

J.K. Spinning Mills Ltd.



Ref: JKSM/T-111/2024
Dated: 25-10-2024

Associated Companies:
J. K. Power Ltd.
J. K. Agriculture Farms (Pvt) Ltd.
J. K. Tech (Pvt.) Ltd.
Fine Fabrics (Pvt) Ltd.

The General Manager,
Pakistan Stock Exchange Ltd.
Stock Exchange Building,
Stock Exchange Road,
KARACHI.

Sub: Corporate Briefing Session (CBS)

Dear Sir,

This is to inform you that as per requirement of PSX Regulation, Corporate Briefing Session (CBS) of J. K. Spinning Mills Limited will be held on Monday October 28, 2024 at 03:00 P:M at Head Office, 29 K.M Sheikhupura Road, Khurrianwala, Faisalabad. Interested participants are requested to confirm their participation maximum by October 26, 2024 through email at: cfo@jkgroup.net by providing their full name, company name, CNIC Number, Mobile Number, & Folio /CDC Account numbers (If applicable) enabling us to make the necessary arrangements accordingly.

You may please inform the TRE Certificate Holders of the Exchange.

Thanking you.

Yours faithfully,

For: **J.K. Spinning Mills Ltd.**

A handwritten signature in blue ink, appearing to read 'Syed Hussain Shahid Mansoor Naqvi'.

Syed Hussain Shahid Mansoor Naqvi
Company Secretary



J.K SPINNING MILLS LIMITED

Corporate Briefing Session 2024

TABLE OF CONTENT

Company
Brief

Historical
Performance
& Trends



Financial
Results 2023
- 2024

Future
Outlook

Company Brief



Company Profile

J.K Spinning Mills Limited (JKSML) was incorporated in Pakistan on 07 January 1987 as a public limited company. The shares of the company are listed on Pakistan Stock Exchange. The Company is engaged in business of textile manufacturing which comprises spinning, weaving, processing, stitching, buying, selling and otherwise dealing in yarn, fabrics and other goods.



Yarn: 204,434 Spindles



Woven Fabric: 110 shuttle-Less Looms



Home textile: 60,000,000 Meters (Annually)
600 Machines



NO. of Employees 3,198 on 30th June 2024



To Enter into Global Economy accepting the challenge of barrier free trade as a dynamic force.



- To turn around performance of company into sustainable growth for the benefit of its stake holders.
- To stand the test of expectations of our valued customers redefining excellence with craft, creativity, professionalism and quality control.
- To strive hard for boosting exports of country to earn more foreign exchange to rebuild economy.

CORE VALUES



GROUP STRUCTURE



Spinning Unit (204,434 Spindles)



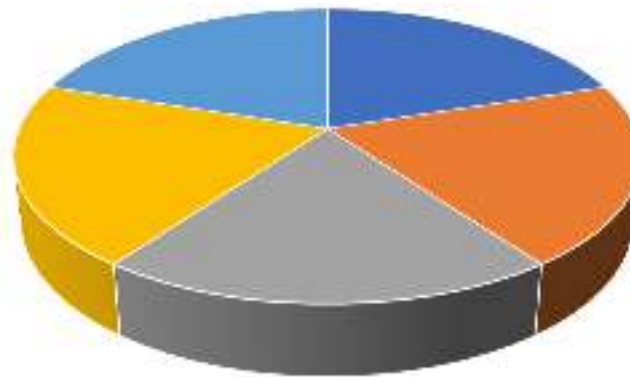
Weaving Unit (110 Looms)



Processing Unit (60 Million Linear meter annual production)



Stitching Unit (600 Machines -64 Million meter annual production)



