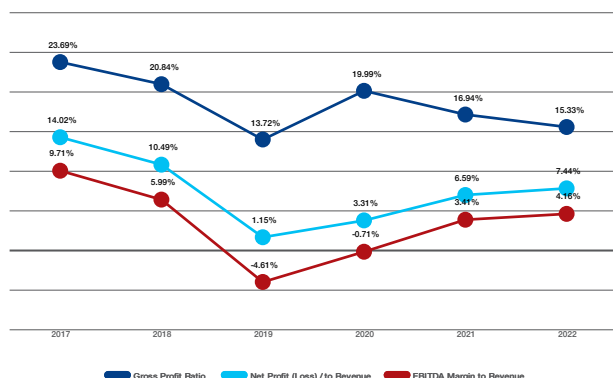


ANALYSIS OF FINANCIAL STATEMENTS

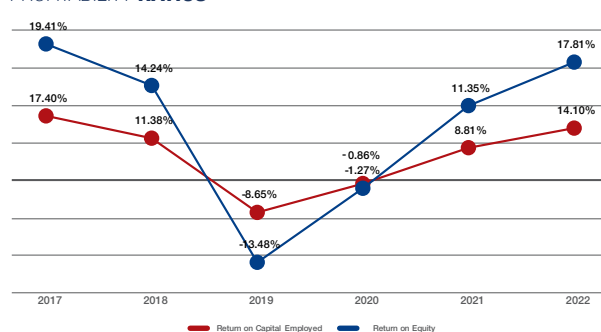
FOR THE CURRENT AND LAST FIVE YEARS

Key Performance Indicators	UOM	Jun-22	Jun-21	Jun-20	Jun-19	Jun-18	Jun-17
PROFITABILITY RATIOS							
Gross Profit Ratio	%	15.33%	16.94%	19.99%	13.72%	20.84%	23.69%
Net Profit / (Loss) to Revenue	%	4.16%	3.41%	-0.71%	-4.61%	5.99%	9.71%
EBITDA Margin to Revenue	%	7.44%	6.59%	3.31%	1.15%	10.49%	14.02%
Operating Leverage Ratio	Times	1.59	3.77	-6.41	-50.06	-0.43	2.84
Return on Equity	%	17.81%	11.35%	-1.27%	-13.48%	14.24%	19.41%
Return on Capital Employed	%	14.10%	8.81%	-0.86%	-8.65%	11.38%	17.40%
Shareholders' funds	%	45.34%	56.65%	63.24%	52.76%	70.49%	63.67%
Return on shareholders' funds	%	17.81%	11.35%	-1.27%	-13.48%	14.24%	19.41%
LIQUIDITY RATIOS							
Current Ratio	Times	1.02	0.95	1.01	1.10	1.84	1.75
Quick Ratio / Acid Test Ratio	Times	0.37	0.52	0.73	0.82	1.20	1.02
Cash to Current Liabilities	Times	0.15	0.13	0.08	0.06	0.31	0.04
Cash Flow from Operations to Revenue	Times	-0.02	0.07	0.22	-0.13	0.13	-0.05
Cash flow to capital expenditures	Times	-1.41	2.63	4.23	-4.18	2.65	-0.55
Cash flow coverage ratio	Times	-0.13	0.72	1.10	-0.57	1.35	-0.29

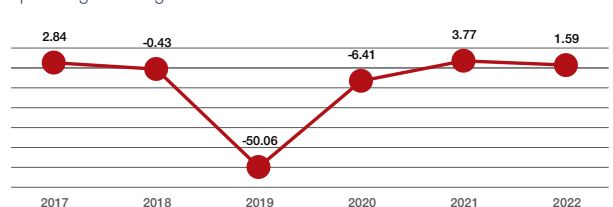
PROFITABILITY RATIOS



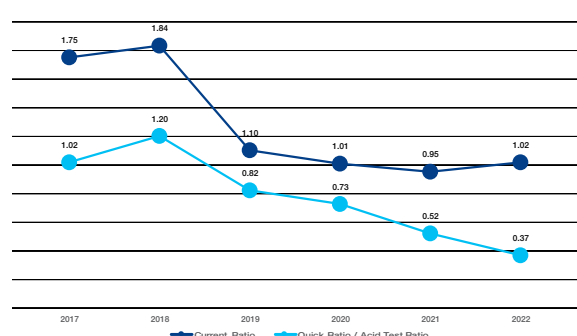
PROFITABILITY RATIOS



Operating Leverage RATIOS



LIQUIDITY RATIOS



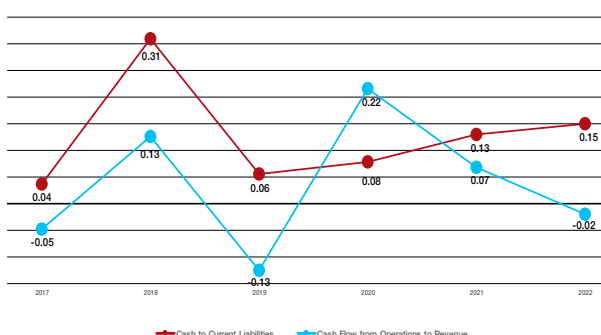
PROFITABILITY RATIOS

Profitability ratios are financial metrics which help to assess the Company's ability in terms of its earnings. This includes Gross Profit Ratio, Net Profit to Revenue Ratio, EBITDA Margin to Revenue, Operating Leverage Ratio, Return on Equity, Return on Capital Employed, Shareholders' funds and Return on Shareholders' Funds. Profitability ratios of the Company have shown handsome growth on account of achievement of budgeted revenue targets and cost control measures. Net revenue has been increased by 67% leading to better fixed cost absorption and helping the Company to achieve net profit during the year. To achieve the aforesaid targets, HTL has offered excessive discounts that in turn decrease the GP ratio by 1.61% while Net Profit to Revenue and EBITDA Margin to Revenue has been increased by 0.75% and 0.85% respectively. Return on equity has also been significantly improved from FY 20 to FY 22 due to sustained growth, robust operational performance and efficient strategic decision making. Shareholders' Funds have been showing decreasing trend from FY 20 to FY 22 mainly on account of increase in stock-in-trade financed from short term borrowings.

LIQUIDITY RATIOS

Liquidity ratios are financial metrics used to determine Company's ability to meet its short term debt and other short term liabilities when they fall due. Mixed trend in these ratios is due to substantial investment in stock-in-trade and transformation of short term investments into capital expansions. Increase in cash to current liabilities from 0.13 times to 0.15 times due to increase in cash and bank balances which is positive indicator for Company.

LIQUIDITY RATIOS



Key Performance Indicators	UOM	Jun-22	Jun-21	Jun-20	Jun-19	Jun-18	Jun-17
INVESTMENT/MARKET RATIOS							
Earnings / (Loss) per share	Rs.	5.3	2.6	-0.35	-3.75	4.78	6.27
Price Earnings Ratio	Times	7.48	27.27	-86.51	-7.38	21.20	17.39
Price to Book Ratio	Times	1.11	1.47	0.7	0.5	2.1	2.2
Dividend Yield Ratio	Times	0.10	0.04	0.01	0.06	0.03	0.02
Dividend Payout Ratio	Times	0.72	1.12	(0.71)	(0.47)	0.73	0.43
Cash Dividend per share	Rs.	3.8	2.9	0.25	1.75	3.50	2.70
Market Value per share (year end)	Rs.	39.65	70.91	30.28	27.66	101.32	109.01
Market Value per share (highest)	Rs.	84	99.15	39.34	102	115.56	127.01
Market Value per share (lowest)	Rs.	37	30.1	16.7	22.11	63.05	59.85
Breakup Value / Book Value per share	Rs.	29.76	27.44	27.22	27.82	33.56	32.28
Breakup value per share including investment in related party	Rs.	29.76	27.44	27.22	27.82	33.56	32.28
Break up value per share without surplus on revaluation of freehold land	Rs.	24.70	27.44	27.22	27.82	33.56	32.28
Break up value per share with surplus on revaluation of freehold land including investment of all effects	Rs.	29.76	27.44	27.22	27.82	33.56	32.28
No. of Shares based on par value of Rs.10	No.(000)	139,205	116,004	116,004	116,004	116,004	116,004
Total Dividend Paid	Rs.(000)	482,576	336,412	29,001	203,007	406,014	313,211

SEGMENTAL REVIEW LUBRICANTS

Lubricant segment operations represents purchase and sale of lubricants, parts and rendering of services. Net revenue of lubricants segment increased by 20% in comparison to last year. The Company has achieved all its budgeted revenue targets during the year, in spite of economic and political instability. Furthermore, bottom line profit of this segment also by increased by 5% reaching to Rupees 663 million in comparison to Rupees 635 million of FY 2021. Detailed segment information has been presented in note 55 of the financial statements.

