RUPALI POLYESTER LIMITED

Corporate Briefing Session

Financial Year 2025-26
Based on annual audited accounts for the year ended
30 June 2026

26 November 2026

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Company Profile

Rupali Polyester Limited (RPL) was established in May 1980 as a Public Limited Company in Karachi. It is listed on the Pakistan Stock Exchange Limited. The Company is engaged in the business of production and sale of Polyester Staple Fiber and Polyester Filament Yarn.

The Company holds the distinction of being one of the early pioneers in Pakistan's Staple Fiber manufacturing sector. Over the years, the Company has achieved consistent growth through expansion and diversification and its total assets have risen from an initial capital outlay of Rs.150 million to Rs.11,839 million as on 30.6.2026.

RPL operates a Polymerization Unit with a daily capacity of 105 metric tons, as well as a Polyester Filament Yarn facility with a daily capacity of 30 metric tons, and a Polyester Staple Fiber plant with a daily capacity of 65 metric tons. To further enhance its operations, the Company has invested approximately Rs.162 million in setting up an additional POY (Partially Oriented Yarn) line with a capacity of 28 metric tons per day. These expansions aim at meeting the growing demand for its products.

It is noteworthy that RPL's product range serves as a substitute for imports from countries such as Japan, Indonesia, Taiwan, and Korea.

Since its establishment, RPL has adhered to a management philosophy focused on growth based on quality and reliability. To uphold this principle, the Company maintains a well-equipped Research & Development Centre for continuous enhancement of product standards, innovative improvements, and the implementation of cost-effective production techniques, all while ensuring that the Company's high standards and product quality are never compromised.

The commitment to quality and reliability has earned RPL a strong reputation among its customers seeking dependable and top-notch products in the market. The Company places utmost importance on customers' satisfaction, striving to ensure an uninterrupted supply of its products to meet customers' demands, and going beyond the point of sale to offer comprehensive after-sales services and technical support, to troubleshoot and address any issues they may encounter.

ALHAMDO LILLAH, the Company enjoys high prestige and reputation in the business community, banks financial institutions and customers. It is also almost major contributors to the national exchequer.

Key Woes of Domestic PFY Industry including Rupali Polyester Limited (RPL)

Price undercutting and suppression: Imported Chinese PFY/DTY entered at prices significantly below domestic prices, forcing local mills to cut prices and eroding margins

- Loss of market share: Decline in domestic sales, production, and market share during the injury periods
- Capacity issues: Underutilization of production capacity, lower productivity, and reduced return on investment
- Profitability squeeze: Persistent negative impact on profitability and wages due to competition from low-priced imports
- Raw material linkage: PTA, the key raw material for PSF and PFY, was also found to be dumped from China, raising input cost volatility for local PSF/PFY manufacturers

Levy of Anti-Dumping Duties on Polyester Filament Yarn

National Tariff Commission (NTC) after conducting a thorough investigation had announced Final Determination of Anti-Dumping Duty (ADD) on Polyester Filament yarn (PFY) imported from China, effective from 17 June 2025. The duty ranges from 5.35% to 20.78%. Several Yarn Merchants had filed Appeals in the Anti-Dumping Appellate Tribunal, Pakistan against this Duty.

During the investigation period and for the full year of 2025, domestic PFY producers have incurred substantial operational losses due to continued dumping. The financial distress is so acute that, should the major domestic PFY units be forced to shut down, it will result in the complete collapse of the PFY industry in Pakistan. This is not merely a case of material injury it represents an existential threat to the domestic industry, with severe implications for Pakistan's textile sector and overall industrial sustainability.

Pursuant to the Anti-Dumping Appellate Tribunal's judgement dated June 11, 2026, NTC has made a de novo final determination in remand back proceedings and imposed Definitive Anti-dumping Duty for five years effective from November 15, 2024. In de novo final determination, the duty was reduced and it ranges from 3.07% to 19.32% against 5.35% to 20.78%. Moreover, in de novo final determination the duty on major Chinese exporters of PFY was much decreased.

