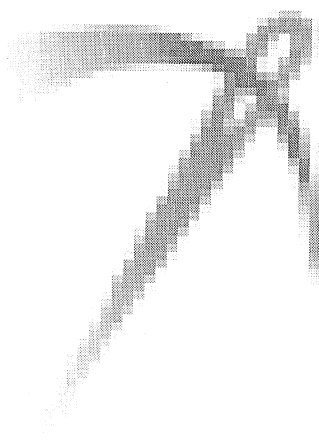


QUARTERLY REPORT

UN-AUDITED

NINE MONTHS ENDED

MARCH 31, 2024





YOUSAF WEAVING MILLS LIMITED

A Project of Chakwal Group

7/1 - E-3, Main Boulevard
Gulberg III, Lahore, Pakistan
Tel: +92 42 35757108 & 35717510 - 17
Fax: +92 42 35764036, 35764043 & 35757105
Web: www.yousafweaving.com

DIRECTORS' REPORT TO THE SHAREHOLDERS

We are pleased to present to you the unaudited condensed interim financial statements for the nine months ended March 31, 2024. This reporting period has been characterized by formidable challenges and shifting market dynamics, which have tested our resilience and resourcefulness.

Throughout this period, the company encountered notable challenges, resulting in a significant decrease in our gross profit from Rs. 53.415 million to Rs. 5.125 million. Consequently, we experienced a net loss after tax of Rs. 40.277 million, compared to a net loss of Rs. 7.902 million in the corresponding period. The primary factor contributing to this decline was a 37% reduction in sales, reflecting diminishing demand in the local market. On the other hand due to management's strenuous efforts its operating costs have been reduced by 24% with respect to previous period.

In recognition of the critical importance of addressing our working capital requirements, the directors provided a long-term loan of Rs. 25.176 million. This decision underscores our unwavering commitment to supporting the company's operations and ensuring sustainable growth in the face of adversity.


Despite the prevailing challenges, we maintain a cautious optimism regarding the economic outlook. We believe that improvements in the current political scenario will contribute to economic stability, thereby benefiting the local industry and easing the ongoing financial crisis. Our belief in the resilience of our business model and the dedication of our team fuels our determination to navigate these challenges with fortitude and innovation.

In conclusion, while the company faced significant headwinds during the reporting period, we remain steadfast in our commitment to overcoming these obstacles and achieving sustainable growth. We extend our heartfelt appreciation to our shareholders for their unwavering support and confidence in our vision.

For and on behalf of the Board

Lahore
April 30, 2024


Alia Khanum
Director


Khawaja Shahzad Younus
Director



YOUSAF WEAVING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2024

| Note | March 31, 2024 (Un-audited) Rupees | June 30, 2023 (Audited) Rupees |
|--|---|---|
| CAPITAL AND LIABILITIES | | |
| Share Capital and Reserves | | |
| Authorized share capital 140,000,000 (2023: 140,000,000) ordinary shares of Rs. 10 each | 1,400,000,000 | 1,400,000,000 |
| Issued, subscribed and paid up share capital | 1,360,000,000 | 1,360,000,000 |
| Loan from directors | 39,652,264 | 14,476,264 |
| Accumulated loss | (1,533,704,472) | (1,493,426,979) |
| Surplus on revaluation of land | 385,563,327 | 385,563,327 |
| | 251,511,119 | 266,612,612 |
| Non Current Liabilities | | |
| Long term loan | - | - |
| Lease liabilities | 26,473,893 | 32,910,196 |
| Deferred liabilities | 19,628,562 | 18,157,529 |
| | 46,102,455 | 51,067,725 |
| Current Liabilities | | |
| Trade and other payables | 349,957,990 | 344,084,482 |
| Unclaimed dividend | 3,247,016 | 3,247,016 |
| Accrued mark up | 131,961,998 | 131,864,126 |
| Short term borrowings | 607,174,019 | 609,647,574 |
| Current portion of long term loan | 44,709,999 | 53,896,153 |
| Current portion of lease liabilities | 7,179,179 | 7,282,810 |
| Provision for taxation | 42,626,376 | 50,009,317 |
| | 1,186,856,577 | 1,200,031,478 |
| Contingencies and Commitments | 5 | - |
| | 1,484,470,151 | 1,517,711,815 |
| ASSETS | | |
| Non Current Assets | | |
| Property, plant and equipment | 870,777,775 | 896,649,227 |
| Right-of-use assets | 45,412,013 | 47,599,355 |
| Intangible assets | 101,273 | 119,146 |
| Long term loans | 10,803,050 | 10,485,450 |
| Long term deposits | 51,632,222 | 51,632,222 |
| | 978,726,333 | 1,006,485,400 |
| Current Assets | | |
| Stores and spares | 10,838,601 | 12,240,228 |
| Stock in trade | 390,748,234 | 422,399,654 |
| Trade debts | 40,366,933 | 2,793,074 |
| Loans and advances | 21,121,438 | 19,482,645 |
| Trade deposits and other receivables | 5,608,901 | 5,608,901 |
| Tax refunds due from government | 33,274,813 | 43,989,730 |
| Cash and bank balances | 3,784,898 | 4,712,183 |
| | 505,743,818 | 511,226,415 |
| | 1,484,470,151 | 1,517,711,815 |