PETROLEUM PRODUCTS

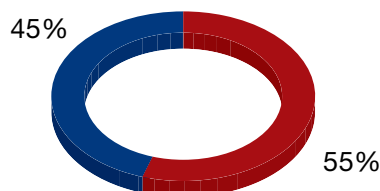
Petroleum segment operations represents marketing and sale of petroleum products through HTL Fuel Stations. The Company successfully running its petroleum segment operations in Punjab Province. Revenue of petroleum segment increased by 230% in comparison to last year. Furthermore, bottom line profit of this segment also increased by

368% by reaching to Rupees 352 million in comparison to the loss of Rupees 131 million relating to FY 2021. These are early days of the project; revenues will increase in line with the increase in HTL Fuel Stations. At 30 June 2022, the Company has twenty-seven dealer operated HTL Fuel Stations in Punjab Province.

Company's Revenue in terms of lubricant segment and petroleum segment is stated below:

DESCRIPTION	REVENUE
	Rupee in thousand
Lubricants	9,795,466
Petroleum products	7,943,571
Total revenue of the Company	1,7739,037

SEGMENTAL REVENUE

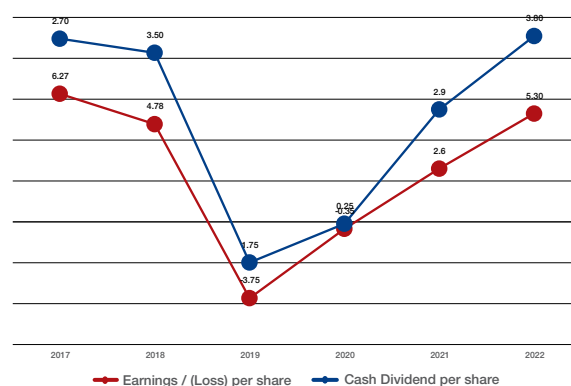


■ Lubricants segment revenue
■ Petroleum products segment revenue

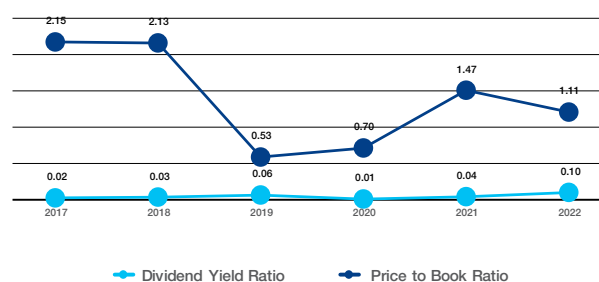
INVESTMENT / MARKET SHARE RATIOS

Investment / market share ratios metrics witnessed an overall increasing trend in FY 2022 in comparison from FY 2021 in such an era of political and economic instability. Earnings per share of the Company reached to Rupees 5.30 in comparison from Rupees 2.60, relating to FY 2021. Increasing trend in dividend yield ratio and dividend payout ratio also contributed towards strengthening of shareholders' confidence. The improvement in investment / market share ratios ultimately increase shareholders value in the Company.

INVESTMENT / MARKET SHARE RATIOS



INVESTMENT / MARKET SHARE RATIOS

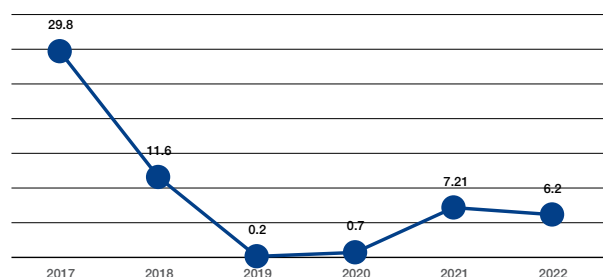


ANALYSIS OF FINANCIAL STATEMENTS

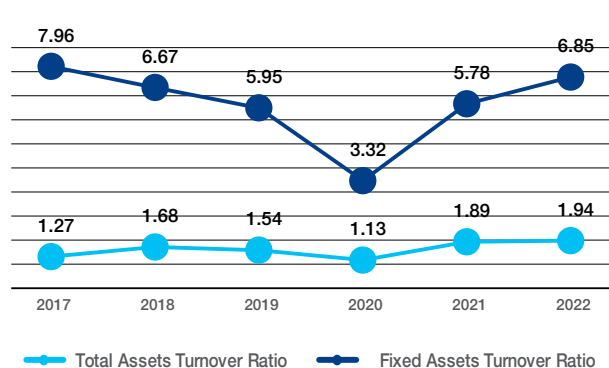
FOR THE CURRENT AND LAST FIVE YEARS

Key Performance Indicators	UOM	Jun-22	Jun-21	Jun-20	Jun-19	Jun-18	Jun-17
CAPITAL STRUCTURE							
Financial Leverage Ratio	Times	0.52	0.32	0.27	0.64	0.22	0.33
Long term Debt to Equity Ratio (as per Book Value)	%	0.00%	1.49%	1.84%	0.46%	0.77%	0.57%
Long term Debt to Equity Ratio (as per Market Value)	%	0.00%	0.58%	1.65%	0.46%	0.3%	0.2%
Net assets per share	Rs.	29.76	27.44	27.22	27.82	33.56	32.28
Interest Coverage Ratio	Times	6.19	7.21	0.7	0.2	11.6	29.8
ACTIVITY/TURNOVER RATIOS							
Total Assets Turnover Ratio	Times	1.94	1.89	1.13	1.54	1.68	1.27
Fixed Assets Turnover Ratio	Times	6.85	5.78	3.32	5.95	6.67	7.96
No. of Days in Inventory	Days	45.54	27.49	50.63	39.55	61.45	69.26
No. of Days in Receivables	Days	2.15	3.09	41.03	27.60	8.21	8.07
No. of Days in Payables	Days	49.95	43.32	58.49	30.35	35.32	44.30
Operating Cycle	Days	(2.26)	(12.74)	33.17	36.80	34.35	33.03
EMPLOYEE PRODUCTIVITY RATIOS							
Revenue per employee	Rs. ('000')	33,470	20,781	10,866	17,179	16,764	22,422
Staff turnover ratio	%	2.00%	2.30%	19.00%	20.00%	-	-

INTEREST COVERAGE RATIO



ACTIVITY/TURNOVER RATIOS



CAPITAL STRUCTURE RATIOS

The Company managed to regain its capital structure by paying off long term debts during the year and through optimum use of other financial resources. Financial Leverage Ratio and Interest Coverage Ratio has shown negative trend from FY 2021 mainly on account of increase in short term borrowings and changes in policy rate / mark-up. Net assets per share has been increased by Rupees 2.32 mainly due to incorporation of revaluation surplus and profit earned during the year.

ACTIVITY / TURNOVER RATIOS

Activity / turnover metrics witnessed significant improvement in comparison from FY 2021. Total asset turnover ratio has been reached to 1.94 times from 1.89 times due to increase in revenue during the year.

While negative operating cycle shows efficient working capital management of the Company.

