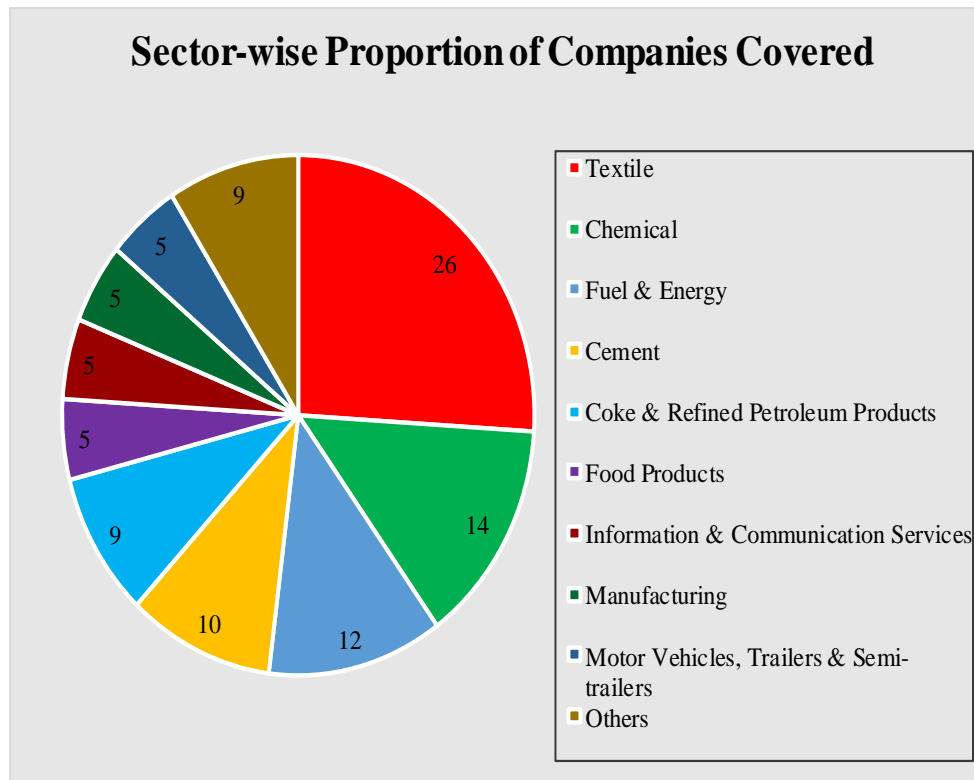


QUARTERLY FINANCIAL STATEMENTS ANALYSIS OF SELECTED NON-FINANCIAL COMPANIES LISTED AT PSX (DECEMBER 31, 2022)



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Note

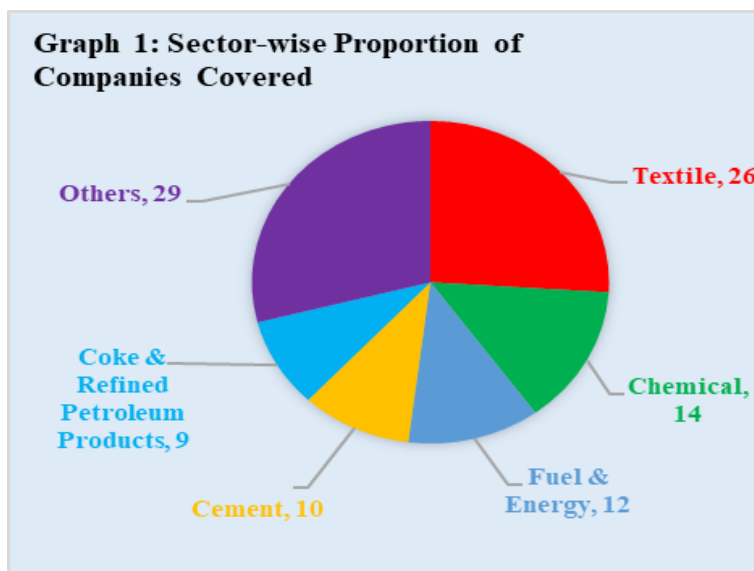
1. Definitions of variables, their coverage and formulae used for calculation of ratios are given in PDF format of the publication, also available at SBP website [http://www.sbp.org.pk/departments/stats/FSA\(Non\).pdf](http://www.sbp.org.pk/departments/stats/FSA(Non).pdf)
2. Minor differences may occur in calculation due to rounding off at different stages of data processing.

