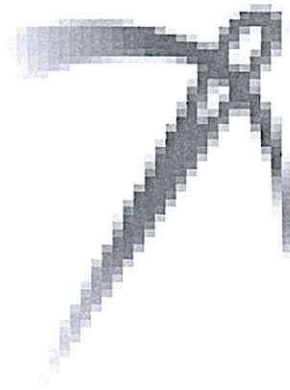


3rd QUARTERLY REPORT

UN-AUDITED

PERIOD ENDED

MARCH 31, 2026



YOUSAF WEAVING MILLS
LIMITED



YOUSAF WEAVING MILLS LIMITED

A Project of Chakwal Group

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Gulberg III, Lahore, Pakistan
Tel: +92 42 35757108 & 35717510 - 17
Fax: +92 42 35764036, 35764043 & 35757105
Web: www.yousafweaving.com

DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors are pleased to present the unaudited condensed interim financial statements of the Company for the nine months ended March 31, 2026.

Despite a challenging economic environment, the Company remained focused on operational efficiency and disciplined financial management. During the period under review, sales revenue increased; however, due to a corresponding rise in the cost of sales, gross profit stood at Rs. 13.203 million, reflecting a modest increase of 3% over the corresponding period. Operating expenses increased by 12%, primarily due to higher depreciation on newly capitalized assets. Encouragingly, finance costs decreased by 45%, driven by the Company's continued efforts to reduce its long-term borrowings.

During the period, the Company successfully repaid the principal amount of its outstanding liabilities to National Bank of Pakistan and Bank of Punjab. Negotiations with the remaining lending bank for restructuring of outstanding obligations are at an advanced stage, and management is confident of finalizing the rescheduling arrangements in the near term.

As part of the Company's Balancing, Modernization, and Replacement (BMR) program, new compressors, dryers, and looms were imported, installed, and are now fully operational. These investments are expected to improve production efficiency and reduce operating costs in future periods.

To support working capital requirements, the Directors extended an additional long-term loan of Rs. 232.917 million, reaffirming their continued commitment to the Company's sustainability. Furthermore, the Company has initiated the process of converting directors' long-term loan amounting to Rs. 363.525 million into equity through the issuance of shares. The necessary approval from members has been obtained in an Extraordinary General Meeting (EOGM), and the application has been submitted to the Securities and Exchange Commission of Pakistan (SECP). Approval is anticipated in the upcoming quarter, following which the shares will be issued accordingly.

The management is committed to strengthening its operational and financial position through continued modernization, rationalization of banking arrangements, and expansion of its customer base.

For and on behalf of the Board

Lahore
April 30, 2026

Alia Khanum
Director

Khawaja Muhammad Nadeem
Chief Executive Officer

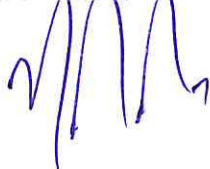


YOUSAF WEAVING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2026


	Note	March 31, 2026 (Un-audited) Rupees	June 30, 2025 (Audited) Rupees
CAPITAL AND LIABILITIES			
Share Capital and Reserves			
Authorized share capital 140,000,000 (2025: 140,000,000) ordinary shares of Rs. 10 each		1,400,000,000	1,400,000,000
Issued, subscribed and paid up share capital		1,360,000,000	1,360,000,000
Loan from directors		363,524,500	130,607,264
Accumulated loss		(1,878,130,556)	(1,851,780,752)
Surplus on revaluation of land		631,523,327	631,523,327
		476,917,271	270,349,839
Non Current Liabilities			
Long term loan		-	13,356,922
Lease liabilities		49,926,044	56,364,291
Deferred liabilities		32,354,885	31,444,850
		82,280,929	101,166,063
Current Liabilities			
Trade and other payables		489,371,113	539,956,820
Unclaimed dividend		3,247,016	3,247,016
Accrued mark up		128,498,732	129,558,452
Short term borrowings		530,098,683	517,916,243
Current portion of long term loan		-	55,151,358
Current portion of lease liabilities		8,711,503	9,449,026
Provision for taxation		19,922,149	20,555,407
		1,179,849,196	1,275,834,322
Contingencies and Commitments	5	-	-
		1,739,047,396	1,647,350,224
ASSETS			
Non Current Assets			
Property, plant and equipment	6	1,122,679,018	1,105,120,138
Right-of-use assets		75,969,601	81,229,035
Intangible assets		64,814	76,253
Long term loans		11,723,050	11,403,050
Long term deposits		60,348,192	60,348,192
		1,270,784,675	1,258,176,668
Current Assets			
Stores and spares		13,288,122	12,612,311
Stock in trade		307,250,351	319,075,139
Trade debts		106,267,250	11,679,760
Loans and advances		25,449,211	31,527,512
Trade deposits and other receivables		185,000	185,000
Tax refunds due from government		8,948,176	6,508,221
Cash and bank balances		6,874,611	7,585,613
		468,262,721	389,173,556
		1,739,047,396	1,647,350,224

