



*Corporate Briefing Session (CBS)  
30 June 2022*

[www.masoodtextile.com](http://www.masoodtextile.com)

## Company Introduction

Masood Textile Mills Limited (MTM) started as a spinning unit in 1984 under the leadership of Ch. Nazir Ahmed (late). The Company has since then grown into a fully integrated textile unit with focus on value added products.

Date of Incorporation	3 <sup>rd</sup> October, 1984
Registration Number	0012223
NTN Number	0658678-3
Listing Status	Listed at Pakistan Stock Exchange
Date of Listing	20 <sup>th</sup> July, 1988
Credit Rating by VIS:	Long-term (A-) Short-term (A-2) Sukuk (A)
No. of Permanent Employees	19,946 as on 30-06-22
Head office	Faisalabad

## Company Introduction

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- Masood Textile Mills Limited (**MTM**) is a public limited company incorporated under the Companies Act, 1913 (now Companies Act, 2017) and is listed on the Pakistan Stock Exchange ("**PSX**").
- **MTM** is a truly vertically integrated textile unit, having in house Spinning, Knitting, Fiber and Yarn dyeing, Fabric Dyeing & Processing, Laundry, Printing, Embroidery and Apparel & Denim Manufacturing facilities, managed by a highly trained, qualified and experienced team comprising proven Industry Leaders.
- **MTM** is engaged in the production of high quality textile and textile products that are largely exported to USA, Canada and Europe. The Company has a product range that includes yarn, fabric, loungewear, active wear, sleepwear, athletic and sportswear products: having wide selection of quality garments including T-shirt, Polo shirt, Jogging suit, Henley shirt, Raglan shirt, Tank top, Shorts, Pants and Sleepwear.
- **MTM** is one of Pakistan's leading textile exporters with strong footprint and is working with leading brands of the world. With the latest developments globally such as US China trade war along with improved policy framework by Govt. of Pakistan for textile exporters, **MTM** along with other exporters, has witnessed a surge in product sourcing from Pakistan.

# Apparel Customer Base

JCPenney



Calvin Klein



PULL&BEAR

Pepe Jeans

s.Oliver



MANGO



VAN HEUSEN

IZOD



## Fabric Customer Base

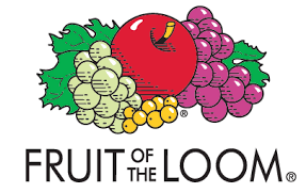
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MTM is an approved fabric vendor for following brands

MARKS &  
SPENCER

TOMMY  
HILFIGER TOMMY  
HILFIGER

THE CHILDREN'S  
PLACE



next

Sainsbury's

TESCO

PRIMARK®

PVH



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mtm  
Masood Textile Mills Ltd.

## RECOGNITION AND PRESTIGIOUS AWARDS







## Strong Capability

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- As part of the Company's focus on *research and development*, MTM PD Centre at Humen, China strives to achieve rapid introduction of new and improved products by adopting a disciplined and customer focused approach to product development.
- **MTM** success lies in a systematic approach to operation management and quality control. There are quality checks at every stage of manufacturing starting from Raw Cotton, Yarn, Fabric, Processing, Cutting, Stitching and Packing. Each garment produced has a unique ID tracking number which is attached inside the garment, and it back tracks from cotton crop type, yarn, knitting, fabric processing, cutting, stitching operations & inspections to packaging and shipment.
- This unique back track system makes **MTM** the only textile exporter in Pakistan to provide customers with online access to its quality control system, and it helps in achieving accountability of workers and floor management, MIS reporting goal, cost monitoring at each production stage, as well as quality and efficiency monitoring.



