

EST. 1993
image

ANNUAL CORPORATE
BRIEFING 2023



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- These projections are based on assumptions and current trends which are subject to changed economic conditions.

AGENDA

1. ABOUT IMAGE
2. FINANCIAL OVERVIEW
3. INDUSTRY OVERVIEW
4. SUSTAINABILITY INITIATIVE
5. FUTURE OUTLOOK





About image

VISION AND MISSION



Vision

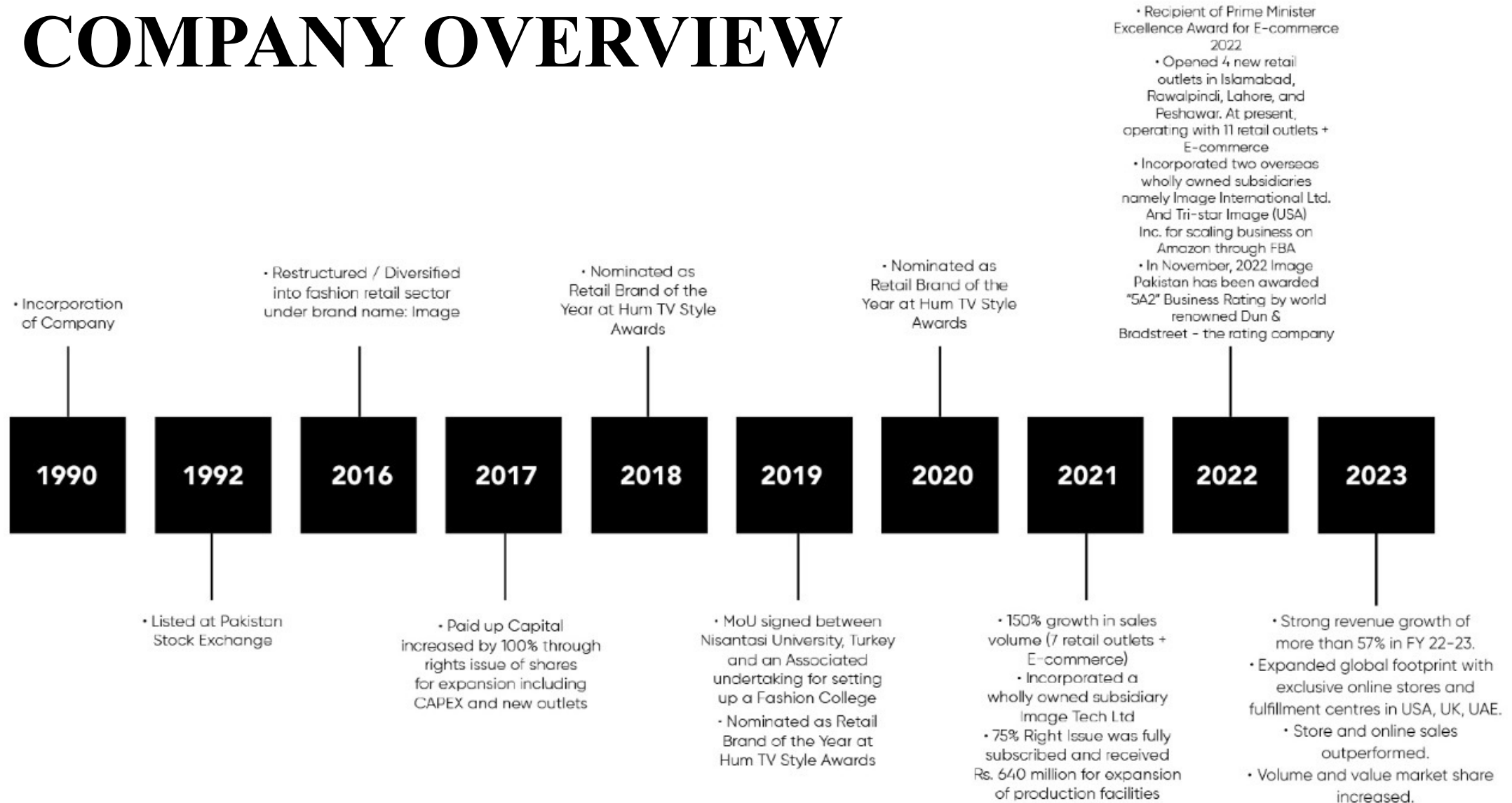
To be a role model Fashion Retail Company, benefitting all stakeholders and fulfilling corporate social responsibilities.



