

# Key Operational & Financial Data

## Operational Summary

	2022	2021	2020	2019	2018	2017
	----- Tons -----					
Production	306,527	365,274	277,800	202,164	217,370	209,524
Sales	306,213	379,622	258,453	205,456	217,043	214,316

## Summary of Statement of Profit or Loss

	----- Rs. In Millions -----					
Revenue	64,830	55,116	29,777	20,231	18,904	14,076
Cost of sales	(59,317)	(43,931)	(27,411)	(18,553)	(15,590)	(11,988)
Gross profit	5,514	11,185	2,366	1,678	3,314	2,087
Profit from operations	4,697	10,590	2,005	1,453	2,995	1,831
Profit / (loss) before taxation	1,275	8,588	(1,343)	(412)	1,916	882
Profit / (loss) for the year	1,146	6,368	(617)	254	1,284	1,020

## Summary of Financial Position

### Assets

Non-Current Assets	20,036	19,951	21,226	21,567	14,366	11,959
Current Assets	26,769	16,572	13,304	11,164	6,060	6,225
<b>Total Assets</b>	<b>46,805</b>	<b>36,524</b>	<b>34,531</b>	<b>32,731</b>	<b>20,426</b>	<b>18,184</b>

### Equity and Liabilities

Shareholders' Equity	14,036	14,467	8,097	8,747	8,491	6,700
Non-Current Liabilities	5,100	6,274	9,461	7,273	4,934	5,078
Current Liabilities	27,669	15,783	16,972	16,711	7,001	6,406
<b>Total Equities and Liabilities</b>	<b>46,805</b>	<b>36,524</b>	<b>34,531</b>	<b>32,731</b>	<b>20,426</b>	<b>18,184</b>

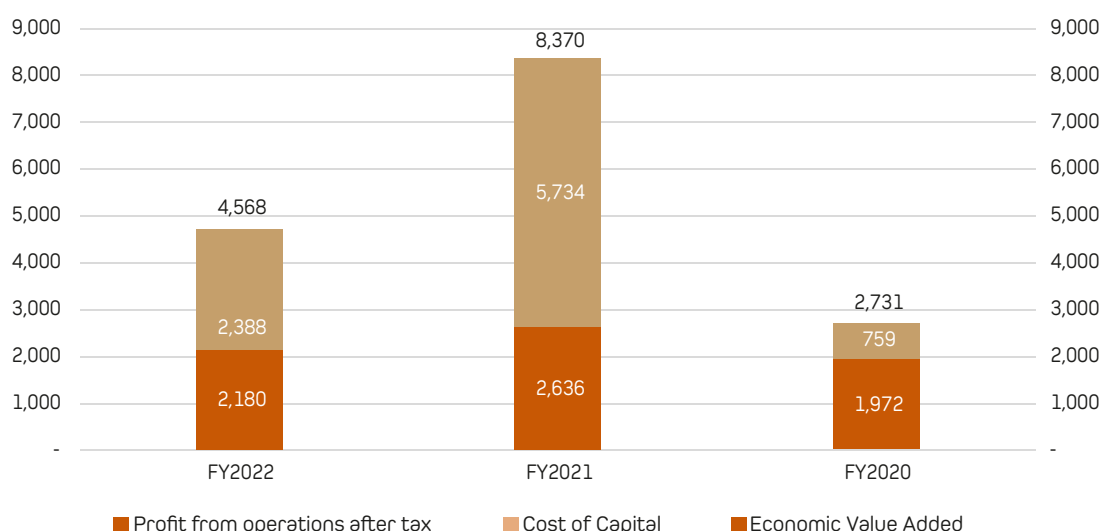
# Economic Value Added

	2022	2021	2020
	----- Rs. In Millions -----		
<b>Profit from operations after tax</b>	4,568	8,370	2,731
<b>Cost of Capital</b>	(2,180)	(2,636)	(1,972)
<b>EVA (Rs. In Millions)</b>	<u>2,388</u>	<u>5,734</u>	<u>759</u>
Total Assets	46,805	36,524	34,531
Less: Current Liabilities	(27,669)	(15,783)	(16,972)
<b>Net Capital Invested</b>	<u>19,136</u>	<u>20,741</u>	<u>17,559</u>
<b>WACC</b>	11.39%	12.71%	11.23%
<b>Cost of Capital</b>	<u>2,180</u>	<u>2,636</u>	<u>1,972</u>

## Comments

Economic Value Added has shown a decrease as compared from last year mainly due to the decline in operating profit for the year. Further, weighted average cost of capital (WACC) of the Company has also decreased due to the decline in market value of equity.

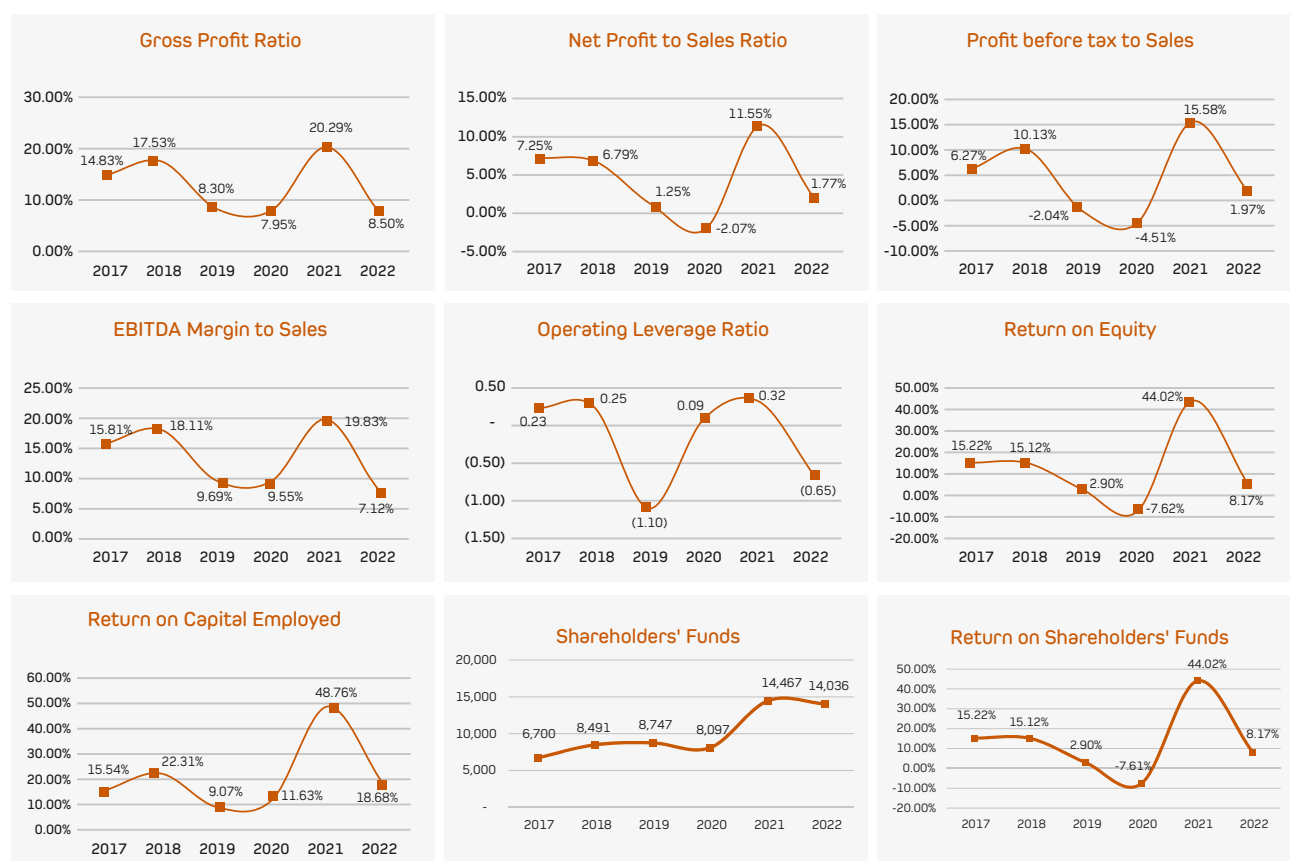
## Economic Value Added (Rs. in Millions)



