

BANNU WOOLLEN

MILLS LIMITED

بنوں وولن ملز لمیٹڈ

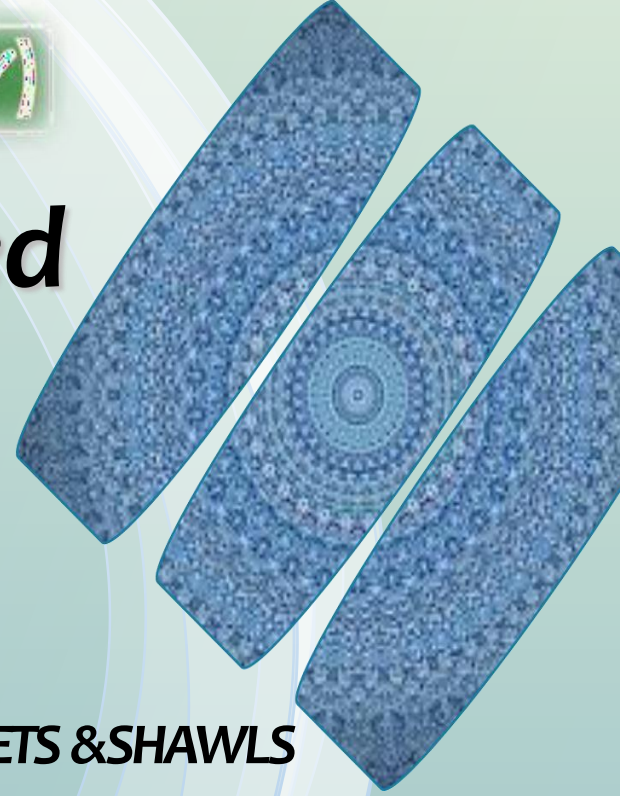


Bannu Woollen Mills Limited

Corporate Briefing Session
For the Year Ended

June 30, 2023

TO BE MARKET LEADERS IN WOOLLEN/BLENDED FABRICS, BLANKETS & SHAWLS



Date : 13 November, 2023

Presented by : Mr. Azmat Khan



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COMPANY BRIEF (June 30, 2023)

Bannu Woollen Mills Limited (the Company) was incorporated in Pakistan as a Public Company in the year 1960 under the Companies Act, 1913 (now the Companies Act, 2017) and its shares are quoted on Pakistan Stock Exchange Ltd. The Company is principally engaged in manufacture and sale of woollen yarn, cloth and blankets. Bibojee Group took-up the Company in 1964

Registered office: Mills Premises,
D. I. Khan Road, Bannu

Retail outlet: Raja Bazar,
Rawalpindi

Fixed Assets: Rs. 1.574 Billion

Staff Strength: 579 (Avg. 569)

Customers base: Dealership Network & Retail Outlets (12
Dealers, 1 Retail outlet & 1 Fair Price Shop)

BOARD MEMBERS

<u>Name of Directors</u>	<u>Status</u>
Lt. Gen. Ali Kuli Khan Khattak (Retd)	Non-Executive
Mrs. Shahnaz Sajjad Ahmad – CEO	Executive
Mr. Ahmad Kuli Khan Khattak – Chairman	Non-Executive
Dr. Shaheen Kuli Khan Khattak	Executive
Brig Agha Arshad Raza (Retd)	Independent
Syed Zubair Ahmad Shah	Non-Executive
Mr. Abdul Rehman Qureshi	Independent

BOARD COMMITTEES AND KEY MANAGEMENT PERSONNEL

BOARD COMMITTEES ALONGWITH MEMBERS

BOARD AUDIT COMMITTEE

1. Mr. Abdul Rehman Qureshi-Chairman
2. Brig (R) Agha Arshad Raza -Member
3. Syed Zubair Ahmed Shah-Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

1. Mr. Abdul Rehman Qureshi- Chairman
2. Lt. Gen. Ali Kuli Khan Khattak (Retd.) –Member
3. Mr. Ahmad Kuli Khan Khattak-Chairman BOD
4. Mrs. Shahnaz Sajjad Ahmad- Member
5. Syed Zubair Ahmed Shah-Member
6. Brig Agha Arshad Raza (Retd.) -Member

Chairman

Mr. Ahmad Kuli Khan Khattak-Chairman BOD

CEO

Mrs. Shahnaz Sajjad Ahmad

COO

Mr. Khalid Kuli Khan Khattak

STATUTORY OFFICERS

1. Mr. Azmat Khan- Company Secretary
2. Mr. Kaleem Aslam, MBA- CFO
3. Mr. Salman Khan, ACA- HIA

ASSOCIATED COMPANIES

Biboji Group of Companies

- Janana De Malucho Textile Mills Limited.
- Rahman Cotton Mills Limited.
- The Universal Insurance Co. Limited.
- Bibojee Services (Pvt) Limited.
- Gammon Pakistan Limited.
- Ghandhara Tyre & Rubber Co, of Pakistan Limited. (formally known as The General Tyre and Rubber Company Ltd.)
- Ghandhara Automobiles Ltd. (formally known as Ghandhara Nissan Ltd.)
- Ghandhara Industries Limited.

