

Analyst Briefing HY 2021 - 22

31st January 2022

Lucky's Spectrum of Diversity

Construction



Automobiles



Power



Chemicals



Electronics



Key Messages



Seasonality and increased **inflation** impacted local sales



Volatile **coal** prices and **freight** costs impacted exports



LEPCL to start commercial operations from **Feb'22**



Peugeot 2008 launched in **Jan'2022**



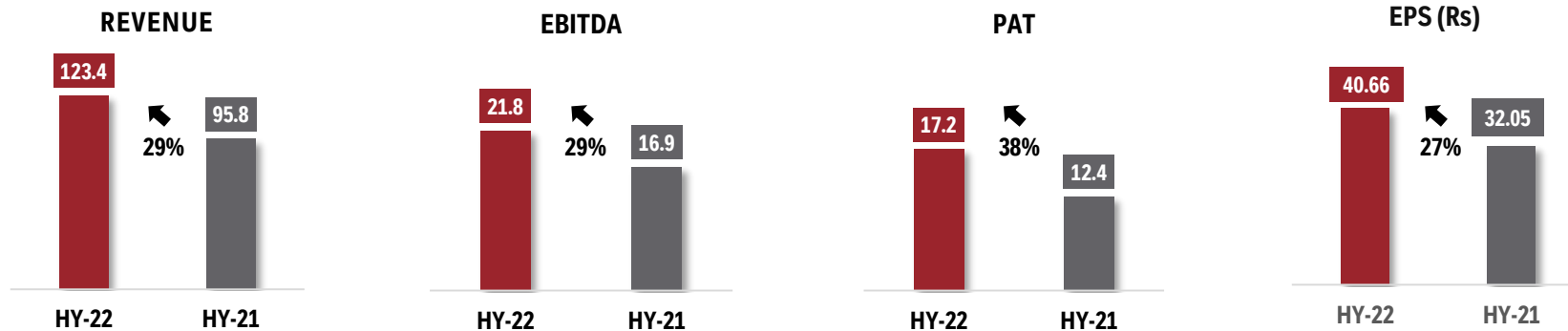
LMC has started producing Samsung phones in **Dec'21**



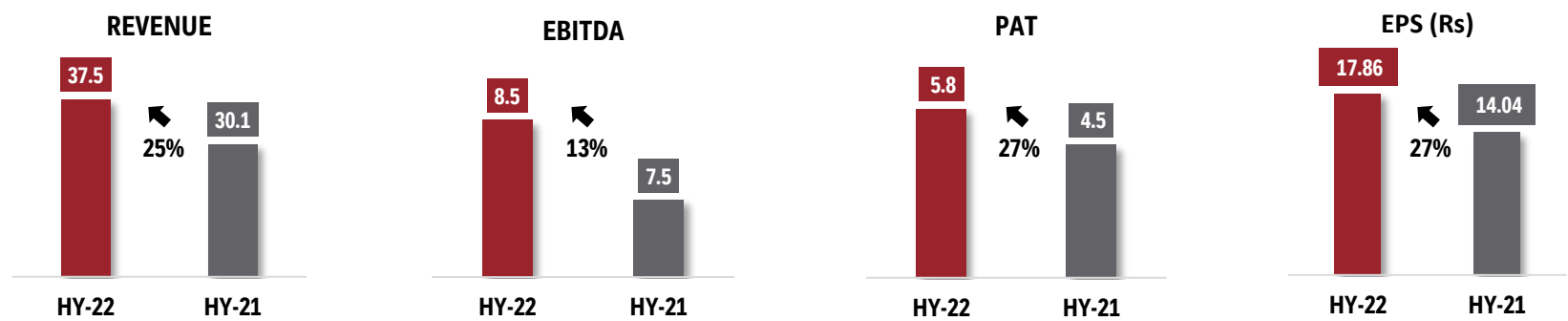
ICI turnover grew by **53%** on back of new products and higher textile exports