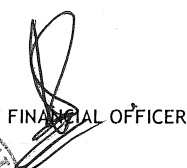
The annexed notes form an integral part of these condensed interim financial information (Unaudited).




DIRECTOR



DIRECTOR


CHIEF FINANCIAL OFFICER



YOUSAF WEAVING MILLS LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE NINE MONTHS ENDED MARCH 31, 2024

| | Nine Months Ended | | Quarter Ended | |
|---|----------------------|----------------------|----------------------|----------------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| | Un-audited Rupees | Un-audited Rupees | Un-audited Rupees | Un-audited Rupees |
| Sales - net | 270,398,598 | 729,139,007 | 89,471,964 | 434,628,951 |
| Cost of sales | (265,273,636) | (675,724,262) | (89,310,938) | (407,336,070) |
| Gross profit | 5,124,962 | 53,414,745 | 161,026 | 27,292,881 |
| Distribution cost | (3,250,925) | (7,602,415) | - | (3,712,548) |
| Administrative expenses | (35,767,318) | (40,778,393) | (8,636,655) | (24,525,990) |
| | (39,018,243) | (48,380,808) | (8,636,655) | (28,238,538) |
| Operating (loss) / profit | (33,893,281) | 5,033,937 | (8,475,629) | (945,657) |
| Finance cost | (3,042,588) | (3,827,960) | (1,098,296) | (2,527,827) |
| Other operating income | 38,358 | 7,354 | - | - |
| (Loss) / Profit before taxation | (36,897,511) | 1,213,331 | (9,573,925) | (3,473,484) |
| Taxation | (3,379,982) | (9,115,605) | (1,118,399) | (5,434,646) |
| Loss for the period | (40,277,493) | (7,902,274) | (10,692,324) | (8,908,130) |
| Loss per share - basic & diluted | (0.30) | (0.09) | (0.08) | (0.10) |

The annexed notes form an integral part of these condensed interim financial information (Unaudited).



DIRECTOR



DIRECTOR



CHIEF FINANCIAL OFFICER



YOUSAF WEAVING MILLS LIMITED
STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED MARCH 31, 2024

| | Nine Months Ended | | Quarter Ended | |
|---|---------------------|--------------------|---------------------|--------------------|
| | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| | Rupees | Rupees | Rupees | Rupees |
| Loss for the period | (40,277,493) | (7,902,274) | (10,692,324) | (8,908,130) |
| Other comprehensive income for the period | - | - | - | - |
| Total comprehensive loss for the period | <u>(40,277,493)</u> | <u>(7,902,274)</u> | <u>(10,692,324)</u> | <u>(8,908,130)</u> |

The annexed notes form an integral part of these condensed interim financial information (Unaudited).