OVERALL BUSINESS ENVIRONMENT - Y 2023

Business Overview

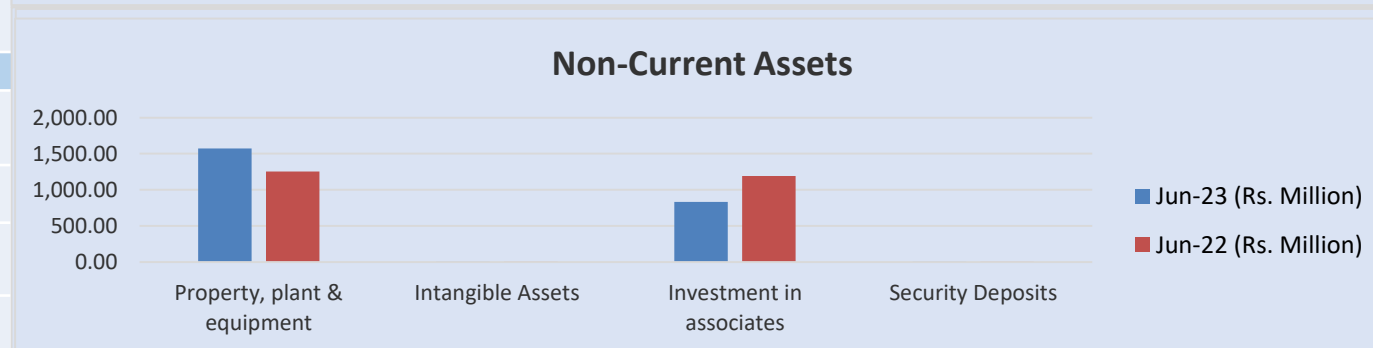
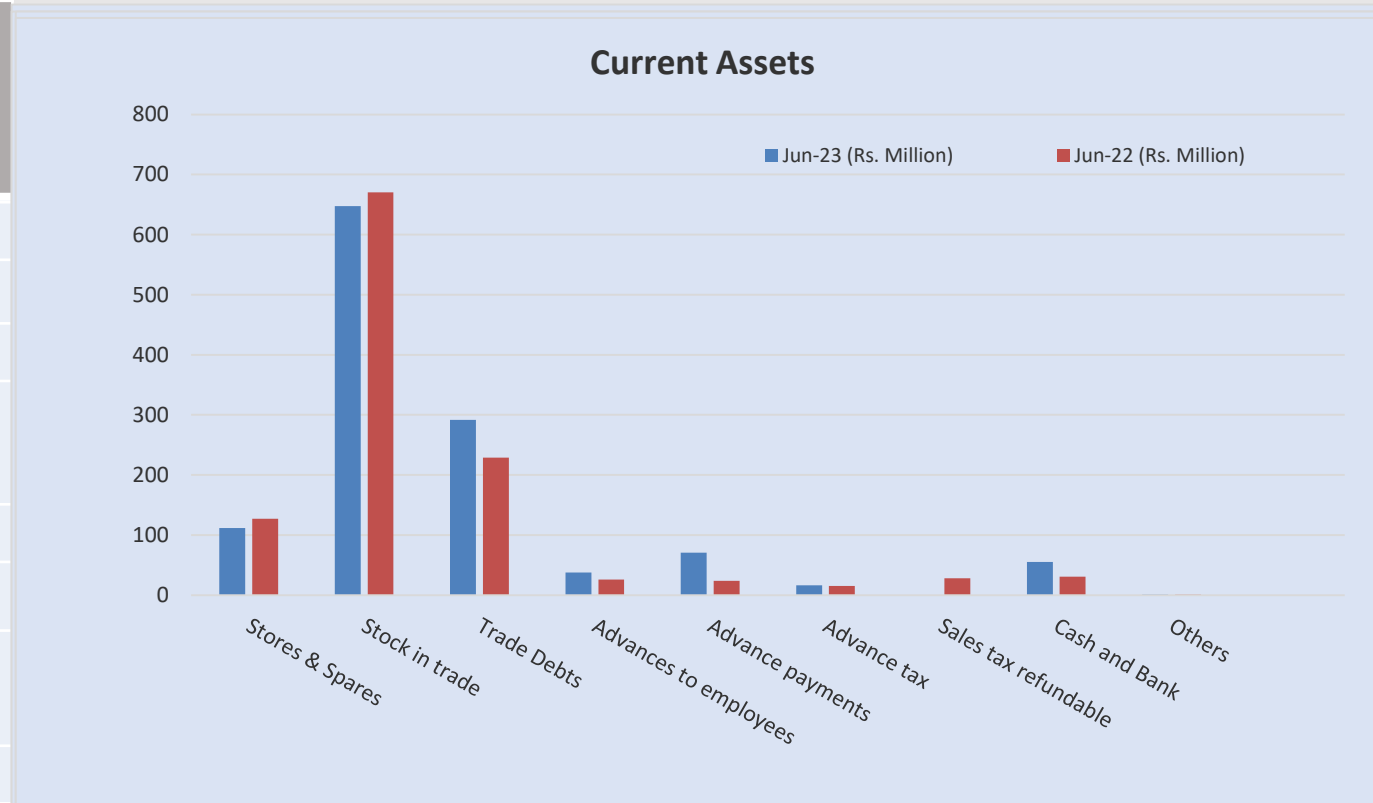
- The government is prepared to raise gas prices for domestic, commercial, and industrial consumers and this increase is expected to have a severe impact on the textile industry.
- Increased finance cost due to monetary policy rate currently at 22%.
- Withdrawal of the electricity subsidy, specifically the ZRI relief, the industry was heavily reliant on the relief provided through lower gas prices to sustain its operations.
- It is also the matter of pride for the Company and its stakeholders including associates and dealers that the Company has achieved milestone of net sales turnover of over Rs. 1 billion first time ever in Company's history.

