

ANNUAL REPORT

AUDITED

YEAR ENDED

JUNE 30, 2026



YOUSAF WEAVING
MILLS LIMITED

VISION

To achieve for excellence in textile through commitment, integrity, team work and professionalism.

MISSION

The mission of the company is to achieve customer's satisfaction with provision of quality products, attain sustainable profitability and ensure ample return to share holders. The company believes to achieve growth by employing technological improvements with effective utilization of human resources.

YOUSAF WEAVING MILLS LIMITED

COMPANY INFORMATION

BOARD OF DIRECTORS

Mst. Alia Khanum	(Chairman)
Khawaja Muhammad Nadeem	(Chief Executive)
Khawaja Shahzad Younus	(Director)
Mr. Muhammad Amjad	(Director)
Mr. Shuqran Ahmed Khan	(Director)
Mr. Faisal Qaiyum	(Independent Director)
Mr. Abbas Ali	(Independent Director)

AUDIT COMMITTEE

Mr. Faisal Qaiyum	(Chairman)
Mr. Muhammad Amjad	(Member)
Khawaja Shahzad Younus	(Member)

HR & REMUNERATION COMMITTEE

Mr. Abbas Ali	(Chairman)
Mr. Muhammad Amjad	(Member)
Mr. Shuqran Ahmed Khan	(Member)

COMPANY SECRETARY

Mr. Nadeem Anwar	(ACA)
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CHIEF FINANCIAL OFFICER

Mr. Tahir Tajamal

BANKERS

Habib Metro Bank Limited
National Bank of Pakistan
The Bank of Punjab
Meezan Bank Limited

AUDITORS

Saeed Ul Hassan & Co.
Chartered Accountants
TAMC Building, 27-C3 1st Floor MM Alam Road,
Gulberg, Lahore, Pakistan

CORPORATE & REGISTERED OFFICE

7/1-E-3 Main Boulevard Gulberg III, Lahore
Tel : (042) 35717510
Fax : (042) 35755760

SHARE REGISTRARS

Corp link (Pvt) Limited
Wings Arcade, 1-K, Commercial,
Model Town, Lahore
Tel: (042) 35839182
Fax: (042) 35869037

Weaving unit

49-Kilometer
Multan Road, Bhai Pheru
Tel: (04943) 540083-4

Spinning unit

7-Kilometer
Multan Road, Pattoki
Tel: (04943) 540083-4



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Web: www.yousafweaving.com

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 39th Annual General Meeting of members of YOUSAF WEAVING MILLS LIMITED (the "Company") will be held at the Registered Office of the Company situated at 7/1 E-3, Main Boulevard, Gulberg III, Lahore on Tuesday, October 28, 2026 at 09:15 a.m. to transact the following business :-

Ordinary Business:

1. To confirm the minutes of last EOGM held on March 09, 2026.
2. To receive and adopt the audited accounts of the Company for the year ended June 30, 2026, together with the reports of Directors and Auditor's report thereon.
3. To appoint auditors for the year ending June 30, 2027 and to fix their remuneration.
4. To transact any other business which may be brought forward with the permission of the Chair.

Lahore:

NADEEM ANWAR

October 07, 2026

Company Secretary

NOTES:

1. The share transfer books for ordinary shares of the Company will be closed from 21-10-2026 to 28-10-2026 (both days inclusive). Valid transfer(s) received in order by our Share Registrar, Corplink (Pvt.) Limited, Wings Arcade, 1-K Commercial, Model Town, Lahore by the closure of business on October 20, 2026 will be in treated in time. The same or any change in address, if any, alongside valid copy of CNIC for filing annual return of Company be sent to our share registrar M/s. Corplink (Pvt.) Limited, Wings Arcade, 1-K, Commercial, Model Town, Lahore. Tel: 042-35839182.
2. A member entitled to attend and vote at the General Meeting is entitled to appoint another member as proxy. Proxies, in order to be effective, must be received at the Company's registered office not less than forty eight (48) hours before the time of meeting. Members through CDC appointing proxies must attach attested copy of their Computerized National Identity Card (CNIC) or Passport with the proxy form.
3. The shareholders through CDC, who wish to attend the Annual General Meeting, are requested to please bring, original CNIC. CDC account holder will further have to follow the guidelines as laid down in Circular No. 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.
4. In case of corporate entity, certified copy of the board of directors' resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form of the Company.
5. The Company has previously discharged responsibility under Section 244 of the Companies Act, 2017 in respect of un-claimed dividends, where by the Company approached shareholders to claim their un-claimed dividends in accordance with the law. Any Shareholder whose dividends are still unclaimed, are hereby once again



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requested to approach the Company with all necessary details immediately, to claim their outstanding dividend amounts. In case no claim is received, the Company shall proceed in accordance with the applicable law.

6. The financial statements for the year ended June 30, 2026 shall be uploaded on the Company's website www.yousafweavingmills.com twenty one days prior to the date of holding of annual general meeting.
7. Pursuant to SECP Notification S.R.O. 787(I)/ 2014 dated September 8, 2014, members may inform the Company to receive the Audited Financial Statements and notices through e-mail by submitting Standard Request Form available on Company's website.
8. If the Company receives consent from the members holding at least 10% shareholding residing in a city, to participate in the meeting through video-link at least 07 days prior to date of the meeting, the Company will arrange facility of video-link in that city subject to availability of such facility in that city.
9. Members are requested to promptly notify the Company of any change in their registered address.
10. Members are requested to please observe covid safety measures as issued by the Government of Pakistan.
11. The shareholders having physical shares are encouraged to place their physical shares into electronic form as Section 72(2) of the Companies Act, 2017 states that "Every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by SECP, within a period not exceeding four years from the commencement of the Act".

Conversion of physical shares into Book-Entry Form would facilitate the shareholders in many ways i.e. safe custody of shares, readily available market for instant sale and purchase of shares, eliminate risk of loss & damage, easy and safe transfer with lesser formalities as compared to physical shares. The shareholders of the Company may contact Share Registrar of the Company for assistance in conversion of physical shares into Book-Entry Form.

12. In compliance with the directives of the Securities and Exchange Commission of Pakistan (SECP), the members are hereby informed that the Company will not distribute any gifts, hampers, or other giveaways at the upcoming Annual General Meeting.



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سالانہ اجلاسیں عام کا نوٹس

بذریعہ نوٹس ہذا مطلع کیا جاتا ہے کہ یوسف ویونگ ملز لمیٹڈ کے ارکان کا 39 واں سالانہ اجلاس عام کمپنی کے رجسٹرڈ دفتر، واقع 7/1، E-3، مین بلیوارڈ، گلبرگ III، لاہور میں بروز بدھ، 28 اکتوبر 2026 کو صبح 09:15 بجے درج ذیل امور کے لیے منعقد ہوگا۔

عمومی امور

- 09 مارچ 2026 کو منعقدہ گزشتہ غیر معمولی اجلاسیں عام کی کارروائی کی توثیق کرنا۔
- 30 جون 2026 کو ختم ہونے والے سال کے لیے کمپنی کے نظرثانی شدہ حسابات، بمعہ ڈائریکٹرز اور آڈیٹرز کی رپورٹس، کی وصولی اور منظوری دینا۔
- 30 جون 2027 کو ختم ہونے والے سال کے لیے آڈیٹرز کا تقرر اور ان کے معاوضے کا تعین کرنا۔
- صاحب صدر کی اجازت سے کوئی دیگر امور جو آگے لائے جاسکتے ہیں۔

لاہور: 07 اکتوبر 2026

ندیم انور

کمپنی سیکریٹری

نوٹس

1. کمپنی کے عام حصص کی منتقلی کی کتابیں 21 اکتوبر 2026 سے 28 اکتوبر 2026 (بشمول ہر دو ایام) بند رہیں گی۔ اگر منتقلیاں ہمارے شیئر رجسٹرار، کارپ لنک (پرائیویٹ) لمیٹڈ، ونگر آرکیڈ، 1-K، کمرشل، ماڈل ٹاؤن، لاہور کو 20 اکتوبر 2026 کو کاروبار کے اختتام تک موصول ہوں تو انہیں بروقت تصور کیا جائے گا۔ پتہ یا اس میں کوئی تبدیلی، بمعہ کارآمد CNIC کی کاپی کمپنی کے سالانہ ریٹرن فائلنگ کے لیے ہمارے شیئر رجسٹرار، کارپ لنک (پرائیویٹ) لمیٹڈ، ونگر آرکیڈ، 1-K، کمرشل، ماڈل ٹاؤن، لاہور، فون نمبر: 042-35839182 کو ارسال کی جانی چاہیے۔

2. اجلاسیں عام میں شرکت اور ووٹ دینے کا اہل رکن کسی دیگر رکن کو بطور پراکسی مقرر کرنے کا اہل ہے۔ پراکسی کے لیے مناسب انسٹرومنٹ کمپنی کے رجسٹرڈ دفتر میں اجلاس کے وقت سے کم از کم اڑتالیس (48) گھنٹے قبل لازماً موصول ہوجانا چاہیے۔ سی ڈی سی کے ذریعے ارکان کو پراکسی مقرر کرنے کے لیے پراکسی فارم کے ہمراہ اپنے کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) یا پاسپورٹ کی مصدقہ کاپی منسلک کرنی چاہیے۔

3. سی ڈی سی کے ذریعے حصص داران، جو سالانہ اجلاسیں عام میں شرکت کے خواہش مند ہوں، سے التماس ہے کہ اصل CNIC ہمراہ لائیں۔ سی ڈی سی کے اکاؤنٹ ہولڈرز مزید برآں سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے سرکلر، جاری شدہ نمبر 1، مؤرخہ 26 جنوری 2000 میں دی گئی درج ذیل ہدایات کی پیروی کریں گے۔

4. کارپوریٹ اینٹٹی کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد/اختیار نامے کی تصدیق شدہ کاپی، نمونہ دستخط کے ہمراہ، کمپنی کے پراکسی فارم کے ہمراہ (اگر پہلے مہیا نہیں کی گئی) جمع کرانا ہوگی۔

5. کمپنیز ایکٹ 2017 کے سیکشن 244 کے تحت غیر دعویٰ شدہ ڈیوڈنڈ کے سلسلے میں ذمہ داریاں ہیں، جب کمپنی نے قانون کے مطابق اپنے غیر دعویٰ شدہ ڈیوڈنڈ کی ادائیگی کرنے کے لیے شیئر ہولڈرز سے رابطہ کیا، کوئی بھی ایسا شیئر ہولڈر جس کے ڈیوڈنڈ کا اب تک دعویٰ نہیں کیا گیا، اس سے ایک بار پھر درخواست کی جاتی ہے کہ وہ تمام



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تفصیلات کے ساتھ فوری طور پر کمپنی سے رابطہ کرے تاکہ وہ اپنا بقایا ڈیوڈنڈ کلیم کروا سکے۔ کوئی دعویٰ موصول نہ ہونے کی صورت میں کمپنی قابل اطلاق قوانین کے تحت آگے بڑھے گی۔

6. 30 جون 2026 کو ختم ہونے والے سال کے لیے مالیاتی گوشوارے کمپنی کی ویب سائٹ www.yousafweavingmills.com پر سالانہ اجلاس عام کے انعقاد کی تاریخ سے 21 یوم قبل آپ لوڈ کردیے جائیں گے۔

7. SECP نوٹیفکیشن 787 (1)/2014، مؤرخہ 8 ستمبر 2014 کی پیروی میں، ارکان کمپنی کی ویب سائٹ پر دستیاب معیاری درخواست فارم جمع کرا کے بذریعہ ای میل نظرثانی شدہ مالیاتی گوشوارے اور نوٹس وصول کرنے کے لیے کمپنی کو مطلع کرسکتے ہیں۔

8. اگر کمپنی شیئرز میں کم از کم 10% شیئر ہولڈنگ کے حامل ارکان اجلاس میں ویڈیو لنک کے ذریعے شرکت کے لیے رضامندی اجلاس کی تاریخ سے کم از کم 07 یوم قبل وصول کرتی ہے، تو کمپنی اس شہر میں ایسی سہولت کی دستیابی کے حوالے سے اس شہر میں ویڈیو لنک کی سہولت کا بندوبست کرے گی۔

9. ارکان سے التماس ہے کہ اپنے رجسٹرڈ پتے میں کسی تبدیلی کے بارے میں کمپنی کو فی الفور مطلع فرمائیں۔
10. ممبران سے التماس ہے کہ وہ حکومت پاکستان کی طرف سے جاری کردہ کووڈ سے متعلقہ حفاظتی اقدامات کی پیروی کریں۔

11. کاغذی حصص رکھنے والے ارکان کی حوصلہ افزائی کی جاتی ہے کہ وہ اپنے کاغذی حصص کو الیکٹرانک شکل میں رکھیں۔ کمپنیز ایکٹ 2017 کے سیکشن 72(2) کے مطابق، ہر موجودہ کمپنی کو اپنے کاغذی حصص، SECP کی طرف سے مطلع کردہ طریقہ کار کے مطابق، اس ایکٹ کے آغاز کے آنے والے (4) سال کے اندر اپنے کاغذی حصص کو بک انٹری فارم کے ساتھ تبدیل کرنا ہوگا۔

کاغذی حصص کو بک انٹری فارم میں تبدیل کرنے سے حصص کنندگان کو کئی طریقوں سے سہولت ملے گی، جیسا کہ حصص کی محفوظ تحویل، حصص کی فوری فروخت اور خریداری کے لیے آسانی سے دستیاب، مارکیٹ میں نقصان کے خطرے میں کمی، ضروری کارروائیوں کے ساتھ آسان اور محفوظ منتقلی، نیز حصص کنندگان کاغذی حصص کو بک انٹری فارم میں تبدیل کرنے کے لیے حصص رجسٹرار سے رابطہ کرسکتے ہیں۔

12. سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی ہدایات کی تعمیل میں ارکان کو مطلع کیا جاتا ہے کہ کمپنی آئندہ سالانہ اجلاس عام میں کسی قسم کے تحائف وغیرہ تقسیم نہیں کرے گی۔



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REVIEW REPORT BY THE CHAIRMAN ON THE OVERALL PERFORMANCE OF THE BOARD AND EFFECTIVENESS OF THE ROLE PLAYED BY THE BOARD IN ACHIEVING THE COMPANY'S OBJECTIVES

The Board of Directors (the Board) of Yousaf Weaving Mills Limited (YWML) has performed their duties diligently in upholding the best interest of shareholders' of the Company and has managed the affairs of the Company in an effective and efficient manner. The Board has exercised its powers and has performed its duties as stated in the Companies Act 2017 and the listed Companies (Code of Corporate Governance) regulations, 2019.

- The Board has actively participated in strategic planning processes, enterprise risk management system, policy development and financial structure, monitoring and approval;
- All the significant issues throughout the year were presented before the Board or its committees to strengthen and formalize the corporate decision making process and particularly all the related party transactions executed by the Company were approved by the Board on the recommendation of the Audit Committee;
- The Board has ensured that the adequate system of internal control is in place and its regular assessment through self-assessment mechanism and/or internal audit activities;
- The Board has prepared and approved the director's report and has ensured that the director's report is published with the quarterly and annual financial statement of the Company and the content of the director's report are in accordance with the requirement of applicable laws and regulations;
- The Board has ensured the hiring, evaluation and compensation of the Chief Executive Officer and other key executives including Chief financial Officer, Company Secretary and Head of internal Audit;
- The Board has ensured that adequate information is shared among its members in a timely manner and the Board members are kept abreast of developments between meetings; and
- The Board has exercised its power in light of power assigned to the Board in accordance with the relevant laws and regulations applicable on the Company and the Board has always prioritized the Compliance with all the applicable laws and regulation in term of their conduct as directors and exercising their powers and decision making.

The annual evaluation of the Board's performance is assessed based on the key areas where the Board requires clarity in order to provide high level oversight, including the strategic process; key business drivers and performing milestones, the global economic environment and competitive context in which the Company operates; the risks faced by the Company's business; Board dynamics; capability and information flows. Based



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on the aforementioned, it can reasonably be stated that the Board of YWML has played a key role in ensuring that the Company objectives are not only achieved, but also exceeded expectations through a joint effort with the management team and guidance and oversight by the Board and its members.

