

**THIRD QUARTER REPORT  
FOR THE PERIOD ENDED  
MARCH 31, 2025  
(Un-Audited)**



**PROSPERITY WEAVING MILLS LTD.**



**PROSPERITY WEAVING MILLS LTD.**

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## 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. Arfa Waheed Malik	Independent Non-Executive Director
Mr. Aneeq Khawar	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

Mr. Farjad Ashfaq

#### AUDITORS

Messrs Yousuf Adil.  
Chartered Accountants

#### CORPORATE ADVISORS

Bandial & Associates

#### LEAD BANKERS

Allied Bank Ltd.  
Askari Bank Ltd.  
Bank Alfalah 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](http://www.nagina.com)

#### SHARES REGISTRAR

M/s Hameed Majeed Associates (Pvt.) Ltd.  
1<sup>st</sup> Floor, H.M. House 7-Bank Square, Lahore  
Phone # 042-37235081-2  
Fax # 042-37358817

#### MILLS

13.5 K.M  
Sheikhupura Sharaqpur Road, Sheikhupura



## **PROSPERITY WEAVING MILLS LTD.**

### **DIRECTORS' REVIEW**

The Directors are pleased to present the un-audited condensed interim financial information of the Company for the third quarter ended on March 31, 2025. The comparative figures for the corresponding quarter ended on March 31, 2024 are included for comparison, except in statement of financial position where figures are for the year ended on June 30, 2024.

#### **Company Performance**

Despite ongoing challenges in the textile industry, particularly within the weaving segment, your company has maintained its profitability. During the quarter under review, the Company has earned after-tax profit of Rs. 53,856,717 an increase from Rs. 11,182,136 in the same period last year (SPLY). Earning per share (EPS) for the period is Rs. 2.91 compared to Rs. 0.61 for the SPLY.

Sales revenue for the quarter under review decreased by 7.97% over the SPLY and stood at Rs. 4,567,340,810 compared to Rs. 4,962,619,181. This decline is primarily attributable to a reduction in sales volume and a lower per unit selling price. The cost of sales, as a percentage of revenue, increased slightly from 93.57% in the SPLY to 93.67% during the current quarter. Consequently, gross profit margin decreased marginally from 6.43% to 6.33%.

Overall operating expenses decreased from 3.49% of sales during SPLY to 2.57% of sales during the period under review. The company successfully maintained stable cash flows, allowing for timely settlement of its operating liabilities. Due to better cash flows, scheduled repayments of long term loans and reduction in policy rate, finance cost reduced to 1.17% of sales from 1.77% of sales in the SPLY.

#### **Future Outlook**

The textile industry continues to face significant challenges due to slowdowns in both global and domestic markets. The recent imposition of tariffs by the United States has further contributed to global market uncertainty. An early resolution of the tariff issue is needed to stabilise the markets. Surging input costs and subdued demand from value-added sectors have placed pressure on profit margins. Compounding these issues, the government has imposed an additional gas levy which will lead to higher energy costs. As a result, the Company has had to resort to alternative energy sources such as WAPDA and furnace oil to manage operations.

The outlook for the final quarter of FY25 remains uncertain due to persistent market challenges. However, the management is pro-actively pursuing cost-efficiency measures, targeted marketing strategies and product diversification to enhance operational resilience. These initiatives are expected to support the Company in maintaining profitability for the remainder of the financial year.

The solar capacity enhancement effort is in progress and will complete during the current quarter. The company is in the process of replacing its compressors with a more efficient compressor. This will provide substantial savings in energy costs.

The government has reported a decline in the inflation rate, which is likely to support the State Bank of Pakistan (SBP) in maintaining its monetary easing trajectory. At present, the SBP has kept the policy rate steady at 12%, with expectations of a potential 1% reduction during the current fiscal year, contingent on continued moderation in inflation.



## PROSPERITY WEAVING MILLS LTD.

SBP's prudent monetary policies have effectively steered the current account into surplus—an encouraging development. Moreover, sustained growth in home remittances and exports has supported the current account, contributing to the relative stability of the Rupee against the US Dollar.

