



Arctic Textile Mills Limited

CORPORATE BRIEFING SESSION (CBS) FINANCIAL YEAR 2022-2023

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Held on 23-11-2023



Arctic Textile Mills Limited

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Arctic Textile Mills Limited

COMPANY INFORMATION

Board of Directors

Mr. Muhammad Ashraf	Chairman
Mr. Muhammad Iqbal	Chief Executive Officer
Mr. Zeeshan Saeed	Director (Independent)
Mr. Usman Mahmood	Director (Independent)
Mrs. Saira Affan	Director (Nominee BIPL)
Mr. Muhammad Amman Adil	Director (Nominee BIPL)
Mr. Qaiser Nasir	

Audit Committee

Mr. Usman Mahmood	Chairman
Mr. Muhammad Amman Adil	Member
Mr. Muhammad Ashraf	Member

HR and Remuneration Committee

Mrs. Saira Affan	Chairperson
Mr. Qaiser Nasir	Member
Mr. Muhammad Iqbal	Member

Nomination Committee

Mr. Muhammad Ashraf	Chairman
Mr. Usman Mahmood	Member
Mrs. Saira Affan	Member

Risk Management Committee

Mr. Muhammad Iqbal	Chairman
Mr. Muhammad Ashraf	Member
Mr. Usman Mahmood	Member

Company Secretary

Ali Mudassar

Chief Financial Officer

Mr. Bisharat Ali

Auditors

Riaz Ahmad and Company (Chartered Accountants)
560-F, Raja Road, Gulistan Colony, Faisalabad

Banks

The Bank of Punjab
Habib Metropolitan Bank Limited
MCB Bank Limited

Share Registrar

Corplink (Private) Limited
Wings Arcade, 1-K, Commercial, Model Town,
Lahore

Registered/Head Office

133 - 134, Regency the Mall, Faisalabad.
+92-41-2611028, 2610030
www.arctictextile.com; info@arctictextile.com

Mills

35 - Kilometer, Sheikhpura Road, Faisalabad





Arctic Textile Mills Limited

BRIEF OVERVIEW



- ✓ The Company was incorporated on February 27, 1986.
- ✓ Converted into a Public limited Company and listed on Stock Exchanges of Pakistan on October 21, 1989.
- ✓ The Company was incorporated with the name of Khurshid Spinning Mills Limited. However, on dated April 22, 2022, the Company name was changed from Khurshid Spinning Mills Limited to Arctic Textile Mills Limited with the approval of the shareholders.
- ✓ The authorized share capital of the Company is Rupees 170 million and issued, subscribed and paid up capital is Rupees 131.748 million.
- ✓ The share is traded under the symbol of ("ARCTM").
- ✓ Currently 982 employees on the ARCTM payroll.
- ✓ The Company earned profit after Taxation 102.375/- million as on June 30, 2023.





Arctic Textile Mills Limited

VISION STATEMENT

- We aim at maintaining the confidence of our valued customers by fulfilling their needs, demands and stipulations.
- We will achieve consistent financial performance which creates value for the shareholders.
- Our organization encourages employee participation that also helps us to achieve quality results.
- We believe in innovative technology applications to achieve continuous improvement and ability to avail the required opportunities.
- We intend to involve all employees in the development and implementation of quality systems, which will be reviewed periodically to ensure their effectiveness.
- We aim to improve the profitability of our company through improved efficiency and cost controls.
- We will take effective measures so as to protect the environment and contribute towards the economic strength of the country and function as a good corporate citizen.

MISSION STATEMENT

We aim to strive for market leadership, to maintain full confidence of our customers, ensure continuous improvement in profitability and at maintenance of industry standards by striving for quality products and introduction of innovative quality applications.



VISION MISSION





Arctic Textile Mills Limited

SCOPE OF BUSINESS

- ✓ **Melange yarn**
- ✓ **Ecrú Yarn**
- ✓ **Doubling of yarn**
- ✓ **Fabric Exports**





Arctic Textile Mills Limited

ETHICS

The Company follows highest standards of ethics with special reference to business integrity and process transparency. We maintain the highest level of integrity both as individuals & as corporate organization.

