

**Largest hosiery producer goes public**

KARACHI: Interloop Limited (INLO), the first public offer of shares for the current year, managed to raise Rs5.025 billion in the book building process held for two days (Wednesday, Thursday) making it largest private sector Initial Public Offering (IPO) of the country.

The company, billed as the largest hosiery producer in Pakistan, has set out to raise fresh capital of Rs4.905bn, representing 12.5 per cent stake in the company.

Chairman and Chief Executive Officer Musadaq Zulqarnain thanked his team following the overwhelming response to the book building process on the social media. “By the grace of God, Interloop’s book building has been oversubscribed by 30pc ... credit goes to our employees for building a great company,” he tweeted.

Raises over Rs5bn to set up a new facility in Faisalabad

The company plans to utilise the raised amount to finance a new facility at Faisalabad to expand hosiery production capacity and set up a denim production facility in Lahore.

Following the completion of its issue, the company would be amongst the top 50 companies listed on the Pakistan Stock Exchange by market capitalisation.

Finance Minister Asad Umar also took to social media saying that “this is the biggest equity issue ever by a Pakistani private sector company ... particularly pleasing that it’s an exporting company.”

The book building process was over-subscribed by 1.37 times with price closing at Rs46.10 per share, consultant to the IPO Arif Habib Ltd said. The total demand received amounted to Rs6.727bn against the offer size of Rs4.905bn, which represented oversubscription by Rs1.822bn or 1.37 times.

The general public will be offered shares in IPO on March 21-22 at the strike price of Rs46.1 per share.

The company, founded by Zulqarnain and his brother Navid Fazil in 1992, has risen to become one of the world’s largest hosiery manufacturers with an annual turnover in excess of Rs30bn. The company’s operation extends beyond Pakistan’s boundaries and has established a production facility in Bangladesh.

It ranks as the Pakistan’s seventh largest exporter and generates approximately 90pc of its revenue through exports supplying yarns, hosiery and apparel items to some of the world’s leading brands including Nike, Puma, Reebok, H&M’s and Levi’s.

The company’s plans for the future growth include increasing its global footprint by increasing hosiery production by around 22.6pc and expand product mix by adding knitted apparel and denim jeans.

Most major commercial banks, insurance companies, local and foreign institutions, asset management companies, TREC holders and high net-worth individuals participated in the book building process.

Our Equities Correspondent