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ARTISTIC DENIM MILLS

Corporate Briefing Session
For the year ended June 30, 2026

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Disclaimer

This presentation has been prepared by Artistic Denim Mills Limited (the “Company”) for information purposes only and should be read in conjunction with the Company's publicly available financial statements and regulatory disclosures.

While reasonable care has been taken to ensure accuracy, the Company makes no representation or warranty, express or implied, regarding the completeness or correctness of the information presented. No reliance should be placed solely on the information contained herein.

Certain statements may constitute forward-looking statements relating to the Company's business outlook, denim manufacturing, textile operations, exports and future plans. These are based on current assumptions and are subject to risks and uncertainties. Actual results may differ. The Company undertakes no obligation to update such statements except as required by applicable laws and regulations.

This presentation does not constitute an offer, solicitation or investment advice, nor a recommendation to buy or sell the Company's securities. Investors should make their own independent assessment.

By attending this Corporate Briefing Session, participants acknowledge and agree to these terms.

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Company's Introduction:

Artistic Denim Mills Limited

Artistic Denim Mills Limited (the Company) was incorporated in Pakistan on May 18, 1992 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and is currently listed on Pakistan Stock Exchange Limited.

Board of Directors:

Mr. Muhammad Faisal Ahmed	Chief Executive Officer
Mr. Muhammad Iqbal Ahmed	Chairman
Ms. Zahra Faisal Ahmed	Director
Mr. Muhammad Yousuf Ahmed	Director
Mr. Muhammad Ozair Qureshi	Director
Mr. Yazdani Zia	Independent Director
Mr. Muneer Ahmed	Independent Director

Chief Financial Officer:

Mr. Sagheer Ahmed

Company Secretary:

Mr. Muhammad Ozair Qureshi

Credit Rating by VIS Credit Rating Company Ltd

Long Term: A-
Short Term: A-2
Outlook: Stable

Symbol

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Share Registrar:

M/s F.D. Registrar Services (Pvt.) Limited
17th Floor, Saima Trade Tower-A,
I.I. Chundrigar Road Karachi.

Auditors:

M/s. Reanda Haroon Zakaria Amir Salman Rizwan & Company
Chartered Accountants

Registered Office:

Plot No. 5-9, 23-26, Sector 16,
Korangi Industrial Area, Karachi
UAN: 111 236 236
Website: www.admdenim.com

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Company's Operations:

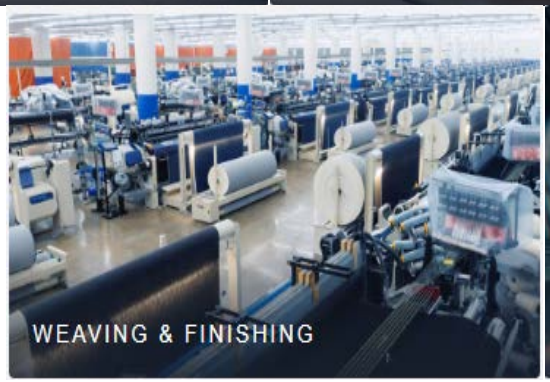
The principal activity of the Company is to manufacture and sell recycled fiber, yarn, rope dyed denim fabric, garments and value added textile products. The Company operates as a vertically integrated recycled fiber, yarn, denim fabric and garments manufacturer. The revenue of the company comprises exports with sales generated through recycled fiber, yarn, denim fabric and denim garments.

