



NO. ACCTTS/16

21st October, 2024

The General Manager,
Pakistan Stock Exchange (PSX)
Stock Exchange Building
Stock Exchange Road,
Karachi.

SUBJECT:-CORPORATE BRIEFING SESSION

Dear Sir,

We are pleased to inform that Corporate Briefing Session (CBS) of Shahtaj Textile Limited will be held online on Thursday, October 24, 2024 at 02:30 PM, to give an overview of the Company's financial performance.

The connectivity details are as under:

Join Zoom Meeting

<https://us05web.zoom.us/j/88636277312?pwd=QLl9qbmOvZ03tzkSRycczOy6d5R6aG.1>

Meeting ID: 886 3627 7312

Passcode: shahtaj24

The presentation for the Corporate Briefing Session (CBS) of Shahtaj Textile Limited has been uploaded on the Company's website www.shahtaj.com and also enclosed herewith for your reference and record.

You may please inform the members of the Exchange accordingly.

Thanking you,

Yours faithfully,
for SHAHTAJA TEXTILE LIMITED

(JAMIL AHMAD BUTT)
Company Secretary

Enclose as above.

Where quality & teamwork are a mind set

Shahtaj Textile Limited

Head Office: 19 Dockyard Road, West Wharf, P.O. Box 4766, Karachi-74000, Pakistan.

Tel: (92-21) 32313934-8, 32312834, 32310973, 32205723, 32314468

Registered Office: 27-C, Abdalian Cooperative Housing Society, Lahore-54570, Pakistan.

Tel: (92-42) 35301596-97, 35313891-92, Fax: (92-42) 35301594 E-mail: jamilbutt@shahtaj.com

Factory: 46 K.M. Lahore/Multan Road, Chunian Industrial Estate, Bhai Pheru.

Tel: (92-49) 4540429-32, 4540133, 4540232, 4540234 Fax: (92-49) 4540031

Marketing Office: 27-C, Abdalian Cooperative Housing Society, Lahore-54570, Pakistan.

Tel: (92-42) 35301596-97, 35313891-92, Fax: (92-42) 35301594

E-mail: marketing@shahtaj.com **Website:** www.shahtaj.com

SHAHTAJ TEXTILE LIMITED

ALL THE PARTICIPANTS ARE WARMLY WELCOME IN THE
CORPORATE BRIEFING SESSION FOR THE YEAR 2024

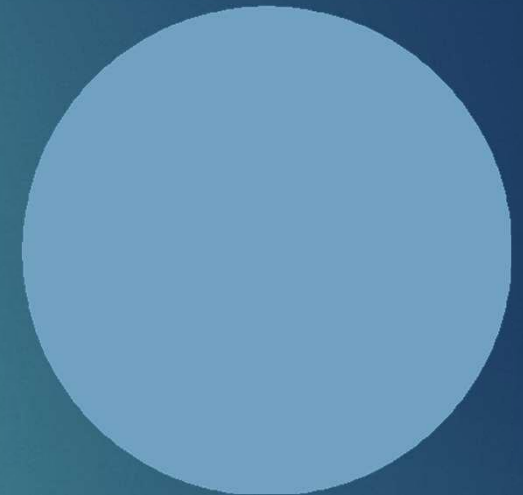
Disclaimer

The Corporate Briefing Session presentation is prepared by Shahtaj Textile Ltd is exclusively for the discussion purpose with the participants only. Any expression, information, statement or representation made during the discussion shall not be infer by any investor or potential investor as an advice or recommendation in relation to holding , purchasing or selling securities without proper consideration .

It is suggested before acting on any information's shared or and remarks made during the discussion process , one should seek appropriateness and accuracy of information.

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Our Journey

Shahtaj Textile Limited is a Shahnawaz Group Company. It was incorporated as a public limited company in January 1990, with the sole purpose of manufacturing grey fabric and its marketing. The company is listed at Pakistan Stock Exchange Limited. The mills went into commercial production in January 1992.

Its production facilities are situated in the hub of Textile Industries near Lahore (Pakistan) and is equipped with the most advanced high speed Toyoda and Picanol Air Jet Looms of Japanese and Belgium origin. Starting with 72 looms now the number of installed looms is 179 with complete back up process and stand-by self power generation.

