



**RESULTS FOR THE FIRST QUARTER ENDED
30 SEPTEMBER 2021**

26 October 2021



HIGHLIGHTS

1Q-FY 22

C.A DEFICIT / DECLINE IN FX RESERVES

INCREASE IN KIBOR / EXCHANGE RATES

INCREASE IN INTERNATIONAL SCRAP PRICES

INCREASE IN GLOBAL ECONOMIC ACTIVITY AND RELATED PRICE INCREASE

3% FURTHER TAX ON UNREGISTERED PERSON WHICH HAS NOW BEEN EXCLUDED.

REDUCTION IN MINIMUM TAX FROM 1.25% TO 0.25% FOR RETAILERS

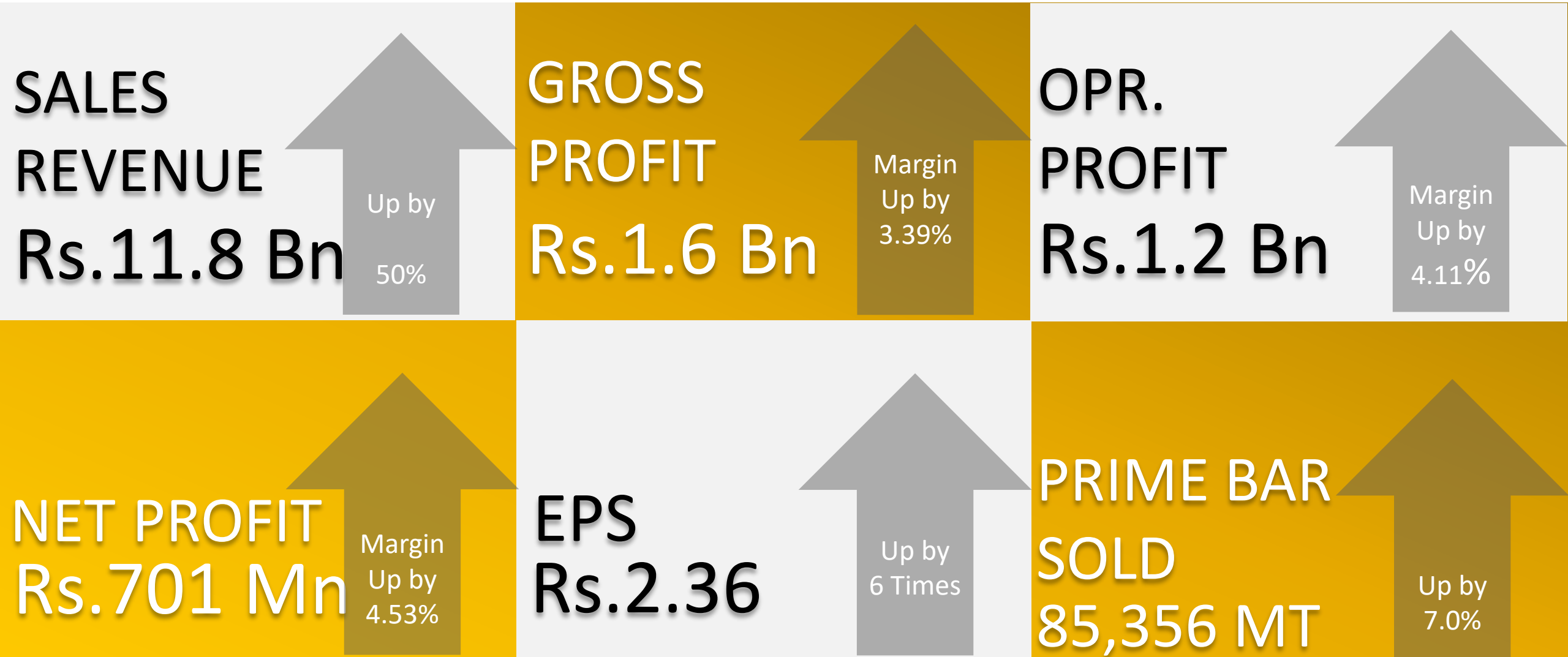
INCREASE IN MINIMUM VALUE OF SALE TAX FROM RS. 83,000 / TON TO RS. 140,000 / TON

