

Through PUCARS & COURIER

Ref. No. HTLL/Corporate/11-2022/009
November 21, 2022To,
The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi.Subject: **Additional Information about Corporate Briefing Session**

Dear Sir,

In continuation of our letter Ref. No. HTLL/Corporate/11-2022/008, dated November 18, 2022, this is to inform that a Corporate Briefing Session (CBS) of Hi-Tech Lubricants Limited (HTL) on the basis of its Annual Audited Financial Statements for the year ended June 30, 2022 will be held on November 25, 2022 at 15:00 Hours electronically through video link / Zoom application as well as physically at registered office of the Company at 1-A, Danepur Road, GOR-1, Lahore-Pakistan. If any of the investors / analysts / shareholders wish to attend the CBS physically, they must present their valid / original Corona Vaccination Certificates as issued by National Database and Registration Authority (NADRA) along with their original Computerized National Identity Cards (CNIC) at time of entrance in the venue of CBS.

The members and the analysts, who wish to attend the CBS online, are requested to send following details at info@masgroup.org

Name of Participant	CNIC No.	Organization to be Represented/ Folio/CDS Acc. No.	Designation / No. of Shares held	Cell Phone No.	Email Address

All the emails will be responded by the Company by sending the video link and/or login credentials for CBS.

A pdf file of CBS Presentation is also attached herewith.

We would appreciate your kind assistance in communicating to all concerned and to the TRE Certificate Holders of the Exchange accordingly.

Yours Sincerely,

For and on behalf of **Hi-Tech Lubricants Limited**

(Fraz Amjad Khawaja)

Company Secretary & Chief Compliance Officer**OFFICES:**

CORPORATE: 1-A Danepur Road, GOR-1, Lahore.

KARACHI: C-6 /1, Street No. 3, Bath Island, Clifton Karachi. Tel: +92- 21-111-645-942, Fax +92-21-35290672.

ISLAMABAD: Suite # 1402, 14th Floor Green Trust Tower, Jinnah Avenue Blue Area, Islamabad. Tel: +92-51-111-645-942, Fax: +92-51-2813057.

PESHAWAR: Office No. 280, 3rd Floor, Deans Trade Center Islamia Road, Peshawar, Cantt. Tel: +92-91-5253186-7, Fax: +92-91-5253188.