In this challenging environment, the Company is endeavoring to:

- keep costs low
- to enhance revenues (mainly volumetric)
- to deliver value to its shareholders.
- provide an appropriate response to the changing dynamics in the market.

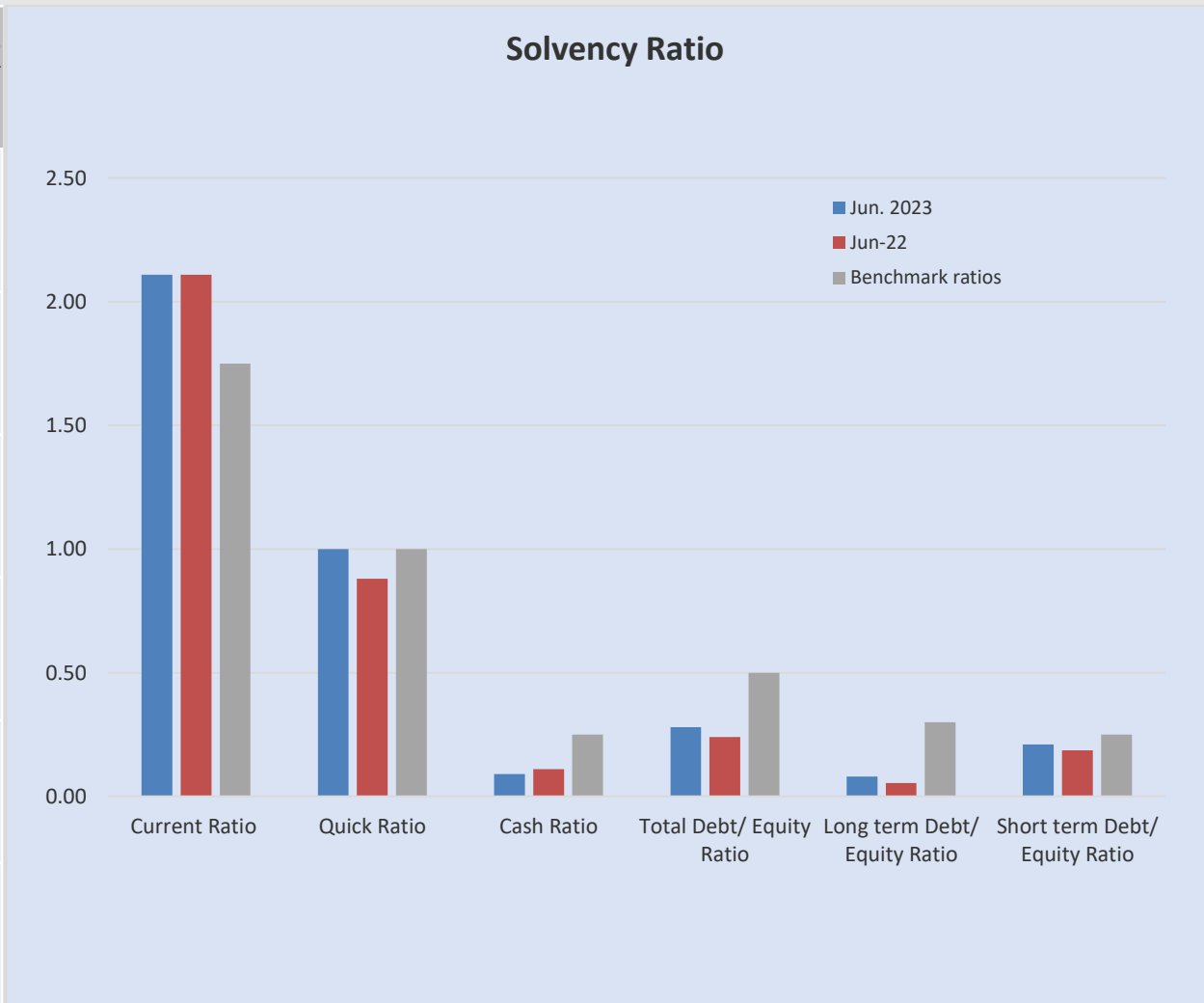
Total Assets: (Rs. Million)

