

PREMIUM
TEXTILE
MILLS

December 9, 2024

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Dear Sir,

Subject: Corporate Briefing Session (Revised Schedule) and Presentation Attachment

With reference to our letter dated December 3, 2024, regarding the above-captioned subject, please note that the Corporate Briefing Session (CBS) will now be held on December 12, 2024, at 4:00 p.m. at the Pakistan Stock Exchange (PSX) Auditorium, Karachi.

Furthermore, the presentation to be discussed during the meeting is also attached for your kind review.

You are kindly requested to inform the TRE Certificate Holders of the Exchange accordingly.

Yours Sincerely

Hammad Ullah Khan
Company Secretary

Premium Textile Mills Limited

Head Office

1st Floor, Haji Adam Chamber,
Altaf Hussain Road, New Challi
Karachi – 74000, Pakistan.

Tel : 021-32400405-8

Fax : 021-32417908

Email: premhead@premiumtextile.com

Web : www.premiumtextile.com

Factory

Plot # 22, 23, 59, 60, 61, 76, 77, 78
140, 142, 157, 208/1

Main Super Highway, Nooriabad
Distt. Jamshoro (Sindh), Pakistan.

Tel : (025) 4552666

Email: factory@premiumtextile.com



CORPORATE BRIEFING SESSION, FY24

December 12, 2024

BRIEF OVERVIEW

- Incorporated in Pakistan on March 03, 1987.
- Principal activity is to manufacture and sell cotton and polyester yarn (*Greige Yarn, Fancy / Melange Yarn and Heather Yarn*). The company also produces different types of socks which are useful for sports, work, leisure and various seasons as well.
- Flagship company of the Group.
- The Group has successfully diversified into auto parts and trading.
- Commenced its operations with 12,230 spindles, which have increased to 85,476 as of today (*Up: ~7x in last 35 years*) along with 3,592 rotors and 264 knitting machines.
- Operating in both, local and int'l markets during *FY24 comprises of Local Sales: 4% and Exports Sales: 96% of Gross Sales. (Direct Export 21%, Indirect Export 79%)*;
- Geared towards acquiring latest technology to provide its customers premium yarn and socks.
- Operating its own power plant of 17.1 MW and Solar Capacity of 10.5 MW currently installed which will be increased to 12.7 MW by end of January 2025.;



MANAGEMENT INFORMATION

Board of Directors

Mr. Muhammad Aslam Parekh	Chairman
Mr. Abdul Kadir Adam	Chief Executive
Mr. Mohammad Yasin Siddik	Executive Director
Ms. Naila Hasan	Independent Director
Mr. Mohammad Raziuddin Monem	Independent Director
Ms. Lubna Asif Balagamwala	Non-Executive Director
Mr. Tanzeel Abdul Sattar (NIT Nominee)	Non-Executive Director

Managing Director

Mr. Zaid Siddik

Chief Financial Officer

Ms. Shenila Parekh

Company Secretary

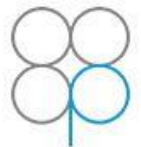
Mr. Hammad Ullah Khan

Auditors

Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants

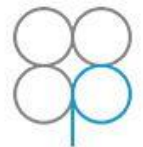


CERTIFICATIONS



FINANCIAL SUMMARY

PKR Million	FY'24	FY'23	YoY
Sales	27,076	22,829	19%
Gross Profit	3,740	3,939	-5%
Operating Profit	2,736	3,113	-12%
Finance Cost	3,071	2,238	37%
PBT	(512)	1,043	-149%
PAT	(441)	1,043	-142%
Total Assets	30,540	28,049	9%
Total Equity	8,492	9,153	-7%
GP Margin (%)	14%	17%	-20%
NP Margin (%)	-2%	5%	-136%
EPS (Rs.)	(71.60)	169.18	-142%
DPS (Rs.)	0.00	25.00	-100%



FINANCIAL SUMMARY

PKR Million	1Q FY'25	1Q FY'24	YoY
Sales	7,829	6,753	16%
Gross Profit	1,121	1,040	8%
Operating Profit	873	805	8%
Finance Cost	663	728	-9%
PBT	101	24	315%
PAT	101	24	315%
Total Assets	30,332	30,540	-1%
Total Equity	8,593	8,492	1%
GP Margin (%)	14.32%	15.41%	-7%
NP Margin (%)	1.29%	0.36%	258%
EPS (Rs.)	16.40	3.96	314%



BUSINESS REVIEW (ANNUAL)

- Net revenue grew by 19%, YoY to PKR27bn, in FY24.
- Export sales grew by 17% in FY24 and local sales up by 63% in FY24.
- In FY24, utilization level of Spinning Division stood at 91% and Sock reached at 81%.
- The company incurred capital expenditure of PKR4bn in FY24.



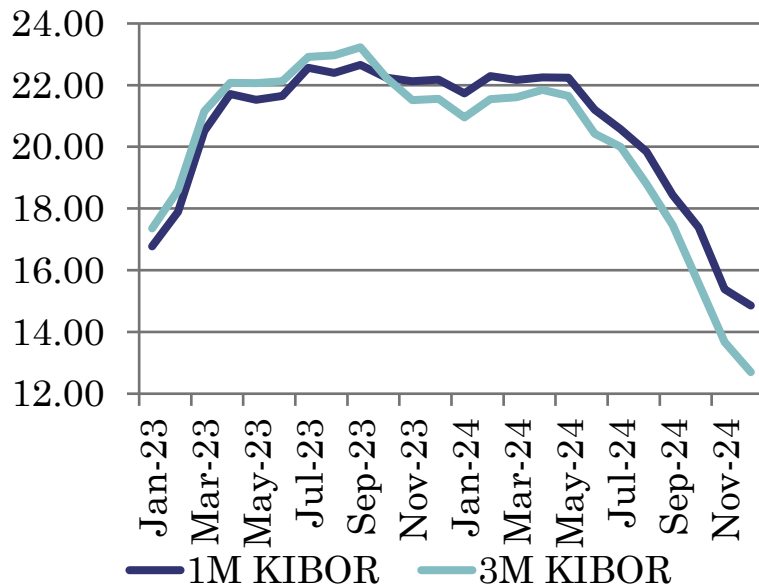
WORKING NOTES (RS, MILLIONS)

