



BLESSED TEXTILES LIMITED

CORPORATE BRIEFING SESSION - 2024

Disclaimer

The Blessed Textiles Ltd has developed the presentation for the corporate briefing session, which is only intended for the participants discussion. Investors or prospective investors are not permitted to construe any statement, information, or representation made during the conversation as advice or a suggestion to hold, buy, or sell stocks without giving it due deliberation.

We further suggest that prior to acting upon any information supplied or comments made during the discussion, it is advisable that one should seek appropriateness and accuracy of the information.



Table of Contents

- Introduction
- Corporate Information
- Group Structure
- Outlook of Textile Sector
- Key Performance Indicators
- Financial Performance
- Historical Data
- Question and Answers
- Thank You Note

Introduction

The Blessed Textiles Ltd (“Company”) incorporated in 1987 and operated under the common management of the Umer Group. The company’s management is pioneered in textile sector based on extensive experience coupled with through knowledge both locally and globally.

The company operates with three spinning units with 86,496 spindles and one weaving unit with 150 looms located in Punjab produces high quality yarn and fabric for domestic consumption and international markets. The company enjoys a remarkable share and exported around 60 percent of its total revenue to the European Union , USA and Far East during the current year.

The company posted a loss before and after tax of PKR (1,706.231) million during the fiscal year ending June 30, 2024. There has been a sales growth by 78.52 percent during the fiscal year ended June 30, 2024 as our new spinning unit has become fully operational during the current fiscal year which contributed almost 32 percent in the annual turnover of the company.

The increase in the policy rate severely impacted our profitability and resulted in a 2 percent increase in our debt servicing costs during the corresponding years. Further, our profitability is also impacted by the government's removal of energy subsidies on IMF directives that led to surge in energy prices exorbitantly.

Combined with fluctuations in cotton and yarn prices, this significantly impacted our gross margins, which decreased by approximately 7 percent during the corresponding years.

The industry's profitability is going to be strained further by the government's commitment with IMF to phase out of captive power plants from the gas grid by January 2025. This transition poses significant challenges for the struggling textile sector.

Despite the current challenges, we are committed to improve the company's financial performance in the coming years. The management team has implemented proactive strategies to address the issues that contributed to our subpar results.

Corporate Information

6

Incorporation

The company **Blessed Textiles Limited** established in September 1987.

Symbol

BTL

Legal Status

Public Limited Company.

Capital

Authorized Capital - 65,000,000

Issued Paid-up Capital - 64,320,000

(Ordinary Share of Rs.10 each)

Associated Undertakings

Bhanero Textiles Mills Ltd

Faisal Spinning Mills Ltd

Registered and Liaison Office

Registered office of the company is located at Umer House, 23/1, Sector 23, K.I.A , Karachi.

Liaison office of the company is located at City Towers, Main Boulevard, Gulberg-II, Lahore.

Manufacturing Units

- i) Spinning Unit I with an installed capacity of 24,864 spindles, located at Sheikhpura, Punjab
- ii) Spinning Unit II with an installed capacity of 48,576 spindles, located at Sheikhpura, Punjab.
- iii) Weaving Unit III with an installed capacity of 150 air jet looms, located at Sheikhpura, Punjab.
- iv) Spinning Unit IV with installed capacity of 13,056 spindles in Punjab.

Credit Rating

The entity's rating has been reaffirmed at 'A/A-1' (Single A/A-One)) with 'Stable' outlook on given ratings is based on assessment by Messer's VIS Credit Rating Company Limited on September 26, 2023.

Governing Board

The governing board comprised of ten(10) members and all the appointments of independent, executive, non-executive and female directors are in line under the under Code of Corporate Governance Regulations, 2019. All the members of the governing board are accredited under Directors Training Program.

