



Sapphire Fibres Limited

Corporate Briefing Session 2023



Contents



<u>01</u>	Sapphire Fibres Limited Introduction
<u>02</u>	Strategic / Operational Developments
<u>03</u>	Historical Financial Highlights
<u>04</u>	Financial Results 2023
<u>05</u>	Future Outlook
<u>06</u>	Q & A Session



01

Sapphire Fibres Limited Introduction



Introduction



Vision

To be one of the premier textile company recognized for leadership in technology, flexibility, responsiveness and quality.



Mission

Our mission is to be recognized as premier supplier to the markets we serve by providing quality yarns, fabrics and other textile products to satisfy the needs of our customers.

Introduction :

Sapphire Fibres Limited (SFL) was incorporated in Pakistan on 05 June 1979 as a public limited company. The shares of the company are listed on Pakistan Stock Exchange. SFL is principally engaged in manufacturing and sales of yarn, fabrics and garments.

Sapphire Electric Company Limited (SECL), which is subsidiary of SFL owns & operates a combined cycle power plant. SECL has a Power Purchase Agreement with its sole customer, National Transmission & Dispatch Company Limited for thirty years which commenced from October 05, 2010.



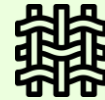
Yarn

104,496 Spindles
60,589.409 Lbs



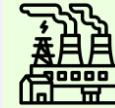
Denim

20,400,000 Meters



Knited Fabric & Garments

14,612,963 Lbs. &
9,600,000 Garments



Power Plant

234 MW Power Plant



02

Strategic / Operational Developments





Strategic / Operational Developments

Denim Division:

During the year, investment of Rs. 171 million on PICANOL Weaving Machines and Caustic Recovery plant in Denim Division has been made.

Knits Division:

The Company during the year has invested Rs. 275 million on Stenter Frame and circular Knitting Machine in Knits Division.

Spinning Division:

The Company during the year has invested Rs. 198 million on Blowroom Line, Draw Frame, Lycra Core Yarn Attachment and Twister for Staple Fibre in Spinning Division.



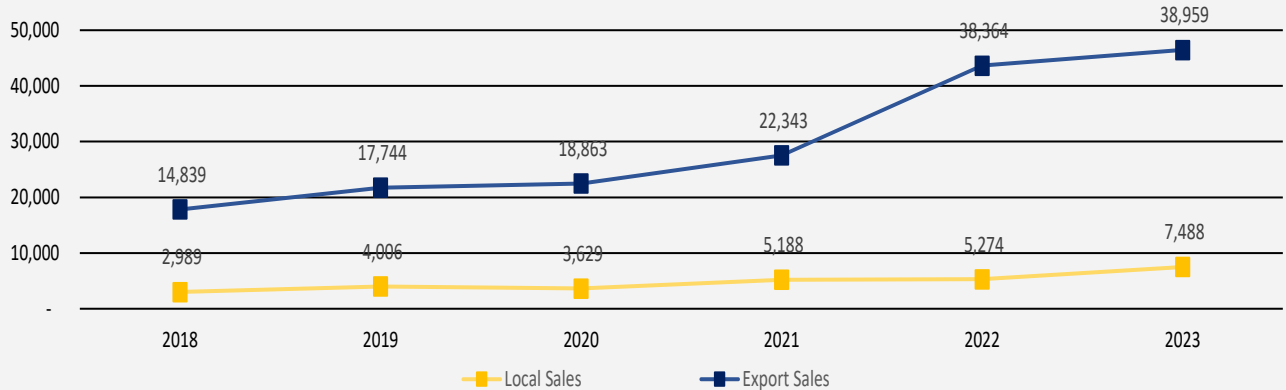
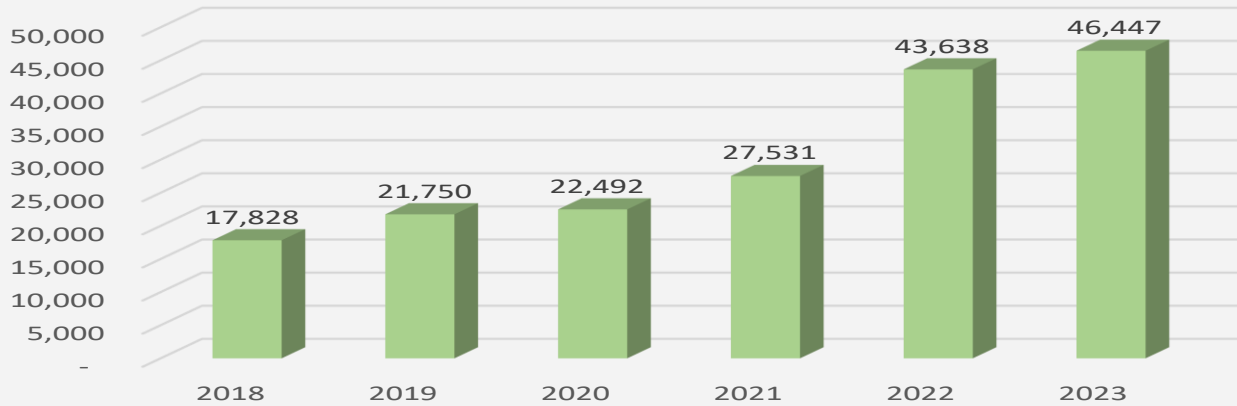
03