CUSTOM VALUATION CHANGED FROM LMB TO 530 USD / TON

INCREASE IN ELECTRICITY COST DUE TO FCA AND CEASATION OF DISCOUNT SCHEME



1st QUARTER FY-22



SALES
REVENUE
Rs.11.8 Bn

Up by
50%

GROSS
PROFIT
Rs.1.6 Bn

Margin
Up by
3.39%

OPR.
PROFIT
Rs.1.2 Bn

Margin
Up by
4.11%

NET PROFIT
Rs.701 Mn

Margin
Up by
4.53%

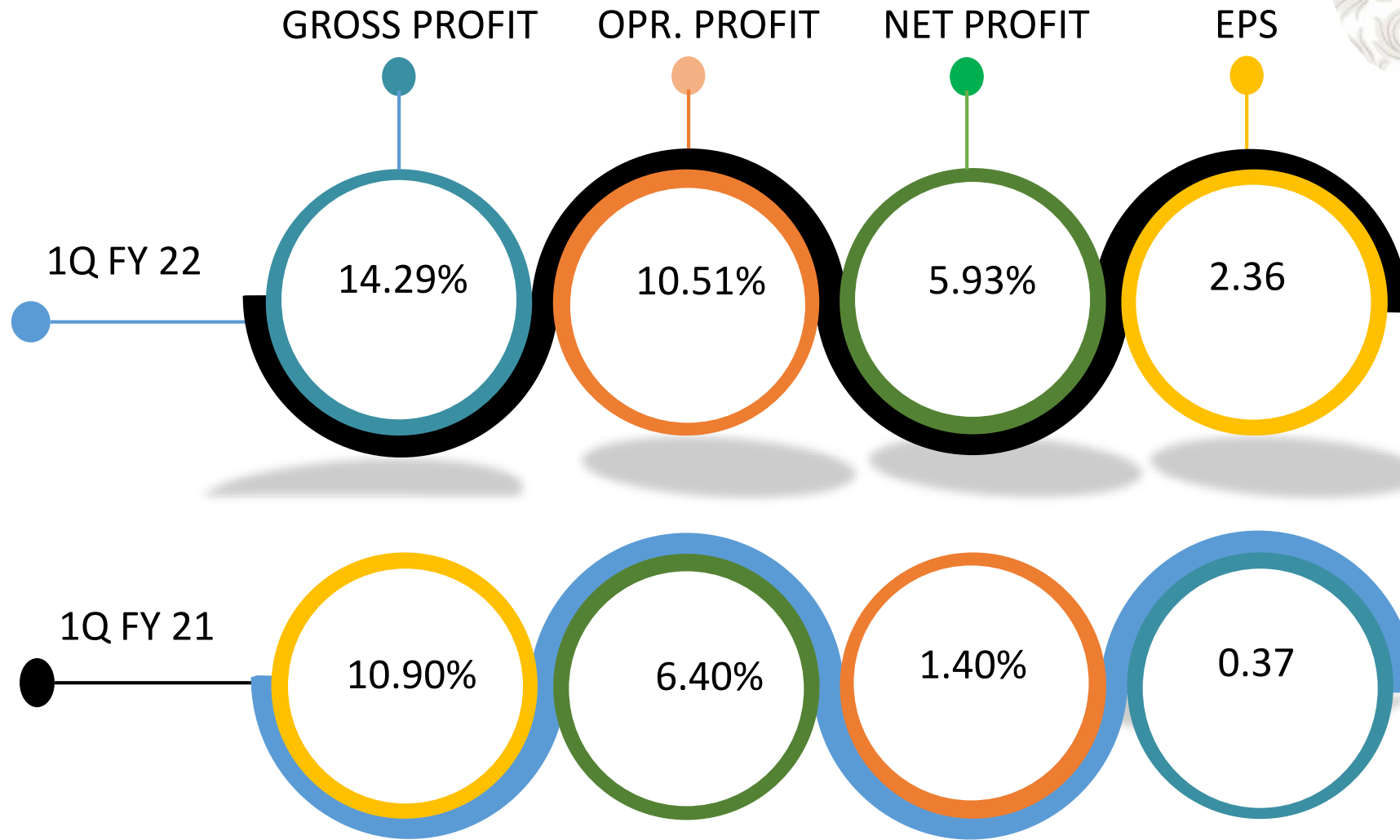
EPS
Rs.2.36

Up by
6 Times

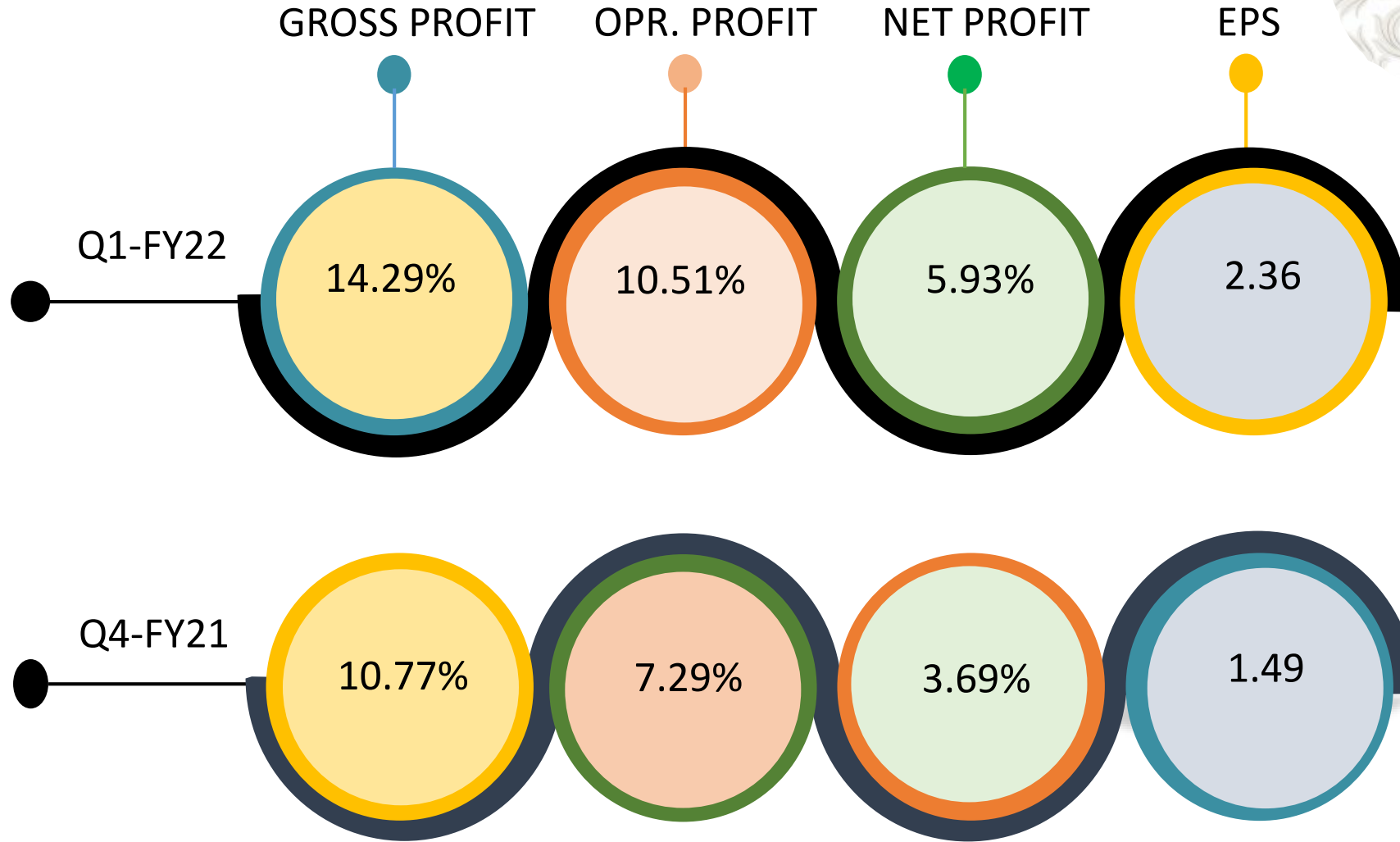
PRIME BAR
SOLD
85,356 MT

Up by
7.0%

MARGINS & EPS



MARGINS & EPS



PROFIT OR LOSS STATEMENT

	Qtr. ended 30 Sep. 2021	%	Qtr. ended 30 Sep. 2020	%	Qtr. Ended 30 June. 2021	%
	Rs.000		Rs.000		Rs.000	
Sales	11,843,701	100	7,914,003	100	11,990,544	100
Cost Of Sales	(10,151,510)	-85.71	(7,051,171)	-89.10	(10,699,276)	-89.23
Gross Profit	1,692,192	14.29	862,832	10.90	1,291,269	10.77
Distribution Cost	(238,889)	-2.02	(201,486)	-2.55	(285,201)	-2.38
Administrative Cost	(177,589)	-1.50	(115,672)	-1.46	(163,761)	-1.37
Expected Credit Loss	19,364	0.16	(33,917)	-0.43	42,809	0.36
Other Charges	(70,328)	-0.59	(10,732)	-0.14	(34,898)	-0.29
Other Opr. Income	20,253	0.17	5,603	0.07	24,357	0.20
Operating Profit	1,245,003	10.51	506,628	6.40	874,576	7.29
Finance Cost	(387,698)	-3.27	(456,176)	-5.76	(418,095)	-3.49
Profit / (Loss) Before Tax	857,305	7.24	50,452	0.64	456,480	3.81
Taxation	(155,449)	-1.31	60,173	0.76	(13,955)	-0.12
Profit / (Loss) After Tax	701,856	5.93	110,624	1.40	442,526	3.69

QUANTITY AND PRICE VARIANCE – 1Q FY22 Vs. 1Q FY21

	JULY-SEP 22	JULY-SEP 21	VARIANCE		AMOUNT '000'
SALES					
QUANTITY	88,102	83,511	4,591	94.77	435,042
PRICE (IN THOUSANDS)	134.43	94.77	39.67	88,102	3,494,656
NET SALES VARIANCE					3,929,698
COST OF SALES					
QUANTITY	88,102	83,511	4,591	(84.43)	(387,611)
PRICE (IN THOUSANDS)	(115.22)	(84.43)	(30.79)	88,102	(2,712,728)
NET SALES VARIANCE					(3,100,339)
NET CHANGE IN GROSS PROFIT					829,359
GROSS PROFIT					
QUANTITY	88,102	83,511	4,591	10.33	47,431
PRICE (IN THOUSANDS)	19.21	10.33	8.88	88,102	781,928
NET GROSS PROFIT VARIANCE					829,359

RECONCILIATION OF PROFIT AFTER TAX

QUANTITY AND PRICE VARIANCE	IMPACT	Rs. '000'	REMARKS
GROSS PROFIT	INCREASE	829,359	As explained in above slide
DISTRIBUTION COST	INCREASE	(37,403)	Increase is due to salaries and wages Rs. 30 million, Bundling Rs.12.0 million, packing material 5 million and repairs & maintenance 5 million etc.
ADMINISTRATIVE COST	INCREASE	(61,916)	Mainly increased due to salaries Rs. 53.4 million, repair and maintenance 3.9 million etc.
EXPECTED CREDIT LOSS	DECREASE	53,281	The reversal of ECL is due to better recovery post Covid-19 lockdown and resumption of construction activities resultantly the turnover days have also improved from 54 to 43 days.
OTHER CHARGES	INCREASE	(59,596)	Mainly increased due to increase in profits which was lower by many folds in the comparative period.
OTHER OPERATING INCOME	INCREASE	14,650	Mainly due to reversal of provision provided against the doubtful security deposit 12.75 million and scrap sales amounting to 7.2 million
FINANCE COST	DECREASE	68,478	Reduction in Kibor (as in 1QFY21 - after reduction to 7%, the Kibor was reset on quarter basis in few cases i.e. Murabaha financing). Further, increase in business activity, improvement in receivable collection and maintaining optimum inventory post Covid lockdown period resulted in reduction in short term borrowings .
TAXATION	INCREASE	(215,622)	Due to increase in profitability as compared to corresponding period.
NET VARIANCE		591,231	
NET PROFIT 1Q FY 22 LESS NET PROFIT 1Q FY 21		591,231	
UNRECONCILED AMOUNT		-	

QUANTITY AND PRICE VARIANCE – 1Q FY22 Vs. 4Q FY21

	1Q-FY 22	4Q-FY 21	VARIANCE		AMOUNT '000'
SALES					
QUANTITY	88,102	104,487	(16,384)	114.76	(1,880,229)
PRICE (IN THOUSANDS)	134.43	114.76	19.67	88,102	1,733,386
NET SALES VARIANCE					(146,843)
COST OF SALES					
QUANTITY	88,102	104,487	(16,384)	(102.40)	1,677,746
PRICE (IN THOUSANDS)	(115.22)	(102.40)	(12.83)	88,102	(1,129,980)
NET SALES VARIANCE					547,766
NET CHANGE IN GROSS PROFIT					400,923
GROSS PROFIT					
QUANTITY	88,102	104,487	(16,384)	12.36	(202,483)
PRICE (IN THOUSANDS)	19.21	10.19	6.85	88,102	603,406
NET GROSS PROFIT VARIANCE					400,923

RECONCILIATION OF PROFIT AFTER TAX

QUANTITY AND PRICE VARIANCE	IMPACT	Rs. '000'	REMARKS
GROSS PROFIT	INCREASE	400,923	As explained in above slide
DISTRIBUTION COST	DECREASE	46,312	Mainly decreased due to advertisement sales & promotion 38 million and cartage Rs. 26.7 million
ADMINISTRATIVE COST	INCREASE	(13,828)	Mainly due to increase in salaries and wages Rs. 13 million due to payment of bonus
EXPECTED CREDIT LOSS	INCREASE	(23,445)	The reversal of ECL in 4th quarter was due to recovery from long overdue receivable due to better collection efforts and robust follow-up of receivables.
OTHER CHARGES	INCREASE	(35,431)	Mainly increased due to WPPF/WWF Rs. 30.1 million because of higher profits in 1st quarter FY 22
OTHER OPERATING INCOME	DECREASE	(4,104)	Mainly due to gain on disposal of fixed asset Rs. 23 million recorded in 4th Quarter FY 21 against disposal of land F-295
FINANCE COST	DECREASE	30,397	Mainly due to decrease in short-term borrowing from Rs. 13.4 bn to Rs. 12.2 bn primarily due to improvement in receivables and internal cash generation due to profits.
TAXATION	INCREASE	(141,495)	Due to increase in profitability as compared to 4th quarter FY 21
NET VARIANCE		259,330	
PAT 1 st QUARTER FY 22 LESS 4 th QUARTER FY21		259,330	
UNRECONCILED AMOUNT		-	

STATEMENT OF FINANCIAL POSITION

ASSETS	30 SEP. 2021	%	30 JUNE 2021	%
Non-current assets	-----Rs. '000'-----		-----Rs. '000'-----	
Property, Plant & Equipment	20,571,868	54.81	20,146,267	55.40
Intangibles	16,741	0.04	18,624	0.05
Long-term Investment	15,289	0.04	15,289	0.04
Long term deposits	162,011	0.43	152,349	0.42
Right of use assets	94,154	0.25	100,334	0.28
	20,860,063	55.57	20,432,863	56.19
Current assets				
Stores and spares	1,771,042	4.72	1,455,826	4.00
Stock in-trade	8,088,014	21.55	5,992,162	16.48
Trade debts	4,706,823	12.54	6,320,346	17.38
Loans and advances	58,332	0.16	34,044	0.09
Trade deposits and prepayments	50,895	0.14	21,072	0.06
Other receivables	211,402	0.56	275,213	0.76
Taxation - net	1,573,507	4.19	1,456,362	4.00
Cash and bank balances	215,287	0.57	378,573	1.04
	16,675,302	44.43	15,933,598	43.81
TOTAL ASSETS	37,535,365	100.00	36,366,461	100