According to the figures issued by the Pakistan Cotton Ginners Association, for the crop year 2024-25 (final data of the year), Kapas, (seed cotton) arrivals upto February 28, 2025, at the Ginneries totalled 5.524 million bales compared to 8.393 million bales for the financial year 2023-24 showing decrease in arrival of 34.17%.

It is hoped that the Government will bring in business friendly policies such as uninterrupted energy supplies in cost effective manner, refund of outstanding taxes, controlling the inflation rate and reducing the financial costs. Government policies should encourage the 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 gratitude to the bankers for their continued support to the Company.

On behalf of the Board.

**Haroon Shahzada Ellahi Shaikh**  
Director

**Amin Ellahi Shaikh**  
Director

Lahore: April 29, 2025

## ڈائریکٹرز کا جائزہ

ڈائریکٹرز 31 مارچ 2025ء کو مختصر تیسری سہ ماہی کے لئے کمپنی کی غیر نظر ثانی شدہ منجمد عبوری مالیاتی معلومات پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔ 31 مارچ 2024ء کو ختم ہونے والی نو ماہی کے تقابلی اعداد و شمار بھی موازنہ کے لئے شامل کئے گئے ہیں، ماسوائے سسٹمٹ آف فنانشل پوزیشن کے جہاں تقابلی اعداد و شمار 30 جون 2024ء کو مختصر سال کے لئے ہیں۔

### کمپنی کی کارکردگی

ٹیکسٹائل صنعت میں، خاص طور پر پوئیٹنگ شعبہ کے اندر جاری مشکلات کے باوجود، آپ کی کمپنی منافع بخش رہی۔ زبرد جائزہ سہ ماہی کے دوران کمپنی نے ٹیکس کے بعد منافع 53,856,717 روپے جبکہ گزشتہ سال کی اسی سہ ماہی کے دوران 11,182,136 روپے بعد از ٹیکس منافع کمایا۔ زبرد جائزہ سہ ماہی کے لئے فی شیئر آمدنی (EPS) گزشتہ سال کی اسی مدت کے لئے 0.61 روپے کے مقابلے 2.91 روپے ہے۔

زبرد جائزہ سہ ماہی کے لئے فروخت آمدنی گزشتہ سال کی اسی مدت سے 7.97 فیصد تک کم ہوئی اور 4,962,619,181 روپے کے مقابلے 4,567,340,810 روپے ہوئی ہے۔ یہی بنیادی طور پر فروخت، حجم میں کمی اور پی کم فروخت قیمت کی وجہ سے ہوا ہے۔ فروخت کی لاگت، فیصدی آمدنی کے طور پر گزشتہ سال کی اسی مدت کے دوران فروخت کی 93.57 فیصد سے معمولی بڑھ کر زبرد جائزہ مدت کے دوران فروخت کی 93.67 فیصد ہو گئی۔ فروخت کی لاگت میں اضافہ کے نتیجے میں مجموعی منافع مارجن گزشتہ سال کے اسی مدت کے دوران فروخت کے 6.43 فیصد سے کم ہو کر زبرد جائزہ مدت کے دوران فروخت کے 6.33 فیصد تک ہو گیا۔

مجموعی آپریٹنگ اخراجات گزشتہ سال کی اسی مدت میں فروخت کے 3.49 فیصد سے کم ہو کر زبرد جائزہ مدت میں فروخت کے 2.57 فیصد تک ہوئے۔ کمپنی مستحکم نقدی بہاؤ پیدا کرنے اور اپنے کاروباری واجبات کی بروقت ادائیگی کرنے میں کامیاب رہی۔ بہتر نقد بہاؤ، طویل مدتی قرضوں کی بروقت ادائیگی اور پالیسی شرح میں کمی کی وجہ سے مالی لاگت گزشتہ سال کی فروخت کی 1.77 فیصد سے کم ہو کر فروخت کی 1.17 فیصد رہ گئی۔

