



Analyst Briefing FY24

16th August 2024



Group Overview



Building Material



Automobile



Electronics

SAMSUNG

Chemicals, Agri Science,
Animal Health, Pharma,
Nutrition



NUTRICO MORINAGA

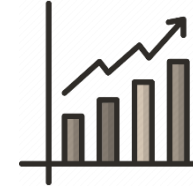
Power



Key Messages



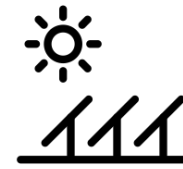
Volumetric **dispatches increased** by **16.5%**, in FY24 **mainly due to increase in exports**



Pre-tax Operating performance increased significantly by **53%**, to **PKR 28.9B** in FY24



Lucky Cement pursued diversification through National Resource Limited for a **copper and gold mining**



COD of 28.8 MW wind energy project at **KP** is expected in 1Q FY25. Post Completion of wind, renewables will cover **~50% of our energy requirement**



The **Foreign cement operations continue to show robust performance.** Also, adding a **new clinker line at Iraq of 1.82 MTPA** with a aim to **complete this project by 2HFY25**



LEPCL successfully **maintained 100% plant availability** during FY24



A large, stylized, light-colored 'L' logo is positioned in the background on the left side of the slide. The 'L' is composed of several overlapping, semi-transparent shapes in shades of yellow and orange, giving it a 3D effect. It is set against a dark red, semi-transparent background that also forms a large 'L' shape.

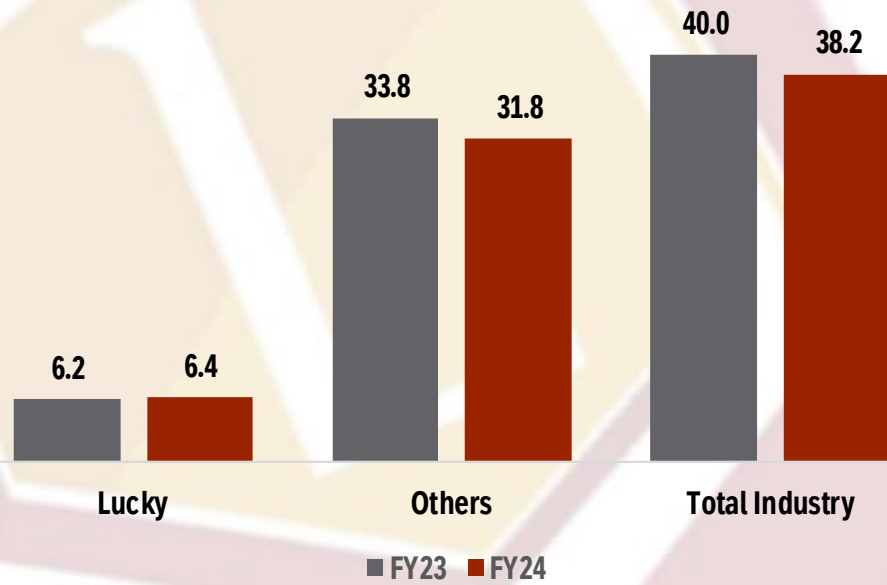
Industry Volumes & Market Share FY24

Sales Volumes & Market Share - Domestic

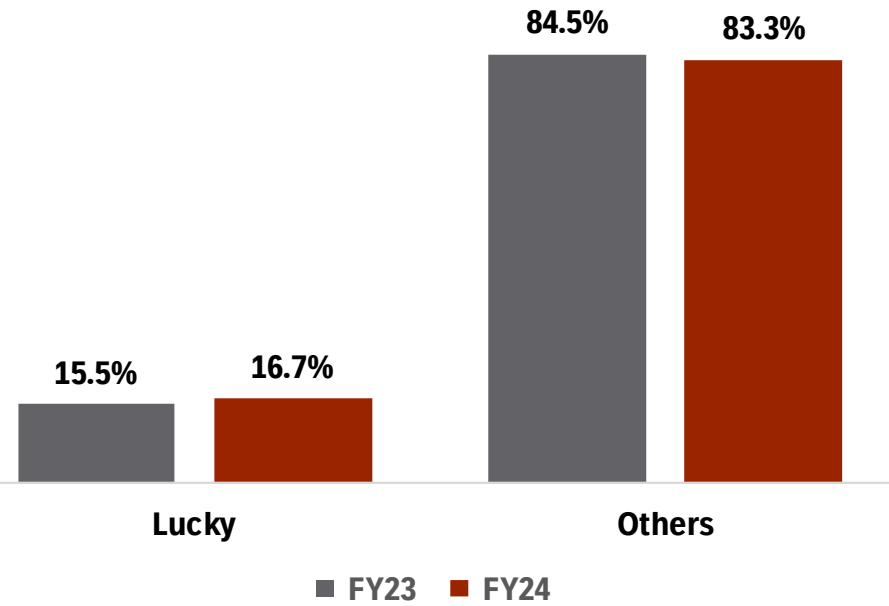
The **domestic sales** of the company **increased** by **3%** to reach **6.4 MT** in FY24

