

INDUS MOTOR COMPANY LTD

Corporate Briefing Session
For the Nine-Months Ended March 31, 2023

5th May, 2023

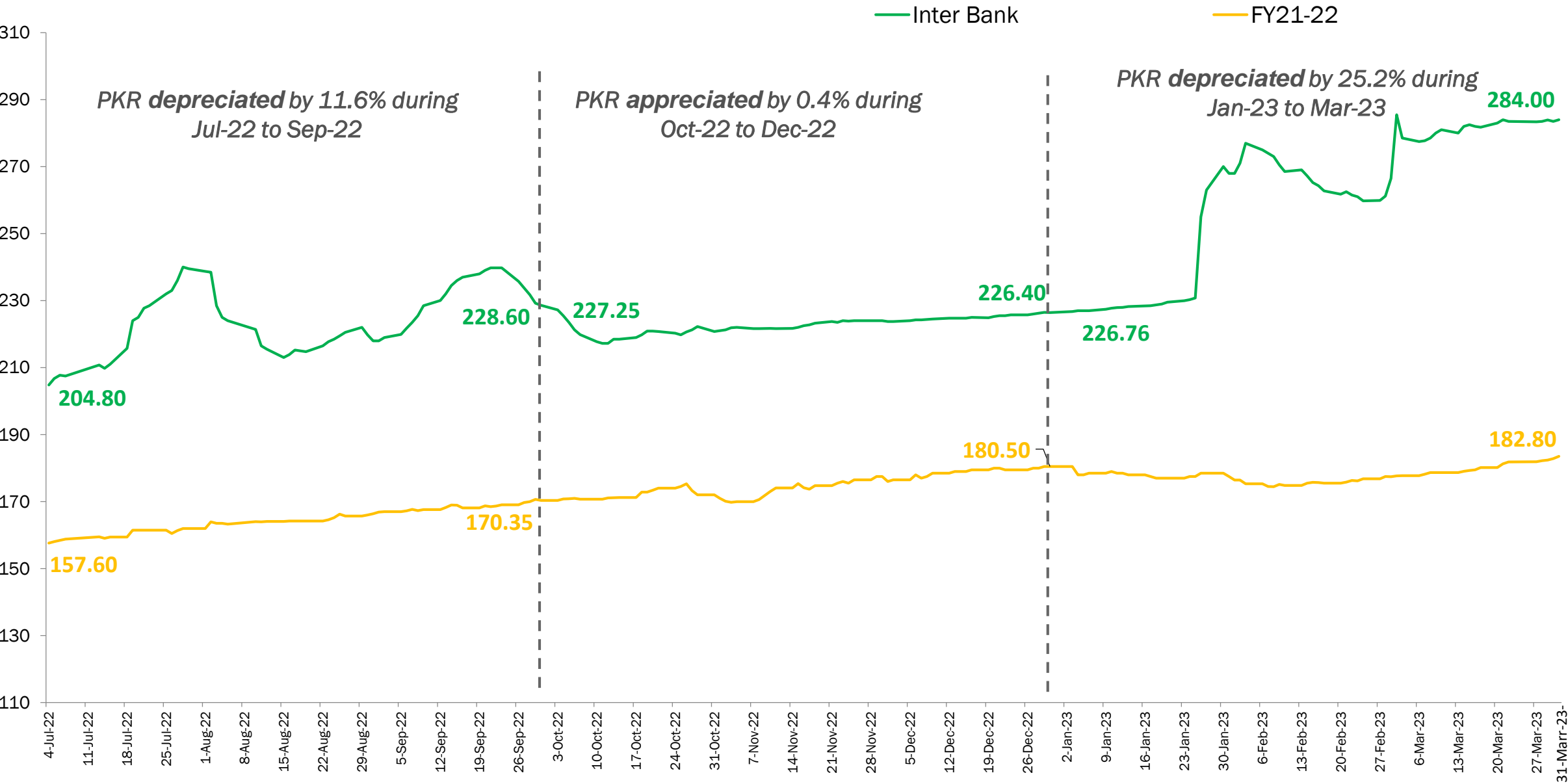
HIGHLIGHTS FOR NINE-MONTHS ENDED MARCH 2023

1. The net sales turnover for the Nine-months ended March 2023 decreased by 33.6% to Rs. 135.03 billion as compared to Rs. 203.41 billion in the Nine-months ended last fiscal year. Profit after tax for the Nine-months period also decreased by 61.8% to Rs. 5.84 billion, as against Rs. 15.29 billion achieved in the same period last year.
2. The decrease in turnover and profitability for the year was mainly due to lower CKD and CBU sales volumes, mainly due to restrictions imposed by SBP on Imports, and an increase in input costs which were driven by severe devaluation of PKR against USD and rising production costs.
3. The decline in profitability was offset by higher other income, resulting from higher interest rates as compared to same period last year.
4. The gross margin percentage declined from 8.6% last year to 0.15% which is primarily on account of Rupee depreciation and rising international commodity prices, while the impact was not passed on to the customers, to maintain our commitments.
5. The Board of directors have declared 3rd interim cash dividend of Rs. 24.40 per share for quarter ended March 31, 2023 as against Rs. 26 per share for same quarter last year.

