

MUGHAL
STEEL



CORPORATE BRIEFING
SESSION – FY 2025
WHERE **SUSTAINABILITY**
SHAPES STRENGTH

KEY FIGURES



KEY STRENGTHS



ENTITY RATING

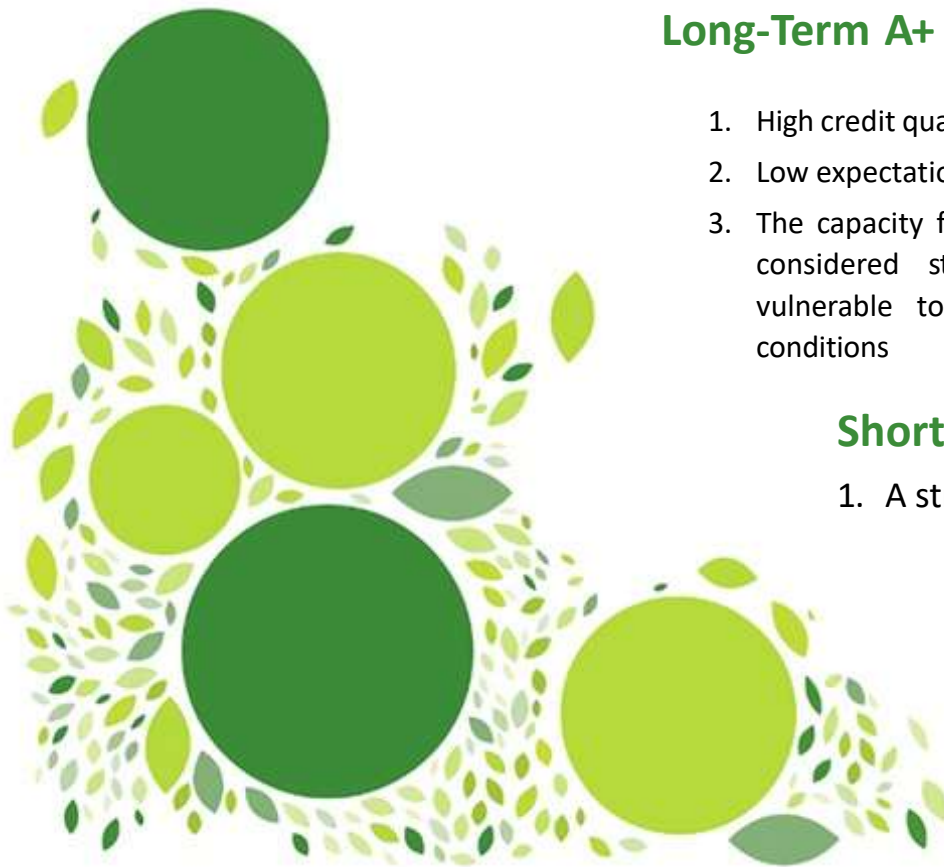
Pakistan Credit Rating Agency and VIS Credit Rating Company Limited as per their latest reports have issued following ratings:

Long-Term A+ (A Plus)