Sr	Names of Directors	Designation
1	Mr. Mohammad Salim	Director
2	Mr. Mohammad Shaheen	Executive Director
3	Mr. Adil Shakeel	Executive Director
4	Mr. Khurrum Salim	Director
5	Mr. Bilal Sharif	Director
6	Mr. Muhammad Amin	Executive Director / CEO
7	Mr. Tauqeer Ahmed Sheikh	Independent Director
8	Mr. Mustafa Tanvir	Independent Director
9	Mr. Asif Elahi	Independent Director
10	Mrs. Samia Bilal	Female Director

Sr	Categories of Shareholders	Numbers Of Shareholders	Shares Held	Percentage %
1	Directors, Chief Executive Officer, and their spouse and minor children.	22	2,152,940	33.47
2	Associated Companies, Undertaking and Related Parties	18	2,095,400	32.58
3	Banks Development Financial Institutions, Non Banking Financial Institutions.	1	31	0.00
4	Insurance Company	1	393,900	6.12
5	Modarabas and Mutual Funds	1	18,500	0.29
6	Share holders holding 10%	1	1,189,160	18.49
7	General Public			
	Local	626	564,499	8.78
	Foreign	-	-	-
8	Other Companies	6	15,970	0.25
9	Joint Stock Companies	3	1,600	0.02
		679	6,432,000	100.00

Blessed Textiles Limited

Free Float of Shares

As on June 30, 2024

10

Total outstanding shares 6,432,000

Less :

Shares held by Directors /Sponsors 4,248,340

Government holding as Promoter /Acquirer /Controller

Shares held by Associated Undertakings 1,189,160

Shares held with General Public 57,600 5,495,100

Free Float 936,900

Total number of shares available in CDC 2,420,760

Total number of shares available in Physical Form 4,011,240

Total 6,432,000

Group Structure

11

Textiles

Bhanero Textile Mills Ltd

Spinning Unit I

Spinning Unit II

Weaving Unit III

Spinning Unit IV

Faisal Spinning Mills Ltd

Spinning Unit I

Weaving Unit II

Finishing Unit III

Stitching Unit IV

Blessed Textiles Limited

Spinning Unit I

Weaving Unit II

Spinning Unit III

Spinning Unit IV

Leather

Firhaj Footwear (Pvt) Limited

Footwear Retailing - Unit I

Footwear Manuf. - Unit II

Leather Garment - Unit III

Dairy

Umer Farms (Pvt) Limited

Milk Production Unit I

Real Estate

City Towers

Outlook of Textile Sector

Pakistan's provisional GDP growth rate for the 2023-24 fiscal year is 2.38 percent, which is lower than the 3.5 percent target. The International Monetary Fund has forecasted that Pakistan's economy will grow by 3.50 percent in the fiscal year 2024-25 whereas World Bank (WB) projects that Pakistan's GDP growth rate will be 2.3 percent for the fiscal year 2024-25.

About 60 percent of the entire exports contributed by the textile sector, which is currently facing a number of difficulties. Record-high lending rates and soaring energy costs are putting a lot of pressure on local manufacturing. The industry mostly relies on debt to meet its working capital requirements and the profitability is eroded due increased in the cost of financing.

Textile sector is plagued with several challenges, foremost being the rising production costs like phenomenal increase in energy tariff and borrowing cost. Consequently, exports came down from \$22.1 billion in FY 2022 to \$16.5 billion in FY 2023 and in FY 2024 struggled to reach \$16.65 billion.

Another challenge is the lack of diversification and marginal value addition we mostly rely on yarn and raw unprocessed and unfinished grey fabric which fetches meagre margins. The carbon footprints emission in the environmental is also becoming a immense challenge for the textile sector since to remain eligible for supplying textile to the EU, Pakistan must begin transition towards net-zero emissions in earnest.

The need for businesses to be sustainable is growing and customers are deliberately selecting brands that are more environmentally friendly hence, converting to renewable energy is a crucial approach for the textile sector.

Global change is occurring despite the obstacles and in order to survive, the textile industry has to demonstrate commitment towards transition to renewable energy sources.

