

# SAZGAR ENGINEERING WORKS LIMITED

## DIRECTORS' REVIEW

The directors of your Company are pleased to present their review on the affairs of the Company for the first quarter ended September 30, 2016.

### Financial Results:

AL HAMD O LILLAH, financial results of the current quarter are showing a growing trend of sales and profitability of the Company. During this quarter, the Company's net sale has increased by 44.25% from Rs. 548.80 M to Rs. 791.66M, gross profit by 60.12% from Rs.51.89M to Rs. 83.09M, pretax profit by 117.61% from Rs. 20.50 M to Rs. 44.61 M and earnings per share from Rs. 0.75 to Rs. 1.64 as compared to the corresponding period of last financial year.

The Company produced 5,337 units of Auto Rickshaws during this period compared with 3,662 units of auto rickshaws produced during corresponding period of last year showing an increase of 45.74%. During the quarter, the Company has achieved 100% utilization of production capacity and for the additional production, Company has to work in extended overtime to fulfill the market demand of auto rickshaws.

The company produced 14,618 tractor wheel rims during the current period compared with 15,959 wheel rims of corresponding period of last year.

### Future Outlook:

The Company foresees a rising trend in the market demand of auto rickshaws in the period to come. It is hoped that there would not be any political uncertainty in the country and the Government will continue its efforts to bring the peace and to make the country more safe and business friendly.

The tractor industry has also started to improve and company expects an increase in orders from the tractor assemblers.

By the Grace of Almighty Allah, better financial results are expected in the coming period.

The directors would like to place on record their appreciation for the untiring efforts, teamwork and dedication shown by the company's employees during the period under review. They would also like to express their gratitude to the valued shareholders, customers, suppliers and financial institutions for their co-operation, constant support and trust on the Company.

For and on behalf of the Board



Mian Asad Hameed  
(Chief Executive)

Lahore  
Dated: 25-10-2016

