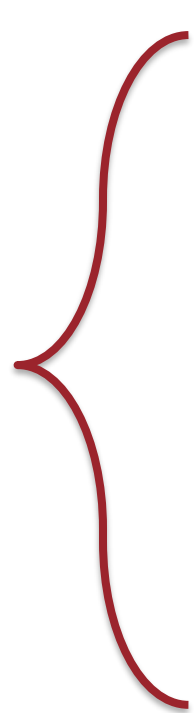




Analyst Briefing 1H FY23

30th January 2023

Group Overview



Building Material



Automobile



Electronics



Chemicals, Agri Science,
Animal Health, Pharma,
Nutrition



Power



Key Messages



Line-2 commissioned at **PEZU** increasing the capacity of **LUCK** to 15.30 MTPA. Solidifying **LUCK** as the **largest producer** of cement in **Pakistan**

Local Cement operations witnessed **higher profitability** due to enhanced **operational efficiencies**

LUCK announced **buy-back** of up to **10 million shares**. **3.6 million shares** bought in **1H FY23**. Purchase period to last till **Mar'23**

COD achieved of **34 MW solar** at **PEZU**. Also, commercial negotiations for **25 MW solar** at **KP** have been completed. COD expected in **2Q FY24**

Rising demand & fuel conversion has **optimized costs & increased profitability** of **foreign cement operations**

LEPCL currently has one of the **lowest electricity fuel costs** in the country at **PKR 15.16/KWh**.

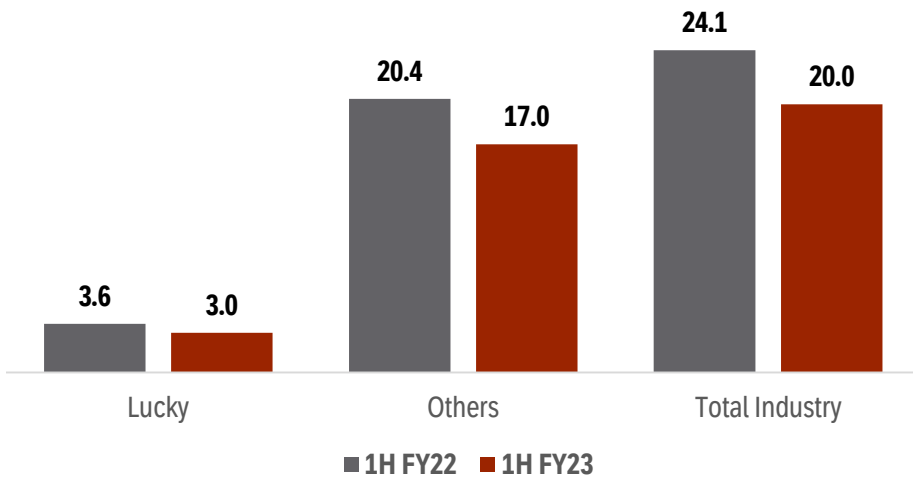
Industry Volumes & Market Share 1H FY23

Sales Volumes & Market Share - Domestic

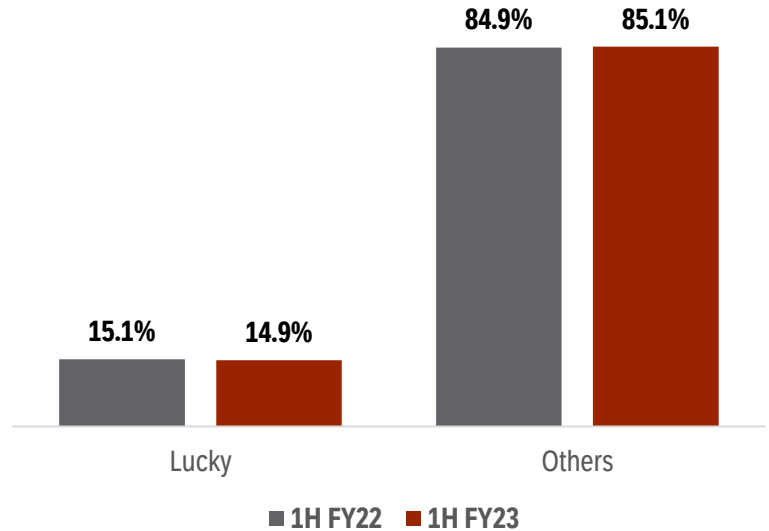
The **domestic sales** of the company decreased by **17.9%** to reach **3.0 MT** in 1H FY23

During 1H FY23, the **domestic market share** of the company clocked in at **14.9%** vs. 15.1% in SPLY

Local Sales Volumes (in MT)