### مستقبل کا نقطہ نظر

ٹیکسٹائل کی صنعت کو دونوں عالمی اور مقامی مارکیٹوں میں سست روی کی وجہ سے بہت مشکلات کا سامنا ہے۔ امریکہ کی طرف سے ٹریف کے حالیہ نفاذ نے عالمی مارکیٹ کی غیر یقینی صورتحال میں مزید اضافہ کر دیا ہے۔ مارکیٹوں کو مستحکم کرنے کے لئے ٹریف کے مسئلے کو فوری حل کی ضرورت ہے۔ بڑھتی ہوئی پیداواری لاگت اور ویلیو ایڈڈ شعبوں کی جانب سے کم طلب نے منافع کے مارجن پر دباؤ ڈالا ہے۔ ان مسائل کو مزید پیچیدہ بناتے ہوئے حکومت نے ٹیکس پر اضافی لیوی عائد کی ہے جس سے توانائی کی لاگت میں اضافہ ہوگا۔ نتیجتاً کمپنی کو آپریٹنگ کے انتظامات کے لیے متبادل توانائی ذرائع جیسے کہ واپڈ اور فرنس آئل کا سہارا لینا پڑا۔

مارکیٹ کی مستقل مشکلات کی وجہ سے مالی سال 25 کی آخری سہ ماہی کا نقطہ نظر غیر یقینی ہے۔ تاہم، انتظامیہ کمپنی کی آپریٹنگ چلک کو مضبوط بنانے کے لئے لاگت کو کم کرنے، مارکیٹنگ حکمت عملیوں اور مصنوعات کے تنوع کو فعال طور پر آگے بڑھا رہی ہے۔ توقع ہے کہ ان اسٹریٹجک کوششوں سے کمپنی کو رواں مالی سال کے لئے منافع بخش رہنے میں مدد ملے گی۔

کمپنی کی تشریحی صلاحیت میں اضافہ جاری ہے اور موجودہ سہ ماہی کے دوران مکمل ہو جائے گا۔ کمپنی اپنے کیمبریسر کو مزید ترمیم سے تبدیل کرنے کے عمل میں ہے۔ اس سے توانائی کے اخراجات میں خاطر خواہ بچت ہوگی۔

حکومت نے افراط زر کی شرح میں کمی کی ہے، جس سے اسٹیٹ بینک آف پاکستان (ایس بی پی) کو اپنی مالیاتی نرمی کو برقرار رکھنے میں مدد ملنے کا امکان ہے۔ اس وقت اسٹیٹ بینک پاکستان نے پالیسی ریٹ کو 12 فیصد پر مستحکم رکھا ہے اور رواں مالی سال کے دوران مکمل طور پر 1 فیصد کی توقع ہے جو افراط زر میں مسلسل اعتدال پر انحصار کرتی ہے۔



## PROSPERITY WEAVING MILLS LTD.

اسٹیٹ بینک کی دانشمندانہ مانیٹری اور مالیاتی پالیسیوں نے موثر انداز میں کرنٹ اکاؤنٹ کو سرپلس میں منتقل کیا ہے جو ایک حوصلہ افزاء پیش رفت ہے۔ مزید برآں، مقامی ترسیلات زر اور برآمدات میں مسلسل اضافے نے کرنٹ اکاؤنٹ کو سہارا دیا ہے، جس سے امریکی ڈالر کے مقابلے میں روپیہ کے نسبتاً استحکام میں مدد ملی ہے۔


پاکستان کا ٹن جزیرہ ایسوسی ایشن کی طرف سے فصل سال 2024-25 (سال کے حتمی ڈیٹا) کیلئے جاری کردہ اعداد و شمار کے مطابق کپاس، (بیج کپاس) کی 28 فروری 2025 تک جزیرہ میں کل آمد 5.524 ملین گانٹھیں ہیں جو گزشتہ مالی سال 2023-24 کی اسی مدت میں 8.393 ملین گانٹھیں جو آمد میں 34.17 فیصد کی کمی ظاہر کرتی ہیں۔


امید ہے کہ حکومت توانائی کی سستی اور بلا تعلق فراہمی، واجب الادا ٹیکسوں کی واپسی، افراط زر کی شرح پر قابو پانے اور مالی اخراجات میں کمی جیسی کاروبار دوست پالیسیاں لائے گی۔ حکومتی پالیسیاں ٹیکسٹائل سیکٹر میں ویلیو چین کی تکمیل کی حوصلہ افزاء ہونی چاہئیں تاکہ ملک تیار مصنوعات کو برآمد کر سکے۔

اظہار 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 اور دیگر حصہ داروں کا بھی شکریہ ادا کرتے ہیں۔

