



**RESULTS FOR THE 2ND QUARTER & HALF YEAR ENDED
31 DECEMBER 2021**

03 February 2022



HIGHLIGHTS

1H-FY 22

1

CURRENT ACCOUNT DEFICIT AND DECLINE IN FOREIGN EXCHANGE RESERVES

2

INCREASE IN KIBOR AND EXCHANGE RATES

3

INCREASE IN INTERNATIONAL SCRAP PRICES

4

INCREASE IN GLOBAL ECONOMIC ACTIVITY AND RELATED PRICE INCREASE

5

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

6

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

7

INCREASE IN MINIMUM VALUE OF SALE TAX (From Rs. 83K to 140K to 153K)

8

CUSTOM VALUATION CHANGED TO LMB

9

INCREASE IN ELECTRICITY COST DUE TO FCA AND TARIFF INCREASE



FIRST HALF FY 21-22

**SALES
REVENUE**
Rs.26.6 Bn

Up by
53%

**GROSS
PROFIT**
Rs. 3.39 Bn

Margin
Up by
1.91%

**OPR.
PROFIT**
Rs. 2.40 Bn

Margin
Up by
2.21%

NET PROFIT
Rs. 1.30 Bn

Margin
Up by
2.47%

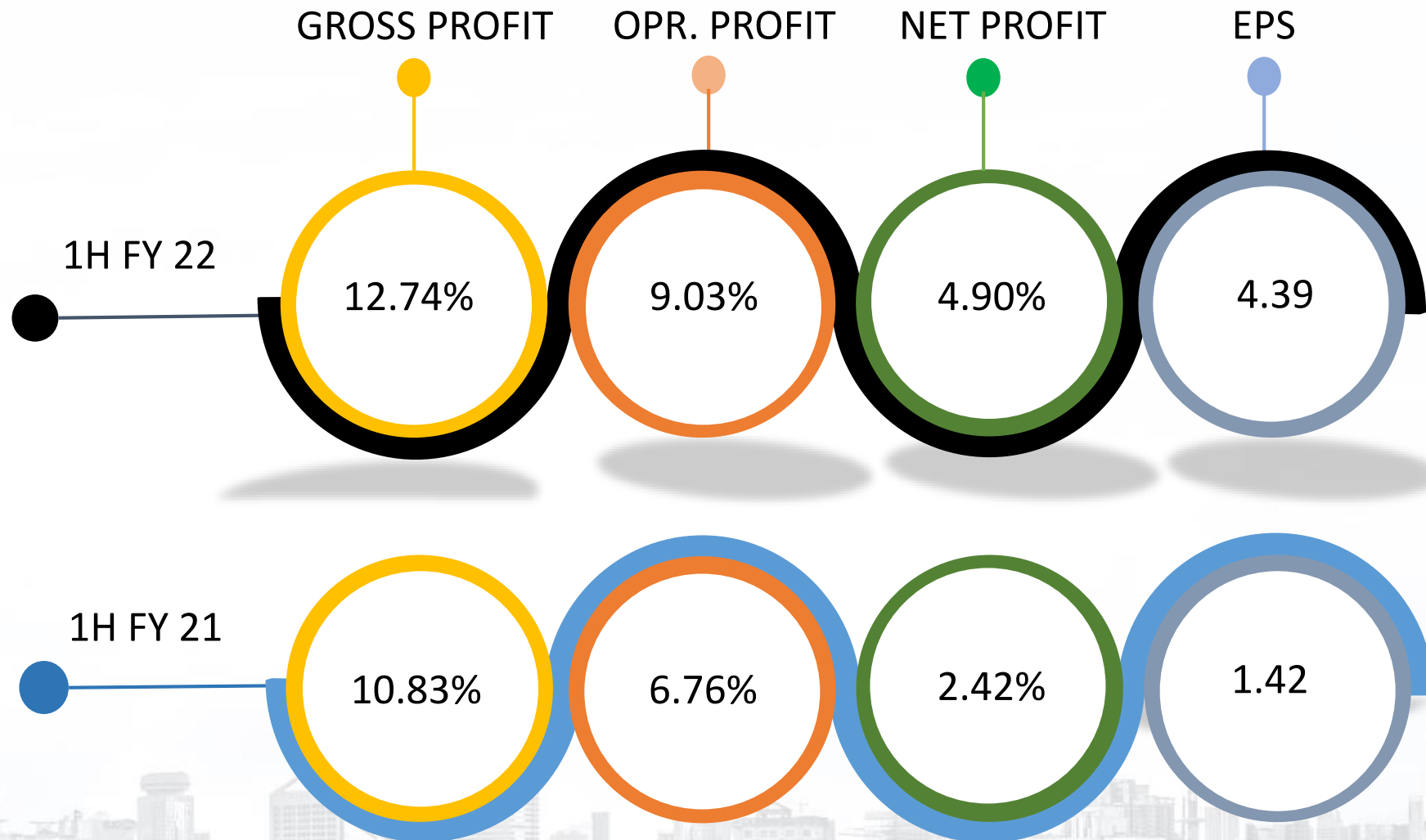
EPS
Rs. 4.39

Up by
3 Times

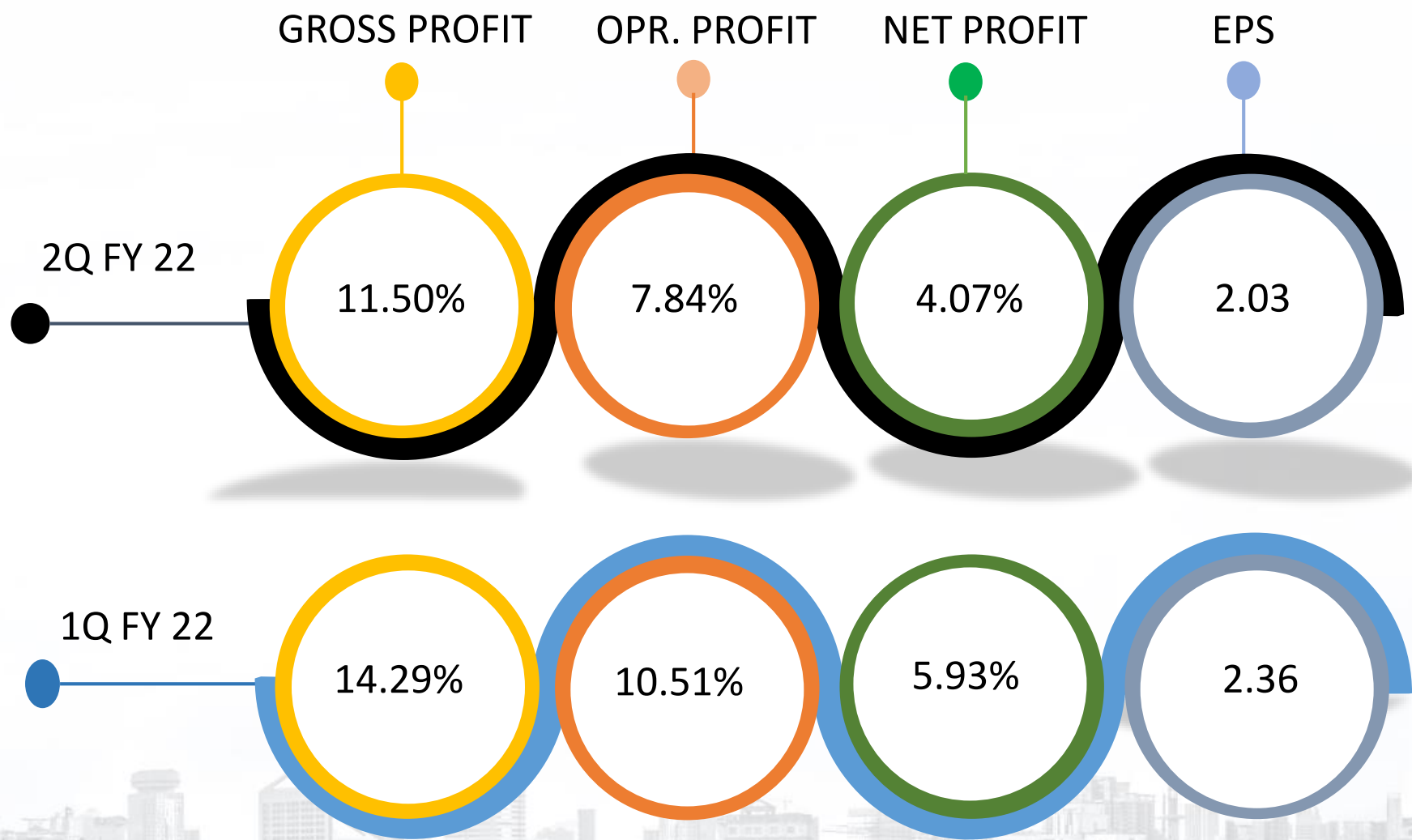
**PRIME BAR
SOLD**
178,912 MT

Up by
2.0%

MARGINS & EPS



MARGINS & EPS



PROFIT OR LOSS STATEMENT

	Half year 31 Dec. 2021	%	Half year 31 Dec. 2020	%	Qtr. Ended 31 Dec. 2021	%	Qtr. Ended 30 Sep. 2021	%
	Rs. '000		Rs. '000		Rs. '000		Rs. '000	
Sales	26,621,541	100	17,452,259	100	14,777,840	100	11,843,701	100
Cost Of Sales	(23,230,051)	87.26	(15,561,517)	89.17	(13,078,541)	88.50	(10,151,510)	85.71
Gross Profit	3,391,490	12.74	1,890,742	10.83	1,699,299	11.50	1,692,191	14.29
Distribution Cost	(502,917)	1.89	(444,801)	2.55	(264,028)	1.79	(238,889)	2.02
Administrative Cost	(354,463)	1.33	(258,055)	1.48	(176,873)	1.20	(177,590)	1.50
Expected Credit Loss	(27,762)	0.10	24,536	0.14	(47,127)	0.32	19,365	0.16
Other Charges	(124,824)	0.47	(37,045)	0.21	(54,496)	0.37	(70,328)	0.59
Other Opr. Income	21,325	0.08	3,599	0.02	5,508	0.01	20,253	0.17
Operating Profit	2,402,849	9.03	1,178,976	6.76	1,162,283	7.84	1,245,002	10.51
Finance Cost	(853,864)	3.21	(826,304)	4.79	(470,602)	3.15	(387,698)	3.27
Profit Before Tax	1,548,985	5.82	352,672	2.02	691,681	4.68	857,304	7.24
Taxation	(245,502)	0.92	70,332	0.40	(90,053)	0.61	(155,449)	1.31
Profit After Tax	1,303,483	4.90	423,004	2.42	601,628	4.07	701,855	5.93

QUANTITY AND PRICE VARIANCE – 2Q FY22 Vs. 1Q FY22

	2Q-FY 22	1Q-FY 22	VARIANCE		AMOUNT '000
SALES					
QUANTITY	95,239	88,004	7,235	134.58	973,655
PRICE (IN THOUSANDS)	155.17	134.43	20.58	95,239	1,960,484
NET SALES VARIANCE					2,934,139
COST OF SALES					
QUANTITY	95,239	88,004	7,235	(115.35)	(834,542)
