Corporate Briefing Session – FY 2024

KEY FIGURES

Gross sales
(2023: 76,493)
105,554
Rs. in Millions

Profit Before Levies and Taxation
(2023: 4,346)
618
Rs. in Millions

EBITDA
(2023: 9,226)
7,553
Rs. in Millions

Earnings per Share
(2023: 10.37)
5.96
Rupees / Share

Profit for the Year
(2023:3,480)
1,999
Rs. in Millions

Total Assets
(2023: 59,832)
69,077
Rs. in Millions

Shareholders' Equity
(2023: 25,372)
26,135
Rs. in Millions

Export Sales
(2023: 15,041)
19,587
Rs. in Millions

Capital Expenditure
(2023: 1,736)
487
Rs. in Millions

Current Ratio
(2023: 1.50)
1.23
Times

Break-up Value per Share
(2023: 75.60)
78.52
Rupees

KEY STRENGTHS

MUGHAL STEEL

Strong Brand Recognition

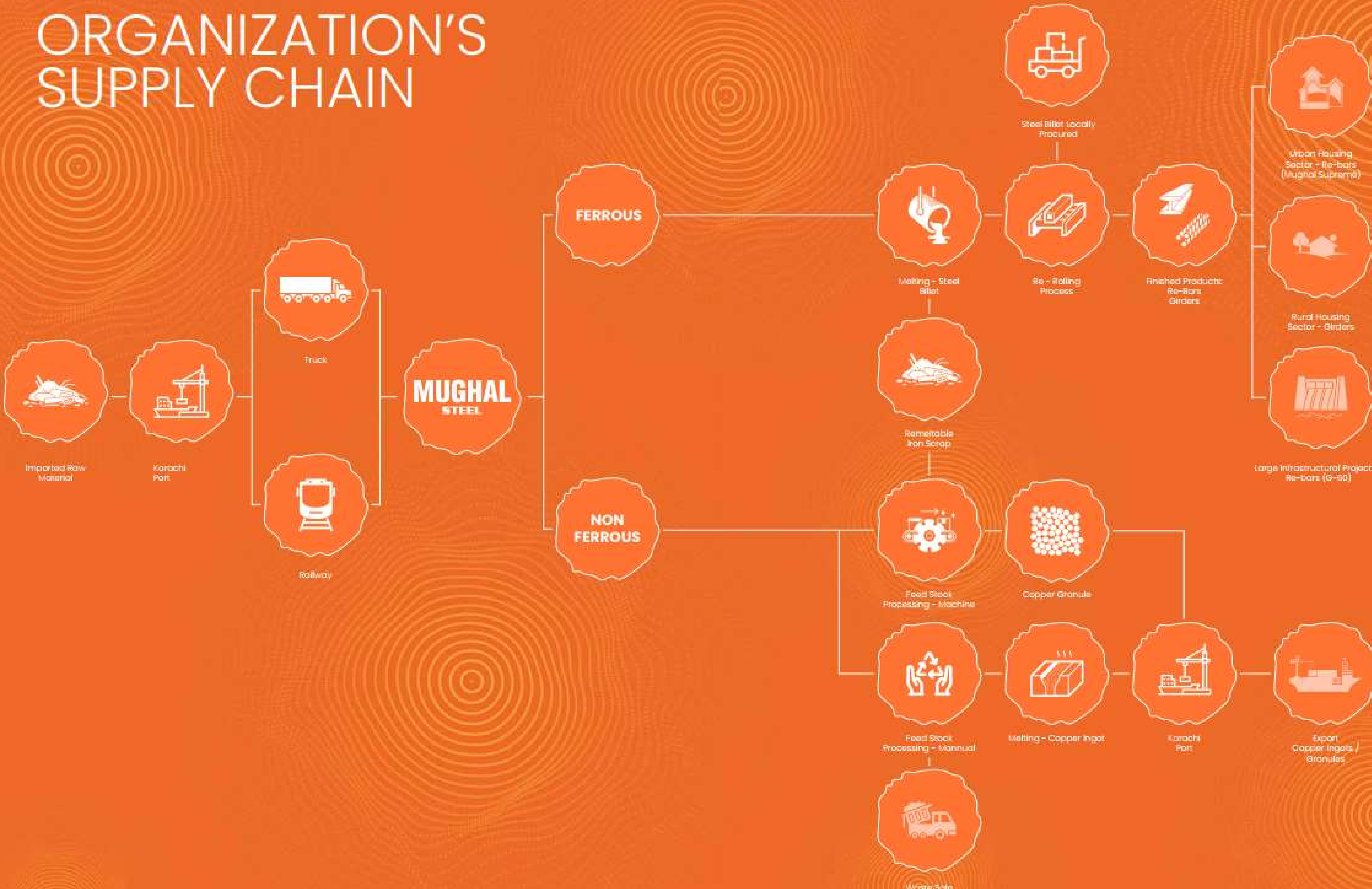
- Cost Effective Diversified Inbound Logistics
- In-House Electricity Generation
- Strong Clientele / Distribution Network
- One Stop Sale Centers for Long Rolled Steel Products
- Technological Efficiencies
- Backward Integration
- Diversified Product and Market Portfolio
- Global Footprints
- Economies of Scale

