

**SAPPHIRE TEXTILE MILLS LIMITED**  
**CORPORATE BRIEFING SESSION**  
**FOR THE YEAR ENDED**  
**30 JUNE 2021**

# INCOME STATEMENT

Particulars	2021		2020		Increase / (decrease)	
	Rupees	%age of Revenue	Rupees	%age of Revenue	Rupees	%age
Net turnover	<b>38,470,986,948</b>		34,030,186,288		4,440,800,660	13.05%
Cost of sales	<b>(32,120,873,453)</b>	<b>83.49%</b>	(29,195,495,154)	85.79%	2,925,378,299	10.02%
Gross profit	<b>6,350,113,495</b>	<b>16.51%</b>	4,834,691,134	14.21%	1,515,422,361	31.34%
Distribution cost	<b>(1,232,187,456)</b>	<b>3.20%</b>	(1,049,687,288)	3.08%	182,500,168	17.39%
Administrative expenses	<b>(472,454,443)</b>	<b>1.23%</b>	(447,254,813)	1.31%	25,199,630	5.63%
Other operating expenses	<b>(401,132,811)</b>	<b>1.04%</b>	(192,873,482)	0.57%	208,259,329	108%
Other income	<b>1,097,562,755</b>	<b>2.85%</b>	721,186,673	2.12%	376,376,082	52.19%
Profit from operations	<b>5,341,901,540</b>	<b>13.89%</b>	3,866,062,224	11.36%	1,475,839,316	38.17%
Finance cost	<b>(1,582,532,679)</b>	<b>4.11%</b>	(2,556,976,879)	7.51%	(974,444,200)	(38.11%)
Profit before taxation	<b>3,759,368,861</b>	<b>9.77%</b>	1,309,085,345	3.85%	2,450,283,516	187%
Taxation	<b>(496,433,821)</b>	<b>1.29%</b>	(129,996,345)	0.38%	366,437,476	282%
Profit after taxation	<b>3,262,935,040</b>	<b>8.48%</b>	1,179,089,000	3.46%	2,083,846,040	177%

## SEGMENT WISE TURNOVER

<b>Particulars</b>	<b>2021 Rupees</b>	<b>2020 Rupees</b>	<b>Increase/ (Decrease) - %age</b>
Spinning	18,839,086,435	14,309,197,911	31.66%
Weaving	11,576,703,952	11,079,447,790	4.49%
Home textile	5,534,233,438	5,868,481,555	(5.70)%
Printing / stitching services	1,725,512,601	1,705,184,809	1.19%
Raw material	140,855,854	89,552,022	57.29%
Waste	524,390,415	470,741,702	11.40%
Rebate	130,204,253	507,580,498	(74.35)%
<b>Total Sales</b>	<b>38,470,986,948</b>	<b>34,030,186,288</b>	<b>13.05%</b>

## SALES MIX- EXPORT : LOCAL

<b>Particulars</b>	<b>2021 Rupees</b>	<b>%age</b>	<b>2020 Rupees</b>	<b>%age</b>
Direct Export	16,745,771,168	44%	17,868,609,937	53%
Indirect Export	14,184,846,915	37%	9,205,529,487	28%
Sub-total	30,930,618,083	81%	27,074,139,424	81%
Local	7,410,164,612	19%	6,448,466,366	19%
Total Sales	38,340,782,695	100%	33,522,605,790	100%

## OTHER INCOME

<b>Particulars</b>	<b>2021 Rupees</b>	<b>2020 Rupees</b>	<b>Increase/ (Decrease) -</b>
Dividend income			
- subsidiary and associates	<b>278,344,382</b>	167,546,540	110,797,842
- other companies	<b>602,532,388</b>	447,930,334	154,602,054
Interest income on saving account & TFC	<b>2,078,737</b>	10,398,801	(8,320,064)
Gain on sale of property, plant & equipment	<b>82,879,513</b>	-	82,879,513
Reversal of provision for stores and spares	-	10,841,543	(10,841,543)
Exchange gain on translation of receivable	-	17,865,044	(17,865,044)
Rental income	<b>30,600,000</b>	600,000	30,000,000
Scrap sales	<b>101,127,735</b>	66,004,411	35,123,324
<b>Total</b>	<b>1,097,562,755</b>	721,186,673	376,376,082

