



# Corporate Briefing Session

FY24-25

May 27, 2025





# Overview

Gadoon Textile Mills Limited (GTML) was incorporated in Pakistan on February 23, 1988 as a public limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is listed on Pakistan Stock Exchange. The principal activity of the Company is manufacturing & sale of yarn, knitted bedding products, dyeing services and production & sale of milk.

We manufacture and process all types of cotton and manmade fibers, operating state-of-the-art manufacturing plants in Karachi (Sindh) and Gadoon Amazai (Khyber Pakhtunkhwa). We have a diverse portfolio of products tailored to meet the needs of domestic and international markets.



# **Business Segments**



**Spinning**



**Knitted Bedding Products**



**Dyeing Services**



**Dairy**



**Strategic Investments**

## Spinning

- Compact Yarn
- Core Spun Yarn
- Fancy Yarn
- Man-Made / Cellulose Yarn
- Melange Yarn / Heather Grey Yarn
- Murata Jet Spun Yarn
- Murata Vortex Spun Yarn
- Neppy Yarn
- Open-End Yarn
- Poly / Cotton Yarn
- Recycle Polyester yarn
- S twist Yarn
- Siro Yarn
- Slub Yarn
- TFO Yarn
- Tri-Blend Yarn
- Zero Twist Yarn

## Knitted Bedding Products

- Grey and Dyed Fabrics Core Spun Yarn
- Fitted Knitted Sheet and Pillowcases
- Institutional and Hospital Laundry
- Knitted Fitted Sheets
- Jersey Duvet Sets
- Jersey Pillow Covers
- Jersey Sheet Sets
- Molten Fitted Sheets
- Nursery Kids Sheets
- Terry Fitted Sheets



# gadon Awards & Achievements

## Best Corporate Report

During the period, the Company has been awarded 2nd Position for its Annual Report 2023 in the "Textile" Sector, in the Best Corporate Report Award competition jointly held by Institute of Chartered Accountants of Pakistan (ICAP) and the Institute of Cost and Management Accountants of Pakistan (ICMAP).



## 18<sup>th</sup> Annual OSH Merit Award

We are deeply humbled and thrilled to share that the company has been awarded with the **18th Annual Occupational Safety & Health Recognition Award by Employers' Federation of Pakistan** due to our commitment to advancing HSE protocols at the workplace.

This recognition reflects the collective dedication of our HSE & Compliance team to prioritizing the well-being of our employees. Together, we've worked to create a safer environment and inspire a culture of safety excellence.



# Key Strategic & Operational Development



Replacement of old machineries with State of Art machineries



Installed 16.94 MW solar plant. Further, 10.80 MW is in process



# Performance Indicators

		March		
		2025	2024	2023
GP to sales	Percentage	9.20%	6.78%	9.94%
Net profit after tax to sales	Percentage	3.62%	0.51%	6.63%
EBITDA to sales	Percentage	12.22%	10.10%	14.03%
EBDA to sales	Percentage	6.97%	3.35%	8.65%
Return on equity	Percentage	8.90%	1.33%	14.81%
Return on capital employed	Percentage	17.50%	12.71%	19.38%
Current ratio	Times	0.88	1.12	1.25
Inventory turnover	Days	116	115	147
Debtor turnover	Days	26	18	20
Creditors turnover	Days	43	37	40
Operating cycle	Days	99	96	127
Asset turnover	Times	0.86	0.91	1.16
Fixed Asset turnover	Times	2.14	2.39	2.82
Leverage Ratio (D/E)	Times	1.07	1.15	1.09
Earnings per Share	Rupees	71.45	9.91	101.14