PRICE (IN THOUSANDS)	(137.32)	(115.35)	(21.97)	95,239	(2,092,490)
NET SALES VARIANCE					(2,927,032)
NET CHANGE IN GROSS PROFIT					7,107
GROSS PROFIT					
QUANTITY	95,239	88,004	7,235	19.23	139,113
PRICE (IN THOUSANDS)	17.84	19.23	(1.39)	95,239	(132,006)
NET GROSS PROFIT VARIANCE					7,107

RECONCILIATION OF PROFIT AFTER TAX

QUANTITY AND PRICE VARIANCE	IMPACT	Rs. '000'	REMARKS
GROSS PROFIT	INCREASE	7,107	As explained in above slide
DISTRIBUTION COST	INCREASE	(25,139)	Mainly increased due to advertisement sales & promotion Rs. 24 million and others.
ADMINISTRATIVE COST	DECREASE	714	Variance expenses
EXPECTED CREDIT LOSS	INCREASE	(66,491)	The increase in ECL is due to uncertainty regarding IMF and government agreement and rupee devaluation has impacted the liquidity in economy resulting in increase in provision in 2nd quarter
OTHER CHARGES	DECREASE	15,833	Mainly decreased due to WPPF/WWF Rs. 12.228 million because of higher profits in 1st quarter FY22
OTHER OPERATING INCOME	DECREASE	(19,181)	Mainly due to income recorded on surety deposit refund amounting to Rs.12.75 million in 1st Quarter FY 22
FINANCE COST	INCREASE	(78,468)	Mainly increased due to increase in short term borrowings from Rs. 12.2 billion to Rs. 15.3 billion primarily due to increased capacity utilization, building up inventory to support future sales and rupee devaluation. Average interest have also increased from 8.3 to 9% in 2Q FY22.
TAXATION	DECREASE	65,396	Due to decrease in profitability as compared to 1st Quarter FY22
NET VARIANCE		(100,229)	
PAT 2ND QUARTER FY 22 LESS 1ST QUARTER FY22		(100,229)	
UNRECONCILED AMOUNT		-	

STATEMENT OF FINANCIAL POSITION

ASSETS	31 DEC. 2021	%	30 JUNE 2021	%
	-----Rs. '000'-----		-----Rs. '000'-----	
Non-current assets				
Property, Plant & Equipment	20,805,758	48.50	20,146,267	55.40
Intangibles	15,722	0.21	18,624	0.05
Long-term Investment	15,289	0.04	15,289	0.04
Long term deposits	164,280	0.04	152,349	0.42
Right of use assets	88,314	0.38	100,334	0.28
	21,089,363	49.16	20,432,863	56.19
Current assets				
Stores and spares	2,257,170	5.26	1,455,826	4.00
Stock in-trade	11,925,006	27.80	5,992,162	16.48
Trade debts	5,647,712	13.17	6,320,346	17.38
Loans and advances	75,508	0.18	34,044	0.09
Trade deposits and prepayments	44,282	0.10	21,072	0.06
Other receivables	16,978	0.04	275,213	0.76
Taxation - net	1,657,002	3.86	1,456,362	4.00
Cash and bank balances	184,596	0.43	378,573	1.04
	21,808,254	50.84	15,933,598	43.81
TOTAL ASSETS	42,897,617	100.00	36,366,461	100.00

