

The logo for Masood Textile Mills Limited, featuring the lowercase letters 'mtm' in a bold, green, sans-serif font. The letters are stylized with rounded terminals and a consistent thickness.

Masood Textile Mills Limited



Corporate Briefing Session (CBS)
30 June 2024

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 rd October, 1984
Registration Number	0012223
NTN Number	0658678-3
Listing Status	Listed at Pakistan Stock Exchange
Date of Listing	20 th July, 1988
Credit Rating by PACRA:	Long-term (A) Short-term (A2) Sukuk (A+)
Avg no. of Employees FY-24	19,619
Head office	Faisalabad

Company Introduction

- 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 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. MTM has established itself as a leader in creating, developing, and manufacturing knitted apparel products from basic to highly fashioned, thus responding effectively to emerging trends in the global industry.

Apparel Customer Base

JCPenney



Calvin Klein

MARKS &
SPENCER



PULL&BEAR



ROXY



VAN HEUSEN



IZOD

GYMBOREE

Pepe Jeans



Foot Locker

SCOTCH & SODA



Fabric Customer Base

MTM is an approved fabric vendor for following brands

MARKS &
SPENCER

Calvin Klein



FRUIT OF THE LOOM®



next

Sainsbury's

TESCO

PRIMARK®

PVH



GLORIA JEANS



CORPORATION

RECOGNITION AND PRESTIGIOUS AWARDS



RECOGNITION AND PRESTIGIOUS AWARDS



Strong Capability

- As part of the Company's focus on **research and development**, **MTM** PD Centre 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.

In-House Developed ERP System

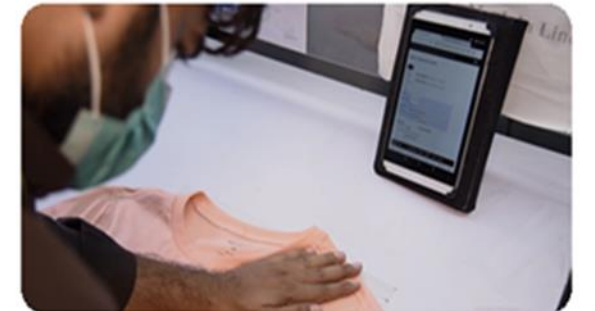


Lean Manufacturing

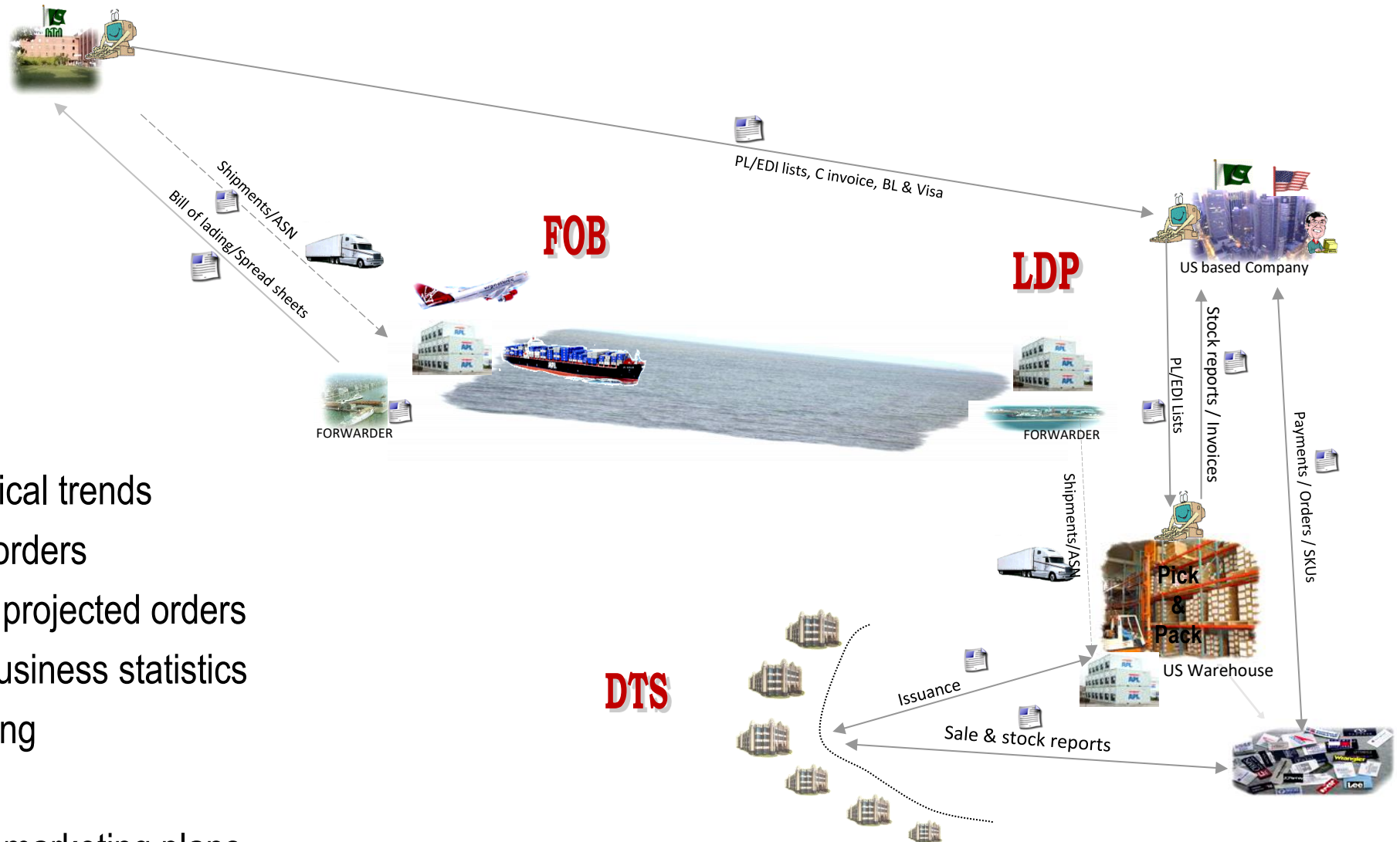
MTM has taken initiative to adopt Lean Manufacturing best practices in its production facility by using RFID (Radio Frequency Identification) Technology into its production lines. This RFID technology helps real time production activity and item tracking. Each process of garment is integrated with this 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