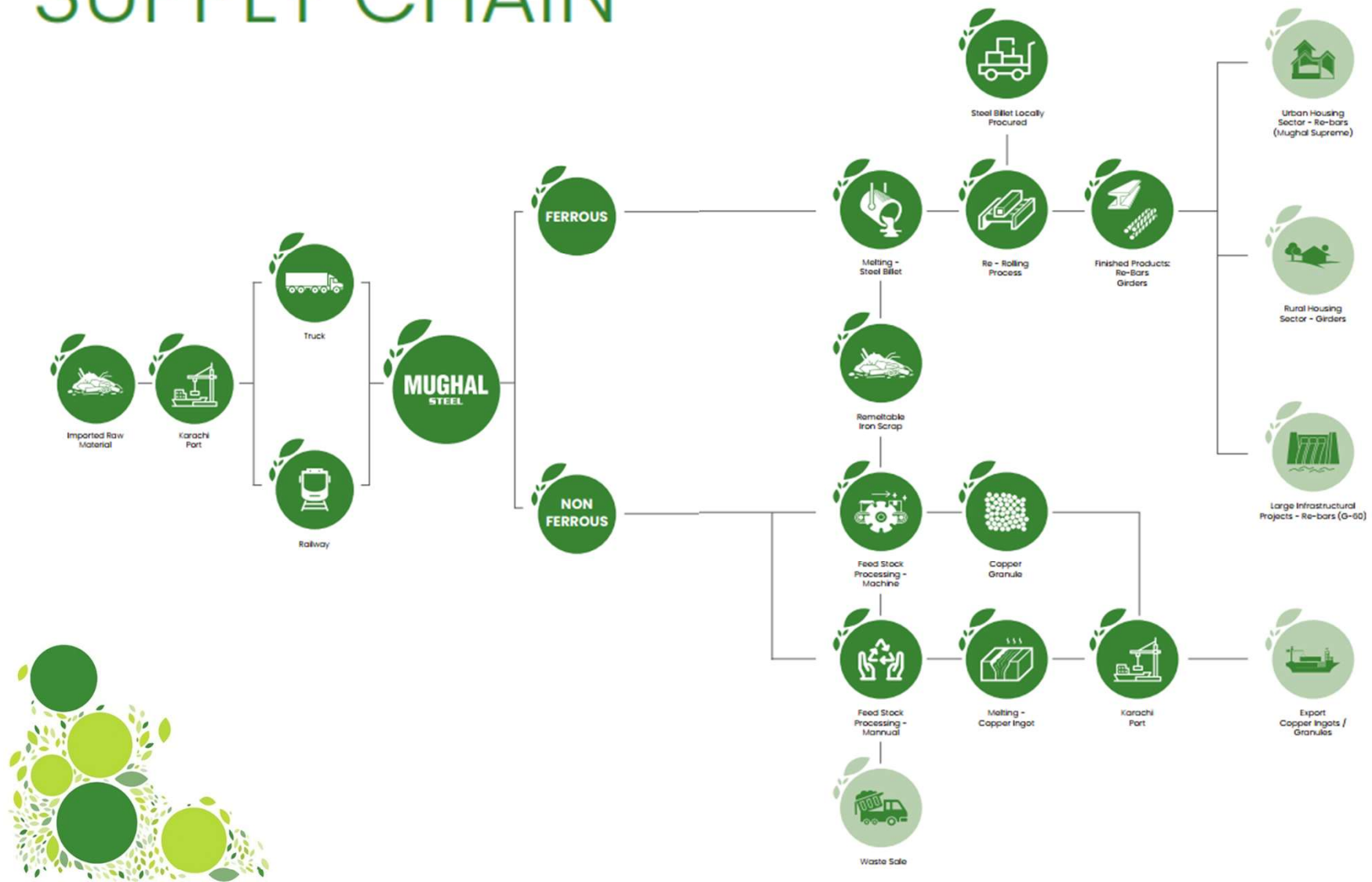
1. High credit quality.
2. Low expectation of credit risk.
3. The capacity for timely payment of financial commitments is considered strong. This capacity may, nevertheless, be vulnerable to changes in circumstances or in economic conditions

Short-Term A1 (A One)

