



BHANERO TEXTILE MILLS LIMITED

ALL THE PARTICIPANTS ARE WARMLY WELCOME IN THE
CORPORATE BRIEFING SESSION FOR THE YEAR 2022

Disclaimer

The Corporate Briefing Session presentation is prepared by Bhanero Textile Mills Ltd is exclusively for the discussion purpose with the participants only. Any expression, information, statement or representation made during the discussion shall not be infer by any investor or potential investor as an advice or recommendation in relation to holding , purchasing or selling securities without proper consideration.

It is suggested before acting on any information's shared or and remarks made during the discussion process, one should seek appropriateness and accuracy of information.



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Prologue

The **Bhanero Textile Mills Ltd (“BTM”)** established in 1980, under the umbrella of Umer Group Companies (“UGC”). The group comprised of diversified venture like retailing & manufacturing of footwear, real estate, dairy farm and sugar industry however, textile remains at their forefront since inception.

The entities namely Faisal Spinning Mills Ltd (“FSM”) and Blessed Textiles Ltd (“BTL”) operates in the textile sphere of the group. This sphere currently operates with five spinning units, three weaving units, one finishing and stitching unit . Besides, two additional spinning units will commence their commercial production by April 2023 inshallah.

Collectively, these textile entities posted after tax profit of PKR 10,063.079 million (FY 2021:PKR 6,296.127) against sales revenue of PKR 71,357.648 million (FY 2021: PKR 44,653.833) for the year ending June 2022.

Manufacturing Footprints

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Textiles

Bhanero Textile Mills Ltd

Spinning Unit I - Sindh

Spinning Unit II - Punjab

Weaving Unit III - Punjab

Spinning Unit IV - Punjab (April 23)

Faisal Spinning Mills Ltd

Spinning Unit I - Sindh

Weaving Unit II - Punjab

Finishing Unit III - Punjab

Stitching Unit IV - Punjab

Blessed Textiles Limited

Spinning Unit I - Punjab

Weaving Unit II - Punjab

Spinning Unit III - Punjab

Spinning Unit IV - Punjab (April 23)

Leather and Allied Products

Firhaj Footwear (Pvt) Limited

Footwear Retailing - Across Country

Leather Garment Unit I - Punjab

Footwear Manufacturing Unit II - Punjab

Dairy

Umer Farms (Pvt) Limited

Milk Production - Punjab

Real Estate

City Towers - Punjab

Corporate Information

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Incorporation

The company **Bhanero Textile Mills Limited** established in March 1980.

Symbol

BHAT

Legal Status

Public Limited Company.

Capital

Authorized Capital - 60,000,000

Issued Paid-up Capital - 30,000,000

(Ordinary Shares of Rs. 10 each)

Associated Undertakings

Faisal Spinning Mills Ltd

Blessed Textiles Ltd

Registered and Liaison Office

Registered office of the company is located at Umer House, 23/1, Sector 23, K.I.A , Karachi.

Liaison office of the company is located at City Towers, Main Boulevard, Gulberg-II, Lahore.

Manufacturing Units

- i) Spinning Unit I with an installed capacity of 27,840 spindles, located at Kotri, Sindh.
- ii) Spinning Unit II with an installed capacity of 52,272 spindles, located at Sheikhupura, Punjab.
- iii) Weaving Unit III with an installed capacity of 162 air-jet looms, located at Sheikhupura, Punjab.
- iv) Spinning Unit IV with an installed capacity of 19,584 spindles (Commercial production by April 2023)

Credit Rating

The entity's rating at A+/A-1 (Single A Plus / A One) has been reaffirmed by Messer's VIS Credit Rating Company Limited on August 15, 2022 for the current year. The entity's outlook has been assigned as 'Stable' on given ratings.

Governing Board

The governing board comprised of ten(10) members and all the appointments of independent, executive, non-executive and female directors are in line under the under Code of Corporate Governance Regulations, 2019. All the members of the governing board are accredited under Directors Training Program.

The next reconstitution of board will be in January 2023.

