Redco Textiles Limited

RTL-CBS-2026-02

November 23, 2026

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

Dear Sir,

Subject: PRESENTATION OF CORPORATE BRIEFING SESSION (CBS)

Please find attached the presentation to be presented in the Corporate Briefing Session (CBS) of **Redco Textiles Limited** to be held on 25-11-2026 and announced through PUCARS vide Post ID: 289598 dated November 20, 2026.

Further, please find below the hyperlink of the CBS presentation:

Hyperlink of CBS Presentation:
https://redcotextiles.com/wp-content/uploads/2026/11/Corporate-Briefing-Session-2026.pdf

Yours sincerely,

MUHAMMAD KASHIF
Company Secretary

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www.redcotextiles.com

REDCO TEXTILES LIMITED

CORPORATE BRIEFING SESSION 2026

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COMPANY PROFILE

- REDCO TEXTILES LIMITED is a Public Limited Company, incorporated in Pakistan on 17 October 1991. It was incorporated under the repealed Companies Ordinance, 1984 now the Companies Act, 2017 and is listed on Pakistan Stock Exchange with Company Registration Number 0025468. Redco's principal activities include manufacture and sale of yarn and greige fabric. The Company is also generating its revenue by conversion of yarn into fabrics. The registered office of the Company is situated at 78-E, Redco Plaza, Blue Area, Islamabad. The manufacturing facility is located at 3-km, Rawat-Kallar Seydan Road, P.O Sagri, Rawat, Rawalpindi, District Rawalpindi in the Province of Punjab.
- SPINNING UNIT (temporarily closed)
- WEAVING UNIT

CORPORATE STRUCTURE

- Redco Textiles Limited is an ISO 9001 certified, established in 1992. Its operations are vertically integrated from the manufacturing of fiber through to fabric.

- Associated Companies
    - Redco Pakistan Limited
    - Royal Holding (Private) Limited

BOARD OF DIRECTORS

- **Mrs. Manizah Saif (Chairperson)**

  She is member of Audit Committee. She has devised many policies to increase the check and control of management and better implementation of audit policies.

- **Mrs. Sarah Muhammad Saya (Chief Executive)**

  She looks after the Marketing and Finance side of business. She has taken the lot of interest in promoting company's products in local and overseas markets. She has keen interest in the Textile Industry and working diligently. Mrs. Sarah Muhammad Saya belongs to a family of leading industrialists of the country.

- **Mr. Ahsan Ur Rehman Khan (Non-Executive Director)**

  Mr. Ahsan ur Rehman Khan has Master degree in Business Management (Marketing). He has vast experience in marketing and gives the new and advanced marketing strategies to cope up with the Demand and Supply.

BOARD OF DIRECTORS

- **Mr. Yousuf Hassan Khan (Independent Director)**

  Mr. Yousuf Hassan Khan brings extensive expertise and strategic vision to the company.

- **Mr. Junaid Khan (Independent Director)**

  Mr. Junaid Khan has fifteen years of working experience in international banking and financial institutions. Currently he is working as an independent director in Redco Textiles Limited. He is a regular member of Chartered Finance Analyst (CFA) Institute since September 2012. He also holds graduation degree.

- **Ms. Ayesha Saif Khan (Executive Director)**

  She looks after the marketing and planning side of business in support of CEO. Ms. Ayesha Saif Khan belongs to a family of leading industrialist of the country.

- **Mrs. Samina Asad Khan (Non- Executive Director)**

  Mrs. Samina Asad Khan brings with her extensive experience in the textile sector. She has previously served on the Board of REDCO Textiles Limited as a Non-Executive Director for more than 25 years, where she contributed effectively to strategic oversight and governance.

BOARD COMMITTEES

- **Audit Committee**
  - Mr. Yousuf Hassan Khan — Chairman
  - Mrs. Manizah Saif — Member
  - Mr. Ahsan Ur Rehman Khan — Member
- **HR and Remuneration Committee**
  - Mr. Yousuf Hassan Khan — Chairman
  - Mrs. Sarah Muhammad Saya — Member
  - Mrs. Manizah Saif — Member

MANAGEMENT TEAM

- **Mrs. Sarah Muhammad Saya (CEO)**
  She looks after Marketing and Finance side of business.

- **Mr. Monim Ul Haq (CFO)**
  He is Qualified Chartered Accountant overseeing the management of the company's finances.

- **Mr. Muhammad Kashif (Company Secretary)**
  He is Senior corporate professional, primarily responsible for the company's secretarial matters.

SHAREHOLDING PATTERN

- Shareholding Structure:

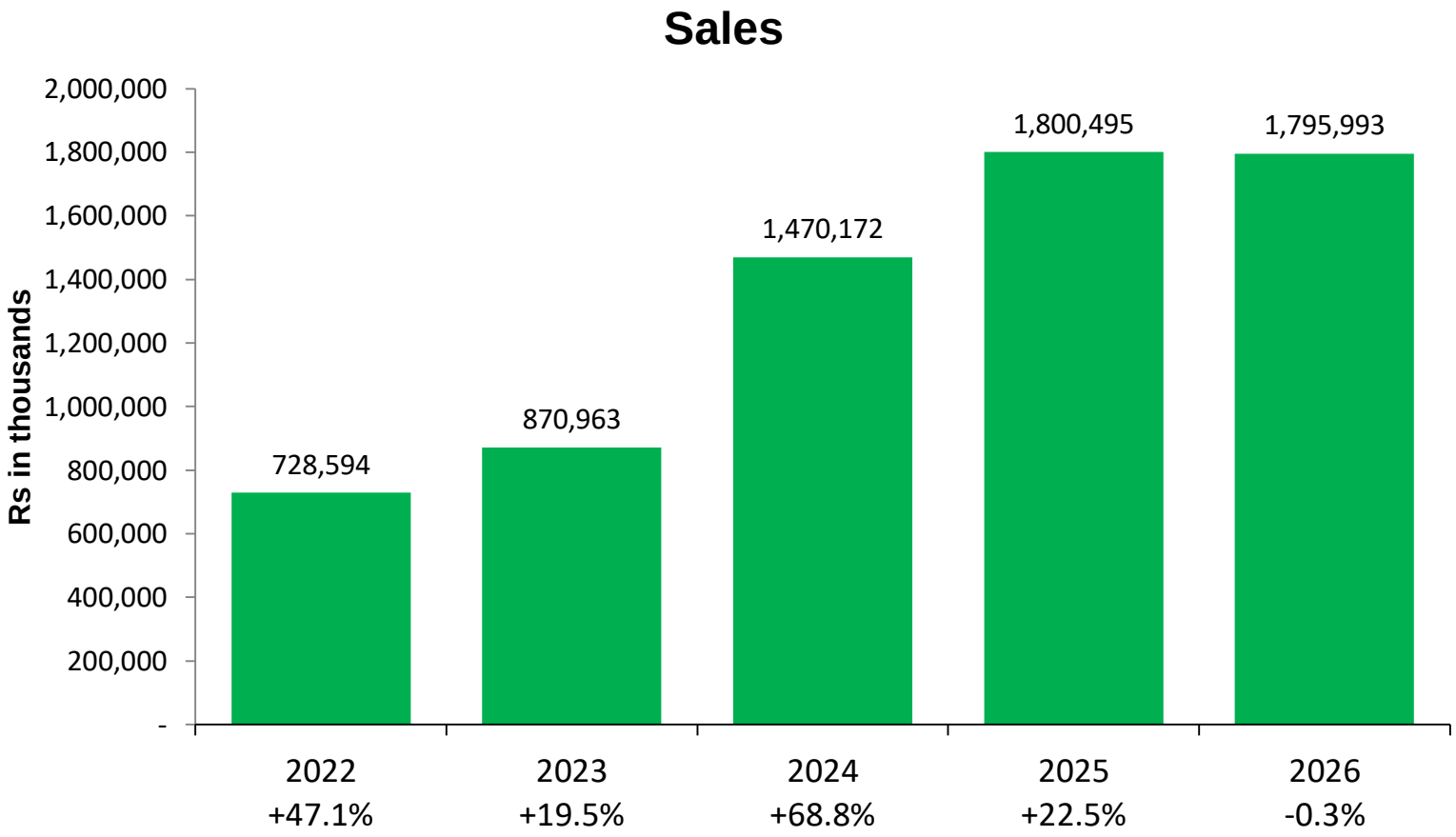
Issued Share Capital of the Company:	49,292,600
Physical Shares:	41,989,900
Directors, Sponsors and Senior Management Officers and Associates:	6,373,990
Free Float Shares:	928,710

- Major Shareholders (Holding > 5%)
  1. Mrs. Sarah Muhammad Saya
  2. Mr. Ahsan Ur Rehman
  3. Mr. Saif-ur-Rehman Khan