DIRECTOR



DIRECTOR



CHIEF FINANCIAL OFFICER



YOUSAF WEAVING MILLS LIMITED
STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED MARCH 31, 2024

| | Nine Months Ended | |
|---|--------------------|--------------------|
| | March 31, 2024 | March 31, 2023 |
| | Rupees | Rupees |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| (Loss) / Profit before taxation | (36,897,511) | 1,213,331 |
| Adjustments for: | | |
| - Depreciation | 28,042,152 | 30,965,829 |
| - Amortization of intangible assets | 17,872 | 22,340 |
| - Provision for gratuity | 26,788,054 | 10,002,050 |
| - Gain on disposal of property, plant and equipment | (38,358) | (7,354) |
| - Finance cost | 3,042,588 | 3,827,960 |
| Operating profit before working capital changes | 20,954,797 | 46,024,156 |
| (Increase) / Decrease in current assets: | | |
| - Stores and spares | 1,401,627 | 1,253,625 |
| - Stock in trade | 31,651,420 | (5,385,131) |
| - Trade debts | (37,573,859) | (28,836,346) |
| - Loan and advances | (1,638,793) | 9,079,764 |
| - Tax refundable due from government | - | (2,707,394) |
| Increase / (Decrease) in current liabilities: | | |
| - Trade and other payables | 5,873,508 | 1,503,819 |
| | (286,097) | (25,091,663) |
| CASH GENERATED FROM OPERATIONS | 20,668,700 | 20,932,493 |
| Finance cost paid | (2,244,870) | (3,801,278) |
| Gratuity paid | (25,317,021) | (9,857,300) |
| Income tax paid | (48,005) | (9,288,016) |
| Net cash used in operating activities | (6,941,196) | (2,014,101) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Property, plant and equipment purchased | - | (7,634,000) |
| Proceeds from disposal of property, plant and equipment | 55,000 | 140,000 |
| Long term loans to employees | (317,600) | (69,200) |
| Net cash used in investing activities | (262,600) | (7,563,200) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Long term loans | 15,989,846 | 15,600,633 |
| Short term borrowings - net | (2,473,555) | 2,060,740 |
| Liabilities against assets subject to finance lease | (7,239,780) | (7,111,951) |
| Net cash generated from financing activities | 6,276,511 | 10,549,422 |
| Net (decrease) / increase in cash and cash equivalents | (927,285) | 972,121 |
| Cash and cash equivalents at the beginning of the period | 4,712,183 | 1,012,924 |
| Cash and cash equivalents at the end of the period | 3,784,898 | 1,985,045 |

The annexed notes form an integral part of these condensed interim financial information (Unaudited).



DIRECTOR



DIRECTOR



CHIEF FINANCIAL OFFICER



YOUSAF WEAVING MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED MARCH 31, 2024

| Particulars | Issued, Subscribed and Paid up Share Capital | Accumulated Loss | Loan from Directors | Revaluation Surplus | Total |
|---------------------------------------|---|------------------------|------------------------|------------------------|--------------------|
| | Rupees | Rupees | Rupees | Rupees | Rupees |
| Balance as at July 1, 2022 | 900,000,000 | (1,428,065,888) | 449,106,400 | 385,563,327 | 306,603,839 |
| Net loss for the period | - | (7,902,274) | - | - | (7,902,274) |
| Loan from directors during the period | - | - | 25,369,864 | - | 25,369,864 |
| Balance as at March 31, 2023 | 900,000,000 | (1,435,968,162) | 474,476,264 | 385,563,327 | 324,071,429 |
| Balance as at July 1, 2023 | 1,360,000,000 | (1,493,426,979) | 14,476,264 | 385,563,327 | 266,612,612 |
| Net loss for the period | - | (40,277,493) | - | - | (40,277,493) |
| Loan from directors during the period | - | - | 25,176,000 | - | 25,176,000 |
| Balance as at March 31, 2024 | 1,360,000,000 | (1,533,704,472) | 39,652,264 | 385,563,327 | 251,511,119 |

The annexed notes form an integral part of these condensed interim financial information (Unaudited).



DIRECTOR



DIRECTOR



CHIEF FINANCIAL OFFICER



YUSAF WEAVING MILLS LIMITED
SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS ENDED MARCH 31, 2024

Note 1

The Company and its Operations

Yousaf Weaving Mills Limited was incorporated on January 17, 1988 as a public limited company in Pakistan under the Companies Ordinance, 1984 and is quoted on Pakistan Stock Exchange. The Company is engaged in the business of textile weaving, spinning, sale of processed fabric and home textile products. The registered office of the Company is situated at 7/1- E-3, Main Boulevard Gulberg III, Lahore.