Current Assets	Jun. 30, 2023	Jun. 30, 2022	%age Change
Stores & spares	111.79	127.29	12.18%
Stock in trade	647.29	670.59	3.47%
Trade Debts	291.50	229.11	27.23%
Advances to employees	37.86	26.16	44.71%
Advance payments	70.94	23.76	198.58%
Advance tax	16.18	15.18	6.60%
Sales tax refundable	0.00	28.13	100.00%
Cash and Bank	55.19	31.01	77.96%
Others	0.91	0.91	0.00%
Non Current Assets			
PPE	1,574.15	1,252.02	25.73%
Intangible Assets	0.66	0.96	29.32%
Investments	831.64	1,191.55	30.21%
Security Deposits	3.79	3.79	0.00%



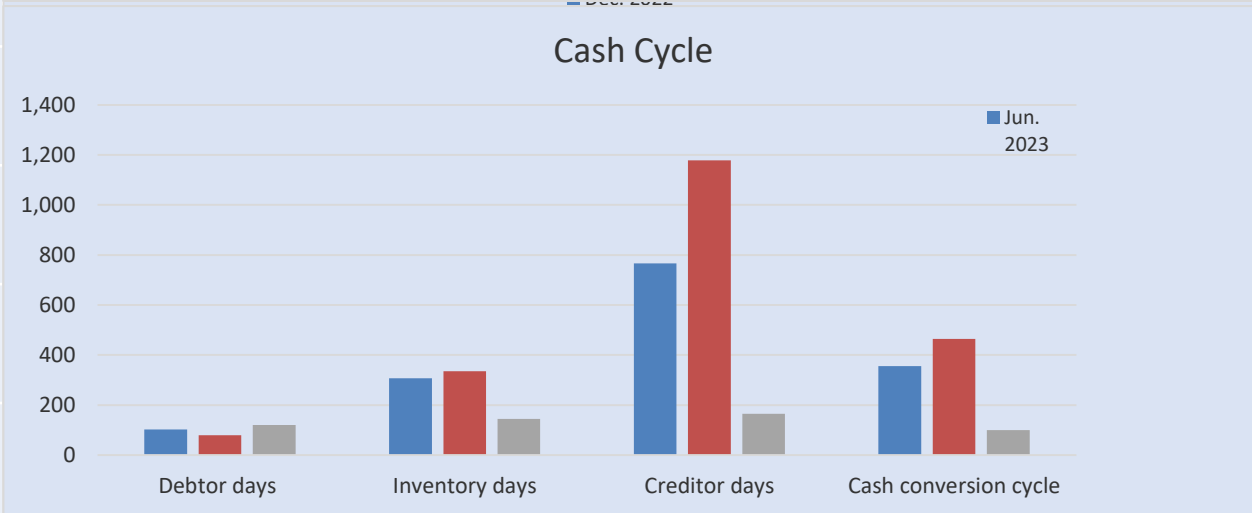
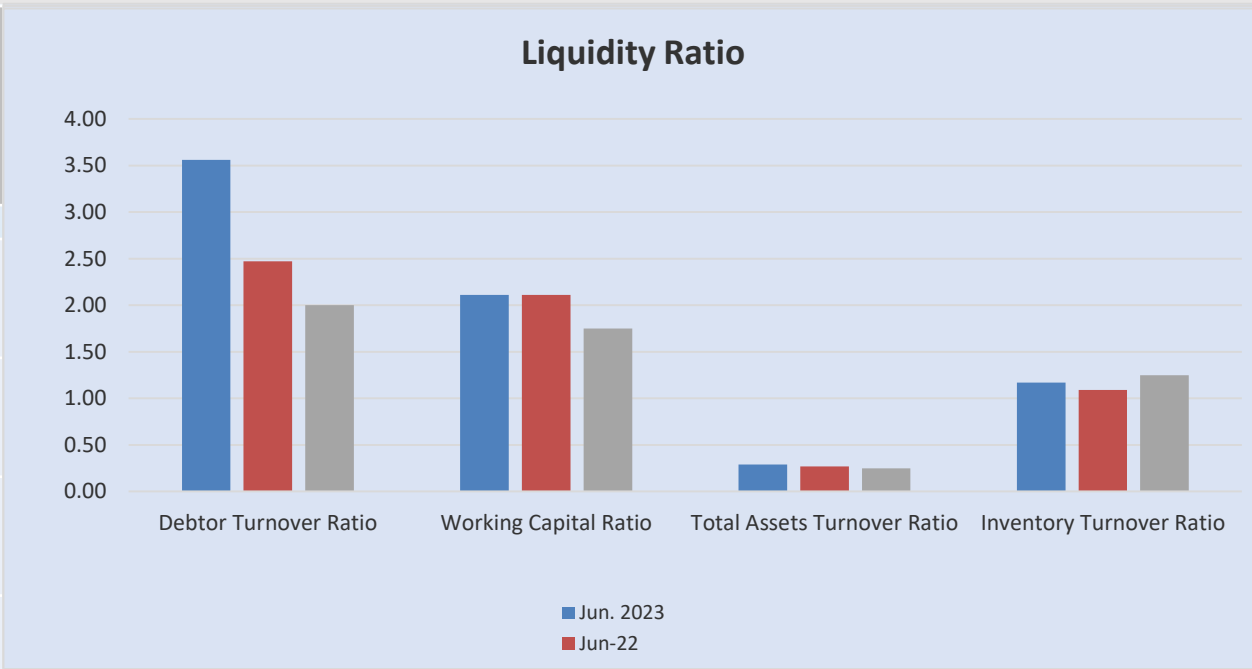
Solvency Ratios:

Ratio	Jun. 30, 2023	Jun. 30, 2022	Benchmark ratios
Current Ratio	2.11	2.11	1.75
Quick Ratio	1.00	0.88	1.00
Cash Ratio	0.09	0.06	0.25
Total Debt/ Equity Ratio	0.28	0.24	0.50
Long term Debt/ Equity Ratio	0.08	0.05	0.30
Short term Debt/ Equity Ratio	0.21	0.19	0.25



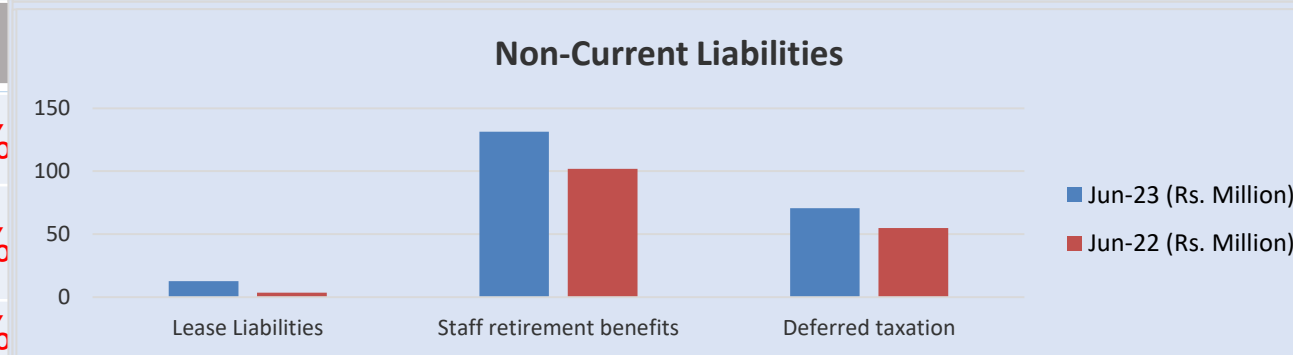
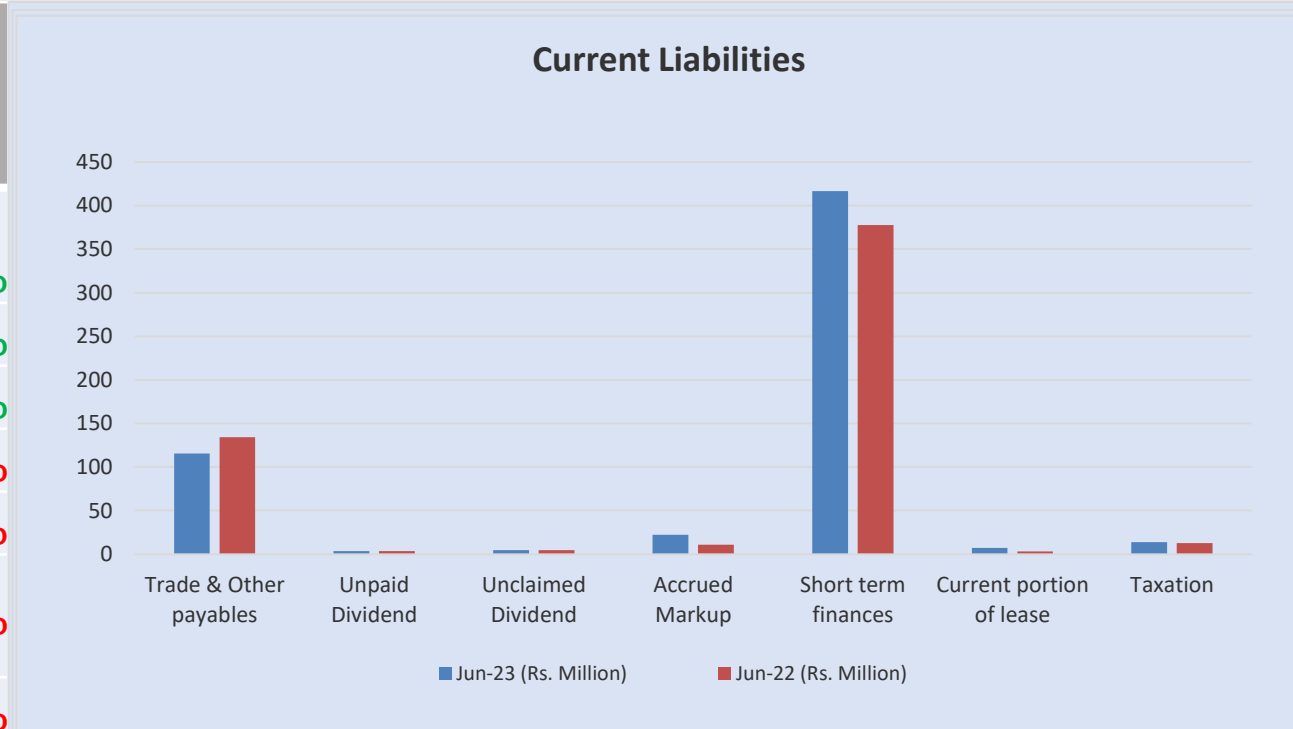
Liquidity Ratios:

Ratio	Jun. 2023	Jun. 2022	Benchmark ratios
Debtor Turnover Ratio	3.56	4.62	2.00
Working Capital Ratio	2.11	2.11	1.75
Total Assets Turnover Ratio	0.29	0.28	0.25
Inventory Turnover Ratio	1.19	1.09	1.25
Debtor days	103	79	120
Inventory days	307	335	145
Creditor days	766	1,179	165
Cash conversion cycle	356	464	100



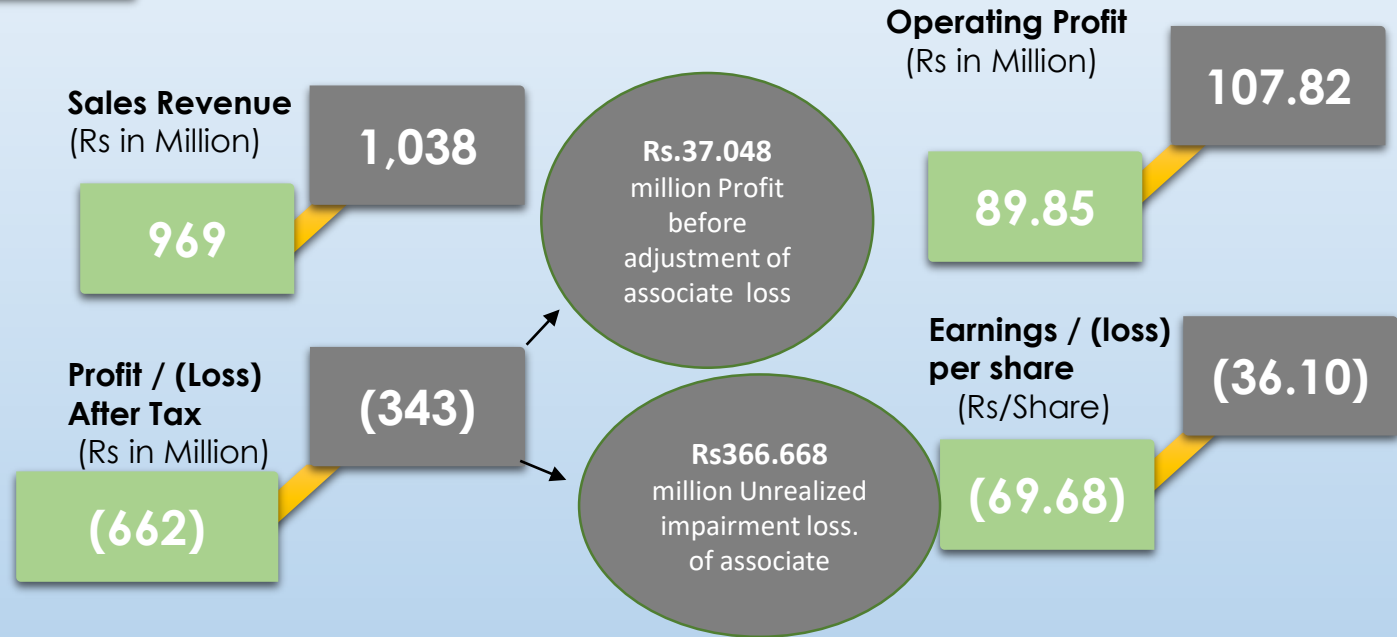
Total Liabilities: (Rs. Million)