Key Performance Indicators

14

Sales
Growth YoY
31.73%

Gross Profit
3.84%

Loss Before
Tax
5.36%

Loss After
Tax
5.36%

Breakup
Value per
Share 1,256.62

Market Value
per Share
241.99

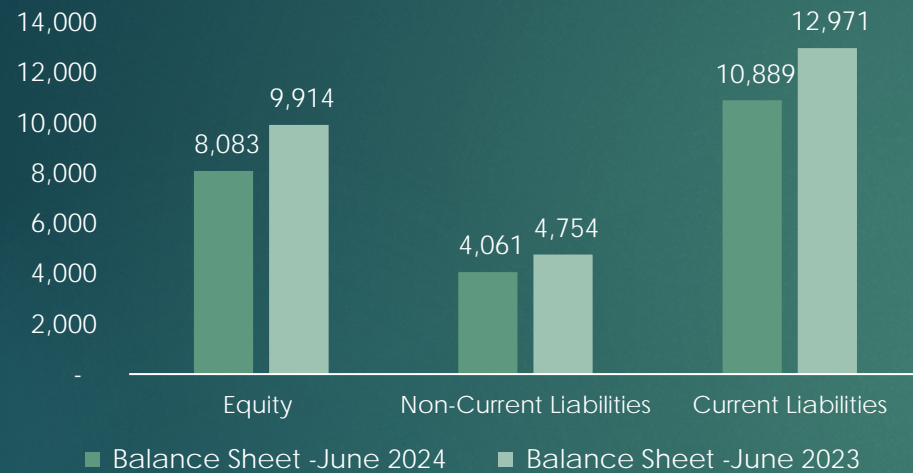
Dividend per
Share
“Nil”

Loss per Share
265.27

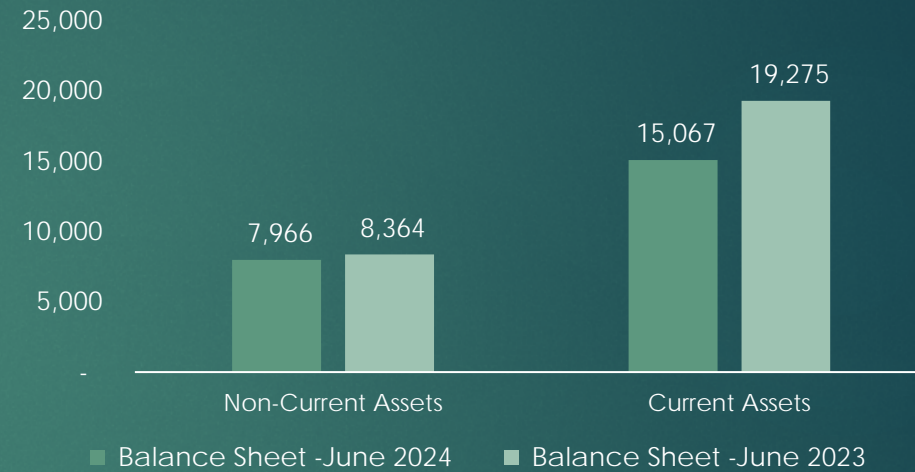
Statement of Financial Position as at June 30, 2024

15

Equity & Liabilities - (PKR in Millions)



Assets - (PKR in Millions)



BLESSED TEXTILES LIMITED**STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 30 JUNE 2024**