During FY24, the **domestic market share** of the company clocked in at **18.7%** vs. 16.5% in the SPLY

Local Sales Volumes (in MT)



Market Share

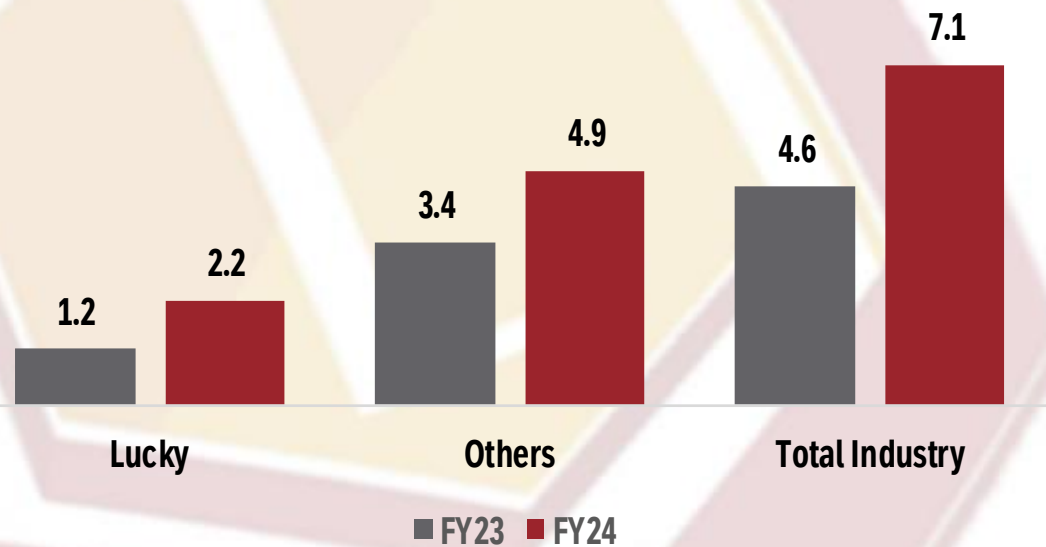


Sales Volumes & Market Share - Exports

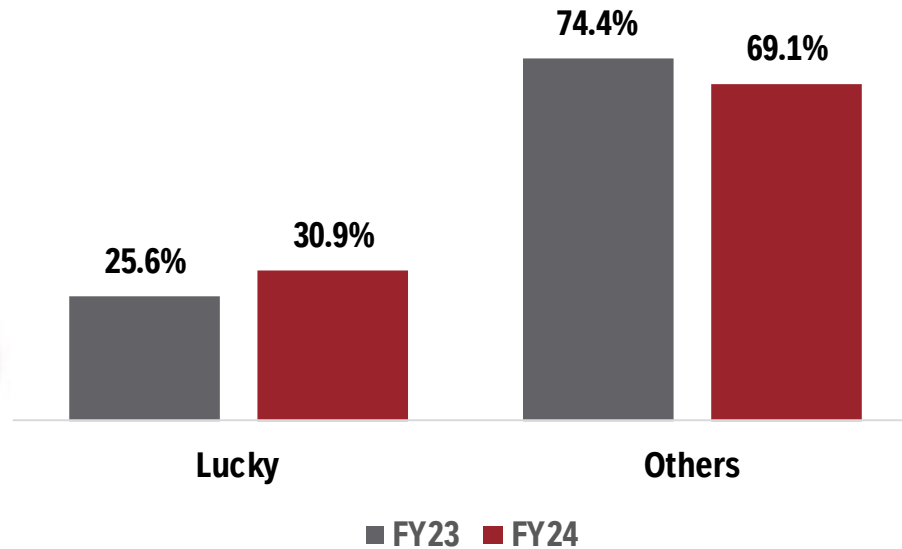
The **export sales volumes** of the company increased by **87.9%** to reach **2.2MT** in FY24. The increased in exports was attributable to increased viability on the back of falling coal prices

