

Financial Highlights Six Years at a Glance

Financial Position (PKR in million)	2019	2020	2021	2022	2023	2024
Assets Employed						
Property, plant and equipment	57,276	60,248	62,390	82,301	95,620	107,259
Intangible Assets	18	11	1	51	86	69
Long term investments	34,314	47,144	53,194	57,594	57,594	58,072
Long term advance	99	87	99	192	194	157
Long term deposit & deferred cost	3	3	8	8	8	8
Current assets	33,379	28,375	40,676	44,816	59,577	68,452
Total Assets	125,089	135,868	156,368	184,962	213,079	234,018
Financed By						
Shareholders' Equity	94,318	99,184	113,200	128,540	137,366	147,761
Long-term liabilities						
Long term finance	-	380	4,042	16,273	16,679	14,527
Current portion of long term finance	-	127	507	487	600	2,099
	-	507	4,549	16,760	17,278	16,626
Long term deposits and deferred liabilities	7,193	7,349	8,739	9,788	12,853	17,542
Current liabilities						
Current portion of long term finance	23,578	28,955	30,387	30,361	46,181	54,188
	-	(127)	(507)	(487)	(600)	(2,099)
Total Funds Invested	125,089	135,868	156,368	184,962	213,079	234,018
Turnover & Profit						
Turnover - Net	48,021	41,871	62,941	81,094	95,832	115,325
Gross Profit	13,984	6,077	18,956	22,552	26,061	38,805
Operating Profit	10,052	1,188	12,840	16,275	18,908	28,870
Profit before taxation	12,221	3,820	16,992	21,421	21,343	41,388
Profit after taxation	10,490	3,344	14,070	15,299	13,726	28,107
Total comprehensive income	10,539	3,508	14,016	15,340	13,984	27,972
Cash Dividends	2,587	2,102	-	-	-	5,452
Reserves	9,492	8,437	3,509	14,016	15,340	13,984
Profit carried forward	10,539	3,509	14,016	15,340	13,984	22,520
Earning per share (Rupees)	32.44	10.34	43.51	47.31	43.06	94.54
Cash Flow Summary						
Net Cash from Operating Activities	17,084	5,047	12,493	15,469	23,243	27,581
Net Cash used in Investing Activities	(28,155)	(8,396)	(5,762)	(24,826)	(12,979)	(2,580)
Net Cash (Outflow) / Inflow from Financing Activities	(2,573)	(1,667)	4,022	12,209	245	(18,620)
(Decrease) / Increase in Cash and Bank Balance	(13,644)	(5,016)	10,752	2,852	10,509	6,381
Cash and cash equivalent at the beginning of the Year	19,548	5,904	889	11,641	15,493	26,002
Cash and cash equivalent at the end of the Year	5,904	889	11,641	14,493	26,002	32,382

Analysis of Statement of Financial Position

PKR in '000	2019	2020	2021	2022	2023	2024
Share Capital & Reserves	94,318,417	99,183,861	113,200,258	128,540,324	137,366,326	147,761,277
Non Current Liabilities	7,192,747	7,729,261	12,780,738	26,060,686	29,531,862	32,068,340
Current Liabilities	23,578,050	28,955,352	30,387,066	30,361,358	46,180,879	54,188,473
Total Equity & Liabilities	125,089,214	135,868,474	156,368,062	184,962,368	213,079,067	234,018,090
Non Current Assets	91,710,415	107,493,561	115,691,694	140,146,677	153,502,425	165,566,006
Current Assets	33,378,799	28,374,913	40,676,368	44,815,691	59,576,642	68,452,084
Total Assets	125,089,214	135,868,474	156,368,062	184,962,368	213,079,067	234,018,090

Vertical Analysis - (%)	2019	2020	2021	2022	2023	2024
Share Capital & Reserves	75.40	73.00	72.39	69.50	64.47	63.14
Non Current Liabilities	5.75	5.69	8.17	14.09	13.86	13.70
Current Liabilities	18.85	21.31	19.44	16.41	21.67	23.16
Total Equity & Liabilities	100.00	100.00	100.00	100.00	100.00	100.00
Non Current Assets	73.32	79.12	73.99	75.77	72.04	70.75
Current Assets	26.68	20.88	26.01	24.23	27.96	29.25
Total Assets	100.00	100.00	100.00	100.00	100.00	100.00

Horizontal Analysis (i) Cumulative (%)	2019	2020	2021	2022	2023	2024
Share Capital & Reserves	36.06	43.08	63.29	61.11	59.05	56.66
Non Current Liabilities	3.21	10.91	83.40	261.51	299.35	345.84
Current Liabilities	145.15	201.06	215.95	193.53	203.08	129.83
Total Equity & Liabilities	45.61	58.15	82.02	90.02	95.49	87.08
Non Current Assets	97.16	131.10	148.72	174.96	132.43	80.53
Current Assets	(15.27)	(27.97)	3.25	(3.35)	38.69	105.08
Total Assets	45.61	58.15	82.02	90.02	95.49	87.08

Horizontal Analysis (ii) Year on Year (%)	2019 vs 2018	2020 vs 2019	2021 vs 2020	2022 vs 2021	2023 vs 2022	2024 vs 2023
Share Capital & Reserves	9.21	5.16	14.13	13.55	6.87	7.57
Non Current Liabilities	(2.74)	7.46	65.36	103.91	13.32	8.59
Current Liabilities	54.74	22.81	4.94	(0.08)	52.10	17.34
Total Equity & Liabilities	14.76	8.62	15.09	18.29	15.20	9.83
Non Current Assets	38.86	17.21	7.63	21.14	9.53	7.86
Current Assets	(22.29)	(14.99)	43.35	10.18	32.94	14.90
Total Assets	14.76	8.62	15.09	18.29	15.20	9.83