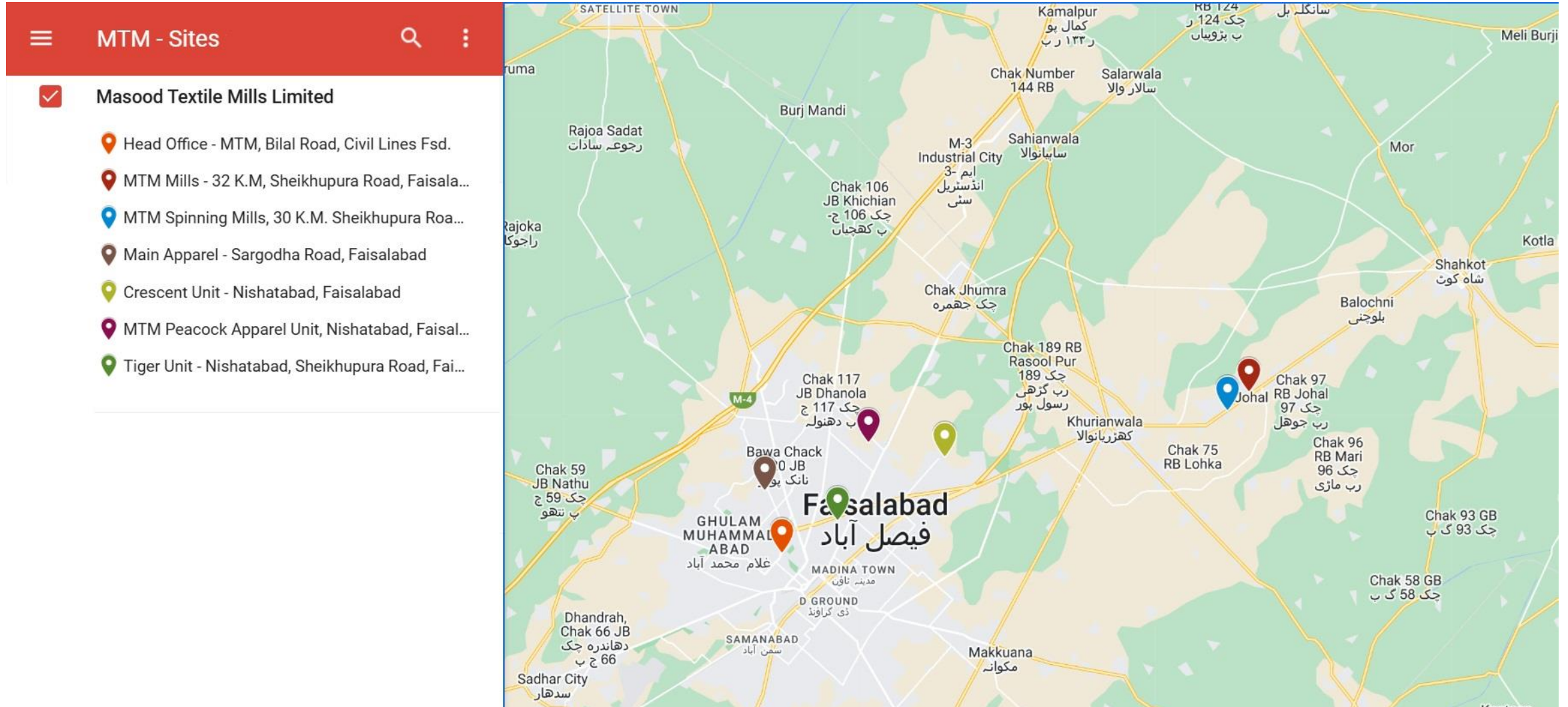


Masood embarked upon a Joint Venture with Shanghai Challenge Textile & Zhejiang Xina Industry Company China

Shareholder (As at 30 June 2022)	% held
Directors	2.39%
Mrs. Nazia Nazir	30.17%
Zhejiang Xina Industry Company Limited	11.31%
Shanghai Challenge Textile Co. Limited	25.77%
Financial Institutions	6.72%
Insurance Companies	0.01%
Mutual Funds	3.29%
Joint Stock Companies	10.72%
General Public	9.62%
Total	100.00%

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 750,000-800,000 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 19,968 Spindles (Producing Fashion yarns, mélanges, Injection Slob, Chain yarns in multiple fiber blends)
Fiber / Yarn Dyeing	14.444 Tons Per Day
Knitting	Active Machines - 853 & Seasonal Machines – 143
Dyeing and Finishing	Installed Capacity - 100-110 Tons per Day
Garments	5,000 Stitching Machines
Cutting	65 Tons per day
Auto Placket	90,000 pieces per day
Laundry	22 tons per Day for Washing, garment Dyeing & Tumble (14.2 tons per Day with Mix Process)
Embroidery	10,260 SAM/Day
Printing	104,509 Panels per day (Digital, Hybrid & Screen)

Six Years Financial Results

Rupees in Million

DESCRIPTION	2024	2023	2022	2021	2020	2019
Revenue	58,677	60,106	54,147	37,089	28,668	34,211
Cost of Sales	(49,151)	(52,018)	(47,605)	(31,782)	(27,303)	(30,418)
Gross Profit	9,526	8,088	6,542	5,307	1,366	3,794
Distribution cost	(3,021)	(3,815)	(3,350)	(2,263)	(2,149)	(2,450)
Administrative expenses	(1,163)	(1,234)	(998)	(854)	(716)	(698)
Other expenses	(161)	(191)	(115)	313	(973)	(49)
Other income	276	3,841	2,405	443	420	2,353
Finance cost	(5,000)	(3,199)	(1,473)	(1,281)	(1,699)	(1,203)
Profit / (Loss) before taxation	458	3,490	3,011	1,038	(3,752)	1,748

