PROSPERITY WEAVING MILLS LIMITED

Corporate Briefing Session 2025-26

Year ended June 30, 2026, with update for Q1 FY2026-27 (quarter ended September 30, 2026)

Prosperity Weaving Mills Limited (PWML) Important Disclaimer

This presentation is not an offer or solicitation of an offer to buy or sell any securities or any investment.

- This presentation is solely for information purposes.
- Information should be read in the context of circumstances prevailing at the time and will not be updated for later developments.
- Forward-looking statements involve inherent risks and uncertainties, both general and specific; predictions, forecasts and projections may not be achieved.
- PWML does not undertake any obligation to update or revise any statement, whether as a result of new information, future events or otherwise.
- When relying on forward-looking statements, carefully consider the political, economic, social and legal environment in which the Company operates.
- Actual results may vary from any forecast or estimate, including the assumptions or basis on which it was made.

Nagina Group

Founded in 1967 with the incorporation of Nagina Cotton Mills Limited by Mr. Shaikh Enam Ellahi (Late). The Group has since expanded to the companies below.

Company	Nature of business	Status
1) Nagina Cotton Mills Ltd.	Textile Spinning	Public Listed
2) Ellcot Spinning Mills Ltd.	Textile Spinning	Public Listed
3) Prosperity Weaving Mills Ltd.	**Textile Weaving**	**Public Listed**
4) Ellahi International (Pvt) Ltd.	Trading	Private
5) ARH (Pvt) Ltd.	Trading	Private
6) Haroon Omer (Pvt) Ltd.	Construction / Trading	Private
7) Monell (Pvt) Ltd.	Trading	Private
8) ICARO (Pvt) Ltd.	Construction / Trading	Private
9) Pacific Industries (Pvt) Ltd.	Trading	Private

Prosperity Weaving Mills Limited
Company Brief

Incorporated

Nov 20, 1991 as a public limited company

Listed

Pakistan Stock Exchange, Oct 17, 1995

Principal activity

Manufacturing and sale of woven cloth

Business locations

Registered / head office: Nagina House, 91-B-1, M.M. Alam Road, Gulberg-III, Lahore

Manufacturing: 13.5 km Sharaqpur Road, Sheikhupura, Punjab

Liaison office: 2nd Floor, Shaikh Sultan Trust Bldg. No. 2, 26-Civil Lines, Beaumont Road, Karachi

Certifications

GRS	Global Recycled Standard
RCS	Recycled Claim Standard
OCS	Organic Content Standard
GOTS	Global Organic Textile Standard
OEKO-TEX	OEKO-TEX Standard 100
STeP	Sustainable Textile Production
Regenagri CS	Regenagri Crop Standard
ISO 9001:2015	Quality Management System
SLCP	Social & Labor Convergence Program
BCI	Better Cotton Initiative
CmiA	Cotton made in Africa
US Trust Protocol	U.S. Cotton Trust Protocol

ISO 9001:2015 certification is valid until June 19, 2027.

Prosperity Weaving Mills Limited
Board of Directors

1	**Mr. Shahzada Ellahi Shaikh** Chairman, Non-Executive	2	**Mr. Raza Ellahi Shaikh** Executive Director / CEO
3	**Ms. Parveen Akhter Malik** Independent Non-Executive	4	**Mr. Faisal Kamiran** Independent Non-Executive
5	**Mr. Muhammad Naeem Khan** Independent Non-Executive	6	**Mr. Javaid Bashir Sheikh** Non-Executive
7	**Mr. Shaukat Ellahi Shaikh** Non-Executive	8	**Mr. Shafqat Ellahi Shaikh** Non-Executive
9	**Mr. Amin Ellahi Shaikh** Non-Executive	10	**Mr. Haroon Shahzada Ellahi Shaikh** Non-Executive

Board committees

Audit
Ms. Parveen Akhter Malik, Chairperson
Mr. Amin Ellahi Shaikh, Member
Mr. Haroon Shahzada Ellahi Shaikh, Member