QUALITY

The Company is committed to provide its customers Quality products that provide them best value for their money. We promote high standard and timely delivery of quality products.

BUSINESS EXCELLENCE

The Company believes in maximizing Shareholders, value through strategic investments, sustainable growth and application of best available technology to achieve desired results.

EMPLOYEES

The company ensures that it operates in a safe environment conducive to efficient productivity. The company is committed to provide an environment free from discrimination for its Employees. Open communication, participative decision making approach and nurturing of the leadership qualities are the values followed by the company. We encourage and respect team spirit among our human resources.





Arctic Textile Mills Limited

STATEMENT OF PROFIT OR LOSS

STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 30 JUNE 2023

	2023 (RUPEES IN THOUSAND)	2022 (RUPEES IN THOUSAND)
REVENUE	1,577,693	1,305,360
COST OF SALES	(1,395,597)	(1,169,834)
GROSS PROFIT	<u>182,096</u>	<u>135,526</u>
DISTRIBUTION COST	(6,047)	(7,060)
ADMINISTRATIVE EXPENSES	(35,742)	(30,372)
OTHER EXPENSES	(18,931)	(9,270)
OTHER INCOME	24,141	31,010
FINANCE COST	(1,192)	(4,622)
PROFIT BEFORE TAXATION	<u>144,325</u>	<u>115,212</u>
TAXATION	(41,950)	(31,648)
PROFIT AFTER TAXATION	<u><u>102,375</u></u>	<u><u>83,564</u></u>
EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)	<u>7.77</u>	<u>6.34</u>





Arctic Textile Mills Limited

STATEMENT OF FINANCIAL POSITION

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	2023 (RUPEES IN THOUSAND)	2022 (RUPEES IN THOUSAND)		2023 (RUPEES IN THOUSAND)	2022 (RUPEES IN THOUSAND)
EQUITY AND LIABILITIES			ASSETS		
SHARE CAPITAL AND RESERVES			NON-CURRENT ASSETS		
Authorized share capital			Property, plant and equipment		
17 000 000 (2022: 17 000 000) ordinary				394,782	429,456
shares of Rupees 10 each	170,000	170,000	Long term deposits and prepayment		
				12,399	10,704
Issued, subscribed and paid up share capital	<u>170,000</u>	<u>170,000</u>		<u>407,181</u>	<u>440,160</u>
13 174 800 (2022: 13 174 800) ordinary shares					
of Rupees 10 each fully paid in cash	131,748	131,748			
Reserves					
Capital reserves					
Equity portion of former shareholders' loan	13,335	13,335			
Surplus on revaluation of property, plant and equipment -					
net of deferred income tax	173,500	190,208			
Accumulated loss	(165,512)	(284,681)			
Total equity	<u>153,071</u>	<u>50,610</u>			
LIABILITIES			CURRENT ASSETS		
NON-CURRENT LIABILITIES			Stores, spare parts and loose tools		
Deferred income tax liability	56,397	70,280		57,776	44,271
Staff retirement gratuity	51,793	35,039	Stock in trade		
Long term security deposit	30,000	30,000		-	61,712
	138,190	135,319	Trade debts		
CURRENT LIABILITIES				88,753	19,930
Trade and other payables	248,273	344,536	Loans and advances		
Accrued mark-up	-	150		4,269	5,902
Current portion of non-current liabilities	11,348	31,340	Short term deposits, prepayment and other receivable		
Taxation - net	13,820	16,609		154	1,646
	273,441	392,635	Cash and bank balances		
TOTAL LIABILITIES	<u>411,631</u>	<u>527,954</u>		6,569	4,943
CONTINGENCIES AND COMMITMENTS				157,521	138,404
TOTAL EQUITY AND LIABILITIES	<u>564,702</u>	<u>578,564</u>	TOTAL ASSETS		
				<u>564,702</u>	<u>578,564</u>