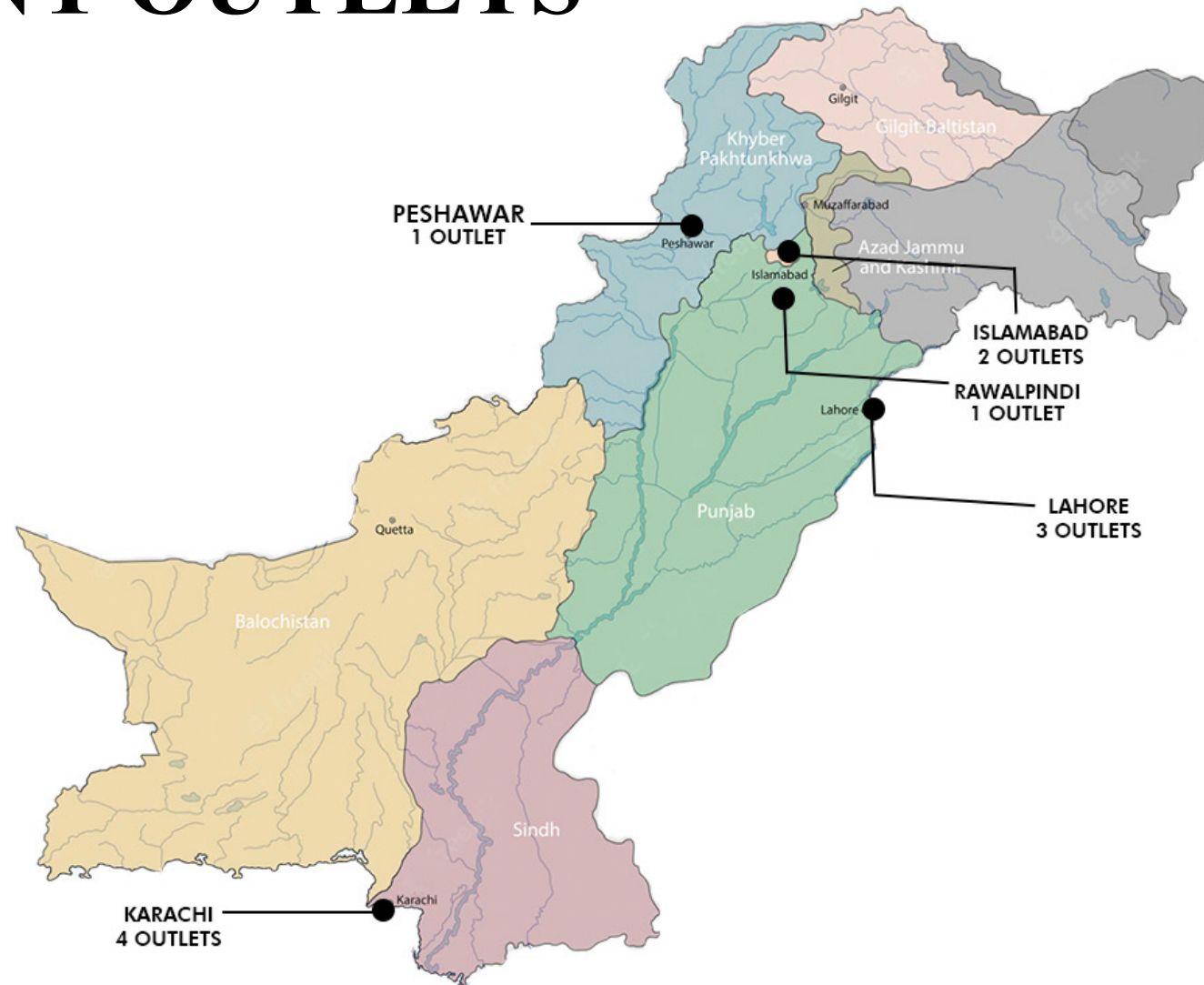
Mission

Image is committed to excellence and creativity. It embodies a distinctive aesthetic that blends heritage and innovation to promote commerce and industry.

COMPANY OVERVIEW



COMPANY OUTLETS



PRODUCT MIX



lawnkari® '23



*SUMMER
printkari® '23*



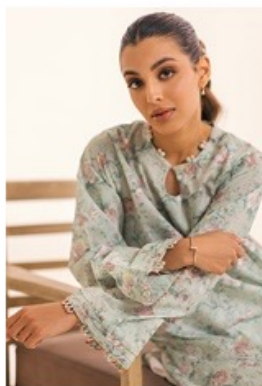
RESHAMKARI™ '23



Winterkari® '23



FestivePret



ZARIYABI

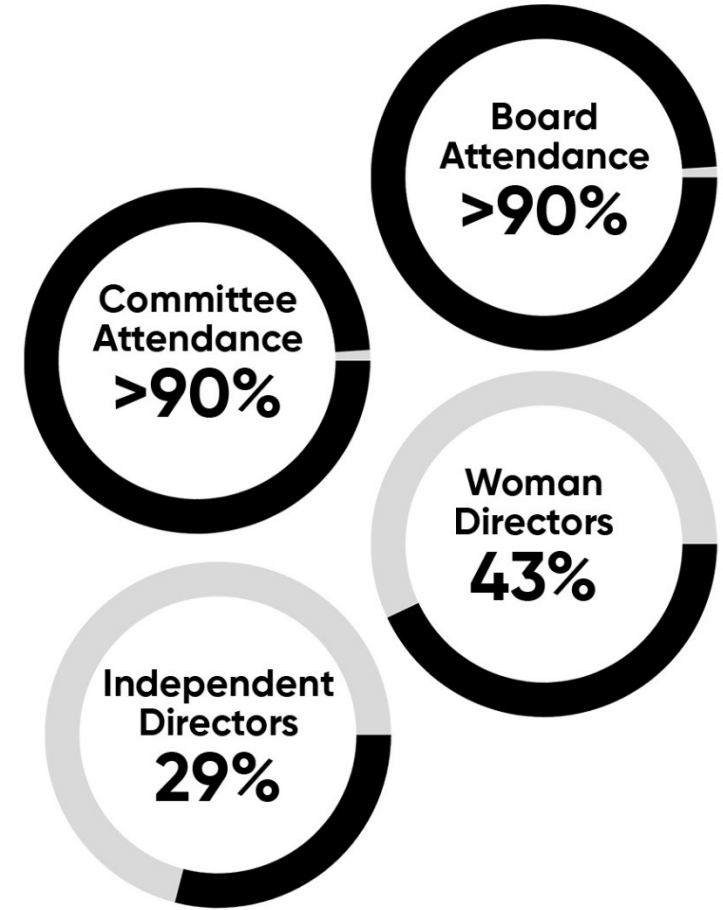
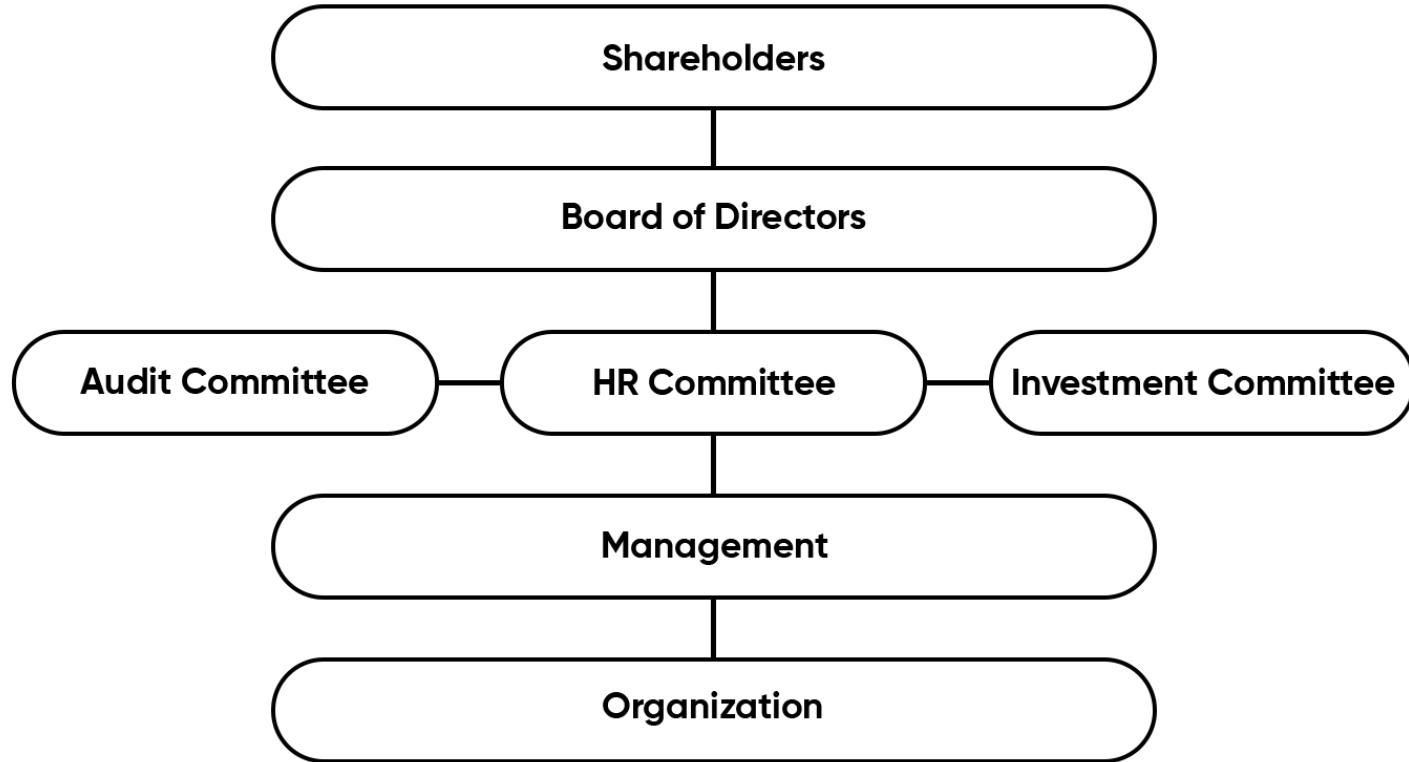