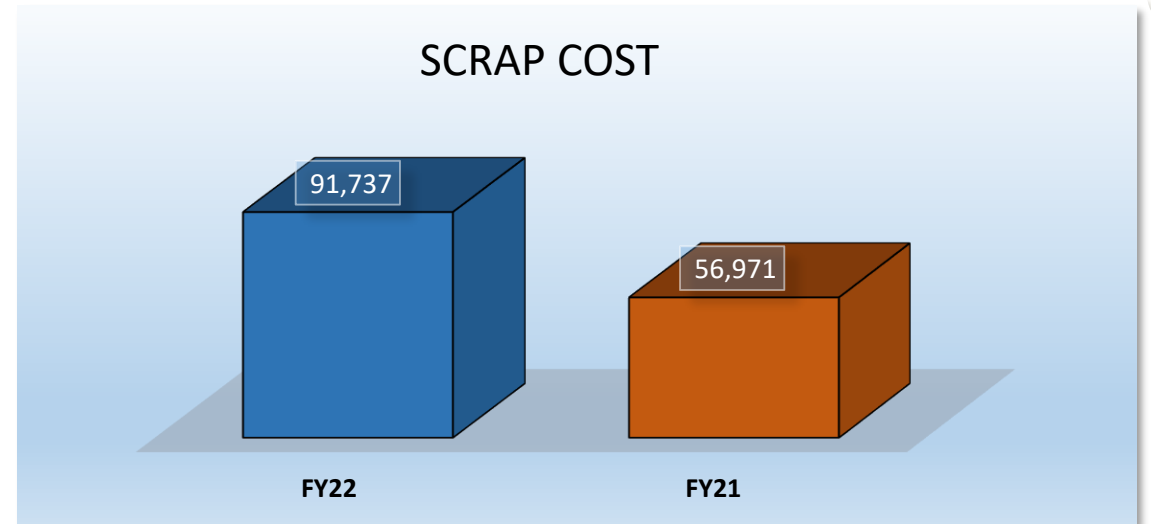
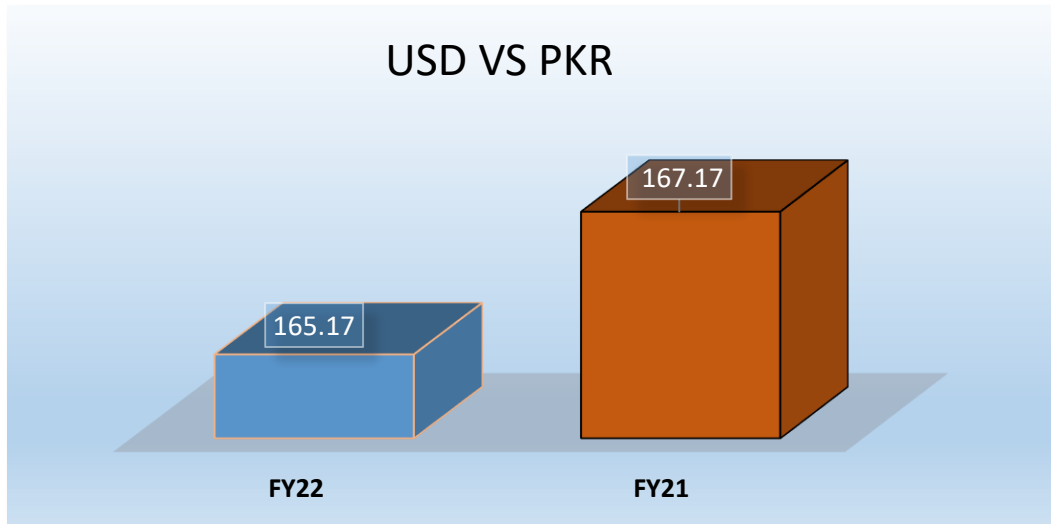
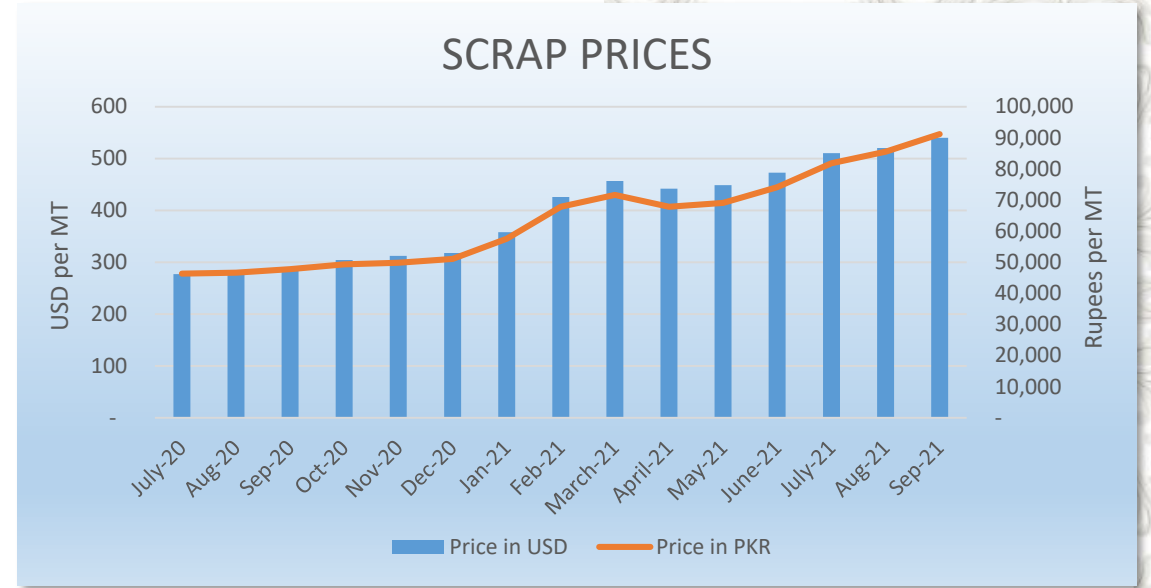
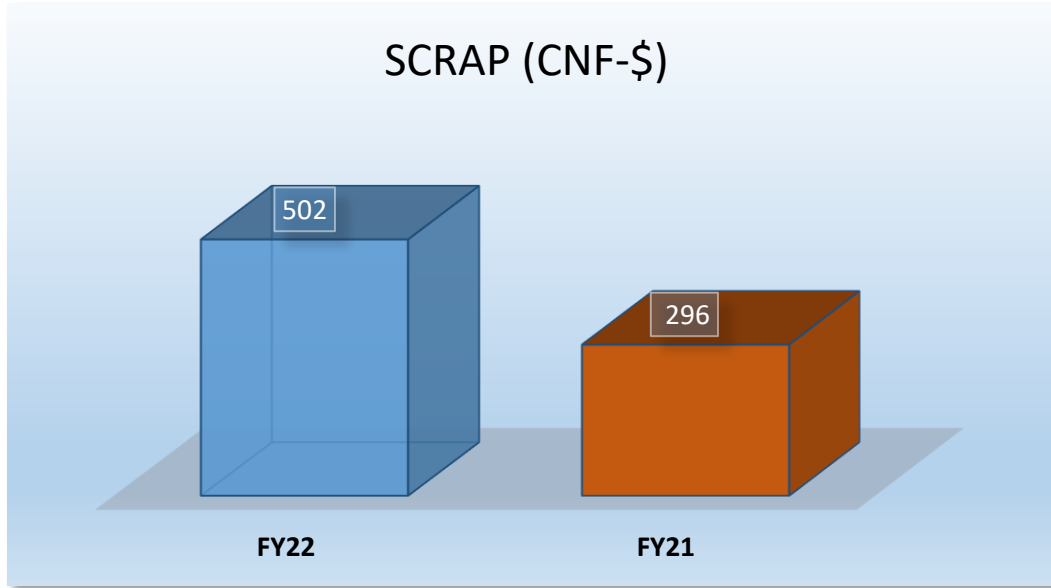
EQUITIES AND LIABILITIES	30 SEP. 2021	%	30 JUNE 2021	%
	-----Rs. '000'-----		-----Rs. '000'-----	
Share capital & reserves	14,642,476	39.01	13,940,630	38.33
<u>Non-current liabilities</u>				
Long-term finances	5,104,237	13.60	4,820,910	13.26
Lease liabilities	79,478	0.21	84,963	0.23
Long-term provision	166,963	0.44	166,963	0.46
Loan from related party	341,333	0.91	341,333	0.94
Deferred taxation	313,906	0.84	213,003	0.59
Government grant	925	0.0	925	0.00
Deferred liability	321,501	0.86	309,193	0.85
	6,328,344	16.86	5,937,290	16.33
<u>Current liabilities</u>				
Trade and other payables	5,878,398	15.66	5,077,126	13.96
Contract liabilities	668,972	1.78	499,708	1.37
Accrued Interest	255,470	0.68	267,271	0.73
Short term finance - secured	8,509,683	22.67	9,474,081	26.05
Current portion of long term finance	1,218,016	3.24	1,129,289	3.11
Current portion of lease liabilities	-	-	22,854	0.06
Current portion of government grant	8,058	0.02	12,494	0.03
Unclaimed dividend	5,690	0.02	5,718	0.02
	16,564,544	44.13	16,488,541	45.34
TOTAL EQUITY AND LIABILITIES	37,535,365	100.00	36,366,461	100

