

KOHINOOR SPINNING MILLS
LIMITED

Corporate Briefing Session
For the Year Ended
June 30, 2021

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Question/Answer Session

Company Information

- Incorporated on July 23, 1970
- Registered Office: **7/1, E-3, Main Boulevard, Gulberg III, Lahore**
- Mills:
 - (i) Unit # 1 & 2 : Aminabad, 8-Km Pindi Road, Chakwal
 - (ii) Unit # 3 : 8-Km, Bhaun Road, Chakwal
- Listed on Pakistan Stock Exchange on 1970
- Company Symbol: **KOSM**
- Member of All Pakistan Textile Mills Association and Lahore Chamber of Commerce
- Auditors : **M/s. Nasir Javaid Maqsood Imran & Company, Chartered Accountants**
- Share Registrar : **M/s. Corplink (Pvt) Limited**

Company Information

The Company has started its operations with 12,400 spindles in Unit # 1 and subsequently established 2nd and 3rd unit along with enhancing production capacity gradually up to 78,492 spindles.

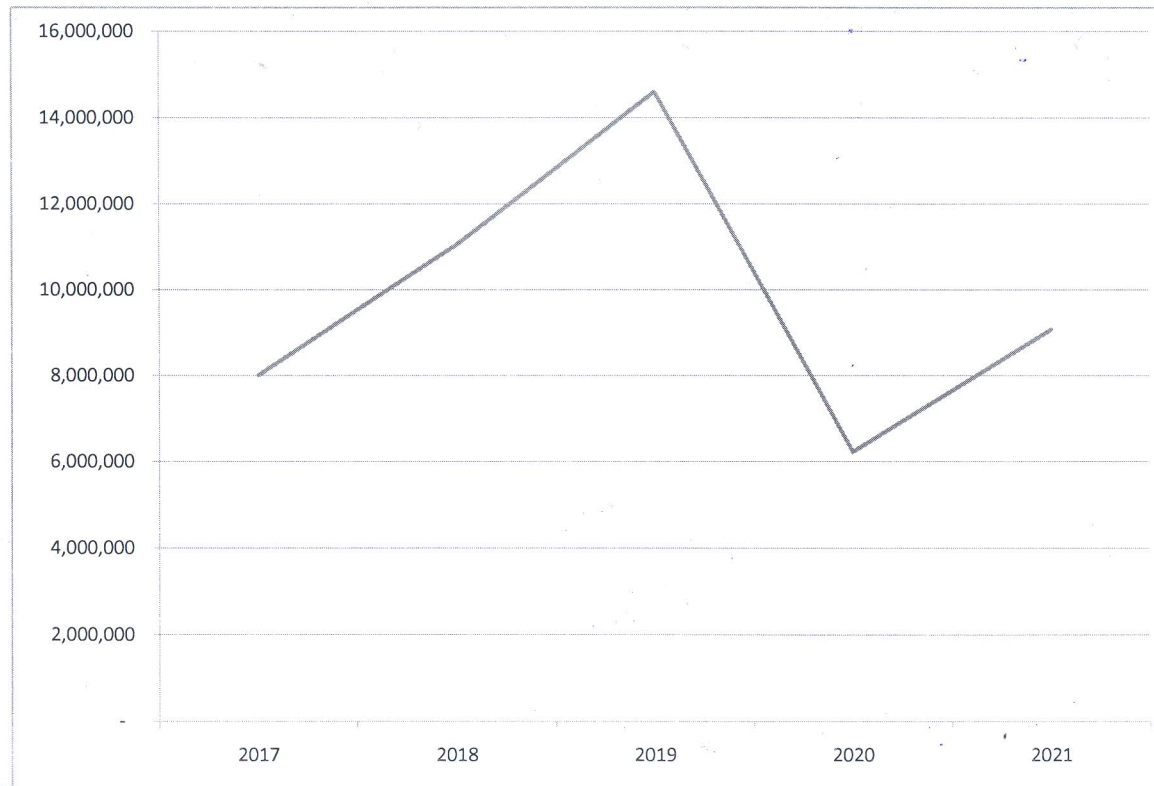
The Company supplied to its customers varied type of Yarn, including 30PV, 36PV, 26PV, 40PC, 24PVC etc.

