FIRST QUARTER REPORT
FOR THE PERIOD ENDED
SEPTEMBER 30, 2026
(Un-Audited)

NAGINA

NAGINA GROUP

PROSPERITY WEAVING MILLS LTD.

CONTENTS

Company Information	02
Directors' Review	03
Condensed Interim Statement of Financial Position	07
Condensed Interim Statement of Profit or Loss and Other Comprehensive Income	09
Condensed Interim Statement of Cash Flows	10
Condensed Interim Statement of Changes in Equity	12
Notes to the Condensed Interim Financial Statements	13

PROSPERITY WEAVING MILLS LTD.

COMPANY INFORMATION

BOARD OF DIRECTORS	Mr. Shahzada Ellahi Shaikh	Non-Executive Director / Chairman
	Ms. Parveen Akhter Malik	Independent Non-Executive Director
	Mr. Faisal Kamiran	Independent Non-Executive Director
	Mr. Muhammad Naeem Khan	Independent Non-Executive Director
	Mr. Javaid Bashir Sheikh	Non-Executive Director
	Mr. Shaukat Ellahi Shaikh	Non-Executive Director
	Mr. Shafqat Ellahi Shaikh	Non-Executive Director
	Mr. Amin Ellahi Shaikh	Non-Executive Director
	Mr. Haroon Shahzada Ellahi Shaikh	Non-Executive Director
	Mr. Raza Ellahi Shaikh	Executive Director
MANAGING DIRECTOR (Chief Executive)	Mr. Raza Ellahi Shaikh	
AUDIT COMMITTEE	Ms. Parveen Akhter Malik	Chairperson
	Mr. Amin Ellahi Shaikh	Member
	Mr. Haroon Shahzada Ellahi Shaikh	Member
	Mr. Syed Mohsin Gilani	Secretary
HUMAN RESOURCE & REMUNERATION (HR & R) COMMITTEE	Ms. Parveen Akhter Malik	Chairperson
	Mr. Raza Ellahi Shaikh	Member
	Mr. Amin Ellahi Shaikh	Member
	Mr. Muhammad Azam	Secretary
EXECUTIVE COMMITTEE	Mr. Raza Ellahi Shaikh	Chairman
	Mr. Shahzada Ellahi Shaikh	Member
	Mr. Amin Ellahi Shaikh	Member
	Mr. Haroon Shahzada Ellahi Shaikh	Member
	Mr. Muhammad Azam	Secretary
CORPORATE SECRETARY	Mr. Syed Mohsin Gilani	
CHIEF FINANCIAL OFFICER (CFO)	Mr. Muhammad Tariq Sheikh	
HEAD OF INTERNAL AUDIT	Mrs. Saira Saman	
AUDITORS	Messrs Yousuf Adil. Chartered Accountants	
CORPORATE ADVISORS	Bandial & Associates	
LEAD BANKERS	Allied Bank Ltd. Askari Bank Ltd. Bank Alfalah Ltd. Bank Al Habib Ltd. Faysal Bank Ltd. Habib Bank Ltd. Meezan Bank Ltd. MCB Bank Ltd. National Bank of Pakistan Soneri Bank Limited United Bank Ltd.	
REGISTERED OFFICE	Nagina House, 91-B-1,M.M. Alam Road, Gulberg-III, Lahore-54660	
REGIONAL OFFICE	2nd Floor, Shaikh Sultan Trust Bldg. No. 2, 26-Civil Lines, Beaumont Road, Karachi - 75530	
WEB REFERENCE	www.nagina.com	
SHARES REGISTRAR	M/s Hameed Majeed Associates (Pvt.) Ltd. 1st Floor, H.M. House 7-Bank Square, Lahore Phone # 042-37235081-2 Fax # 042-37358817	
MILLS	13.5 K.M Sheikhupura Sharaqpur Road, Sheikhupura	

DIRECTORS' REVIEW

The Directors are pleased to present the un-audited condensed interim financial statements of the Company for the 1st quarter ended on September 30, 2026. The comparative figures for the corresponding quarter ended on September 30, 2025 are included for comparison, except in statement of financial position where comparative figures are for the year ended on June 30, 2026.

Company Performance

The Company remained profitable during the quarter despite a difficult business environment. It earned an after-tax profit of Rs. 62,965,031 compared to Rs. 46,182,903 in the same period of last year (SPLY), an increase of 36.34%. Earnings per share (EPS) for the quarter stood at Rs. 3.41 compared to Rs. 2.50 in the SPLY.