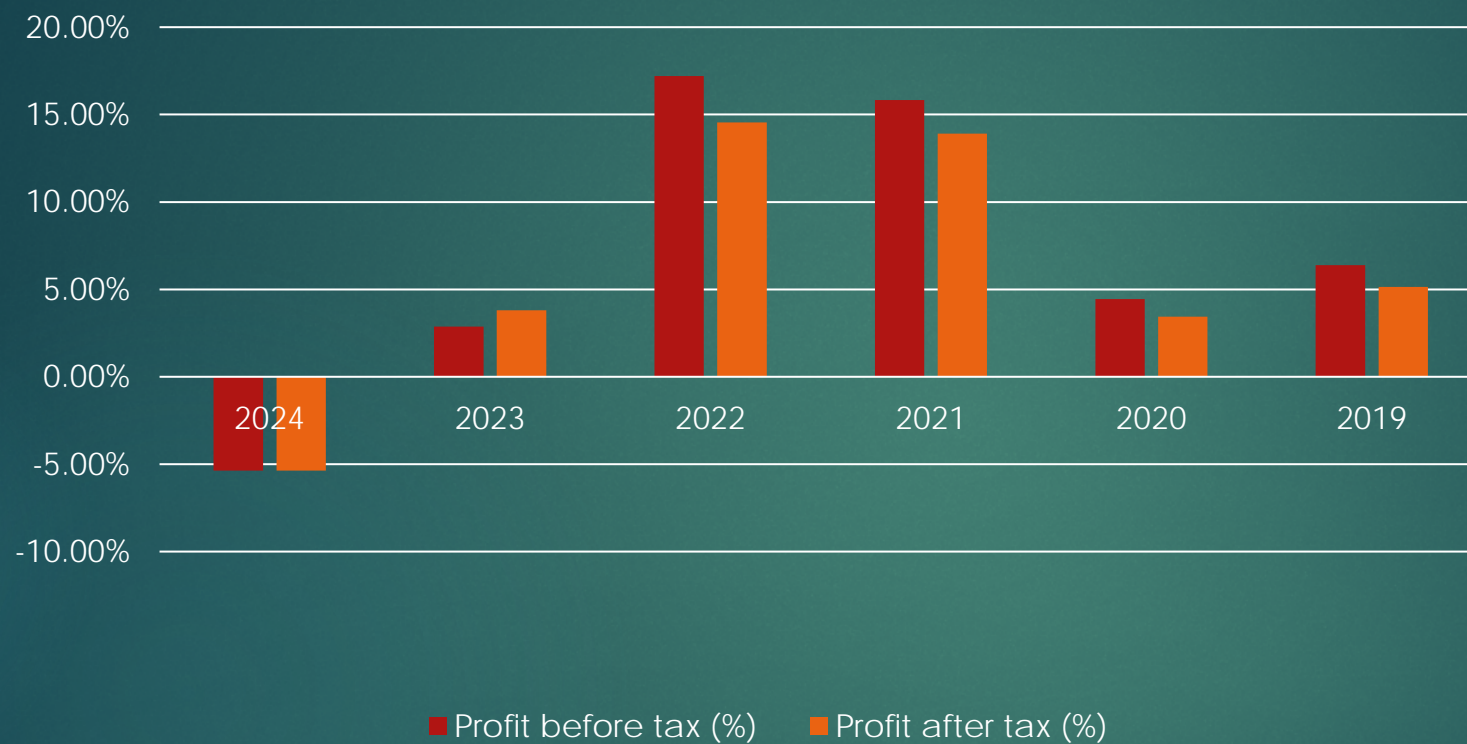
	30-Jun-24	30-Jun-23
	<i>Rupees</i>	<i>Rupees - '(Restated)</i>
Revenue from contracts with customers - <i>net</i>	31,821,773,255	24,156,586,324
Cost of sales	(30,599,709,962)	(21,584,363,517)
Gross profit	1,222,063,293	2,572,222,807
Selling and distribution expenses	(484,723,784)	(427,916,625)
Administrative expenses	(287,991,423)	(240,788,101)
Other expenses	(510,976)	(3,100,000)
	(773,226,183)	(671,804,726)
Impairment reversals for expected credit losses	4,635,857	89,113,977
	453,472,967	1,989,532,058
Other income	128,518,564	92,851,253
Operating profit	581,991,531	2,082,383,311
Finance cost	(1,988,895,082)	(997,356,701)
(Loss)/profit before statutory levies and taxation	(1,406,903,551)	1,085,026,610
Provision for statutory levies	(299,327,914)	(392,253,494)
(Loss)/profit before taxation	(1,706,231,465)	692,773,116
Provision for taxation	-	228,267,419
(Loss)/profit after taxation	(1,706,231,465)	921,040,535
(Loss)/earnings per share - <i>basic and diluted</i>	(265.27)	143.20

