

**HALF YEARLY REPORT
FOR THE PERIOD ENDED
DECEMBER 31, 2025
(Un-Audited)**



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. 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.
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 information of the company for the half year ended on December 31, 2025 duly reviewed by the auditors. The comparative figures for the corresponding half year ended on December 31, 2024 are included for comparison, except in statement of financial position where figures are for the year ended on June 30, 2025.

Company Performance

Textile business continues to face challenging times in terms of economic as well as operating environment. Despite the adverse conditions, your company has managed to post after-tax profit of Rs. 119,806,788, compared to Rs. 49,656,000 in the corresponding period last year. Earnings per share (EPS) for the half year improved to Rs. 6.48, as against Rs. 2.69 in the same period last year.

Sales revenue for the period under review decreased by 10.42% over the corresponding period last year and stood at Rs. 8,655,369,745 compared to Rs. 9,662,536,259. The decrease is mainly attributable to a reduction in per unit selling prices as well as a decline in the quantity sold. Cost of sales also decreased to 92.15% of sales compared to 93.40% of sales during the corresponding period last year. The reduction in cost of sales is primarily due to reduction in raw material costs. Resultantly, gross profit increased to 7.85% of sales during the period under review compared to 6.60% of sales during SPLY.

Overall operating expenses also decreased to 3.17% of sales compared to to 3.31% of sales during SPLY. The company maintained stable cash flows, ensuring timely settlement of all operating liabilities. Benefiting from disciplined cash management and scheduled long-term loan repayments, finance costs were reduced to 1.09% of sales compared to 1.58% of sales during the SPLY.

Future Outlook

The textile sector continues to face challenging environment characterized by subdued market demand and cautious buyer sentiment, resulting in slower order inflows. Additionally, the influx of low-priced imported fabric has adversely affected the ability of the domestic weaving industry to secure profitable sales. However, we hope that with continued business management, the Company is expected to remain profitable in 2nd half of the year. The recent announcement by the Government regarding a reduction in energy tariffs is a positive development, and the Company expects that such supportive measures will enhance the competitiveness of the local textile industry in international markets.

On the other side, the extension of fresh incentives by the European Union and the United States to competing textile-producing countries may pose challenges for Pakistani exporters and could adversely affect global demand for local textile products. During the period under review, due to excellent management by the Government and SBP, exchange and interest rates remained relatively stable. Similar outlook is anticipated for the remainder of the year. This stability has supported effective financial management and improved planning visibility for the Company.

To address rising energy costs and strengthen long-term operational efficiency, the Company is actively pursuing investments and evaluating further opportunities in renewable energy. These initiatives form an integral part of the Company's strategy to optimize costs while promoting environmentally sustainable operations.



PROSPERITY WEAVING MILLS LTD.

According to the figures issued by the Pakistan Cotton Ginners Association, for the crop year 2025-26, Kapas, (seed cotton) arrivals upto January 31, 2026, at the Ginneries totaled 5.545 million bales compared to 5.511 million bales for similar period of financial year 2024-25 showing increase in arrival of 0.62%.

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, reduction in the corporate tax rate, 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.

A handwritten signature in black ink, appearing to read "Haroon".

Haroon Shahzada Ellahi Shaikh
Director

A handwritten signature in black ink, appearing to read "Raza Ellahi Shaikh".

Raza Ellahi Shaikh
Chief Executive Officer

Lahore: February 25, 2026



ڈائریکٹرز کی جائزہ رپورٹ

مجلس نظام 31 دسمبر 2025ء کو تختہ پہلی ششماہی کے لئے کمپنی کی غیر نظر ثانی شدہ منجمد عبوری مالیاتی معلومات پیش کرتے ہوئے خوشی محسوس کر رہی ہے۔ 31 دسمبر 2024ء کو ختم ہونے والی ششماہی 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 2025ء کو تختہ سال کے لئے ہیں۔