Sales revenue for the quarter increased marginally by 1.15% to Rs. 4,735,231,238, compared to Rs. 4,681,614,220 in the SPLY mainly because of increase in per unit selling price. Cost of sales slightly increased to 93.44% of sales from 93.24% of sales in the SPLY. Gross profit marginally reduced to 6.56% from 6.76% and stood at Rs. 310,421,150 compared to Rs. 316,424,391 in the SPLY.

Operating expenses reduced to 2.81% of sales compared to 3.01% in the SPLY. This reduction is mainly because of reduction in selling expenses. Other income was Rs. 6,890,710 compared to Rs. 6,158,739 in the SPLY.

The company effectively maintained stable cash flows, ensuring the timely settlement of operating liabilities. Because of increase in the short-term borrowings, finance costs increased to 1.30% of sales from 0.95% in the SPLY.

Future Outlook

The weaving sector continues to face severe challenges amid turbulent market conditions. Fabric demand remains subdued due to high inventory levels among buyers and prevailing uncertainty arising from the ongoing Gulf War. The fabric market remains bearish, with a challenging outlook and buyers adopting a cautious approach toward placing new orders. Meanwhile, low-priced fabric imports continue to undermine the competitiveness of Pakistani weavers and constrain their ability to achieve profitable sales. Trade disruptions resulting from US tariffs are also prompting competing countries, including India, to divert fabric exports to European markets, intensifying competition for Pakistani exporters and potentially further dampening demand. Softening global demand has led to elevated inventory levels. Against this backdrop, the Company is apprehensive of stressful 2nd quarter of the current financial year.

On the fiscal side because of rising inflation, there is a talk of increase in policy rate. If it happens this will result in rise in financial costs.

High energy costs remain a major burden on the industry. The Company is taking all possible measures to reduce its overall energy cost, including expanding its solar capacity. Rising finance costs and high input costs are also squeezing margins.

According to the figures issued by the Pakistan Cotton Ginners Association, for the crop year 2026-27, Kapas (seed cotton) arrivals up to October 15, 2026 at the ginneries totalled 4.081 million bales compared to 3.796 million bales for SPLY, showing an increase in arrivals of 7.53%.

It is hoped that the Government will introduce business-friendly policies, including uninterrupted and cost-effective energy supply, refund of outstanding taxes, a lower corporate tax rate, control of inflation and a reduction in financial costs. Policies should also encourage completion of the value chain in the textile sector so that the country can export finished products.

Acknowledgement

Continued diligence and devotion of the staff and workers of the Company and good human relations at all levels deserve acknowledgement. The Directors also wish to place on record their thanks to the bankers and other stakeholders for their continued support to the Company.

On behalf of the Board.

Raza Ellahi Shaikh
Chief Executive Officer

Haroon Shahzada Ellahi Shaikh
Director

Lahore: October 29, 2026

PROSPERITY WEAVING MILLS LTD.

ممبران کے لئے ڈائریکٹرز کی رپورٹ

مجلس نظماء 30 ستمبر 2026ء کو مختتمہ پہلی سہ ماہی کے لئے کمپنی کی غیر نظر ثانی شدہ منجمد عبوری مالیاتی معلومات پیش کرتے ہوئے خوشی محسوس کر رہی ہے۔ 30 ستمبر 2025ء کو ختم ہونے والی سہ ماہی کے تقابلی اعداد و شمار بھی موازنہ کے لئے شامل کئے گئے ہیں، ماسوائے سٹیٹمنٹ آف فنانشل پوزیشن کے جہاں تقابلی اعداد و شمار 30 جون 2026ء کو مختتمہ سال کے لئے ہیں۔

کمپنی کی کارکردگی

مشکل کاروباری ماحول کے باوجود زیرِ جائزہ سہ ماہی کے دوران کمپنی منافع بخش رہی۔ کمپنی نے گزشتہ سال کی اسی مدت میں حاصل کردہ 46,182,903 روپے کے بعد از ٹیکس منافع کے مقابلے میں 36.34 فیصد اضافے کے ساتھ 62,965,031 روپے کا بعد از ٹیکس منافع حاصل کیا۔ زیرِ جائزہ سہ ماہی کے لیے فی حصص آمدنی (EPS) گزشتہ سال کی اسی مدت کے 2.50 روپے کے مقابلے میں 3.41 روپے رہی۔