منجانب بورڈ

  
امین الہی شیخ  
ڈائریکٹر

  
بارون شہزادہ الہی شیخ  
ڈائریکٹر

لاہور: 29 اپریل 2025ء



# PROSPERITY WEAVING MILLS LTD.

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2025

	Un-Audited March 31, 2025	Audited June 30, 2024
Note	.....Rupees.....	
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital 40,000,000 (June 30, 2024: 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	2,011,576,905	1,936,439,332
Revaluation surplus on land	207,888,634	207,888,634
TOTAL EQUITY	2,404,265,539	2,329,127,966
LIABILITIES		
NON-CURRENT LIABILITIES		
Long term finances	4 1,432,641,199	1,708,750,717
Employees retirement benefits	285,144,708	254,906,107
	1,717,785,907	1,963,656,824
CURRENT LIABILITIES		
Trade and other payables	863,432,492	1,078,727,126
Accrued interest / mark-up	41,183,345	73,689,888
Short term borrowings	5 984,436,656	1,024,049,845
Current portion of long term finances	4 439,745,347	434,428,753
Unclaimed dividend	7,318,034	7,102,793
Provision for Taxation and levies	252,249,468	281,151,163
	2,588,365,342	2,899,149,568
TOTAL LIABILITIES	4,306,151,249	4,862,806,392
CONTINGENCIES AND COMMITMENTS		
	6	
TOTAL EQUITY AND LIABILITIES	6,710,416,788	7,191,934,358

The annexed explanatory notes from 1 to 14 form an integral part of these condensed interim financial statements.

Lahore: April 29, 2025

  
Amin Ellahi Shaikh  
Director

  
Muhammad Tariq Sheikh  
Chief Financial Officer





## PROSPERITY WEAVING MILLS LTD.

### CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2025

		Un-Audited March 31, 2025	Audited June 30, 2024
	Note	.....Rupees.....	
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant & equipment	7	3,064,814,155	3,181,136,158
Long term deposits		15,039,000	15,039,000
		3,079,853,155	3,196,175,158
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		171,022,752	98,293,165
Stock-in-trade		1,508,322,379	1,772,229,542
Trade receivables		1,224,653,787	1,580,341,094
Advances		59,540,591	28,299,804
Short term prepayments		20,407,731	4,420,779
Other receivables		1,589,378	1,879,792
Sales tax refundable		223,252,149	49,299,150
Other financial assets	8	92,016,274	73,515,294
Prepaid levies		-	62,354,121
Advance income tax		219,152,206	151,159,347
Cash and bank balances		110,606,386	173,967,113
		3,630,563,633	3,995,759,200
<b>TOTAL ASSETS</b>		<b>6,710,416,788</b>	<b>7,191,934,358</b>

The annexed explanatory notes from 1 to 14 form an integral part of these condensed interim financial statements.

