

Performance at a Glance

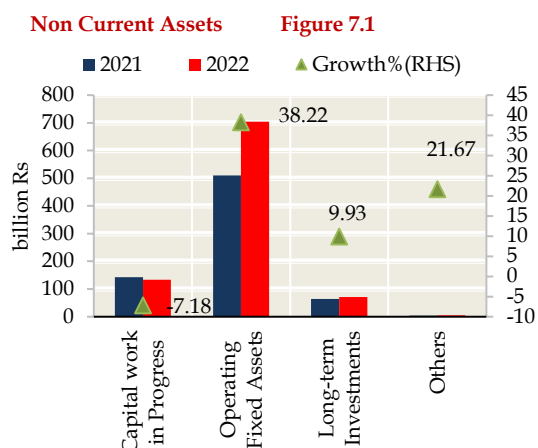
The balance sheet size of the cement sector increased by Rs 315.64 billion (31.61 percent), reaching Rs 1,314.16 billion during 2022. The shareholders' equity showed an improvement by 23.08 percent during the current year on the back of strong profit after taxation, which posted a YoY growth of 19.34 percent. Gross profit of the year increased to Rs 163.62 billion, which is Rs 47.55 billion more than 2021.

Sector's Summary (billion Rs) Table 7.1

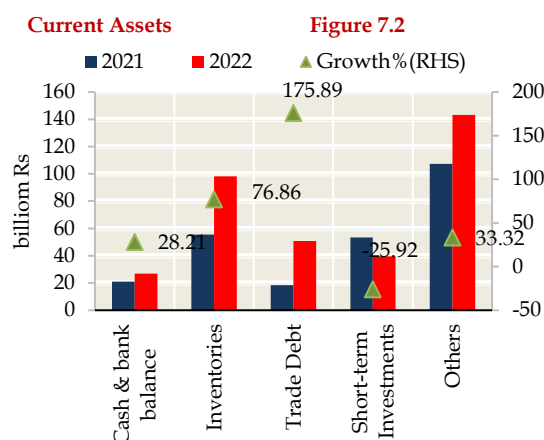
Items	2022	2021	Growth (%)
Total Assets	1,314.16	998.52	31.61
Non-Current Assets	946.71	736.38	28.56
Current Assets	367.45	262.14	40.17
Total Liabilities	715.90	512.44	39.71
Non-Current Liabilities	362.37	269.02	34.70
Current Liabilities	353.53	243.41	45.24
Shareholders' Equity	598.25	486.08	23.08
<i>of which</i>			
Paid-up Capital	87.92	75.07	17.11
Reserves	470.63	382.68	22.98
Sales	748.67	504.81	48.31
Gross Profit	163.62	116.07	40.96
Profit after taxation	74.13	62.11	19.34
ROA (%)	6.41	6.56	-
ROE (%)	13.67	13.60	-

Assets

The breakup of assets shows that Rs 210.33 billion has been further accumulated in the form of non-current assets during 2022, reflecting a growth of 28.56 percent. As a result, non-current assets of the sector reached Rs 946.71 billion in 2022. Operating fixed assets (after deducting accumulated depreciation) was the leading contributor in non-assets accumulation, posting an increase of Rs 194.75 billion during 2022. While intangible assets and long term investments recorded an increase, however, the capital work in progress declined by Rs 10.29 billion during 2022.



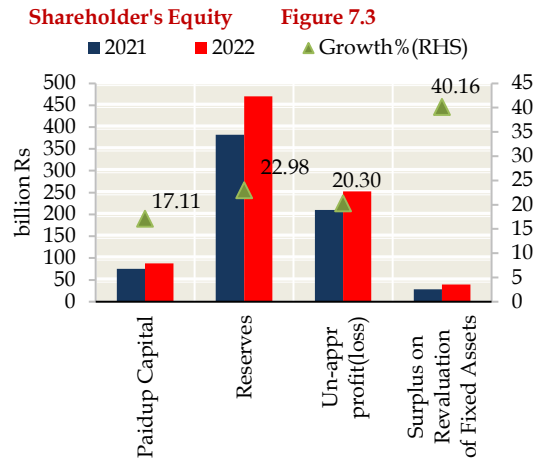
One-third of total assets accumulation came in the form of current assets during 2022, reaching Rs 367.45 billion, reflecting a growth of 40.17 percent. Major contributor in current assets growth was inventories, followed by trade debt/accounts receivables. Specifically, they recorded an increase of Rs 42.62 billion and Rs 32.39 billion respectively. However short-term investment decreased by Rs 13.82 billion (25.92 percent) during 2022.