Turnover - PKR in Million

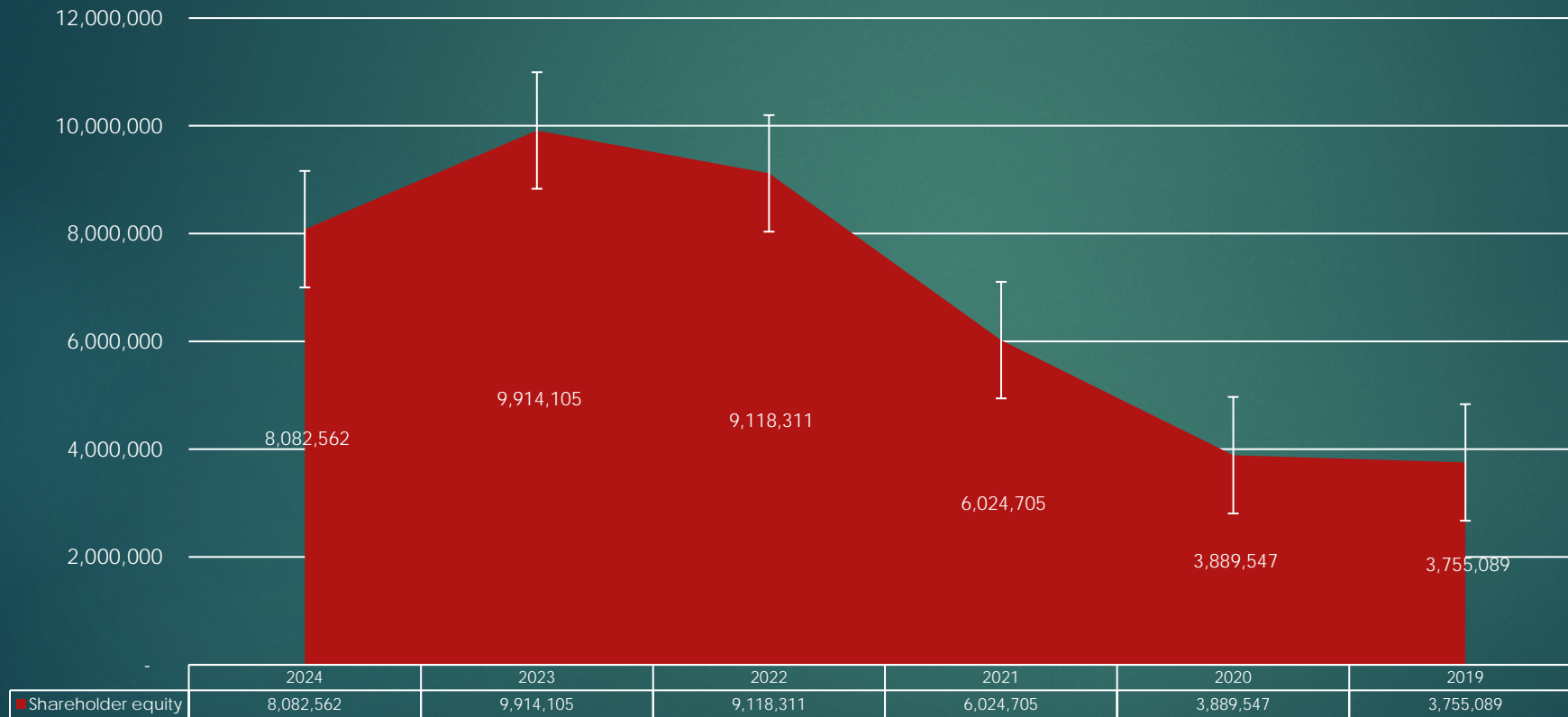


	2024	2023	2022	2021	2020	2019
Turnover (PKR in "000")	31,822	24,157	22,031	15,431	12,360	12,346