Rs in 'Million

## Revenue



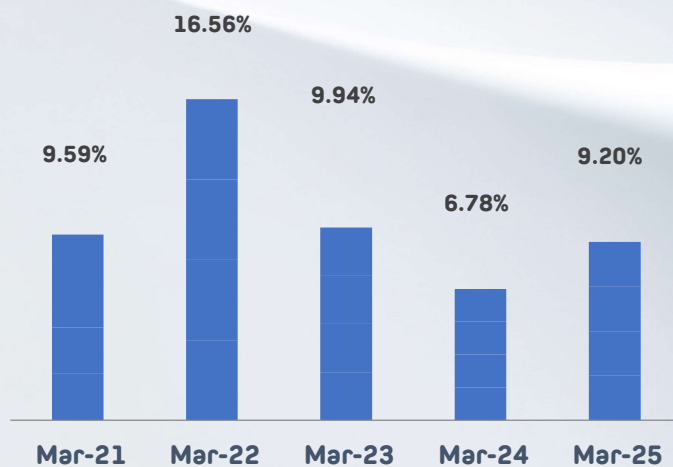
Rs in 'Million

## Cost of Sales



Percentage

## GP Ratio



Rs in 'Million

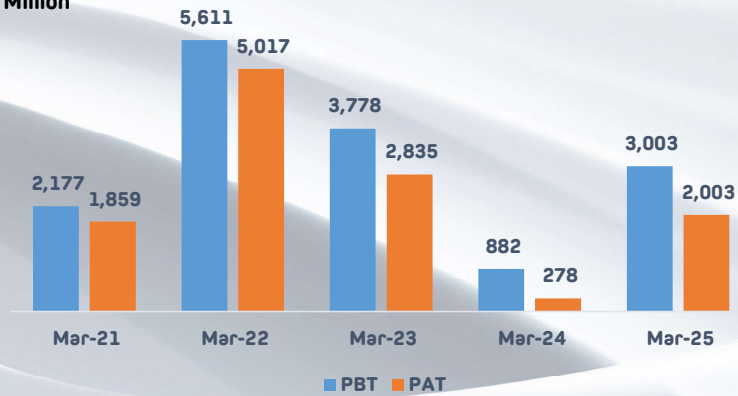
## Finance Cost





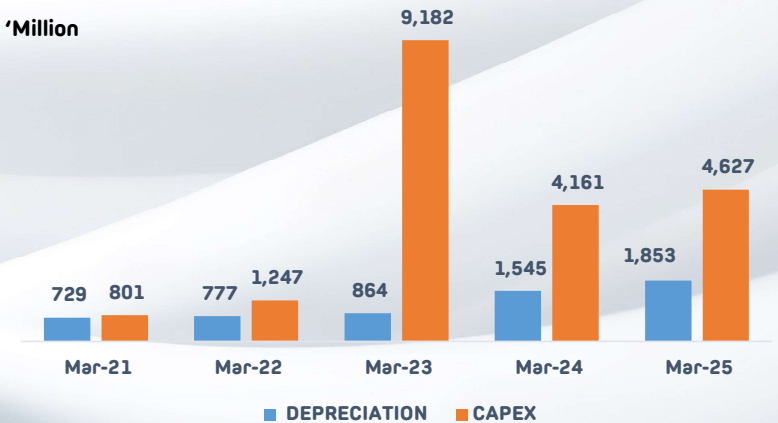
### PBT / PAT

Rs in 'Million



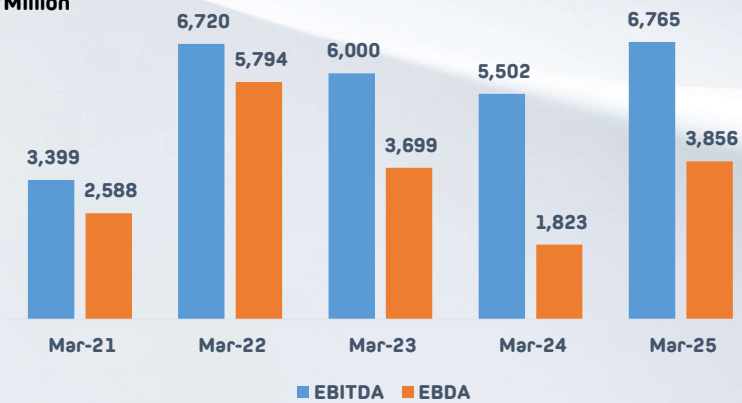
### Depreciation / CAPEX

Rs in 'Million



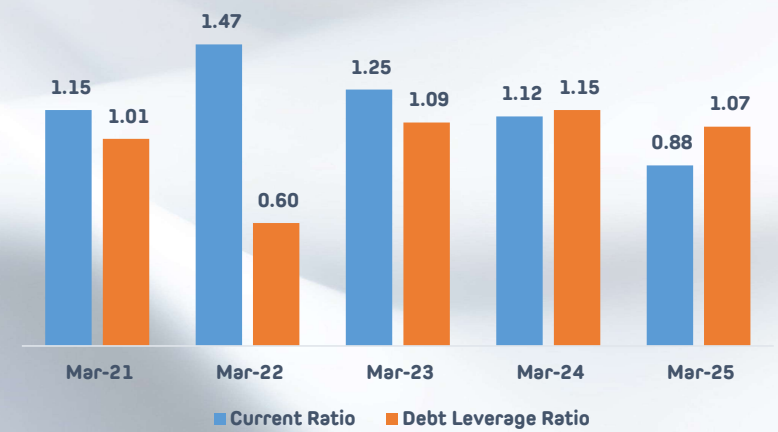
### EBITDA / EBDA

Rs in 'Million



### Current / Debt Leverage Ratio

Times



**FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED  
MARCH 31, 2025**







Statement of Financial Position	Rs. in '000	
	March 31, 2025	June 30, 2024
<b>ASSETS</b>		
Property, plant and equipment	27,227,171	24,563,610
Biological assets	537,622	761,358
Long term advance	-	-
Long term loans	614	7,753
Long term deposits	64,837	64,586
Long term investments	6,151,250	6,357,687
<b>Non-Current Assets</b>	<b>33,981,494</b>	<b>31,754,994</b>
Stores, spares and loose tools	1,524,671	1,409,278
Stock-in-trade	23,254,026	19,283,229
Trade debts	5,563,392	5,062,757
Loans and advances	133,445	177,829
Trade deposits and short term prepayments	58,409	52,800
Other receivables	2,028,049	2,616,577