ARIA
READY-TO-WEAR
FALL FET



Mulmulkari™ '23

BOARD STRUCTURE AND COMPLIANCE



A woman with long dark hair is sitting on a set of wide, light-colored stone steps. She is wearing a black dress with intricate white floral and geometric patterns. Her right hand is resting on her chin, and her left hand is resting on her lap. She is looking directly at the camera with a slight smile. The background is a plain, light-colored wall.

Sustainability Initiative

CORPORATE SOCIAL RESPONSIBILITIES

Designer's Retreat

Image recognizes that creativity flourishes in an inspiring atmosphere, and embarked on a rejuvenating journey to Nathiagali for a designers' retreat that united diverse teams, including textile designers and fashion stylists. This retreat not only recharged their creative energies but also strengthened the team spirit, fostering unity and renewed focus as the Image team returned to work with a heightened sense of creativity and enthusiasm.



Breast Cancer Awareness Seminar

At Image, there is significant number of female staff members and given the fact that breast cancer awareness among them is very important especially in Pakistan where mortality ratio due to breast cancer is the highest among all Asian countries. Image conducted a seminar to provide knowledge and distributed pink ribbon, the international symbol of breast cancer awareness.



Matrix Fit

Image is very much concerned about the general fitness of Image family and therefore, it engaged Matrix Fit (Pakistan's #1 performance training center) to promote the concept of fitness as a lifestyle and profession within the staff members of Image.



International Women's Day

The United Nations Observance of International Women's Day is to honour and celebrate for the women and girls who are leading the way in the development of transformational technology and digital education. Image observed UN International Women's Day on 3rd March, 2023 to promote the theme of the day "DigitALL: Innovation and technology for gender equality".



Hamza Khan – World Junior Squash Champion

17 years old, Hamza Khan won the final of World Junior Squash Championship played in Melbourne, Australia and bringing the title to Pakistan after 37 years. A ceremony was held on 17th August, 2023 at Image to facilitate Hamza Khan on becoming the World Junior Squash Champion and raising Pakistan's flag. Mr. Asad Ahmad, Chief Executive presented him a cheque of Rs. 500,000/- on his achievement as well as assured him full support in achieving his future endeavors.



Torsam Khan Squash Championship

Image was the sponsor of 2nd Image Torsam Khan (Junior & Senior Men & Women) Squash Championship held from 29th April, 2023 to 2nd May, 2023 at Navy RK-JK Squash Complex, Karachi. The Squash legend Jahangir Khan was the Chief Guest who very much appreciated the efforts of Image for providing opportunity to juniors, men and women squash players to participate in mega event and display their skills and techniques at the game.



Donation

Our Company is fully cognizant of its Corporate Social Responsibility and regularly donates funds to charitable organizations to support the areas of women empowerment, education, health, and community development. Alhamdulillah, your Company has donated 1.50% of after tax profit during this year towards the above mentioned causes.



Ahmad Ismail Medical Centre (AIMC)

Alhamdulillah, Ahmad Ismail Medical Centre (AIMC) named after the founder of your Company Late Mr. Ahmad Ismail is being built at Hawksbay and will soon be functional during the current year. It has been built by an associated concern Tri-Star Foundation and sponsors of your Company and is 100% self funded. AIMC will run as a welfare medical facility to be provided to the poor and needy and down trodden fishermen community residing at Hawksbay. It is a demanding endeavor but will benefit those section of people living at the fringes of society.