## Product Development Centre at HUMEN (China)



# In-House Developed ERP System



## Lean Manufacturing

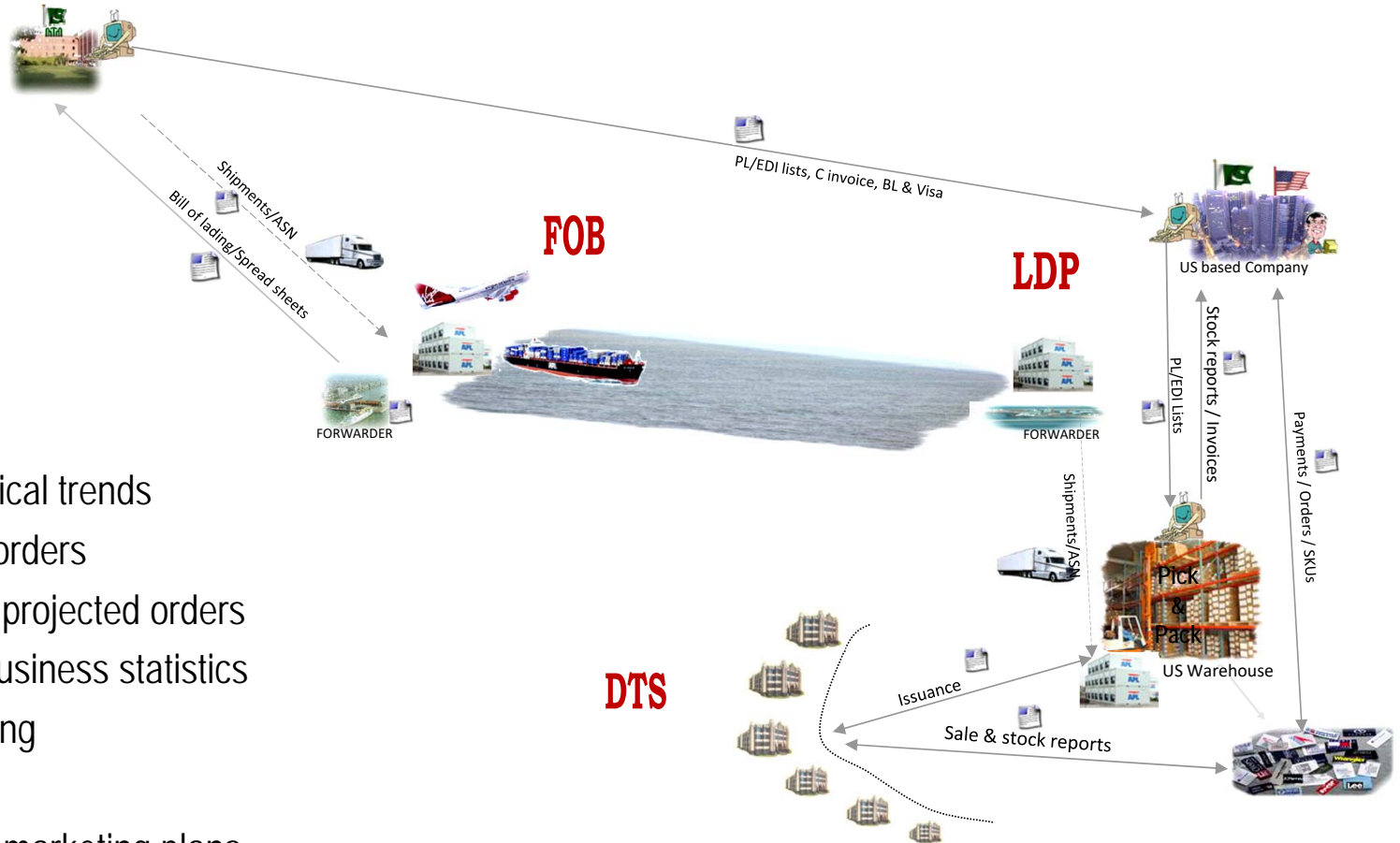
MTM has taken initiative to adopt Lean Manufacturing best practices in its production facility by using RFID (Radio Frequency Identification) Technology into its production lines. This RFID technology helps real time production activity and item tracking. Each process of garment is integrated with this technology. It's a real time shop floor data tracking management system that keeps the management updated what's happening on the production floor. Through this technology the management can extract each worker data regarding their productivity, quality and efficiency.

