



CORPORATE BRIEFING SESSION

For the Year ended June 30th 2023

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About Us

A diverse and passionate team of **30,000+** associates, having a footprint in six countries, Interloop is Pakistan's **largest** listed textile company and has experienced sales growth with a CAGR of **33.5%*** since 2019.

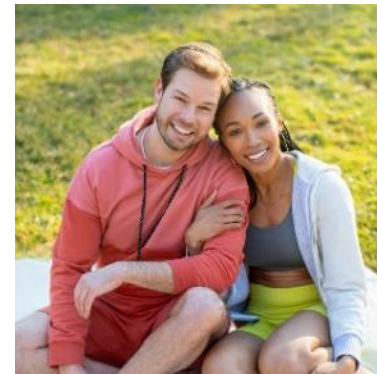
Rooted in purpose - To be an agent of **positive change** for the stakeholders and community by pursuing an ethical and **sustainable** business.



Hosiery
~800 million pairs
Of socks annual
production
capacity



Denim
6 million garments
annual production
capacity



Apparel
~30 million garments
annual
production
capacity



Activewear
4 million garments
annual production
capacity



* In PKR

Our Mission

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

Our Vision 2025

To Become a Full Family Clothing
Partner of Choice

HOW WE'LL DO IT



PEOPLE

A diverse, inclusive and engaged workforce
creating a high performing organization



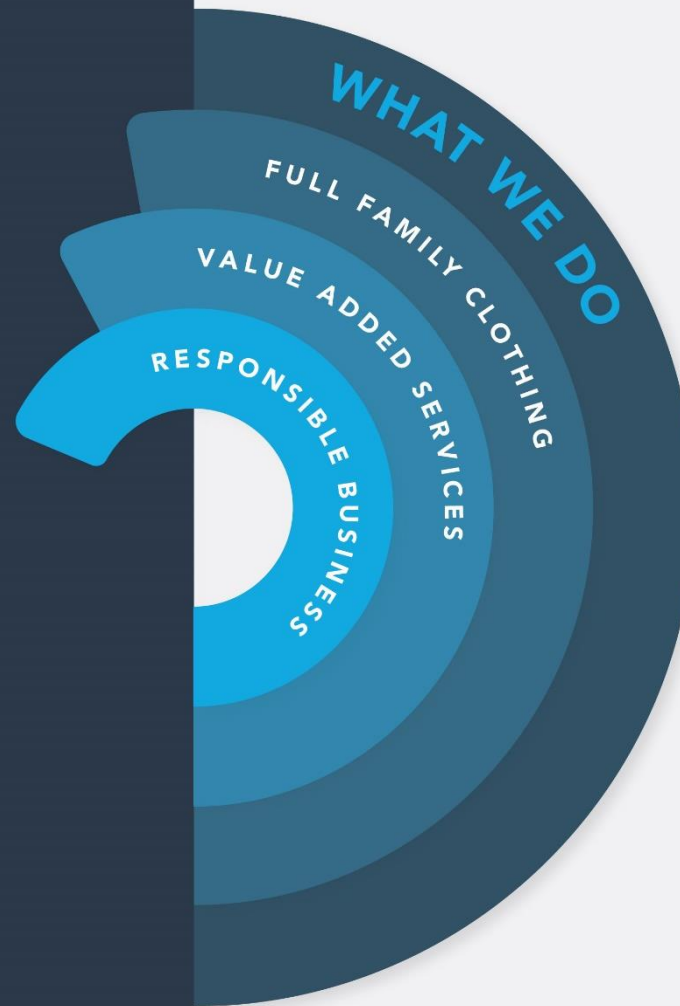
DIGITAL TRANSFORMATION

Drive efficiencies through digitalization
and provide transparency to our customers
with real time information



AGILE MANUFACTURING

Drive an agile organization retaining our
competitive position as a responsive high
quality manufacturer



\$700M

REVENUE BY FY 2026

Transforming into a full family clothing business will
build further credibility with our customers

2.5x

REVENUE THROUGH
VALUE ADDED SERVICES

Providing value added services creating
strong lasting partnerships

25%

LOWER CARBON FOOTPRINT
AND RESOURCE CONSUMPTION

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

Responsible Partner



HUGO BOSS

GUESS
JEANS



M&S

PRIMARK



JCPenney

ZARA



GYMSHARK

carter's

BESTSELLER



Responsible Partner

Lead the way in responsible manufacturing meeting the highest standards of **environmental** and **social** performance.

