
PROGRESS REPORT

INTERLOOP LIMITED QUARTERLY PROGRESS REPORT

FOR QUARTER ENDED ON DECEMBER 31st, 2020

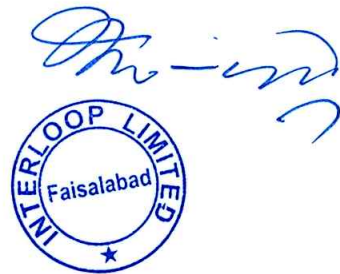


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PROGRESS REPORT

Projects

This Progress report is being submitted in compliance with the requirement of the Pakistan Stock Exchange Letter # PSX/Gen-5311, Dated November 20, 2018 and the Securities & Exchange Commission of Pakistan's Letter # SMD/CIW/SA-88/06/2018 dated December 21, 2018.

Interloop Limited carried out a successful IPO in March 2019 to finance the following two projects:

- Denim Unit in Lahore; Denim stitching unit
- Hosiery Division V in Faisalabad, Khurrianwala; A Socks knitting unit

We are pleased to share the implementation report of the projects mentioned above.

Denim Division — Implementation Update

The denim division is located at 8 km Manga Raiwind Road, Lahore and has been functional since November 2019 as originally planned. Building & Infrastructure for the entire project is nearly fully complete.

Machinery Phase 1:

We have successfully completed first phase of the project by installing capacity of 20,000 units per day. The project started its commercial operation since Second Quarter FY2020. COVID-19 Pandemic has effected the marketing activity and our ramp-up plans. However, the project is gradually making its place in European and North American markets.

Phase 2:

In second phase, it is planned to enhance the capacity to 40,000 units per day. The project is completed in terms of infrastructure since nearly 83% of the budget has already been consumed. However, considering the impact of COVID-19 which has adversely impacted the economies and demand all across the globe, the project activities has been slowed down. *(Progress related to Denim project can be seen in Annexure I)*

The management is fully committed with the project to enhance its capacity and strongly believes that the completion of the project will bring significant benefits to the Company and its shareholders.

Project cost has been enhanced to PKR 8.325 billion from initial estimate of PKR 6.75 billion for Denim project due to the devaluation in PKR and trial run losses. The increase in cost will be financed by internal cash generation. *Utilization of project cost is given in detail in Annexure II.*



Hosiery Division V — Implementation Update

Phase 2 of Pilot Unit for Plant 5 had been completed successfully and the unit is currently operating with 430 knitting machines utilizing existing infrastructure. During the quarter under consideration of FY2021, Company has successfully installed and commissioned 100 machines. The production capacity is 12,000 dozen per day, which equates to roughly 29% capacity of the main plant designed to produce 42,000 dozen per day.

Supplement to the above, the Land for the project has been procured. The foundation of Building construction has been completed up to plinth level and earth filling. Furthermore, the excavation of unit # 1 is 70% completed and PCC work is in progress.

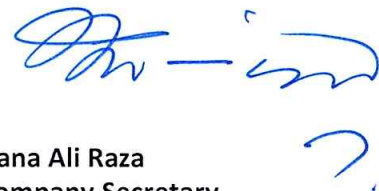
The management is gradually increasing pace of the project considering diligently market demand and global economy moves.

Project cost has been enhanced to PKR 5.9 billion from initial estimate of PKR 4.5 billion for the project due to the devaluation in PKR and trial run losses. The increase in cost will be financed by internal cash generation. *Utilization of project cost is given in detail in Annexure IV.*

Muhammad Maqsood
President / Group CFO



Rana Ali Raza
Company Secretary



Annexures

Progress related to Denim Project Annexure I

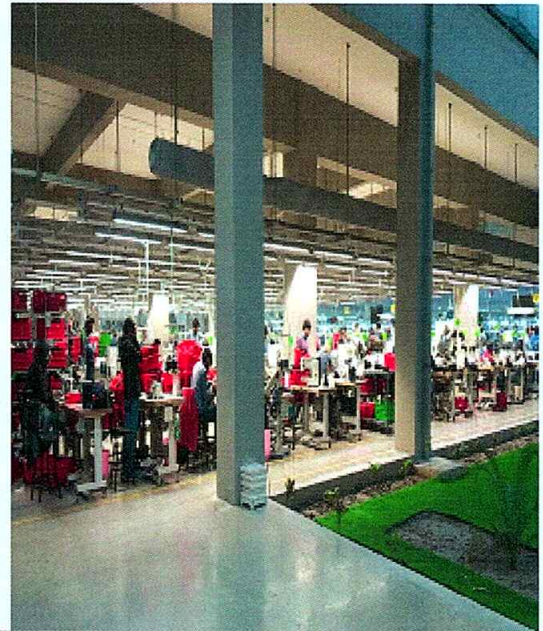


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INTERLOOP LIMITED
Faisalabad

SEWING HALL GREEN AREA

SEWING HALL SMALL PARTS



WASHING AREA

LASER HALL



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Utilization of Denim Project Cost Annexure II (PKR)

Budget Description	Final Approved	PO Issued/LC Established	Actual Payment to Suppliers/Vendors	Available Balance	% age Consumed based on PO
Denim - Construction of Building Setup	2,460,852,632	2,440,365,765	2,229,300,130	20,486,867	99.17%
Denim - Procurement of Machinery	3,342,771,114	2,680,059,300	2,414,555,602	662,711,814	80.17%
Denim - Power & Utilities	1,322,750,505	947,192,547	873,530,060	375,557,958	71.61%
Denim - Manufacturing System, Computers and IT Equipment	303,295,870	185,860,460	185,240,336	117,435,410	61.28%
Denim - Miscellaneous Expenses	249,053,099	143,883,725	131,490,569	105,169,374	57.77%
Pre Commencement Expenses / Trial run losses	646,276,780	449,926,780	449,926,780	196,350,000	69.62%
TOTAL	8,325,000,000	6,847,288,577	6,284,043,477	1,477,711,423	82. 25%

Project cost has been enhanced to PKR 8.325 billion from initial estimate of PKR 6.75 billion for Denim project due to the devaluation in PKR and trial run losses. The increase in cost will be financed by internal cash generation.

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Progress related to Plant V Annexure III

KNITTING MACHINES



Construction of Building in progress



Utilization of Project Cost of Plant V Annexure IV (PKR)

Budget Description	Final Approved	PO Issued/LC Established	Actual Payment to Suppliers/Vendors	Available Balance	% age Consumed based on PO
Plant V - Construction of Building Setup	1,289,000,000	983,411,911	436,177,080	305,588,089	76.29%
Plant V - Procurement of Machinery	2,956,000,000	956,486,660	933,718,327	1,999,513,340	32.36%
Plant V - Power & Utilities	1,286,000,000	42,210,285	23,687,660	1,243,789,715	3.28%
Plant V - Computers and IT Equipment	43,000,000	918,350	879,155	42,081,650	2.14%
Plant V - Miscellaneous Expenses	135,000,000	9,255,814	9,166,830	125,744,186	6.86%
Pre Commencement Expenses / Trial run losses	200,000,000			200,000,000	
TOTAL	5,909,000,000	1,992,283,020	1,403,629,052	3,916,716,980	33. 72%

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INTERLOOP LIMITED
Faisalabad
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