The new duties have again been challenged in Islamabad High Court and Anti-Dumping Appellate Tribunal, Islamabad by many importers and Chines exporters.

Exchange losses:

Fluctuations in exchange rates have resulted in exchange losses for the Company, adding to the financial pressures.

- PKR depreciation against USD affecting import of raw materials and managing currency fluctuations.
- Increased energy tariffs following the removal of Regionally Competitive Energy Tariff (RECT).
- Additional energy generation costs due to shortages in gas supply.
- Decreasing sales volume influenced by market factors and economic condition.
- Difficulty in recovering increased manufacturing costs from the market.

Strategic and Operational Developments

Pakistan's economy has still not come out of the severe stress due to unsustainable government debts and other global challenges. Economic activity has slowed-down with fiscal & monetary policy tightening, high borrowing and fuel costs, increased energy tariffs, protracted policy and political uncertainty. However, the Government efforts towards economic growth of Pakistan with long term policy framework are appreciable.

Over the past two and a half years, Rupali Polyester Limited (RPL) has experienced significant business strain due to competition with dumped imports of Polyester Filament Yarn and increased cost of doing business, causing net losses. The Company has encountered a range of challenges, which mainly are:

1. **Exchange losses:** Fluctuations in exchange rates have resulted in exchange losses for the Company, adding to the financial pressures.

2. **Increased energy tariffs:** The removal of the Regionally Competitive Energy Tariff (RECT) has led to higher energy tariffs, impacting the company's operational costs.

3. **Decreasing sales volume:** The Company has experienced a decline in sales volume, which can be attributed to various market factors and economic conditions, mainly the competitive market situation with cheap and low quality imported PFY.

4. **Inability to recover increased manufacturing costs:** The Company has faced difficulties in passing on the increased manufacturing costs to the market, putting strain on its profitability.

5. **High interest rates:** Although the State Bank of Pakistan (SBP) has reduced the very higher interest rates from 22% in previous year to 11% , but the impacts of this relief on the Company's borrowing costs and financial stability shall be reflected in future results.

To survive in this challenging economic environment, the Company is continuously adjusting its business model to meet the changing market demands. The Company is focusing on a number of key strategies, including:

1. **Revenue increase:** by optimizing product mix and pricing and by expanding the customer base and focusing on customer satisfaction.

2. **Optimize pricing strategies:** By analyzing pricing data to determine optimal pricing strategies that maximize revenue while remaining competitive in the market. This involves adjusting prices based on customer demand, product availability, and market trends. This has also led to revenue increase.

3. **Reaching out to new customers:** Directed more efforts towards marketing to capture pockets of the market that were inclined towards imported yarn rather than ours. The Company targeted wholesale customers that are able to buy in bulk so even though margins might be marginally lower, however, generated positive cash flow enabling the Company to reduce its short-term borrowing.

4. **Cost optimization:** by improving operational efficiency, reducing overhead costs, rightsizing manpower to operate with a more lean structure, streamlining supply chains, reducing inventory levels now that LCs are being opened with more ease as compared to the previous year, and negotiating better terms with suppliers. This also leads to reduction in financial losses.

5. **Materials' supply** – ensuring sufficient availability of all domestic and imported raw materials to run the operation beyond one month at least incase situation necessitates complete shutdown of imports.

6. **Capex** – Setting up cone dyeing plant to increase value addition on our yarn and cater to markets rising needs of colored yarn. This step will enable higher gross margins as well as an increase in revenue.

The Company experienced the highest financial loss in the third quarter of FY 2023-24 owing to increased manufacturing costs, which the Company is trying to reduce in the fourth quarter.

Sponsors of the Company have strong belief in the future of company and Pakistan. They have supported the Company financially by injecting interest free loan of Rs. 301 million till date to meet its working capital needs.

The Company acknowledges that there is a need for ongoing efforts to attain sustainable long-term growth. It recognizes that achieving sustained growth requires continuous evaluation, adaptation, and implementation of strategic initiatives. By proactively addressing challenges, identifying opportunities, and making informed decisions, the Company aims to strengthen its position and ensure a trajectory of sustainable growth in the future.