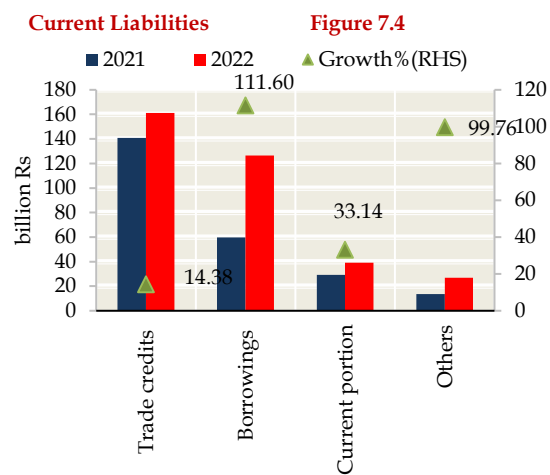
Shareholders' Equity & Liabilities

The shareholders' equity showed an improvement during 2022, reaching Rs 598.25 billion from Rs 486.08 billion. The reserves contributed the most, improving by Rs 87.95 billion (22.98 percent), in the form of retained

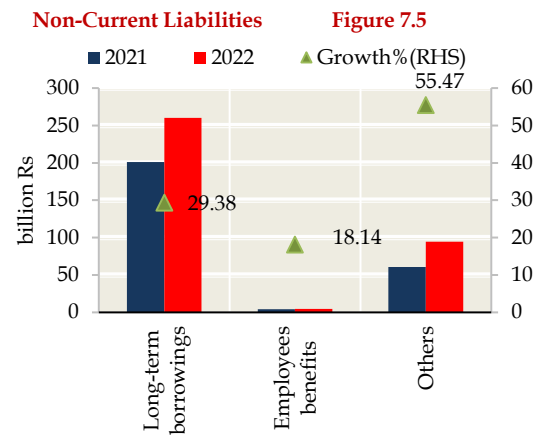
earnings/un-appropriated profit (Rs 42.69 billion) and capital reserves (Rs 31.52 billion). Other contributors to equity growth were issued, subscribed & paid-up capital (Rs 12.85 billion) and surplus on revaluation of fixed asset (Rs 11.38 billion).



The sector accumulated further liabilities of Rs 203.46 billion, reflecting a growth of 39.71 percent during 2022. The breakup of liabilities shows that both current and non-current liabilities contributed almost equally during 2022. The current liabilities showed an increase of Rs 110.12 billion, reaching Rs 353.53 billion in 2022, mainly due to an increase of Rs 66.66 billion in short-term borrowings and Rs 20.25 billion in trade credit/other accounts payables.

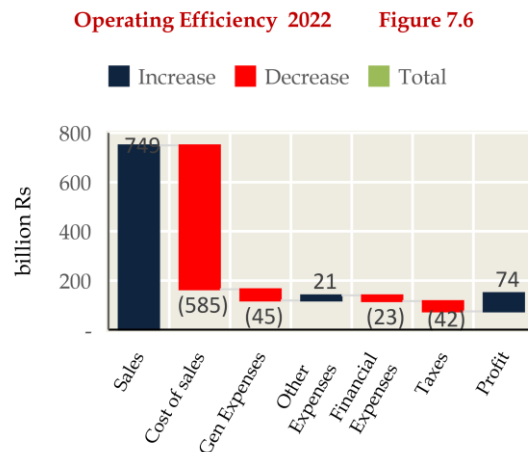


The non-current liabilities increased by Rs 93.35 billion (34.70 percent) during 2022, reaching Rs 362.37 billion. Long-term borrowing (which constituted 71.79 percent share in non-current liabilities) contributed the most in the increase of non-current liabilities, recording a growth of 29.38 percent (Rs 59.08 billion) during 2022.



Operating Efficiency & Ratio Analysis

Sales of cement sector recorded a YoY increase of Rs 243.86 billion, jumped up to Rs 748.67 billion during 2022. The gross profit rose to Rs 47.55 billion, posting a YoY growth of 40.96 percent during 2022.



The profit before taxation reached Rs 116.38 billion, posting a YoY increase of Rs 38.29 billion (49.02 percent). The profit after taxation

increased to Rs 74.13 billion during 2022, recording a YoY increase of Rs 12.01 billion (19.34 percent).

In terms of performance indicators, Return on assets (ROA) and Return on equity (ROE) stayed around last year's position.