The annexed notes form an integral part of these condensed interim financial information (Unaudited).

CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER




YOUSAF WEAVING MILLS LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE NINE MONTHS ENDED MARCH 31, 2026

	Nine Months Ended		Quarter Ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	Un-audited Rupees	Un-audited Rupees	Un-audited Rupees	Un-audited Rupees
Sales - net	469,997,020	405,168,242	119,600,407	153,030,614
Cost of sales	(456,793,584)	(392,319,898)	(113,939,025)	(147,108,084)
Gross profit	13,203,436	12,848,344	5,661,382	5,922,530
Distribution cost	(4,556,850)	(4,038,150)	(1,367,055)	(1,346,050)
Administrative expenses	(27,850,264)	(24,945,092)	(7,035,517)	(8,070,991)
	(32,407,114)	(28,983,242)	(8,402,572)	(9,417,041)
Operating loss	(19,203,678)	(16,134,898)	(2,741,190)	(3,494,511)
Finance cost	(1,271,163)	(2,331,174)	(247,346)	(831,848)
Other operating income	-	55,171	-	55,171
Loss before Levies & Taxation	(20,474,841)	(18,410,901)	(2,988,536)	(4,271,188)
Levies	(5,874,963)	(5,064,603)	(1,495,005)	(1,912,883)
Loss before Taxation	(26,349,804)	(23,475,504)	(4,483,541)	(6,184,071)
Taxation	-	-	-	-
Loss for the period	(26,349,804)	(23,475,504)	(4,483,541)	(6,184,071)
Loss per share - basic & diluted	(0.19)	(0.17)	(0.03)	(0.05)

The annexed notes form an integral part of these condensed interim financial information (Unaudited).


CHIEF EXECUTIVE OFFICER

DIRECTOR



CHIEF FINANCIAL OFFICER



YOUSAF WEAVING MILLS LIMITED
STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED MARCH 31, 2026

	Nine Months Ended		Quarter Ended	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	Rupees	Rupees		
Loss for the period	(26,349,804)	(23,475,504)	(4,483,541)	(6,184,071)
Other comprehensive income for the period	-	-	-	-
Total comprehensive loss for the period	<u>(26,349,804)</u>	<u>(23,475,504)</u>	<u>(4,483,541)</u>	<u>(6,184,071)</u>

The annexed notes form an integral part of these condensed interim financial information (Unaudited).


