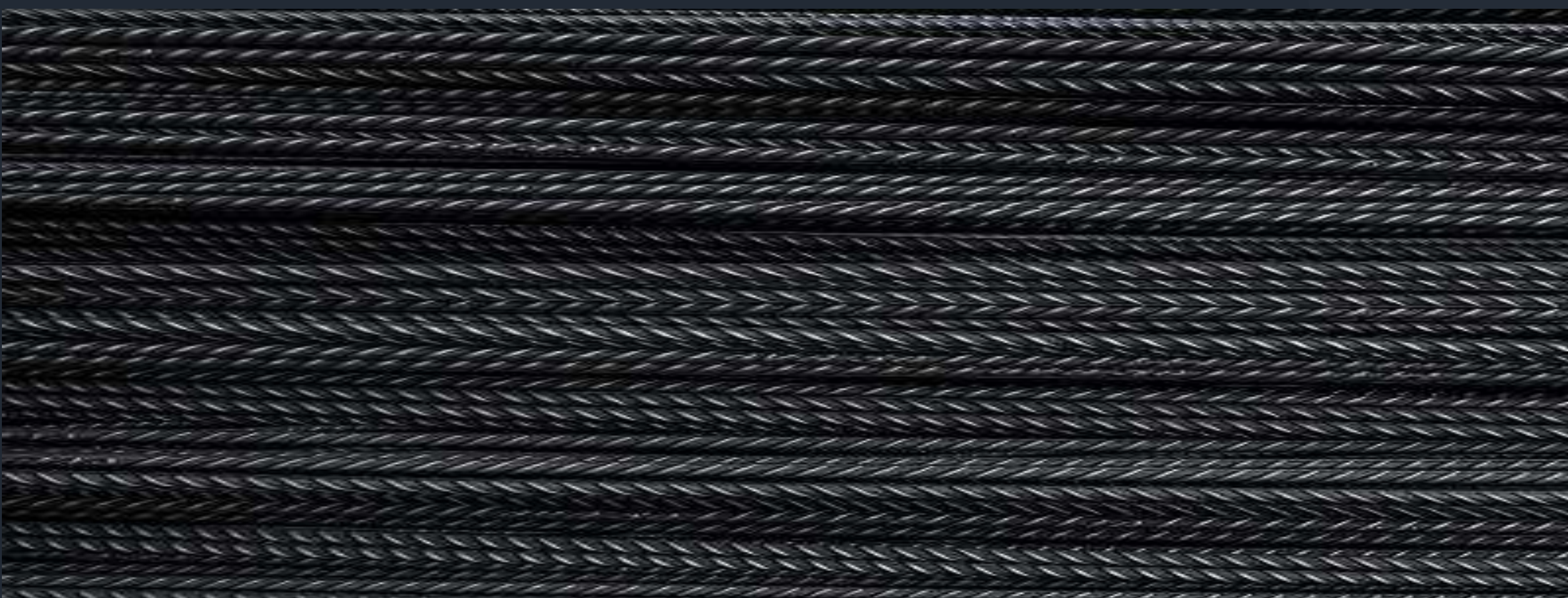




Investor Briefing Presentation Financial Year 2021



ITTEFAQ IRON INDUSTRIES LIMITED

About Us



Company Profile

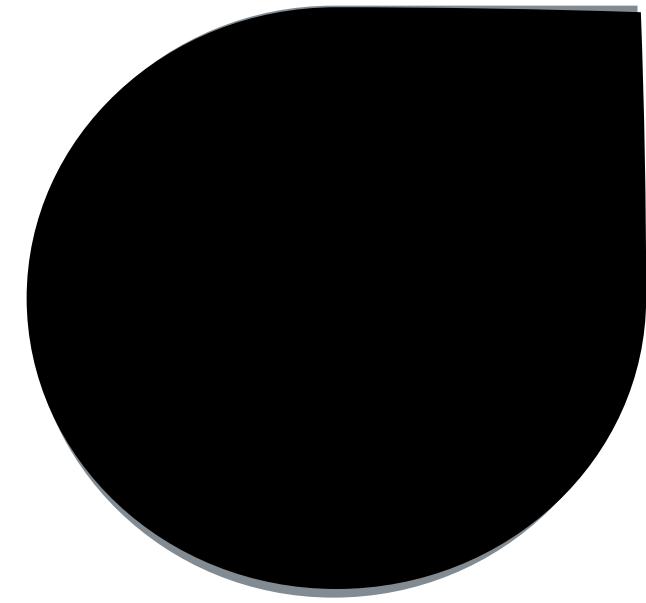
Ittefaq the name of itself has over the years become synonymous with quality structural steel in Pakistan.



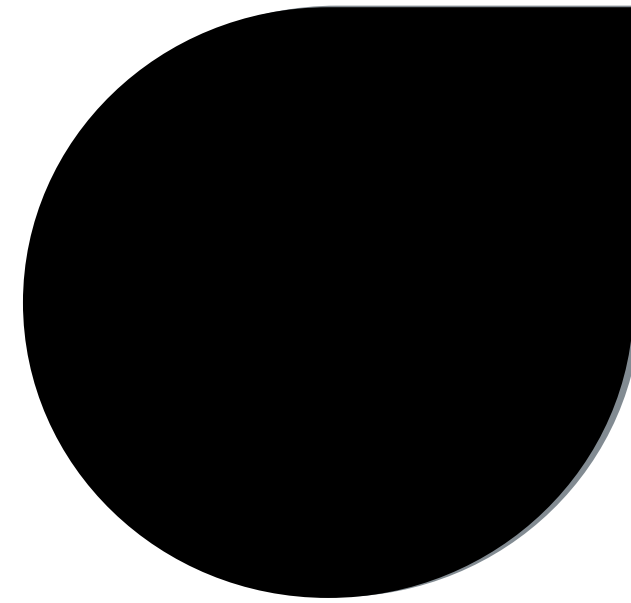
The principal business of the Company is the manufacturing of iron bars, girders, related and ancillary products. The company's attention is focused on customer's satisfaction, development of products, research and quality control.

