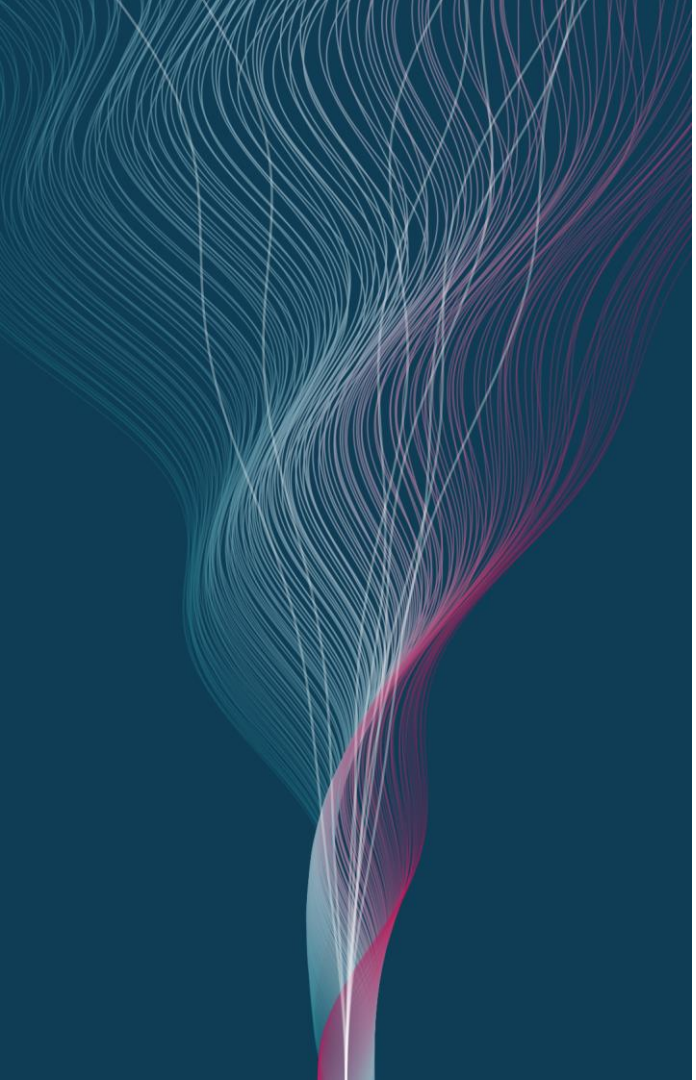
Sana Industries Limited

Corporate Briefing Session 2026 | Financial year ended June 30, 2026



Agenda

01 **Group Profile**
Our companies and businesses

02 **Developments**
Energy, borrowings and anti dumping

03 **Financial Information**
FY26 results and the KIBOR impact

04 **Question and Answer**
Open floor

01

Group Profile

Who we are and what we do

One listed parent, two focused subsidiaries



02

Developments

What we committed at CBS 2025, and what we delivered

Delivering on last year's commitments

Energy

10.6% → 7.7%

Energy cost to sales

- 1st phase of solarization completed
- Grid enhanced, captive energy discontinued

Committed at CBS 2025: delivered

Borrowings

Rs 64M

Lower finance cost

- Short term borrowings down 30%
- Less exposure to KIBOR swings

Committed at CBS 2025: delivered

Anti Dumping

+5 to 6%

Further GP margin potential

- Legal action initiated against dumped imported yarn
- Upside once successfully concluded

