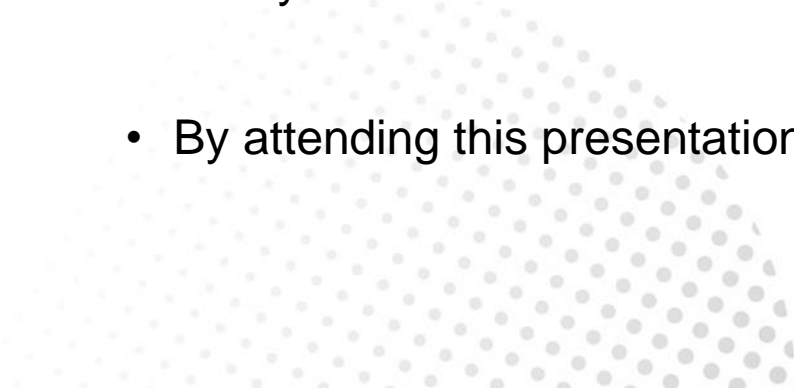




# **CORPORATE BRIEFING SESSION**

For the year ended June 30, 2021  
Interloop Limited (ILP)

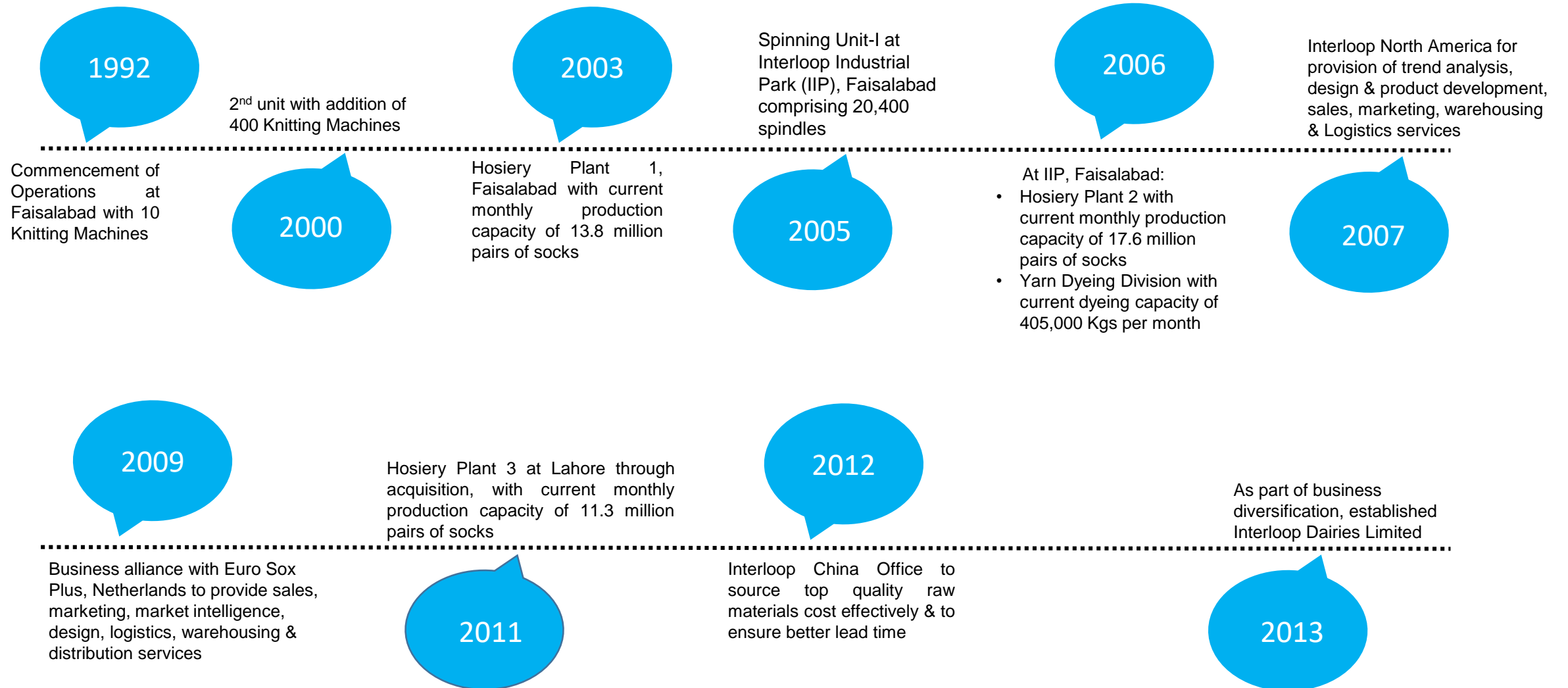
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# OUR JOURNEY