Lahore
October 6, 2026




Mst. Alia Khanum
Chairman



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بورڈ کی مجموعی کارکردگی اور کمپنی کے مقاصد کے حصول میں اس کے کردار کی مؤثریت پر چیئرمین کی جائزہ رپورٹ

یوسف ویونگ ملز لمیٹڈ کے بورڈ آف ڈائریکٹرز نے کمپنی کے حصص یافتگان کے بہترین مفاد کے تحفظ کے لیے اپنی ذمہ داریاں پوری توجہ اور مستعدی سے انجام دی ہیں اور کمپنی کے معاملات مؤثر اور بہتر انداز میں چلائے ہیں۔ بورڈ نے کمپنیز ایکٹ 2017 اور لسٹڈ کمپنیز (کارپوریٹ گورننس کے ضابطے) کے قواعد 2019 کے مطابق اپنے اختیارات استعمال کیے اور فرائض انجام دیے ہیں۔

بورڈ نے حکمت عملی کی منصوبہ بندی، کاروباری خطرات کے انتظام، پالیسیوں کی تیاری اور مالی ڈھانچے سے متعلق امور، ان کی نگرانی اور منظوری میں فعال کردار ادا کیا۔

سال بھر کے تمام اہم معاملات بورڈ یا اس کی کمیٹیوں کے سامنے پیش کیے گئے، تاکہ کمپنی میں فیصلہ سازی کا عمل مضبوط ہو اور باقاعدہ طریقہ کار کے مطابق انجام پائے۔ بالخصوص، کمپنی کے متعلقہ فریقوں کے ساتھ تمام لین دین کی منظوری آڈٹ کمیٹی کی سفارش پر بورڈ نے دی۔

بورڈ نے اندرونی کنٹرول کا مناسب نظام قائم ہونے اور خود جائزے کے طریقہ کار اور/یا اندرونی آڈٹ کے ذریعے اس کی باقاعدہ جانچ کو یقینی بنایا۔

بورڈ نے ڈائریکٹرز کی رپورٹ تیار اور منظور کی، اور اس بات کو یقینی بنایا کہ یہ رپورٹ کمپنی کے سہ ماہی اور سالانہ مالی بیانات کے ساتھ شائع ہو اور اس کے مندرجات قابل اطلاق قوانین اور ضوابط کے تقاضوں کے مطابق ہوں۔ بورڈ نے چیف ایگزیکٹو آفیسر اور دیگر اہم افسران، بشمول چیف فنانشل آفیسر، کمپنی سیکریٹری اور سربراہ اندرونی آڈٹ، کی تقرری، کارکردگی کے جائزے اور معاوضے سے متعلق امور کو یقینی بنایا۔

بورڈ نے اس بات کو یقینی بنایا کہ اس کے ارکان کو ضروری معلومات بروقت فراہم کی جائیں اور اجلاسوں کے درمیانی عرصے میں ہونے والی پیش رفت سے بھی انہیں آگاہ رکھا جائے۔

بورڈ نے کمپنی پر لاگو متعلقہ قوانین اور ضوابط کے تحت حاصل اختیارات کی حدود میں رہتے ہوئے اپنے اختیارات استعمال کیے۔ ڈائریکٹرز کی حیثیت سے اپنے طرز عمل، اختیارات کے استعمال اور فیصلہ سازی میں بورڈ نے ہمیشہ تمام قابل اطلاق قوانین اور ضوابط کی پابندی کو ترجیح دی۔

بورڈ کی کارکردگی کا سالانہ جائزہ ان اہم شعبوں کی بنیاد پر لیا جاتا ہے جن کی واضح سمجھ مؤثر نگرانی کے لیے ضروری ہے۔ ان میں حکمت عملی کی تیاری، کاروبار پر اثر انداز ہونے والے اہم عوامل اور کارکردگی کے سنگ میل، عالمی معاشی حالات اور مسابقتی ماحول، کاروبار کو درپیش خطرات، بورڈ کے ارکان کے درمیان باہمی رابطہ اور کام کرنے کا انداز، ان کی صلاحیتیں اور معلومات کی فراہمی شامل ہیں۔ مذکورہ امور کی بنیاد پر معقول طور پر کہا جاسکتا ہے کہ یوسف ویونگ ملز لمیٹڈ کے بورڈ نے انتظامی ٹیم کی مشترکہ کوششوں اور بورڈ اور اس کے ارکان کی رہنمائی و نگرانی کے ذریعے کمپنی کے مقاصد کے حصول میں اہم کردار ادا کیا ہے، اور حاصل کردہ نتائج توقعات سے

بھی بڑھ کر رہے ہیں۔

لاہور

6 اکتوبر 2026

محترمہ عالیہ خانم

چیئرمین



عالیہ خانم



YOUSAF WEAVING MILLS LIMITED

A Project of Chakwal Group

7/1 - E-3, Main Boulevard
Gulberg III, Lahore, Pakistan
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DIRECTORS' REPORT TO THE SHAREHOLDERS

On behalf of the Board of Directors, we present the Annual Report of Yousaf Weaving Mills Limited, together with the audited financial statements and the auditors' report thereon, for the financial year ended June 30, 2026.

During the year, the Company made significant progress in modernizing its production facilities, reducing banking obligations and strengthening its capital base. These developments were supported by the continued financial commitment of the directors and sponsoring shareholders and represent important steps towards improving operational performance and long-term financial stability.

The Company successfully imported and installed new air-jet looms, air compressors and dryers as part of its Balancing, Modernization and Replacement (BMR) program. This investment represents a significant advancement in upgrading the Company's weaving operations and supporting infrastructure.

Management expects the newly installed machinery to enhance production capacity, improve product quality and operating efficiency, and support better capacity utilization in subsequent periods. The Company also plans to replace existing machinery progressively, taking into account operational priorities and the availability of financial resources.

The Company achieved substantial progress in addressing its banking liabilities during the year. Its outstanding liability to the Bank of Punjab was fully settled, while the outstanding principal amount due to National Bank of Pakistan was also repaid. Payments towards the related mark-up payable to National Bank of Pakistan commenced after the reporting date.

These repayments mark an important milestone in the Company's efforts to improve its financial position and banking relationships. Management continues to engage with Habib Metropolitan Bank Limited to agree on the rescheduling or restructuring of its outstanding facility. A successful arrangement is expected to further strengthen the Company's banking position and may support access to financing for future machinery imports, subject to the relevant banks' assessments and approvals.

The directors and sponsoring shareholders maintained their financial support throughout the year, providing Rs. 395.417 million to meet operational requirements, settle banking obligations and support improvements in production facilities. This continued commitment played a key role in enabling the Company to achieve its financial and operational milestones.

During the year, director's loan was converted into share capital, and shares were issued against the outstanding loan amounting to Rs. 363.525 million. The conversion strengthened shareholders' equity, reduced loan obligations and demonstrated the executive director's continued confidence in the Company's future.

The Company recorded a gross loss of Rs. 339.602 million, compared with a gross loss of Rs. 254.473 million in the preceding year. The net loss amounted to Rs. 406.278 million, compared with Rs. 306.714 million in the preceding year. The decline primarily reflected higher production costs and reduced capacity utilization.



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The Company enters the forthcoming financial year with upgraded production facilities, reduced banking obligations and a stronger equity base. Management's priorities are to realize the benefits of the newly installed machinery, improve capacity utilization, strengthen customer relationships and conclude the remaining banking arrangements.

Although economic and industry conditions remain challenging, the Board believes that the progress achieved during the year, together with continued sponsor support, provides a foundation for pursuing operational recovery and long-term sustainability. The Board and management remain committed to building on these achievements and improving the Company's financial and operating performance.

Auditors' Report and Going Concern

The statutory auditors have drawn attention to a material uncertainty relating to the Company's ability to continue as a going concern, arising from accumulated losses and liquidity constraints.

The Board has assessed this matter in light of the measures undertaken during the year and the supporting factors described in Note 1.3 to the financial statements. These include:

1. Continued financial support from the directors and sponsoring shareholders, including Rs. 395.417 million advanced during the year and commitments for further support.
2. Full settlement of the Bank of Punjab liability, repayment of the principal amount due to National Bank of Pakistan, commencement of payments towards its related mark-up after the reporting date, and ongoing negotiations with Habib Metropolitan Bank Limited.
3. Conversion of an executive director's loan into share capital, strengthening the Company's equity position.
4. Successful import and installation of new air-jet looms, compressors and dryers, together with plans for the progressive modernization of existing machinery.
5. Expected improvements in production capacity, efficiency and product quality, supported by established customer relationships.

Based on these factors, the Board considers the going concern basis of preparation appropriate. The realization of anticipated benefits remains dependent on continued financial support, successful implementation of operational plans and completion of the proposed banking arrangements. Accordingly, the material uncertainty disclosed in Note 1.3 remains relevant to this assessment.

Principal Activity

The principal activity of the Company is manufacturing and sale of yarn and fabric.

Principal Risks and Uncertainties

The Board of Directors is responsible to oversee the Company's operations and to devise an effective strategy to mitigate any potential adverse impact of risks.

The Company's principal financial liabilities comprise short term finances, trade and other payables and accrued mark-up. The Company's principal financial assets comprise stocks, trade debts, loans and advances, trade deposits and other receivables, cash and bank balances that arise directly from its operations.



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The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance. The Company has adequately disclosed all the litigation and their expected outcomes in the financial statements.

Corporate Social Responsibility

The Company strongly believes in the integration of Corporate Social Responsibility into its business, and consistency endeavors to uplift communities that are influenced directly or indirectly by our business.

Environment, Health and Safety

The Company maintains safe working conditions avoiding the risk to the health of employees and public at large. The management has maintained safe environment in all its operations throughout the year and its constantly upgrading their safety and living facilities.

Safety is a matter of concern for machinery as well as the employees working at plant. Fire extinguishers and other fire safety equipments have been placed at sites as well as registered and head office of the Company. Regular drills are performed to ensure efficiency of fire safety equipments.

Internal Financial Controls

A system of sound internal control is established and implemented at all levels of the Company by the Board of Directors. The system of internal control is sound in design for ensuring achievement of Company's objectives and operational effectiveness and efficiency, reliable financial reporting and compliance with laws, regulations and policies.

Related Parties

All related party transactions during the financial year ended June 30, 2026 were reviewed by the Audit Committee and approved by the Board of Directors.

Compliance with the Code of Corporate Governance:

The requirements of the Code of Corporate Governance set out by the Pakistan Stock Exchange in its Listing Regulations have been adopted by the Company and have been duly complied with. A statement to this effect is annexed to the Report.

Corporate Governance & Financial Reporting Framework:

As required by the Code of Corporate Governance, Directors are pleased to report that:

- i) The financial statements prepared by the management of the Company present fair state of Company's operations, cash flows and changes in equity.



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- ii) Proper books of account of the Company have been maintained.
- iii) Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based upon reasonable and prudent judgment.
- iv) International Financial Reporting Standards (IFRS), as applicable in Pakistan, have been followed in the preparation of financial statements, and any departures there from has been adequately disclosed and explained.
- v) The system of internal control is sound in design and has been effectively implemented and monitored.
- vi) Key operating and financial data for the last five years is annexed.
- vii) There has been no departure from the best practices of corporate Governance, as detailed in the listing regulations.
- viii) We have been prepared and circulated a statement of ethics and business strategy among directors and employees.
- ix) The Company has neither declared dividend nor issued bonus shares.
- x) Outstanding taxes are given in the notes to the financial statements.
- xi) The board ensures that all the directors will duly comply with the requirement of Directors' Training Program within time frame as defined in the Code of Corporate Governers regulations, 2019.

Shareholding Pattern

The share holding pattern as at June 30, 2026 for ordinary shares is annexed.

Appointment of Auditors

M/s. Saeed Ul Hassan & Co. Chartered Accountants, Lahore are due to retire and being eligible, offer themselves for re-appointment as Auditors for the financial year 2026-2027. The Audit Committee has recommended for re-appointment of present auditors.

Composition of Board

1. The total number of directors are 07 as per the following:

- a. Male : 06
- b. Female : 01

2. The composition of the board is as follows:

- a. Executive Directors : 01
- b. Other Non-Executive Directors : 04
- c. Independent Directors : 02

Name of Directors



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- | | | |
|------|-----------------------------|------------------------|
| i) | Mr. Khawaja Mohammad Nadeem | (Executive Director) |
| ii) | Mst. Alia Khanum | (Chairman) |
| iii) | Mr. Shuqran Ahmed Khan | |
| iv) | Mr. Khawaja Shahzad Younus | |
| v) | Mr. Muhammad Amjad | |
| vi) | Mr. Faisal Qaiyum | (Independent Director) |
| vii) | Mr. Abbas Ali | (Independent Director) |

Committees of the Board

The Board has made following sub-committees:

Audit Committee:

- | | | |
|------|----------------------------|----------|
| i. | Mr. Faisal Qaiyum | Chairman |
| ii. | Mr. Muhammad Amjad | Member |
| iii. | Mr. Khawaja Shahzad Younus | Member |

HR and Remuneration Committee:

- | | | |
|------|------------------------|----------|
| i. | Mr. Abbas Ali | Chairman |
| ii. | Mr. Muhammad Amjad | Member |
| iii. | Mr. Shuqran Ahmed Khan | Member |

Significant Features of Directors' Remuneration

The Board of Directors has approved a formal policy for remuneration of executive directors depending upon their responsibility in affairs of the Company. The remuneration is commensurate with their level of responsibility and expertise needed to govern the Company successfully and to encourage value addition from them.

Acknowledgement

The Board of Directors expresses its sincere appreciation to the shareholders, financial institutions, customers, suppliers, and employees for their continued trust, cooperation, and support during these difficult times. The Board remains optimistic that, with improved economic conditions, prudent management, and continued sponsor support, the Company will overcome current challenges and return to a path of sustainable growth.

On behalf of the Board

October 06, 2026
Lahore


Khawaja Mohammad Nadeem
Chief Executive Officer


Mst. Alia Khanum
Chairman





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ڈائریکٹرز کی رپورٹ برائے حصص یافتگان

بورڈ آف ڈائریکٹرز کی جانب سے ہم یوسف ویونگ ملز لمیٹڈ کی 30 جون 2026 کو ختم ہونے والے مالی سال کی سالانہ رپورٹ، آڈٹ شدہ مالی بیانات اور ان پر آڈیٹرز کی رپورٹ پیش کرتے ہیں۔

سال کے دوران کمپنی نے پیداواری سہولتوں کو جدید بنانے، بینکوں کی واجب الادا رقوم کم کرنے اور اپنے سرمائے کو مضبوط بنانے میں نمایاں پیش رفت کی۔ ڈائریکٹرز اور کمپنی کے بانی حصص یافتگان کی مسلسل مالی معاونت نے ان اقدامات میں اہم کردار ادا کیا۔ یہ پیش رفت کاروباری کارکردگی اور طویل مدتی مالی استحکام بہتر بنانے کی طرف اہم قدم ہے۔

کمپنی نے اپنے توازن، جدید کاری اور مشینری کی تبدیلی کے پروگرام (BMR) کے تحت نئی ایئر جیٹ لومز، ایئر کمپریسرز اور ڈرائرز کامیابی سے درآمد کر کے نصب کیے۔ اس سرمایہ کاری سے کمپنی کے بُنائی کے شعبے اور متعلقہ سہولتوں کو جدید بنانے میں نمایاں پیش رفت ہوئی ہے۔

انتظامیہ کو توقع ہے کہ نئی مشینری سے پیداواری صلاحیت، مصنوعات کا معیار اور کام کی کارکردگی بہتر ہوگی، جبکہ آئندہ ادوار میں دستیاب پیداواری صلاحیت کا بہتر استعمال ممکن ہوگا۔ کمپنی کاروباری ترجیحات اور مالی وسائل کی دستیابی کو دیکھتے ہوئے موجودہ مشینری بھی مرحلہ وار تبدیل کرنے کا ارادہ رکھتی ہے۔

سال کے دوران کمپنی نے بینکوں کی واجب الادا رقوم کی ادائیگی میں اہم پیش رفت کی۔ بینک آف پنجاب کی واجب الادا رقم مکمل طور پر ادا کر دی گئی، جبکہ نیشنل بینک آف پاکستان کے قرض کی اصل رقم بھی مکمل ادا کر دی گئی۔ نیشنل بینک کے متعلقہ واجب الادا مارک آپ کی ادائیگیاں مالی سال کے اختتام کے بعد شروع کر دی گئی ہیں۔

یہ ادائیگیاں کمپنی کی مالی حالت اور بینکوں کے ساتھ تعلقات بہتر بنانے کی کوششوں میں اہم سنگ میل ہیں۔ انتظامیہ حبیب میٹروپولیٹن بینک لمیٹڈ کے ساتھ باقی قرض کی ادائیگی کا شیڈول تبدیل کرنے یا اس کی شرائط کی تنظیم نو کے لیے مذاکرات جاری رکھے ہوئے ہے۔ کامیاب معاہدے سے کمپنی کی بینکاری حیثیت مزید بہتر ہونے اور مستقبل میں مشینری کی درآمد کے لیے مالی سہولتوں کے حصول میں مدد ملنے کی توقع ہے، تاہم یہ متعلقہ بینکوں کی جانچ اور منظوری سے مشروط ہوگا۔

ڈائریکٹرز اور بانی حصص یافتگان نے سال بھر مالی تعاون جاری رکھا اور کاروباری ضروریات، بینکوں کی ادائیگیوں اور پیداواری سہولتوں کی بہتری کے لیے 395.417 ملین روپے فراہم کیے۔ اس مسلسل تعاون نے کمپنی کے مالی اور عملی اہداف حاصل کرنے میں اہم کردار ادا کیا۔