CORPORATE BRIEFING SESSION

FINANCIAL RESULTS FOR THE YEAR ENDED JUNE 30, 2022

★ NOVEMBER 25, 2022

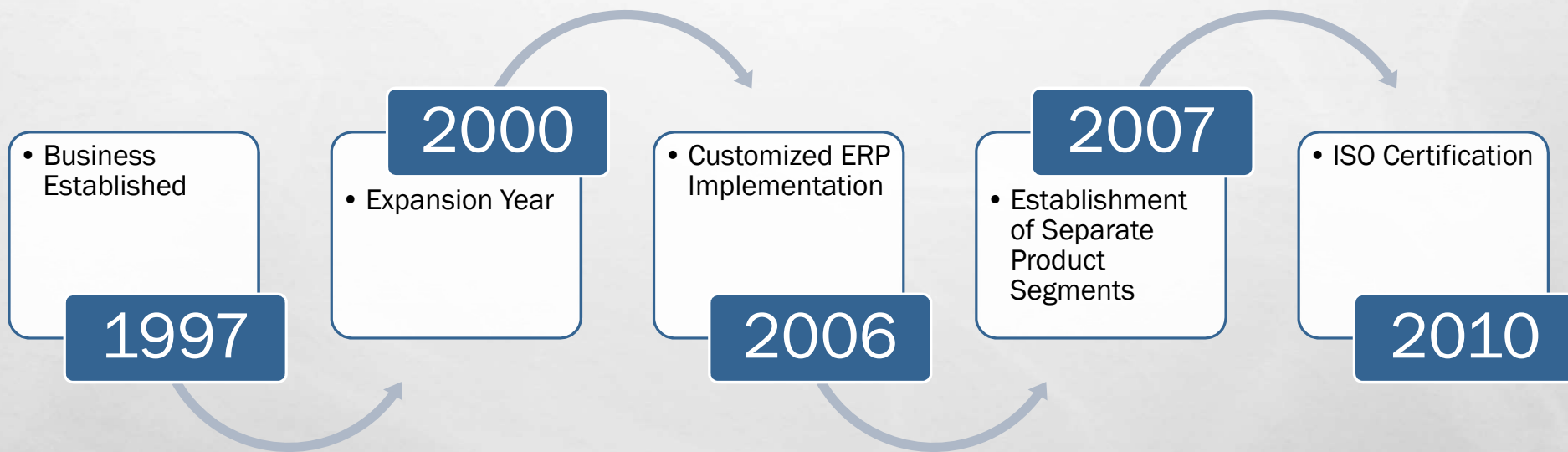
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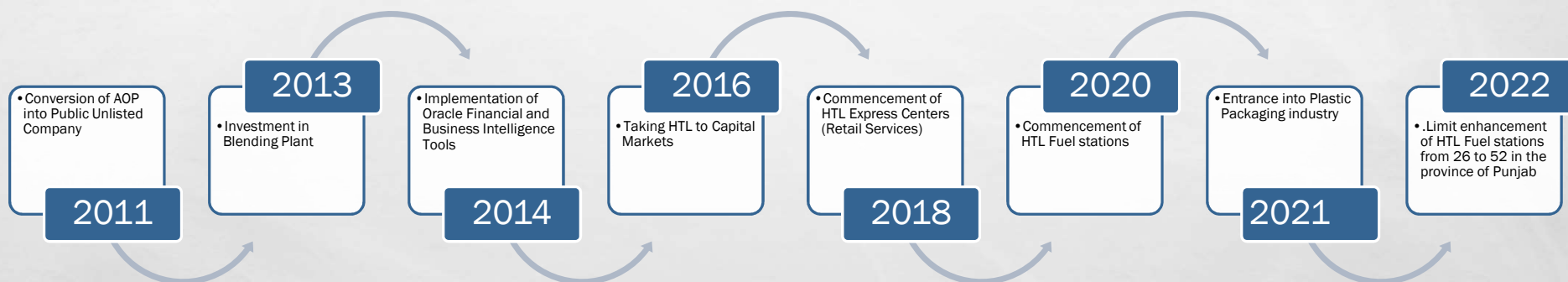
COMPANY BRIEF



HTL JOURNEY SO FAR



HTL JOURNEY SO FAR



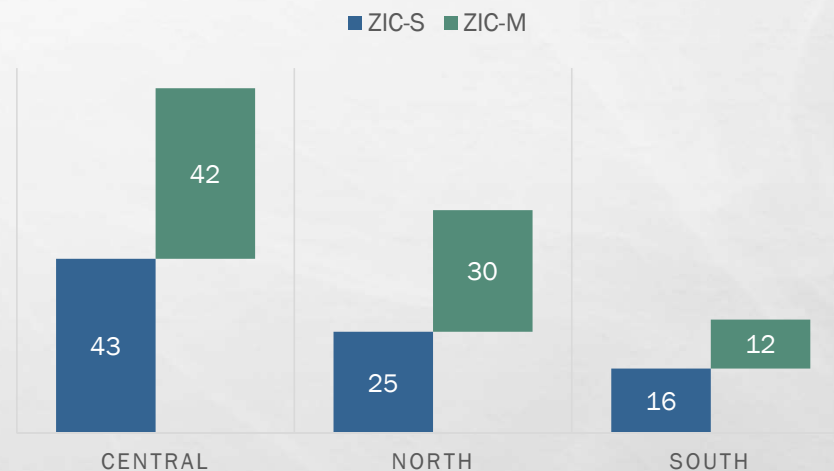
BUSINESS OVERVIEW



LUBRICANTS DISTRIBUTION NETWORK

Region	ZIC-S	ZIC-M	Total
Central	43	42	85
North	25	30	55
South	16	12	28
Total:	84	84	168







NO. OF DISTRIBUTORS



HTL EXPRESS CENTERS

HTL EXPRESS IS A ONE-STOP SOLUTION FOR ALL VEHICLE MAINTENANCE NEEDS. WITH AN HTL EXPRESS CENTER, OUR CUSTOMER CAN BE SURE TO EXPERIENCE BOTH HIGH QUALITY PRODUCTS AND HIGH QUALITY SERVICES TO MATCH THEM.