زیرِ جائزہ سہ ماہی کے دوران فروخت سے حاصل ہونے والی آمدنی میں گزشتہ سال کی اسی مدت کے مقابلے میں معمولی 1.15 فیصد اضافہ ہوا اور یہ 4,681,614,220 روپے کے مقابلے میں بڑھ کر 4,735,231,238 روپے ہوگئی، جس کی بنیادی وجہ فی یونٹ فروخت کی قیمت میں اضافہ ہے۔ فروخت کی لاگت گزشتہ سال کی اسی مدت کے دوران فروخت کے 93.24 فیصد کے مقابلے میں معمولی اضافے کے ساتھ 93.44 فیصد ہوگئی۔ مجموعی منافع کی شرح معمولی کمی کے ساتھ 6.76 فیصد سے کم ہو کر 6.56 فیصد رہ گئی، جبکہ مجموعی منافع گزشتہ سال کی اسی مدت کے 316,424,391 روپے کے مقابلے میں 310,421,150 روپے رہا۔

آپریٹنگ اخراجات گزشتہ سال کی اسی مدت کے دوران فروخت کے 3.01 فیصد کے مقابلے میں کم ہو کر 2.81 فیصد رہ گئے۔ اس کمی کی بنیادی وجہ فروخت کے اخراجات میں کمی ہے۔ دیگر آمدنی گزشتہ سال کی اسی مدت کے 6,158,739 روپے کے مقابلے میں 6,890,710 روپے رہی۔

کمپنی نے نقد رقوم کے بہاؤ کو مؤثر انداز میں مستحکم رکھا، جس سے آپریٹنگ واجبات کی بروقت ادائیگی یقینی بنائی گئی۔ قلیل مدتی قرضوں میں اضافے کے باعث مالیاتی اخراجات گزشتہ سال کی اسی مدت کے دوران فروخت کے 0.95 فیصد کے مقابلے میں بڑھ کر 1.30 فیصد ہو گئے۔

مستقبل کا نقطہ نظر

بگڑتی ہوئی منڈی کی صورتحال کے باعث ویونگ (کپڑا بُننے) کا شعبہ بدستور شدید مشکلات کا سامنا کر رہا ہے۔ خریداروں کے پاس ذخیرے کی بلند سطح اور جاری خلیجی جنگ کے نتیجے میں پیدا ہونے والی غیر یقینی صورتحال کے باعث کپڑے کی طلب بدستور کمزور ہے۔ کپڑے کی منڈی میں مندی کا رجحان برقرار ہے، مستقبل کا منظر نامہ چیلنجز سے بھرپور ہے اور خریدار نئے آرڈرز دینے کے حوالے سے محتاط رویہ اختیار کیے ہوئے ہیں۔ دوسری جانب، کم قیمت کپڑے کی درآمدات بدستور پاکستانی بُنکروں کی مسابقتی صلاحیت کو متاثر کر رہی ہیں اور منافع بخش فروخت کے حصول کی ان کی صلاحیت کو محدود کر رہی ہیں۔ امریکی محصولات کے نتیجے میں تجارتی سرگرمیوں میں پیدا ہونے والی رکاوٹیں بھارت سمیت مسابقتی ممالک کو اپنے کپڑے کی برآمدات یورپی منڈیوں کی جانب منتقل کرنے پر بھی آمادہ کر رہی ہیں، جس سے پاکستانی برآمد کنندگان کے لیے مسابقت مزید بڑھ رہی ہے اور طلب میں مزید کمی کا امکان ہے۔ عالمی طلب میں کمی کے باعث ذخیرے کی سطح بلند ہوگئی ہے۔ ان حالات کے پیشِ نظر کمپنی کو موجودہ مالی سال کی دوسری سہ ماہی میں شدید دباؤ اور مشکلات کا سامنا رہنے کا خدشہ ہے۔

مالیاتی محاذ پر افراطِ زر میں اضافے کے باعث شرحِ پالیسی میں اضافے کی باتیں ہو رہی ہیں۔ اگر ایسا ہوتا ہے تو اس کے نتیجے میں مالیاتی اخراجات میں اضافہ ہوگا۔

توانائی کی بلند قیمتیں بدستور صنعت پر ایک بڑا بوجھ ہیں۔ کمپنی اپنی مجموعی توانائی کی لاگت میں کمی کے لیے تمام ممکنہ اقدامات کر رہی ہے، جن میں شمسی توانائی کی صلاحیت میں توسیع بھی شامل ہے۔ مالیاتی اخراجات اور خام مال کی بلند لاگت میں اضافے کے باعث منافع کی شرح پر بھی دباؤ بڑھ رہا ہے۔

پاکستان کاٹن جنرز ایسوسی ایشن کے جاری کردہ اعداد و شمار کے مطابق، فصل سال 2026-27ء کے لیے، 15 اکتوبر 2026ء تک جنریوں میں کپاس (سیڈ کاٹن) کی آمد 3.796 ملین گانٹھوں کے مقابلے میں 4.081 ملین گانٹھیں رہی، جس میں 7.53 فیصد کا اضافہ دکھائی دیتا ہے۔