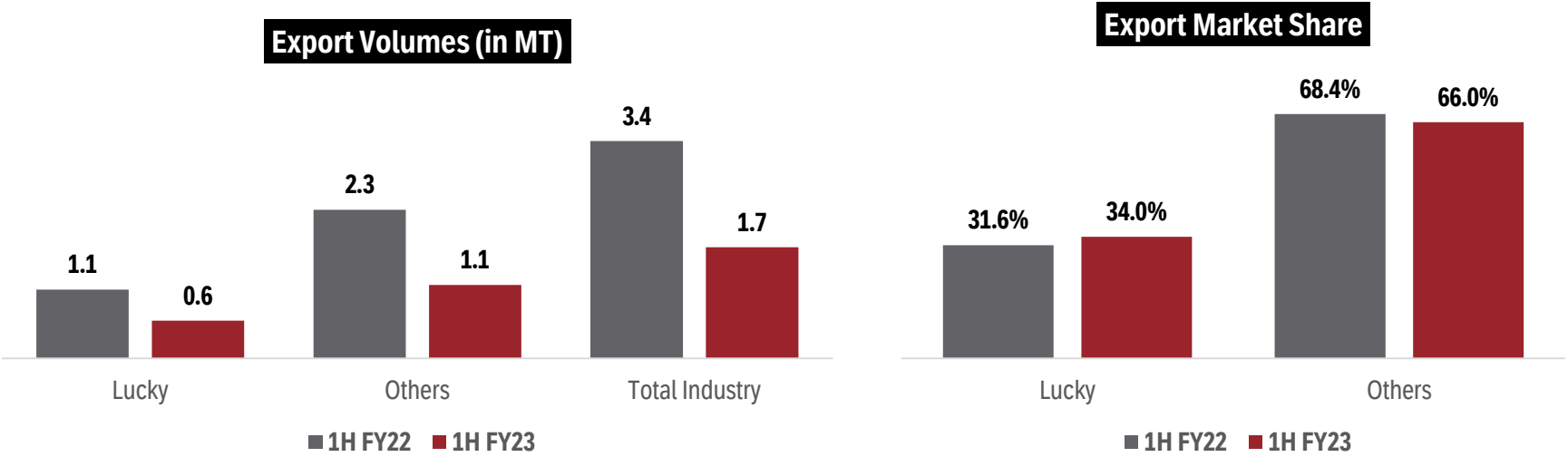
Market Share



Sales Volumes & Market Share - Export

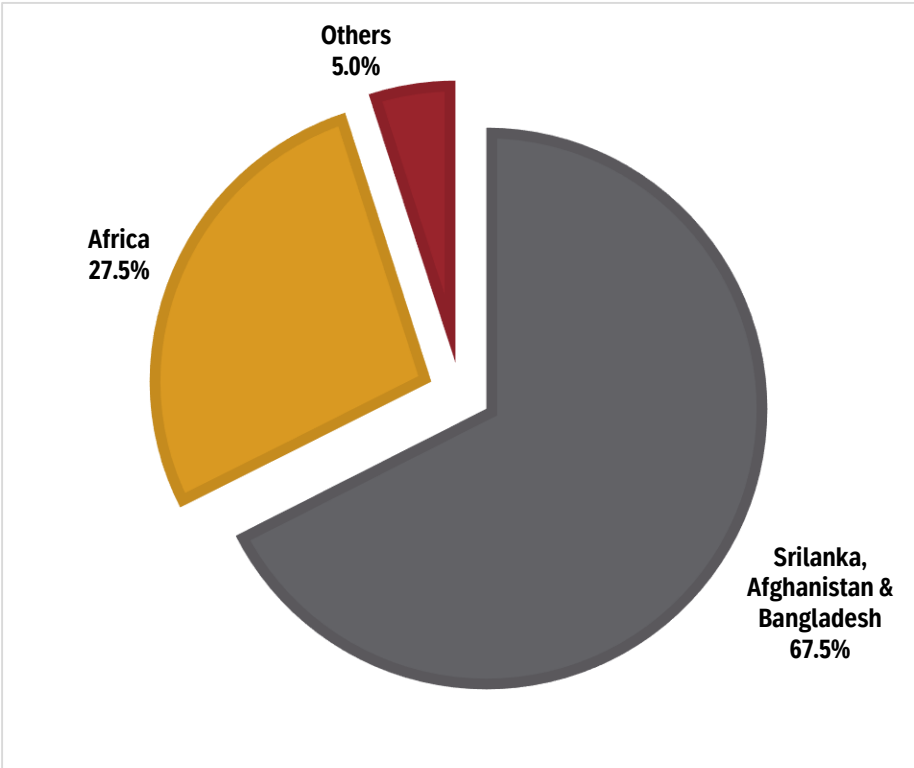
The **export sales volumes** of the company decreased by **45.1%** to reach **0.6MT** in 1H FY23. The decline in exports was attributable to suppressed demand in foreign markets, owing to the prevalent global economic downturn.

