilised facility aggregated to Rs. 200 million (2025: Rs. 200 million). Above facility is valid up to 30 April 2027 and 30 November 2026 and is generally renewable.

18 CONTINGENCIES AND COMMITMENTS

18.1 Contingencies

The status of other contingencies are same as disclosed in the annual audited financial statements for the year ended December 31, 2025 except for disclosed below:

18.1.1 On May 21, 2025, an order under section 122(5A) of the Income Tax Ordinance, 2001 was passed by the Additional Commissioner Inland Revenue (ADCIR) for the financial year 2022 (Tax Year 2023) in which certain expenses were disallowed amounting to Rs. 78.538 million. Disagreeing to the above the company filed an Appeal before the CIR(A) against the alleged order of ADCIR. Appeal heard by CIR(A) and passed order u/s 129(1) of ITO,2001 dated: 31-03-2026. In order the CIR(A) partially allowed the expenses amounting to Rs.16.043 Million and remanded back the remaining issues amounting to Rs.62.495 Million. Following the order passed by CIR(A), the company has decided to file the appeal before Appellate Tribunal Inland Revenue (ATIR). Based on the Company's tax advisor's view, a favourable decision is expected. Accordingly, no provision of above demand, has been made in these financial statements.

18.1.2 On June 05, 2025, an order under section 221/122(5A) of the Income Tax Ordinance, 2001 was passed by the Additional Commissioner Inland Revenue (ADCIR) for the financial year 2023 (Tax Year 2024) in which certain expenses were disallowed amounting to Rs. 25.758 million. Disagreeing to the above the company filed an Appeal before the CIR(A) against the alleged order of ADCIR. Appeal heard by CIR(A) and passed order u/s 129(1) of ITO,2001 dated: 31-03-2026. In order the CIR(A) remanded back all the issues amounting to Rs.25.758 Million. Following the order passed by CIR(A), the company has decided to file the appeal before Appellate Tribunal Inland Revenue (ATIR). Based on the Company's tax advisor's view, a favourable decision is expected. Accordingly, no provision of above demand, has been made in these financial statements.

18.1.3 On January 01, 2026, the company received a demand notice under section 137 to pay Rs.2.658 million against the payment of Worker Welfare Fund (WWF) by the Deputy Commissioner Inland Revenue (DCIR) for the financial year 2019 (Tax Year 2020), the company has already paid/Adjusted the said amount. Disagreeing to the above the company filed an Appeal before the CIR(A) against the alleged order of DCIR. Based on the Company's tax advisor's view, the said notice is time barred as per ITO 2001 and a favourable decision is expected. Accordingly, no provision of above demand, has been made in these financial statements.

18.2 Commitments

18.2.1 Commitment under letters of credit and contracts for the import of stock-in-trade items amounted to Rs. 127.085 million (December 31, 2025: Rs. 83.93 million).

18.2.2 The Company has entered into Ijarah arrangements for vehicles with bank. Aggregate commitments for these Ijarah arrangements as at reporting date are Rs. 49.068 million (December 31, 2025: Rs. 53.461 million).

	Nine Months ended		Quarter ended	
	September 30, 2026	September 30, 2025	**September 30, 2026**	September 30, 2025
	(Un-audited)		**(Un-audited)**	
19 SALES - NET	---------- (Rupees in '000) ----------			
Gross sales	**8,081,586**	7,304,206	**3,164,685**	2,796,774
Less: Sales tax	**(1,395,547)**	(1,230,831)	**(551,120)**	(473,363)
Trade discount	**(1,019,800)**	(906,168)	**(390,170)**	(340,127)
Sales return and rebate	**(1,176)**	(850)	**-**	(269)
	(2,416,522)	(2,137,849)	**(941,291)**	(813,759)
Net sales	**5,665,064**	5,166,357	**2,223,396**	1,983,015

	Nine Months ended		Quarter ended	
	September 30, 2026	September 30, 2025	**September 30, 2026**	September 30, 2025
	(Un-audited)		**(Un-audited)**	
	---------- (Rupees in '000) ----------			

