



Redco Textiles Limited

ISO 9001:2000 Certified

November 15, 2023

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

Dear Sir,

Subject: **ANNUAL CORPORATE BRIEFING SESSION – 2023**

In compliance with Exchange Notice No. PSX/N-654 dated May 23, 2019, we are pleased to inform you that Corporate Briefing Session (CBS) of Redco Textiles Limited (the Company) for the year ended June 30, 2023 will be held on **Thursday, November 23, 2023 at 11:30 A.M** at Redco Group head office, **Redco Arcade, 78-E, Blue Area, Islamabad** to brief the analysts, investors and shareholders about the financial performance, business operations and future outlook of the Company in order to fulfill requirements of PSX Notice PSX/N-1160 dated November 18, 2022.

Shareholders, investors and analysts who wish to attend the CBS virtually are requested to send their particulars (name, designation, company name, contact number and e-mail address) at **sales@redcogroup.com** by COB on Wednesday, November 22, 2023. The link to join the Session virtually will be shared with the registered participants. The participants attending the CBS physically must bring their original CNIC/Passport for identification purposes. The leaflet for CBS along with presentation is attached herewith and also has been placed on Company's website i.e. www.redcotextiles.com.

You may please inform the members/TRE Certificate Holders of the Exchange accordingly.

Yours sincerely,

MUHAMMAD KASHIF

Company Secretary



Redco Textiles Limited

ISO 9001:2000 Certified

INVITATION

CORPORATE BRIEFING SESSION

FOR THE YEAR ENDED JUNE 30, 2023

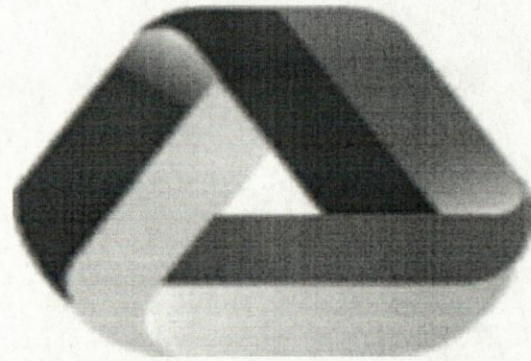
Shareholders, Investors and Analyst community are hereby cordially invited to attend the Corporate Briefing Session of Redco Textiles Limited to be held on Thursday, November 23, 2023 at 11:30 A.M. Participants desirous to attend the Session physically may reach the Registered Office of the Company situated at Redco Arcade, 78-E, Blue Area, Islamabad at least fifteen minutes before the Session and must produce their valid identification / CNIC.

The Chief Financial Officer of the Company will brief the audience on Company's business operations, financial performance for the year ended June 30, 2023 and Company's future outlook in order to fulfill the requirements of PSX Notice PSX/N-1160 dated November 18, 2022.

In addition to above, the participants who wish to attend the Session through electronic means must follow the below mentioned guidelines, the schedule of which is as follows:

Date:	Thursday, November 23, 2023
Presentation:	11:30 A.M
Q & A Session:	11:50 A.M
Registration Process:	<p>SHAREHOLDERS: The shareholders who wish to virtually attend the Session are required to provide their Name, Folio Number / CDC Account Number, E-mail address and mobile number in an E-mail to sales@redcogroup.com with subject "Registration for Redco Textiles Limited Corporate Briefing Session 2023". Video link login credentials will be shared with those shareholders whose E-mails will contain all the prescribed particulars and will receive before 4:00 P.M. on Wednesday, November 22, 2023, at the E-mail address provided above.</p> <p>INVESTORS AND ANALYSTS: The investors and analysts who wish to virtually attend the Session are required to provide their Name, E-mail address, mobile number and name of the Institution they represent in an E-mail to sales@redcogroup.com with subject "Registration for Redco Textiles Limited Corporate Briefing Session 2023". Video link login credentials will be shared with those investors and analysts whose Emails will contain all the prescribed particulars and will receive before 4:00 P.M. on Wednesday, November 22, 2023, at the E-mail address provided above.</p>


Company Secretary
Redco Textiles Ltd.