The company's long term investment in a combination of advanced technologies with the highly trained and motivated work force has been the key factor in bringing us to this point in our development. Today, by the grace of ALLAH we are leading a way in heavy industry by providing structure and alloy steel in the form of billet bars & girder in all type of industrial and residential sectors.

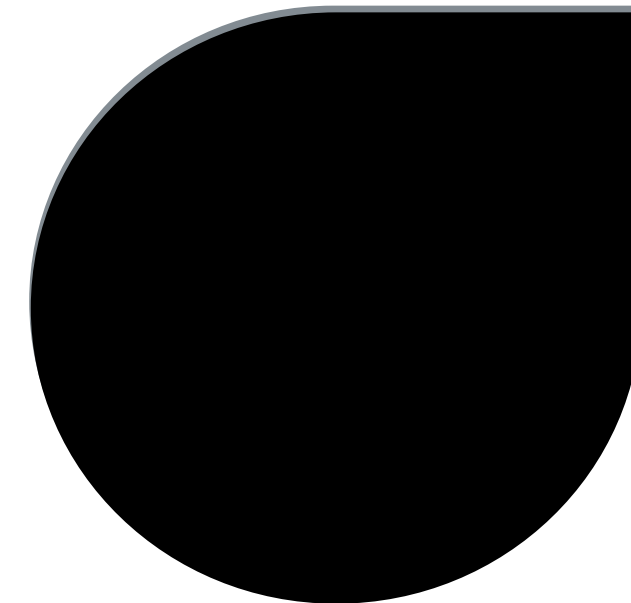
Sponsors & Board Composition



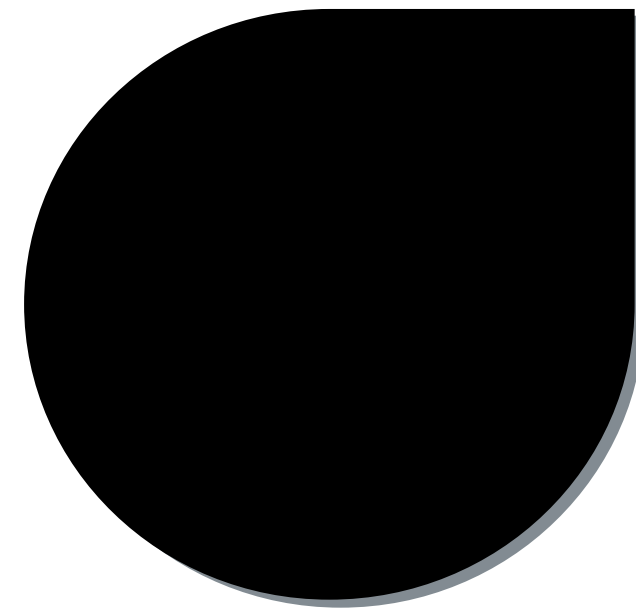
Mian Muhammad
Pervaiz Shafi
Chairman



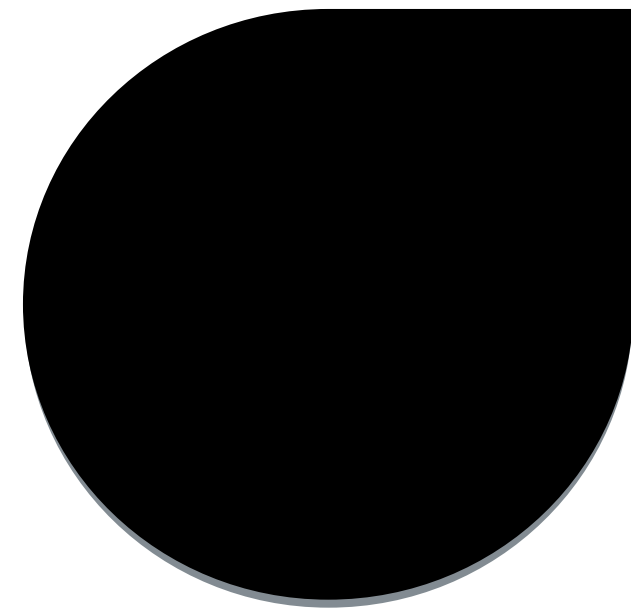
Mian Shahzad
Javed
CEO



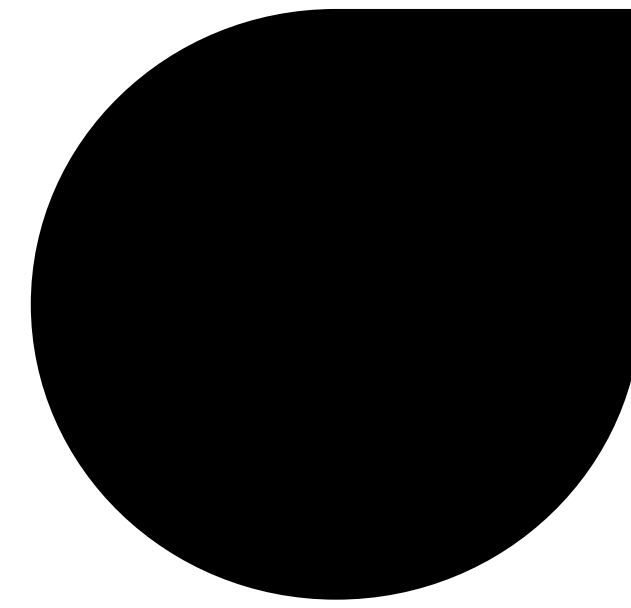
Muhammad Mubashir
Iqbal
Independent Director