25% GHG
Emissions
Reduction

25% Water
Consumption
Reduction

70%
Sustainable &
Traceable
Materials

100%
Diversion of
Waste

30% Diverse
Workforce

4% Profit
Investment in
Community
Well-being



Responsible Partner



Interloop becomes Pakistan's 1st Large-Scale Enterprise with **Approved Science Based Targets**

This includes 51% reduction in direct emissions (Scope 1), indirect emissions (Scope 2) in line with 1.5 °C pathway, and a 30% reduction in emissions along its value chain (Scope 3) by 2032





Interloop ESG Framework

Environment

GHG emissions
Water consumption
Sustainable & traceable materials
Waste management and bio-diversity

Social

Labor standards, wages and benefits
Workplace and board diversity
Talent management
Community relations

Governance

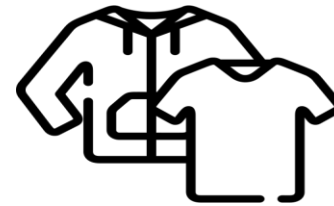
Board ESG committee
Strategic sustainability oversight through Corporate Sustainability department
Report out and progress against key ESG metrics

FY'23 Key Highlights

During FY'23, we not only sustained our growth by pursuing the expansion plans but also focused towards achieving our **Responsible Business** goals.

UN GCNP Sustainability Award

First prize in the Large National Enterprise category at Global Compact Business Sustainability Awards 2022

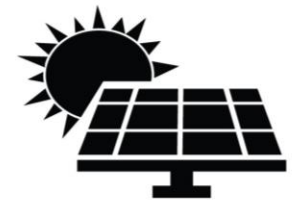


PKR29B Apparel Master Project

Project's construction progressing as per plan and the new eco-friendly facility is set to operationalize in Q2 FY'24

8.0 MW Solarized

Solar power generation and an additional 4.6 MW in the pipeline

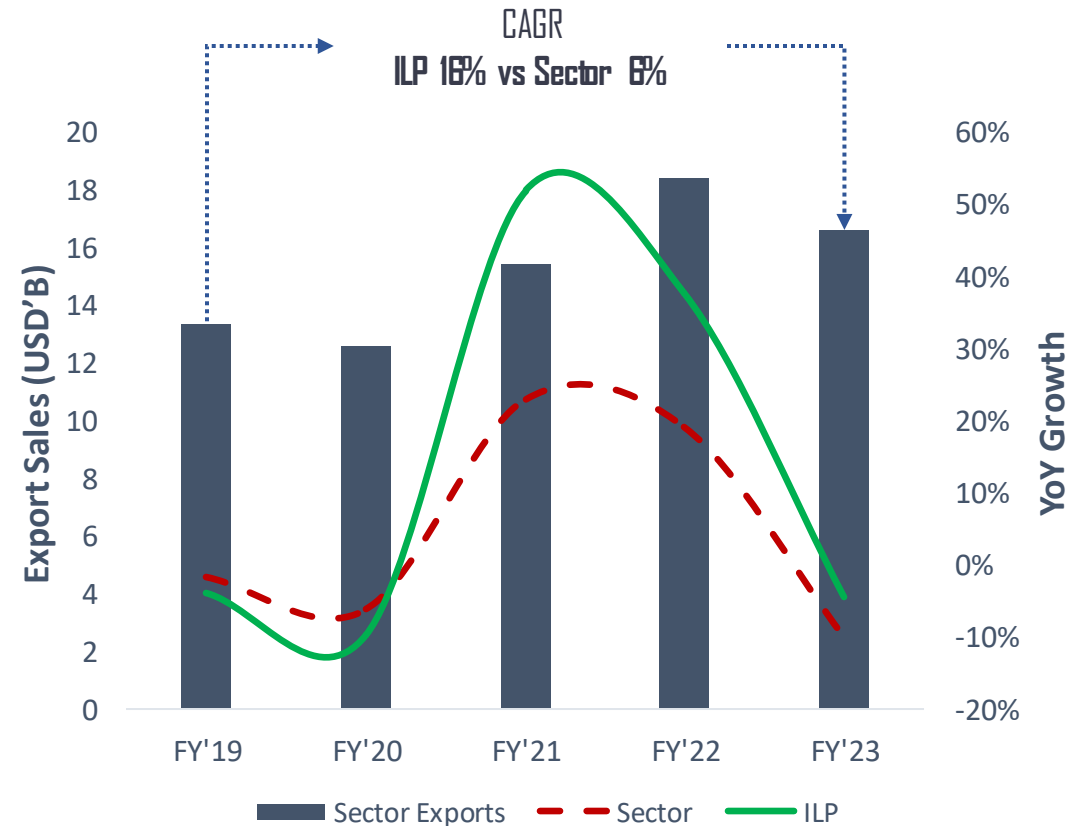


Textile Sector Update

As per WTO, Pakistan stands amongst **top 10** global textile exporters, with a market share of **~3%**. However, due to non-competitive policies, lack of innovation, and an unstable macroeconomic environment, Pakistan's share in value added segment is at meager 1%.

Despite challenging operating environment, ILP outperformed overall textile sector with its export sales growing at a 5-year CAGR of **16%*** vs sector growth of **6%***.