کمپنی کی کارکردگی

ٹیکسٹائل کاروبار معاشی اور آپریشنل دونوں حوالوں سے بدستور چیلنجک حالات کا سامنا کر رہا ہے۔ ان ناموافق حالات کے باوجود آپ کی کمپنی نے بہتر کارکردگی کا مظاہرہ کرتے ہوئے زیر جائزہ مدت میں بعد از ٹیکس 119,806,788 روپے کا منافع حاصل کیا، جبکہ گزشتہ سال کی اسی مدت میں یہ 49,656,000 روپے تھا۔ اسی طرح نصف سال کے لیے فی شیئر آمدنی (EPS) بڑھ کر 6.48 روپے ہو گئی، جبکہ گزشتہ سال کی اسی مدت میں یہ 2.69 روپے ریکارڈ کی گئی تھی، جو کمپنی کی مضبوط مالی کارکردگی کی عکاسی کرتی ہے۔

زیر جائزہ مدت کے دوران فروخت سے حاصل ہونے والی آمدن گزشتہ سال کی اسی مدت کے مقابلے میں 10.42 فیصد کم ہو کر 8,655,369,745 روپے رہی، جبکہ گزشتہ سال یہ 9,662,536,259 روپے تھی۔ اس کمی کی بنیادی وجوہات فی یونٹ فروخت قیمت اور فروخت شدہ مقدار میں کمی رہیں۔ فروخت کی لاگت بھی کم ہو کر مجموعی فروخت کے 92.15 فیصد تک آگئی، جبکہ گزشتہ سال کی اسی مدت میں یہ 93.40 فیصد تھی۔ فروخت کی لاگت میں یہ کمی بنیادی طور پر خام مال کی قیمتوں میں کمی کے باعث ممکن ہوئی۔ اس کے نتیجے میں مجموعی منافع (GP) کا مارجن بہتر ہو کر زیر جائزہ مدت میں فروخت کے 7.85 فیصد تک پہنچ گیا، جبکہ گزشتہ سال کی اسی مدت کے دوران میں یہ 6.60 فیصد تھا۔

مجموعی آپریٹنگ اخراجات گزشتہ سال کی اسی مدت کے دوران فروخت کے 3.31 فیصد سے کم ہو کر زیر جائزہ مدت کے دوران فروخت کے 3.17 فیصد تک ہو گئے۔ کمپنی مستحکم نقد بہاؤ پیدا کرنے اور اپنی آپریٹنگ ذمہ داریاں بروقت ادا کرنے کے قابل رہی ہے۔ بہتر نقد بہاؤ اور پالیسی شرح میں کمی کی وجہ سے مالی لاگت گزشتہ سال کی اسی مدت کے دوران فروخت کے 1.58 فیصد سے کم ہو کر زیر جائزہ مدت کے دوران فروخت کے 1.09 فیصد تک ہو گئی۔

مستقبل کا نقطہ نظر

ٹیکسٹائل کا شعبہ بدستور ایسے چیلنجک ماحول کا سامنا کر رہا ہے جس کی نمایاں وجوہات کمزور مارکیٹ طلب اور خریداروں کا محتاط رویہ ہیں، جس کے نتیجے میں آرڈرز کی آمدست رہی۔ مزید برآں کم قیمت درآمد شدہ کپڑے کی آمد نے مقامی دیونگ صنعت کی منافع بخش فروخت حاصل کرنے کی صلاحیت کو منفی طور پر متاثر کیا ہے۔ تاہم مؤثر کاروباری نظم و نسق کے تسلسل کے ساتھ ہمیں توقع ہے کہ کمپنی سال کے دوسرے نصف میں بھی منافع بخش رہنے کی پوزیشن میں ہوگی۔ حکومت کی جانب سے توانائی کے نرخوں میں حالیہ کمی کا اعلان ایک مثبت پیش رفت ہے، اور کمپنی کو توقع ہے کہ اس نوعیت کے معاون اقدامات مقامی ٹیکسٹائل صنعت کی بین الاقوامی منڈیوں میں مسابقت کو مزید مضبوط بنائیں گے۔



PROSPERITY WEAVING MILLS LTD.