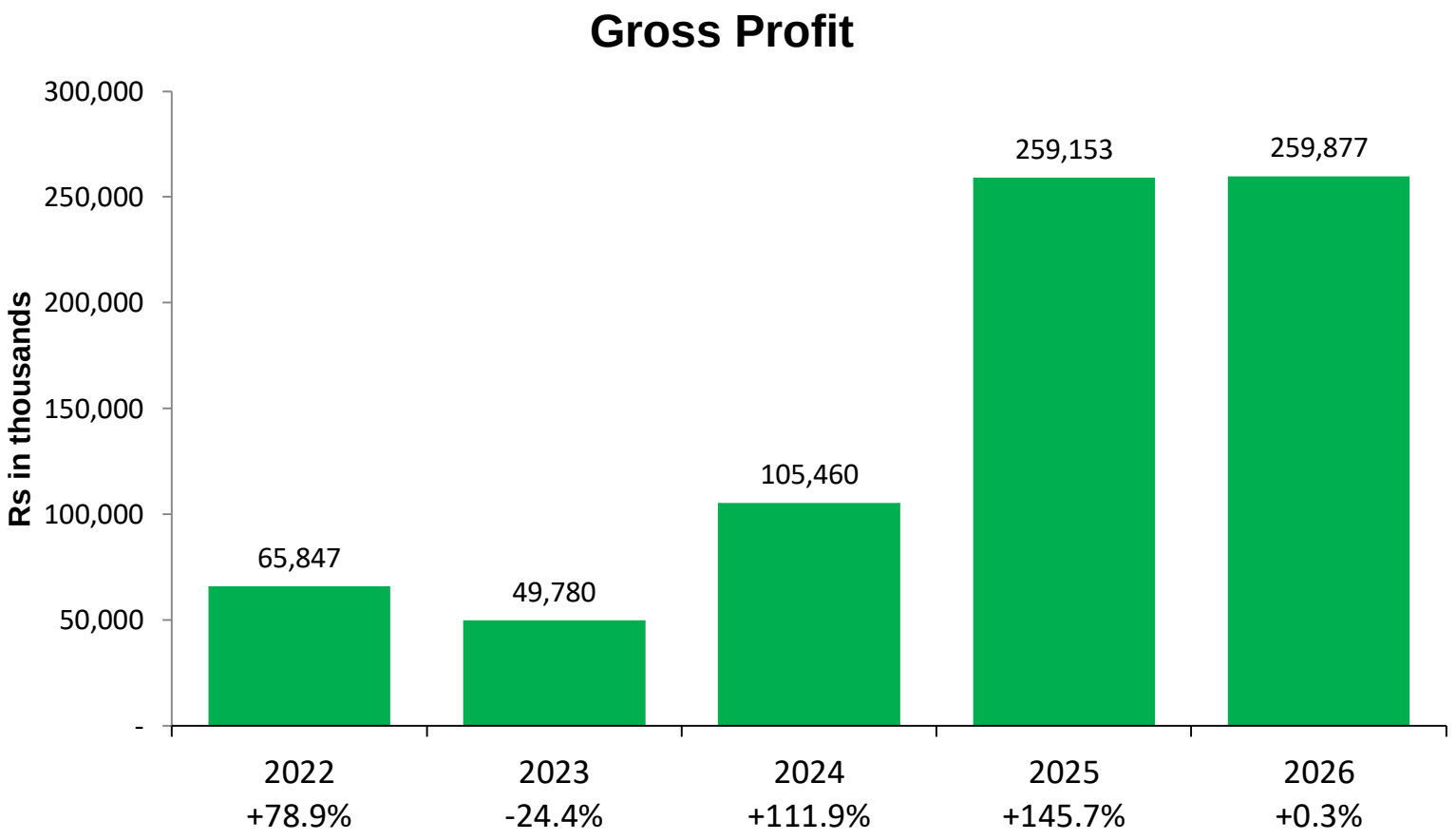
KEY STRATEGIC & OPERATIONAL DEVELOPMENT

- Expansion Plans: Future plans include incremental loom installations, automation upgrades, and energy-efficient machinery to improve productivity, reduce costs, and strengthen the Company's competitiveness in both local and export markets.
- In-coming Directors: Mr. Yousuf Hassan Khan (Independent Director) and Mrs. Samina Asad Khan (Non-Executive)
- Operations:
  - The Weaving Unit of the Company consists of 244 Toyota Airjet Looms (Out of this 44 Looms installed during the year) with the installed capacity of 79,122,666 meters at 60 picks.
  - The actual cloth produced during the year was 38,297,308 meters.
  - Total number of employees as at 30th June 2026 were 618.