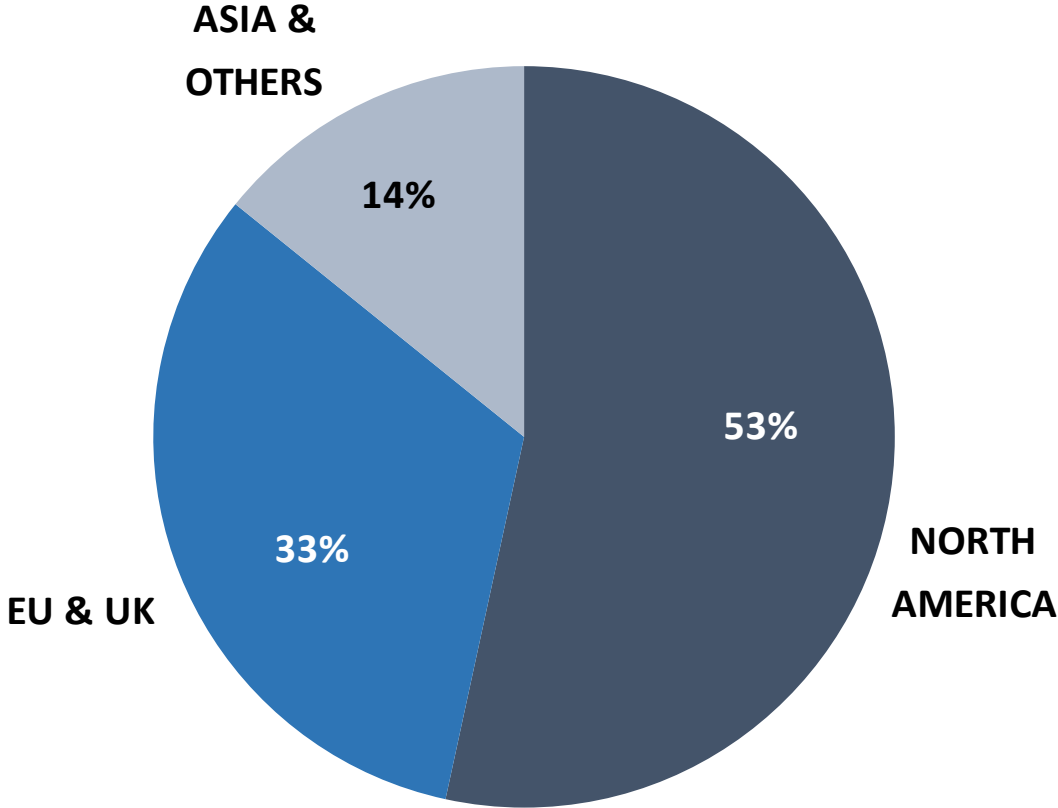
During FY'23, textile sector exports declined **10%*** whereas ILP exports were down by only **4%***.