Current Liabilities	Jun. 30, 2023	Jun. 30, 2022	%age Change
Trade & Other payables	115.44	134.10	13.17%
Unpaid Dividend	3.45	3.45	0.00%
Unclaimed Dividend	4.75	4.78	0.71%
Accrued Markup	22.30	10.97	103.24%
Short term finances	416.75	377.53	10.39%
Current portion of lease liabilities	7.36	3.31	122.24%
Taxation	13.73	12.86	6.81%
Non current liabilities			
Lease Liabilities	12.72	3.61	252.40%
Staff retirement benefits	131.26	101.75	29.01%
Deferred taxation	70.52	54.88	28.50%



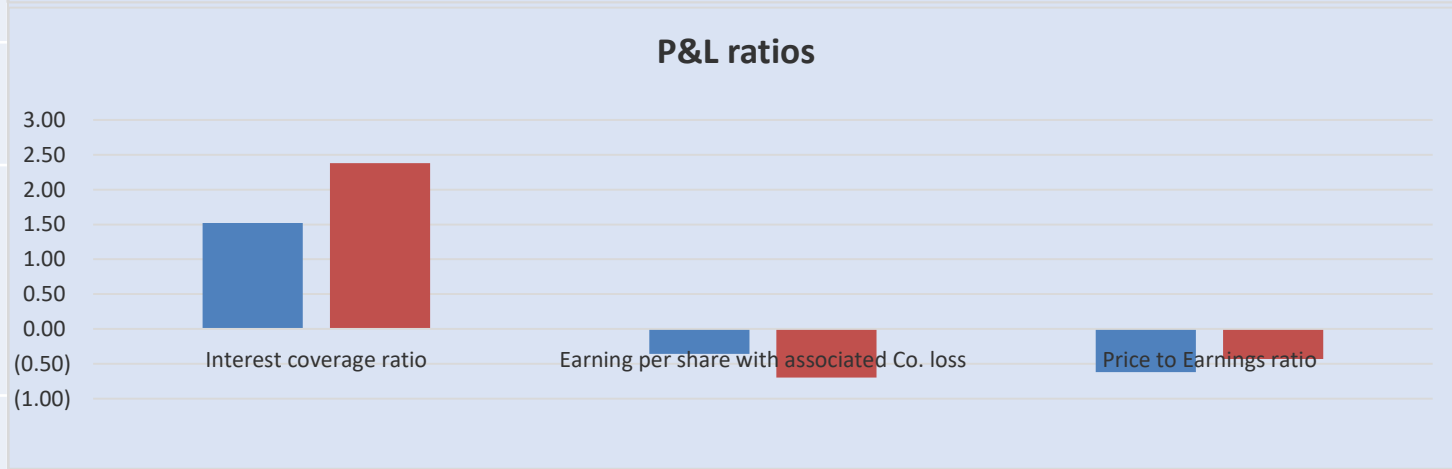
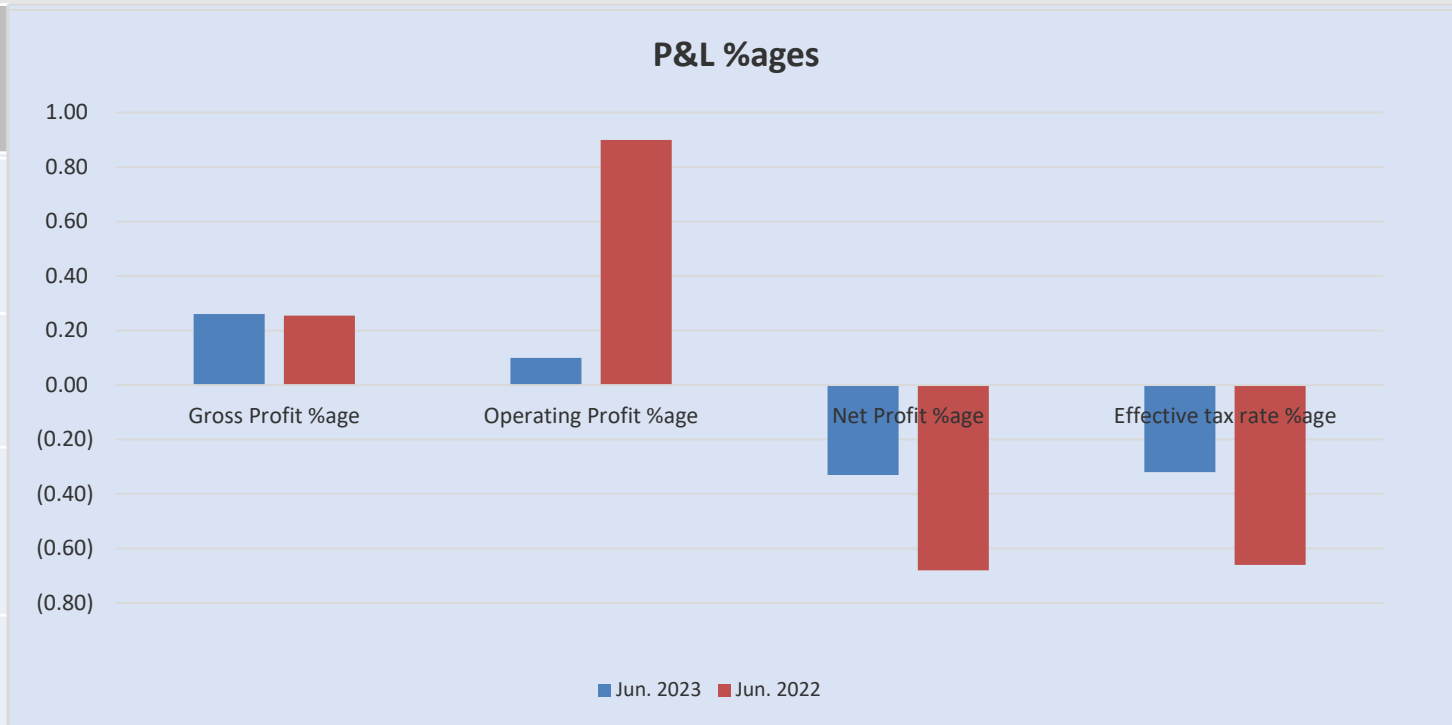
Financial details – 2022 Vs. 2023