1.1 During the period the Company has incurred loss after tax of Rs. 40.278 million (2023: Rs. 7.902 million) and at period end, its accumulated losses stood at Rs. 1,533.704 million (2023: Rs. 1,493.427 million). Its current liabilities exceed its current assets by Rs. 681.113 million (2023: Rs. 688.805 million). The Company in order to carry on its business and to meet its current obligation requires generating sufficient cash flows. Further, the banking companies also filed suit against the Company for recovery of outstanding balances and related interest accrued thereon. Accordingly there is a material uncertainty relating to the Company's operation that may cast sufficient doubt on the discharge of its liabilities in the normal course of business. Continuation of the Company as a going concern is dependent on improved cash flows. For this purpose the management of the Company has drawn up plans which include:-

- During the current period the directors of the Company has provide long term loan of Rs. 25.176 million, which have been used to meet working capital requirements of the Company. The directors / sponsors of the Company have shown their commitment to support the Company in every hour of need to stabilize the Company's operations and committed to provide their enduring support to achieve sustainable growth in future.
- The management is adamant to settle the issues with the banks and is intended to regularize the affairs. The management is quite hopeful that it shall be able to resolve it amicably during the current financial year.
- The management believes that with the improvement in current political scenario, our economy will also ameliorate, which will ultimately assist the local industry to cope with on-going financial crisis and to achieve economic stability in long run.
- The management is making all possible efforts, to control production costs and planning for BMR in near future to enhance production capacity and efficiency; along with focusing on new clientage in local and export markets.

In view of the above, these financial statements have been prepared on going concern assumption.

Note 2

Basis of Preparation

2.1 These condensed interim financial information have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

International Financial Reporting Standard (IFRS) issued by the International Accounting Standards Board (IASB) 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 IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.2 The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended 30 June, 2023.
- 2.3 This condensed interim financial information is presented in Pak rupees, which is the Company's functional and presentational currency. The financial statements have been prepared under the historical cost convention. Figures have been rounded off to the nearest thousand rupee, unless stated otherwise.

Note 3

Significant Accounting Policies

The accounting policies and methods of computation of the interim financial information are the same as those followed in the preparation of annual financial information for the preceding year ended June 30, 2023.

Note 4
Accounting Estimates and Judgments

The accounting estimates and associated assumptions used in preparation of this condensed interim financial information are consistent with those applied in the preparation of annual financial statement of the Company Limited for the year ended June 30, 2023.

Note 5
Contingencies and Commitments

There is no other significant change in the contingencies and commitments as reported in the last published audited financial statements for the year ended June 30, 2023.

Note 6
Property, Plant and Equipment

| | Nine Months Ended Mar 31, 2024 (Un-audited) Rupees | Year Ended June 30, 2023 (Audited) Rupees |
|--|---|--|
| Operating fixed assets | 870,777,775 | 896,649,227 |
| Opening written down value | 896,649,227 | 925,961,304 |
| Addition during the period / year (at cost) | - | 7,793,930 |
| Disposal during the period / year (written down value) | (16,642) | (132,646) |
| Depreciation charge for the period / year | 896,632,585 | 933,622,588 |
| Closing written down value | (25,854,810) | (36,973,361) |
| | <u>870,777,775</u> | <u>896,649,227</u> |

Note 7
Transactions with Related Parties

The related parties and associated undertakings comprise related group companies, associated companies, directors and key management personnel. Transactions with related parties and associated undertakings, other than remuneration and benefits to key management personnel under the term of their employment are as follows:

| | Nine Months Ended | |
|--|---|---|
| | Mar 31, 2024 (Un-audited) Rs. '000' | Mar 31, 2023 (Un-audited) Rs. '000' |
| Significant transaction with related parties are as follows: | | |
| - Loan term loan received from directors | 25,176 | 13,271 |
| - Short term loan (paid)/received to/from directors - net | (2,474) | 5,688 |

Note 8
Segment Information

8.1 For management purposes, the activities of the Company are organized into two operating segment:

| | |
|-----------|--|
| Weaving: | Production of grey and processed cloth. |
| Spinning: | Production of different qualities of yarn using natural and artificial fibers. |

The Company operates in the said reportable operating segments bases on the nature of products, risks and returns, organizational and management structure and internal financial reporting systems. Accordingly, the figures reported in these condensed financial statements related to the Company's reportable segment.