CASH FLOW STATEMENT

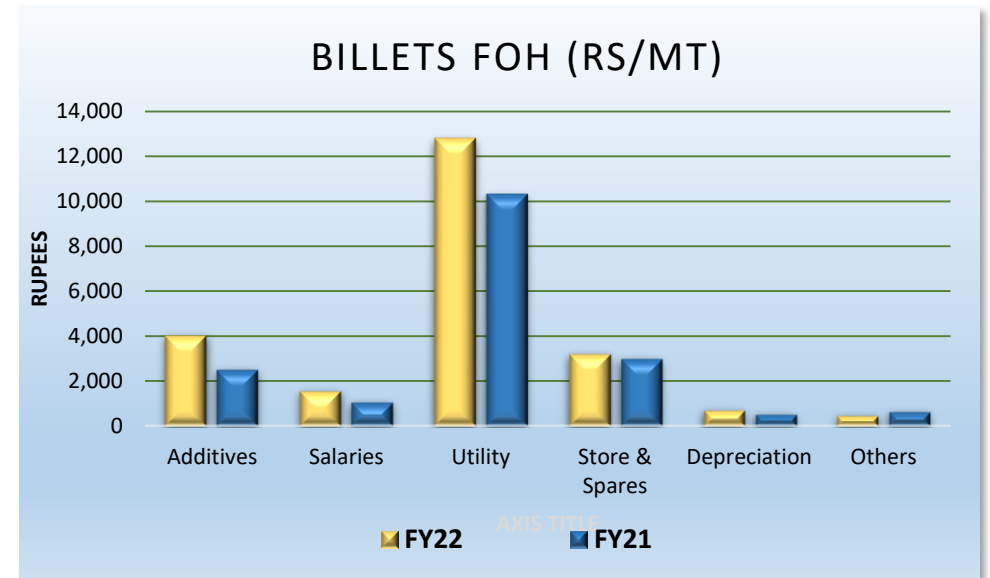
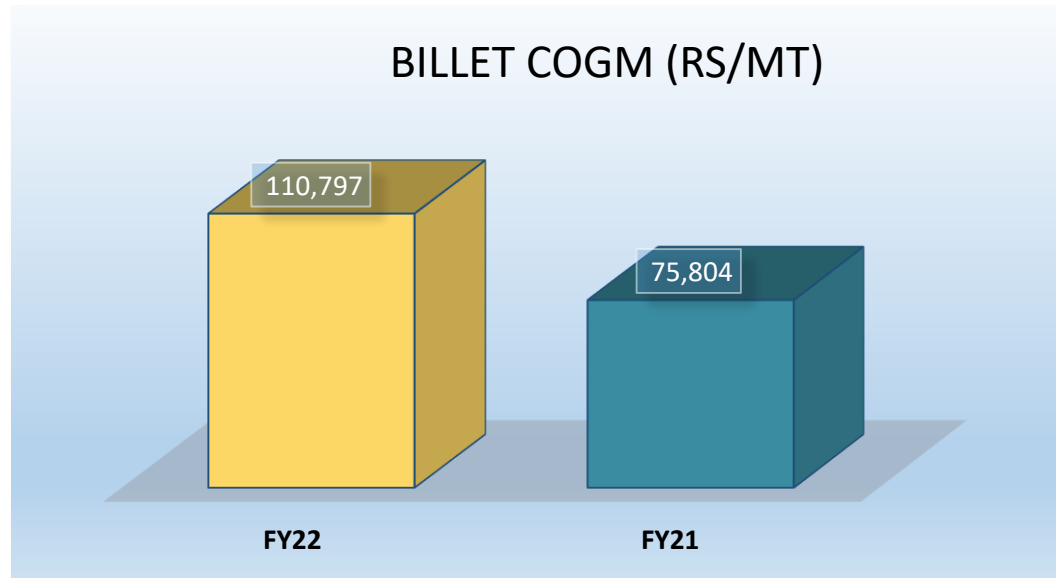
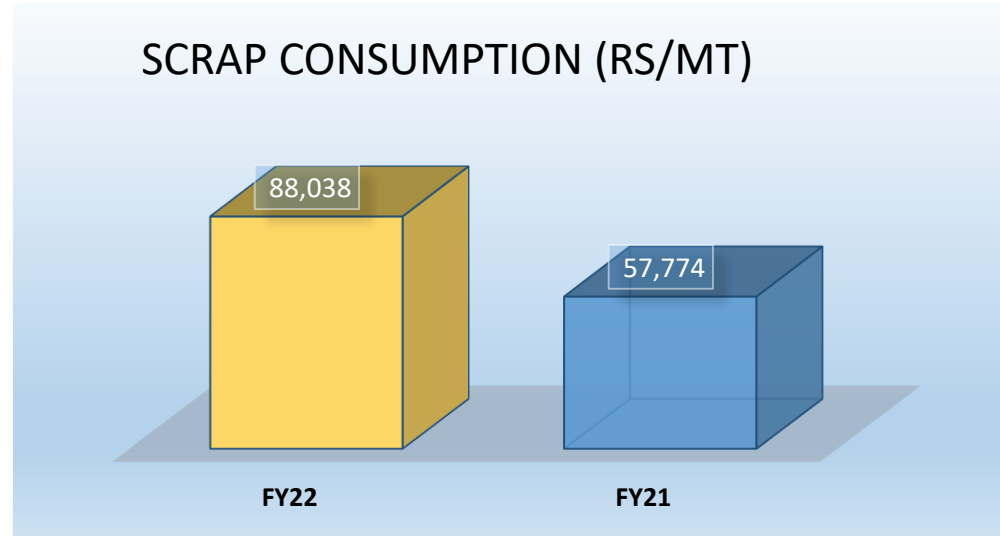
	30 SEP 2021	30 SEP 2020
Cash generated from operations	917,410	2,350,171
Gratuity Paid	(5,249)	(5,406)
Long term deposits paid	(9,661)	(12,478)
Income tax paid	(171,690)	(112,599)
Net cash generated from operating activities	730,810	2,219,688
Fixed capital expenditure	(591,308)	(214,387)
Purchase of intangible assets	-	(1,205)
Proceeds from sale of operating assets	133	2,877
Net cash used in investing activities	(591,175)	(212,715)
Short term borrowings – net	60,058	(1,605,345)
Long-term financing – net	367,616	250,179
Lease rentals paid	(9,873)	(9,211)
Finance costs paid	(397,503)	(560,051)
Dividends paid	(28)	(79)
Net cash generated from / (used in) financing activities	20,270	(1,924,507)
Net increase in cash and cash equivalents	159,905	82,466
Cash and cash equivalent at the beginning of the year	(1,845,683)	(1,458,891)
Cash and cash equivalents at the end of period	(1,685,778)	(1,376,425)

RATIO ANALYSIS			
	UoM	1QFY 22	1QFY 21
PROFITABILITY RATIOS			
Gross Profit ratio	Percentage	14.29	10.90
Net profit to sales ratio	Percentage	5.93	1.40
Return on Equity - Annualized	Percentage	16.8	3.1
INVESTMENT/ MARKET RATIOS			
Earning per Share	Times	2.36	0.37
Interest Cover	Times	3.24	1.12
TURNOVER RATIOS			
Total Asset Turnover	Times	0.32	0.42
Fixed Asset Turnover	Times	0.58	0.79
LIQUIDITY RATIOS			
		30 Sept 21	30 June 21
Current Ratio	Times	1.01	0.97
Quick / Acid test Ratio	Times	0.52:1	0.60:1
Debtor turnover	Days	43	52
Break value per share	Rupees	49.30	46.94
CAPITAL STRUCTURE RATIOS			
Long-term Debt / Equity Ratio	Times	0.43:1	0.43:1
Financial Leverage Ratio	Times	1.28:1	1.34:1

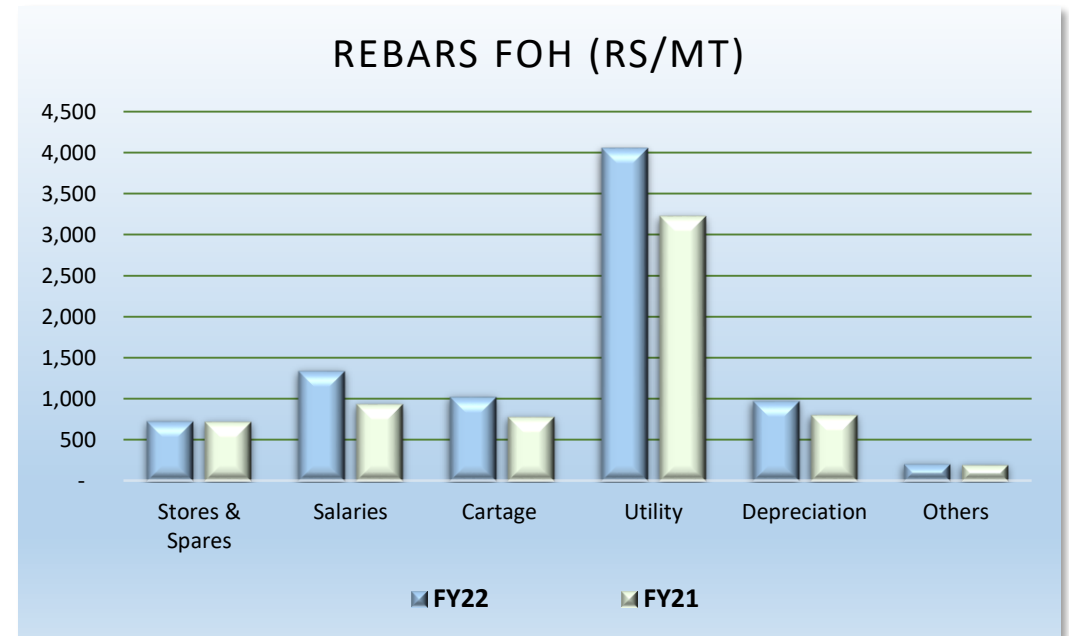
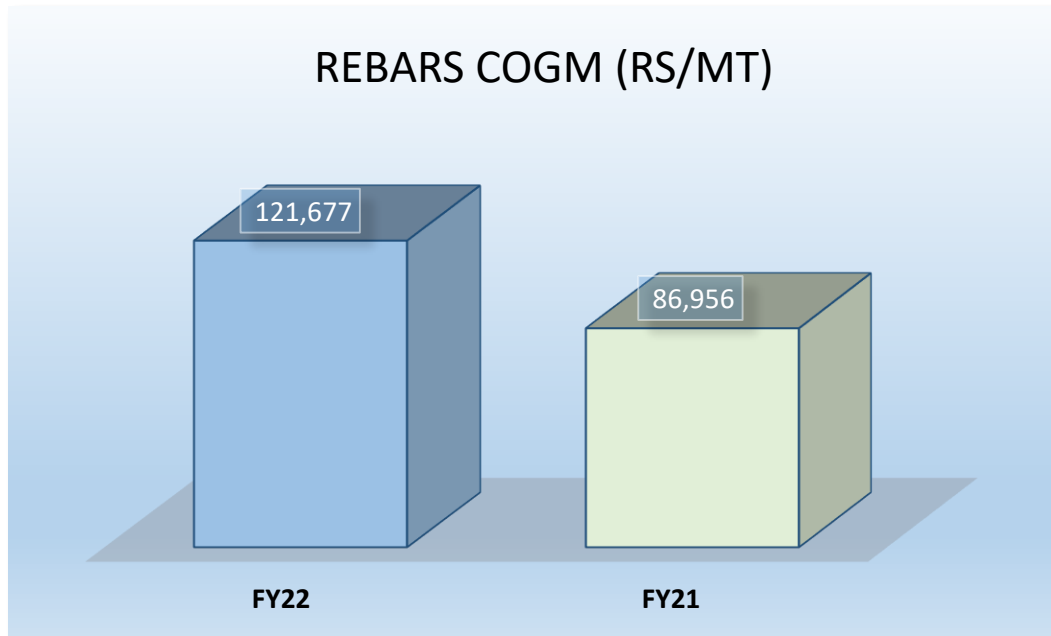
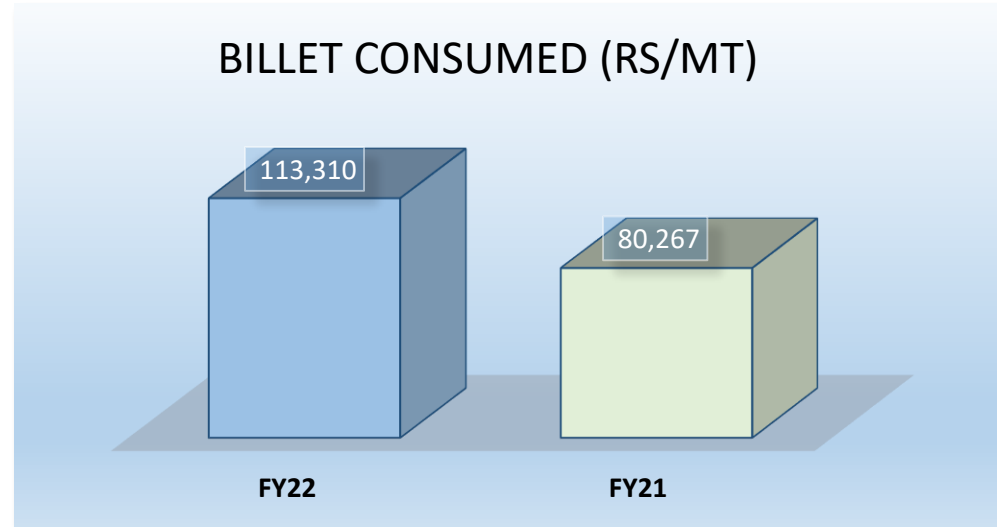
SCRAP COST – 1Q FY 22 AND 1Q FY 21