Historical Financial Highlights

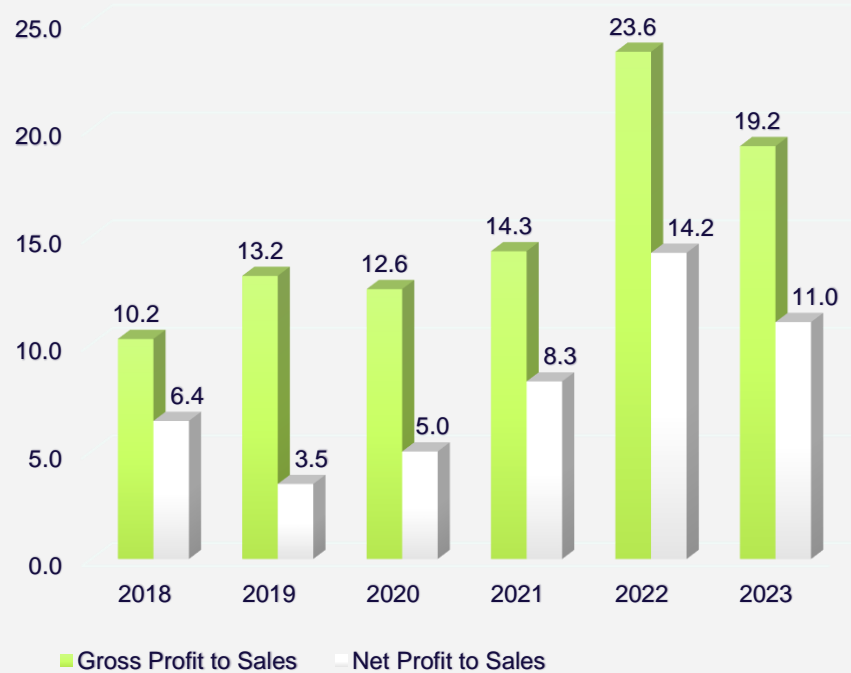


Sales

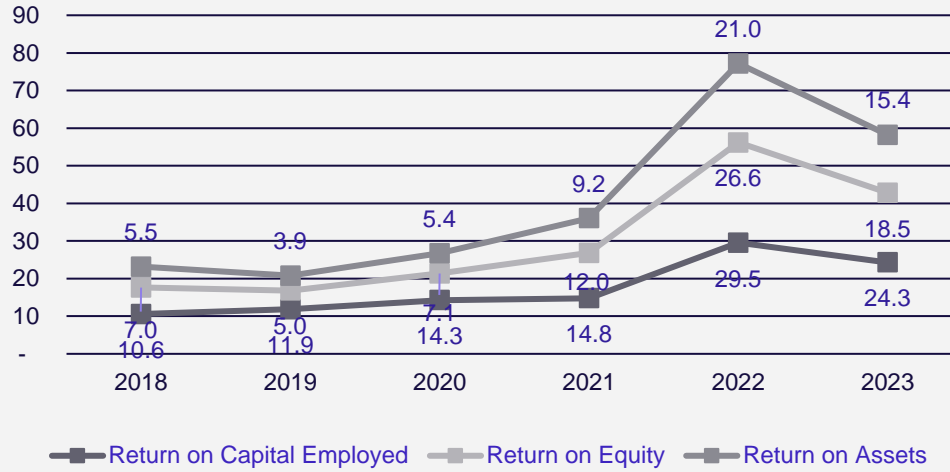
Total Sales Rs. In Million