Analysis of Statement of Profit or Loss

PKR in '000	2019	2020	2021	2022	2023	2024
Turnover	48,021,399	41,870,796	62,940,805	81,093,525	95,832,147	115,324,942
Cost of Sales	34,037,568	35,794,031	43,984,873	58,541,684	69,771,469	76,520,370
Gross Profit	13,983,831	6,076,765	18,955,932	22,551,841	26,060,678	38,804,572
Distribution Cost	2,728,809	3,699,154	4,859,096	4,764,574	5,326,894	7,773,885
Administrative Cost	1,202,939	1,189,638	1,257,074	1,512,279	1,825,578	2,160,682
Operating Profit	10,052,083	1,187,973	12,839,762	16,274,988	18,908,206	28,870,005
Finance Cost	24,933	176,378	332,905	394,517	1,169,770	1,581,168
(Other Income)/Charges	(2,194,065)	(2,808,333)	(4,485,356)	(5,540,761)	(3,604,838)	(14,098,727)
Profit before taxation	12,221,215	3,819,928	16,992,213	21,421,232	21,343,274	41,387,564
Taxation	1,730,986	475,995	2,922,024	6,122,614	7,617,460	13,281,025
Profit after taxation	10,490,229	3,343,933	14,070,189	15,298,618	13,725,814	28,106,539
Other Comprehensive Income	48,366	164,550	(53,792)	41,448	257,842	(134,802)
Total Comprehensive Income	10,538,595	3,508,483	14,016,397	15,340,066	13,983,656	27,971,737
Vertical Analysis - (%)	2019	2020	2021	2022	2023	2024
Turnover	100.00	100.00	100.00	100.00	100.00	100.00
Cost of Sales	70.88	85.49	69.88	72.19	72.81	66.35
Gross Profit	29.12	14.51	30.12	27.81	27.19	33.65
Distribution Cost	5.68	8.83	7.72	5.88	5.56	6.74
Administrative Cost	2.51	2.84	2.00	1.86	1.90	1.87
Operating Profit	20.93	2.84	20.40	20.07	19.73	25.03
Finance Cost	0.05	0.42	0.53	0.49	1.22	1.37
(Other Income)/Charges	(4.57)	(6.71)	(7.13)	(6.83)	(3.76)	(12.23)
Profit before taxation	25.45	9.12	27.00	26.42	22.27	35.89
Taxation	3.60	1.14	4.64	7.55	7.95	11.52
Profit after taxation	21.84	7.99	22.35	18.87	14.32	24.37
Other Comprehensive Income	0.10	0.39	(0.09)	0.05	0.27	(0.12)
Total Comprehensive Income	21.95	8.38	22.27	18.92	14.59	24.25
Horizontal Analysis (i) Cumulative - (%)	2019	2020	2021	2022	2023	2024
Turnover	6.39	(7.23)	39.45	77.50	101.57	140.15
Cost of Sales	45.53	53.04	88.06	140.04	128.09	124.81
Gross Profit	(35.69)	(72.06)	(12.83)	5.89	53.73	177.50
Distribution Cost	35.20	83.27	140.74	179.65	167.35	184.88
Administrative Cost	8.61	7.41	13.50	48.02	67.57	79.62
Operating Profit	(46.01)	(93.62)	(31.04)	(12.37)	36.32	187.20
Finance Cost	100.00	100.00	100.00	100.00	100.00	6,241.67
(Other Income)/Charges	(1,098.92)	(1,378.58)	(2,142.10)	2,596.90	188.80	542.58
Profit before taxation	(33.58)	(79.24)	(7.65)	14.07	41.17	238.65
Taxation	(68.27)	(91.28)	(46.44)	20.38	160.73	667.25
Profit after taxation	(18.96)	(74.17)	8.70	11.73	12.53	167.93
Other Comprehensive Income	59.85	443.82	(277.78)	1,037.43	(318.74)	(378.71)
Total Comprehensive Income	(18.77)	(72.96)	8.03	12.00	15.77	165.42
Horizontal Analysis (ii) Year vs Year - (%)	2019 vs 2018	2020 vs 2019	2021 vs 2020	2022 vs 2021	2023 vs 2022	2024 vs 2023
Turnover	1.01	(12.81)	50.32	28.84	18.17	20.34
Cost of Sales	11.27	5.16	22.88	33.10	19.18	9.67
Gross Profit	(17.51)	(56.54)	211.94	18.97	15.56	48.90
Distribution Cost	36.96	35.56	31.36	(1.95)	11.80	45.94
Administrative Cost	10.42	(1.11)	5.67	20.30	20.72	18.36
Operating Profit	(27.53)	(88.18)	980.81	26.75	16.18	52.69
Finance Cost	100.00	607.41	88.75	18.51	196.51	35.17
(Other Income)/Charges	75.78	28.00	59.72	23.53	(34.94)	291.11
Profit before taxation	(19.16)	(68.74)	344.83	26.06	(0.36)	93.91
Taxation	(40.75)	(72.50)	513.88	109.53	24.42	74.35
Profit after taxation	(13.99)	(68.12)	320.77	8.73	(10.28)	104.77
Other Comprehensive Income	141.03	240.22	(132.69)	(177.05)	522.09	(152.28)
Total Comprehensive Income	(12.75)	(66.71)	299.50	9.44	(8.84)	100.03

Notes on Analysis

Comments on six year Statement of Comprehensive Income analysis

Turnover

Revenues increased from PKR 48 billion in 2019 to PKR 115.3 billion in 2024 with an increase of 140.15%. The increase in revenue was mainly due to higher cement prices owing to increased cost of inputs. Also, the export revenue showed significant increase of 45% due to increase in exports volume.