# OUR JOURNEY

2014

- Expanded to SriLanka through affiliation with Texlan Center (Pvt.) Ltd. with current monthly production capacity of 3.10 million pairs of socks
- Dedicated Tights & Leggings Production Unit at Plant 1, with monthly production capacity of 0.45 million pieces
- At IIP, Faisalabad:
  - a. Distribution center with storage capacity of around 26.4 million pairs of socks
  - b. 15.4 MW Interloop Power Plant based on Tri-Fuel engines

2018

- Interloop Denim Apparel manufacturing plant at Lahore, as per LEED Platinum Standards with current production capacity of 500,000 pcs per month & planned capacity of 1 million pcs per month by 2021
- Hosiery Plant 5 pilot project with 330 modern Italian Knitting Machines with current monthly production capacity of 3.4 million pairs of socks
- Largest private sector IPO in Pakistan's history & listed at PSX as the Largest Textile Company by Market Capitalization
- 2.0 MW Grid Tied Solar Power Generation System at Hosiery Plant 4 & Spinning, IIP reducing around 1500 tons of Carbon Emissions annually

2020

At IIP, Faisalabad:

- Spinning Unit-II comprising 26,304 spindles
- Dedicated Vertical Sampling Facility

2017

- Plant 4; Region's First LEED Gold Certified Socks manufacturing facility at IIP, Faisalabad with current monthly production capacity of 7.5 million pairs of socks
- Demerged Interloop Limited in order to separate non-textile business into a separate Holding Company & Interloop Limited looking after the textile business, with approval of LHC
- Established IL Apparel (Pvt.) Limited; a subsidiary, looking after the Knitwear Apparel business

2019

- Groundbreaking of Vertically Integrated Plant 5 was held in Nov 2020 with the capacity of 1200 Knitting Machines. 1st phase was completed in Oct, 2021 with production capacity of 360,000 pairs per month

# MISSION & VALUES

## MISSION

To be an agent of positive change for the stakeholders and community by pursuing an ethical and sustainable business

