



Janana De Malucho Textile Mills Limited

Corporate Briefing Session

Dated: June 20, 2025



Disclaimer

- This presentation is prepared by Janana De Malucho Textile Mills Ltd. (the Company) solely for information purposes.
- During this presentation, we may make forward-looking statements about future events or the Company's performance. These statements involve risks and uncertainties, so forecasts and projections may not be achieved.
- When considering these forward-looking statements, please take into account the political, economic, social, and legal environment in which the Company operates.

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Brief Company Profile

- Incorporated as a Public Company in 1960 by the founder chairman, Lt. Gen. M. Habibullah Khan Khattak (Late).
- Registered Office & Factories are located in Habibabad, Kohat (KPK).
- A spinning unit that is primarily engaged in the manufacture and sale of yarn.
- The production capacity includes
 - Spindles Installed: 64,704
 - Rotors installed: 600
- The total market capitalization of the company is PKR 445.724 million as of Jun 14, 2025.

Financial Results for Nine Months ended 31-03-2025

Particulars	31-03-25	31-03-24
	Rupees in million	
Sales-net	1,484.965	4,529.507
Cost of sales	1,870.396	4,387.704
Gross (loss) / profit	(385.431)	141.803
(Loss) / profit from operations	(408.742)	58.222
Finance cost	218.544	266.309
Loss before tax	(622.074)	(184.698)
Loss after tax	(595.116)	(150.404)
	----- Rupees -----	
Loss per share	(86.05)	(21.75)

Highlights of the Financial Results for Nine Months ended Mar 31, 2025

- The turnover of the Company decreased by Rs.3,044.542 million compared to the same period of the previous year. The main reasons for the decrease include;
 - Lower demand due to the availability of imported, cheaper yarn, and
 - Lower production due to the temporary suspension of production.
- The Company has incurred a gross loss of Rs.385.431 million & loss from operation amounting to Rs.408.742 million
- The Net loss after taxes for the period is Rs.595.116 million.
- The following factors contributed to the loss;
 1. Lower sales and Lower yarn prices due to the availability of imported cheaper yarn
 2. Substantial increase in power and fuel costs. The power cost rose to 19.64% of revenue in this period compared to 17.63% in the previous period.
 3. Fixed costs including salaries, depreciation, and administrative costs.

Highlights of the Financial Results for Nine Months ended Mar 31, 2025

- During FY 2024 & FY 2025, the Government implemented multiple gas price hikes. notably:-
 - 118% increase from Rs. 1,100 to Rs. 2,400 per MMBtu, effective November 2023
 - a subsequent 15% increase from Rs. 2,400 to Rs. 2,750 per MMBtu, effective February 2024.
 - Furthermore, another 9% increase from Rs. 2,750 to Rs. 3,000 per MMBtu, effective July 2024.

This cumulative 172.7% increase in gas prices has placed unprecedented pressure on the operating margins, far exceeding its capacity to absorb such a significant and massive cost escalation.

Last 2 Years' Data & Performance of the Company

Particulars		FY 2023	FY 2024
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Net Sales	Rs. (Million)	6,016.527	5,884.712
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Gross Profit / (loss)	Rs. (Million)	346.898	(24.571)
Gross Margin	% age	5.77%	-0.42%

Profit / (loss) from operations	Rs. (Million)	241.847	(190.092)
	% age	4.02%	-3.23%

Profit / (loss) for the year after taxes	Rs. (Million)	(80.276)	(467.584)
Net Margin	% age	-1.33%	-7.95%

Earning / (loss) per share	Rupees	(11.610)	(67.610)
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Particulars		FY 2023	FY 2024
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Current ratio	Times	0.850	0.680
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Gearing Ratio	% age	21.66%	17.95%
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Total Assets	Rs. (Million)	9,636.386	8,873.741
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Equity	Rs. (Million)	6,568.129	6,036.034
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Break up Value Per Share	Rupees	949.720	872.790
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Future Outlook

- After careful consideration, it was decided by the Board of Directors of the company to temporarily suspend production activities as a strategic measure to mitigate operational losses resulting from unfavorable economic conditions. The management is actively monitoring the situation; however, the decision remains in place as a precautionary measure and operations have not yet commenced.

The following factors have created conditions that are no longer conducive for the Company to continue its production activities:

- Lower yarn prices and reduced market demand.
- Rising energy cost.
- Difficulty in sourcing affordable, quality yarn.
- High indirect tax rates, which are difficult to pass on to intermediaries due to the presence of an informal sector.

Strategy for Revival:

- While continuously monitoring the situation, the management is actively working on the following strategies to facilitate the resumption of operations:
 - Exploring ways to reduce energy costs by evaluating alternative energy mixes, including potential use of renewable sources.
 - Optimizing non-discretionary costs to enhance cost efficiency.
 - Adoption of Lean Production Practices.
 - Producing a range of yarn counts that are currently in high demand.

Measures in Budget-26

Measure:

The Finance Bill proposes to withdraw the concessionary rates (0% to 16%) for raw material inputs (including Yarn) in case of import.

Implication: The proposed measure will provide a level playing field for both the local and international yarn producers. Hence a positive measure for domestic spinning industry.



Questions / Answers



Thank You