Its business philosophy has been to be the supplier of choice for leading processing and export houses in Pakistan. Over the last 30 years of operations Shahtaj Textile Limited, has established its reputation in Pakistan as a premier supplier of highest quality greige fabric to key exporters besides exports to many foreign buyers.

Corporate Information

Incorporation

The company **Shahtaj Textile Limited** established in January 1990.

Symbol

STJT

Legal Status

Public Limited Company.

Capital

Authorized Capital - 100,000,000 Issued Paid-up Capital - 96,600,000 (*Ordinary Shares of Rs. 10 each*)

Associated Undertakings

Shahnawaz (Pvt.) Limited

Shezan International Ltd

Shahtaj Sugar Mills Limited.

Information System Associates Limited. (ISA)

Nawazabad Farm



Registered & Marketing Office

Registered office of the company is located 27-C, Abdalian Cooperative Housing Society Limited, Opposite Expo Center, Lahore, Pakistan.

Head & Liaison Office

Shahnawaz Building, 19 - Dockyard Road, West Wharf, Karachi, Sindh, Pakistan.

Manufacturing Units

46 KM, Lahore/Multan Road, Chunian Industrial Estate, Bhai Pheru, Distt. Kasur, Punjab, Pakistan.

Credit Rating

The entity ratings for the current year assigned on November 24, 2023 has been maintained at 'A-/A-2' (Single A Minus/A-Two). as per last year by the Messer's VIS Credit Rating Company Limited

Governing Board

The governing board comprised of ten(10) members and all the appointments of independent, executive, non-executive and female directors are in line under the under Code of Corporate Governance Regulations, 2019.

Category	Names
Independent Directors	Mr. Farooq Hassan
	Mr. Aamir Amin (NIT)
	Mr. Syed Nadeem Ali Kazmi
Other Non-Executive Directors	Mr. Muneer Nawaz - Chairman
	Mr. Toqueer Nawaz
	Mr. Muhammad Usman Khalid
	Mr. Abid Nawaz
Female Non-Executive Director	Mrs. Sadia Muhammad
Executive Directors	Mr. Muhammad Naeem
	Mr. Taqi Mohammad - CEO

**CATEGORIES OF SHAREHOLDERS
AS AT JUNE 30, 2024**

SR #	CATEGORIES OF SHAREHOLDERS	SHARES HELD	PERCENTAGE %
1	Director's, CEO, Their Spouse and Minor Children	3,673,940	38.03
2	Associated Companies, Undertaking and Related Parties	1,500,000	15.53
3	NIT & ICP	475,726	4.92
4	Banks, Development Finance Institutions, Non Banking Financial Institution	15,342	0.16
5	General Public / Individuals	3,943,967	40.83
6	Others (Joint Stock Companies /Provident / Pension Funds and Miscellaneous)	51,025	0.53
		9,660,000	100.00

Historical Data

2023-2024 2022-2023 2021-2022 2020-2021 2019-2020 2018-2019

All figures are in Million Rupees other than where percentages and ratio sign appear.

Ratios

PROFIT AND LOSS ACCOUNT

Net turnover	7953.428	8085.182	7455.486	4937.494	4365.769	4787.646
Gross Profit	673.309	640.937	732.981	550.265	421.282	448.758
Operating Profit	406.482	451.497	488.181	334.952	193.314	338.732
Profit before tax	88.477	237.155	401.726	287.541	113.095	251.391
Profit after tax	27.192	153.018	300.049	216.959	72.571	188.048
Earning per share (Rs.)	2.81	15.84	31.06	22.46	7.51	19.47
Cash dividend	10%	65%	115%	115%	40%	100%
Dividend payment ratio	35.59%	41.03%	51.2%	51.2%	53.2%	51.4%
Cash distribution per share in Rupees	1.00	6.50	11.50	11.50	4.00	10.00