SERVICES

OIL CHANGE	
CAR WASH /SERVICE	
TIRE SERVICE	
BATTERY SERVICE	
AC SERVICE	
ACCESSORIES	

NO. OF CENTERS

	YEAR	
Location	2022	2021
Lahore	8	4
Karachi	3	3
Rawalpindi	1	1

HTL FUEL STATIONS

- EXPANSION FOR SAHIWAL DEPOT. COMPLETED WHICH WILL ADD ANOTHER 26 PUMPS IN PUNJAB.
- CONSTRUCTION OF NOWSHERA KPK DEPOT. IS COMPLETE AND FINAL LICENSE FOR MARKETING OF PRODUCT IS AWAITED.
- AGREEMENTS HAVE BEEN FINALIZED FOR ESTABLISHING FURTHER 10 FUEL STATIONS IN PUNJAB PROVINCE.
- PLAN IS TO ESTABLISH 100 FUEL STATIONS IN NEXT 05 YEARS TIME SPAN.

NO. OF FUEL STATIONS IN OPERATION AND PLANNED

Province	Year 20 (Operational)	Year 21 (Operational)	Year 22 (Operational)	Year 23 (Planned)	Year 24 (Planned)
Punjab	11	12	26	10	16
Sindh	-	-		0	10
KPK	-	0	0	10	20

BLENDING PLANT

HI TECH BLENDING HAS STARTED COMMERCIAL RUN OF ZIC MID-TIER RANGE. HTBL WITH ITS FINE LAB, FILLING LINES AND QUALITY CONTROLS ARE THE KEY TO SUCCESS.

CAPACITY VS. PRODUCTION (2022)

Description	Unit	Capacity	Production	%
Bottles	No.	19,042,941	6,6750,72	35%
Caps	No.	29,700,000	6,721,693	23%
Filling	Ltr.	67,890,000	14,782,027	22%
Blending	Ltr.	30,000,000	2,722,022	9%

REVENUE (PKR IN BILLION)

Year	2022	2021
Revenue	8.1	5.6

EXPANSIONS AT BLENDING PLANT PACKAGING SECTION

- INSTALLATION OF ONE (02) NEW EXTRUSION BLOW MOLDING MACHINE(EBM) & FEEDING RECYCLING SYSTEM, WHICH WILL BOOST THE SALES OF PLASTIC PRODUCTS TO EXTERNAL CUSTOMERS.
 - INSTALLATION OF ONE (02) NEW INJECTION MOULDING MACHINES(IMM).
- INSTALLATION OF ONE NEW EXTRUSION BLOW MOULDING MACHINE FOR 10L – 30L JERRY CANS HAS BEEN PLANNED. INSTALLATION EXPECTED TO COMPLETE BY 2ND QUARTER OF THE FINANCIAL YEAR 2023

FINANCIAL REVIEW



ECONOMIC HIGHLIGHTS

- GDP OF THE COUNTRY WAS 5.97% IN FY 2022 VS 3.94% IN FY2021.
- PER CAPITA INCOME INCREASED FROM CURRENT \$ 1,798 TO PRIOR \$1,361
- CPI IS AT 12.15% IN FY2022 IN COMPARISON 8.8% IN FY2021
- INTEREST RATES INCREASED FROM 7.25% IN FY 2021 TO 15% IN FY 2022.
- AVERAGE USD RATES INCREASED FROM PKR 160 IN FY 2021 TO CURRENT PKR 179.89 IN FY 2022.
- 54% INCREASE IN CAR SALES AS COMPARED TO FY 2021
- IN YEAR 2022, CONSUMPTION OF PETROLEUM PRODUCTS INCREASED BY 24.18%.