# Ratio Analysis

## Profitability Ratios

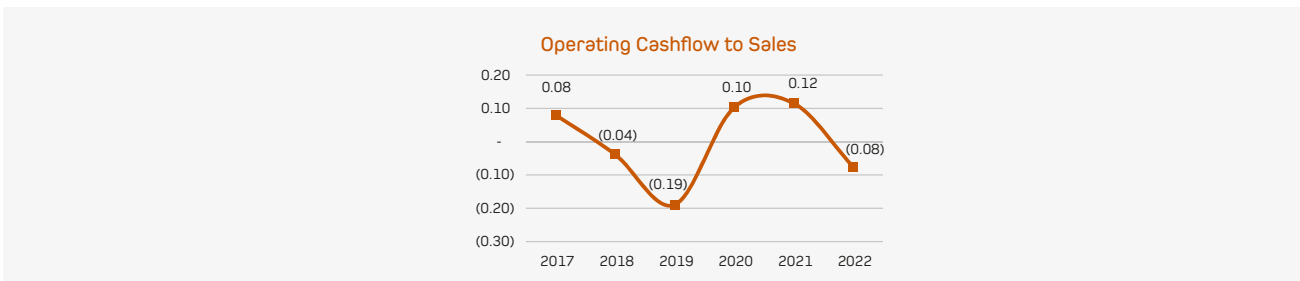
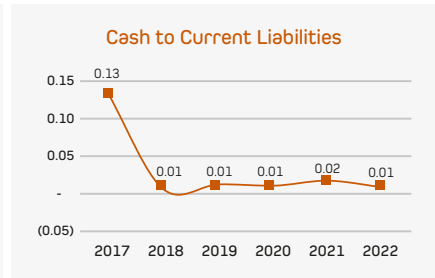
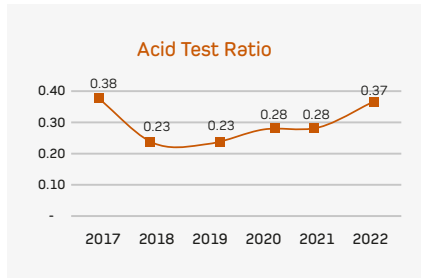
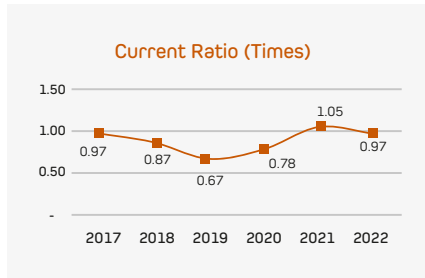
Description	Formula	2022	2021	2020	2019	2018	2017
Gross Profit Ratio (%)	Gross Profit or (Loss) / Net Sales	8.50%	20.29%	7.95%	8.30%	17.53%	14.83%
Net Profit to Sales (%)	Net Profit or (Loss) / Net Sales	1.77%	11.55%	(2.07%)	1.25%	6.79%	7.25%
Profit Before Tax to Sales (%)	Profit or (Loss) Before Tax / Net Sales	1.97%	15.58%	(4.51%)	(2.04%)	10.13%	6.27%
EBITDA Margin to Sales (%)	EBITDA / Net Sales	7.12%	19.83%	9.55%	9.69%	18.11%	15.81%
Operating leverage ratio (Times)	Change in EBITDA / Change in Net Sales	(0.65)	0.32	0.09	(1.10)	0.25	0.23
Return on Equity (%)	Profit or (Loss) After Tax / Shareholder's equity	8.17%	44.02%	(7.62%)	2.90%	15.12%	15.22%
Return on Capital employed (%)	EBIT / Capital employed	18.68%	48.76%	11.63%	9.07%	22.31%	15.54%
Shareholders' Funds	Total Assets minus Total Liabilities	14,036	14,467	8,097	8,747	8,491	6,700
Return on Shareholders' Funds (%)	Profit or (Loss) After Tax / Shareholder's equity	8.17%	44.02%	-7.61%	2.90%	15.12%	15.22%



The exceptional profit margins achieved in 2021 faced downturn in 2022. HRC prices, which peaked at USD 1,050, started declining in 2022. USD also appreciated substantially against green back during FY 2022 resulting in high material costs, which could not be passed on to consumers completely. Despite the challenging conditions, Company was able to post profitable bottom line.

## Liquidity Ratios

Description	Formula	2022	2021	2020	2019	2018	2017
Current ratio (Times)	Current Assets / Current Liabilities	0.97	1.05	0.78	0.67	0.87	0.97
Quick / Acid test ratio (Times)	Liquid Assets / Current Liabilities	0.37	0.28	0.28	0.23	0.23	0.38
Cash to Current Liabilities (Times)	Cash and Bank / Current Liabilities	0.01	0.02	0.01	0.01	0.01	0.13
Cash Flow from Operations to Sales (Times)	Cash flow from Operations / Net Sales	(0.08)	0.12	0.10	(0.19)	(0.04)	0.08



The Company exhibited exceptional liquidity in 2021 on account of record profit. The liquidity status deteriorated in 2022 on account of reduced profitability and increased inventory turnover days. USD appreciated substantially against PKR, this along with political instability resulted in overall economy tightening and reduced sales quantities.

## Investment / Market Ratios

Description	Formula	2022	2021	2020	2019	2018	2017
Basic Earnings / (Loss) per Share (Rs. / Share)	Earnings Attributable to Ordinary Shareholders / Weighted Average Number of Shares	1.27	8.21	(0.89)	0.26	1.57	1.74
Diluted Earnings / (Loss) per Share (Rs. / Share) (N1)	Diluted Earnings Attributable to Ordinary Shareholders / Weighted Average Number of Shares	1.16	6.59	N/A	N/A	1.54	1.31
Price Earning Ratios (Times) per share	Market Price / Basic Earnings or (Loss) per Share	8.70	3.04	(10.38)	34.08	10.11	10.39
Price to Book Value Ratio (Times)	Market Price / Book Value per Share	0.75	1.37	0.92	0.82	1.64	1.99
Dividend Yield Ratio	Total Annual Dividend / Market Price		8.03%				
Dividend Payout Ratio	Total Annual Dividend / Annual Income	Refer (N2)	24.40%				
Cash Dividend per Share	Cash Dividend per Share		2				
Break up Value per Share (with Revaluation Surplus) (Rs. / Share)	Equity including surplus on revaluation of fixed assets / Number of shares	15.18	18.75	10.58	11.43	10.2	9.77
Break up Value per Share (without Revaluation Surplus) (Rs. / Share)	Equity excluding surplus on revaluation of fixed assets / number of shares	13.76	16.93	8.69	9.45	8.33	7.99
Free Cash Flows (Rs. in Millions)		(6,150)	5,132	2,427	(11,104)	(3,399)	3,051



The country continued to witness a V-shaped economic recovery for the second consecutive period. The country attained a real GDP growth of 5.97% which is higher than growth of 5.74% recorded last year. Impressive GDP growth rate of almost 6% was overshadowed by ballooning twin fiscal and current account deficits. Political instability, high international fuel and commodity prices and bludgeoning trade deficit exerted immense pressure on foreign exchange reserves resulting in significant depreciation of PKR against USD which in turn contributed towards high inflation.