2023
 2022



Profit & Loss ratios:

Ratio	Jun. 2023	Jun. 2022
Gross Profit %age	25.69%	24.59%
Operating Profit %age	10.38%	9.27%
Net Profit %age	-33.03%	-68.32%
Effective tax rate %age	-31.73%	-66.65%
Interest coverage ratio	1.52	2.38
Profit/Loss per share (without & with associated Co.)	2.47/-36.10	3.77/-69.68
Price to Earnings ratio	-0.62	-0.43



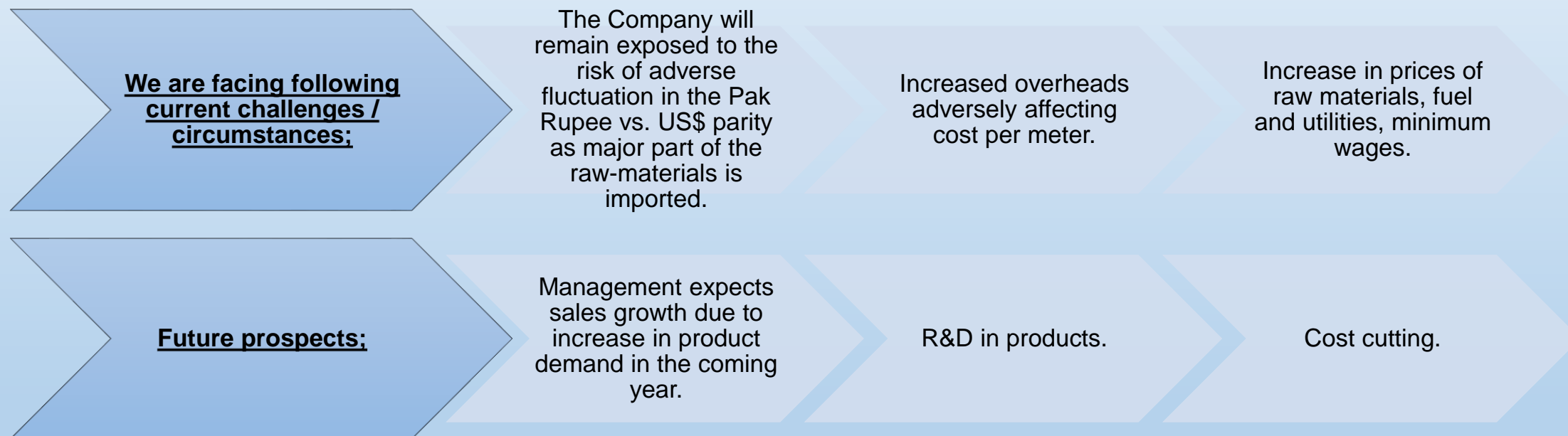
Production Data and Finished Goods

Year Ended Jun. 30,		2023	2022
Production Data			
Production (finished)	Meters	1,217,876	1,188,664
Cost of Sales as Percentage of Revenue	%	74.31	75.41
Capacity utilization : Spinning / Weaving	%	56%/60%	54%/56%
Total Manufacturing Costs Per Unit Produced Minus Materials	Rupees	286.85	266.58
Closing stock position			
All Shirting Cloth	Meters	733,973	726,291
Blankets and Shawls	Numbers	51,756	66,239
			16

Key Variances

	Jun. 30,	Jun. 30,	Variance
	2023	2022	
	Rupees in thousand		
Variance of P&L over the corresponding period is mainly due to the following:			
Raw materials including WIP adjustment	392,528	310,474	82,054
Salaries and wages	245,772	230,792	14,980
Power and fuel	72,624	68,868	3,756
Repair and maintenance	65,623	37,623	28,000
	776,547	647,757	128,790

Current challenges / Future prospects



Questions and Answers Session

THANK YOU