Our Divisions:









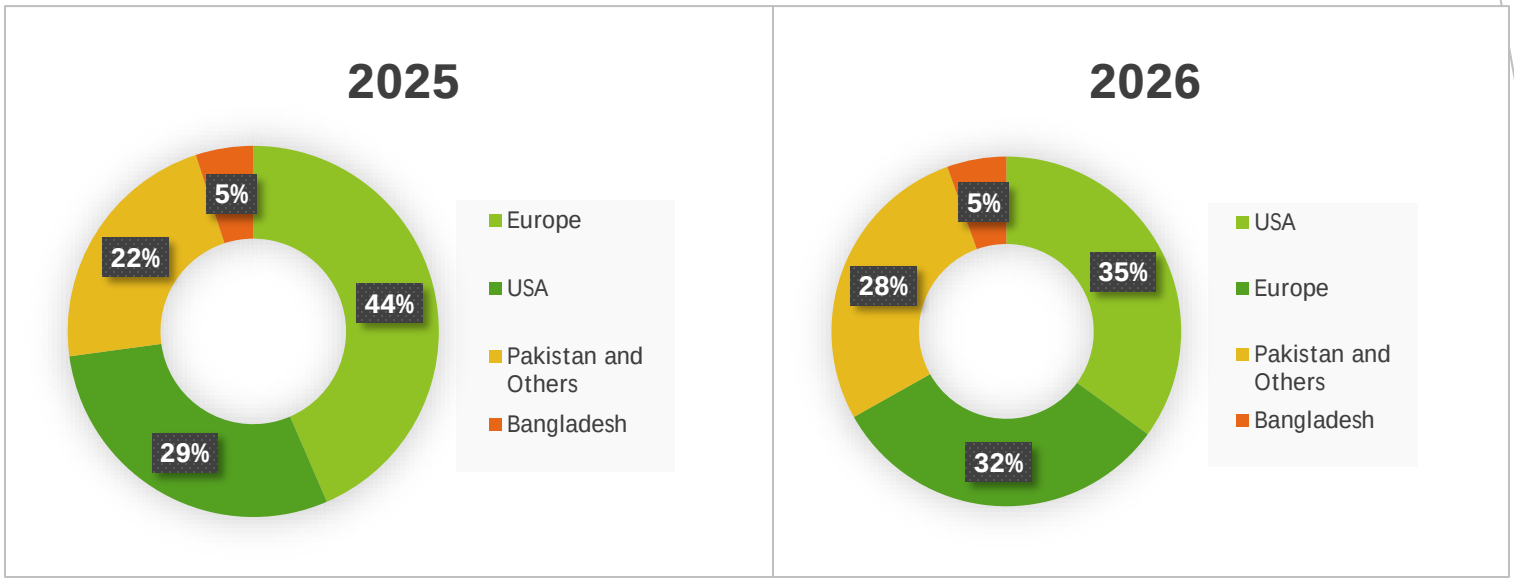


Operating Segment

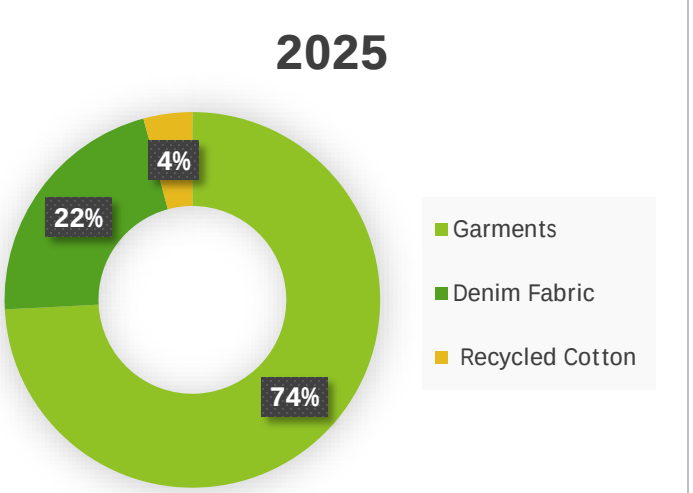
These financial statements have been prepared on the basis of a single reportable segment.