## CORE VALUES



INTEGRITY



CARE



ACCOUNTABILITY



RESPECT



EXCELLENCE



# Vision 2025

---

To Become a Full Family  
Clothing **Partner of Choice**

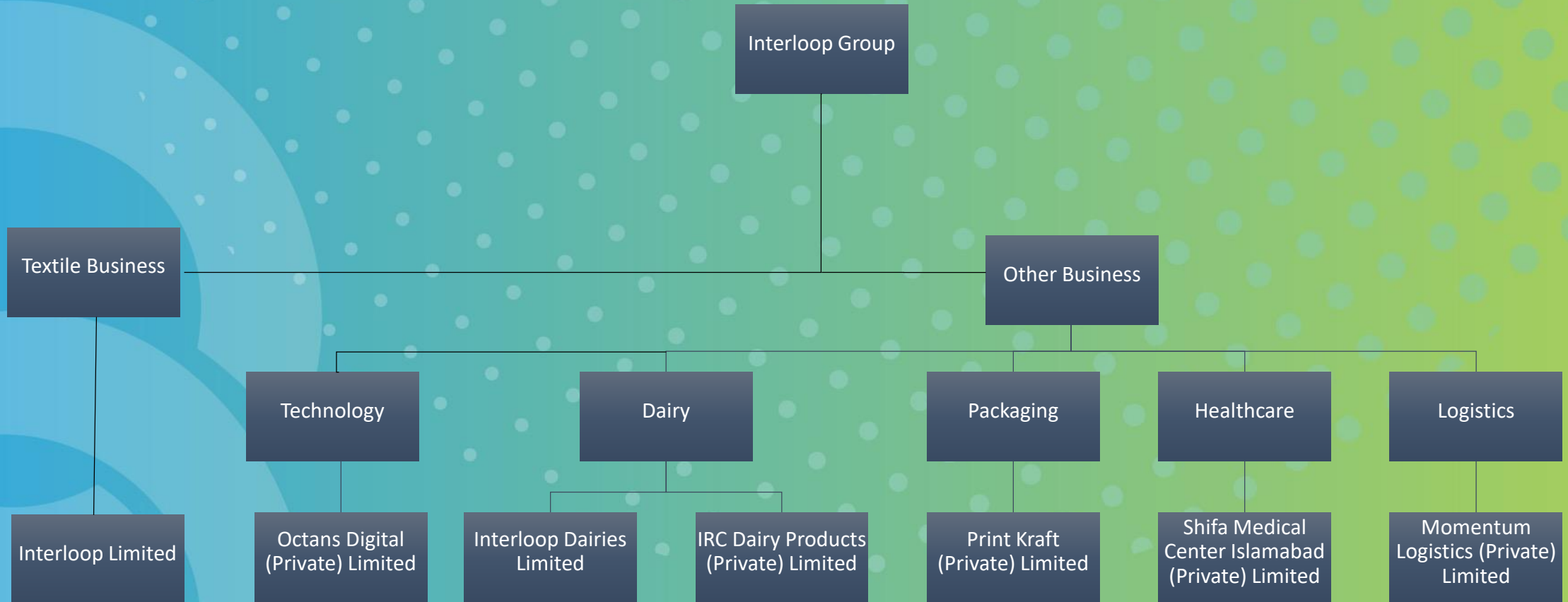
**\$700M**

Revenue by 2026

**\$300M**

Planned Capital Outlay

# GROUP STRUCTURE







**HOISERY**  
700M pairs of socks  
annual production capacity



**DENIM**  
6M garments annual  
production capacity



**APPAREL**  
20M garments annual  
production capacity



**SEAMLESS**  
4M garments annual  
production capacity



OUR TEAM

**25,000+**

associates

OPERATING FROM

**5**

countries

ACROSS

**4**

continents

**MANUFACTURING**

Pakistan

Sri Lanka

**SERVICES**

United States

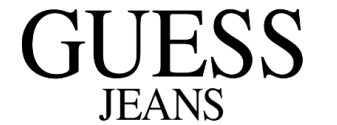
Netherlands

Japan

China



# OUR CUSTOMERS



# CERTIFICATES & MEMBERSHIPS

Leading the way in responsible manufacturing meeting highest standards of environmental and social performance