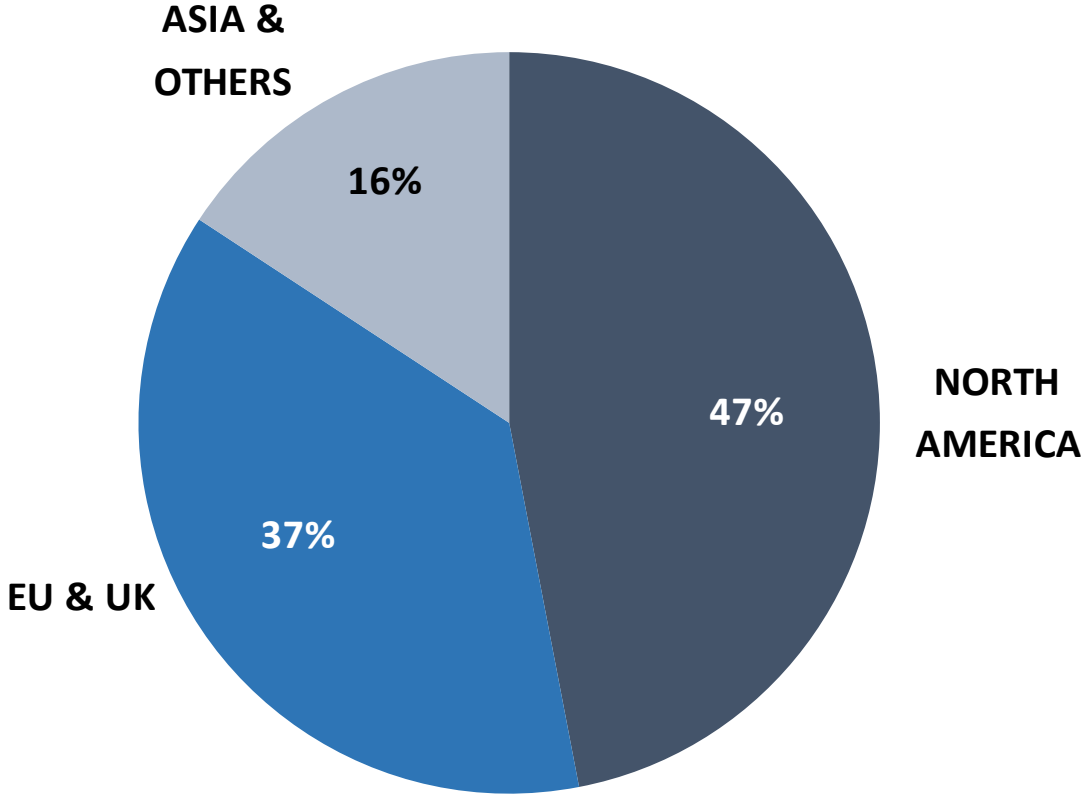
* In USD

Region-wise Sales Breakup

FY'22
PKR 91B

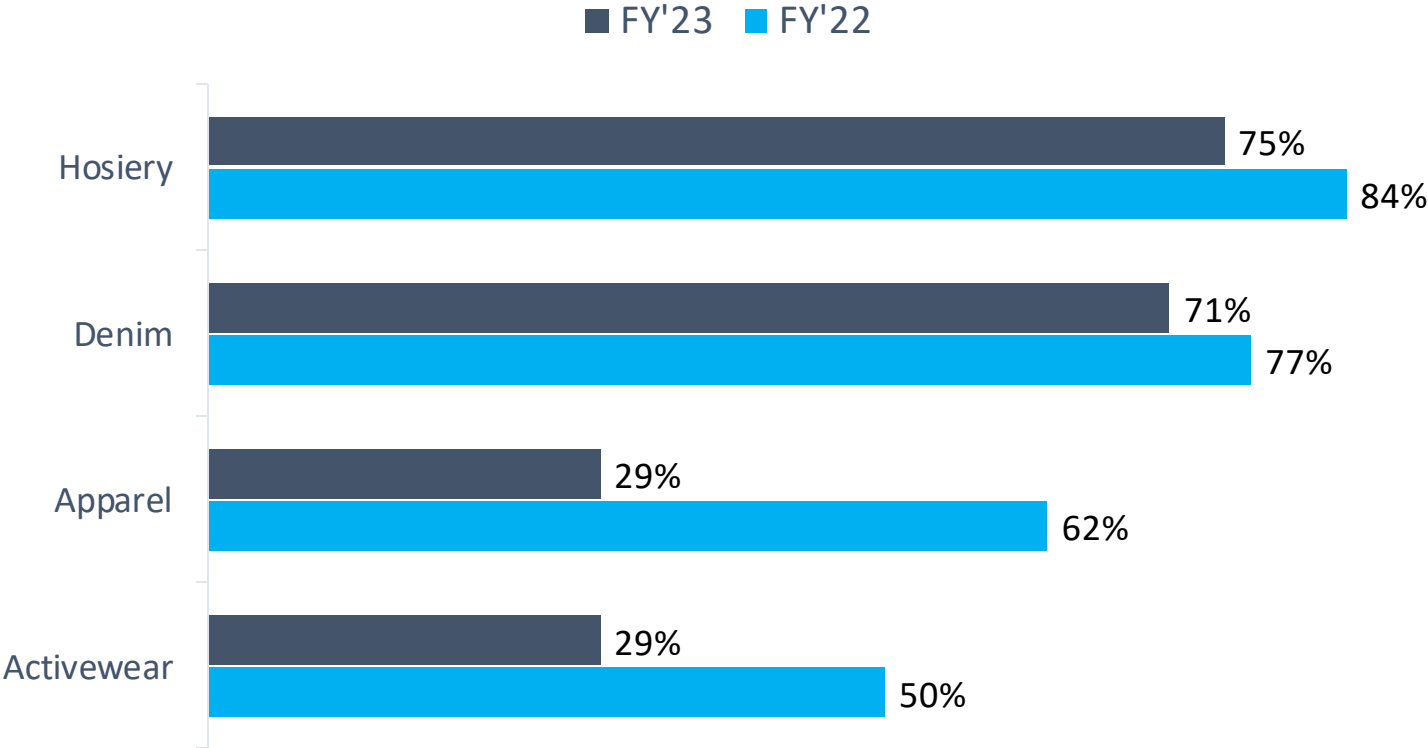


FY'23
PKR 119B



Capacity Utilization

Utilization slowed down in FY'23 as demand in the key markets was declining, however, our multi-category strategy led us sustain the value growth.