EQUITIES AND LIABILITIES	31 DEC. 2021	%	30 JUNE 2021	%
	-----Rs. '000'-----		-----Rs. '000'-----	
Share capital & reserves	15,244,113	35.54	13,940,630	38.33
Non-current liabilities				
Long-term finances	4,886,730	11.34	4,820,910	13.26
Lease liabilities	75,710	0.18	84,963	0.23
Long-term provision	160,497	0.37	166,963	0.46
Loan from related party	341,333	0.80	341,333	0.94
Deferred taxation	331,352	0.77	213,003	0.59
Government grant	103,056	0.24	925	0.00
Deferred liability	333,786	0.78	309,193	0.85
	6,212,464	14.48	5,937,290	16.33
Current liabilities				
Trade and other payables	5,438,424	12.68	5,077,126	13.96
Contract liabilities	600,800	1.40	499,708	1.37
Accrued Interest	336,060	0.78	267,271	0.73
Short term finance - secured	14,097,402	32.86	9,474,081	26.05
Current portion of long term finance	913,748	2.13	1,129,289	3.11
Current portion of lease liabilities	22,049	0.05	22,854	0.06
Current portion of government grant	26,916	0.06	12,494	0.03
Unclaimed dividend	5,641	0.01	5,718	0.02
	21,441,040	49.98	16,488,541	45.34
TOTAL EQUITY AND LIABILITIES	42,897,617	100.00	36,366,461	100.00

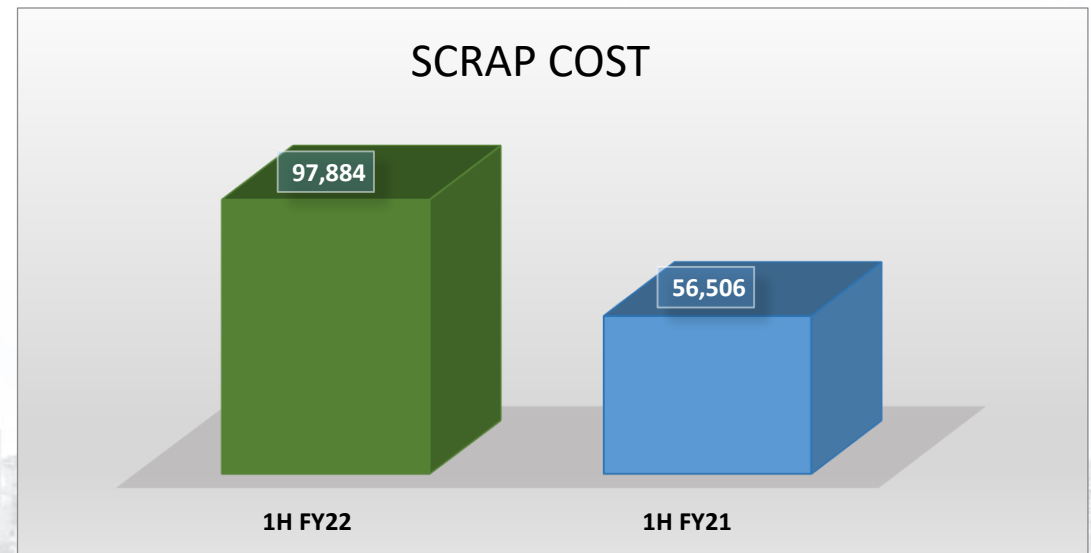
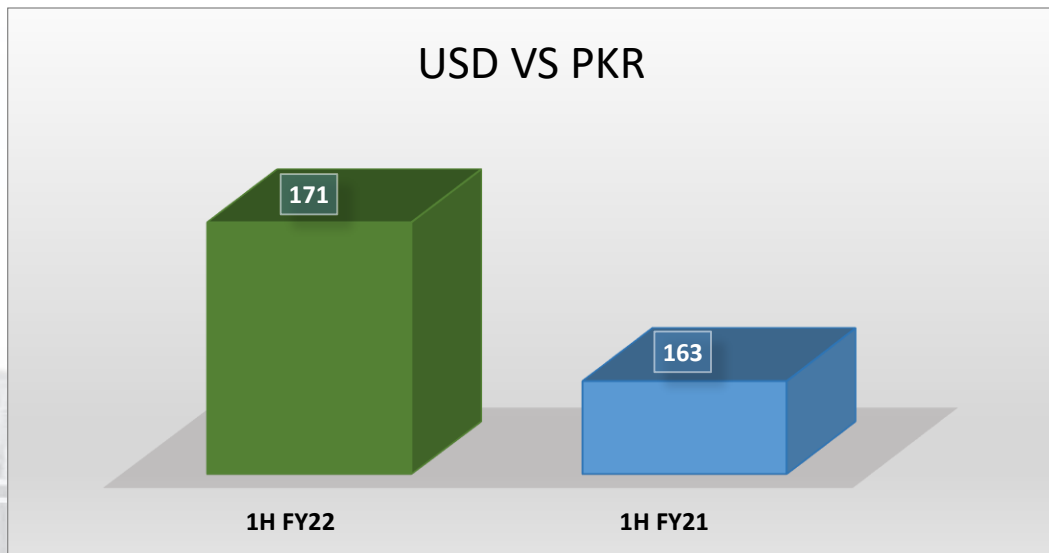
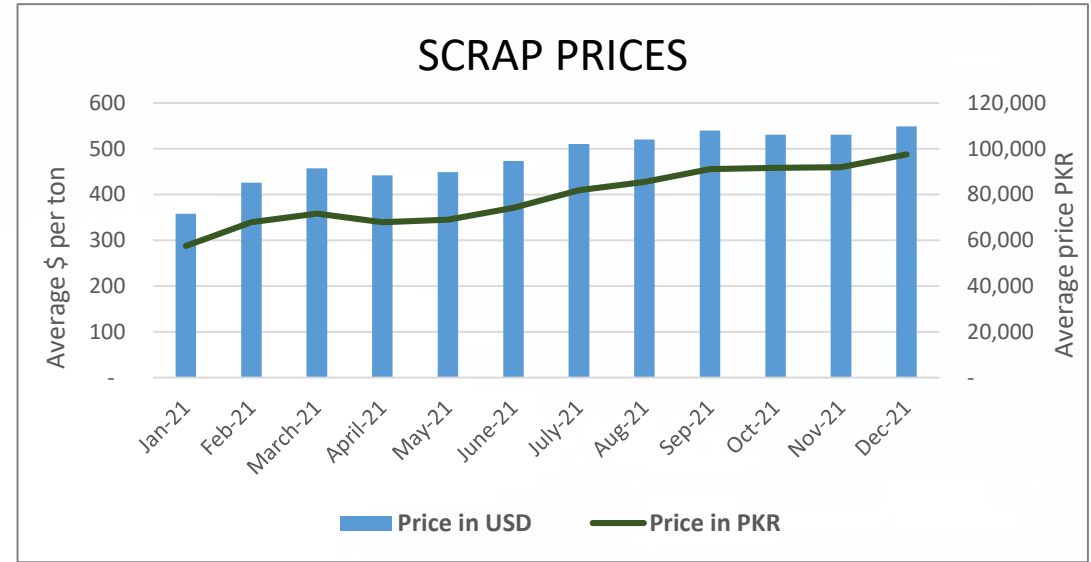
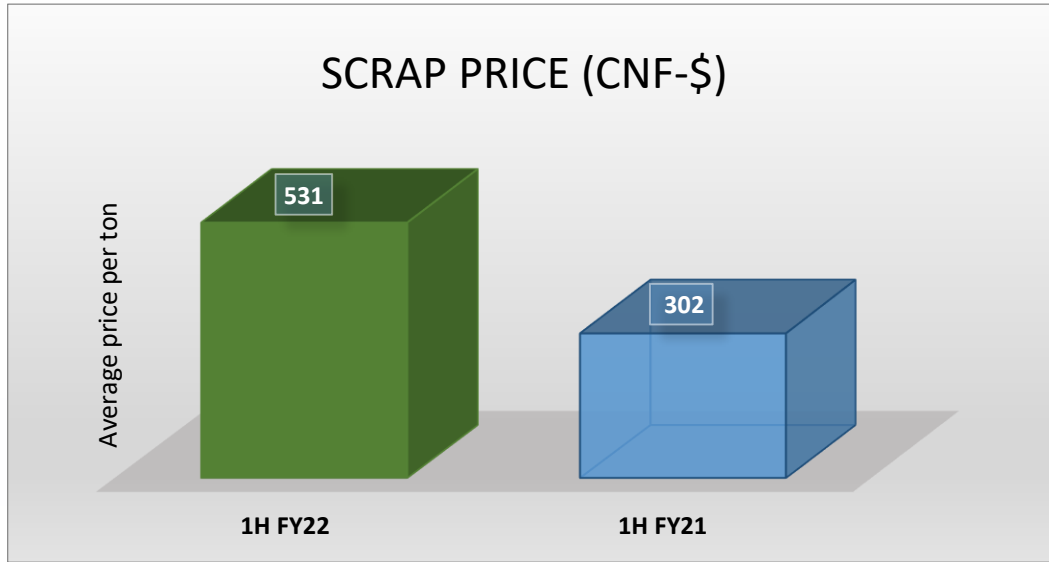
CASH FLOW STATEMENT