## BALANCE SHEET - ASSETS

Particulars	2021 Rupees	2020 Rupees	Increase / (Decrease)
<b>ASSETS</b>			
Property, plant and equipment	14,714,164,784	13,119,291,362	1,594,873,422
Investment property	31,750,000	31,750,000	-
Intangibles	108,333	208,333	(100,000)
Long term Investment	14,273,157,115	13,612,999,166	660,157,949
Long term loans and advances	100,618,981	111,663,175	(11,044,194)
Long term deposits	87,684,092	87,684,092	-
<b>Non-current assets</b>	<b>29,207,483,305</b>	<b>26,963,596,128</b>	<b>2,243,887,177</b>
Stores, spares and loose tools	438,188,678	471,374,075	(33,185,397)
Stock in trade	12,885,111,563	8,910,912,161	3,974,199,402
Trade debts	2,633,783,566	2,782,771,494	(148,987,928)
Loans and advances	58,794,821	56,882,329	1,912,492
Trade deposits and short term prepayments	107,725,031	24,925,374	82,799,657
Other receivables	985,183,946	845,667,618	139,516,328
Short term investments	3,487,399,522	2,956,225,380	531,174,142
Tax refunds due from Government	1,919,158,360	1,366,384,838	552,773,522
Cash and bank balances	75,583,304	67,540,738	8,042,566
<b>Current assets</b>	<b>22,590,928,791</b>	<b>17,482,684,007</b>	<b>5,108,244,784</b>
	<b>51,798,412,096</b>	<b>44,446,280,135</b>	<b>7,352,131,961</b>

# PLANT AND MACHINERY CAPEX

## Particulars

2021  
Rs in 000

### FINISHING SEGMENT

Capacity Expansion

Fabric Dyeing – 12 million metres

BMR (Balancing, Modernization and Replacement)

679,523

61,625

741,148

### SPINNING SEGMENT

Energy

Efficient Gas Generator – 2.5 Mega watt to replace old 2 gent of 1 mega watt

Capacity Expansion

Spindles – 529

BMR (Balancing, Modernization and Replacement)

119,377

289,591

382,692

791,660

### WEAVING SEGMENT

Energy

Efficient Gas Generator – 2.6 Mega watt to replace old 1 mega watt

BMR (Balancing, Modernization and Replacement)

125,862

332,705

458,567

25,807

2,017,181

### HOME TEXTILE SEGMENT

BMR (Balancing, Modernization and Replacement)

