

# ANALYST BRIEFING

## Q1 FY 2021 – 22

29<sup>TH</sup> October, 2021

# LUCKY'S SPECTRUM OF DIVERSITY

## CONSTRUCTION



LUCKY  
CEMENT



NAJMAT AL-SAMAWA



AL MABROOKA CEMENT  
أسمنتات المبروكة



CIMKO  
CIMENTERIE KONGO

## AUTOMOBILES



## POWER



Lucky Electric  
Power Company



unus  
Energy Ltd.

## CHEMICALS

NUTRICO MORINAGA



ICI PAKISTAN LTD.



● **Transport** issues, **Inflation** and slowing down of **CPEC** activity, affecting growth momentum for **Cement** for **Q1**

● **ICI** Turnover grew by **48%**

● Operations for **Samsung** to begin in **Dec'21**

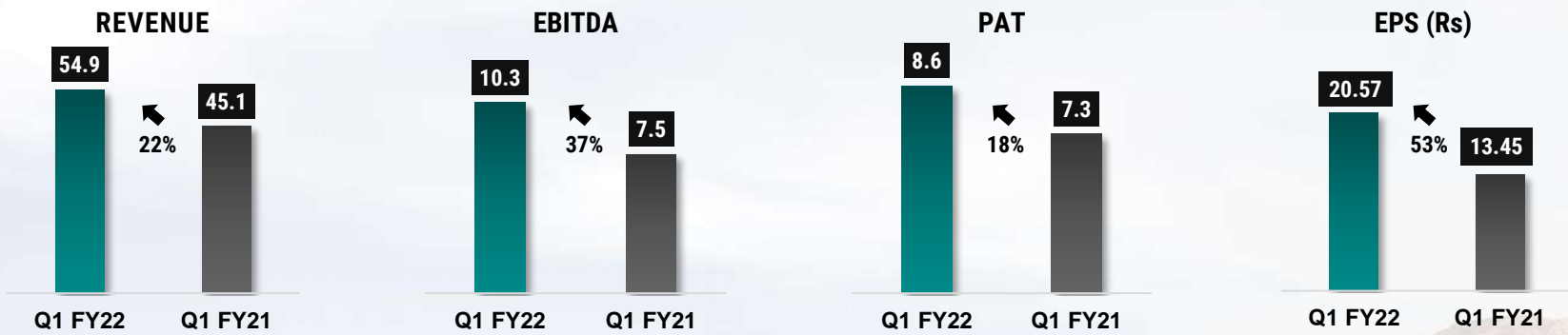
● **Line 2 (3.15MT)** under progress, target **COD – Dec'22**

● **LEPCL** target **COD, December 2021**

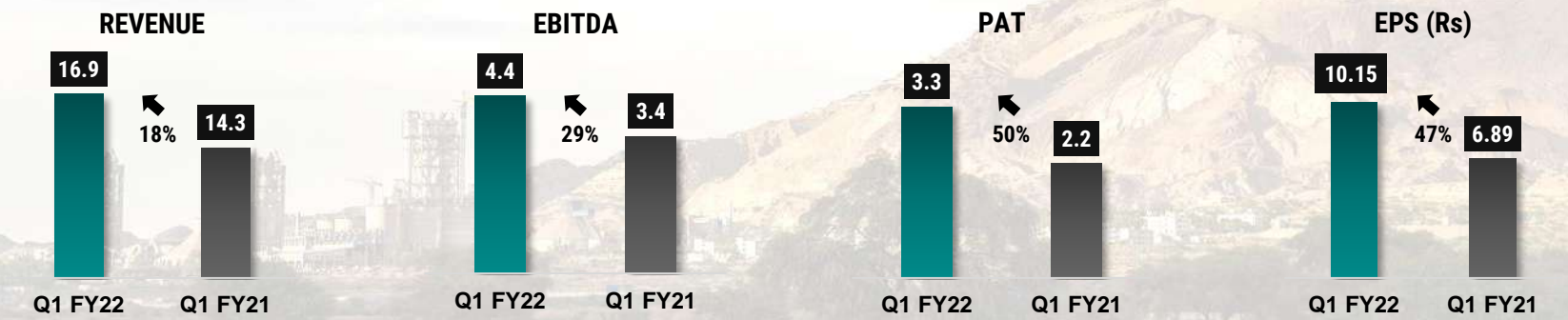
● **Commodity prices** volatility continues