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Introduction

This Quarterly Financial Statements Analysis is based on selected 100 non-financial companies, listed at Pakistan Stock Exchange (PSX) out of more than 400 listed companies in non-financial sector.¹ These companies have been categorized into 14 groups, out of which five larger groups have been discussed in the review while the rest have been clubbed into ‘Others’ (**Graph 1**). The review largely covers composition of their assets, liabilities, shareholders’ equity and profitability.



Assets

The balance sheet size of selected 100 companies expanded during the quarter ending December 2022, reaching Rs 10,331.6 billion, recording 17.0 percent growth while comparing with corresponding quarter last year (**Table 1**). While the balance sheets of all sectors grew, the highest increase of Rs 510.9 billion and Rs 465.8 billion were observed in Coke & Refined Petroleum Products and Fuel & Energy sectors respectively.

The composition of overall assets has been tilted towards current assets in Q2-FY23 when compared with Q2-FY22 primarily owing to developments in Coke & Refined Petroleum Products, Chemicals and Textile sectors. Precisely, overall current assets and non-current assets grew by 19.1 percent and 14.2 percent respectively over corresponding quarter last year. Total current assets of sample companies increased to Rs. 5,963.0 billion in Q2-FY23, showing an increase of Rs 955.9 billion. ‘Trade debt’ remained the main constituent of current assets, having 35.6 percent share, contributed nearly half of the increase in current assets (Rs 423.6 billion) in Q2-FY23 as compared to corresponding quarter last year. ‘Inventories’ was the second largest contributor in growing current assets, grew by 21.6 percent (Rs 239.0 billion) in same comparison period.

In terms of non-current assets, Property, Plant & Equipment remained main constituent with a share of 73.7 percent; witnessing an increase of Rs 338.2 billion in Q2-FY23 as compared to the corresponding quarter last year, showing a YoY growth of 11.7 percent. The Cement sector posted the highest increase of Rs 170.9 billion in Property, Plant and Equipment followed by the Textile and Fuel & Energy sectors with an increase of 73.7 billion and Rs 52.0 billion respectively during Q2-FY23 over Q2-FY22. Besides, ‘Long-Term Investments’ and ‘Intangible Assets’, being other two key components of non-current assets, respectively recorded increase of Rs 105.8 billion and Rs 47.3 billion in Q2-FY23 over Q2-FY22.

¹ If the data of the quarter under review is not available for a particular company, data for corresponding quarter of last year is repeated to maintain the quantum of 100 companies.

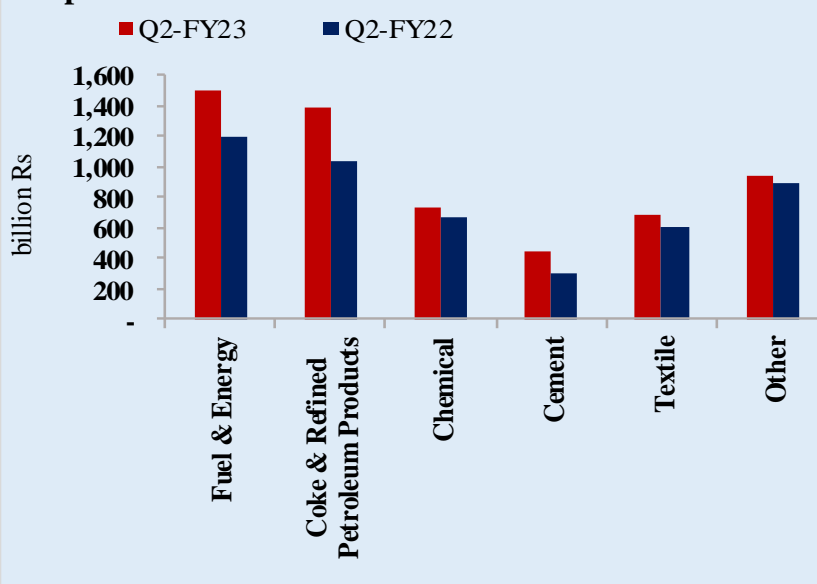
Table1: Sector-wise Position of Assets as on December 31

