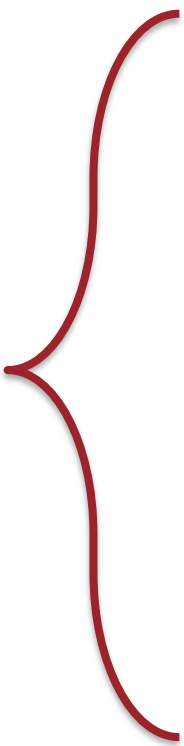


Analyst Briefing Q1 FY 23

27th October 2022

Group Overview



Building Material



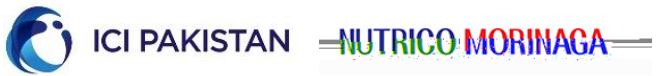
Automobile



Electronics



Chemicals, Agri Science,
Animal Health, Pharma,
Nutrition



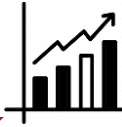
Power



Key Messages



3.15 MT expansion expected to come online as per plan i.e. **Dec'22**



Profitability of local **cement** business improved due to operational **efficiencies**.



LEPCL clocked in **78.4%** availability for its 2nd quarter of operations due to **teething issues** being resolved



Pezu 34 MW Solar Power COD expected in **Q2 FY23** while **KP 25.3 MW Solar Power** was also announced



International cement operations continued **efficiently** & contributed to **profitability**



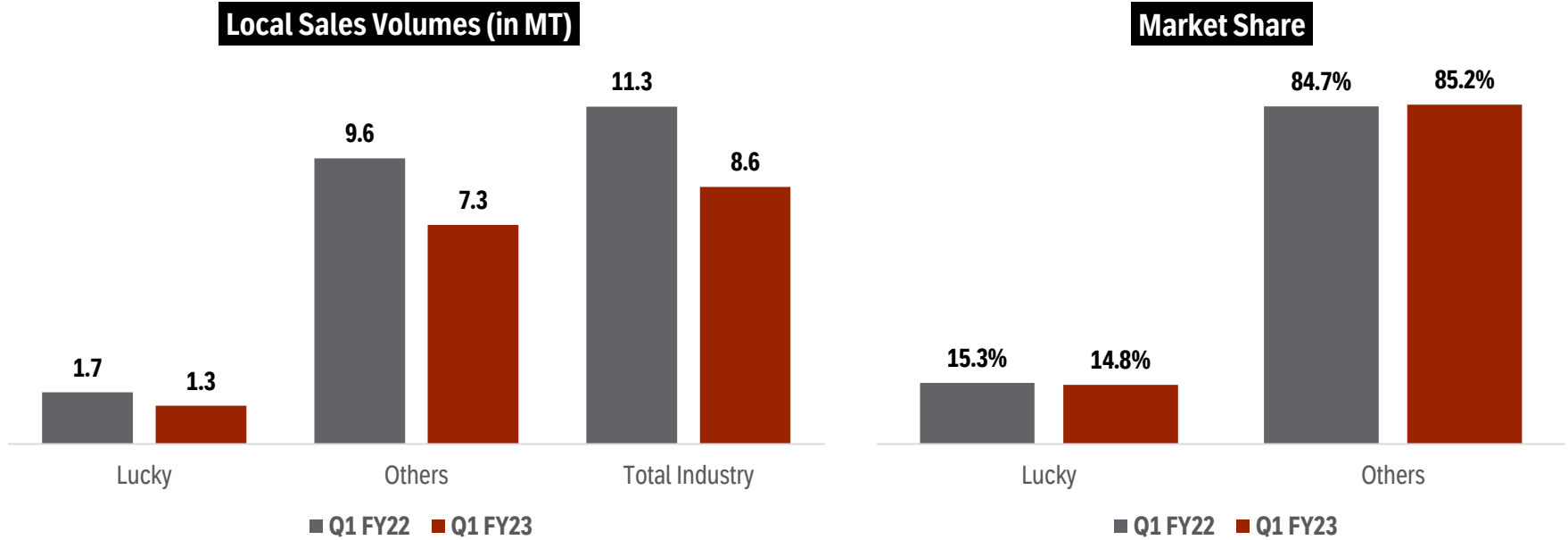
LUCK announced **buy-back** of up to **10 million** shares. Purchase period: Sept'22 – Mar'23

Industry Volumes & Market Share Q1 FY 23

Sales Volumes & Market Share - Domestic

The **domestic sales** of the company decreased by **26.2%** to reach **1.3 MT** in Q1 FY23