During 1H FY23, the **export market share** of the company was **34.0%** compared to 31.6% in the SPLY

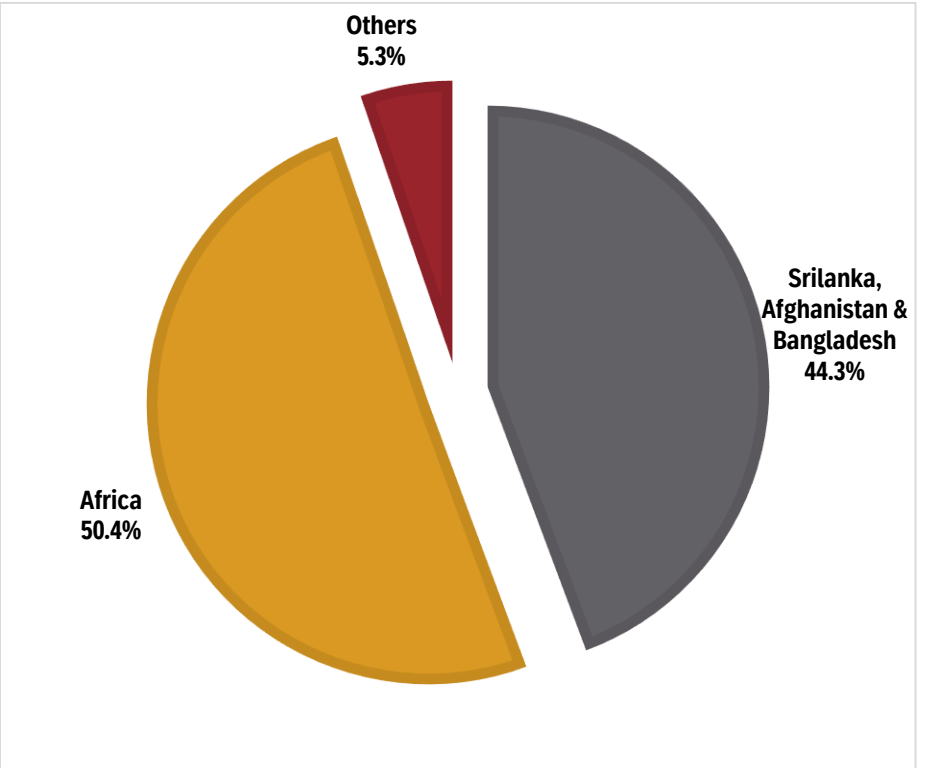


Export Destinations

1H FY22



1H FY23



Standalone Key Figures 1H FY23

Standalone Financial Figures for 1H FY23

Sales Revenue

21%



1H FY23

45.3 Billion

1H FY22

37.5 Billion

Gross Profit

35%



1H FY23

12.5 Billion

1H FY22

9.3 Billion

Operating Profit

44%



1H FY23

9.0 Billion

1H FY22

6.2 Billion

Other Income

28%



1H FY23

2.8 Billion

1H FY22

2.2 Billion

EBITDA

34%



1H FY23

11.4 Billion

1H FY22

8.5 Billion

Profit After Tax

23%



1H FY23

7.1 Billion

1H FY22

5.8 Billion

Fragmentation of Other Income for 1H FY23

Total other income clocks in at **PKR 2.8 Billion** for 1H FY23



SAMSUNG



Dividend from **Lucky Motors Corporation** PKR 0.7 Billion



Dividend from **Yunus Energy** PKR 0.1 Billion



Dividend from **LCI** PKR 0.8 Billion



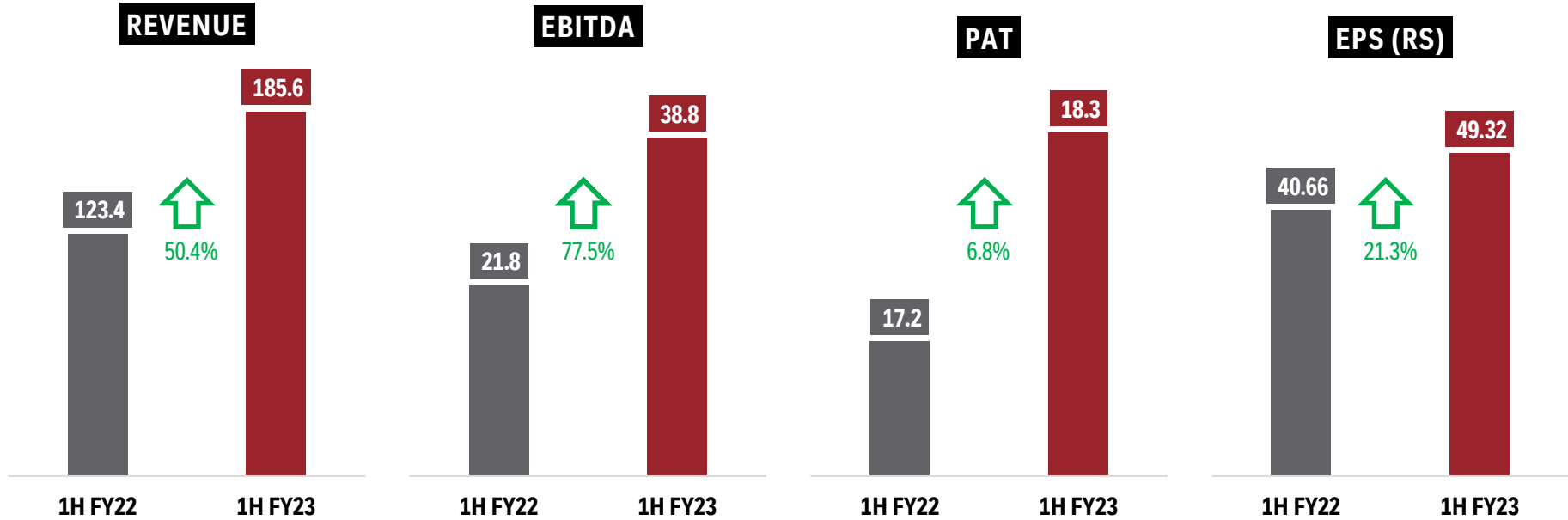
Income from **Deposits & others** PKR 1.3 Billion