سال کے دوران ڈائریکٹر کے قرض کو حصص کے سرمائے میں تبدیل کیا گیا اور 363.525 ملین روپے کے واجب الادا قرض کے بدلے حصص جاری کیے گئے۔ اس تبدیلی سے حصص یافتگان کا سرمایہ مضبوط ہوا، قرض کی ذمہ داریاں کم ہوئیں اور کمپنی کے مستقبل پر ایگزیکٹو ڈائریکٹر کے مسلسل اعتماد کا اظہار ہوا۔

مالی کارکردگی اور آئندہ ترجیحات

کمپنی کو سال کے دوران 339.602 ملین روپے کا مجموعی خسارہ ہوا، جبکہ گزشتہ سال یہ خسارہ 254.473 ملین روپے تھا۔ خالص خسارہ 406.278 ملین روپے رہا، جبکہ گزشتہ سال 306.714 ملین روپے تھا۔ اس کمی کی بنیادی وجوہات پیداواری لاگت میں اضافہ اور دستیاب پیداواری صلاحیت کا کم استعمال تھیں۔



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کمپنی نئے مالی سال میں جدید پیداواری سہولتوں، کم بینکاری ذمہ داریوں اور مضبوط حصص یافتگان کے سرمائے کے ساتھ داخل ہو رہی ہے۔ انتظامیہ کی ترجیحات میں نئی مشینری کے فوائد حاصل کرنا، پیداواری صلاحیت کا استعمال بڑھانا، صارفین کے ساتھ تعلقات مضبوط کرنا اور باقی بینکاری معاملات کو حتمی شکل دینا شامل ہیں۔ اگرچہ معاشی اور صنعتی حالات اب بھی مشکل ہیں، تاہم بورڈ کا خیال ہے کہ سال کے دوران ہونے والی پیش رفت اور بانی حصص یافتگان کی مسلسل معاونت کاروباری بحالی اور طویل مدتی استحکام کے لیے بنیاد فراہم کرتی ہے۔ بورڈ اور انتظامیہ ان کامیابیوں کو آگے بڑھانے اور کمپنی کی مالی و کاروباری کارکردگی بہتر بنانے کے لیے پُر عزم ہیں۔

آڈیٹرز کی رپورٹ اور کاروبار کا تسلسل

قانونی آڈیٹرز نے کمپنی کے مسلسل کاروبار جاری رکھنے کی صلاحیت کے بارے میں ایک اہم غیر یقینی صورتِ حال کی طرف توجہ دلائی ہے، جس کی وجوہات جمع شدہ خسارے اور ادائیگیوں کے لیے نقد وسائل کی کمی ہیں۔ بورڈ نے سال کے دوران کیے گئے اقدامات اور مالی بیانات کے نوٹ 1.3 میں بیان کردہ معاون عوامل کو سامنے رکھتے ہوئے اس معاملے کا جائزہ لیا ہے۔ ان عوامل میں درج ذیل شامل ہیں:

• ڈائریکٹرز اور بانی حصص یافتگان کی مسلسل مالی معاونت، جس میں سال کے دوران فراہم کیے گئے 395.417 ملین روپے اور مزید معاونت کے وعدے شامل ہیں۔

• بینک آف پنجاب کی واجب الادا رقم کی مکمل ادائیگی، نیشنل بینک کے قرض کی اصل رقم کی ادائیگی، مالی سال کے اختتام کے بعد اس کے متعلقہ مارک آپ کی ادائیگیوں کا آغاز، اور حبیب میٹروپولیٹن بینک کے ساتھ جاری مذاکرات۔

• ایگزیکٹو ڈائریکٹر کے قرض کو حصص کے سرمائے میں تبدیل کرنا، جس سے کمپنی کا سرمایہ مضبوط ہوا۔

• نئی اینٹر جیٹ لومز، کمپریسرز اور ڈرائرز کی کامیاب درآمد اور تنصیب، اور موجودہ مشینری کو مرحلہ وار جدید بنانے کے منصوبے۔

• قائم شدہ صارفین کے ساتھ تعلقات کی مدد سے پیداواری صلاحیت، کارکردگی اور مصنوعات کے معیار میں متوقع بہتری۔

ان عوامل کی بنیاد پر بورڈ مسلسل کاروبار جاری رکھنے کی بنیاد پر مالی بیانات کی تیاری کو مناسب سمجھتا ہے۔ متوقع فوائد کا حصول مسلسل مالی معاونت، کاروباری منصوبوں پر کامیاب عمل اور مجوزہ بینکاری انتظامات کی تکمیل پر منحصر ہے۔ لہذا نوٹ 1.3 میں بیان کردہ اہم غیر یقینی صورتِ حال اس جائزے میں بدستور متعلقہ ہے۔

بنیادی کاروباری سرگرمی

کمپنی کی بنیادی سرگرمی دھاگے اور کپڑے کی تیاری اور فروخت ہے۔

اہم خطرات اور غیر یقینی حالات

بورڈ آف ڈائریکٹرز کمپنی کے کاروبار کی نگرانی اور ممکنہ خطرات کے منفی اثرات کم کرنے کے لیے مؤثر حکمتِ عملی بنانے کا ذمہ دار ہے۔

کمپنی کی اہم مالی ذمہ داریوں میں قلیل مدتی قرضے، تجارتی اور دیگر واجب الادا رقوم اور جمع شدہ مارک آپ شامل ہیں۔ کمپنی کے اہم مالی اثاثوں میں اسٹاک، تجارتی وصولیاں، قرضے اور پیشگی ادائیگیاں، تجارتی ڈپازٹس



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اور دیگر وصولیاں، نقد رقم اور بینک بیلنس شامل ہیں، جو براہ راست کاروباری سرگرمیوں سے پیدا ہوتے ہیں۔ کمپنی کو مختلف مالی خطرات کا سامنا ہے، جن میں مارکیٹ کا خطرہ (بشمول شرح مبادلہ، شرح سود اور قیمتوں میں تبدیلی کے خطرات)، وصولیوں کی عدم ادائیگی کا خطرہ اور بروقت ادائیگیوں کے لیے نقد رقم کی کمی کا خطرہ شامل ہیں۔

کمپنی کا مجموعی خطرات کے انتظام کا پروگرام مالی منڈیوں کی غیر یقینی صورت حال کو مدنظر رکھتا ہے اور مالی کارکردگی پر ممکنہ منفی اثرات کم کرنے کی کوشش کرتا ہے۔ کمپنی نے تمام قانونی مقدمات اور ان کے متوقع نتائج مالی بیانات میں مناسب طور پر بیان کیے ہیں۔

کارپوریٹ سماجی ذمہ داری

کمپنی سماجی ذمہ داری کو اپنے کاروبار کا حصہ بنانے پر یقین رکھتی ہے اور ان آبادیوں کی بہتری کے لیے مسلسل کوشش کرتی ہے جو اس کے کاروبار سے براہ راست یا بالواسطہ متاثر ہوتی ہیں۔

ماحول، صحت اور حفاظت

کمپنی محفوظ کام کے حالات برقرار رکھتی ہے تاکہ ملازمین اور عام لوگوں کی صحت کو خطرات سے بچایا جاسکے۔ انتظامیہ نے پورے سال تمام کاروباری سرگرمیوں میں محفوظ ماحول برقرار رکھا اور حفاظتی اور رہائشی سہولتوں کو مسلسل بہتر بنایا ہے۔

پلانٹ میں مشینری اور کام کرنے والے ملازمین، دونوں کی حفاظت اہم ہے۔ کمپنی کے پیداواری مقامات، رجسٹرڈ دفتر اور مرکزی دفتر میں آگ بجھانے والے آلات اور دیگر حفاظتی سامان رکھا گیا ہے۔ ان آلات کی مؤثر کارکردگی یقینی بنانے کے لیے باقاعدہ مشقیں کی جاتی ہیں۔

اندرونی مالی کنٹرول

بورڈ آف ڈائریکٹرز نے کمپنی کی تمام سطحوں پر مؤثر اندرونی کنٹرول کا نظام قائم اور نافذ کیا ہے۔ یہ نظام کمپنی کے اہداف کے حصول، کاروباری سرگرمیوں کی مؤثر اور بہتر انجام دہی، قابل اعتماد مالی رپورٹنگ اور قوانین، ضوابط اور پالیسیوں کی پابندی یقینی بنانے کے لیے مناسب طور پر ترتیب دیا گیا ہے۔

متعلقہ فریق

30 جون 2026 کو ختم ہونے والے مالی سال کے دوران متعلقہ فریقوں کے ساتھ تمام لین دین کا آڈٹ کمیٹی نے جائزہ لیا اور بورڈ آف ڈائریکٹرز نے منظوری دی۔

کارپوریٹ گورننس کے ضابطے کی پابندی

کمپنی نے پاکستان اسٹاک ایکسچینج کے لسٹنگ ضوابط میں مقرر کردہ کارپوریٹ گورننس کے تقاضے اختیار کیے ہیں اور ان کی پابندی کی ہے۔ اس بارے میں بیان رپورٹ کے ساتھ منسلک ہے۔

کارپوریٹ گورننس اور مالی رپورٹنگ کا نظام

کارپوریٹ گورننس کے ضابطے کے مطابق ڈائریکٹرز درج ذیل امور کی تصدیق کرتے ہیں:

1. انتظامیہ کے تیار کردہ مالی بیانات کمپنی کی کاروباری سرگرمیوں، نقد رقوم کے بہاؤ اور حصص یافتگان کے



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1. سرمائے میں تبدیلیوں کی درست صورتِ حال پیش کرتے ہیں۔
2. کمپنی کے حسابات کی کتابیں مناسب طور پر رکھی گئی ہیں۔
3. مالی بیانات کی تیاری میں مناسب حسابی پالیسیاں مستقل طور پر اپنائی گئی ہیں، اور حسابی تخمینے معقول اور محتاط فیصلوں پر مبنی ہیں۔
4. پاکستان میں قابلِ اطلاق بین الاقوامی مالی رپورٹنگ معیارات (IFRS) کی پابندی کی گئی ہے، اور ان سے کسی بھی انحراف کو مناسب طور پر بیان کر کے اس کی وضاحت کی گئی ہے۔
5. اندرونی کنٹرول کا نظام مناسب طور پر ترتیب دیا گیا ہے، مؤثر طریقے سے نافذ ہے اور اس کی نگرانی کی جاتی ہے۔
6. گزشتہ پانچ سال کے اہم کاروباری اور مالی اعداد و شمار منسلک ہیں۔
7. لسٹنگ ضوابط میں بیان کردہ کارپوریٹ گورننس کے بہترین طریقوں سے کوئی انحراف نہیں ہوا۔
8. اخلاقی اصولوں اور کاروباری حکمتِ عملی کا بیان تیار کر کے ڈائریکٹرز اور ملازمین میں تقسیم کیا گیا ہے۔
9. کمپنی نے نہ منافع کی تقسیم کا اعلان کیا ہے اور نہ بونس حصص جاری کیے ہیں۔
10. واجب الادا ٹیکسوں کی تفصیل مالی بیانات کے نوٹس میں دی گئی ہے۔
11. بورڈ یقینی بناتا ہے کہ تمام ڈائریکٹرز کارپوریٹ گورننس ضوابط 2019 میں مقررہ مدت کے اندر ڈائریکٹرز کے تربیتی پروگرام کے تقاضے پورے کریں گے۔

حصص کی ملکیت کی تفصیل

30 جون 2026 کو عام حصص کی ملکیت کی تفصیل منسلک ہے۔

آڈیٹرز کی تقرری

میسرز سعید الحسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، لاہور کی موجودہ تقرری کی مدت ختم ہو رہی ہے۔ وہ دوبارہ تقرری کے اہل ہیں اور مالی سال 2026-2027 کے لیے آڈیٹرز کے طور پر دوبارہ تقرری کے لیے آمادگی رکھتے ہیں۔ آڈٹ کمیٹی نے موجودہ آڈیٹرز کی دوبارہ تقرری کی سفارش کی ہے۔

بورڈ کی ساخت

ڈائریکٹرز کی کل تعداد 7 ہے، جن میں 6 مرد اور 1 خاتون شامل ہیں۔
بورڈ میں 1 ایگزیکٹو ڈائریکٹر، 4 دیگر نان ایگزیکٹو ڈائریکٹرز اور 2 آزاد ڈائریکٹرز شامل ہیں۔

ڈائریکٹرز کے نام

خواجہ محمد ندیم — ایگزیکٹو ڈائریکٹر

محترمہ عالیہ خانم — چیئرمین

شقراں احمد خان

خواجہ شہزاد یونس



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محمد امجد

فیصل قیوم — آزاد ڈائریکٹر

عباس علی — آزاد ڈائریکٹر

بورڈ کی کمیٹیاں

بورڈ نے درج ذیل ذیلی کمیٹیاں قائم کی ہیں:

آڈٹ کمیٹی

فیصل قیوم — چیئرمین

محمد امجد — رکن

خواجہ شہزاد یونس — رکن

انسانی وسائل اور معاوضے کی کمیٹی

عباس علی — چیئرمین

محمد امجد — رکن

شقران احمد خان — رکن

ڈائریکٹرز کے معاوضے کی اہم خصوصیات

بورڈ آف ڈائریکٹرز نے کمپنی کے معاملات میں ایگزیکٹو ڈائریکٹرز کی ذمہ داریوں کے مطابق ان کے معاوضے کی باقاعدہ پالیسی منظور کی ہے۔ معاوضہ ان کی ذمہ داریوں اور کمپنی کو کامیابی سے چلانے کے لیے درکار مہارت کے مطابق مقرر کیا جاتا ہے، تاکہ وہ کمپنی کی بہتری میں مزید حصہ ڈالنے کی ترغیب حاصل کریں۔

اظہارِ تشکر

بورڈ آف ڈائریکٹرز ان مشکل حالات میں مسلسل اعتماد، تعاون اور معاونت پر حصص یافتگان، مالی اداروں، صارفین، سپلائرز اور ملازمین کا شکریہ ادا کرتا ہے۔ بورڈ کو امید ہے کہ بہتر معاشی حالات، محتاط انتظام اور ہائی حصص یافتگان کی مسلسل معاونت سے کمپنی موجودہ مشکلات پر قابو پا کر پائیدار ترقی کی راہ پر واپس آجائے گی۔

بورڈ کی جانب سے

6 اکتوبر 2026، لاہور

خواجہ محمد ندیم

چیف ایگزیکٹو آفیسر

محترمہ عالیہ خانم

چیئرمین

عالیہ خانم





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Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019

Name of Company : Yousaf Weaving Mills Limited

Year ending : June 30, 2026

Yousaf Weaving Mills Limited (the "Company") has complied with the requirement of the Regulations in the following manner:

1. The total number of directors are 07 as per the following:

- a. Male : 06
- b. Female : 01

2. The composition of the board is as follows:

- a. Executive Directors : 01
- b. Other Non-Executive Directors : 04
- c. Independent Directors : 02

Name	Category
Mst. Alia Khanum	Chairman
Mr. Khawaja Mohammad Nadeem	Executive Director
Mr. Shuqran Ahmed Khan	Non-Executive Director
Mr. Khawaja Shahzad Yunus	Non-Executive Director
Mr. Muhammad Amjad	Non-Executive Director
Mr. Faisal Qaiyum	Independent Director
Mr. Abbas Ali	Independent Director

- 3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.
- 4. The Company has prepared a "Code of Conduct" and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
- 5. The board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. The board has ensured that complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.



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6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by the board/shareholders as empowered by the relevant provisions of the Act and these regulations.
7. The meetings of the board were presided over by the Chairman and, in her absence, by a director elected by the board for this purpose. The board complied with requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of the meeting of board.
8. The board of directors has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. The Executive Director is exempt from Director's Training Program, whereas remaining directors will duly comply with the requirement of Code of Corporate Governness with respect of Directors' Training Program.
10. No appointment of Chief Executive Officer, Chief Financial Officer or Company Secretary is made during the current year.
11. CFO and CEO duly endorsed the financial statements before approval of the board.
12. The Board has formed committees comprising members given below:
 - I. Audit Committee:
 - i. Mr. Faisal Qaiyum – Chairman
 - ii. Mr. Muhammad Amjad
 - iii. Mr. Khawaja Shahzad Younus
 - II. HR and Remuneration Committee:
 - i. Mr. Abbas Ali – Chairman
 - ii. Mr. Muhammad Amjad
 - iii. Mr. Shuqran Ahmed Khan
13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings of the aforesaid committees were as per following:
 - a) Audit Committee: Four Quarterly meetings during the financial year ended June 30, 2026.
 - b) HR & Remuneration Committee: One meeting during the financial year ended June 30, 2026.