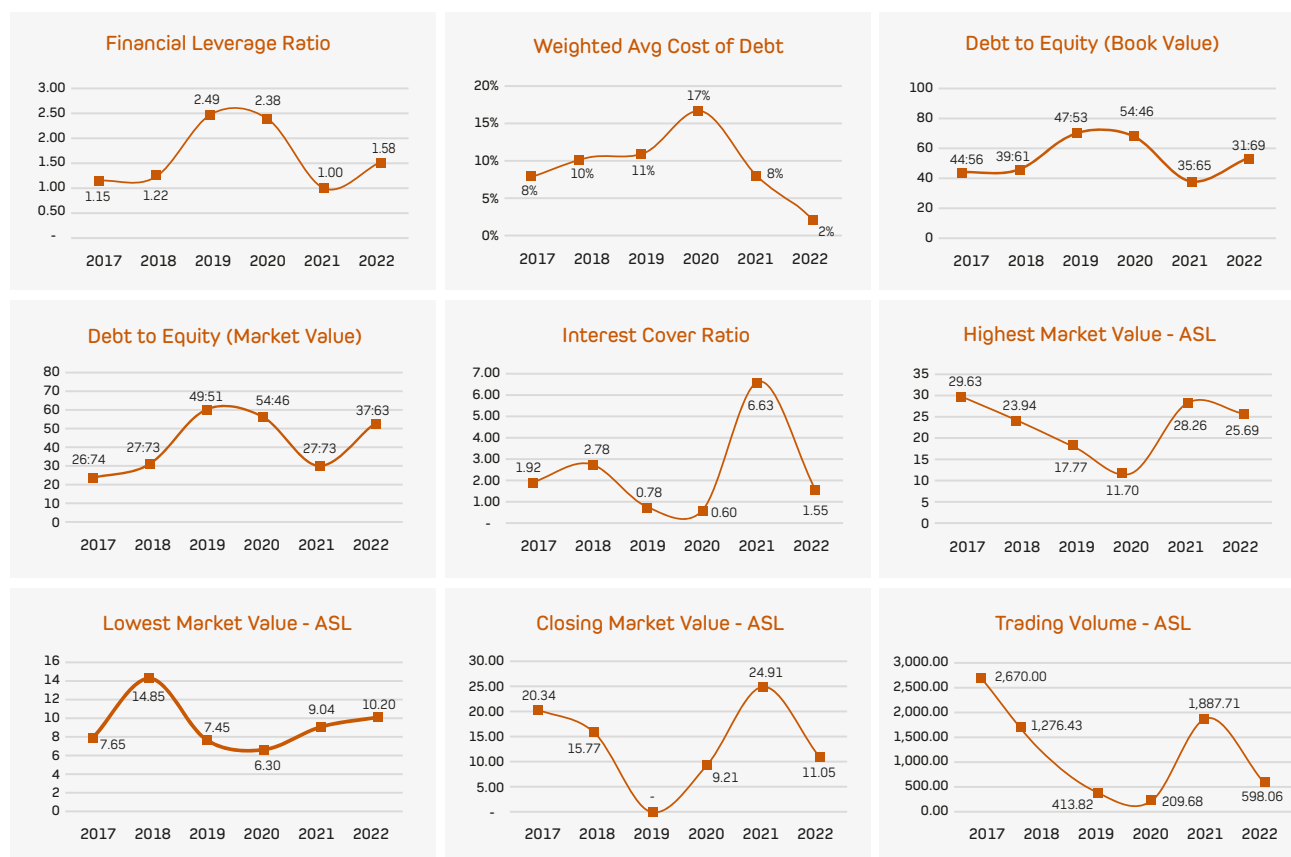
The varying HRC prices coupled with increase in borrowing cost resulted in decline in profitability. In spite the Company has delivered balanced performance during the year with the record high sales revenue of Rs. 64.83 billion (2021: Rs. 55.17 billion), which has translated into an earning per share of Rs. 1.27 (2021: Rs. 8.21).

### Notes

N1 - Due to losses dilution of earnings per share had anti-dilutive effect for financial year 2019, 2020, and 2022 therefore, the same has not been disclosed and presented.

## Capital Structure Ratios

Description	Formula	2022	2021	2020	2019	2018	2017
Financial Leverage Ratio (Times)	Total Debt/ Total Equity	1.58	1.00	2.38	2.49	1.22	1.15
Weighted Average Cost of Debt (%) (N1)	Total Interest / Total Debt	2%	8%	17%	11%	10%	8%
Debt to equity ratio (book value)	Total Long Term Debt / Equity	31:69	35:65	54:46	47:53	39:61	44:56
Debt to equity ratio (market value)	Market Value (MV) of Long Term Debt / MV of Equity	37:63	27:73	54:46	50:50	28:72	26:74
Interest Cover Ratio (Times)	Profit from Operations / Finance Cost	1.55	6.63	0.60	0.78	2.78	1.93
Market Value per share (Symbol: ASL)							
- High (Rs. / Share)	N/A	25.69	28.26	11.7	17.77	23.94	29.63
- Low (Rs. / Share)	N/A	10.20	9.04	6.30	7.45	14.85	7.65
- Closing (Rs. / Share)	N/A	11.05	24.91	9.21	9.2	15.77	20.34
Total Volume Traded (Number of shares in million)	N/A	598.06	1,887.71	209.68	413.82	1,276.43	2,670



In the current year, the Company has delivered balanced performance resulting in profitable bottom line despite many external constraints. In the previous year the rise in sales volume coupled with higher margins and decrease in borrowing cost resulted in significant increase in profitability. In the current year due to low sales volume, high borrowing cost and high inventory turnover days has increased the gearing of the Company.

### Notes

N1- the weighted average cost of debt has been calculated on the basis of average debt outstanding.

## Activity Ratios

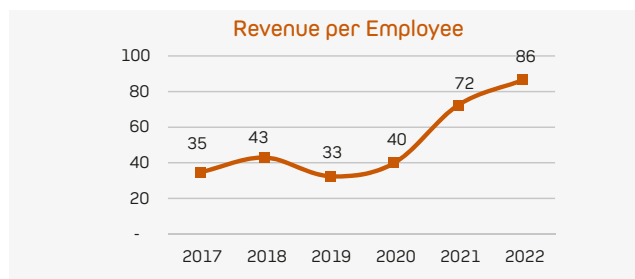
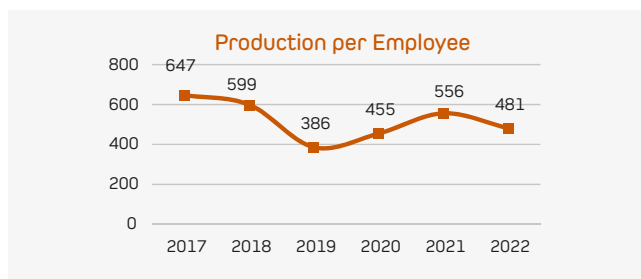
Description	Formula	2022	2021	2020	2019	2018	2017
Total Assets Turnover Ratio (Times)	Net Sales / Total Assets	1.39	1.51	0.86	0.62	0.93	0.77
Fixed Assets Turnover Ratio (Times)	Net Sales / Total Fixed Assets	3.39	2.84	1.57	1	1.41	1.34
Inventory Turnover (Times)	Cost of Goods Sold / Average Inventory	4.55	4.63	3.7	3.3	3.88	3.67
Inventory Turnover (Days)	Average Inventory / Cost of Goods Sold x 365	80.15	78.80	98.78	110.49	93.98	99.4
Debtors Turnover (Times)	Sales / Average Receivable	108.64	97.28	78.23	57.49	146.74	122.72
Debtors Turnover (Days)	Average Receivables / Sales x 365	3.36	3.75	4.67	6.35	2.49	2.97
Creditors Turnover (Times)	Cost of Goods Sold / Average Creditors	7.29	6.63	7.26	15.18	6.54	3.79
Creditors Turnover (Days)	Average Creditors / Cost of Goods Sold x 365	50.06	55.05	50.25	24.04	55.85	96.42
Operating Cycle (Days)	Days in Inventory + Days in Receivables	83.51	82.56	103.45	116.84	96.47	102.37



Lower sales volume and higher inventory days resulted in deterioration in the operating cycle of the Company.

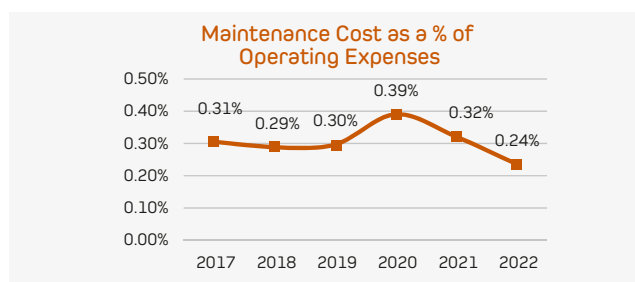
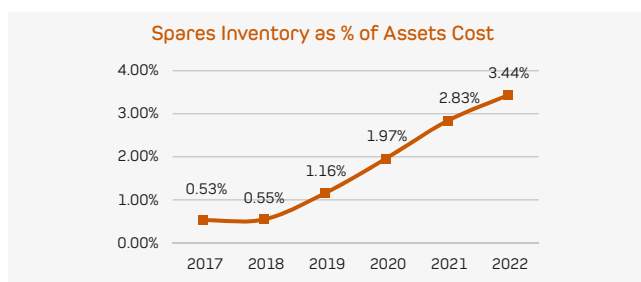
## Employee Productivity Ratios

Description	Formula	2022	2021	2020	2019	2018	2017
Production per Employee	Production / Average No. of Factory Employees	481	556	455	386	599	647
Revenue per Employee	Net Sales / Average No. of Employees	86	72	40	33	43	35



