MASOOD TEXTILE MILLS LIMITED

Corporate Briefing Session

Year Ended 30 June 2026



Disclaimer and Forward-Looking Statements

1 Basis of this presentation

- Prepared by Masood Textile Mills Limited (MTM) on the basis of its audited financial statements for the year ended 30 June 2026, as laid before the 42nd Annual General Meeting held on 27 October 2026.
- Figures are in Pakistani Rupees and, unless stated otherwise, in millions. Totals may differ slightly due to rounding.
- It should be read together with the Annual Report 2026 available at www.masoodtextile.com.
- Nothing in this presentation is an offer, solicitation or investment advice.

2 Forward-looking statements

- Some statements reflect management's current expectations, estimates and opinions about future events, including order book, market conditions and project timelines.
- They are based on the assumptions stated on the relevant slides and are subject to risks and uncertainties.
- **Actual results may vary materially** from those forecast or estimated.
- Statements of opinion are management's views and are not presented as facts. The Company undertakes no obligation to update them except as required by law.

Agenda

01

Company Overview

Business model, customers, markets and Shariah compliance

02

FY’26 Performance

Operations, financial highlights and six-year trends

03

Risks & Outlook

Key risks, growth drivers and FY’27 priorities

04

Q&A

Questions received in advance and from the floor



01

Company Overview

Four decades of vertically integrated knitwear, from fibre to finished apparel

Introduction

Masood Textile Mills Limited (MTM) started as a spinning unit in 1984 under the leadership of Ch. Nazir Ahmed (late) and has grown into a fully integrated textile unit focused on value-added products.

Particulars	Details
Date of incorporation	3 October 1984
Registration number	0012223
NTN	0658678-3
Listing status	Listed on Pakistan Stock Exchange (Sector: Apparel)
Date of listing	20 July 1988
Credit rating (PACRA)	Long-term A · Short-term A2 · Long Term Sukuk A+ · Short Term Sukuk A1
Registered / head office	Universal House, 17/1 New Civil Lines, Bilal Road, Faisalabad
Mills	32-KM Sheikhupura Road, Faisalabad
Workforce	17,240 Avg. employees during FY-26
Auditors	Riaz Ahmad & Company, Chartered Accountants

Strong Capabilities – Business Model: From Fibre to Fashion

CAPITALS WE DRAW ON

Financial	Manufactured	Human	Intellectual	Natural	Relationships
Rs 23.40 bn equity	117-acre site	17,240 avg. employees	R&D, ERP, RFID	~10 MW solar	Brands, lenders

HOW WE CREATE VALUE



Fibre

Natural, regenerated, synthetic



Yarn

Spinning: melange, open-end, greige



Knitting

Knitting of fabric in-house



Dyeing & finishing

Dyeing and finishing of fabric



Garments

Cutting, printing, embroidery, stitching, processing



Export

To global brands

SHARED VALUE FOR STAKEHOLDERS

Customers	Employees	Environment	Shareholders	Finance providers	Government	Society
Quality products	Wages and skills	Responsible use	Returns	Repayment	Levies and taxes	Jobs and community

Shariah Compliance and PSX Reclassification

Become Shariah-compliant in Nov-26 Re-composition

KMI All Share Index

Reclassified by PSX on 6 July 2026 (from Textile Composite)

Apparel sector

Expected benefits of Shariah-compliant status, in management's view:

1. Access to a wider investor base through Islamic indices
2. Access to Islamic banking finance and SBP Islamic refinancing schemes
3. Ability to issue Shariah-compliant Sukuk
4. Readiness for the national transition to Islamic banking
5. Enhanced reputation and ethical positioning
6. Greater financial discipline through asset-backed financing

Our Customers – Leading Global Brands



Product Portfolio – From Yarn & Fabric to Garments



Energy Strategy – Powering Growth with Solar

SOLAR PROGRAMME

~10 MW

total solar capacity

6.2 MW energised

3.8 MW being installed

1. Lower energy cost protects margins
2. Less reliance on grid electricity
3. Lower emissions, aligned with brand sustainability goals



SUPPORTING ENERGY INFRASTRUCTURE

- **8 MW dedicated grid station**
- **10 MW captive plant, waste-heat recovery**
- **15 TPH biomass boiler**

Responsible Sourcing – RegenAgri® Cotton: Farm to Fashion

REGENERATIVE COTTON PROJECT

Working with an implementation partner, the Company runs a RegenAgri® cotton project that supports regenerative farming.