	31 DEC. 2021	31 DEC. 2020
Cash (used) / generated from operations	(2,777,668)	3,863,895
Gratuity Paid	(10,522)	(14,215)
Long term deposits paid	(11,931)	(18,838)
Finance cost paid	(780,532)	(1,157,721)
Income tax paid	(327,795)	(228,808)
Net cash (used) / generated from operating activities	(3,908,448)	2,444,313
Fixed capital expenditure	(1,013,192)	(633,073)
Purchase of intangible assets	(891)	(1,204)
Proceeds from sale of operating assets	18,008	11,902
Net cash used in investing activities	(996,075)	(622,375)
Short term borrowings – net	4,601,146	(2,047,393)
Long-term financing – net	(59,634)	271,535
Lease rentals paid	(14,521)	(13,554)
Dividends paid	(77)	(202)
Net cash generated from / (used in) financing activities	4,526,914	(1,789,614)
Net increase in cash and cash equivalents	(377,609)	(32,324)
Cash and cash equivalent at the beginning of the year	(1,845,683)	(1,458,890)
Cash and cash equivalents at the end of period	(2,223,292)	(1,426,566)

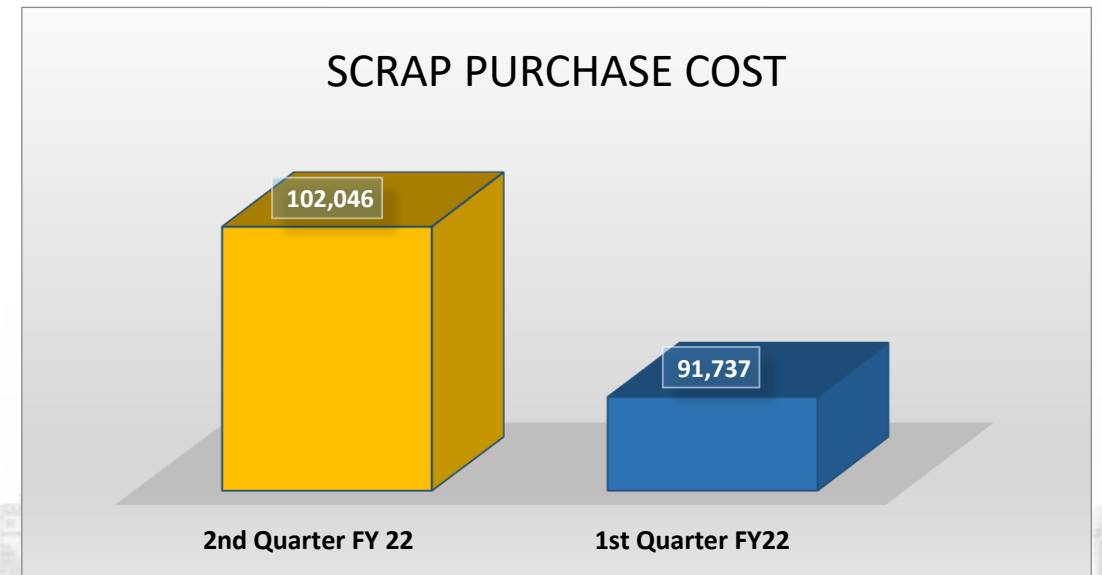
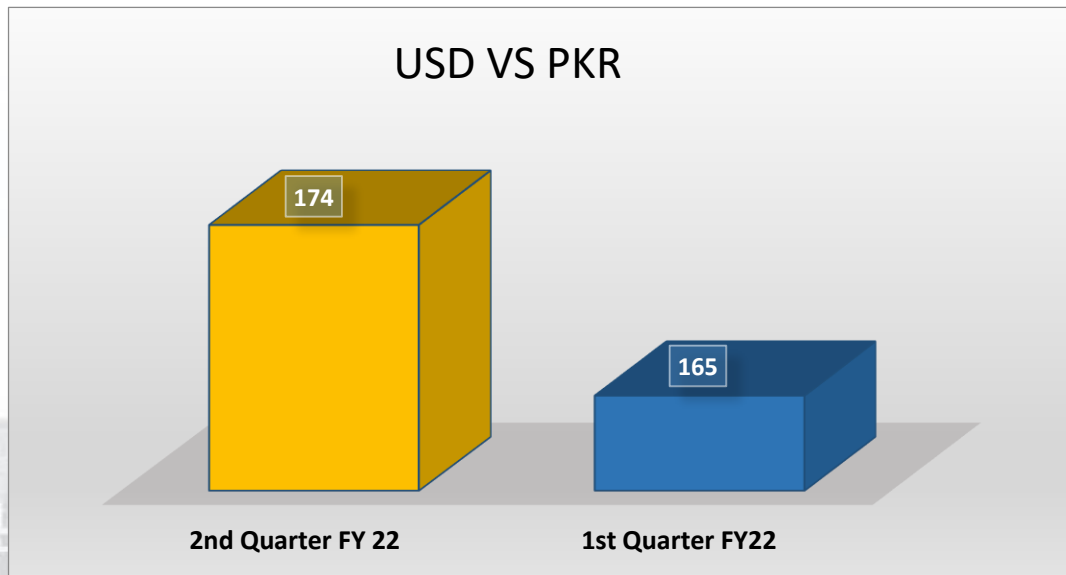
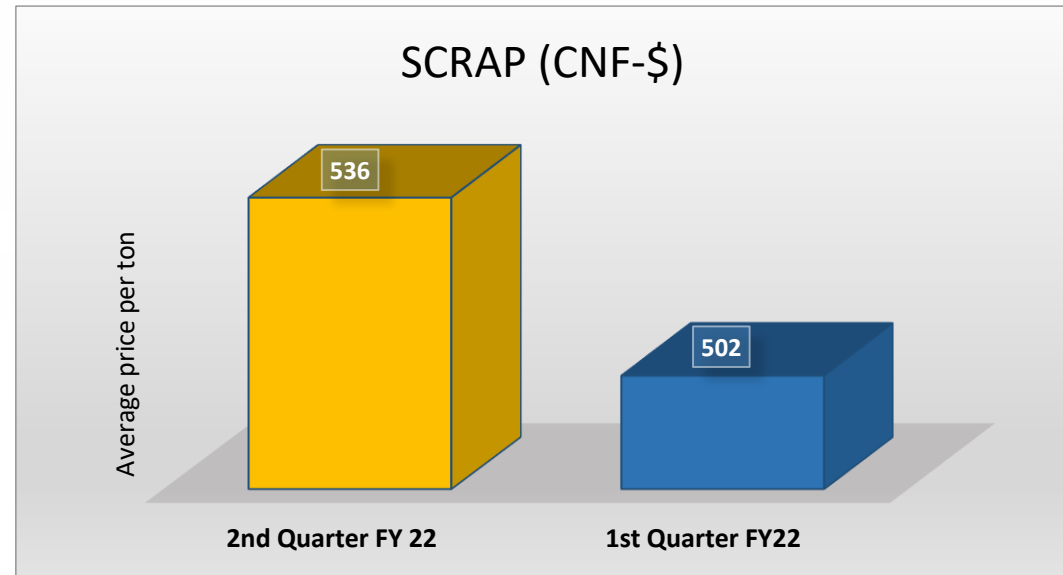
RATIO ANALYSIS

	UoM	FY 22	FY 21
PROFITABILITY RATIOS			
Gross profit ratio	Percentage	12.74	10.83
Net profit to sales ratio	Percentage	4.90	2.42
Return on equity (annualized)	Percentage	15.8	9.1
INVESTMENT/ MARKET RATIOS			
Earning per share	Times	4.39	1.42
Interest cover	Times	2.92	1.48
TURNOVER RATIOS			
Total asset turnover	Times	0.62	0.48
Fixed asset turnover	Times	1.28	0.87
LIQUIDITY RATIOS			
Current ratio	Times	1.02:1	0.97:1
Quick / acid test ratio	Times	0.46:1	0.60:1
Debtor turnover	Days	41	51
Break value per share	Rupees	51.33	46.94
CAPITAL STRUCTURE RATIOS			
Long-term debt / equity ratio	Times	0.38:1	0.43:1
Financial leverage ratio	Times	1.53:1	1.34:1