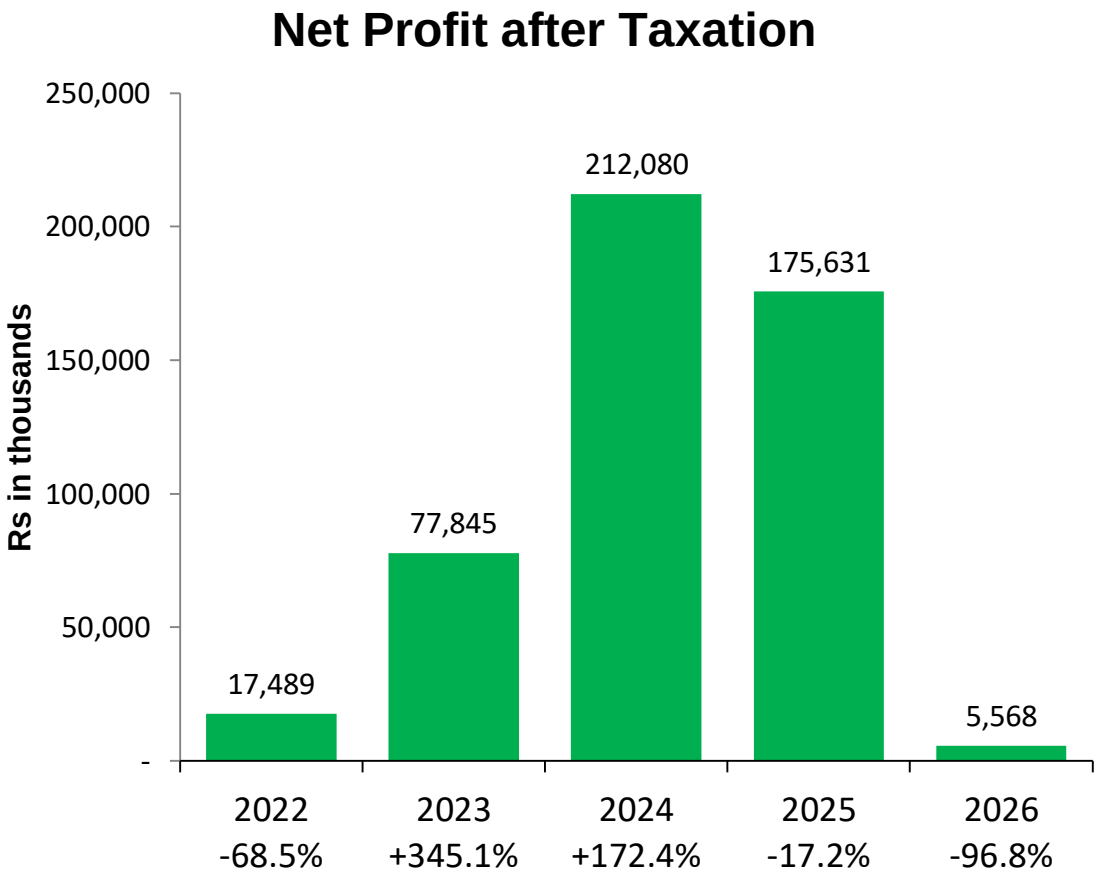
HISTORICAL FINANCIAL HIGHLIGHTS



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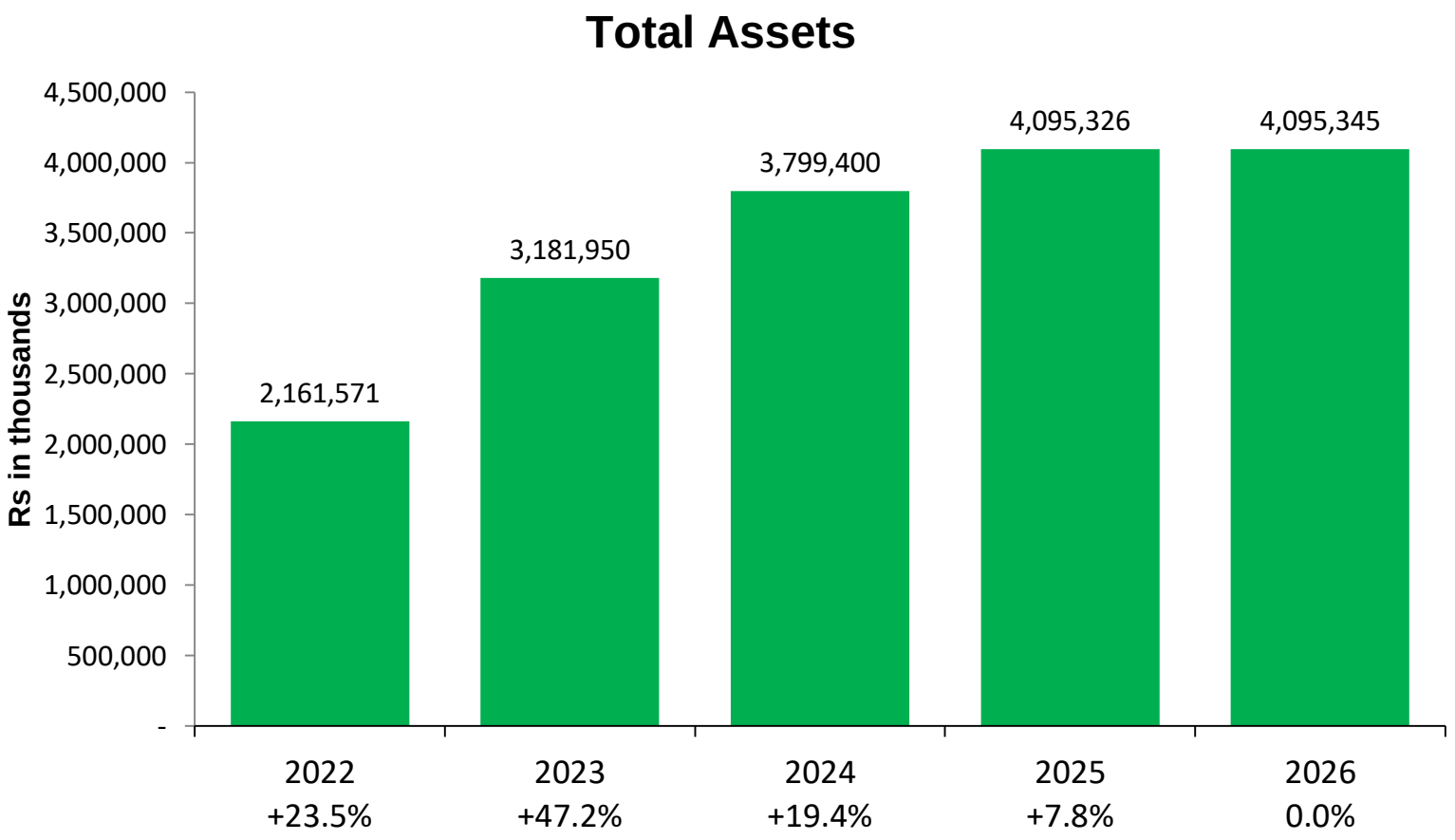
2026: -96.8% (Rs 175.6m to Rs 5.6m)

Other operating expenses rose to Rs 118.9m (2025: Rs 20.1m), including an impairment loss of Rs 87.9m on plant & machinery.

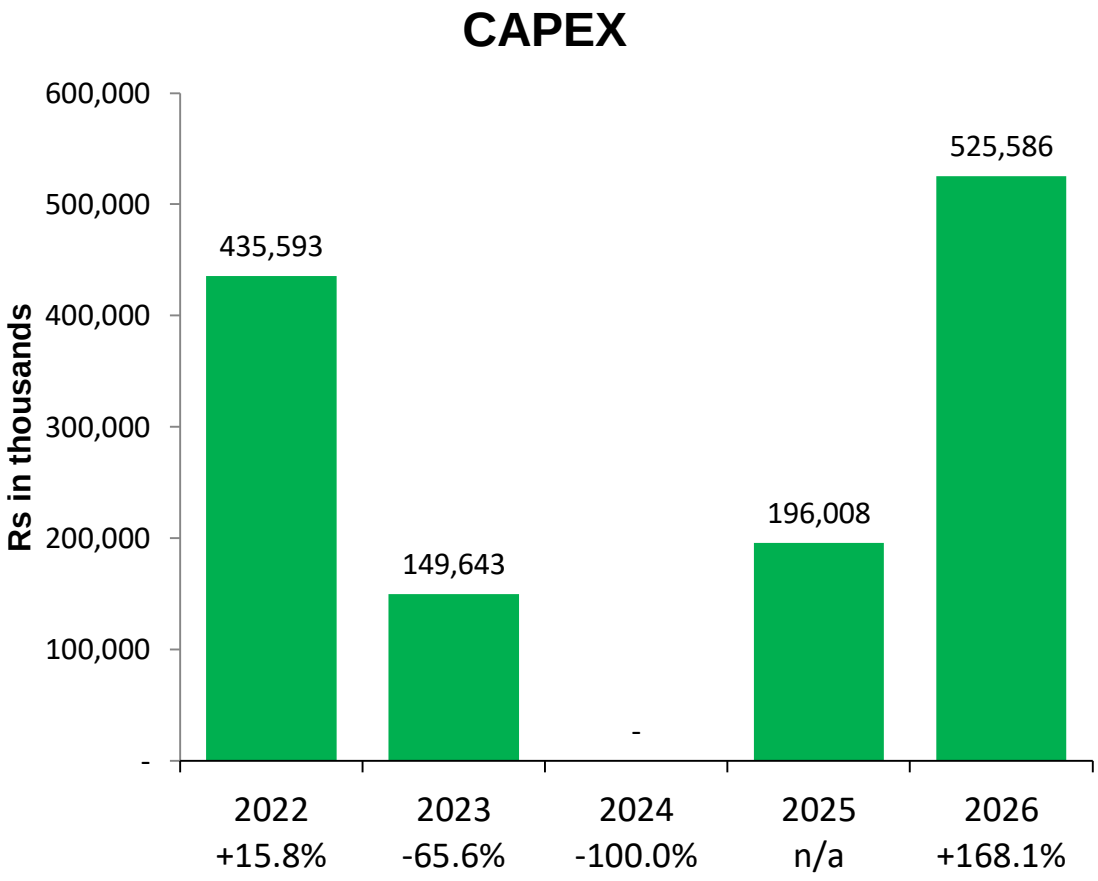
Deferred tax charge of Rs 90.7m (2025: Rs 13.1m).