1. A strong capacity for timely repayment.



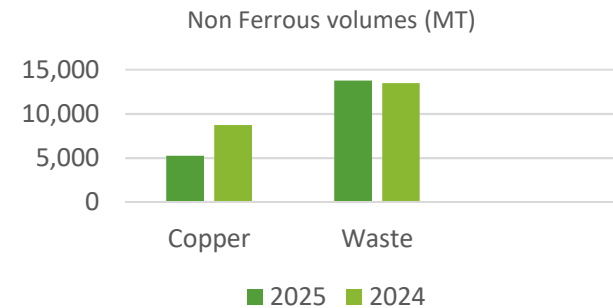
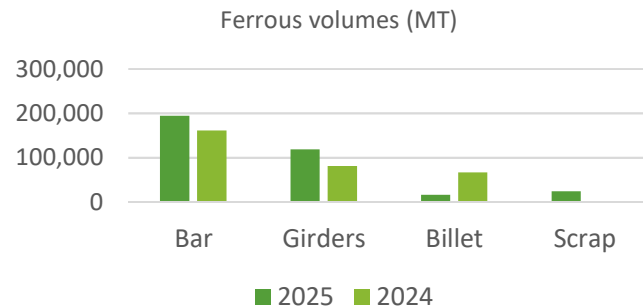
SUPPLY CHAIN



KEY REVENUE DRIVERS

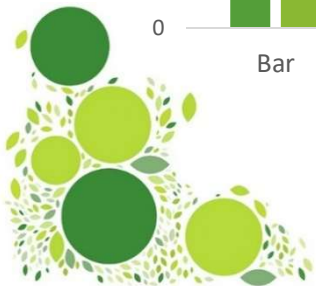
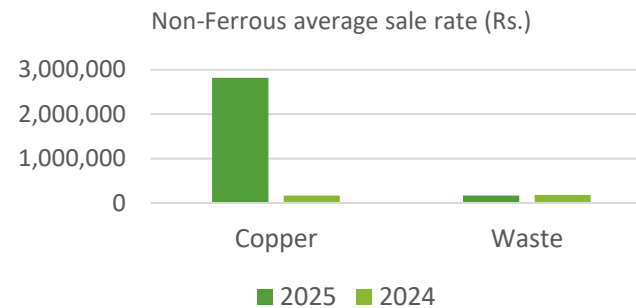
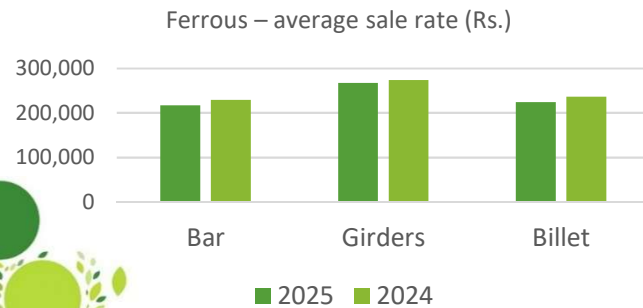
Sales volumes (tonnage sold)

Ferrous segment contributed 82% to the overall revenue increasing by 6.40% YoY, whereas Non-Ferrous contribution was around 18% decreasing by 31.62%.



Average sales prices

These are influenced by various factor such as international scrap prices, energy costs, exchange rate parity etc. Mughal's diversified product portfolio allows it to mitigate price volatility through a mix of diversified product range.



KEY PERFORMANCE INDICATORS

	2025	2024	2023	2022	2021
GP margin	9.10%	8.35%	14.35%	15.31%	14.88%
Net margin	1.08%	2.16%	5.16%	8.18%	7.63%
EBITDA	8.56%	8.18%	13.69%	14.01%	12.95%
ROE %	3.35%	7.65%	13.72%	25.96%	20.78%
Share price	72.12	93.00	49.24	57.64	104.40

PROFIT OR LOSS HIGHLIGHTS

Rs.	2025	2024
Gross sales	102,791,772,465	105,554,327,171
Gross profit	8,137,973,298	7,717,627,240
Finance cost	(5,723,029,048)	(6,364,038,979)
Levies and taxation	(391,749,139)	1,381,053,064
Profit for the year	965,518,174	1,999,888,711
EPS	2.83	5.96

EXPLANATION FOR MATERIAL DEVIATIONS

Increase in long-term loans:

The increase was due to issue of Rs. 2,500 million long term loan to Mughal Energy Limited.