SCRAP COST – 1st HALF FY 22 AND 1st HALF FY 21

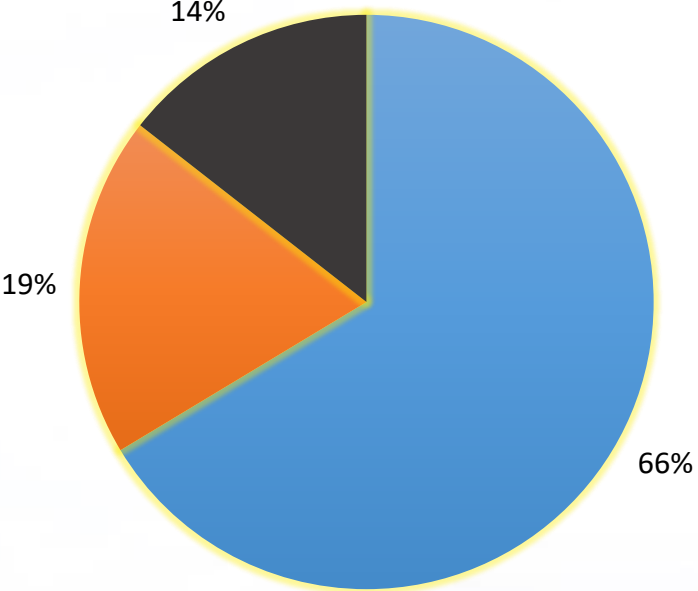


SCRAP COST – 2ND QUARTER FY22 AND 1ST QUARTER FY 22

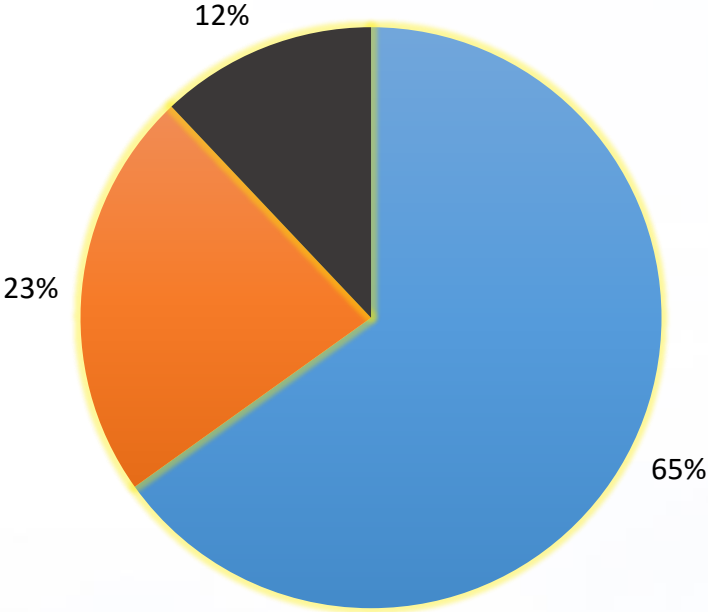


SEGMENT WISE SALES

1ST HALF-FY 22



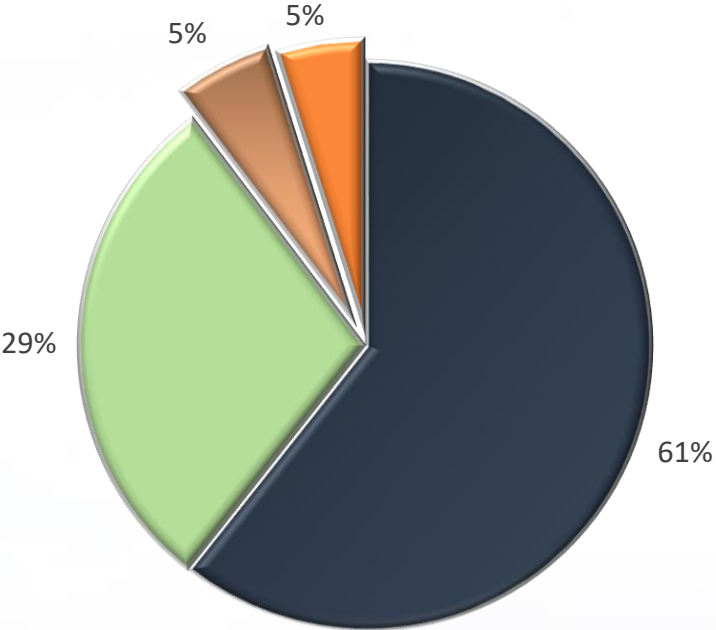
1ST HALF-FY 21



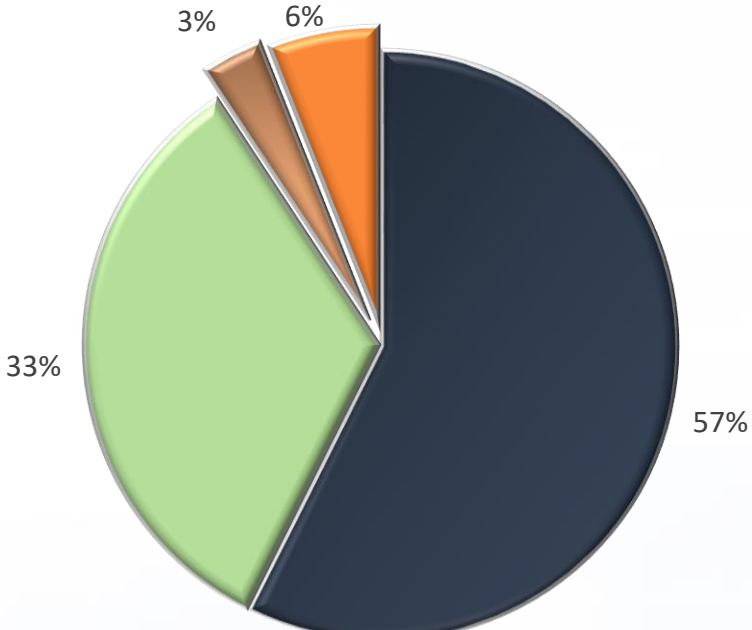
■ Retail ■ Corporate ■ Government & PFC

PROVINCE WISE SALES

1ST HALF - FY 22



1ST HALF - FY 21

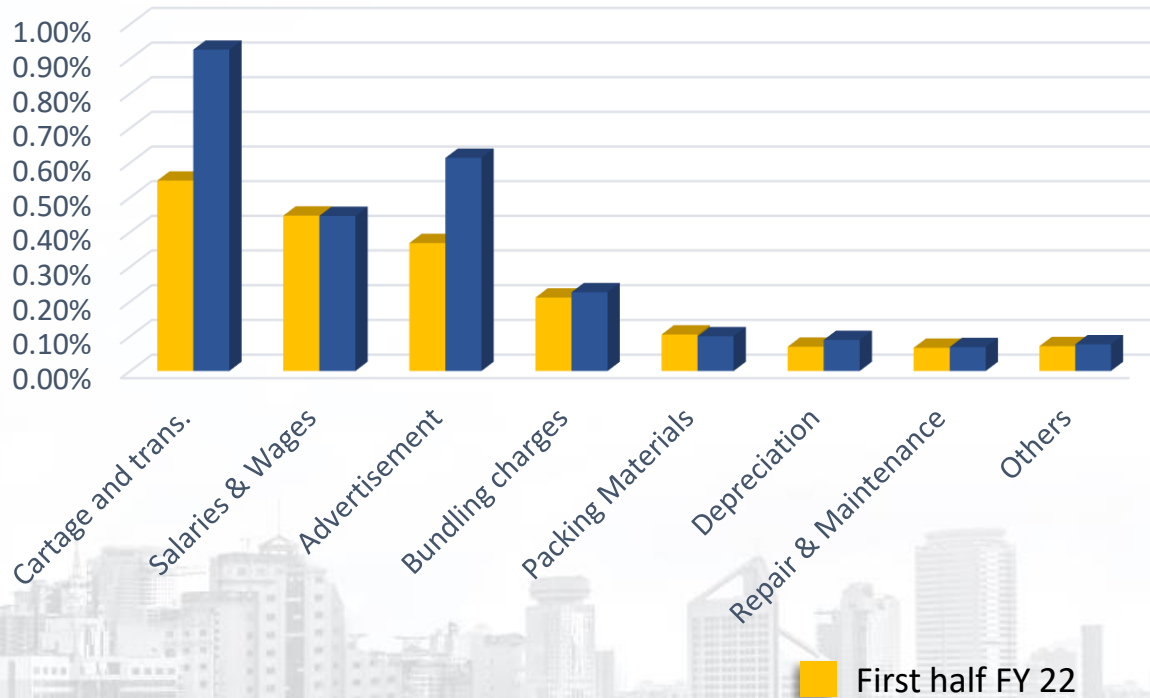


■ Sindh ■ Punjab ■ KPK ■ Balochistan

DISTRIBUTION EXPENSES

In 1H FY 22, Distribution expenses represents 1.89% of sales revenue.