■ SPINNING ■ WEAVING ■ STICING ■ PROCESSING ■ POWER HOUSE



Power House

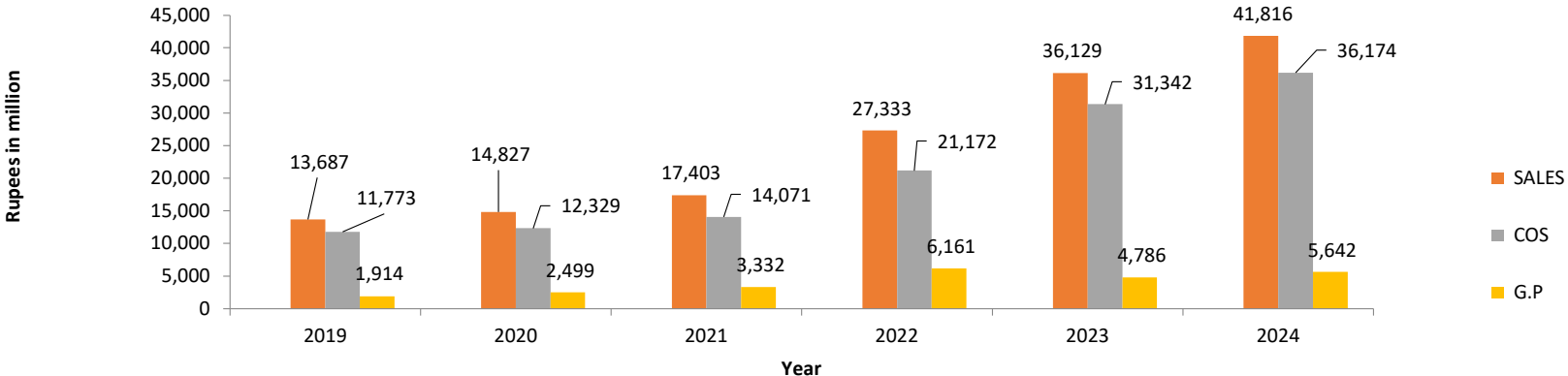
21MW Gas Generation
1MW Diesel Generation
3.7 MW Solar Capacity