**Source: Economic Survey 2022, Pakistan Bureau of Statistics and State bank of Pakistan.*

FOUR YEARS FINANCIAL HIGHLIGHTS (CONSOLIDATED)

Profit and Loss (PKR in Millions)	RESTATED				
	2022	2021	2020	2019	2018
Net Sales	17,743	10,598	5,629	9,431	9,255
Gross Profit	3,737	2,268	1,415	2,069	2,395
GP Ratio (% of sales)	21%	21%	25%	22%	26%
Distribution Cost	-1142	-861	-738	-807	-606
Distribution Cost (% of Sales)	6%	8%	13%	9%	7%
EBITDA	1,838	1,179	473	812	1,378
Exchange Loss	-410	0	-19	-107	-62
Exchange Loss (% of Sales)	-2%	0%	0.33%	2.04%	1.17%
Finance Cost	-288	-115	-236	-314	-127
Interest Cover Ratio (Times)	6	9	2	3	11
Profit Before Tax	1217	813	76	301	1,151
Tax	-600	-130	46	-259	-391
Tax (% of Sales)	3.00%	1.22%	-0.82%	2.75%	4.22%
Profit After Tax	617	683	122	41	760
EPS	4.44%	4.91	1.05	0.35	6.55
Net Profit Ratio (% of Sales)	3.5%	6.40%	2.17%	0.44%	8.21%
Interim	251	232	0	0	203
Final	278	232+232 Bonus shares	104	29	203

FY 2022 VS. FY 2021 (CONSOLIDATED)

		RESTATED	
Profit and Loss (PKR in Millions)	2022	2021	2022 vs 2021
Net Sales	17,743	10,598	7,145
Gross Profit	3,737	2,268	1,469
GP Ratio (% of sales)	21%	21%	0%
Distribution Cost	-1142	-861	-281
Distribution Cost (% of Sales)	6%	8%	-2%
EBITDA	1,838	1,179	659
Exchange Loss	-410	0	-410
Exchange Loss (% of Sales)	-2%	0%	-2%
Finance Cost	-288	-115	-173
Interest Cover Ratio (Times)	6	9	-3
Profit Before Tax	1217	813	404
Tax	-600	-130	-470
Tax (% of Sales)	3.00%	1.22%	1.78%
Profit After Tax	617	683	-66
EPS	4.44	4.91	(0.47)
Net Profit Ratio (% of Sales)	3.5%	6.40%	-2.90%
Interim	251	232	19
Final	278	232+232 Bonus shares	

LUBRICANT SEGMENT - FY 2022 VS. FY 2021



Profit and Loss (PKR in Millions)	2022	RESTATED	2022 vs 2021
		2021	
Net Revenue	9,800	8,187	1,613
Cost of sales	(6,731)	(5,974)	(757)
Gross profit / (loss)	3,069	2,212	857
GP Ratio (% of Sales)	31.3%	27.0%	4.3%
Distribution cost	(860)	(697)	(163)
Administrative expenses	(679)	(519)	(160)
Other expenses	(507)	(61)	(446)
Other income	79	87	(8)
Profit / (loss) from operations	1,102	1,022	80
Finance cost	(234)	(77)	(157)
Profit / (loss) before taxation	868	945	(77)
Taxation	-	-	-
Profit / (loss) after taxation	868	945	(77)

FUEL SEGMENT - FY 2022 VS. FY 2021 AND CONSOLIDATED EARNINGS

Profit and Loss (PKR in Millions)	2022	2021	2022 vs 2021
Net Revenue	7,943	2,410	5,533
Cost of sales	(7,275)	(2,355)	(4,920)
Gross profit / (loss)	668	55	613
Distribution cost	(281)	(163)	(118)
Administrative expenses	(13)	(28)	15
Other expenses	(31)	(10)	(21)
Other income	62	52	10
Profit / (loss) from operations	405	(94)	499
Finance cost	(54)	(37)	(17)
Profit / (loss) before taxation	351	(131)	482
Taxation	-	-	-
Profit / (loss) after taxation	351	(131)	482

Consolidated Earnings	2022	2021
Profits from lubricant segment	866	944
Profit / Loss from fuel segment	351	-131
Unallocated Tax	-600	-130
Consolidated	617	683

CASHFLOW STATEMENT FY 22 VS FY 21 (CONSOLIDATED)