BALANCE SHEET

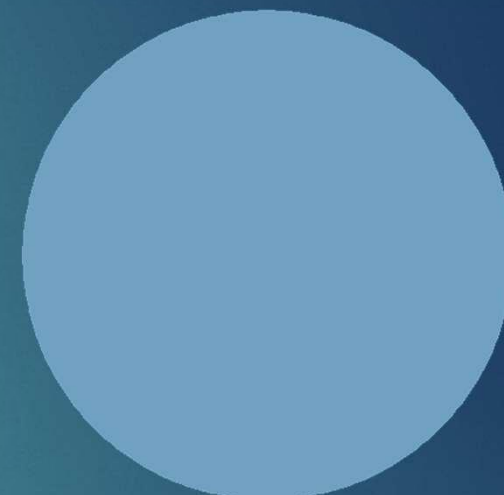
Shareholder funds	96.600	96.600	96.600	96.600	96.600	96.600
Reserves	1489.82	1493.776	1449.659	1228.449	1037.349	1045.151
Surplus on revaluation of plant & machinery	205.822	197.980	220.081	258.368	63.066	75.983
Property plant and equipment	1862.143	1632.173	1706.679	1409.436	1152.175	1080.826
Long term finance	714.003	870.496	958.625	569.753	513.501	338.888
Net current assets / liabilities	712.775	1160.199	1117.642	868.866	636.015	541.391

INVESTOR INFORMATION

Gross profit ratio	8.47%	7.93%	9.83%	11.14%	9.65%	9.37%
Profit before tax ratio	1.11%	2.93%	5.39%	5.82%	2.59%	5.25%
Return on equity	1.52%	8.56%	16.99%	13.70%	6.06%	15.44%
Debt equity ratio	28:72	33:67	35:65	26:74	30:70	22:78
Current ratio	1.39	1.61	1.55	1.83	1.63	1.44:1
Interest cover ratio	1.28	2.11	5.65	7.06	2.41	3.88

STATEMENT OF VALUE ADDITION

Employees remuneration	468.892	422.211	371.495	335.083	317.886	309.365
Government as taxes	1295.017	1215.611	1147.006	778.615	699.546	63.342
Shareholders as dividend	9.660	62.790	125.580	111.09	38.64	96.60
Retained with in business	17.522	90.228	174.469	105.87	33.93	91.448
Financial charges to providers of finance	318.005	214.342	86.455	47.411	80.219	87.341