امید کی جاتی ہے کہ حکومت کاروبار دوست پالیسیاں لے کر آئے گی، جیسے کہ غیر منقطع توانائی کی فراہمی لاگت مؤثر انداز میں، واجب الادا ٹیکسز کی واپسی، کارپوریٹ ٹیکس کی شرح میں کمی، افراطِ زر کی شرح کو کنٹرول کرنا اور مالیاتی اخراجات کو کم کرنا۔ حکومتی پالیسیوں کو ٹیکسٹائل سیکٹر میں ویلیو چین کے تکمیل کی حوصلہ افزائی کرنی چاہیے تاکہ ملک تیار مصنوعات برآمد کر سکے۔

اظہارِ تشکر

کمپنی کے عملے اور کارکنوں کی مسلسل محنت اور جذبہ اور تمام سطحوں پر اچھے انسانی تعلقات کا اعتراف کرتے ہیں۔ ڈائریکٹرز کمپنی کی مسلسل حمایت پر بینکرز کا بھی شکریہ ادا کرتے ہیں۔

منجانب بورڈ

رضا الٰہی شیخ
چیف ایگزیکٹو آفیسر

ہارون شہزادہ الٰہی شیخ
ڈائریکٹر

لاہور: 29 اکتوبر 2026ء

PROSPERITY WEAVING MILLS LTD.

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2026

	Note	Un-Audited September 30, 2026	Audited June 30, 2026
		.....Rupees.....	
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 40,000,000 (June 30, 2026: 40,000,000) ordinary shares of Rs. 10 each		**400,000,000**	400,000,000
Issued, subscribed and paid up capital		**184,800,000**	184,800,000
Reserves		**2,351,240,431**	2,285,982,166
Revaluation surplus on land		**207,888,634**	207,888,634
TOTAL EQUITY		**2,743,929,065**	2,678,670,800
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term finances	4	**1,610,136,521**	1,701,119,482
Employee retirement benefits		**340,437,243**	335,735,366
Deferred Taxation		**126,765,813**	126,765,814
		2,077,339,577	2,163,620,662
CURRENT LIABILITIES			
Trade and other payables		**1,506,329,718**	1,408,159,539
Accrued interest / markup		**55,419,299**	49,866,991
Short term borrowings	5	**1,703,931,721**	1,037,645,024
Current portion of long term finances	4	**403,929,474**	388,873,216
Provision for taxation		**333,515,455**	300,736,067
Unclaimed dividend		**7,499,535**	7,499,535
		4,010,625,202	3,192,780,372
TOTAL LIABILITIES		**6,087,964,779**	5,356,401,034
CONTINGENCIES AND COMMITMENTS	6		
TOTAL EQUITY AND LIABILITIES		**8,831,893,844**	8,035,071,834

The annexed explanatory notes from 1 to 16 form an integral part of these condensed interim financial statements.

Haroon Shahzada Ellahi Shaikh
Director

Muhammad Tariq Sheikh
Chief Financial Officer

Lahore: October 29, 2026

PROSPERITY WEAVING MILLS LTD.

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2026

	Note	Un-Audited September 30, 2026	Audited June 30, 2026
		.....Rupees.....	
NON-CURRENT ASSETS			
Property, plant and equipment	7	**3,602,286,012**	3,683,452,772
Long term deposits		**15,906,000**	15,039,000
		3,618,192,012	3,698,491,772
CURRENT ASSETS			
Stores, spare parts and loose tools		**122,012,997**	153,462,011
Stock-in-trade		**2,336,337,503**	1,965,990,590
Trade receivables		**1,635,281,526**	807,624,106
Advances and deposits		**26,186,729**	22,779,778
Short term prepayments and Other Receivables		**27,920,755**	3,597,574
Taxes refundable		**482,148,201**	446,046,469
Other financial assets	8	**157,031,360**	354,738,126
Prepaid Levies		**120,635,345**	108,924,547
Advance Income Tax		**248,093,233**	205,693,482
Cash and bank balances		**58,054,183**	267,723,378
		5,213,701,832	4,336,580,062
TOTAL ASSETS		**8,831,893,844**	8,035,071,834

The annexed explanatory notes from 1 to 16 form an integral part of these condensed interim financial statements.

Raza Ellahi Shaikh
Chief Executive Officer

PROSPERITY WEAVING MILLS LTD.