Consolidated Key Figures 1H FY23

Key Figures

All numbers in PKR billion except EPS

Consolidated: 1H FY23 vs 1HFY22

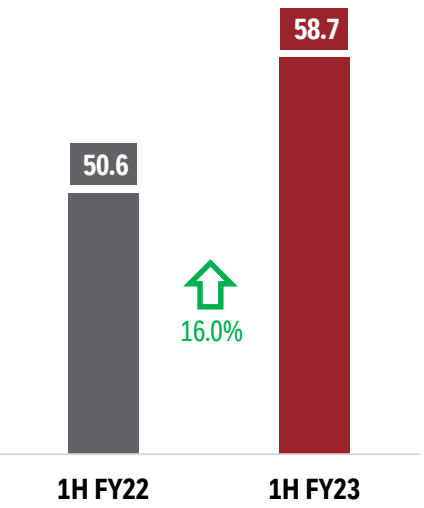


Consolidated Gross Revenue

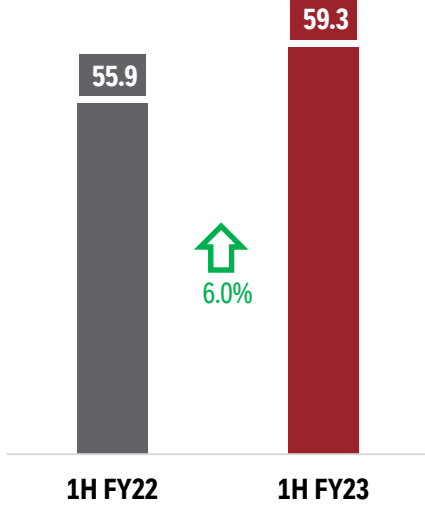
All numbers in PKR billion except EPS

1H FY23	1H FY22	% Δ
219.5	154.5	↑42.1%

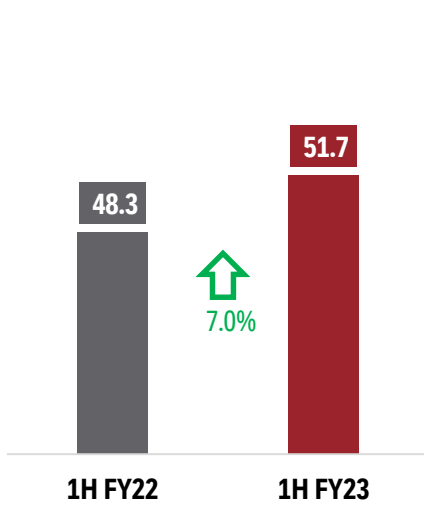
Cement



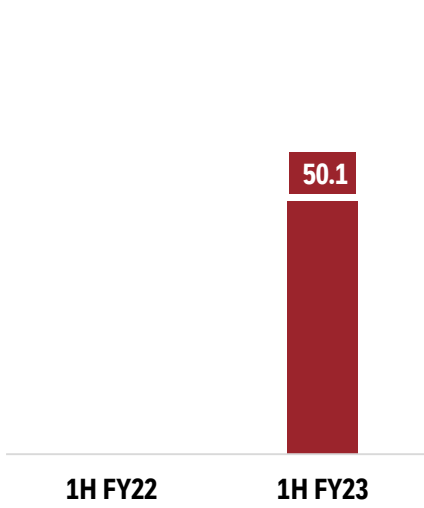
Chemicals



Auto & Mobile Assembly



Power

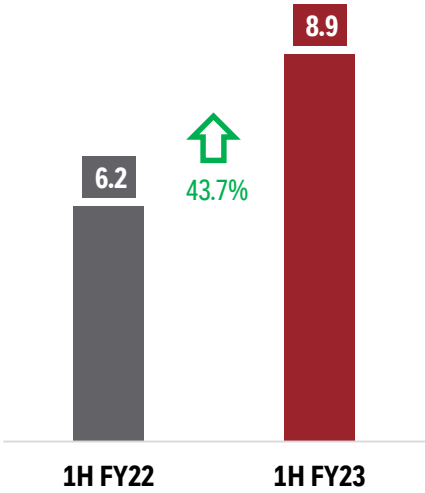


Consolidated Operating Profit

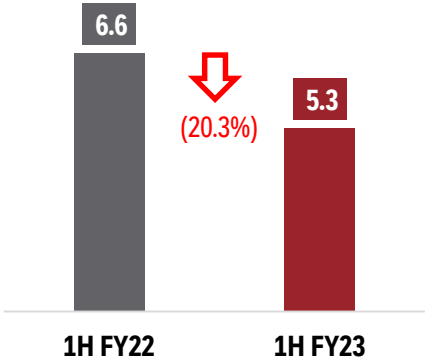
All numbers in PKR billion

1H FY23	1H FY22	% Δ
30.9	16.8	↑84.4%

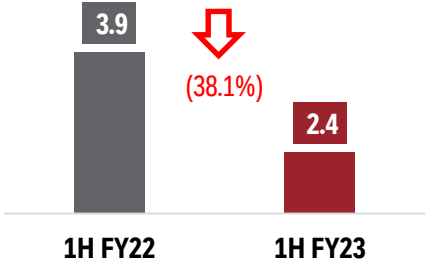
Cement



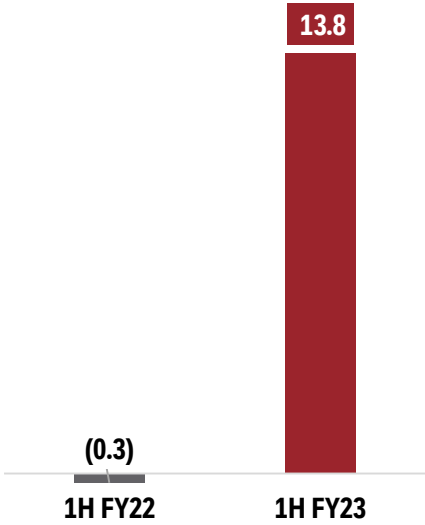