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15. The board has set up an effective internal audit function, which is considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.
16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.
19. Gender pay gap statement under circular 10 of 2024, for the year ended June 30, 2026
 - Mean Gender Pay Gap: N/A
 - Median Gender Pay Gap: N/A
 - Other details as deemed relevant: Yousaf Weaving Mills Limited does not have any female employee.

For Yousaf Weaving Mills Limited



عالبه خان
Mst. Alia Khanum
Chairman

Lahore: October 06, 2026

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF YOUSAF WEAVING MILLS LIMITED**

**REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN THE LISTED
COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019**

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations), prepared by the Board of Directors of **Yousaf Weaving Mills Limited** (the Company) for the year ended June 30, 2026, to comply with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2026.

The engagement partner on the review resulting in this independent auditors' review report is **Saeed Ul Hassan**.



SAEED-UL-HASSAN & Co.
Chartered Accountants
Lahore

Date: October 06, 2026



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YOUSAF WEAVING MILLS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **Yousaf Weaving Mills Limited** (the Company), which comprise the statement of financial position as at June 30, 2026, and the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2026, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as applicable in Pakistan and the requirements of the Companies Act, 2017.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1.3 in the financial statements which indicates that as at June 30, 2026, the Company's accumulated losses stood at Rs. 2,261.869 million, its current liabilities exceeded its current assets by Rs. 930.145 million. Further, a banking company has filed a suit against the Company for recovery of outstanding balance along with accrued markup thereon. These conditions along with other matters as set forth in Note 1.3 indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How the Matter Was Addressed in the Audit
1. <u>Conversion of Director's Loan into Share Capital</u> (Refer to Note 4 to the financial statements) During the year ended June 30, 2026, the Company issued 36,352,500 ordinary shares at par value of Rs. 10 each, aggregating to Rs. 363,525,000, to sponsor director of the Company against conversion of outstanding long-term loan. This issuance was executed by way of "other than right offer" after obtaining requisite approvals from the shareholders and the Securities and Exchange Commission of Pakistan (SECP).	Our audit procedures included: - Obtained and evaluated corporate authorizations, including Board resolutions, shareholder approval in the General Meeting, and official regulatory approval from the SECP. - Verified the pre-conversion loan balance against accounting records, underlying agreements, and direct confirmation. - Inspected the auditor's issuance certificate submitted to the CDC and PSX for debt-to-equity conversion; and - Checked the share capital movement and assessed the adequacy of disclosures in Note 4 under the applicable financial reporting framework.
2. <u>Unclaimed Dividend:</u> (Refer to Note 11 to the financial statements) The Company has an unclaimed dividend balance of PKR 3.247 million which has not been deposited into the Federal Consolidated Fund as required by Section 244 of the Companies Act, 2017. Management has contended that non-compliance is due to the unavailability of a specific government treasury account for this purpose and has provided a written representation to this effect. Assessing the validity of management's justification for non-compliance with a statutory	Our audit procedures included: - Obtained and critically assessed management's written representation and supporting explanation regarding the unavailability of a government treasury account. - Corroborated the accuracy of the unclaimed dividend balance of PKR 3,247,016 by tracing it to dividend declarations and subsequent shareholder payment records. - Evaluated the appropriateness of the accounting treatment and the adequacy of the disclosures in the financial statements concerning this non-compliance.

requirement is a key audit matter due to the potential for material misstatement and legal implications.	d. Verified the establishment of a separate bank account for unclaimed dividends as required by Section 244 of the Companies Act, 2017.
3. Pending Litigation and Contingent Financial Obligations <i>(Refer to Note 16 to the financial statements)</i> The Company is involved in legal proceedings with Habib Metropolitan Bank Limited in respect of recovery claims aggregating to Rs. 313.5 million (inclusive of principal and markup), which remain pending adjudication and pose a risk to the Company's liquidity and going concern assessment.	Our audit procedures included: a. Obtained direct legal confirmation from the Company's counsel to assess the case status, legal merits, and potential outcome. b. Inquired of internal legal counsel regarding the defense strategy and case progression. c. Assessed the potential impact of the legal proceeding on the Company's liquidity and going concern assumption. d. Evaluated the adequacy of the disclosures in the financial statements.

Information Other Than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report of the Company for the year ended June 30, 2026, but does not include the financial statements, our auditor's report thereon, and the review report issued on statement of compliance with Code of Corporate Governance.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going

concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public

disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is **Saeed Ul Hassan**.



SAEED-UL-HASSAN & Co.
Chartered Accountants

Place: Lahore
Dated: October 06, 2026
UDIN: AR202610617iOBt5U7Yz



YOUSAF WEAVING MILLS LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2026

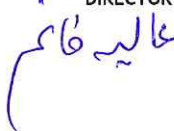
	Note	2026 Rupees	2025 Rupees
CAPITAL AND LIABILITIES			
Share Capital and Reserves			
Authorized share capital			
175,000,000 (2025: 140,000,000) ordinary shares of Rs. 10 each		1,750,000,000	1,400,000,000
Issued, subscribed and paid up share capital	4	1,723,524,500	1,360,000,000
Loan from directors	5	162,500,000	130,607,264
Accumulated loss		(2,261,868,787)	(1,851,780,752)
Surplus on revaluation of land	6	631,523,327	631,523,327
		255,679,040	270,349,839
Non Current Liabilities			
Long term loan	7	-	13,356,922
Lease liabilities	8	52,883,407	56,364,291
Deferred liabilities	9	46,641,775	31,444,850
		99,525,182	101,166,063
Current Liabilities			
Trade and other payables	10	424,033,315	539,956,820
Unclaimed dividend	11	3,247,016	3,247,016
Accrued mark up	12	128,550,313	129,558,452
Short term borrowings	13	548,923,882	517,916,243
Current portion of long term loan	14	-	55,151,358
Current portion of lease liabilities	8	9,630,306	9,449,026
Provision for taxation	15	21,998,519	20,555,407
		1,136,383,351	1,275,834,322
Contingencies and Commitments			
	16	-	-
		1,491,587,573	1,647,350,224
ASSETS			
Non Current Assets			
Property, plant and equipment	17	1,129,609,266	1,105,120,138
Right-of-use assets	18	80,374,936	81,229,035
Intangible assets	19	61,003	76,253
Long term loans	20	12,483,050	11,403,050
Long term deposits	21	62,821,443	60,348,192
		1,285,349,698	1,258,176,668
Current Assets			
Stores and spares	22	12,569,345	12,612,311
Stock in trade	23	52,058,772	319,075,139
Trade debts	24	88,308,097	11,679,760
Loans and advances	25	31,176,227	31,527,512
Trade deposits and other receivables	26	185,000	185,000
Tax refunds due from government	27	17,783,862	6,508,221
Cash and bank balances	28	4,156,572	7,585,613
		206,237,875	389,173,556
		1,491,587,573	1,647,350,224

The annexed notes from 1 to 49 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER




YOUSAF WEAVING MILLS LIMITED

STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2026

		2026	2025
	Note	Rupees	Rupees
Sales - net	29	636,106,624	639,738,007
Cost of sales	30	(975,708,803)	(894,211,133)
Gross Loss		(339,602,179)	(254,473,126)
Distribution costs	31	(6,360,000)	(6,667,700)
Administrative expenses	32	(49,083,532)	(33,588,219)
		(55,443,532)	(40,255,919)
Operating Loss		(395,045,711)	(294,729,045)
Other operating charges	33	(4,103,826)	(800,000)
Finance cost	34	(1,650,537)	(3,242,932)
Other operating income	35	2,909,707	55,171
Loss before Levies & Taxation		(397,890,367)	(298,716,806)
Levies	36	(8,387,789)	(7,996,725)
Loss before Taxation		(406,278,156)	(306,713,531)
Taxation	36	-	-
Loss for the Year		(406,278,156)	(306,713,531)
Loss per Share - Basic and Diluted	37	(2.76)	(2.26)

The annexed notes from 1 to 49 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER




YOUSAF WEAVING MILLS LIMITED
STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

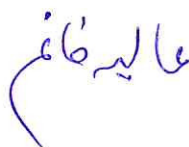
	2026	2025
	Rupees	Rupees
Loss for the Year	(406,278,156)	(306,713,531)
Other Comprehensive loss for the Year		
<i>Items that will be reclassified subsequently to profit or loss</i>	-	-
<i>Items that will not be reclassified subsequently to profit or loss</i>		
- Experience adjustment on remeasurement of staff retirement	(3,809,879)	(3,405,072)
Total Comprehensive Loss for the Year	(410,088,035)	(310,118,603)

The annexed notes from 1 to 49 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER



YOUSAF WEAVING MILLS LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2026

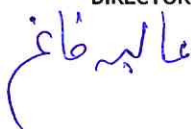
	Note	2026 Rupees	2025 Rupees
CASH (USED IN) / GENERATED FROM OPERATIONS		(261,161,193)	43,358,428
Finance cost paid		(2,658,676)	(5,401,400)
Gratuity paid	9	(4,832,917)	(2,720,992)
Income tax paid		(14,378,432)	(6,508,221)
Net cash (used in) / generated from operating activities		(283,031,218)	28,727,815
CASH FLOWS FROM INVESTING ACTIVITIES			
Property, plant and equipment purchased		(65,303,083)	(29,884,325)
Proceeds from disposal of property, plant and equipment		-	80,000
Long term loans to employees		(1,080,000)	(480,000)
Long term deposits		(2,473,251)	(8,880,970)
Net cash used in investing activities		(68,856,334)	(39,165,295)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term loan from directors		395,417,236	81,955,000
Repayment of long term loan		(68,508,280)	28,984,718
Repayment of lease liabilities		(9,458,084)	(8,810,082)
Short term borrowings - net		31,007,639	(93,729,236)
Net cash generated from financing activities		348,458,511	8,400,400
Net decrease in Cash and Cash Equivalents		(3,429,041)	(2,037,080)
Cash and cash equivalents at the beginning of the year		7,585,613	9,622,693
Cash and Cash Equivalents at the End of the Year		<u>4,156,572</u>	<u>7,585,613</u>

The annexed notes from 1 to 49 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER



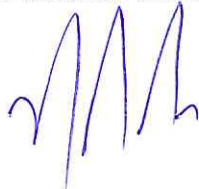

YOUSAF WEAVING MILLS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2026

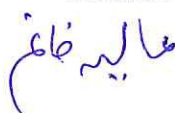
Particulars	Issued, Subscribed and Paid up Share Capital	Accumulated Loss	Loan from Directors	Revaluation Surplus	Total
	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at June 30, 2024	1,360,000,000	(1,541,662,149)	48,652,264	631,523,327	498,513,442
Loss for the year	-	(306,713,531)	-	-	(306,713,531)
Other comprehensive loss	-	(3,405,072)	-	-	(3,405,072)
Loan from directors during the year	-	-	81,955,000	-	81,955,000
Balance as at June 30, 2025	1,360,000,000	(1,851,780,752)	130,607,264	631,523,327	270,349,839
Loss for the year	-	(406,278,156)	-	-	(406,278,156)
Shares issued during the year	363,524,500	-	(363,524,500)	-	-
Other comprehensive loss	-	(3,809,879)	-	-	(3,809,879)
Loan from directors during the year	-	-	395,417,236	-	395,417,236
Balance as at June 30, 2026	1,723,524,500	(2,261,868,787)	162,500,000	631,523,327	255,679,040

The annexed notes from 1 to 49 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER




YOUSAF WEAVING MILLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Note 1

The Company and its operations

- 1.1 The Company was incorporated on January 17, 1988 as a public limited company in Pakistan under the Companies Ordinance, 1984 (now the Companies Act, 2017) and is quoted on Pakistan Stock Exchanges. The Company is engaged in the business of textile weaving, spinning and sale of processed fabric.
- 1.2 Corporate office of the Company is located at 7/1, E-3, Main Boulevard Gulberg III, Lahore. While the production plants of the Company are located at 49-Km, Multan Road, Bhai Phero and 7-Km, Multan Road, Pattoki.
- 1.3 The Company has accumulated losses of Rs. 2,261.869 million (2025: 1851.781 million) and its current liabilities exceed its current assets by Rs. 930.145 million (2025: Rs. 886.661 million). The Company in order to carry on its business and to meet its current obligation requires generating sufficient cash flows. 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. The management has carefully assessed the going concern issue and is of the view that:-
 - The directors and sponsoring shareholders have confirmed their firm commitment to provide ongoing financial support. During the current year they have already advanced Rs. 395.417 million to strengthen liquidity, meet immediate obligations, and fund operational improvements. Additional support has been pledged for the forthcoming fiscal years to enhance liquidity and finance strategic initiatives.
 - During the year, the Company fully settled its outstanding liability to the Bank of Punjab and paid the outstanding principal amount due to National Bank of Pakistan. Payments against the related mark-up of National Bank of Pakistan commenced after the reporting date. Negotiations with Habib Metropolitan Bank Limited regarding the settlement or restructuring of its outstanding facility are at an advanced stage. Management expects to conclude an arrangement during the fiscal year.
 - As part of its BMR programme, the Company imported air-jet looms, compressors and dryers during the year to increase production capacity and strengthen its supporting processes. The Company also intends to continue upgrading the machinery installed in its weaving unit in up-coming period.
 - Management expects that the installation and commissioning of the new machinery will increase production capacity, improve operating efficiency and product quality, reduce production inefficiencies and contribute towards improved operating margins.
 - The Company continues to maintain established relationships with its customers. Management expects that improved production capacity and product quality will support future sales volumes and pricing.

Considering the above plans and the financial support already received and committed, the directors believe the Company will meet its obligations as they fall due; therefore, these financial statements are prepared on a going concern basis. In view of the above, these financial statements have been prepared on going concern assumption.

Note 2

Basis of Preparation

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise:

- 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.

Note 2 - Basis of Preparation ... Contd.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except to the extent of following:

Certain property, plant and equipment	Note 17	(stated at Revalued / Fair value)
Employee retirement benefits (Gratuity)	Note 9	(stated at Present value)

2.3 Functional and presentation currency

These financial statements are prepared and presented in Pak Rupees which is the Company's functional and presentation currency. All the figures have been rounded off to the nearest Rupee, unless otherwise stated.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on the historical experience, including expectations of future events that are believed to be reasonable under the circumstances. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

These estimates and related assumptions are reviewed on an on going basis. Accounting estimates are revised in the period in which such revisions are made. Significant management estimates in these financial statements relate to the useful life and residual values of property, plant and equipment; revalued amounts of property, plant and equipment; amortization of intangible assets; impairment of assets; provisions for defined benefit obligations; taxation; and contingent liabilities. The basis and associated assumptions underlying the accounting estimates used in the preparation of annual financial statements of the Company for the year ended June 30, 2026 are consistent with previous year's unless otherwise stated.

2.5 Standard, amendments to published accounting and reporting standards and interpretations that are not yet effective and have not been adopted by the Company

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

Standard or interpretation		Effective Date - Annual Period Beginning on or After
IFRS 1, 7, 9, 10	Annual Improvements to IFRS Accounting Standards	January 01, 2026
IFRS 7 & 9	Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 7 and IFRS 9	January 01, 2026
IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37	Disclosures about Uncertainties in the Financial Statements	January 01, 2026
IFRS 18	Presentation and Disclosure in Financial Statements	January 01, 2027

Note 3
Summary of Material Accounting Policies

The material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented.

3.1 Employee retirement benefits

The Company operates an unfunded gratuity scheme (defined benefit plan) for all its permanent employees who have completed minimum qualifying period of service as defined under the respective scheme. Provisions are made annually to cover the obligation under the schemes on the basis of actuarial valuation and are charged to profit and loss account for the year. The assumptions are determined by independent actuary.

The amount recognized in the statement of financial position represents the present value of defined benefit obligations using the projected unit credit actuarial valuation method. Actuarial gains/ losses arising from the actuarial valuation are recognized immediately and are presented in other comprehensive income. The latest actuarial valuation was carried as at June 30, 2026.

3.2 Compensated absences

The Company provides for compensated absences of its employees on un-availed balance of leaves in the period in which the leaves are earned.

3.3 Provisions

A provision is recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

3.4 Trade and other payables

Liabilities for trade and other payables are carried at their fair value of the consideration to be paid in the future for goods and services received whether billed to the Company or not.

3.5 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Note 3 - Summary of Material Accounting Policies ... Contd.

Deferred tax assets are recognized for deductible temporary differences and unused tax losses and credits only if it is probable that future taxable amounts will be available to utilize those temporary differences and unused tax losses and credits.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

3.6 Property, plant and equipment

Property, plant and equipment except freehold land is stated at cost less accumulated depreciation and identified impairment losses. Freehold land is stated at revalued amount. Cost of property, plant and equipment consists of historical cost, borrowing cost pertaining to the construction and erection period and directly attributable cost of bringing the assets into working condition.