# BALANCE SHEET – EQUITY AND LIABILITIES

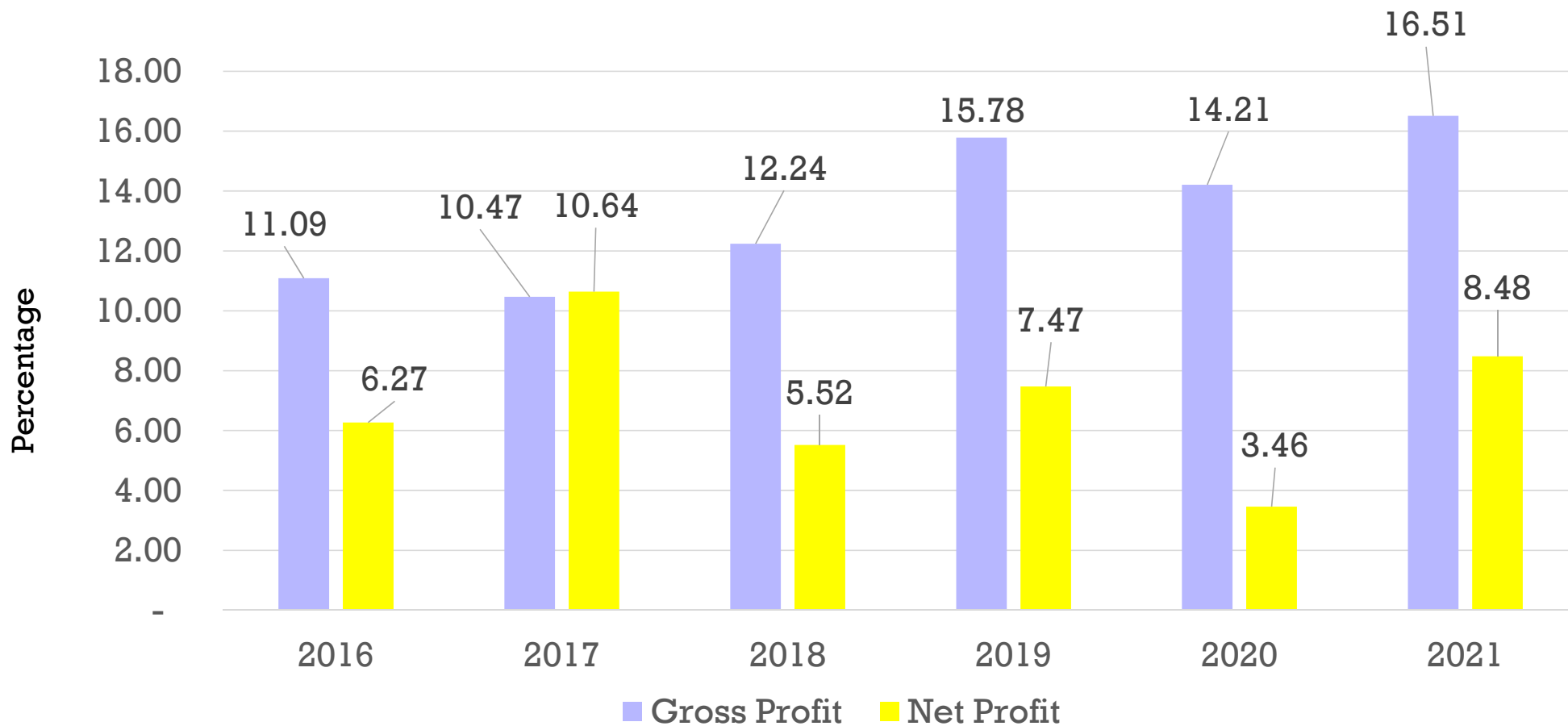
Particulars	2021 Rupees	2020 Rupees	Increase / (Decrease)
Issued, subscribed and paid up capital	216,897,910	216,897,910	-
Reserves	20,801,687,879	16,259,650,037	4,542,037,842
<b>Share capital and reserves</b>	<b>21,018,585,789</b>	16,476,547,947	4,542,037,842
Long term liabilities	14,320,927,549	13,772,308,842	548,618,707
Deferred liabilities	337,641,141	297,609,788	40,031,353
<b>Non-current liabilities</b>	<b>14,658,568,690</b>	14,069,918,630	588,650,060
Trade and other payables	3,909,854,854	3,898,936,441	10,918,413
Contract liabilities	1,012,000,047	830,395,887	181,604,160
Accrued Interest / mark-up	234,325,938	361,222,288	(126,896,350)
Unclaimed dividend	1,629,755	1,696,118	(66,363)
Short term borrowings	7,679,189,290	8,070,572,958	(391,383,668)
Current portion of long term liabilities	3,284,257,733	736,989,866	2,547,267,867
<b>Current liabilities</b>	<b>16,121,257,617</b>	13,899,813,558	2,221,444,059
	<b>51,798,412,096</b>	44,446,280,135	7,352,131,961