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2026

	Note	Quarter Ended	
		September 30, 2026	September 30, 2025
		.....Rupees.....	
Revenue from contracts with customers	9	**4,735,231,238**	4,681,614,220
Cost of sales	10	**(4,424,810,088)**	(4,365,189,829)
Gross profit		**310,421,150**	316,424,391
Distribution cost		**(62,519,448)**	(88,156,987)
Administrative expenses		**(61,360,155)**	(42,613,399)
Other operating expenses		**(9,110,612)**	(10,214,244)
		(132,990,215)	(140,984,630)
Operating Profit		**177,430,935**	175,439,761
Finance cost		**(61,667,035)**	(44,271,444)
Other income		**6,890,710**	6,158,739
Profit before income tax, minimum tax differential and final tax		**122,654,610**	137,327,056
Minimum Tax differential		**(17,814,928)**	(39,628,639)
Profit before Income tax		**104,839,682**	97,698,417
Provision for taxation		**(41,874,651)**	(51,515,514)
Profit after taxation		**62,965,031**	46,182,903
Other comprehensive income			
Items that will not be reclassified subsequently to statement of profit or loss:			
Fair value gain on investment in equity instrument designated at FVTOCI		**2,293,234**	55,611,906
Total comprehensive income for the period		**65,258,265**	101,794,809
Earnings per share - basic and diluted		**3.41**	2.50

The annexed explanatory notes from 1 to 16 form an integral part of these condensed interim financial statements.

Haroon Shahzada Ellahi Shaikh	**Muhammad Tariq Sheikh**	**Raza Ellahi Shaikh**
Lahore: October 29, 2026	Director	Chief Financial Officer	Chief Executive Officer

PROSPERITY WEAVING MILLS LTD.

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2026

	Quarter Ended	
	September 30, 2026	September 30, 2025
	.....Rupees.....	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	**104,839,682**	97,698,417
Adjustments for:		
Depreciation of property, plant and equipment	**90,804,217**	72,271,739
Provision for employee benefits	**16,923,273**	21,859,755
Dividend income	**(3,163,600)**	(2,547,700)
Gain on disposal of property, plant and equipment	**(3,566,403)**	(3,596,417)
Minimum Tax differential and final tax	**17,814,928**	39,628,639
Interest (Income)/Loss	**(15,666)**	(14,621)
Gain on sale of other Financial assets at FVTPL	**(145,040)**	-
Finance cost	**61,667,035**	44,271,444
	180,318,744	171,872,839
Operating cash flow before working capital changes	**285,158,426**	269,571,256
Changes in Working capital		
(Increase) / decrease in:		
Stores, spare parts and loose tools	**31,449,014**	41,216,122
Stock-in-trade	**(370,346,913)**	370,660,208
Trade receivables	**(827,657,420)**	(136,686,965)
Advances	**(3,406,951)**	9,347,909
Short term prepayments	**(24,323,181)**	(19,607,884)
Long Term Deposit	**(867,000)**	30,349,923
Sales tax refundable	**(36,101,732)**	40,314,773
	(1,231,254,183)	335,594,086
Increase in trade and other payables	**98,170,179**	172,175,433
	(1,133,084,004)	507,769,519
Cash generated from operations	**(847,925,578)**	777,340,775
Finance cost paid	**(56,114,727)**	(47,602,142)
Employee benefits paid	**(12,221,396)**	(9,319,505)
Levies paid	**(11,710,798)**	(38,790,078)
Income taxes paid	**(69,309,940)**	(21,243,036)
Net cash (used in) / generated operating activities	**(997,282,439)**	660,386,014
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(11,226,055)**	(156,108,542)
Proceeds from disposal of property, plant and equipment	**5,155,000**	7,080,000
Purchase of other financial assets	**-**	-
Proceeds from sale of other financial assets	**200,145,040**	-
Interest received	**15,666**	14,621
Dividend received	**3,163,600**	2,547,700
Net cash generated / (used in) from investing activities	**197,253,251**	(146,466,221)

PROSPERITY WEAVING MILLS LTD.

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2026

	Quarter Ended	
	September 30, 2026	September 30, 2025
	.....Rupees.....	
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finances obtained	**19,140,903**	85,263,837
Repayment of long term finances	**(95,067,606)**	(110,768,503)
Short term borrowings excluding running finance and bank overdraft	**1,012,884,629**	27,325,168
Dividend paid	**-**	(2,044)
Net cash generated from financing activities	**936,957,926**	1,818,458
Net increase in cash and cash equivalents	**136,928,738**	515,738,251
Cash and cash equivalents at beginning of the period	**(541,292,138)**	41,564,687
Cash and cash equivalents at end of the period	**(404,363,400)**	557,302,938
CASH AND CASH EQUIVALENTS		
Cash and bank balances	**58,054,183**	707,506,019
Running finance	**(462,417,583)**	(150,203,081)
	(404,363,400)	557,302,938

The annexed explanatory notes from 1 to 16 form an integral part of these condensed interim financial statements.