Economic Value Added

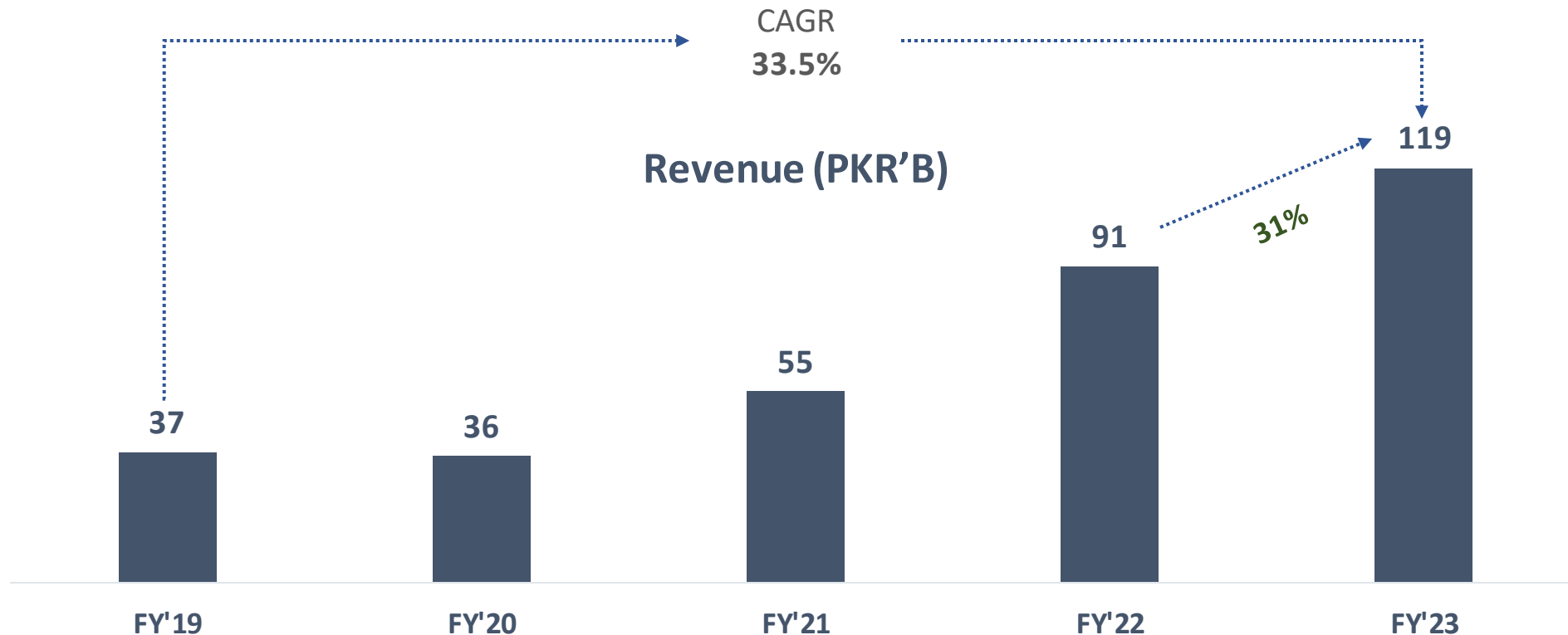
Particulars	FY'23		FY'22	
	PKR'M	%	PKR'M	%
Economic Value Generated				
Gross Revenues	120,499	100%	92,118	100%
Economic Value Distributed				
Operating cost	65,797	55% ▼	54,071	59%
Employee wages and benefits	25,588	21%	19,165	21%
Payment to providers of capital	11,107	9% ▲	6,071	7%
Payment to government	4,337	4%	3,819	4%
Community investments	792	1%	490	1%
Economic Value Retained	12,878	11% ▲	8,502	9%

Key Financial Highlights

Indicators	UoM	FY'23		FY'22	FY'21
Net Sales	PKR'B	119	▲	91	55
Gross Profit	PKR'B	40	▲	26	14
Net Profit	PKR'B	20	▲	12	6
Gross Profit Margin	%	33.5	▲	28.7	25.9
Net Profit Margin	%	16.9	▲	13.6	11.5
Cash Dividend per Share – Declared	PKR	5.0	▲	4.0	2.5
Bonus Issue [Per 100 Share]		50%	▲	4%	3%
Earnings per Share - Basic	PKR	14.4	▲	8.8	4.5
Interest Coverage	Times	5.2	▼	7.2	8.3
Total Assets	PKR'B	125	▲	96	61
Shareholders' Equity	PKR'B	44	▲	30	21