Sr	Names of Directors	Designation
i	Mr. Khurram Salim	Executive Director / CEO
ii	Mr. Muhammad Amin	NXD Director
iii	Mr. Bilal Sharif	NXD Director
iv	Mr. Hamza Shakeel	NXD Director
v	Mrs. Saba Yousaf	NXD Director
vi	Mr. Mohammad Salim	Executive Director
vii	Mr. Muhammad Shaheen	NXD Director / Chairman
viii	Mr. Mustafa Tanvir	Independent Director
ix	Mr. Asif Elahi	Independent Director
x	Mr. Iqbal Mehboob	Independent Director

**CATEGORIES OF SHAREHOLDERS
AS AT JUNE 30, 2022**

SR #	CATEGORIES OF SHAREHOLDERS	NUMBERS OF SHAREHOLDERS	SHARES HELD	PERCENTAGE %
1	Director's, CEO, Their Spouse and Minor Children	19	1,420,779	47.36
2	Associated Companies, Undertaking and Related Parties	13	1,427,721	47.59
3	NIT & ICP	-	-	-
4	Insurance Company	1	70,500	2.35
5	General Public / Individuals	338	80,994	2.70
6	Other Companies	2	6	0.00
		373	3,000,000	100.00

Free Float of Shares**As on June 30, 2022****Total outstanding shares** **3,000,000****Less :****Shares held by Directors, Sponsors, Senior Management and their Associates** **2,347,900****Government holding as Promoter /Acquirer /Controller****Shares held by Associated Undertakings** **500,600****Shares held with General Public** **11,900** **2,860,400****Free Float** **139,600****Total number of shares available in CDC** **642,700****Total number of shares available in Physical Form** **2,357,300****Total** **3,000,000**

Economic Outlook

Despite a boost in activity last year due to worldwide drop in COVID-19, global growth is projected to remain subdued in the second half of 2022, before slowing further in 2023 to an annual growth of just 2.2%. A key factor slowing global growth is the generalized tightening of monetary policy, driven by the greater-than-expected overshoot of inflation targets.

The company's performed remarkably during the current year despite of bleak economic outlook and political situation prevailing in the country, yet we're foreseeing tough year ahead.

Its been anticipated that cotton production will plunge to a four-decade low and stay around four million bales in 2022 in current season since standing crop has been significantly damaged due to heavy downpours and flash floods.

The US and Europe EU are the two largest textile markets for Pakistan however, the economist are predicting of global recession due to high inflation in the West. This will eventually result in slow down of our textile exports. We desperately needs to take immediate measures to bring the country's textile sectors back on track by making it more lucrative and competitive in global market as export led growth is the only solution to prop dwindling economy.