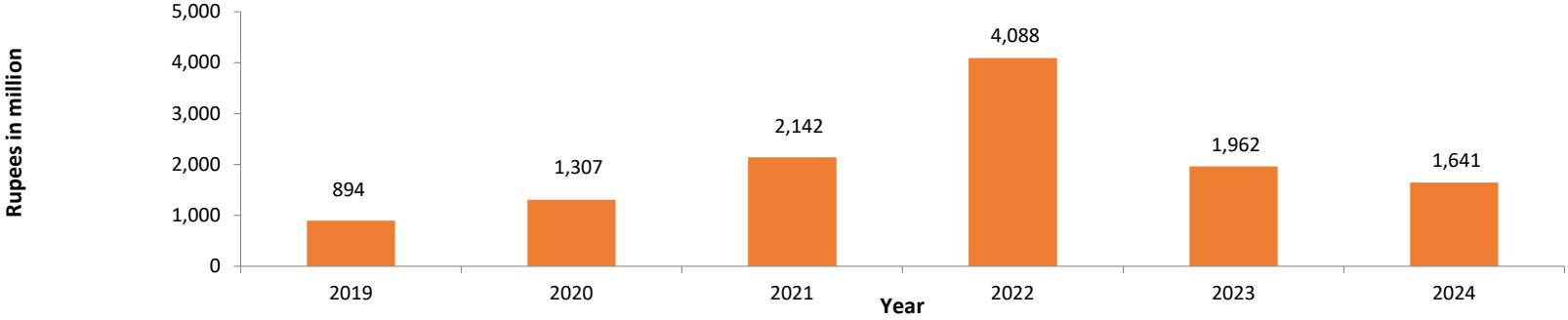
Historical Performance & Trends



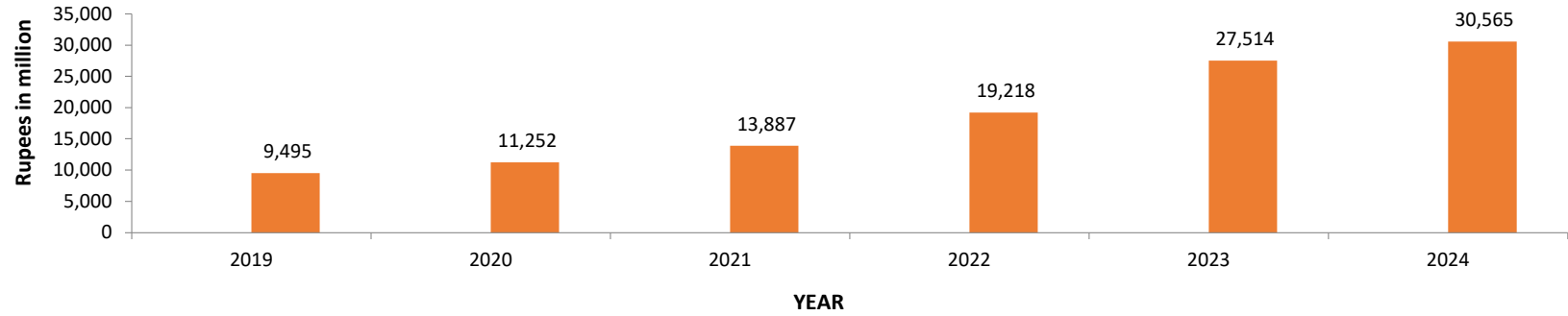
Sales, Cost and G.P



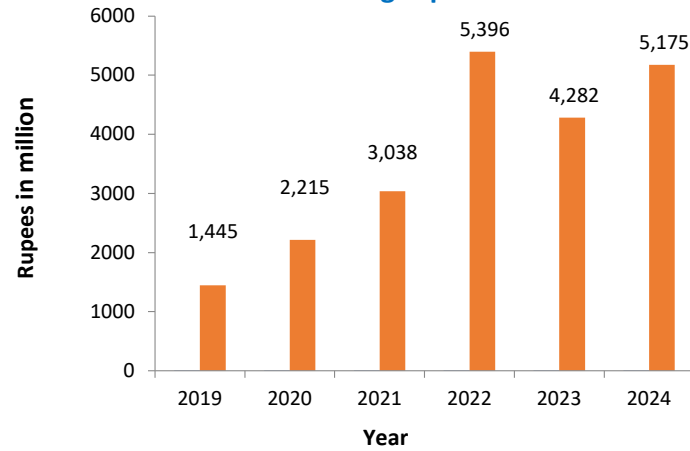
Profit before taxation



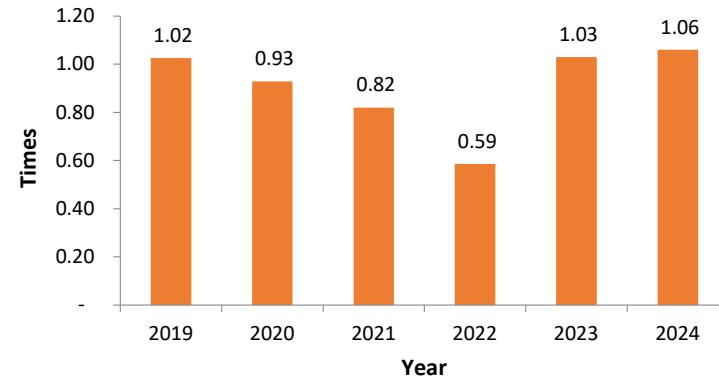
Total assets



Working capital



Leverage ratio





Financial Results 2024 vs 2023



Statement of Profit & Loss

	June-24		June-23		Variance	% age
(Rupees in thousand)						
Revenue from contracts with customers	41,816,395		36,128,679		5,687,716	15.74
Cost of revenue	<u>(36,174,349)</u>	86.51%	<u>(31,342,388)</u>	86.75%	<u>(4,831,961)</u>	15.42
Gross profit	5,642,046	13.49%	4,786,291	13.25%	855,755	17.88
Distribution cost	<u>(1,316,123)</u>	3.15%	<u>(1,146,835)</u>	3.17%	<u>(169,288)</u>	14.76
Administrative expenses	(583,482)	1.40%	(505,016)	1.40%	(78,466)	15.54
Other operating expenses	<u>(118,464)</u>	0.28%	<u>(321,701)</u>	0.89%	203,237	(63.18)
	(2,018,069)	4.83%	(1,973,552)	5.46%	(44,517)	2.26
Other income	424,702	1.02%	105,381	0.29%	319,321	303.02
Operating profit	<u>4,048,679</u>	9.68%	<u>2,918,120</u>	8.08%	1,130,559	38.74
Finance cost	<u>(2,407,236)</u>	5.76%	<u>(955,976)</u>	2.65%	<u>(1,451,260)</u>	151.81
Profit before taxation & Levy	1,641,443	3.93%	1,962,144	5.43%	(320,701)	(16.34)
Levy	(634,932)	1.52%	(392,171)	1.09%	(242,761)	61.90
Profit Before Taxation	<u>1,006,511</u>	2.41%	<u>1,569,973</u>	4.35%	(563,462)	(35.89)
Taxation	-	0.00%	250,126	0.69%	(250,126)	(100.00)
Profit after Taxation	<u>1,006,511</u>	2.41%	<u>1,820,099</u>	5.04%	(813,588)	(44.70)

KEY Financial Ratios

PARTICULARS	For the Year ended	
	JUNE 2024	JUNE 2023
<u>PROFITABILITY RATIOS</u>		
Gross Profit ratio	13.49%	13.25%
EBITDA To Sales	12.33%	9.70%
Operating Profit ratio	9.68%	8.08%
Net Profit ratio	2.41%	5.04%
Return on Equity	7.80%	15.31%
Return on Capital Employed	6.44%	12.11%

PARTICULARS	For the Year ended	
	JUNE 2024	JUNE 2023
<u>INVESTORS RATIO</u>		
EPS	9.84	17.79

PARTICULARS	For the Year ended	
	JUNE 2024	JUNE 2023
<u>SOLVENCY/LIQUIDITY RATIOS</u>		
Current Ratio	1.37	1.37