Depreciation is charged to income on reducing balance method at the rates specified in note 17. Full month's depreciation is charged on additions during the month, whereas no depreciation is charged on the assets disposed off during the month. Where an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

Maintenance and normal repairs are charged to income as and when incurred. Major renewals and replacements are capitalized. Gains or losses on disposal of property, plant and equipment are included in the current year income.

3.7 Intangible asset

An intangible asset is recognized as an asset if it is probable that future economic benefits attributable to the asset will flow to the entity and the cost of such asset can be measured reliably. Cost of intangible assets i.e. ERP and other software include purchase cost and directly attributable expenses incidental to bring the software for its intended use.

Cost that are directly associated with identifiable software and have probable economic benefits beyond one year, are recognized as an intangible assets. However, costs associated with the maintenance of software are recognized as an expense.

Intangibles are measured initially at cost and subsequently stated at cost less accumulated amortization and identified impairment losses, if any. Amortization is charged to income using reducing balance as specified in note 19. The amortization period and the amortization method for an intangible asset are reviewed, at each financial year end, and adjusted if impact on amortization is significant.

3.8 Stores & spares

These are valued at cost, determined on moving weighted average basis less allowance for obsolete and slow moving items. Items in transit are valued at invoice plus other incidental charges incurred thereon.

3.9 Stock in trade

These have been valued at the lower of cost and net realizable value. Cost has been determined as follows:

Raw and packing materials	- Moving average cost
Materials in transit	- Cost and incidental charges paid thereon
Work in process	- Average manufacturing cost
Finished goods	- Average manufacturing cost
Waste	- Net realizable value

Manufacturing cost in relation to work in process and finished goods comprises cost of material, labour and appropriate manufacturing overheads. Net realizable value signifies the estimated selling price in the ordinary course of business less necessary cost to make the sale.

Note 3 - Summary of Material Accounting Policies ... Contd.

3.10 Trade debts and other receivables

Trade debts and other receivables are carried at original invoice amount less an estimate made for doubtful debts and receivables based on review of outstanding amounts at the period end. Balances considered bad and irrecoverable are written off when identified.

3.11 Cash and cash equivalents

Cash and cash equivalents are carried at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand and cash at banks in current and saving accounts.

3.12 Revenue recognition

The Company is in the business of sale of textile products. Revenue from contracts with customers is recognized at the point of time when control of the goods is transferred to the customer (generally on delivery of the goods) at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods before transferring them to the customer.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g. warranties). In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

3.13 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any Remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment.

ii) Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

Note 3 - Summary of Material Accounting Policies ... Contd.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is premeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. The Company's lease liabilities are included in Interest-bearing loans.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term.

Company as a lessor

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the term of the lease transfers substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating lease.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

3.14 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.14.1 Financial assets

All financial assets are recognized at the time when the Company becomes a party to the contractual provisions of the instrument.

Classification

Financial assets are classified in either of the three categories: at amortized cost, at fair value through other comprehensive income and at fair value through profit or loss. Currently, the Company classifies its financial assets at amortized cost. This classification is based on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. The management determines the classification of its financial assets at the time of initial recognition.

Initial recognition and measurement

All financial assets are initially measured at cost plus transaction costs that are directly attributable to its acquisition except for trade receivables. Trade receivables are initially measured at the transaction price, if these do not contain significant financing component as per IFRS-15.

Subsequent measurement

Financial assets measured at amortized cost are subsequently measured using the effective interest rate method. The amortized cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss account.

Derecognition

Financial assets are derecognized when the contractual rights to receive cash flows from the assets have expired. The difference between the carrying amount and the consideration received is recognized in profit or loss account.

Note 3 - Summary of Material Accounting Policies ... Contd.

Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECLs) for all financial assets which are measured at amortized cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

3.14.2 Financial liabilities

a) Initial recognition and measurement

Financial liabilities are initially classified at amortized cost. Such liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument and include trade and other payables, loans or borrowings and accrued mark up etc.

b) Subsequent measurement

The Company measures its financial liabilities subsequently at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss account. Difference between carrying amount and consideration paid is recognized in the statement of profit or loss account when the liabilities are derecognized.

3.14.3 Off-setting of financial assets and financial liabilities

A financial asset and financial liability is offset and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to set-off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.15 Balances from contract with customers

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. The Company recognizes a contract asset for the earned consideration that is conditional if the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional. Trade receivables are carried at original invoice amount less expected credit loss based on a review of all outstanding amounts at the year end. Bad debts are written off when identified.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. A contract liability is recognized at earlier of when the payment is made or the payment is due if a customer pays consideration before the Company transfers goods or services to the customer.

Note 3 - Summary of Material Accounting Policies ... Contd.

Right of return assets

Right of return asset represents the Company's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Company updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

Refund

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

3.16 Impairment

Carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. In the absence of any information about the fair value, the recoverable amount is determined to be the value in use. Impairment losses are recognized as expense in the statement of profit or loss.

3.17 Borrowing cost

Borrowing cost are charged to income as and when incurred except costs that are directly attributable to acquisition, construction or production of qualifying assets that are capitalized as part of the cost of assets.

3.18 Foreign currency transactions

Transactions denominated in foreign currencies are initially recorded at Pak Rupees by applying the foreign exchange rate ruling on the date of transaction. All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at exchange rate prevailing at the statement of financial position date except for balances covered under forward exchange contracts, which are converted at the contracted rates. Exchange differences are included in profit and loss account.

3.19 Related party transactions

Related parties from the Company's perspective comprise, associated undertakings, key management personnel (including chief executive and directors) and post employment benefit plan. The Company in the normal course of business carries out transactions with various related parties and continues to have a policy whereby all such transactions are carried out on permissible basis and agreed terms.

3.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (the Chief Executive Officer of the Company).

3.21 Dividend

Dividends are recognized as a liability in the period in which these are approved.

3.22 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal, or in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk. When applicable, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Note 3 - Summary of Material Accounting Policies ... Contd.

When there is no quoted price in an active market, the Company uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all the factors that market participants would take into account in pricing a transaction. The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price i.e. the fair value of the consideration given or received. If the Company determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, the instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is credited or charged to the statement of profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is supported wholly by observable market data or the transaction is closed out.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

3.23 Earnings per share

The Company presents basic and diluted earnings per share (EPS). Basis EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, if any.

**Note 4
Issued, Subscribed and Paid Up Capital**

2026	2025	2026	2025
No. of Shares		Rupees	Rupees
Ordinary shares of Rs. 10 each fully paid in			
<u>172,352,450</u>	<u>136,000,000</u> cash	<u>1,723,524,500</u>	<u>1,360,000,000</u>

During the current reporting year the director's long term loan had been converted into ordinary shares with the approval of Securities and Exchange Commission of Pakistan.

4.1 Reconciliation of the number of shares outstanding as at the beginning and at the end of the year is as under:

Opening balance	136,000,000	136,000,000
Issued during the year	36,352,450	-
Closing balance	<u>172,352,450</u>	<u>136,000,000</u>

**Note 5
Loan from directors**

	2026	2025
	Rupees	Rupees
Loan from director	<u>162,500,000</u>	<u>130,607,264</u>

Note 6

Surplus on revaluation of property, plant & equipment

Latest revaluation of freehold land has been carried out as at June 30, 2024 by M/s. Dimensions Evaluators & Consultants (Private) Limited on the basis of their professional assessment of present market value, based on enquiries made about the cost of land of similar nature, size and location.

Note 7

Long Term Loan

		2026	2025
	Note	Rupees	Rupees
Banking companies - Secured			
Demand Finance	7.1	-	-
Cash Finance	7.2	-	43,356,922
Less: Current and overdue portion shown under current liabilities	14	-	(30,000,000)
		<u>-</u>	<u>13,356,922</u>

7.1 This represented a term-finance facility obtained from the Bank of Punjab to meet the Company's working-capital requirements. The facility was rescheduled/restructured during the financial year 2020-21 and was repayable in 26 quarterly instalments, carrying mark-up at the rate of 6% per annum. It was secured by an exclusive charge over the sponsors' residential and agricultural properties, a ranking charge over the fixed and current assets of the Company, and personal guarantees of the directors. The facility is fully repaid during the year.

7.2 This represented a cash-finance facility obtained from National Bank of Pakistan that was rescheduled under an arrangement whereby the outstanding principal, accrued mark-up and cost of funds were repayable in 36 monthly instalments. The principal portion of the facility is fully repaid during the year.

Note 8

Lease liabilities

	2026	2025
	Rupees	Rupees
Opening balance	65,813,317	45,020,168
Add: Interest expense	689,682	1,100,553
Less: Impact of remeasurement	6,158,480	29,603,231
Less: Payments made	(10,147,766)	(9,910,635)
Gross liability	62,513,713	65,813,317
Less: Current portion	(9,630,306)	(9,449,026)
Closing balance	<u>52,883,407</u>	<u>56,364,291</u>

8.1 Summary of amounts relating to leases charged in different line items of the financial statements is as follows:

			2026	2025
	Included in	Note	Rupees	Rupees
Carrying amount of ROU assets	Statement of financial position	18	80,374,936	81,229,035
Depreciation charge	Cost of sales	30	7,012,579	4,456,904
Interest expense	Finance cost	34	689,682	1,100,553

Note 8 - Lease liabilities ... Contd.

8.2 Maturity analysis of contractually undiscounted cash flows

	Within One Year	Between Two to Five Years	Later than Five Years
	----- (Rupees) -----		
As at June 30, 2026	10,367,028	43,888,918	68,301,338

8.3 Nature of leasing activities

- 8.3.1** The Company acquired 1850 kWp solar system under finance lease arrangement, for a period of 15 years. Present value of lease payments has been discounted using interest rate ranging from 3 months KIBOR with a spread of up to 2% (to be revised annually). Rentals are paid in monthly instalments whereas repair & maintenance costs are borne by the Company. In case of earlier termination, the Company will be required to pay entire rentals for remaining period of lease agreement.
- 8.3.2** There are no variable lease payments in the lease contracts. There are no leases with residual value guarantees or leases not yet commenced to which the Company is committed.
- 8.3.3** The remaining lease term of the lease contract is 10.6 years (2025: 11.6) for which lease liability is recorded.

Note 9

Deferred Liabilities

	Note	2026 Rupees	2025 Rupees
Gratuity payable	9.1	46,641,775	31,444,850
9.1 Gratuity payable			
9.1.1 Net liability recognized in the statement of financial position			
Present value of defined benefit obligations		<u>46,641,775</u>	<u>31,444,850</u>
9.1.2 Movement in the net liability recognized in the statement of financial position			
Net liability as at 1st July		31,444,850	16,761,990
Opening Benefits payable		-	1,465,000
Expense recognized in the income statement		16,219,963	12,533,780
Benefits paid during the year		(4,832,917)	(2,720,992)
Closing Benefits payable		-	-
Actuarial (Gains) /Losses		<u>3,809,879</u>	<u>3,405,072</u>
Net liability as at 30th June		<u>46,641,775</u>	<u>31,444,850</u>
9.1.3 Movement in the present value of defined benefit obligation is as follows:			
Present value of defined benefit obligation as at 1st July		31,444,850	16,761,990
Opening Benefits payable		-	1,465,000
Current service cost		12,809,127	10,154,016
Interest cost		3,410,836	2,379,764
Benefit paid		(4,832,917)	(2,720,992)
Closing Benefits payable		-	-
Remeasurement of obligation		<u>3,809,879</u>	<u>3,405,072</u>
Present value of defined benefit obligation as at 30th June		<u>46,641,775</u>	<u>31,444,850</u>
9.1.4 Amount charge to profit and loss account			
Current service cost		12,809,127	10,154,016
Interest cost		<u>3,410,836</u>	<u>2,379,764</u>
		<u>16,219,963</u>	<u>12,533,780</u>

Note 9 - Deferred Liabilities ... Contd.

9.1.5 Allocation of charge for the year

Cost of sales	30	11,118,934	7,289,967
Administrative expenses	32	5,101,029	5,243,813
		<u>16,219,963</u>	<u>12,533,780</u>

9.1.6 Amount recognized in other comprehensive income are:

Actuarial loss due to experience adjustments		<u>3,809,879</u>	<u>3,405,072</u>
--	--	------------------	------------------

9.1.7 Estimated charge for the next year - 2026 to 2027

Current service cost			14,660,603
Interest on defined benefit liability			5,480,409
			<u>20,141,012</u>

9.1.8 Key actuarial assumptions used:

The company operates a defined benefit plan which comprises an unfunded gratuity scheme for its permanent employees. The scheme defined the amounts of the benefit that an employee will receive on or after retirement subject to minimum qualifying period of service under the scheme. Actuarial valuation of the scheme is carried out every year and the latest actuarial valuation was carried out on June 30, 2026 using Projected Unit Credit method by an approved actuary.

	2026	2025
Discount rate	11.75%	11.75%
Expected rate of salary increase	10.75%	10.75%
Retirement age	60 Years	60 Years

9.1.9 Sensitivity analysis for actuarial assumptions:

The sensitivity of the defined benefit obligation to changes in the weighted principle assumption is:

	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	+ - by 100 bps	43,073,426	50,506,855
Salary increase	+ - by 100 bps	50,505,738	43,072,897

9.2 Deferred tax liability - Net

- 9.2.1** Deferred tax asset amounting to Rs. 158.676 million arising due to brought forward losses amounting to Rs. 547.159 million has not been recognized in the current year, as the attributable temporary differences are not expected to reverse in the foreseeable future.

Note 10

Trade and Other Payables

	Note	2026 Rupees	2025 Rupees
Creditors - Unsecured		157,951,676	228,516,783
Contract liabilities		10,437,469	8,619,724
Accrued liabilities	10.1	244,221,657	283,094,445
Withholding tax payable		5,006,662	4,905,535
Sales tax payable		-	4,414,878
Workers' (profit) participation fund		-	3,989,604
Workers welfare fund		843,047	843,047
Other liabilities		5,572,804	5,572,804
		<u>424,033,315</u>	<u>539,956,820</u>

- 10.1** This mainly includes salaries & wages payable and utility bills payable as at reporting date.

Note 11
Unclaimed dividend

	2026	2025
	Rupees	Rupees
	<u>3,247,016</u>	<u>3,247,016</u>

The Company has complied with Section 244 of the Companies Act, 2017 by issuing the prescribed notices. Transfer to the Federal Government's account could not be made as no operative mechanism has been provided by the regulators. Accordingly, the balance is carried as a liability and will be paid to shareholders on valid claim.

Note 12
Accrued Mark up

		2026	2025
	Note	Rupees	Rupees
Long term loan		13,104,513	14,112,652
Short term borrowings	12.1	<u>115,445,800</u>	<u>115,445,800</u>
		<u>128,550,313</u>	<u>129,558,452</u>

- 12.1 The principal amount of the short term borrowings of Rs. 298.450 million is under litigation, the cost of funds is to be determined by Banking Court, at the current reporting date therefore no mark-up is charged for the year on the said borrowings.

Note 13
Short Term Borrowings

	2026	2025
	Rupees	Rupees
Short Term Borrowings	<u>548,923,882</u>	<u>517,916,243</u>

13.1 Terms and conditions of borrowings

- **Purpose**
These facilities were obtained to meet working capital requirements of the Company.
- **Securities**
These facilities are secured against pledge of raw material stocks, registered hypothecation charge over fabrics and yarn stocks, imports documents, irrevocable L/Cs and export bills, charges over fixed and current assets of the Company and personal guarantees of sponsoring directors of the Company.

Note 14
Current and Overdue Portion of Non Current Liabilities

		2026	2025
	Note	Rupees	Rupees
Long term loans	7	<u>-</u>	<u>55,151,358</u>

- 14.1 Long term loan of Bank of Punjab had been classified as current liability due to Company's inability to pay loan's last instalment on due date as per agreed schedule of the bank, however it had been paid subsequent to reporting date.

Note 15

Provision for Taxation

	2026	2025
	Rupees	Rupees
Opening balance	20,555,407	45,841,895
Add: Charge for the current year	8,387,789	7,996,725
	28,943,196	53,838,620
Less: Payment / adjustments against advance tax	(6,944,677)	(33,283,213)
	21,998,519	20,555,407

- 15.1 The Company computes tax based on the generally accepted interpretations of the tax laws to ensure that the sufficient provision for the purpose of taxation is available. The comparison of estimated provision for taxation and actual tax assessed as per income tax return filed for previous years can be analysed as follows:

	2023	2024	2025
	Rupees	Rupees	Rupees
Provision for Taxation	10,762,923	6,595,501	7,996,725
Tax assessed	-	-	-

Note 16

Contingencies and Commitments

Contingencies

- 16.1 Habib Metropolitan Bank Limited filed a suit against the Company and Others before the Lahore High Court vide COS No.173949/2018, wherein the Bank demanded recovery of Rs. 313.500 million inclusive of principal and mark up. This suit is still pending adjudication. The amount involved in this case is the same as claimed by the Bank. This case is being vigorously and diligently contested by the Company and there are good chances of a favourable result in this case.
- 16.2 The Company filed a suit against Habib Metropolitan Bank Limited, before the Lahore High Court vide COS No.219124/2018, wherein along with other prayers recovery of Rs. 578.318 million has been claimed. This suit is still pending adjudication. There is no scope of any loss to the Company in the instant matter.

