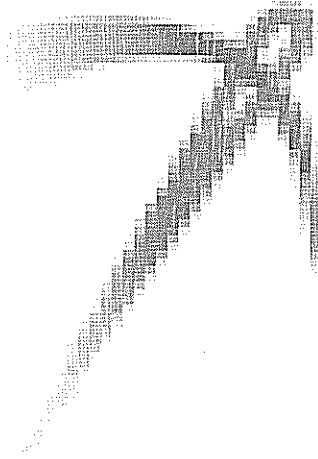


QUARTERLY REPORT

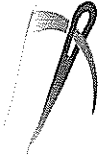
UN-AUDITED

NINE MONTHS ENDED

MARCH 31, 2023



YOUSAF WEAVING MILLS
LIMITED



YOUSAF WEAVING MILLS LIMITED

A Project of Chakwal Group

7/1 - E-3, Main Boulevard
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 of the Company are pleased to present their report together with the unaudited condensed interim financial statements for the nine months ended March 31, 2023.

During the current reporting period, the Company earned a gross profit of Rs. 53.415 million as compared to a gross profit of Rs. 66.434 million during the comparative period, whereas it incurred a net loss of Rs. 7.902 million during the said period as compared to a net profit of Rs. 15.319 million during the previous period.

Unfortunately, due to economic and political uncertainty, the textile industry is facing the worst crisis of its history. Small and medium-sized textile units have shut down their business due to a lack of demand in the local market and un-precedential price hikes of inputs. On the other this antagonistically hard business environment forced large textile manufacturers to significantly reduce their production activities, resultantly a huge number of the skilled labour force has been laid off which may lead to economic unrest in the near future.

In this crucial time, your Company's management put their best efforts to avoid losses by minimizing its cost to do business while retaining its workforce, which is evident from the profit before tax figure for the period. The management expects that the upcoming period would not be an easy one for the industry, recently the government has withdrawn its subsidized energy package for export oriented industry consequently the energy cost has been surged up. The need is that the government should take measures to reduce inflation, provide energy at subsidized rates, control US \$ exchange rate fluctuation, bring down the interest rate, develop political consensus and make sure the availability of inputs at affordable cost, so that vehicle of our economy come back on the track of economic growth and stability otherwise it would be a complete disaster for the country.

The board of directors had decided to convert long-term loan of director into ordinary shares for which an application has been filed to the Commission accordingly and it is expected that shares could be issued after seeking approval from SECP.

The board is thankful to the shareholders of the Company for their continued confidence in the Company and also wished to express its gratitude to all the employees of the Company for their hard work, loyalty and dedication.

For and on behalf of the board

Lahore

April 28, 2023

Alia Khanum

Chairman

Khawaja Mohammad Nadeem

Chief Executive Officer

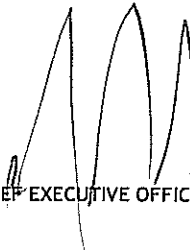
YUSAF WEAVING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2022

	Note	March 31, 2023 (Un-audited) Rupees	June 30, 2022 (Audited) Rupees
CAPITAL AND LIABILITIES			
Share Capital and Reserves			
Authorized share capital 90,000,000 (2022: 90,000,000) ordinary shares of Rs. 10 each		900,000,000	900,000,000
Issued, subscribed and paid up share capital		900,000,000	900,000,000
Loan from directors		474,476,264	449,106,400
Accumulated loss		(1,435,968,162)	(1,428,065,888)
Surplus on revaluation of land		385,563,327	385,563,327
		324,071,429	306,603,839
Non Current Liabilities			
Long term loan		-	-
Lease liabilities		44,472,954	50,251,334
Deferred liabilities		47,782,391	47,637,641
		92,255,345	97,888,975
Current Liabilities			
Trade and other payables		296,393,656	294,889,837
Unclaimed dividend		3,247,016	3,247,016
Accrued mark up		132,137,259	132,939,518
Short term borrowings		588,650,599	586,589,859
Current portion of long term loan		57,489,230	67,258,461
Current portion of lease liabilities		7,756,086	8,260,715
Provision for taxation		48,361,999	54,844,202
		1,134,035,845	1,148,029,608
Contingencies and Commitments			
	5	-	-
		1,550,362,619	1,552,522,422