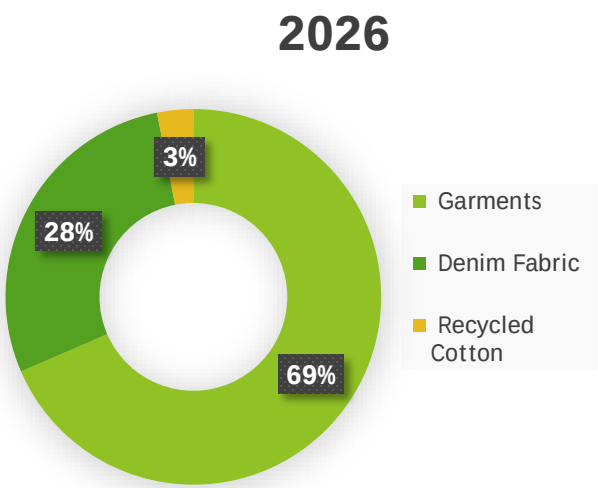
- Revenue from export sales represent 87.20% (2025: 92.27%) of the total gross revenue excluding sales tax of the Company.
- All non-current assets of the Company at June 30, 2026 are located in Karachi, Pakistan.
- Sales made by the Company to two customers which constitutes 26% and 24% (2025: 34% and 16%), respectively.

Region-wise sales breakdown



Business-wise sales breakdown





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Top Brands / Customers – Key Revenue Drivers

1. ITX TRADING , S. A. (ZARA)
2. REGENCY BRANDS LLC.
3. PRIMARK LIMITED
4. CENTRIC BRANDS LLC
5. LOTUS GARMENT CO.
6. KÜHL (Alfwear, Inc.) – USA
7. STERLING STYLES LIMITED
8. LITTLE BIPSY LLC

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Financial Results and Highlights

Comparative Statement of Profit and Loss Account

Description	2026 Rs. '000	2025 Rs. '000	Variance %	Key Reasons
Turnover	13,895,202	18,407,081	-25%	Subdued economic conditions, persistent pricing pressures, a relatively stable exchange rate environment and the temporary loss of a key customer.
Gross profit	1,125,234	1,061,698	6%	Improved production efficiency.
Gross profit percentage	8.10%	5.76%		
Other income	67,651	212,170	-68%	Last year one off gain on disposal of investment and fixed assets.
Finance cost	821,141	706,792	16%	Working capital requirements, delays in tax refunds, resulting in additional utilization of external financing during the year
Net (loss) for the year	(435,787)	(451,099)	3%	
(Loss) per share	(5.19)	(5.37)		

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Comparative Statement of Financial Position

Description	2026 Rs. '000	2025 Rs. '000	Variance %	Key Reasons
Non-current assets	10,537,191	11,292,293	-7%	
Current assets	12,565,718	13,192,808	-5%	Decrease in trade debts due to decrease in sales.
Total Assets	**23,102,909**	**24,485,101**		
Equity	7,302,230	7,669,581	-5%	
Non current liabilities	4,337,149	2,546,767	70%	Machinery L/Cs retired through short-term borrowings in 2022–23 were re-profiled into long-term financing, aligning debt maturities with the underlying assets
Current liabilities	11,463,530	14,268,753	-20%	Decreased due to the reason mentioned in non current liabilities.
Total equity and liabilities	**23,102,909**	**24,485,101**		