Other income fell to Rs 13.8m (2025: Rs 22.3m); lower levies (Rs 22.5m vs Rs 38.7m) partly offset.

HISTORICAL FINANCIAL HIGHLIGHTS



HISTORICAL FINANCIAL HIGHLIGHTS



2026: +168.1% (Rs 196.0m to Rs 525.6m)

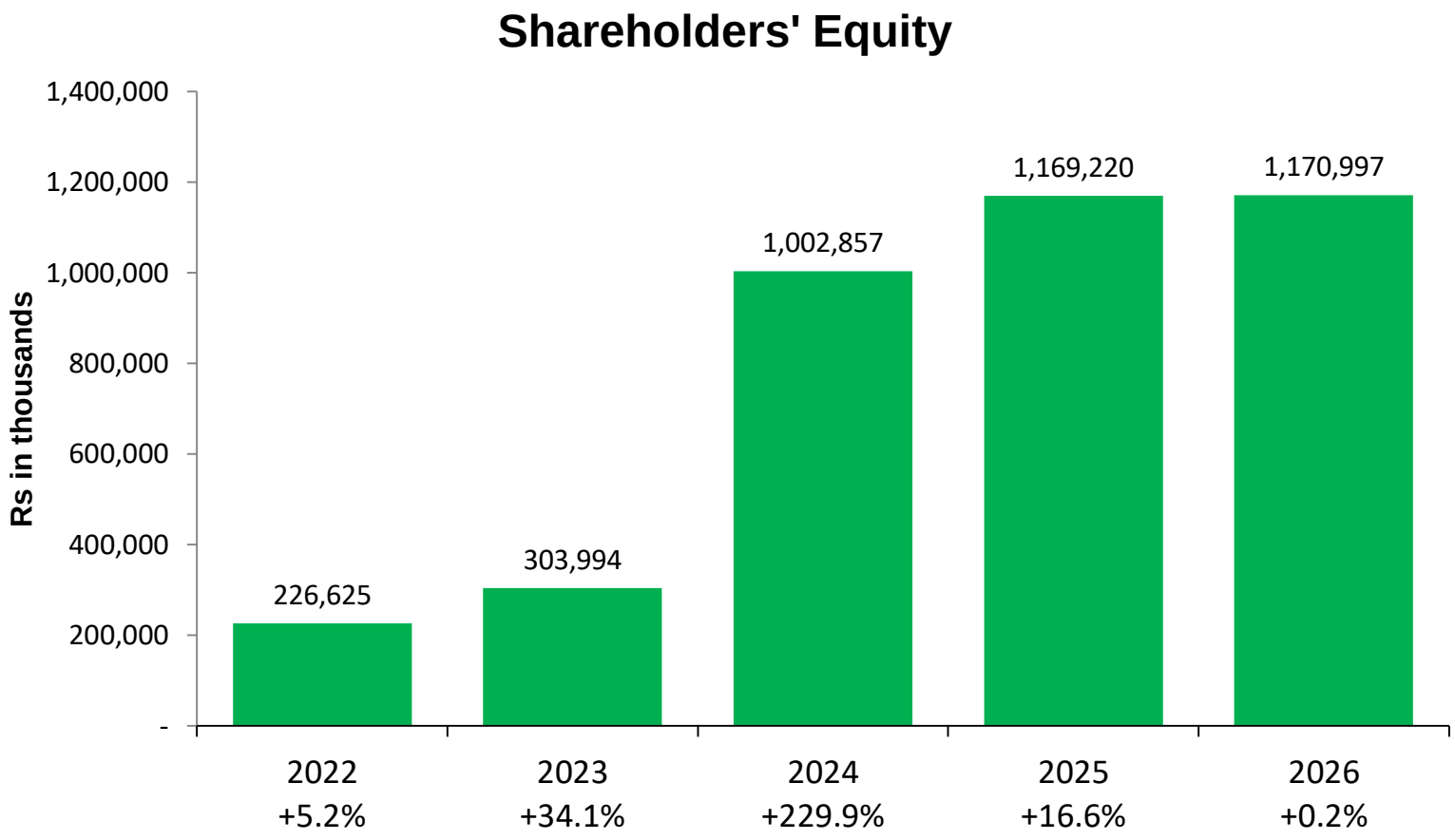
Almost entirely plant & machinery additions (Rs 525.5m).

Weaving capacity expanded: 44 more Toyota air jet looms installed, taking the total to 244 (2025: 200).

In 2025 spending was mainly tools & equipment (Rs 191.4m) and the solar system.

Consistent with stated plans for loom installations, automation and energy-efficient machinery.