## SOCIAL

SUSTAINABLE DEVELOPMENT GOALS



FAIR TRADE CERTIFIED™

In support of

**WOMEN'S EMPOWERMENT PRINCIPLES**

Established by UN Women and the UN Global Compact Office



## ENVIRONMENTAL



**BUSINESS AMBITION FOR 1.5°C**



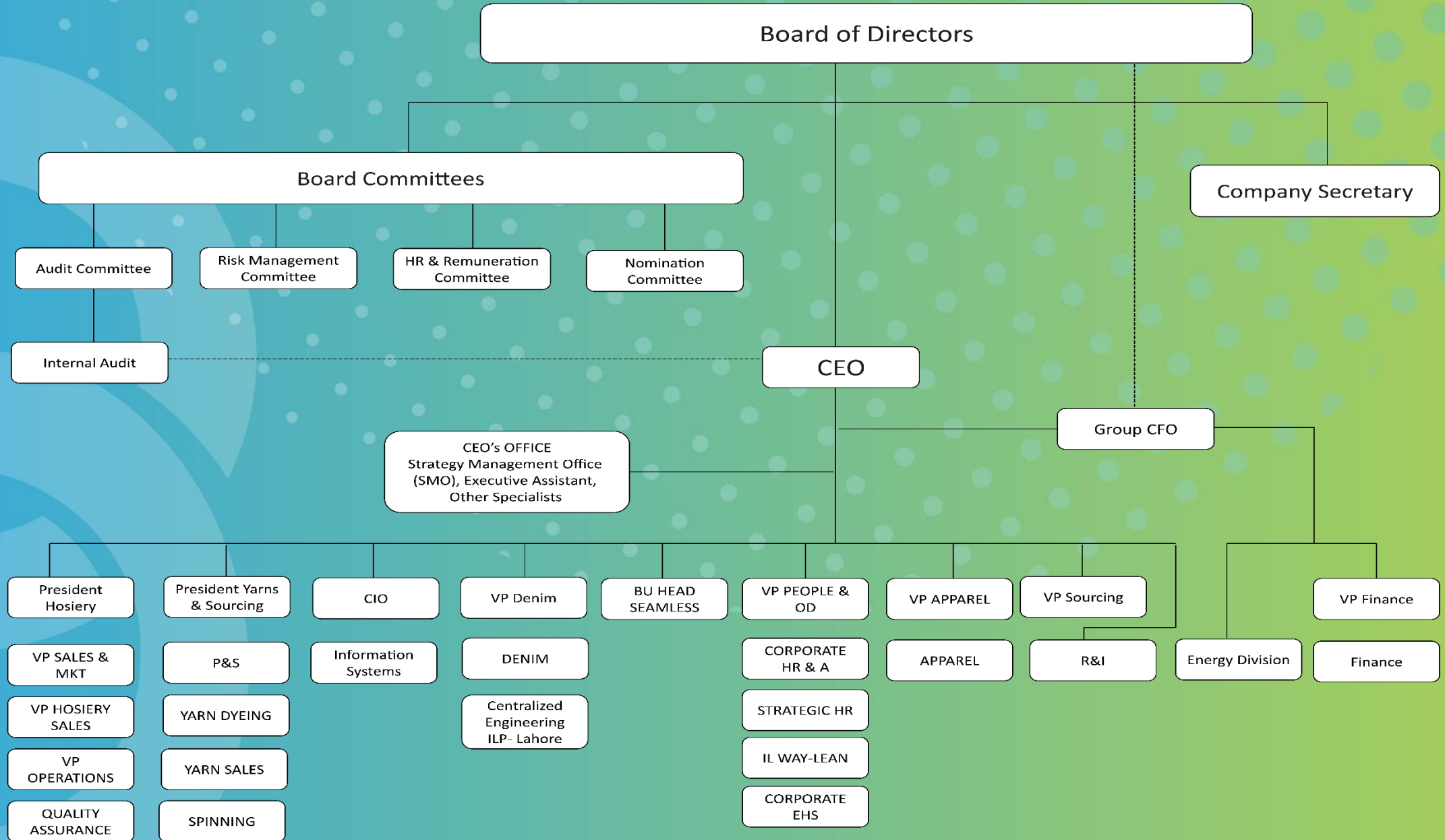
SCIENCE BASED TARGETS



## OTHERS



# ORGANOGRAM



# KEY PERFORMANCE INDICATORS

Total Sales

**54,962**

PKR in Million

FY 2020 36,303



Exports

**319**

USD in Million

FY 2020 209