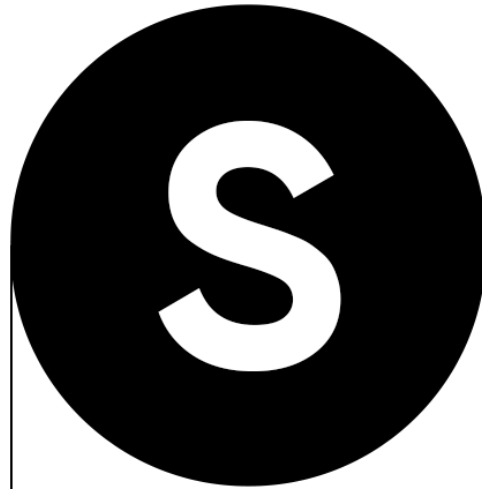


The image shows a modern, multi-story building with a beige, paneled facade. The building has a prominent corner on the left and a series of windows, some of which are covered with metal grates. In the foreground, there are several potted plants, including palm trees and flowering shrubs. The text "Industry Overview" is overlaid in the center of the image in a white, serif font.

Industry Overview

COMPETITIVE ADVANTAGE

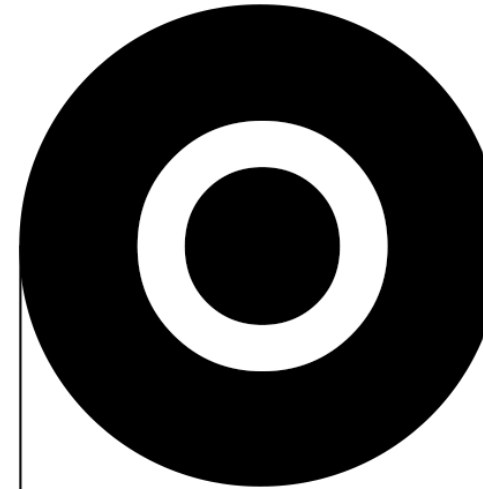
Higher gross margins in comparison to competitors. IMAGE has been able to achieve higher gross margins averaging at 39% in FY23 due to its sales mix having higher margin, giving exclusive designs and premium quality at an affordable price.



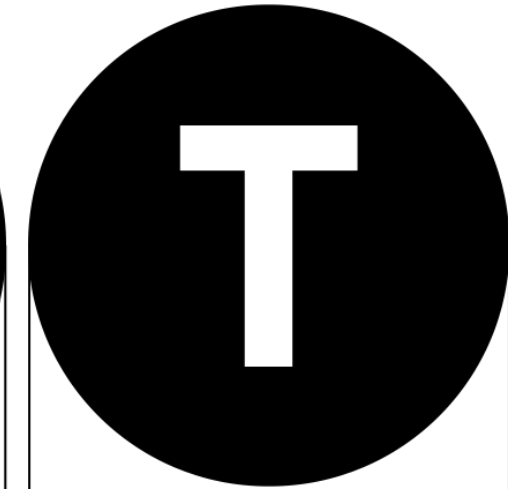
- Pioneer of Schiffli embroidery in Pakistan
- Strong and established brand positioning
- Access to Nisantasi University, Turkey for collaboration to set up a fashion college
- Continuous Investment in Technology & AI tools for Supply chain & E-commerce
- Strong product differentiation
- Agile business model and outstanding creativity in design aesthetics
- Strong brand equity
- Capital structure characterized by low debt:equity ratio
- Robust e-commerce platform underpinned by digitalization, innovation, and sustainability
- High in-store sales productivity and online sales growth
- Highly active in-store optimization i.e. opening new stores in prime location/ enlarged existing ones



- Limited physical presence in the market (presently 11 outlets in 5 cities)



- Pakistan's retail economy worth Rs.7 trillion
- Growing retail market lines including expansion of ladies' apparel
- Presence in urban cities with thickly populated middle and upper class locations
- Growth of E-commerce customer base in addition to brick and mortar model. Adding supporting fashion products and range in stores (Cosmetics, Perfume etc)
- Increasing number of working women in urban cities who need ethnic work wear and convenient shopping options
- Progressive normalization of sales due to decrease in covid-19/ end of restrictions



- Increase in cost of production due to rapid devaluation
- Turbulent economic conditions due to high energy and commodity prices
- Steep devaluation of PKR
- Pressure on disposable income of consumers
- Recent floods in Pakistan damaging cotton crop having a negative impact on current and fiscal deficit
- Global inflationary trends

The background of the slide features a dark blue, semi-transparent overlay. It contains a complex financial chart with multiple data series represented by vertical bars in shades of red, orange, and green. Overlaid on these bars are several thin, light blue lines that represent trends or moving averages. In the lower right portion of the image, there is a cluster of silver coins, possibly Euro coins, which are slightly out of focus. The overall aesthetic is professional and data-oriented.