Current tax asset	-	73,339
Cash and bank balances	1,024,829	1,401,011
<b>Current Assets</b>	<b>33,586,821</b>	<b>30,076,820</b>
<b>Total Assets</b>	<b>67,568,315</b>	<b>61,831,814</b>



## Statement of Financial Position

### EQUITY AND LIABILITIES

#### Share Capital and Reserves

	March 31, 2025	June 30, 2024
Issued, subscribed and paid-up capital	280,296	280,296
Reserves	23,220,817	21,218,002
	23,501,113	21,498,298

Long term finance	3,580,426	5,887,345
Deferred government grant	110,493	140,159
Retirement benefit obligation	1,296,661	1,205,342
Deferred tax liabilities	754,308	944,968
<b>Non-Current Liabilities</b>	<b>5,741,888</b>	<b>8,177,814</b>

Short term borrowings	21,783,337	19,522,295
Trade and other payables	14,890,631	10,826,480
Unclaimed dividend	32,327	32,380
Levies Payable	351,324	431,977
Provision for taxation	165,368	-
Current portion of long term finance	688,197	679,913
Current portion of deferred government grant	28,172	40,132
Accrued mark-up	385,958	622,525
<b>Current Liabilities</b>	<b>38,325,314</b>	<b>32,155,702</b>

<b>Total Equity and Liabilities</b>	<b>67,568,315</b>	<b>61,831,814</b>
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Rs. in '000