Cost of Sales

The cost of sales increased from PKR 34 billion in 2019 to PKR 76.5 billion in 2024, mainly due to the increase in input costs (coal, fuel, etc.) along with depreciating currency which has further intensified the costs of imported fuel and packaging material. Moreover, the increase in royalty on raw materials also led to an increase in the cost of sales.

Gross Profit

GP increased from PKR 14.0 billion in 2019 to PKR 38.8 billion in 2024. Gross profit margins increased by 4.5 percentage points, rising from 29.1% to 33.6%. This improvement was driven by the company's cost optimization strategy and the addition of renewable energy sources, both of which contributed to enhanced margins

Distribution Cost

The distribution cost of the company increased from PKR 2.7 billion (5.7% as % of sales) in 2019 to PKR 7.8 billion (6.7% as % of sales), an increase of 184.8%. The major reason for the increase was inflationary pressure, implementation of axle load and rise in fuel costs along with higher sea freight for exports.

Finance Cost

Finance cost is minimal since debt financing is principally based on subsidized loans bearing lower rates of mark-up. Further, the Company's capital structure is significantly based on equity financing.

Comprehensive Income

Total Comprehensive Income increased from PKR 10.5 billion to PKR 28.0 billion, majorly on account of an 167.9% increase in net profit.

Comments on six year Statement of Financial Position analysis

Share Capital & Reserves

The company's share capital changed during the period due to 2nd shares buyback of 20.4 million shares together with growth in reserves due to increase in retained earnings. The company is continuously investing profits in new projects.

Non Current Liabilities

The increase of 345.8% in non-current liabilities came from long-term subsidized loans acquired for funding expansion and other projects.

Non Current Assets

Non-Current Assets increased from PKR 91.7 billion to PKR 165.6 billion, an increase of 80.5%, in the six years. The increase came from capital expenditures on expansions (new cement lines), power generation, renewables (Solar project in Pezu and Karachi along with Wind Project in Karachi), logistics fleet, and equity investments in Lucky Motor Corporation, Lucky Electric Power, offshore projects in Iraq & Congo, and National Resources Limited.

Comments on six year Statement of Cash Flows analysis

Lucky has a prudent cash flow approach. The Company's projects and investments are primarily financed by internally generated cash flows and through subsidized financing available to the company.