Key Performance Indicators

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Sales Growth
YoY
41.90%

Gross Profit
23.62%

Profit Before
Tax
18.45%

Profit After
Tax
15.99%

Breakup Value
per Share
3,101.96

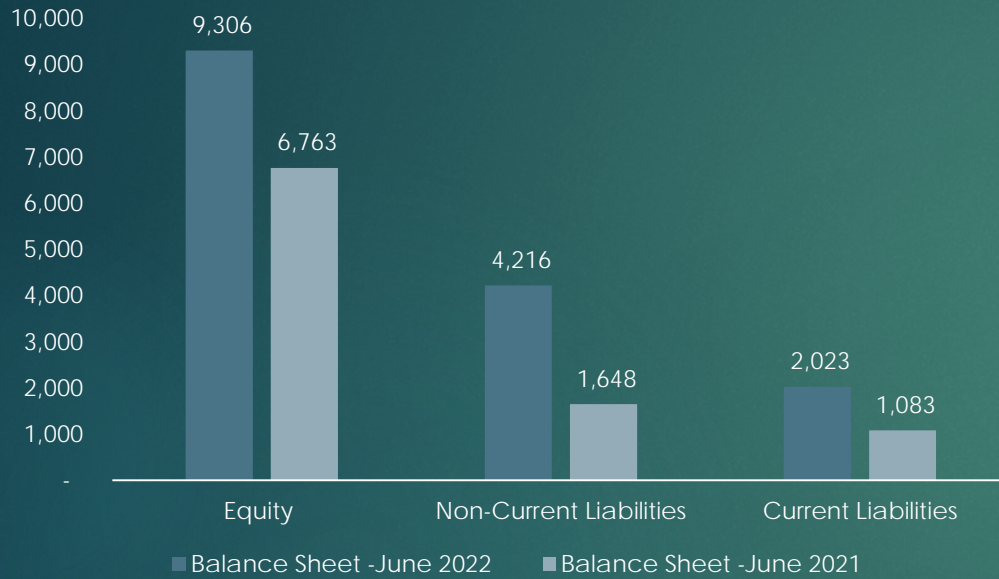
Market Value
per Share
1,465.00

Dividend per
Share
71.50

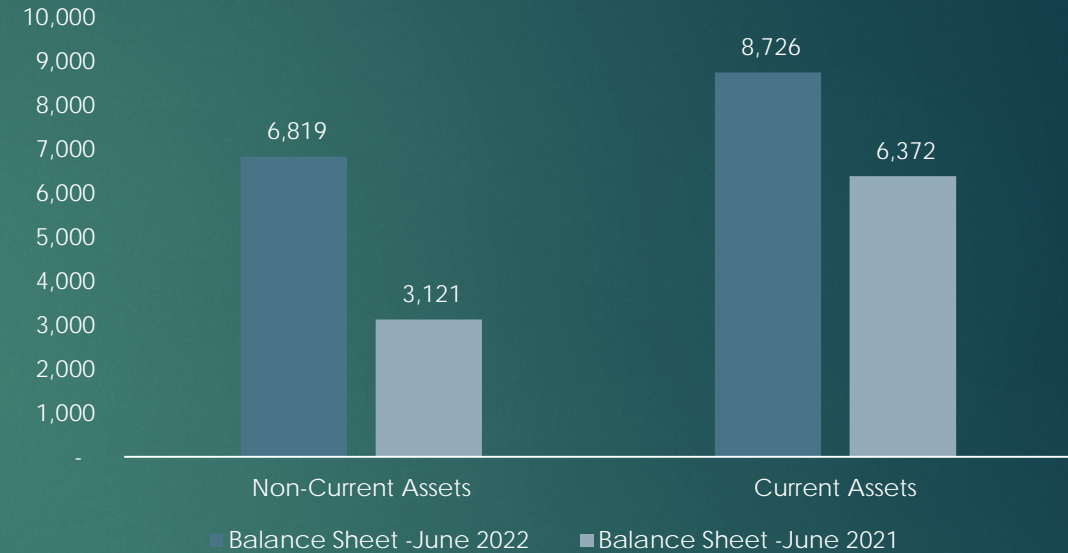
Earnings per
Share
919.38

Statement of Financial Position as at June 30, 2022

Equity & Liabilities - (PKR in Millions)



Assets - (PKR in Millions)