HR & Remuneration
Ms. Parveen Akhter Malik, Chairperson
Mr. Raza Ellahi Shaikh, Member
Mr. Amin Ellahi Shaikh, Member

Management

CFO: Mr. Muhammad Tariq Sheikh
Corporate Secretary: Mr. Syed Mohsin Gilani
Auditors: Yousuf Adil, Chartered Accountants

Financial highlights

Year ended June 30, 2026 (audited) and quarter ended September 30, 2026 (un-audited)

FY2026 at a Glance

Net sales

Rs 17.54 bn

-3.6% vs Rs 18.19 bn (lower selling price)

Gross profit

Rs 1.31 bn

Margin 7.47% vs 6.52%

Profit before tax

Rs 590 m

+50.9% vs Rs 391 m

Profit after tax

Rs 261.7 m

+187% vs Rs 91.1 m

Earnings per share

Rs 14.16

vs Rs 4.93 in FY25

Cash dividend

Rs 2.50 / share

25%; payout 17.7%, yield 3.7%

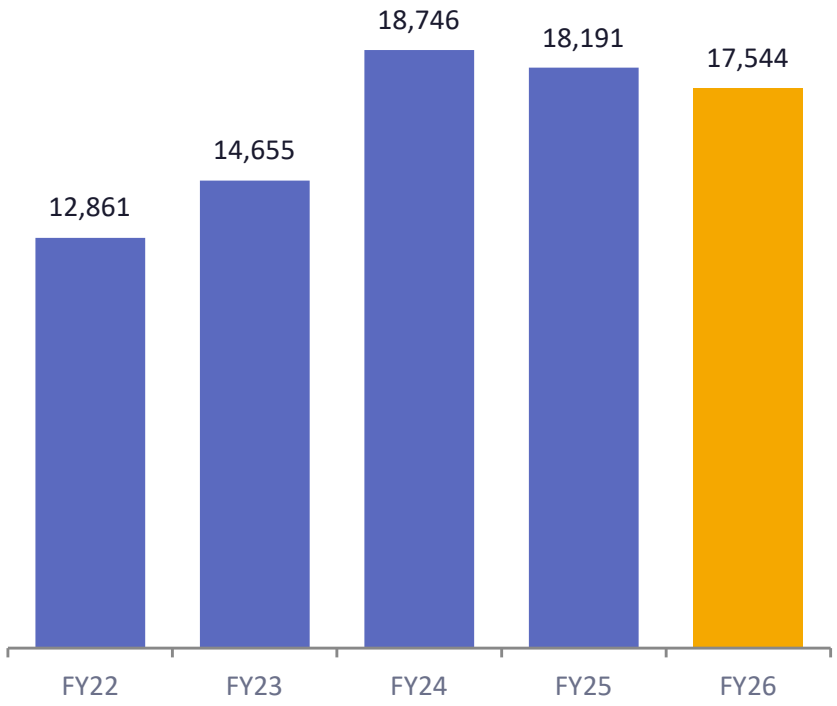
Gross margin improved on lower raw material, fuel & power and stores consumption; finance cost eased to 1.04% of sales (1.41%); and the tax charge reduced to 55.6% of PBT (76.7%). Market value per share rose by 41% to Rs 67.71 at June 30, 2026 (Rs 48.00).