Financial Ratios

Financial Ratios	UoM	2019	2020	2021	2022	2023	2024
Profitability Ratios							
Gross profit to sales	percent	29.12%	14.51%	30.12%	27.81%	27.19%	33.65%
Operating Cost to sales	percent	79.07%	97.16%	79.60%	79.93%	80.27%	74.97%
Profit before tax to sales	percent	25.45%	9.12%	27.00%	26.42%	22.27%	35.89%
Net profit after tax to sales	percent	21.84%	7.99%	22.35%	18.87%	14.32%	24.37%
EBITDA to sales	percent	27.80%	12.03%	27.25%	25.65%	30.35%	30.35%
Operating Leverage	percent	(2,728.45%)	688.49%	1,940.09%	92.77%	89.02%	259.01%
Return on Equity	percent	11.17%	3.54%	12.38%	11.93%	10.18%	18.93%
Return on Capital Employed	percent	11.67%	3.62%	12.89%	11.66%	9.32%	17.54%
Shareholders' Funds	rupees in Mn	94,318	99,184	113,200	128,540	137,366	147,761
Return on Shareholders' Funds	percent	11.12%	3.37%	12.43%	11.90%	9.99%	19.02%
Liquidity Ratios							
Current ratio	times	1.42 : 1	0.98 : 1	1.34 : 1	1.48 : 1	1.29 : 1	1.26 : 1
Quick/Acid test ratio	times	0.95 : 1	0.65 : 1	0.89 : 1	0.87 : 1	0.85 : 1	0.84 : 1
Cash to Current Liabilities	times	0.25 : 1	0.03 : 1	0.38 : 1	0.48 : 1	0.56 : 1	0.60 : 1
Cash flow from Operations to Sales	times	0.36 : 1	0.12 : 1	0.20 : 1	0.19 : 1	0.24 : 1	0.24 : 1
Cash flow to Capital Expenditures	times	0.87 : 1	0.74 : 1	1.93 : 1	0.63 : 1	1.24 : 1	1.55 : 1
Cash flow Coverage ratio	times	0.00 : 1	9.96 : 1	2.75 : 1	0.92 : 1	1.35 : 1	1.66 : 1
Activity / Turnover Ratios							
Inventory turnover	times	3.15	3.49	3.81	3.66	3.62	3.54
No. of days in Inventory	days	115.87	104.58	95.80	99.73	100.83	103.11
Debtor turnover	times	21.42	15.28	20.53	26.02	22.25	19.19
No. of days in Receivables	days	17.04	23.89	17.78	14.03	16.40	19.02
Creditor turnover	times	2.11	1.86	2.19	2.66	2.63	2.55
No. of days in Payables	days	172.99	196.24	166.67	137.22	138.78	143.14
Operating Cycle	days	(40.08)	(67.77)	(53.09)	(23.46)	(21.55)	(21.01)
Total assets turnover	times	0.38	0.31	0.40	0.44	0.45	0.49
Fixed assets turnover	times	0.84	0.69	1.01	0.98	1.00	1.07
Investment Valuation Ratios							
Earnings per share (EPS) and Diluted EPS	rupees	32.44	10.34	43.51	47.31	42.45	94.54
Price / Earning ratio (after tax)	times	11.73	44.64	19.84	9.70	12.30	9.59
Dividend Yield	percent	1.71%	0.00%	0.00%	0.00%	3.45%	1.65%
Dividend Payout ratio	percent	20.04%	0.00%	0.00%	0.00%	42.41%	15.87%
Cash Dividend per share	rupees	6.50	-	-	-	18.00	15.00
Stock Dividend per share	shares	-	-	-	-	-	-
Break up value per share:	rupees						
i) Without surplus on Revaluation of property	rupees	291.67	306.71	350.06	397.50	438.34	504.30
ii) With Surplus on Revaluation of PPE including all effect of all investments	rupees	291.67	306.71	350.06	397.50	438.34	504.30
iii) Including investment in related party at fair / market value (if any) and also with Surplus on Revaluation of PPE	rupees	291.67	306.71	350.06	397.50	438.34	504.30
Market Value Per Share as on 30th June	rupees	380.47	461.58	863.44	459.04	522.09	906.73
Year High Close	rupees	583.66	566.47	940.74	911.53	537.02	957.25
Year Low Close	rupees	344.27	310.30	488.93	436.17	383.90	514.35
Price to Book Ratio	percent	1.30	1.50	2.47	1.15	1.19	1.80
Capital Structure Ratios							
Financial leverage ratio	times	0.03 : 1	0.09 : 1	0.10 : 1	0.14 : 1	0.17 : 1	0.15 : 1
Weighted Average Cost of Debt	percent	1.72%	3.11%	3.32%	2.69%	5.72%	6.98%
Debt to Equity ratio (as per Book Value)	times	0.00 : 1	0.01 : 1	0.04 : 1	0.13 : 1	0.13 : 1	0.11 : 1
Debt to Equity ratio (as per Market Value)	times	0.00 : 1	0.00 : 1	0.02 : 1	0.11 : 1	0.11 : 1	0.06 : 1
Net assets per share	rupees	291.67	306.71	350.06	397.50	438.34	504.30
Interest Coverage ratio	times	403.16	6.74	38.57	41.25	16.16	18.26
Employee Productivity Ratios							
Production per Employee	MT	2,718	2,567	3,589	3,258	2,696	2,802
Revenue per Employee	rupees in MN	19.09	16.56	24.77	31.89	36.59	43.23
Staff turnover ratio	times	4.17%	2.77%	2.25%	3.81%	4.12%	4.23%
Non-Financial Ratios							
% of Plant Availability		81.80%	76.42%	89.63%	84.81%	47.63%	55.99%
Others							
Spares Inventory as % of Total Assets		3%	3%	4%	3%	3%	3%
Maintenance Cost as % of Operating Expenses		2%	1%	2%	1%	1%	2%

Analysis of Variation in Interim Period

Particulars	Qtr-1	Qtr-2	Qtr-3	Qtr-4	FY 2023-24
Sales Volume (in '000 Tons)	2,154	2,254	2,022	2,160	8,590
Sales Revenue	29,382	30,499	27,523	27,921	115,325
Cost of Good Sold	18,551	19,509	19,591	18,869	76,520
Gross Profit	10,830	10,990	7,932	9,052	38,805
Gross Profit Margin	37%	36%	29%	32%	34%
Operating Profit	8,607	8,447	5,487	6,329	28,870
Operating Profit Margin	29%	28%	20%	23%	25%
EBITDA	10,073	9,986	7,009	7,935	34,964
EBITDA Margin	34%	33%	25%	28%	30%
Net Profit Before Tax	10,461	10,127	7,177	13,623	41,388
Taxation	3,532	3,346	2,238	4,165	13,281
Net Profit After Tax	6,929	6,781	4,938	9,458	28,107
Net Profit After Tax Margin	24%	22%	18%	34%	24%
EPS in PKR	22.62	22.85	16.85	32.28	94.54

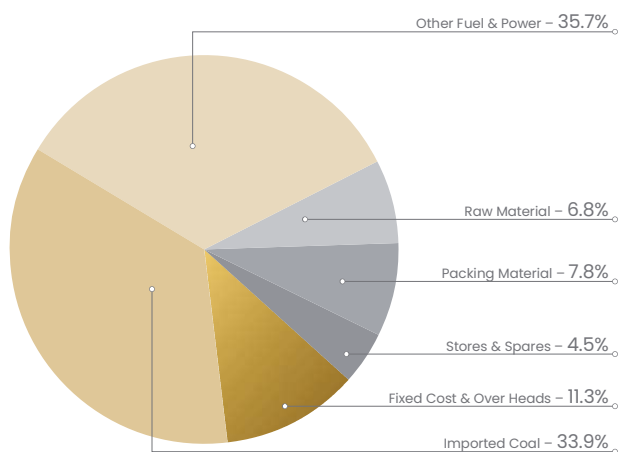
The first and second quarter outperformed during the year 2023-24 in terms of Gross Profit Margin (37% and 36%), Operating Profit (OP) Margin (29% and 28%) as well as EBITDA Margin (34% and 33%) mainly on account of consuming lower cost of coal inventory and efficient management of power. However, the bottom line was lower than the 4th quarter due to significant dividend income received in 4th quarter. In 3rd quarter, the bottom line was lower due to lower sales volume and absence of dividend income as compared to other quarters.