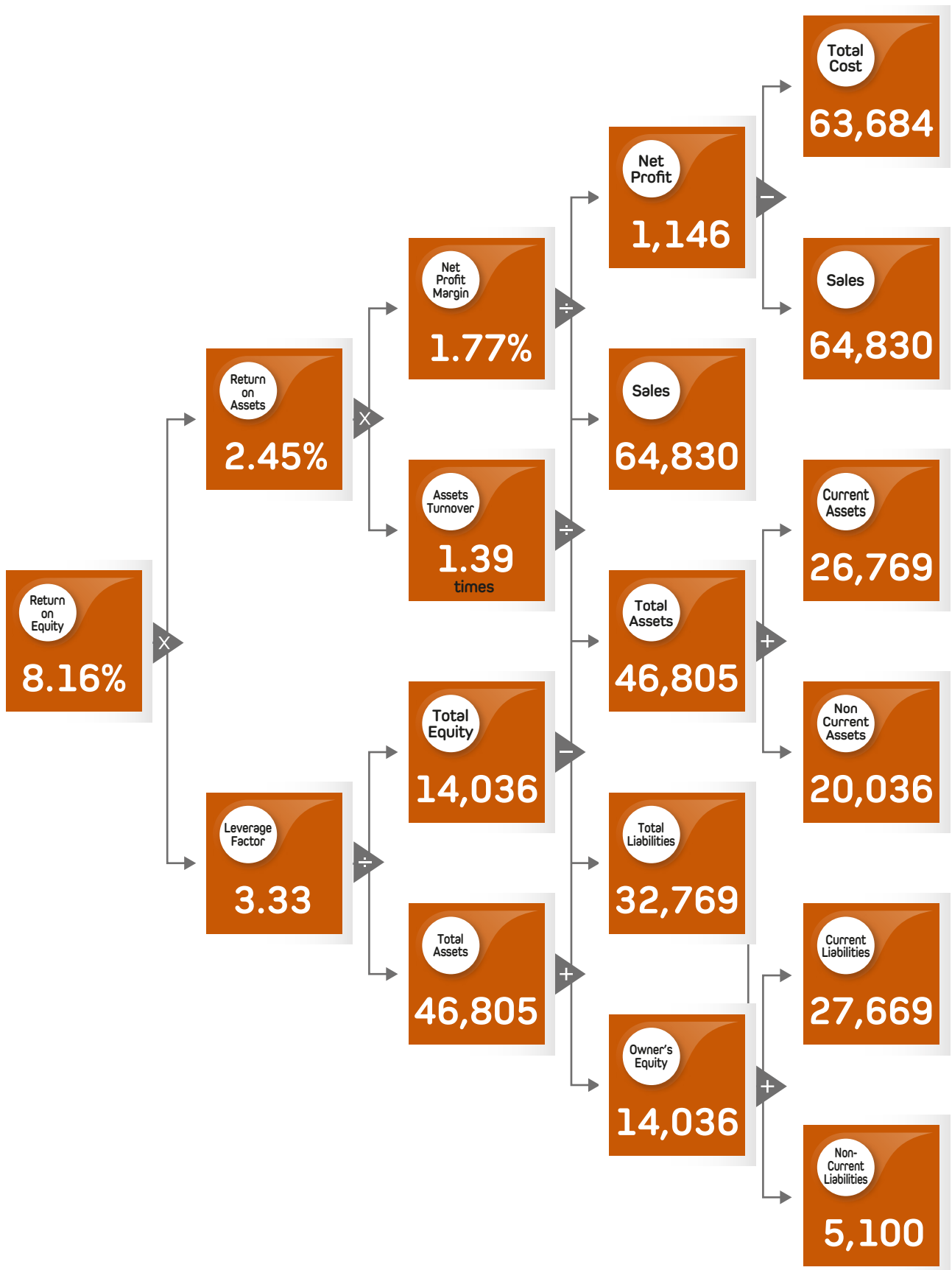
## Other Ratios

Description	Formula	2022	2021	2020	2019	2018	2017
Spares Inventory as % of Assets Cost	Total Spares / Total Assets	3.44%	2.83%	1.97%	1.16%	0.55%	0.53%
Maintenance Cost as % of Operating Expenses	Maintenance Cost / Operating Expenses	0.24%	0.32%	0.39%	0.30%	0.29%	0.31%





# DuPont Analysis

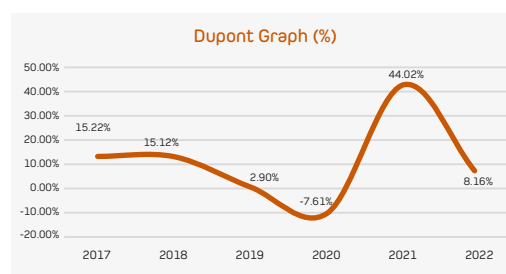


# DuPont Analysis

DuPont Analysis (Rs. In Million)		2022	2021	2020	2019	2018	2017
A	Non-current liabilities	5,100	6,274	9,461	7,273	4,934	5,078
B	Current Liabilities	27,669	16,972	16,711	7,001	6,406	27,688
C = A+B	Total Liabilities	32,769	22,057	26,433	23,984	11,935	11,484
D	Non-current Assets	20,036	19,951	21,226	21,567	14,366	11,959
E	Current Assets	26,769	16,573	13,304	11,164	6,060	6,225
F = D+E	Total Assets	46,805	36,524	34,530	32,731	20,426	18,184
G = C-F	Owners' Equity	14,036	14,467	8,097	8,747	8,491	6,700
H	Sales	64,830	55,116	29,777	20,231	18,904	14,076
I	Total Cost	63,684	48,748	30,393	19,977	17,620	13,056
J = H - I	Net Profit / (Loss)	1,146	6,368	(616)	254	1,284	1,020
K = J / H	Net Profit / Loss Margin (%)	1.77%	11.55%	(2.07%)	1.26%	6.79%	7.25%
L = H / F	Assets Turnover (Times)	1.39	1.51	0.86	0.62	0.93	0.77
M = F / G	Leverage Factor (Times)	3.33	2.52	4.26	3.74	2.41	2.71
N = K x L	Return on Assets (%)	2.45%	17.44%	-1.78%	0.78%	6.29%	5.61%
O = M x N	Return on Equity (%)	8.16%	44.02%	(7.61%)	2.90%	15.12%	15.22%

## Analysis

- The decline in profitability was on account of lower sales volume and decrease in profit margin. Political uncertainty high international fuel and commodity prices and bludgeoning trade deficit exerted immense pressure on foreign exchange reserves resulting in significant depreciation of PKR against USD which in turn contributed towards high inflation. Delay in reaching an agreement with IMF for release of next tranche resulted in major uncertainty about Pakistan's ability to meet its foreign financial obligations. Further, the outbreak of war in Ukraine resulted in rising energy prices and supply disruptions. The varying trend in HRC price and hike in borrowing cost resulted in decline in profitability of the Company.
- Asset turnover has improved gradually year by year, which shows incremental approach to growth and focus on better utilization of resources each year. The Company, witnessed a slight decrease in asset turnover ratio during the year which is primarily due to increase in inventory levels as compared to last year.
- The leverage ratio has deteriorated by 32% during the year. This was primarily on account of Increase in short-term borrowings which is in line with the increase in inventory levels together with higher working capital required for operational needs on account of significant PKR devaluation.



## Conclusion

The DuPont analysis depicts improvement in overall performance of the Company. In the current year, a decline on return of equity was reported on account of decrease in profitability which was mainly due to the HRC price trend and lower sales volume resulting in lower profit margins. There was an increase in short term borrowings to cater the working capital requirement of the Company which along with increase in interest rate resulted in higher borrowing cost. Further, PKR depreciated by 31% to Rs. 206.4 against USD from Rs. 157.5, which contributed to the exchange loss in the current year. In the previous year, a positive return on equity was reported which was mainly on account of improving economic trends backed by expansionary government policies, coupled with favourable prices trends due to price rise in the international steel market.

# Horizontal Analysis

## Statement of Financial Position

	2022		2021		2020		2019		2018		2017	
	Rs. In Millions	%	Rs. In Millions	%	Rs. In Millions	%	Rs. In Millions	%	Rs. In Millions	%	Rs. In Millions	%
<b>Assets</b>												
Non-Current Assets	20,036	0%	19,951	(6%)	21,226	(2%)	21,567	50%	14,366	20%	11,959	10%
Current Assets	26,769	62%	16,573	25%	13,304	19%	11,164	84%	6,060	(3%)	6,225	39%
Total Assets	46,805	28%	36,524	6%	34,530	5%	32,731	60%	20,426	12%	18,184	18%

## Equity and Liabilities

Shareholders' Equity	14,036	(3%)	14,467	79%	8,097	(7%)	8,747	3%	8,491	27%	6,700	152%
Non-Current Liabilities	5,100	(19%)	6,274	(34%)	9,461	30%	7,273	47%	4,934	(3%)	5,078	(5%)
Current Liabilities	27,669	75%	15,783	(7%)	16,972	2%	16,711	139%	7,001	9%	6,406	(13%)
Total Equity and Liabilities	46,805	28%	36,524	6%	34,530	5%	32,731	60%	20,426	12%	18,184	18%