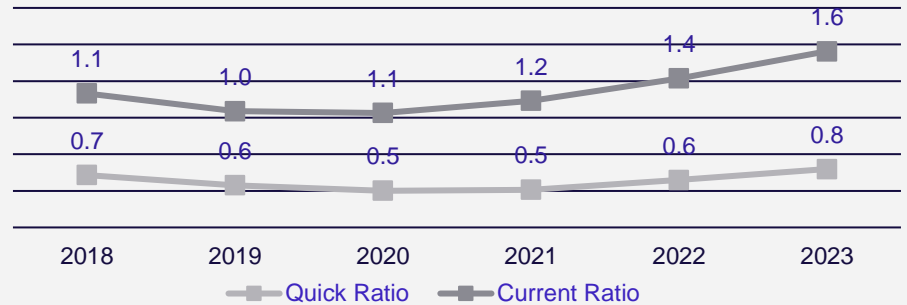
Profits to Sales



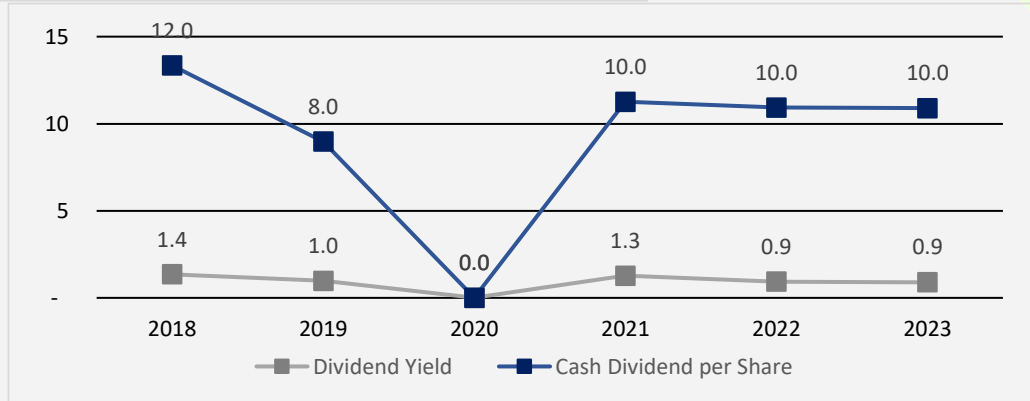
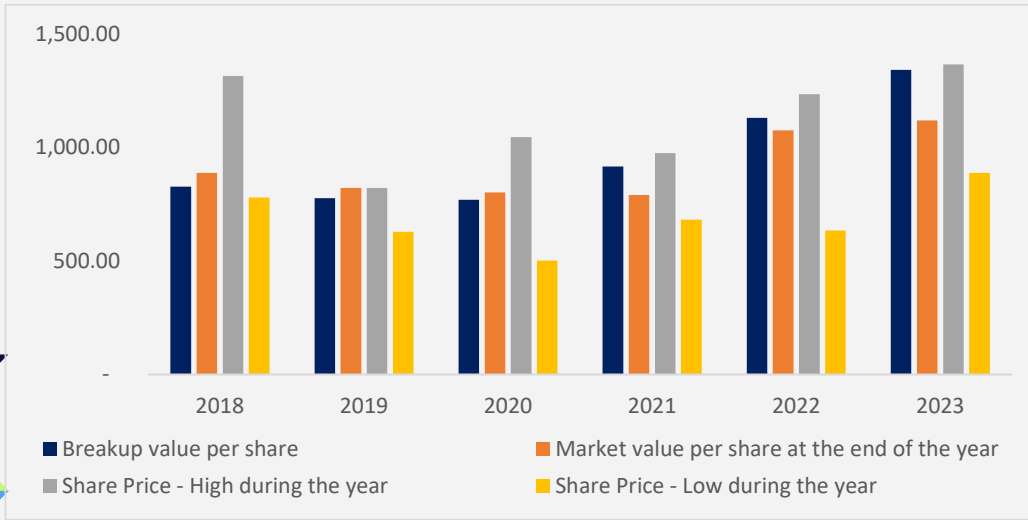
Profitability Ratios