Gross Profit Margin

**25.86%**

FY 2020 21.66%



Net Profit Margin

**11.45%**

FY 2020 4.95%



Return on Equity

**30.67%**

FY 2020 10.40%



Cash Dividend per share

**2.50**

DVD

FY 2020 2.00



Investment in Community

**330**

PKR in Million

FY 2020 175



Current Ratio

**1.22**

Times

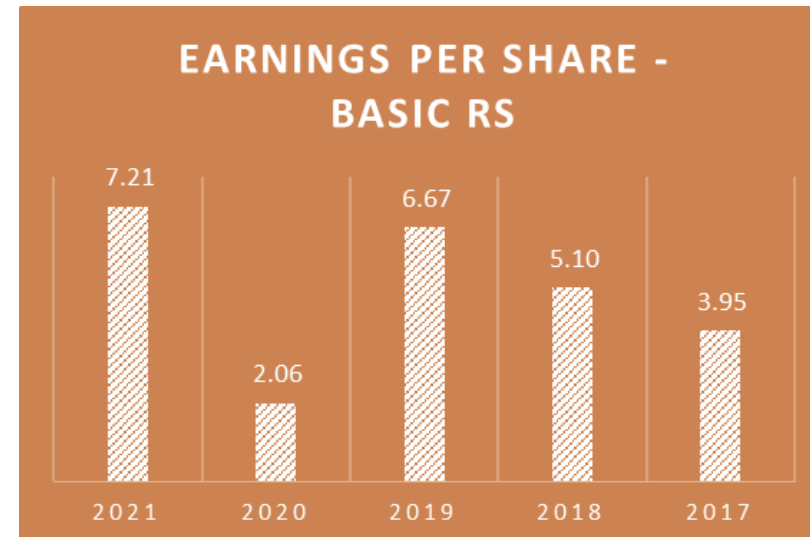
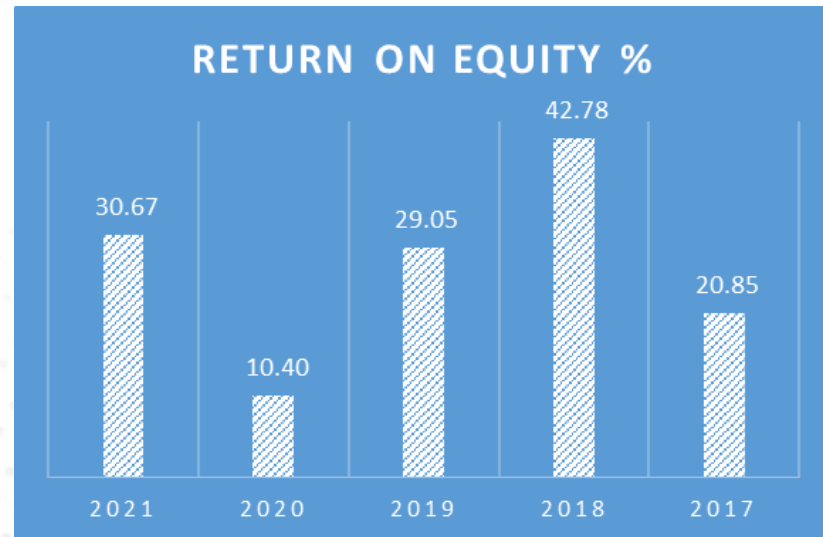
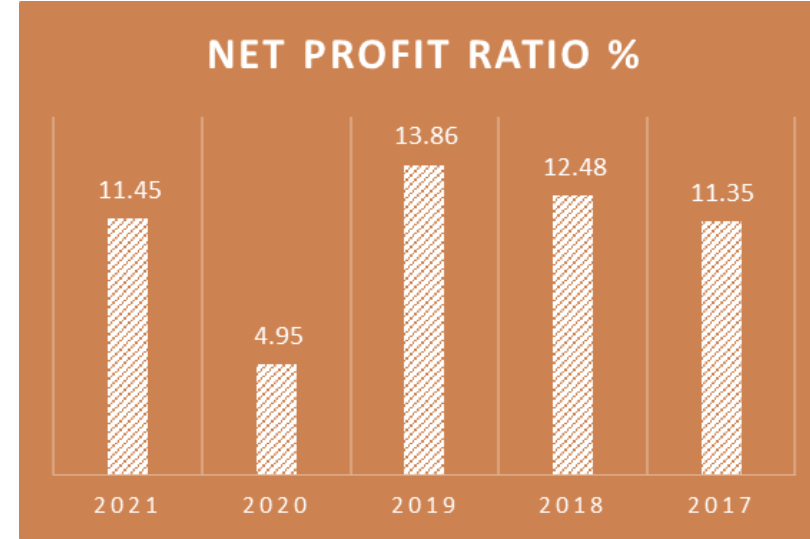
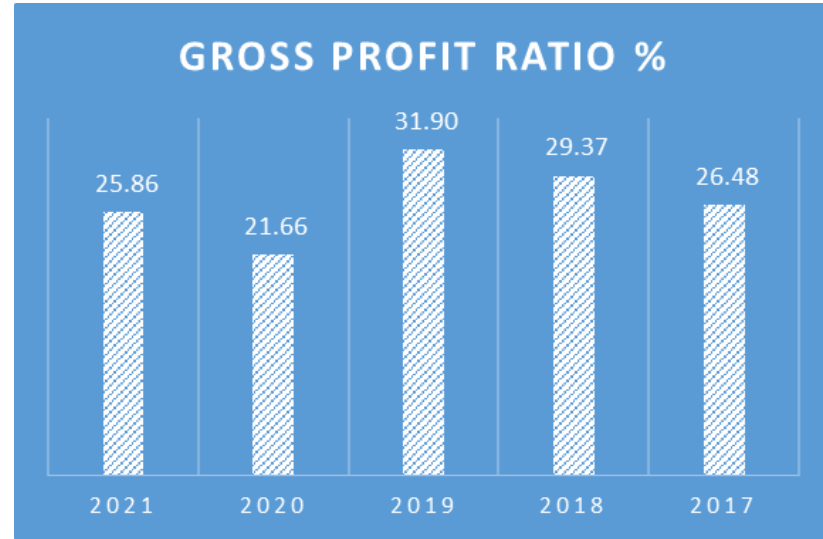
FY 2020 1.14