Haroon Shahzada Ellahi Shaikh  
Director



# PROSPERITY WEAVING MILLS LTD.

## CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2025

	Nine Months Ended		Quarter Ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Note	Rupees.....		Rupees.....	
Revenue from contracts with customers	14,229,877,069	14,028,432,922	4,567,340,810	4,962,619,181
Cost of sales	9 (13,303,383,817)	(13,084,644,868)	(4,278,319,648)	(4,643,452,514)
<b>Gross profit</b>	<b>926,493,252</b>	<b>943,788,054</b>	<b>289,021,162</b>	<b>319,166,667</b>
Distribution cost	(278,334,034)	(309,209,984)	(62,372,144)	(123,745,978)
Administrative expenses	(136,048,291)	(129,443,527)	(45,687,177)	(44,076,777)
Other operating expenses	(23,117,386)	(19,781,901)	(9,525,125)	(5,231,399)
	(437,499,711)	(458,435,412)	(117,584,446)	(173,054,154)
<b>Operating profit</b>	<b>488,993,541</b>	<b>485,352,642</b>	<b>171,436,716</b>	<b>146,112,513</b>
Other income	23,871,320	35,634,127	6,659,445	9,859,991
Finance cost	(206,758,010)	(325,792,768)	(53,623,811)	(88,085,076)
<b>Profit before income tax , minimum tax differential and final tax</b>	<b>306,106,851</b>	<b>195,194,001</b>	<b>124,472,350</b>	<b>67,887,428</b>
Minimum tax Differential	(73,641,217)	(174,330,917)	(12,062,951)	(66,890,743)
Final tax	(2,561,917)	-	(2,561,917)	-
<b>Profit before taxation</b>	<b>229,903,717</b>	<b>20,863,084</b>	<b>109,847,482</b>	<b>996,685</b>
Provision for taxation	(126,391,000)	16,894,129	(55,990,765)	10,185,451
<b>Profit after taxation</b>	<b>103,512,717</b>	<b>37,757,214</b>	<b>53,856,717</b>	<b>11,182,136</b>
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified subsequently to statement of profit or loss</b>				
Fair value gain/(loss) on investment in equity instrument designated at FVTOCI	17,824,856	122,068,676	(6,731,702)	10,636,260
<b>Total comprehensive income for the period</b>	<b>121,337,573</b>	<b>159,825,890</b>	<b>47,125,015</b>	<b>21,818,396</b>
<b>Earnings per share - basic and diluted</b>	<b>5.60</b>	<b>2.04</b>	<b>2.91</b>	<b>0.61</b>

The annexed explanatory notes from 1 to 14 form an integral part of these condensed interim financial statements.

  
Amin Ellahi Shaikh  
Director

  
Muhammad Tariq Sheikh  
Chief Financial Officer

  
Haroon Shahzada Ellahi Shaikh  
Director

Lahore: April 29, 2025



# PROSPERITY WEAVING MILLS LTD.

## CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2025

	Nine months ended	
	March 31, 2025	March 31, 2024
	.....Rupees.....	
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	232,465,634	20,863,084
Adjustments for:		
Depreciation of property, plant and equipment	227,851,674	247,810,462
Provision for employee benefits	66,858,822	59,174,946
Minimum Tax differential and Final tax	73,641,217	174,330,917
Gain on disposal of property, plant and equipment	(6,793,143)	(1,327,943)
Gain on sale of other Financial assets at FVTPL	(11,046,157)	(329,577)
Dividend income	(5,991,576)	(33,976,607)
Finance cost	206,758,010	325,792,768
Operating cash flow before working capital changes	783,744,481	792,338,051
<b>Changes in working capital</b>		
(Increase) / decrease in:		
Stores, spare parts and loose tools	(72,729,587)	(74,087,355)
Stock-in-trade	263,907,163	95,993,786
Trade receivables	355,687,307	(332,376,084)
Advances	(31,240,787)	15,688,446
Short-term prepayments	(15,986,952)	(10,906,197)
Other receivables	290,414	(17,458,006)
Sales tax refundable	(173,952,999)	190,578,205
	325,974,559	(132,567,207)
(Decrease) / Increase in Trade and other payables	(215,294,634)	70,529,483
<b>Cash generated from operations</b>	<b>894,424,406</b>	<b>730,300,327</b>
Employee benefits paid	(36,620,221)	(31,431,995)
Finance cost paid	(239,264,553)	(363,292,643)
Income taxes paid	(237,134,567)	(151,487,738)
<b>Net cash generated from operating activities</b>	<b>381,405,065</b>	<b>184,087,951</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(117,127,888)	(32,355,302)
Proceeds from disposal of property, plant and equipment	12,391,360	2,774,000
Purchase of other financial assets	(1,240,889,507)	(486,976,311)
Proceeds from sale of other financial assets	1,251,259,540	590,338,343
Dividend received	5,991,576	33,976,607
<b>Net cash (used in)/generated from investing activities</b>	<b>(88,374,919)</b>	<b>107,757,337</b>



## PROSPERITY WEAVING MILLS LTD.

### CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2025

	Nine months ended	
	March 31, 2025	March 31, 2024
	.....Rupees.....	
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term finances obtained	92,834,917	7,069,000
Repayment of long term finances	(363,627,841)	(238,881,796)
Short term borrowings excluding running finance and bank overdraft	429,165,111	320,183,706
Dividend paid	(45,984,759)	(55,099,836)
<b>Net cash generated from financing activities</b>	<b>112,387,428</b>	<b>33,271,074</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>405,417,574</b>	<b>325,116,362</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>(369,788,916)</b>	<b>(1,028,594,918)</b>
<b>Cash and cash equivalents at end of the period</b>	<b>35,628,658</b>	<b>(703,478,556)</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	110,606,386	76,435,581
Running finance	(121,651)	(695,434,136)
Bank overdraft	(74,856,077)	(84,480,001)
	<b>35,628,658</b>	<b>(703,478,556)</b>

The annexed explanatory notes from 1 to 14 form an integral part of these condensed interim financial statements.