20 COST OF SALES

Raw & packing material consumed	**3,987,570**	3,408,842	**1,671,435**	1,320,798
Salaries, wages and other benefits	**102,695**	93,351	**32,220**	31,010
Toll Manufacturing	**168,656**	133,753	**86,601**	44,229
Depreciation and amortisation	**13,808**	13,373	**4,725**	4,690
Fuel and power	**3,067**	1,987	**1,067**	761
Freight and handling charges	**6,925**	4,594	**2,430**	1,273
Stores and spares consumed	**285**	1,754	**-**	-
Rent, rates and taxes	**3,763**	3,655	**966**	291
Travelling and conveyance	**13,304**	9,056	**4,722**	3,487
Insurance	**1,749**	1,890	**582**	639
Repair and maintenance	**416**	773	**109**	634
Legal and professional charges	**60**	120	**-**	-
Product research and development	**10,231**	4,667	**2,380**	1,251
Provision for slow moving stock-in-trade	**618**	766	**618**	629
Postage and telephones	**383**	279	**152**	76
Printing and stationery	**30**	32	**-**	8
Subscription charges	**118**	209	**60**	0
Others	**4,515**	3,746	**1,386**	1,280
Cost of goods manufactured	**4,318,195**	3,682,845	**1,809,454**	1,411,056
Opening stock of finished goods	**400,086**	355,706	**480,629**	469,376
Closing stock of finished goods	**(690,046)**	(566,319)	**(690,046)**	(566,319)
	(289,960)	(210,613)	**(209,417)**	(96,944)
	4,028,235	3,472,232	**1,600,037**	1,314,112

21 LEVY AND MINIMUM TAX DIFFERENTIAL

This represents portion of minimum tax paid under section 113 of Income Tax Ordinance, 2001 representing levy in terms of requirement of IFRIC 21/IAS 37.

22 TRANSACTIONS WITH RELATED PARTIES

Related parties of the company comprise of the parent company, major shareholders, provident fund, directors, associated company and key management personnel. All the transactions with related parties are entered into at agreed terms in the normal course of business as approved by the Board of directors of the company. Detail of transactions with related parties during the period, other than disclosed elsewhere in the condensed interim financial statements, are as follows:

22.1 Names of related parties, nature and basis of relationship

Name of related parties	Note	Nature and basis of Relationship	Percentage of shareholding in the Company
TWF Holding L.L.C-FZ	22.1.1	Parent Company	84.84%
Mrs. Ferial Ali Mehdi		Director	10.01%
Supreme Consumer Products (Pvt) limited		Associated Company	
ZIL Provident Fund		Provident Fund	

22.1.1 Country of incorporation is Dubai, United Arab Emirates (UAE).

22.2 Transactions during the period:

	Note	Nine Months ended September 30, 2026	Nine Months ended September 30, 2025
		(Un-audited)	
		(Rs. in '000)	
Holding/Associated Company			
Dividend paid		**12,986**	12,986
Rental income		**31,142**	25,631
Other related parties			
Contribution to the employees' provident fund		**23,345**	20,781
Directors and chief executive officer (key management personnel)			
Remuneration		**30,069**	108,205
Other directors remuneration -meeting fees		**2,160**	1,760
Dividend paid		**1,532**	1,532
Other key management personnel			
Managerial remuneration (excluding directors and chief executive officer)		**398,218**	284,887

The Chief Executive Officer & certain executives of the company are provided with company maintained cars, furnished and serviced accomodation and medical facilities as per their 'entitlements

22.3 Contribution to the provident fund is made in accordance with the requirements of staff service rules.

22.4 Remuneration of the key management personnel is in accordance with the terms of their employment. Director's meeting fee is as approved by the board of directors.

23 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objective and policies are consistent with that disclosed in the annual audited financial statements for the year ended December 31, 2025.

24 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation.

25 GENERAL

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

26 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on 23 October 2026 by the Board of Directors of the Company.

Chief Financial Officer | Chief Executive Officer | Director

ZIL
LIMITED

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