Key Figures

Consolidated: HY 2022



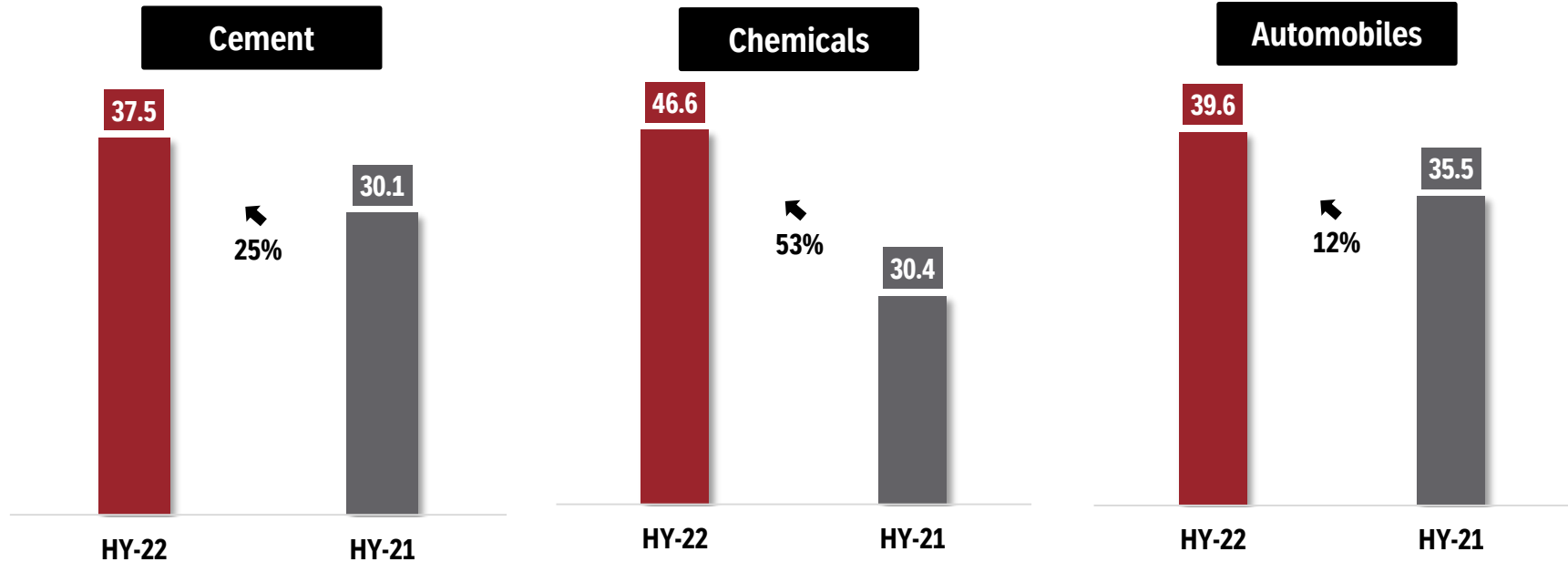
Stand Alone: HY 2022



All numbers in PKR billion except EPS

Consolidated Net Revenue

HY - 22	HY - 21	% Δ
123.4	95.8	↑ 29%



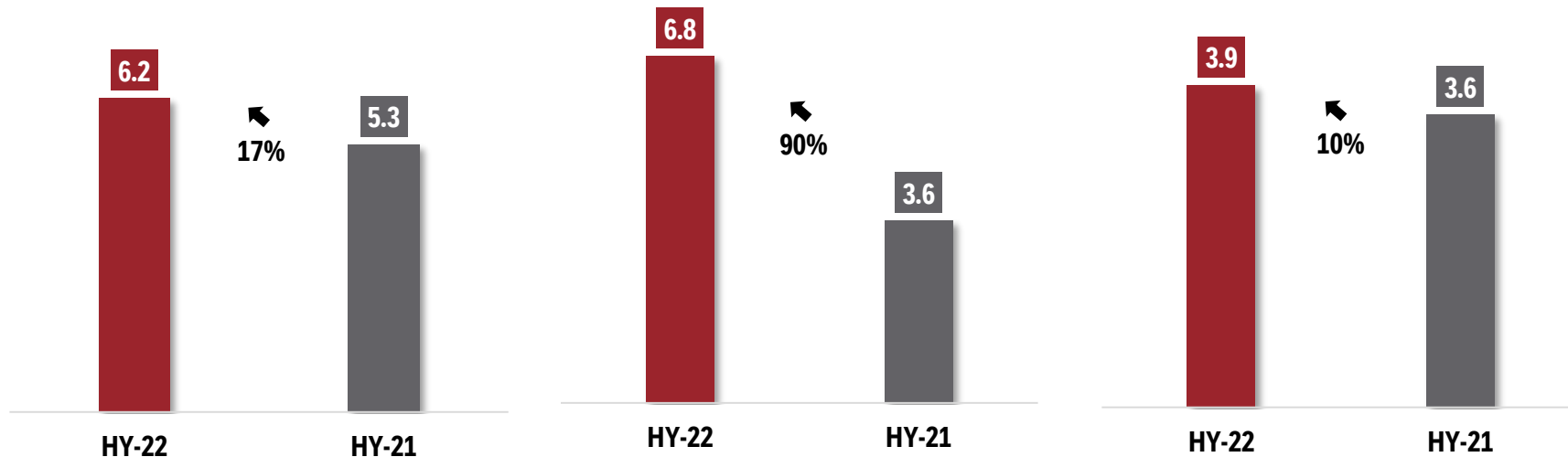
Consolidated Operating Profit

HY - 22	HY - 21	% Δ
16.8	12.5	↑ 34%

Cement

Chemicals

Automobiles

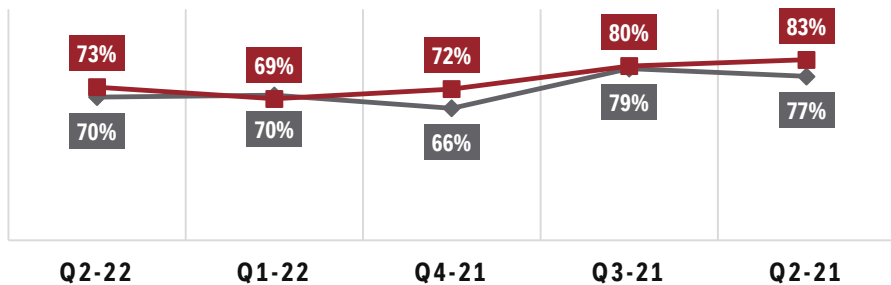


Cement Operations HY - 22

Utilization Levels

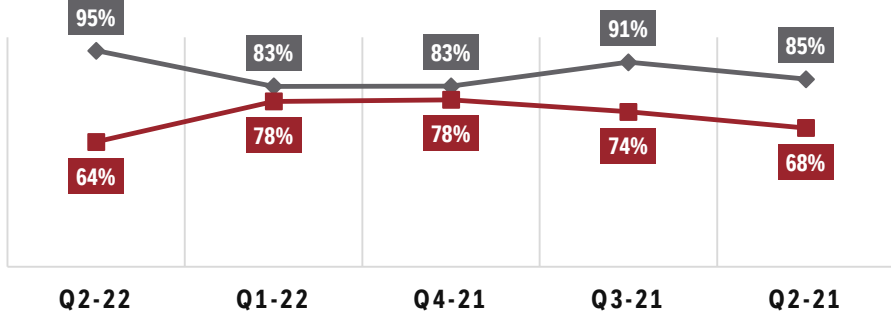
Cement

— Karachi — Pezu



Clinker

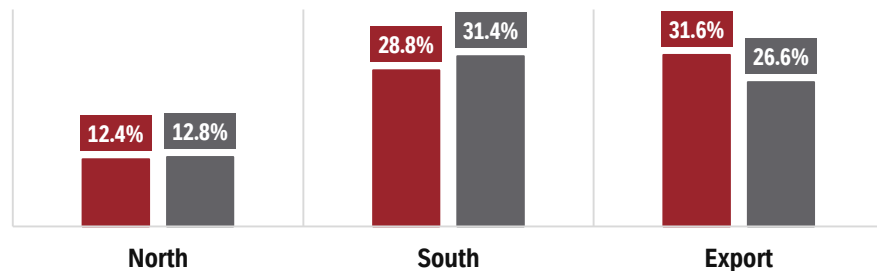
— Karachi — Pezu



Market Share & Sales

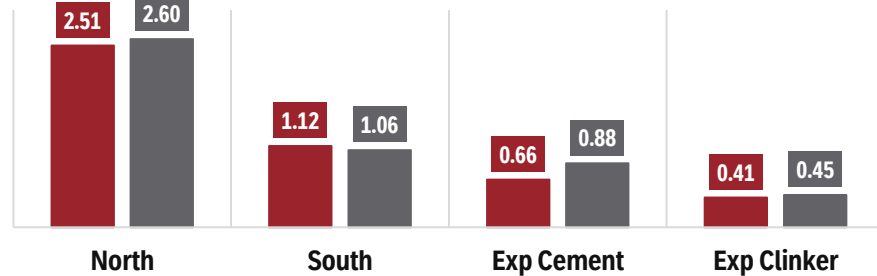
Market Share

■ HY-22 ■ HY-21

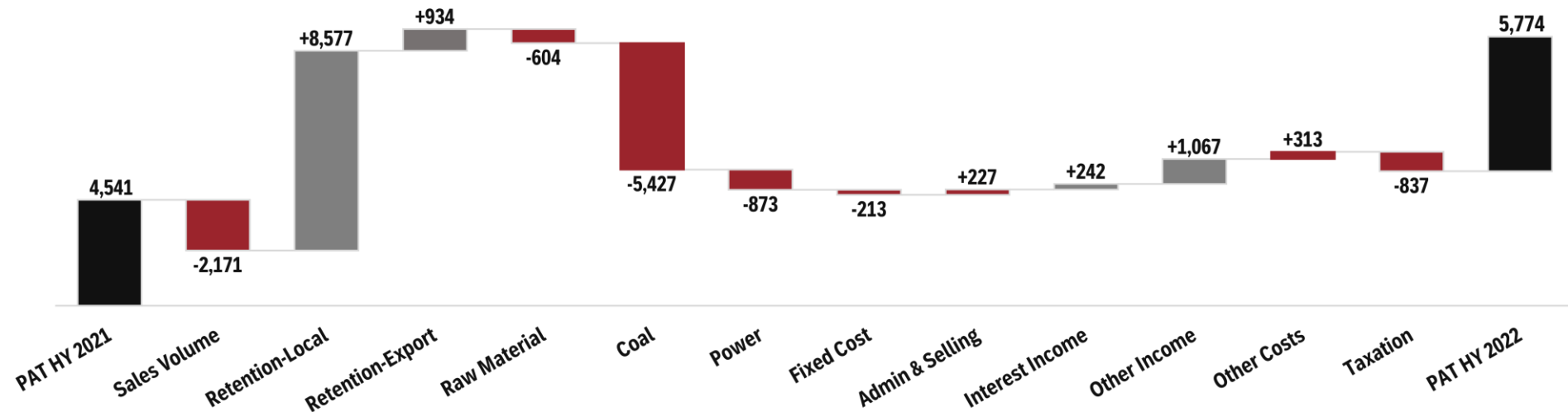