	Haroon Shahzada Ellahi Shaikh	**Muhammad Tariq Sheikh**	**Raza Ellahi Shaikh**
Lahore: October 29, 2026	Director	Chief Financial Officer	Chief Executive Officer

PROSPERITY WEAVING MILLS LTD.

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2026

	Issued, subscribed and paid up capital	Capital reserve			Revenue reserve	Total
		Amalgamation reserve	Revaluation surplus on land	Fair value reserve	Unappropriated profit	
	---------- Rupees ----------					
Balance at June 30, 2025 (Audited)	184,800,000	16,600,000	207,888,634	32,709,846	1,972,340,747	2,414,339,227
Comprehensive income						
Profit after taxation	-	-	-	-	46,182,903	46,182,903
Other comprehensive income - net of tax	-	-	-	55,611,906	-	55,611,906
Total comprehensive income for the period	-	-	-	55,611,906	46,182,903	101,794,809
Balance as at September 30, 2025 (Un-audited)	184,800,000	16,600,000	207,888,634	88,321,752	2,018,523,650	2,516,134,036
Comprehensive income						
Profit after taxation	-	-	-	-	215,483,481	215,483,481
Other comprehensive income - net of tax	-	-	-	(6,833,894)	87,177	(6,746,717)
Total Comprehensive income for the period	-	-	-	(6,833,894)	215,570,658	208,736,764
Transfer of gain on disposal of equity investments at FVTOCI	-	-	-	-	-	-
Transactions with owners						
Final dividend for the year ended June 30, 2025 @ 25% i.e. Rs.2.5per ordinary share	-	-	-	-	(46,200,000)	(46,200,000)
Balance at June 30, 2026 (Audited)	184,800,000	16,600,000	207,888,634	81,487,858	2,187,894,308	2,678,670,800
Comprehensive income						
Profit after taxation	-	-	-	-	62,965,031	62,965,031
Other comprehensive Profit - net of tax	-	-	-	2,293,234	-	2,293,234
Total comprehensive income for the period	-	-	-	2,293,234	62,965,031	65,258,265
Balance at September 30, 2026 (Un-audited)	**184,800,000**	**16,600,000**	**207,888,634**	**83,781,092**	**2,250,859,339**	**2,743,929,065**

The annexed explanatory notes from 1 to 16 form an integral part of these condensed interim financial statements.

Haroon Shahzada Ellahi Shaikh	**Muhammad Tariq Sheikh**	**Raza Ellahi Shaikh**
Lahore: October 29, 2026	Director	Chief Financial Officer	Chief Executive Officer

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2026

1 LEGAL STATUS AND OPERATIONS

1.1 Prosperity Weaving Mills Limited (the Company) was incorporated in Pakistan on November 20, 1991 as a public limited company under the repealed Companies Ordinance, 1984 (Now Companies Act 2017) and listed on Pakistan Stock Exchange Limited on October, 17 1995. The registered office of the Company is situated at Nagina House, 91-B-1, M.M. Alam Road, Gulberg-III, Lahore and Regional Office at 2nd Floor, Shaikh Sultan Trust Bldg. No. 2, 26-Civil Lines, Beaumont Road, Karachi. The principal activity of the Company is manufacturing and sale of woven cloth. The plant measuring 210 kanals is located at 13.5 km Sharaqpur road, District Sheikhupura in the Province of Punjab.

1.2 These condensed interim financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

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

- International Accounting Standard 34: 'Interim Financial Reporting' (IAS 34), 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 with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These condensed interim financial statements do not include all of the information required for the full financial statements and, therefore, these should be read in conjunction with annual audited financial statements for the year ended June 30, 2026. Comparative condensed statement of financial position is extracted from annual audited financial statements for the year ended June 30, 2025, whereas comparative condensed statement of profit or loss and other comprehensive income, comparative condensed statement of changes in equity and comparative of statement of cash flows are stated from un-audited condensed interim financial statements for the first quarter ended September 30, 2025.

3 ACCOUNTING POLICIES AND ESTIMATES

The significant accounting policies and methods of computation adopted in preparation of these condensed interim financial statements are the same as those applied in preparation of the annual audited financial statements of the Company for the year ended June 30, 2026.

3.1 Financial risk management

The Company's financial risk management objective and policies are consistent with those disclosed in the annual audited financial statements of the Company for the year ended June 30, 2026.