1. Access to **certified RegenAgri® cotton** on favourable terms
2. Helps win **premium customer orders** and meet responsible-sourcing requirements
3. **HUGO BOSS visited** the Company's RegenAgri® cotton project in the field


SCOPE CERTIFICATE

Scope Certificate Number: CU 808190-2023.01

Control Union declares that

Masood Textile Mills Ltd.

License Number CU 808190

32-Km, Sheikhupura Road, Faisalabad

Pakistan

has been inspected and assessed according to the

regenagri Content Standard (version 2.1)

and that products of the categories as mentioned below conform with this standard:

Product categories:

Children's apparel, Men's denim apparel, Women's denim apparel, Undyed yarns, Unisex denim apparel

Processing steps / activities carried out under responsibility of the above mentioned company for the certified products:

Dyeing, Embroidery, embellishment, Finishing, Knitting, Manufacturing, Printing, Spinning, Trading, Washing, laundering

This Certificate is valid until: 18 September 2024

Place and Date of Issue: Lymington, 19 September 2023

Stamp of the issuing body

regenagri Content Standard

Name of the authorised person

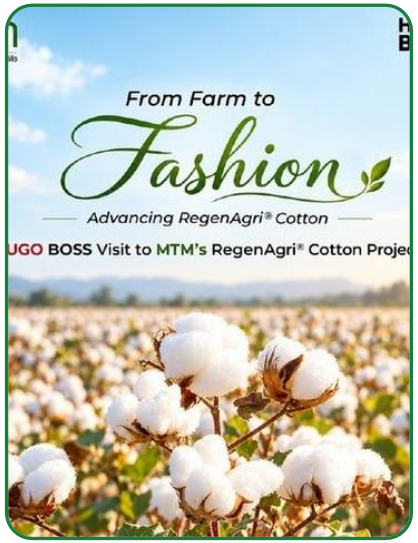
Ms. Bhagya Fonseka

Certifier

This Scope Certificates provides no proof that any goods delivered by its holder are regenagriCS certified. Proof of certification of goods delivered is provided by a valid Transaction Certificate (TC) covering them.

CONTROL UNION

Scope Certificate CU 808190-2023.01 and License number CU 808190, 19 September 2023, page 1 of











Awards & Recognition – Export, People and Compliance

★ **2025: four national awards**

- Best Export Award
- Women Empowerment Award
- CSR Award
- Disability Inclusion Award

Market

EXPORT PERFORMANCE

Best Export Award · **2025**

Exporters Recognition Award · **2020**

FPCCI Excellence Award · **2016**

President of Pakistan Award, Best Garments & Hosiery · **2015**

Prime Minister of Pakistan Award, Best Export · **2014**

President of Pakistan Award, Best Export · **2013**

President of Pakistan Awards, Best Export & Hosiery · **2010–11**

People

DIVERSITY & INCLUSION

Women Empowerment Award · **2025, 2024, 2022, 2020–21**

Disability Inclusion Award · **2025**

President Award on Women Empowerment · **2018–19, 2017, 2016, 2014**

EMPLOYER

Best Employer Award · **2024, 2022, 2015**

Best Employer Award on Gender Diversity · **2023**

President Award on Employees Well-being · **2022**

Compliance

HEALTH, SAFETY & CSR

CSR Award · **2025**

CSR Award, Women Welfare & Empowerment · **2024**

Best Practices Award, Occupational Safety, Health & Environment · **2023**



President of Pakistan Award


Women Empowerment Award



Best Employer Award



CSR Award



Best Practices Award

Certifications & Affiliations

CERTIFICATIONS







































AFFILIATIONS













02

FY’26 Performance

Gross margin at a six-year high and a strong rise in earnings per share



Six Years at a Glance – Profit or Loss

Rupees in million, unless stated

Year ended 30 June	2026	2025	2024	2023	2022	2021
Sales	**49,841**	59,202	58,677	60,106	54,147	37,089
Gross profit	**8,269**	9,021	9,526	8,088	6,542	5,307
Gross margin	**16.6%**	15.2%	16.2%	13.5%	12.1%	14.3%
Profit from operations	**4,304**	4,875	5,458	6,689	4,484	2,320
Finance cost	**(2,994)**	(3,858)	(5,000)	(3,199)	(1,473)	(1,282)
Profit before levy & tax	**1,310**	1,016	458	3,491	3,011	1,038
Profit / (loss) after tax	**809**	131	(470)	2,651	2,276	641
Net margin	**1.6%**	0.2%	(0.8%)	4.4%	4.2%	1.7%
EPS, basic (Rs)	**11.46**	1.20	(7.95)	38.54	33.24	9.06

