

Result announcement: 2qFY22

Engineering

Mughal Iron & Steel Industries Limited

Earnings: Mughal Iron & Steel Industries Limited (MUGHAL) announced its 2qFY22 financial results. As per the results the company reported earnings of PKR 1,843mn (PKR 5.5/share) compared to last year PKR 1,046mn (PKR 3.1/share). Nevertheless, this brings 1HFY22 cumulative earnings to PKR 3,531mn (PKR 10.5/share); up +2.5xy.

Dividends/Payouts: The Company announced a PKR 3.0/share interim cash dividend along with the result.

Operating performance: During the period under review, the company recorded a +54%y (+29%q) net sales growth. Company's gross margins during the period increased by 1% on a yearly basis to 16%, however on a quarterly basis gross margin declined by 3%. Despite that, the company's EBIT increased to PKR 2,655mn up by +75%y (up by +8%q). Similarly on a quarterly basis, EBIT is up by +8%q. Financing cost increased to PKR 541mn up by +82%y and +21%q. Effective tax charge clocked in at 7% compared to 16% last quarter.

Exhibit: Financial Highlights of Mughal Iron & Steel Industries Limited (MUGHAL)								
Latest result published for: 2q'22								
Period (PKRmn)	2q'22	1q'22	2021	4q'21	3q'21	2q'21	1q'21	2020
Net Sales	18,059	14,023	44,972	15,154	10,372	11,711	7,734	27,305
Gross Profit	2,928	2,749	6,691	1,898	2,196	1,735	862	2,617
Admin	184	162	538	141	155	125	117	407
S/m/d	43	55	254	42	144	39	29	144
EBIT	2,655	2,452	5,532	1,639	1,657	1,517	718	2,069
Finance cost	541	446	1,370	408	354	297	312	1,515
Taxation	152	318	732	310	194	175	53	(39)
Profit after tax	1,843	1,688	3,429	921	1,110	1,046	352	593
EPS	5.5	5.0	10.2	2.7	3.3	3.1	1.1	1.8
DPS	3.0	0.0	0.0	0.0	0.0	3.0	0.0	0.0

Source: Company accounts, IGI Research, PSX

No. of shares: (mn) 335.63

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