During FY24, the **export market share** of the company remained stable to **30.9%** compared to **25.6%** in the SPLY

Export Volumes (in MT)



Export Market Share





Standalone Key Figures FY24

Gross Profit

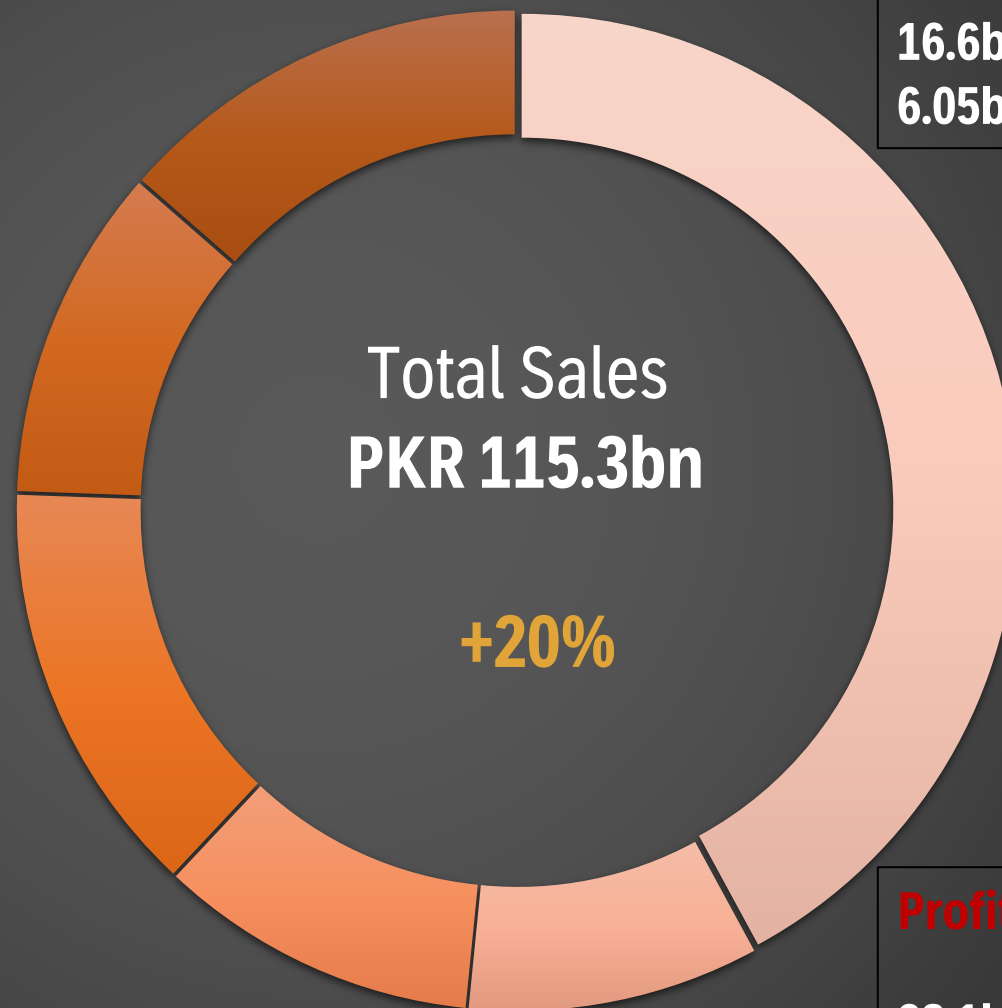
38.8bn FY24
26.1bn FY23
+49%

Other Income

16.6bn FY24
6.05bn FY23
+174%

Operating Profit

28.8bn FY24
18.9bn FY23
+53%




EBITDA

35.0bn FY24
24.2bn FY23
+44%

Profit After Tax

28.1bn FY24
13.7bn FY23
+105%



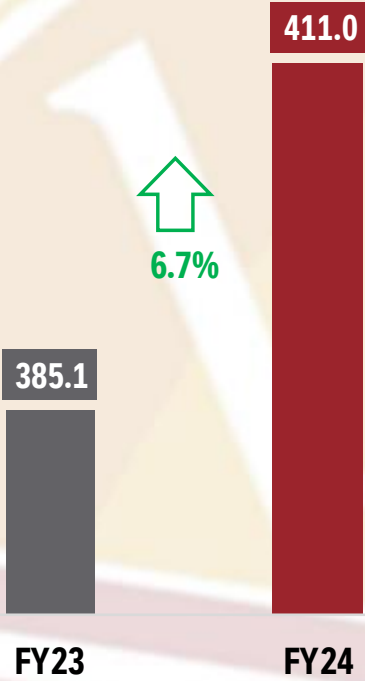
Consolidated Key Figures FY24

Key Figures

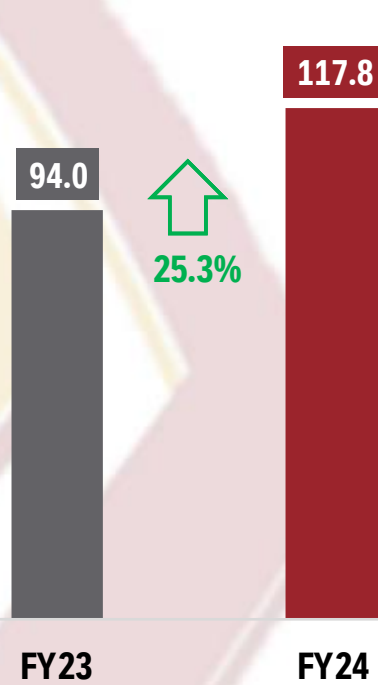
Consolidated: FY24 vs FY23

All numbers in PKR billion except EPS

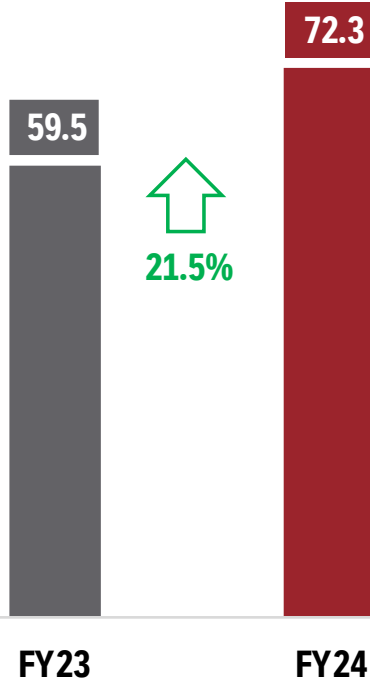
REVENUE



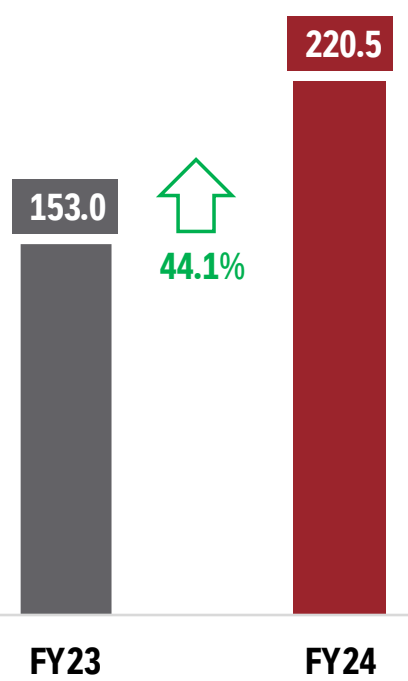
EBITDA



PAT



EPS (RS)





Outlook FY25

Pakistan's FY25 budget tackles rising circular debt and a low tax-to-GDP ratio with SOE privatization, tax reforms, and increased infrastructure spending. A staff level agreement for \$7 billion IMF deal aims to stabilize the economy, and recent interest rate cuts signal potential growth. Political stability and sustainable measures are essential for long-term prosperity.

Cement

- **High interest rates and increased Federal Excise Duty on cement bags may suppress domestic demand** due to rising construction costs. **However, PSDP could be a catalyst**
- **Export challenges include increased freight costs**, fierce competition, and policy changes deterring exports
- **A new clinker line in Iraq will enhance operational efficiency** and profitability, with strong demand expected for international operations



Chemical

- The company's **diverse product portfolio is a key strength in mitigating adverse impacts** and ensuring sustainable results.
- By closely monitoring costs, the company remains committed to delivering consistent and sustainable outcomes.



PSDP could be a catalyst for cement demand. Additionally, recent inflation trends showing a decline have led to positive real interest rates for the first time in three years, suggesting the potential for a near-term interest rate cut. A decline in rates would support positive business growth.