Commitments

There are no commitments as at reporting date.

Notes to and Forming Part of the Financial Statements

Note 17
Property, Plant and Equipment

	Note	2026 Rupees	2025 Rupees
Operating fixed assets	16.1	<u>1,129,609,266</u>	<u>1,105,120,138</u>

17.1 Operating fixed assets

Description	2026						
	Land Freehold	Factory & Colony Building on Freehold Land	Plant & Machinery	Tools & Equipment	Office Equipment	Furniture and Fixtures	Vehicles
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Cost							
Balance as at July 01, 2025	643,260,000	181,663,215	1,452,416,999	5,345,946	17,527,946	6,831,464	18,262,836
Additions	-	-	36,855,119	-	-	-	28,447,964
Deletions	-	-	-	-	-	-	-
Balance as at June 30, 2026	<u>643,260,000</u>	<u>181,663,215</u>	<u>1,489,272,118</u>	<u>5,345,946</u>	<u>17,527,946</u>	<u>6,831,464</u>	<u>46,710,800</u>
							<u>2,390,611,489</u>
Accumulated Depreciation							
Balance as at July 01, 2025	-	152,869,570	1,036,776,011	4,932,246	17,184,632	5,923,093	2,502,716
Charge for the year	-	1,439,683	30,331,785	41,370	68,663	90,837	8,841,617
Deletions	-	-	-	-	-	-	-
Balance as at June 30, 2026	-	<u>154,309,253</u>	<u>1,067,107,796</u>	<u>4,973,616</u>	<u>17,253,295</u>	<u>6,013,930</u>	<u>11,344,333</u>
							<u>1,261,002,223</u>
Written Down Value as at June 30, 2026	<u>643,260,000</u>	<u>27,353,962</u>	<u>422,164,322</u>	<u>372,330</u>	<u>274,651</u>	<u>817,534</u>	<u>35,366,467</u>
							<u>1,129,609,266</u>
17.1.2 Depreciation rates	-	5%	7%	10%	20%	10%	20%

Note 17 - Property, Plant and Equipment ... Contd.

17.2 Operating fixed assets

2025								
Description	Land Freehold	Factory & Colony Building on Freehold Land	Plant & Machinery	Tools & Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees

17.2.1 Owned assets

Cost

Balance as at July 01, 2024	643,260,000	181,663,215	1,438,745,813	5,345,946	17,527,946	6,831,464	2,160,837	2,295,535,221
Additions	-	-	13,671,186	-	-	-	16,213,139	29,884,325
Deletions	-	-	-	-	-	-	(111,140)	(111,140)
Balance as at June 30, 2025	643,260,000	181,663,215	1,452,416,999	5,345,946	17,527,946	6,831,464	18,262,836	2,325,308,406

Accumulated Depreciation

Balance as at July 01, 2024	-	151,354,115	1,006,434,475	4,886,279	17,098,804	5,822,163	1,687,331	1,187,283,167
Charge for the year	-	1,515,455	30,341,536	45,967	85,828	100,930	901,696	32,991,412
Deletions	-	-	-	-	-	-	(86,311)	(86,311)
Balance as at June 30, 2025	-	152,869,570	1,036,776,011	4,932,246	17,184,632	5,923,093	2,502,716	1,220,188,268
Written Down Value as at June 30, 2025	643,260,000	28,793,645	415,640,988	413,700	343,314	908,371	15,760,120	1,105,120,138

17.2.2 Depreciation rates

-	5%	7%	10%	20%	10%	20%
---	----	----	-----	-----	-----	-----

Note 17 - Property, Plant and Equipment ... Contd.

17.3 Particulars of immovable property (i.e. land and building) in the name of Company are as follows:

Location / Address	Usage of immovable property	Total Area (In Kanal)	Covered Area (In sq. ft.)
49-Km, Multan Road, Bhai Phero	Production unit	106.8	194,000
7-Km, Multan Road, Pattoki	Production unit	118.3	163,893

17.4 Allocation of depreciation charge

Depreciation charge for the year has been apportioned as follows:

		2026	2025
	Note	Rupees	Rupees
Cost of sales	29	31,812,838	31,902,958
Administrative expenses	31	9,001,117	1,088,454
		<u>40,813,955</u>	<u>32,991,412</u>

17.5 As per the valuation report of independent valuer as of June 30, 2024, the forced sales value of freehold land is Rs. 529.026 million.

17.6 Had there been no revaluation, the cost of revalued asset would have amounted to Rs. 11.737 million as at reporting date.

17.7 The table below analyses the assets carried at fair value, by valuation method. The different levels have been defined as

Level 1	quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2	inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
Level 3	inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1	Level 2	Level 3	Total
	-----Rupees-----			
Land Freehold	-	643,260,000	-	643,260,000

17.8 Disposal of Property, plant and equipment

17.8.1 There is / was no disposal during the current / last year whose net book value exceeds Rs. 500,000 or more.

Note 18
Right-of-Use Assets

	Note	2026 Rupees	2025 Rupees
Solar System			
Opening balance		81,229,035	56,082,708
Add / Less: Impact of remeasurement		6,158,480	29,603,231
Less: Depreciation charge for the year	30	(7,012,579)	(4,456,904)
Closing balance		<u>80,374,936</u>	<u>81,229,035</u>

- 18.1 The Company has lease contract for purchase of solar system having lease term of 15 years. The Company's obligations under its leases are secured by the lessor's title to the solar system.

Note 19
Intangible Assets

	Note	2026 Rupees	2025 Rupees
Net carrying value			
Opening balance of net book value		76,253	95,317
Amortization	30	(15,250)	(19,064)
Net book value as at June 30		<u>61,003</u>	<u>76,253</u>
Gross carrying value			
Cost		3,630,520	3,630,520
Accumulated amortization		(3,569,517)	(3,554,267)
Net book value		<u>61,003</u>	<u>76,253</u>
Amortization rate per annum		<u>20%</u>	<u>20%</u>

- 19.1 Amortization charge for the year has been allocated to cost of sales.

- 19.2 Intangible assets include ERP system and other software implemented and used by the Company.

Note 20
Long Term Loans

	Note	2026 Rupees	2025 Rupees
Loans to employees - (Secured - considered good)			
- Due from executives	20.1	6,947,688	6,947,688
- Due from other employees		5,535,362	4,455,362
		12,483,050	11,403,050
Less: Current portion			
- Due from executives	24	-	-
- Due from other employees		-	-
		-	-
		<u>12,483,050</u>	<u>11,403,050</u>
20.1 Reconciliation of carrying amount of loan to executives:			
Opening balance		6,947,688	6,467,688
Disbursement during the year		-	-
		6,947,688	6,467,688
Disbursement during the year		-	480,000
Closing Balance		<u>6,947,688</u>	<u>6,947,688</u>

- 20.2 This represents interest free loans given to executives and other employees for construction of houses and other purposes as per the Company's policy. These loans are secured against gratuity balances.

- 20.3 The maximum aggregate amount of loans due from executives at the end of any month during the year was Rs. 6.948 million (2025: Rs. 6.948 million)

- 20.4 Long term loans have been carried at cost as the effect of carrying these balances at amortized cost would not be material.

Note 21
Long Term Deposits

	2026	2025
	Rupees	Rupees
Security deposits against utilities	<u>62,821,443</u>	<u>60,348,192</u>

Note 22
Stores and Spares

	2026	2025
	Rupees	Rupees
Stores and spares	<u>12,569,345</u>	<u>12,612,311</u>

22.1 No identifiable stores and spares were held for specific capitalization.

Note 23
Stock in Trade

	2026	2025
	Rupees	Rupees
Raw materials	-	-
Work in process	12,394,484	11,090,729
Finished goods	<u>39,664,288</u>	<u>307,984,410</u>
	<u>52,058,772</u>	<u>319,075,139</u>

23.1 Short term borrowings availed by the Company are secured by way of hypothecation charge on present and future current assets of the Company (including stock in trade) as per detail given in note 13 to these financial statements.

Note 24
Trade Debts

		2026	2025
		Rupees	Rupees
Local - Unsecured			
Trade debts (Considered good)		88,308,097	11,679,760
Trade debts (Considered doubtful)		1,719,643	-
		90,027,740	11,679,760
Less: Allowance for expected credit losses	24.1	<u>(1,719,643)</u>	<u>-</u>
		<u>88,308,097</u>	<u>11,679,760</u>
24.1 Allowance for expected credit loss			
Opening balance		-	-
Loss allowance for the year		1,719,643	-
Closing balance		<u>1,719,643</u>	<u>-</u>

24.2 Trade debts do not include any amount due from related parties.

Note 25

Loans and Advances

	Note	2026 Rupees	2025 Rupees
Current portion of loan to employees:			
- Due from executives	20	-	-
- Due from other employees		-	-
		<u>-</u>	<u>-</u>
Advances - Considered good:			
- Suppliers and contractors	25.1	453,374	9,206,704
- Employees	25.2	30,722,853	22,320,808
		<u>31,176,227</u>	<u>31,527,512</u>

25.1 Advances to suppliers and contractors do not include any amount given to related parties.

25.2 This represents interest-free loans given to employees as per the Company's policy. These loans are recoverable from salary in instalments and are secured against their gratuity balances of employees. Advances to employees do not include any amount given to directors of the Company.

Note 26

Trade Deposits and Other Receivables

	2026 Rupees	2025 Rupees
Security deposits	<u>185,000</u>	<u>185,000</u>

Note 27

Tax Refunds Due from Government

	2026 Rupees	2025 Rupees
Tax deducted at source and advance tax	13,941,976	6,508,221
Sales tax refundable	3,841,886	-
	<u>17,783,862</u>	<u>6,508,221</u>

Note 28

Cash and Bank Balances

	2026 Rupees	2025 Rupees
Cash in hand	152,449	563,737
Cash at bank - in current accounts	4,004,123	7,021,876
	<u>4,156,572</u>	<u>7,585,613</u>

Note 29

Sales

	2026 Rupees	2025 Rupees
Local		
- Grey cloth	208,016,253	36,389,430
- Processing income	542,589,564	718,501,415
	750,605,817	754,890,845
Sales tax	(114,499,193)	(115,152,838)
Net sales	<u>636,106,624</u>	<u>639,738,007</u>

29.1 Revenue has been recognized at a point in time for local sales made during the year.

Note 30
Cost of Sales

		2026	2025
	Note	Rupees	Rupees
Raw materials consumed	30.1	-	135,898,277
Fuel and power		440,984,482	382,342,121
Salaries, wages and other benefits	30.2	164,317,156	139,167,212
Stores, spares and chemicals consumed		44,393,662	37,826,813
Repairs and maintenance		13,870,350	10,820,036
Packing material		4,221,100	3,954,219
Insurance		1,687,675	3,047,530
Miscellaneous		377,344	312,507
Amortization	19	15,250	19,064
Depreciation	17.4 , 18	38,825,417	36,359,862
		<u>708,692,436</u>	<u>749,747,641</u>
Work in process:			
- Opening work in process		11,090,729	11,931,831
- Closing work in process		(12,394,484)	(11,090,729)
		<u>(1,303,755)</u>	<u>841,102</u>
Cost of goods manufactured		<u>707,388,681</u>	<u>750,588,743</u>
Finished goods:			
- Opening finished goods		307,984,410	451,606,800
- Closing finished goods		(39,664,288)	(307,984,410)
		<u>268,320,122</u>	<u>143,622,390</u>
		<u>975,708,803</u>	<u>894,211,133</u>
30.1 Raw materials consumed:			
- Opening stock		-	135,898,277
- Purchases		-	-
		-	<u>135,898,277</u>
- Closing stock		-	-
		-	<u>135,898,277</u>

30.2 This includes Rs. 11.119 million (2025: Rs. 7.290 million), approximately, in respect of employee benefits - gratuity scheme.

Note 31
Distribution Costs

	2026	2025
	Rupees	Rupees
Salaries, wages and other benefits	<u>6,360,000</u>	<u>6,667,700</u>

Note 32
Administrative Expenses

		2026	2025
	Note	Rupees	Rupees
Salaries, wages and other benefits	32.1	26,367,832	23,006,507
Fees and subscriptions		6,270,154	1,728,511
Vehicles' running and maintenance		2,915,945	3,330,962
Electricity and gas		1,997,675	1,875,848
Communications		909,487	721,914
Entertainment		453,097	587,224
Insurance		407,840	283,310
Printing and stationery		237,685	234,630
Traveling and conveyance		200,180	168,740
Miscellaneous		166,578	50,913
Repairs and maintenance		98,870	322,905
Advertisement		35,000	113,000
Rent, rates and taxes		22,072	75,301
Depreciation	17.4	9,001,117	1,088,454
		<u>49,083,532</u>	<u>33,588,219</u>

32.1 This includes Rs. 5.101 million (2025: Rs. 5.244 million), approximately, in respect of employee benefits - gratuity scheme.

Note 33
Other Operating Charges

		2026	2025
	Note	Rupees	Rupees
Auditors' remuneration	33.1	1,000,000	800,000
Expected credit losses on trade debts		1,719,643	-
Balances written off		1,384,183	-
		<u>4,103,826</u>	<u>800,000</u>
33.1 Auditors' remuneration			
Audit fee		600,000	550,000
Certification and reviews		250,000	250,000
Out of pocket expense		150,000	-
		<u>1,000,000</u>	<u>800,000</u>

Note 34
Finance Cost

	2026	2025
	Rupees	Rupees
Mark up on:		
- Long term loan	672,103	2,002,401
- Lease liability	689,682	1,100,553
Bank charges and commissions	288,752	139,978
	<u>1,650,537</u>	<u>3,242,932</u>

Note 35
Other Operating Income

	2026	2025
	Rupees	Rupees
Miscellaneous income	2,909,707	-
Gain on disposal of property, plant and equipment	-	55,171
	<u>2,909,707</u>	<u>55,171</u>

Note 36
Levies and Taxation

			2026	2025
			Rupees	Rupees
Levies	- Minimum / Final Tax	36.1	8,387,789	7,996,725
	- Prior year adjustment		-	-
			8,387,789	7,996,725
Taxation	- Current	36.2	-	-
	- Deferred		-	-
			-	-
			8,387,789	7,996,725

36.1 This represents minimum tax under section 113 and final tax under section 151 of the Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21/IAS 37.

36.2 Reconciliation of current tax charged as per tax laws for the year, with current tax recognized in the statement of profit or loss, is as follows:

Current tax liability for the year as per applicable tax laws	8,387,789	7,996,725
Portion of current tax liability as per tax laws, representing income tax under IAS 12	-	-
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37	(8,387,789)	(7,996,725)
Difference	-	-

36.3 The Company is not presenting the tax charge reconciliation because the Company has incurred tax loss during the year and the company has recognized levy for the year which represents minimum tax at the rate of 1.25% of turnover (2025: 1.25% of turnover) under section 113 of the Income Tax Ordinance, 2001.

Note 37
Loss per Share

	2026	2025
	Rupees	Rupees
	Number of shares	
Weighted average number of ordinary shares outstanding during the year	147,269,275	136,000,000
Loss for the Year	(406,278,156)	(306,713,531)
Loss per share - basic (Rupees per share)	(2.76)	(2.26)

37.1 There is no dilution effect on the basic earnings per share of the Company as the Company has no such commitment that would result in dilution of earnings of the Company.