ENTITY RATING

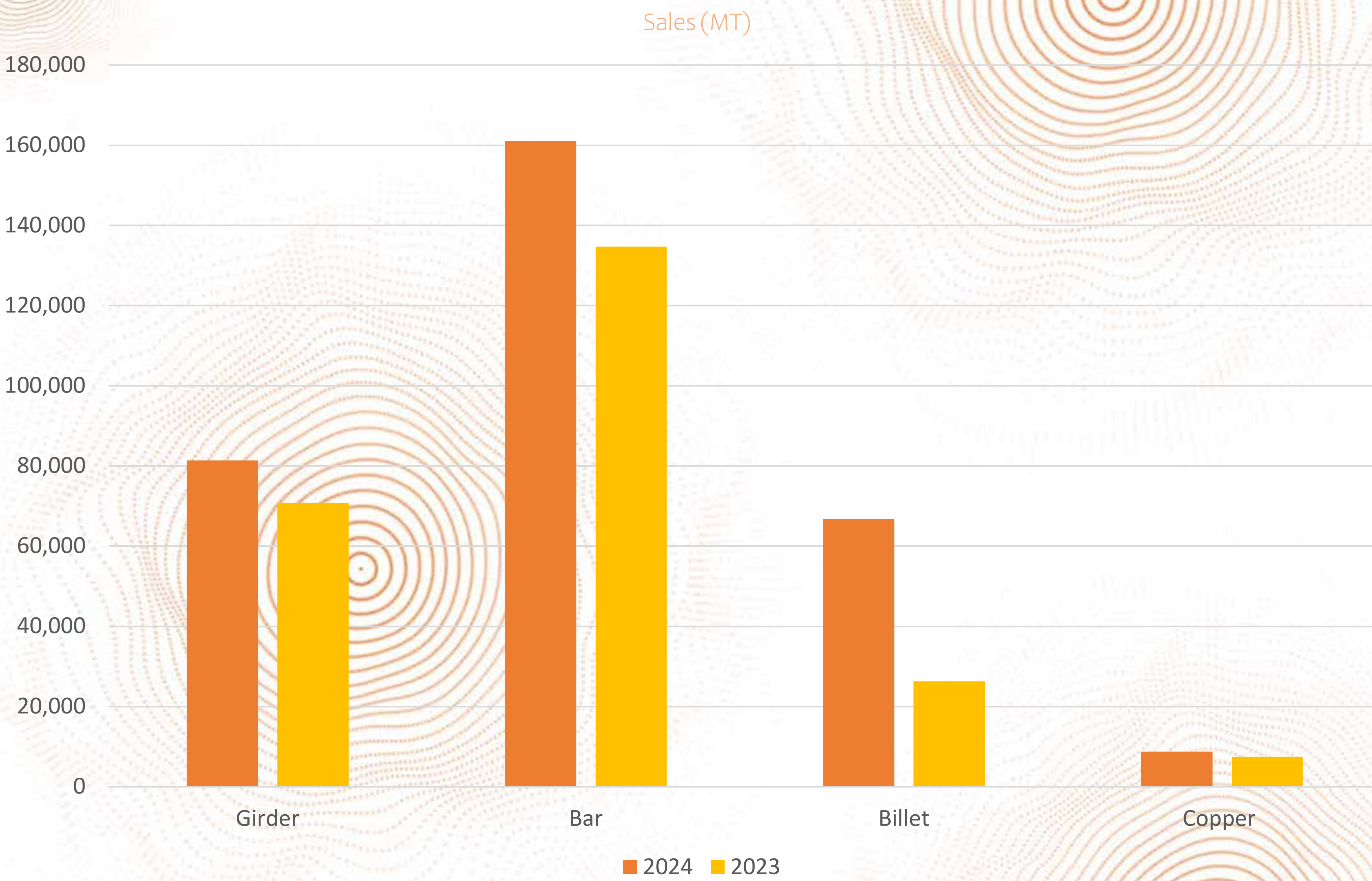
Pakistan Credit Rating Agency and VIS Credit Rating Company Limited as per their latest reports till June 30, 2024 have issued following ratings:

Pakistan Credit Rating Agency Limited	VIS Credit Rating Company Limited
Long-Term A+ (A Plus) 1. High credit quality. 2. Low expectation of credit risk. 3. The capacity for timely payment of financial commitments is considered strong. This capacity may, nevertheless, be vulnerable to changes in circumstances or in economic conditions	Long-Term A+(A Plus) 1. Good credit quality 2. Protection factors are adequate 3. Risk factors may vary with possible changes in the economy.
Short-Term A1 (A One) 1. A strong capacity for timely repayment.	Short-Term A-1 (A One) 1. High certainty of timely payments; 2. Liquidity factory are excellent and supported by good fundamental protection factors. 3. Risk factors are minor.

ORGANIZATION'S SUPPLY CHAIN



PRODUCT PORTFOLIO



KEY PERFORMANCE INDICATORS

	2024	2023	2022	2021	2020
GP margin	8.35%	14.35%	15.31%	14.88%	9.59%
Net margin	2.16%	5.16%	8.18%	7.63%	2.17%
EBITDA	8.18%	13.69%	14.01%	12.95%	8.24%
ROE %	7.65%	13.72%	25.96%	20.78%	7.27%
Cash dividend	-	3.2	3	3	-
Share price	93.00	48.44	57.64	104.40	39.88

PROFIT OR LOSS COMMENTS

	2024	2023
Net sales	92,382,599,828	67,390,170,763
Gross profit	7,717,627,240	9,671,027,890
Finance cost	(6,364,038,979)	(4,423,182,001)
Levies and taxation	1,381,053,064	(865,912,425)
Profit for the year	1,999,888,711	3,480,484,791
EPS	5.96	10.37

Topline witnessed significant increase of 37.086% as compared to previous year. The overall increase in topline is mainly associated with increase in sales volumes. But due to decrease in selling prices G.P margin decrease from last year.

Finance costs increased significantly due to increase in interest rates.

Minimum tax and final tax shown separately as levies. . However no current income tax was recognized and deferred tax income arise on tax losses and minimum tax credit.

Profit for the year and EPS decreased as compared to last year.

STRATEGIC DEVELOPMENTS

- Acquisition of Mughal Energy Limited

The acquisition was made with the strategic view of fast tracking the 36.50 MW captive hybrid power plant project being installed by Mughal Energy Limited for supply of electricity to the Company, which would not only be beneficial in the form of increased dividend and capital gain but will also strategically place the Company at a significant advantageous position amongst its competitors due to available of cheaper and uninterrupted supply of energy.

GOING FORWARD

The positive momentum in macroeconomics signals promising growth prospects and improved business sentiments. Looking ahead, it is crucial to maintain the ongoing reform efforts and concentrate on strategies that ensure stability and foster sustainable growth. The growth and profitability of the Company and its subsidiary company will remain dependent upon a number of external factors such as economic development, international raw material prices, political stability, consistent economic policies and law and order situation of the country.

Within the ferrous segment volumes are expected to remain at the current levels whereas non-ferrous volumes are expected to increase. However, in case of any boost in ferrous demand, the Company is well positioned and geared up to cater the anticipated increase. Finance cost will remain a major burden during FY 2025. The Company remains committed in improving efficiencies through technological advancement and strengthening its supply chain. The key aspiration for the management in the years to come will not only to maintain the current performance standards but to add more feathers to the consistent track record of the Company.

Going forward, Mughal Energy Limited, remains committed to successful and timely achievement of commencement of operations of its 36.50 MW captive hybrid power plant.