دوسری جانب، یورپی یونین اور امریکہ کی طرف سے حریف ٹیکسٹائل پیدا کرنے والے ممالک کوئی مراعات کی توسیع پاکستانی برآمد کنندگان کے لیے چیلنجز پیدا کر سکتی ہے اور مقامی ٹیکسٹائل مصنوعات کی عالمی طلب پر منفی اثرات مرتب ہونے کا خدشہ ہے۔ زیر جائزہ مدت کے دوران حکومت اور اسٹیٹ بینک آف پاکستان (SBP) کے مؤثر انتظامی اقدامات کے باعث زرمبادلہ اور شرح سود نسبتاً مستحکم رہیں، اور سال کے باقی حصے کے لیے بھی اسی نوعیت کے رجحان کی توقع کی جا رہی ہے۔ اس استحکام نے کمپنی کو مؤثر مالی نظم و نسق برقرار رکھنے اور منصوبہ بندی کی وضاحت و پیش گوئی کی صلاحیت بہتر بنانے میں معاونت فراہم کی ہے۔

توانائی کی بڑھتی ہوئی لاگت سے نمٹنے اور طویل المدتی آپریشنل کارکردگی کو مضبوط بنانے کے لیے کمپنی قابل تجدید توانائی کے شعبے میں سرگرمی سے سرمایہ کاری کر رہی ہے اور مزید مواقع کا جائزہ لے رہی ہے۔ یہ اقدامات کمپنی کی حکمت عملی کا ایک اہم اور بنیادی حصہ ہیں، جن کا مقصد لاگت کو مؤثر انداز میں بہتر بنانا اور ماحول دوست و پائیدار آپریشنز کو فروغ دینا ہے۔

پاکستان کاٹن جزا بیوسی ایشن کی طرف سے فصل سال 2025-26 کے لئے جاری کردہ اعداد و شمار کے مطابق 31 جنوری 2026 تک جزیرہ میں کپاس، (بیج کپاس) کی پہنچ مالی سال 2024-25 کی اسی مدت کے دوران 5.545 ملین گانٹھوں کے مقابلے 5.511 ملین گانٹھیں ہوئی جو کہ 0.62 فیصد کا اضافہ ظاہر کر رہی ہے۔

اُمید ہے کہ حکومت سستی توانائی کی بلا تھقل 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 پالیسیوں میں ٹیکسٹائل سیکٹر میں ویلیو چین کی تکمیل کی حوصلہ افزائی ہونا چاہئے تاکہ ملک تیار مصنوعات 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 کا بھی شکریہ ادا کرتے ہیں۔

منجانب بورڈ

محمد علی
رضا الہی شیخ
چیف ایگزیکٹو آفیسر

ہارون شہزادہ الہی شیخ
ڈائریکٹر

لاہور: 25 فروری 2026ء

INDEPENDENT AUDITORS' REVIEW REPORT

To the Members of Prosperity Weaving Mills Limited

Report on Review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Prosperity Weaving Mills Limited** (the Company) as at December 31, 2025 and the related condensed interim statement of profit or loss and other comprehensive income, the condensed statement of changes in equity, the condensed interim statement of cash flows, and notes to the condensed interim financial statements for the half year then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

Pursuant to requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the half year, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the Company. Accordingly, the figures of the condensed interim statement of profit or loss and other comprehensive income for the quarter ended December 31, 2025 have not been reviewed by us.

The engagement partner on the review resulting in this independent auditor's review report is Muhammad Sufyan.


Chartered Accountants

Lahore

Dated: February 26, 2026

UDIN: RR202510180hrHZ3LN7x



PROSPERITY WEAVING MILLS LTD.

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2025

	Un-Audited December 31, 2025	Audited June 30, 2025
	Note	Rupees
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital 40,000,000 (June 30, 2025: 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	2,160,246,114	2,021,650,593
Revaluation surplus on land	207,888,634	207,888,634
TOTAL EQUITY	2,552,934,748	2,414,339,227
LIABILITIES		
NON-CURRENT LIABILITIES		
Long term finances	4 1,698,685,127	1,453,560,268
Employee retirement benefits	313,090,269	285,566,178
Deferred taxation	100,353,761	33,353,761
	2,112,129,157	1,772,480,207
CURRENT LIABILITIES		
Trade and other payables	1,164,175,231	1,024,101,094
Accrued interest / mark-up	47,272,010	43,364,251
Short term borrowings	5 1,339,272,962	1,100,553,395
Current portion of long term finances	387,011,188	424,124,916
Provision for taxation and levies	190,230,988	315,122,536
Unclaimed dividend	7,577,575	7,318,034
	3,135,539,954	2,914,584,226
TOTAL LIABILITIES	5,247,669,111	4,687,064,433
CONTINGENCIES AND COMMITMENTS	6	
TOTAL EQUITY AND LIABILITIES	7,800,603,859	7,101,403,660

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

Lahore: February 25, 2026


Raza Ellahi Shaikh
Chief Executive Officer


Muhammad Tariq Sheikh
Chief Financial Officer



PROSPERITY WEAVING MILLS LTD.