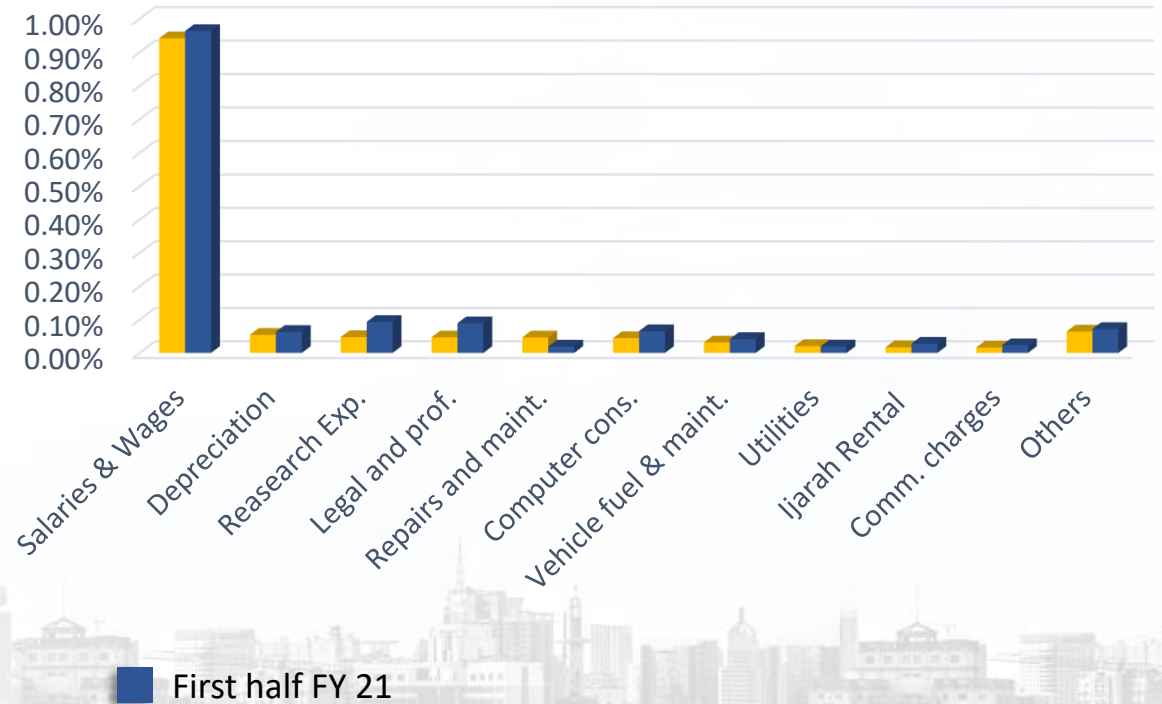
In 1H FY 21, Distribution expenses represents 2.55% of sales revenue.



ADMINISTRATIVE EXPENSES

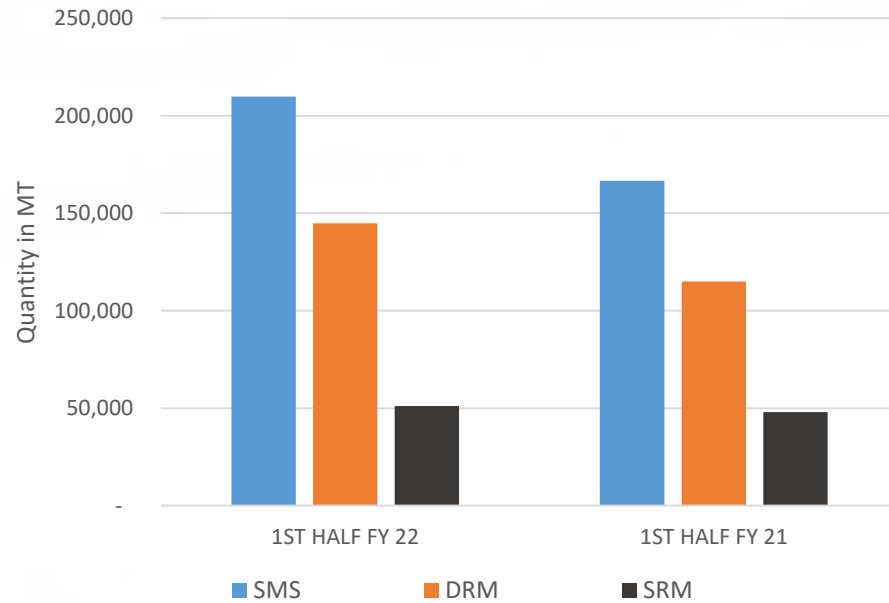
In 1H FY 22, Administration expenses represents 1.33% of sales revenue.

In 1H FY 21, Administration expenses represents 1.48 % of sales revenue.