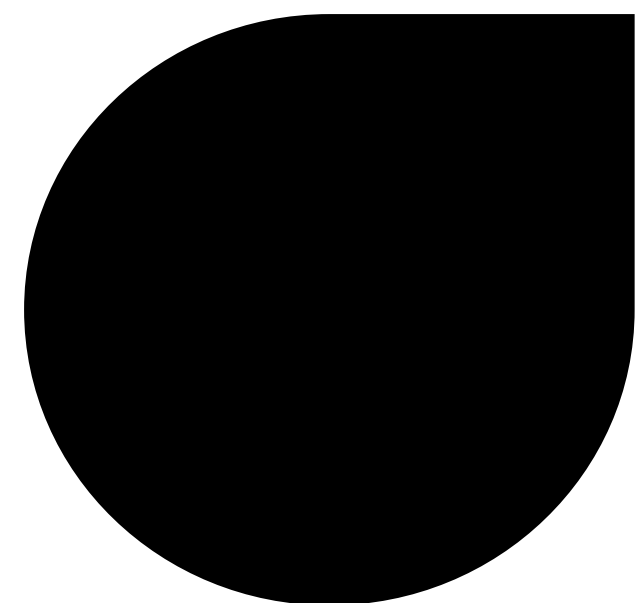
Khurram Jamil
Independent Director



Tayyab Ali
Non Ex. Director



Wajeeha Shahzad
Non Ex. Director



Sobia Irshad
Non Ex. Director

Product Portfolio



Deformed Bars
G-60 & G-40



GIRDER



Steel Billets

Upcoming Products



Channel & Angel

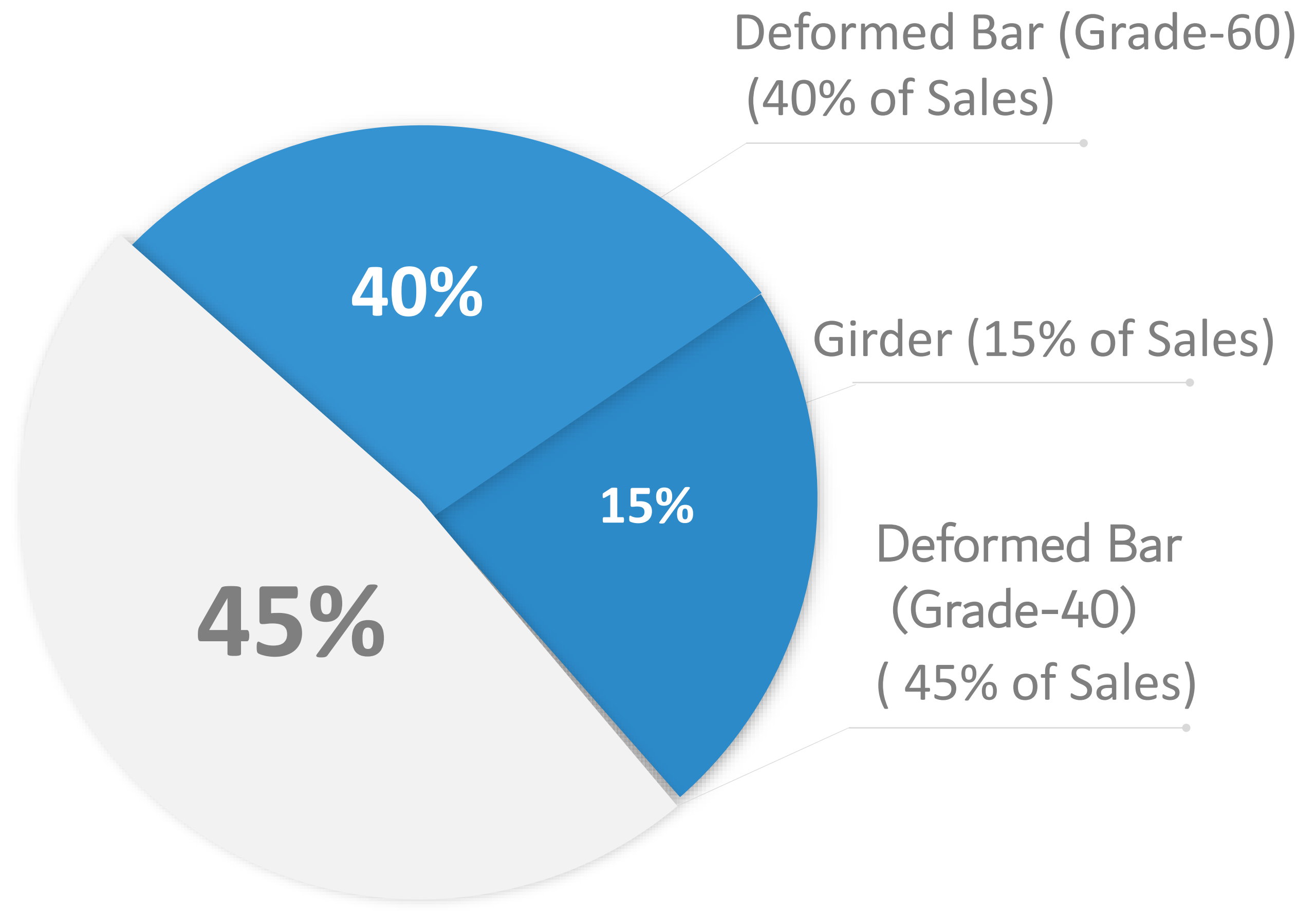


T-IRON



I & BEAM

Business Model



Key Customers

- The overall market portfolio comprises retail, corporate and government sector.
- G60 re-bars are used by corporate and government sectors
- G40 re-bars & Girder are used by the retail sectors both in rural and urban areas

Key Developments

1. Formation of company in the name of ITTEFAQ trading for raw material procurement from united kingdom.
2. We're working on cooper products.
3. Plant modernization for better capacity utilization.
4. Introducing B 2 B and B 2 C model in all the province of Pakistan.