Sales - Million Tons

■ HY-22 ■ HY-21



HY-22 vs HY-21 – PAT Waterfall



- **Sales Volume:** Local ↓0.03Mt; Export ↓0.26Mt
- **Retention Prices – Local:** ↑PKR 2,000 - 2,500/t
- **Retention Prices – Export:** ↑PKR 500 – 600/t
- **Raw Material:** Increase in **Royalty** rates
- **Coal:** Avg rate of **\$125-130/ton** in HY-22
- **Power:** Increase in price of **Furnace Oil**

- **Fixed Cost:** Impact of depreciation of Gensets
- **Admin & Selling:** Lower S&D expenses due to decline in exports
- **Interest Income:** Higher income from investments
- **Other Income & Charges:** Impact of higher dividend income
- **Taxation:** Due to higher profitability



Foreign Operations HY - 22

Rising Overseas Returns

Joint Venture	A 50:50 JV with Al Shumookh Construction Materials Trading, a local partner	A 50:50 JV with Rawsons Investments Limited, a local partner	A 50:50 JV with Al Shumookh Construction Materials Trading, a local partner
Project Company	Al Mabrooka Cement Manufacturing Company, Basra (Iraq)	Nyumba Ya Akiba, SA, Democratic Republic of Congo	Najmat al Samawah, Iraq
Category	Cement Grinding Unit	Fully integrated cement manufacturing facility	Fully integrated cement manufacturing facility
Capacity (MTPA)	1.742	1.188	1.2
Status	Started commercial operations in 2014 , capacity doubled in 2018	Started Commercial operations in 2017	Project COD was in March'21

