

Sector

Automobile Assembler

Chase Research

research@chasesecurities.com
+92-21-35293054-60

Symbol: **SAZEW**

Current Price: **PKR 1,742.01**

Market Cap (PKR bn): **105.30**

Total Shares (mn): **60.45**

Free Float (mn): **21.16**

52 Week High: **PKR 2,487.00**

52 Week Low: **PKR 1,520.00**

Sazgar Engineering Works Limited (SAZEW)

Sazgar Engineering Works Limited reported earnings per share of PKR 390.51 in FY26 against earnings per share of PKR 270.26 in FY25 an increase of 44%.

Net revenue in FY26 reached PKR 192 Bn, a rise of 77% compared to FY25 with PKR 109 Bn.

The company saw its gross margin decrease from 29% in FY25 to 24% in FY26.

The company management highlighted that it revealed the largest NEV lineup of Pakistan at the Pakistan Auto Show last week demonstrating its preparation for the future alongside its expansion initiatives.

Currently the company's plant is capable of producing up to 100 vehicles a day while post expansion it expects this could reach 180 vehicles a day.

The dealership network currently consists of 32 3S dealerships with 5 more in the pipeline. This is a part of the company's plan to focus on after sales to retain market share.

It was apprised that while the product mix may have changed the Haval H6 remains the market leader in its segment.

With regards to new launches, the management guided that multiple launches were expected soon including pickup trucks and Arcfox EVs.

Currently, the company is waiting for the unveiling of the new auto policy before it can comment on sales, pricing or localization plans moving forward.

PKR Mn	FY25	FY26	YoY	4QFY25	4QFY26	YoY
Net sales	108,694	192,000	77%	27,261	76,798	182%
Cost of sales	77,052	145,000	88%	20,417	59,242	190%
Gross profit	31,642	46,476	47%	6,845	17,031	149%
Gross Margin	29%	24%		25%	22%	
Selling/distribution expenses	3,474	6,193	78%	902	2,022	124%
Administrative expenses	560	977	74%	113	233	106%
Operating profit	27,607	39,306	42%	5,830	14,776	153%
Depreciation & amortisation	336	555	65%	93	270	190%
EBITDA	27,943	39,861	43%	5,923	15,047	154%
Financial charges	230	454	97%	29	153	428%
Other income	1,355	2,651	96%	320	667	108%
Other charges	1,993	2,857	43%	-424	1,055	149%
Profit before tax	26,739	38,646	45%	5,697	14,236	150%
Taxation	10,403	15,041	45%	2,216	5,510	149%
Profit after tax	16,336	23,605	44%	3,481	8,726	151%
EPS	270.26	390.51	44%	57.59	144.36	151%
DPS	52.00	70.00	35%	20.00	20.00	0%

Important Disclosures**Disclaimer:**

This report has been prepared by Chase Securities Pakistan (Private) Limited and is provided for information purposes only. Under no circumstances, this is to be used or considered as an offer to sell or solicitation or any offer to buy. While reasonable care has been taken to ensure that the information contained in this report is not untrue or misleading at the time of its publication, Chase Securities makes no representation as to its accuracy or completeness and it should not be relied upon as such. From time to time, Chase Securities and/or any of its officers or directors may, as permitted by applicable laws, have a position, or otherwise be interested in any transaction, in any securities directly or indirectly subject of this report Chase Securities as a firm may have business relationships, including investment banking relationships with the companies referred to in this report This report is provided only for the information of professional advisers who are expected to make their own investment decisions without undue reliance on this report and Chase Securities accepts no responsibility whatsoever for any direct or indirect consequential loss arising from any use of this report or its contents At the same time, it should be noted that investments in capital markets are also subject to market risks This report may not be reproduced, distributed or published by any recipient for any purpose.