Decrease in inventories:

The decrease was due to fall in non-ferrous inventories and also due reduction in ferrous inventory levels.

Increase in trade debts:

The increase was due to increase in local ferrous operations and month end dispatches.

Decrease in loans and advances:

The decrease was due to repayment of short-term loan issued to Mughal Energy Limited.

Increase in due from government:

The increase was due to advance tax paid at import stage or in advance and availability of tax credits.

Increase in trade and other payables:

The increase in trade and other payables was due to material imported on deferred letter of credit terms rather than sight.

Decrease in short-term borrowings:

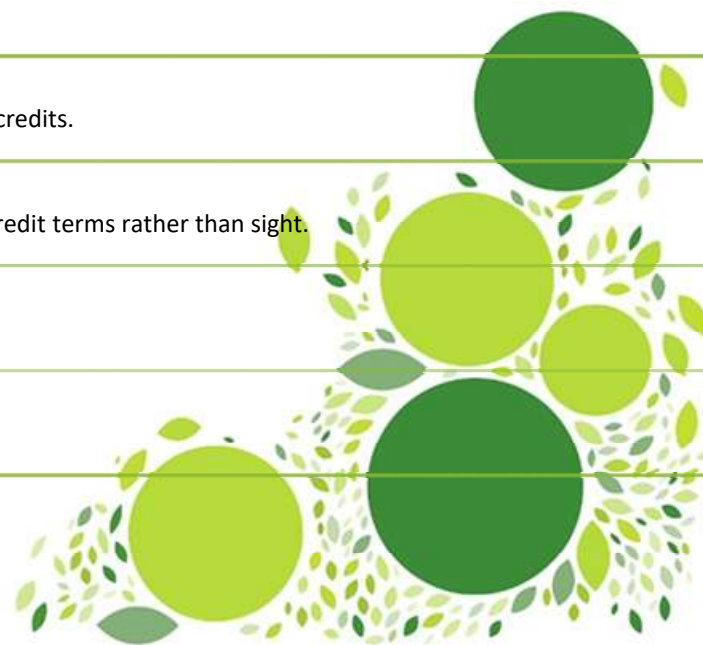
The decrease was due to deferred letter of credits and inline with working capital.

Decrease in sales:

The decrease was due to reduction in non-ferrous operations.

Increase in finance cost:

The decrease was due to decrease in policy rate.



OPERATING SEGMENT

Rs. in millions	Ferrous	Non-ferrous
Net external Sales	73,113	15,931
Gross profit	4,799	3,292

Rs. in millions	2025 (Net sales)	2024 (Net sales)
Bar	41,542	36,285
Girders	26,834	18,865
Billets	3,129	13,381
Others	1,607	-
Total	73,113	68,532

Rs. in millions	2025 (Net sales)	2024 (Net sales)
Copper	13,904	20,650
Waste	1,892	2,065
Others	135	550
Total	15,931	23,265

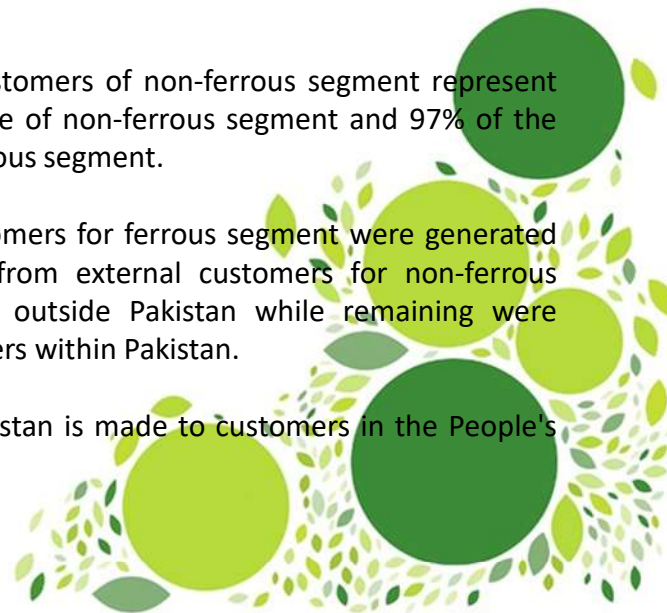
Revenue from major customers of ferrous segment represent 32% of the total revenue of ferrous segment.