  
**Amin Ellahi Shaikh**  
Director

  
**Muhammad Tariq Sheikh**  
Chief Financial Officer

  
**Haroon Shahzada Ellahi Shaikh**  
Director

Lahore: April 29, 2025



# PROSPERITY WEAVING MILLS LTD.


## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2025

	Issued, Subscribed and paid up share capital	Capital reserves			Revenue Reserve	Total
		Amalgamation reserve	Revaluation surplus on land	Fair value reserve	Unappropriated profit	
-----Rupees-----						
Balance as at June 30, 2023 - Audited	184,800,000	16,600,000	102,840,634	(105,934,165)	1,835,229,238	2,033,535,707
Comprehensive income						
Profit after taxation	-	-	-	-	37,757,214	37,757,214
Other comprehensive Income	-	-	-	122,068,676	-	122,068,676
Transfer of gain on disposal of equity investment at FVTOCI to unappropriated profit	-	-	-	(7,008,671)	7,008,671	-
Total comprehensive income for the period	-	-	-	115,060,005	44,765,885	159,825,890
Transactions with owners						
Final dividend @ 30% i.e. Rs. 3 per share for the year ended June 30, 2023	-	-	-	-	(55,440,000)	(55,440,000)
Balance as at March 31, 2024 - Un-audited	184,800,000	16,600,000	102,840,634	9,125,840	1,824,555,123	2,137,921,597
Comprehensive income						
Profit after taxation	-	-	-	-	48,897,587	48,897,587
Other comprehensive Income	-	-	105,048,000	34,704,595	2,556,187	142,308,782
Transfer of gain on disposal of equity investment at FVTOCI to unappropriated profit	-	-	-	(42,889,285)	42,889,285	-
Total comprehensive income for the period	-	-	105,048,000	(8,184,690)	94,343,059	191,206,369
Balance as at June 30, 2024 - Audited	184,800,000	16,600,000	207,888,634	941,150	1,918,898,182	2,329,127,966
Comprehensive income						
Profit after taxation	-	-	-	-	103,512,717	103,512,717
Other comprehensive Income	-	-	-	17,824,856	-	17,824,856
Total comprehensive income for the period	-	-	-	17,824,856	103,512,717	121,337,573
Transactions with owners						
Final dividend @ 25% i.e. Rs. 2.5 per share for the year ended June 30, 2024	-	-	-	-	(46,200,000)	(46,200,000)
Balance as at March 31, 2025 - Un-audited	184,800,000	16,600,000	207,888,634	18,766,006	1,976,210,899	2,404,265,539

The annexed explanatory notes from 1 to 14 form an integral part of these condensed interim financial statements.

  
**Amin Ellahi Shaikh**  
Director

Lahore: April 29, 2025

  
**Muhammad Tariq Sheikh**  
Chief Financial Officer

  
**Haroon Shahzada Ellahi Shaikh**  
Director



# PROSPERITY WEAVING MILLS LTD.

## NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2025

### 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 Building 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 Sharakpura road, District Sheikhpura 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 STATEMENT OF COMPLIANCE

- 2.1 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, 2024. Comparative condensed statement of financial position is extracted from annual audited financial statements for the year ended June 30, 2024, 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 nine months ended March 31, 2024.

### 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, 2024.

There are certain new standards, interpretations and amendments to the accounting and reporting standards that are mandatory for the company's annual accounting periods beginning on or after July 1, 2024. However, these will not have any significant effects on the company's operations and are, therefore, not detailed in these condensed interim financial statements.