Key Performance Indicators

12

Sales Growth
YoY

(1.63) %

Gross Profit

8.47. %

Profit Before
Tax

1.11%

Profit After
Tax

0.34%

Breakup Value
per Share

185.53

Market Value
per Share

78.2

Dividend per
Share

1.00

Earnings per
Share

2.81

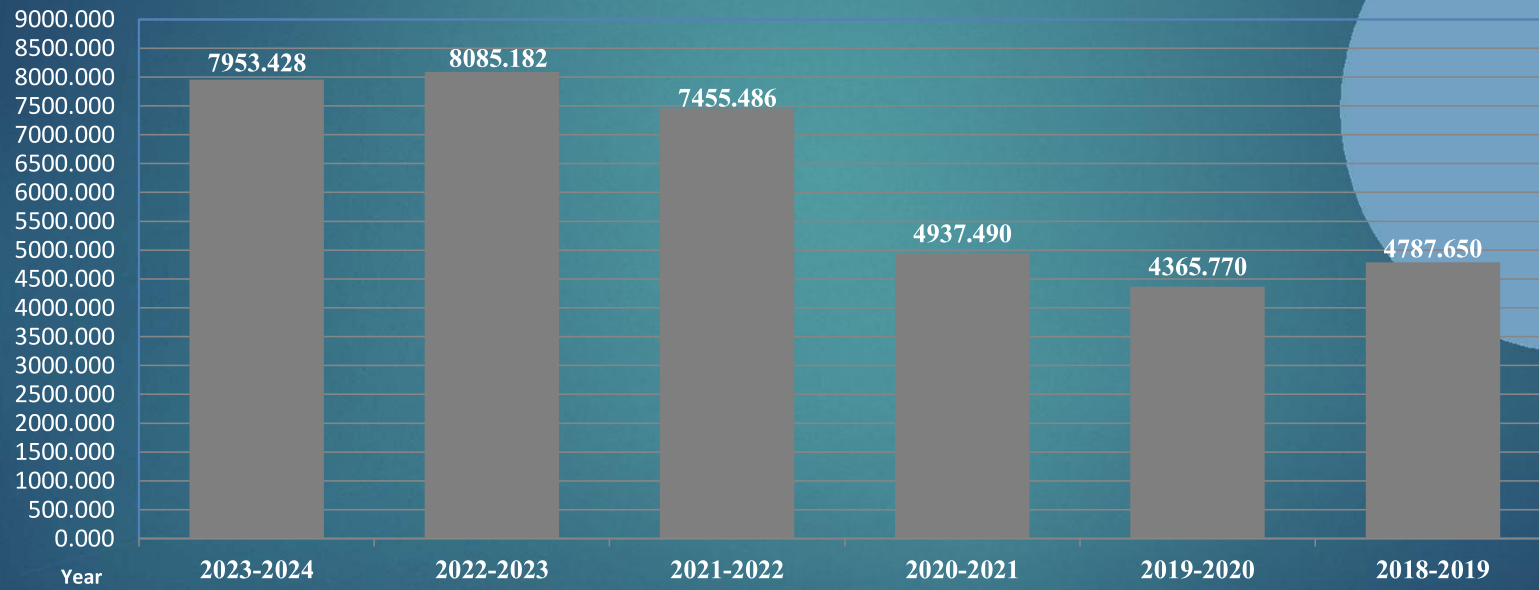
SHAHTAJ TEXTILE LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	----- (Rupees in '000) -----	
Sales - net	7,953,428	8,085,182
Cost of goods sold	(7,280,119)	(7,444,245)
Gross profit	<u>673,309</u>	640,937
Distribution expenses	(110,720)	(102,928)
Administrative expenses	(150,405)	(142,133)
Other operating expenses	(40,906)	(20,102)
Finance cost	(318,005)	(214,342)
	<u>(620,036)</u>	<u>(479,505)</u>
	53,273	161,432
Other income	35,204	75,723
Profit before levies & taxes	<u>88,477</u>	237,155
Levies	(95,537)	(100,073)
(Loss) / profit before taxation	<u>(7,060)</u>	<u>137,082</u>
Taxation	34,252	15,936
Profit after taxation	27,192	153,018
	----- Rupees -----	
Earnings per share - basic and diluted	2.81	15.84

TURNOVER (MILLIONS)