	2022 Rupees	2021 Rupees Restated
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations	314,129,552	1,103,303,871
Finance cost paid	(225,230,429)	(111,735,078)
Income tax paid	(207,826,265)	(161,097,870)
Income tax refunds received	-	109,838,534
Net increase in long term loan to an employee	(983,333)	-
Net increase in long term security deposits	(16,383,460)	(14,571,487)
Net increase in long term deposits	-	16,500,000
Net cash (used in) / generated from operating activities	(136,293,935)	942,237,970

	2022 Rupees	2021 Rupees Restated
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure on operating fixed assets	(970,020,788)	(448,292,515)
Capital expenditure on intangible assets	(13,038,106)	(13,734,069)
Initial direct cost incurred on right-of-use assets	(4,513,000)	(1,203,654)
Proceeds from disposal of operating fixed assets	7,536,955	13,775,776
Short term investments - net	220,880,116	277,774,997
Dividend received	22,796,747	20,452,706
Profit on bank deposits and term deposit receipts received	21,991,452	21,828,703
Net cash used in investing activities	(714,366,624)	(129,398,056)

	2022 Rupees	2021 Rupees Restated
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowings - net	1,289,582,928	(406,001,670)
Dividend paid	(483,147,527)	(333,523,490)
Proceeds from long term financing	543,682,938	264,229,020
Repayment of long term financing	(111,806,112)	(54,482,063)
Repayment of lease liabilities	(114,969,329)	(82,055,945)
Net cash from / (used in) financing activities	1,123,342,898	(611,834,148)
Net increase in cash and cash equivalents	272,682,339	201,005,766
Cash and cash equivalents at beginning of the year	387,747,261	186,741,495
Cash and cash equivalents at end of the year	660,429,600	387,747,261

		QTR SEP	QTR DEC	QTR MAR	QTR JUNE	JULY - DEC	JAN - JUNE	TOTAL
Net Sale	FY 22	3,080	3,985	3,815	6,863	7,065	10,678	17,743
	FY 21	1,839	2,779	2,636	3,344	4,618	5,979	10,597
Discounts	FY 22	118	263	133	236	381	369	750
	FY 21	79	263	160	329	342	489	831
PAT	FY 22	104	292	209	12	396	221	617
	FY 21	89	216	203	143	305	347	651
EPS	FY 22	0.9	2.1	1.4	0.04	3.00	1.44	4.44
	FY 21	0.77	1.55	1.46	1.24	2.32	2.70	5.02





FUTURE OUTLOOK

FUTURE OUTLOOK

- FOR FINANCIAL YEAR 2023, THE GOVERNMENT OF PAKISTAN HAS ENVISAGED A GDP GROWTH TARGET OF 2.5% SURROUNDED BY GLOBAL & DOMESTIC UNCERTAINTIES, HIGH INFLATION INCREASING INTEREST RATES AND STRENGTHENING OF US\$ CONTINUES TO POSE INCREASING CHALLENGES FOR ECONOMY.
- 90% OF LUBRICANTS VOLUME IS BEING PROCESSED AND BLENDED LOCALLY THROUGH OUR BLENDING PLANT THAT ALLOW US TO ENTER MID-TIER MARKET WHICH IS ALMOST 55-60 % OF THE TOTAL LUBRICANT MARKET SIZE.
- 27 RETAIL FUEL STATIONS ARE IN OPERATION 2 ARE EXPECTED TO BE OPERATIONAL BY DECEMBER 2022. TOTAL APPROVED NO IS 56 & WE EXPECT FURTHER 10 TO BECOME OPERATIONAL BY JUNE 2023 (39 IN PUNJAB).
- STORAGE SITE IN KPK COMPLETED AND FINAL MARKETING LICENSE IS AWAITED.
- 4 NEW HTL EXPRESS CENTERS PLANNED ON HTL FUEL STATIONS THAT WILL GENERATE SIGNIFICANT SYNERGY.
- PRODUCTION & SALE OF PLASTIC PRODUCTS STARTED IN LAST QUARTER OF FY 22 & IS EXPECTED TO GENERATE SUBSTANTIAL REVENUES BY THE END OF FY 23.

QUESTIONS AND ANSWERS

CORPORATE BRIEFING SESSION
FINANCIAL RESULTS FOR THE YEAR
ENDED JUNE 30, 2022



THANK YOU!