KEY FINANCIALS 2026

Statement of Profit or Loss YoY Comparison

	Rupees in Thousands			
	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23
Sales – net	3,803,592	6,162,278	10,485,055	11,526,866
Costs of sales	4,113,930	7,241,472	10,461,685	11,331,350
Gross Profit / (Loss)	**(310,338)**	**(1,079,194)**	**23,370**	**195,516**
Other income	767,626	190,006	133,825	246,658
Distribution, admin & other costs	(331,995)	(283,663)	283,217	270,212
Finance costs	(360,882)	(448,481)	632,975	340,916
Levy - minimum tax differential	(49,717)	(78,221)	(131,588)	(145,157)
Loss before tax	**(285,306)**	**(1,699,553)**	**(890,585)**	**(314,111)**
Provision for taxation	97,310	173,171	68,080	129,283
Profit / (loss) after tax	**(187,996)**	**(1,526,382)**	**(822,505)**	**(184,828)**

Statement of Profit or Loss YoY Comparison

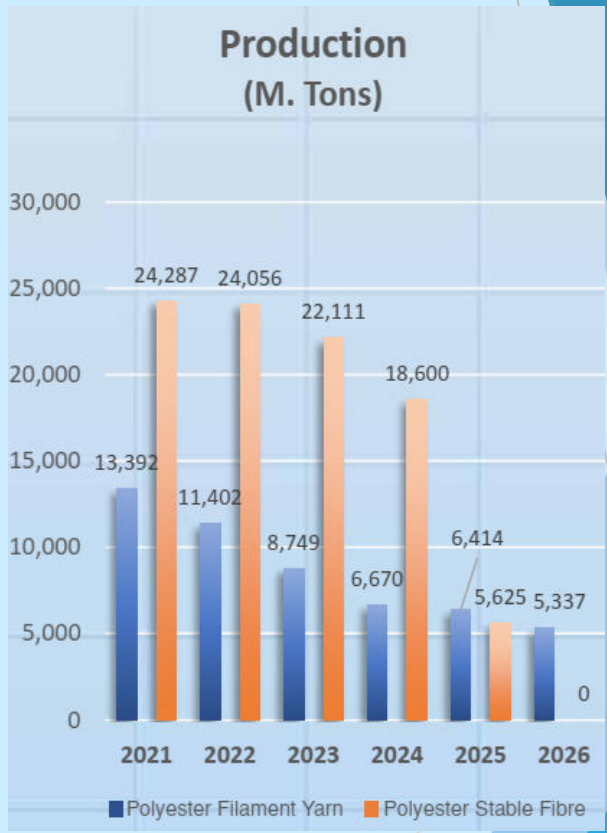
	Rupees in Thousands							
	YoY% Comp. 2026 vs 25	FY 2025-26	YoY% Comp. 2025 vs 24	FY 2024-25	YoY% Comp. 2024 vs 23	FY 2023-24	YoY% Comp. 2023 vs 22	FY 2022-23
Sales – net	(38.28)	3,803,592	(41.23)	6,162,278	(9.04)	10,485,055	2.65	11,526,866
Costs of sales	(43.19)	4,113,930	(30.78)	7,241,472	(7.67)	10,461,685	12.91	11,331,350
Gross Loss	**(71.24)**	**(310,338)**	**(4717.86)**	**(1,079,194)**	**(88.05)**	**23,370**	**(83.62)**	**195,516**
Other income	304.00	767,626	41.98	190,006	(45.74)	133,825	235.85	246,658
Distribution, admin & other costs	17.04	(331,995)	(200.16)	(283,663)	4.81	283,217	(17.85)	270,212
Finance costs	(19.53)	(360,882)	(170.85)	(448,481)	85.67	632,975	372.12	340,916
Levy - minimum tax differential		(49,717)		(78,221)		(131,588)		(145,157)
Loss before tax	**(83.21)**	**(285,306)**	**90.84**	**(1,699,553)**	**183.53**	**(890,585)**	**(136.28)**	**(314,111)**
Provision for taxation		97,310		173,171		68,080		129,283
Profit / (loss) after tax	**(87.68)**	**(187,996)**	**85.58**	**(1,526,382)**	**345.01**	**(822,505)**	**(121.46)**	**(184,828)**