## Statement of Profit or Loss

Revenue	64,830	18%	55,116	85%	29,777	47%	20,231	7%	18,904	34%	14,076	46%
Cost of sales	(59,317)	35%	(43,931)	60%	(27,411)	48%	(18,553)	19%	(15,590)	30%	(11,989)	39%
Gross profit	5,513	(51%)	11,185	373%	2,366	41%	1,678	(49%)	3,314	59%	2,087	113%
Selling and distribution cost	(421)	76%	(239)	469%	(42)	68%	(25)	32%	(19)	0%	(19)	(5%)
Administrative expenses	(395)	11%	(357)	12%	(320)	29%	(249)	30%	(192)	2%	(188)	20%
Profit from operations	4,697	(56%)	10,589	428%	2,004	43%	1,404	(55%)	3,103	65%	1,880	134%
Other expenses	(1,208)	24%	(977)	100%	-	(100%)	(3)	(98%)	(143)	120%	(65)	(100%)
Other Income	86	(83%)	499	1213%	38	(26%)	52	49%	35	119%	16	(36%)
Finance cost	(2,299)	51%	(1,524)	(55%)	(3,386)	82%	(1,865)	73%	(1,079)	14%	(949)	(7%)
Profit / (Loss) before taxation	1,275	(85%)	8,587	739%	(1,343)	226%	(412)	(122%)	1,916	117%	882	(556%)
Taxation	(129)	(94%)	(2,219)	(405%)	727	(9%)	666	205%	(632)	-558%	138	273%
Profit / (Loss) for the year	1,146	(82%)	6,368	1132.10%	(617)	(342.61%)	254	(80.21%)	1,284	26%	1,020	750%

## Comments on Horizontal Analysis

### Statement of Financial Position

Non-current assets mainly consist of Property, plant and equipment and deferred tax asset. Property, plant and equipment have witnessed a slight decrease on account of depreciation charged during the year. Further, deferred tax asset has increased due to the carried forward tax losses. On the other hand, current assets have significantly increased mainly on account of rising inventory levels due to decrease in sales volume and slow offtake.

Shareholder's equity has slightly decreased during the year due to payment of dividend. The decrease in long term liabilities is due to the repayment of long term debt. There has been an increase in current liabilities which is mainly due to the significant increase in short term borrowings to cater the higher working capital requirements of the Company.

### Statement of Profit or loss

The Company has demonstrated steady growth in revenue over the years. Current year saw a record high sales revenue generation of Rs. 64.83 billion which was mainly on account of higher steel prices. There was an unprecedented variation in HRC prices during the year which resulted in lower gross profit as compared to the previous year. There was a significant increase in short term borrowings to cater the higher working capital requirements of the Company which, along with increased interest rate, resulted in higher finance costs which led to decline in profitability of the Company. Further, exchange loss amounting to Rs. 1.12 billion was incurred during the year due to the significant depreciation of PKR against USD.

# Vertical Analysis

## Statement of Financial Position

	2022		2021		2020		2019		2018		2017	
	Rs. In Millions	%	Rs. In Millions	%	Rs. In Millions	%	Rs. In Millions	%	Rs. In Millions	%	Rs. In Millions	%
<b>Assets</b>												
Non-Current Assets	20,036	43%	19,951	55%	21,226	61%	21,567	66%	14,366	70%	11,959	66%
Current Assets	26,769	57%	16,573	45%	13,304	39%	11,164	34%	6,060	30%	6,225	34%
<b>Total Assets</b>	<b>46,805</b>	<b>100%</b>	<b>36,524</b>	<b>100%</b>	<b>34,530</b>	<b>100%</b>	<b>32,731</b>	<b>100%</b>	<b>20,426</b>	<b>100%</b>	<b>18,184</b>	<b>100%</b>

## Equity and Liabilities

Shareholders' Equity	14,036	30%	14,467	40%	8,097	23%	8,747	27%	8,491	42%	6,700	37%
Non-Current Liabilities	5,100	11%	6,274	17%	9,461	27%	7,273	22%	4,934	24%	5,078	28%
Current Liabilities	27,669	59%	15,783	43%	16,972	50%	16,711	51%	7,001	34%	6,406	35%
<b>Total Equity and Liabilities</b>	<b>46,805</b>	<b>100%</b>	<b>36,524</b>	<b>100%</b>	<b>34,530</b>	<b>100%</b>	<b>32,731</b>	<b>100%</b>	<b>20,426</b>	<b>100%</b>	<b>18,184</b>	<b>100%</b>

## Statement of Profit or Loss

Revenue	64,830	100%	55,116	100%	29,777	100%	20,231	100%	18,904	100%	14,076	100%
Cost of sales	(59,317)	91%	(43,931)	80%	(27,411)	92%	(18,553)	92%	(15,590)	(82%)	(11,989)	(85%)
Gross profit	5,513	9%	11,185	20%	2,366	8%	1,678	8%	3,314	18%	2,087	15%
Selling and distribution cost	(421)	(1%)	(239)	0%	(42)	0%	(25)	0%	(19)	0%	(19)	0%
Administrative expenses	(395)	(1%)	(357)	(1%)	(320)	(1%)	(249)	(1%)	(192)	(1%)	(188)	(1%)
Profit from operations	4,697	7%	10,589	19%	2,004	7%	1,404	7%	3,103	16%	1,880	13%
Other expenses	(1,208)	(2%)	(977)	(2%)	-	0%	(3)	0%	(143)	(1%)	(65)	0%
Other Income	86	0%	499	1%	38	0%	52	0%	35	0%	16	0%
Finance cost	(2,299)	(4%)	(1,524)	(3%)	(3,386)	(11%)	(1,865)	(9%)	(1,079)	(6%)	(949)	(7%)
Profit / (Loss) before taxation	1,275	2%	8,587	16%	(1,343)	(5%)	(412)	(2%)	1,916	10%	882	6%
Taxation	(129)	0%	(2,219)	(4%)	727	2%	666	3%	(632)	(3%)	138	1%
<b>Profit / (Loss) for the year</b>	<b>1,146</b>	<b>2%</b>	<b>6,368</b>	<b>12%</b>	<b>(617)</b>	<b>(2%)</b>	<b>254</b>	<b>1%</b>	<b>1,284</b>	<b>7%</b>	<b>1,020</b>	<b>7%</b>

## Comments on Vertical Analysis

### Statement of Financial Position

Current assets mainly consist of inventories and other receivables. The current assets have increased mainly on account of rise in inventory levels due to decrease in sales volume and slow offtake of inventory during the year. Non-current assets have slightly increased due to increase in deferred tax asset during the year. Shareholder's equity has decreased due to payment of dividend during the year.

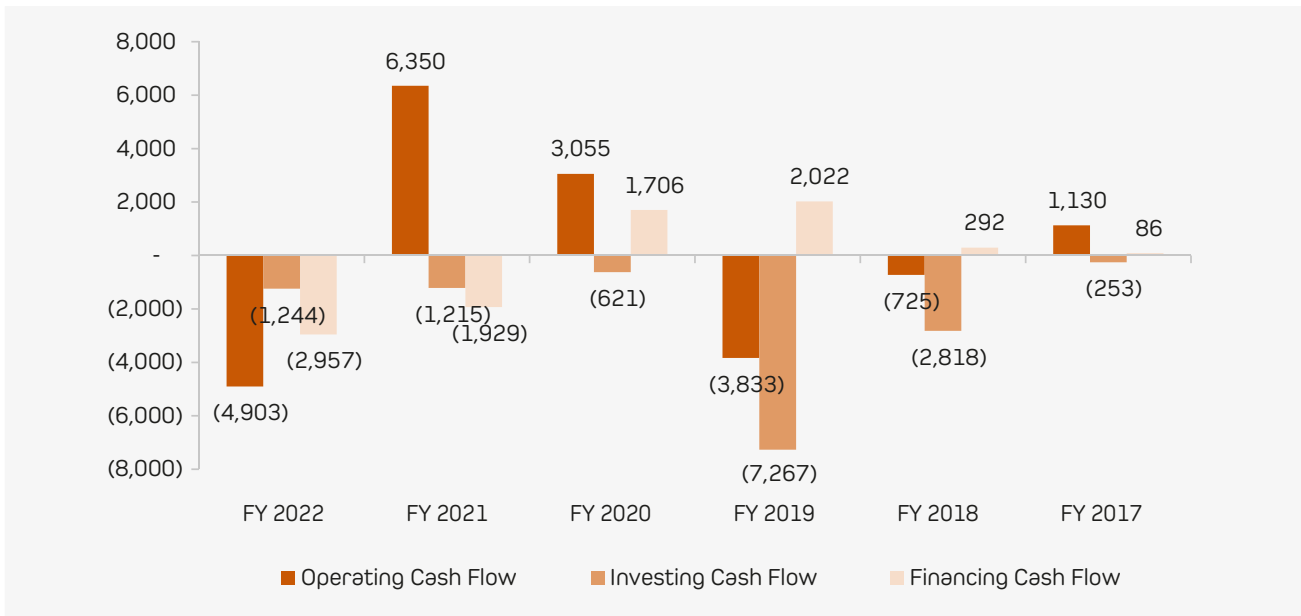
The decrease in long term liabilities is due to the repayment of principal during the year. Current liabilities mainly consist of short term borrowings and trade and other payables. The increase in current liabilities was mainly due to the increase in borrowing levels of the Company to cater the higher working capital requirement of the Company.