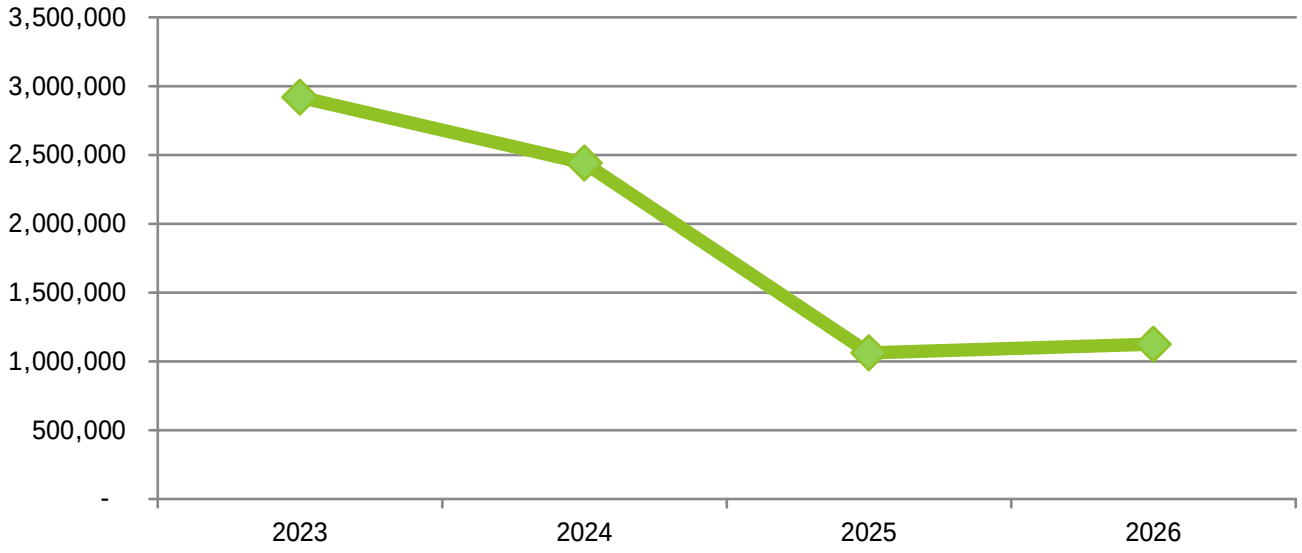
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Five Years Financial Highlights – Rs. '000

	2026	2025	2024	2023	2022
Net Turnover	13,895,202	18,407,081	20,810,386	17,072,735	16,940,229
Gross profit	1,125,234	1,061,698	2,440,325	2,919,697	1,841,198
(Loss)/Profit before levies and income tax	(290,825)	(208,856)	618,028	1,308,666	883,305
Net (loss)/profit for the year	(435,787)	(451,099)	331,719	1,060,630	654,252
Dividend	0%	0%	10%	35%	20%
Un-appropriated profit	6,462,230	6,829,581	7,259,246	7,253,311	6,399,749