Note 38

Cash Generated from Operations

	2026	2025
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(406,278,156)	(306,713,531)
Adjustments for:		
- Depreciation	47,826,534	37,448,316
- Levies	8,387,789	7,996,725
- Provision for gratuity	16,219,963	13,998,780
- Finance cost	1,650,537	3,242,932
- Balances written off	1,384,183	-
- Amortization of intangible asset	15,250	19,064
- Gain on disposal of property, plant and equipment	-	(55,171)
	<u>75,484,256</u>	<u>62,650,646</u>
Operating loss before working capital changes	(330,793,900)	(244,062,885)
(Increase) / decrease in current assets		
- Stores and spares	42,966	(1,983,752)
- Stock in trade	267,016,367	280,361,769
- Trade debts	(76,628,337)	(2,003,937)
- Loans and advances	351,285	(7,811,965)
- Trade deposits and other receivables	(1,384,183)	5,396,901
- Tax refund due from government	(8,256,764)	9,115,451
(Decrease) / increase in current liabilities		
- Trade and other payables	(111,508,627)	4,346,846
	<u>69,632,707</u>	<u>287,421,313</u>
Cash (used in) / generated from operations	<u>(261,161,193)</u>	<u>43,358,428</u>

Note 39

Liabilities Arising from Financing Activities

	As at Jul 01, 2025	Non-Cash Changes	Cash Flows (Net)	As at June 30, 2026
	Rupees			
Long term loan	55,151,358	-	(55,151,358)	-
Lease liabilities	65,813,317	-	(3,299,604)	62,513,713
Short term borrowings	298,450,614	-	-	298,450,614
Total liabilities from financing activities	<u>419,415,289</u>	<u>-</u>	<u>(58,450,962)</u>	<u>360,964,327</u>

	As at Jul 01, 2024	Non-Cash Changes	Cash Flows (Net)	As at June 30, 2025
	Rupees			
Long term loan	39,523,562	-	15,627,796	55,151,358
Lease liabilities	45,020,168	-	20,793,149	65,813,317
Short term borrowings	392,204,386	-	(93,753,772)	298,450,614
Total liabilities from financing activities	<u>476,748,116</u>	<u>-</u>	<u>(57,332,827)</u>	<u>419,415,289</u>

Note 40

Remuneration of Chief Executive and Executives

The aggregate amounts charged in the accounts for the year as remuneration and benefits to the chief executive, executive director and executives of the Company are as follows:

	Chief Executive		Executives	
	2026	2025	2026	2025
	Rupees	Rupees	Rupees	Rupees
Managerial remuneration	5,250,000	5,250,000	14,127,400	14,568,943
House rent allowance	1,875,000	1,875,000	5,045,500	5,203,194
Utilities	375,000	375,000	1,009,100	1,040,638
Car allowance and others	1,221,618	1,797,829	735,916	536,529
	8,721,618	9,297,829	20,917,916	21,349,304
Number of persons	1	1	7	8

40.1 No meeting fee has been paid to any director of the Company.

40.2 Chief executive and certain executives are provided with free use of Company maintained vehicles.

40.3 An executive is defined as an employee, other than the chief executive and directors, whose basic salary exceeds Rs. 1.2 million in a financial year.

Note 41

Transaction with Related Parties

Related parties and associated undertaking comprise related group companies, associated companies, staff retirement funds, directors and key management personnel. Transactions with related parties and associated companies, other than remuneration and benefits to key management personnel under the terms of their employment, are as follows:

	2026	2025
	Rs. '000'	Rs. '000'
Associates and related parties		
Long term loan obtained from director	395,417	81,955
Short term funds availed from directors	31,008	25

There were no transactions with key management personnel other than undertaken as per terms of their employment as disclosed in Note 40.

Sale and purchase transactions have been carried out on commercial terms and conditions as per Company's policy.

Note 42
Segment Reporting

For management purposes, the activities of the Company are organized into two operating segment i.e., weaving and spinning. The Company operates in the said reportable operating segments based on the nature of products, risks and returns, organizational and management structure and internal financial reporting systems. Accordingly, the figures reported in these financial statements related to the Company's reportable segment.

Information regarding the Company's reportable segment is presented below:

42.1 Segment revenues and results

	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
For the year ended June 30, 2026			
Sales - net	636,106,624	-	636,106,624
Cost of sales	(970,286,735)	(5,422,068)	(975,708,803)
Gross Loss	(334,180,111)	(5,422,068)	(339,602,179)
Distribution cost	(6,360,000)	-	(6,360,000)
Administrative expenses	(49,065,526)	(18,006)	(49,083,532)
	(55,425,526)	(18,006)	(55,443,532)
Operating Loss	(389,605,637)	(5,440,074)	(395,045,711)
Other operating charges	(4,103,826)	-	(4,103,826)
Finance cost	(1,650,537)	-	(1,650,537)
Other operating income	2,909,707	-	2,909,707
Loss before Levies & Taxation	(392,450,293)	(5,440,074)	(397,890,367)
Levies			(8,387,789)
Loss before Taxation			(406,278,156)
Taxation			-
Loss for the Year			(406,278,156)
For the year ended June 30, 2025			
Sales - net	639,738,007	-	639,738,007
Cost of sales	(890,324,369)	(3,886,764)	(894,211,133)
Gross Loss	(250,586,362)	(3,886,764)	(254,473,126)
Distribution cost	(6,667,700)	-	(6,667,700)
Administrative expenses	(33,566,274)	(21,945)	(33,588,219)
	(40,233,974)	(21,945)	(40,255,919)
Operating Loss	(290,820,336)	(3,908,709)	(294,729,045)
Other operating charges	(800,000)	-	(800,000)
Finance cost	(3,242,932)	-	(3,242,932)
Other operating income	55,171	-	55,171
Loss before Levies & Taxation	(294,808,097)	(3,908,709)	(298,716,806)
Levies			(7,996,725)
Loss before Taxation			(306,713,531)
Taxation			-
Loss for the Year			(306,713,531)

Note 42 - Segment Reporting ... Contd.

42.1.1 Revenue reported above represents revenue generated from external customers. Inter-segment sales during the year is Rs. Nil (2025: Nil)

42.1.2 The accounting policies of the reportable segments are the same as the Company's accounting policies described in note 3 to the financial statements.

42.2 Entity-wide disclosures regarding single reportable segment are as follows:

- **Information about products**

One product of the weaving segment comprises 11.39% (2025: 7.31%) of total sales for the year.

One product of the spinning segment comprises 0% (2025: 0%) of total sales for the year.

- **Information about major customers**

One customer of the weaving segment accounts for 42.53% (2025: 54.25%) of total sales for the year.

One customer of the spinning segment accounts for 0% (2025: 0%) of total sales for the year.

- **Information about geographical area**

All non-current assets of the Company are located in Pakistan as at the reporting date. Revenue from export sale is Nil. (2025: Nil).

42.3 Segment assets and liabilities

Reportable segments' assets and liabilities are reconciled to total assets and liabilities as follows:

	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
As at June 30, 2026			
Segment assets for reportable segments	1,279,670,490	194,133,221	1,473,803,711
Unallocated assets			17,783,862
Total assets as per balance sheet			<u>1,491,587,573</u>
Segment liabilities for reportable segments	894,562,446	231,374,300	1,125,936,746
Unallocated liabilities			109,971,787
Total liabilities as per balance sheet			<u>1,235,908,533</u>
As at June 30, 2025			
Segment assets for reportable segments	1,433,959,580	206,882,423	1,640,842,003
Unallocated assets			6,508,221
Total assets as per balance sheet			<u>1,647,350,224</u>
Segment liabilities for reportable segments	1,033,597,022	229,574,713	1,263,171,735
Unallocated liabilities			113,828,650
Total liabilities as per balance sheet			<u>1,377,000,385</u>

For the purposes of monitoring segment performance and allocating resources between segments

- all assets are allocated to reportable segments other than those directly relating to corporate and tax assets; and
- all liabilities are allocated to reportable segments other than current and deferred tax liabilities.

Note 42 - Segment Reporting ... Contd.

42.4 Other Segment Information

	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
For the year ended 30 June 2026			
Capital expenditure	65,303,083	-	65,303,083
Depreciation and amortization	44,201,297	3,640,487	47,841,784
Non-cash items other than depreciation and amortization - net	17,870,500	-	17,870,500
	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
For the year ended 30 June 2025			
Capital expenditure	29,884,325	-	29,884,325
Depreciation and amortization	33,558,671	3,908,709	37,467,380
Non-cash items other than depreciation and amortization - net	17,241,712	-	17,241,712

Note 43

Shariah Screening Disclosure

	2026	2025
	Rupees	Rupees
STATEMENT OF FINANCIAL POSITION		
Liabilities:		
Financing obtained as per Islamic mode	-	-
Mark-up accrued on conventional loans	128,550,313	129,558,452
Assets:		
Long term and short term Shariah compliant investments	-	-
Shariah compliant bank balances	4,156,572	7,585,613
STATEMENT OF COMPREHENSIVE INCOME		
Sales - net (Shariah compliant)	636,106,624	639,738,007
Break-up of late payments or liquidated damages	-	-
Gain/loss or dividend from Shariah-compliant investments	-	-
Profit earned from Shariah-complaint bank balances	-	-
Exchange gain on actual currency transactions	-	-
Exchange gains from conventional derivative instruments	-	-
Profit paid on Islamic modes of financing	-	-
Interest earned on conventional loans or advances	-	-
Other income:		
Shariah compliant	-	55,171
Shariah non-compliant	2,909,707	-

Relationship with Shariah-compliant financial institutions:

The Company has relationships with shariah compliant banks in respect of bank balances.

Note 44
Financial Risk Management

44.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management policies focus on the unpredictability of financial markets and seek to minimize potential adverse effects on the financial performance.

Risk management is carried out by the Board of Directors (the Board). The Board provides principles for overall risk management as well as policies covering specific areas such as currency risk, other price risk, interest rate risk, credit risk and liquidity risk.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign currency, interest rate, commodity price and equity price that will affect the Company's income or the value of its holdings of financial instruments.

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

Since there have been no foreign currency receivables and payables as at reporting date therefore the Company is not exposed to currency risk with respect to foreign receivables and payables.

(ii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The Company is not exposed to equity and commodity price risk.

(iii) Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company has no significant long-term interest-bearing assets. The Company's interest rate risk arises from long term financing and short term borrowings. As the borrowings are obtained at variable rates, these expose the Company to cash flow interest rate risk.

At the balance sheet date the interest rate profile of the Company's interest bearing financial instruments was as follows:

	2026 Rupees	2025 Rupees
Floating rate instruments		
Financial liabilities		
Long term loan	-	55,151,358
Lease liabilities	62,513,713	65,813,317
Short term borrowings	548,923,882	517,916,243
Financial assets		
Bank balances - saving accounts	-	-

Cash flow sensitivity analysis for variable rate instruments

If interest rates at the balance sheet date, fluctuate by 1% higher / lower with all other variables held constant, profit/(loss) before taxation for the year would have been Rs. 6.114 million (2025: Rs. 6.389 million) lower / higher, mainly as a result of higher / lower interest expense on floating rate borrowings. This analysis is prepared assuming the amounts of liabilities outstanding at balance sheet dates were outstanding for the whole year.

Note 44 - Financial Risk Management ... Contd.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Carrying amounts of financial assets represent the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2026	2025
	Rupees	Rupees
Long term loans	12,483,050	11,403,050
Long term deposits	62,821,443	60,348,192
Trade debts	88,308,097	11,679,760
Short term loans to employees	30,722,853	22,320,808
Trade deposits and other receivables	185,000	185,000
Bank balances	4,004,123	7,021,876

The aging of trade debts at balance sheet date is as follows:

	2026	2025
	Rupees	Rupees
1 - 30 days	4,568,803	4,255,860
31 - 60 days	63,602,000	-
61 - 180 days	17,364,310	5,054,000
180 days and above	2,772,984	2,369,900
	<u>88,308,097</u>	<u>11,679,760</u>

The Company believes that it is not exposed to major concentration of credit risk as its exposure is spread over a large number of parties and trade debts are subject to specific credit ceilings based on customer credit history.

The credit quality of bank balances that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counter party default rate:

	Agency	Rating	
		Short Term	Long Term
Allied Bank Limited	PACRA	A1+	AAA
Bank Alfalah Limited	PACRA	A1+	AAA
Habib Metropolitan Bank Limited	PACRA	A1+	AAA
Meezan Bank Limited	VIS	A1+	AAA
United Bank Limited	VIS	A1+	AAA
Bank Of Punjab	PACRA	A1+	AAA
Bank Al Habib Limited	PACRA	A1+	AAA

Due to company's long standing business relationship with these counter parties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligation to the company. Accordingly, the credit risk is minimal.

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. As at the balance sheet date, the Company had Rs. 906.568 million (2025: Rs. 906.568 million) worth short term borrowing limits available from financial institutions and Rs. 4.157 million (2025: Rs. 7.586 million) cash and bank balances. Following are the contractual maturities of financial liabilities, including interest payments.

Contractual maturities of financial liabilities as at June 30, 2026:

Description	Carrying Amount	On Demand	Contractual cash flows	Within 1 Year	1-2 Years	2-5 Years
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Long term loan	-	-	-	-	-	-
Lease liabilities	62,513,713	-	122,557,284	10,367,028	43,888,918	68,301,338
Trade and other payables	412,610,802	-	412,610,802	412,610,802	-	-
Accrued mark up	128,550,313	-	128,550,313	128,550,313	-	-
Short term borrowings	548,923,882	548,923,882	-	-	-	-
	<u>1,152,598,710</u>	<u>548,923,882</u>	<u>663,718,399</u>	<u>551,528,143</u>	<u>43,888,918</u>	<u>68,301,338</u>

Note 44 - Financial Risk Management ... Contd.

Contractual maturities of financial liabilities as at June 30, 2025:

Description	Carrying Amount	On Demand	Contractual cash flows	Within 1 Year	1-2 Years	2-5 Years
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Long term loan	55,151,358	-	55,151,358	25,151,358	-	30,000,000
Lease liabilities	65,813,317	-	132,694,950	10,137,666	42,908,296	79,648,988
Trade and other payables	520,230,952	-	520,230,952	520,230,952	-	-
Accrued mark up	129,558,452	-	129,558,452	129,558,452	-	-
Short term borrowings	517,916,243	517,916,243	-	-	-	-
	<u>1,288,670,322</u>	<u>517,916,243</u>	<u>837,635,712</u>	<u>685,078,428</u>	<u>42,908,296</u>	<u>109,648,988</u>

The contractual cash flows relating to the above financial liabilities have been determined on the basis of interest rates / mark up rates effective as at 30th June. The rates of interest / mark up have been disclosed in Note 7, 8 and 12 to these financial statements.

(d) Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal market at the measurement date under current market conditions regardless of whether that price is directly observable or estimated using another valuation technique.

As at June 30, 2026 the net fair value of all financial assets and financial liabilities are estimated to approximate their carrying values.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. The fair values of all other financial assets and liabilities are not considered to be significantly different from their carrying values.

The Company classifies the financial instruments measured in the statement of financial position at fair value in accordance with the following fair value measurement hierarchy:

Level 1	Quoted market prices
Level 2	Valuation techniques (market observable)
Level 3	Valuation techniques (non market observable)

44.2 Financial instruments by categories

Financial asset as at amortized cost

	2026	2025
	Rupees	Rupees
Long term loans	12,483,050	11,403,050
Long term deposits	62,821,443	60,348,192
Trade debts	88,308,097	11,679,760
Short term loans to employees	30,722,853	22,320,808
Trade deposits and other receivables	185,000	185,000
Cash and Bank Balance	4,156,572	7,585,613
	<u>198,677,015</u>	<u>113,522,423</u>

Financial liabilities at amortized cost

	2026	2025
	Rupees	Rupees
Long term loan	-	55,151,358
Lease liabilities	62,513,713	65,813,317
Trade and other payables	412,610,802	520,230,952
Accrued mark up	128,550,313	129,558,452
Short term borrowings	548,923,882	517,916,243
	<u>1,152,598,710</u>	<u>1,288,670,322</u>

44.3 Fair values of financial assets and liabilities

Carrying values of all financial assets and liabilities reflected in these financial statements approximate to their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

Note 45
Capital Risk Management

While managing capital, the objectives of the Company are to ensure that it continues to meet the going concern assumption, enhance shareholders' wealth and meets stakeholders' expectations. The Company ensures its sustainable growth viz. maintaining optimal capital structure, keeping its finance cost low, exercising the option of issuing right shares or repurchase shares, if possible, selling surplus property, plant and equipment without affecting the optimal operating level, and regulate its dividend payout thus maintaining smooth capital management.

In line with others in the industry, the Company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including current and non current) less cash and cash equivalents. Total capital is calculated as equity as shown in the balance sheet plus net debt.

As on the balance sheet date, the gearing ratio of the Company was as under:

	2026	2025
	Rupees	Rupees
Total borrowings	548,923,882	586,424,523
Cash and bank balances	(4,156,572)	(7,585,613)
Net Debt	544,767,310	578,838,910
Equity	255,679,040	270,349,839
Total capital employed	800,446,350	849,188,749
Gearing Ratio	68%	68%

Note 46
Plant Capacity and Production

	2026	2025
Air Jet Looms installed	268	264
Installed capacity converted into 50 picks based on 364 days (Sq. Meters approximately)	61,613,606	60,694,000
Actual production converted into 50 picks - (Sq. Meters)	9,444,803	11,648,694
Number of spindles installed	17,976	17,976
Installed capacity in 20's count (Kgs) - approximately	8,853,756	8,853,756
Actual production after conversion into 20's count (Kgs)	-	-

46.1 Under utilization of installed capacities is mainly due to non availability of sufficient liquid funds.

Note 47
Number of Employees

		2026	2025
Average number of employees during the year	Note	428	389
Number of Employees as at June 30,	47.1, 47.2	429	426
47.1 This includes factory employees as at June 30,		421	417

47.2 This includes 272 permanent employees who are eligible for gratuity.

Note 48
Authorization of Financial Statements

These financial statements were authorized for issue on October 06, 2026 by the Board of Directors of the Company.