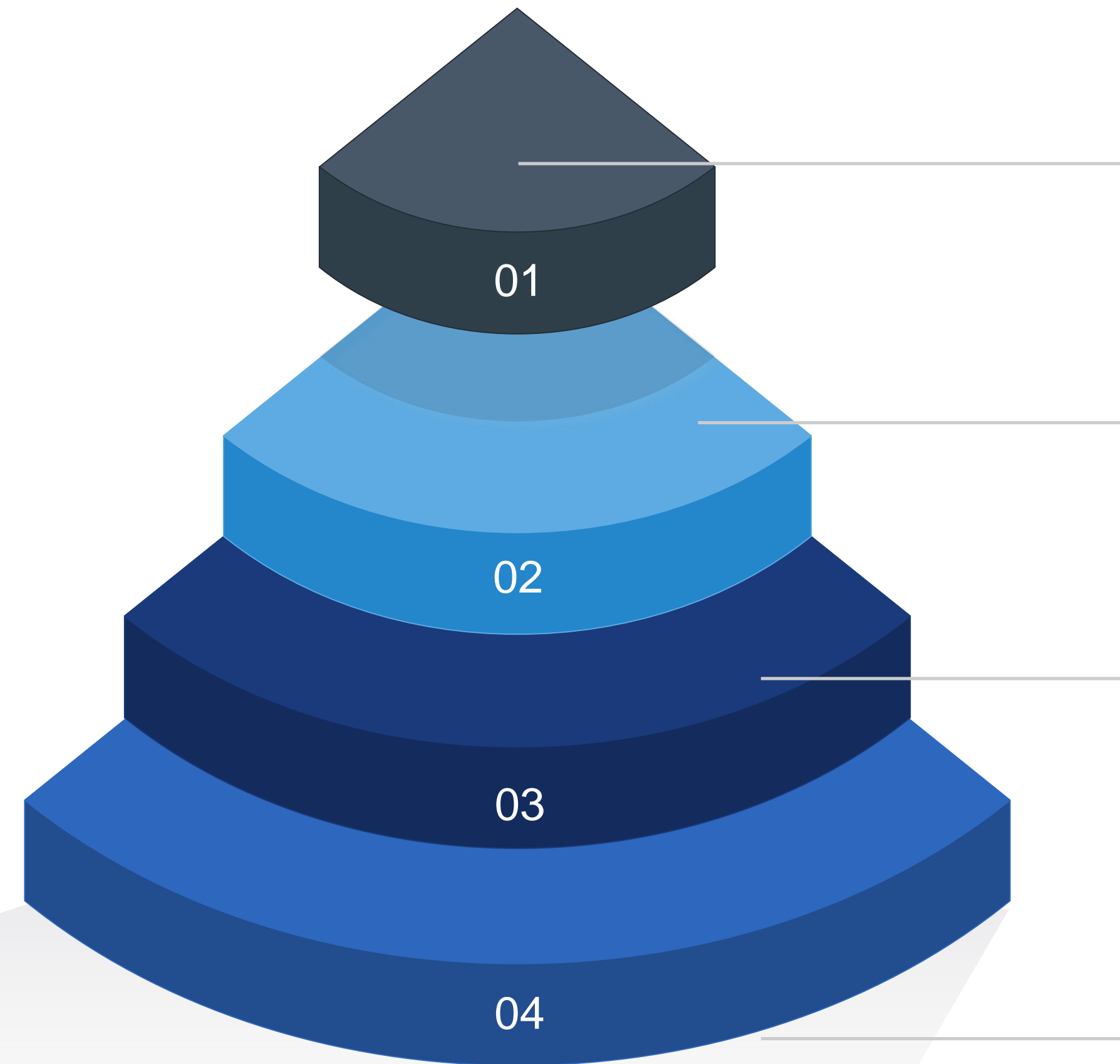
Demand & Revenue Drivers

Drivers

Construction led Bull Cycle

The economy was expected to grow by 3.5% in FY21; and Government is targeting 4% to 4.5% GDP growth in FY22. This depicts a post recovery growth cycle in the economy, favoring all cyclical sectors including steel.

More Importantly, this growth is led by construction boom across Pakistan, both in low-cost housing sector, and in conventional housing alike. The stimuli behind the demand are single digit discount rate, higher PSDP allocation for Dam Construction, and Naya Pakistan Housing Scheme.