# KEY FINANCIAL HIGHLIGHTS

		2021	2020	2019	2018	2017
Net Sales	Rs in millions	54,962	36,303	37,478	31,139	26,530
Gross Profit	Rs in millions	14,212	7,864	11,955	9,144	7,026
Net Profit	Rs in millions	6,292	1,796	5,195	3,886	3,011
Gross Profit Ratio	%	25.86	21.66	31.90	29.37	26.48
Net Profit Ratio	%	11.45	4.95	13.86	12.48	11.35
Cash Dividend per Share – Declared	Rs	2.50	2.00	3.00	5.00	5.21
Earnings per Share - Basic	Rs	7.21	2.06	6.67	5.10	3.95
Interest Cover	Times	8.29	3.15	7.09	10.62	10.81
Total Assets	Rs in millions	60,695	45,367	40,783	32,750	28,479
Shareholders Equity	Rs in millions	20,515	17,280	17,880	9,083	14,443
Return on Equity	%	30.67	10.40	29.05	42.78	20.85
Break up value per share	Rs	23.52	19.81	20.50	47.78	76.04

# KEY FINANCIAL HIGHLIGHTS





# VALUE ADDITION & WEALTH DISTRIBUTION

Particulars		FY 2021		FY 2020	
		PKR in Million	Percentage	PKR in Million	Percentage
Direct Economic Value Generated					
Revenue	a	55,933		36,945	
Direct Economic Value Distributed					
Operating Cost	b	33,762	60%	22,980	62%
Employee Wages/Benefits	c	12,327	22%	9,523	26%
Payment to Providers of Capital	d	3,326	6%	2,879	8%
Payment to Government	e	2,149	4%	1,333	4%
Investments in community	f	330	1%	175	0%
Economic Value Retained	g=a-b-c-d-e-f	4,039	7%	55	0%

# ANNUAL CAPACITIES



FY 2021	Segment	UOM	Installed Capacity ('000)	Actual Production ('000)	Utilization
	Hosiery	DZN	60,733	54,163	89%
	Spinning *	LBS	29,949	25,178	84%
	Yarn Dyeing	KGs	4,873	4,052	83%
	Denim	PCs	6,000	3,377	56%

FY 2020	Segment	UOM	Installed Capacity ('000)	Actual Production ('000)	Utilization
	Hosiery	DZN	59,480	41,694	70%
	Spinning *	LBS	29,949	23,204	77%
	Yarn Dyeing	KGs	4,928	3,438	70%
	Denim	PCs	4,322	2,448	57%

\* after conversion in 20/s



# PROJECT STATUS **DENIM**

- Commenced commercial operations in 2<sup>nd</sup> Quarter FY 2020
- Plant capacity utilization **remained 56%** during FY 2021
- 99 % infrastructure & utilities completed
- Planned capacity enhancement to 40,000 pcs/day in second phase post stabilization

