CHASE SECURITIES

CORPORATE BRIEFING NOTES

12 Nov 2026

RA-07

STOCK SNAPSHOT

Symbol	GATM
Price	PKR 21.29
Market cap	PKR 15.76bn
Shares	740.06mn
Free float	185.01mn
52W high	PKR 33.90
52W low	PKR 16.50

SECTOR

Textile Composite

Umer Serang

GATM PSX · TEXTILE COMPOSITE

Gul Ahmed Textile Mills Limited

FY26 EPS	1QFY27 EPS	FY26 NET SALES	POWER COST
PKR -0.46	PKR 0.86	PKR 162.0bn	PKR 36/kWh
▼ FY25: 6.02	▲ 110% YoY	▼ 6% YoY	FY26 average

KEY TAKEAWAYS

FY26: loss per share on higher energy costs; renewables targeted at ~40% of power by FY28

During the year the biggest challenge for the company has been energy costs; as a result it is working to introduce more renewable energy into its energy mix. Management was hopeful of an improved bottomline over the next **two years** as contracts reprice and the benefits of large renewable energy projects begin to kick in.

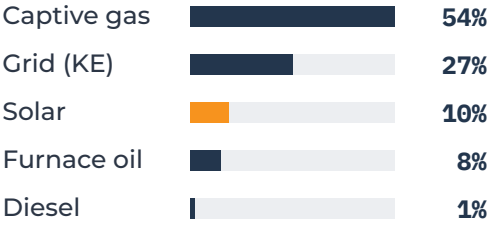
EARNINGS

- Consolidated loss per share of **PKR 0.46** in **FY26** vs EPS of **PKR 6.02** in **FY25**; net sales down **6%** and gross margin at **15%** (**FY25**: **19%**).
- **1QFY27** EPS of **PKR 0.86** vs **PKR 0.41** in **1QFY26**; gross margin at **17%** (**1QFY26**: **14%**).

ENERGY COSTS

- In **FY26** the power mix delivered power at an average cost of **PKR 36 per kWh**.
- Total power requirement is about **37 MW**.

FY26 POWER MIX



Share of power sourced, FY26

RENEWABLES & MARGINS

- With its upcoming renewable energy projects, the company aims to source about **40%** of its power from renewables in **FY28**.
- Management expects gross margin to converge to **18–20%** as the cost benefits of renewables begin to kick in.

NOORIABAD RELOCATION

- Manufacturing facilities are moving to Nooriabad to benefit from the wind corridor for energy production; capex of **PKR 7.75bn** expected for land and construction.
- Nooriabad 1 expected to be completed in **March 2027**, followed by Nooriabad 2 by end-**June 2027**.

ENERGY PROJECTS

- Solar, wind and BESS projects planned with a total capex of **PKR 9.7bn**.
- Combined renewable capacity to reach **77.25 MW**, of which **44 MW** solar and **28.25 MW** wind.
- A **50 MWh** battery energy storage system to be deployed as part of the same project to reduce energy costs.

RAW MATERIALS

- On elevated raw material prices, management said contracts take some time to reprice but costs are expected to be passed on.

OUTLOOK

- Management was hopeful of an improved bottomline over the next **two years** as contracts reprice and renewable energy benefits begin to kick in.

Financial highlights

PKR mn (Consol.)	FY25	FY26	YoY	1QFY26	1QFY27	YoY
Net sales	**172,931**	**162,008**	**-6%**	**48,777**	**41,144**	**-16%**
Cost of sales	-140,932	-138,175	-2%	-41,733	-34,264	-18%
Gross profit	**31,999**	**23,834**	**-26%**	**7,044**	**6,880**	**-2%**
Gross margin	*19%*	*15%*		*14%*	*17%*	
Selling & distribution	-11,058	-11,166	1%	-2,740	-3,360	23%
Administrative	-6,415	-7,074	10%	-2,089	-1,629	-22%
Operating profit	**14,525**	**5,594**	**-61%**	**2,215**	**1,891**	**-15%**
Depreciation & amortisation	6,141	4,795	-22%	1,547	1,155	-25%
EBITDA	**20,666**	**10,390**	**-50%**	**3,762**	**3,046**	**-19%**
Financial charges	-7,368	-5,606	-24%	-1,757	-1,466	-17%
Other income	1,030	2,258	119%	413	895	117%
Other charges	-574	-357	-38%	-71	-95	34%
Profit before tax	**7,614**	**1,889**	**-75%**	**800**	**1,225**	**53%**
Taxation	-1,994	-1,277	-36%	-493	-586	19%
Profit after tax	**4,454**	**-339**	n/m	**307**	**640**	**108%**
EPS (PKR)	**6.02**	**-0.46**	n/m	**0.41**	**0.86**	**110%**
DPS (PKR)	0.00	0.00	–	0.00	0.00	–

Source: Company accounts, Chase Research

IMPORTANT DISCLOSURES

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