#### 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, 2024.

#### 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, 2024.

### 4 LONG TERM FINANCES

#### From banking companies

	Note	Un-Audited March 31, 2025	Audited June 30, 2024
-----Rupees-----			
Opening balance		2,143,179,470	2,454,280,312
Obtained during the period / year		92,834,917	31,810,500
Repayments made during the period / year		(363,627,841)	(342,911,342)
		<u>1,872,386,546</u>	<u>2,143,179,470</u>
Less: Current portion shown under current liabilities		(439,745,347)	(434,428,753)
		<u>1,432,641,199</u>	<u>1,708,750,717</u>



# PROSPERITY WEAVING MILLS LTD.

	Note	Un-Audited March 31, 2025	Audited June 30, 2024
		-----Rupees-----	
<b>5 SHORT TERM BORROWING</b>			
From banking companies:			
Running finance - secured		121,651	480,625,237
Bank overdraft - unsecured		74,856,077	63,130,792
Foreign currency loans - secured		909,458,928	480,293,816
		<u>984,436,656</u>	<u>1,024,049,845</u>
<b>6 CONTINGENCIES AND COMMITMENTS</b>			
<b>6.1 Contingencies</b>			
There is no significant change in the status of contingencies as disclosed in note 12.1 & 12.2 of the audited financial statements for the year ended June 30, 2024.			
<b>6.2 Commitments</b>			
Irrevocable letters of credit for:			
Capital expenditures		182,364,820	-
Non-capital expenditures		615,974,659	273,558,807
Short term lease - Payable within one year		1,553,987	998,376
		<u>799,893,466</u>	<u>274,557,183</u>
<b>7 PROPERTY PLANT &amp; EQUIPMENT</b>			
Operating fixed assets - Owned	7.1	2,994,406,586	3,143,679,480
Capital work in progress	7.2	70,407,569	37,456,678
		<u>3,064,814,155</u>	<u>3,181,136,158</u>
<b>7.1 Operating fixed assets - Owned</b>			
Opening written down value		3,143,679,480	3,345,297,817
Revaluation surplus on freehold land		-	105,048,000
Additions during the period / year			
Building on free hold land-factory		-	6,527,175
Plant and machinery		46,643,727	-
Electric installation		270,000	-
Arms & Ammunition		194,000	-
Factory equipment		651,000	2,201,200
Furniture and fixtures		650,000	1,202,000
Office equipment		2,220,640	714,000
Vehicles		33,547,630	14,892,200
		84,176,997	25,536,575
Written down value of property, plant and equipment disposed off		(5,598,217)	(1,446,057)
Depreciation charged during the period / year		(227,851,674)	(330,756,856)
Written down value at end of the period / year		<u>2,994,406,586</u>	<u>3,143,679,480</u>
<b>7.2 Capital work in progress</b>			
Opening balance		37,456,678	-
Additions during the year		117,127,888	58,876,054
Transfer to property, plant and equipment		(84,176,997)	(21,419,375)
Closing balance		<u>70,407,569</u>	<u>37,456,678</u>
<b>8 OTHER FINANCIAL ASSETS</b>			
<b>Investments classified as FVTOCI</b>			
Equity investments	8.1	91,187,574	73,362,718
<b>Investments classified as FVTPL</b>			
Mutual Funds		-	152,576
<b>Investments classified at amortized cost</b>			
Term deposits		828,700	-
		<u>92,016,274</u>	<u>73,515,294</u>
<b>8.1 Reconciliation between fair value and cost of investments classified at FVTOCI</b>			
Fair value of investments			
-in listed equity securities		91,187,574	73,362,718
Un-realised Gain on remeasurement of investments		(18,766,006 )	(941,150)
Cost of investment		<u>72,421,568</u>	<u>72,421,568</u>



# PROSPERITY WEAVING MILLS LTD.

Nine Months Ended (Un-Audited)		Quarter Ended (Un-Audited)	
March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
.....Rupees.....		.....Rupees.....	