Revenue from major local customers of non-ferrous segment represent 9% of the total revenue of non-ferrous segment and 72% of the total local revenue of non-ferrous segment.

Revenue from major foreign customers of non-ferrous segment represent approx. 85% of the total revenue of non-ferrous segment and 97% of the total foreign revenue of non-ferrous segment.

All revenues from external customers for ferrous segment were generated in Pakistan. 87% of revenues from external customers for non-ferrous segment were generated from outside Pakistan while remaining were generated from external customers within Pakistan.

Majority of sales outside of Pakistan is made to customers in the People's Republic of China.



STRATEGIC DECISIONS

❑ BMR of Bar Mill

BMR of bar mill was approved which will convert bar mill into multi purpose mill capable of simultaneously manufacturing rebars and minis sections.

❑ Mughal Energy Limited

Hydro test has successfully been achieved. COD is expected by end of this calendar year.



GOING FORWARD

Going forward, the company's growth and profitability will continue to be influenced by external factors such as economic stability, international commodity prices, law and order conditions, and consistency in government policies.

Organic demand for steel in Pakistan—driven by chronic housing shortages, a youthful and growing population, and steady rural construction activity—remains structurally strong.

In addition, the significant allocations made under the Federal and Punjab Provincial Public Sector Development Programs (PSDPs) for FY2025 are expected to stimulate construction and infrastructure activity, further supporting demand for long rolled steel products.

On the other hand, within the non-ferrous segment the holding company anticipates limited volumes and reduced strategic focus.

Profitability is expected to strengthen on the back of increased ferrous volumes, energy cost savings from in-house power generation, and the prospect of easing interest rates.



KEY BUSINESS RISKS

Risk	Response to risk
Political risk	Political situation of the country including changes in Government, regulations and business policies are monitored closely and appropriately to take timely decisions to avoid / mitigate / address unfavorable impacts on the business.
Economic risk	Economic conditions are monitored appropriately to take timely decisions to avoid any unfavorable impact. Overall foreign currency exposure is closely monitored. Foreign currency risk is managed by limiting imports, shifting to local buying and increasing exports. Interest rate impact is managed by controlling working capital cycles
Technological risk	We believe in process of regular balancing, modernization and replacements of our production facilities, ensuring our production facilities are state of the art to ensure cost minimization, energy efficiency and output optimization.
Credit risk	Most of our sales are either against cash or advance. For credit sales, credit limits have been assigned to customers. Risk of default by banks has been mitigated by placement of funds with banks having satisfactory credit ratings.
Liquidity risk	We have a proactive cash management system. Committed credit lines from banks are also available to bridge a liquidity gap, if any.
Energy risk	We have installed a 25 MW gas-fired captive power plant along with a solar power plant. Further, installation of the 36.50 MW hybrid power plant through Mughal Energy Limited is also in process.

DISCLAIMER

This presentation might contain certain “forward-looking statements” – that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance and financial condition, and often contain words such as “expect,” “anticipate,” “intend,” “plan,” “believe,” “seek,” “see,” “will,” “would,” or “target.”

The statements include known and unknown risks and opportunities, other uncertainties and important factors that could turn out to be materially different following the publication of actual results.

These forward-looking statements speak only as of the date of this document. The company undertakes no obligation to update publicly or release any revisions to these forward-looking statements, to reflect events or circumstances



QUESTION ANSWERS