Composition of Local vs Imported Products & Sensitivity Analysis

Lucky Cement uses many kinds of local and imported raw materials for the production of cement. The largest cost component is Fuel & Power, which constitutes various types of foreign coal.

A fluctuation in coal price of PKR 100 per ton affects the cost of production by PKR 14 per ton. The cost of Sales of the Company will increase/decrease by 1.4% and 2.8% in case of foreign currency fluctuation by 10% and 20% respectively.

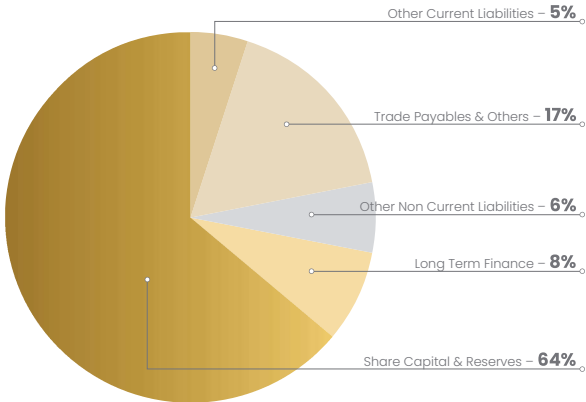
The company's sensitivity to foreign currency movement is moderate. To reduce the impact of currency, management proactively manages the procurement of coal while keeping an eye on the exchange rate.



Composition of Balance Sheet

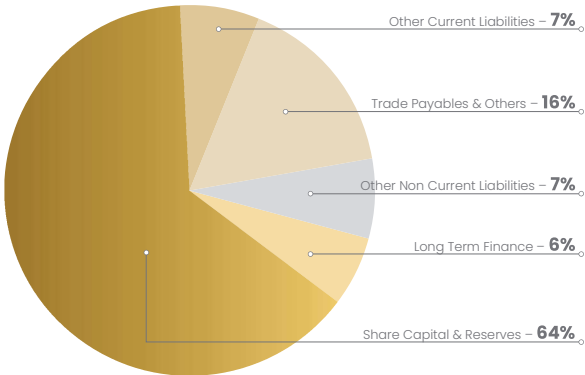
Equity and Liabilities - FY 2023

Percentage



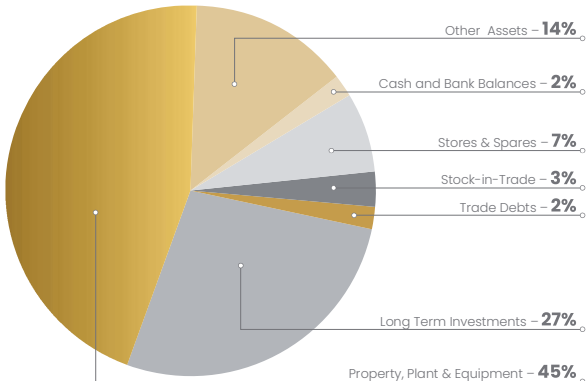
Equity and Liabilities - FY 2024

Percentage



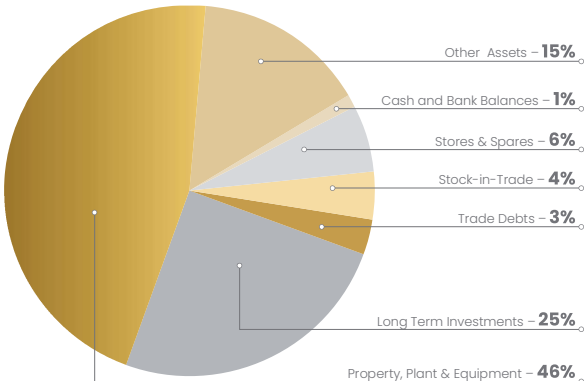
Assets - FY 2023

Percentage



Assets - FY 2024

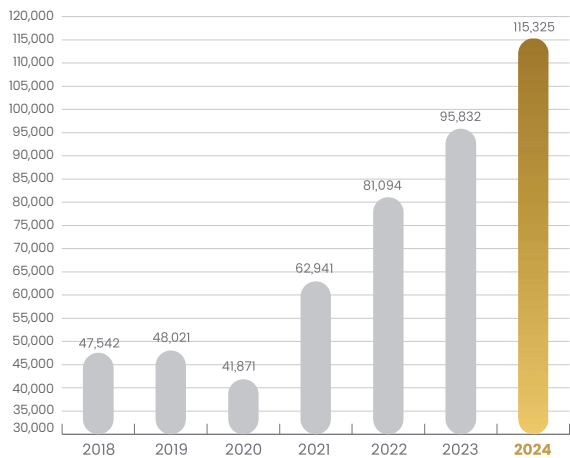
Percentage



Key Financial at a Glance

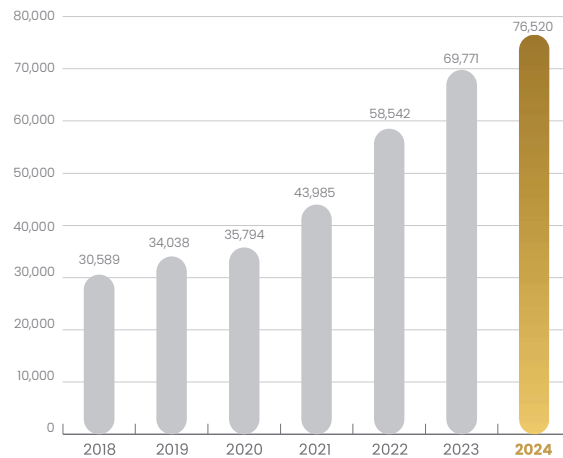
Sales Revenue

(PKR in Million)