Financial Overview

BUSINESS MODEL

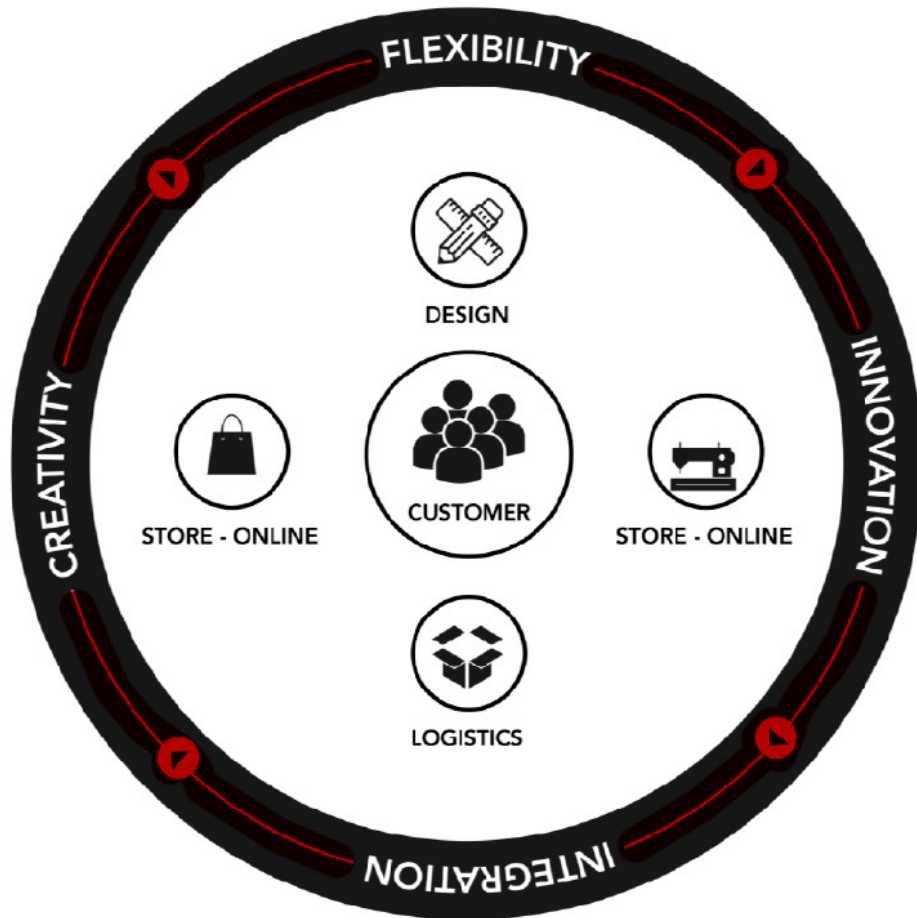


Image Pakistan Limited is chain of fashion stores that aim to manufacture superior products (clothing and accessories) both in terms of quality and design with the value addition of selling ‘Designer Clothing’ at an affordable price.

RESILIENCE IN DIFFICULT ECONOMIC CIRCUMSTANCES

1. 57% exponential revenue growth in FY22-23
2. Image Pakistan Ltd., is operating 3 subsidiary companies namely Image Tech Ltd., Image International Ltd., and Tri-Star Image (USA) Inc.
3. Generated over 6 million unique visitors to our website – www.image1993.com
4. Image brings designer wear to the high street – affordable luxury.

- **Unstitched Collection**

Lawnkari – Luxury 3 Piece Lawn collection, launches once a year in spring. Premium collection, ranging price is PKR 12,000 – 22,000. Semi-formal – Formal wear due featuring heavy embroideries making it highly value added.

Printkari – 3 Pc Printed Lawn collection, launches 3 times/year i.e. Spring, Summer & Winter. Ranging from Rs. 11,000 - 13,000. Casual – Semi formal wear. An amalgamation of Print and embroidery, on fine fabric has made it a success.

Reshamkari – Crown Jewel of all collections. Luxury 3 piece Formal wear on pure luxurious fabrics suitable for Weddings/formal occasions. Heavily embroidered shirt, trouser & dupatta. Price range Rs. 28,000 - Rs. 35,000.

Mulmulkari – 3 piece Embroidered collection on mulmul fabric. Price range Rs. 13,000 - 16,000. Casual Wear due to mulmul fabric used.

- **Ready-to-Wear**

IM Print – Casual Digital printed pret in variations of 1 pc & 2 pc average price Rs. 4,990 and Rs. 7,990 respectively.

Image Signature – Heavy Embroidered pret in variations of 1 pc & 2 pc & 3 pc average price Rs. 7,990 and Rs. 10,990 and Rs. 15,990 respectively.

Image Daily – Work wear/college wear. 1 pc & 2 pc average price Rs. 4,990 and Rs. 6,990 and respectively. Light Embroidery on textured fabric.

Image Solid - Work wear/college wear. 1 pc & 2 pc average price Rs. 4,990 and Rs. 6,450 and respectively. Solid colour styles with only lace embellishments and buttons on textured fabric.

Image Bottoms – Average price Rs. 3,990/-

Image Dupatta – Single dupattas applique lace styles on chiffon fabric average price Rs. 5,990/-

Image Studio – Formal Wear on luxurious fabrics such as pure silk/chiffon. 1 pc, 2 pc & 3 pc average price PKR 20,000, 25,000 & 35,000 respectively.

Miss Image – Fusion/western fashion targeting Gen Z and teenagers – college students. 1 pc & 2 pc average price Rs. 5,990 and Rs. 7,990 and respectively.

IMAGE GOES GLOBAL

- The Company has started international e-commerce on delivered duty paid basis i.e: DDP worldwide and hopes to capture new territories in months to come. There are many reasons for Image's success, including: strong international growth, consumers more insulated from economic pressures, constant creativity in designing, a push into new segments like semi-formal / formal wear and brand building.
- Image has a great future!



FINANCIAL STRENGTH

Strong Balance Sheet

- Negligible Debt
- Strong assets base of Rs. 3.6 billion
- Property Plant & Equipment of Rs. 1.400 billion



Strong Liquidity

- Sufficient liquidity available to manage working capital and future expansion requirements
- Financial covenants relating to borrowing facilities maintained diligently by company