By using Lean Manufacturing in MTM, there will be reduction of Waste in a system through consideration of the following:

- ❖ Overproduction
- ❖ Waiting (man or machine)
- ❖ Transportation
- ❖ Business process
- ❖ Inventory or work in process
- ❖ Motion and rework



# Vendor Managed Inventory Capability



- ❖ Data mining for historical trends
- ❖ Analysis of sales vs. orders
- ❖ Analysis of actual vs. projected orders
- ❖ Weekly analysis on business statistics
- ❖ Service level monitoring
- ❖ Pick & pack on FIFO
- ❖ Incorporating buyer's marketing plans



## Sponsors & Foreign Alliance

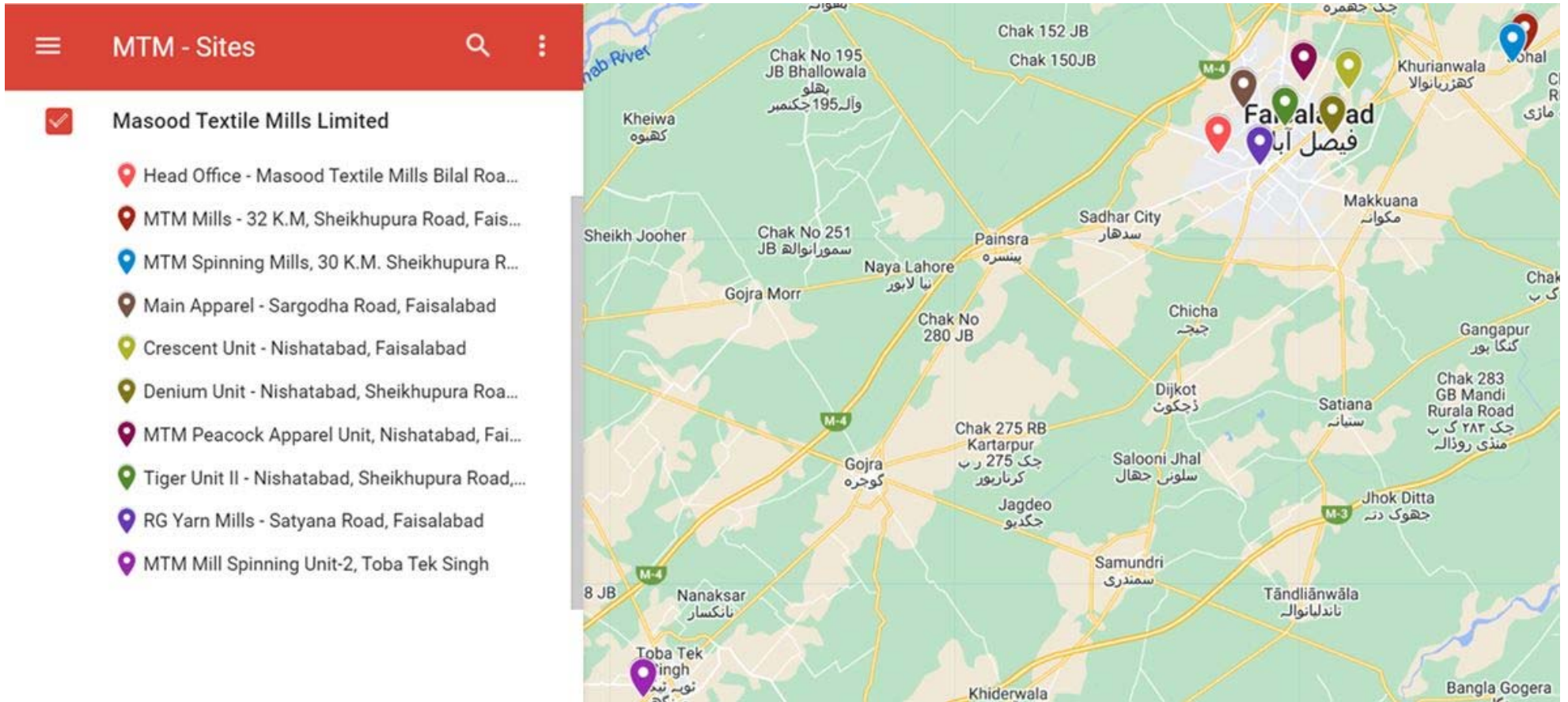


Masood embarked upon a Joint Venture with Shanghai Challenge Textile & Zhejiang Xinao Industry Company China