YOUSAF WEAVING MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2022

Note	March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
	Rupees	Rupees
ASSETS		
Non Current Assets		
Property, plant and equipment	905,679,320	925,961,304
Right-of-use assets	57,436,397	60,618,889
Intangible assets	126,591	148,932
Long term loans	10,381,650	10,312,450
Long term deposits	51,632,222	51,632,222
	1,025,256,180	1,048,673,797
Current Assets		
Stores and spares	12,012,498	13,266,123
Stock in trade	239,255,318	233,870,187
Trade debts	197,017,105	168,180,759
Loans and advances	22,344,335	31,424,099
Trade deposits and other receivables	5,608,901	5,608,901
Tax refunds due from government	46,883,237	50,485,632
Cash and bank balances	1,985,045	1,012,924
	525,106,439	503,848,625
	<u>1,550,362,619</u>	<u>1,552,522,422</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 PROFIT OR LOSS
FOR THE NINE MONTHS ENDED MARCH 31, 2023

	Nine Months Ended		Quarter Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Un-audited Rupees	Un-audited Rupees	Un-audited Rupees	Un-audited Rupees
Sales - net	729,139,007	739,379,269	434,628,951	380,974,747
Cost of sales	(675,724,262)	(672,945,483)	(407,336,070)	(352,048,794)
Gross profit	53,414,745	66,433,786	27,292,881	28,925,953
Distribution cost	(7,602,415)	(5,044,120)	(3,712,548)	(1,648,600)
Administrative expenses	(40,778,393)	(35,528,636)	(24,525,990)	(16,882,131)
	(48,380,808)	(40,572,756)	(28,238,538)	(18,530,731)
Operating profit / (loss)	5,033,937	25,861,030	(945,657)	10,395,222
Finance cost	(3,827,960)	(3,460,820)	(2,527,827)	(1,080,427)
Other operating income	7,354	2,190,331	-	631,293
Profit / (loss) before taxation	1,213,331	24,590,541	(3,473,484)	9,946,088
Taxation	(9,115,605)	(9,271,773)	(5,434,646)	(4,774,782)
(Loss) / Profit for the period	(7,902,274)	15,318,768	(8,908,130)	5,171,306
(Loss) / Earning per share - basic & diluted	(0.09)	0.17	(0.10)	0.06

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, 2023

	Nine Months Ended		Quarter Ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Rupees	Rupees	Rupees	Rupees
(Loss) / Profit for the period	(7,902,274)	15,318,768	(8,908,130)	5,171,306
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss) / income for the period	(7,902,274)	15,318,768	(8,908,130)	5,171,306

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, 2023

	Nine Months Ended	
	March 31, 2023	March 31, 2022
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,213,331	24,590,541
Adjustments for:		
- Depreciation	30,965,829	29,434,887
- Amortization of intangible assets	22,340	27,924
- Provision for gratuity	10,002,050	10,238,831
- Gain on disposal of property, plant and equipment	(7,354)	(2,190,331)
- Finance cost	3,827,960	3,416,345
Operating profit before working capital changes	46,024,156	65,518,197
(Increase) / Decrease in current assets:		
- Stores and spares	1,253,625	(4,193,709)
- Stock in trade	(5,385,131)	(94,733,782)
- Trade debts	(28,836,346)	(189,640,803)
- Loan and advances	9,079,764	(30,525,429)
- Trade deposits and other receivables	-	14,861,818
- Tax refundable due from government	(2,707,394)	(13,655,163)
Increase / (Decrease) in current liabilities:		
- Trade and other payables	1,503,819	21,820,203
	(25,091,663)	(296,066,865)
CASH GENERATED FROM / (USED IN) OPERATIONS	20,932,493	(230,548,668)
Finance cost paid	(3,801,278)	(4,022,199)
Gratuity paid	(9,857,300)	(6,644,450)
Income tax paid	(9,288,016)	(8,839,470)
Net cash used in operating activities	(2,014,101)	(250,054,787)
CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment purchased	(7,634,000)	(17,545,825)
Proceeds from disposal of property, plant and equipment	140,000	2,360,000
Long term deposits	-	(5,809,526)
Net cash used in investing activities	(7,563,200)	(20,839,201)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term loans - net	15,600,633	280,821,169
Short term borrowings - net	2,060,740	(7,904,236)
Liabilities against assets subject to finance lease	(7,111,951)	-
Net cash generated from financing activities	10,549,422	272,916,933
Net increase in cash and cash equivalents	972,121	2,022,945
Cash and cash equivalents at the beginning of the period	1,012,924	1,327,778
Cash and cash equivalents at the end of the period	<u>1,985,045</u>	<u>3,350,723</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, 2023