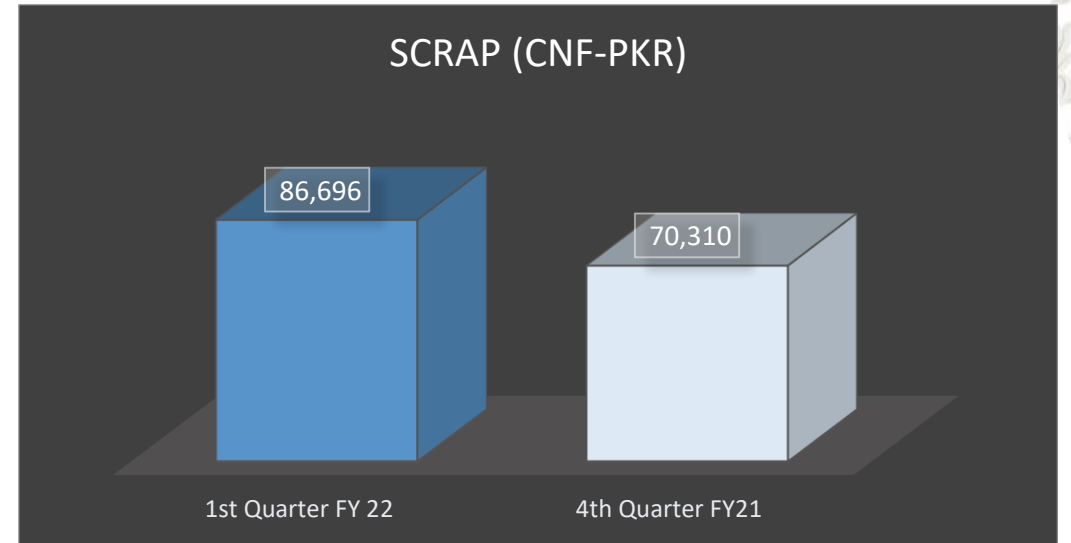
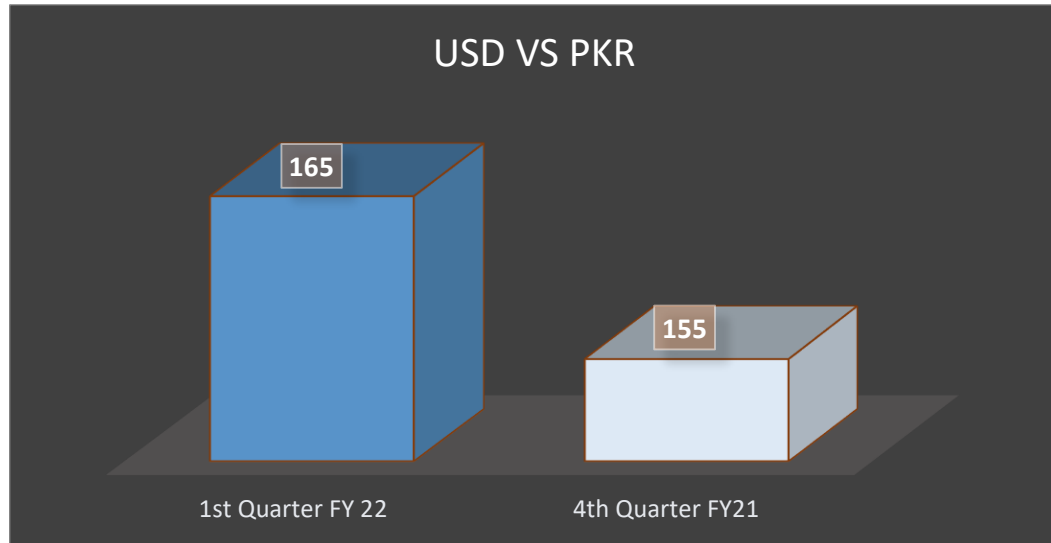
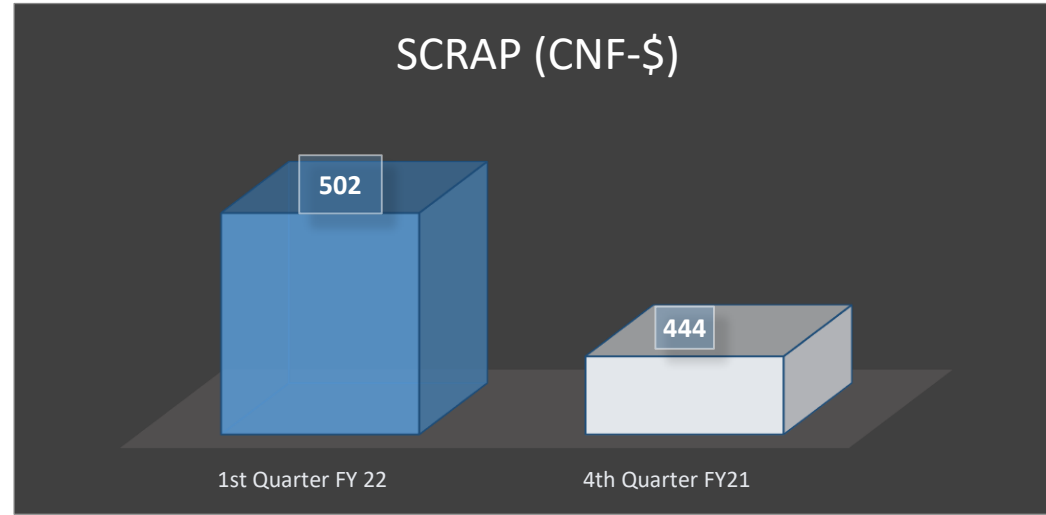
BILLETS COST – 1Q FY 22 AND 1Q FY 21