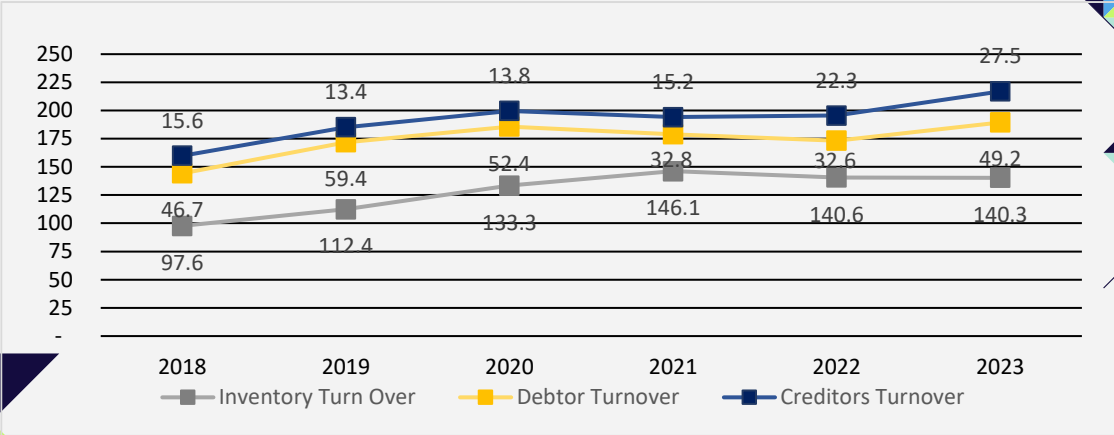
Liquidity Ratios



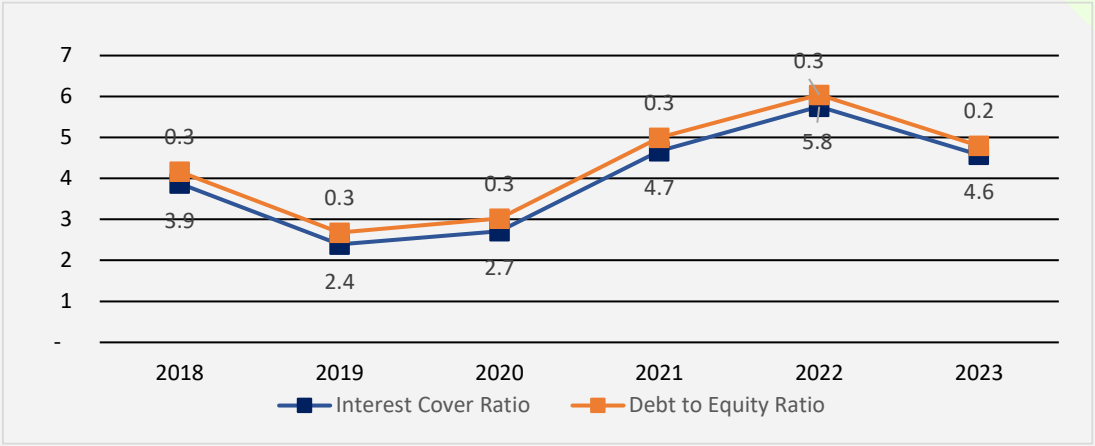
Investors Ratios



Activity / Turnover Ratio

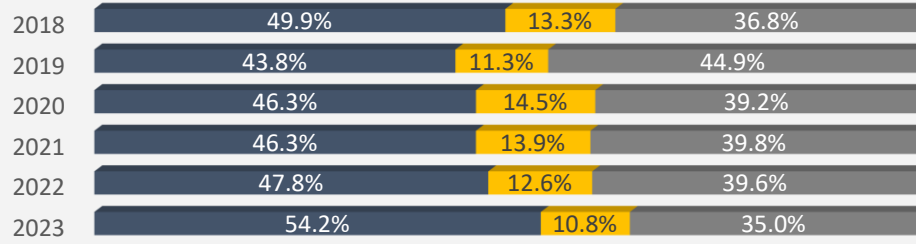


Interest Coverage Ratio



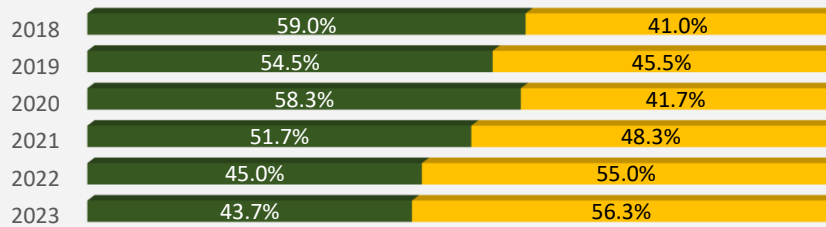
