

PREMIUM
TEXTILE
MILLS

November 17, 2023

The General Manager

Pakistan Stock Exchange Limited
Stock Exchange building
Stock Exchange Road
Karachi

Dear Sir

Subject : Corporate Briefing Session

This is to inform that Company has decided to hold Corporate Briefing Session ('CBS') on the basis of its annual audited accounts for the financial year June 30, 2023 on November 23, 2023 at 3:00 p.m. at Pakistan Stock Exchange (PSX) Auditorium, Karachi

Additionally, we are pleased to enclose the presentation that will be discussed during the session.

Please inform the TRE Certificate Holders of the Exchange accordingly.

Yours Sincerely,
For **Premium Textile Mills Limited**

Hammad Ullah Khan
Company Secretary

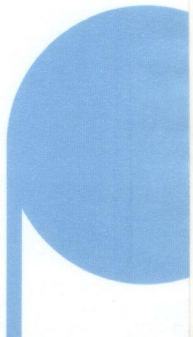
Premium Textile Mills Limited

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Altaf Hussain Road, New Challi
Karachi-74000, Pakistan.
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Fax : 021-32417908
Email : premhead@premiumtextile.com
Web : www.premiumtextile.com

Factory

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140, 142, 157, 208/1
Main Super Highway, Nooriabad
Distt. Jamshoro (Sindh), Pakistan
Tel : (025) 4552666
Email : factory@premiumtextile.com





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CORPORATE BRIEFING SESSION, FY23

November 23, 2023

BRIEF OVERVIEW

- Incorporated in Pakistan on March 03, 1987.
- Principal activity is to manufacture and sell cotton and polyester yarn (*Greige Yarn, Fancy / Melange Yarn and Heather Yarn*) as well as socks of various varieties (performance socks, speciality socks and lifestyle socks).
- The Group has successfully diversified into manufacturing of auto parts and trading.
- Flagship company of the Group.
- Commenced its operations with 12,230 spindles, which have increased to 91,455 as of today (*Up: ~8x in last 30 years*).
- Operating in both, local and int'l markets (*FY23: Local Sales: 3.17%; Exports Sales: 96.83% of Gross Sales*);
- Geared towards acquiring latest technology to provide its customers premium yarn;
- Operating its own power plant;



MANAGEMENT INFORMATION

Board of Directors

Mr. Mohammad Aslam Parekh	Chairman
Mr. Abdul Kader Adam	Chief Executive
Mr. Mohammad Yasin Siddik	Executive Director
Ms. Naila Hasan	Independent Director
Mr. Mohammad Raziuddin Monem	Independent Director
Ms. Lubna Asif Balagamwala	Independent Director
Mr. Tanzeel Abdul Sattar (NIT Nominee)	Director

Managing Director

Mr. Zaid Siddik

Chief Financial Officer

Ms. Shenila Parekh

Company Secretary

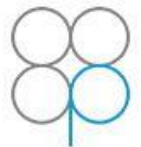
Mr. Hammad Ullah Khan

Auditors

Rahman Sarfaraz Rahim Iqbal Rafiq Chartered Accountants

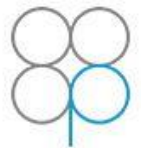


CERTIFICATIONS



FINANCIAL SUMMARY

PKR Million	FY'23	FY'22	YoY
Sales	22,828.70	19,976.81	14%
Gross Profit	3,939.42	5,582.09	-29%
Operating Profit	3,113.05	4,956.17	-37%
Finance Cost	2,238.21	875.80	156%
PBT	1,394.33	4,609.51	-70%
PAT	1,042.64	4,310.38	-76%
Total Assets	28,019.23	20,942.45	34%
Total Equity	9,152.67	8,308.05	10%
GP Margin (%)	17%	28%	-38%
NP Margin (%)	5%	22%	-79%
EPS (Rs.)	169.18	699.40	-76%
DPS (Rs.)	25	100	-75%



BUSINESS REVIEW

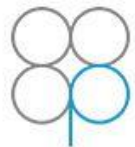
- Net revenue grew by 14%, YoY, in FY23.
- Export sales grew by 17% in FY23 as compared to local sales which rose by 56% in FY23.
- FY23 utilization level stood at 88.29%.
- Number of shifts worked in FY23 were 1,092.
- The company incurred capital expenditure of PKR 4.075bn in FY23.



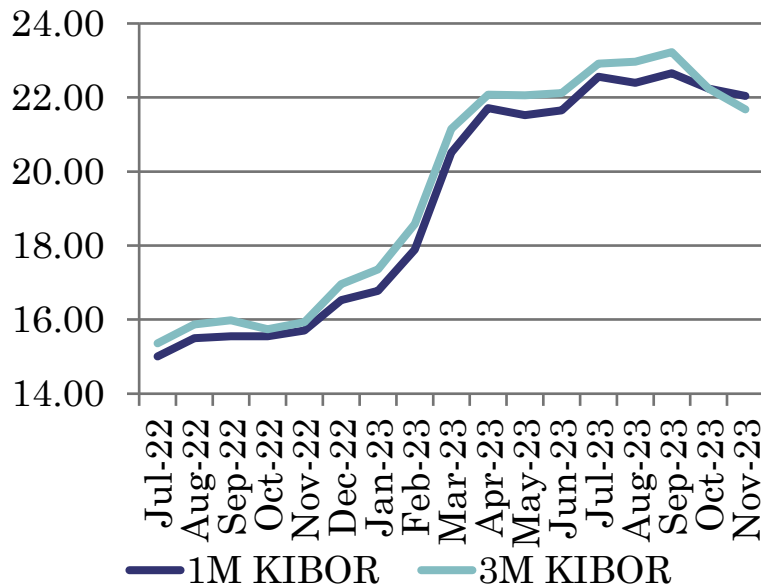
WORKING NOTES (Rs, MILLIONS)