	Un-Audited December 31, 2025	Audited June 30, 2025	
	Note	Rupees	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	3,522,401,773	3,093,794,061
Long term deposits and advances		46,478,510	45,588,923
		3,568,880,283	3,139,382,984
CURRENT ASSETS			
Stores, spare parts and loose tools		155,499,540	179,945,830
Stock-in-trade		1,780,155,666	1,775,626,080
Trade receivables		1,110,107,244	1,073,036,270
Advances		20,497,338	46,432,447
Short term prepayments		17,494,523	4,132,992
Other receivables		792,194	1,055,207
Sales tax refundable		338,648,237	255,318,075
Income tax refundable		34,522,945	-
Other financial assets	8	560,060,769	105,960,114
Prepaid levies		11,665,906	52,277,034
Advance income tax		116,474,398	243,600,440
Cash and bank balances		85,804,816	224,636,187
		4,231,723,576	3,962,020,676
TOTAL ASSETS		7,800,603,859	7,101,403,660

The annexed explanatory notes from 1 to 16 form an integral part of the 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 HALF YEAR ENDED DECEMBER 31, 2025

	Note	Half year ended		Quarter ended	
		December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
		Rupees		Rupees	
Revenue from contracts with customers	9	8,655,369,745	9,662,536,259	3,973,755,525	4,548,297,062
Cost of sales	10	(7,976,267,964)	(9,025,064,169)	(3,611,078,135)	(4,248,869,173)
Gross profit		679,101,781	637,472,090	362,677,390	299,427,889
Distribution cost		(147,194,501)	(215,961,890)	(59,037,514)	(93,454,537)
Administrative expenses		(102,960,437)	(90,361,115)	(60,347,038)	(48,431,415)
Other operating expenses		(24,279,113)	(13,592,260)	(14,064,869)	(7,316,870)
		(274,434,051)	(319,915,265)	(133,449,421)	(149,202,822)
Operating profit		404,667,730	317,556,825	229,227,969	150,225,066
Other income		13,023,823	17,211,875	6,865,084	14,854,970
Finance cost		(94,421,784)	(153,134,199)	(50,150,340)	(67,435,252)
Profit before income tax, minimum tax differential and final tax		323,269,769	181,634,501	185,942,713	97,644,784
Minimum tax differential		(11,665,906)	(61,578,266)	27,962,733	(1,351,557)
Profit before income tax		311,603,863	120,056,235	213,905,446	96,293,228
Provision for taxation		(191,797,075)	(70,400,235)	(140,281,561)	(66,871,067)
Profit after taxation		119,806,788	49,656,000	73,623,885	29,422,162
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		64,988,733	24,556,558	9,376,827	25,771,766
Total comprehensive income for the period		184,795,521	74,212,558	83,000,712	55,193,928
Earnings per share - basic and diluted		6.48	2.69	3.98	1.60

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

Raza Ellahi Shaikh
Chief Executive Officer

Muhammad Tariq Sheikh
Chief Financial Officer

Haroon Shahzada Ellahi Shaikh
Director

Lahore: February 25, 2026



PROSPERITY WEAVING MILLS LTD.

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	Half year ended	
	December 31, 2025	December 31, 2024
	..... Rupees	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	311,603,863	120,056,235
Adjustments for:		
Depreciation of property, plant and equipment	152,259,268	150,930,671
Provision for employee benefits	43,719,510	44,572,548
Gain on disposal of property, plant and equipment	(7,582,116)	(1,453,819)
Minimum Tax differential and final Tax	11,665,906	61,578,266
Gain on sale of other financial assets	-	(11,046,157)
Dividend income	(5,300,700)	(4,685,792)
Interest income	(29,084)	(26,106)
Unrealized gain on mutual funds	(111,923)	-
Finance cost	94,421,784	153,134,199
Operating cashflow before working capital changes	600,646,508	513,060,045
Changes in working capital		
(Increase) / decrease in:		
Stores, spare parts and loose tools	24,446,290	(11,208,653)
Stock-in-trade	(4,529,586)	255,170,463
Trade receivables	(37,070,974)	346,134,800
Advances	25,935,109	(9,870,221)
Short-term prepayments	(13,361,531)	(16,012,118)
Other receivables	263,013	571,704
Sales tax refundable	(83,330,162)	(10,282,040)
	(87,647,841)	554,503,935
Increase / (decrease) in:		
Trade and other payables	140,074,137	(213,845,193)
Cash generated from operations	653,072,804	853,718,787
Employee benefits paid	(16,195,419)	(26,812,538)
Finance cost paid	(90,514,025)	(170,180,048)
Income taxes paid	(128,140,304)	(162,005,608)
Net cash generated from operating activities	418,223,056	494,720,593



