



Arctic Textile Mills Limited

CORPORATE BRIEFING SESSION (CBS) FINANCIAL YEAR 2023-24

<http://www.arctictextile.com>

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Held on 25-11-2024





Arctic Textile Mills Limited

❖ TABLE OF CONTENTS

- ❖ COMPANY INFORMATION
- ❖ BRIEF OVERVIEW
- ❖ VISION STATEMENT & MISSION STATEMENT
- ❖ SCOPE OF BUSINESS
- ❖ ATML CORE VALUES
- ❖ STATEMENT OF PROFIT OR LOSS
- ❖ STATEMENT OF FINANCIAL POSITION
- ❖ STATEMENT OF CASH FLOWS
- ❖ FINANCIAL PERFORMANCE
- ❖ FUTURE PROSPECTS
- ❖ QUESTIONS & ANSWERS





Arctic Textile Mills Limited

❖ COMPANY INFORMATION

Board of Directors

Mr. Muhammad Ashraf	Chairman
Mr. Muhammad Iqbal	Chief Executive
Mr. Zeeshan Saeed	Director
Mr. Usman Mahmood	Director
Mrs. Saira Affan	Director
Mr. Muhammad Amman	Director
Adil Mr. Qaiser Nasir	Director

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

Mills

35 - Kilometer,
Sheikhupura Road,
Faisalabad

Web Site / E-Mail

www.arctictextile.com
info@arctictextile.com



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 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 952 employees on the ARCTM payroll.**
- ✓ **The Company earned profit after Taxation 114.713/- million as on June 30, 2024.**





Arctic Textile Mills Limited

❖ VISION STATEMENT & MISSION STATEMENT

❖ 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 application 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.

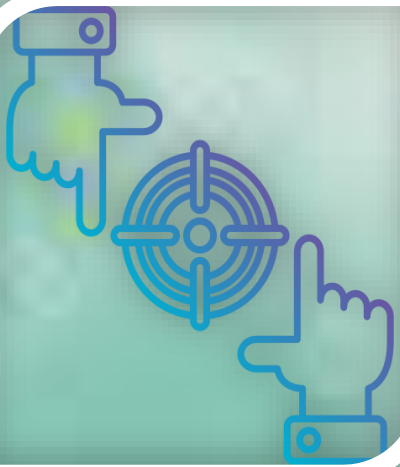




Arctic Textile Mills Limited

❖ SCOPE OF BUSINESS

- ✓ **Melange yarn**
- ✓ **Ecru Yarn**
- ✓ **Doubling & Rewinding of yarn**





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



	2024 (RUPEES IN THOUSAND)	2023 (RUPEES IN THOUSAND)
REVENUE FROM CONTRACTS WITH CUSTOMERS	1,809,851	1,577,693
COST OF SALES	<u>(1,580,962)</u>	<u>(1,395,597)</u>
GROSS PROFIT	228,889	182,096
DISTRIBUTION COST	(4,160)	(6,047)
ADMINISTRATIVE EXPENSES	(39,793)	(35,742)
OTHER EXPENSES	(13,915)	(18,931)
OTHER INCOME	13,169	24,141
FINANCE COST	(1,063)	(1,192)
PROFIT BEFORE TAXATION AND LEVY	<u>183,127</u>	<u>144,325</u>
LEVY	(392)	(621)
PROFIT BEFORE TAXATION	<u>182,735</u>	<u>143,704</u>
TAXATION	(68,022)	(41,329)
PROFIT AFTER TAXATION	<u><u>114,713</u></u>	<u><u>102,375</u></u>
EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)	<u>8.71</u>	<u>7.77</u>



Arctic Textile Mills Limited

❖ STATEMENT OF FINANCIAL POSITION



	2024 (RUPEES IN THOUSAND)	2023 (RUPEES IN THOUSAND)		2024 (RUPEES IN THOUSAND)	2023 (RUPEES IN THOUSAND)
EQUITY AND LIABILITIES			ASSETS		
SHARE CAPITAL AND RESERVES			NON-CURRENT ASSETS		
Authorized share capital			Property, plant and equipment	498,560	394,782
17 000 000 (2023: 17 000 000) ordinary shares of Rupees 10 each	<u>170,000</u>	<u>170,000</u>	Long term deposits and prepayment	<u>11,190</u>	<u>12,399</u>
				509,750	407,181
Issued, subscribed and paid up share capital					
13 174 800 (2023: 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	155,274	173,500			
	168,609	186,835			
Accumulated loss	(33,016)	(165,512)			
Total equity	<u>267,341</u>	<u>153,071</u>			
LIABILITIES			CURRENT ASSETS		
NON-CURRENT LIABILITIES			Stores, spare parts and loose tools	79,721	57,776
Deferred income tax liability	58,434	56,397	Trade debts	66,486	88,753
Staff retirement gratuity	73,193	51,793	Loans and advances	3,052	4,269
Long term security deposit	30,000	30,000	Short term deposits, prepayment and other receivables	43,665	154
	161,627	138,190	Cash and bank balances	23,840	6,569
CURRENT LIABILITIES				216,764	157,521
Trade and other payables	293,640	259,621			
Provision for taxation and levy payable - net	3,906	13,820			
	297,546	273,441			
TOTAL LIABILITIES	<u>459,173</u>	<u>411,631</u>			
CONTINGENCIES AND COMMITMENTS			TOTAL ASSETS	<u>726,514</u>	<u>564,702</u>
TOTAL EQUITY AND LIABILITIES	<u>726,514</u>	<u>564,702</u>			