Arctic Textile Mills Limited

STATEMENT CASH FLOWS

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

	2023 (RUPEES IN THOUSAND)	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	144,325	115,212
Adjustments for non-cash charges and other items:		
Depreciation	38,191	36,646
Provision for staff retirement gratuity	21,603	13,653
Allowance for expected credit losses	7,804	17
Gain on sale of property, plant and equipment	(474)	(1,014)
Amortization of deferred grant	(155)	(2,119)
Profit on saving accounts	(35)	(147)
Finance cost	1,192	4,622
	212,451	166,870
Working capital changes		
(Increase) / decrease in current assets:		
Stores, spare parts and loose tools	(13,505)	(10,126)
Stock in trade	61,712	(53,658)
Trade debts	(76,627)	50,830
Loans and advances	1,633	(3,147)
Short term deposits, prepayment and other receivables	1,453	(1,607)
	(25,334)	(17,708)
(Decrease) / increase in trade and other payables	(97,870)	169,881
	89,247	319,043
Cash generated from operations		
Finance cost paid	(667)	(2,286)
Staff retirement gratuity paid	(3,638)	(4,362)
Net increase in long term deposits and prepayment	(1,695)	(2,403)
Income tax paid	(58,656)	(33,579)
	24,591	276,413
Net cash generated from operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant and equipment	(4,240)	(11,412)
Proceeds from sale of property, plant and equipment	1,197	3,500
Profit on saving accounts received	74	232
	(2,969)	(7,680)
Net cash used in investing activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term financing	(19,996)	(39,991)
Repayment of short term borrowings	-	(263,427)
	(19,996)	(303,418)
Net cash used in financing activities		
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	1,626	(34,685)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	4,943	39,628
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (NOTE 18)	6,569	4,943





Arctic Textile Mills Limited

FINANCIAL PERFORMANCE OF ATML

KEY OPERATING AND FINANCIAL DATA

	2023	2022	2021	2020	2019	2018
	------(RUPEES IN THOUSAND)-----					
Summary of Statement of Profit or Loss						
Profit/(Loss) before taxation	144,325	115,212	77,476	20,897	(22,408)	(4,351)
Taxation	(41,950)	(31,648)	(44,264)	(3,000)	7,953	1,076
Profit/(Loss) after taxation	102,375	83,564	33,212	17,897	(14,455)	(3,275)
Summary of Statement of Financial Position						
Total assets	564,702	578,564	516,401	653,866	368,017	390,355
Long term financing / loans	-	-	19,841	42,195	55,272	125,767
Deferred liabilities	51,793	35,039	23,772	18,546	-	-
Deferred income tax liability	56,397	70,280	57,477	48,858	56,008	57,837
Long term security deposits	30,000	30,000	30,000	30,000	-	-
Current liabilities	273,441	392,635	497,325	660,782	420,570	362,425
Net assets	153,071	50,610	(112,014)	(146,515)	(163,833)	(155,674)
Represented by:						
Share capital	131,748	131,748	131,748	131,748	131,748	131,748
Equity portion of shareholders' loan	13,335	13,335	13,335	13,335	13,335	13,335
Surplus on revaluation of plant, equipment and investment properties - net of deferred income tax	173,500	190,208	122,679	135,029	150,725	155,452
Accumulated loss - net off equity portion of shareholders' loan	(165,512)	(284,681)	(379,776)	(426,627)	(459,641)	(456,209)
	153,071	50,610	(112,014)	(146,515)	(163,833)	(155,674)





Arctic Textile Mills Limited

FUTURE PROSPECTS OF ATML



The directors of the Company possess a deep understanding of the Company's operations, and they are actively exerting significant efforts to enhance the Company's overall performance. Their focus is on stringent cost control measures and minimizing internal expenses to maximize the Company's profitability. Throughout the year, the Company has executed well-planned strategies to generate profits and reduce its accumulated losses. Given the current economic conditions in the country, we anticipate upcoming challenges that may impact the textile business's revenue in the near future.



Arctic Textile Mills Limited

Best of Luck for Better Future



THANKING YOU

FOR

VISTING



Arctic Textile Mills Limited

QUESTION & ANSWER SESSION