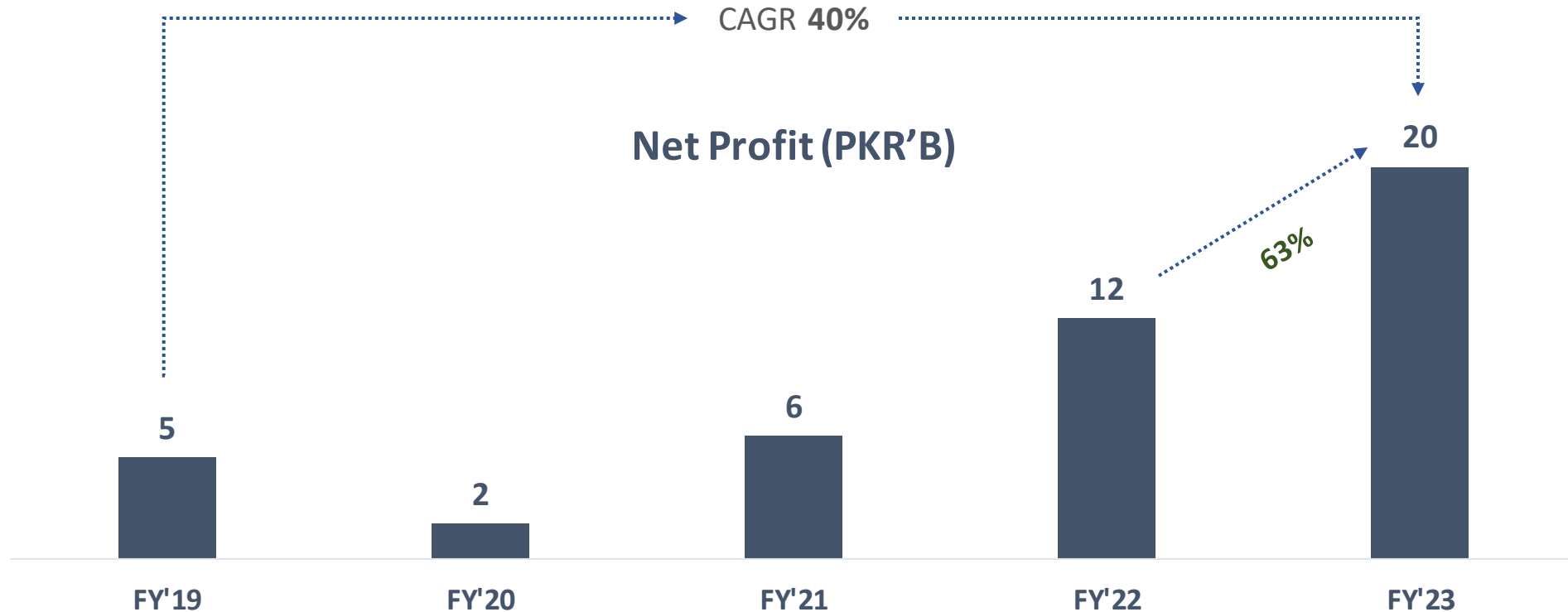
Key Financial Indicators

ILP's revenue has grown at a 5-year **CAGR of 33.5%** and for FY'23 our multi-category strategy led us to achieve a staggering 31% YoY surge.



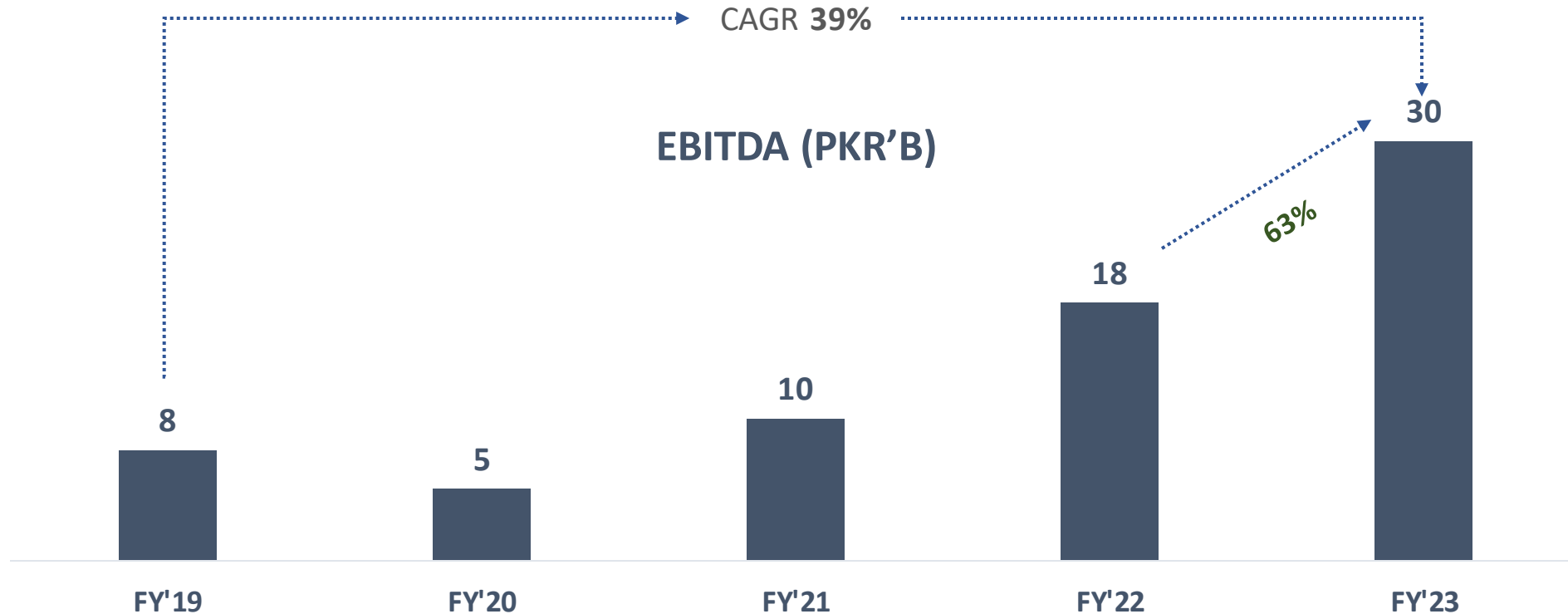
Key Financial Indicators

ILP's net profit has grown at a **5-year CAGR of 40%**. Cost conservation strategies coupled with healthy FX gains led 63% YoY surge in profitability during FY'23.



