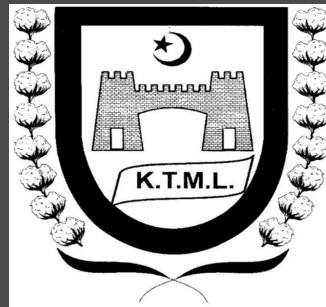


KHYBER TEXTILE MILLS LIMITED



CORPORATE BRIEFING SESSION
ON
THE COMPANY'S FINANCIAL YEAR 2024
AND
GENERAL OUTLOOK

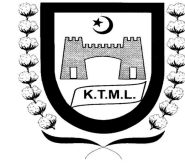
19TH, NOVEMBER 2024



Disclaimer

- This presentation has been prepared by Khyber Textile Mills Ltd. (the Company) solely for information purposes. This presentation is **not** intended to provide any disclosure upon which an investment decision could be made.
- Any statement regarding the future or general outlook of the Company, serve as a guideline to the Company's intentions that may or may not be achieved as they are inherent risks and uncertainties both general and specific. These risks may cause actual performance and outcomes in future periods to differ materially from any projections of future performance or result expressed or implied by such statements.
- The readers should consider the economic and legal environment in which the Company is operating under, in which inherent risks exist that can impact future results. As such, these statements are not binding and do not commit the Company to any particular path, decision or outcome.

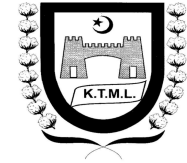
COMPANY'S INFORMATION



- CHAIRMAN
- CHIEF EXECUTIVE OFFICER
- BOARD OF DIRECTORS (7 MEMBERS)
- AUDIT COMMITTEE (3 MEMBERS)
- HR&R COMMITTEE (3 MEMBERS)
- COMPANY SECRETARY
- CHIEF FINANCIAL OFFICER
- AUDITORS
- SHARE REGISTRAR
- REGISTERED OFFICE



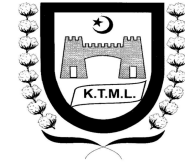
COMPANY PROFILE



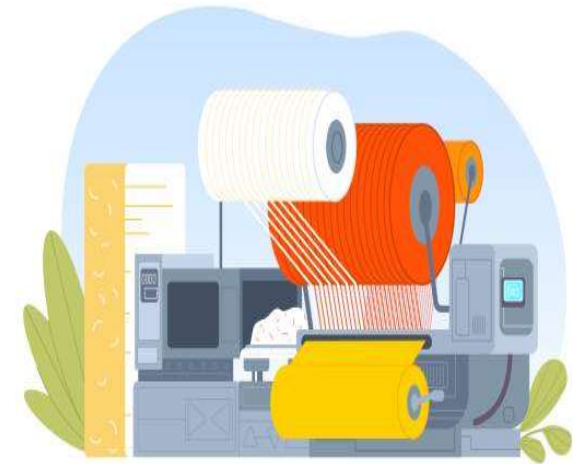
- Khyber Textile Mills Limited is a Public Limited Company, incorporated on 26th August 1961.
- Its shares are quoted as (KHYT) on the Pakistan Stock Exchange Limited
- The activities were the manufacture and sale of cotton, polyester yarn and cloth, however due to external factors the textile production was halted.
- Consequently, the Company has been operating an agricultural livestock business on its vacant land since 2017, as a revised principal line of business of the Company, that is agricultural.
- It has also been carrying on alternative business activities of renting excess buildings for warehousing and rental purposes since 2016.
- The registered office of the Company, the production facility and agricultural farms are located at Baldher, District Haripur, Khyber Pakhtunkhwa.



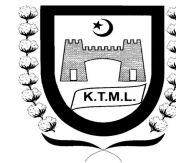
BACKGROUND ON COMPANY'S ISSUES



- Due to ongoing High Court Banking litigation and subsequent credit restrictions imposed, textile production was halted.
- Resuming production will require access to working capital and funds for Balancing Modernization and Replacement (BMR).
- As a result, the BOD and Members approved the initiation of alternative business activities for the Company.
- Limited options due to financial constraints from credit restrictions.
- In 2017 the Company commenced agricultural business operations on its excess vacant land.



CURRENT BUSINESS OPERATIONS AND PERFORMANCE: FY-2024



- The Company's agricultural livestock farm has had successful sales for FY-2024, generating positive returns.
- Management is cultivating the majority of excess land for fodder production, thereby reducing input costs.
- Additional revenue is being generated through renting of vacant buildings and warehouses.
- The Company has maintained a positive cash flow during the financial year.
- Liabilities have been reduced and revenue generated during FY-2024.
- Due to depreciation on idle plant and equipment the Company has incurred a net loss. However, these are non-cash expenses, which do not affect the liquidity position of the Company.
- As a result, the Company remains solvent.