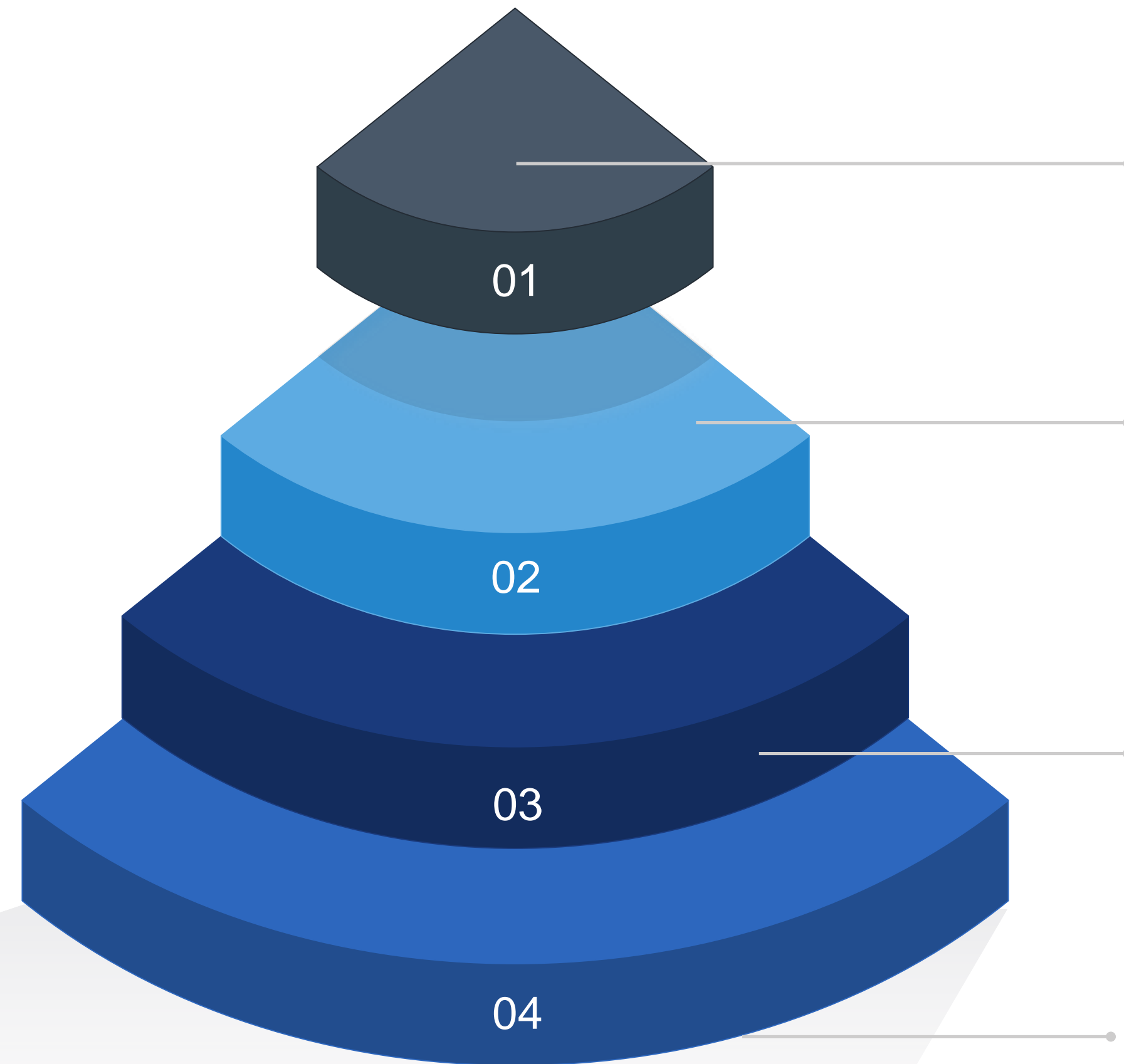


- 01 Economic Growth**
With 4%+ GDP growth forecasts, demand for cyclical sectors and our products will remain upbeat;
- 02 Construction Boom**
Policy Drivers like mandatory lending targets for banks, Naya Pakistan Housing Scheme, and PSDP, all set to increase sales;
- 03 Key Projects**
Company's sales pipeline include Mohmand Dam, Dassu Dam, Sukhi Kinari Dam, Maple Leaf, Lime Light and other Multiple Mega Construction Towers In different cities of Punjab and KPK.
- 04 Pricing Power**
The prices of Deformed Bars and Girder are expected to increase by 20% and 30%, respectively, amid rising demand in FY22.

Cost Drivers

ITTEFAQ is minimizing cost side pressures through vertical supply chain integration, exchange rate risk management, and focusing on high yielding products.

Energy Prices and finance cost will be the two key factors driving the cost side, where we will be dependent on policy guidance from government.



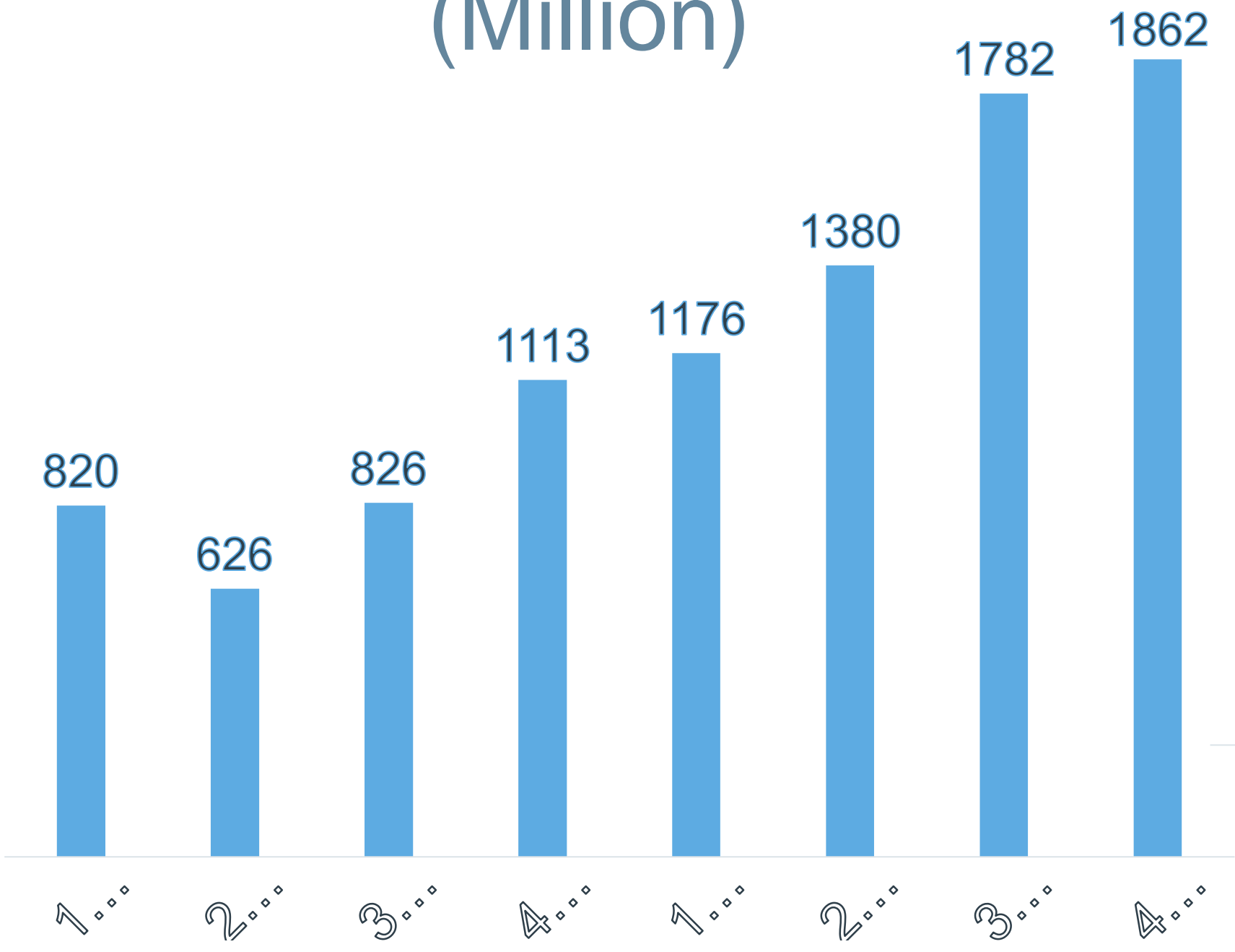
- 01 Raw Material Procurement**
Through direct procurement of raw material, company will minimize its procurement cost and also earn margins that company was paying to its foreign suppliers;
- 02 Conversion & Energy Cost**
For betterment of industry PM relief Package to Manufacturing sector in the form of low unit rate will help the company minimize its conversion cost. However, Energy cost will be a key cost side pressure for which we will depend on policy guidance from government.
- 03 Exchange Rate impact**
By obtaining better exchange rate from banks will help to reduce raw material cost .
- 04 Interest Rates**
We believe that monetary policy will remain accommodative to support GDP growth.