billion Rs						
	Q2-FY23			Q2-FY22		
	Total Assets	Current Assets	Non-current Assets	Total Assets	Current Assets	Non-current Assets
Overall	10,331.6	5,963.0	4,368.7	8,830.9	5,007.0	3,823.9
Fuel & Energy	3,143.1	1,878.1	1,265.0	2,677.3	1,631.5	1,045.8
Coke & Refined Petroleum Products	2,275.9	1,745.3	530.6	1,765.0	1,264.6	500.4
Chemical	1,177.0	594.8	582.2	1,107.3	539.1	568.2
Textile	1,179.3	626.8	552.5	1,044.7	549.8	494.9
Cement	948.8	235.3	713.5	719.5	190.5	529.0
Others	1,607.6	882.7	724.9	1,517.1	831.5	685.6

Liabilities

Total liabilities of selected 100 companies reached Rs 5,708.0 billion during the quarter under review, showing an increase of Rs 1,008.4 billion as compared to end-December 2021. All sectors under review recorded an increase in Total Liabilities (**Graph 2**). Major contributor in growing Total Liabilities were Coke & Refined Petroleum Products (Rs 356.6 billion), Fuel & Energy (Rs 304.4 billion), Cement (Rs 150.2 billion), Textile (Rs 87.2 billion) and Chemical (Rs 65.6 billion).

Graph 2: Sector-wise Position of Liabilities



The composition of current and non-current liabilities of all sectors did not change significantly in Q2-FY23 while comparing with Q2-FY22. The sector-wise composition however witnessed a mixed trend; nearly half of the sectors witnessed skewed growth towards current liabilities, such as Chemical, Coke & Refined Petroleum Products sectors. While sectors like Cement and Fuel & Energy tilted towards non-current liabilities during the period under review.

Precisely, current and non-current liabilities witnessed an increase of Rs 762.8 billion and Rs 245.6 billion respectively during Q2-FY23 when compared with Q2-FY22 (**Table 2**). Long-term borrowings remained a major component of non-current liabilities, having more than half of it, witnessing an increase of Rs 149.3 billion during Q2-FY23 over Q2-FY22.

Table 2: Sector-wise Position of Liabilities as on December 31

billion Rs						
	Q2-FY23			Q2-FY22		
	Total Liabilities	Current Liabilities	Non-current Liabilities	Total Liabilities	Current Liabilities	Non-current Liabilities
Overall	5,708.0	4,276.3	1,431.7	4,699.6	3,513.5	1,186.1
Fuel & Energy	1,503.4	1,044.1	459.3	1,198.9	867.2	331.7
Coke & Refined Petroleum Products	1,395.7	1,224.1	171.7	1,039.1	875.8	163.3
Chemical	733.6	547.0	186.6	668.0	469.6	198.4
Textile	685.7	477.3	208.4	598.5	417.5	181.0
Cement	453.0	231.5	221.4	302.7	172.4	130.4
Others	936.6	752.2	184.4	892.4	711.1	181.3

In current liabilities, Trade credit & other account payables representing 55.4 percent share, showed an increase of Rs 446.4 billion during Q2-FY23 as compared to Q2-FY22.