Bhanero Textile Mills Limited

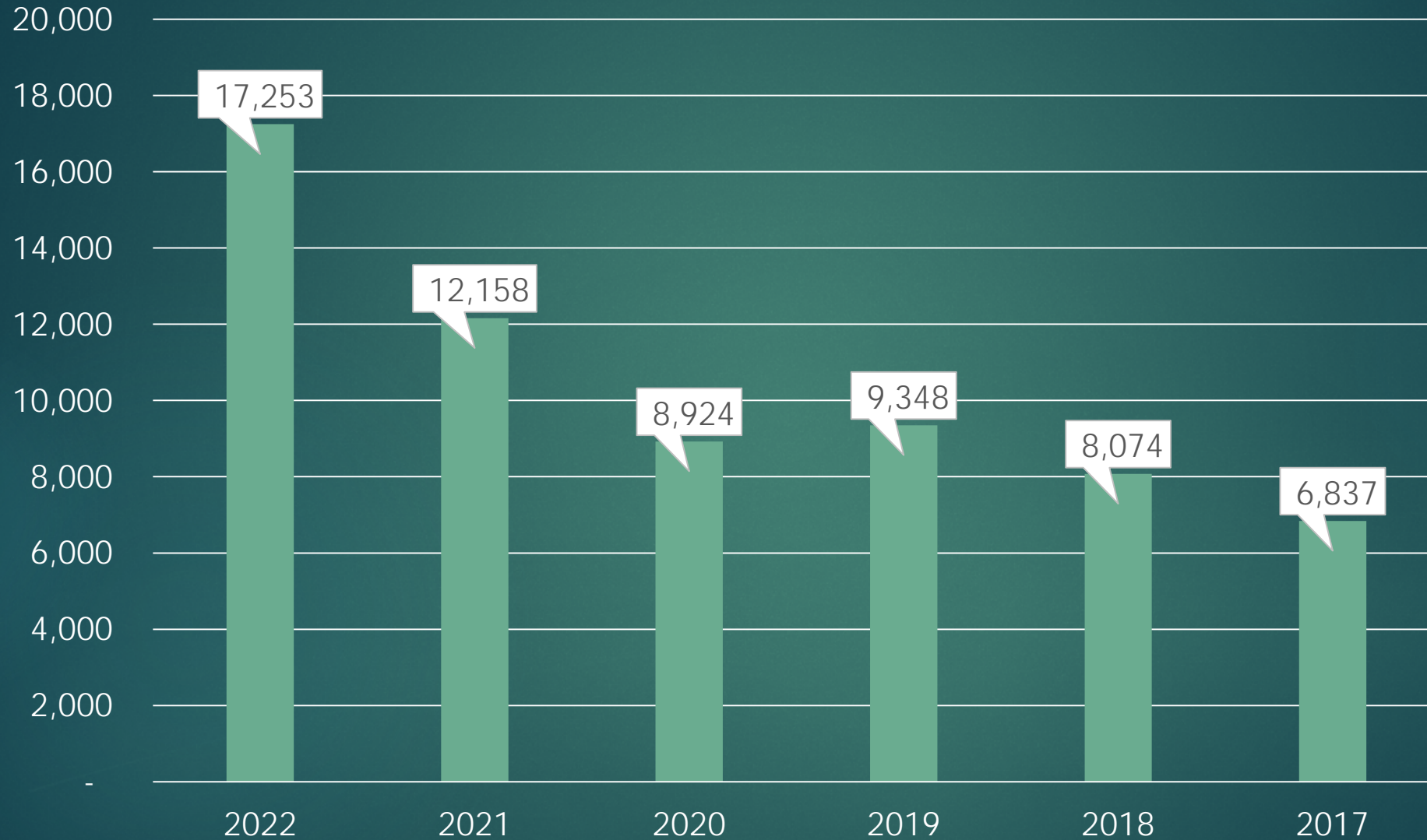
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Statement of Profit or Loss For The Year Ended June 30, 2022