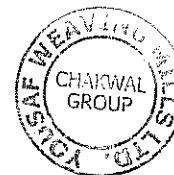
Particulars	Issued, Subscribed and Paid up Share Capital	Accumulated Loss	Loan from Directors	Revaluation Surplus	Total
	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at July 1, 2021	900,000,000	(1,440,716,881)	300,000,000	385,563,327	144,846,446
Net profit for the period	-	15,318,768	-	-	15,318,768
Loan from directors during the period			289,937,400		289,937,400
Balance as at March 31, 2022	900,000,000	(1,425,398,113)	589,937,400	385,563,327	450,102,614
Balance as at July 1, 2022	900,000,000	(1,428,065,888)	449,106,400	385,563,327	306,603,839
Net profit for the period	-	(7,902,274)	-	-	(7,902,274)
Loan from directors during the period	-	-	25,369,864	-	25,369,864
Balance as at March 31, 2023	900,000,000	(1,435,968,162)	474,476,264	385,563,327	324,071,429

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
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED MARCH 31, 2023

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 During the period the Company has incurred loss after tax of Rs. 7.902 million (2022: Rs. 15.319 million) and at period end, its accumulated losses stood at Rs. 1,435.968 million (2022: Rs. 1,428.066 million). Its current liabilities exceed its current assets by Rs. 608.929 million (2022: Rs. 644.181 million). The Company in order to carry on its business and to meet its current obligation requires generating sufficient cash flows. Further, the banking companies also filed suit against the Company for recovery of outstanding balances and related interest accrued thereon. Accordingly there is a material uncertainty relating to the Company's operation that may cast sufficient doubt on the discharge of its liabilities in the normal course of business. Continuation of the Company as a going concern is dependent on improved cash flows. For this purpose the management of the Company has drawn up plans which include:-

During the current period the directors of the Company has provide long term loan and short term loan of Rs. 25.370 million and Rs. 2.061 million respectively, which have been used to pay off outstanding liabilities of the Company. The directors / sponsors of the Company have shown their commitment to support the Company in every hour of need to stabilize the Company's operations and committed to provide their enduring support to achieve sustainable growth in future.

To strengthen shareholder equity, the Directors have decided to covert long term loan of director into ordinary shares, this will not only give comfort to the creditors but also facilitate future business operations. Approval has been sought from the members by way of special resolution in the EOGM held on January 21, 2023 whereas application in this respect has been filed to the Commission accordingly and it is expected that shares could be issued after seeking approval from SECP during the upcoming period after which financials could be ameliorated.

Further, the management is in negotiation with the litigant banks to settle its liabilities towards banks and it expects that this long outstanding matter could be resolved amicably during the upcoming period after which new prospects will be opened for the Company to prosper and run its operation with sustainability.

In view of the above, these financial statements have been prepared on going concern assumption.

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, 2022.
- 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, 2022.

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, 2022.