# KEY FIGURES Q1 2021 – 22 (PKR Billion)

## CONSOLIDATED



## STANDALONE

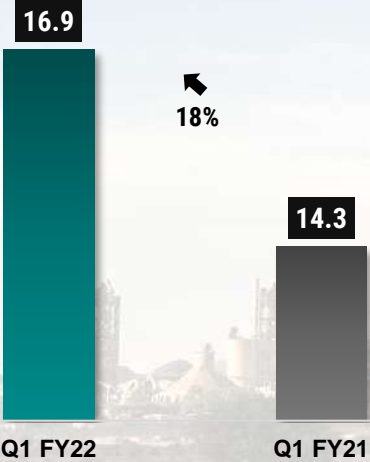


# CONSOLIDATED NET BUSINESS REVENUE GREW BY 22%↑

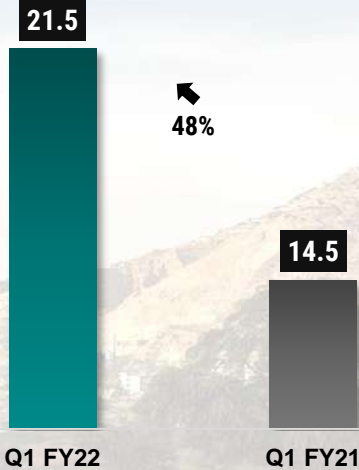
Q1 FY22	Q1 FY21	% Δ
54.9	45.1	22%↑

PKR In Billion

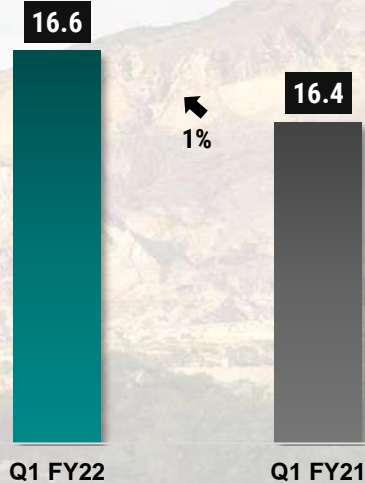
## CEMENT



## CHEMICALS



## AUTOMOBILES

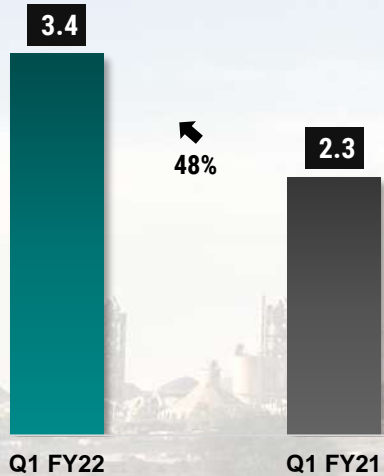