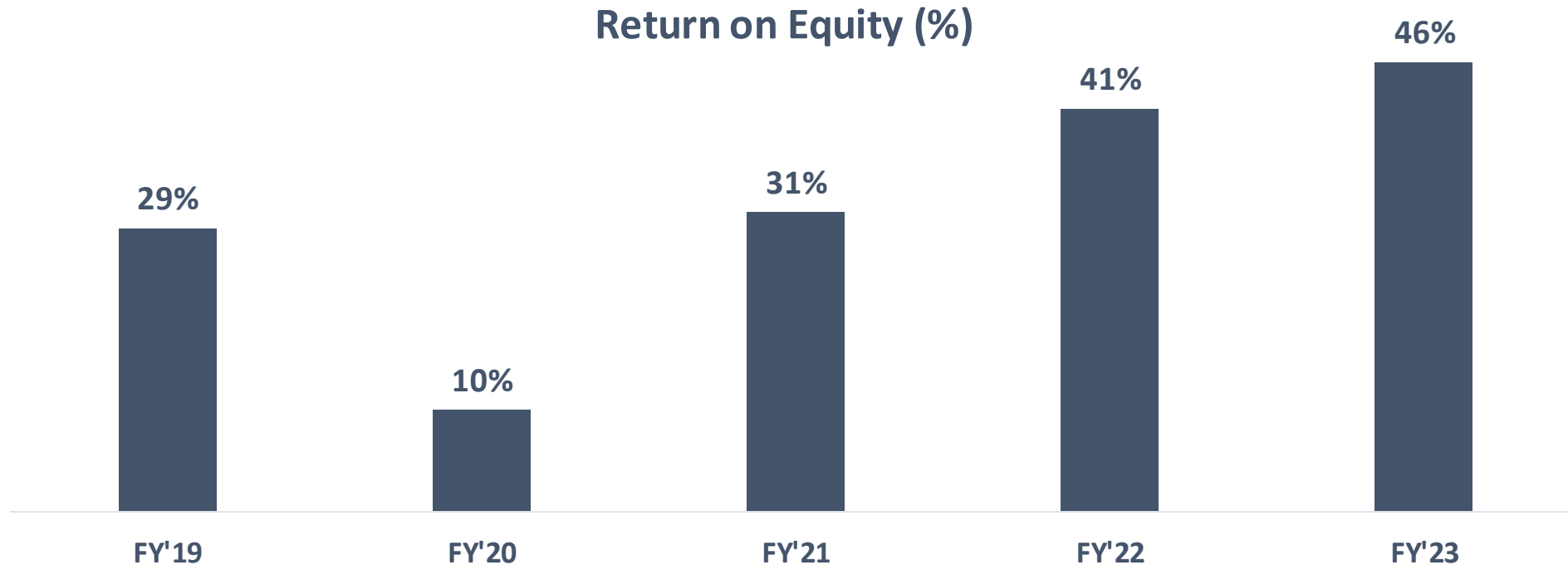
Key Financial Indicators

ILP's EBITDA has grown at a 5-year **CAGR of 39%**.