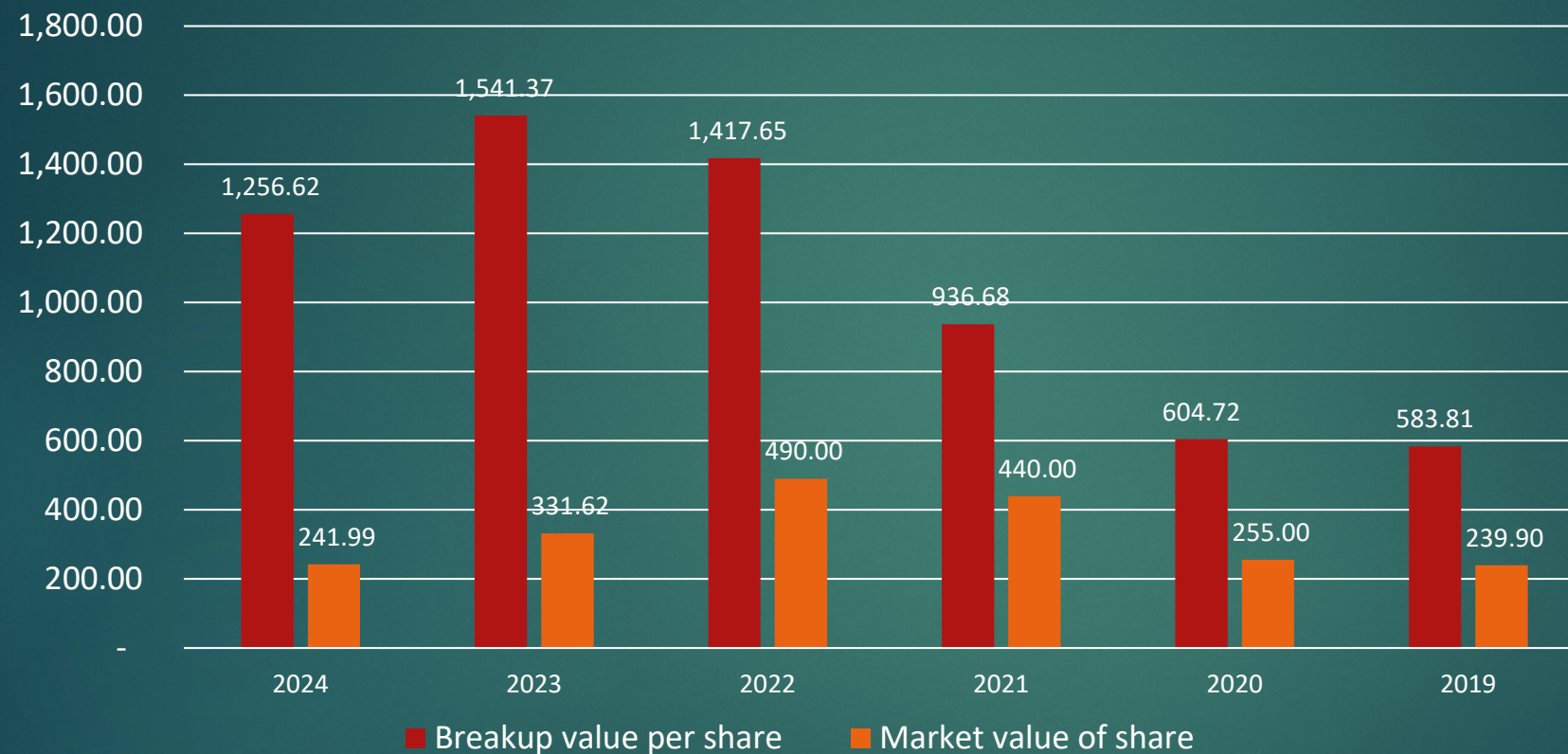
PBT & PAT - %