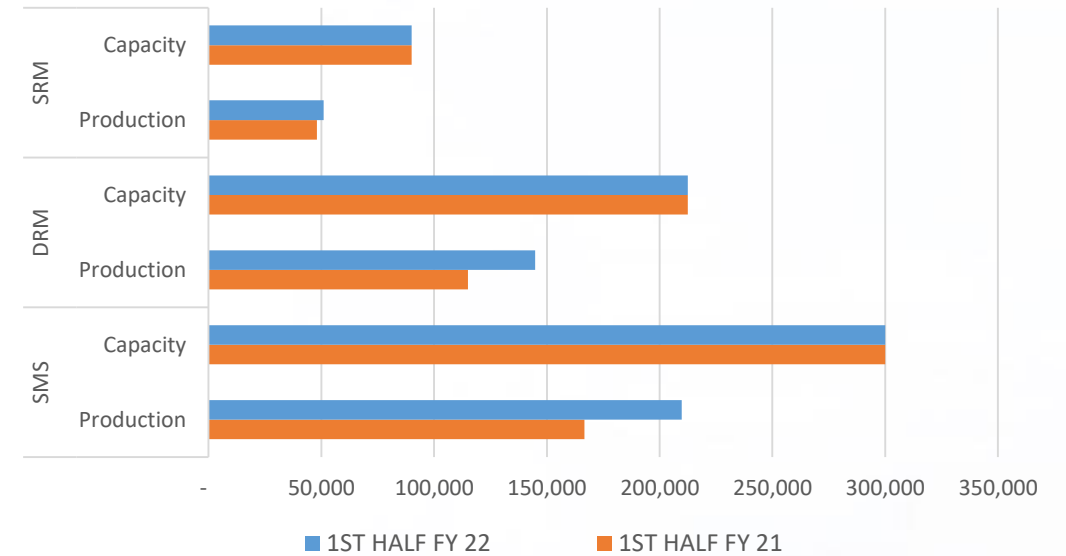


PRODUCTION AND CAPACITY UTILIZATION

PRODUCTION QUANTITIES



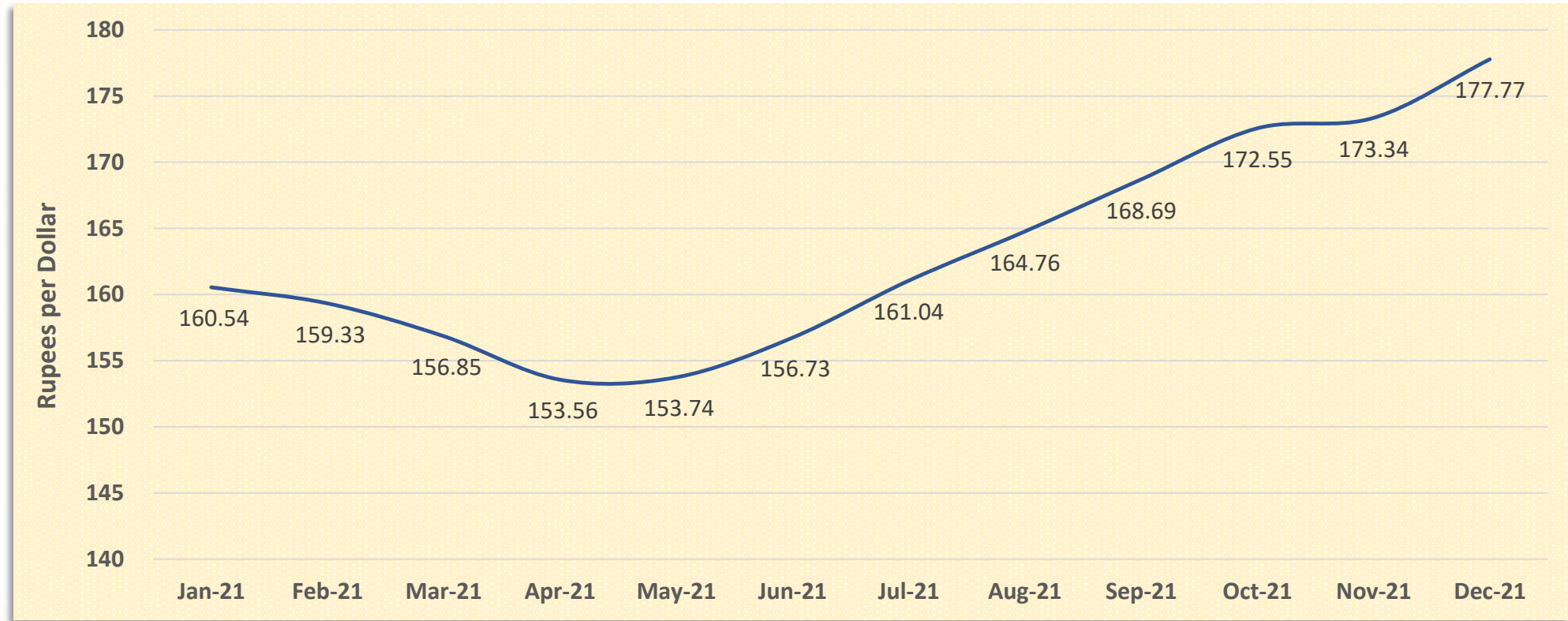
CAPACITY UTILIZATION



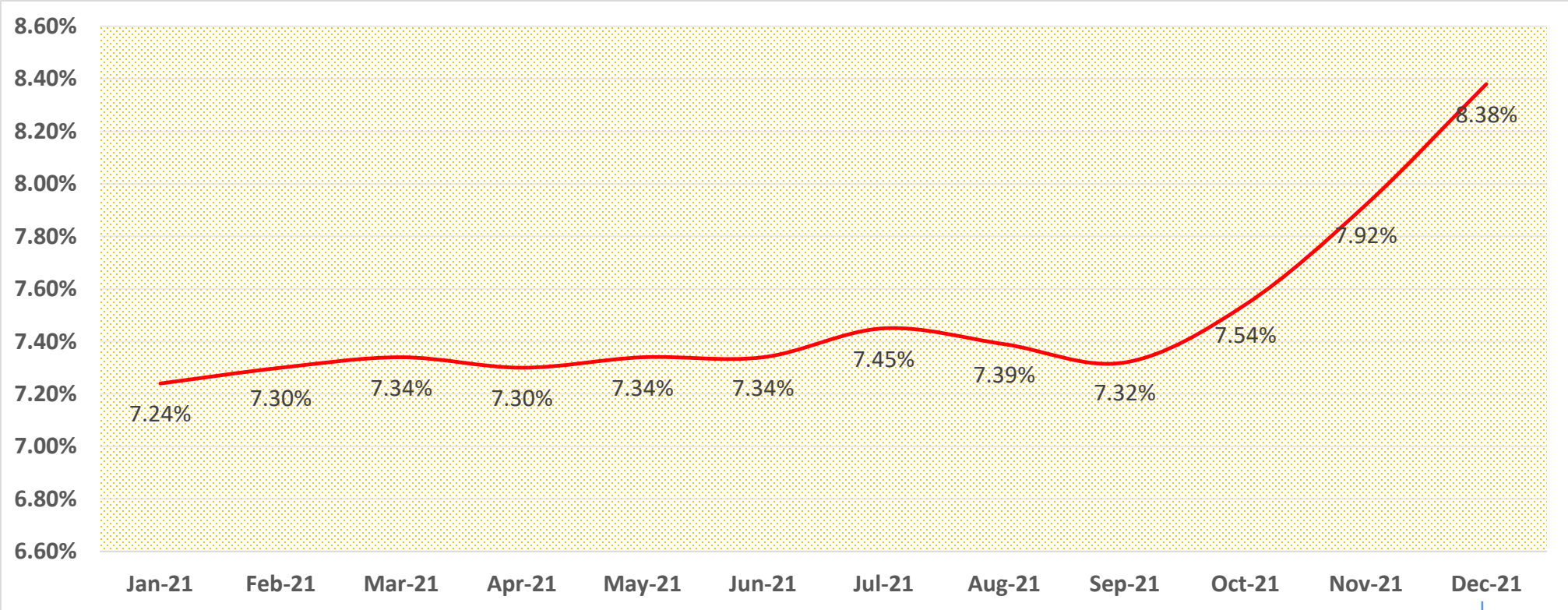
	SMS		DRM		SRM	