REDCO TEXTILES LIMITED
CORPORATE BRIEFING SESSION
2023

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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 Exchanges. Redco's principal activities include manufacture and sale of yarn and greige fabric. The registered office of the Company is situated at Redco Arcade, 78-E, Blue Area, Islamabad. The manufacturing facility is located at 3-KM, Rawat-Kallar Seydan Road, P.O Sagri, Rawat, District Rawalpindi, in the province of Punjab.
- **SPINNING UNIT (temporarily closed)**
- **WEAVING UNIT**

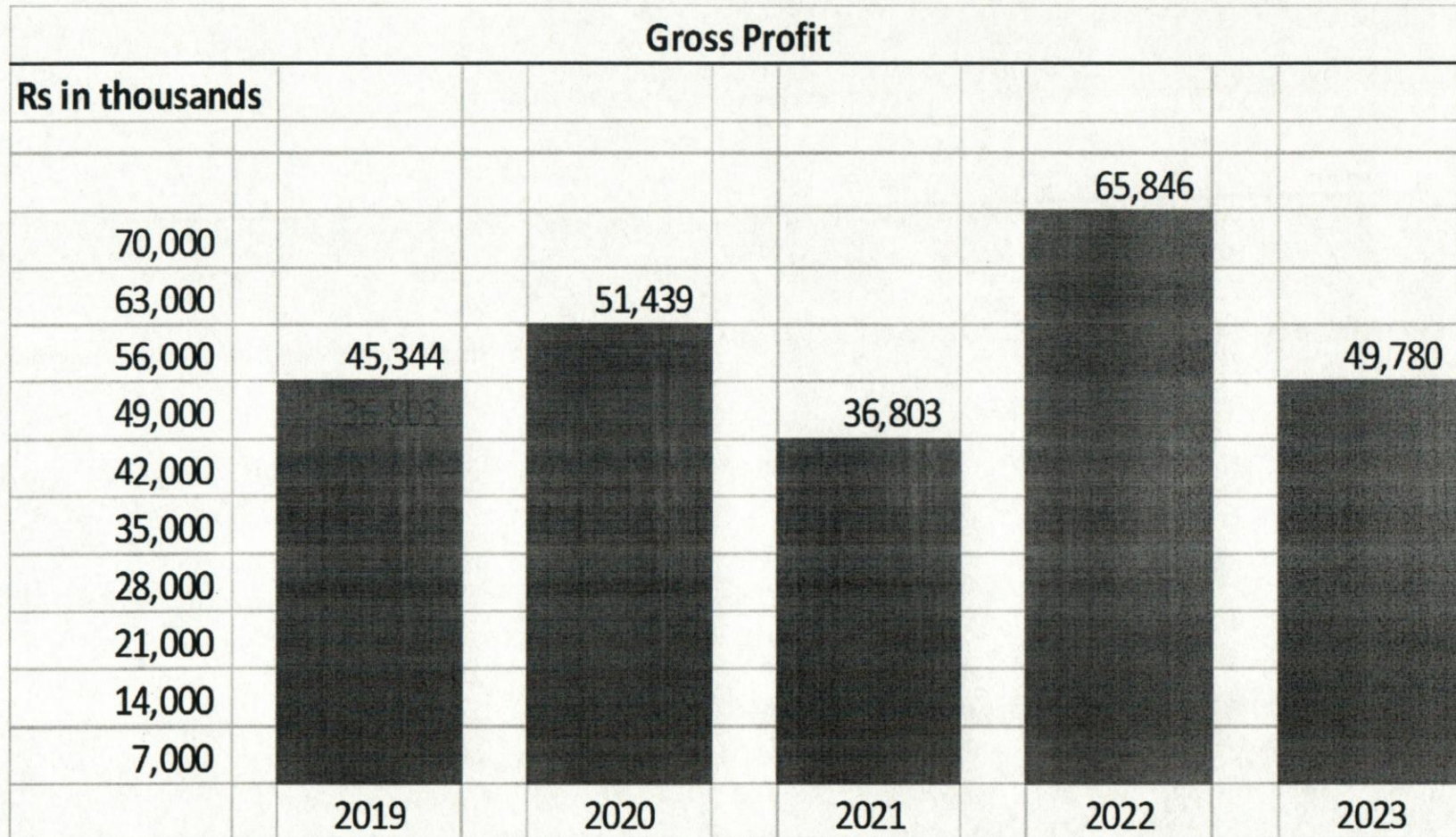
KEY STRATEGIC & OPERATIONAL DEVELOPMENT

- The Weaving Unit of the Company is fully operational and the Company added 20 new Toyota Airjet Looms in its Weaving Unit during the year 2022-2023.
- The Weaving Unit of the Company consists of 200 Toyota Airjet Looms with the installed capacity of 64,348,888 meters at 60 picks.
- The actual cloth produced during the year was 35,846,322 meters.
- Total number of employees as at 30th June 2023 were 549.

