

Tariq Glass (TGL)

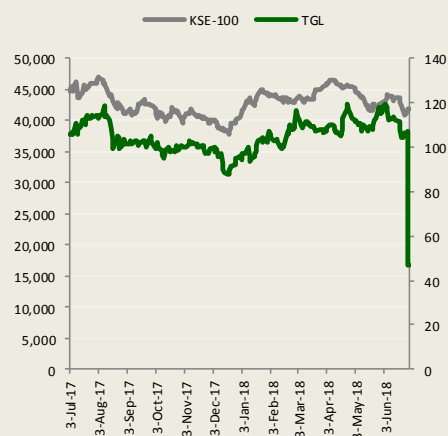
Result Review

KEY DATA

PSX Ticker	TGL
Sector	Glass & Ceramics
Current Price PkR	94.88
Market Cap (PkR mn)	6,970
Market Cap (US\$ mn)	55.32
52 weeks High	119.65
52 weeks Low	83.56
Shares Outstanding (mn)	73.46
Free Float (%)	40%

Source: PSX/Darson Research

RELATIVE PERFORMANCE



EPS increased by +44%YoY in FY18

Tariq Glass (TGL) announced its FY18 result today, wherein the company posted an NPAT of PKR 1,097mn in FY18, up +44%YoY in SPLY which was PKR 760mn. In conjunction with the result the company also announced annual cash dividend of PKR 6/share i.e. 60%

The topline of the company amidst FY18 clocked in at PKR 12,302mn as against corresponding period last year which was PKR 9,903mn, inclined by +24%YoY as the company has started commercial operations of its new plant for the manufacturing of opal glass dinner ware product. As far as gross profit is concerned, it increased by +15%YoY to PKR 2,324mn in FY18 versus PKR 2,018mn in FY17. This increase is mainly accredited to the new product under the brand name of ROCK WARE.

Focusing on the expenses, an upsurge of +27%YoY was witnessed in distribution cost due to rising distribution and selling activities. On the other hand, finance cost plummeted by -38%YoY to PKR 153mn as compared to same period last year which was PKR 249mn owed to decrease in company's long and short term borrowings. Collectively all these led to an incline in EPS by +44%YoY to PKR 14.24 in FY18 against PKR 10.34 in FY17.

PKR 'mn	FY'18	FY'17	YoY%
Sales	12,302	9,903	24%
Cost of Sales	9,978	7,885	27%
Gross Profit	2,324	2,018	15%
Dist. Expenses	443	349	27%
Admin. Expenses	213	177	20%
Other Opr. Expenses	105	82	27%
	1,564	1,410	11%
Other Income	15	24	-40%
Finance Cost	153	249	-38%
Profit Before Tax	1,425	1,185	20%
Taxation	328	425	-23%
Profit After Tax	1,097	760	44%
EPS	14.94	10.34	44%

Source: Darson Research, Company Accounts



Notified Research Entity

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Rating System:

- | | |
|---|---------------------|
| If; | |
| • Expected return >15% | - Buy Call |
| • Expected Return is in between 0% to 15% | - Neutral/Hold Call |
| • Expected Return <0% | - Sell Call |

Valuation Methodology

To arrive at our period end target prices, DSL uses different valuation methodologies including:

- Discounted cash flow (DCF, DDM)
- Justified price to book (JPB)
- Relative Valuation (P/E, P/B, P/S etc.)
- Equity & Asset return based methodologies (EVA, Residual Income etc.)

SECP JamaPunji Portal link: www.JamaPunji.pk

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