



The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building,
Karachi.

January 17, 2023/10

SUBJECT: **CORPORATE BRIEFING SESSION-AMENDED**

Dear Sir,

This is in continuation of our earlier letter dated January 16, 2023 on the subject cited above.

This to inform you that the Corporate Briefing Session (“CBS”) of Data Textiles Limited will be held on Friday, January 20, 2023 at 3:30 pm at Auditorium, LSE Financial Services Limited, 19-Khayaban-e-Aiwan-e-Iqbal, Lahore.

The participant can also join through video link already shared in earlier letter. Analysts Community/ Shareholders and Market Participants are encouraged to participate.

Please disseminate the above information to PSX TREC Holders.

Yours truly,

A handwritten signature in blue ink, appearing to read 'Inam Ullah', with a stylized flourish underneath.

Inam Ullah
Company Secretary



DATA TEXTILE



Data Textiles
Limited

Data Textiles Limited (the Company) is a public listed company limited by shares, incorporated in Pakistan under the Companies Ordinance, 1984, which is listed on Pakistan Stock Exchange (PSX), having its registered office located at Office No. 505, 5th Floor, LSE Plaza, Khayaban-e-Aiwan-e-Iqbal, Lahore.

The main activity of the company had been the manufacturing and sale of yarn; however, the Company had ceased to conduct its business from 2008 onwards. Being a publicly listed Company on PSX, the Company has 897 shareholders/members of the investing public.

Due to stoppage of business/commercial operations and various other defaults the Listed Regulations of PSX, the shares of the Company had been placed on the defaulters trading counter by the Exchange (PSX). Subsequently, on the receipt of the winding up Show Cause notice to the Company from the SECP, the trading in the shares of the Company at PSX had been suspended on August 01, 2012.



Subsequent to the failure of the Company to defend the Show Cause notice of the SECP for the winding up of the Company, the Additional Registrar of the Companies, Company Registration Office (CRO), of the SECP, Lahore, filed an application (C.O. No.19/2017) in accordance with Section 305, read with Section 309 of the then Companies Ordinance 1984, together with all enabling provisions of the law, to the Honorable Court for the winding up of the Company, which has been allowed by the Honorable Lahore High Court on March 08, 2022. Upon this, the Honorable Court also appointed an Official Liquidator (Mr. Muhammad Faizan Saleem, Advocate) for completing the process of liquidation of the Company. Accordingly, the Official Liquidator assumed the powers of the Board of Directors of the Company to pursue the liquidation process of the Company.

The Hon'ble Lahore High Court, Lahore, vide its order dated January 11, 2023, has disposed the winding up petition after recalling the winding up order dated March 08, 2022 in case titled as Additional Registrar SECP Vs. Data Textiles Limited and others bearing C.O. no. 19/2017



With this Order, Board of Directors have resumed their powers from the Official Liquidators and presented the revival business plan of the Company that includes:

Phase – 1 :- Revival of trading activities permissible under Memorandum of Association of the Company;

Phase – 2 :- Merger with the following unlisted operating entities;

- **LSE Proptech Limited**
- **LSE Ventures Limited**

The Scheme of compromises, arrangement and reconstruction for amalgamation/merger of Data Textiles Limited (and its members) with and into LSE Ventures Limited (and its members) and LSE Proptech Limited (and its members) is approved by the shareholders of the Company in their meeting held on August 10, 2022 duly convened under honorable Court's order.

The said Scheme is under approval process with the honorable Court. Sanction date of the Scheme is contingent of these approvals and admissions.

Company is in the process to implement the "Revival Business Plan" as outlined below. However, if the Scheme is approved in the meantime. The business and undertaking shall be transferred to the transferee entities as per the Scheme including trading business.



The Way Forward

The Company's share (DATM) is placed on the defaulters' counter by PSX, and subsequently trading in the share was suspended, due to defaulting clauses under Regulations 5.11.1.(b)(c)(d)(e)(g)(l) of the PSX Rule Book that are impugned against the Company.

Financial Position

The Company's financial position is as under:

Data Textiles Limited DATM

	31-03-22	30-06-21
Share Capital		
Issued, Subscribed and Paid-up Capital	99,096,160	99,096,160
Retained Earnings	(155,351,142)	(155,751,519)
	(56,254,982)	(56,655,359)
Long Term Finance	39,222,297	39,222,297
Trade & Other Payables	20,144,078	19,544,078
Provision for Taxation	-	1,389,905
	59,366,375	60,156,280
Equity & Liabilities	3,111,393	3,500,921
Property, Plant & Equipment	-	164,794
Tax Refunds	3,111,393	3,111,393
Cash and Bank Balances	-	224,734
Total Assets	3,111,393	3,500,921



Financial Structure

The Company is being rehabilitated under the arrangement of **Modaraba Al-Mali (MODAM)**, which is a specialized Islamic vehicle focusing on Islamic Venture Capital/Private Equity and Restructuring/Rehabilitation of companies having potential for revival. In this way, Data Textiles Limited (DATM) shall be revived through the market resource mobilization led by MODAM.

Since the Share Capital of the Company (DATM) will not be changed for Ordinary Shares under the Scheme. Short term funding requirements shall be met from financing (debt) from MODAM. Utilization of debt financing shall be for working capital requirements.