### Statement of Profit or loss

Revenue has increased during the year mainly due to the rise in steel prices. Cost of goods sold mainly consist of raw material consumed which has increased significantly due to the unprecedented changes in HRC prices during the year which has resulted in a decrease in gross profit. Further, there has been a significant increase in short term borrowings to cater the working capital requirements of the Company which resulted in higher finance costs coupled with significant depreciation of PKR against USD resulting in exchange loss, which led to decline in profitability of the Company.

# Summary of Cash Flow Statement

	2022	2021	2020	2019	2018	2017
----- Rs. In Millions -----						
Cash (used in) / generated from operations	(959)	8,964	6,165	(2,756)	460	1,918
Income tax paid	(1,392)	(1,046)	(116)	(152)	(540)	(80)
Mark-up on loans paid	(1,810)	(1,580)	(3,025)	(756)	(583)	(703)
Return on bank deposits received	35	33	16	10	12	3
Employee Benefits benefit paid	(15)	(8)	(5)	(5)	(6)	(8)
(Increase) / decrease in long-term loans and advances	-	-	-	(2)	(2)	-
Workers' welfare fund paid	(194)	-	-	(39)	(18)	-
Workers' profits participation fund paid	(516)	-	-	(103)	(47)	-
(Increase) / decrease Increase in long-term deposits	(53)	(13)	21	(29)	(1)	-
<b>Net cash (used in) / generated from operating activities</b>	<b>(4,903)</b>	<b>6,350</b>	<b>3,055</b>	<b>(3,833)</b>	<b>(725)</b>	<b>1,130</b>
Purchase of property, plant and equipment	(1,222)	(1,184)	(628)	(7,270)	(2,822)	(256)
Purchase of intangible assets	(24)	(34)	-	-	-	-
Sale proceeds from disposal of property, plant and equipment	3	3	7	3	5	3
<b>Net cash used in investing activities</b>	<b>(1,244)</b>	<b>(1,215)</b>	<b>(621)</b>	<b>(7,267)</b>	<b>(2,818)</b>	<b>(253)</b>
Proceeds from issue of share capital	-	-	-	-	148	2,177
Long term loan obtained / (repaid) - net	(1,452)	(1,908)	1,731	2,194	(65)	(800)
Short-term borrowings obtained / (paid)	-	-	-	(175)	175	(1,288)
Dividend paid	(1,475)	-	-	-	-	-
Increase / (decrease) in liabilities against assets subject to finance leases	(29)	(21)	(25)	3	34	(2)
<b>Net cash (used in) / generated from financing activities</b>	<b>(2,957)</b>	<b>(1,929)</b>	<b>1,706</b>	<b>2,022</b>	<b>292</b>	<b>86</b>
Net (decrease) / increase in cash and cash equivalents	(9,103)	3,205	4,139	(9,078)	(3,251)	963
Cash and cash equivalents at beginning of the year	(6,558)	(9,764)	(13,903)	(4,825)	(1,574)	(2,537)
<b>Cash and cash equivalents at end of the year</b>	<b>(15,661)</b>	<b>(6,558)</b>	<b>(9,764)</b>	<b>(13,903)</b>	<b>(4,825)</b>	<b>(1,574)</b>



### Comments on Cash Flow Analysis

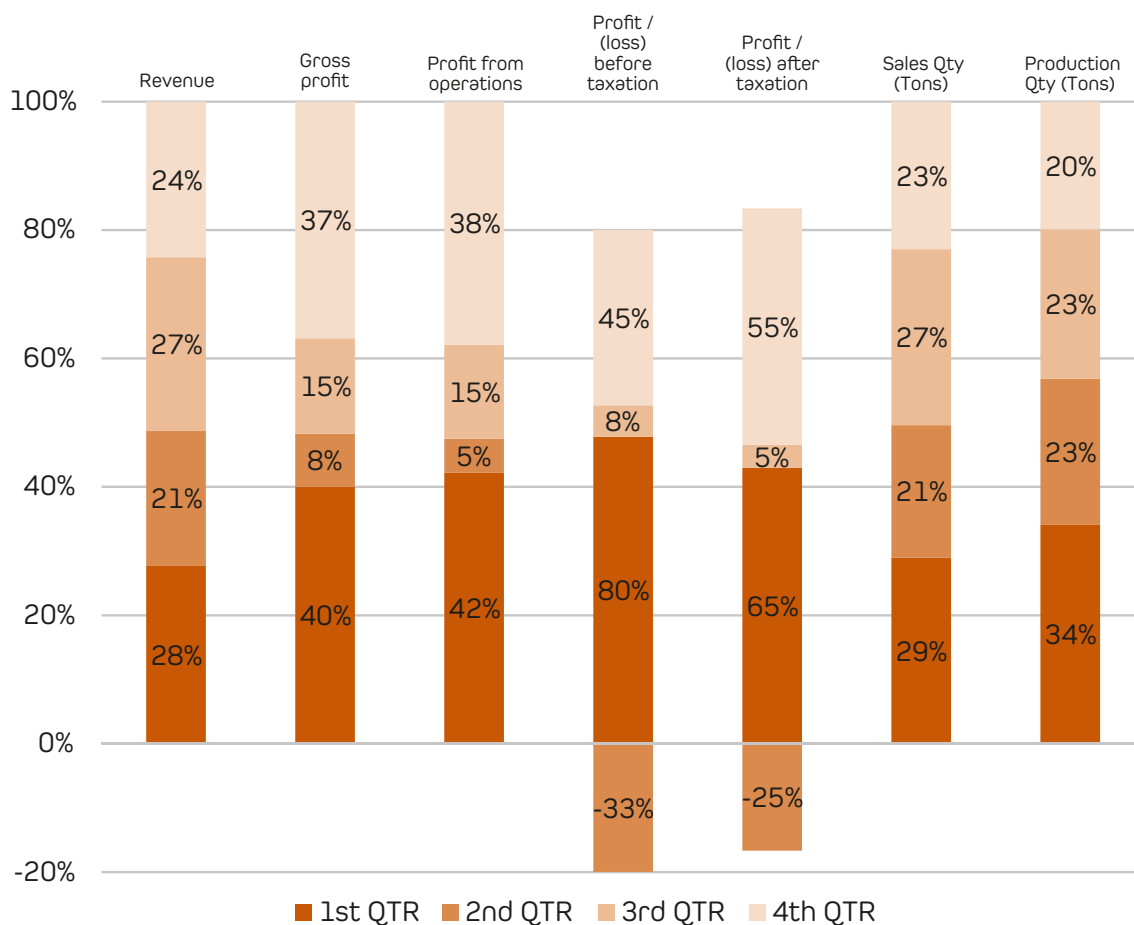
Cash flows from operating activities showed improvement in the previous year resulting from profits arising out of increased sales volume and better margins. However, during the current year due to devaluation of Rupee, increased inventory days and rising cost of doing business has resulted in deterioration of cash flows from operating activities.

Net cash used in investing activities mainly represents cash utilization on account of fixed capital expenditure. In the current year the Company made significant purchases of property, plant and equipment and intangibles.

Cash flows from financing activities depends on net cash requirements of the Company. This mainly represents repayment of long term finance, short term loan and dividend payments made during the year.