## Statement of Profit or Loss

	For the Period ended					
	31-Mar-25	%	31-Mar-24	%	Variance	%
Sales - net	55,353,450	100.00	54,498,193	100.00	855,257	1.57
Cost of sales	(50,262,513)	(90.80)	(50,802,389)	(93.22)	539,876	1.06
<b>Gross profit</b>	<b>5,090,937</b>	<b>9.20</b>	<b>3,695,804</b>	<b>6.78</b>	<b>1,395,133</b>	<b>37.75</b>
Distribution cost	(671,908)	(1.21)	(632,559)	(1.16)	(39,349)	(6.22)
Administrative expenses	(429,589)	(0.78)	(396,786)	(0.73)	(32,803)	(8.27)
	(1,101,497)	(1.99)	(1,029,345)	(1.89)	(72,152)	(7.01)
<b>Operating profit</b>	<b>3,989,440</b>	<b>7.21</b>	<b>2,666,459</b>	<b>4.89</b>	<b>1,322,981</b>	<b>49.62</b>
Financial charges	(1,909,069)	(3.45)	(3,073,973)	(5.64)	1,164,904	37.90
Other operating expense	(320,038)	(0.58)	(128,417)	(0.24)	(191,621)	(149.22)
	(2,229,107)	(4.03)	(3,202,390)	(5.88)	973,283	30.39
Other income	392,174	0.71	343,867	0.63	48,307	14.05
Share of profit from associates	850,805	1.54	1,074,376	1.97	(223,571)	(20.81)
	1,242,979	2.25	1,418,243	2.60	(175,264)	(12.36)
<b>Profit before levies and taxes</b>	<b>3,003,312</b>	<b>5.43</b>	<b>882,312</b>	<b>1.62</b>	<b>2,121,000</b>	<b>240.39</b>
Levies and taxes	(1,000,497)	(1.81)	(604,497)	(1.11)	(396,000)	(65.51)
<b>Profit after taxation</b>	<b>2,002,815</b>	<b>3.62</b>	<b>277,815</b>	<b>0.51</b>	<b>1,725,000</b>	<b>620.92</b>
<b>EBITDA</b>	<b>6,765,171</b>		<b>5,501,679</b>		<b>1,263,492</b>	

# Challenges & Potentials

## Challenges

- Continuous increase in operational cost, mainly the power cost.
- Reduced export demand owing to global competition.
- Decline in domestic cotton crop.
- Reliance on imported cotton.
- Disparity in policy

- Technological advancement & manufacturing efficiency.
- Wide range of products.
- In-house power generation.
- Market dominance.
- Strong group structure.

## Potentials



# Commitment to Sustainability

## Environment:

Climate change, green house emissions (GHG), biodiversity, water sanitation, waste management, and etc.



## Social:

Customer relation, employee engagement, labor, human rights, occupational health & safety, community relations, supply chain, and etc.



## Governance:

Board management practices, succession planning, compensation, diversity, equality & inclusion, regulatory compliance, data security, and etc.



# ESG





# ESG AT GADOON

## Aspiring Excellence Work Environment

Enhance employee motivation by instilling a sense of purpose, work-life balance, gender equality, and increase overall productivity of workforce.

## Green Investment & Asset Optimization

Investment returns by allocating capital to more promising and more sustainable opportunities (for example, renewables, waste reduction, and greener systems).



## Making Living Sustainable

Evaluate our socioeconomically targets and ambitions towards community welfare through building capacity, collaborations and performance metrics.