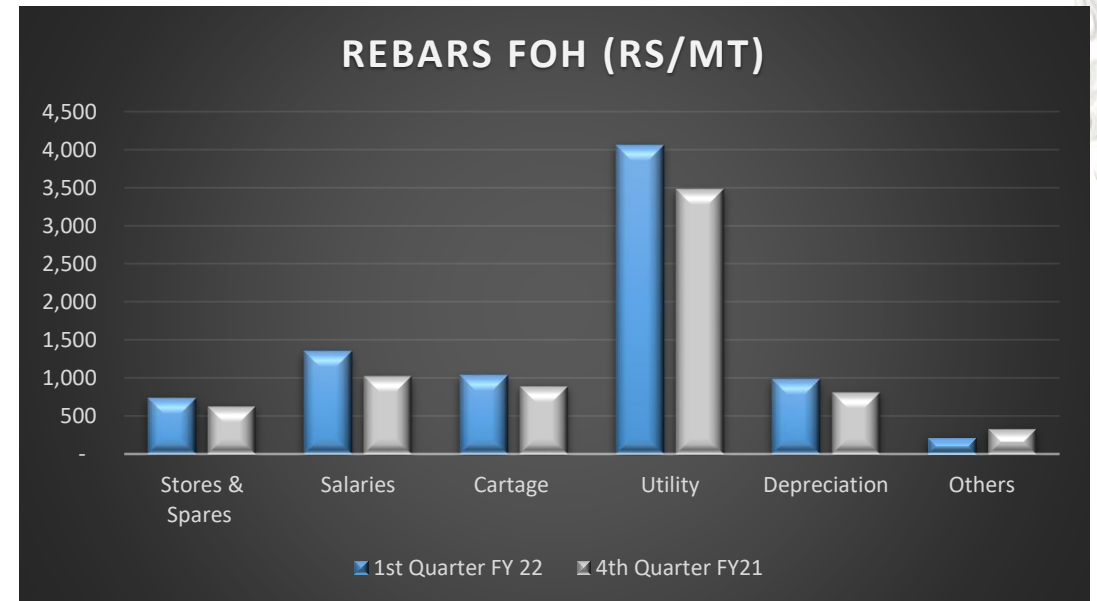
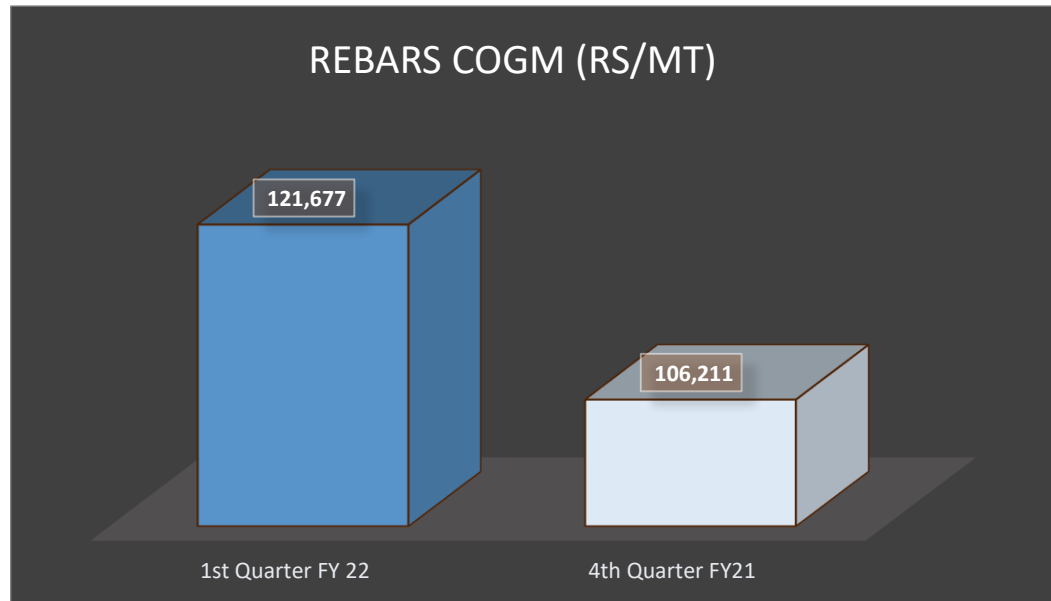
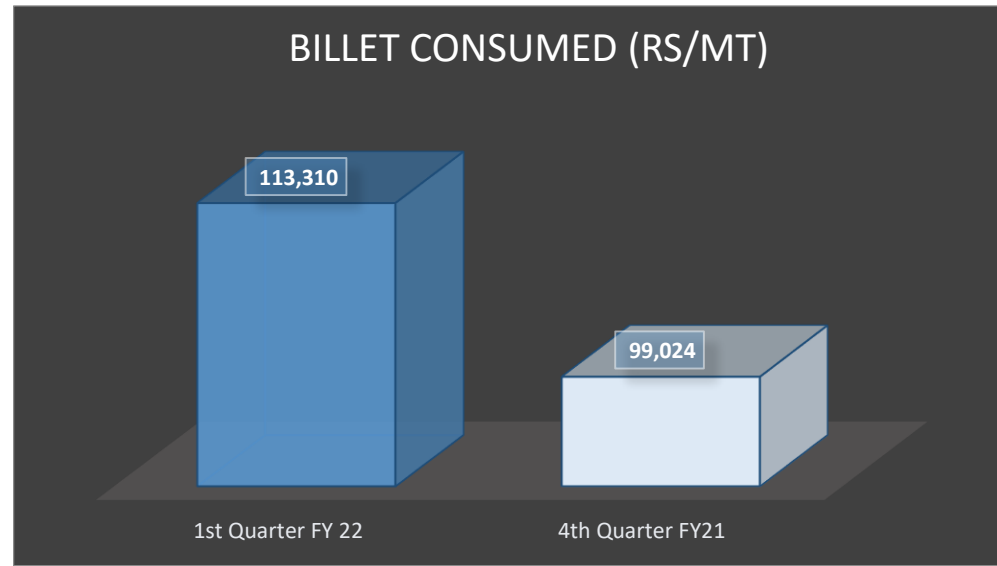
REBARS COST – 1Q FY 22 AND 1Q FY 21