# Results Reported in Interim Financial Statements & Final Accounts

FY 2022	1st QTR	2nd QTR	3rd QTR	4th QTR	FY 2022
	Rs. In '000				
Revenue	18,007,065	13,573,527	17,536,012	15,713,814	64,830,418
Cost of sales	(15,798,942)	(13,121,172)	(16,715,568)	(13,681,050)	(59,316,732)
<b>Gross profit</b>	<b>2,208,123</b>	<b>452,355</b>	<b>820,444</b>	<b>2,032,764</b>	<b>5,513,686</b>
Selling and distribution cost	(145,541)	(81,272)	(53,371)	(141,305)	(421,489)
Administrative expenses	(81,077)	(121,787)	(79,915)	(112,622)	(395,401)
	(226,618)	(203,059)	(133,286)	(253,927)	(816,890)
<b>Profit from operations</b>	<b>1,981,505</b>	<b>249,296</b>	<b>687,158</b>	<b>1,778,837</b>	<b>4,696,796</b>
Other expenses	(474,581)	(176,393)	(49,834)	(507,586)	(1,208,394)
Other income	6,067	31,506	24,504	23,507	85,584
Finance cost	(498,226)	(528,392)	(557,276)	(714,956)	(2,298,850)
<b>Profit before taxation</b>	<b>1,014,765</b>	<b>(423,983)</b>	<b>104,552</b>	<b>579,802</b>	<b>1,275,136</b>
Taxation	(276,941)	138,030	(42,780)	52,668	(129,023)
<b>Profit after taxation</b>	<b>737,824</b>	<b>(285,953)</b>	<b>61,772</b>	<b>632,470</b>	<b>1,146,113</b>
Sales Qty (Tons)	88,834	63,082	83,884	70,413	306,213
Production Qty (Tons)	104,653	69,547	71,360	60,967	306,527



## Quarterly Results Analysis

### Quarter 1

The HRC prices came down and stabilized near US\$ 900 after reaching to an unprecedented level of US\$ 1,100 per ton. The total quantity sold during the quarter was 88,834 tons as compared to 94,878 sold during the corresponding period last year, showing a decrease of about 6.4%. Sales consist of 16,158 tons pertaining to export sales made to Europe, America and Canada. During the corresponding period last year, exports were limited to 2,618 tons with major quantity going to Afghanistan.

The total quantity produced during the period was 104,653 tons compared to 69,202 tons produced in the corresponding period last year, showing an increase of 51%.

### Quarter 2

The unprecedented rise of HRC prices in the financial year 2020-21, was followed by a gradual decline in the current financial year. The international market has somewhat stabilized since and the HRC prices declined to US\$ 800 by December 2021. Confronted with the rising international prices compounded by depreciating Rupee, the local market witnessed substantial rise in the steel prices. The end users, during the down cycle, preferred to draw down on inventories and made limited new purchases. Sales remained subdued in the second quarter.

The total quantity sold during the period was 63,082 tons out of which 4,177 tons was exported to Europe, America and Canada and several other countries. The total quantity sold in the corresponding period last year was 107,369 tons, showing a decline of about 41%. The total quantity produced during the period was 69,547 tons compared to 109,868 tons produced in the corresponding period last year, showing a decrease of about 37%. Arrival of raw material at higher prices coincided with declining international prices not allowing passing on the cost, resulting in lower gross profit margin. At the same time, hike borrowings cost resulted in surge in financial expenses.

### Quarter 3

The HRC prices further increased and reached to levels of US\$ 950, FOB China in March 2022. The tensions between Russia and Ukraine led to a full-blown war. Russia is a major supplier of oil, gas, and metals, and, together with Ukraine, of wheat and corn, the current and anticipated decline in the supply of these commodities has led to rising prices and further supply disruption. The local manufacturers were compelled to increase prices to pass on higher input cost as well as on account of depreciating Rupee against US\$.

The total quantity sold during the period was 83,884 tons out of which 10,312 tons was exported to Europe, America and Canada and several other countries. The total quantity sold in the corresponding period last year was 99,398 tons, showing a decline of about 16%. The total quantity produced during the period was 71,360 tons compared to 97,718 tons produced in the corresponding period last year, showing a decrease of about 27%. The production curtailed due to higher finished goods inventory, on account of lower sale volume.

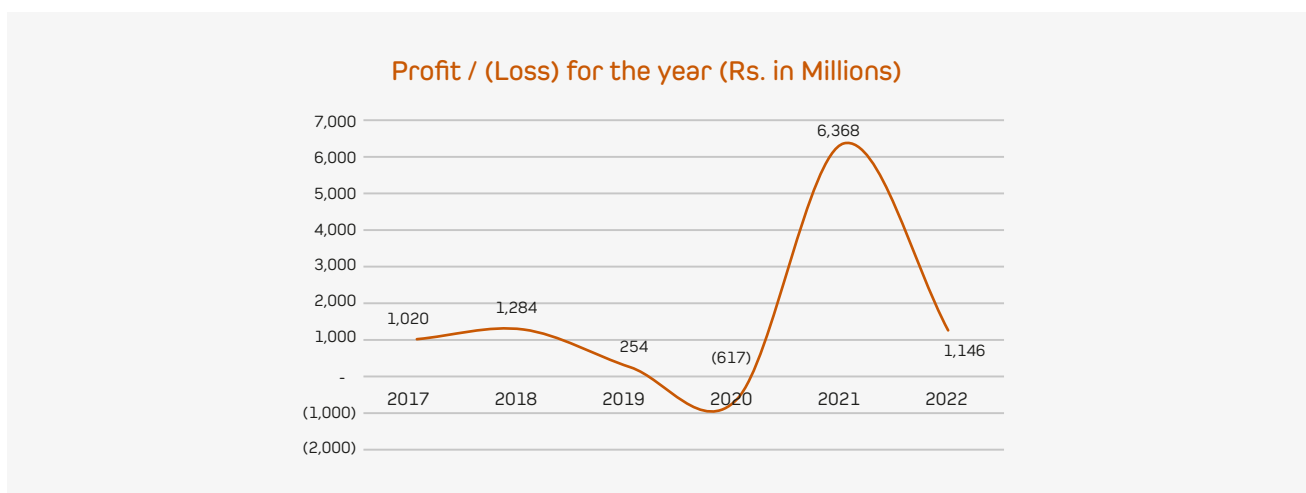
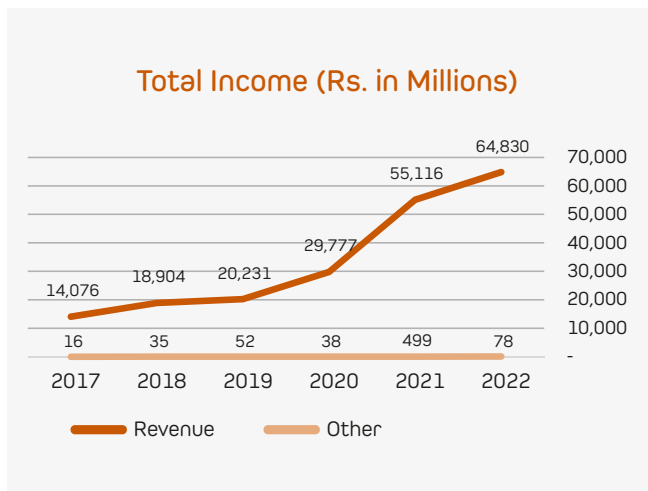
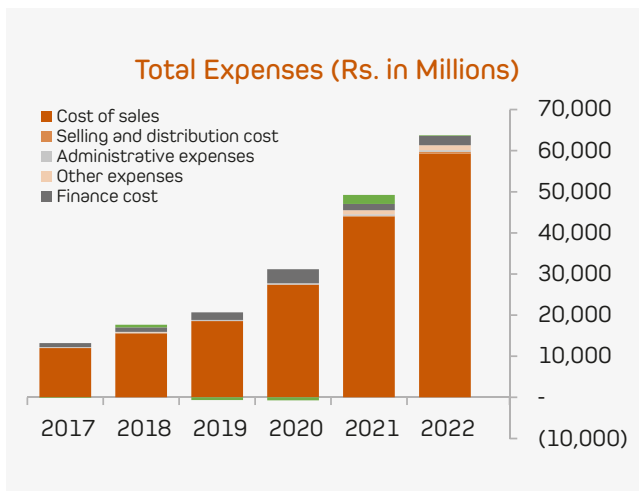
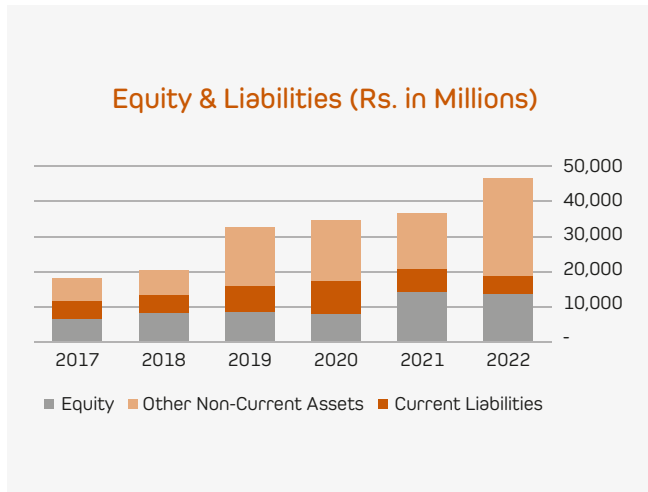
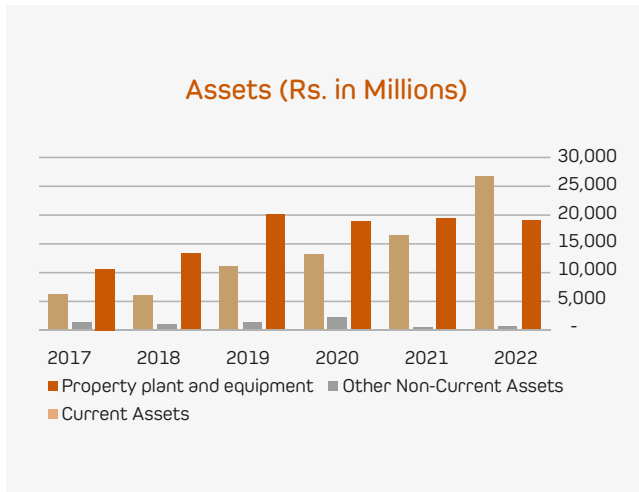
### Quarter 4