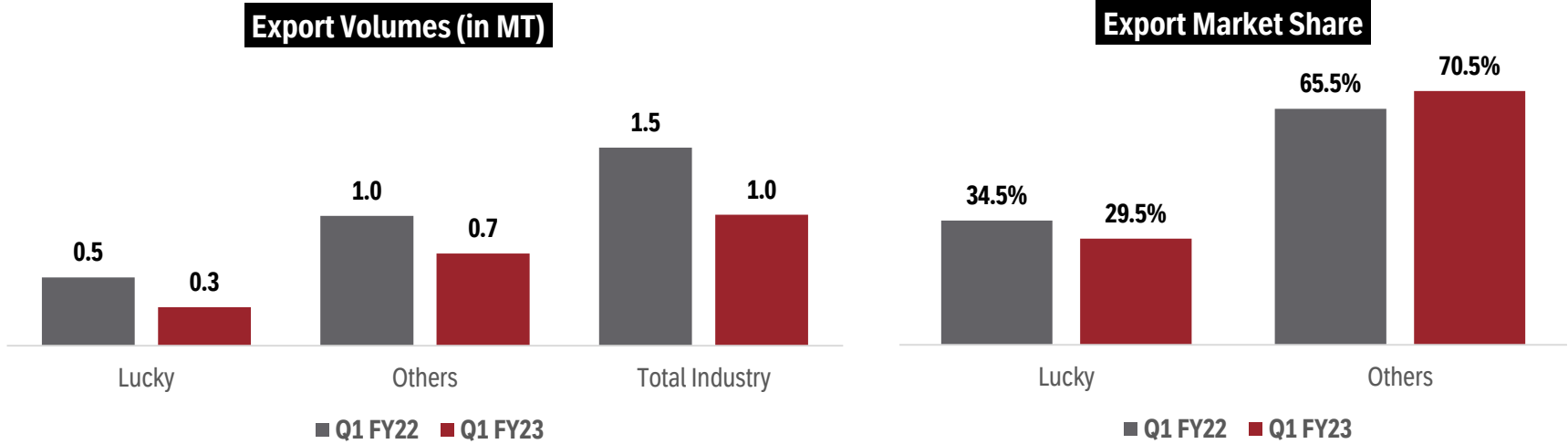
During Q1 FY23, the **domestic market share** of the company comes to **14.8%** vs. 15.3% in SPLY



Sales Volumes & Market Share - Export

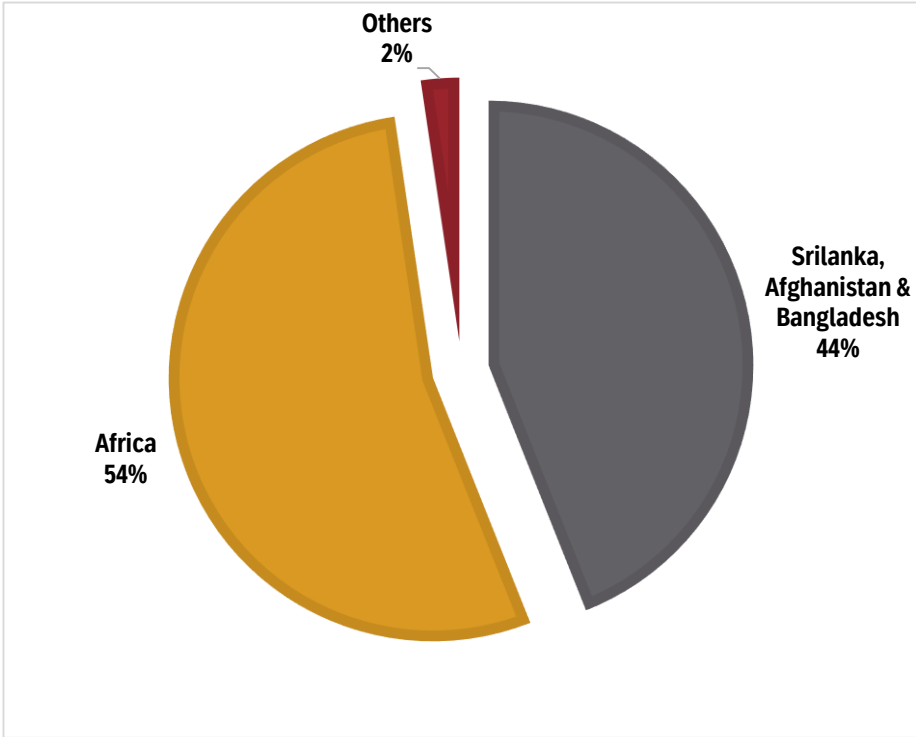
The **export sales volumes** of the company decreased by **43.5%** to reach **0.3MT** in Q1 FY23. The decline in exports was mainly due to suppressed demand in foreign markets owed to rising inflation and the challenging fiscal landscape globally

During Q1 FY23, the **export market share** of the company was **29.5%** compared to 34.5% in the SPLY