In progress

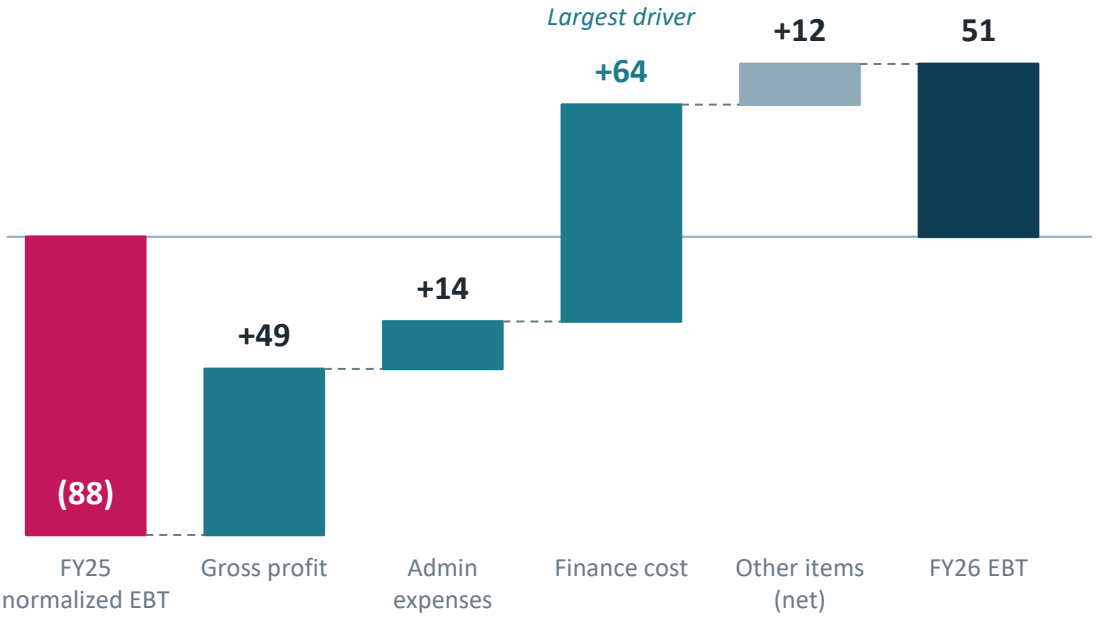
03

Financial Information

FY26 results and the impact of KIBOR

BIRD VIEW

A Rs 139M turnaround in normalized earnings



Rs 139M

swing in normalized earnings before tax

FY25 reported a Rs 201M profit, but that included a one off Rs 288M gain on investment property. Excluding it, FY25 was a Rs 88M loss.

Lower finance cost was the single biggest lever of the recovery.

Rs in millions. Other items (net) is the balancing figure between the line items shown and EBT.

PROFIT AND LOSS AT A GLANCE

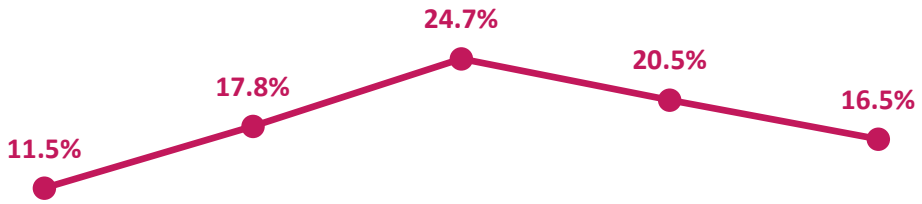
A leaner cost base absorbed a 25% fall in revenue

Rs in millions	FY25	FY26	Change	What drove it
Revenue	2,416	1,803	**(25%)**	Volume down from 7.66M to 5.91M lbs on cheap imported yarn; partly offset by high margin products
Cost of sales	2,213	1,551	**(30%)**	Raw material down Rs 425M; energy to sales 10.6% → 7.7%; labour and stores down Rs 62M
Gross profit	203	252	**+24%**	Loss making contracts exited; GP margin 8.4% → 14.0%
Admin expenses	99	84	**(15%)**	Factory right sized to new production levels, despite inflation
Finance cost	193	129	**(33%)**	Short term borrowings down 30%; KIBOR eased
Normalized EBT	**(88)**	**51**	**+139**	*Excludes the one off Rs 288M gain in FY25*

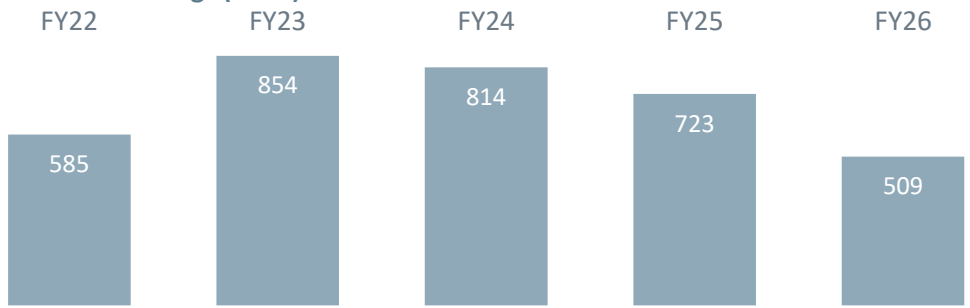
Source: company financial statements. Positive changes shown in teal, adverse in magenta.