SCRAP COST – 1Q FY22 AND 4Q FY21

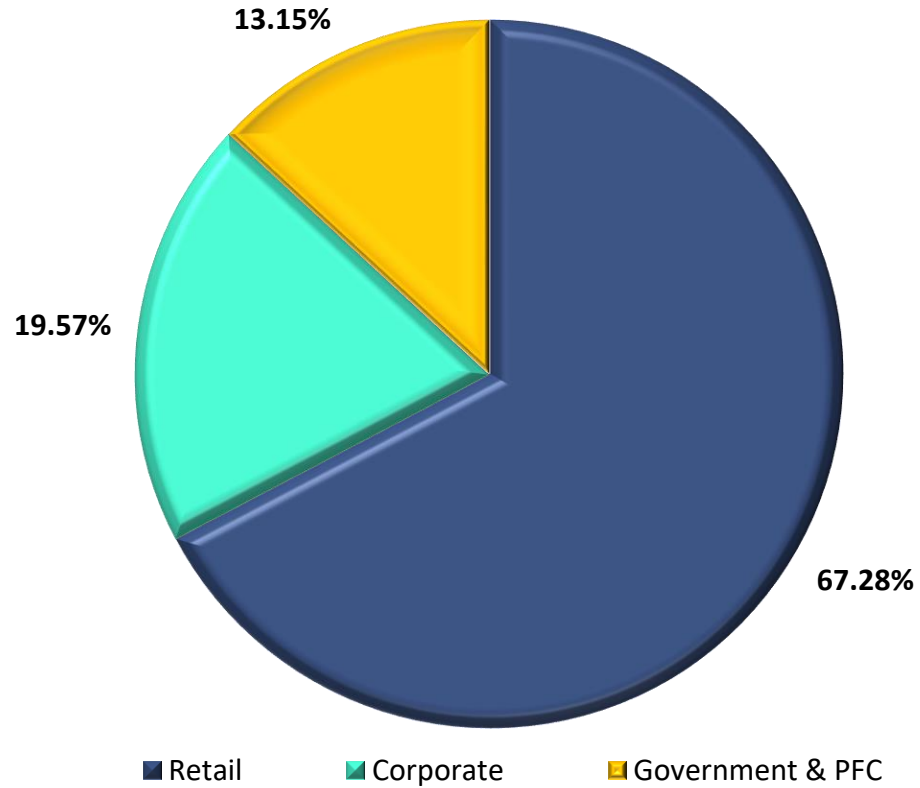


REBAR COST – 1Q FY22 AND 4Q FY21

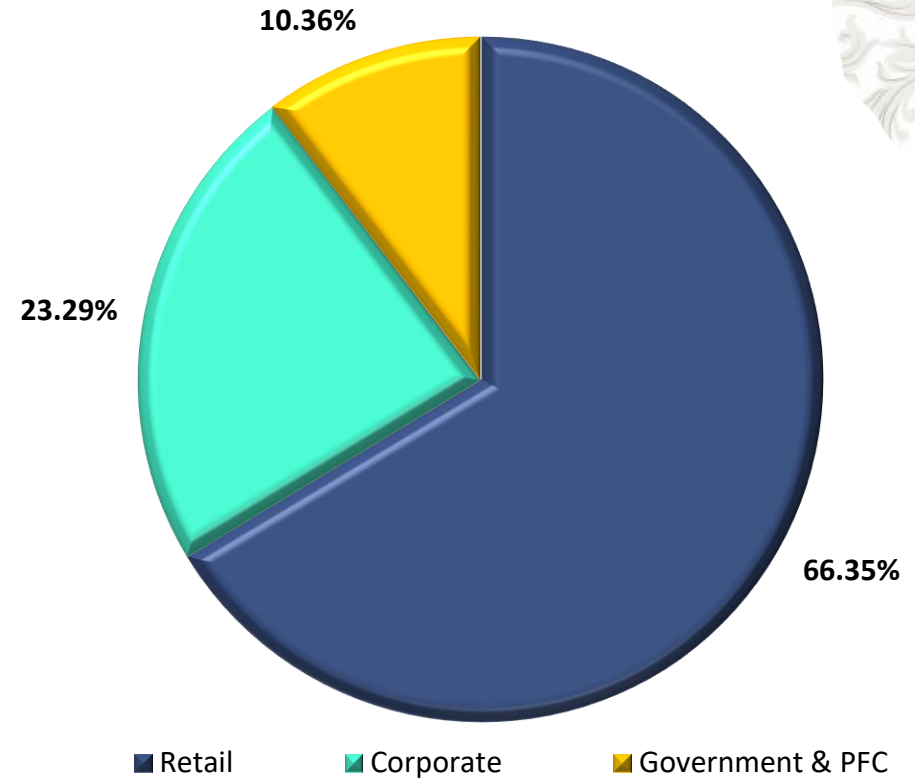


SEGMENT WISE SALES

1Q-FY 22

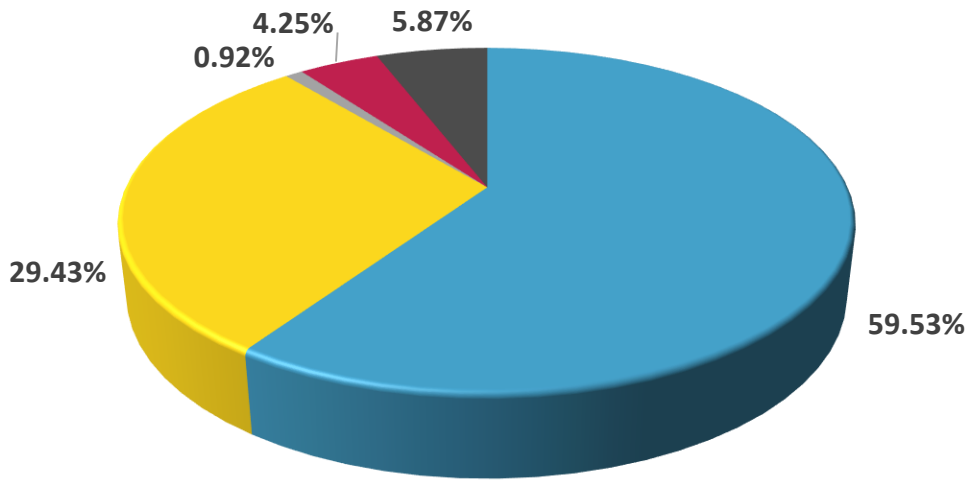


1Q-FY 21



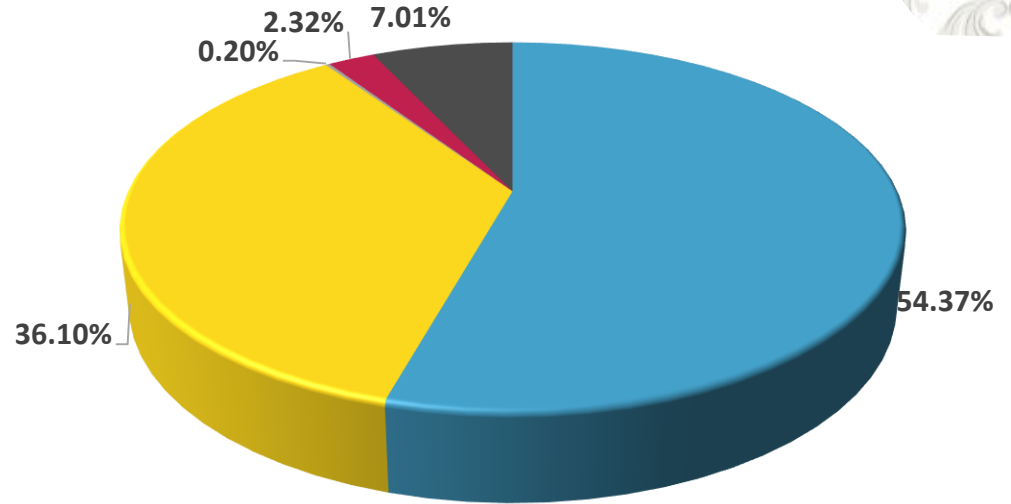
PROVINCE WISE SALES

1Q - FY 22



Sindh Punjab Gilgit-Baltistan KPK Balochistan

1Q - FY 21



Sindh Punjab Gilgit-Baltistan KPK Balochistan

VERTICAL ANALYSIS - ADMINISTRATIVE EXPENSES

	30 Sep 2021	%	30 Sep 2020	%	30 Jun 2021	%
	Rs.'000		Rs.'000		Rs.'000	
Salaries, allowances and other benefits	133,749	1.13	80,323	1.01	117,676	0.98
Depreciation	6,917	0.06	5,477	0.07	6,161	0.05
Repairs and maintenance	6,069	0.05	2,137	0.03	4,748	0.04
Computer consumables	5,813	0.05	5,876	0.07	5,367	0.04
Legal and professional charges	4,169	0.04	5,290	0.07	8,522	0.07
Vehicle fuel & maintenance	3,905	0.03	3,424	0.04	3,339	0.03
Others	3,227	0.03	1,283	0.02	3,953	0.03
Ijarah Rental	2,318	0.02	2,440	0.03	2,286	0.02
Utilities	2,247	0.02	1,585	0.02	1,562	0.01
Communication charges	2,146	0.02	2,024	0.03	2,313	0.02
Amortisation expense	1,883	0.02	2,332	0.03	1,878	0.02
Security guard expenses	1,161	0.01	1,227	0.02	1,410	0.01
Printing and stationery	987	0.01	474	0.01	1,219	0.01
Auditors remuneration	958	0.01	750	0.01	709	0.01
Rent, rates and taxes	833	0.01	373	0.00	1,530	0.01
Traveling and conveyance	784	0.01	262	0.00	732	0.01
Insurance	424	0.00	395	0.00	356	0.00
	177,589	1.50	115,672	1.46	163,761	1.37

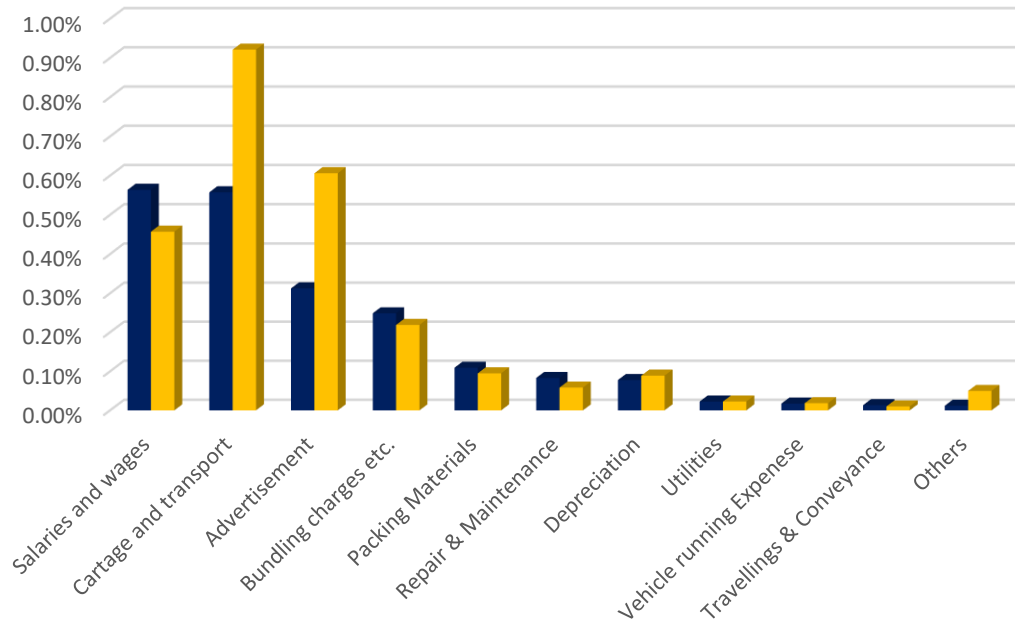
VERTICAL ANALYSIS - DISTRIBUTION EXPENSES

	30 Sep 2021	%	30 Sep 2020	%	30 Jun 2021	%
	Rs.'000		Rs.'000		Rs.'000	
Salaries, allow. & other benefits	66,779	0.56	36,159	0.46	56,255	0.47
Cartage and transport	66,021	0.56	72,897	0.92	92,812	0.77
Advertisement, sales promotion & others	37,007	0.31	47,962	0.61	75,049	0.63
Bundling and special order charges	29,430	0.25	17,315	0.22	24,825	0.21
Packing Material	12,916	0.11	7,504	0.09	10,077	0.08
Repair & Maintenance	9,838	0.08	4,623	0.06	8,784	0.07
Depreciation	9,195	0.08	7,042	0.09	8,632	0.07
Utilities	2,661	0.02	1,793	0.02	1,800	0.02
Vehicle running Expnese	2,044	0.02	1,447	0.02	2,592	0.02
Travelling & Conveyance	1,588	0.01	802	0.01	789	0.01
Others	730	0.01	3,253	0.04	2,820	0.02
Canteen Expense	580	0.00	240	0.00	470	0.00
Rent, rates and taxes	100	0.00	449	0.01	296	0.00
	238,889	2.02	201,486	2.55	285,501	2.38

DISTRIBUTION EXPENSES

In 1Q FY 22, Distribution expenses represents 2.02% of sales revenue.

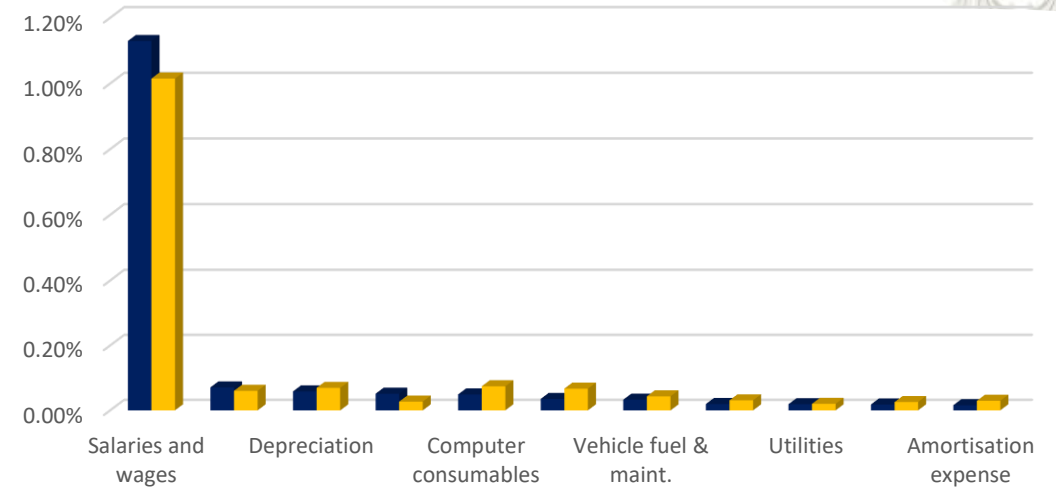
In 1Q FY 21, Distribution expenses represents 2.55% of sales revenue.



ADMINISTRATIVE EXPENSES

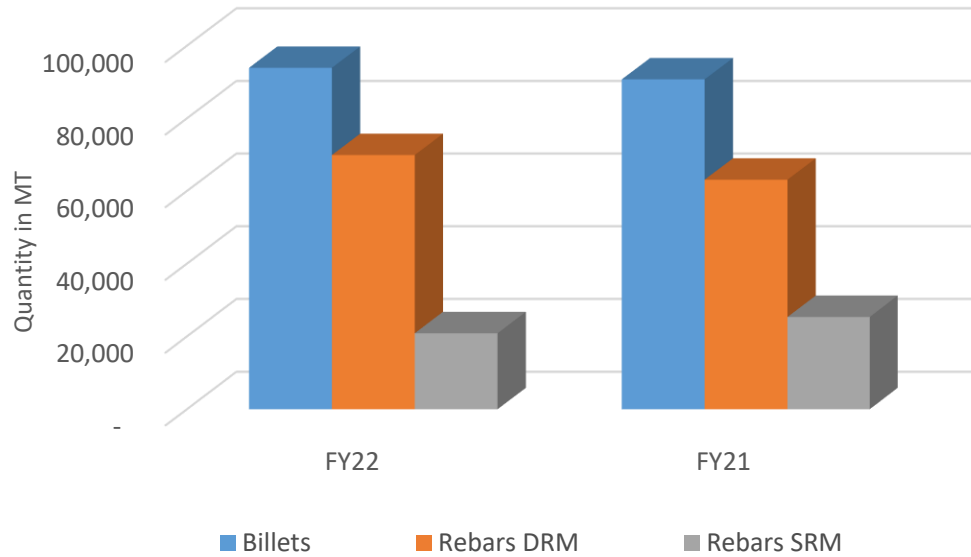
In 1Q FY 22, Administration expenses represents 1.50% of sales revenue.