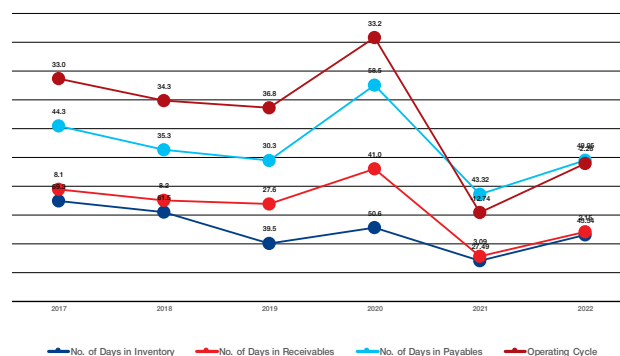
EMPLOYEE PRODUCTIVITY RATIOS

Employee productivity metrics witnessed positive trend from FY 2020. Revenue per employee shows increasing trend while staff turnover shows decreasing trend which is a positive indicator for the Company.

CUSTOMER SATISFACTION INDEX

HTL conducted survey of its customers during the year. Different questions were asked about customer's satisfaction with the HTL's products quality, pricing, packaging, brand, and reorder frequency. Analysis shows 95% score on the cumulative basis, showing our commitment to keeping our customers satisfied.

ACTIVITY/TURNOVER RATIOS



VERTICAL ANALYSIS

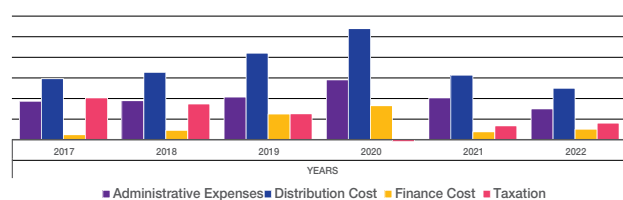
FOR THE CURRENT AND LAST FIVE YEARS

Statement of Profit or Loss	2022		2021		2020		2019		2018		2017	
	Rs. (000)	%age	Rs. (000)	%age	Rs. (000)	%age	Rs. (000)	%age	Rs. (000)	%age	Rs. (000)	%age
Net Revenue	17,739,037	100%	10,598,209	100%	5,628,659	100%	9,431,162	100%	9,253,578	100%	7,488,882	100%
Cost of Sales	(15,019,145)	85%	(8,802,509)	83%	(4,503,767)	80%	(8,136,799)	86%	(7,325,252)	79%	(5,714,430)	76%
Gross Profit	2,719,892	15%	1,795,700	17%	1,124,892	20%	1,294,363	14%	1,928,326	21%	1,774,452	24%
Administrative Expenses	(524,457)	3%	(431,094)	4%	(328,992)	6%	(390,823)	4%	(351,091)	4%	(279,254)	4%
Distribution Cost	(876,129)	5%	(666,407)	6%	(609,514)	11%	(795,362)	8%	(606,107)	7%	(445,148)	6%
EBITDA	1,319,306	7%	698,199	7%	186,386	3%	108,178	1%	971,128	10%	1,050,050	14%
Depreciation and Amortization	(255,338)	1%	(184,463)	2%	(157,102)	3%	(80,777)	1%	(57,433)	1%	(44,748)	1%
Other Expenses	(236,055)	1.3%	(41,275)	0.4%	(20,180)	0.4%	(103,571)	1%	(63,070)	1%	(33,869)	0.5%
Other Income	382,803	2%	112,541	1%	126,125	2%	113,899	1%	108,463	1%	95,757	1%
EBIT	1,210,716	7%	585,002	6%	(51,157)	-1%	37,729	0.4%	959,088	10%	1,067,190	14%
Finance Cost	(195,516)	1%	(81,148)	1%	(186,326)	3%	(235,072)	2%	(82,541)	1%	(35,838)	0%
Profit / (Loss) Before Taxation	1,015,200	6%	503,854	5%	(51,097)	-1%	(197,343)	-2%	876,547	9%	1,031,352	14%
Taxation	(277,278)	1.6%	(142,533)	1.3%	10,980	-0.2%	(237,476)	3%	(322,117)	3%	(304,484)	4%
Profit / (Loss) After Taxation	737,922	4%	361,321	3%	(40,117)	-1%	(434,819)	-5%	554,430	6%	726,868	10%

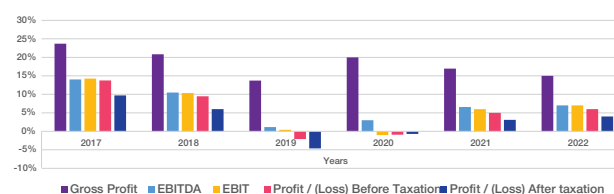
STATEMENT OF PROFIT OR LOSS VERTICAL ANALYSIS

Gross profit and EBITDA representing mixed trend from last six years. However, during the current year, Gross profit, EBITDA and EBIT represent 15%, 7% and 7% of the net revenue respectively. Achievements of revenue targets and implementation of efficient cost control measures lead the Company to regain momentum during the year as reflected in statement of Profit or Loss Vertical Analysis table.

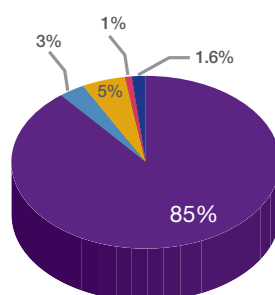
VERTICAL ANALYSIS-EXPENSES (2017-22)



VERTICAL ANALYSIS-PROFITS (2017-22)



VERTICAL ANALYSIS-STATEMENT OF PROFIT OR LOSS (2022)



■ Cost of Sales ■ Administrative Expenses ■ Distribution Cost ■ Finance Cost ■ Taxation