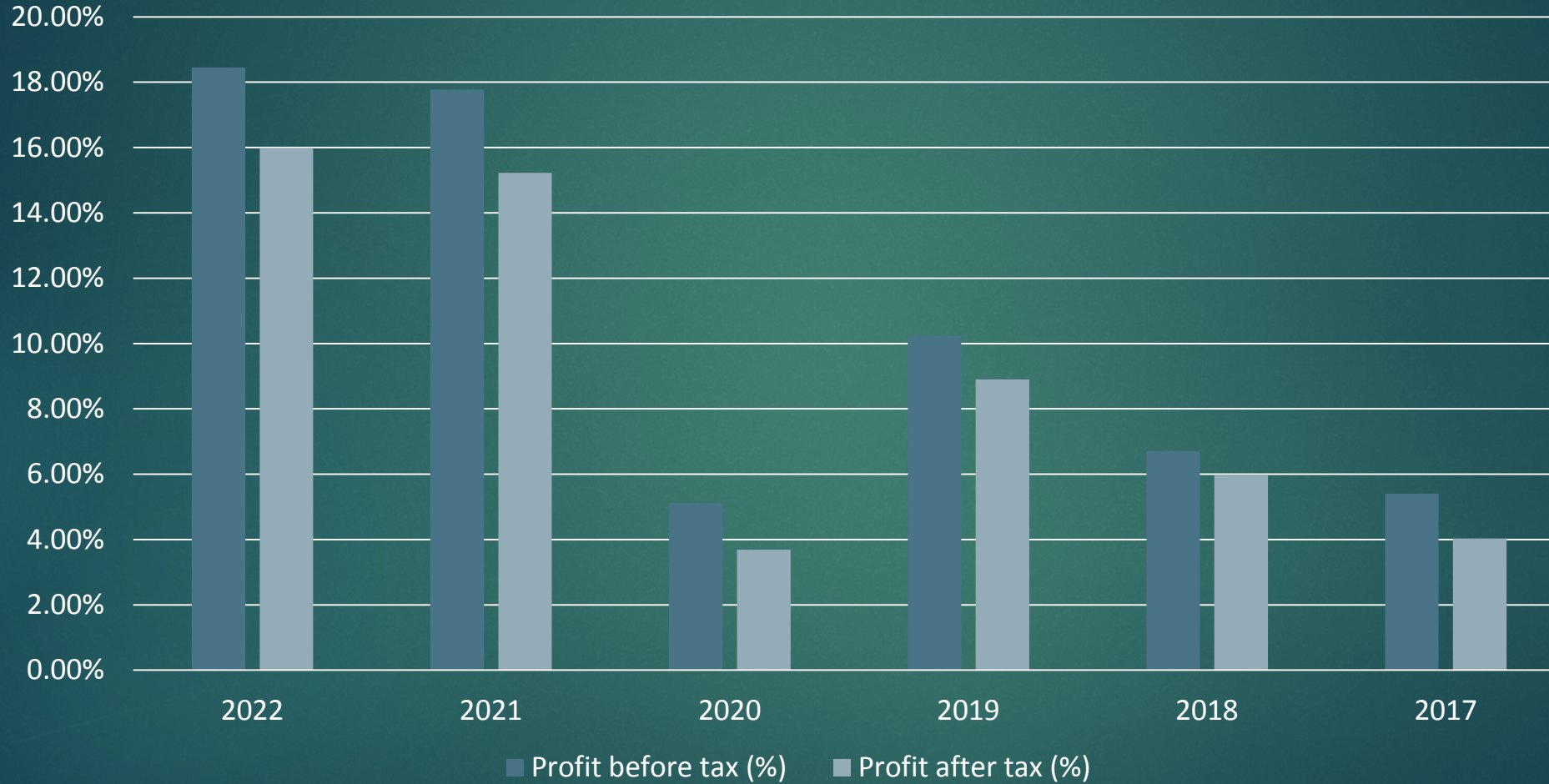
	June 30, 2022	June 30, 2021
	Rupees	Rupees
Sales	17,252,509,050	12,158,113,068
Cost of sales	13,178,129,028	9,426,415,558
Gross profit	4,074,380,022	2,731,697,510
Other income	242,797,272	83,253,942
	4,317,177,294	2,814,951,452
Distribution cost	461,356,046	243,334,988
Administrative expenses	216,261,742	157,638,312
Other operating expenses	318,462,301	169,994,496
Finance cost	137,883,096	83,004,832
	1,133,963,185	653,972,628
Profit before tax	3,183,214,109	2,160,978,824
Taxation	425,059,591	310,272,621
Profit after taxation for the year	2,758,154,518	1,850,706,203
Earnings per share - basic and diluted	919.38	616.90