Financial Position

Equity & Liabilities



■ Equity ■ Non-Current Liabilities ■ Current Liabilities

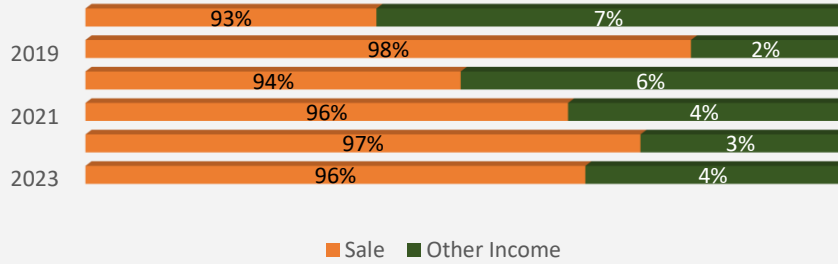
Assets



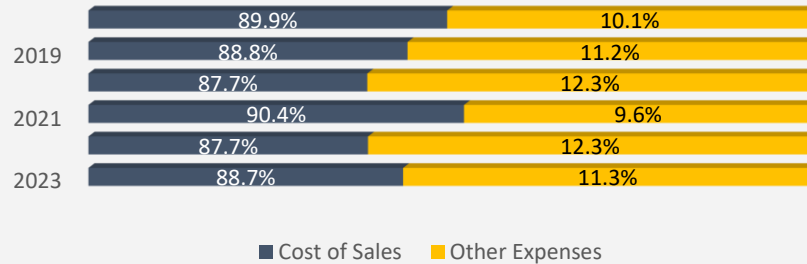
■ Non-Current Assets ■ Current Assets

Statement of Profit or Loss

Sale & Other Income