 CHIEF EXECUTIVE OFFICER

DIRECTOR



 CHIEF FINANCIAL OFFICER



YOUSAF WEAVING MILLS LIMITED
STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED MARCH 31, 2026

	Nine Months Ended	
	March 31, 2026	March 31, 2025
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(26,349,804)	(23,475,504)
Adjustments for:		
- Depreciation	35,985,611	27,693,091
- Amortization of intangible assets	11,438	14,298
- Levies	5,874,963	5,064,603
- Provision for gratuity	3,760,134	4,169,130
- Gain on disposal of property, plant and equipment	-	(55,171)
- Finance cost	1,271,163	2,331,174
Operating profit before working capital changes	20,553,505	15,741,621
(Increase) / Decrease in current assets:		
- Stores and spares	(675,811)	(1,959,963)
- Stock in trade	11,824,788	20,817,838
- Trade debts	(94,587,490)	(3,305,194)
- Loan and advances	6,078,301	(805,463)
- Tax refundable due from government	(6,229,300)	102,662
Increase / (Decrease) in current liabilities:		
- Trade and other payables	(46,170,829)	12,089,384
	(129,760,341)	26,939,264
CASH (USED IN) / GENERATED FROM OPERATIONS	(109,206,836)	42,680,885
Finance cost paid	(1,931,938)	(3,146,733)
Gratuity paid	(2,850,099)	-
Income tax paid	(7,133,753)	(191,586)
Net cash (used in) / generated from operating activities	(121,122,626)	39,342,566
CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment purchased	(48,285,057)	80,000
Long term loans to employees	(320,000)	(360,000)
Net cash used in investing activities	(48,605,057)	(280,000)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term loans	164,408,956	2,620,847
Short term borrowings - net	12,182,440	(36,677,236)
Repayment of lease liabilities	(7,574,715)	(7,400,781)
Net cash generated from / (used in) financing activities	169,016,681	(41,457,170)
Net decrease in cash and cash equivalents	(711,002)	(2,394,604)
Cash and cash equivalents at the beginning of the period	7,585,613	9,622,693
Cash and cash equivalents at the end of the period	<u>6,874,611</u>	<u>7,228,089</u>

The annexed notes form an integral part of these condensed interim financial information (Unaudited).

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER



YOUSAF WEAVING MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED MARCH 31, 2026

Particulars	Issued, Subscribed and Paid up Share Capital	Accumulated Loss	Loan from Directors	Revaluation Surplus	Total
	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at July 1, 2024	1,360,000,000	(1,541,662,149)	48,652,264	631,523,327	498,513,442
Net loss for the period	-	(23,475,504)	-	-	(23,475,504)
Loan from directors during the year	-	-	13,400,000	-	13,400,000
Balance as at March 31, 2025	1,360,000,000	(1,565,137,653)	62,052,264	631,523,327	488,437,938
Balance as at July 1, 2025	1,360,000,000	(1,851,780,752)	130,607,264	631,523,327	270,349,839
Net loss for the period	-	(26,349,804)	-	-	(26,349,804)
Loan from directors during the year	-	-	232,917,236	-	232,917,236
Balance as at March 31, 2026	1,360,000,000	(1,878,130,556)	363,524,500	631,523,327	476,917,271

The annexed notes form an integral part of these condensed interim financial information (Unaudited).


 CHIEF EXECUTIVE OFFICER

• DIRECTOR
 عالیہ فاعم


 CHIEF FINANCIAL OFFICER



YOUSAF WEAVING MILLS LIMITED
SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE NINE MONTHS ENDED MARCH 31, 2026

Note 1
The Company and its Operations

Yousaf Weaving Mills Limited was incorporated on January 17, 1988 as a public limited company in Pakistan under the Companies Ordinance, 1984 and is quoted on Pakistan Stock Exchange. The Company is engaged in the business of textile weaving, spinning, sale of processed fabric and home textile products. The registered office of the Company is situated at 7/1- E-3, Main Boulevard Gulberg III, Lahore.

