

CORPORATE BRIEFING SESSION (CBS) FINANCIAL YEAR 2022-2023



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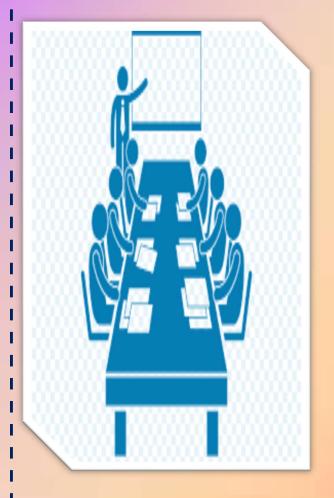


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COMPANY INFORMATION

Board of Directors	Mr. Muhammad Ashraf Mr. Muhammad Iqbal Mr. Zeeshan Saeed Mr. Usman Mahmood Mrs. Saira Affan Mr. Muhammad Amman Adil Mr. Qaiser Nasir	Chairman Chief Executive Officer Director (Independent) Director (Independent) Director (Nominee BIPL) Director (Nominee BIPL)
Audit Committee	Mr. Usman Mahmood Mr. Muhammad Amman Adil Mr. Muhammad Ashraf	Chairman Member Member

HR and Remuneration Committee	Mrs. Saira Affan Mr. Qaiser Nasir Mr. Muhammad Iqbal	Chairperson Member Member
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Nomination Committee	Mr. Muhammad Ashraf	Chairman
	Mr. Usman Mahmood	Member
	Mrs. Saira Affan	Member

Risk Management Committee	Mr. Muhammad Iqbal Mr. Muhammad Ashraf Mr. Usman Mahmood	Chairman Member Member
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Ali Mudassar

	-	-		-		
Chic	sf Fi	nancial	Off	icer	Mr.	Bisharat Ali

Company Secretary

Auditors	Riaz Ahmad and Company (Chartered Accountants)
	560-F, Raja Road, Gulistan Colony, Faisalabad

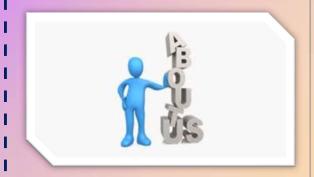
Banks	The Bank of Punjab
	Habib Metropolitan Bank Limited
	MCB Bank Limited

Share Registrar	Corplink (Private) Limited			
	Wings Arcade, 1-K, Commercial, Model Town, Lahore			

Registered/Head Office	133 - 134, Regency the Mall, Faisalabad. +92-41-2611028, 2610030 www.arctictextile.com; info@arctictextile.com

Mills 35 - Kilometer, Sheikhupura Road, Faisalabad







BRIEF OVERVIEW

- ✓ The Company was incorporated on February 27, 1986.
- ✓ Converted into a Public limited Company and listed on Stock Exchanges of Pakistan on October 21, 1989.
- ✓ The Company was incorporated with the name of Khurshid Spinning Mills Limited.

 However, on dated April 22, 2022, the Company name was changed from Khurshid Spinning Mills Limited to Arctic Textile Mills Limited with the approval of the shareholders.
- ✓ The authorized share capital of the Company is Rupees 170 million and issued, subscribed and paid up capital is Rupees 131.748 million.
- √ The share is traded under the symbol of ("ARCTM").
- ✓ Currently 982 employees on the ARCTM payroll.
- ✓ The Company earned profit after Taxation 102.375/- million as on June 30, 2023.







VISION STATEMENT

- We aim at maintaining the confidence of our valued customers by fulfilling their needs, demands and stipulations.
- We will achieve consistent financial performance which creates value for the shareholders.
- Our organization encourages employee participation that also helps us to achieve quality results.
- We believe in innovative technology applications to achieve continuous improvement and ability to avail the required opportunities.
- We intend to involve all employees in the development and implementation of quality systems, which will be reviewed periodically to ensure their effectiveness.
- We aim to improve the profitability of our company through improved efficiency and cost controls.
- We will take effective measures so as to protect the environment and contribute towards the economic strength of the country and function as a good corporate citizen.