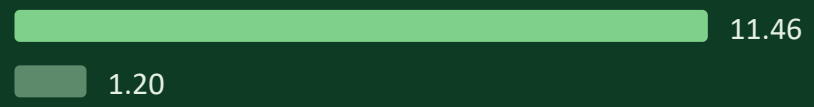
FY'26	Sales	Profit	EPS
Q1 Jul–Sep	12,846	204	2.89
Q2 Oct–Dec	11,735	203	2.88
Q3 Jan–Mar	11,914	196	2.78
Q4* Apr–Jun	13,346	206	2.91
FY2026	**49,841**	**809**	**11.46**

Gross margin of 16.6%
A six-year high

Finance cost down 22.4%
6.0% of sales, from 8.5% in FY'24

Basic EPS (Rs)
11.46

▲ 9.6× FY'25



Diluted EPS (Rs)
10.86 FY'25: 1.11

*Q4 derived as full year less nine months

Six Years at a Glance – Statement of Financial Position

PACRA rating A / A2 · Stable outlook

Rupees in million, as at 30 June

Particulars	2026	2025	2024	2023	2022	2021	FY'26 vs FY'25
Non-current assets	**22,378**	15,907	17,449	15,495	14,246	13,899	**40.7%**
Current assets	**39,355**	38,404	37,702	39,746	34,207	26,509	2.5%
Total assets	**61,733**	54,311	55,152	55,241	48,453	40,407	**13.7%**
Total equity	**23,396**	17,139	16,682	17,215	13,497	10,905	**36.5%**
Non-current liabilities	**5,733**	4,749	3,764	4,090	5,446	6,190	20.7%
Current liabilities	**32,604**	32,422	34,706	33,936	29,510	23,312	0.6%
Current ratio (times)	**1.21**	1.18	1.09	1.17	1.16	1.14	+0.03×

Revaluation · 30 June 2026

Land: due under three-year policy (last June 2023)

Buildings: first revaluation, now at fair value

Gross surplus **Rs 6,908 mn** · non-cash, via equity

Debt : Equity

52 : 48

FY'25: 60 : 40

Interest cover

1.44×

FY'25: 1.26×

Book value / share

Rs 308.12

FY'25: Rs 215.43

Statement of Profit or Loss – FY 2026 vs FY 2025

Rs in million	FY 2026	FY 2025	Variance %	Explanation of Material Variations
Net Sales	49,841	59,202	(15.8%)	Lower volumes in line with the decline in Pakistan's knitwear exports, US tariffs and subdued US demand.
Gross Profit	**8,269**	**9,021**	**(8.3%)**	Cost of sales fell 17.2%, faster than revenue, through disciplined cost management, installation of solar power plant and selective, margin-accretive orders.
Operating Expenses	(4,155)	(4,707)	(11.7%)	Lower export volumes reduced freight and export-related selling costs
Other Income	189	561	(66.3%)	Lower exchange gains as the rupee strengthened against the US dollar
Profit from Operations	**4,304**	**4,875**	**(11.7%)**	
Finance Cost	(2,994)	(3,858)	(22.4%)	Disciplined working capital management, an optimized borrowing mix and lower average rates, including the reduced export refinance rate.
Profit after taxation	**809**	**131**	**+516.3%**	

Statement of Financial Position – 30 June 2026 vs 2025

Rs in million	2026	2025	Variance %	Explanation of Material Variations
Non-Current Assets	22,378	15,907	+40.7%	Revaluation of freehold land and, for the first time, buildings at 30 June 2026 by an independent valuer, giving a gross surplus of Rs 6,908 million.
Stores, stock and trade debts	33,758	33,952	(0.6%)	
Other current assets	5,597	4,452	+25.7%	Taxation and levy receivable rose by Rs 858 million; other receivables higher.
Total assets	**61,733**	**54,311**	**+13.7%**	
Total equity	23,396	17,139	+36.5%	Revaluation surplus rose to Rs 8,532 million (net of deferred tax) and revenue reserves grew by Rs 785 million from the year's profit.
Deferred tax and staff gratuity	3,850	2,299	+67.5%	Increase of Rs 1,373 million mainly reflects the deferred tax recognized on the revaluation surplus.
Long-term financing & leases	3,111	3,729	(16.6%)	Long-term financing reduced by Rs 537 million through repayments.
Short-term borrowings	22,728	22,102	+2.8%	Working-capital financing broadly stable.
Other current liabilities	8,648	9,042	(4.1%)	Trade and other payables lower by Rs 335 million due to timely payment to MTM valued suppliers.
Total equity and liabilities	**61,733**	**54,311**	**+13.7%**	