3.2 Fair value of financial assets and liabilities

The carrying value of financial assets and financial liabilities reported in these condensed interim financial statements approximates their fair values.

3.3 Estimates and judgements

Estimates and judgements made by management in the preparation of these condensed interim financial statements are same as those applied in the preparation of the annual audited financial statements of the Company for the year ended June 30, 2026.

4 LONG TERM FINANCES

	Note	Un-Audited September 30 2026	Audited June 30 2026
From Banking Companies		----------Rupees----------	
Opening balance		**2,089,992,698**	1,877,685,184
Obtained during the period / year		**19,140,903**	636,432,429
Repayments made during the period / year		**(95,067,606)**	(424,124,915)
		2,014,065,995	2,089,992,698
Less: Current portion shown under current liabilities		**(403,929,474)**	(388,873,216)
		1,610,136,521	1,701,119,482

		Note	Un-Audited September 30 2026	Audited June 30 2026
			----------Rupees----------	
5	**SHORT TERM BORROWING**			
	From banking companies:			
	Running finance - secured		**462,417,583**	809,015,517
	Foreign currency loans - secured		**1,241,514,138**	228,629,507
			1,703,931,721	1,037,645,024
6	**CONTINGENCIES AND COMMITMENTS**			
6.1	**Contingencies**			
	There is no significant change in the status of contingencies as disclosed in the note 12.1 & 12.2 of the financial statement for the year ended June 30, 2026.			
6.2	**Commitments**			
	Irrevocable letters of credit for			
	Store and Spares		**5,594,400**	24,341,281
	Raw Materials		**436,171,902**	52,918,929
			441,766,302	77,260,210
	Short term lease			
	Payable within one year		**590,592**	1,099,987
			442,356,894	78,360,197
7	**PROPERTY, PLANT AND EQUIPMENT**			
	Operating fixed assets - owned	**7.1**	**3,590,796,499**	3,680,284,413
	Capital work-in-progress		**11,489,513**	3,168,359
			3,602,286,012	3,683,452,772
7.1	**Operating fixed assets - Owned**			
	Opening written down value		**3,680,284,413**	2,918,618,184
	Additions during the period / year:			
	Plant and machinery		**-**	958,213,201
	Factory equipment		**2,622,900**	508,000
	Furniture and fixture		**-**	335,440
	Office equipment		**282,000**	697,000
	Vehicles		**-**	144,386,223
			2,904,900	1,104,139,864
	Written down value of property, plant and equipment disposed off		**(1,588,597)**	(21,581,605)
	Depreciation charged during the period/year		**(90,804,217)**	(320,892,028)
	Written down value at end of the period/year		**3,590,796,499**	3,680,284,413
8	**OTHER FINANCIAL ASSETS**			
	Investments classified as FVTOCI			
	Equity investments	**8.1**	**156,202,660**	153,909,426
	Investments classified as FVTPL			
	Mutual funds		**-**	200,000,000
	Investments classified as FVTPL			
	TDR's		**828,700**	828,700
			157,031,360	354,738,126
8.1	**Reconciliation between fair value and cost of investments classified at FVTOCI**			
	Fair value of investments			
	-in listed equity securities		**156,202,660**	153,909,426
	Add/(Less): Gain/(Loss) on remeasurement of investments		**(83,781,092)**	(81,487,858)
	Cost of investment		**72,421,568**	72,421,568

		Note	Quarter Ended (Un-audited) September 30 2026	September 30 2025
9	**Revenue from contracts with customer**		.....Rupees.....	
	Local			
	Cloth		**4,141,676,894**	3,084,625,457
	Yarn		**106,082,295**	-
	Waste		**24,156,035**	19,003,609
			4,271,915,224	3,103,629,066
	Less: Sales tax on sales		**(651,629,089)**	(473,434,942)
			3,620,286,135	2,630,194,124
	Export			
	Cloth		**1,114,945,103**	2,051,420,096
	Total		**4,735,231,238**	4,681,614,220
10	**COST OF SALES**			
	Raw material consumed		**3,792,193,978**	2,936,063,687
	Fuel and power		**402,827,835**	529,936,610
	Salaries, wages and benefits		**262,966,432**	254,410,494
	Stores and spares consumed		**83,085,068**	53,029,355
	Sizing material consumed		**77,738,105**	74,086,652
	Depreciation		**82,342,748**	68,421,666
	Packing material consumed		**16,641,603**	12,915,748
	Insurance		**7,455,074**	6,527,254
	Repairs and maintenance		**6,286,240**	5,002,928
	Others		**6,557,916**	6,971,187
	Manufacturing cost		**4,738,094,999**	3,947,365,581
	Work-in-process:			
	At beginning of period		**211,769,487**	240,293,214
	At end of period		**(218,792,949)**	(195,718,941)
			(7,023,462)	44,574,273
	Cost of goods manufactured		**4,731,071,537**	3,991,939,854
	Finished stocks:			
	At beginning of period		**1,142,902,988**	973,067,246
	Cloth purchased / processing charges		**2,101,410**	32,497
	At end of period		**(1,451,265,847)**	(599,849,768)
			(306,261,449)	373,249,975
			4,424,810,088	4,365,189,829