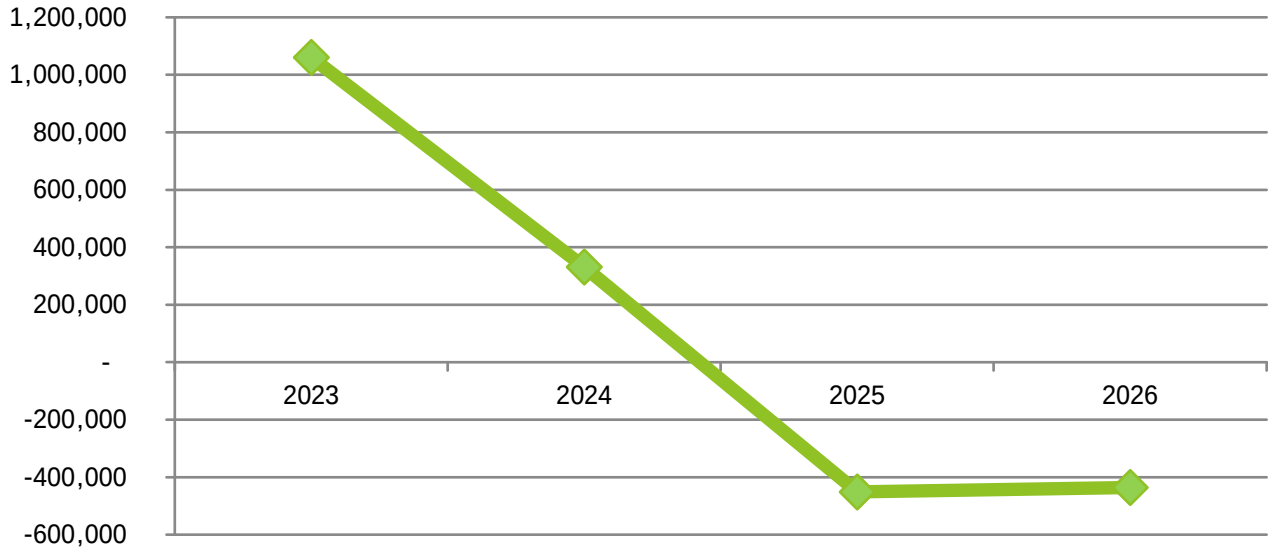
Gross Profit – Rs. '000

2023	2024	2025	2026
2,919,697	2,440,325	1,061,698	1,125,234



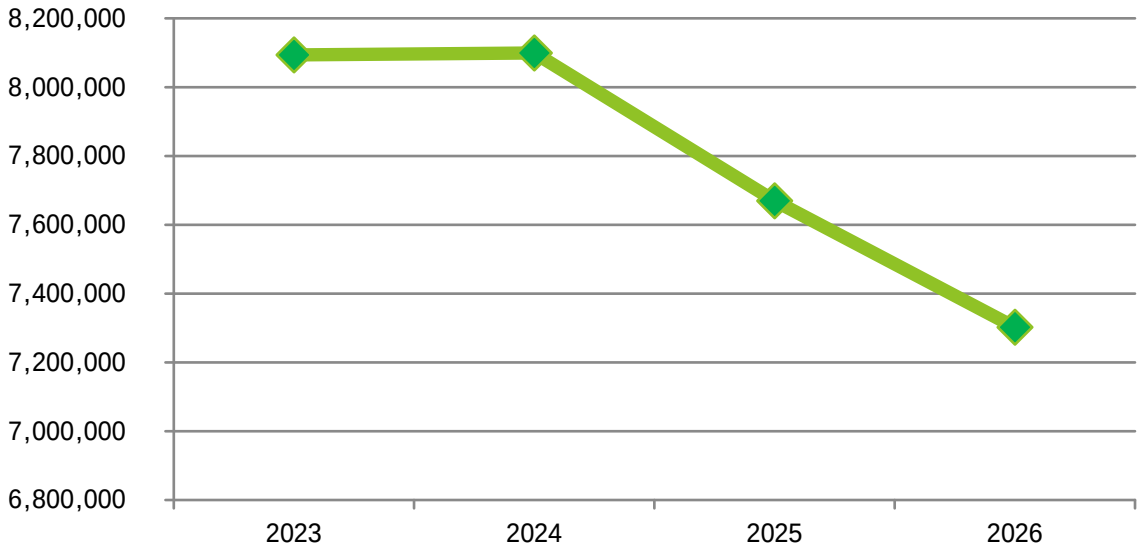
Net Profit after Levies and Income Tax – Rs. '000

2023	2024	2025	2026
1,060,630	331,719	(451,099)	(435,787)