Financial Strength

Credit Rating

- 5A2 Dun & Bradstreet

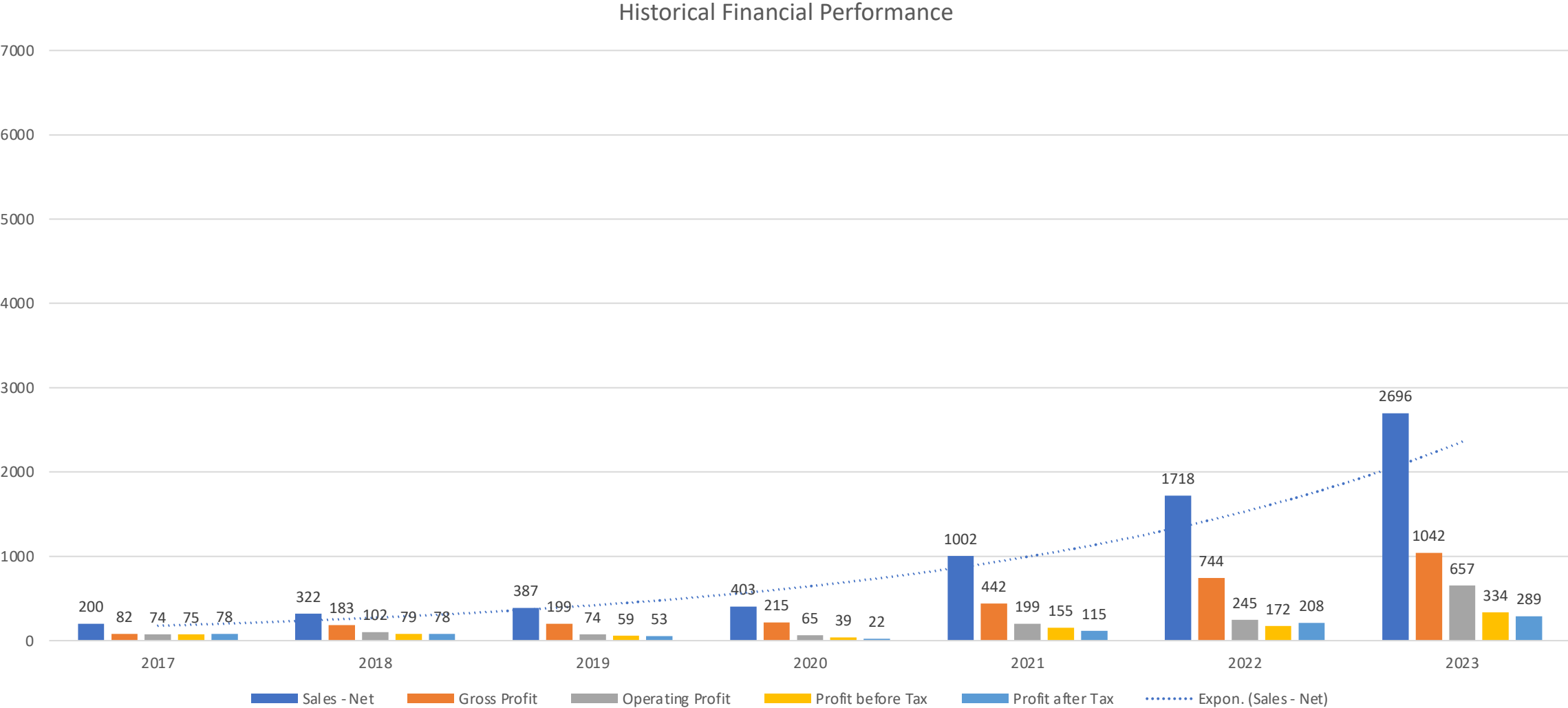


Excellent Cash Generation

- Rs. 453 million EBITDA FY 23

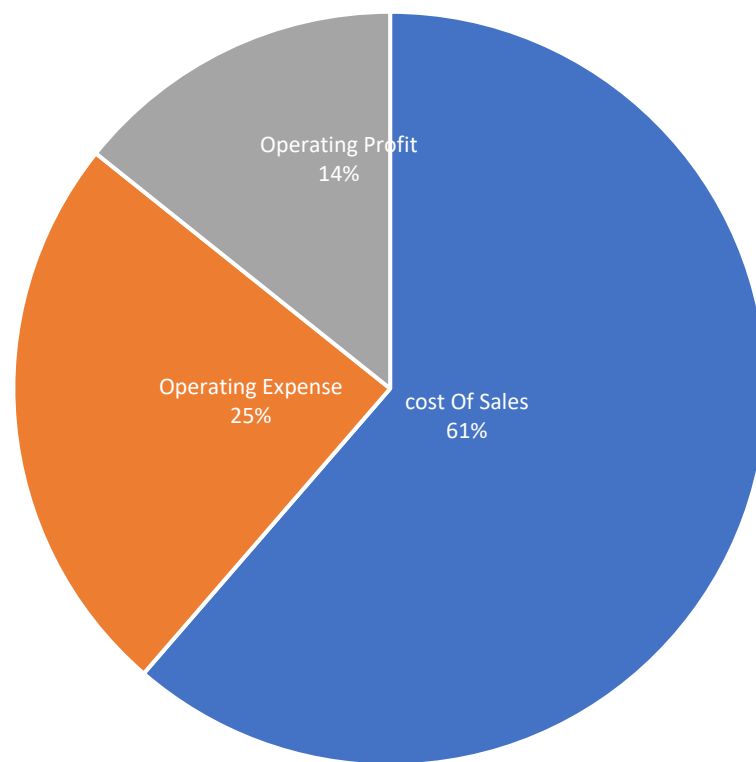


FINANCIAL PERFORMANCE (FY 22-23)