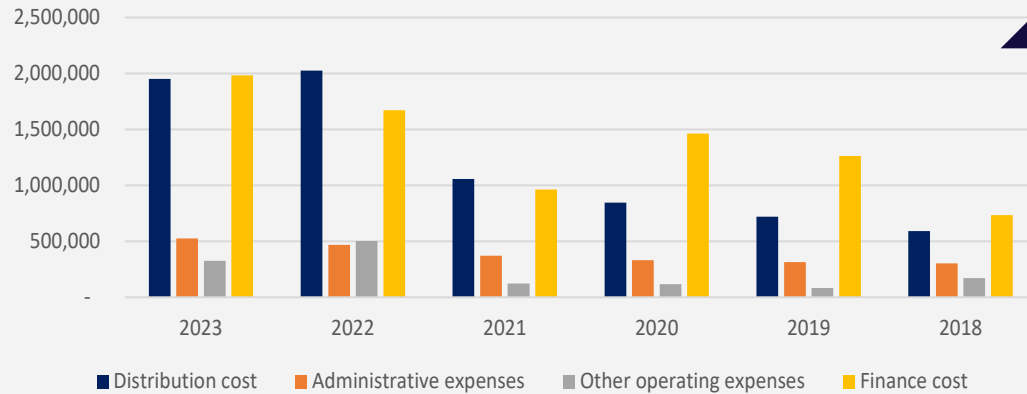
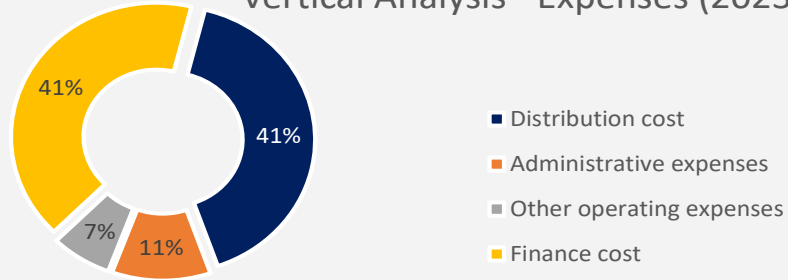


Cost of Sales and Expenses

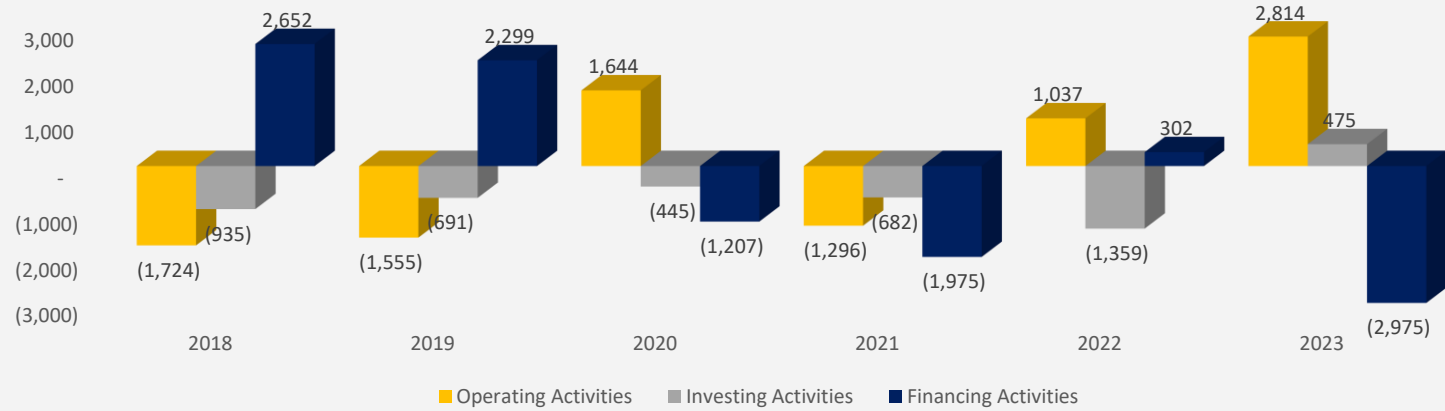


Statement of Profit or Loss

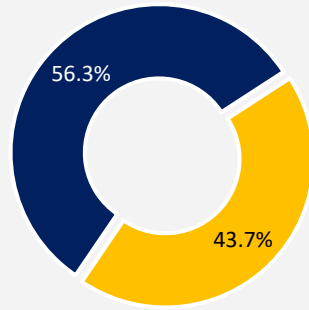
Vertical Analysis - Expenses (2023)