11 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated companies, directors of the company and key management personnel. The transactions between the Company and the related parties are carried out as per agreed terms. The consideration is determined on commercial terms and conditions. The transactions with related parties during the period generally consist of sales and purchases.

Nature and description of related party transactions during the period along with monetary values are as follows:

Nature of Relationship	**Nature of Transaction**		
Associated companies	Purchase of goods and services	**2,239,467,205**	2,327,541,702
	Rent expense	**387,600**	369,135
	Sale of goods and services	**137,097**	-
Key Management Personnel	Remuneration and other benefits	**18,258,179**	17,142,520

There is no balance outstanding to or from associated undertakings as at reporting date.

12 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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 (that is, as prices) or indirectly (that is, derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the Company's financial assets which are carried at fair value:

	September 30, 2026			
	Level 1	Level 2	Level 3	Total
	---------- Rs ----------			
Financial assets - at fair value				
Equity Investments designated at FVTOCI	**156,202,660**	**-**	**-**	**156,202,660**
At September 30, 2026	**156,202,660**	**-**	**-**	**156,202,660**

	June 30, 2026			
Financial assets - at fair value				
Equity Investments designated at FVTOCI	153,909,426	-	-	153,909,426
Investments designated at FVTPL	-	200,000,000	-	200,000,000
At June 30, 2026	153,909,426	200,000,000	-	353,909,426

At September 30, 2026 the company holds short term investments where the company has used Level 1 inputs for the measurement of fair values and there is no transfer between levels.

13 CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Quarter ended (Un-audited)		
	June 30, 2026	Net Cash flow	September 30, 2026
	.....Rupees.....		
Long term finances	2,089,992,698	(75,926,703)	2,014,065,995
Short term borrowings	1,037,645,024	666,286,697	1,703,931,721
	3,127,637,722	**590,359,994**	**3,717,997,716**

14 DISCLOSURE REQUIREMENT FOR COMPANIES NOT ENGAGED IN SHARIAH NON-PERMISSIBLE BUSINESS ACTIVITIES

Following information has been disclosed as required under amended part I clause VII of Fourth Schedule to the Companies Act, 2017 as amended via S.R.O.1278(I)/2024 dated August 15, 2024:

	Note	Un-Audited September 30, 2026	Audited June 30, 2026
		----------Rupees----------	
STATEMENT OF FINANCIAL POSITION			
Liabilities			
Long term financing as per Islamic mode		-	-
Short term borrowings as per Islamic mode		388,488,451	50,693,371
Interest or mark-up accrued on conventional loans		55,419,299	49,866,991
Assets			
Shariah compliant bank balances		45,202	138,307
Shariah compliant short-term investments		-	-

	Note	Quarter Ended (Un-audited)	
		September 30, 2026	September 30, 2025
		.....Rupees.....	
STATEMENT OF PROFIT OR LOSS			
Sales - net (Shariah compliant)		**4,735,231,238**	4,681,614,220
Profit paid on islamic mode of financing		**2,417,619**	1,186,887
Exchange difference			
Shariah compliant		**-**	-
Shariah non-compliant		-	-
Balances written back - net			
Shariah compliant		**-**	-
Shariah non-compliant		-	-
Other income - Other			
Shariah compliant		**3,566,404**	3,596,417
Shariah non-compliant		**3,324,306**	2,562,321

Relationship with Shariah–compliant financial institutions:
The Company has relationships with shariah compliant banks in respect of bank balances and availed borrowing facilities as mentioned above.

15 CORRESPONDING FIGURES

Corresponding figures have been rearranged and regrouped where ever necessary for the purpose of comparison.

15.1 The figures have been rounded off to the nearest Rupee.

16 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements (un-audited) have been approved by the board of directors of the Company and authorized for issue on October 29, 2026.

Haroon Shahzada Ellahi Shaikh	**Muhammad Tariq Sheikh**	**Raza Ellahi Shaikh**
Lahore: October 29, 2026	Director	Chief Financial Officer	Chief Executive Officer

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