

Reliance Weaving Mills Limited

Corporate Briefing Session (CBS)

Dated: November 27, 2024 at 3:00 PM

At Multan / Via ZOOM

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1- COMPANY BRIEF

1. The Company was incorporated on April 07, 1990 with its Registered Office at 2nd Floor, Trust Plaza, L.M.Q. Road, Multan and is listed on Pakistan Stock Exchange.
2. The Company is engaged in the production of Yarns and Fabrics. The production units are located at Fazalpur Khanewal Road, Multan (Multan Unit) and Mukhtarabad, Chak Beli Khan Road, Rawat, Rawalpindi (Rawat Unit).
3. The Head Office of the Company is situated at E-110, Khayaban-e-Jinnah, Lahore Cantt.

2- BOARD OF DIRECTORS

Mr. Fawad Ahmad Mukhtar	Chairman
Mr. Faisal Ahmad	CEO/ Executive Director
Mr. Abbas Mukhtar	Non-Executive Director
Mr. Muhammad Mukhtar Shiekh	Non-Executive Director
Mr. Muhammad Fazeel Mukhtar	Non-Executive Director
Mrs. Fatima Fazal	Female Non-Executive Director
Mr. Imran Bashir	Independent Director
Mr. Shoaib Ahmad Khan	Independent Director

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FINANCIAL HIGHLIGHTS

PARTICULARS	2024	2023	INCREASE/ (DECREASE)
SALES - NET (PKR IN MILLIONS)	41,461	32,682	27%
GROSS PROFIT (PKR IN MILLIONS)	4,842	3616	1226
GROSS PROFIT %	11.68%	11.06%	34%
EBITDA (PKR IN MILLIONS)	4,757	3,349	1408
EBITDA %	11.47%	10.25%	42%
NET PROFIT (PKR IN MILLIONS)	120	203	(83)
NET PROFIT %	0.29%	0.62%	(41%)
EPS - PKR	3.88	6.59	(2.71)
DIVIDEND %	0%	0%	0%

4-

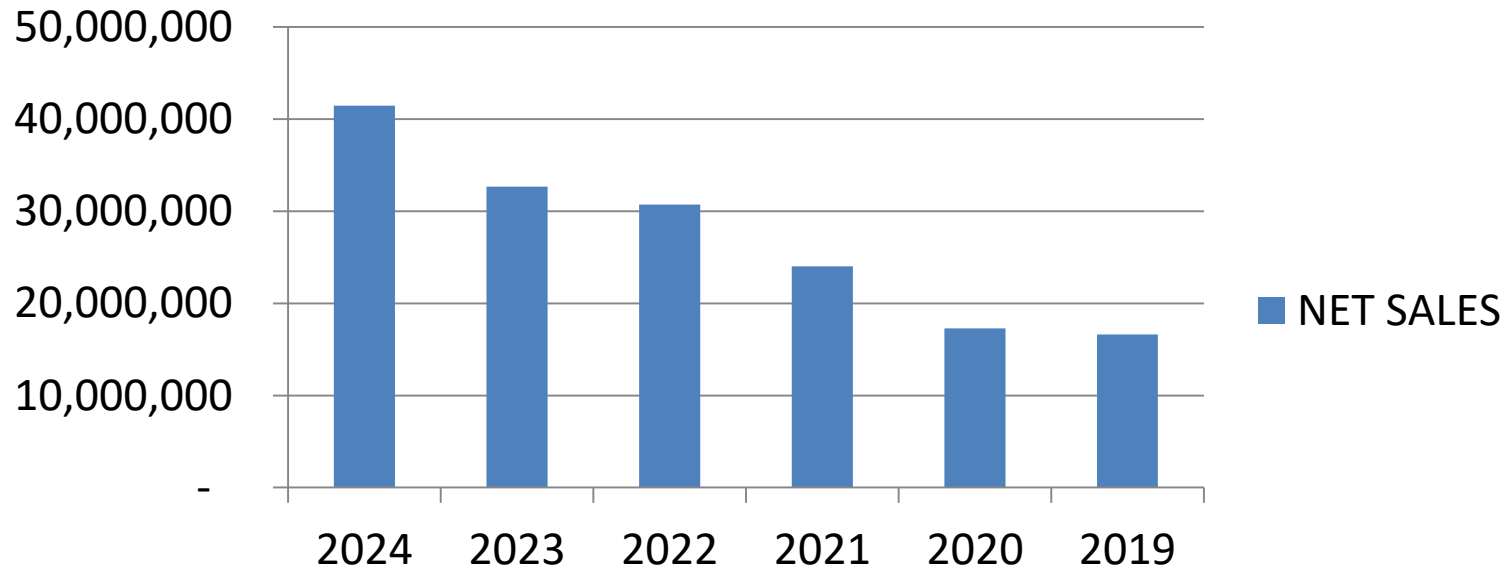
**STATEMENT OF PROFIT OR LOSS
JUNE 30, 2024**