Dividend for FY 2026

Cash dividends for FY 2026, as recommended by the Board and approved by shareholders at the Annual General Meeting held on 27 October 2026:

Ordinary shares

Rs 1.00

Per share	Rs 1.00
% of face value	10.0%
Total payout	Rs 67.50 mn

Preference shares

Rs 1.29

Per share	Rs 1.29
% of face value	12.9%
Total payout	Rs 35.45 mn

Key Revenue Drivers

1 Global consumer demand

Retail spending and inventory cycles of brands in the US and Europe set the volume of seasonal and replenishment orders placed with suppliers.

2 Market access & trade policy

Preferential access such as the EU's GSP+ status, and tariffs in destination markets, shape landed cost and where buyers choose to source.

3 Product mix & value addition

Higher-value garments – fashion, activewear and branded programmes – earn a better price per unit than basic products, yarn or fabric.

4 Customer relationships

Long-term vendor status with global brands, backed by compliance, certifications and traceable, sustainable sourcing, secures repeat programmes.

5 Exchange rate & pricing

Export sales are invoiced mainly in US dollars, so rupee movements change reported revenue; prices are negotiated against regional competitors.

6 Cost, speed & capacity

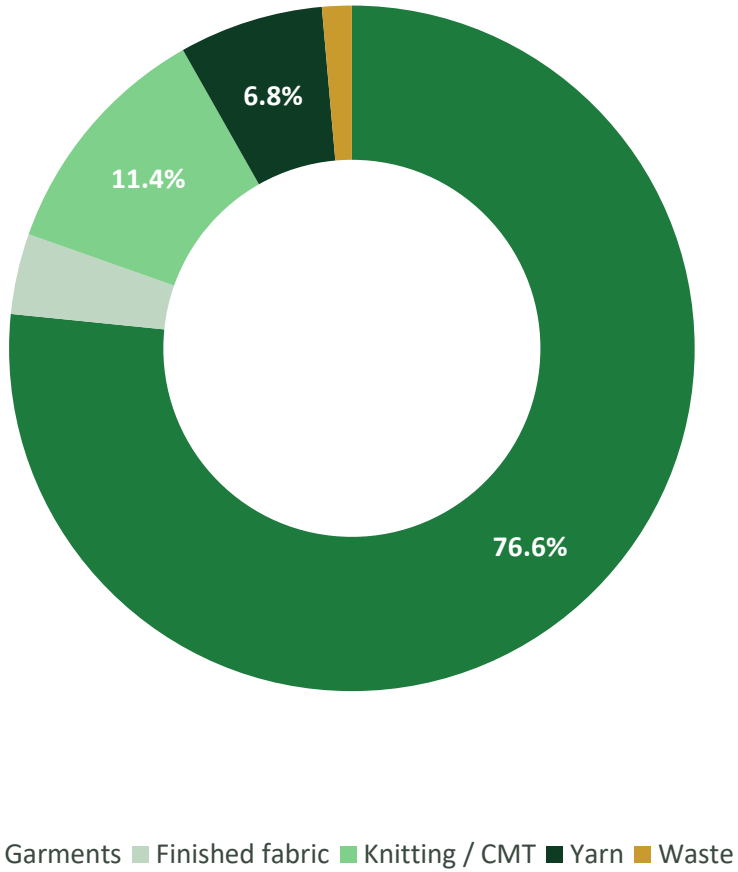
Cotton and energy costs, vertical integration and shorter lead times determine price competitiveness and the ability to win and deliver orders.

Information about Products

Rs in million	FY 2026	%	FY 2025	%	Change
Garments	38,197	76.6%	48,288	81.6%	(20.9%)
Finished fabric	1,881	3.8%	2,777	4.7%	(32.3%)
Knitting / dyeing income / CMT	5,668	11.4%	4,121	7.0%	+37.5%
Yarn	3,411	6.8%	3,167	5.3%	+7.7%
Waste	684	1.4%	849	1.4%	(19.4%)
Total revenue	**49,841**	**100%**	**59,202**	**100%**	**(15.8%)**

- Garments remain the core product at Rs 38.2 bn, 76.6% of revenue (FY25: 81.6%), down 20.9% on lower export volumes.
- Conversion / CMT income grew 37.5% to Rs 5.7 bn, using available capacity for third-party processing.
- Yarn sales rose 7.7% to Rs 3.4 bn, mainly in the local market.