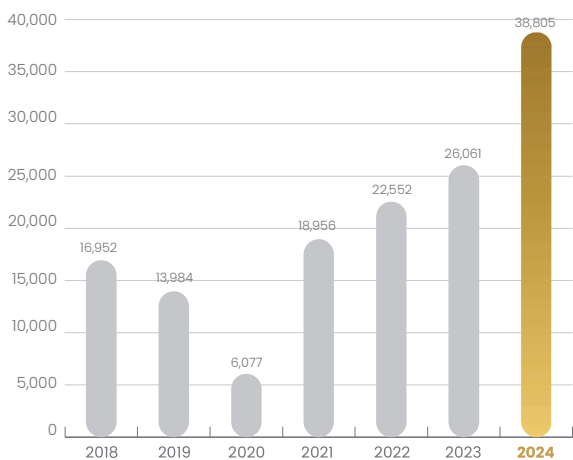
Cost of Sale

(PKR in Million)



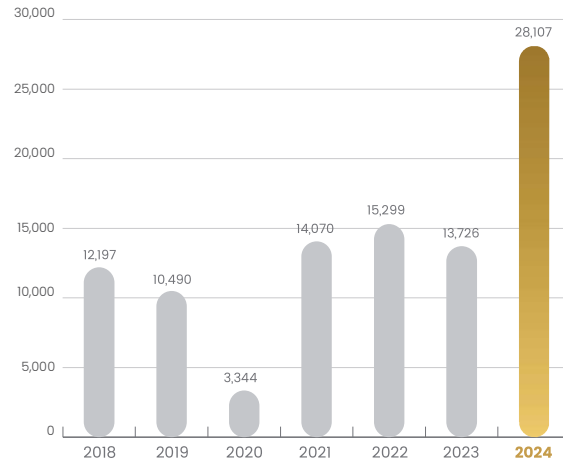
Gross Profit

(PKR in Million)



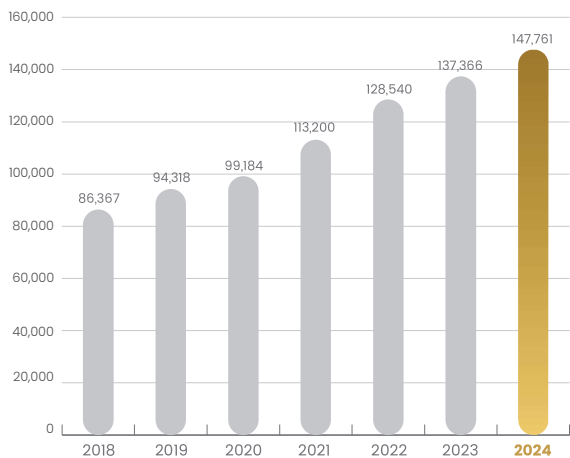
Net Profit

(PKR in Million)



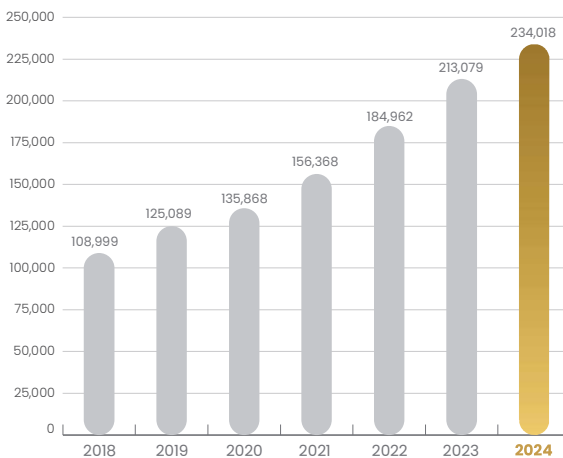
Shareholders Equity

(PKR in Million)



Total Assets

(PKR in Million)



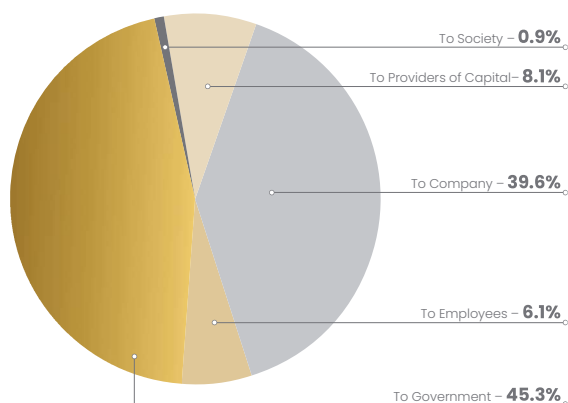
Statement of Value Addition and Wealth Distribution

Financial Position	2024 PKR in '000'	%	2023 PKR in '000'	%
WEALTH GENERATED				
Gross Sales/ Revenues	151,808,171		125,819,372	
Bought-in-material and services	(65,624,293)		(69,422,006)	
	86,183,878	100.0%	56,397,366	100.0%

WEALTH DISTRIBUTION				
To Employees				
Salaries, benefits and other costs	5,279,435	6.1%	3,880,970	6.9%
To Government				
Income tax, sales tax, excise duty and others	38,997,147	45.2%	31,290,376	55.5%
To Society				
Donation towards education, health and environment	804,852	0.9%	757,832	1.3%
To Providers of Capital				
Dividend to shareholders	5,452,117	6.3%	–	0.0%
Markup / Interest expenses on borrowed funds	1,581,168	1.8%	1,169,770	2.1%
To Company				
Depreciation, amortization & retained profit	34,069,159	39.5%	19,298,418	34.2%
	86,183,878	100.0%	56,397,366	100.0%