Shareholder (As at 30 June 2022)	% held
Directors	2.39%
Mrs. Nazia Nazir	30.17%
Zhejiang Xinao Industry Company Limited	11.31%
Shanghai Challenge Textile Co. Limited	25.77%
Financial Institutions	6.72%
Insurance Companies	0.59%
Mutual Funds	3.29%
Joint Stock Companies	10.73%
General Public	9.03%
<b>Total</b>	<b>100.00%</b>

# Manufacturing Footprint

Geographical location of all business units of the company are as follows:





## Production Capacities

Being one of the few vertically integrated textile mill in Pakistan, MTM has a dependable capacity to produce 825,000-850,000 dozen garments per month. From its in-house spinning, knitting, dyeing, processing and apparel manufacturing capabilities the Company has advantage in terms of quality consistency and predictable lead times. The Company's current production facilities are as follows:

SEGMENT	CAPACITY
Spinning	Total 37,440 Spindles (Producing Fashion yarns, mélanges, Injection Slub, Chain yarns in multiple fiber blends )
Open End	5,480 Routers (Producing mélanges , fancy yarn)
Fiber / Yarn Dyeing	14.444 Tons Per Day
Knitting	Active Machines - 778 & Seasonal Machines – 143
Dyeing and Finishing	Installed Capacity - 130-140 Tons per Day
Garments	5,697 Machines including 756 machines Dedicated for Denim Division
Cutting	79.289 Tons per day
Auto Placket	90,000 pieces per day
Laundry	22.680 tons per Day for Washing, garment Dyeing & Tumble (14.2 tons per Day with Mix Process)
Embroidery	44 Million Stitches per day (approx.)
Printing	91,961 pieces per day (Digital, Hybrid & Screen)
Denim	13,000 pieces per day with Mix Process (Dry and Wet Process at mills)

## Six Years Financial Results

Rupees in Million

DESCRIPTION	2022	2021	2020	2019	2018	2017
Revenue	54,147	37,089	28,668	34,211	30,842	23,394
Cost of Sales	(47,605)	(31,782)	(27,303)	(30,418)	(26,991)	(20,009)
Gross Profit	6,542	5,307	1,366	3,794	3,851	3,385
Distribution cost	(3,350)	(2,263)	(2,149)	(2,450)	(2,063)	(1,478)
Administrative expenses	(998)	(854)	(716)	(698)	(549)	(481)
Other expenses	(115)	313	(973)	(49)	(108)	(11)
Other income	2,405	443	420	2,353	1,071	218
Finance cost	(1,473)	(1,281)	(1,699)	(1,203)	(896)	(641)
Profit / (Loss) before taxation	3,011	1,038	(3,752)	1,748	1,305	993