Planned Capacity





# PROJECT STATUS **HOSIERY** **PLANT 5**

- Total machines planned 1,200 .
- Project operational with 600 machines ( 50%).
- Rest of 600 (50%) machine will be installed & start commercial production by 2nd Quarter FY2022
- Work related to MEP and utilities is 90% completed .  
Production hall and utilities areas are ready

Planned Capacity



# FUTURE OUTLOOK

PARTICULARS	Q1 FY 2022	Q1 FY 2021	HORIZONTAL ANALYSIS
	Rupees in '000		Percentage
Sales - net	19,329,653	12,909,587	50%
Cost of sales	(13,792,639)	(9,800,737)	41%
Gross profit	5,537,014	3,108,850	78%
Distribution cost	(808,200)	(617,915)	31%
Administrative expenses	(938,435)	(631,939)	49%
Other operating expenses	(580,258)	(208,563)	178%
Other income	4,705	23,519	-80%
	(2,322,188)	(1,434,898)	62%
Profit from operations	3,214,826	1,673,952	92%
Finance cost	(359,708)	(225,122)	60%
Profit before taxation	2,855,118	1,448,830	97%
Taxation	(165,037)	(66,480)	148%
Profit for the period	2,690,081	1,382,350	95%

# FUTURE OUTLOOK

## BUSINESS PROSPECTS & CHALLENGES

- During Q1 22, the company achieved sales of PKR 19.3 billion & posted a profit after tax of PKR 2.69 billion which shows YoY increase of 50% & 95% respectively
- Upon completion, hosiery plant 5 is expected to generate more sales
- The future prospects of the company are encouraging as company sales are increasing and its order books are very healthy for the current financial year and beyond.



# FUTURE OUTLOOK

RACE TO ZERO

## CIRCULARITY

First in Pakistan to join Organic Cotton Accelerator global platform to develop local organic cotton supply chain

OCA UNITES THE SECTOR TO UNLEASH THE POTENTIAL OF ORGANIC COTTON

FROM FIELD  
TO FASHION.



- 48% yarns from sustainable sources - recycled polyester
- Recycled textile waste
- Sustainable packaging
- 99% elimination of PET bottles
- ZDHC Supply to zero

## CARBON FOOT PRINT

- One of the first in Pakistan to sign the UN "Race to Zero" global campaign aiming for 30% reduction in carbon foot print
- Joined UN Fashion Industry's Charter for Climate Action to drive net-zero GHG emissions by 2050
- 15-20 MW solar capacity by 2025 – 6 MW already installed
- Carbon offsetting programmes – solar power for employees, tree plantation drives
- LEED certified buildings and energy efficient equipment

## LESS WATER

- 9% reduction in water usage
- Nano bubble technology – 95% water reduction and 50% chemical reduction
- Water recycling



# FUTURE OUTLOOK

## WORKFORCE FOR THE FUTURE

### DIVERSITY & INCLUSION

- UN Women Empowerment Principles signatory, enhancing diversity to 30% by 2025
- 33% women with STEM degrees
- Gender balanced graduate intake
- Early years learning – daycare centres
- Reconnect programme
- Differently abled recruitment
- 100% workforce vaccinated for COVID-19

### TALENT MANAGEMENT

- 25,000+ associates from over 15 different nationalities
- Performance driven culture – objectives calibration, 360 feedback, 9 box ratings, uniform behaviours evaluation
- Succession planning of critical positions
- Skill development programmes focusing on leadership, analytical and technical skills





# FUTURE OUTLOOK

## BUSINESS FOR PURPOSE

### TRANSFORMING LIVES

- Sponsoring 27 TCF school providing education to 4000 children, 50% girls
- 500 Higher education scholarships for young women and men
- Equal access to education for differently abled children
- Education endowment for employees' children
- Early childhood development & pre-primary education at Interloop's daycare centers

### IMPROVING WELL-BEING

- Promoting mental health and well being by funding research and diagnostics for Alzheimer's disease
- Promoting sports for differently abled people by sponsoring local and international sports events
- Promoting local talent at the grassroots by sponsoring sporting events at local & national level
- Reducing epidemics & acute health issues by sponsoring treatment for deserving patients
- Improving community well-being through promoting reading, literature & associated festivals

# Q&A





**Thank You**