Sales Revenue - PKR in Millions

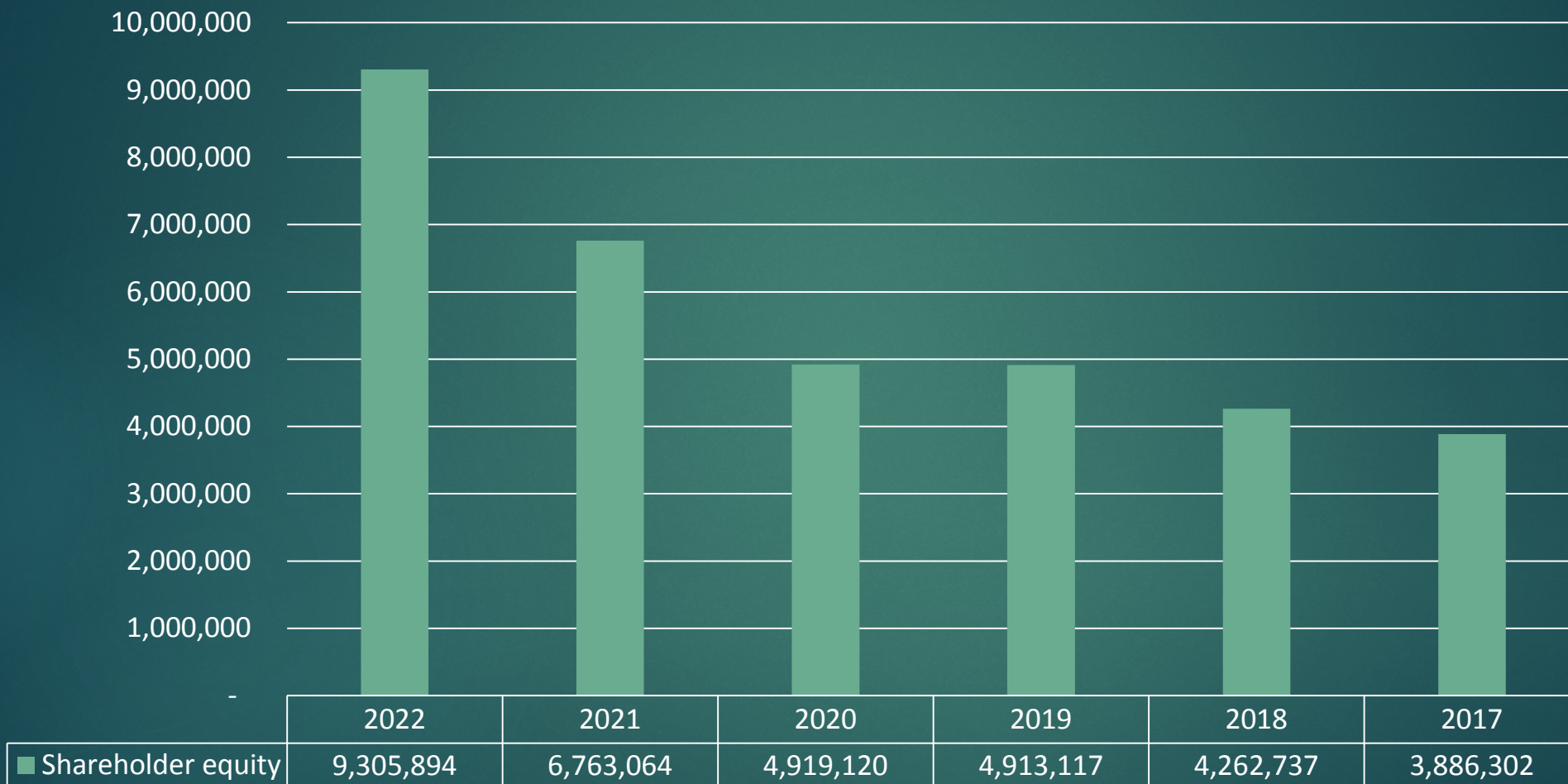
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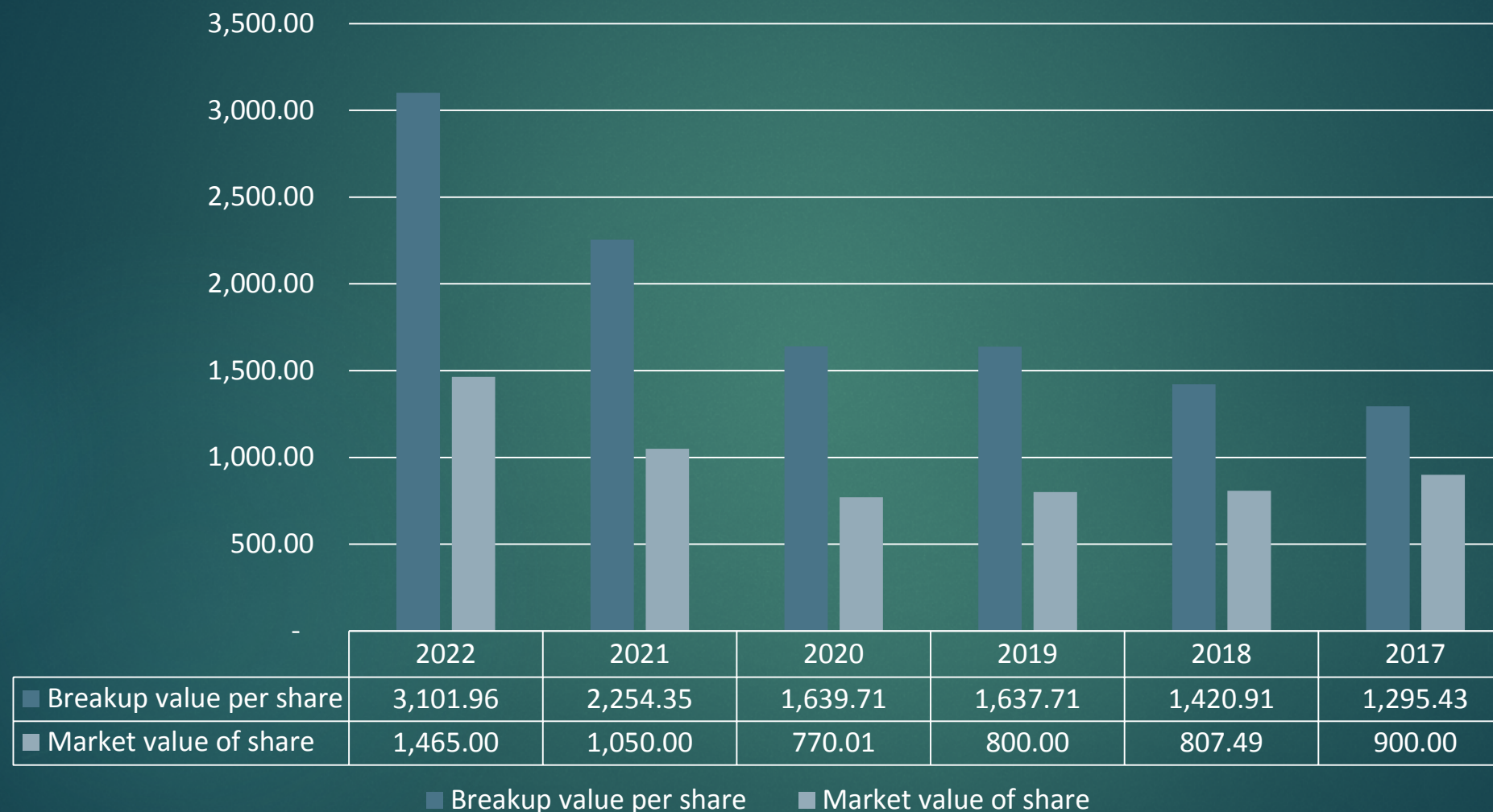
PBT and PAT (%)