## Statement of Profit or Loss - 30 June 2022

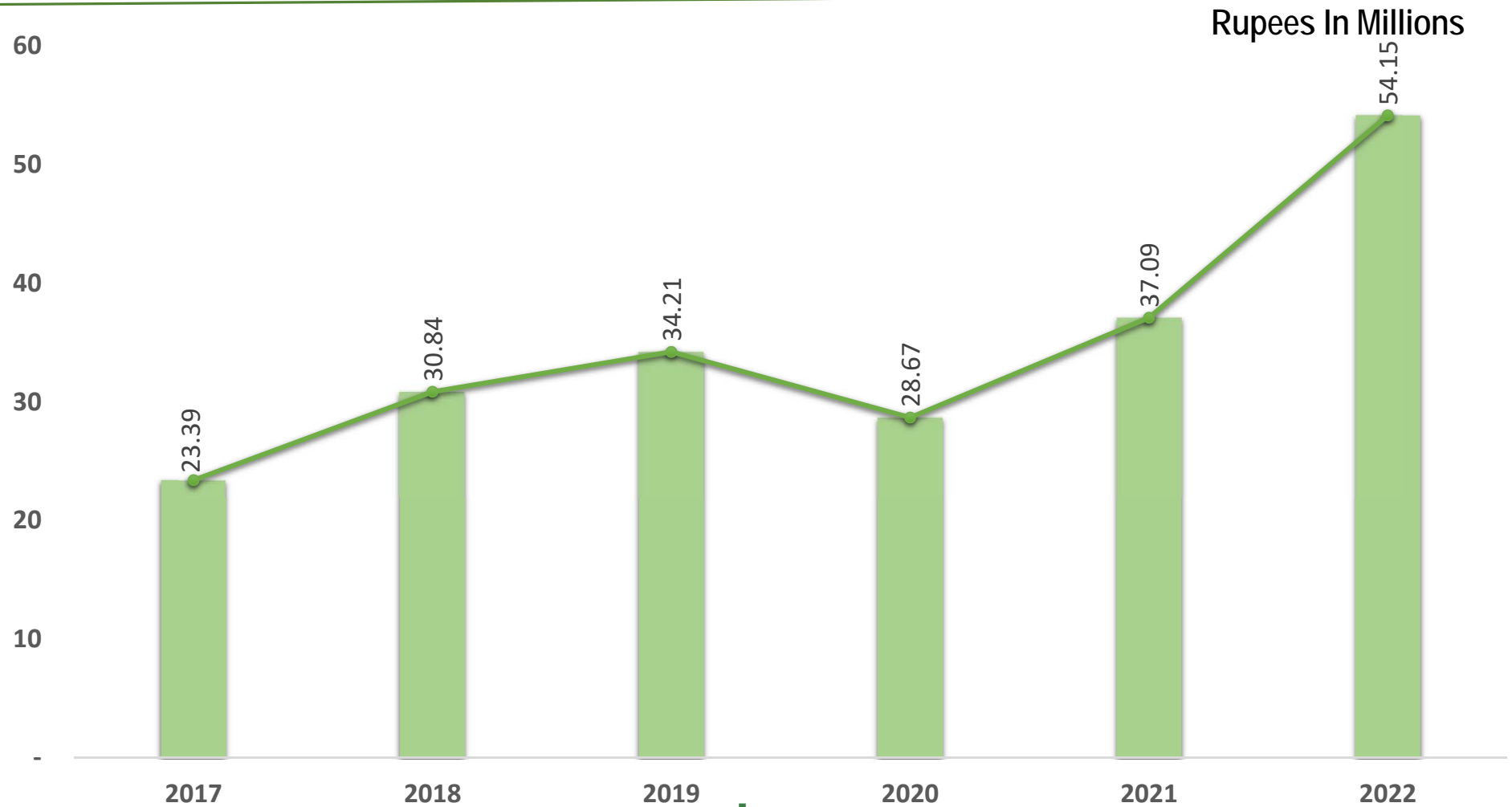
Rupees in Million

DESCRIPTION	2022	2021	Variance
Revenue	54,147	37,089	17,058
Cost of Sales	(47,605)	(31,782)	(15,823)
Gross Profit	<b>6,542</b>	<b>5,307</b>	<b>1,235</b>
Distribution cost	(3,350)	(2,263)	(1,087)
Administrative expenses	(998)	(854)	(144)
Other expenses	(115)	313	(428)
Other income	2,405	443	1,962
Finance cost	(1,473)	(1281)	(192)
Profit before taxation	<b>3,011</b>	<b>1,038</b>	<b>1,973</b>
Taxation	(735)	(398)	(337)
Profit after taxation	<b>2,276</b>	<b>641</b>	<b>1,635</b>
<b>Earnings Per Share (Rupees)</b>			
- Basic	33.24	9.06	24.18
- Diluted	30.22	8.24	21.98

## Ratio Analysis

Key Ratio	30 June 2022	30 June 2021
Total Debt / Equity Ratio	64:36	68:32
Leverage Ratio	2.59	2.71
Current Ratio	1.16	1.14
Debt Service coverage Ratio (DSCR)	1.46	1.23
Indebtness Ratio	4.28	6.58
Total Debt to Total Sales	44.12%	61.34%
Stock Turnover Ratio- Days	102	130
Debtors Turnover Ratio- Days	84	73
Financial Charges Coverage	3.04	1.81
Break-up Value	195.88	156.94
Earning per Share - Basic (Rupees)	33.24	9.06
Earning per Share - Diluted (Rupees)	30.22	8.24

## Revenue Trend (2016 – 2022)



# Product Line





# Product Line



## Employee Training

MTM has conducted various training session / workshops for its employees like:

- Leadership with impact – Key to success
- Time & Stress Management
- Professional Ethics & Change Management
- MS office Programme - Need Assessment
- Proficiency in Business English
- System thinking & Design
- People's Manger Tool Kits – Leadership – The care & Growth Model
- Technical Training Programme in collaboration with Mayer & Cie
- Supervisory Skill for Lean Organization (SSLO)
- Training Session on Women Empowerment
- NAVTTC Training Session