Note 5
Contingencies and Commitments

There is no other significant change in the contingencies and commitments as reported in the last published audited financial statements for the year ended June 30, 2022.

Note 6
Property, Plant and Equipment

	Nine Months Ended Mar 31, 2023	Year Ended June 30, 2022
	(Un-audited) Rupees	(Audited) Rupees
Operating fixed assets	905,679,320	925,961,304
Opening written down value	925,961,304	947,395,316
Addition during the period / year (at cost)	7,634,000	17,690,355
Disposal during the period / year (written down value)	(132,647)	(193,284)
	933,462,657	964,892,387
Depreciation charge for the period / year	(27,783,337)	(38,931,083)
Closing written down value	905,679,320	925,961,304

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	
	Mar 31, 2023	Mar 31, 2022
	(Un-audited) Rs. '000'	(Un-audited) Rs. '000'
Significant transaction with related parties are as follows:		
- Loan term loan received from directors	25,370	289,937
- Short term loan received/(paid) from/to directors - net	2,061	-

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, 2023 are as follows:

Note 8 - Segment Information - Continued...

8.2 Segment revenues and results

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

For the Nine Months Ended March 31, 2023 (Un-audited)			
	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
Sales - net	729,139,007	-	729,139,007
Cost of sales	(672,367,912)	(3,356,350)	(675,724,262)
Gross profit / (loss)	56,771,095	(3,356,350)	53,414,745
Distribution cost	(7,602,415)	-	(7,602,415)
Administrative expenses	(40,753,781)	(24,612)	(40,778,393)
	(48,356,196)	(24,612)	(48,380,808)
Operating profit / (loss)	8,414,899	(3,380,962)	5,033,937
Finance cost	(3,827,960)	-	(3,827,960)
Other operating income	7,354	-	7,354
Profit / (loss) before taxation	4,594,293	(3,380,962)	1,213,331
Taxation	(9,115,605)	-	(9,115,605)
Profit / (loss) after taxation	(4,521,312)	(3,380,962)	(7,902,274)

For the Nine Months Ended March 31, 2022 (Un-audited)			
	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
Sales - net	739,379,269	-	739,379,269
Cost of sales	(669,343,816)	(3,601,667)	(672,945,483)
Gross profit / (loss)	70,035,453	(3,601,667)	66,433,786
Distribution cost	(5,044,120)	-	(5,044,120)
Administrative expenses	(35,498,448)	(30,188)	(35,528,636)
	(40,542,568)	(30,188)	(40,572,756)
Operating profit / (loss)	29,492,885	(3,631,855)	25,861,030
Finance cost	(3,460,820)	-	(3,460,820)
Other operating income	2,190,331	-	2,190,331
Profit before taxation / (loss)	28,222,396	(3,631,855)	24,590,541
Taxation	(9,271,773)	-	(9,271,773)
Profit after taxation / (loss)	18,950,623	(3,631,855)	15,318,768

8.3 Segment assets and liabilities

As at March 31, 2023 (Un-audited)			
	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
Segment assets for reportable segments	1,390,293,223	106,956,239	1,497,249,462
Unallocated assets			53,113,157
Total assets as per balance sheet			1,550,362,619
Segment liabilities for reportable segments	1,226,543,796	229,415,446	1,455,959,242
Unallocated liabilities			(229,668,052)
Total liabilities as per balance sheet			1,226,291,190

As at June 30, 2022 (Audited)			
	Weaving Segment	Spinning Segment	Total
	Rupees	Rupees	Rupees
Segment assets for reportable segments	1,385,976,208	109,239,408	1,495,215,616
Unallocated assets			57,306,806
Total assets as per balance sheet			1,552,522,422
Segment liabilities for reportable segments	1,215,904,406	229,890,902	1,445,795,308
Unallocated liabilities			(199,876,725)
Total liabilities as per balance sheet			1,245,918,583

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, 2022.


Note 10
General

10.1 This interim financial information is authorized for issue on April 28, 2023 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


CHIEF FINANCIAL OFFICER