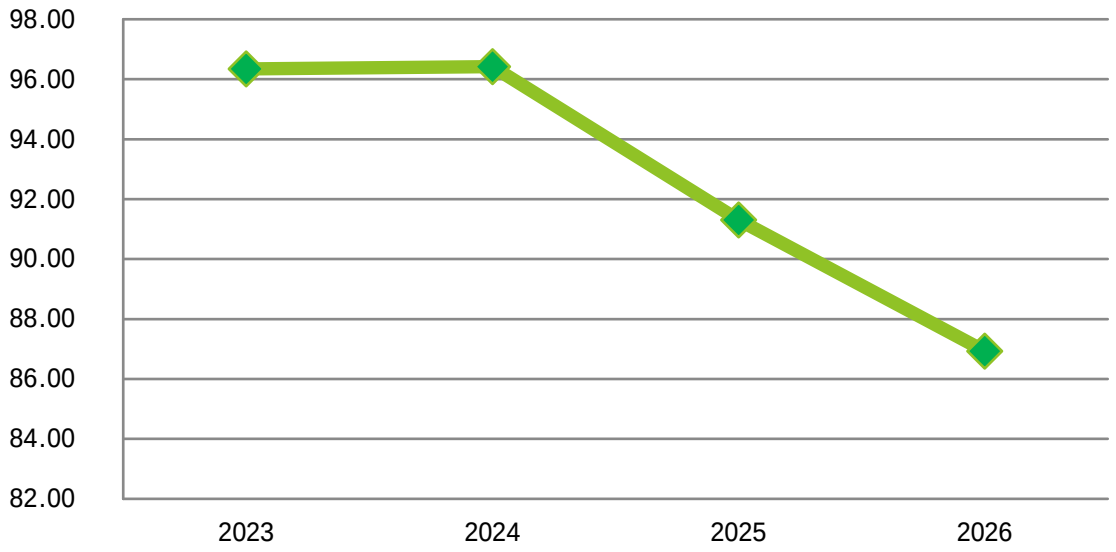
Total Equity - Rs. '000

2023	2024	2025	2026
8,093,311	8,099,246	7,669,581	7,302,230



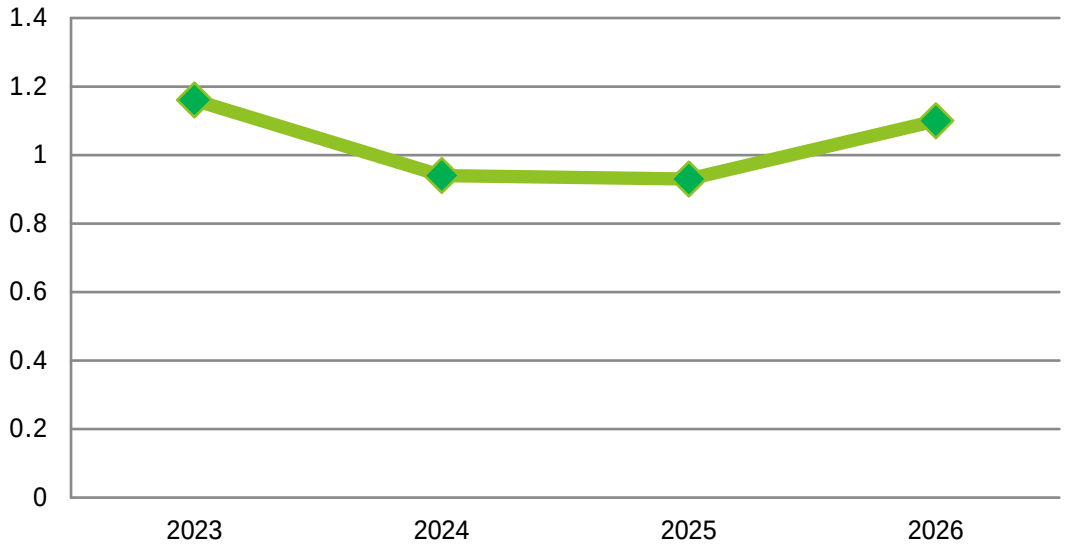
Book Value Per Share

2023	2024	2025	2026
96.35	96.42	91.30	86.93



Current Ratio

2023	2024	2025	2026
1.16	0.94	0.93	1.10



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Key Business Risks and Challenges:

1. **US-Iran Conflict:** Escalating geopolitical tensions between the US and Iran, coupled with potential disruptions in the Strait of Hormuz, are driving volatility in energy, freight, and other input costs.

2. **Energy**: Highest tariff in the region, Persistent uncertainty over tariffs, transmission constraints, and supply disruptions.

3. **Cost Structure**: Relatively high regional energy and labour costs, elevated policy rates, and a significant tax burden are undermining cost competitiveness.

4. **Exchange Rate Dynamics:** A stable Pakistani Rupee, amid rising domestic costs is putting pressure on export margins and international competitiveness.

5. **Policy Environment**: Unpredictable, inconsistent, and non-inclusive government policies.

6. **Competition**: Intensified rivalry in the denim sector within Pakistan and neighboring countries.

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Q&A

Questions received in advance

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Thank You