Financial Highlights

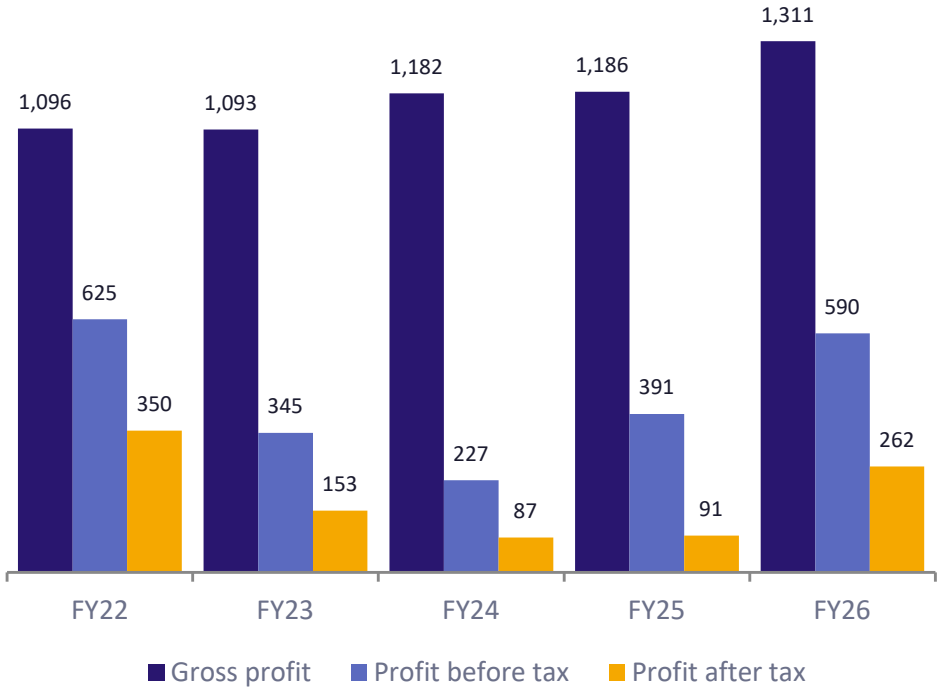
	Qtr ended	For the year ended June 30,				
Rs. '000 unless stated	30/Sep/26	2026	2025	2024	2023	2022
Sales	**4,735,231**	**17,543,549**	**18,191,084**	**18,745,628**	**14,654,708**	**12,860,619**
Gross profit	310,421	1,310,793	1,186,197	1,182,106	1,092,517	1,095,646
Profit before tax	122,655	589,854	390,853	227,390	344,564	624,550
Taxation	59,690	328,188	299,730	140,735	191,435	274,646
Profit after tax	**62,965**	**261,666**	**91,123**	**86,655**	**153,129**	**349,904**
Gross profit (%)	6.56	7.47	6.52	6.31	7.46	8.52
Tax as % of PBT	48.66	55.64	76.69	61.89	55.56	43.98
Earnings per share (Rs.)	**3.41**	**14.16**	**4.93**	**4.69**	**8.29**	**18.93**
Cash dividend per share (Rs.)	-	2.50	2.50	2.50	3.00	5.00
Dividend payout (%)	-	17.66	50.71	53.30	36.19	26.41
Dividend yield (%)	-	3.69	5.21	8.82	10.00	10.47
Market value per share, June 30 (Rs.)	-	67.71	48.00	28.35	30.00	47.75

Sales and Profitability

Net sales (Rs. million)

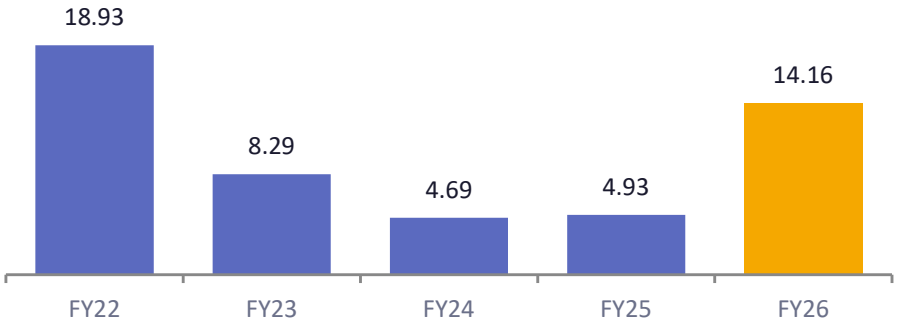


Profit trend (Rs. million)