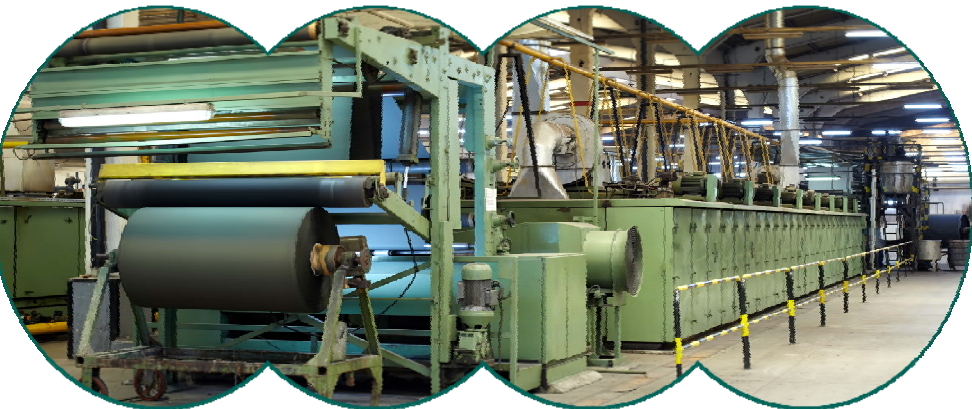
# CSR - Flood Relief Activities: Feeling The Pain



- Recognizing the social responsibility, MTM contributed Rs. 25 Millions in the Prime Minister Flood Relief Fund.
- On a visit of renowned Pakistani Philanthropist Mr. Dr. Amjad Saqib, Rs. 20 Million were also donated to Akhuwat Foundation for rehabilitation of flood victims.
- MTM team organized a successful Flood Relief Camp in Bahrain-Sawat for devastated fellow countrymen.



# Sustainability



Sustainable Innovations in Textile Wet Processing (TWP)



An MoU signed between UET & Masood Textile Mills (MTM) Pakistan

### MTM PARTNERS WITH SGS PAKISTAN IN THE ADOPTION OF ENERGY MANAGEMENT SYSTEM (EMS)

We are pleased to share with you that MTM has undertaken another initiative i.e. Energy Management Program at Mills.

By better managing energy, this initiative is likely to make the MTM facility more sustainable for the future. The main focus of these efforts is to reduce energy loss. In this regard, MTM has partnered with one of the leading global companies to benefit from their expertise, which will help MTM become energy efficient by improving operational excellence and reducing greenhouse gas emissions. The endeavor will initially focus on four areas as follows:

- Energy Management
- Energy Conservation
- Energy Efficiency
- Systems Optimization

This initiative is taken by Executive Director and will be implemented by Mills operations team under his leadership. We always take pride in such strides which enable us to own and display our full sense of responsibility as an organization.

## Growth opportunities and Future Strategy

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- ❖ US has imposed sanctions on Xinjiang/China Cotton. As a result, MTM has tremendous growth opportunities with existing customers and also with new brands and retailers. MTM is forecasting growth coming Years.
- ❖ The addition of brands and retailers with fashioned articles like Hugo Boss & CK have been added in Year 2020-21 and MTM is forecasting volume expansion with these customers in coming years.
- ❖ Despite of Global recession, MTM is expecting to maintain sale volume and profitability in Year 2022-23 as it was in year 2021-22.
- ❖ Operate company at optimum operations level of efficiency and capacity
- ❖ Placement of Customer base below 20% in one customer and 50% in one region.
- ❖ Develop new customer base in Denim and Fabric also.
- ❖ Fulfilling its all commitments when due with all stakeholder including creditors and banks.
- ❖ Commitment of sponsors with the overall goal of MTM.
- ❖ MTM's Management truly believed in its brand promise and focused on things that matter most – **the health and wellbeing of its staff, clients and the greater good of the communities.**



**Q & A**





Thank  
You

*Presented by:*

**Muhammad Shahid Naveed**

*CFO*

*Masood Textile Mills Limited,*

*Faisalabad, Pakistan*