Arctic Textile Mills Limited

❖ STATEMENT OF CASH FLOWS

	2024 (RUPEES IN THOUSAND)	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation and levy	183,127	144,325
Adjustments for non-cash charges and other items:		
Depreciation	35,496	38,191
Provision for staff retirement gratuity	29,555	20,939
(Reversal of allowance) / allowance for expected credit losses	(5,683)	7,804
Gain on sale of property, plant and equipment	(716)	(474)
Amortization of deferred grant	-	(155)
Profit on saving account	(1,869)	(35)
Finance cost	1,063	1,192
	240,973	211,787
Working capital changes		
(Increase) / decrease in current assets:		
Stores, spare parts and loose tools	(21,945)	(13,505)
Stock in trade	-	61,712
Trade debts	27,950	(76,627)
Loans and advances	1,217	1,633
Short term deposits, prepayment and other receivables	(43,511)	1,453
	(36,289)	(25,334)
Increase / (decrease) in trade and other payables	31,741	(97,206)
Cash generated from operations	236,425	89,247
Finance cost paid	(505)	(667)
Staff retirement gratuity paid	(7,077)	(3,638)
Net decrease / (increase) in long term deposits and prepayment	1,209	(1,695)
Income tax and levy paid	(76,092)	(58,656)
Net cash generated from operating activities	153,960	24,591
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant and equipment	(142,484)	(4,240)
Proceeds from sale of property, plant and equipment	3,926	1,197
Profit on saving accounts received	1,869	74
Net cash used in investing activities	(136,689)	(2,969)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term financing	-	(19,996)
Net cash used in financing activities	-	(19,996)
NET INCREASE IN CASH AND CASH EQUIVALENTS	17,271	1,626
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	6,569	4,943
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	23,840	6,569





Arctic Textile Mills Limited

❖ FINANCIAL PERFORMANCE

KEY OPERATING AND FINANCIAL DATA

	2024	2023	2022	2021	2020	2019
	------(RUPEES IN THOUSAND)-----					
Summary of Statement of Profit or Loss						
Profit/(Loss) before taxation	183,127	144,325	115,212	77,476	20,897	(22,408)
Taxation and levy	(68,414)	(41,950)	(31,648)	(44,264)	(3,000)	7,953
Profit/(Loss) after taxation	114,713	102,375	83,564	33,212	17,897	(14,455)
Summary of Statement of Financial Position						
Total assets	726,514	564,702	578,564	516,401	653,866	368,017
Long term financing / loans	-	-	-	19,841	42,195	55,272
Deferred liabilities	73,193	51,793	35,039	23,772	18,546	-
Deferred income tax liability	58,434	56,397	70,280	57,477	48,858	56,008
Long term security deposits	30,000	30,000	30,000	30,000	30,000	-
Current liabilities	297,546	273,441	392,635	497,325	660,782	420,570
Net assets	267,341	153,071	50,610	(112,014)	(146,515)	(163,833)
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	155,274	173,500	190,208	122,679	135,029	150,725
Accumulated loss - net off equity portion of shareholders' loan	(33,016)	(165,512)	(284,681)	(379,776)	(426,627)	(459,641)
	267,341	153,071	50,610	(112,014)	(146,515)	(163,833)





Arctic Textile Mills Limited

❖ FUTURE PROSPECTS



The Company achieved a commendable performance during the financial year ended June 30, 2024, with a profit after taxation of Rupees 114.713 million, reflecting a notable increase from the previous year's profit of Rupees 102.375 million. This represents a growth of approximately 12%, indicating a positive trend in profitability. The Company anticipates that this upward momentum will continue, aiding in the reduction of accumulated losses and improving the current ratio. These favorable developments will strengthen the Company's growth capacity and enable further expansion of its production facilities.



The directors of the Company have a profound understanding of its operations and are actively working to improve overall performance. Their focus is on implementing stringent cost control measures and minimizing internal expenses to enhance profitability. Throughout the year, the Company has executed well-planned strategies aimed at generating profits and reducing accumulated losses. Given the current economic conditions, we foresee potential challenges that may impact revenue in the textile sector in the near future.



Arctic Textile Mills Limited

Best of Luck for Better Future



FOR

VISTING



Arctic Textile Mills Limited

❖ QUESTIONS & ANSWERS