KEY OPERATING AND FINANCIAL DATA

(Rupees in '000)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<u>OPERATING:</u>						
Net Sales	18,355	27,104	14,592	9,618	8,062	3,516
Gross (Loss) Profit	5,045	7,677	3,776	1,672	1,417	1,096
Operating Profit/(Loss)	(5,754)	(4,528)	(6,245)	(9,880)	(9,800)	(5,096)
Pre Tax Profit/(Loss)	(5,754)	(4,528)	(6,245)	(9,880)	(3,999)	(5,416)
After Tax Profit/(Loss)	(4,662)	(3,916)	(5,210)	5,411	(2,125)	(3,546)
Tangible Fixed Assets	1,293,591	952,750	962,932	973,973	986,074	999,277
Long Term Deposit	89	89	89	89	89	89
	<u>1,293,680</u>	<u>952,839</u>	<u>963,021</u>	<u>974,062</u>	<u>986,163</u>	<u>999,366</u>
Current Assets	15,996	13,429	11,382	8,901	8,989	8,256
Current Liabilities	(7,123)	(8,353)	(10,626)	(28,207)	(47,424)	(54,585)
Working Capital	<u>8,873</u>	<u>5,076</u>	<u>756</u>	<u>(19,306)</u>	<u>(38,435)</u>	<u>(46,329)</u>
Share Capital	12,275	12,275	12,275	12,275	12,275	12,275
Accumulated Losses	<u>(10,562)</u>	<u>(13,117)</u>	<u>(16,700)</u>	<u>(19,607)</u>	<u>(33,442)</u>	<u>(10,917)</u>



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

	Note	2024 Rupees	2023 Rupees
SALES		18,354,500	27,103,500
Less: COST OF SALES	17	13,309,832	19,426,034
GROSS PROFIT		5,044,668	7,677,466
Less: Administrative Expenses	18	16,944,650	15,858,954
Other Operating Expenses	20	585,720	583,290
Financial Expenses - Bank Charges		8,880	3,784
		17,539,250	16,446,028
		(12,494,582)	(8,768,562)
Fair Value Remeasurement Adjustment - Biological Assets		(410,781)	(1,317,724)
Other Operating Income - Rent		6,937,100	5,433,400
Agriculture Income		213,800	124,500
OPERATING (LOSS)		(5,754,463)	(4,528,386)
(LOSS) BEFORE TAXATION		(5,754,463)	(4,528,386)
TAXATION	21	(1,091,994)	(613,371)
NET (LOSS) FOR THE YEAR		(4,662,469)	(3,915,015)
EARNINGS/ (LOSS) PER SHARE - BASIC AND DILUTED	22	(3.80)	(3.19)



**CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2024**

	2024 Rupees	2023 Rupees
CASH FROM OPERATING ACTIVITIES		
(Loss) before Taxation	(5,754,463)	(4,528,386)
Adjustments for:		
Depreciation	9,716,786	10,193,581
Loss / (Gain) arising from changes in fair value of Livestock	410,781	1,317,724
Financial Expenses	8,880	3,784
Operating profit before working capital changes	4,381,984	6,986,703
 (Increase)/Decrease in Operating Assets		
Inventory - Livestock	1,252,419	4,909,076
Inventory - Animal Feed	(517,630)	117,560
Rent Receivable	(44,500)	(23,040)
	5,072,273	11,990,299
 Increase/(Decrease) in Operating Liabilities		
Trade and Other Payables	(80,120)	110,720
Cash generated from/(used in) operations	4,992,153	12,101,019
 Financial Expenses	(8,880)	(3,784)
Tax deducted at source/Paid	(1,521,575)	(1,248,250)
Net Cash from/(used in) Operating Activities	3,461,698	10,848,985
 CASH FROM INVESTING ACTIVITIES		
Expenditure on Bearer Plants	(92,500)	(14,450)
Purchase of Office Equipment	-	(70,240)
Net Cash from/(used in) Investing Activities	(92,500)	(84,690)
 CASH FROM FINANCING ACTIVITIES		
Loan from Directors	(1,150,000)	(1,150,000)
Net Cash from/(used in) Financing Activities	(1,150,000)	(1,150,000)
 NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	2,219,198	9,614,295
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	11,621,222	2,006,927
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	13,840,420	11,621,222