Major Customers

- . Dawood Exports (Pvt) Ltd.**
- . Kausar Processing (Pvt) Ltd.**
- . ATS Synthetic (Pvt) Ltd.**
- . Premium Traders**
- . HIK Textiles (Pvt) Ltd.**
- . Kinza Enterprises**
- . Kamal Mills (Pvt) Ltd.**
- . Khurram Impex**
- . Mubashir Corporation**

Operational Performance

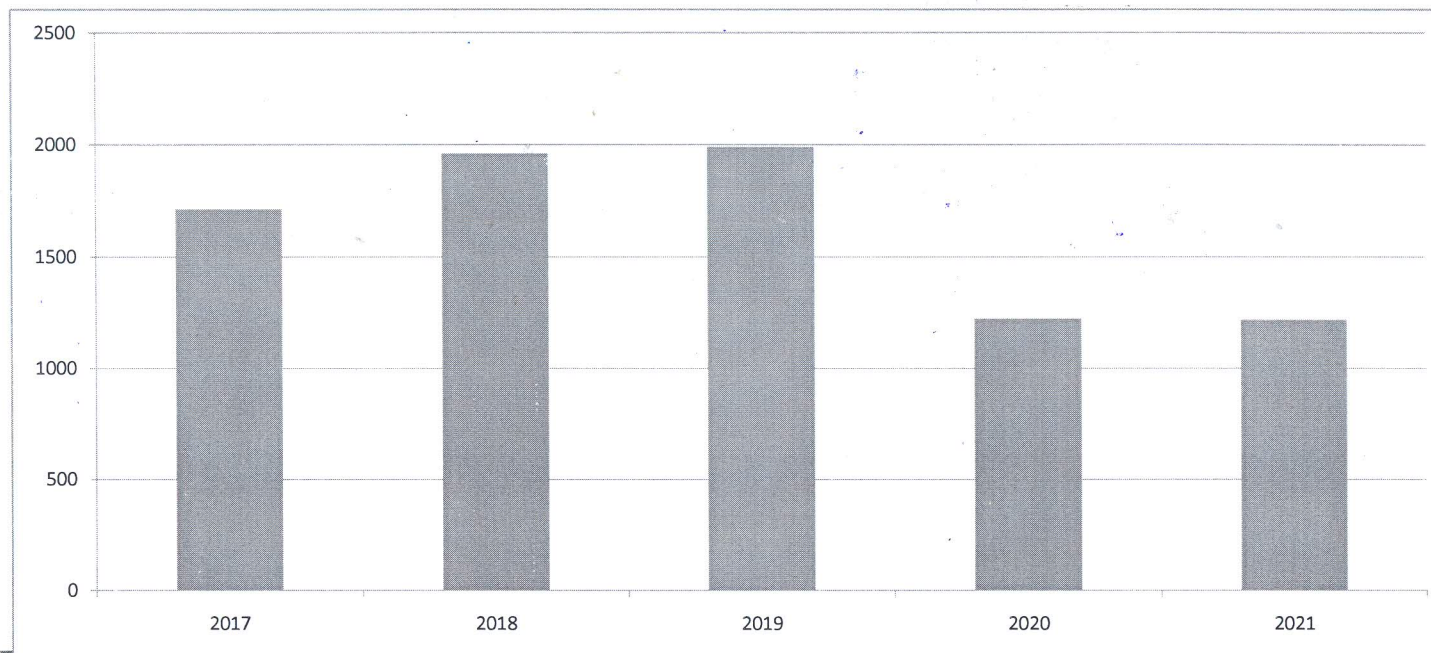
Spinning Production (Kgs)