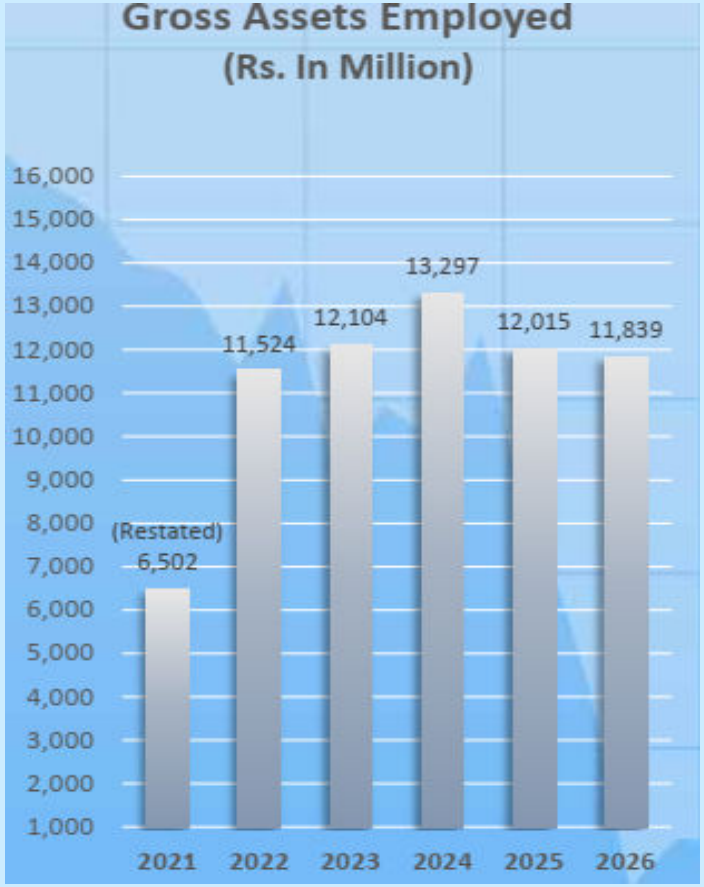
Statement of Financial Position

	Rupees in Thousands			
	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23
Number of ordinary shares	**34,068,514**	**34,068,514**	**34,068,514**	**34,068,514**
Share capital	340,685	340,685	340,685	340,685
Reserves	5,376,578	5,556,175	7,095,969	7,456,895
Shareholders' equity	5,717,263	5,896,860	7,436,654	7,797,580
Non-current liabilities	1,961,240	2,449,652	267,853	218,656
Current liabilities	4,160,912	3,668,271	4,399,817	3,507,833
Total Liabilities	**11,839,415**	**12,014,783**	**12,104,324**	**11,524,069**
Property, plant and equipment	7,614,385	7,776,268	7,016,059	6,910,027
Non-current assets	1,527,044	1,454,943	1,133,663	859,694
Current Assets	2,697,986	2,783,572	3,954,602	3,755,348
Total Assets	**11,839,415**	**12,014,783**	**12,104,324**	**11,525,069**

Graphical Presentation






Gross Assets Employed
(Rs. In Million)
16,000
15,000
14,000
13,000
12,000
11,000
10,000
9,000
8,000
7,000
6,000
5,000
4,000
3,000
2,000
1,000
(Restated)
6,502
11,524
12,104
13,297
12,015
11,839
2021
2022
2023
2024
2025
2026


Profitability
(Rs. In Million)
Turnover
Cost of Sales
Admin, Selling and Exp
Other Expenses
Taxation
Profit/Loss After Taxation
12,000
10,000
8,000
6,000
4,000
2,000
0
-2,000
(Restated)
7,554
6,710
11,229
10,037
11,331
11,527
10,462
10,485
7,241
6,162
4,114
3,804
2021
2022
2023
2024
2025
2026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Thank You

Q&A Session