Annual Financials

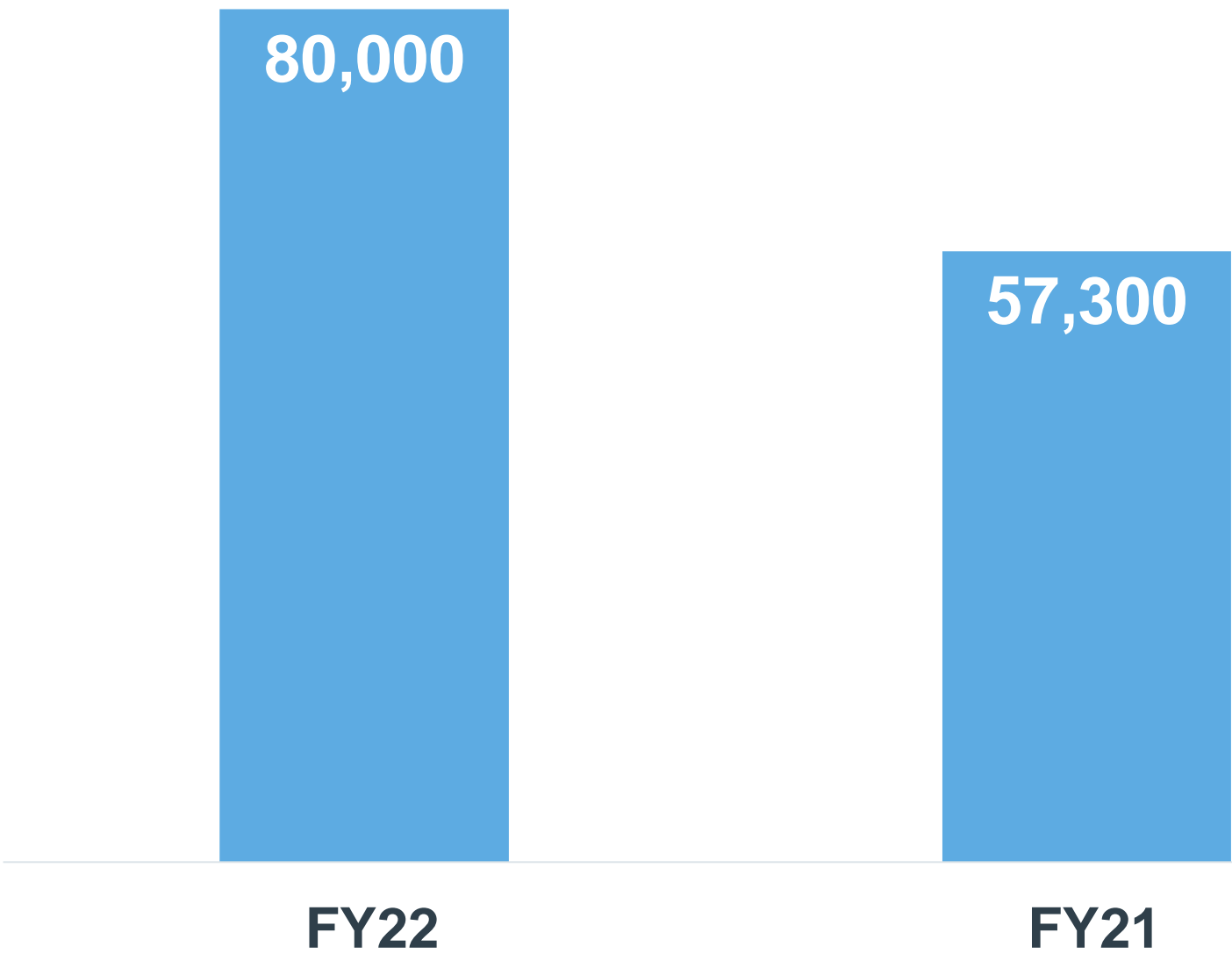
Ittefaq Iron Industries Limited	2021	2020
Amount in millions		
Income Statement		
Net sales	6,200.91	3,385.12
Cost of sales	(5,554.96)	(3,367.56)
Gross profit	645.947	17.55
Distribution and selling cost	(64.98)	(51.11)
Administrative and general expenses	(75.87)	(71.48)
Operating Profit / (Loss)	505.097	(105.04)
Other operating cost	(38.940)	(26.75)
Other operating income	9.4	3.7
Finance cost	(35.44)	(36.96)
Profit / (Loss) before taxation	439.15	(165.00)
Taxation	(172.38)	(47.80)
Profit / (Loss) after taxation	266.76	(212.80)
Earnings / (Loss) per share (basic and diluted)	1.85	(1.47)