VERTICAL ANALYSIS

FOR THE CURRENT AND LAST FIVE YEARS

Statement of Financial Position	2022		2021		2020		2019		2018		2017	
	Rs.(000)	%age	Rs.(000)	%age	Rs.(000)	%age	Rs.(000)	%age	Rs.(000)	%age	Rs.(000)	%age
ASSETS												
Non-current assets												
Fixed assets	2,590,342	28.3%	1,833,546	32.6%	1,693,746	33.9%	1,583,889	25.9%	1,386,311	25.1%	940,568	16.0%
Right-of-use assets	555,745	6.1%	359,293	6.4%	270,943	5.4%	-	-	-	-	-	-
Intangible assets	6,658	0.1%	10,646	0.2%	7,597	0.2%	8,038	0.1%	2,895	0.1%	7,554	0.1%
Investment property	130,000	1.4%	93,750	1.7%	-	-	-	-	-	-	-	-
Investment in subsidiary company	1,300,001	14.2%	1,300,001	23.1%	1,300,001	26.0%	1,300,001	21.3%	1,300,001	23.5%	1,300,001	22.1%
Long term loans to employees	783	0.0%	-	0.0%	-	0.0%	-	0.0%	280	0.0%	1,049	0.0%
Long term security deposits	37,695	0.4%	29,402	0.5%	9,720	0.2%	26,154	0.4%	38,612	0.7%	32,737	0.6%
Deferred income tax asset-net	-	0.0%	48,246	0.9%	107,956	2.2%	39,183	0.6%	-	0.0%	-	0.0%
	4,621,224	50.6%	3,674,884	65.4%	3,389,963	67.9%	2,957,265	48.4%	2,728,099	49.4%	2,281,909	38.8%
Current assets												
Stock-in-trade	2,868,898	31.4%	878,742	15.6%	447,345	9.0%	801,995	13.1%	961,206	17.4%	1,505,338	25.6%
Trade debts	106,219	1.2%	103,225	1.8%	76,104	1.5%	1,189,384	19.4%	236,937	4.3%	179,385	3.1%
Loans and advances	192,210	2.1%	89,718	1.6%	151,182	3.0%	36,748	0.6%	146,456	2.7%	663,618	11.3%
Short term deposits and prepayments	24,309	0.3%	19,317	0.3%	31,144	0.6%	48,894	0.8%	27,934	0.5%	14,611	0.2%
Accrued Interest	571	0.0%	390	0.0%	2	0.0%	32,515	0.5%	15,335	0.3%	351.0	0.0%
Other receivables	440,065	4.8%	141,381	2.5%	50,015	1.0%	7,772	0.1%	17,340	0.3%	79,648	1.4%
Short term investment	226,804	2.5%	446,043	7.9%	723,285	14.5%	882,469	14.4%	917,354	16.6%	1,081,129	18.4%
Cash and bank balances	657,142	7.2%	264,544	4.7%	124,178	2.5%	158,925	2.6%	471,605	8.5%	75,113	1.3%
	4,516,218	49.4%	1,943,360	34.6%	1,603,255	32.1%	3,158,702	51.6%	2,794,167	50.6%	3,599,193	61.2%
TOTAL ASSETS	9,137,442	100.0%	5,618,244	100.0%	4,993,218	100.0%	6,115,967	100.0%	5,522,266	100.0%	5,881,102	100.0%
EQUITY AND LIABILITIES												
SHARE CAPITAL AND RESERVES												
Issued, subscribed and paid up capital	1,392,048	15.2%	1,160,040	20.6%	1,160,040	23.2%	1,160,040	19.0%	1,160,040	21.0%	1,160,040	19.7%
Share premium	1,441,698	15.8%	1,441,698	25.7%	1,441,698	28.9%	1,441,698	23.6%	1,441,698	26.1%	1,441,698	24.5%
Surplus on revaluation of freehold land	704,626	7.7%	-	-	-	-	-	-	-	-	-	-
Un-appropriated profit	604,175	6.6%	580,837	10.3%	555,928	11.1%	625,047	10.2%	1,290,983	23.4%	1,142,568	19.4%
Total equity	4,142,547	45.3%	3,182,575	56.6%	3,157,666	63.2%	3,226,785	52.8%	3,892,721	70.5%	3,744,306	63.7%
Non-current liabilities												
Long term financing	-	0.0%	47,490	0.8%	42,268	0.8%	1,822	0.0%	14,894	0.3%	13,496	0.2%
Liabilities against assets subject to finance lease	-	0.0%	-	0.0%	-	0.0%	26,625	0.4%	79,105	1.4%	65,810	1.1%
Lease liabilities	471,952	5.2%	334,670	6.0%	204,637	4.1%	-	-	-	-	-	-
Long term deposit	17,000	0.2%	17,000	0.3%	500	0.0%	1,000	0.0%	1,500	0.0%	2,000	0.0%
Deferred income tax liability - net	69,878	-	-	-	-	-	-	-	-	-	-	-
Deferred liabilities	-	0.0%	362	0.0%	1,863	0.0%	-	0.0%	12,069	0.2%	3,207	0.1%
	558,830	6.1%	399,522	7.1%	249,268	5.0%	29,447	0.5%	107,568	1.9%	84,513	1.4%
Current liabilities												
Trade and other payables	2,725,758	29.8%	1,385,265	24.7%	704,279	14.1%	739,055	12.1%	613,958	11.1%	803,559	13.7%
Accrued mark-up	38,150	0.4%	9,757	0.2%	22,103	0.4%	69,576	1.1%	18,217	0.3%	9,517	0.2%
Short term borrowing	1,494,219	16.4%	461,181	8.2%	766,263	15.3%	1,974,915	32.3%	707,636	12.8%	1,118,969	19.0%
Current portion of non-current liabilities	172,182	1.9%	162,698	2.9%	90,201	1.8%	70,939	1.2%	61,094	1.1%	43,489	0.7%
Unclaimed dividend	5,756	0.1%	6,327	0.1%	3,438	0.1%	4,026	-	4,297	-	1,526	-
Taxation - net	-	0.0%	10,919	0.2%	-	0.0%	1,224	0.0%	116,775	2.1%	75,223	1.3%
	4,436,065	48.5%	2,036,147	36.2%	1,586,284	31.8%	2,859,735	46.8%	1,521,977	27.6%	2,052,283	34.9%
TOTAL EQUITY AND LIABILITIES	9,137,442	100.0%	5,618,244	100.0%	4,993,218	100.0%	6,115,967	100.0%	5,522,266	100.0%	5,881,102	100.0%

FINANCIAL POSITION'S VERTICAL ANALYSIS

Total assets comprise of current and non-current assets. At 30 June 2022, non-current assets are 50.6% of total assets while current assets are 49.4%.

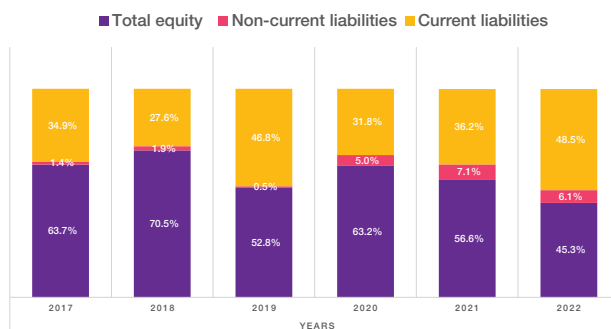
On the other side, share capital and reserves are 45.3% of the total equity and liabilities while non-current liabilities and current liabilities are 6.1% and 48.5% respectively.

and 48.5% respectively.

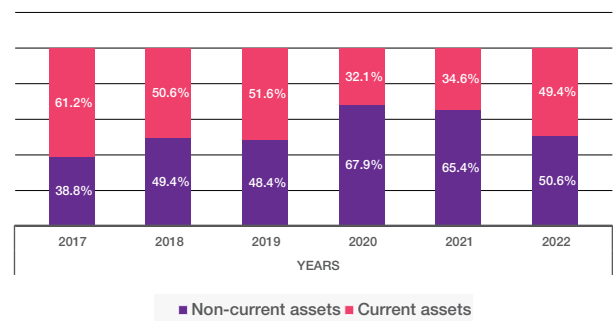
Share capital and reserves mainly constitute issued subscribed and paid up share capital (15.2%), share premium (15.8%), surplus on revaluation of freehold land (7.7%) and unappropriated profit (6.6%).

Non-current liabilities mainly constitute lease liabilities (5.2%) and deferred income tax liability - net (0.8%). Current liabilities mainly constitute short term borrowings (16.4%) and trade and other payables (29.8%).

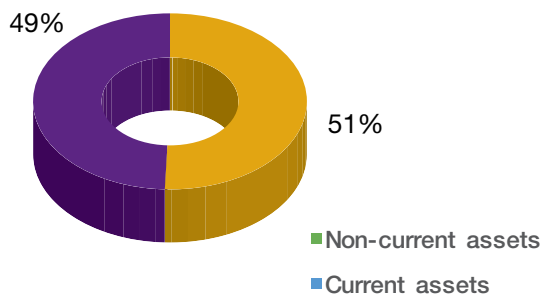
VERTICAL ANALYSIS-TOTAL EQUITY & LIABILITIES (2017-2022)



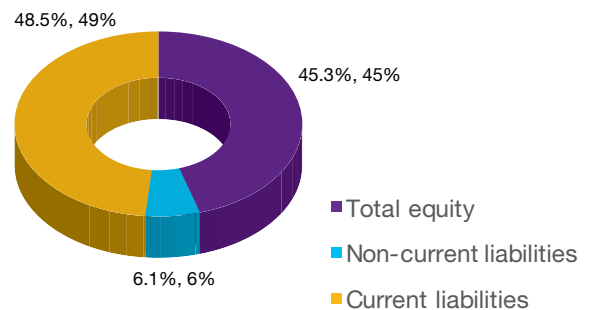
VERTICAL ANALYSIS-TOTAL ASSETS (2017-22)



VERTICAL ANALYSIS-TOTAL ASSETS (2022)



VERTICAL ANALYSIS-TOTAL EQUITY & LIABILITIES (2022)