PROSPERITY WEAVING MILLS LTD.

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	Half year ended	
	December 31, 2025	December 31, 2024
	..... Rupees	
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(593,954,864)	(37,674,531)
Proceeds from disposal of property, plant and equipment	20,670,000	2,180,860
Long term deposits and advances	(889,587)	-
Purchase of other financial assets	(389,000,000)	(1,240,889,508)
Proceeds from other financial assets	-	1,251,259,540
Dividend received	5,300,700	4,685,792
Interest received	29,084	26,106
Net cash used in investing activities	(957,844,667)	(20,411,741)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finances obtained	429,342,145	10,299,150
Repayment of long term finances	(221,331,014)	(213,982,687)
Short term borrowings excluding running finance and bank overdraft	410,035,069	138,145,178
Dividend paid	(45,940,459)	(45,984,749)
Net cash generated from / (used in) financing activities	572,105,741	(111,523,108)
Net increase in cash and cash equivalents	32,484,130	362,785,744
Cash and cash equivalents at beginning of the period	41,564,687	(369,788,916)
Cash and cash equivalents at end of the period	74,048,817	(7,003,172)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	85,804,816	132,794,128
Running finance	(11,755,999)	(139,797,300)
	74,048,817	(7,003,172)

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

Raza Ellahi Shaikh
Chief Executive Officer

Muhammad Tariq Sheikh
Chief Financial Officer

Haroon Shahzada Ellahi Shaikh
Director

Lahore: February 25, 2026



PROSPERITY WEAVING MILLS LTD.

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2025

Issued, subscribed and paid up capital	Capital reserve			Revenue reserve	Total	
	Amalgamation reserve	Revaluation surplus on land	Fair value reserve	Unappropriated profit		
..... Rupees						
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
Total comprehensive income for the period:						
Profit for the period	-	-	-	-	49,656,000	49,656,000
Other comprehensive loss net of tax	-	-	-	24,556,558	-	24,556,558
Total comprehensive income for the period	-	-	-	24,556,558	49,656,000	74,212,558
Transactions with owners						
Final dividend @ 25% i.e. Rs. 2.5 per ordinary share	-	-	-	-	(46,200,000)	(46,200,000)
Balance as at December 31, 2024 - (Un-Audited)	184,800,000	16,600,000	207,888,634	25,497,708	1,922,354,182	2,357,140,524
Total comprehensive income for the period:						
Profit for the period	-	-	-	-	41,466,541	41,466,541
Other comprehensive income	-	-	-	7,212,138	8,520,024	15,732,162
Total comprehensive income for the period	-	-	-	7,212,138	49,986,565	57,198,703
Balance as 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
Total comprehensive income for the period:						
Profit for the period	-	-	-	-	119,806,788	119,806,788
Other comprehensive income	-	-	-	64,988,733	-	64,988,733
Total comprehensive income for the period	-	-	-	64,988,733	119,806,788	184,795,521
Transactions with owners:						
Final dividend @ 25% i.e. Rs. 2.5 per ordinary share	-	-	-	-	(46,200,000)	(46,200,000)
Balance as at December 31, 2025 - (Un-Audited)	184,800,000	16,600,000	207,888,634	97,698,579	2,045,947,535	2,552,934,748

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

Raza Ellahi Shaikh
Chief Executive Officer

Muhammad Tariq Sheikh
Chief Financial Officer

Haroon Shahzada Ellahi Shaikh
Director

Lahore: February 25, 2025



PROSPERITY WEAVING MILLS LTD.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 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 Sharaqpur 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, directives and notifications issued under the Companies Act, 2017.