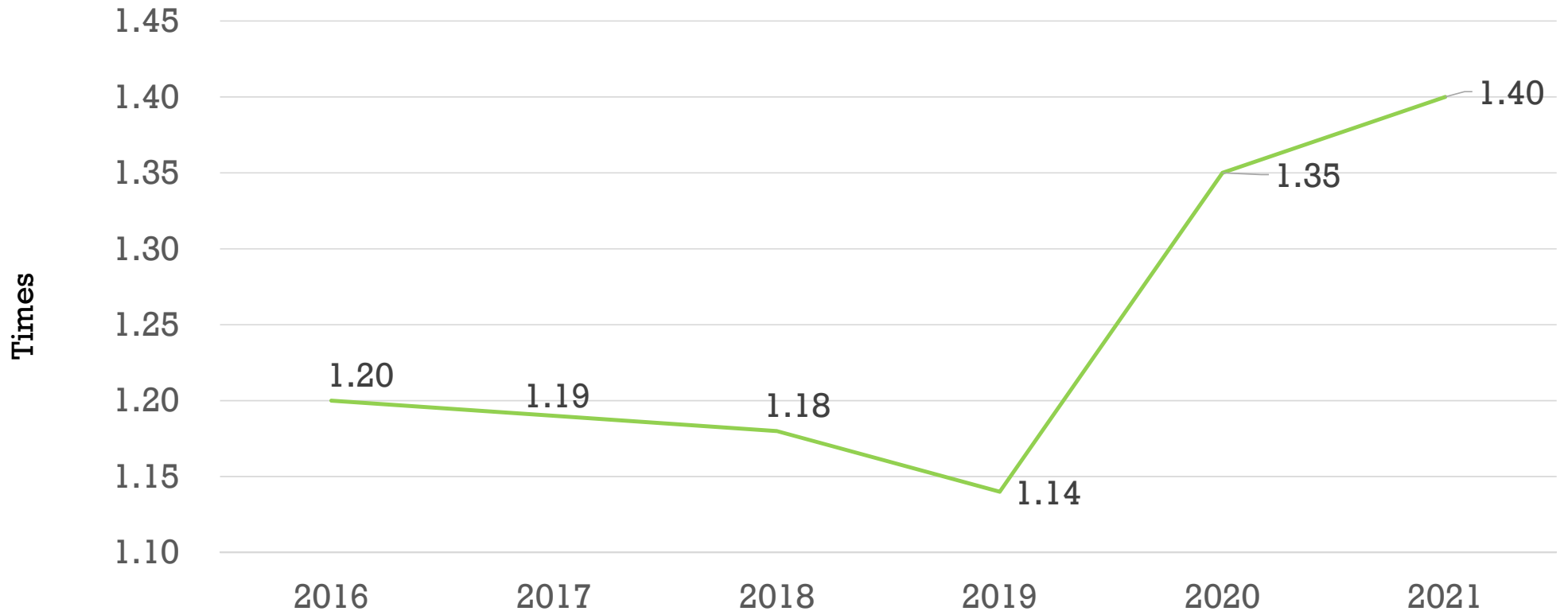
# CASH FLOW STATEMENT

Particulars	2021 Rupees	2020 Rupees
<b>Opening Cash and cash equivalents</b>	<b>33,602,278</b>	96,759,191
Operating cash flow before working capital changes	<b>2,852,646,537</b>	1,666,927,649
Less: working capital changes	<b>(2,832,656,680)</b>	(1,647,547,930)
<b>Cash flow from operating activities</b>	<b>19,989,857</b>	19,379,719
Purchase of property, plant and equipment	<b>(3,103,057,830)</b>	(1,900,066,091)
Investment in subsidiary	-	(15,760,000)
Short term investment in equity instruments	<b>(124,849,802)</b>	(81,940,358)
Proceeds from disposal of property, plant and equipment	<b>310,986,975</b>	172,910,817
Proceeds from sale of investments	<b>244,552,083</b>	497,776,517
Dividend received	<b>825,988,686</b>	615,476,874
Interest received	<b>2,078,737</b>	10,398,801
Rental income received	<b>30,690,000</b>	510,000
<b>Cash flow from investing activities</b>	<b>(1,813,611,151)</b>	(700,693,440)
Short term borrowings – net	<b>(357,635,962)</b>	239,125,963
Proceeds from long term financing	<b>3,180,296,399</b>	1,679,397,307
Repayment of long term financing	<b>(987,182,508)</b>	(1,428,458,120)
Share issuance	-	642,660,400
Dividend paid	<b>(66,363)</b>	(522,260,979)
<b>Cash flow from financing activities</b>	<b>1,835,411,566</b>	610,464,571
Transfer upon merger	-	7,692,237
<b>Closing Cash and cash equivalents</b>	<b>75,392,550</b>	33,602,278