# CONSOLIDATED OPERATING PROFIT UP BY 47%↑

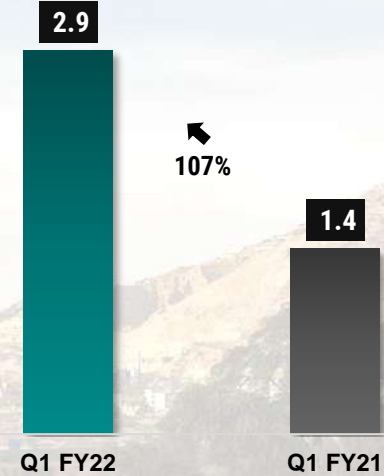
Q1 FY22	Q1 FY21	% Δ
7.8	5.3	47%↑

PKR In Billion

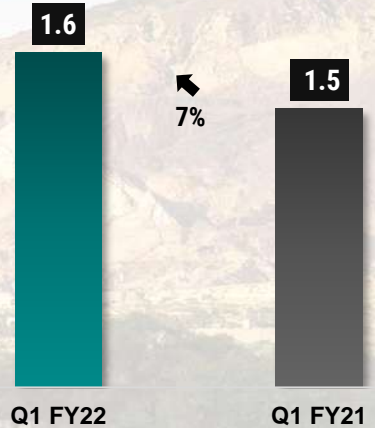
## CEMENT



## CHEMICALS



## AUTOMOBILES



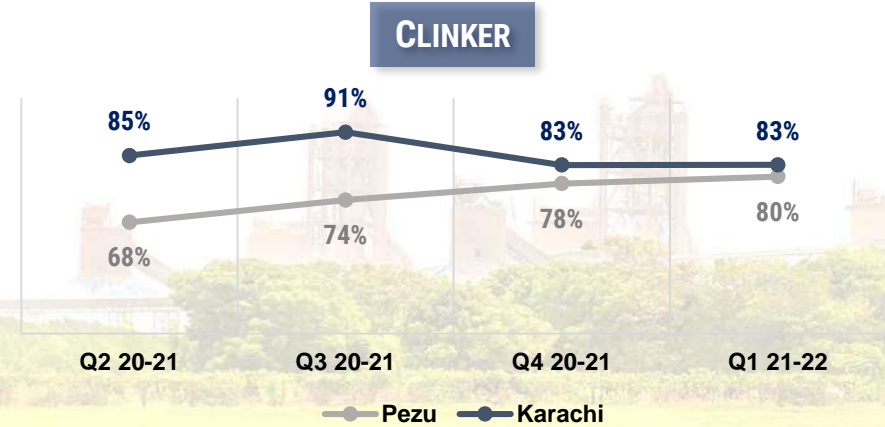
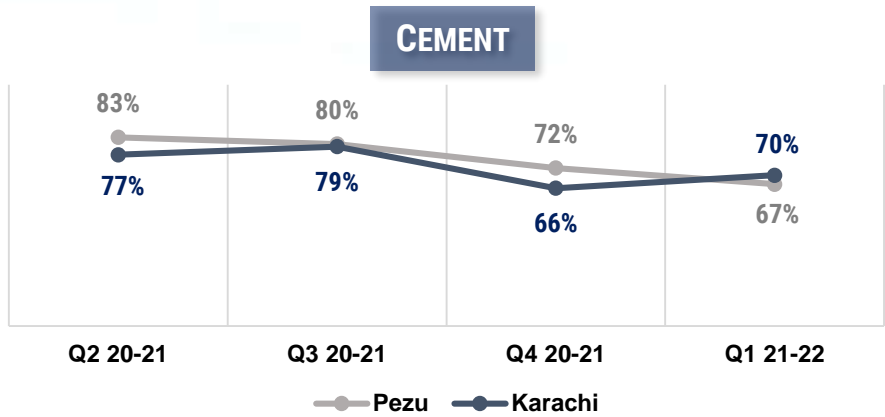
# **CEMENT OPERATIONS**