	2024 (PKR in Millions)	2023 (PKR in Millions)	% Increase / (Decrease)
Sales-net	41,461	32,682	27%
Cost of Sales	(36,619)	(29,066)	26%
Gross Profit	4,842	3,616	34%
Distribution expenses	(385)	(404)	-5%
Administrative expenses	(467)	(382)	22%
Other income	73	157	-54%
Other Expenses	(52)	(73)	-29%
Profit from Operations	4011	2,914	38%
Finance cost	(3,893)	(2,449)	-59%
Profit before taxation	118	465	-75%
Taxation	1.2	(262)	-100%
Profit after taxation	120	203	-41%
Earnings per share	3.88	6.59	-41%

5- SIX YEARS TURNOVER (PKR)

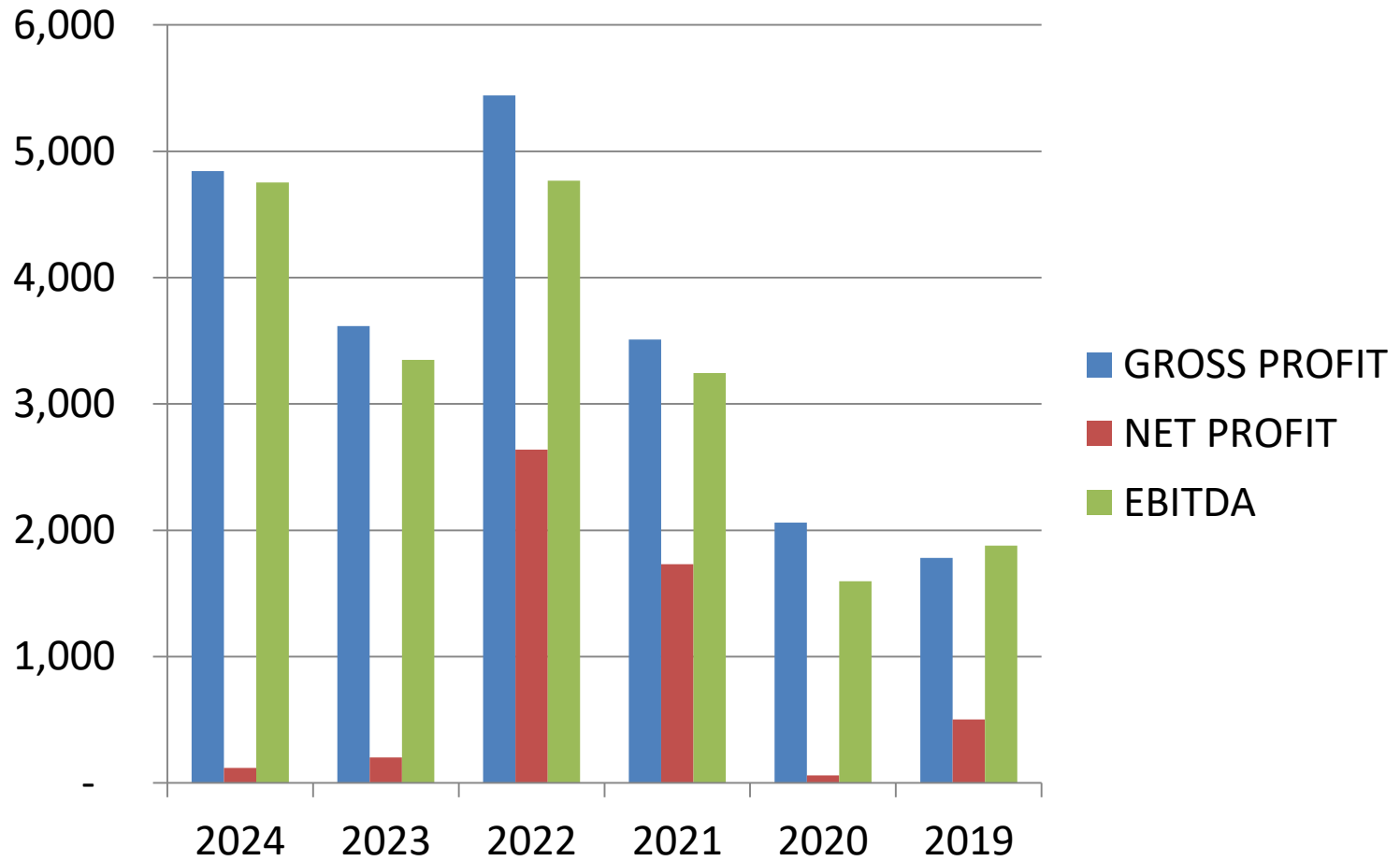
YEAR	SALES-NET (000)
2024	41,461,459
2023	32,682,288
2022	30,703,659
2021	24,030,100
2020	17,275,166
2019	16,605,159