HORIZONTAL ANALYSIS

FOR THE CURRENT AND LAST FIVE YEARS

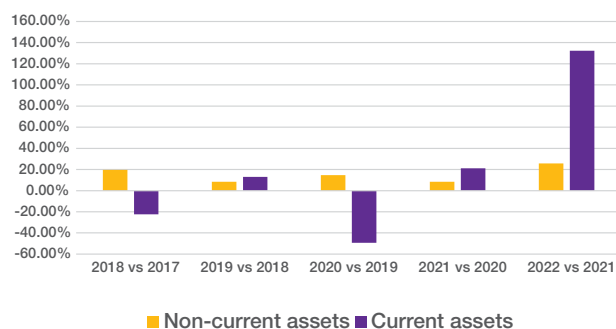
Statement of Financial Position	2022		2021		2020		2019		2018		2017	
	Rs.(000)	%age	Rs.(000)	%age	Rs.(000)	%age	Rs.(000)	%age	Rs.(000)	%age	Rs.(000)	%age
ASSETS												
Non-current assets												
Fixed assets	2,590,342	41.27%	1,833,546	8.25%	1,693,746	6.94%	1,583,889	14.25%	1,386,311	47.39%	940,568	190.79%
Right-of-use assets	555,745	54.68%	359,293	32.61%	270,943	271.00%	-	0.00%	-	0.00%	-	0.00%
Intangible assets	6,658	-37.46%	10,646	40.13%	7,597	-5.49%	8,038	0.00%	2,895	0.00%	7,554	0.00%
Investment property	130,000	62.00%	93,750	62.00%	-	-	-	-	-	-	-	-
Investment in subsidiary company	1,300,001	0.00%	1,300,001	0.00%	1,300,001	0.00%	1,300,001	0.00%	1,300,001	0.00%	1,300,001	17.89%
Long term loans to employees	783	0.00%	-	0.00%	-	0.00%	-	0.00%	280	-73.31%	1,049	-67.57%
Long term security deposits	37,695	28.21%	29,402	202.49%	9,720	-62.84%	26,154	-32.26%	38,612	17.95%	32,737	142.42%
Deferred income tax asset-net	-	-100.00%	48,246	-55.31%	107,956	175.52%	39,183	0.00%	-	0.00%	-	0.00%
	4,621,224	25.75%	3,674,884	8.40%	3,389,963	14.63%	2,957,265	8.40%	2,728,099	19.55%	2,281,909	56.77%
Current assets												
Stock-in-trade	2,868,898	226.48%	878,742	96.43%	447,345	-44.22%	801,995	-16.56%	961,206	-36.15%	1,505,338	126.96%
Trade debts	106,219	2.90%	103,225	35.64%	76,104	-93.60%	1,189,384	401.98%	236,937	32.08%	179,385	18.19%
Loans and advances	192,210	114.24%	89,718	-40.66%	151,182	311.40%	36,748	-74.91%	146,456	-77.93%	663,618	1028.77%
Short term deposits and prepayments	24,309	25.84%	19,317	-37.98%	31,144	-36.30%	48,894	75.03%	27,934	91.18%	14,611	6.77%
Other receivables	440,065	211.26%	141,381	182.68%	50,015	53.82%	32,515	87.51%	17,340	-	79,648	-
Accrued Interest	571	46.41%	390	19400.00%	2	-99.97%	7,772	-49.32%	15,335	150.00%	351.0	0.00%
Short term investment	226,804	-49.15%	446,043	-38.33%	723,285	-18.04%	882,469	-3.80%	917,354	-15.15%	1,081,129	-25.88%
Cash and bank balances	657,142	148.41%	264,544	113.04%	124,178	-21.86%	158,925	-66.30%	471,605	527.86%	75,113	-59.80%
	4,516,218	132.39%	1,943,360	21.21%	1,603,255	-49.24%	3,158,702	13.05%	2,794,167	-22.37%	3,599,193	42.07%
TOTAL ASSETS	9,137,442	62.64%	5,618,244	12.52%	4,993,218	-18.36%	6,115,967	10.75%	5,522,266	-6.10%	5,881,102	47.43%
EQUITY AND LIABILITIES												
SHARE CAPITAL AND RESERVES												
Issued, subscribed and paid up capital	1,392,048	20.00%	1,160,040	0.00%	1,160,040	0.00%	1,160,040	0.00%	1,160,040	0.00%	1,160,040	0.00%
Share premium	1,441,698	0.00%	1,441,698	0.00%	1,441,698	0.00%	1,441,698	0.00%	1,441,698	0.00%	1,441,698	0.00%
Surplus on revaluation of freehold land	704,626	100.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Un-appropriated profit	604,175	4.02%	580,837	4.48%	555,928	-11.06%	625,047	-51.58%	1,290,983	12.99%	1,142,568	56.75%
Total equity	4,142,547	30.16%	3,182,575	0.79%	3,157,666	-2.14%	3,226,785	-17.11%	3,892,721	3.96%	3,744,306	12.42%
Non-current liabilities												
Long term financing	-	-100.00%	47,490	12.35%	42,268	2219.87%	1,822	-87.77%	14,894	10.36%	13,496	1210.29%
Liabilities against assets subject to finance lease	-	0.00%	-	0.00%	-	-100.00%	26,625	-66.34%	79,105	20.20%	65,810	333.67%
Lease liabilities	471,952	41.02%	334,670	63.54%	204,637	100.00%	-	0.00%	-	0.00%	-	0.00%
Long term deposits	17,000	0.00%	17,000	3300.00%	500	-50.00%	1,000	-33.33%	1,500	-25.00%	2,000	0.00%
Deferred income tax liability - net	69,878	100.00%	-	-	-	-	-	-	-	-	-	-
Deferred liabilities	-	-100.00%	362	-80.57%	1,863	500.00%	-	-100.00%	12,069	276.33%	3,207	0.00%
	558,830	39.87%	399,522	60.28%	249,268	746.50%	29,447	-72.62%	107,568	27.28%	84,513	364.23%
Current liabilities												
Trade and other payables	2,725,758	96.77%	1,385,265	96.69%	704,279	-4.71%	739,055	20.38%	613,958	-23.60%	803,559	37.69%
Accrued mark-up/profit	38,150	291.00%	9,757	-55.86%	22,103	-68.23%	69,576	281.93%	18,217	91.42%	9,517	1652.67%
Short term borrowing	1,494,219	224.00%	461,181	-39.81%	766,263	-61.20%	1,974,915	179.09%	707,636	-36.76%	1,118,969	0.00%
Current portion of non-current liabilities	172,182	5.83%	162,698	80.37%	90,201	27.15%	70,939	16.11%	61,094	40.48%	43,489	99.93%
Unclaimed dividend	5,756	-9.02%	6,327	84.03%	3,438	-14.61%	4026	-	4297	-	1,526	-
Taxation - net	-	0.00%	10,919	0.00%	-	-100.00%	1,224	-98.95%	116,775	55.24%	75,223	119.63%
	4,436,065	117.87%	2,036,147	28.36%	1,586,284	-44.53%	2,859,735	87.90%	1,521,977	-25.84%	2,052,283	220.60%
TOTAL EQUITY AND LIABILITIES	9,137,442	62.64%	5,618,244	12.52%	4,993,218	-18.36%	6,115,967	10.75%	5,522,266	-6.10%	5,881,102	47.43%
Statement of Profit or Loss												
Net Revenue	17,739,037	67%	10,598,209	88%	5,628,659	-40%	9,431,162	2%	9,253,578	24%	7,488,882	7%
Cost of Sales	(15,019,145)	71%	(8,802,509)	95%	(4,503,767)	-45%	(8,136,799)	11%	(7,325,252)	28%	(5,714,430)	15%
Gross Profit	2,719,892	51%	1,795,700	60%	1,124,892	-13%	1,294,363	-33%	1,928,326	9%	1,774,452	-13%
Administrative Expenses	(524,457)	22%	(431,094)	31%	(328,992)	-16%	(390,823)	11%	(351,091)	26%	(279,254)	6%
Distribution Cost	(876,129)	31%	(666,407)	9%	(609,514)	-23%	(795,362)	31%	(606,107)	36%	(445,148)	-48%
EBITDA	1,319,306	89%	698,199	275%	186,386	72%	108,178	-89%	971,128	-8%	1,050,050	13%
Depreciation and Amortization	(255,338)	38%	(184,463)	17%	(157,102)	94%	(80,777)	41%	(57,433)	28%	(44,748)	17%
Other Expenses	(236,055)	472%	(41,275)	105%	(20,180)	-81%	(103,571)	64%	(63,070)	86%	(33,869)	-22%
Other Income	382,803	240%	112,541	-11%	126,125	11%	113,899	5%	108,463	13%	95,757	107%
EBIT	1,210,716	107%	585,002	333%	135,229	258%	37,729	-96%	959,088	-10%	1,067,190	19%
Finance Cost	(195,516)	141%	(81,148)	-56%	(186,326)	-21%	(235,072)	185%	(82,541)	130%	(35,838)	121%
Profit / (Loss) Before Taxation	1,015,200	101%	503,854	1086%	(51,097)	-74%	(197,343)	-123%	876,547	-15%	1,031,352	17%
Taxation	(277,278)	95%	(142,533)	1398%	10,980	-105%	(237,476)	-26%	(322,117)	6%	(304,484)	-13%
Profit / (Loss) After Taxation	737,922	104%	361,321	1001%	(40,117)	-91%	(434,819)	-178%	554,430	-24%	726,868	37%