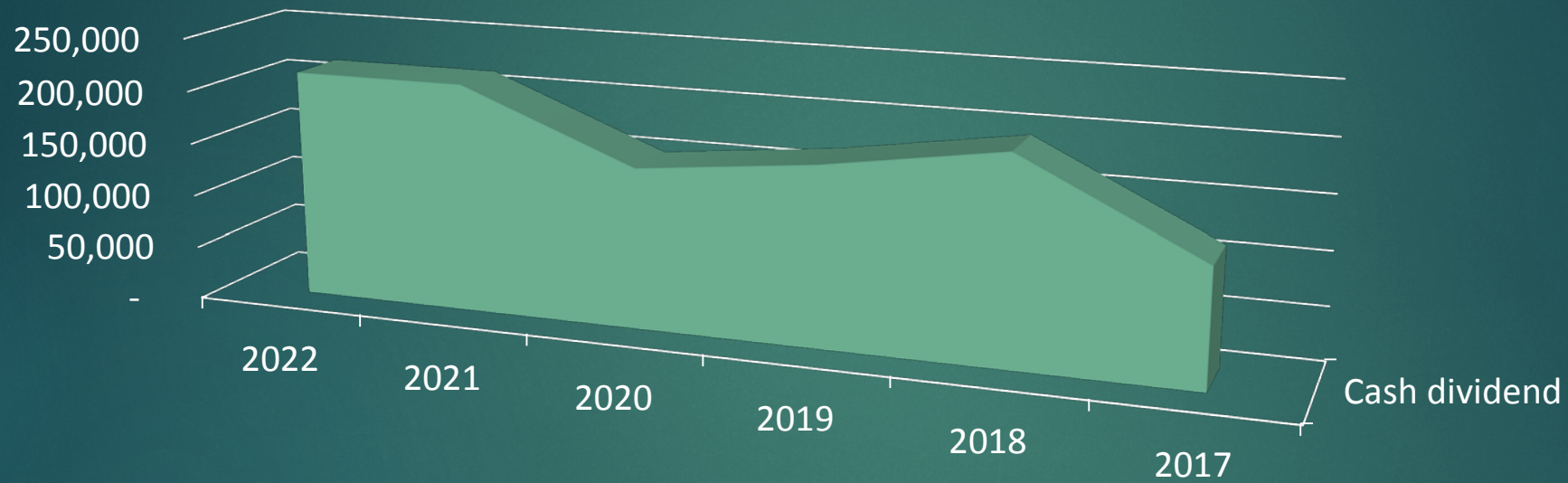
Shareholder Equity (“000”)