Chemicals



Auto & Mobile Assembly



Power

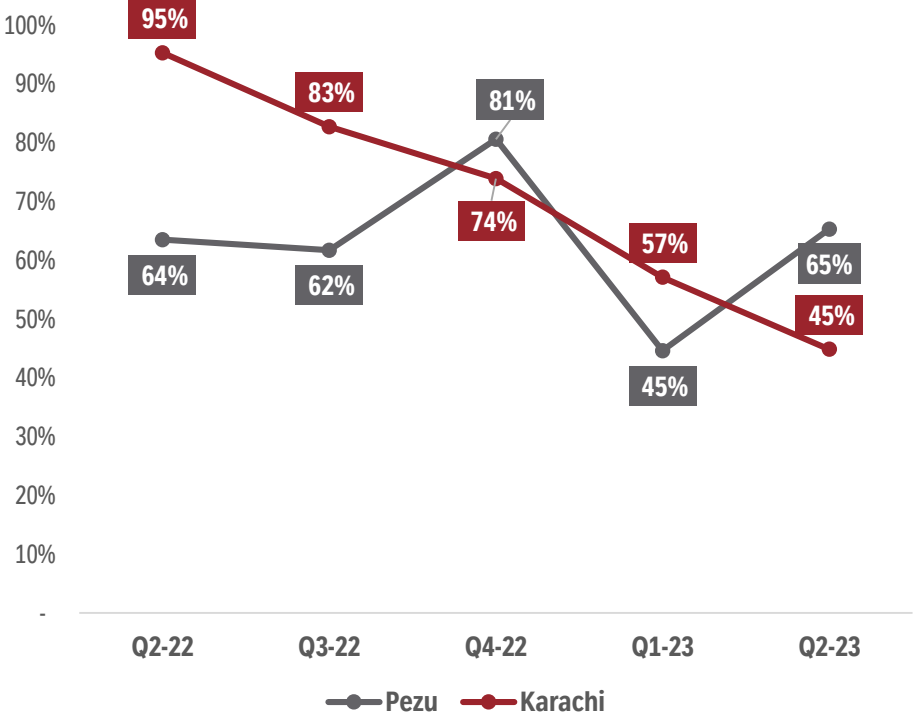




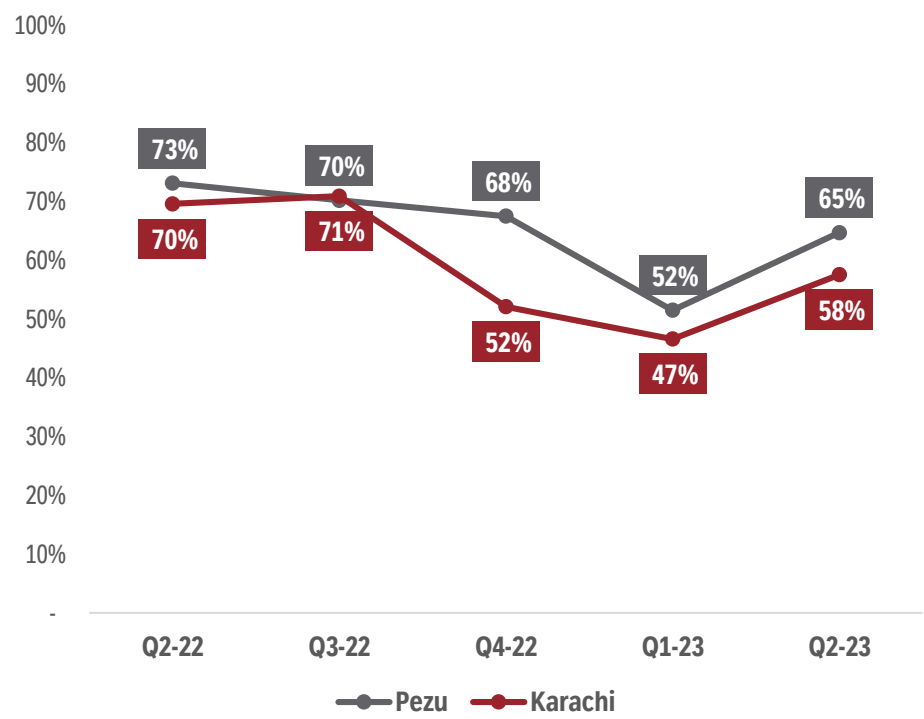
Local Cement Operations 1H FY23

Utilization Levels

Clinker



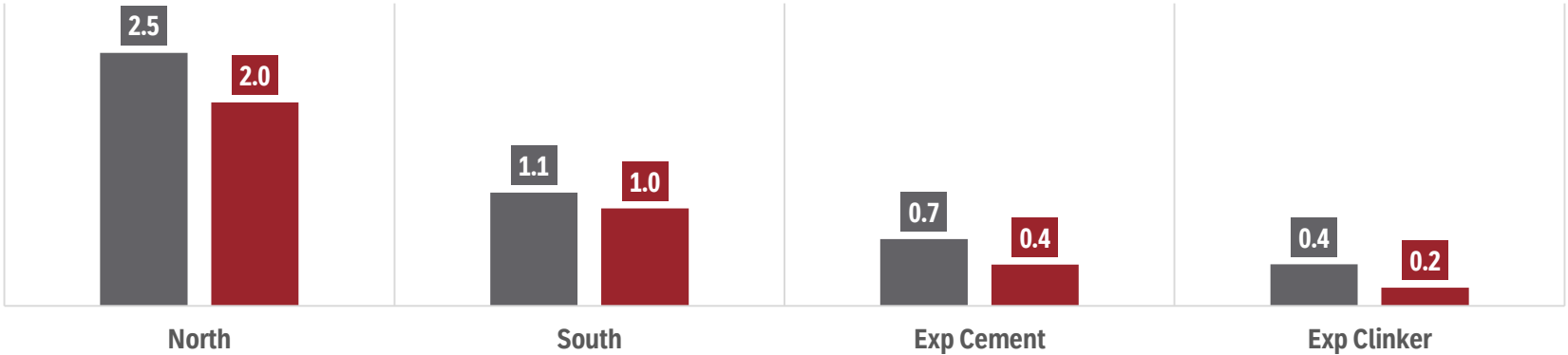
Cement



Sales & Market Share – Region wise

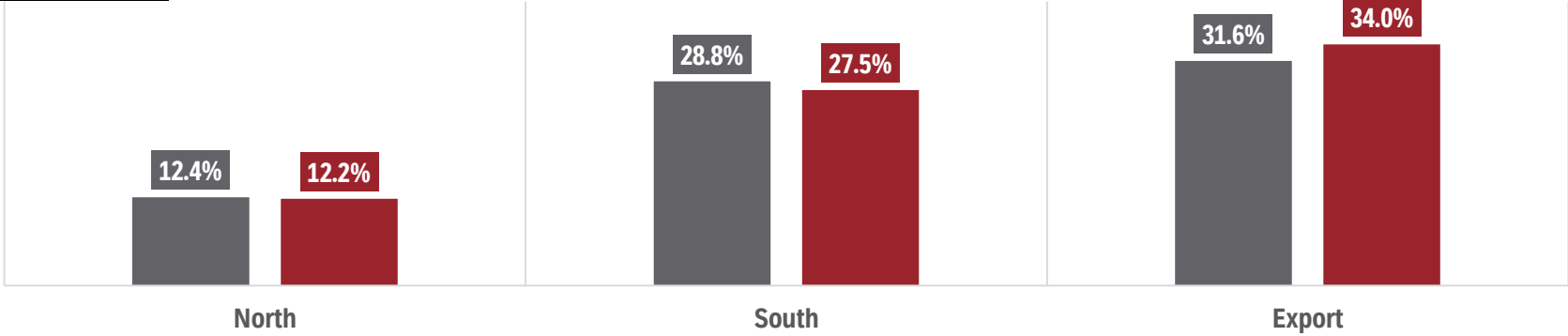
Sales - MT

■ 1H FY22 ■ 1H FY23



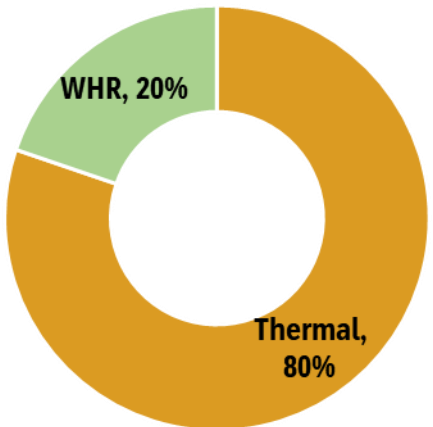
Market Share

■ 1H FY22 ■ 1H FY23



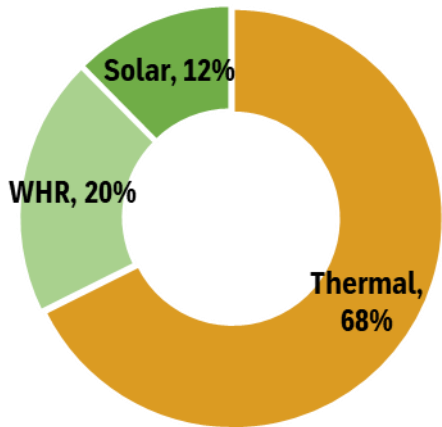
Installed Energy Mix

Power Mix Before Solar and Line-2 Expansion



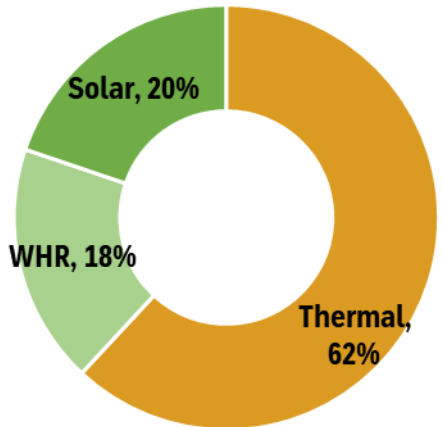
Source	MW
Thermal	185
WHR	46
Total	231

Power Mix After Pezu Solar & Line-2 Expansion



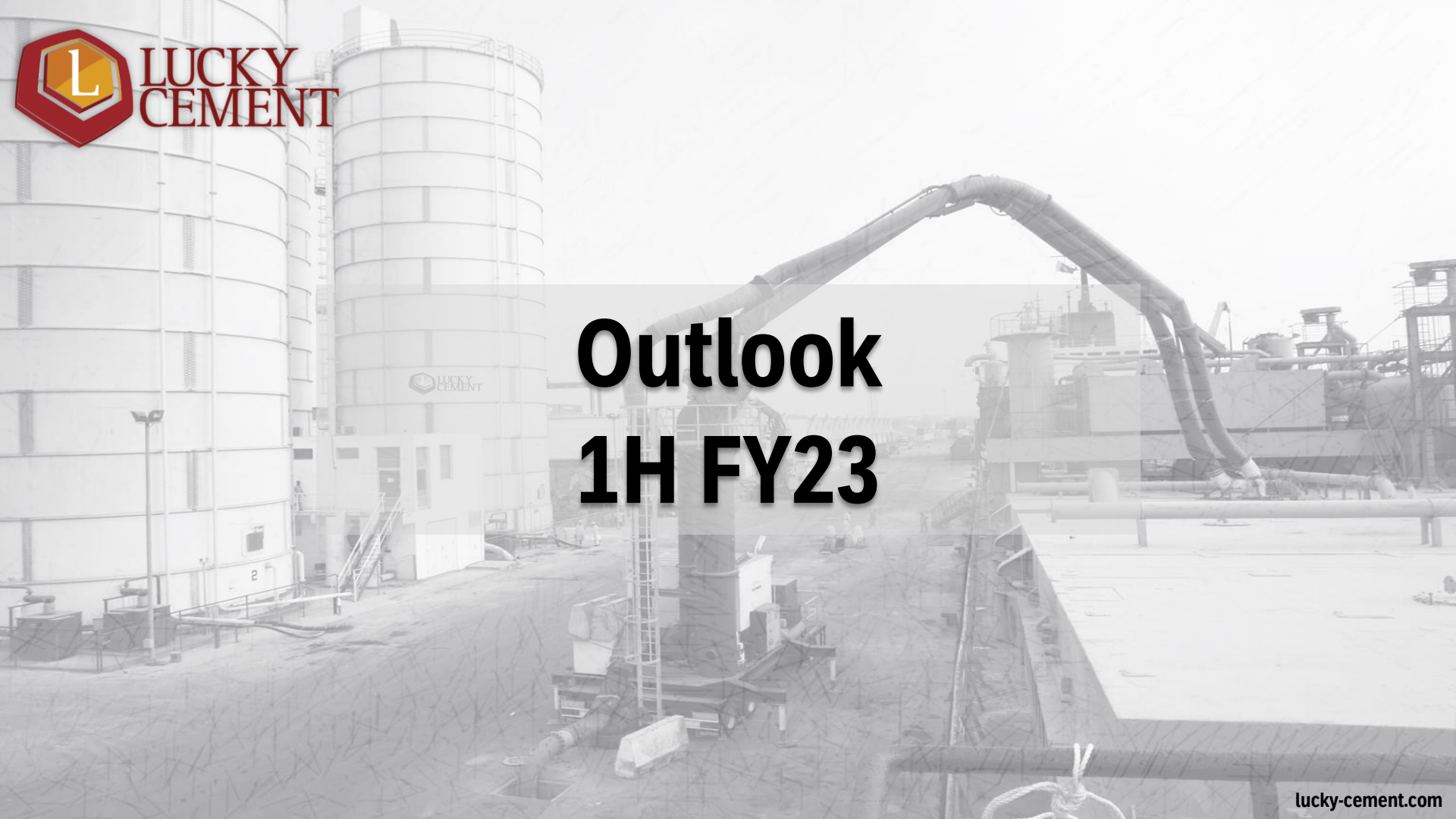