Where provisions of, directives and notifications issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of, directives and notifications 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, 2025. 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 half year ended December 31, 2024.
- 2.3 The condensed interim financial statements are un-audited. However, a limited scope review has been performed by statutory auditor of the Company in accordance with Code of Corporate Governance and they have issued their review report thereon.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information 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, 2025.

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, 2025. 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, 2025.

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, 2025.



PROSPERITY WEAVING MILLS LTD.

	Un-Audited December 31, 2025	Audited June 30, 2025
Note	..... Rupees	
4 LONG TERM FINANCES		
From banking companies		
Opening balance	1,877,685,184	2,143,179,470
Obtained during the period / year	4.1 429,342,145	208,799,058
Repayments made during the period / year	(221,331,014)	(474,293,344)
	<u>2,085,696,315</u>	1,877,685,184
Less: Current portion shown under current liabilities	(387,011,188)	(424,124,916)
	<u>1,698,685,127</u>	<u>1,453,560,268</u>

4.1 During the period, the Company obtained long-term financing from Allied Bank Limited amounting to Rs. 44.10 million (sanctioned limit: Rs. 400 million) and from National Bank of Pakistan amounting to Rs. 299.98 million (sanctioned limit: Rs. 300 million) and Rs. 85.26 million (sanctioned limit: Rs. 250 million). Out of the Rs. 299.98 million facility, Rs. 143.2 million carries a fixed mark-up rate of 8%, Rs. 33.14 million carries a fixed mark-up rate of 7.5%, and Rs. 123.59 million carries mark-up at 3-month KIBOR plus 1% spread. These facilities are repayable in 20–24 quarterly installments in arrears with a 24-month grace period and carry mark-up at 3-month KIBOR plus 150 bps (LTFF at SBP/EXIM notified end-user rate), except where specific fixed rates are mentioned above. The loans were obtained for import LCs, payments to local vendors, and replacement of air compressors and allied equipment, and are secured by joint/first pari passu charges ranging from Rs. 334 million to Rs. 400 million (inclusive of 25% margin) over the Company's fixed assets

5 SHORT TERM BORROWINGS

From banking companies:

Running finance - secured	5.1 11,755,999	183,071,501
Foreign currency loans - secured	5.1 1,327,516,963	917,481,894
	<u>1,339,272,962</u>	<u>1,100,553,395</u>

5.1 The aggregate un-availed short term borrowing facilities amount to Rs. 6,706 million (June 30, 2025: Rs. 5,554 million). Short term borrowings are secured against ranking charge of Rs.5,859 million (June 30, 2025: Rs. 3,491 million) and joint pari passu charge of Rs. 5,950 million (June 30, 2025: Rs. 5,950 million) on all present and future current assets of the Company.

These facilities have been obtained from various commercial banks for working capital requirements; carrying mark-up ranging from 2.75% to 12.89% per annum. These facilities expire on various dates by December 31, 2026.

6 CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There is no significant change in the status of contingencies as disclosed in note 12.1 and 12.2 to the financial statements for the year ended June 30, 2025.

6.2 Commitments

	Un-Audited December 31, 2025	Audited June 30, 2025
	..... Rupees	
Irrevocable letters of credit for:		
Capital expenditures	105,437,367	314,975,695
Stores and Spares	44,677,021	38,576,364
Raw Material	166,001,943	453,344,917
Short term lease - payable within one year	81,197	1,063,057
	<u>316,197,528</u>	<u>807,960,033</u>



PROSPERITY WEAVING MILLS LTD.