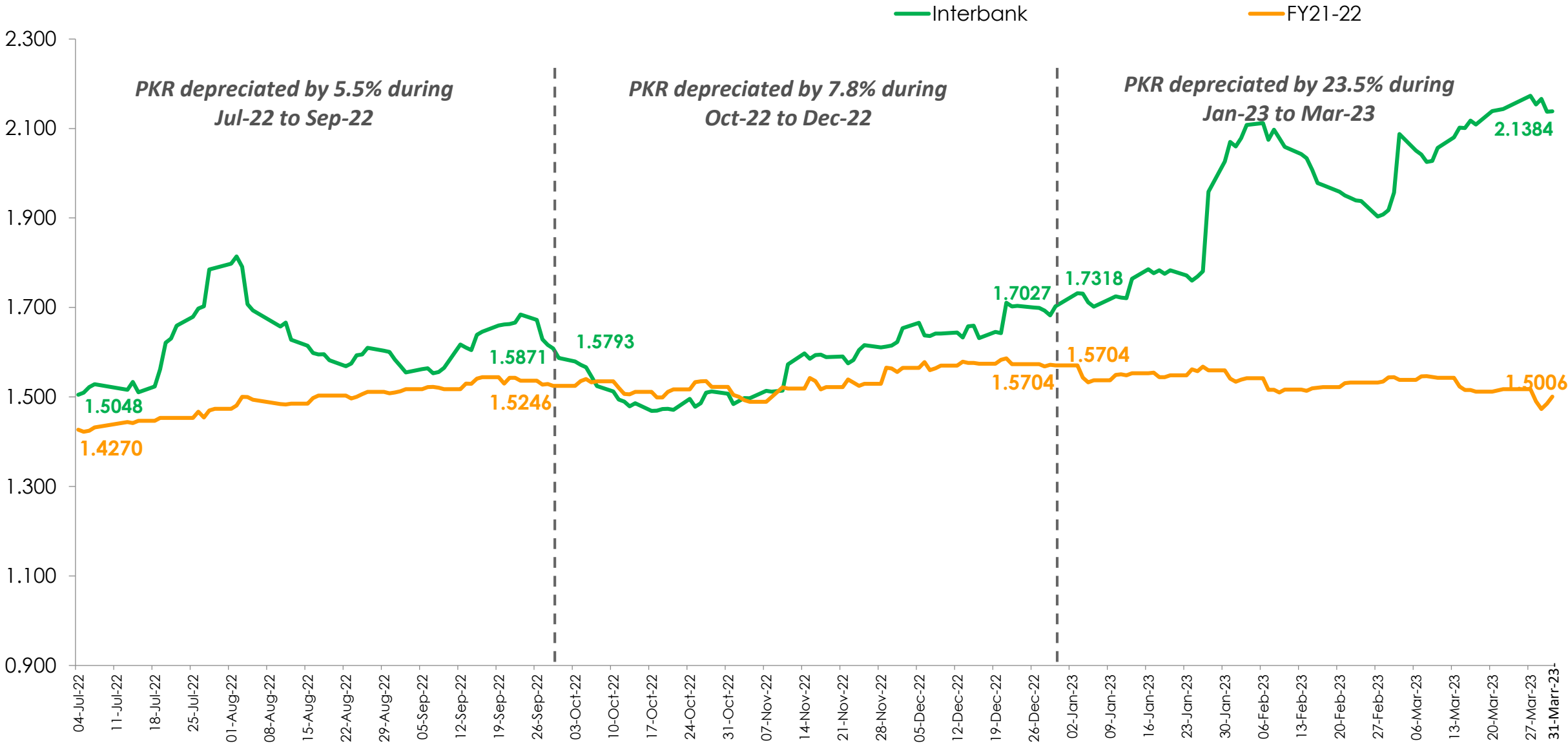
IMC PERFORMANCE FOR THE NINE-MONTHS ENDED MARCH 2023

Operating Highlights		Nine-Months ended March 31		% change 2023 vs. 2022
		2023	2022	
Vehicle Sales	Units	26,055	57,367	-55%
Vehicle Production	Units	26,848	55,192	-51%
Net Revenue	Rs in million	135,033	203,407	-34%
Gross Profit	Rs in million	197	17,568	-99%
Other Income	Rs in million	11,653	7,732	51%
Profit Before Tax	Rs in million	8,598	21,192	-59%
Profit After Tax	Rs in million	5,844	15,292	-62%
Earnings Per Share	Rs	74.35	194.56	-62%
At the end of Period		As at		
		31-Mar-23	31-Mar-22	
Total Assets	Rs in million	131,710	194,832	-32%
Shareholders' Equity	Rs in million	58,153	55,555	5%
Share Performance		As at		
		3-May-23	3-May-22	
Price per Share	Rs	941.06	1,352.13	-30%
Market Capitalization	Rs in million	73,967	106,277	