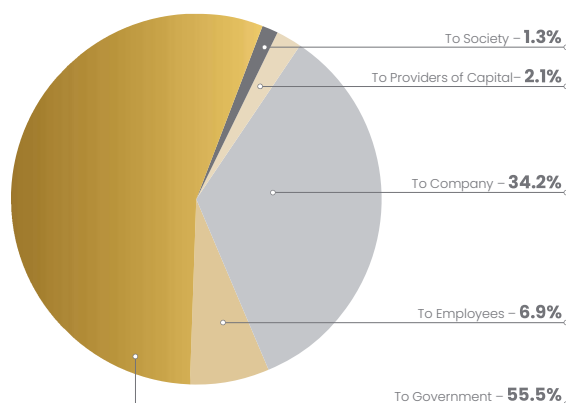
Wealth Distribution - 2024

Percentage



Wealth Distribution - 2023

Percentage



Economic Value Added (EVA)

EVA is the relevant yardstick for measuring economic profits. EVA is the company's net operating profit after tax, after deducting the cost of capital. Companies, which return higher than the cost of capital, create wealth for the shareholders and on the other hand companies earning returns lower than the cost of capital, destroy shareholders wealth.

		2019-20	2020-21	2021-22	2022-23	2023-24
Cost of capital						
Cost of Equity	%	11.20%	11.26%	18.93%	20.67%	23.13%
Weighted average cost of capital (WACC)	%	14.31%	10.85%	17.14%	18.73%	21.05%
Average capital employed		96,751,139	108,719,960	120,870,291	132,953,325	142,563,802
Economic Value Added						
NOPAT		3,520,311	14,103,458	14,904,101	12,556,044	26,525,371
Less: Cost of capital		13,846,217	11,790,749	20,721,192	24,897,504	30,009,908
Economic Value added		(10,325,906)	2,312,709	(5,817,091)	(12,341,460)	(3,484,537)
Enterprise Value						
Market Value of Equity		149,263,433	279,214,910	148,442,060	163,609,954	265,671,890
Add: Debt		506,908	4,041,984	16,760,103	17,278,254	16,625,839
Less: Cash & Bank balance		888,638	11,641,039	3,871,078	4,116,181	2,567,176
Enterprise Value		148,881,703	271,615,855	161,331,085	176,772,027	279,730,553
Return ratios						
NOPAT / Average capital employed	%	4%	13%	12%	9%	19%
EVA / Average capital employed	%	-11%	2%	-5%	-9%	-2%
Enterprise value / Average capital employed	times	1.54	2.50	1.33	1.33	1.96

Free Cash Flow (FCF)

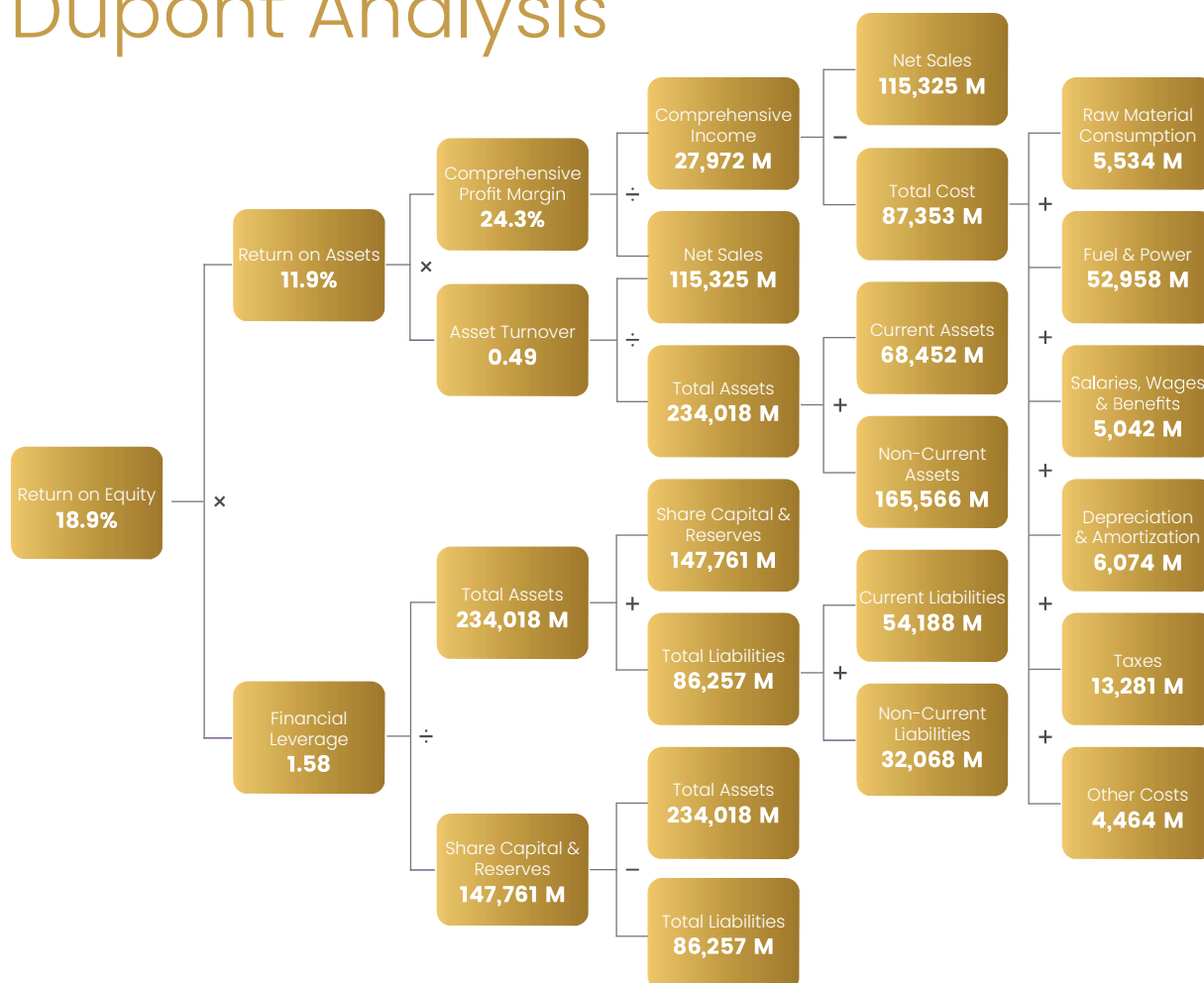
Free Cash Flow - FCF	2019-20	2020-21	2021-22	2022-23	2023-24
Net cash provided by operating activities	5,046,861	12,492,631	15,469,448	23,242,896	27,580,741
Less: Capital Addition & Investments	(15,900,417)	(12,520,913)	(28,991,059)	(18,711,022)	(18,214,715)
Add: Net Debt Issued	506,908	4,041,984	12,211,211	518,151	(652,415)
FCF - Total	(10,346,648)	4,013,702	(1,310,400)	5,050,025	8,713,611