- 1.1 The Company incurred a loss after tax of Rs. 26.350 million (2025: Rs. 23.476 million) and, as at the reporting date, accumulated losses amounted to Rs. 1,878.131 million (2025: Rs. 1,851.781 million). As of that date, the Company's current liabilities exceeded its current assets by Rs. 711.586 million (2025: Rs. 886.661 million). In the previous annual financial statements, the auditors had included an emphasis of matter paragraph regarding the Company's ability to continue as a going concern. However, management believes that the underlying factors giving rise to such uncertainty have been substantially addressed during the period. The continuation of the Company as a going concern is dependent upon the successful implementation of management's remedial measures and improvement in cash flows. In this regard, management has taken the following steps:
- During the period, the directors provided a long-term loan amounting to Rs. 232.917 million to support the Company's operational and financial obligations as they fall due. This financial assistance has helped the Company maintain liquidity amid prevailing financial constraints.
 - Furthermore, the management has initiated the process for conversion of directors' long-term loan amounting to Rs. 363.525 million into equity. The requisite approval from the members has been obtained in an EOGM during the reporting quarter, and an application in this regard has been duly submitted to the Securities and Exchange Commission of Pakistan (SECP). The approval is expected to be received in the last quarter of the financial year, subsequent to which shares will be issued to the directors in accordance with applicable regulatory requirements. This proposed conversion is expected to strengthen the Company's equity base, improve its capital structure, and enhance stakeholders' confidence.
 - The Company has fully repaid the principal amounts of financing obtained from National Bank of Pakistan and Bank of Punjab and is currently negotiating with these banks for concession in respect of related mark-up / cost of funds. The management is also in active discussions with Habib Metropolitan Bank Limited for restructuring of the outstanding loan facility and is confident of reaching an amicable settlement.
 - To improve operational efficiency and cash flows, the Company has imported and installed compressor/dryers and new looms before the reporting date, which are expected to enhance production capacity and reduce energy costs.

Based on the above measures and financial projections, management believes that the Company will be able to continue its operations and meet its obligations as they fall due. Accordingly, these condensed interim financial statements have been prepared on a going concern basis.

Note 2
Basis of Preparation

- 2.1 These condensed interim financial information have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:
- International Financial Reporting Standard (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and provisions of and directives issued under the Companies Act, 2017. Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.
- 2.2 The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended 30 June, 2025.
- 2.3 This condensed interim financial information is presented in Pak rupees, which is the Company's functional and presentational currency. The financial statements have been prepared under the historical cost convention. Figures have been rounded off to the nearest thousand rupee, unless stated otherwise.

Note 3
Significant Accounting Policies

The accounting policies and methods of computation of the interim financial information are the same as those followed in the preparation of annual financial information for the preceding year ended June 30, 2025.

Note 4
Accounting Estimates and Judgments

The accounting estimates and associated assumptions used in preparation of this condensed interim financial information are consistent with those applied in the preparation of annual financial statement of the Company Limited for the year ended June 30, 2025.

Note 5
Contingencies and Commitments

There is no significant change in the contingencies and commitments as disclosed in the last published audited financial statements of the Company for the year ended June 30, 2025, except that during the period the Company has fully settled the principal amount of its outstanding liabilities towards National Bank of Pakistan, which was previously under litigation. The accrued markup / cost of funds has not yet been finalized and is currently under negotiation with the bank for a possible concession. The financial impact, if any, will be determined upon final settlement.

Note 6
Property, Plant and Equipment

	Nine Months Ended Mar 31, 2026	Year Ended June 30, 2025
	(Un-audited) Rupees	(Audited) Rupees
Operating fixed assets	1,122,679,018	1,105,120,138
Opening written down value	1,105,120,138	1,108,252,054
Addition during the period / year (at cost)	48,285,057	29,884,325
Disposal during the period / year (written down value)	-	(24,829)
	1,153,405,195	1,138,111,550
Depreciation charge for the period / year	(30,726,177)	(32,991,412)
Closing written down value	1,122,679,018	1,105,120,138

Note 7
Transactions with Related Parties

The related parties and associated undertakings comprise related group companies, associated companies, directors and key management personnel. Transactions with related parties and associated undertakings, other than remuneration and benefits to key management personnel under the term of their employment are as follows:

	Nine Months Ended	
	Mar 31, 2026	Mar 31, 2025
	(Un-audited)	(Un-audited)
	Rs. '000'	Rs. '000'
Significant transaction with related parties are as follows:		
- Loan term loan received from directors	232,917	13,400
- Short term loan received/(paid) from / to directors - net	12,182	2,057

Note 8
Segment Information

8.1 For management purposes, the activities of the Company are organized into two operating segment:

Weaving:	Production of grey and processed cloth.
Spinning:	Production of different qualities of yarn using natural and artificial fibers.