Cash Flow Analysis

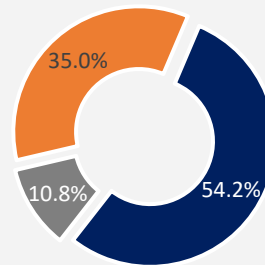


VERTICAL ANALYSIS-TOTAL ASSETS (2023)



- Total non-current assets
- Total current assets

VERTICAL ANALYSIS-TOTAL EQUITY & LIABILITIES (2023)



- Total Equity
- Total non-current liabilities
- Total current liabilities

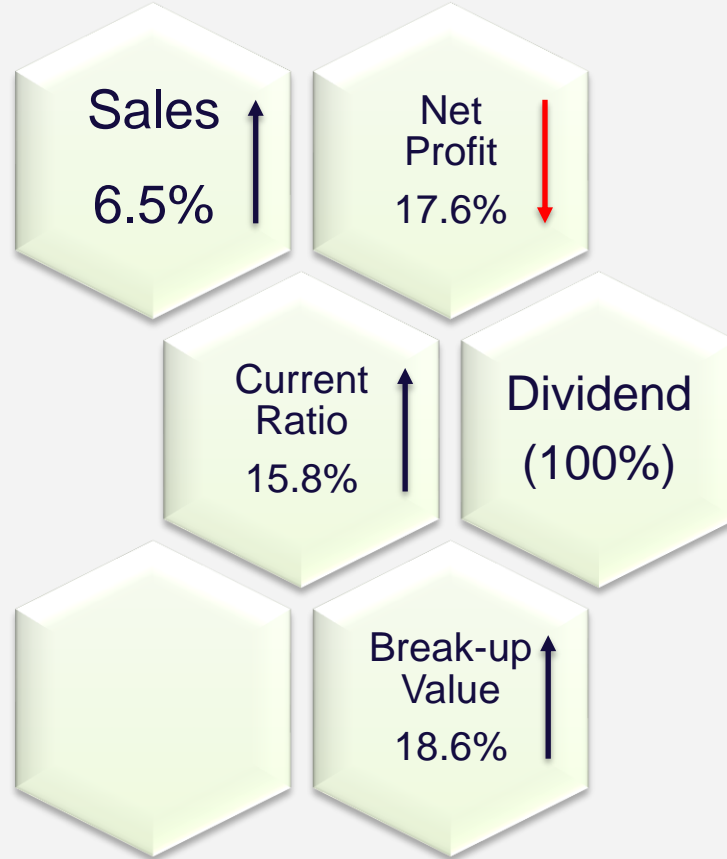


04

Financial Results 2023 vs 2022



Key Highlights



Statement of Value Addition and its Distribution

	2023		2022	
	Rs. in million	%age	Rs. in million	%age
Value addition				
Sales	46,447	95.94	43,638	96.82
Other income	1,965	4.06	1,434	3.18
Total	48,412	100.00	45,072	100.00
Value distribution				
Cost of sales	37,530	77.52	33,350	73.99
Distribution Expense	1,951	4.03	2,026	4.49
Administrative and other expenses	852	1.76	970	2.15
Finance cost	1,984	4.10	1,672	3.71
Taxation	974	2.01	838	1.86
Dividend to shareholders	206	0.43	206	0.46
Profit retained for future growth	4,915	10.15	6,009	13.33
Total	48,412	100.00	45,072	100.00