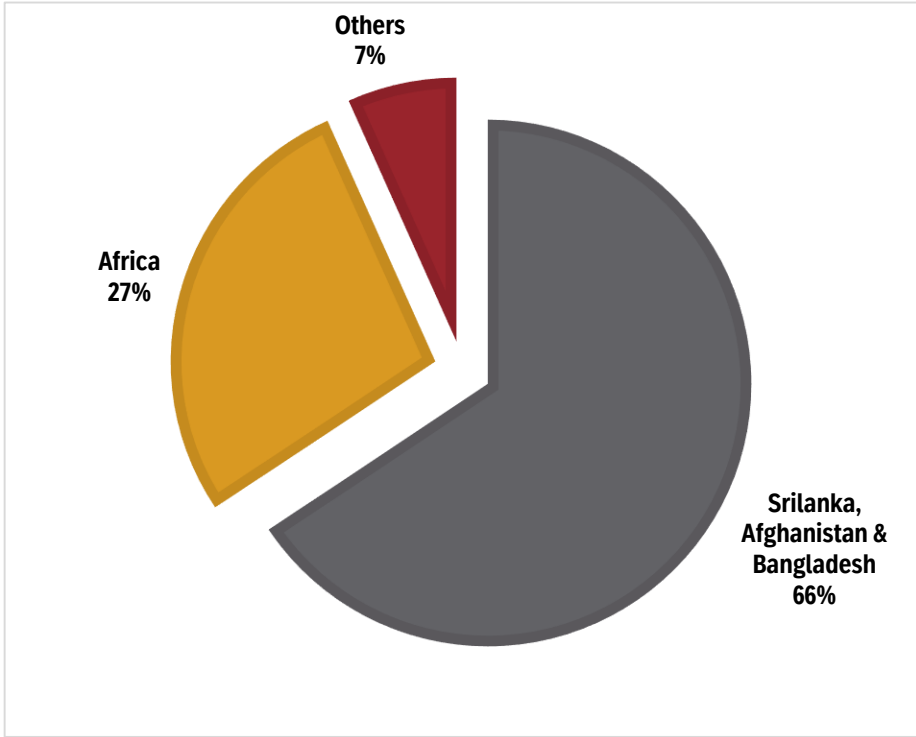


Export Destinations

Q1 FY23



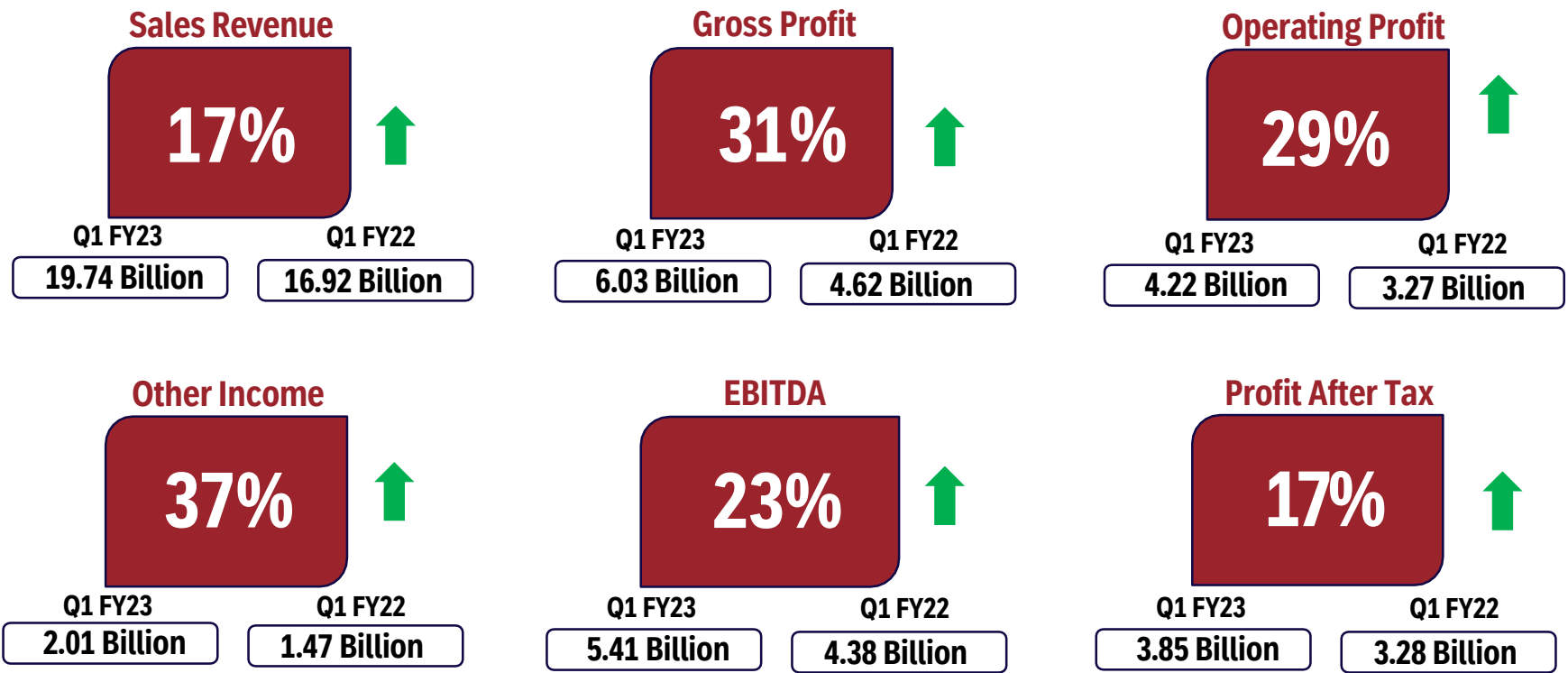
Q1 FY22



Standalone Key Figures Q1 FY 23

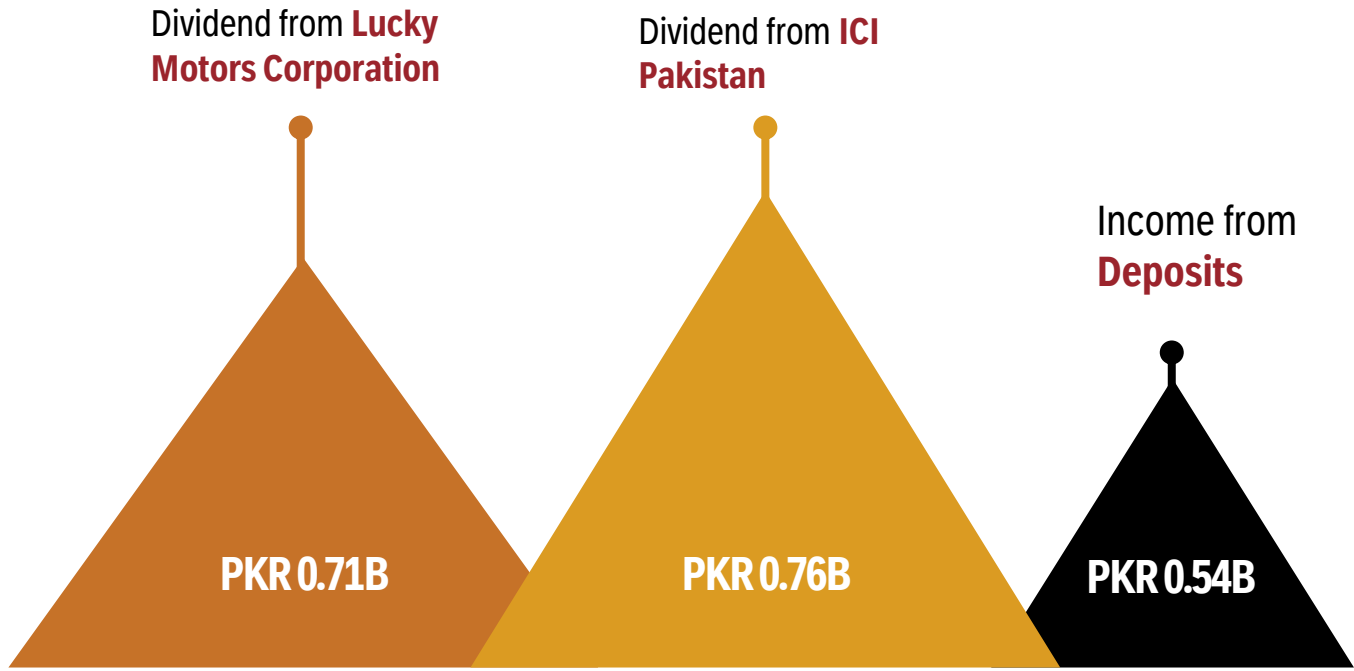