Auto & Mobile Assembly

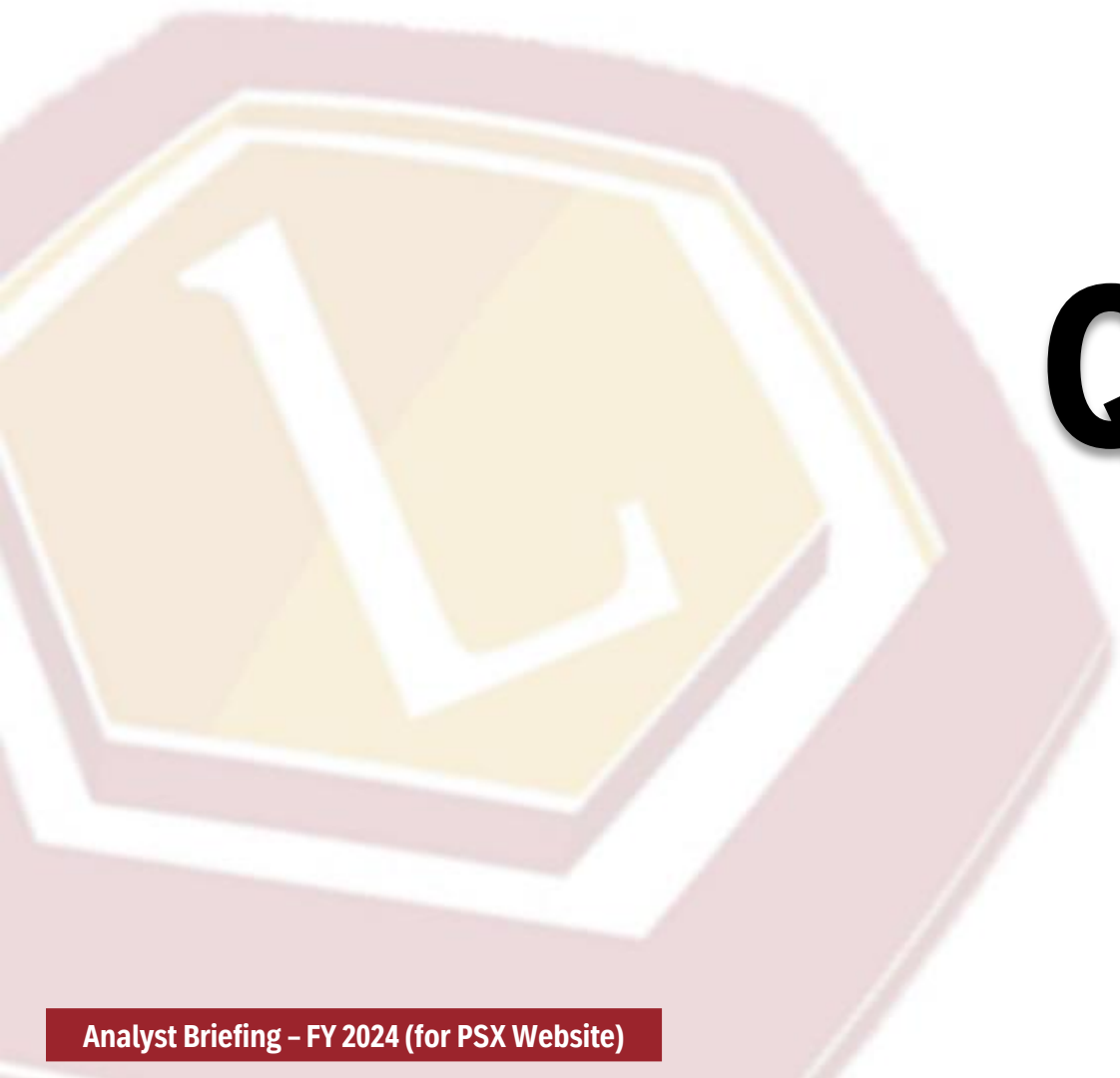
- **Sluggish outlook for Autos with sales volumes under pressure** due to economic slowdown and higher taxes, but operational optimization and localization will help reduce import reliance and protect margins.
- **Expected slowdown is due to 18% GST on mobile phones**, with a shift towards low-priced smartphones. LMC focuses on producing and promoting low-cost phones that will improve market share.



Power

- Despite **reduced collections from CPPA**, the company has **effectively managed its cash flow** by securing **funds through short-term borrowings and Sukuks**
- Partial **resolution of transmission constraints**, higher **demand due to economic growth**, and the **start of the supply of Thar coal** are expected to **enhance the operational efficiencies** of LEPCL.





Q & A

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