The Company operates in the said reportable operating segments bases on the nature of products, risks and returns, organizational and management structure and internal financial reporting systems. Accordingly, the figures reported in these condensed financial statements related to the Company's reportable segment.

Information regarding the Company's reportable segment for the nine months ended March 31, 2026 are as follows:

8.2 Segment revenues and results

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

Note 8 - Segment Information ... Contd.

For the Nine Months Ended March 31, 2026 (Un-audited)			
	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
Sales - net	469,997,020	-	469,997,020
Cost of sales	(452,277,136)	(4,516,448)	(456,793,584)
Gross profit / (loss)	17,719,884	(4,516,448)	13,203,436
Distribution cost	(4,556,850)	-	(4,556,850)
Administrative expenses	(27,836,760)	(13,504)	(27,850,264)
	(32,393,610)	(13,504)	(32,407,114)
Operating loss	(14,673,726)	(4,529,952)	(19,203,678)
Finance cost	(1,271,163)	-	(1,271,163)
Other operating income	-	-	-
Loss before Levies & Taxation	<u>(15,944,889)</u>	<u>(4,529,952)</u>	(20,474,841)
Levies			(5,874,963)
Loss before Taxation			(26,349,804)
Taxation			-
Loss after taxation			<u>(26,349,804)</u>

For the Nine Months Ended March 31, 2025 (Un-audited)			
	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
Sales - net	405,168,242	-	405,168,242
Cost of sales	(389,404,825)	(2,915,073)	(392,319,898)
Gross profit / (loss)	15,763,417	(2,915,073)	12,848,344
Distribution cost	(4,038,150)	-	(4,038,150)
Administrative expenses	(24,928,633)	(16,459)	(24,945,092)
	(28,966,783)	(16,459)	(28,983,242)
Operating loss	(13,203,366)	(2,931,532)	(16,134,898)
Finance cost	(2,331,174)	-	(2,331,174)
Other operating income	55,171	-	55,171
Loss before Levies & Taxation	<u>(15,479,369)</u>	<u>(2,931,532)</u>	(18,410,901)
Levies			(5,064,603)
Loss before Taxation			(23,475,504)
Taxation			-
Loss after taxation			<u>(23,475,504)</u>

8.3 Segment assets and liabilities

As at March 31, 2026 (Un-audited)			
	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
Segment assets for reportable segments	1,530,397,162	199,702,058	1,730,099,220
Unallocated assets			8,948,176
Total assets as per balance sheet			<u>1,739,047,396</u>
Segment liabilities for reportable segments	1,142,710,107	231,374,300	1,374,084,407
Unallocated liabilities			(111,954,282)
Total liabilities as per balance sheet			<u>1,262,130,125</u>

As at June 30, 2025 (Audited)			
	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
Segment assets for reportable segments	1,433,959,580	206,882,423	1,640,842,003
Unallocated assets			6,508,221
Total assets as per balance sheet			<u>1,647,350,224</u>
Segment liabilities for reportable segments	1,033,597,022	229,574,713	1,263,171,735
Unallocated liabilities			113,828,650
Total liabilities as per balance sheet			<u>1,377,000,385</u>

Note 9
Financial Risk Management

The Company's financial risk management objectives and policies are consistent with those disclosed in the audited annual published financial statements of the Company for the year ended June 30, 2025.

Note 10
General

10.1 This interim financial information is authorized for issue on April 30, 2026 by the Board of Directors of the Company.

10.2 Corresponding figures have been re-arranged wherever necessary to facilitate comparison. No material rearrangement has been made during the period.


CHIEF EXECUTIVE OFFICER

DIRECTOR
عاليہ طاہر


CHIEF FINANCIAL OFFICER