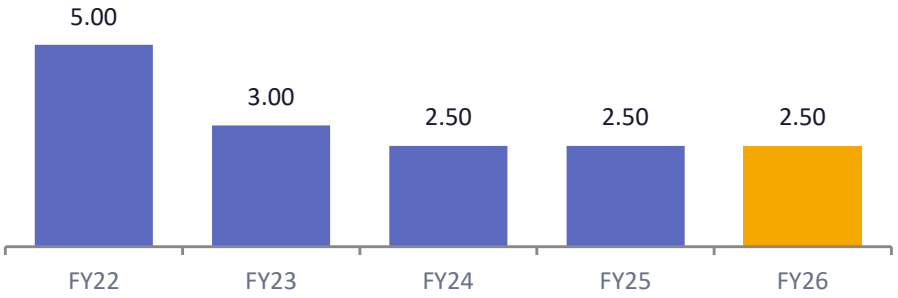


Shareholder Returns

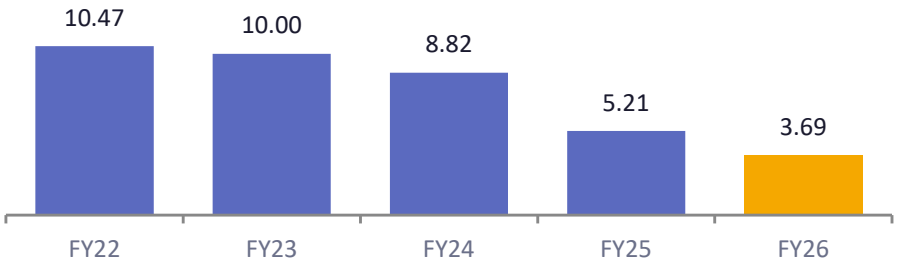
Earnings per share (Rs.)



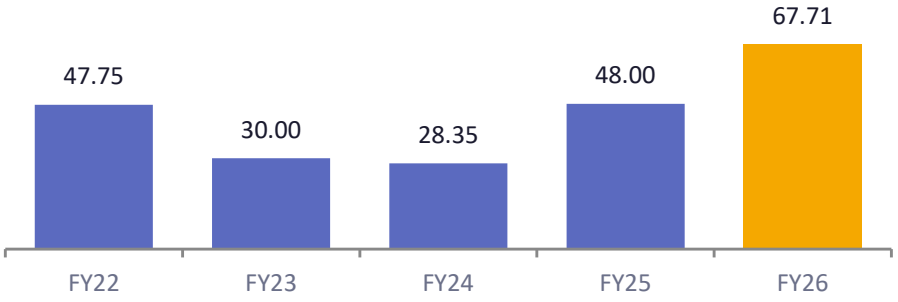
Cash dividend per share (Rs.)



Dividend yield (%)



Market value per share, June 30 (Rs.)



Financial Highlights: Balance Sheet

	Qtr ended	For the year ended June 30,				
Rs. '000 unless stated	**30/Sep/26**	**2026**	**2025**	**2024**	**2023**	**2022**
Non-current assets	3,618,192	3,698,492	3,139,383	3,196,175	3,360,337	2,528,638
Current assets	5,213,702	4,336,580	3,962,021	3,995,759	3,801,228	3,698,510
Total assets	**8,831,894**	**8,035,072**	**7,101,404**	**7,191,934**	**7,161,565**	**6,227,148**
Equity	2,743,929	2,678,671	2,414,339	2,329,128	2,033,536	2,015,919
Long-term liabilities	2,077,340	2,163,621	1,772,480	1,963,657	2,461,217	1,928,153
Current liabilities	4,010,625	3,192,780	2,914,584	2,899,149	2,666,812	2,283,076
Total equity and liabilities	**8,831,894**	**8,035,072**	**7,101,404**	**7,191,934**	**7,161,565**	**6,227,148**
Current ratio (times)	1.30	1.36	1.36	1.38	1.43	1.62
Total debt ratio (%)	68.93	66.66	66.00	67.61	71.60	67.63
Air jet looms installed (number)	382	382	382	382	382	334
Total number of employees (year end)	-	1,116	1,154	1,236	1,306	1,191

Production and Operations

Air jet looms

382

unchanged

Production (FY26)

63.6 m metres

+0.6% vs 63.2 m

Employees (June 30, 2026)

1,116

vs 1,154 a year earlier

Product range: low to heavy GSM; narrow to wide width; plain, textured, twill, satin, dobby, stripes, mini jacquard, selvedge writing, yarn-dyed and stretch fabrics.