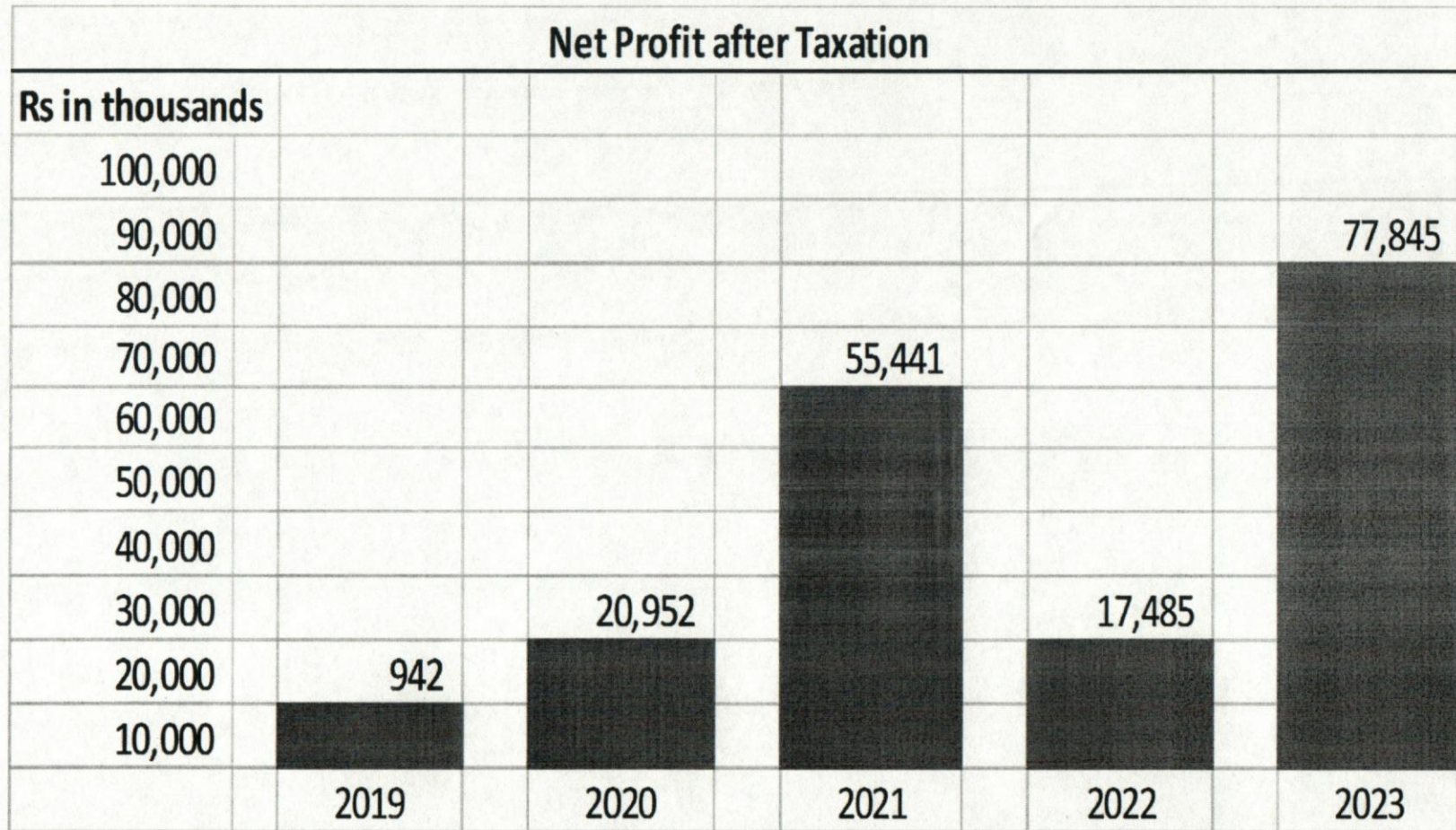
HISTORICAL FINANCIAL HIGHLIGHTS

Sales						
Rs in thousands						
1,400,000						
1,200,000						870,963
1,000,000						
800,000					728,594	
600,000				495,470		
400,000	251,367	355,476				
200,000						
-						
	2019	2020	2021	2022	2023	