SALES-NET



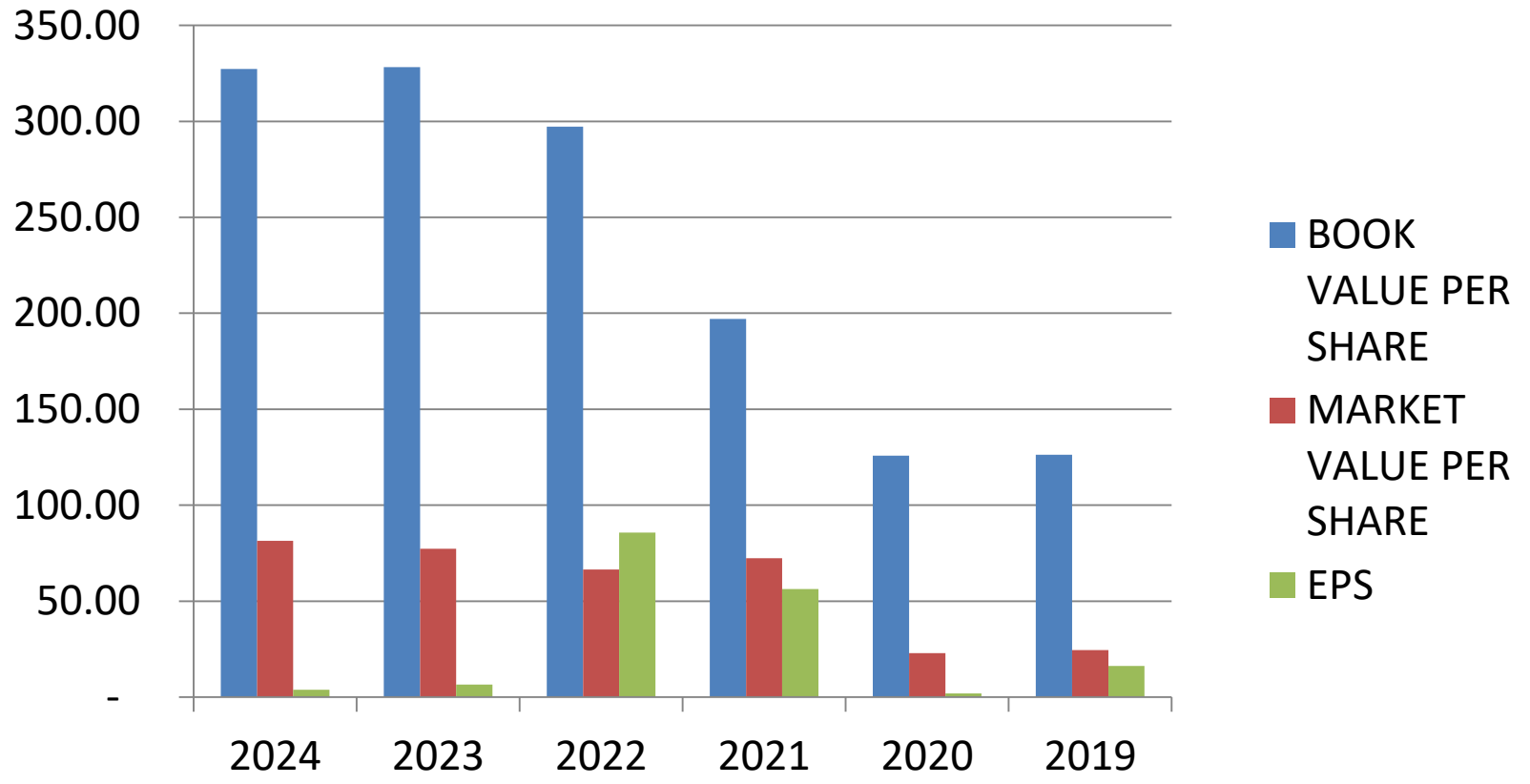
6- SIX YEARS PROFIT OR LOSS AT GLANCE

YEAR	GROSS PROFIT	NET PROFIT	EBITDA	EBITDA %
	PKR IN MILLION			
2024	4,842	120	4,757	42%
2023	3,616	203	3,349	-30%