QTY -1HFY 22 (MT)	209,764	26% ↑	144,827	26% ↑	51,044	6% ↑
QTY -1HFY 21 (MT)	166,672		114,945		47,970	

	SMS	DRM	SRM
1H-FY 22	70%	68%	57%
1H-FY 21	56%	54%	53%

FOREIGN EXCHANGE RATE



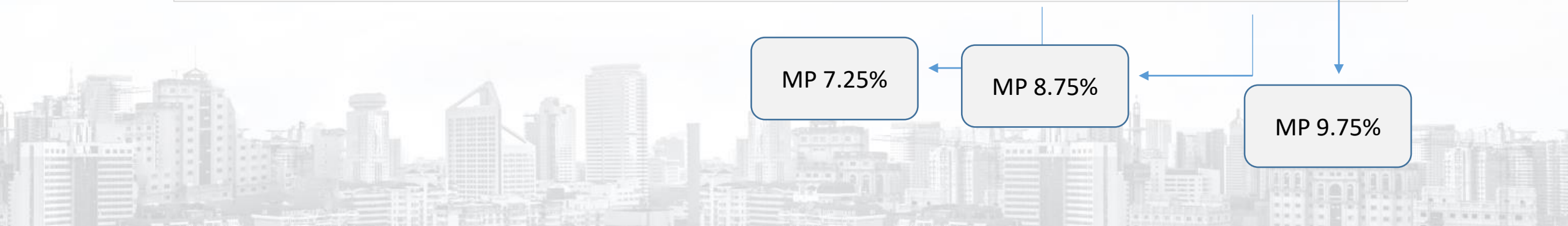
KIBOR %



MP 7.25%

MP 8.75%

MP 9.75%



Thank you