Note 49
General

Figures in the financial statements have been rounded-off to the nearest rupees except stated otherwise.

CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER




YOUSAF WEAVING MILLS LIMITED

KEY FINANCIAL DATA OF LAST FIVE YEARS

	2025	2024	2023	2022	2021
	Rs. '000'	Rs. '000'	Rs. '000'	Rs. '000'	Rs. '000'
Sales	639,738	527,640	860,825	1,244,911	723,253
Gross Profit / (Loss)	(254,473)	3,051	11,065	83,205	84,138
Profit / (Loss) Before Taxation	(298,717)	(42,609)	(54,196)	24,564	28,092
Tax	(7,997)	(6,596)	(12,271)	(15,598)	(10,913)
Profit / (Loss) After Taxation	(306,714)	(49,205)	(66,467)	8,967	17,180
Total Assets	1,647,350	1,923,131	1,517,712	1,538,100	1,153,897
Current Liabilities	(1,275,835)	(1,371,976)	(1,200,032)	(1,147,020)	(1,166,897)
	371,515	551,155	317,680	391,080	(13,000)

Issued, subscribed and paid up share capital	1,360,000	1,360,000	1,360,000	900,000	900,000
Long term loan from directors	130,607	48,652	14,476	449,106	106,600
Accumulated loss	(1,851,781)	(1,541,996)	(1,493,427)	(1,441,477)	(1,440,717)
Surplus on revaluation of land	631,523	631,523	385,563	385,563	385,563
Equity	270,349	498,179	266,612	293,192	(48,554)
Long term loan	13,357	-	-	-	-
Lease liabilities	56,364	36,214	32,910	50,251	-
Deferred Liability	31,445	16,762	18,158	47,637	35,553
	371,515	551,155	317,680	391,080	(13,000)

THE COMPANIES ACT, 2017
(Section 227(2)(f))
PATTERN OF SHAREHOLDING

1.1 Name of the Company

YOUSAF WEAVING MILLS LIMITED

2.1. Pattern of holding of the shares held by the shareholders as at

30-06-2026

-----Shareholdings-----			
2.2 No. of Shareholder:	From	To	Total Shares Held
1,000	1	100	29,493
711	101	500	251,807
553	501	1,000	497,110
1,228	1,001	5,000	3,555,713
562	5,001	10,000	4,552,880
248	10,001	15,000	3,233,751
153	15,001	20,000	2,828,057
133	20,001	25,000	3,178,511
95	25,001	30,000	2,725,725
57	30,001	35,000	1,900,493
41	35,001	40,000	1,568,411
47	40,001	45,000	2,027,908
71	45,001	50,000	3,505,579
14	50,001	55,000	747,126
20	55,001	60,000	1,177,994
11	60,001	65,000	698,607
22	65,001	70,000	1,502,791
22	70,001	75,000	1,623,299
11	75,001	80,000	866,170
8	80,001	85,000	664,875
9	85,001	90,000	797,901
8	90,001	95,000	742,616
54	95,001	100,000	5,389,056
8	100,001	105,000	820,427
6	105,001	110,000	653,235
4	110,001	115,000	453,017
6	115,001	120,000	706,465
3	120,001	125,000	375,000
3	125,001	130,000	379,299
2	130,001	135,000	266,035
4	135,001	140,000	557,300
2	140,001	145,000	284,491
13	145,001	150,000	1,950,000
3	150,001	155,000	457,016
3	160,001	165,000	485,410
2	165,001	170,000	340,000
1	170,001	175,000	172,500
4	175,001	180,000	709,851
1	180,001	185,000	185,000
2	185,001	190,000	377,571
10	195,001	200,000	1,996,599
1	200,001	205,000	205,000
1	205,001	210,000	210,000
1	220,001	225,000	225,000
1	225,001	230,000	227,000
1	235,001	240,000	236,088
1	240,001	245,000	241,000
1	245,001	250,000	250,000
2	250,001	255,000	505,500
1	260,001	265,000	260,501

4	295,001	300,000	1,197,547
2	350,001	355,000	705,061
1	360,001	365,000	362,000
2	380,001	385,000	768,080
1	395,001	400,000	400,000
1	430,001	435,000	435,000
1	450,001	455,000	452,656
2	470,001	475,000	947,508
2	480,001	485,000	966,500
1	490,001	495,000	495,000
3	495,001	500,000	1,495,287
1	500,001	505,000	502,200
1	520,001	525,000	521,031
1	595,001	600,000	598,338
1	620,001	625,000	620,431
1	665,001	670,000	670,000
1	700,001	705,000	702,000
1	705,001	710,000	709,620
1	1,055,001	1,060,000	1,060,000
1	1,520,001	1,525,000	1,523,063
1	2,340,001	2,345,000	2,342,000
1	9,795,001	9,800,000	9,800,000
1	13,105,001	13,110,000	13,105,500
1	26,360,001	26,365,000	26,361,000
1	48,015,001	48,020,000	48,017,500
5,199			172,352,500

2.3 Categories of Shareholders	Shares Held	Percentage
2.3.1 Directors, Chief Executive Officer, and their spouse and minor children	87,989,200	51.0519
2.3.2 Associated Companies, undertakings and related parties. (Parent Company)	-	-
2.3.3 NIT and ICP	1,100	0.0006
2.3.4 Banks Development Financial Institutions, Non Banking Financial Institutions.	6,267	0.0036
2.3.5 Insurance Companies	-	-
2.3.6 Modarabas and Mutual Funds	14,700	0.0085
2.3.7 Shareholders holding 10% or more	87,986,200	51.0501
2.3.8 General Public		
a. Local	83,035,790	48.1779
b. Foreign	29,000	0.0168
2.3.9 Others (to be specified)		
- Joint Stock Companies	1,151,661	0.6682
- Foreign Companies	6,200	0.0036
- Leasing Companies	6,100	0.0035
- Pension Funds	108,669	0.0631
- Others	3,813	0.0022

YOUSAF WEAVING MILLS LIMITED

Categories of Share Holders

As on 30th June, 2026

S. No.	NAME	HOLDING	% AGE
<u>DIRECTORS, CEO THEIR SPOUSES & MINOR CHILDREN</u>			
1	KHAWAJA MOHAMMAD NADEEM (CDC)	48,017,500	27.8601
	KHAWAJA MOHAMMAD NADEEM (CDC)	502,200	0.2914
2	KH. SHAHZAD YOUNUS	500	0.0003
3	MRS. ALIA KHANUM	500	0.0003
4	MR. MUHAMAMD AMJAD	500	0.0003
5	MR. SHUQRAN AHMED KHAN	500	0.0003
6	MR. ABBAS ALI	500	0.0003
7	MR. FAISAL QAIYUM	500	0.0003
8	MRS. ANDLEEB KAUSAR W/O KHAWAJA M. NADEEM (CDC)	13,105,500	7.6039
	MRS. ANDLEEB KAUSAR W/O KHAWAJA M. NADEEM (CDC)	26,361,000	15.2948
		87,989,200	51.0519
<u>ASSOCIATED COMPANIES</u>			
		0	0.0000
<u>NIT & ICP</u>			
1	INVESTMENT CORP. OF PAKISTAN	1,100	0.0006
		1,100	0.0006
<u>BANKS, DEVELOPMENT FINANCE INSTITUTIONS, NON BANKING FINANCE INSTITUTIONS</u>			
1	NATIONAL BANK OF PAKISTAN	2,100	0.0012
2	PAKISTAN INDUSTRIAL CREDIT & INVESTMENT	1,000	0.0006
3	THE BANK OF PUNJAB	900	0.0005
4	NATIONAL DEVELOPMENT FINANCE CORP.	100	0.0001
5	AL-FAYSAL INVESTMENT BANK LTD.	500	0.0003
6	NATIONAL DEVELOPMENT FINANCE CORP.	1,000	0.0006
7	NATIONAL BANK OF PAKISTAN (CDC)	667	0.0004
		6,267	0.0036
<u>MODARABA & MUTUAL FUNDS</u>			
1	TRUST MODARABA	2,100	0.0012
2	FIRST MEHRAN MODARABA	100	0.0001
3	GOLDEN ARROW SELECTED STOCKS	1,000	0.0006
4	FIRST INTER FUND MODARABA	400	0.0002
5	INDUSTRIAL CAPITAL MODARABA	1,600	0.0009
6	CDC - TRUSTEE AKD INDEX TRACKER FUND (CDC)	9,500	0.0055
		14,700	0.0085
<u>LEASING COMPANIES</u>			
1	NATIONAL DEVELOPMENT LEASING CORPORATION LIMITED	6,100	0.0035
<u>INSURANCE COMPANIES</u>			
		0	0.0000
<u>PENSION FUNDS</u>			
1	TRUSTEE NATIONAL BANK OF PAKISTAN EMPLOYEES PENSION FUND (CDC)	108,669	0.0631
		108,669	0.0631
<u>FOREIGN COMPANIES</u>			
1	THE PAKISTAN FUND	6,200	0.0036
		6,200	0.0036
<u>JOINT STOCK COMPANIES</u>			
1	N. H. HOLDINGS (PVT) LIMITED	500	0.0003
2	SAPPHIRE FIBRES LIMITED	20,000	0.0116
3	AL-HAJWERI TRADERS REGD.	9,600	0.0056
4	ATIF MUSHTAQ & CO. (REGD)	18,800	0.0109

5	BEAR STEARNS SECURITIES CORP.	500	0.0003
6	BACKERS & PARTNERS (PRIVATE) LIMITED - MF (CDC)	15,000	0.0087
7	BRAINS SECURITIES (PRIVATE) LIMITED (CDC)	100	0.0001
8	DARSON SECURITIES (PRIVATE) LIMITED - MF (CDC)	2,500	0.0015
9	GROWTH SECURITIES (PRIVATE) LIMITED - MF (CDC)	199,499	0.1158
10	HAIFZ LIMITED (CDC)	10,000	0.0058
11	INTERMARKET SECURITIES LTD(FORMELY EFG HERMES PAK.LTD) - MF (CDC)	30,212	0.0175
12	JS GLOBAL CAPITAL LIMITED (CDC)	10,769	0.0062
13	JSK SECURITIES LIMITED (CDC)	25,000	0.0145
14	KTRADE SECURITIES LIMITED (CDC)	1	0.0000
15	MAM SECURITIES (PRIVATE) LIMITED (CDC)	400	0.0002
16	MOHAMMAD MUNIR MOHAMMAD AHMED KHANANI SECURITIES LTD. - MF (CDC)	43,500	0.0252
17	MRA SECURITIES LIMITED (CDC)	90,000	0.0522
18	MRA SECURITIES LIMITED - MF (CDC)	350,061	0.2031
19	NCC - PRE SETTLEMENT DELIVERY ACCOUNT (CDC)	5,700	0.0033
20	PEARL SECURITIES LIMITED - MF (CDC)	50,000	0.0290
21	RAFI SECURITIES (PRIVATE) LIMITED - MF (CDC)	58,019	0.0337
22	SALIM SOZER SECURITIES (PRIVATE) LIMITED (CDC)	180,000	0.1044
23	TPS PAKISTAN (PRIVATE) LIMITED (CDC)	30,000	0.0174
24	ZAFAR MOTI CAPITAL SECURITIES (PVT) LTD. (CDC)	1,500	0.0009
		1,151,661	0.6682

OTHERS

1	TRUSTEE ALOO & MINOCHER DINSHAW CHARITABLE TRUST (CDC)	150,000	0.0870
2	TRUSTEE NATIONAL BANK OF PAKISTAN EMP BENEVOLENT FUND TRUST (CDC)	3,813	0.0022
		3,813	0.0022

SHARES HELD BY THE GENERAL PUBLIC (LOCAL)

83,035,790 48.1779

SHARES HELD BY THE GENERAL PUBLIC (FOREIGN)

29,000 0.0168

83,064,790 48.1947

172,352,500 100.0000

SHAREHOLDERS HOLDING 10% OR MORE OF TOTAL CAPITAL

S. No.	NAME	Holding	%Age
1	KHAWAJA MOHAMMAD NADEEM (CDC)	48,519,700	28.1514
2	MRS. ANDLEEB KAUSAR W/O KHAWAJA M. NADEEM (CDC)	39,466,500	22.8987
		87,986,200	51.0501

SHAREHOLDERS HOLDING 5% OR MORE OF TOTAL CAPITAL

S. No.	NAME	Holding	%Age
1	KHAWAJA MOHAMMAD NADEEM (CDC)	48,519,700	28.1514
2	MRS. ANDLEEB KAUSAR W/O KHAWAJA M. NADEEM (CDC)	39,466,500	22.8987
3	MST. MALAIKA NADEEM (CDC)	11,323,063	6.5697
		99,309,263	57.6199

During the financial year the trading in shares of the company by the Directors, CEO, CFO, Company Secretary and their spouses and minor children is as follows

Sr. No.	Name	Sale	Purchase
1	KHAWAJA MOHAMMAD NADEEM (CDC)	-	30,852,500
2	MRS. ANDLEEB KAUSAR W/O KHAWAJA M. NADEEM (CDC)	1,000,000	-

YOUSAF WEAVING MILLS LIMITED
Categories of Shareholding required under Code of Corporate Governance (CCG)
As on June 30, 2026

Sr. No.	Name	No. of Shares Held	Percentage
---------	------	--------------------	------------

Associated Companies, Undertakings and Related Parties (Name Wise Detail):

-

-

Mutual Funds (Name Wise Detail)

1	GOLDEN ARROW SELECTED STOCKS	1,000	0.0006
2	CDC - TRUSTEE AKD INDEX TRACKER FUND (CDC)	9,500	0.0055

Directors and their Spouse and Minor Children (Name Wise Detail):

1	KHAWAJA MOHAMMAD NADEEM (CDC)	48,519,700	28.1514
2	KH. SHAHZAD YOUNUS	500	0.0003
3	MRS. ALIA KHANUM	500	0.0003
4	MR. MUHAMAMD AMJAD	500	0.0003
5	MR. SHUQRAN AHMED KHAN	500	0.0003
6	MR. ABBAS ALI	500	0.0003
7	MR. FAISAL QAIYUM	500	0.0003
8	MRS. ANDLEEB KAUSAR W/O KHAWAJA M. NADEEM (CDC)	39,466,500	22.8987

Executives:

-

-

Public Sector Companies & Corporations:

-

-

Banks, Development Finance Institutions, Non Banking Finance

125,236

0.0921

Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:

Shareholders holding five percent or more voting interest in the listed company (Name Wise Detail)

S. No.	NAME	Holding	%Age
1	KHAWAJA MOHAMMAD NADEEM (CDC)	48,519,700	28.1514
2	MRS. ANDLEEB KAUSAR W/O KHAWAJA M. NADEEM (CDC)	39,466,500	22.8987
3	MST. MALAIKA NADEEM (CDC)	11,323,063	6.5697

All trades in the shares of the listed company, carried out by its Directors, Executives and their spouses and minor children shall also be disclosed:

Sr. No.	Name	Sale	Purchase
1	KHAWAJA MOHAMMAD NADEEM (CDC)	-	30,852,500
2	MRS. ANDLEEB KAUSAR W/O KHAWAJA M. NADEEM (CDC)	1,000,000	-

Form of Proxy - 39th Annual General Meeting

The Corporate Secretary
Yousaf Weaving Mills Limited
7/1, E-3 Main Boulevard Gulberg III, Lahore

Folio # / CDC A/C #.	
Participant I.D	
Account #	
Shares held	

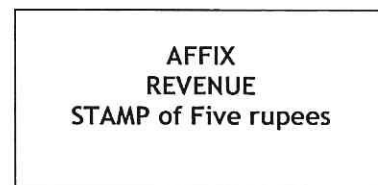
I/We _____ of _____
_____ being a member (s) of YOUSAF WEAVING MILLS
LIMITED hold _____ ordinary shares hereby appoint Mr./Mrs./Miss
_____ of _____
_____ or _____ failing
him/her _____ of _____ as my /our Proxy
to attend and vote for me/us and on my/our behalf at the 39th Annual General
Meeting of the Company to be held on Wednesday, 28th October, 2026 at 09:15
a.m at the registered office 7/1 E-III, Main Boulevard, Gulberg III, Lahore.

Signed this _____ day of October 2026.

NOTE

1. This Form of proxy, duly completed and signed, must be received at the registered office of the company, at 7/1, E-3 Main Boulevard Gulberg III, Lahore Pakistan, not less than 48 hours before the time of holding the meeting.
2. If a member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the company, all such instruments of proxy shall be rendered invalid.

1. Witness:
Signature _____
Name _____
Address _____
CNIC _____
2. Witness:
Signature _____
Name _____
Address _____
CNIC _____



Signature _____

(Signature appended above should agree with the specimen signatures registered with the Company.)