## **Q1 FY 2021 – 22**

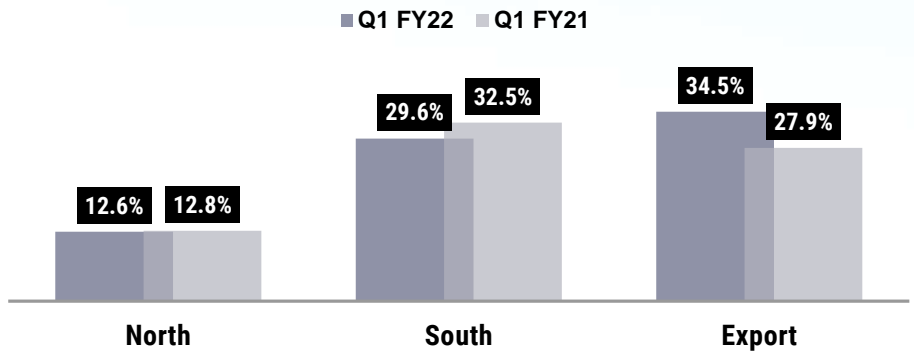


# LUCKY'S SALES & MARKET SHARE

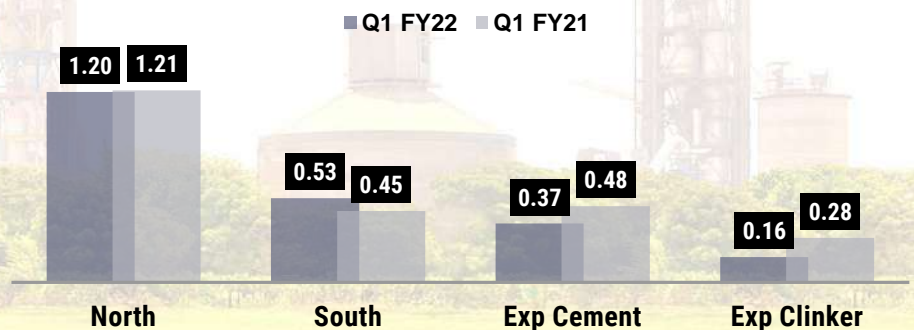
### Capacity Utilization Levels



### Market Share

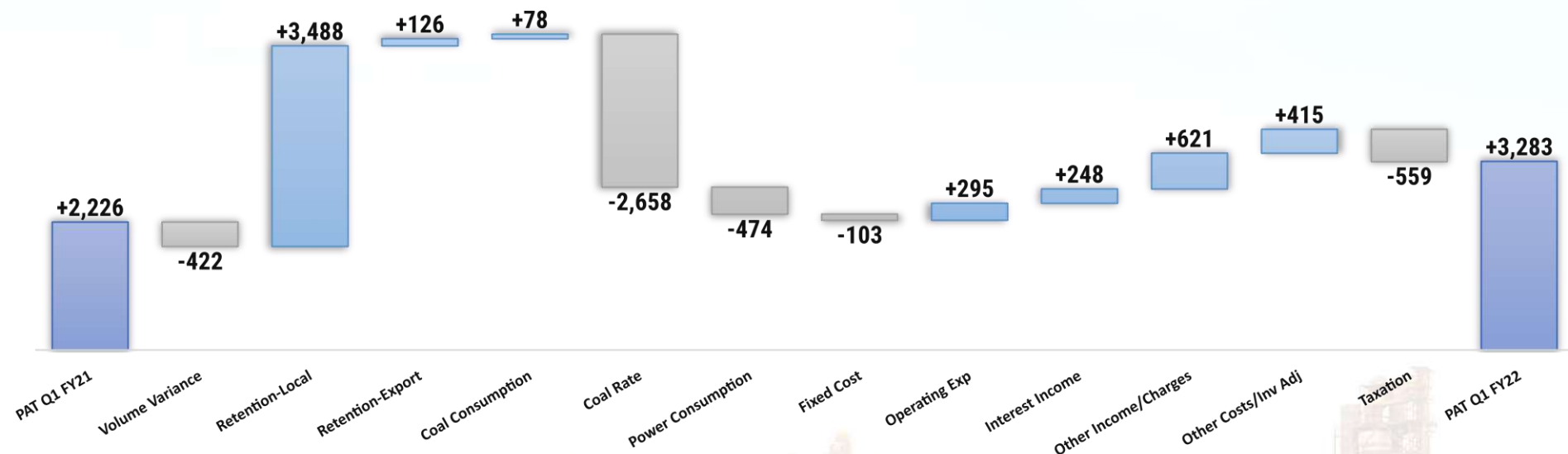


### Sales - Million Tons





# Q1 2022 vs Q1 2021 (PAT WATERFALL)



- **Volume Variance:** Local ↑0.06Mt; Export ↓0.23Mt
- **Retention Prices – Local:** PKR 6,000/t to PKR 8,000/t ↑PKR 2,000/t
- **Retention Prices – Export:** No change
- **Coal Consumption:** Saving due to New Line
- **Coal Rate:** Avg rate of 100\$/ton in Q1-FY22 vs 55\$/ton in Q1-FY21

- **Power Consumption:** Increase in price of Furnace Oil
- **Fixed Cost:** Impact of Depreciation of Gensets and Salary increments
- **Operating Exp:** Lower S&D expenses due to decline in Exports
- **Interest Income:** Higher Cash deposits due to profitability
- **Other Income & Charges:** Impact of higher Dividend Income
- **Taxation:** Due to higher profitability, and tax on Inter-Corp dividend



# **FOREIGN OPERATIONS**

## **Q1 FY 2021 – 22**

# RIISING OVERSEAS RETURNS

<b>JOINT VENTURE</b>	A <b>50:50</b> JV with Al Shumookh Construction Materials Trading, a local partner	A <b>50:50</b> JV with Rawsons Investments Limited, a local partner	A <b>50:50</b> JV with Al Shumookh Construction Materials Trading, a local partner
<b>PROJECT COMPANY</b>	<b>Al Mabrooka Cement Manufacturing Company, Basra (Iraq)</b>	<b>Nyumba Ya Akiba, SA, Democratic Republic of Congo</b>	<b>Najmat al Samawah, Iraq</b>
<b>CATEGORY</b>	Cement Grinding Unit	Fully integrated cement manufacturing facility	Fully integrated cement manufacturing facility
<b>CAPACITY IN MTPA</b>	<b>1.742</b>	<b>1.188</b>	<b>1.2</b>