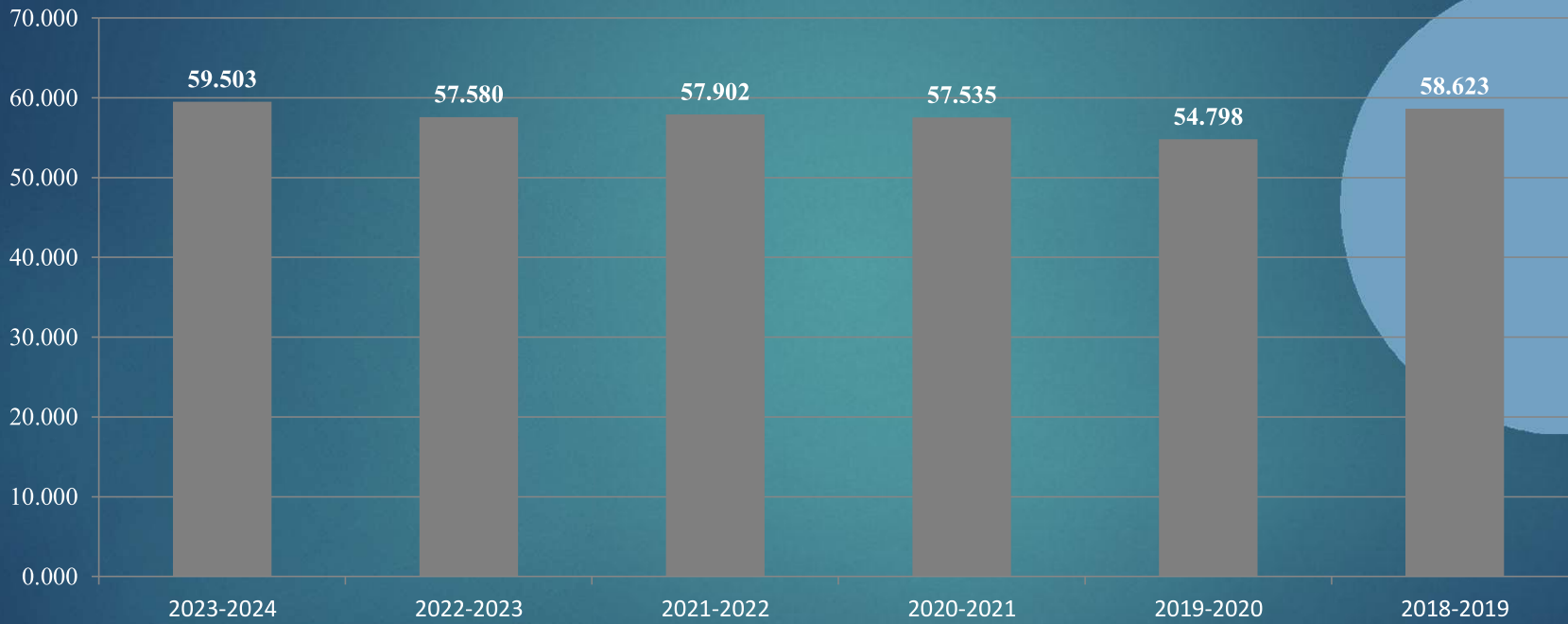
Last Six Years

Rupees In Million



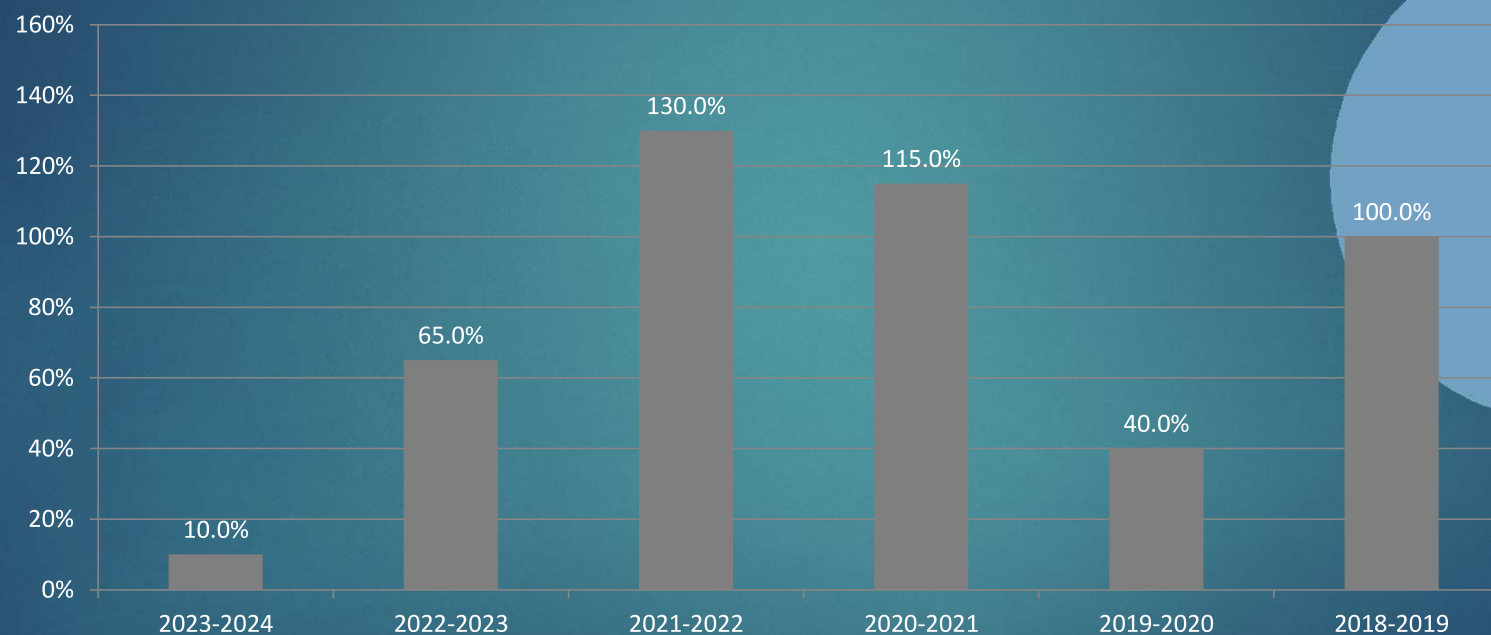
Annual Production Last Six Years

Sq. Meters
in Million



Annual Dividend Last Six Years

Percentage



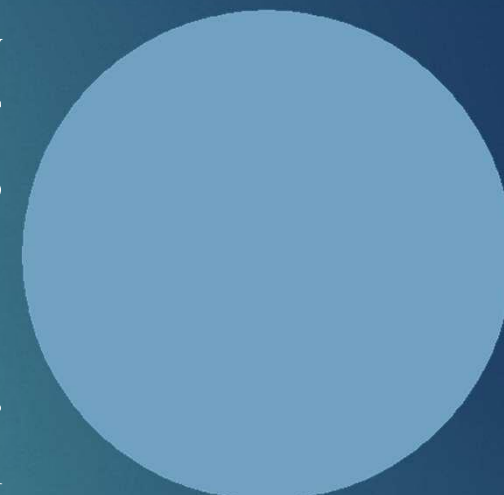
Financial Performance


By the grace of Allah, in spite of difficult market conditions, your company has managed to remain profitable, though on very low side. The after-tax profit for the year stood at Rs. 27.192 million with an EPS of Rs 2.81 in comparison to Rs 15.84 reported during last year. Net Sales revenue for the period decreased by almost 1.63% as compared to same period of last year. The decrease is mainly attributable to decrease in sales volume and more sale orders executed for weaving charges only during the current year as also explained in our quarterly reports. Lower profitability is due to unprecedented surge in energy prices and finance costs.

The GP rate increased to 8.47% of sales during current year from 7.93% of last year. This increase is mainly the result of an increase in local sales made under deferred LCs, for which customers were charged markup expenses for the deferred period in their sale price.

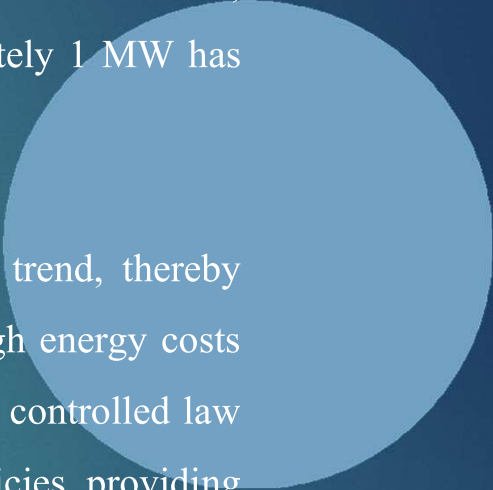
Administration cost for the year is higher than previous corresponding period due to inflationary effect. Finance cost for the period increased significantly mainly due to higher policy rate and higher working capital requirements due to inflationary impact. Additionally, the non-availability of lower-cost financing alternatives / LTFF for significant capital expenditures made by the Company in the current year also impacted overall finance costs and the bottom line.

Other operating expenses increased on account of exchange losses on export receipts due to appreciation of PKR during the current year as compared to exchange gain due to devaluation of rupee in last year which was recorded in other income.





The Company focused on optimizing its power generation by utilizing efficient generators. However, the power cost of the Company increased mainly due to significant increase in gas tariff. To reduce overall power costs, the Company has increased its efforts for alternate and more competitive sources, including investment in renewable energy. In this respect, a solar plant of approximately 1 MW has been energized.



Moving forward, the inflation and interest rates are expected to follow downward trend, thereby adding positivity to the economic growth. However, the Company anticipates that high energy costs will still continue to put pressure on overall profit margins. Further, political stability, controlled law & order situation are pre-requisite to reduce economic uncertainty, consistencies in policies, providing increased stability and predictability for businesses, thereby creating a more favourable environment for growth and investment.

Company will continue to do its best to overcome these difficulties

Question & Answers Session

The honorable guest and participants are requested to proceed for question and answer session with regard to the financial statements for the year ended June 30, 2024.

Thanks