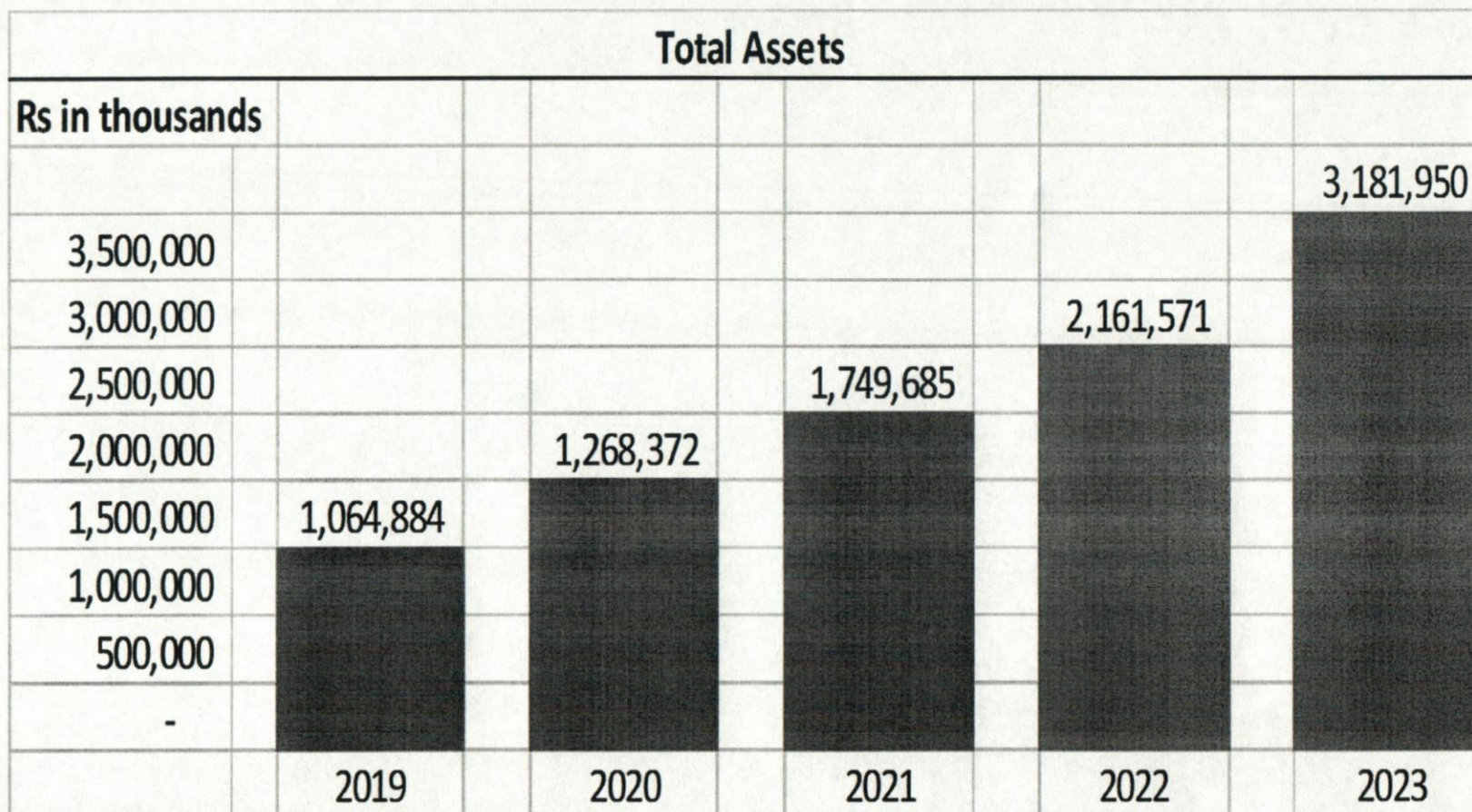
HISTORICAL FINANCIAL HIGHLIGHTS



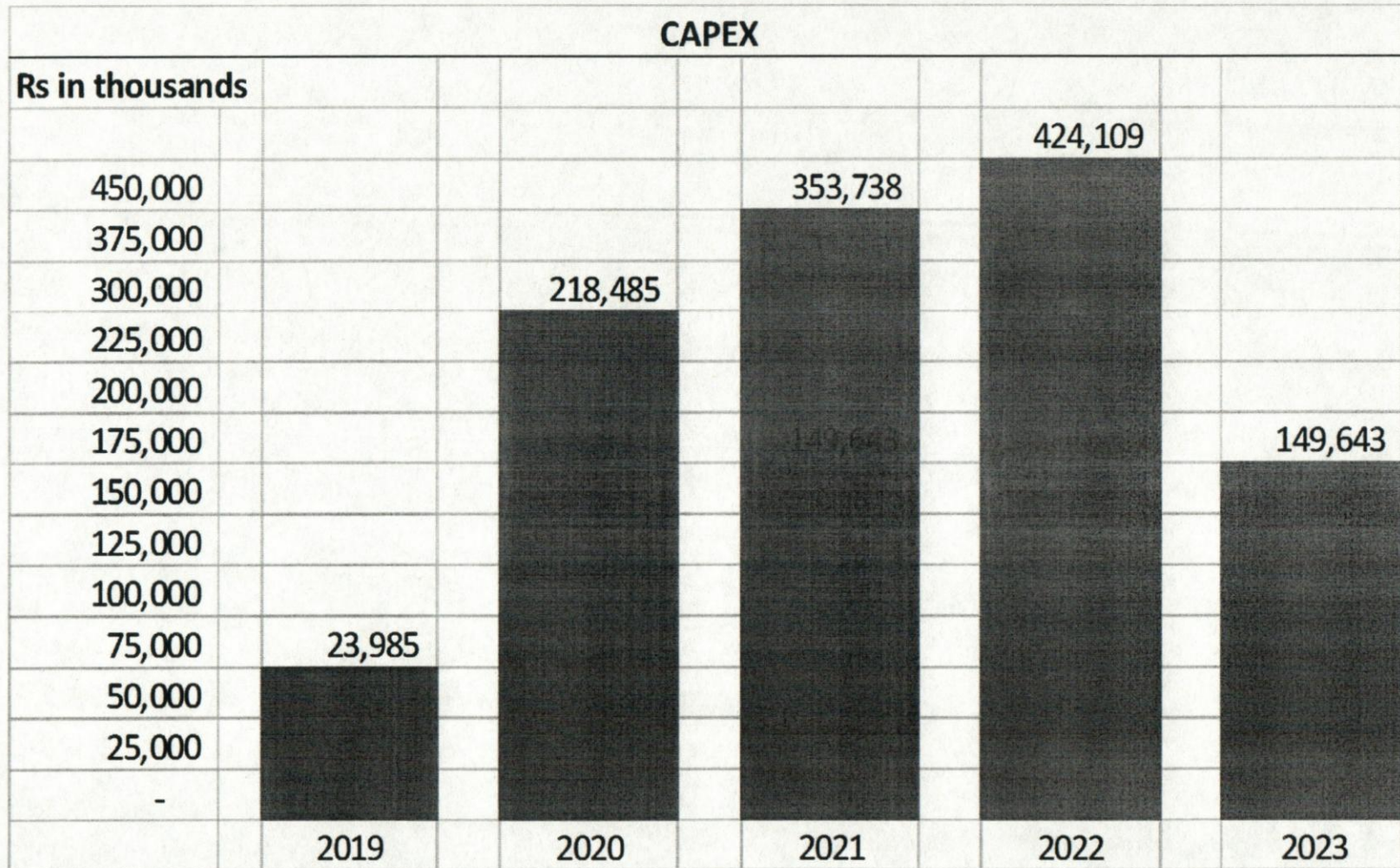
HISTORICAL FINANCIAL HIGHLIGHTS



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HISTORICAL FINANCIAL HIGHLIGHTS

Shareholders' Equity						
Rs in thousands						
350,000						303,994
300,000				215,445	226,625	
250,000						
200,000						
150,000			72,937			
100,000						
50,000	(22,730)					
-						
(50,000)						
	2019	2020	2021	2022	2023	