2022	5,441	2,639	4,767	47%
2021	3,510	1,733	3,245	103%
2020	2,061	61	1,596	-15%
2019	1,783	503	1,879	43%



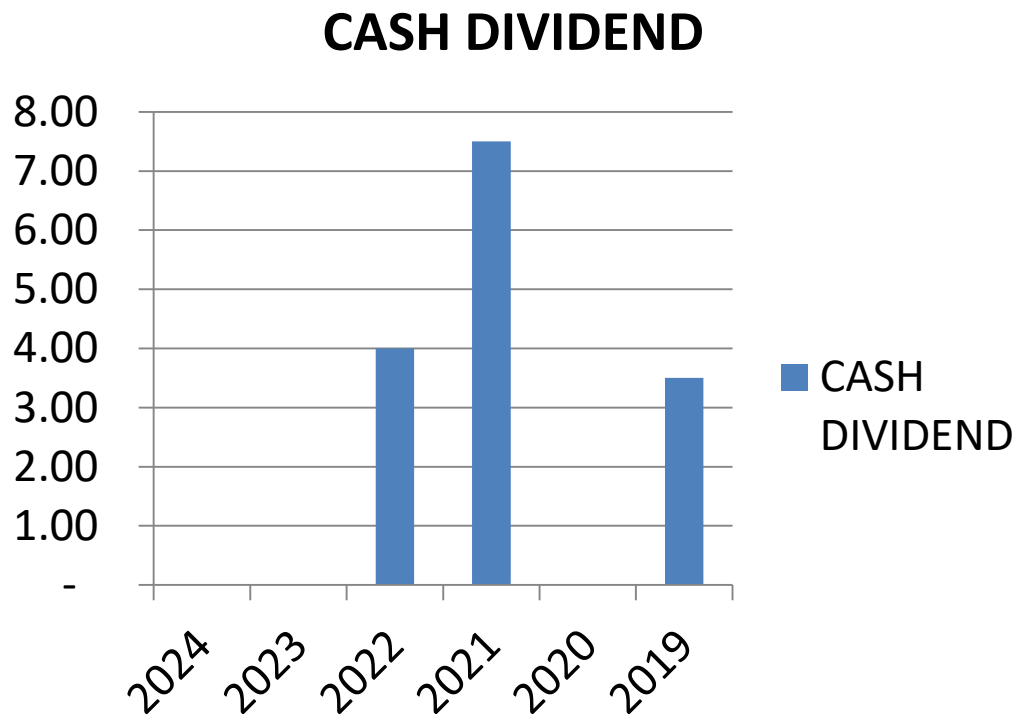
7- SIX YEARS INVESTOR'S INFORMATION - PKR