HISTORICAL FINANCIAL HIGHLIGHTS



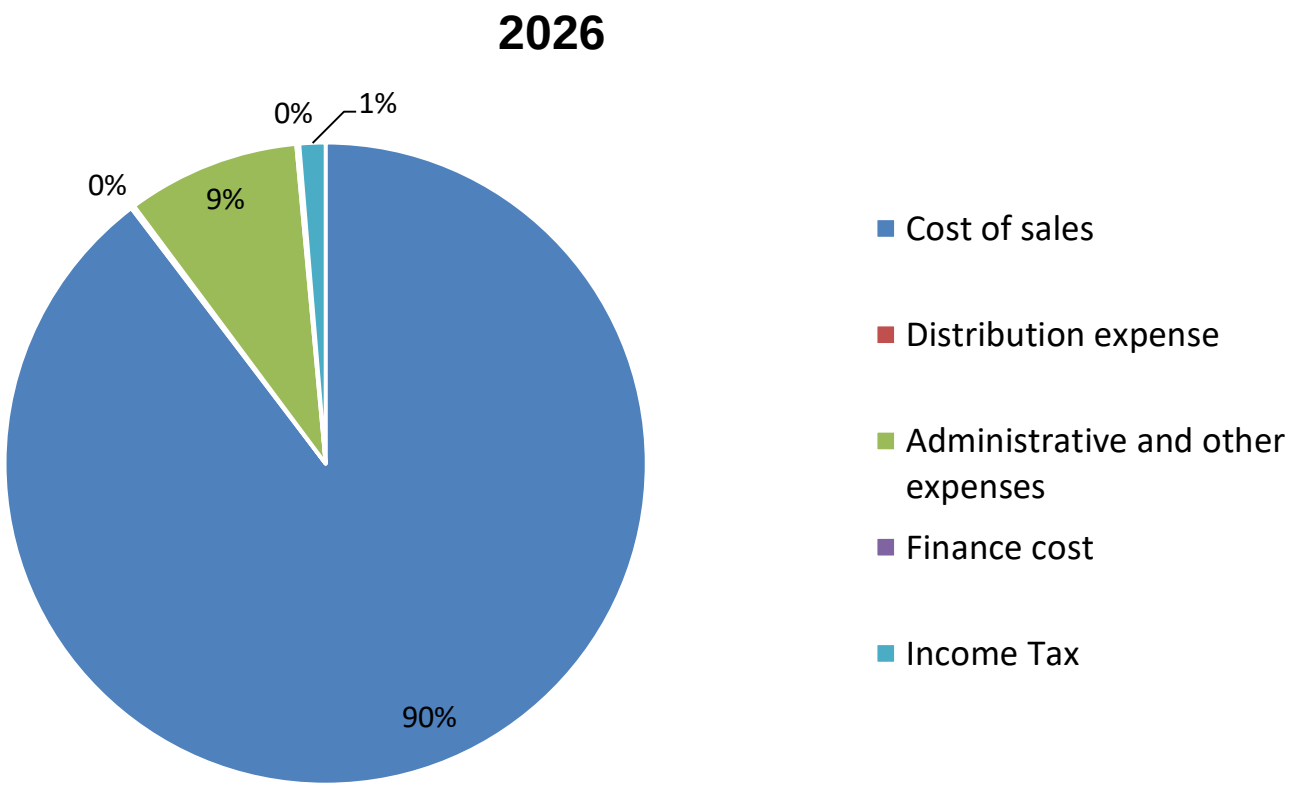
FINANCIAL RESULTS 2026 vs 2025
INCOME STATEMENT

- **Sales** Rs. 1,795.993 million (2025: Rs. 1,800.495 million)
- **Gross Profit** Rs. 259.877 million (14.47% of Sales) [2025: Gross profit Rs. 259.153 million (14.39% of Sales)]
- **Profit after taxation** Rs. 5.568 million (0.31% of Sales) [2025: Profit after taxation Rs. 175.631 million (9.76% of Sales)]