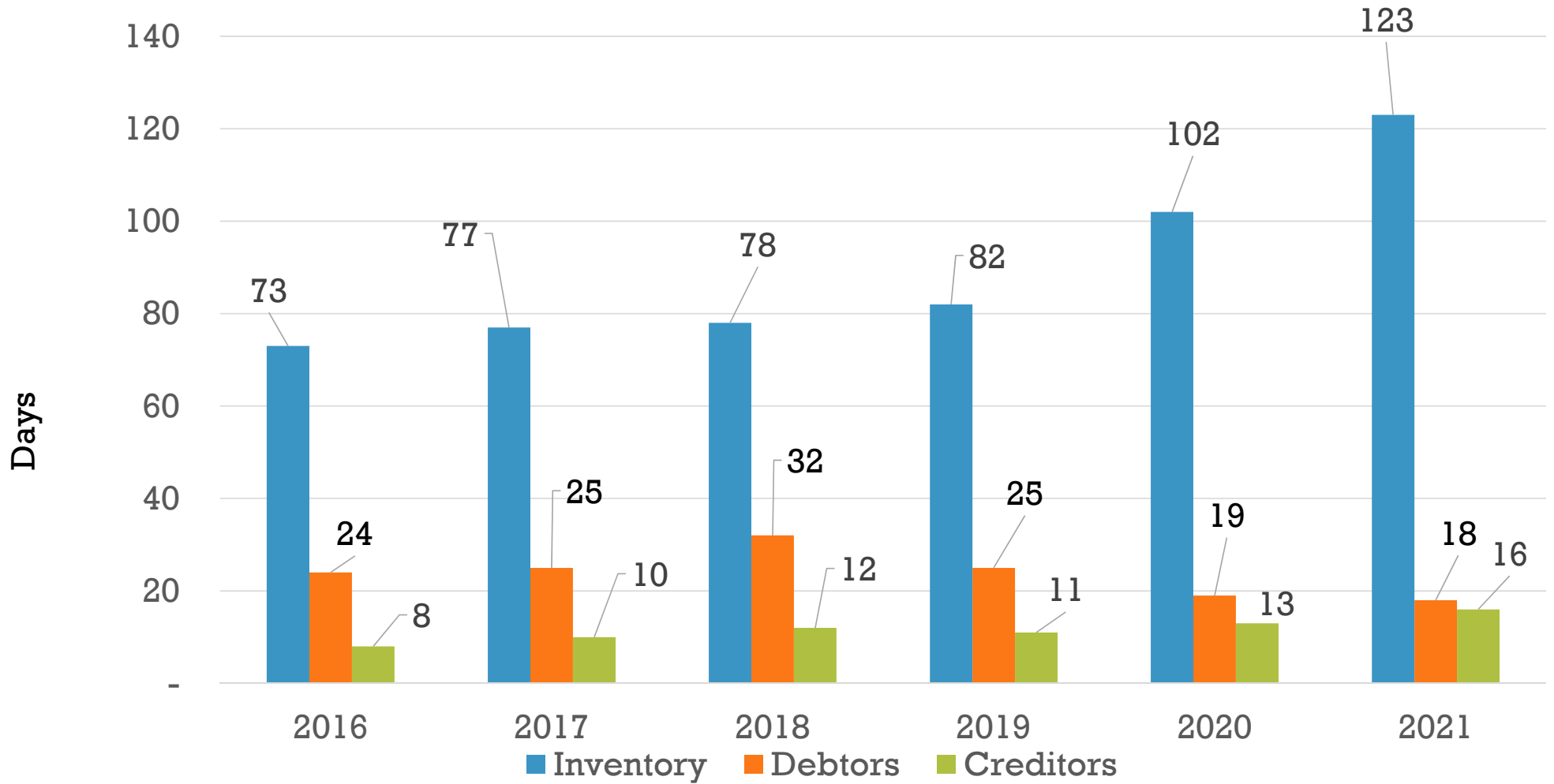
# Profitability Ratios



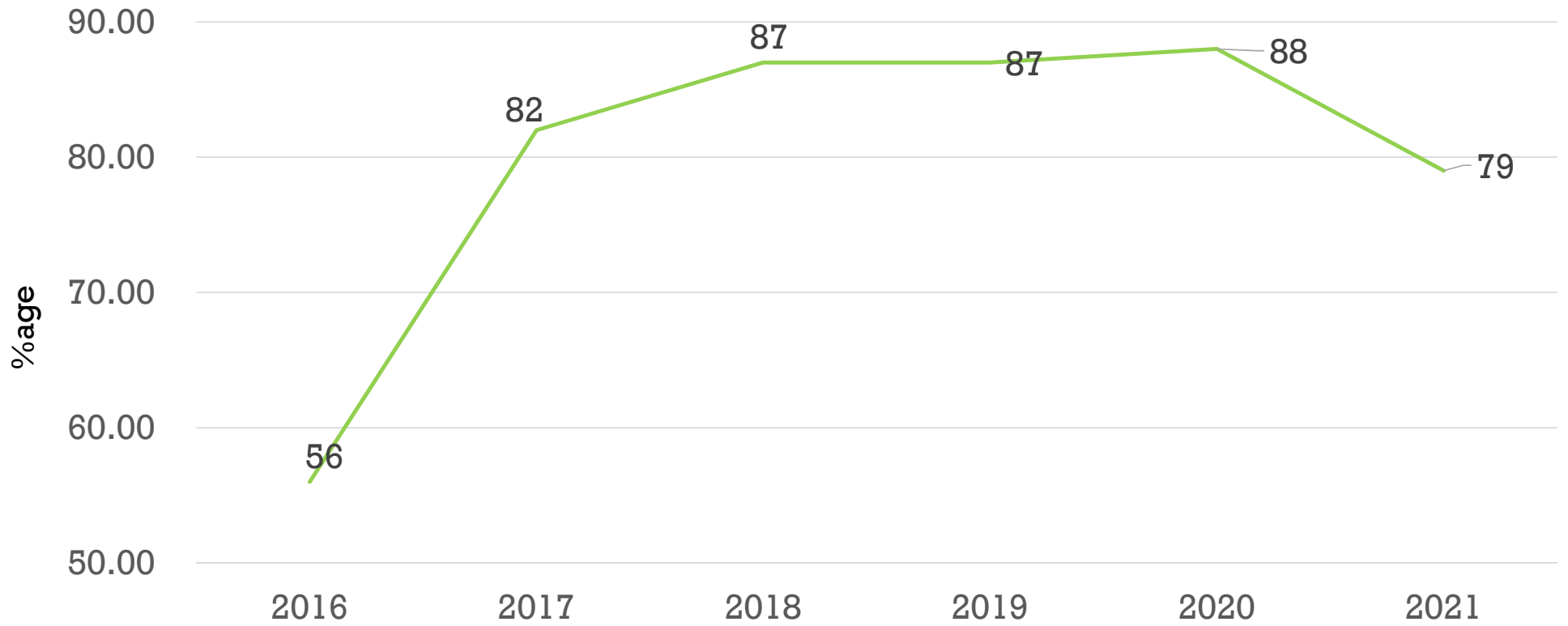
# Current Ratio



# Turnover Ratios



## Long term Debt as percentage of Equity



## **OVERVIEW OF CONSOLIDATED FINANCIAL STATEMENTS**

- Sapphire Textile Mills Limited
- Sapphire Wind Power Company Limited
- Sapphire Retail Limited
- Tricon Boston Consulting Corporation (Private) Limited
- Sapphire International Aps
- Designtex (SMC-Private) Limited

## KEY HIGHLIGHTS OF CONSOLIDATED FINANCIAL STATEMENTS

<b>PARTICULARS</b>	<b>TOTAL</b>
	<b>----- Rupees -----</b>
<b>Profit or Loss</b>	
Net turnover	<b>58,162,790,748</b>
Profit after taxation	<b>8,988,722,814</b>
<b>Balance sheet</b>	
Assets	<b>116,061,491,741</b>
Equity	<b>41,363,121,331</b>
Loans	<b>61,918,080,409</b>

# FUTURE OUTLOOK

- Presently Textile Sector in Pakistan is performing well due to robust demand from the international market. The support provided by the State Bank of Pakistan in terms of the concessionary finance for long term investments has also encouraged the sector to expand tremendously. The company has also embarked on an extensive expansion program particularly in the value added sector which should further increase the future profitability of the company.
- The major challenge for the textile industry remains the size of the local cotton crop. This year due to better weather conditions the cotton crop is expected to be higher than the previous year but still short of the domestic requirement. We hope that with the joint efforts of the Government and the industry cotton crop will increase further in the coming years.



**Thank you**