Source	MW
Thermal	185
WHR	55
Solar	34
Total	274

Power Mix After Both Solar Projects & Expansion



Source	MW
Thermal	185
WHR	55
Solar	59
Total	299

WHR: Waste Heat Recovery



Outlook 1H FY23

Outlook

Floods, unprecedented inflation, and declining monetary inflows have been a major **detriment** to the **economy** this year. The resumption of the **IMF program** is **conditional** upon the government implementing **long term structural reforms**.

Cement

- Adverse **economic environment** is expected to keep demand **under pressure** during the rest of FY23.
- **Respite** may occur from **reconstruction**, in flood affected areas, as a result of **flood aid pledges**.
- If **coal prices** decrease, it will reduce the **costs of production** and make **exports viable**.



Chemical

- Difficult policies, as a result of the resumption of **IMF program**, is expected to cause further **economic difficulties**.
- **Company** is dedicated to minimizing these adversities by utilizing its diverse **product portfolio** and employing **cost rationalization** efforts.



Outlook

The **government** is currently engaged in **pursuing** new avenues of **funding** from **friendly** countries. **Success** on this front would give **confidence** to other **bilateral** and **multilateral** lenders. Additionally, a positive **political climate** is absolutely necessary to put the **economy** back on track for recovery.

Automobiles


- **Import restrictions** have contributed heavily to **challenging outlooks** for the automobile sector.
- **Company** is engaged in aggressive **negotiations** with the **government** to ease **policy** restrictions.
- **Company** is utilizing various methods to **maintain sustainable** and **competitive operations**.



Power

- **Company** aims to achieve **100% plant availability** in the near future from **92%** at present.
- **Company's** strong **financial position** and free **cash flow** generating **ability** are anticipated to maintain its **leadership** position in Pakistan and **maximize** shareholders' **value**.





Q & A

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