The HRC prices stabilized to levels of US\$ 700, FOB China in June 2022. Political instability, high international fuel and commodity prices and bludgeoning trade deficit exerted immense pressure on foreign exchange reserves resulting in significant depreciation of Rupee against USD which in turn contributed towards high inflation. Delay in reaching an agreement with IMF for release of next tranche resulted in major uncertainty about Pakistan's ability to meet its foreign financial obligations.

The total quantity sold during the period was 70,413 tons. The total quantity sold in the corresponding period last year was 77,977 tons, showing a decline of about 11%. The total quantity produced during the period was 60,967 tons compared to 88,487 tons produced in the corresponding period last year, showing a decrease of about 31%. The production curtailed due to slow offtake and buildup of finished goods inventory.

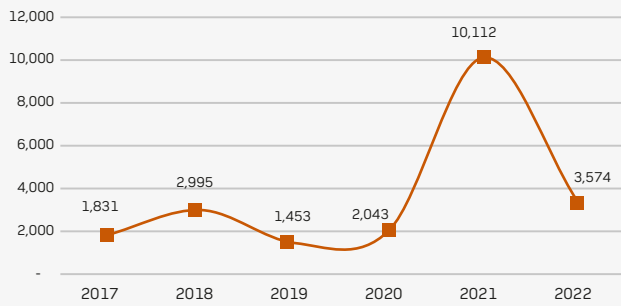


# Graphical Representation of ASML

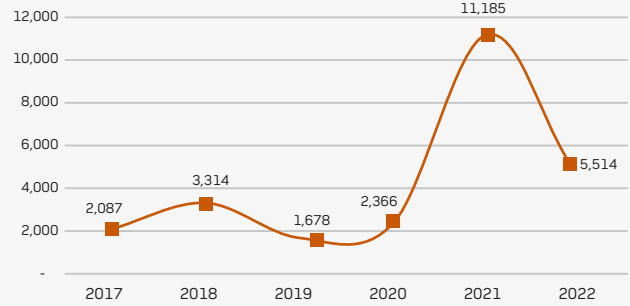


## Graphical Representation of ASML - Cont'd.

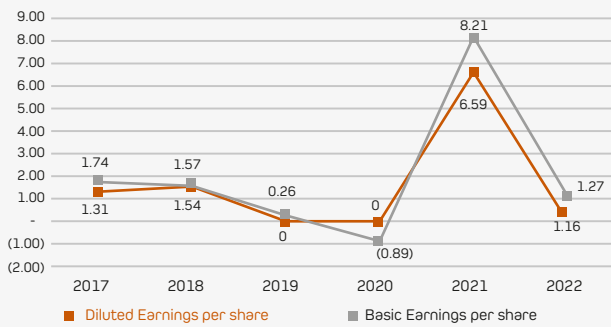
### Profit from Operations (Rs. in Millions)



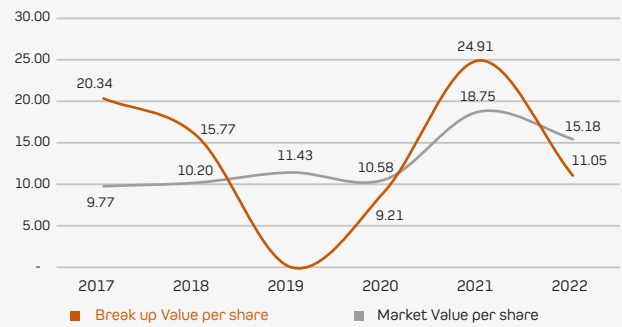
### Gross Profit (Rs. in Millions)



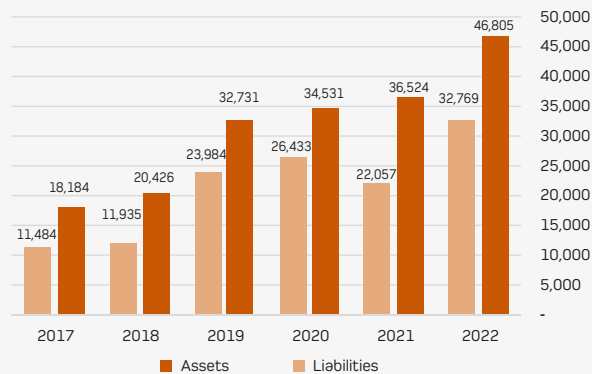
### Earnings per Share (Rs. per Share)



### Value per Share (Rs. per Share)

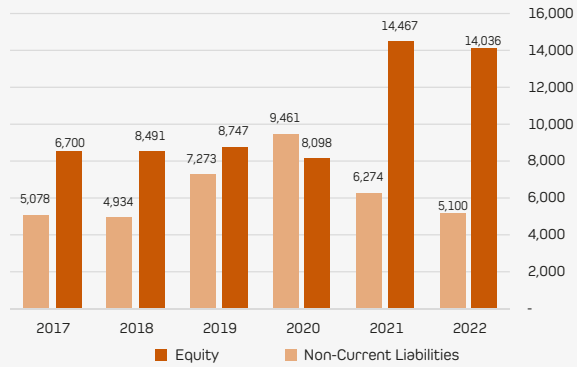


### Assets and Liabilities (Rs. in Millions)

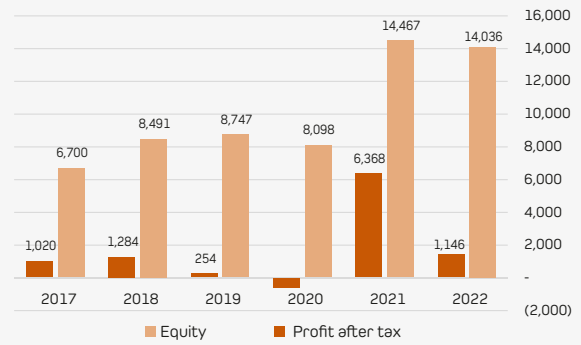


## Graphical Representation of ASML - Cont'd.

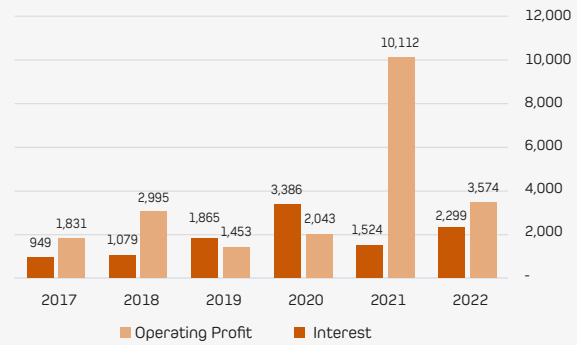
### Equity and Non-Current liabilities (Rs. in Millions)



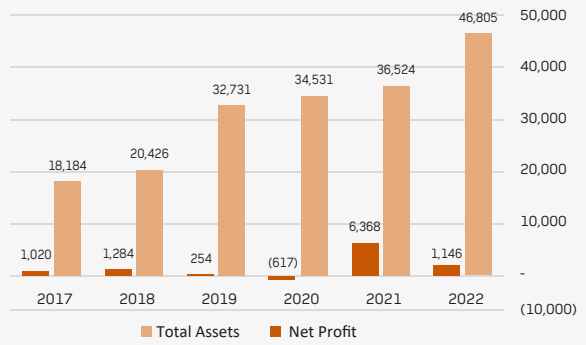
### Return on Equity (Rs. in Millions)



### Interest Cover (Rs. in Millions)



### Net Profit to Assets (Rs. in Millions)



### Profitability Trend (Rs. in Millions)