Standalone Financial Figures for Q1 FY23

All numbers in PKR billion



Fragmentation of Other Income for Q1 FY23

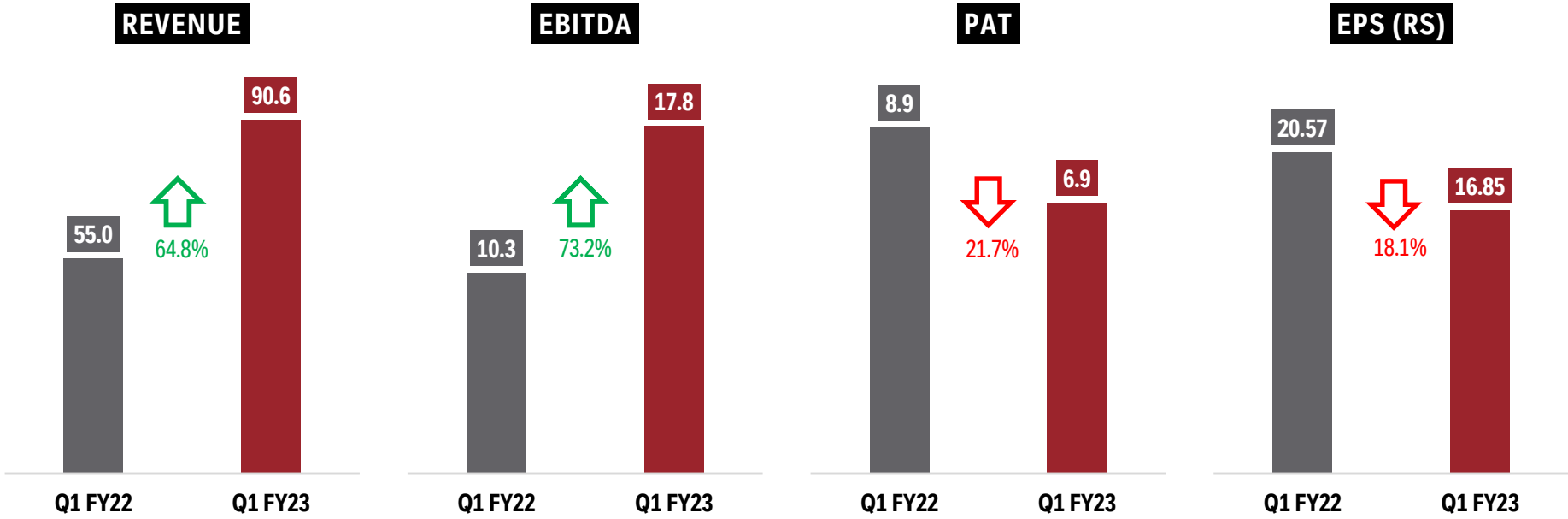
Other income clocks-in at **PKR 2.01bn** for Q1 FY23:



Consolidated Key Figures Q1 FY 23

Key Figures

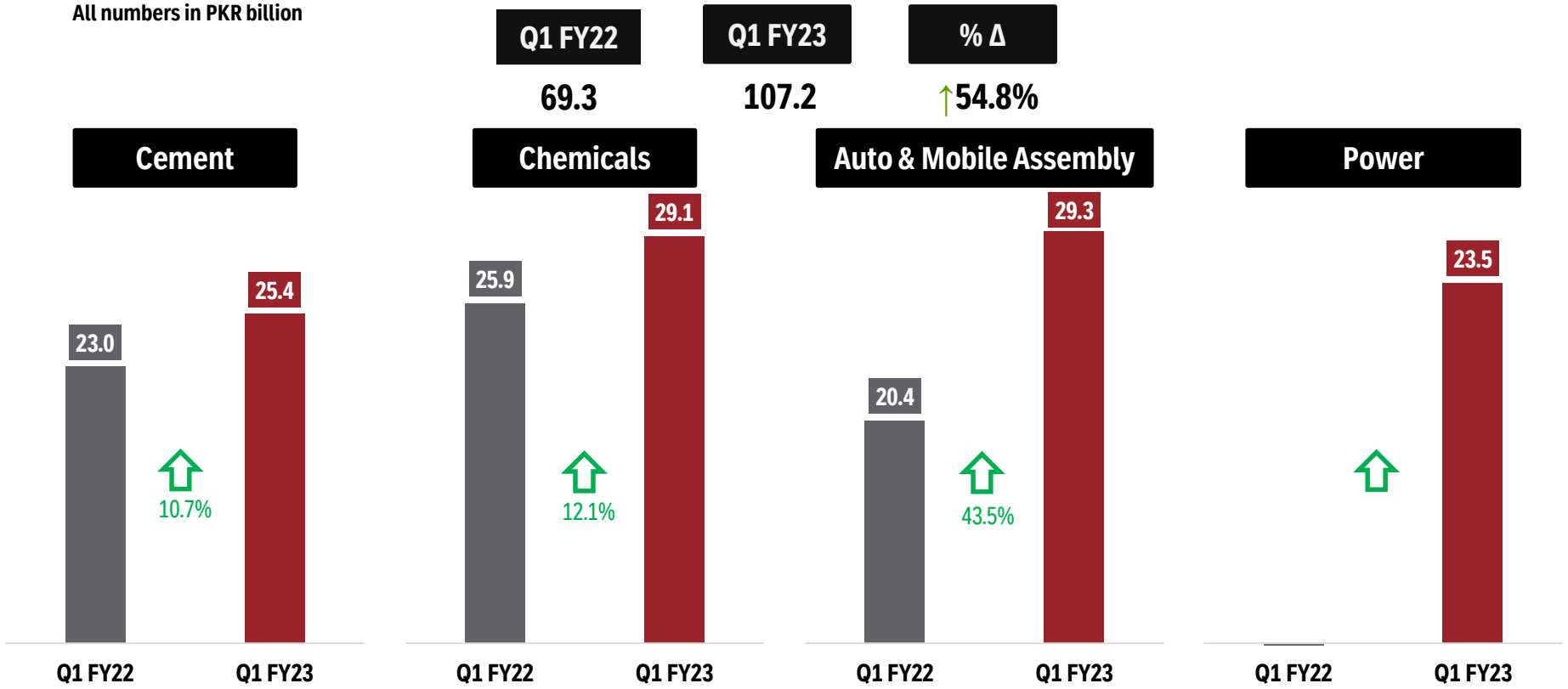
Consolidated: Q1 FY23



All numbers in PKR billion except EPS

Consolidated Gross Revenue

All numbers in PKR billion



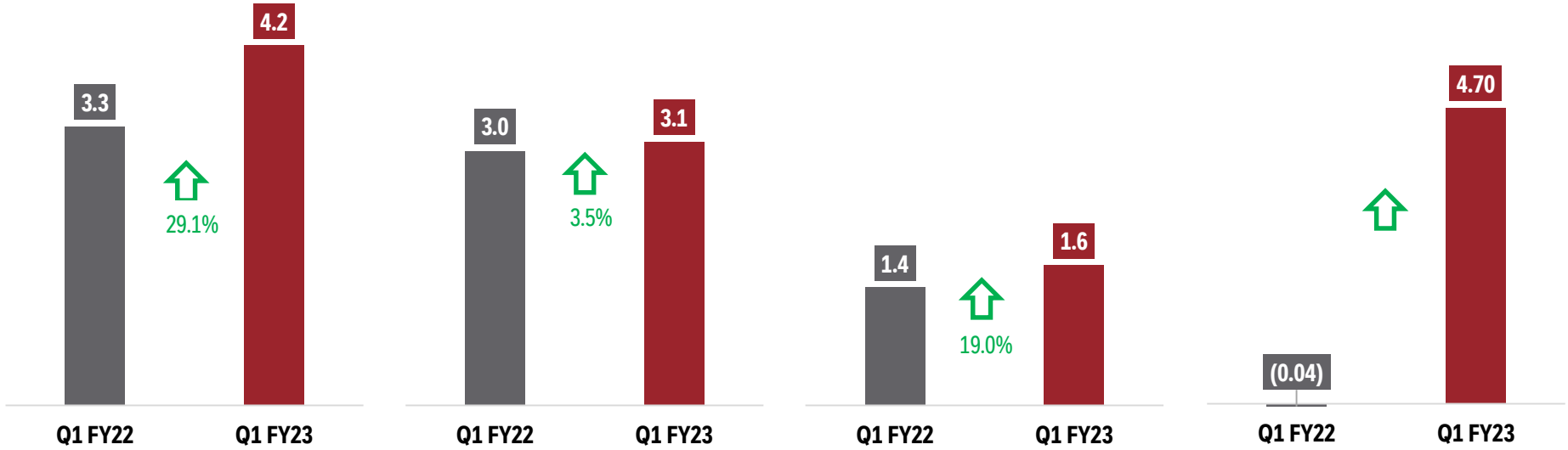
Consolidated Operating Profit

All numbers in PKR billion

Q1 FY22 **Q1 FY23** **% Δ**

7.8 **13.9** **↑78.3%**

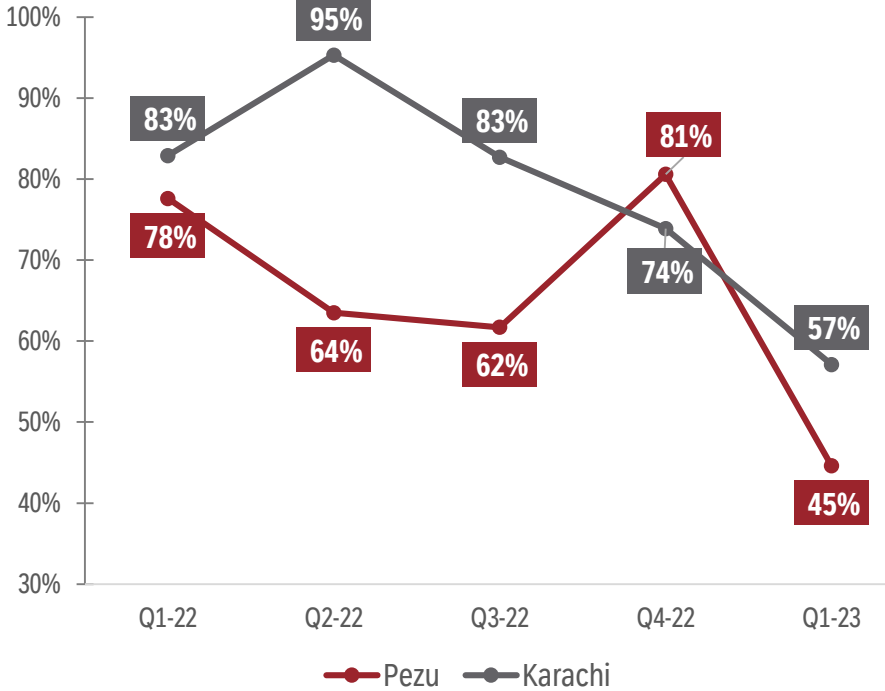
Cement **Chemicals** **Auto & Mobile Assembly** **Power**