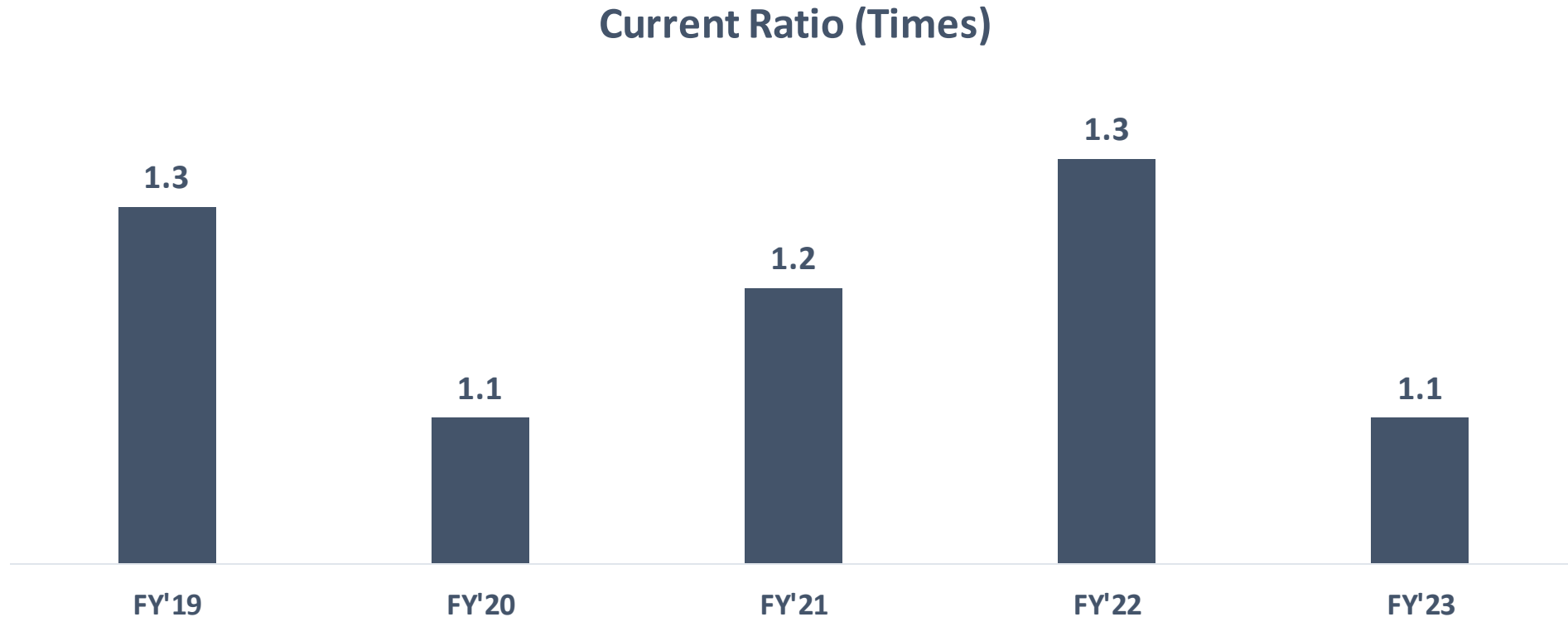
Key Financial Indicators

ILP has achieved the highest ever **ROE of 46%** during FY'23.



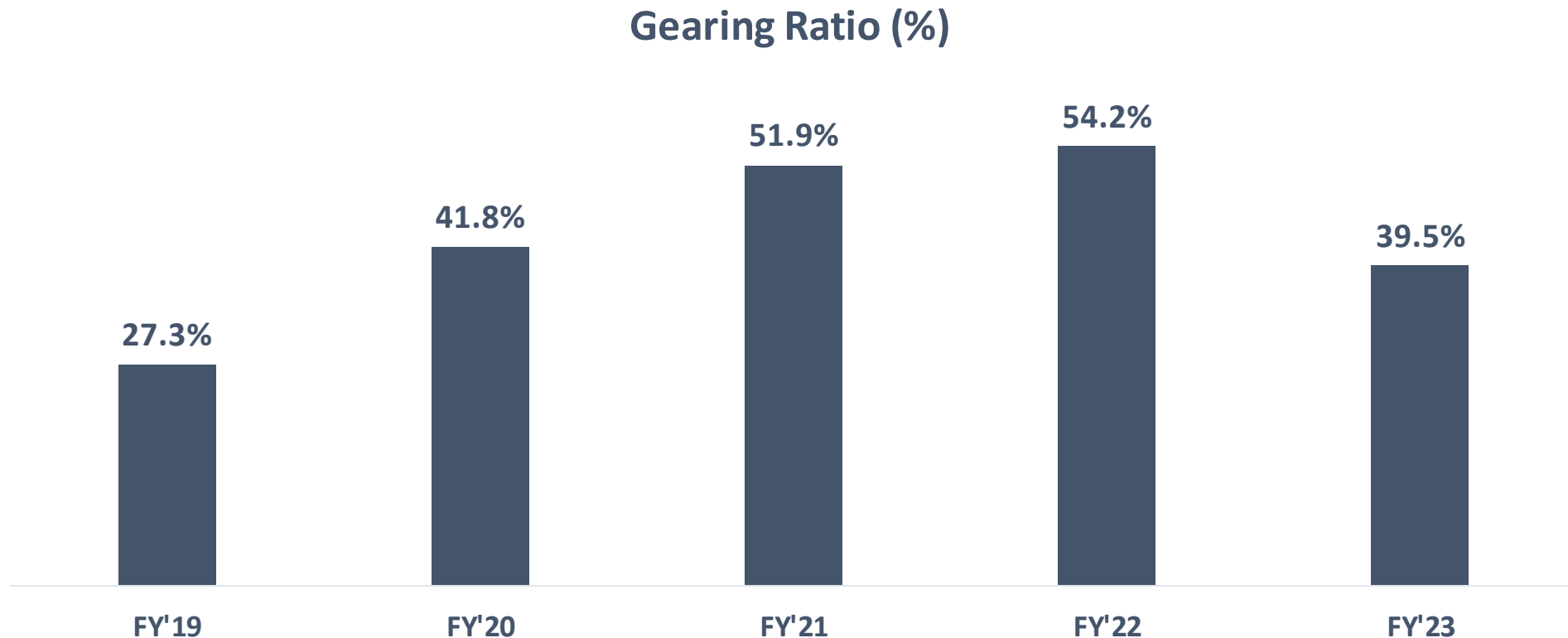
Key Financial Indicators

ILP has maintained a healthy Current Ratio of above 1.0 over last 5 years.



Key Financial Indicators

ILP has matured its long-term debt which has brought down the Gearing Ratio below 40% in FY'23.





Apparel Project Status

Project Overview

- Fully vertical knitwear apparel investment of PKR29B
- Infrastructure spread over 1.3 million sq ft of covered area
- Operations commencing from Q2 FY'24
- 200 acres large apparel park with multi-categories

Sustainability

- Adding 10 MW of renewable energy
- Bio-mass based boilers
- LEED Platinum certification
- Water recycling plant
- Rainwater harvesting and bird sanctuary

Centralized Services

- Large daycare and a central lab serving all businesses
- Interloop university – technical & competency-based training center

Q&A

Thank You