MISSION STATEMENT

We aim to strive for market leadership, to maintain full confidence of our customers, ensure continuous improvement in profitability and at maintenance of industry standards by striving for quality products and introduction of innovative quality applications.



SCOPE OF BUSINESS



- ✓ Melange yarn
- **✓ Ecru Yarn**
- ✓ Doubling of yarn
- **✓ Fabric Exports**







ETHICS

The Company follows highest standards of ethics with special reference to business integrity and process transparency. We maintain the highest level of integrity both as individuals & as corporate organization.

QUALITY

The Company is committed to provide its customers Quality products that provide them best value for their money. We promote high standard and timely delivery of quality products.

BUSINESS EXCELLENCE

The Company believes in maximizing Shareholders, value through strategic investments, sustainable growth and application of best available technology to achieve desired results.

EMPLOYEES

The company ensures that it operates in a safe environment conducive to efficient productivity. The company is committed to provide an environment free from discrimination for its Employees. Open communication, participative decision making approach and nurturing of the leadership qualities are the values followed by the company. We encourage and respect team spirit among our human resources.



STATEMENT OF PROFIT OR LOSS

STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 30 JUNE 2023

2023

2022



	(RUPEES IN THOUSAND)		
REVENUE	1,577,693	1,305,360	
COST OF SALES	(1,395,597)	(1,169,834)	
GROSS PROFIT	182,096	135,526	
DISTRIBUTION COST	(6,047)	(7,060)	
ADMINISTRATIVE EXPENSES	(35,742)	(30,372)	
OTHER EXPENSES	(18,931)	(9,270)	
OTHER INCOME	24,141	31,010	
FINANCE COST	(1,192)	(4,622)	
PROFIT BEFORE TAXATION	144,325	115,212	
TAXATION	(41,950)	(31,648)	
PROFIT AFTER TAXATION	102,375	83,564	
EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)	7.77	6.34	





STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	2023 (RUPEES IN T	2022 'HOUSAND)		2023 (RUPEES IN	2022 THOUSAND)
EQUITY AND LIABILITIES			ASSETS		
SHARE CAPITAL AND RESERVES			NON-CURRENT ASSETS		
Authorized share capital			Property, plant and equipment	394,782	429,456
17 000 000 (2022: 17 000 000) ordinary			Long term deposits and prepayment	12,399	10,704
shares of Rupees 10 each	170,000	170,000		407,181	440,160
Issued, subscribed and paid up share capital					
13 174 800 (2022: 13 174 800) ordinary shares					
of Rupees 10 each fully paid in cash	131,748	131,748			
Reserves					
Capital reserves					
Equity portion of former shareholders' loan	13,335	13,335			
Surplus on revaluation of property, plant and equipment -					
net of deferred income tax	173,500	190,208			
Accumulated loss Total equity	(165,512) 153,071	(284,681)			
LIABILITIES	200/0. 2	50,020			
NON-CURRENT LIABILITIES			CURRENT ASSETS		
Deferred income tax liability	56,397	70,280	Stores, spare parts and loose tools	57,776	44,271
Staff retirement gratuity Long term security deposit	51,793 30,000	35,039 30,000	Stock in trade	-	61,712
CURRENT LIABILITIES	138,190	135,319	Trade debts	88,753	19,930
Trade and other payables	248,273	344,536	Loans and advances	4,269	5,902
Accrued mark-up Current portion of non-current liabilities	11,348	150 31,340	Short term deposits, prepayment and other receivable	154	1,646
Taxation - net	13,820 273,441	16,609 392,635	Cash and bank balances	6,569	4,943
TOTAL LIABILITIES	411,631	527,954		157,521	138,404
CONTINGENCIES AND COMMITMENTS					
TOTAL EQUITY AND LIABILITIES	564,702	578,564	TOTAL ASSETS	564,702	578,564