Key Trends in Sales

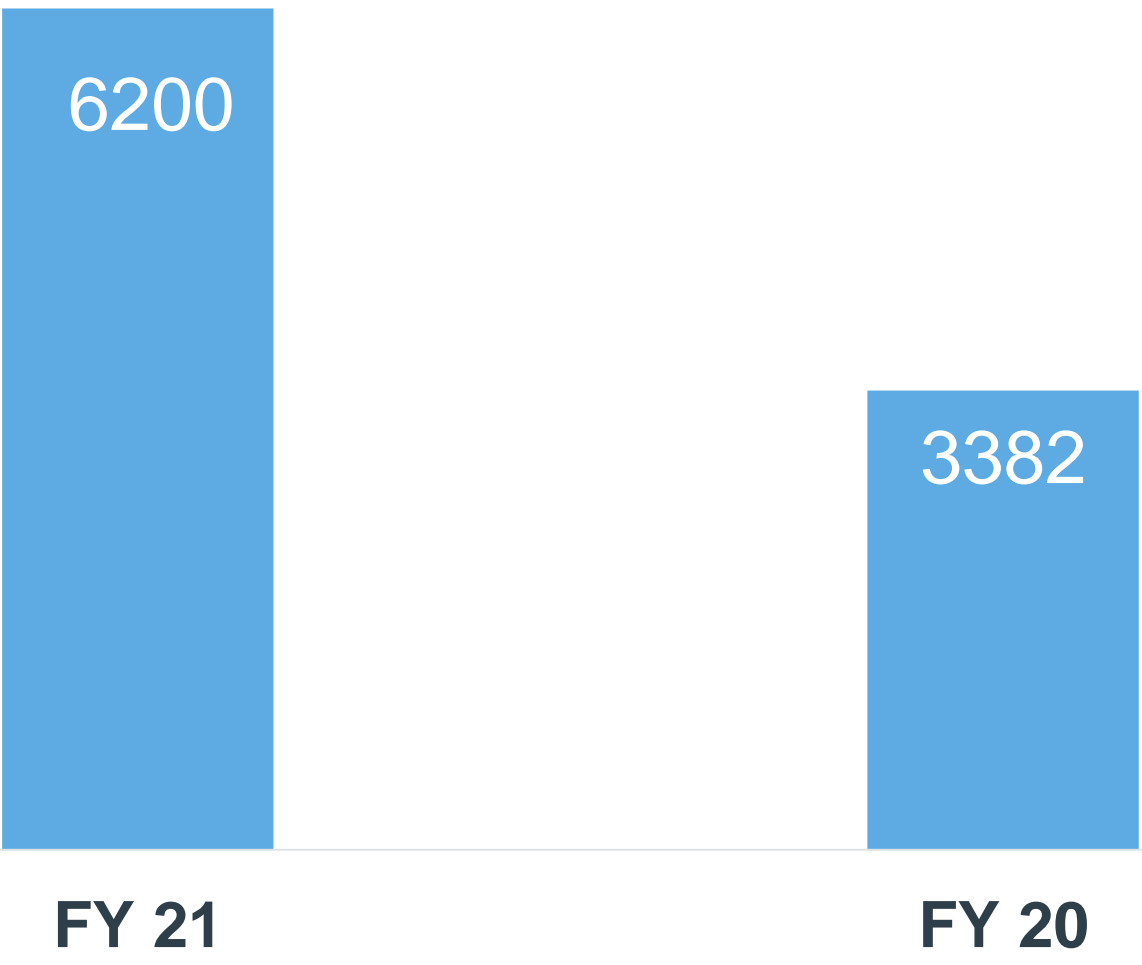
Quarterly Sales Trend
Comparison FY21 & FY20
(Million)