YEAR	BOOK VALUE PER SHARE	MARKET VALUE PER SHARE	EPS
2024	327.31	81.38	3.88
2023	328.21	77.35	6.59
2022	297.31	66.50	85.67
2021	196.99	72.41	56.24
2020	125.83	23.00	1.99
2019	126.27	24.49	16.32



8- CASH DIVIDEND PAID (%)

YEAR	CASH DIVIDEND
2024	0%
2023	0%
2022	40%
2021	75%
2020	0%
2019	35%



9- COMPARATIVE STATEMENT OF FINANCIAL POSITION – PKR IN MILLIONS

PARTICULARS	2024	2023	INC/ (DEC)
Non current assets	18,767	18,485	2%
Current assets	16,097	18,050	-11%
Total assets	34,864	36,534	-5%
Equity	10,085	10,113	0%
Non-Current Liabilities	5,181	6,202	-16%
Current Liabilities	19,598	20,219	-3%
Total Liabilities	24,779	26,422	-6%
Total Equity and Liabilities	34,864	36,534	-5%

10- BRIEF OF OPERATIONS

SPINNING

UNIT R3 (RAWAT ISLAMABAD)

SPINDLES = 18,240
RING FRAMES = 38
CAPACITY = 4,913 TONS

UNIT R4 (MULTAN)

SPINDLES = 47,520
RING FRAMES = 42
CAPACITY = 14,677 TONS

UNIT R6 (MULTAN)

SPINDLES = 25,536
RING FRAMES = 14
CAPACITY = 8,676 TONS

TOTAL SPINNING

SPINDLES = = 91,296
RING FRAMES = 94
CAPACITY = 28,266 TONS

WEAVING

UNIT 2

LOOMS = 180

CAPACITY = 50.834 M (Meters)

UNIT 5

LOOMS = 302

CAPACITY = 75.715 M (Meters)

TOTAL WEAVING

LOOMS = 482

CAPACITY = 126.549 M (Meters)

11- FUTURE OUTLOOK

- The company's management remains optimistic about sustainable profitability by focusing on cost transformation and urging the government to implement supportive policies for the sector. Despite these challenges, the company has opened the LC for installing a **9 MW**, and LC for **6 MW** further in process. **23M Units** will be produced by installing of **15MW** that would lead to potential savings of **Rs 805 M** annually.
- As of the situation, It is expected that KIBOR rate will reduce up to 5% by end of Dec-2024 (KIBOR rate was 21.8% in 2024). Which may originate to save Finance cost by **Rs 787 M** annually.
- Installation of new 8 Frames, would bring impressive impact and be conducive to reduce **CPS** by Rs. 2.88 in Unit-6 by adding 4 Frames of 1,008 Spindles, further 4 **OPS** are improved in Unit-3 by adding 4 Frames of 1,008 Spindles. Which may lead to bring savings of **167 M** annually.

12- KEY CHALLENGES

- China's aggressive move to dump textile products in international market, which makes other countries textile non-competitive.
- Low demand from Europe and USA.
- Low expected cotton production in country.
- Higher mark-up rates.
- High utility costs are a significant burden, directly affecting the competitiveness of Pakistani textiles in the global market.
- The challenge posed by economic and political instability.
The imposition of novel taxes and the uncertainty surrounding government policies

Question & Answer Session

THANK YOU