## Sustaining Eco-friendly Practices

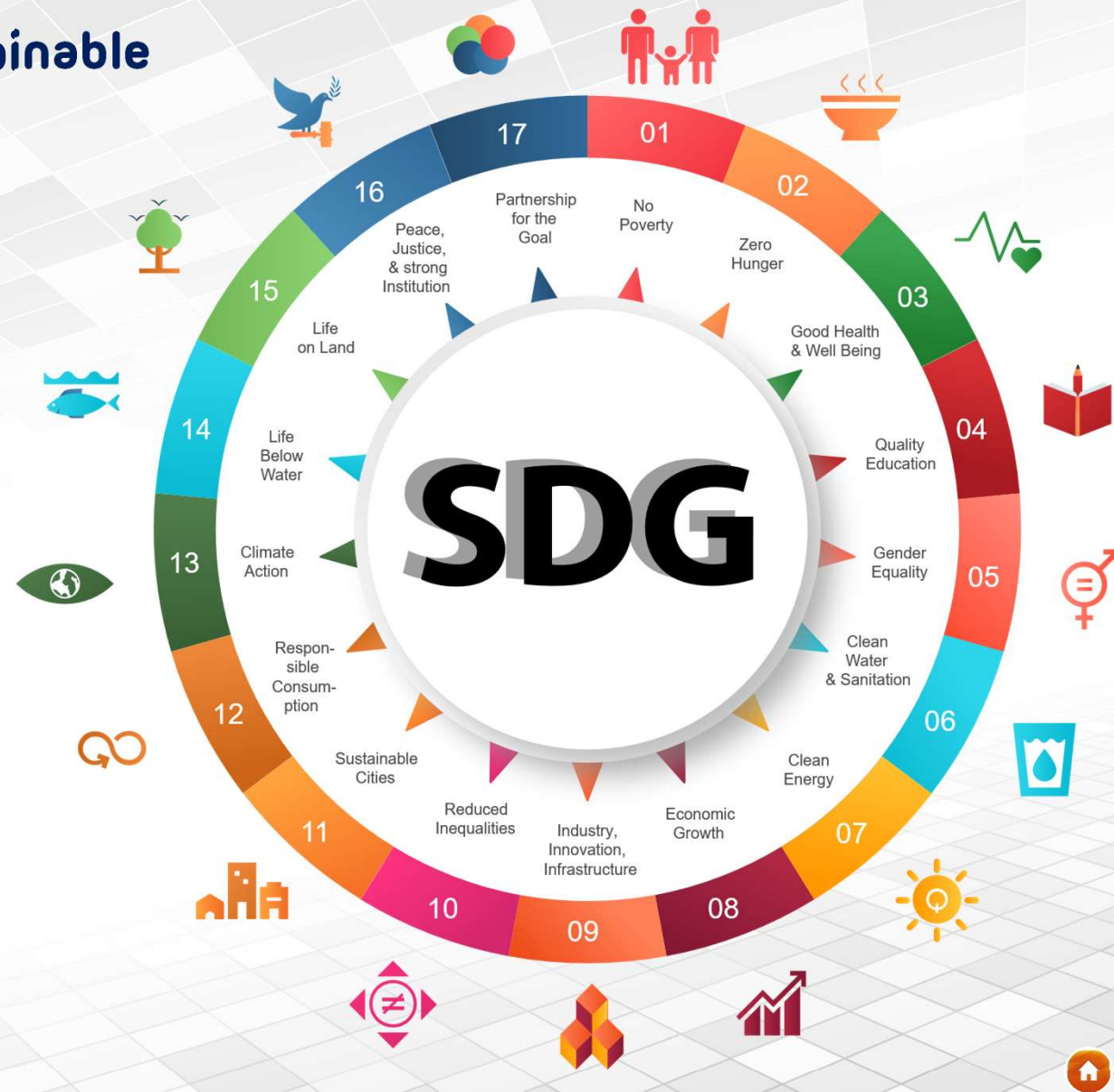
Implementing the best practices of reusing and recycling materials to minimize environmental footprint and to protect the planet.



## We are committed to the UN Sustainable Development Goals

The Company is highly committed to initiate and practice the maximum possible SDGs as a responsible employer of the industry and Country as a whole. To support this cause, the management is committed to putting its mark by fulfilling the below-mentioned (SDG) with the best practices.