Statement of Profit or Loss - 30 June 2024

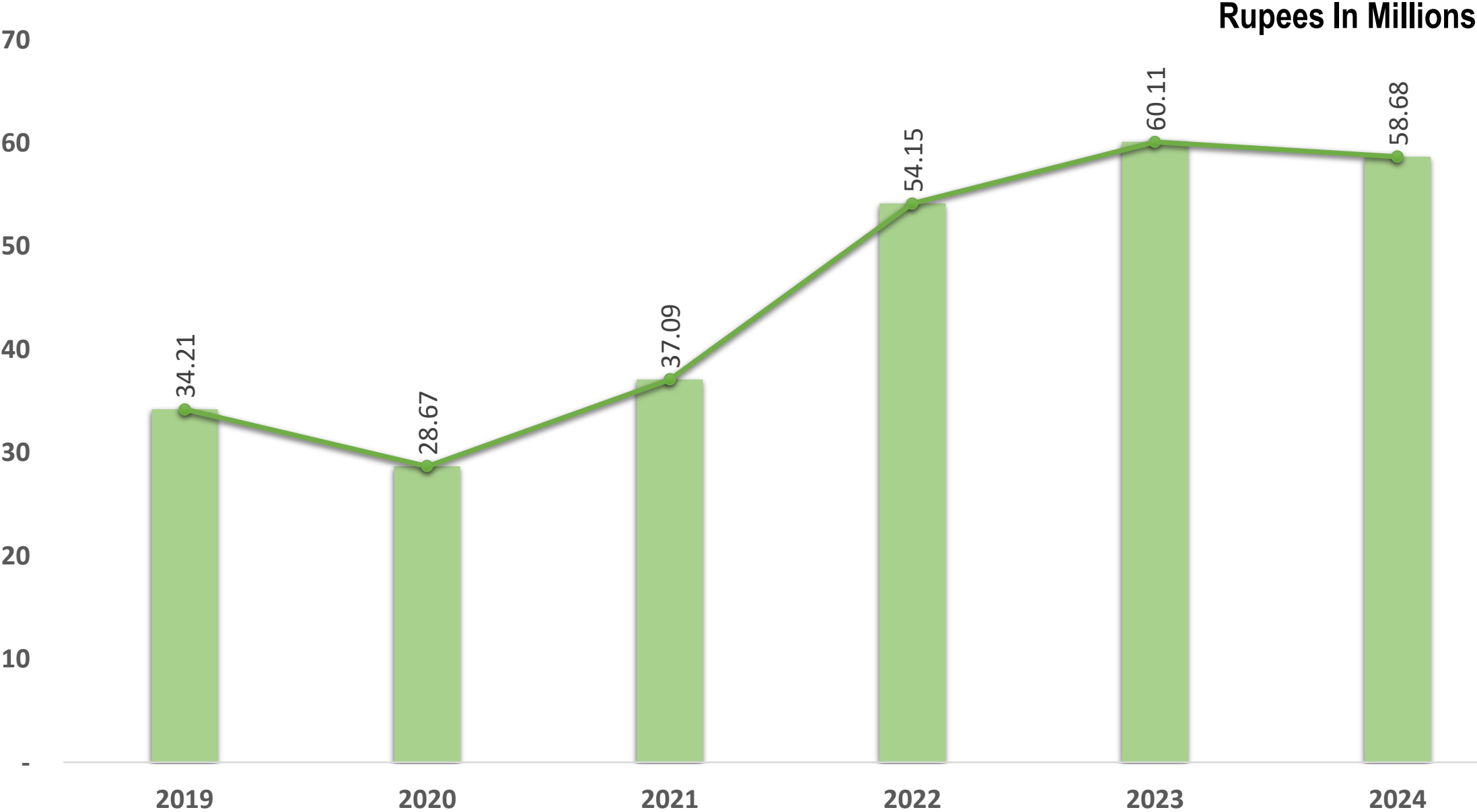
Rupees in Million

DESCRIPTION	2024	2023	Variance
Revenue	58,677	60,106	(1,429)
Cost of Sales	(49,151)	(52,018)	(2,867)
Gross Profit	9,526	8,088	1,438
Distribution cost	(3,021)	(3,815)	(794)
Administrative expenses	(1,163)	(1,234)	(71)
Other expenses	(161)	(191)	(30)
Other income	276	3,841	(3,565)
Finance cost	(5,000)	(3,199)	1,801
Profit Before Levy And Taxation	458	3,490	(3,033)
(Levy	(853)	(794)	59
(Loss) / Profit Before Taxation	(395)	2,697	(3,092)
Taxation	(75)	(46)	29
(Loss) / Profit After Taxation	(470)	2,651	(3,121)
Earnings Per Share (Rupees)			
- Basic	(7.95)	38.54	(46.49)
- Diluted	(7.30)	34.72	(42.01)

Ratio Analysis

Key Ratio	30 June 2024	30 June 2023
Total Debt / Equity Ratio	60:40	59:41
Leverage Ratio	1.51	1.45
Current Ratio	1.09	1.17
Debt Service coverage Ratio (DSCR)	0.98	1.67
In-debtedness Ratio	3.74	3.19
Total Debt to Total Sales	42.90%	41.39%
Financial Charges Coverage	1.35	2.44
Break-up Value	243.06	250.97
Earning per Share - Basic (Rupees)	(7.95)	38.54
Earning per Share - Diluted (Rupees)	(7.30)	34.72

Revenue Trend (2019– 2024)



Product Line



Product Line



Employee Training

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

➤ PROFESSIONAL TRAINING

- Effective Business Communication
- Formal Writing
- Email Etiquette
- Presentation Skills
- Interpersonal Communication Strategies



➤ SAFETY TRAINING

- Fire Hazard Identification
- Safe Practices
- Prompt Emergency Responses
- Using Fire Extinguishers To Organized Evacuations