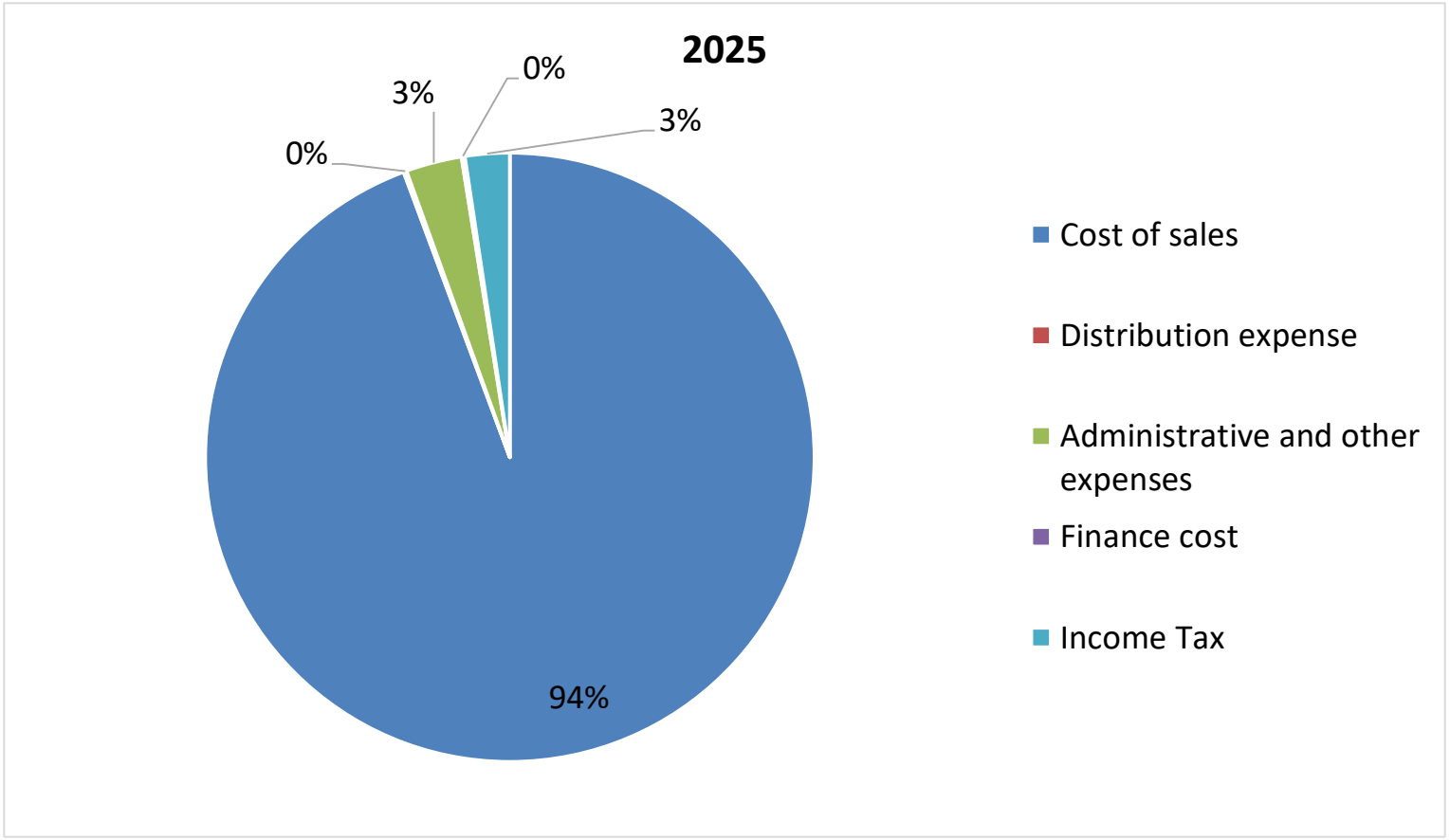
Statement of value addition and its distribution

	2026		2025	
	Rs. In thousand	% age	Rs. In thousand	% age
Sales	1,795,992	99.24	1,800,495	98.78
Other income	13,772	0.76	22,286	1.22
Total	**1,809,764**	**100.00**	**1,822,781**	**100.00**
Value distribution				
Cost of sales	1,536,115	85.14	1,541,343	93.58
Distribution expense	3,028	0.17	2,585	0.16
Administrative and other expenses	149,267	8.27	48,589	2.95
Finance cost	2,657	0.15	2,846	0.17
Levies (minimum tax)	22,450	1.24	38,661	2.35
Deferred tax	90,679	5.03	13,126	0.80
Total	**1,804,196**	**100.00**	**1,647,150**	**100.00**
Profit	**5,568**		**175,631**	

Statement of value addition and its distribution



Statement of value addition and its distribution



Balance Sheet Assets

	2026		2025	
	Rs. In thousand	% age	Rs. In thousand	% age
Property, plant and equipment	3,088,614	75.42%	2,834,793	69.22%
Long term investment	167	0.00%	110	0.00%
Long term deposits	23,584	0.58%	20,440	0.50%
Stores, spare parts and loose tools	118,158	2.89%	72,826	1.78%
Stock in trade	166,628	4.07%	74,878	1.83%
Trade debts	248,621	6.07%	218,165	5.33%
Loans and advances	57,469	1.40%	584,382	14.27%
Short Term Investments	22,000	0.54%	22,000	0.54%
Trade deposits and short term prepayments	1,467	0.04%	1,467	0.04%
Tax refunds due from Government	105,607	2.58%	67,700	1.65%
Cash and bank balances	263,029	6.42%	198,565	4.85%
Total	**4,095,345**	**100.00%**	**4,095,326**	**100.00%**

Balance Sheet Equity & Liabilities

	2026		2025	
	Rs. In thousand	% age	Rs. In thousand	% age
Shareholders Equity	1,170,997	28.59%	1,169,220	28.55%
Staff retirement benefits-gratuity	59,729	1.46%	47,780	1.17%
Deferred Taxation	180,408	4.41%	91,301	2.23%
Trade and other payables	284,991	6.96%	365,754	8.93%
Short term borrowings from associated undertakings	967,363	23.62%	972,030	23.74%
Short term borrowings from directors and others	1,431,856	34.96%	1,449,241	35.39%
Total	**4,095,345**	**100.00%**	**4,095,326**	**100.00%**

KEY PERFORMANCE RATIOS

	2026	2025
Balance Sheet Ratios		
Return on equity	0.48%	15.00%
Current Ratio	0.37	0.44
Quick Ratio	0.26	0.28
Earnings per share	0.113	3.563
Price Earnings (P/E) Ratio	29.76/0.113	7.41/3.563

Return on equity 0.48% (15.00%): profit fell 96.8% on near-unchanged equity of Rs 1,171m.

EPS Rs 0.113 (Rs 3.563): same 49.29m shares, lower profit.

Current ratio 0.37 (0.44): current liabilities of Rs 2,684m vs current assets of Rs 983m; loans & advances fell from Rs 584m to Rs 57m.

Quick ratio 0.26 (0.28): higher stock in trade and stores (Rs 285m vs Rs 148m).

P/E 29.76/0.113 (7.41/3.563): implied P/E of about 263x vs 2.1x, as EPS fell far faster than price.