<b>STATUS</b>	Started commercial operations in <b>2014</b> , capacity doubled in <b>2018</b> .	Started Commercial operations in <b>2017</b> .	Project <b>COD</b> was in March

	Q1 2022	Q1 2021	▲ %	Q1 2022	Q1 2021	▲ %	Q1 2022
<b>Sales Volume</b>	320,402	287,468	11.5% ↑	230,093	213,025	8.0% ↑	211,618
<b>EBITDA (USD '000)</b>	5,357	5,876	8.8% ↓	11,481	12,782	10.2% ↓	6,284

- While the outbreak of **Covid-19** pandemic has subsided in Pakistan, with the persistent drive of the **Government** on getting majority of the population vaccinated and easing of Covid related restrictions, it is optimistically expected that the economy will continue to show resilience against adverse impacts of Covid
- The **commodity super cycle** experienced globally has resulted in an increase in cost of input, such as **coal, furnace oil** and **freight** charges which are a major cost component of cement. At the same time, cement prices are increasing due to better demand and are likely to remain on the higher side
- The businesses under our subsidiary **ICI Pakistan**, which include Polyester Staple Fiber, Soda Ash, Pharmaceuticals, Animal Health and Agri Sciences are expected to witness a stable to strong demand in the near term. The near-term challenge for these businesses would be rising **energy prices** and **sea freights**.
- As far as our automotive business is concerned, **Lucky Motors** is mitigating the shortage of semi-conductors through cost rationalization and is hopeful that their availability will improve from **Q3** of **FY22**
- With **LEPCL** achieving its targeted COD by end of **December 2021**, healthy cash flows will be generated which will significantly improve consolidated earnings of the Group.

# **THANKYOU**

## **Q & A**

# APPENDIX

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# GROUP STRUCTURE