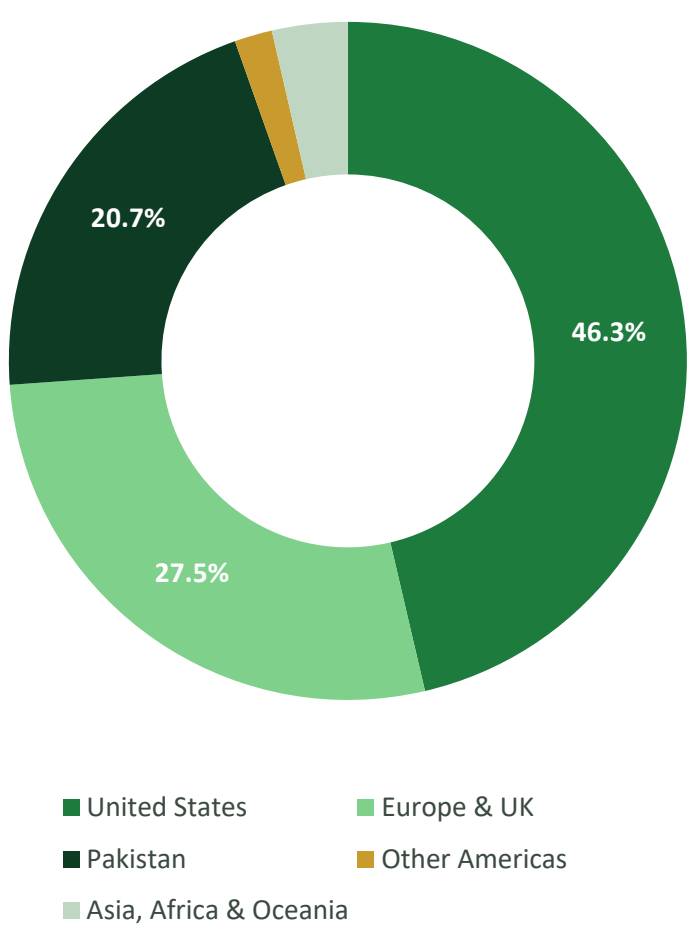
FY 2026 revenue by product



Information about Geographical Areas

Rs in million	FY 2026	%	FY 2025	%	Change
United States	23,093	46.3%	30,837	52.1%	(25.1%)
Europe & UK	13,724	27.5%	14,352	24.2%	(4.4%)
Pakistan (local)	10,297	20.7%	8,524	14.4%	+20.8%
Other Americas	917	1.8%	1,744	2.9%	(47.4%)
Asia, Africa & Oceania	1,810	3.6%	3,744	6.3%	(51.6%)
Total revenue	**49,841**	**100%**	**59,202**	**100%**	**(15.8%)**

- Export sales of Rs 39.2 bn went to 38 countries; the US remains the largest market.
- Europe's share rose to 27.5% from 24.2% as diversification progressed.
- All non-current assets are located in Pakistan.



Information about Major Customers

Major customers

2

Each above 10% of revenue (FY25: 2)

Revenue from major customers

Rs 16,981 mn

FY25: Rs 21,221 mn

Share of total revenue

34.1%

FY25: 35.8%

Both major customers are in the Processing & Garments segment. Leading brands and retailers served include:

Europe-based

Hugo Boss
Boardriders Group
Pull & Bear
Just Brand

USA-based

JC Penney
Foot Locker
Centric Fashion
Good Good Golf

New customers onboarded

Next · M&S
Inditex · Bamigo
Aeropostale · Nautica

03

Risks & Outlook

Key risks we are managing and our FY’27 priorities



Key Business Risks

External headwinds we are managing into FY’27

Middle East & logistics

Strait of Hormuz disruption raised energy, freight and insurance costs

Response: diversified energy, flexible routing

US tariffs & demand

US is 46% of sales; tariff policy keeps buyers cautious

Response: grow Europe and new markets

Interest rates

Policy rate now raised to 12%; finance cost still 6% of sales

Response: export refinance, Shariah lines, tight working capital

Exchange rate

Rupee volatility can materially affect export earnings and profitability

Response: natural hedge via USD borrowing

Customer concentration

A significant share of revenue comes from a few key customers

Response: broaden brands, categories and regions

Regional competition

Price and lead-time pressure from regional producers

Response: integration, traceability, faster delivery

Q1 FY2027 Results – Quarter Ended 30 September 2026

Rs in million (un-audited)	Q1 FY27	Q1 FY26	Change
Revenue	**13,542**	**12,846**	**+5.4%**
Cost of sales	(11,339)	(10,593)	+7.0%
Gross profit	**2,204**	**2,252**	**(2.2%)**
Gross margin	16.3%	17.5%	(1.2 pts)
Distribution cost	(783)	(726)	+7.8%
Administrative expenses	(338)	(300)	+12.7%
Other expenses	(17)	(127)	(86.3%)
Other income	108	30	+263.0%
Profit from operations	**1,174**	**1,129**	**+4.0%**
Finance cost	(754)	(764)	(1.3%)
Profit before levy and taxation	420	365	+15.0%
Levy	(168)	(109)	+53.6%
Taxation	–	(51)	n/m
Profit after taxation	**251**	**204**	**+23.2%**
EPS – basic / diluted (Rs)	**3.60 / 3.52**	**2.89 / 2.68**	**+24.6%**

Revenue

Rs 13.54 bn

+5.4% vs Q1 FY26

Profit after tax

Rs 251 mn

+23.2% vs Q1 FY26

Basic EPS

Rs 3.60

Q1 FY26: Rs 2.89

Gross margin

16.3%

Q1 FY26: 17.5%

KEY POINTS FOR THE OUTLOOK

- **Export recovery:** Pakistan's knitwear exports +4.1% to USD 1.48 bn; MTM's South/North America sales +18.2%.
- **Margin pressure:** higher cotton, fuel, coal and logistics costs from the Middle East conflict.
- **Below gross profit:** other expenses down Rs 110 mn and finance cost down 1.3%.
- **Balance sheet:** equity Rs 23.50 bn; Rs 44.4 mn preference shares redeemed; working capital absorbed operating cash.

Future Outlook & Growth Drivers

In management's view: a firm order book and stronger margins going into FY'27

01 Orders in hand

Firm FY'27 order book with repeat and expanded programmes from global brands

02 Margin-led growth

Higher-margin, value-added apparel; innovation, shorter lead times, on-time delivery

03 Lower energy cost

Complete 10 MW solar; expand biomass boilers to cut coal use

04 Smarter sourcing

Optimise cotton, yarn and polyester buying; certified regenagri cotton

05 Financial discipline

Tight working capital and Shariah-compliant funding to keep cutting finance cost

+ Tailwinds

Super tax exemption and Performance-based Rebate on Incremental Exports (PRIE); easing global inflation; S&P upgrade of Pakistan to 'B'

Forward-looking: based on orders in hand, current tariff and energy conditions and a broadly stable exchange rate. Actual results may vary materially from these expectations.

MTM Future Plan – FY 2027 (Management's Expectations)

FY 2026 BASE AND FY 2027 TARGETS

Total sales

Rs 49.84 bn → **Rs 56.55 bn**

FY 2026 actual → FY 2027 target (+13%)

Export sales

USD 140 mn → **165 mn**

+18%: Rs 39.2 bn → Rs 45.9 bn

EU share of export sales

27.5% → **42%**

Higher share of European business

HOW WE PLAN TO GET THERE

1

European customers

Growing business with Next, Zara (Inditex), M&S and Bamigo, onboarded in FY 2026, to raise the EU share of exports.

2

Full 10 MW solar

A further 3.8 MW to be operational in FY 2027, taking solar to 10 MW and lowering energy cost.

3

Further solar + BESS

Planning a further 6 MW of solar with 5–10 MWh battery storage (BESS) to store solar power and extend its use.

4

Biomass boiler

40 TPH low-pressure (10 bar) biomass boiler for steam: a sustainability project.

5

Dividend policy

A dividend on ordinary shares for FY 2027 will be considered by the Board, subject to results, liquidity and requisite approvals.

Forward-looking statement. Targets are management's expectations, based on: orders executed as planned; continued EU demand and GSP+ access; US tariffs, cotton and energy costs at current levels. Actual results may vary materially from these expectations.

Questions Received in Advance

Nil

Q&A

Thank You

Masood Textile Mills Limited

www.masoodtextile.com