Consolidated Income Statement

	2023	2022
	Rs. in million	Rs. in million
Sales	65,462	65,729
Cost of sales	(52,977)	(52,827)
Gross Profit	12,484	12,902
Distribution Expense	(1,951)	(2,026)
Administrative and other expenses	(1,070)	(1,206)
Other income	1,131	849
Finance cost	(2,336)	(2,112)
Share of Profit of Associated Companies	528	631
Profit before Taxation	8,785	9,038
Taxation	(977)	(845)
Profit after Taxation	7,808	8,193

Balance Sheet Assets

2023
51,156 Million

2022
48,900 Million

15,148 million (30%)	Property, plant and equipment	(30%) 14,631 million
8,704 million (17%)	Long term and short term investments	(20%) 9,599 million
15,467 million (30%)	Stores and stocks	(31%) 15,103 million
7,446 million (15%)	Trade Debts	(10%) 5,077 million
1,917 million (4%)	Taxes refund due form Government	(5%) 2,461 million
2,474 million (4%)	Other assets	(4%) 2029 million

Balance Sheet Equity & Liability

2023
51,156 Million

27,709 million (54%)

6,696 million (13%)

6,547 million (13%)

8,872 million (17%)

964 million (2%)

368 million (1%)

Shareholders Equity

Total Long term Liabilities

Trade Liabilities

Short Term borrowings

Provision for Taxation

Other Liabilities

2022
48,900 Million

(48%) 23,369 million

(15%) 7,234 million

(13%) 6,227 million

(22%) 10,968 million

(2%) 843 million

(0%) 259 million

Consolidated Balance Sheet – Assets

	2023	2022
	Rs. (Million)	Rs. (Million)
Property, plant and equipment	25,941	25,988
Long and short term investments	8,894	12,243
Stores and stocks	15,780	15,422
Trade debts	19,609	13,957
Cash and banks	1,399	671
Other assets	5,139	5,515
Total	76,762	73,796

Consolidated Balance Sheet – Equity & Liabilities

	2023	2022
	Rs. (Million)	Rs. (Million)
Equity of parent shareholders	41,040	35,034
Non-controlling interest	6,955	6,339
Long term financing	6,709	7,248
Trade liabilities	9,478	9,105
Short term borrowing	10,901	14,877
Taxation	968	844
Other liabilities	711	349
Total	76,762	73,796



05

Future Outlook



Future Outlook

Global growth is projected to remain weak by historical standards, falling from 3.5% in 2022 to 3.0% in both 2023 and 2024, while risks to the outlook are skewed more to the downside. The rise in central bank policy rates to fight inflation continues to weigh on economic activity. Global headline inflation is easing in most countries but remains high; set to fall from 8.7% in 2022 to 6.8% in 2023 and 5.2% in 2024, whereas underlying inflation is projected to decline more slowly.

Pakistan faces increasingly uncertain economic outlook with dwindling foreign reserves, a depreciating currency and very high inflation. Economic activity is expected to remain slow in coming year as well, with real GDP growth projected at just around 0.5%, amid tough challenges ahead to maintain progress towards macroeconomic stability.

Despite all challenges, your Company has maintained an impressive cumulative annual growth rate of 21% in last five years with improved shareholder returns. With the same resolve, the management remains committed to protect and improve competitive advantage of Company's diversified products and services to deliver sustainable results.

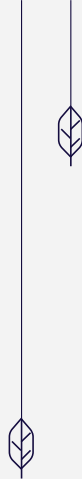
The logo for SAPPHIRE is displayed in a large, bold, blue font with a yellow outline. The letters are set against a background of colorful geometric shapes, including triangles and circles in shades of blue, green, and yellow. The word "SAPPHIRE" is written in all caps. Below the main logo, the word "SAPPHIRE" is repeated in a smaller, grey, semi-transparent font.

SAPPHIRE



06

Q & A Session



Thanks!