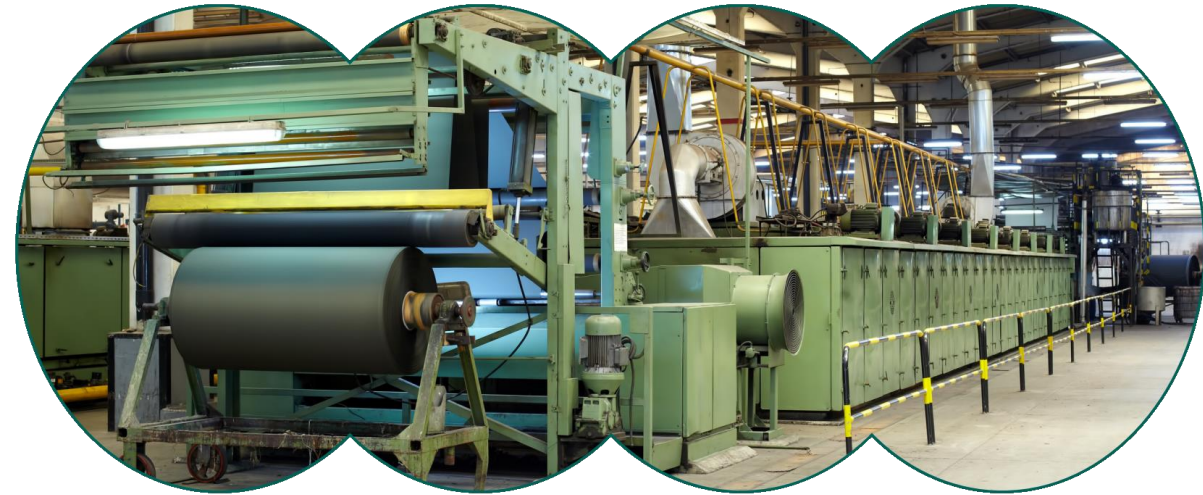
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CERTIFICATIONS AND AFFILIATIONS



AFFILIATIONS





Sustainable Innovations in Textile Wet Processing (TWP)



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

SGS

mtm
Masood Textile Mills



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.

REGENERATIVE COTTON - A STEP TOWARDS SUSTAINABILITY

The major focus of this project is to grow regenerative cotton on the given piece of land – 6,000 Acres. Regenerative cotton and organic cotton are new concepts for growing cotton, with a strong emphasis on improving soil health and the surrounding biodiversity, which is currently at risk in Pakistan.

MTM has started to obtain Regenerative cotton from 1st Harvests in this Season.

International retailers such as HUGO BOSS, Marks & Spencer, CK, etc., are encouraging sustainable cotton practices and are aggressively moving towards regenerative cotton. MTM has made contracts with Hugo Boss, Marks and Spencer, and CK regarding using regenerative cotton in the products made for them.

01 CROP ROTATION
Plants have different nutritional requirements and are susceptible to different pests and diseases. Alternating the crops that are grown in a field each season can reduce the need for fertilizers and pesticides.

02 CROP COVERING
Planting legumes, grasses and brassicas along with cash crops can help protect and enrich the soil. They naturally suppress weeds and increase soil organic matter.

03 LOW-TILL FARMING
Conventional plowing disrupts the structure of the soil and can lead to erosion and water runoff over time. Low-till farming uses equipment such as seed drills to minimize soil disturbance.

04 ROTATIONAL GRAZING
Designed to mimic the migratory patterns of wild herds, this practice involves moving livestock through different pastures in order to allow plants an opportunity to recover and regrow after grazing.

05 COMPOSTING
Organic matter from food waste, animal manure and weeds adds vital nutrients back into the soil and supports beneficial microorganisms.

06 INTEGRATED PEST MANAGEMENT
Harmful pesticides disrupt the balance of an ecosystem. An integrated approach may include raising fowl to forage in fields or landscaping with native plants to attract beneficial insects.

HUGO BOSS

Calvin Klein

MARKS & SPENCER

Growth opportunities and Future Strategy

- ❖ The company is focusing to expand business with value added customers like Hugo Boss, Zara and Mark & Spenser, etc. and forecasting volume expansion in coming years. Hugo boss already shared business forecast of 4.3 Million pieces in coming Year.
- ❖ Develop new customer base in fashioned article business and replace business with existing customers having non-fashioning business.
- ❖ Placement of Customer base below 20% in one customer and 50% in one region.
- ❖ The MTM is planning Equity injection of PKR 2,000 Million during FY 2024-25
- ❖ Operate company at optimum operations level of efficiency and capacity.
- ❖ 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