- **Good Health and Well-Being**
- **Quality Education**
- **Gender Equality**
- **Clean Water & Sanitation**
- **Clean Energy**
- **Decent Work and Economic Growth**
- **Industry, Innovation, and Infrastructure**
- **Reduced Inequalities**
- **Responsible Consumption**
- **Climate Action**



# Environment Endeavors:

By implementing an ESG practice, GTML can track key metrics like energy consumption, water consumption, waste shipping / treatment costs, and raw material usage. In addition following are the measures taken under the context of environmental endeavors by GTML during the last quarter:

- **0.2 million** pages saved through digitalization.
- **3293.7 MT** of CO<sub>2</sub> saved through the WHRSG plant, solar plant, low voltage led lights installation, and the unique infrastructure of the manufacturing area.
- **1.96 million** gallons of water saved through RO plants.
- Process **61.81 million** gal. of toxic water before discharging it from the dye plants.
- Converted **110 MT** animal waste to cardboard paper through installed ETP (Effluent Treatment Plant) at dairy segment.





# Social Endeavors:

Focus Areas	KPI	Jan-Mar 2025
Training & Development	Total training hours	150+ hours
Gender Diversity	% of women management	6.4%
Corporate Social Responsibility	Total no. of CSR activity during the period	03
CSR Volunteers	Total no. of participants	28



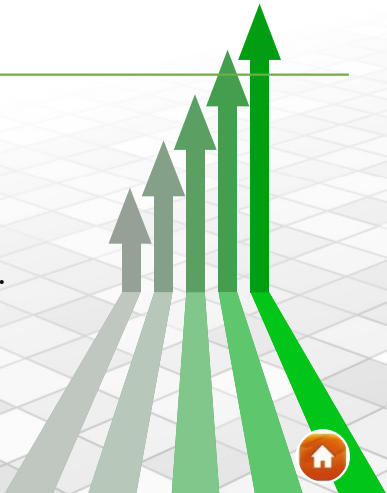
# Governance Endeavors:

GTML, devises all major governance policies and strategies to efficiently and effectively manage and enabling innovation and sustainability within the industry.

Focus Areas	KPI	Jan-Mar 25
Lead & Learn	A dynamic internal initiative designed to ignite growth, foster collaboration, and spark innovation within our organization. With years of industry experience and a deep understanding of our HOD's will lead an engaging training sessions & workshops tailored to the team's needs and business objectives.	On going
Compliance of Whistle Blowing Policy	Number of whistle blowing incidents reported during the period	Nil

Company's commitment to robust corporate governance as a testament to transparency, accountability, and sustainable growth.

- **The Company** received the prestigious **STeP by OEKO-Tex ® Certification** at the Highest Level 3. It's a significant accomplishment that highlights our unwavering commitment towards responsible consumption & production within the textile sector.



# Future Outlook:

We are contented to create & share a mark of sustainability & corporate social responsibility within the industry by uplifting the level of project execution, strategic approach, ethical virtues, technological advancement, and financial positioning.

- Updating **SECP Portal** on the behalf of the Company as per the ESG guidelines shared by PSX.
- To proceed with **ISO certification 14001 & 45001** for sustainable practices & compliance requirements.
- Building Vocational Training Center nearby by our factory area to provide individuals with the necessary skills and knowledge.
- Implementation of **Green Office Initiative** at Head Office.
- Primary school for labor's children at factory area in collaboration with the Citizen Foundation and group company.
- Employee wellness programs including training to improved work performance and higher levels of engagement and motivation.
- Update Talent Acquisition System by introduction of **Psychometric, Behavioral & Analytical Tests**.





**FUTURE**

**OUTLOOK**

- Potential imposition of US tariff on imports from Pakistan.
- Escalating geopolitical rifts may affect the global supply chain, impacting shipping freight, energy prices and overall commodity prices.
- Uncertainty surrounding the export facilitation scheme has impacted textile sector.
- The Company will continue to rationalize cost, maximum capacity utilization, effective procurement strategy, expanding renewable energy integration and optimization of sales mix to generate maximize profitability.



# Q&A SESSION





Thank you!