Operational Performance

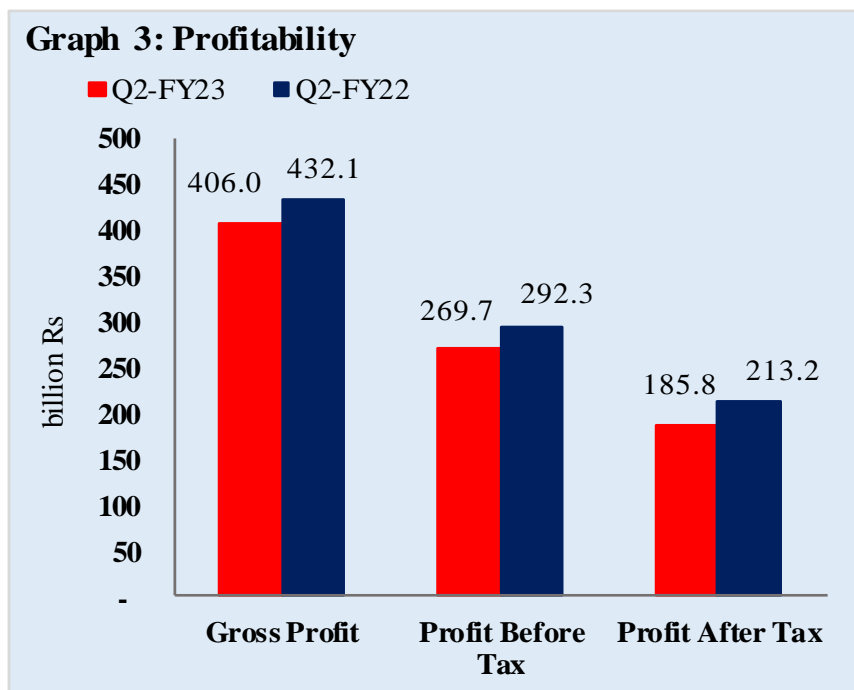
Generally, sales and profit are considered yardsticks of operational performance of a business. During the period under review, overall sales of 100 selected companies recorded an increase of Rs 518.1 billion (22.8 percent) as compared to Q2-FY22. In terms of sectoral performance, Coke & Refined Petroleum Products sector witnessed largest increase of Rs 446.9 billion in the total sales followed by Chemical and Cement sectors by Rs 39.1 billion and Rs 36.6 billion respectively.

Table3: Sector wise Position of Sales and Profitability as on December 31

billion Rs						
	Q2-FY23			Q2-FY22		
	Sales	Cost of sales	Gross Profit	Sales	Cost of sales	Gross Profit
Overall	2,790.1	2,384.1	406.0	2,271.9	1,839.8	432.1
Fuel & Energy	282.6	162.7	119.9	266.0	152.5	113.5
Coke & Refined Petroleum product	1,358.6	1,283.9	74.7	911.7	816.5	95.3
Chemical	321.9	245.9	75.9	282.8	205.3	77.5
Textile	248.4	220.3	28.1	262.1	214.2	47.9
Cement	145.0	107.2	37.8	108.4	80.7	27.7
Others	433.6	364.1	69.6	440.9	370.6	70.3

The cost of sales increased to Rs 2,384.1 billion in Q2-FY23, recording an increase of Rs 544.3 billion while comparing with Q2-FY22. Sector-wise cost of sales data reveals that Coke & Refined Petroleum Products sector witnessed highest increase in the cost of sales (Rs 467.5 billion) followed by Chemical sector (Rs 40.6 billion).

As a result of above-mentioned operational performance, gross profit of these companies dropped to Rs 406.0 billion during Q2-FY23, posting a decrease of Rs 26.1 billion (or 6.1 percent) when compared with Q2-FY22 (**Graph 3**). In terms of sectoral performance, major decrease occurred in Coke & Refined Petroleum Products sector, recorded a fall of Rs 20.6 billion in gross profit followed by Textile sector by Rs 19.9 billion during the period under review.



Further to falling gross profit, financial expenses rose sharply during Q2-FY23 when compared with Q2-FY22, recording an increase of Rs 28.2 billion. Therefore, the profit before tax during Q2-FY23 declined by Rs 22.5 billion as compared to Q2-FY22, reaching Rs 269.7 billion (**Table 3**). A higher tax expense during Q2-FY23 further reduced the profit; dropped to Rs 185.8 billion, recording a decline of Rs 27.4 billion (or 12.8 percent) during Q2-FY23 as compared to Q2-FY22.

Shareholders' Equity

On the back of strong operational performance during last 12 months, Shareholders' equity of selected 100 companies reached Rs 4,623.7 billion in December 2022, which is higher by a significant amount of Rs 492.4 billion when compared with December 2021. Sector-wise break up reveals that all sectors under discussion contributed towards this rise, primarily stemming from significant rise in revenue reserves.

Precisely, Fuel & Energy sector witnessed highest increase of Rs 161.4 billion in the shareholders' equity, followed by Coke & Refined Petroleum Products sector with an increase of Rs 154.2 billion during Q2-FY23 over Q2-FY22 (**Table 4**).