Current Ratio with out current portion	1.46	1.49
Interest Coverage Ratio	1.68	3.05
Debt equity ratio for long term loan	0.22	0.24
leverage ratio	1.00	0.95
Total Debt/EBITDA	2.61	3.40
Debt service coverage ratio	1.42	1.87
Breakup Value of Share	131.89	122.06

Future Outlook



Future Outlook

The outgoing fiscal year witnessed moderate economic recovery. Government's prudent policy management and administrative measures have restored market confidence which led to a pick-up in economic activity. GDP growth accelerated to 2.4% in FY2024. This growth was broad-based, with the agriculture sector expanded by 6.3%, while industry and services each grew by 1.2%. The markets have rallied due to improvements in economic conditions. The PSX has surged by 79.5% since July 2023, with the KSE 100 index rising to 78,810 points by June 2024..



The government has initiated discussions with the IMF for a new three-year program to further support the external sector and encourage investment flows to steer the economy toward its potential growth. The fiscal accounts have improved during FY2024 led by various revenue enhancing and expenditure control measures. As a result, the fiscal deficit has reduced to 4.5% of GDP from 4.7% of GDP last year.

Future Outlook

Your Company achieved its highest ever turnover, a testament to the excellent guidance of its Board of Directors and efforts put in by the entire Company. We underwrote our highest-ever revenue of Rs. 41.816 billion, an increase of 15.74% over the last year. Considerable growth of 17.87% was witnessed in gross profit and decline of 44% in net profits as well



Your company BMR policy continue to satisfy the customers' demands, in this lieu we are adding 6600 Routers of spinning set up in coming year to recycle spinning waste. Further one Stentor, Calendar, Oil Heater and Singeing machine are being added to enhance the processing unit capacity. Currently we have renewable energy facility of 3.7 MW however we are planning further to invest in renewable energy like solar project of 4.0 MW.



