



Pakistan Tobacco Company Limited
Serena Business Complex
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26th May 2023

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
KARACHI

Subject: CORPORATE BRIEFING SESSION

Dear Sir,

This is to inform you that Corporate Briefing Session (CBS) for the year ended on 2022-12-31 of Pakistan Tobacco Company Limited will be held virtually through MS Teams on **2nd June 2023 at 12:00 P.M.**

Interested participants (shareholders and business analysts) are requested to email their credentials (name and the institution they represent, folio number in case of shareholders) at ptc_company_secretary@bat.com by or before 2:00 PM on 31st May 2023. Upon authentication the meeting link will be shared with the participants.

Presentation for CBS is also attached.

You may inform the members of the exchange accordingly.

Thanking You.

Yours truly,
PAKISTAN TOBACCO COMPANY LIMITED

Madeeha Arshad Chaudhry
Company Secretary



PAKISTAN TOBACCO COMPANY

CORPORATE BRIEFING SESSION

June 2023



AGENDA

- 1. Current Business Environment**
- 2. 2022 Financial Overview**
 - a) *Profit & Loss*
 - b) *Ratios Analysis*
- 3. Outlook 2023**
- 4. Q&A**

CURRENT BUSINESS ENVIRONMENT

BUSINESS ENVIRONMENT

MACRO-ECONOMIC HEADWINDS



High inflation and FX devaluation amidst political turmoil



DEPLETING FX RESERVES



FX sourcing continues to be an issue for the country



CONSUMER AFFORDABILITY



Excise-increases hindering consumer affordability



ILLICIT SECTOR









ITB and DNP benefiting from price differential



VOLATILE ECONOMIC AND POLITICAL ENVIRONMENT

2022 FINANCIALS OVERVIEW

PROFIT & LOSS REVIEW FULL YEAR 2022

Particulars	FY 2022	FY 2021	22 vs 21
Volume (Mn Sticks)	44,429	44,768	 -0.8%
Net Turnover	94,862	74,988	 26.5%
Gross Profit	45,156	35,896	 25.8%
Operating Profit	32,787	25,500	 28.6%
Profit After Tax	21,321	18,862	 13.0%
Earnings per Share (Rs.)	83.45	73.83	 13.0%

RATIO ANALYSIS FULL YEAR 2022

Ratio	Formula	FY 2022	FY 2021
Gross Profit Ratio	$(\text{Gross Profit} / \text{NTO}) * 100\%$	47.6%	47.9%
Operating Profit Margin	$(\text{Op. Profit} / \text{NTO}) * 100\%$	34.6%	34.0%
Current Ratio	Current Assets / Current Liabilities	1.3	1.1
Dividend Per Share	Dividends Paid / No. of shares	48	80

Outlook 2023



CHALLENGING OUTLOOK

~ 150% EXCISE INCREASE



Tier 1 : Rs. 6,500 to Rs. 16,500 per M (154% ↑)

Tier 2 : Rs. 2,050 to Rs. 5,050 per M (146% ↑)

GST : 17% to 18% (1 ppt ↑)

HIGH INFLATION & DEVALUATION



Q1 2023 average inflation **31.5%**

Q1 2023 devaluation **28%**

FX SOURCING



Country FX reserves – less than 1 month of imports

Imports only permissible on deferred payment terms (**365+** days)

MACRO VOLATILITY CONTINUES TO POSE CHALLENGES

OUR AMBITION

COMPANY STRATEGY



Value growth while sustaining legit
market share

Amplify focus on New Categories

TRANSFORMATION AGENDA



Building talent / capabilities

2023 declared year of Diversity And
Inclusion

ESG STRATEGY



Ethics and Integrity

Responsible Marketing

Sustainability Governance

CONTINUED COMMERCIAL DELIVERY CATALYZED BY NEW CATEGORIES, WORLD-CLASS TALENT AND RESPONSIBLE ESG INITIATIVES

Q & A

THANK YOU