Similarly, Textile sector recorded an increase of Rs 47.4 billion in Q2-FY23 as compared to Q2-FY22 in shareholders' equity.

Table4: Sector wise Position of Share Holder's Equity as on December 31								
	Q2-FY23				Q2-FY22			
	S.H Equity	IS & Paid-up Capital	Reserves	Surplus	S.H Equity	IS & Paid-up Capital	Reserves	Surplus
Overall	4,623.7	606.7	3,749.8	267.3	4,131.3	595.3	3,305.2	230.8
Fuel & Energy	1,639.7	184.4	1,388.0	67.3	1,478.3	184.4	1,239.7	54.2
Coke & Refined Petroleum Product	880.1	103.3	737.1	39.7	725.9	103.0	582.2	40.7
Chemical	443.4	98.0	318.7	26.7	439.4	97.9	314.3	27.1
Textile	493.6	41.7	403.6	48.3	446.2	41.5	361.2	43.5
Cement	495.8	63.9	399.1	32.8	416.8	53.4	341.9	21.4
Others	671.0	115.3	503.2	52.5	624.8	115.1	465.9	43.8

Appendix**Sector-wise Details of Companies Covered in the Analysis**

Sr. No	Companies	Financial Year End
1)	Textile	
i)	Spinning, Weaving, Finishing of Textiles	
1	Artistic Denim Mills Ltd.	30-Jun
2	Azgard Nine Ltd.	30-Jun
3	Colony Textile Mills Limited	30-Jun
4	Dewan Farooque Spinning Mills Ltd.	30-Jun
5	Din Textile Mills Ltd.	30-Jun
6	Fazal Cloth Mills Ltd.	30-Jun
7	Gadoon Textile Mills Ltd.	30-Jun
8	Hira Textile Mills Ltd. *	30-Jun
9	Indus Dyeing & Manufacturing Co. Ltd.	30-Jun
10	J.K. Spinning Mills Ltd.	30-Jun
11	Kohinoor Spinning Mills Ltd.	30-Jun
12	Kohinoor Textile Mills Ltd.	30-Jun
13	Masood Textile Mills Ltd.	30-Jun
14	Nagina Cotton Mills Ltd.	30-Jun
15	Feroze1888 Mills Ltd.	30-Jun
16	Nishat (Chunian) Ltd.	30-Jun
17	Nishat Mills Ltd.	30-Jun
18	Reliance Cotton Spinning Mills Ltd.	30-Jun
19	Saif Textile Mills Ltd.	30-Jun
20	Sapphire Fibres Ltd.	30-Jun
21	Sapphire Textile Mills Ltd.	30-Jun
22	Tata Textile Mills Ltd.	30-Jun
23	Zephyr Textiles Ltd.	30-Jun
ii)	Made Up Textile	
24	Gul Ahmed Textile Mills Ltd.	30-Jun
iii)	Other Textile n.e.s	
25	Bannu Woollen Mills Ltd.	30-Jun
26	Ibrahim Fibres Ltd.	30-Jun
2)	Sugar & Allied Industries	
27	Habib Sugar Mills Ltd.	30-Sep
28	JDW Sugar Mills Ltd.	30-Sep
29	Tandlianwala Sugar Mills Ltd.	30-Sep
3)	Food Products	
30	Ismail Industries Ltd.	30-Jun
31	National Foods Ltd.	30-Jun
32	Nestle Pakistan Ltd.*	31-Dec
33	Rafhan Maize Products Co. Ltd. *	31-Dec
34	FrieslandCampins Engro Foods Ltd.*	31-Dec