Sales	FY'23	FY'22	YoY
Gross Local Sales	731	470	55.60%
Gross Export Sales	22,316	19,095	16.87%
	23,047	19,565	17.80%
<i>Gross Local Sales</i>	3.17%	2.40%	
<i>Gross Export Sales</i>	96.83%	97.60%	
Raw Mat. Sales	69.85	628.34	-88.88%
	0.30%	3.11%	
	23,117	20,193	14.48%
Comm. & Disc.	289	217	33.58%
	1.25%	1.07%	
Net Sales	22,828	19,977	14.27%

Cost of Sales	FY'23	FY'22	YoY
Raw Mat. Consumed	15,495	11,072	39.94%
Production Expenses	3,506	2,386	46.92%
	19,000	13,458	41.18%
Total COGS	18,889	14,395	31.22%
As a % of Net Sales			
Raw Mat. Consumed	67.88%	55.43%	
Production Expenses	15.36%	11.94%	
Share in COGS			
Raw Mat. Consumed	82.03%	76.92%	
Production Expenses	18.56%	16.58%	



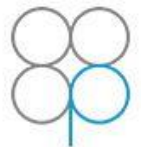
WORKING NOTES (Rs, MILLIONS)



Finance Cost	FY23	FY22	YoY
L.T. Finance	468	238	54.29%
S.T. Borrowings	1,572	549	49.10%
Total Finance Cost	2,238	876	46.59%
L.T. Loans (Incl. ST)	6,640	5,315	11.66%
S.T. Borrowings	8,136	4,745	53.17%
Avg. Borrowing Cost			
L.T. Loans	7.05%	4.48%	
S.T. Borrowings	19.32%	11.57%	
<i>LT. Loans @ LTFF + Spread</i>			
<i>ST. Loans @ 1M/3M KIBOR + Spread</i>			

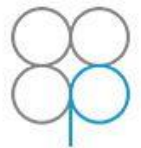
LTFF/TERF/ITERF: WEF, Jul 01, '15

Period of Financing	SBP Rate of Finance	End User's Rate
Over 5 Years, Upto 10 Years	SBP + (0.50%, 1.75%)	2.60%, 3.75%



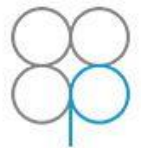
KEY NUMBERS: 5-YEAR HISTORY

Key Numbers	2023	2022	2021	2020	2019
Net Sales (Rs. Mn)	22,829	19,977	11,484	8,771	8,492
P.A.T. (Rs. Mn)	1,043	4,310	1,386	181	462
Fixed Assets (Rs. Mn)	12,170	10,011	6,788	4,208	3,313
GP Margin (%)	17%	28%	21%	14%	14%
Op. Margin (%)	14%	25%	18%	11%	11%
NP Margin (%)	5%	22%	12%	2%	5%
Current Ratio (x)	1.36	1.63	1.41	1.11	1.17
EPS (Rs.)	169.18	699.40	224.93	29.44	74.91
Cash Div.	250%	1000%	500%	80%	225%
Production Cap. Conv. 20/s (Kgs, Mn)	34.59	42.26	33.35	33.62	28.97
Actual Prod. Conv. 20/s (Kgs, Mn)	30.54	39.97	31.43	28.73	25.46



DIVIDEND PAYOUT HISTORY - 10 YEARS

FY	Cash Dividend
FY23	250%
FY22	1000%
FY21	500%
FY20	80%
FY19	225%
FY18	225%
FY17	125%
FY16	100%
FY15	60%
FY14	35%



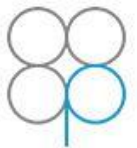
FORWARD LOOKING INFORMATION

- The sock manufacturing plant has commenced commercial production in Nov 22 with an estimated capacity of 165,000 dozens per month.
- This is inline with company's key focus of adding value and increase export percentage further in the sales mix.
- The Russia – Ukraine conflict is severely affecting world demand and talks of recession are turning into reality.
- The company is streamlining itself by cutting down costs and focusing on increasing operational efficiency.
- The Auto Core Textile machinery continues to pay dividends in the form of lower energy cost, lower labor cost, low maintenance cost and most importantly higher quality of Yarn



PAKISTAN TEXTILE SECTOR: OUTLOOK

- Rising energy cost along with expected lower demand from key markets such as USA and Europe are expected to keep the growth in check.
- The high interest rate environment is not conducive for further investment in machinery at the moment.
- The devaluation continues to make our products cheaper in international markets however low demand remains key issue.
- Lower energy cost initiative by the govt for export oriented sectors primarily textiles has help keep costs in check that said 1QFY23 margins are down to 15.41% from 28.99% a year ago indicating a trend to monitor.



Q&A
THANK YOU