FINANCIAL POSITION HORIZONTAL ANALYSIS

Non-current assets have been increased by Rupees 756.796 million (41.27%) from the last year. This increase was mainly on account of surplus on revaluation of free hold land of the Company.

Current assets primarily comprise of stock-in-trade, trade debts, other receivables, short term investments and cash and bank balances. On an aggregate basis, current assets increased by Rupees 2,572.858 million (132.39%) mainly on account of increase in stock-trade by Rupees 1,990.156 million (226.48%), cash and bank balances by Rupees 392.598 million (148.41%) while short term investments decreased by Rupees 219.239 million (49.15%) in comparison to last year.

HORIZONTAL ANALYSIS-TOTAL ASSETS

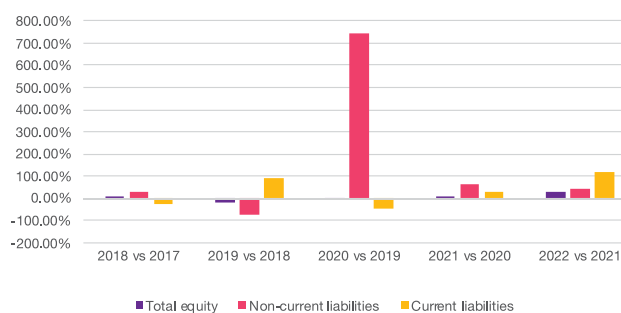


Shareholders' equity has been increased by Rupees 959.972 million (30.16%) mainly on account of surplus on revaluation of freehold land and profit earned during the year.

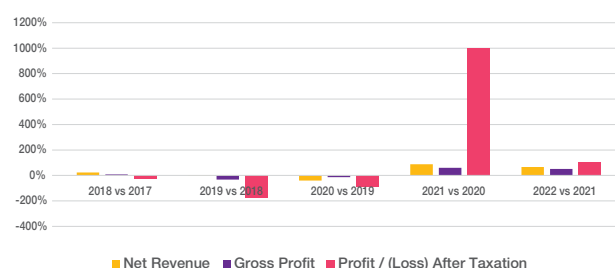
Non-current liabilities for the year have been increased by Rupees 159.308 million (39.87%) mainly due to increase in lease liabilities.

Current liabilities have increased by Rupees 2,399.918 million (117.87%) mainly due to increase in trade and other payables and short term borrowings.

HORIZONTAL ANALYSIS-TOTAL EQUITY & LIABILITIES (2022)



HORIZONTAL ANALYSIS-PROFIT OR LOSS



STATEMENT OF PROFIT OR LOSS HORIZONTAL ANALYSIS

Net revenue has been increased by Rupees 7,140.828 million (67%) in comparison to last year on account of achievement of all budgeted targets for the FY 2021-2022. The aforesaid increase in net revenue leads to the increase of gross profit by 924.192 million (51%) in comparison to last year. Administrative expenses have been increased by 22% mainly on account of increase in salaries and wages of the employees while distribution expenses have been increased by 31% in line with the increase of net revenue of the Company.

Other income has been increased by 240% mainly due to dividend of Rupees 260 million received from Hi-Tech Blending (Private) Limited – wholly owned subsidiary company.

Finance cost has been increased by 56% due to increase in short term borrowings and their mark up rates. FY 2022 was remained challenging, but focusing on the achievement of revenue targets along with effective cost control measures, the Company able to achieve net profit of Rupees 737.922 million, up by 104% in comparison from last year.

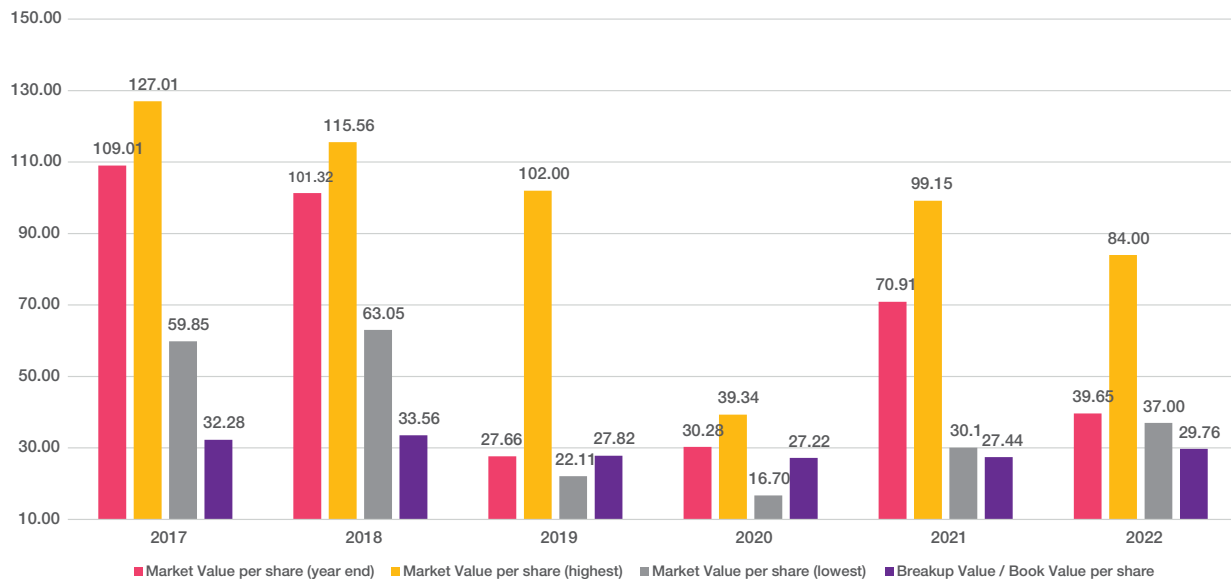
SHARE PRICE SENSITIVITY ANALYSIS

Share price in the stock market moves due to various factors such as company performance, general market sentiment, economic events and interest rates, etc. Being a responsible and law-compliant Company, HTL circulates price sensitive information to stock exchanges in accordance with the requirements of listing regulations in a timely manner.

Share price sensitivity analysis using key variable with consequent impact on the Company's earnings:

KEY VARIABLE	RELATIONSHIP	IMPACT ON EARNINGS	SHARE PRICE IMPACT
Selling price	Direct	Increase in selling price directly increase in earnings of the Company and vice versa.	Increase in earnings directly increase share price of the Company and vice versa.
Stock-in-trade price	Indirect	Increase in stock-in-trade price directly increase cost of sales, resultantly decrease in earnings of the Company.	Decrease in earnings directly decrease share price of the Company and vice versa.
Interest rate	Indirect	Increase in interest rate directly increase finance cost, resultantly decrease in earnings of the Company.	Decrease in earnings directly decrease share price of the Company and vice versa.
Currency	Indirect	Depreciation in Pak Rupee directly increase import cost of inventory, resultantly decrease in earnings and vice versa.	Decrease in earnings directly decrease share price of the Company and vice versa.