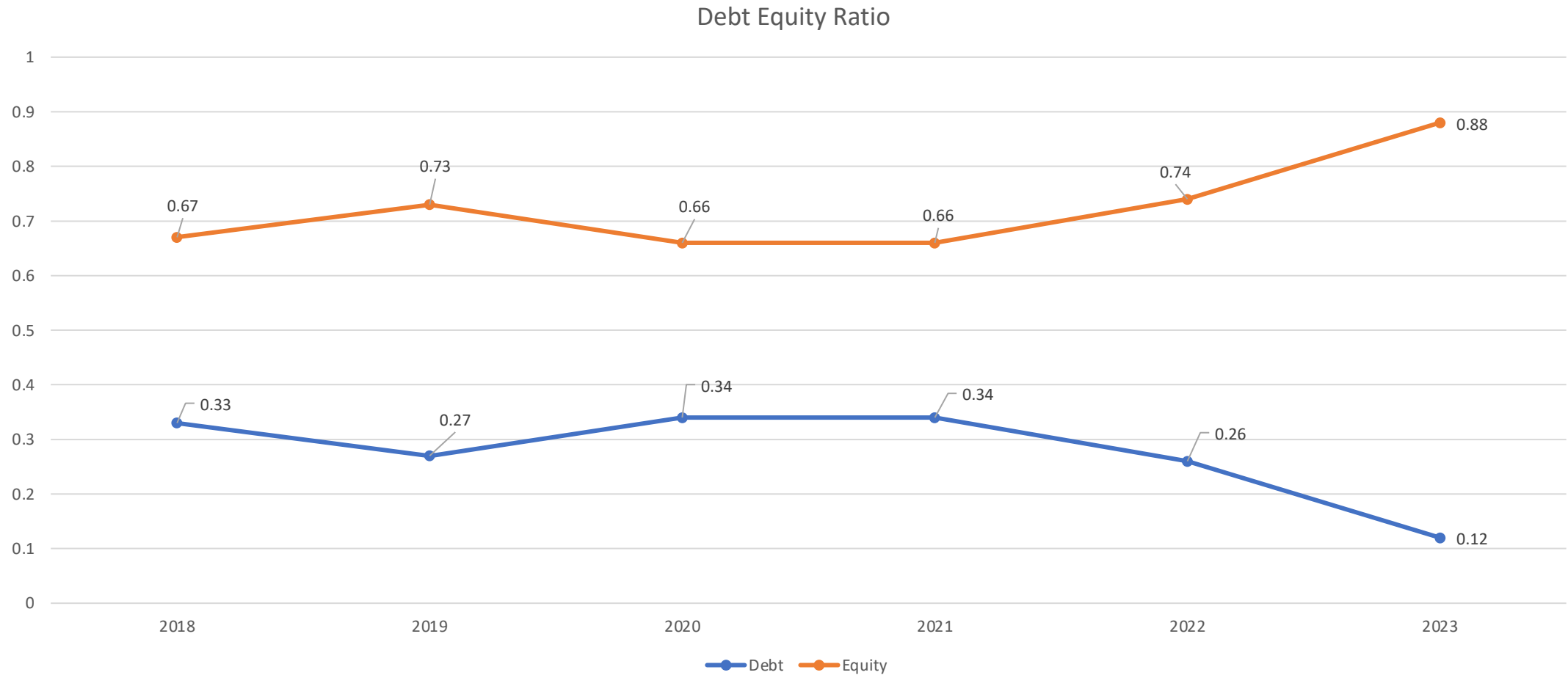
REVENUE AND COST MIX (FY 22-23)

Sales Revenue Rs 2,696,311,753



<div></div>	Cost of Sales	Rs.1,654,108,999
<div></div>	Operating Expenses	Rs.657,483,137
<div></div>	Operating Profit	Rs.384,719,616

FINANCIAL PERFORMANCE – DEBT PROFILE



FINANCIAL PERFORMANCE – PAST YEARS

Particulars	2023	2022	2021	2020	2019	2018
<u>Financial Position</u>						
Paid -up Capital (Rs.)	1,316,398,000	995,386,020	568,792,010	568,792,010	568,792,010	450,780,390
Reserves (Rs.)	1,246,091,036	864,964,689	650,229,746	485,506,155	460,884,456	499,050,445
Fixed Assets - WDV (Rs.)	1,399,589,120	826,941,914	666,088,528	590,877,323	614,012,274	636,456,309
Investment (Rs.)	-	-	184,566,900	134,951,350	132,250,850	180,958,050
Current Assets (Rs.)	2,195,049,216	1,670,676,315	1,213,197,401	872,343,719	664,809,786	586,325,720
Current Liabilities (Rs.)	721,722,330	468,368,378	555,352,151	317,180,867	191,656,171	99,203,325
<u>Income</u>						
Sales	2,696,311,753	1,718,240,569	1,001,848,809	403,176,990	386,812,277	322,043,764
Profit before tax	334,058,686	172,047,604	155,436,529	38,549,396	58,980,708	78,716,640
Net Profit for the year	288,637,106	208,161,853	115,099,318	22,404,807	52,671,854	77,800,009
Accumulated Profit/(Loss)	246,532,057	266,735,315	104,485,282	(22,618,546)	(57,868,398)	(80,271,826)
<u>Statistics & Ratios</u>						
Operating Profit/(Loss) Ratio(%)	14.27	14.28	19.88	16.16	19.24	31.53
Net Profit/(Loss) Ratio (%)	10.70	12.11	11.49	5.56	13.62	24.16
Current Ratio	3.04:1	3.57:1	2.18:1	2.56:1	3.47:1	5.91:1
Paid-up Value Per Share (Rs.)	10	10	10	10	10	10
Earning/(Loss) Per Share (Rs.)	2.65	2.47	2.02	0.39	0.93	1.50
Break value Per Share (Rs.)	19.47	18.69	21.43	18.54	18.10	21.07
Net Assets (Rs. in Million)	2562.59	1860.35	1219.02	1054.30	1029.68	949.83
Cash Dividend (%)	15%	-	10%	-	-	10%
Bonus Dividend (%)	15%	15%	-	-	-	-

FINANCIAL PERFORMANCE AT A GLANCE (June, 2023)

PKR 2.70 bn

SALES REVENUE (NET)