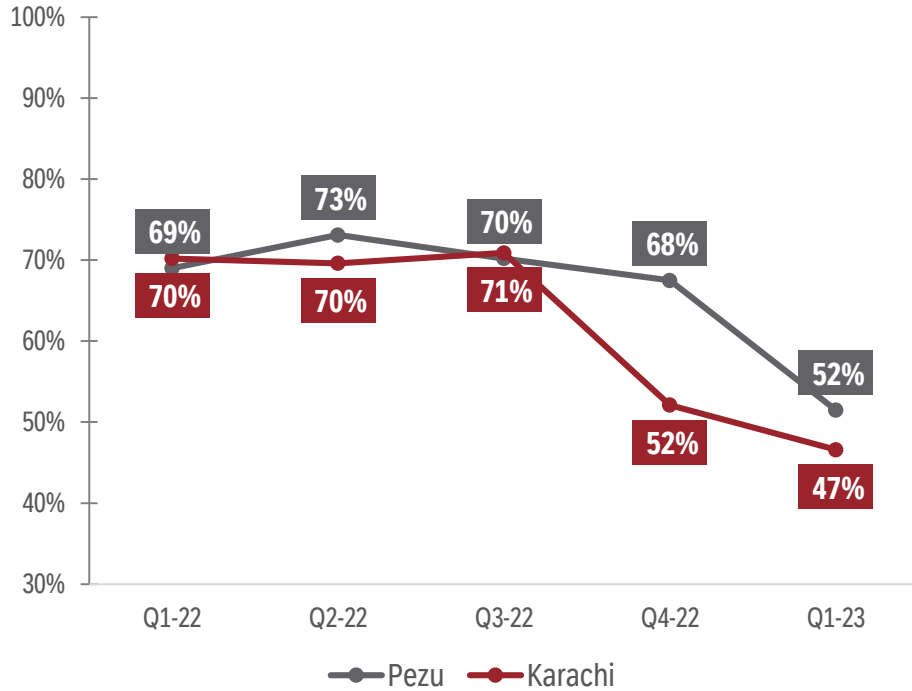
Local Cement Operations Q1 FY 23

Utilization Levels

Clinker

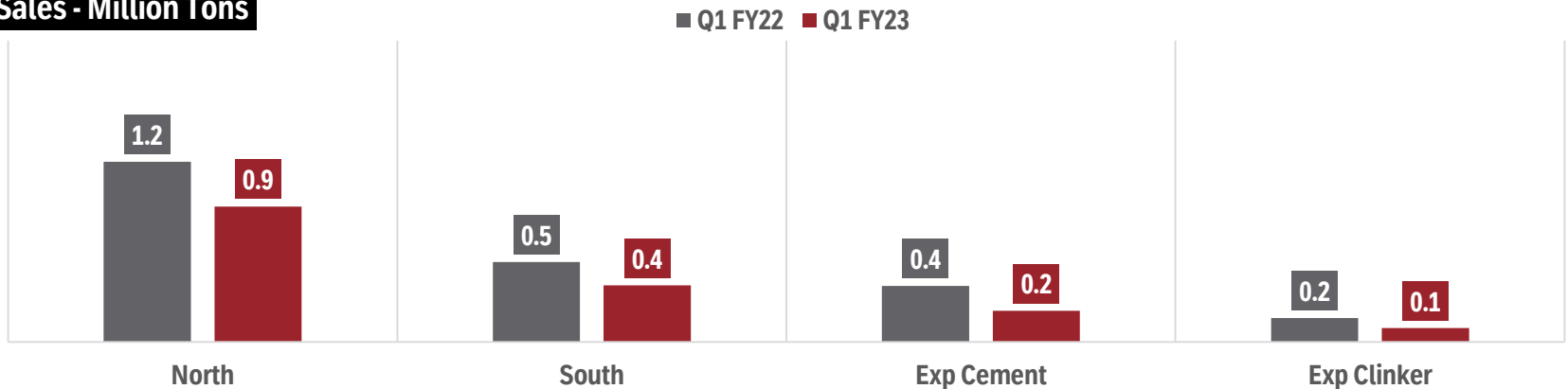


Cement

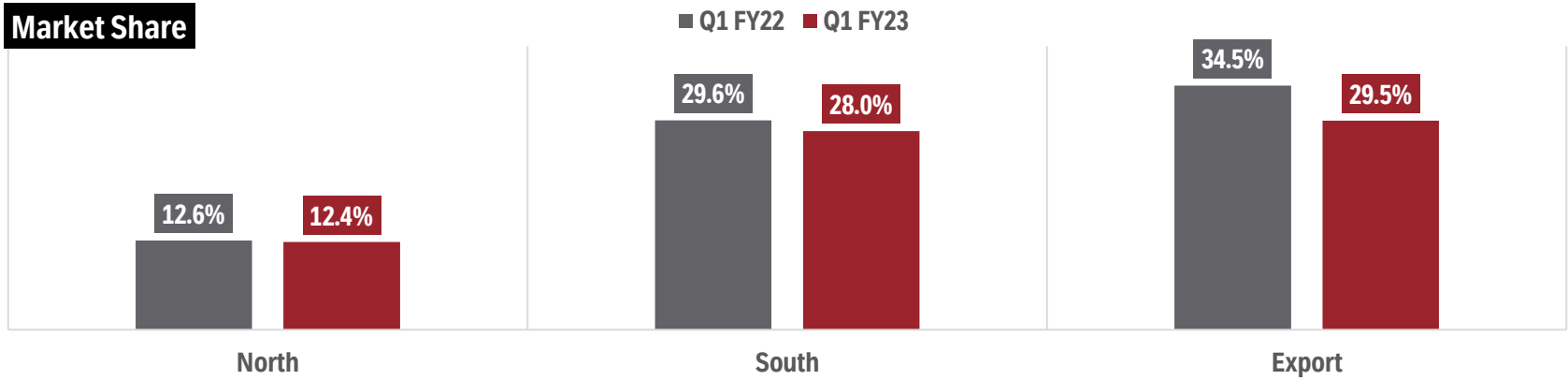


Sales & Market Share – Region wise

Sales - Million Tons

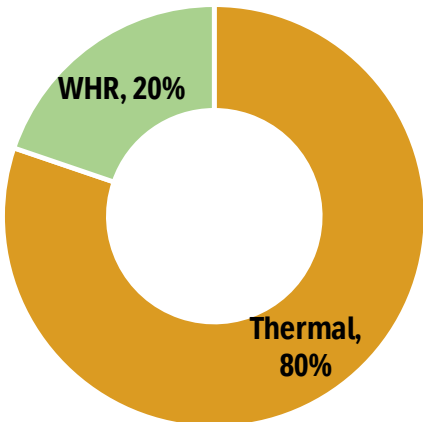


Market Share



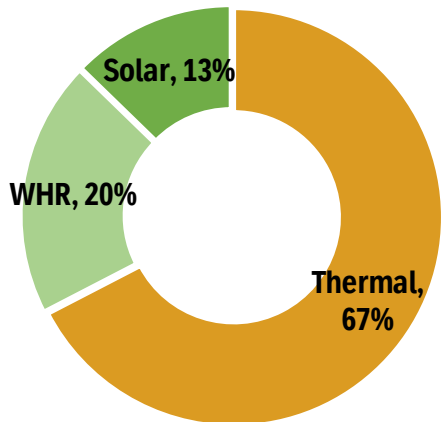
Installed Energy Mix

Power Mix Before Solar and Expansion



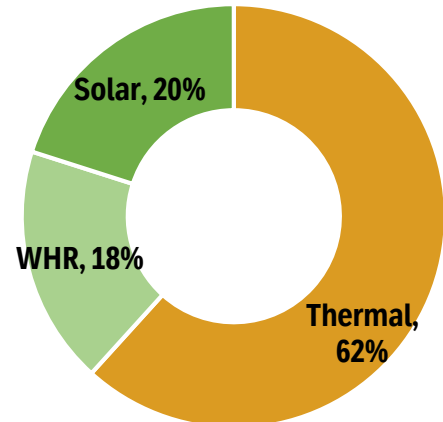
Source	MW
Thermal	185
WHR	46
Total	231

Power Mix After Pezu Solar & Expansion



Source	MW
Thermal	185
WHR	55
Solar	35
Total	275

Power Mix After Both Solar Projects & Expansion



Source	MW
Thermal	185
WHR	55
Solar	60
Total	300

WHR: Waste Heat Recovery

Foreign Operations Q1 FY 23

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	1.31
Status	Started commercial operations in 2014 , capacity doubled in 2018	Started Commercial operations in 2017	Project COD was in March'21