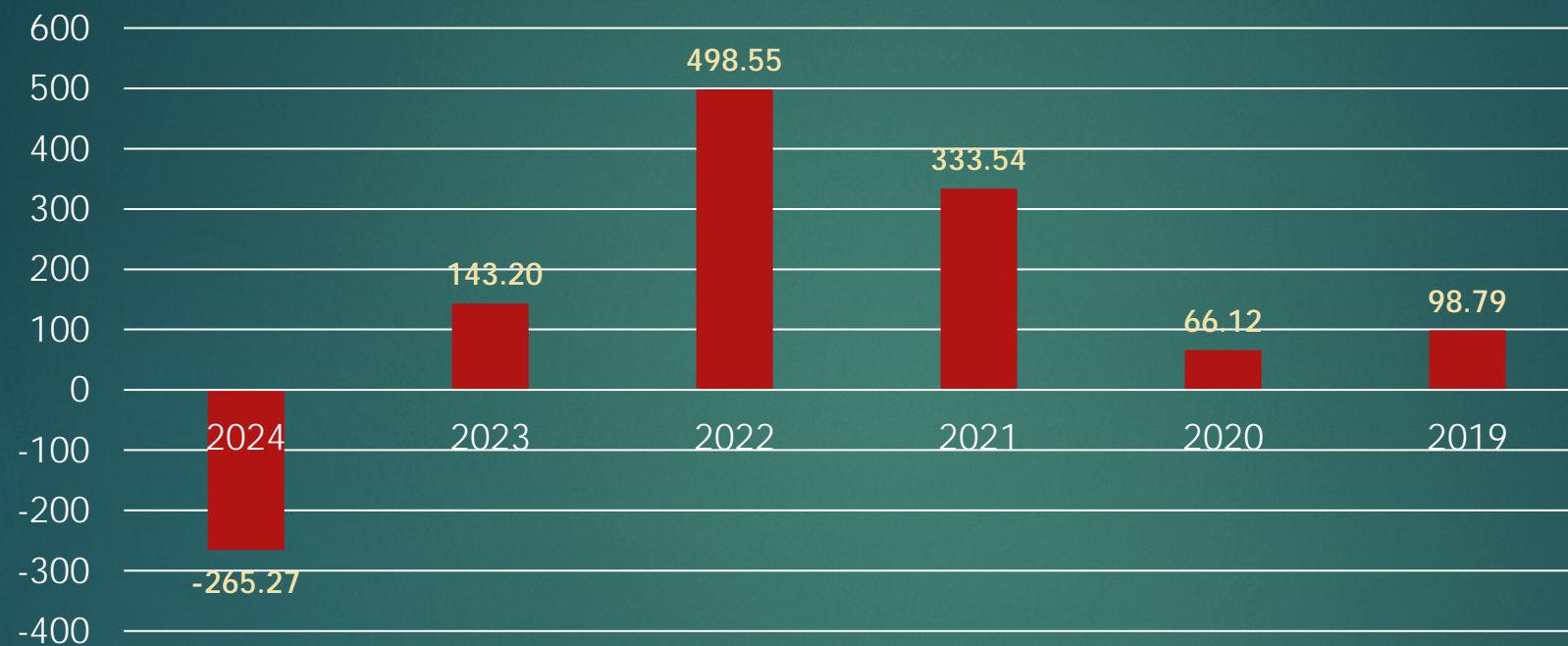
Shareholder Equity - "000"