4)	Chemicals, Chemical Products & Pharmaceuticals	
35	Gatron (Industries) Ltd.	30-Jun
36	Abbott Laboratories (Pakistan) Ltd.*	31-Dec
37	Archroma Pakistan Ltd. (Formerly Clariant Pakistan Ltd)*	30-Sep
38	Colgate-Palmolive (Pakistan) Ltd.	30-Jun
39	Engro Polymer & Chemicals Ltd.*	31-Dec
40	Fauji Fertilizer Bin Qasim Ltd.	31-Dec
41	Fauji Fertilizer Co. Ltd.*	31-Dec
42	GlaxoSmithKline Pakistan Limited.*	31-Dec
43	ICI Pakistan Ltd.*	30-Jun
44	Lotte Chemical Pakistan Ltd.*	31-Dec
45	Sitara Chemical Industries Ltd.	30-Sep
46	Agritech Ltd.*	31-Dec
47	Fatima Fertilizer Co. Ltd.*	31-Dec
48	Engro Fertilizers Ltd.	31-Dec
5)	Manufacturing	
49	Pakistan Tobacco Company Ltd. *	31-Dec
50	Thal Ltd.	30-Jun
51	International Steel Ltd.	30-Jun
52	Aisha steel mills Ltd.	30-Jun
53	Amreli steels (Pvt) Ltd.	30-Jun
6)	Mineral products	
54	Ghani Glass Ltd.	30-Jun
7)	Cement	
55	Bestway Cement Ltd.	30-Jun
56	Cherat Cement Company Ltd.	30-Jun
57	D.G. Khan Cement Company Ltd.	30-Jun
58	Dewan Cement Ltd. (Pakland Cement Ltd.)	30-Jun
59	Fauji Cement Company Ltd.	30-Jun
60	Gharibwal Cement Ltd.	30-Jun
61	Kohat Cement Company Ltd.	30-Jun
62	Lucky Cement Ltd.	30-Jun
63	Maple Leaf Cement Factory Ltd.	30-Jun
64	Pioneer Cement Ltd.	30-Jun
8)	Motor Vehicles, Trailers & Semi-trailers	
65	Atlas Honda Ltd.	31-Mar
66	Ghandhara Tyre and Rubber Company Limited (formerly General Tyre & Rubber Co.)	30-Jun
67	Honda Atlas Cars (Pakistan) Ltd.	31-Mar
68	Indus Motor Company Ltd.	30-Jun
69	Pak Suzuki Motor Company Ltd.*	31-Dec
9)	Fuel and Energy Sector	
70	K-Electric (formerly KESC)	30-Jun
71	Kot Addu Power Co. Ltd.	30-Jun
72	Mari Petroleum Co. Ltd. (Formerly Mari Gas Co. Ltd.)	30-Jun

73	Oil & Gas Development Co. Ltd.	30-Jun
74	Burshane LPG (Pakistan) Ltd.	30-Jun
75	The Hub Power Co. Ltd.	30-Jun
76	Nishat Power Ltd.	30-Jun
77	Nishat Chunian Power Ltd.	30-Jun
78	Pakgen Power Ltd.*	31-Dec
79	Saif Power Ltd.*	31-Dec
80	Lalpir Power Ltd.*	31-Dec
81	Engro Powergen Qadirpur Ltd.	31-Dec
10)	Information & Communication Services	
82	Pakistan Int. Container Ltd.*	31-Dec
83	Pakistan National Shipping Corporation.	30-Jun
84	Pakistan Telecommunication Company Ltd.*	31-Dec
85	Telecard Ltd.	30-Jun
86	Systems Limited.*	31-Dec
11)	Coke & Refined Petroleum Products	
87	Attock Petroleum Ltd.	30-Jun
88	Attock Refinery Ltd.	30-Jun
89	Cnergyico PK Limited (Formerly Byco Petroleum Pakistan Limited)	30-Jun
90	National Refinery Ltd.	30-Jun
91	Pakistan Oilfields Ltd.	30-Jun
92	Pakistan Petroleum Ltd.	30-Jun
93	Pakistan State Oil Co. Ltd.	30-Jun
94	Shell Pakistan Ltd.*	31-Dec
95	Hascol Petroleum Ltd.*	31-Dec
12)	Paper, Paperboard & Products	
96	Packages Ltd.*	31-Dec
13)	Electrical Machinery & Apparatus	
97	Pak Elektron Ltd.*	31-Dec
14)	Other Services Activities	
98	Pakistan Services Ltd.	30-Jun
99	Pace (Pakistan) Ltd.	30-Jun
100	Shifa International Hospitals Ltd.	30-Jun

Notes:

* Data for quarter under review was not available therefore, data for corresponding quarter last year is used.