	HY-22	HY-21	▲%	HY-22	HY-21	▲%	HY-22
Sales Volume	708,993	684,279	↑3.6%	408,188	372,774	↑9.5%	600,250
EBITDA (USD '000)	11,479	13,412	↓14.4%	21,501	25,320	↓15.1%	15,826

Economy will continue to show **resilience** against the adverse impacts of Covid-19

Cement

- **Global inflation** in commodities and local **currency devaluation** has further increased input costs which will cause **local demand** to remain **flat**.
- **Construction** of government and private projects will help to **maintain the demand**



Chemical

- **ICI Pakistan** is expected to witness a **stable to strong demand**
- There will be challenges of **rising raw material, energy prices** along with **higher sea freights** in the near term.

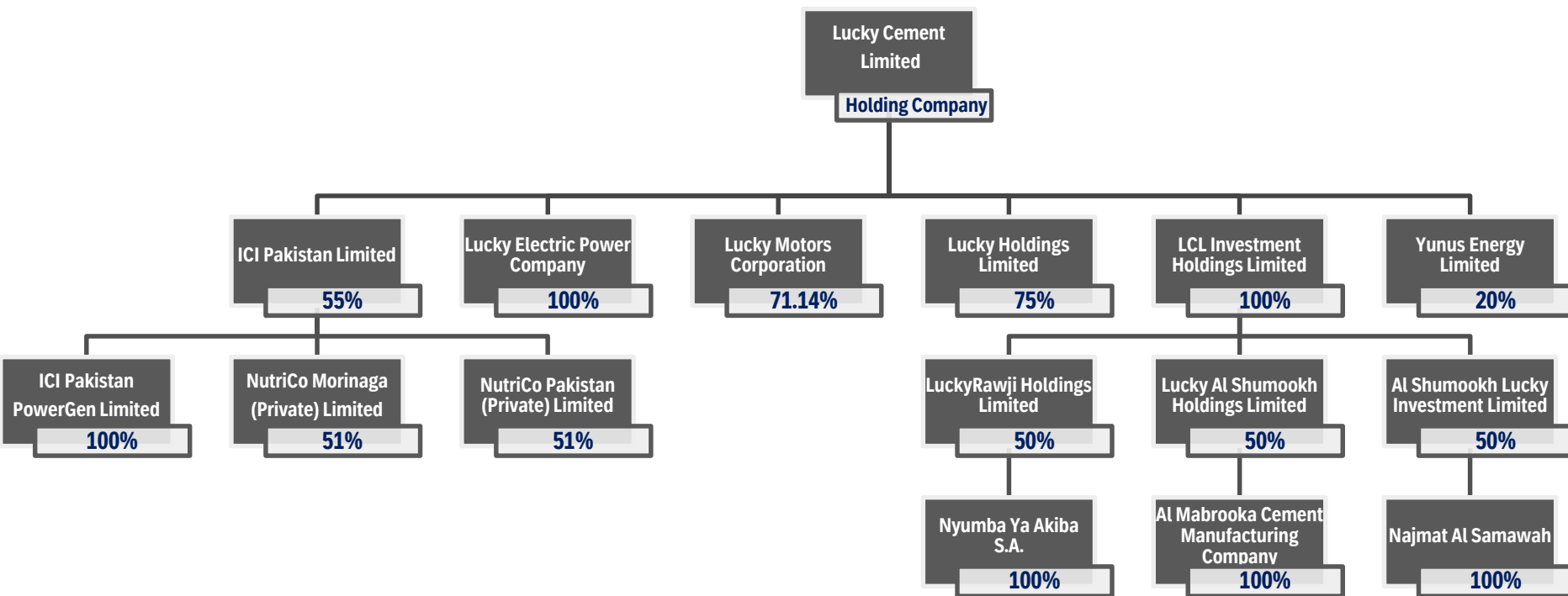


Automobile

- **Higher prices** of cars from **FED and sales tax**, along with **devaluation** of currency and **higher sea freights** will be **challenging** for automobiles market.
- **Supply of semiconductors** was **improved** towards end of last quarter.



Q & A



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