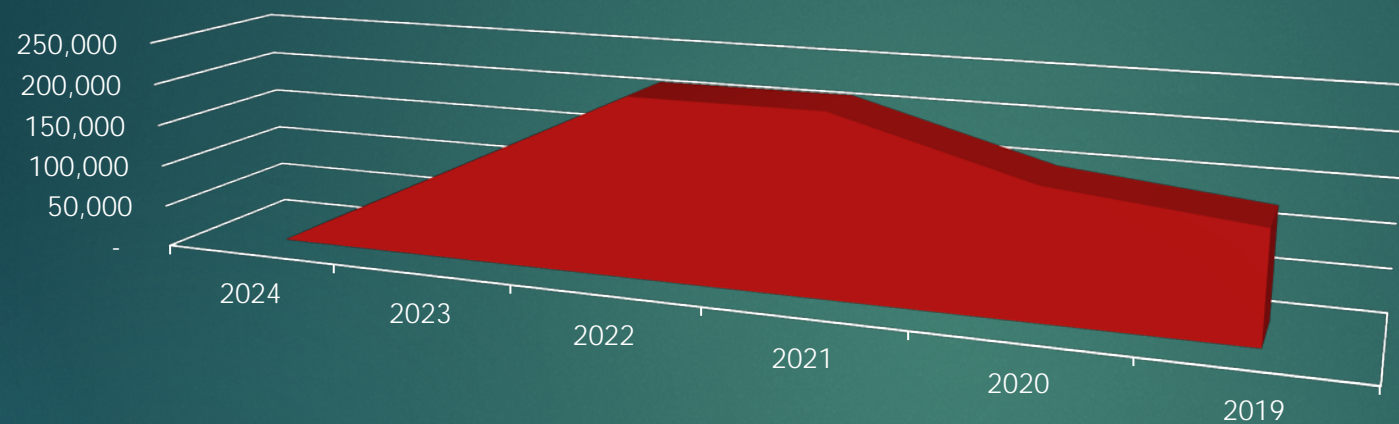
Breakup and Market Per Share



Earnings Per Share - Rupees per share



Cash Dividend - PKR in ("000)



	2024	2023	2022	2021	2020	2019
■ Cash Dividend - PKR in ("000)	-	106,128	212,256	212,256	150,509	127,354

Historical Data

Year-Wise Operating Data					
2024	2023	2022	2021	2020	2019

Spinning Unit

Spindle installed	86,496	86,496	73,440	72,240	68,640	68,640
Spindles worked	86,496	86,496	73,440	72,240	68,640	68,640
Installed capacity after conversion into 20/s count - Kg	35,154,000	35,154,000	29,570,000	27,583,000	23,405,000	23,405,000
Actual production converted into 20s - Kg	29,939,000	26,369,000	28,551,000	26,639,000	25,354,000	25,285,000

Weaving Unit

Air jet looms installed	150	150	150	150	140	140
Air jet looms worked	150	150	150	150	140	140
Installed capacity after conversion into 50 picks - Meter	27,848,000	27,848,000	30,866,000	29,355,000	29,355,000	29,355,000
Actual production converted to 50 picks - Meter	27,930,000	25,061,000	25,044,000	23,820,000	23,714,000	25,773,000

Ratios	2024	2023	2022	2021	2020	2019
Performance						
Sales growth percentage - Year to Year basis	31.73%	9.65%	42.77%	24.85%	0.11%	20.36%
Gross profit (%)	3.84%	10.65%	22.94%	21.45%	10.10%	13.06%
Profit/(Loss) before tax -%	-5.36%	2.87%	17.20%	15.82%	4.44%	6.39%
Profit/(Loss) after tax - %	-5.36%	3.81%	14.56%	13.90%	3.44%	5.15%
Breakup value per share - Rupees per share	1,256.62	1,541.37	1,417.65	936.68	604.72	583.81
Market value of share - at the year end - Rupees per share	241.99	331.62	490.00	440.00	255.00	239.90
Earnings/(Loss) per share - Rupees per share	-265.27	143.20	498.55	333.54	66.12	98.79
Price earning ratio	(0.91)	2.32	0.98	1.32	3.86	2.43
Leverage						
Gearing ratio	1.40	1.42	0.66	0.39	1.41	1.11
Debt to equity (%)	45.95%	44.91%	33.58%	31.42%	50.38%	42.61%
Interest covering ratio	0.14	1.69	18.13	11.86	2.79	3.12
Liquidity ratio						
Current ratio	1.38	1.49	2.25	4.61	1.62	1.67

Question & Answers Session

The honorable guest and shareholders of the company are requested to proceed for question and answer session with regard to the financial statements for the year ended June 30, 2024.

Thanks