		Un-Audited December 31, 2025	Audited June 30, 2025
	Note	..... Rupees	
7	PROPERTY, PLANT AND EQUIPMENT		
	Operating fixed assets	7.1 3,150,759,525	2,918,618,184
	Capital work in progress	7.2 371,642,248	175,175,877
		<u>3,522,401,773</u>	<u>3,093,794,061</u>
7.1	Operating fixed assets		
	Opening written down value	2,918,618,184	3,143,679,480
	Additions during the period / year:		
	Plant and machinery	290,483,923	46,643,727
	Electric installation	-	270,000
	Factory equipment	508,000	651,000
	Furniture and fixtures	-	1,315,027
	Office equipment	697,000	2,687,640
	Vehicles	105,799,570	33,710,495
	Arms and ammunition	-	410,000
		<u>397,488,493</u>	<u>85,687,889</u>
	Written down value of property, plant and equipment disposed off	(13,087,884)	(5,805,489)
	Depreciation charged during the period / year	(152,259,268)	(304,943,696)
	Written down value at end of the period / year	<u>3,150,759,525</u>	<u>2,918,618,184</u>
7.2	Capital Work In Progress		
	As at July 01	175,175,877	5,646,179
	Additions during the year	487,015,294	216,173,425
	Transfer to property, plant and equipment	(290,548,923)	(46,643,727)
	As at December 31	<u>371,642,248</u>	<u>175,175,877</u>
8	OTHER FINANCIAL ASSETS		
	Investments classified as FVTOCI		
	Equity investments	8.1 170,120,146	105,131,414
	Investments classified as FVTPL		
	Mutual funds	389,111,923	-
	At amortized cost		
	Term deposits	828,700	828,700
		<u>560,060,769</u>	<u>105,960,114</u>
8.1	Reconciliation between fair value and cost of investments classified at FVTOCI		
	Cost of investment	72,421,567	72,421,578
	Unrealized gain on remeasurement of investments	97,698,579	32,709,846
	Fair value of investments	<u>170,120,146</u>	<u>105,131,424</u>



PROSPERITY WEAVING MILLS LTD.

	Half Year Ended (Un-Audited)		Quarter Ended (Un-Audited)	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
9 REVENUE FROM CONTRACTS WITH CUSTOMERS	..... Rupees .....		..... Rupees	
Local				
Cloth	5,938,323,349	6,895,526,665	2,853,697,892	3,432,257,866
Yarn	24,544,000	105,846,000	24,544,000	26,904,000
Waste	35,332,462	96,839,632	16,328,853	32,979,710
	<u>5,998,199,811</u>	<u>7,098,212,297</u>	<u>2,894,570,745</u>	<u>3,492,141,576</u>
Less: Sales tax on sales	(914,979,632)	(1,082,768,781)	(441,544,690)	(532,699,562)
	<u>5,083,220,179</u>	<u>6,015,443,516</u>	<u>2,453,026,055</u>	<u>2,959,442,013</u>
Export				
Cloth	3,572,149,566	3,647,092,743	1,520,729,470	1,588,855,049
Total	<u>8,655,369,745</u>	<u>9,662,536,259</u>	<u>3,973,755,525</u>	<u>4,548,297,062</u>
10 COST OF SALES				
Raw material consumed	6,090,456,331	6,731,095,747	3,154,392,644	3,116,966,564
Fuel and power	1,001,521,745	1,012,557,750	471,585,135	447,062,710
Salaries, wages and benefits	515,582,276	466,034,115	261,171,782	242,612,431
Stores and spares consumed	103,996,276	120,005,337	50,966,921	48,776,795
Sizing material consumed	151,320,309	142,921,561	77,233,657	69,004,215
Packing material consumed	26,684,187	28,705,863	13,768,439	12,287,215
Depreciation	141,368,392	145,508,238	72,946,726	73,141,442
Insurance	13,304,644	13,162,041	6,777,390	6,628,020
Repairs and maintenance	6,560,100	7,045,851	1,557,172	2,306,298
Vehicles running and maintenance	7,317,027	7,287,888	3,591,223	3,345,593
Traveling and conveyance	535,135	576,071	274,453	284,826
Lease rentals-land	243,588	221,448	121,794	110,724
Fee and subscription	1,456,538	550,500	309,500	62,500
Electricity duty	-	4,651,627	-	-
Others	3,904,331	4,122,930	2,188,462	2,252,377
	<u>8,064,250,879</u>	<u>8,684,446,967</u>	<u>4,116,885,298</u>	<u>4,024,841,710</u>
Work-in-process:				
At beginning of period	240,293,214	254,217,864	195,718,941	325,105,948
At end of period	(190,278,726)	(197,219,279)	(190,278,726)	(197,219,279)
	<u>50,014,488</u>	<u>56,998,585</u>	<u>5,440,215</u>	<u>127,886,669</u>
Cost of goods manufactured	<u>8,114,265,367</u>	<u>8,741,445,552</u>	<u>4,122,325,513</u>	<u>4,152,728,379</u>
Finished stocks:				
At beginning of period	973,067,246	849,739,338	599,849,768	674,235,700
Cloth purchased / Processing charges	38,997	15,447,021	6,500	3,472,836
At end of period	(1,111,103,646)	(581,567,742)	(1,111,103,646)	(581,567,742)
	<u>(137,997,403)</u>	<u>283,618,617</u>	<u>(511,247,378)</u>	<u>96,140,794</u>
	<u>7,976,267,964</u>	<u>9,025,064,169</u>	<u>3,611,078,135</u>	<u>4,248,869,173</u>



PROSPERITY WEAVING MILLS LTD.