Shariah Ratios

For the year ended June 30, 2024

	2024	2023
Interest bearing loan to market capitalization	3.52%	5.13%
Interest taking deposit to market capitalization	0.00%	0.00%
Income generated from prohibited component to total income	0.20%	0.03%
Market price per share to net liquid assets per share	30.64	24.91

Dupont Analysis



DuPont Analysis				
Year	Comprehensive Profit Margin	Assets Turnover	Financial Leverage	ROE
	(Net Profit/Turnover)	(Turnover/Total Assets)	(Total Assets/Total Equity)	
	A	B	C	A x B x C
2024	24.25%	0.49	1.58	18.9%
2023	14.59%	0.45	1.55	10.2%
2022	18.92%	0.44	1.44	11.9%
2021	22.27%	0.40	1.38	12.4%
2020	8.38%	0.31	1.37	3.5%
2019	21.84%	0.38	1.33	11.1%

The main highlights of DuPont analysis for the company in 2024 are as follows:

- 1. Net Margin Improvement:** The net margin rose significantly to 24.25% from 14.59% last year, driven by cost optimization strategies, the addition of renewable energy sources, lower coal costs, and an increase in other income.
- 2. Asset Turnover Ratio:** Despite the growth in the company's asset base, the asset turnover ratio improved to 0.49. This was mainly due to higher selling prices and increased sales volumes.

- 3. Financial Leverage Ratio:** The financial leverage ratio showed an increasing trend, primarily due to the company's completion of its second share buyback, which resulted in slower growth in total equity.

Conclusion

Over the past six years, DuPont analysis reveals that the company has consistently delivered sustainable returns to its shareholders. The management regularly monitors key drivers—operational efficiency, asset utilization, and financial leverage—used in the DuPont analysis to identify strengths and weaknesses and to evaluate the company's fundamental performance.

Share Price Sensitivity Analysis

Shares of Lucky Cement Limited (LUCK) are traded on the Pakistan Stock Exchange (PSX). Our free float is 30% and market capitalization at the end of the day of the fiscal year was PKR 266 Billion. There are various factors, which might affect the share price of our Company. A few of them are listed below as follows:



Profitability

Higher production costs could potentially reduce profit margins, but an increase in retention rates and sales volume growth could boost profitability, leading to a higher EPS and, consequently, a stronger market share price

Commodity Prices

An increase in key input prices, such as coal, power, and raw materials, can negatively impact profit margins, leading to a lower EPS and subsequently a decline in the share price

Regulations And Government Policies

Government and regulatory policies, both the overall policies and the policies specific to the cement sector, may affect the share price of the company either negatively or positively, depending on whether the policy itself is in favor or against the industry.

Currency Risk

Volatility in currency exchange rates can affect the margins in a positive or a negative manner, as the company is involved in both export (of cement) and import (of input fuels). This ultimately affects the share price as well.

Market Risk

Market risk, apart from systematic risk, also leaves the market share price vulnerable to the risks of all the platforms that the share is trading on. The Beta of LCL, with respect to the stock exchange of Pakistan, is 1.26.

Interest Rate Risk

The interest rate risk is the risk that the value of a financial instrument will decline due to changes in market interest rates. The majority of the interest rate exposure arises from short and long-term borrowings and short-term deposits with banks.

Price Risk

Price risk is the risk of loss resulting from a decline in the value of a financial instrument due to changes in the market prices (other than those arising from interest rate risk or currency risk). The prices may change due to any factor, whether it be related to the financial instrument itself, its issuer, or the prevailing market conditions. This risk can be mitigated through diversification.

Diversification

The Company has diversified both in terms of the nature of its business and its geographical locations. Our international footprint exposes us to the benefits and risks of the markets we operate in. Therefore, diversification can affect our consolidated earnings, therefore affecting our EPS, which affects the share price, either negatively or positively.

Goodwill

The market share price may also vary according to the perception that the investor has of the company, which is quite vulnerable to the news and events that the company is associated with.