

Automobile Assemblers

Honda Atlas Cars (Pakistan) Limited

Earnings: Honda Atlas Cars (Pakistan) Limited (HCAR) announced its 1QFY2023 financial results. The company reported earnings of PKR 0.66bn or PKR 4.6/share compared to last year PKR0.93bn or PKR 6.5/share a decrease of +29%/y.

Operating performance: Company's reported net sales of PKR 30.3bn 1QFY23; an increase of +39%/y. Gross profit margins of the company slightly deteriorated during the quarter, clocking in at 6.3% compared to last year 7%/y. Operating costs including administrative and selling & marketing rose by 58%/y to PKR 0.58bn. During the 1QFY23, company's EBIT margin is down to 4% versus 6% last year same period. In addition, the company booked higher effective tax charge to the tune of 40% during the 1QFY23 compared to 32% in 1QFY22.

Exhibit: Financial highlights (HCAR)								
Latest result published for: 1qFY23								
in PKRmn -- Period End: Mar	1qFY23	FY2022	4qFY022	3qFY22	2qFY22	1qFY22	FY2021	4qFY21
Net Sales	30,246	108,048	30,768	29,539	25,976	21,765	67,362	22,774
Gross Profit	1,915	5,578	1,393	801	1,789	1,595	3,777	1,182
Selling & Distribution	242	1,139	613	181	213	132	737	316
Admin.	333	1,068	317	247	273	231	824	277
Operating Profits	1,341	3,370	463	373	1,303	1,231	2,216	589
EBIT	1,114	4,391	884	657	1,476	1,375	2,897	1,010
Finance Cost	20	116	60	16	28	11	116	-24
Taxation	436	1,765	627	195	508	435	987	138
Profit After Tax	658	2,510	197	446	939	928	1,794	896
EPS	4.6	17.6	1.4	3.1	6.6	6.5	12.6	6.3
DPS	0.0	7.0	7.0	0.0	0.0	0.0	4.5	0.0

Source: IGI Research, Company Financials

No of Shares (mn): 142.8

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