11 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:

Nature of Relationship	Nature of Transaction	Half Year Ended (Un-Audited)	
		December 31, 2025	December 31, 2024
		..... Rupees	
Associated companies	Purchase of goods and services	4,919,092,310	4,107,301,585
	Sale of goods and services and stores	137,366	164,794
	Dividend paid	13,948,208	13,948,208
	Rent Expense	738,270	703,116
Key management personnel	Remuneration and other benefits	34,956,542	30,989,414
	Payment of Dividend to directors and their close family members	26,522,657	26,523,908

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

12 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:

	December 31, 2025			Total
	Level 1	Level 2	Level 3	
At December 31, 2025	..... Rupees			
Financial assets - at fair value				
-Equity investments designated at FVTOCI	170,120,146	-	-	170,120,146
Mutual funds designated at FVTPL	-	389,111,923	-	389,111,923
At December 31, 2025	170,120,146	389,111,923	-	559,232,069

	June 30, 2025			Total
	Level 1	Level 2	Level 3	
At June 30, 2025	..... Rupees			
Financial assets - at fair value				
Equity investments designated at FVTOCI	105,131,414	-	-	105,131,414
Mutual funds designated at FVTPL	-	-	-	-
At June 30, 2025	105,131,414	-	-	105,131,414

At December 31, 2025, the Company holds short term investments where the company has used Level 1 or level 2 inputs for the measurement of fair values and there is no transfer between levels.



PROSPERITY WEAVING MILLS LTD.

13 CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Half Year Ended (Un-Audited)			
	Opening	Addition during the period	Paid during the period	Closing
	----- Rupees -----			
Long term finances	1,877,685,184	429,342,145	221,331,014	2,085,696,315
Unclaimed dividend	7,318,034	46,200,000	45,940,459	7,577,575
Short term borrowings excluding running finance and bank overdraft	917,481,894	3,041,405,335	2,631,370,266	1,327,516,963
	2,802,485,112	3,516,947,480	2,898,641,739	3,420,790,853

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 December 31, 2025	Audited June 30, 2025
		----- Rupees -----	
STATEMENT OF FINANCIAL POSITION			
Liabilities			
Long term financing as per Islamic mode		-	-
Short term borrowings as per Islamic mode		291,121	246,642
Interest or mark-up accrued on conventional loans		47,272,010	43,364,251
Assets			
Shariah compliant bank balances		740,996	197,971
Shariah compliant short-term investments		-	-
		Half Year Ended (Un-Audited)	
		December 31, 2025	December 31, 2024
		----- Rupees -----	
STATEMENT OF PROFIT OR LOSS			
Sales - net (Shariah compliant)	9	8,655,369,745	9,662,536,259
Profit paid on islamic mode of financing		1,673,567	13,915,870
Exchange difference			
Shariah compliant		(306,848)	-
Shariah non-compliant		-	-
Balances written back - net			
Shariah compliant		-	-
Shariah non-compliant		-	-
Other income - Other			
Shariah compliant		7,582,116	1,453,820
Shariah non-compliant		5,441,707	15,758,055

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

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



PROSPERITY WEAVING MILLS LTD.

15.2 Figures have been rounded off to the nearest rupee.

16 DATE OF AUTHORIZATION FOR ISSUE

The condensed interim financial statements have been approved by the board of directors of the Company and authorized for issue on February 25, 2026.

Raza Ellahi Shaikh
Chief Executive Officer

Muhammad Tariq Sheikh
Chief Financial Officer

Haroon Shahzada Ellahi Shaikh
Director

Lahore: February 25, 2026

PROSPERITY WEAVING MILLS LTD.

Nagina House, 91-B-1, M.M. Alam Road,
Gulberg-III Lahore-54660