FINANCIAL RESULTS 2023 vs 2022

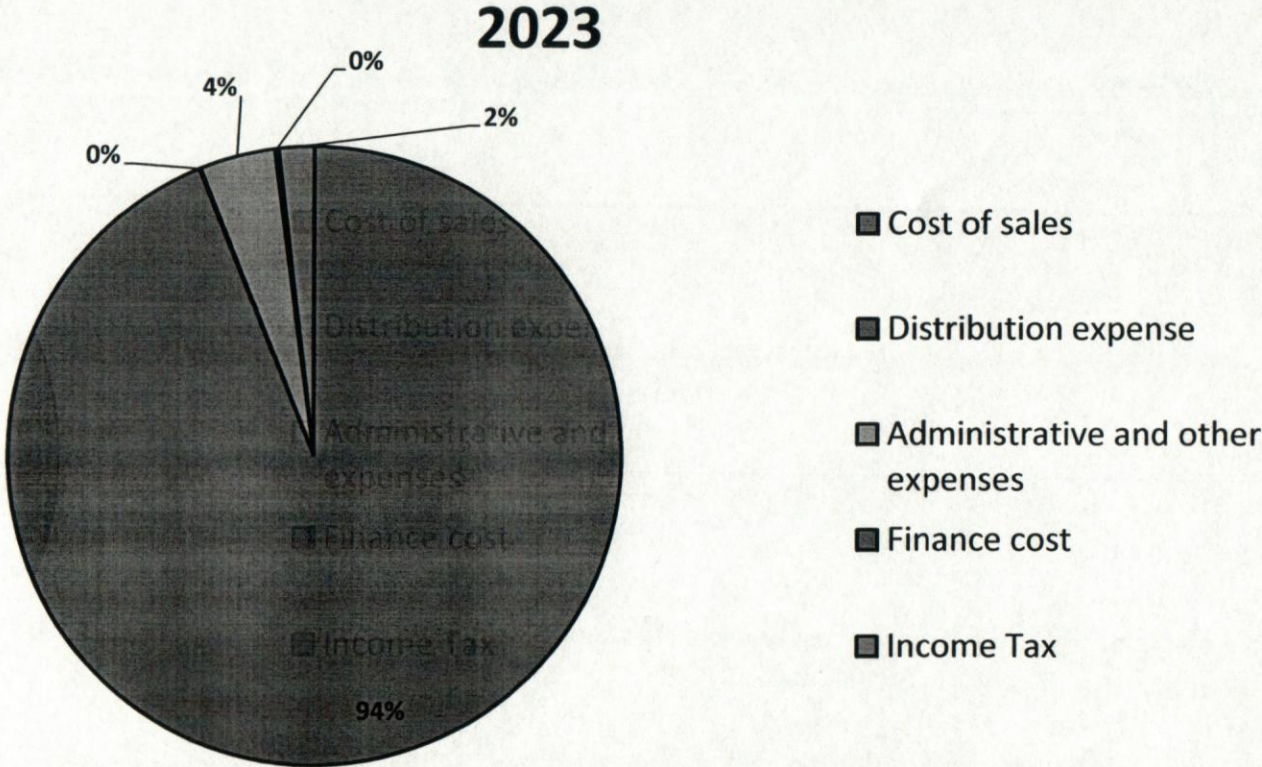
INCOME STATEMENT

- Sales Rs. 870.963 million (2022: 728.594 million)
- Gross Profit Rs. 49.780 million (5.72% of Sales) [2022: Gross profit Rs. 65.847 million (9.04% of sales)]
- Profit after taxation Rs. 77.845 million (8.94% of Sales) [2022: Profit after taxation 17.489 million (2.40% of sales)]