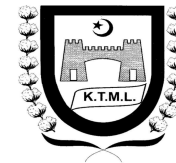


STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2024

	Note	2024 Rupees	2023 Rupees
NON CURRENT ASSETS			
Property, Plant and Equipment	4	1,293,591,415	952,750,359
Bearer Plants (Biological Assets)	5	164,950	72,450
Long Term Deposits		88,983	88,983
		<u>1,293,845,348</u>	<u>952,911,792</u>
CURRENT ASSETS			
Inventory - Livestock (Biological Assets)	6	-	1,663,200
Inventory - Animal Feed		638,510	120,880
Stores and Spares	7	-	-
Advances and Other Receivables	8	1,517,239	23,617
Cash and Bank Balances	9	13,840,420	11,621,222
		15,996,169	13,428,919
		<u>1,309,841,517</u>	<u>966,340,711</u>
SHARE CAPITAL AND RESERVES			
Share Capital	10	12,275,030	12,275,030
		12,275,030	12,275,030
Capital Reserve			
Statutory Reserve		257,782	257,782
Revaluation Surplus on Property, Plant & Equipment	11	1,254,829,867	919,741,339
Revenue Reserve			
Accumulated Loss		(10,561,588)	(13,116,647)
		<u>1,256,801,091</u>	<u>919,157,504</u>
NON CURRENT LIABILITIES			
Loan from Shareholder / Director	12	16,500,757	16,500,757
Deferred Taxation	13	29,416,793	22,329,454
		45,917,550	38,830,211
CURRENT LIABILITIES			
Short Term Loan from Director	14	6,659,718	7,809,718
Trade and Other Payables	15	463,158	543,278
Provision for Taxation		-	-
		7,122,876	8,352,996
CONTINGENCIES AND COMMITMENTS			
	16	-	-
		<u>1,309,841,517</u>	<u>966,340,711</u>



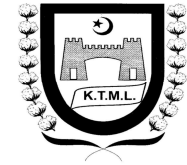
ASSET REVALUATION



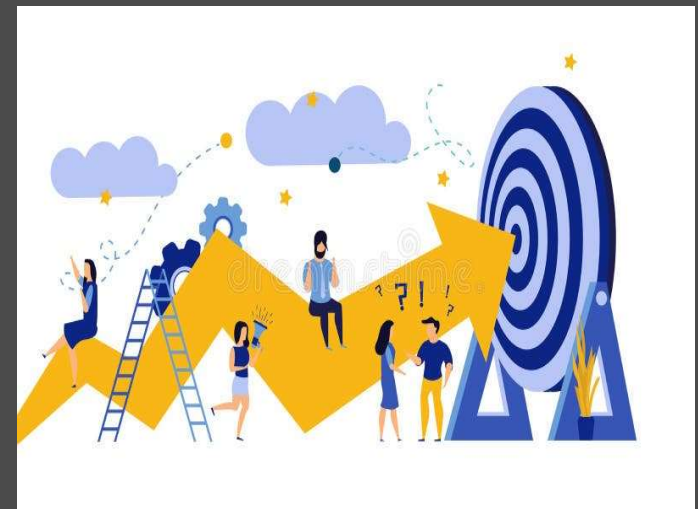
- Completed through an independent evaluator.
- The value of assets appreciated to Rs. 1,293 million in FY-2024.
- Comparatively the value of assets in FY-2019 was Rs. 999 million.
- The revaluation exercise has demonstrated that the Company remains economically viable.



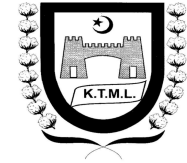
GENERAL OUTLOOK CHALLENGES



- Devaluation of the Pakistani Rupee has led to inflation in the economy.
- Cost of petrol and diesel has risen significantly, which have increased costs.
- Massive increase in electrical tariff which has led to a significantly higher cost of energy.
- This ever-increasing inflation is driving the cost of inputs higher, causing increased expenses and profit reduction for the Company.
- Long term challenge due to the ongoing banking litigation.



GENERAL OUTLOOK POTENTIAL



- Emphasis on improving the current operations of the Company.
- Focusing on enhancing the agricultural business.
- Management's goal is to increase financial streams and revenue.
- Company is located 4 kms from CPEC interchange, ideal for establishing new ventures.
- Management is actively working to defend the Company's interests in the High Court banking litigation.
- It is the BOD and Management's intention to revive the textile unit once litigation reaches finality and access to credit is restored.





THANK YOU