Information regarding the Company's reportable segment for the nine months ended March 31, 2024 are as follows:

Note 8 - Segment Information ... Contd.

8.2 Segment revenues and results

There were no transactions with key management personnel other than undertaken as per terms of their employment.

| For the Nine Months Ended March 31, 2024 (Un-audited) | | | |
|---|-----------------|------------------|---------------|
| | Weaving Segment | Spinning Segment | Total |
| | Rupees | Rupees | Rupees |
| Sales - net | 270,398,598 | - | 270,398,598 |
| Cost of sales | (262,145,760) | (3,127,876) | (265,273,636) |
| Gross profit / (loss) | 8,252,838 | (3,127,876) | 5,124,962 |
| Distribution cost | (3,250,925) | - | (3,250,925) |
| Administrative expenses | (35,747,213) | (20,105) | (35,767,318) |
| | (38,998,138) | (20,105) | (39,018,243) |
| Operating loss | (30,745,300) | (3,147,981) | (33,893,281) |
| Finance cost | (3,042,588) | - | (3,042,588) |
| Other operating income | 38,358 | - | 38,358 |
| Loss before taxation | (33,749,530) | (3,147,981) | (36,897,511) |
| Taxation | (3,379,982) | - | (3,379,982) |
| Loss after taxation | (37,129,512) | (3,147,981) | (40,277,493) |

| For the Nine Months Ended March 31, 2023 (Un-audited) | | | |
|---|-----------------|------------------|---------------|
| | Weaving Segment | Spinning Segment | Total |
| | Rupees | Rupees | Rupees |
| Sales - net | 729,139,007 | - | 729,139,007 |
| Cost of sales | (672,367,912) | (3,356,350) | (675,724,262) |
| Gross profit / (loss) | 56,771,095 | (3,356,350) | 53,414,745 |
| Distribution cost | (7,602,415) | - | (7,602,415) |
| Administrative expenses | (40,753,781) | (24,612) | (40,778,393) |
| | (48,356,196) | (24,612) | (48,380,808) |
| Operating profit / (loss) | 8,414,899 | (3,380,962) | 5,033,937 |
| Finance cost | (3,827,960) | - | (3,827,960) |
| Other operating income | 7,354 | - | 7,354 |
| Profit / (loss) before taxation | 4,594,293 | (3,380,962) | 1,213,331 |
| Taxation | (9,115,605) | - | (9,115,605) |
| Loss after taxation | (4,521,312) | (3,380,962) | (7,902,274) |

8.3 Segment assets and liabilities

| As at March 31, 2024 (Un-audited) | | | |
|---|-----------------|------------------|---------------|
| | Weaving Segment | Spinning Segment | Total |
| | Rupees | Rupees | Rupees |
| Segment assets for reportable segments | 1,349,136,406 | 102,058,933 | 1,451,195,339 |
| Unallocated assets | | | 33,274,812 |
| Total assets as per balance sheet | | | 1,484,470,151 |
| Segment liabilities for reportable segments | 785,440,574 | 229,574,713 | 1,015,015,287 |
| Unallocated liabilities | | | 217,943,745 |
| Total liabilities as per balance sheet | | | 1,232,959,032 |

| As at June 30, 2023 (Audited) | | | |
|---|-----------------|------------------|---------------|
| | Weaving Segment | Spinning Segment | Total |
| | Rupees | Rupees | Rupees |
| Segment assets for reportable segments | 1,368,515,171 | 105,206,914 | 1,473,722,085 |
| Unallocated assets | | | 43,989,730 |
| Total assets as per balance sheet | | | 1,517,711,815 |
| Segment liabilities for reportable segments | 764,660,454 | 229,415,446 | 994,075,900 |
| Unallocated liabilities | | | 257,023,303 |
| Total liabilities as per balance sheet | | | 1,251,099,203 |

Note 9
Financial Risk Management

The Company's financial risk management objectives and policies are consistent with those disclosed in the audited annual published financial statements of the Company for the year ended June 30, 2023.

Note 10
General

-
- 10.1 This interim financial information is authorized for issue on April 30, 2024 by the Board of Directors of the Company.
- 10.2 Corresponding figures have been re-arranged wherever necessary to facilitate comparison. No material rearrangement has been made during the period.


DIRECTOR


DIRECTOR


CHIEF FINANCIAL OFFICER