With regards to the measures to be adopted for the removal of the causes of suspension, the Company, on an immediate basis, is **kick-starting an online/e-commerce trading business for the direct to consumers' sale of bedsheets and towels in association with some already existing online platforms.**

With these measures operational/economic activities will be restored and going concern assumption while preparing the financial statements are withheld.



Summary of the Plan

- Implementing Entity Data Textiles Limited
- Project title Trading of bedsheets and towels within the Country
- Duration Starting forthwith
- Total Investment Size PKRs. 50 million
- Overall goal DATM is repositioning itself into Finished Textiles Products.

Risk Factors

1. Increased competition from domestic and regional players may not result in sufficient business growth for the company.
2. Overall economic factors may not be conducive to the trading business.

The authorized share capital of the Company is Rs.

120,000,000 divided into 12,000,000 of ordinary shares of Rs. 10 each out of which 9,909,616 ordinary shares are fully paid and issued



Projected Financial Statements

Disclaimer:

The success of any investment depends on many factors some of which may be under the control of the management, but many of which rely on the markets and general business environment. The management of the Modaraba has made these projections on the best estimate basis. However, actual results and outcome may be different due to changed market and business environment and factors beyond the control and anticipation of the management.

Effect of the Scheme is not taken in these projections.

Ratio Analysis		30-06-23	30-06-24	30-06-25	30-06-26	30-06-27
EPS	Rs./Share	0.44	2.65	3.18	3.65	4.52
Book Value	Rs./Share	(5.63)	0.12	7.35	15.93	26.82
Gross Profit Margin	% of Sales	25.00%	35.00%	36.00%	37.00%	38.00%
Net Profit Margin	% of Sales	2.30%	23.41%	23.84%	23.93%	25.73%



Data Textiles Limited
Profit and Loss Statement
For the Year Ending on June 30, ----

	30-06-23	30-06-24	30-06-25	30-06-26	30-06-27
	Rs.	Rs.	Rs.	Rs.	Rs.
Net Sales	302,400,000	695,520,000	834,624,000	959,817,600	1,103,790,240
Cost of Sales	(226,800,000)	(452,088,000)	(534,159,360)	(604,685,088)	(684,349,949)
	75,600,000	243,432,000	300,464,640	355,132,512	419,440,291
Selling and Administrative	(45,360,000)	(118,238,400)	(150,232,320)	(182,365,344)	(209,720,146)
Other Expenses	(15,120,000)	(34,776,000)	(41,731,200)	(47,990,880)	(55,189,512)
Finance Costs	(9,000,000)	(7,200,000)	(5,400,000)	(3,600,000)	(1,800,000)
Taxation	(4,384,800)	(26,221,104)	(31,465,325)	(36,185,124)	(44,813,884)
Net Profit	1,735,200	56,996,496	71,635,795	84,991,164	107,916,750



Data Textiles Limited
Statement of Financial Position

	30-06-23	30-06-24	30-06-25	30-06-26	30-06-27
	Rs.	Rs.	Rs.	Rs.	Rs.
Non-Current Assets					
Property, Plant & Equipment	20,000,000	28,000,000	33,600,000	38,640,000	50,232,000
Inventory	18,641,096	24,771,945	29,269,006	33,133,429	37,498,627
Trade Debts	20,712,329	38,110,685	57,166,027	65,740,932	75,602,071
Advances, Prepayment and Advances	3,000,000	3,600,000	4,320,000	5,184,000	6,220,800
Tax Refunds	3,111,393	3,111,393	3,111,393	3,111,393	3,111,393
Cash and Bank Balances	3,087,123	27,655,214	68,035,622	132,301,575	215,265,846
	68,551,941	125,249,237	195,502,049	278,111,329	387,930,738
Long Term Finance	39,222,297	39,222,297	39,222,297	39,222,297	39,222,297
Long Term Loan - MODAM	50,000,000	40,000,000	30,000,000	20,000,000	10,000,000
Trade & Other Payables	30,714,463	18,578,959	21,951,755	24,850,072	28,123,970
Provision for Taxation	4,384,800	26,221,104	31,465,325	36,185,124	44,813,884
	124,321,560	124,022,360	122,639,376	120,257,493	122,160,151
Net Assets	(55,769,619)	1,226,877	72,862,672	157,853,837	265,770,587
Represented by					
Issued, Subscribed and Paid-up Capital	99,096,160	99,096,160	99,096,160	99,096,160	99,096,160
Reserves	-	-	-	-	-
Retained Earnings	(154,865,779)	(97,869,283)	(26,233,488)	58,757,677	166,674,427
	(55,769,619)	1,226,877	72,862,672	157,853,837	265,770,587



Corporate Information

Registered Office : Office No. 505, 5th Floor, LSE Plaza,
Khayaban-e-Aiwan-e-Iqbal, Lahore

- Chief Executive : Hafiz Mudassir Alam
- Company Secretary : Inamullah
- Registrar : F.D Registrar Services
Private Limited Office 1705, 17th Floor, Saima Trade Tower-
A, I.I Chundrigar Road, Karachi
- Auditor : Rafaqat Mansha
Mohsin Dossani Masoom and Co.

PSX Trading Symbol : DATM
Market Price : Rs. 0.50 per Share
Trading Status : Suspended

Questions and Answers