During the year 2022, HTL's share price touched the peak of Rupees 84.00 while the lowest recorded price was Rupees 37.00 with a closing price of Rupees 39.65 at the end of the year.



RATIOS FOR SHARIAH COMPLIANT COMPANIES AND THE COMPANIES LISTED ON THE ISLAMIC INDICES

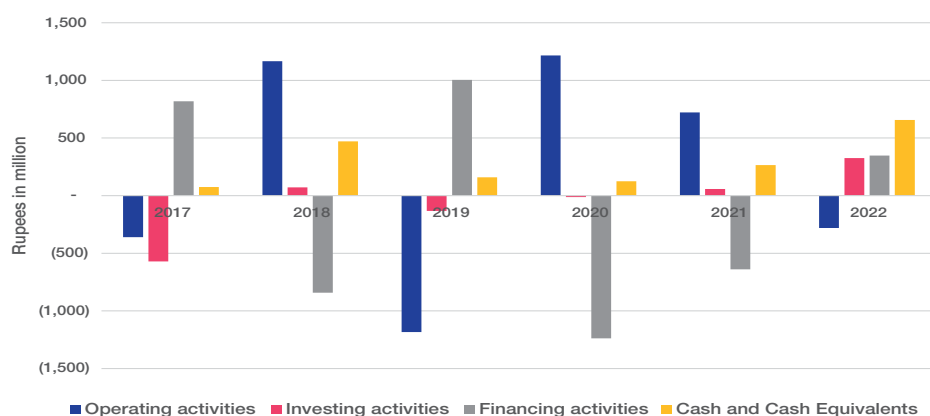
RATIO DESCRIPTION	BENCH MARK	2022
Interest bearing loan to market capitalization	Not exceed 30%	28%
Interest taking deposit to market capitalization	Not exceed 30%	0%
Income generated from prohibited component to total income	Not exceed 5%	0%
Net liquid assets per share to market value per share	At least 25%	Negative

CASH FLOWS ANALYSIS

FOR THE CURRENT AND LAST FIVE YEARS

Summary of Cash Flow Statement	2022	2021	2020	2019	2018	2017
	Rupees in thousand					
CASH FLOWS FROM OPERATING ACTIVITIES						
Profit / (loss) before taxation	1,015,200	503,854	(51,098)	(197,341)	876,546	1,031,351
Adjustments for non-cash items and other items	283,334	192,073	218,949	290,049	81,069	8,525
Working capital changes	(1,349,853)	160,289	1,354,187	(685,165)	561,664	(1,091,236)
Finance cost paid	(162,381)	(85,570)	(233,431)	(183,712)	(73,841)	(26,864)
Income tax paid	(58,722)	(56,195)	(74,725)	(404,279)	(271,703)	(260,304)
Net (increase) / decrease in long term loan to employees	(983)	-	280	769	1,390	3,058
Net (increase) / decrease in long term security deposits	(6,682)	(8,702)	2,898	(3,538)	(7,700)	(24,555)
Increase / (decrease) in long term deposits	-	16,500	(500)	(500)	(500)	-
Net cash generated from / (used in) operating activities	(280,087)	722,249	1,216,560	(1,183,717)	1,166,925	(360,025)
CASH FLOWS FROM INVESTING ACTIVITIES						
Capital expenditures on operating fixed assets	(198,381)	(267,487)	(282,116)	(275,337)	(440,267)	(650,938)
Capital expenditures on intangible assets	(825)	(7,069)	(5,362)	(8,026)	(676)	(1,865)
Initial direct cost incurred on right of use assets	(3,411)	(1,204)	-	-	-	-
Proceeds from disposal of operating fixed assets	2,557	13,776	15,395	8,024	9,537	74,722
Investment in subsidiary company	-	-	-	-	-	(197,241)
Loans to subsidiary company	-	-	-	(548,900)	(296,500)	(261,000)
Repayment of loans by subsidiary company	-	-	-	548,900	557,500	-
Short term investments - net	220,880	277,775	153,963	30,869	155,000	378,663
Dividend received	282,797	20,453	10,437	1,132	272	1,151
Interest received on loans to subsidiary company	-	-	7,741	41,196	28,948	-
Profit on bank deposits and term deposits received	21,992	21,829	86,942	69,330	57,615	85,353
Net cash from / (used in) investing activities	325,609	58,073	(13,000)	(132,812)	71,429	(571,155)
Cash flow from financing activities						
Repayment of liabilities against assets subject to finance lease	-	-	-	(45,153)	(35,973)	(5,804)
Repayment of lease liabilities	(107,111)	(81,501)	(48,576)	-	-	-
Dividends paid	(483,148)	(333,524)	(29,589)	(203,278)	(403,243)	(312,549)
Long term financing obtained	-	126,582	63,404	-	21,865	23,135
Long term financing repaid	(95,704)	(46,431)	(14,894)	(15,000)	(13,178)	(4,321)
Short term borrowings - net	1,033,038	(305,082)	(1,208,652)	1,267,280	(411,333)	1,118,969
Net cash from / (used in) financing activities	347,075	(639,956)	(1,238,307)	1,003,849	(841,862)	819,430
Net increase / (decrease) in cash and cash equivalents	392,597	140,366	(34,747)	(312,680)	396,492	(111,750)
Cash and cash equivalents at the beginning of the year	264,544	124,178	158,925	471,605	75,113	186,863
Cash and cash equivalents at the end of year	657,141	264,544	124,178	158,925	471,605	75,113

ANALYSIS OF CASH FLOWS



CASH FLOWS ANALYSIS

HTLL makes, execute and monitor its plans for operating, financing and investing cash flows activities. Analysis of its cash flow cycle is explained below:

OPERATING ACTIVITIES

After excluding impact of non-cash items, the Company witnessed net used in operating activities by Rupees 280.087 million in comparison to the last year's net cash generated from operating activities of Rupees 722.249 million. This is mainly due to investment in stock-in-trade during the year.

INVESTING ACTIVITIES

HTL received net cash amounting to Rupees 325.609 million from investing activities mainly on account of realization of short term investments and dividend from wholly owned subsidiary company.

FINANCING ACTIVITIES

Net inflows from financing activities are Rupees 347.075 million mainly due to receipt of short term borrowings.

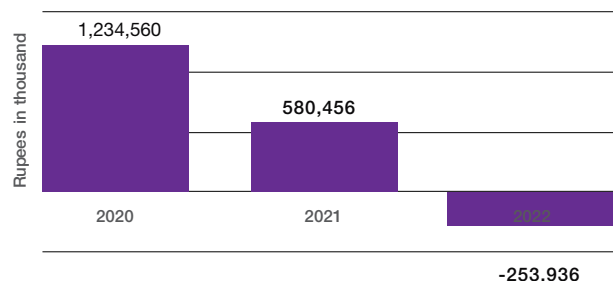
CASH AND CASH EQUIVALENTS

Cash and cash equivalents are increased by Rupees 392.597 million mainly on account of inflows from financing and investing activities.