Borrowing rose 39%, but finance cost tripled

Effective interest rate



Short term borrowings (Rs M)



11.5% → 24.7%

Effective rate more than doubled from FY22 to its FY24 peak

3x vs 1.4x

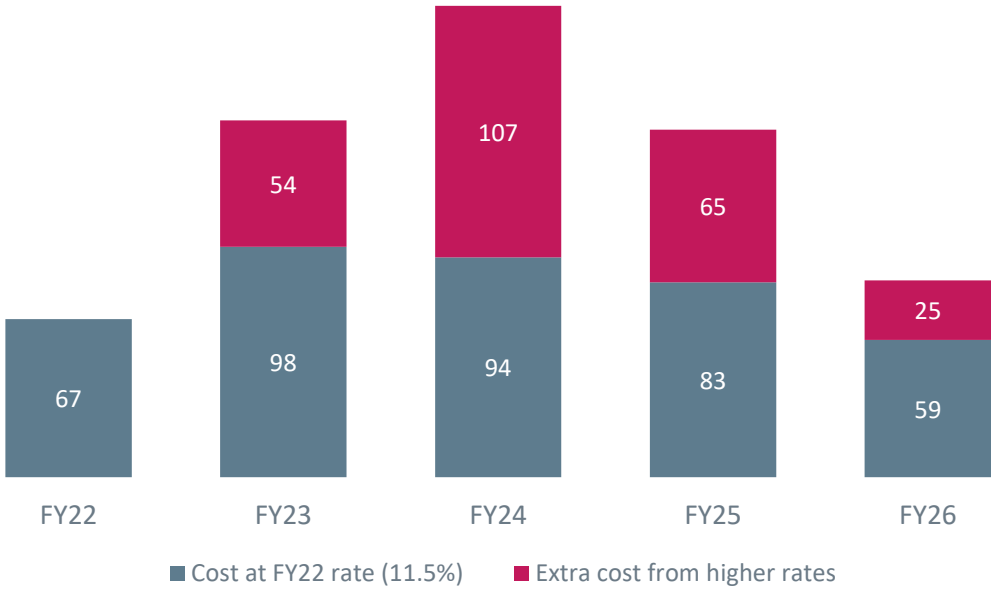
FY22 to FY24: short term finance cost tripled while borrowings grew 1.4 times

65% to 80%

Share of total finance cost that is short term and KIBOR linked

Effective rate = short term finance cost ÷ year end short term borrowings. Source: company financing statement.

Higher KIBOR cost us Rs 251M in four years



Rs 251M

extra finance cost from higher rates, FY23 to FY26, on the borrowing we actually carried

Rs 107M vs Rs 97M

In FY24, the rate impact alone was larger than the year's entire loss before tax

Rs in millions. Grey = actual borrowing priced at the FY22 rate of 11.5%, so it captures the rise in borrowing. Magenta = the rest.

Two thirds of FY26's Rs 64M saving was self driven

Where the Rs 64M saving came from



Rs 44M

Lower borrowing. Short term debt cut by 30%, from Rs 723M to Rs 509M

Rs 20M

Easing rates. Effective rate down from 20.5% to 16.5%

Priority: keep reducing borrowings to shrink our KIBOR exposure.

Still exposed to KIBOR

Rs 25M

FY26 cost of rates still above FY22 levels

≈ Rs 5M

impact on profit before tax for every 1% move in KIBOR at current borrowing

Volume effect = change in borrowings × FY25 rate. Rate effect = FY26 borrowings × change in rate.

Question and Answer

The floor is now open. Please share your questions.



Thank You

Sana Industries Limited