## 9 COST OF SALES

Raw material consumed	9,946,163,717	10,316,072,920	3,215,067,970	3,478,223,849
Fuel and power	1,464,632,950	1,189,094,062	452,075,200	425,836,362
Salaries, wages and benefits	720,195,037	586,667,588	254,160,922	203,527,206
Stores and spares consumed	309,896,320	107,238,105	189,890,983	47,204,999
Sizing material consumed	225,211,873	225,256,571	82,290,312	78,574,545
Packing material consumed	43,794,964	51,891,680	15,089,101	17,328,462
Depreciation	218,660,107	239,443,103	73,151,869	79,899,121
Insurance	19,839,776	19,289,803	6,677,735	6,145,872
Repairs and maintenance	12,439,310	7,402,354	5,393,459	2,246,157
Vehicle Running and Maintenance	10,893,735	11,876,626	3,605,847	4,343,927
Traveling and Conveyance	988,387	787,374	412,316	263,545
Lease rentals-Land	335,866	332,166	114,418	110,718
Fee and Subscription	625,500	1,288,380	75,000	72,500
Electricity duty	4,651,627	13,889,037	-	4,697,109
Others	6,042,189	8,484,171	1,919,259	3,122,277
<b>Manufacturing cost</b>	<b>12,984,371,358</b>	<b>12,779,013,940</b>	<b>4,299,924,391</b>	<b>4,351,596,649</b>

### Work-in-process:

At beginning of period	254,217,864	152,180,194	197,219,279	267,394,868
At end of period	(201,387,436)	(215,829,344)	(201,387,436)	(215,829,344)
	52,830,428	(63,649,150)	(4,168,157)	51,565,524

### Cost of goods manufactured

13,037,201,786	12,715,364,790	4,295,756,234	4,403,162,173
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### Finished stocks:

At beginning of period	849,739,338	947,743,542	581,567,742	920,667,009
Cloth purchased / processing charges	27,635,958	102,110,782	12,188,937	197,578
At end of period	(611,193,265)	(680,574,246)	(611,193,265)	(680,574,246)
	266,182,031	369,280,078	(17,436,586)	240,290,341
	13,303,383,817	13,084,644,868	4,278,319,648	4,643,452,514





## PROSPERITY WEAVING MILLS LTD.

### 10 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated companies, directors of the company and key management personnel. The Company in the normal course of business enters into transactions with various related parties. 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:

		Nine Months Ended (Un-Audited)	
		March 31, 2025	March 31, 2024
		.....Rupees.....	
Nature of Relationship	Nature of Transaction		
Associated companies	Purchase of goods and services	6,557,340,446	7,168,455,402
	Sale of goods and services	164,794	1,515,351
	Dividend paid	13,948,208	16,737,849
Key management personnel	Remuneration and other benefits	45,945,636	46,089,142
	Payment of Dividend to directors and their close family members	26,523,908	31,712,940

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

### 11 FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments are 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 (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 (i.e. unobservable inputs).

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

March 31, 2025				
Financial assets - at fair value	Level 1	Level 2	Level 3	Total
-----Rupees-----				
-Equity investments designated at FVTOCI	91,187,574	-	-	91,187,574
<b>As at March 31, 2025</b>	<b>91,187,574</b>	<b>-</b>	<b>-</b>	<b>91,187,574</b>
June 30, 2024				
Financial assets - at fair value	Level 1	Level 2	Level 3	Total
-Equity investments designated at FVTOCI	73,362,718	-	-	73,362,718
-Mutual fund designated at FVTPL	-	152,575	-	152,575
<b>As at June 30, 2024</b>	<b>73,362,718</b>	<b>152,575</b>	<b>-</b>	<b>73,515,293</b>

At March 31, 2025 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.



## PROSPERITY WEAVING MILLS LTD.

### 12 CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Nine Months Ended (Un-Audited)		
	June 30, 2024	Net Cash flow	March 31, 2025
	.....Rupees.....		
Long term finances	2,143,179,470	(270,792,924)	1,872,386,546
Short term borrowings	1,024,049,845	(39,613,189)	984,436,656
	3,167,229,315	(310,406,113)	2,856,823,202

### 13 CORRESPONDING FIGURES

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

13.2 Figures have been rounded off to the nearest rupee.

### 14 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 April 29, 2025.

Amin Ellahi Shaikh  
Director

Muhammad Tariq Sheikh  
Chief Financial Officer

Haroon Shahzada Ellahi Shaikh  
Director

Lahore: April 29, 2025



## PROSPERITY WEAVING MILLS LTD.

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**PROSPERITY WEAVING MILLS LTD.**

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