Actual Production Per Annum

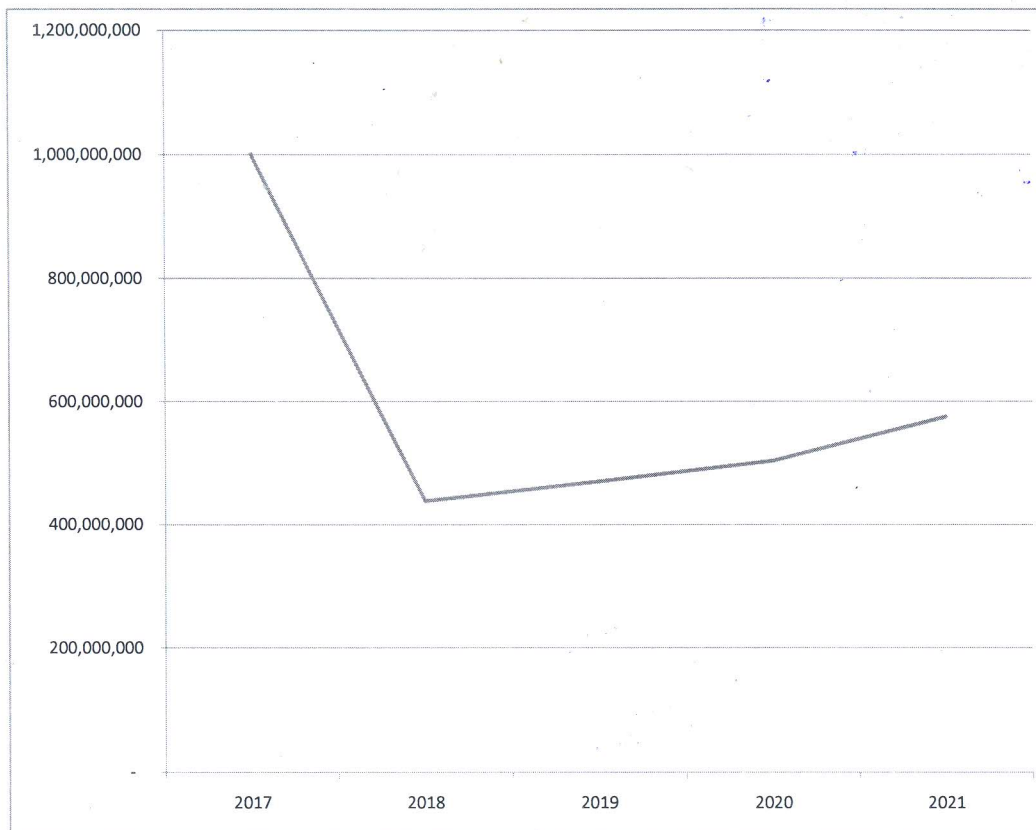
Operational Performance

No. of Employees



Number of Employees

Long Term Loan from Directors



KOHINOOR SPINNING MILLS LIMITED : 2021 VS 2020

2020

2021

Sales Revenue (Rs in million)	1,663
2,807	

Loss After Tax (Rs in million)	(245)
(369)	

Equity (Rs in million)	(723)
(1,092)	

Operating Loss (Rs in million)	(208)
(313)	

Loss per Share (Rs/Share)	(1.14)
(1.71)	

Return on Equity (%)	(34)
(34)	

Financial Performance of Five Years

	2021	2020	2019	2018	2017
Rupees in "000"					
Sales	2,807,075	1,662,982	4,260,539	3,070,194	2,063,046
Cost of Sales	(3,020,461)	(1,797,828)	(4,258,906)	(3,235,487)	(2,443,291)
Gross (Loss)/Profit	(213,386)	(134,846)	1,633	(165,293)	(380,245)
Operating (loss)	(313,350)	(207,908)	(93,181)	(250,733)	(475,405)
Loss before Tax	(327,230)	(220,097)	(306,496)	(451,816)	(632,518)
Loss after Tax	(369,336)	(245,042)	(339,403)	(414,618)	(681,989)
Paid up Capital	1,078,571	1,078,571	1,078,571	1,078,571	650,000
Equity	(1,092,271)	(722,763)	(477,241)	(106,474)	(293,100)
Non-current Liabilities	620,274	553,173	534,743	553,987	1,285,144
Current Liabilities	3,090,025	2,994,447	2,842,358	2,570,508	2,191,151
Non-Current Assets	1,638,783	1,691,583	1,778,065	1,860,731	1,923,982
Current Assets	979,246	1,133,274	1,121,795	1,157,290	1,259,213
Loss per share (Rs.)	(1.71)	(1.14)	(1.57)	(2.13)	(5.25)
Break-up value per share	(5.06)	(3.35)	(2.21)	(0.49)	(2.25)
Current Ratio	0.32	0.38	0.40	0.45	0.57

Future Outlook

Adverse foreign exchange has resulted in rise in input cost. However, due to current geo-political conditions and inflation, yarn prices are not proportionately increasing, Our Government is expected to get approval of mini budget to fulfill IMF conditions. This mini budget would bring another inflationary wave in the country and lead to further curtailment of sale of clothes.

The Government should put a brake on rising inflationary trend.

The management is considering to switch to the specialized yarn manufacturing instead of manufacturing run of the mill yarn items. For this, we need adequate working capital. We are also in talks with a bank to restructure our debt.

Future Challenges

1) Drastic rise in exchange rate, resulting in:

a) Rise in fuel and power cost;

b) Imported raw material;

c) Imported machinery and parts;

2) Unavailability of quality cotton in local market;

3) Sluggishness in yarn market due to geo political conditions

4) Further expected rise in KIBOR rate

QUESTION & ANSWER SESSION

Thank You