KEY REVENUE DRIVERS

- **Product mix:** Revenue is almost wholly local sales of greige fabric mainly conversion; no yarn or export sales in 2026.
- **Capacity expansion:** 44 new Toyota air jet looms took the weaving unit to 244 looms (2025: 200); installed capacity up 23% to 79.1m meters.
- **Production:** Cloth output rose 12.4% to 38.3m meters (2025: 34.1m); capacity utilisation 68% (2025: 70%) as the new looms ramp up.
- **Pricing & competition:** Buyers remain cautious, with local and imported fabrics pressuring selling prices, so net sales held at Rs 1,796m (2025: Rs 1,800m), down 0.25%.
- **Margins:** Gross profit steady at Rs 259.9m (14.47% of sales) despite rising electricity, gas and fuel costs, alongside the shift to solar power.
- **Deductions:** Sales tax of Rs 339.7m (2025: Rs 338.8m) and commission of Rs 8.6m (2025: Rs 4.1m) are deducted from gross sales of Rs 2,144.2m.

IFRS 8 RELATED DISCLOSURES (OPERATING SEGMENT)

1. Information about products and services

- The Company operates as a single business unit; no operating segments.
- Revenue: Fabric Rs 2,137.1m (2025: Rs 2,133.5m); Waste sale Rs 7.2m (2025: Rs 9.9m).

2. Information about geographical areas

- All sales are domestic (local); no export sales in 2026 or 2025.
- Manufacturing facility is located at Rawat, Rawalpindi, Pakistan.

3. Information about major customers

- No customer contributing 10% or more of revenue.
- Management is ambitious to diversify its customer base.

SUSTAINABILITY & ENVIRONMENTAL MEASURES

- **Solar energy:** continued investment in solar-based power projects for a cleaner environment; solar panels being installed at the premises.
- **Energy efficiency:** energy-efficient practices adopted to minimise wastage; shift towards alternate energy sources and energy-efficient machinery.
- **Carbon footprint:** steps taken to reduce the carbon footprint of production.
- **Water stewardship:** prudent use of water to minimise wastage.
- **Compliance:** initiatives aligned with EPA standards and emerging ESG standards.
- **Governance:** Board oversees sustainability strategy, priorities and targets; responsibility assigned to the Audit Committee; consultant to be engaged for sustainability regulation compliance.
- **People:** employee safety and well-being a top priority, with continuous training and compliance with workplace safety standards.

FUTURE OUTLOOK

We have a clear strategy and our focus for the year ahead remains on expanding our position in the textile sector with ongoing investment in textile sector businesses as we continue to build path ways towards future, sustainable and long-term growth and by shifting towards alternate energy source during the year and as a part of this step the Company is in the process of installing solar panels at its premises. Because of PKR appreciation against U.S Dollar during the year, the textile outlook is expected to remain favorable; however, high energy and fuel prices are creating pressure on textile industry. Moreover, sustained growth requires consistent reforms. An educated Pakistan, energy and water security, alongside permanent improvement in security is critical to economic growth in Pakistan. Management of your company is closely watching the textile current outlook for timely procurement and investment focusing efforts on minimizing cost by enhancing capacity, improving efficiencies to achieve the favorable financial results for forthcoming financial year.

Disclaimer: *Actual results may vary from those forecasted or estimated in case of forecast or estimate of financials or operations and inclusion of assumptions or basis for such forecast or estimate.*

STATEMENT OF COMPLIANCE (COCG)

- The financial statements presented by the management of the company presents fairly its affairs, the results of its operations, cash flows and changes in equity.
- Proper books of account of the company have been maintained.
- International Financial Reporting Standards (IFRS) and International Auditing Standards (IAS), as applicable in Pakistan have been followed in preparation of financial statements; any departure there from has been adequately disclosed.
- Appropriate accounting policies have been consistently applied in preparation of financial statements.
- The system of internal control is sound in design and it has been effectively implemented and monitored. The process review will continue and any weakness in internal control will be removed.
- There are no significant doubts upon the listed Company's ability to continue as a going concern.
- There has been no material departure from the best practices of corporate governance as detailed in listing regulations.
- Key operating financial data for the last six years in summary form is annexed.
- There are no levies and penalties due as on June 30, 2026.
- No any trade in the shares of the Company were carried out during the year by the Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary, their spouses and minor children.

CORPORATE GOVERNANCE

- BOARD MEETINGS HELD

  During the year FIVE board meetings were held.

  These meetings were held in a satisfying environment focusing on achieving the overall objectives of the Company.

- BOARD EVALUATION PRACTICES

  The Board remains confident that with prudent strategies, effective management, and the support of all stakeholders, the Company will continue to deliver value in the coming years.

RISK FACTORS & INTERNAL CONTROLS

- **Major Business Risks:**
  - Declining margins on local sales due to increased competition at local and regional levels.
  - Increased finance costs due to higher interest rates.
  - Overall inflationary increase in operating expenses.
  - Head on competition amongst textile manufacturers on price as well as on sales.
  - Market disruptions due to the new tax laws, law-and-order situation, political uncertainty and floods in Pakistan.

- **Internal Controls:**

  The system of internal control is sound in design and it has been effectively implemented and monitored. The process review will continue and any weakness in internal control will be removed.

AUDITORS & LEGAL COUNSEL

- **External Auditors** Mushtaq & Co.

  Chartered Accountants

- **Legal Advisors** Cornelious Lane & Mufti

- **Internal Auditors** Muniff Ziauddin & Co.

  Chartered Accountants

CONTACT INFORMATION

- Company Secretary: **Mr. Muhammad Kashif**
  Tel: +92 333 5276087
  Fax: +92 51 2344252

- Investor Relations (Contact): Pakistan (Head Office)
  Redco Textiles Limited, Redco Plaza, 4th Floor, 78-E Blue Area, Islamabad, 44000. Tel: (+92-51) 2344257 | Fax: (+92-51) 2344256, sales@redcogroup.com

- Website & E-mail Address:
  - https://redcotextiles.com/
  - sales@redcogroup.com

Q & A SESSION




Thank
YOU!