57%

SALES REVENUE GROWTH

39%

GROSS PROFIT

14%

OPERATING PROFIT

12%

PROFIT AFTER TAX

878

TOTAL EMPLOYEES

60

DAYS SALES OUTSTANDING

2.65

DILUTED EPS

21.93%

ROE

49.14 M

CASH & EQUIVALENT

ACTUAL 2023 AND PROJECTED PROFIT & LOSS

Income Statement	30-June-2023 (Actual)	30-June-2024	30-June-2025	30-June-2026	30-June-2027	30-June-2028
Sales Revenue Local (Net of Tax)	2,511,312,718	4,096,747,398	5,033,721,747	6,062,529,721	7,204,204,529	8,001,059,204
Sales Revenue Export	184,999,035	118,118,259	141,741,911	163,003,197	179,303,517	197,233,869
Total Sales	2,696,311,753	4,214,865,657	5,175,463,658	6,225,532,918	7,383,508,046	8,198,293,073
Cost of Goods Sold	1,654,108,999	2,191,730,142	2,691,241,102	3,237,277,117	3,839,424,184	4,263,112,398
Gross Profit	1,042,202,753	2,023,135,515	2,484,222,556	2,988,255,801	3,544,083,862	3,935,180,675
Operating Expenses						
Selling and Distribution Expenses	465,922,174	479,140,199	574,968,238	689,961,886	827,954,263	993,545,116
Admin and General Expenses	191,560,963	228,378,871	267,203,279	312,627,836	365,774,569	427,956,245
Total Operating Expenses	657,483,137	707,519,070	842,171,517	1,002,589,722	1,193,728,832	1,421,501,361
Operating Profit	384,719,616	1,315,616,446	1,642,051,038	1,985,666,078	2,350,355,030	2,513,679,314
Other Income and Expenses – Net	1,643,387	5,905,913	7,087,096	8,150,160	8,965,176	9,861,693
Finance Costs	38,976,790	14,008,044	8,429,990	2,809,997	-	-
Profit Before Taxes	334,058,686	1,295,702,489	1,626,533,953	1,974,705,922	2,341,389,854	2,503,817,620
Tax Expense	45,421,580	375,753,722	471,694,846	572,664,717	679,003,058	726,107,110
Profit After Taxes	288,637,106	919,948,767	1,154,839,106	1,402,041,204	1,662,386,797	1,777,710,510

KEY EVENTS



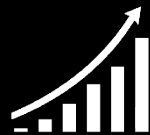
Incorporation of three wholly owned subsidiaries – Image Tech Limited, Image International Limited and Tri-Star Image (USA) Inc.



Opening of new stores in Nishat Emporium Mall, Lahore, Rawalpindi, Peshawar and Centaurus Mall, Islamabad. Another outlet in pipeline to be opened at Dolmen DHA, Lahore



Installation of state-of-the-art schiffli machine

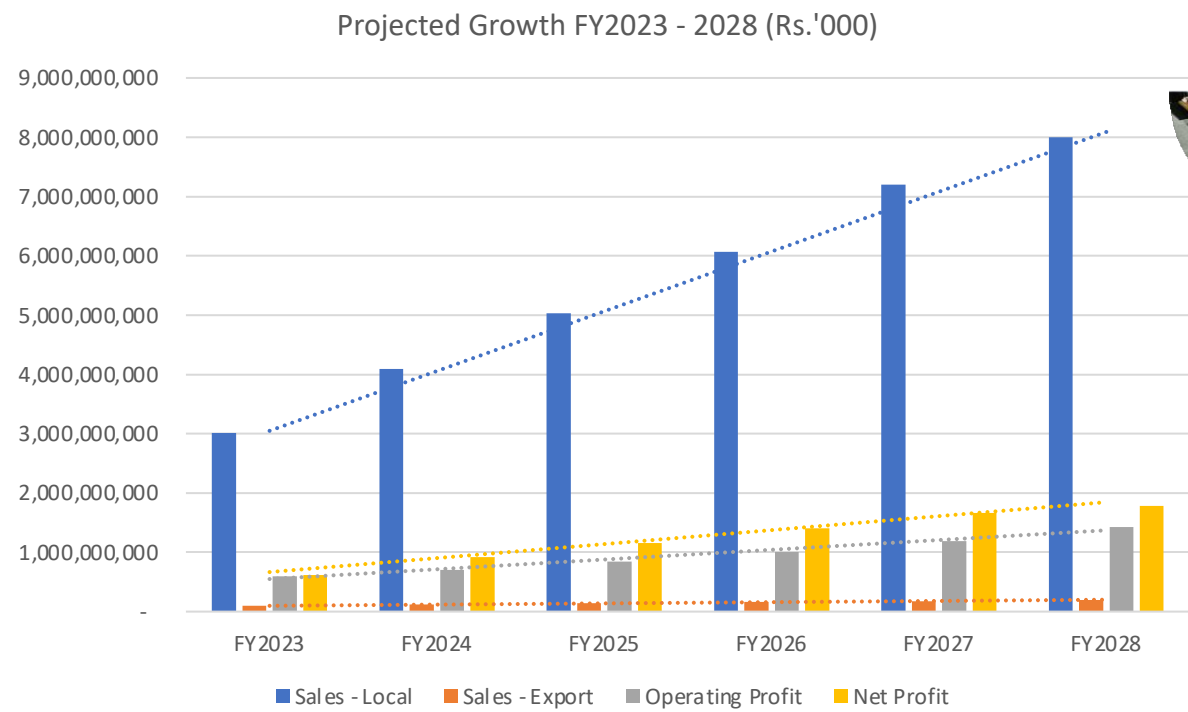


Enhanced capacity of multi-head embroidery.

A long-exposure photograph of a city street at night. The street is dark with white lane markings. In the background, several tall buildings are lit up with warm lights. A series of bright red light trails, likely from a train or a fast-moving vehicle, streak across the middle of the image. The text "Future Outlook" is overlaid in a white, serif font in the center of the image.

Future Outlook

FUTURE ROADMAP



Consolidation of retail network and starting of fulfilment of orders in the UK & UAE through our fully owned subsidiaries



Installation of additional Multi Head Embroidery Machines to minimize dependence on third party suppliers



Introduction of Fragrance and Cosmetics lines

A photograph of a diverse group of people in a modern, brightly lit room, likely a conference or workshop. They are all seen from behind, sitting in rows of orange chairs, with their hands raised high in the air, indicating active participation or a Q&A session. The room features large windows on the left and a potted plant in the background. The text "Q & A Session" is overlaid in the center in a white serif font.

Q & A Session

Thank You