Sales	FY'24	FY'23	
Gross Local Sales	1,195	731	63.35%
Gross Export Sales	26,056	22,317	16.75%
	27,251	23,048	18.23%
<i>Gross Local Sales</i>	4.38%	3.17%	
<i>Gross Export Sales</i>	95.62%	96.83%	
Raw Mat. Sales	41.94	69.85	-39.96%
	0.15%	0.30%	
	27,293	23,118	18.06%
Comm. & Disc.	217	289	-25.04%
	0.80%	1.25%	
Net Sales	27,076	22,829	18.60%

Cost of Sales	FY'24	FY'23	YoY
Raw Mat. Consumed	16,300	15,495	5.20%
Production Expenses	5,956	3,506	69.90%
	22,256	19,001	17.13%
Total COGS	23,336	18,889	23.54%
As a % of Net Sales			
Raw Mat. Consumed	60.20%	67.88%	
Production Expenses	22.00%	15.36%	
Share in COGS			
Raw Mat. Consumed	69.85%	82.03%	
Production Expenses	25.52%	18.56%	



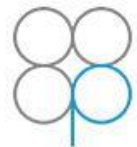
WORKING NOTES (Rs, MILLIONS)



Finance Cost	FY24	FY23	YoY
L.T. Finance	1,009	468	116%
S.T. Borrowings	1,753	1,406	25%
Total Finance Cost	2,762	1,874	47%
L.T. Loans (Incl. ST)	8,225	6,640	24%
S.T. Borrowings	9,079	8,137	12%
Avg. Borrowing Cost			
L.T. Loans	12%	7%	5%
S.T. Borrowings	19%	17%	2%
<i>LT. Loans @ SBP + Spread</i>			
<i>ST. Loans @ 1M/3M KIBOR + Spread</i>			

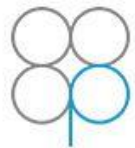
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Period of Financing	SBP Rate of Finance	End User's Rate
Over 5 Years, Upto 10 Years	SBP + (0.60%, 1.75%)	2.60%, 3.75%



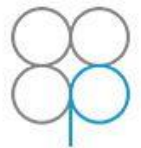
KEY NUMBERS: 5-YEAR HISTORY

Key Numbers	2024	2023	2022	2021	2020
Net Sales (Rs. Mn)	27,076	22,829	19,977	11,484	8,771
P.A.T. (Rs. Mn)	-441	1,043	4,310	1,386	181
Fixed Assets (Rs. Mn)	15,031	12,188	10,011	6,788	4,208
GP Margin (%)	14%	17%	28%	21%	14%
Op. Margin (%)	10%	14%	25%	18%	11%
NP Margin (%)	-2%	5%	22%	12%	2%
Current Ratio (x)	1.18	1.36	1.63	1.41	1.11
EPS (Rs.)	(71.60)	169.18	699.4	224.93	29.44
Cash Div.	0%	250%	1000%	500%	80%
Spindles Installed	93,471	91,455	91,782	85,538	81,660
Spindles worked	84,851	79,440	87,742	81,348	69,778
Production Cap. Conv. 20/s (Kgs, Mn)	36.06	34.59	42.26	33.35	33.62
Actual Prod. Conv. 20/s (Kgs,Mn)	33.57	30.54	39.97	31.43	28.73
No. of Knitting Machines installed	264	208			
No of Knitting Machines operated	264	208			
Installed capacity of socks in Dozen	2,302,560	2,160,000			
Actual production of socks in Dozen	1,863,088	719,221			



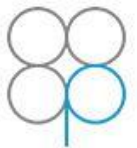
DIVIDEND PAYOUT HISTORY - 10 YEARS

FY	Cash Dividend
FY24	0%
FY23	250%
FY22	1000%
FY21	500%
FY20	80%
FY19	225%
FY18	225%
FY17	125%
FY16	100%
FY15	60%



FORWARD LOOKING INFORMATION

- The textile sector, including Premium Textile Mills Ltd, has significant growth opportunities.
- Shifts in global supply chains, such as decoupling from China and disruptions in Bangladesh, open avenues for Pakistan to capture a larger market share.
- With effective policy reforms and consistency, the sector can improve competitiveness and profitability.
- Reliance on Green and Steam consumption electricity generation to stabilize the cost of production.
- Support from Govt:
 - Level Playing Filed
 - Consistency of Policies
 - Law and Order



PAKISTAN TEXTILE SECTOR: OUTLOOK

- **Rising Energy Costs:** Constant increases in energy tariffs significantly raise operational costs and inconsistent energy policies.
- **High Markup Rates:** Interest rates had surged to 22%, increasing financial burdens.
- **EFS Facility Withdrawal:** Removal of the Export Finance Scheme (EFS) has led to a huge increase in imports of textile products, intensifying competition from competitors.
- **Tax Disparity:** Imported goods under EFS are exempt from sales tax and income tax at the import stage, while local suppliers face these taxes, putting them at a disadvantage.
- **Gas Supply Uncertainty:** The government's plan to disconnect gas supply to captive power sectors by January 2025 creates uncertainty around investing in power house upgrades.



Q&A
THANK YOU