Break Value and Market Value of Share



Cash Dividend - (PKR in "000")



	2022	2021	2020	2019	2018	2017
■ Cash dividend	214,500	214,500	150,000	167,400	192,900	110,400

Historical Data

Bhanero Textile Mills Limited

For the year ended June 30, 2022

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Year-Wise Operating Data

2022	2021	2020	2019	2018	2017
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Spinning Unit

Spindle installed	80,112	80,112	80,112	80,112	80,112	69,312
Spindles worked	80,112	80,112	80,112	80,112	80,112	69,312
Installed capacity after conversion into 20/s count - Kg	14,810,385	14,810,385	14,810,385	14,810,385	14,810,385	13,954,119
Actual production - Kg	13,001,202	12,223,351	10,727,209	12,363,406	11,392,698	10,621,496

Weaving Unit

Air jet looms installed	162	162	162	162	160	160
Air jet looms worked	162	162	162	162	160	160
Installed capacity after conversion into 50 picks - Meter	34,016,175	26,566,890	26,566,890	26,566,890	21,534,566	21,534,566
Actual production - Meter	24,019,600	21,117,435	17,372,400	15,864,187	15,952,617	15,100,469

Ratios	2022	2021	2020	2019	2018	2017
Performance						
Sales growth percentage - Year to Year basis	41.90%	36.25%	-4.54%	15.78%	18.09%	3.01%
Gross profit (%)	23.62%	22.47%	9.23%	13.84%	10.76%	11.03%
Profit before tax (%)	18.45%	17.77%	5.11%	10.24%	6.72%	5.40%
Profit after tax (%)	15.99%	15.22%	3.69%	8.90%	5.97%	4.03%
Valuation						
Breakup value per share - Rupees per share	3,101.96	2,254.35	1,639.71	1,637.71	1,420.91	1,295.43
Market value of share - at the year end - Rupees per share	1,465.00	1,050.00	770.01	800.00	807.49	900.00
Profitability						
Earnings per share - Rupees per share	919.38	616.90	109.80	277.47	160.68	91.91
Price earning ratio	1.59	1.70	7.01	2.88	5.03	9.79
Leverage						
Gearing ratio	0.34	0.19	0.55	0.46	0.28	0.30
Debt to equity (%)	30.27%	15.93%	22.17%	22.83%	20.77%	11.03%
Interest covering ratio	24.09	27.03	3.51	6.75	6.77	5.24
Liquidity ratio						
Current ratio	4.31	5.89	25.40	2.73	3.48	3.01

Question & Answers Session

The honorable guest and participants are requested to proceed for question and answer session with regard to the financial statements for the year ended June 30, 2022.

Thanking You