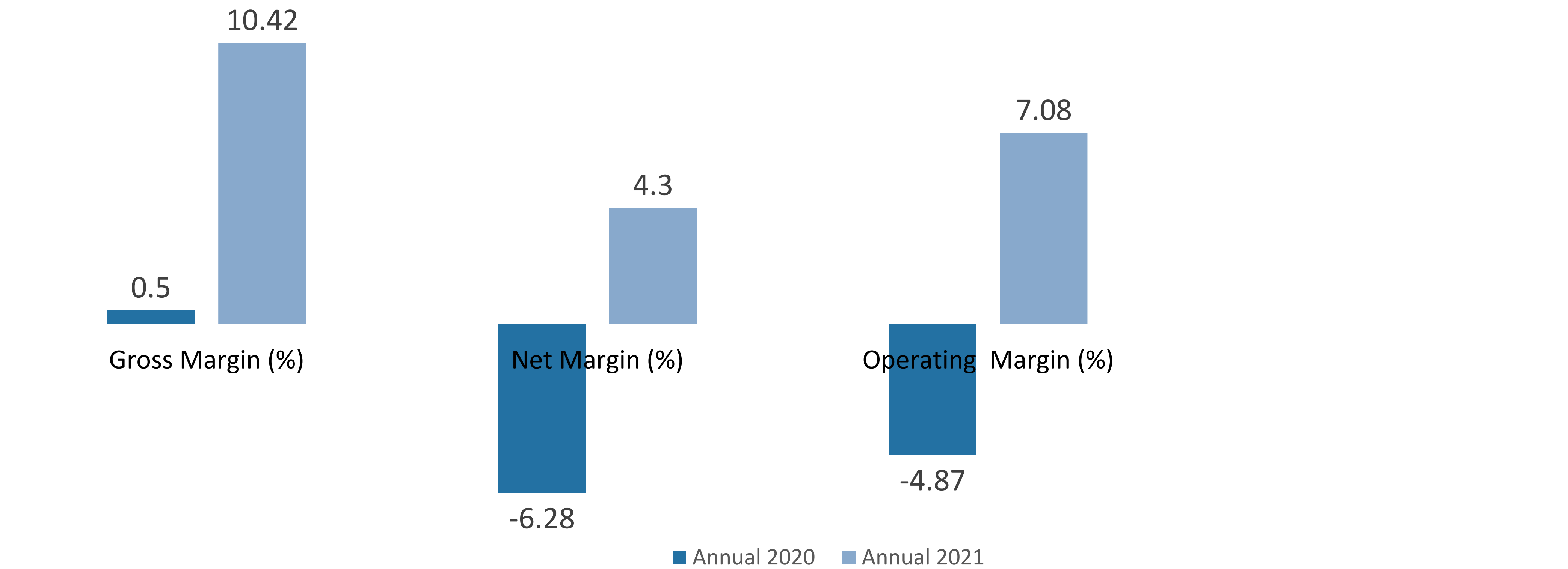
Exp. Sales (tons)
FY22



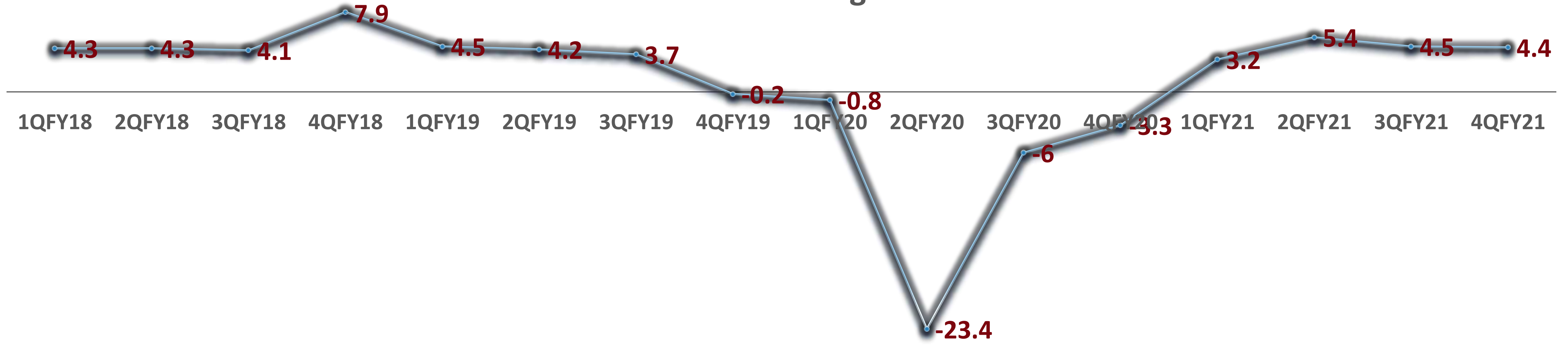
Annual Sales
Comparison FY 21
(MN)



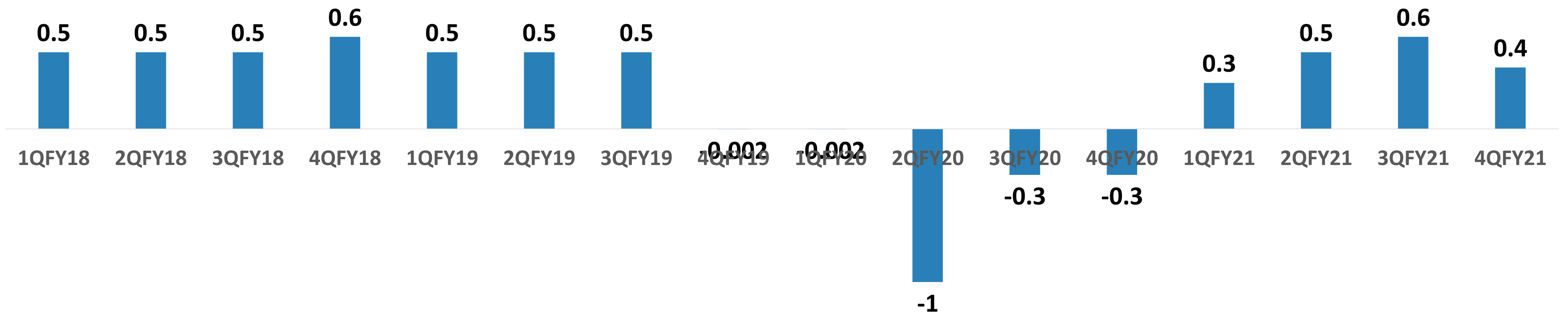
Margins Improvement



Net Margins



EPS Trend



Digital Analyst Connect Program



Real-time Analyst Connectivity

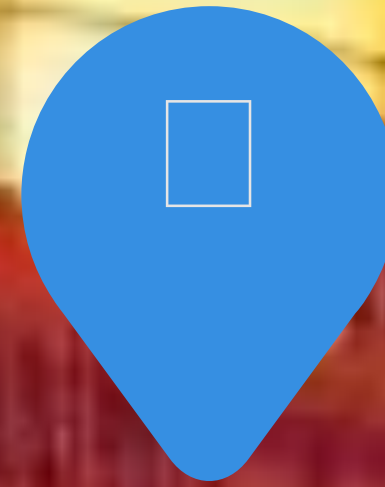
We are creating an Analyst Broadcast on WhatsApp and Email to ensure 100% connectivity and transparency of disclosure.

Open Models

The company is providing a financial model to help analyst forecast key revenue and cost numbers. This is the first time, any company is doing it in Pakistan.

Investor / Analyst Briefings

Quarterly Analyst Briefings will be organized by the Investor Relations Department. The company plans to reach out to investors at large using online digital platforms.



Ittefaq Iron Industries Limited

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