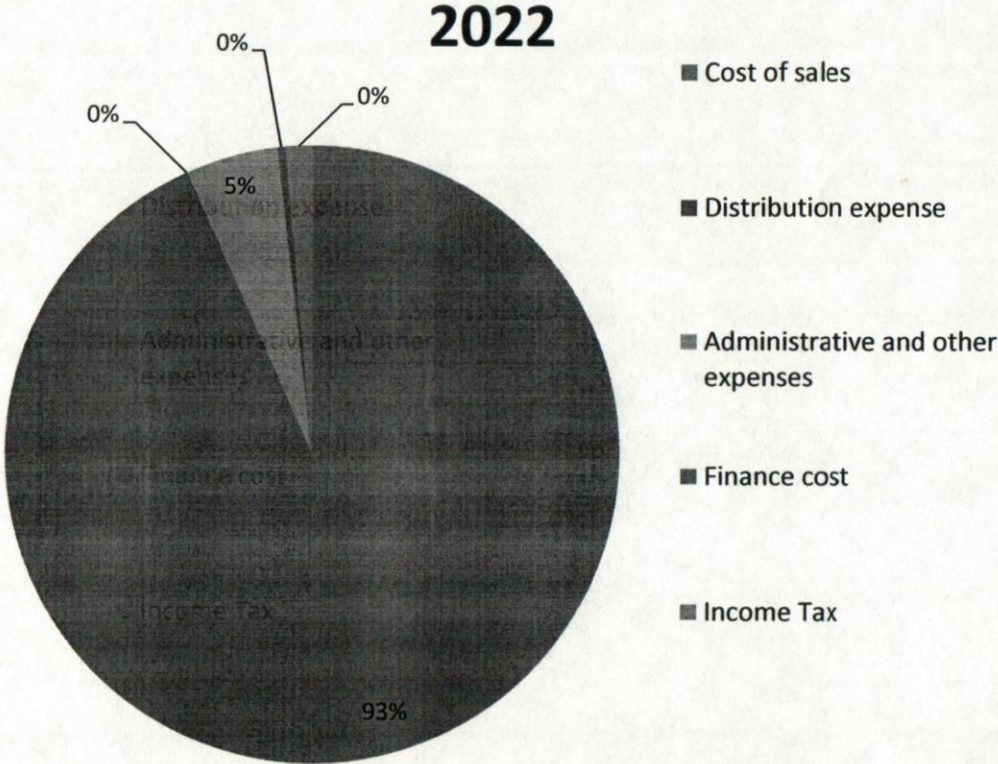
Statement of value addition and its distribution

	2023		2022	
	Rs. In thousand	% age	Rs. In thousand	% age
Value addition				
Sales	870,963	91.44	728,594	99.89
Other income	81,488	8.56	800	0.11
Total	952,451	100.00	729,394	100.00
Value distribution				
Cost of sales	821,183	93.89	662,747	93.09
Distribution expense	540	0.06	502	0.07
Administrative and other expenses	34,825	3.98	38,391	5.39
Finance cost	1,792	0.20	849	0.12
Income Tax	16,266	1.86	9,416	1.32
Total	874,606	100.00	711,905	100.00
Profit	77,845		17,489	

Statement of value addition and its distribution



Statement of value addition and its distribution



Balance Sheet Assets

	2023		2022	
	Rs. In thousand	% age	Rs. In thousand	% age
Property, plant and equipment	1,751,048	55.03%	1,715,529	79.36%
Long term investment	39	0.00%	39	0.00%
Long term deposits	12,022	0.38%	10,019	0.46%
Stores, spare parts and loose tools	761,256	23.92%	49,448	2.29%
Stock in trade	182,690	5.74%	76,492	3.54%
Trade debts	156,962	4.93%	159,571	7.38%
Loans and advances	45,722	1.44%	52,281	2.42%
Trade deposits and short term prepayments	142	0.00%	24	0.00%
Tax refunds due from Government	223,526	7.02%	92,239	4.27%
Cash and bank balances	48,543	1.53%	5,929	0.27%
Total	3,181,950	100.00%	2,161,571	100.00%

Balance Sheet Equity & Liabilities

	2023		2022	
	Rs. In thousand	% age	Rs. In thousand	% age
Shareholders Equity	303,994	9.55%	226,625	10.48%
Deferred liabilities	20,749	0.65%	18,507	0.86%
Long term payables	16,248	0.51%	16,267	0.75%
Trade and other payables	390,315	12.27%	220,358	10.19%
Accrued mark up / interest	-	0.00%	52	0.00%
Current portion of long term financing from banking companies	-	0.00%	8,214	0.38%
Short term borrowings from associated undertakings	848,391	26.66%	769,996	35.62%
Short term borrowings from directors and others	1,602,253	50.35%	901,552	41.71%
Total	3,181,950	100.00%	2,161,571	100.00%

KEY PERFORMANCE RATIOS

		2023	2022
Balance Sheet Ratios			
Return on equity		25.61%	7.7%
Current Ratio		0.5	0.23
Quick Ratio		0.44	0.19
Earnings per share		1.579	0.355
Price Earnings (P/E) Ratio		6.19/1.579	7.75/0.355

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. Because of bumper cotton crop during the year and PKR appreciation against U.S Dollar during the past few days, the textile outlook is expected to remain favorable; however, 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.

Q & A SESSION