	Q1 FY23	Q1 FY22	▲ %	Q1 FY23	Q1 FY22	▲ %	Q1 FY23	Q1 FY22	▲ %
Sales Volume	279,648	320,402	↓12.7%	287,920	230,093	↑25.1%	301,268	229,262	↑31.4%
EBITDA (USD '000)	3,636	5,357	↓32.1%	10,589	11,481	↓7.8%	3,431	6,284	↓45.4%

Outlook Q1 FY 23

Outlook

Floods have posed a **challenging** start to the current fiscal year. Governmental **decision-making** to combat **depleting foreign currency reserves, rising prices**, and other issues will have a **significant impact** on economy. However, global **monetary tightening** could stabilize **commodity prices** soon.

Cement

- If the fall in coal prices continue, **pressure on margins** would **reduce** in the near future.
- **Domestic demand** for cement is **improving** post floods. We expect cement **dispatches** to be **higher** in the coming quarters.



Chemical

- **Tightening economy** continue to pose a **threat to demand of products** and its **profitability** in the upcoming quarters.
- Company is minimizing these adversities by leveraging on its diverse product portfolio and **cost rationalization** to cultivate **growth**, and provide **sustainable results**.



Automobile


- Despite **recovery of PKR vs USD, outlook for automobiles is challenging.**
- **Company** has been continuously **optimizing** its costs and improving its localization for sustainable & **competitive operations.**



Power

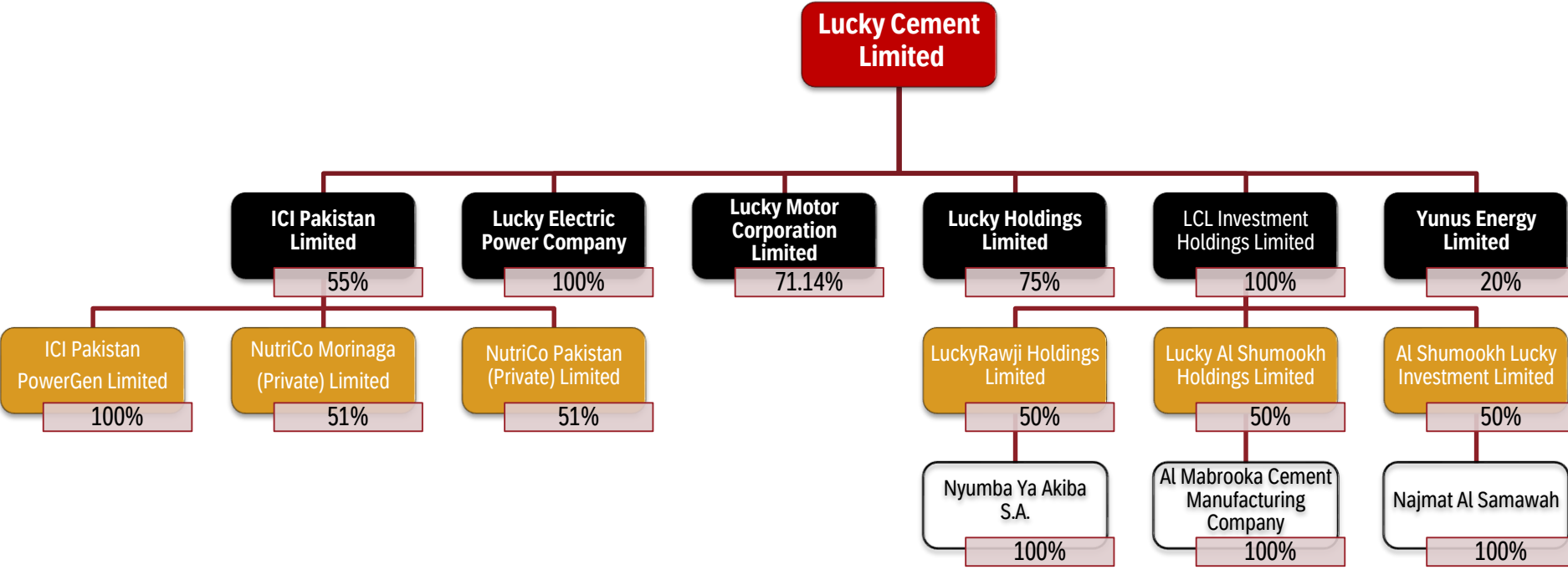
- The **per unit cost** of power generated will reduce significantly when the full quota of **Thar Coal** is made available to the Company
- Management continues to focus on **resolving the plant teething issues which will improve its profitability**





Q & A

Group's Organogram



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