Markets: local and export. Export was 39.6% of FY26 net sales (Rs 6.95 bn); main destinations Korea, Belgium, Hong Kong and Spain.

Major Variations: Income Statement

Description (Rs m)	FY2026	FY2025	Change	%	Explanation
Sales	17,543.5	18,191.1	(647.5)	-3.6%	Lower per-unit selling price.
Gross profit (GP)	1,310.8	1,186.2	124.6	+10.5%	Cost of sales eased to 92.53% of sales (93.48%): lower raw material, fuel & power and stores consumption. GP margin 7.47% (6.52%).
Other income	23.4	29.2	(5.8)	-19.7%	Gain on mutual fund units fell to Rs 1.3m (Rs 11.0m); partly offset by higher gain on fixed asset disposal and dividends receipts on investments.
Finance cost	183.3	256.2	(72.9)	-28.4%	Because of scheduled repayments, reduction in long term markups and Lower average borrowings rates. Cost eased to 1.04% of sales (1.41%).
Profit before tax	589.9	390.9	199.0	+50.9%	Higher GP, lower distribution and finance costs.
Taxation	328.2	299.7	28.5	+9.5%	Provision for taxation increased
Profit after tax	261.7	91.1	170.5	+187.2%	1.49% of sales (0.50%): higher GP, lower finance cost and a lower effective tax rate.
EPS (Rs per share)	14.16	4.93	9.23	+187.2%	Cash dividend of Rs 2.50 per share (25%)

Major Variations: Balance Sheet

Description	FY2026	FY2025	Change	%	Explanation
Trade and other payables	1,408.2	1,024.1	384.1	**+37.5%**	Higher yarn creditors (+Rs 204m), utility bills payable (+Rs 126m), infrastructure fee payable (+Rs 63m) and EOBI payable (+Rs 27m).
Trade receivables	807.6	1,073.0	(265.4)	**-24.7%**	Export debtors down Rs 165m and local debtors down Rs 100m.
Property, plant and equipment	3,683.5	3,093.8	589.7	**+19.1%**	Assets of Rs 1,104m capitalised (weaving machinery, solar), net of depreciation.
Taxes refundable	446.0	255.3	190.7	**+74.7%**	Sales tax refund claims of Rs 823m lodged and refund payment orders of Rs 690m received in the year; balance also includes Rs 57m other tax refundable.
Other financial assets	354.7	106.0	248.8	**+234.8%**	Rs 200m invested in a mutual fund; market price gains on listed equity holdings.

Current and Future Challenges and Risks

1 Demand

Ongoing conflicts in the Middle East have strained supply chains and softened global demand, leading to elevated inventory levels. The first half of FY2026-27 is expected to remain challenging.

2 Sector headwinds

Persistent macroeconomic headwinds continue to affect the textile sector, particularly the weaving segment. Management remains committed to staying profitable through targeted operational efficiencies.

3 Interest rates

The Middle East conflict is exerting inflationary pressure, which may cause a rise in interest cost.

4 Energy

Rising energy costs are being addressed by solarizing the energy base; further solar capacity is being evaluated. Uninterrupted energy at concessional rates, in line with regional competitors, is hoped for.

5 Key Government Support Measures

Uninterrupted, cost-effective energy; refund of outstanding taxes; lower corporate tax rate; elimination of super tax; lower inflation and financing cost; completion of the textile value chain to export finished products.

Questions & Answers

Thank you