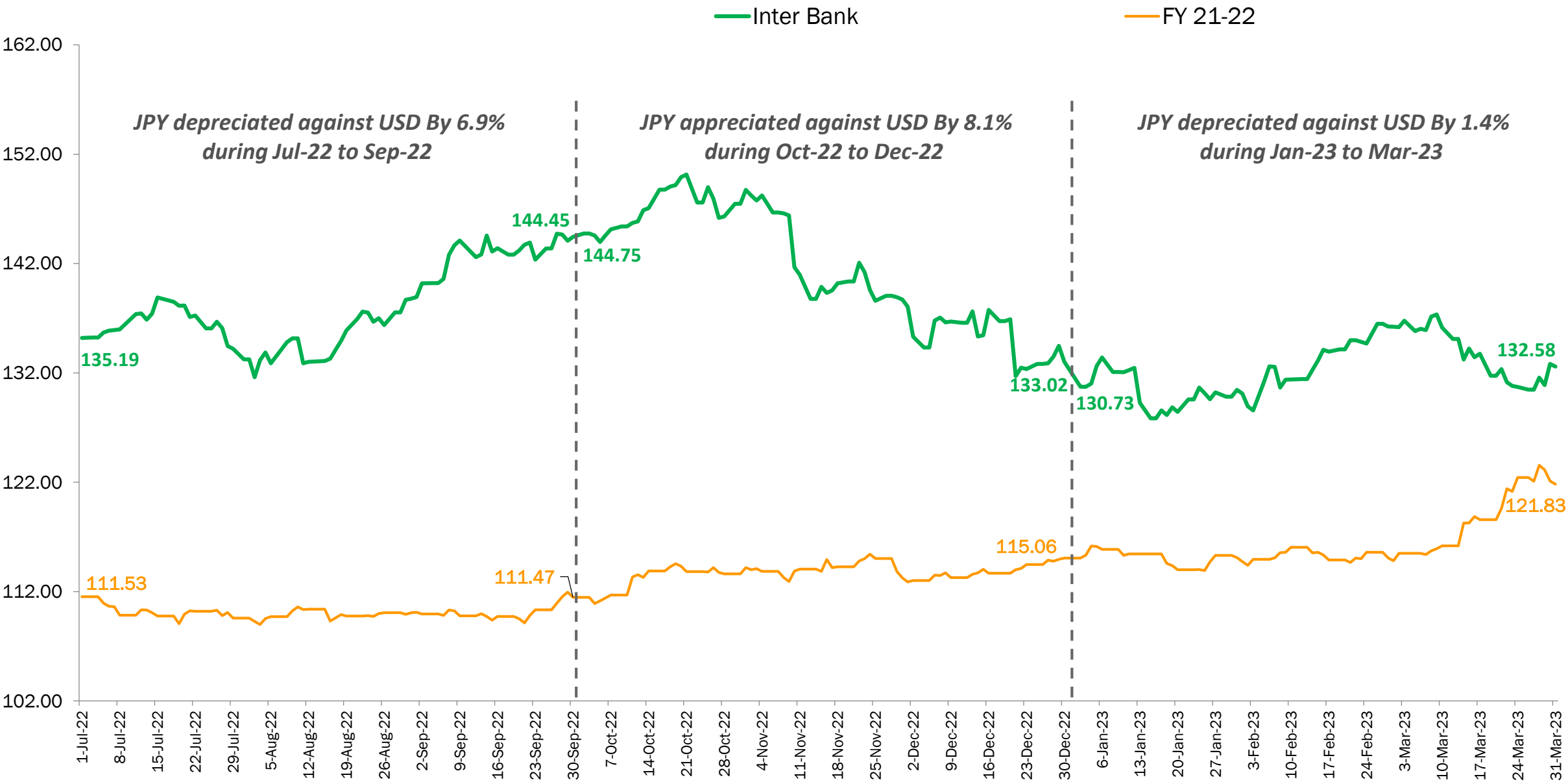
PKR/USD PARITY



JPY/PKR PARITY



JPY/USD PARITY



BUSINESS OUTLOOK AND KEY CHALLENGES

1. The auto sector continues to experience a significant downturn due to the unprecedented depreciation of PKR, deteriorating economic conditions, higher interest rates and higher duties and taxes.
2. The continued volatility of PKR against the US Dollar, tighter fiscal and monetary measures and excessive inflation, coupled with low consumer purchasing power, may continue to negatively impact the auto sector sales volumes in the upcoming periods.
3. The Company urges the Government to permit the necessary imports for the auto-sector, to maintain production levels at least at 50% of last fiscal year i.e. FY 21-22 levels. This would at least ensure survival of the automotive sector and help to safeguard the jobs of over three million workers directly and indirectly employed in the industry.
4. The Company also requests consistency in policy making, particularly regarding the Hybrid incentives provided in the AIDEP 2021-26. The Company has already made significant investments in Hybrid vehicles based on these incentives, and the progress of the investments are in accordance with the planned schedule.
5. The Company also recommends the suspension of payment against compensation for delayed delivery over 60 days which is at KIBOR+3% to customers, as the delays are primarily due to import restrictions, being force majeure.

THANK YOU