ANALYSIS OF FREE CASH FLOWS

Free Cash Flows	2022	2021	2020
	Rupees in thousand		
Profit / (loss) before taxation	1,015,200	503,854	(51,098)
Adjustments for non-cash items and other items	283,334	192,073	218,949
Working capital changes	(1,349,853)	160,289	1,354,187
Capital additions	(202,617)	(275,760)	(287,478)
Free Cash Flows	(253,936)	580,456	1,234,560

FREE CASH FLOWS (2020-2022)



DIRECT METHOD CASH FLOWS

	2022	2021
Cash Flows From Operating Activities		
Collection from customers	17,569,714,083	10,513,763,792
Payments to employees as remuneration	(867,816,540)	(727,511,512)
Payments to suppliers and service providers	(13,971,962,664)	(6,433,707,994)
Income tax paid	(58,722,363)	(56,194,929)
Sales tax paid	(2,788,116,112)	(2,488,022,445)
Finance cost paid	(162,380,933)	(85,570,387)
Zakat paid	(802,695)	(507,123)
Net cash used in / (generated from) operating activities	(280,087,224)	722,249,402
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditures on operating fixed assets	(198,380,855)	(267,486,601)
Capital expenditure on intangible assets	(824,609)	(7,069,069)
Initial direct cost incurred on right-of-use assets	(3,410,776)	(1,203,654)
Proceeds from disposal of operating fixed assets	2,556,955	13,775,776
Short term investments - net	220,880,116	277,774,997
Dividends received	282,796,867	20,452,706
Profit on bank deposits and term deposit receipts received	21,991,452	21,828,703
Net cash from investing activities	325,609,150	58,072,858
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of lease liabilities	(107,111,273)	(81,501,417)
Dividend paid	(483,147,527)	(333,523,490)
Proceeds from long term financing	-	126,582,220
Repayment of long term financing	(95,703,612)	(46,430,813)
Short term borrowings - net	1,033,038,142	(305,082,290)
Net cash from / (used in) financing activities	347,075,730	(639,955,790)
Net increase in cash and cash equivalents	392,597,656	140,366,470
Cash and cash equivalents at the beginning of the year	264,544,140	124,177,670
Cash and cash equivalents at the end of the year	657,141,796	264,544,140

QUARTERLY ANALYSIS

FOR THE **CURRENT YEAR**



Statement of Profit or Loss	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	Rupees in thousand			
GROSS REVENUE	3,832,710	5,016,153	4,457,701	7,649,858
DISCOUNTS	(117,759)	(263,428)	(132,181)	(237,063)
	3,714,951	4,752,725	4,325,520	7,412,795
SALES TAX	(634,458)	(767,524)	(509,673)	(555,299)
NET REVENUE	3,080,493	3,985,201	3,815,847	6,857,496
COST OF SALES	(2,400,114)	(3,248,841)	(3,153,488)	(6,216,702)
GROSS PROFIT	680,379	736,360	662,359	640,794
DISTRIBUTION COST	(261,108)	(196,215)	(185,330)	(449,770)
ADMINISTRATIVE EXPENSES	(163,915)	(110,141)	(165,381)	(124,064)
OTHER EXPENSES	(84,285)	(43,467)	(18,062)	(90,241)
	(509,308)	(349,823)	(368,773)	(664,075)
OTHER INCOME	17,670	14,692	19,110	331,331
PROFIT FROM OPERATIONS	188,741	401,229	312,696	308,050
FINANCE COST	(36,826)	(43,287)	(50,818)	(64,585)
PROFIT BEFORE TAXATION	151,915	357,942	261,878	243,465
TAXATION	(47,533)	(80,724)	(53,397)	(95,624)
PROFIT AFTER TAXATION	104,382	277,218	208,481	147,841

Statement of Financial Position	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	Rupees in thousand			
EQUITY AND LIABILITIES				
SHARE CAPITAL AND RESERVES				
Authorized share capital				
150,000,000 (2021: 150,000,000)				
ordinary shares of Rupees 10 each	1,500,000	1,500,000	1,500,000	1,500,000
Issued, subscribed and paid-up share capital	1,160,040	1,392,048	1,392,048	1,392,048
Reserves	2,332,533	2,145,734	2,103,646	2,750,499
Total Equity	3,492,573	3,537,782	3,495,694	4,142,547
LIABILITIES				
NON-CURRENT LIABILITIES				
Long term financing	24,640	-	-	-
Lease Liabilities	349,396	412,809	418,056	471,952
Long term deposits	17,000	22,000	19,000	17,000
Deferred income tax liability - net		62,835	59,939	69,878
Deferred income - Government grant	6	-	-	-
	391,042	497,644	496,995	558,830
CURRENT LIABILITIES				
Trade and other payables	874,945	1,142,563	1,252,798	2,725,758
Accrued mark-up	13,675	24,893	26,874	38,150
Short term borrowings	166,592	1,147,295	1,679,648	1,494,219
Current portion of non-current liabilities	808,349	184,427	180,432	172,182
Unclaimed dividend	6,327	5,199	5,199	5,756
Provision for taxation - net	4,477	-	-	-
	1,874,365	2,504,377	3,144,951	4,436,065
Total liabilities	2,265,407	3,002,021	3,641,946	4,994,895
Contingencies and Commitments	-	-	-	-
TOTAL EQUITY AND LIABILITIES	5,757,980	6,539,803	7,137,640	9,137,442

Statement of Financial Position	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
	Rupees in thousand			
ASSETS				
NON-CURRENT ASSETS				
Fixed assets	1,876,354	1,846,475	1,840,390	2,590,342
Right-of-use assets	343,121	464,694	489,418	555,745
Intangible assets	9,502	8,923	7,718	6,658
Investment property	61,658	61,658	61,658	130,000
Investment in subsidiary company	1,300,001	1,300,001	1,300,001	1,300,001
Long term security deposits	30,518	36,363	42,953	37,695
Long term loan to an employee				783
Deffered income tax asset - net	11,243	-	-	-
	3,632,397	3,718,114	3,742,138	4,621,224
CURRENT ASSETS				
Stock-in-trade	717,195	1,107,354	1,263,686	2,868,898
Trade debts	156,429	91,433	62,594	106,219
Loans and advances	219,724	470,843	956,764	192,210
Short term deposits and prepayments	24,013	28,360	22,670	24,309
Advance income tax - net of provision for taxation		275,619	227,820	
Other receivables	323,771	228,891	269,216	440,065
Accrued interest	2,390	22	3,454	571
Short term investments	220,068	451,467	230,472	226,804
Cash and bank balances	461,993	167,701	358,826	657,142
	2,125,583	2,821,689	3,395,502	4,516,218
TOTAL ASSETS	5,757,980	6,539,803	7,137,640	9,137,442

QUARTERLY ANALYSIS REVENUE

First quarter of the fiscal year, which is generally slower coupled with economic slowdown one represents 17.37% of total revenue showing mixed trend in remaining quarters with highest in fourth quarter which represent 38.66% of total revenue. Although FY 2021-2022 remained challenging, due to:

- Political instability;
- Geopolitical uncertainty arising out of Russia-Ukraine conflict;
- Higher interest and inflation rate; and
- Rupee depreciation

The Company successfully attained significant growth in revenue.

COST OF SALES

Cost of sales shows mixed trend in FY 2022 with lowest in first quarter and highest is fourth quarter in line with the revenue of the Company.

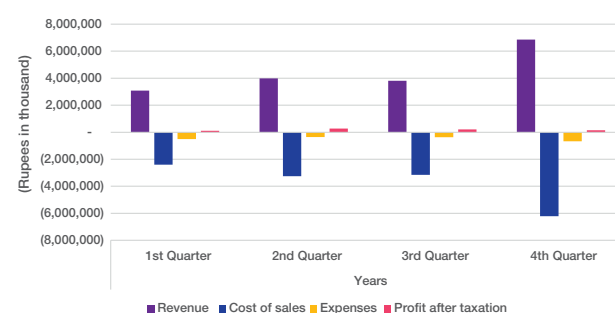
PROFIT FROM OPERATIONS

In spite of global and economy challenges, the Company successfully reported profit from operations in all four quarters of FY 2022. Profit from operations in first three quarters are in line with the revenue trend but in fourth quarter due to significant rupee depreciation it has been decreased. Overall, performance of the Company was up to mark, as it also able to post bottom line profits during the four quarters of year accumulating into net profit of Rupees 737.922 million, up by 104 % in comparison from last year.

ECONOMIC VALUE ADDED

Economic value added (EVA) measures the performance of the Company and its management. In FY 2022, the Company has improved its performance by increase in its business resulting in creating wealth and returns for its shareholders.

QUARTERLY ANALYSIS



ECONOMIC VALUE ADDED (EVA)