STATEMENT CASH FLOWS

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023





	2023 2022 (RUPEES IN THOUSAND)	
CASH FLOWS FROM OPERATING ACTIVITIES	144 225	115.212
Profit before taxation Adjustments for non-cash charges and other items:	144,325	115,212
Depreciation	38,191	36,646
Provision for staff retirement gratuity	21,603	13,653
Allowance for expected credit losses	7,804	15,055
Gain on sale of property, plant and equipment	(474)	(1,014)
Amortization of deferred grant	(155)	(2,119)
Profit on saving accounts	(35)	(147)
Finance cost	1,192	4,622
_	212,451	166,870
Working capital changes	esternierano - 1€ riconestra (594)	nesteen en
(Increase) / decrease in current assets:		
Stores, spare parts and loose tools	(13,505)	(10,126)
Stock in trade	61,712	(53,658)
Trade debts	(76,627)	50,830
Loans and advances	1,633	(3,147)
Short term deposits, prepayment and other receivables	1,453	(1,607)
	(25,334)	(17,708)
(Decrease) / increase in trade and other payables	(97,870)	169,881
Cash generated from operations	89,247	319,043
Finance cost paid	(667)	(2,286)
Staff retirement gratuity paid	(3,638)	(4,362)
Net increase in long term deposits and prepayment	(1,695)	(2,403)
Income tax paid	(58,656)	(33,579)
Net cash generated from operating activities CASH FLOWS FROM INVESTING ACTIVITIES	24,591	276,413
	(4.240)	(11.412)
Capital expenditure on property, plant and equipment Proceeds from sale of property, plant and equipment	(4,240) 1,197	(11,412) 3,500
Profit on saving accounts received	74	232
Net cash used in investing activities	(2,969)	(7,680)
CASH FLOWS FROM FINANCING ACTIVITIES	**************************************	2001 Mon-control 20 0
Repayment of long term financing	(19,996)	(39,991)
Repayment of short term borrowings	<u>=1</u>	(263,427)
Net cash used in financing activities	(19,996)	(303,418)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	1,626	(34,685)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	4,943	39,628
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (NOTE 18)	6,569	4,943







FINANCIAL PERFORMANCE OF ATML

KEY OPERATING AND FINANCIAL DATA

	2023	2022	2021	2020	2019	2018
	(RUPES IN THOUSAND)					
Summary of Statement of Profit or Loss						
Profit/(Loss) before taxation	144,325	115,212	77,476	20,897	(22,408)	(4,351)
Taxation	(41,950)	(31,648)	(44,264)	(3,000)	7,953	1,076
Profit/(Loss) after taxation	102,375	83,564	33,212	17,897	(14,455)	(3,275)
Summary of Statement of Financial Position						
Total assets	564,702	578,564	516,401	653,866	368,017	390,355
Long term financing / loans	-	-	19,841	42,195	55,272	125,767
Deferred liabilities	51,793	35,039	23,772	18,546	-	-
Deferred income tax liability	56,397	70,280	57,477	48,858	56,008	57,837
Long term security deposits	30,000	30,000	30,000	30,000		_
Current liabilities	273,441	392,635	497,325	660,782	420,570	362,425
Net assets	153,071	50,610	(112,014)	(146,515)	(163,833)	(155,674)
Represented by:						
Share capital	131,748	131,748	131,748	131,748	131,748	131,748
Equity portion of shareholders' loan	13,335	13,335	13,335	13,335	13,335	13,335
Surplus on revaluation of plant, equipment and investment						
properties - net of deferred income tax	173,500	190,208	122,679	135,029	150,725	155,452
Accumulated loss - net off equity portion of shareholders' loan	(165,512)	(284,681)	(379,776)	(426,627)	(459,641)	(456,209)
	153,071	50,610	(112,014)	(146,515)	(163,833)	(155,674)



FUTURE PROSPECTS OF ATML



The directors of the Company possess a deep understanding of the Company's operations, and they are actively exerting significant efforts to enhance the Company's overall performance. Their focus is on stringent cost control measures and minimizing internal expenses to maximize the Company's profitability. Throughout the year, the Company has executed well-planned strategies to generate profits and reduce its accumulated losses. Given the current economic conditions in the country, we anticipate upcoming challenges that may impact the textile business's revenue in the near future.



Best of Luck for Better Future





THANKING YOU

FOR

VISTING



QUESTION & ANSWER SESSION