In 1Q FY 21, Administration expenses represents 1.46 % of sales revenue.

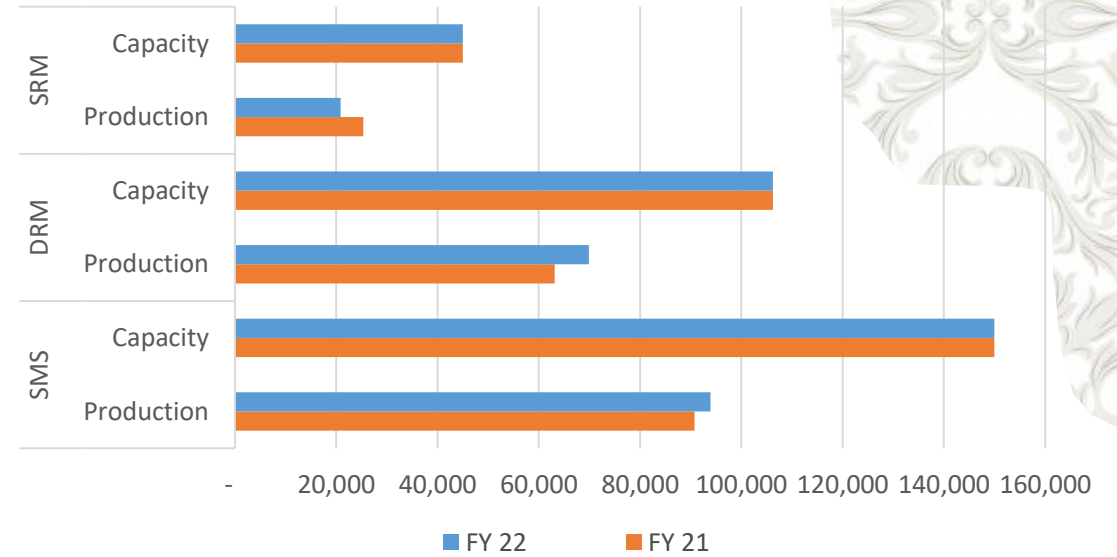


PRODUCTION AND CAPACITY UTILIZATION

PRODUCTION QUANTITIES



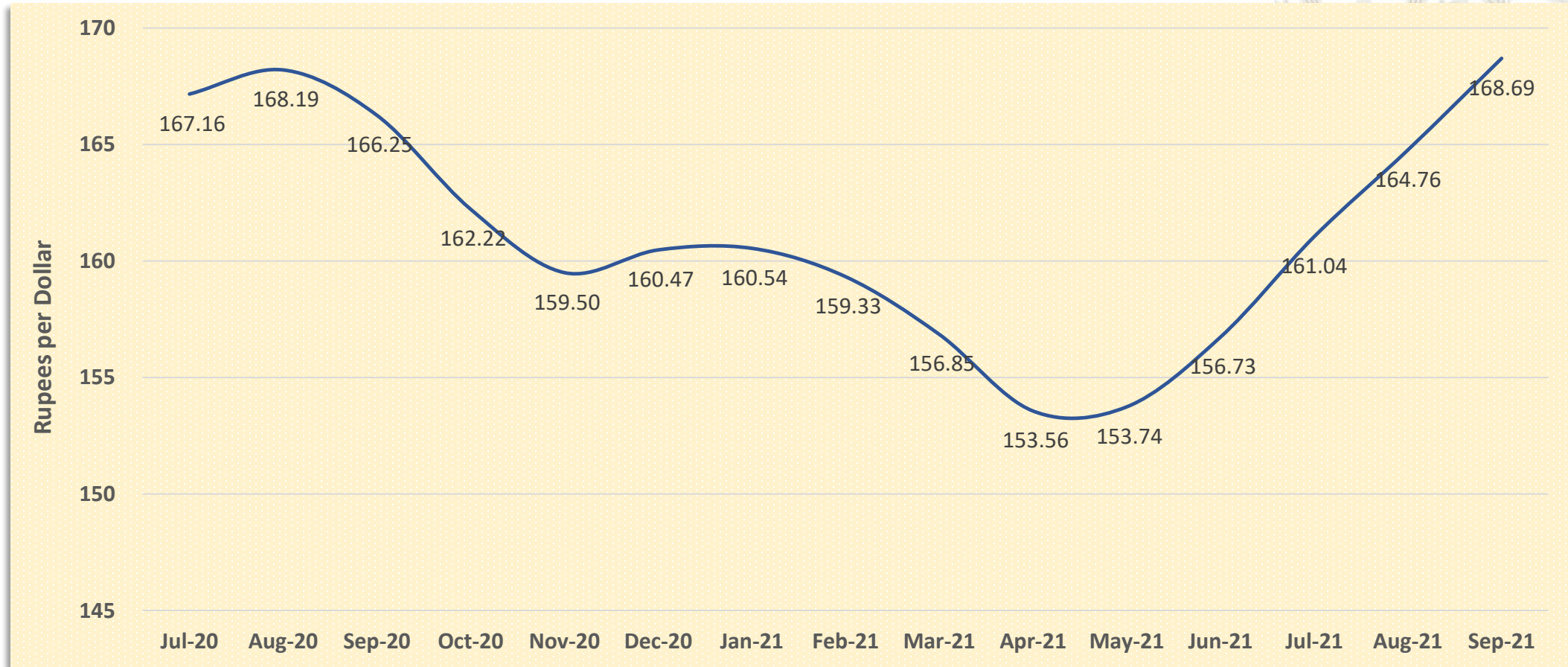
CAPACITY UTILIZATION



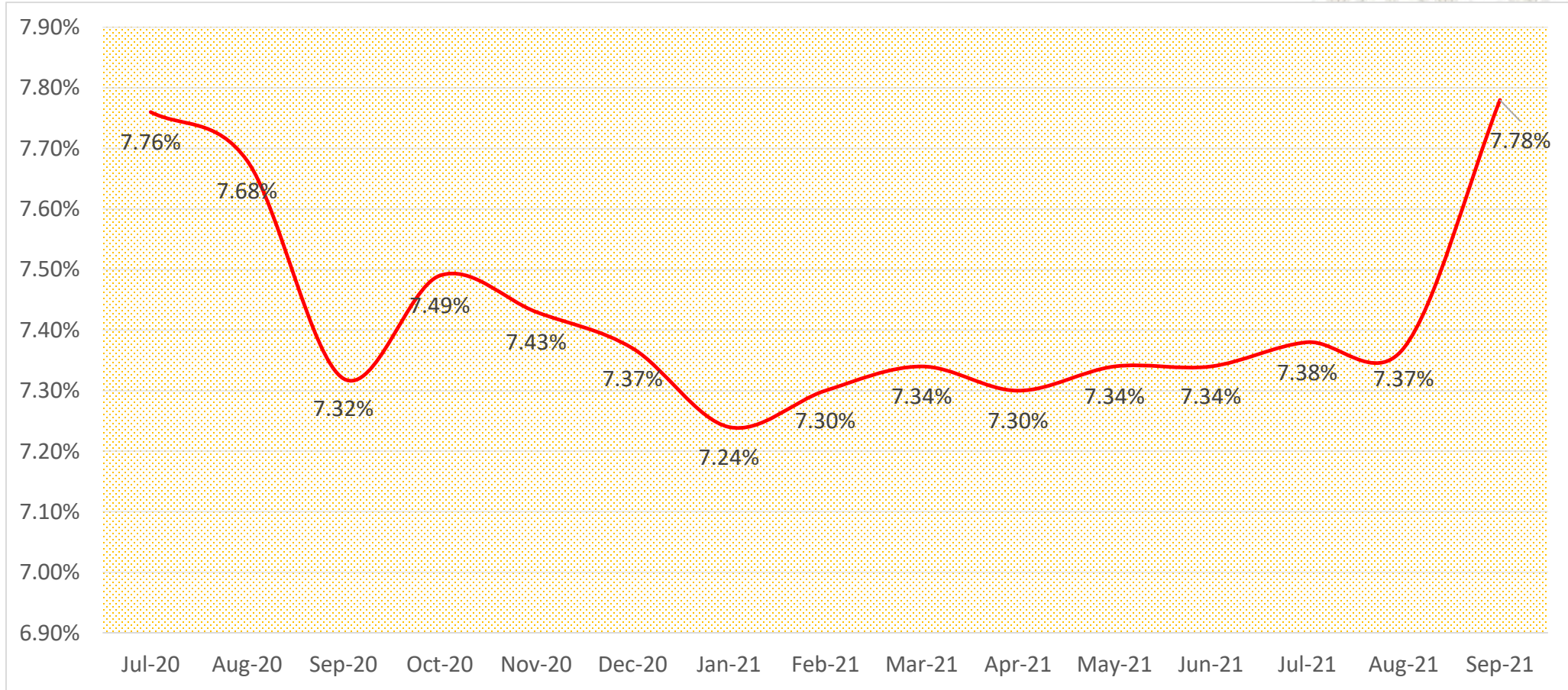
	SMS		DRM		SRM	
QTY -1Q FY 22 (MT)	93,915	3.0%	69,904	11%	20,876	18%
QTY -1Q FY 21 (MT)	90,740		63,121		25,343	

	SMS	DRM	SRM
1Q-FY 22	63%	66%	46%
1Q-FY 21	60%	59%	56%

FOREIGN EXCHANGE RATE



KIBOR %



Thank you