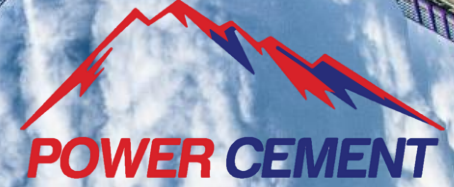




ARIF HABIB GROUP



مضبوطی - چٹانوں جیسی

Power Cement Limited

Corporate Briefing Session

FY-2024

June 26, 2024 at 12:00 noon

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Disclaimer

Power Cement Limited ("PCL" or the "Company") has prepared this presentation solely for informational purposes, providing an overview of the Company's operations.

The information presented here is not intended to provide guidance on trading or dealing in PCL's shares. The Company does not make any statements or guarantees regarding the accuracy or completeness of the information provided. It is advised to exercise personal judgment and assume associated risks when making investment decisions, without relying solely on the information in this presentation.

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The presentation may include forward-looking statements that reflect PCL's beliefs and expectations about the future.

01 HISTORY / COMPANY PROFILE



History Timeline

1981

Incorporated in Pakistan
as **Essa Cement
Industries Limited**

Listed on Karachi Stock
Exchange (Now Pakistan
Stock Exchange Limited)

1987

1989

Commencement of
production with a
capacity of 500 TPD

Capacity enhancement
from 500 TPD to
1500 TPD

1999

2005

Acquisition of the
Company by Al-Abbas
Group and change of
name to **Al-Abbas
Cement Industries Ltd**

Capacity enhancement
from 1500 TPD to 3000
TPD

2008

History Timeline



2010

Acquisition of the Company by Arif Habib Group

Change of name to Power Cement Limited

2013

2016

Successful Implementation of Microsoft Dynamics Enterprise Resource Planning (ERP)

Mega expansion of an additional production line (FLS Smidth) 7,700 TPD was announced.

2017

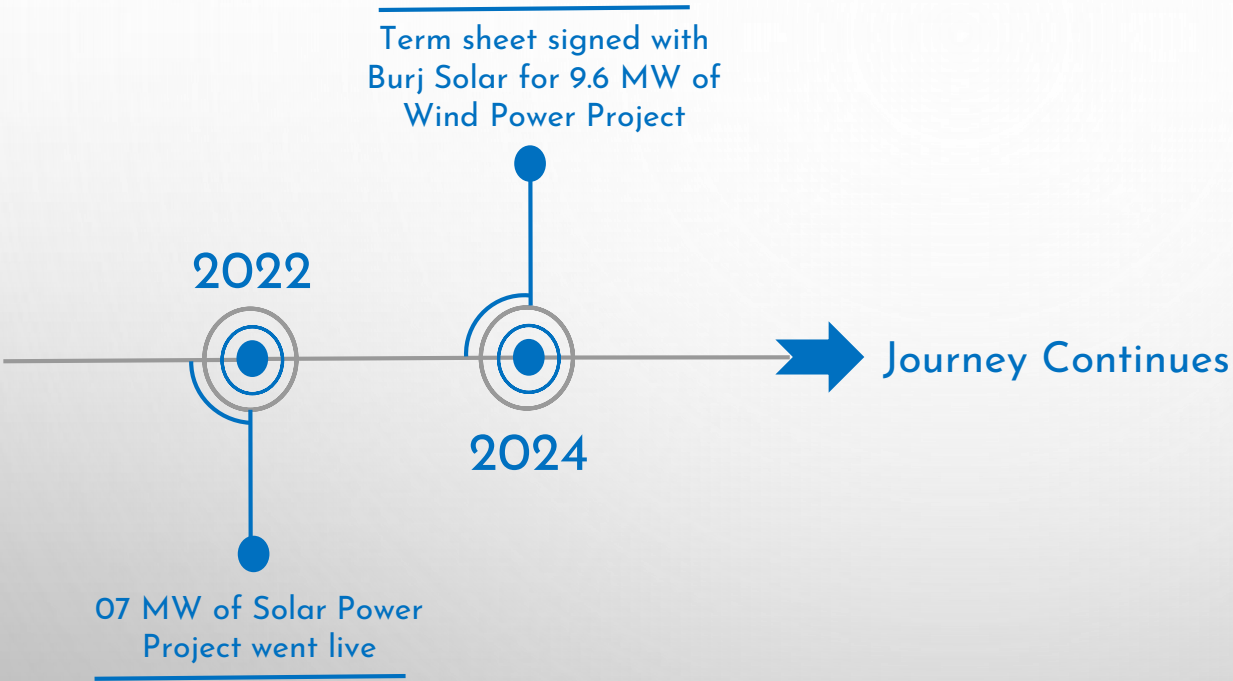
2020

CoD of Cement Production and Dispatch Plant

CoD of Clinker Production Plant and Waste Heat Recovery System

2021

History Timeline



Company Profile

Power Cement Limited ("the Company") was founded in 1981 and stands as the flagship Company of Arif Habib Group. The factory site of the Company is located at Motorway M-9, Nooriabad, Sindh. the Company was previously known as Al-Abbas Cement Limited until its **acquisition in 2010 by the Arif Habib Group**, a prominent financial and industrial conglomerate.

Presently, the Company has three manufacturing lines, with a cumulative nameplate **clinker production capacity of 10,700 TPD with total annual capacity of 3.21 million tons**. the Company is second largest player in the South zone of Pakistan with a total **annual cement production capacity of 3.37 million tons, 11,235 TPD**.



02

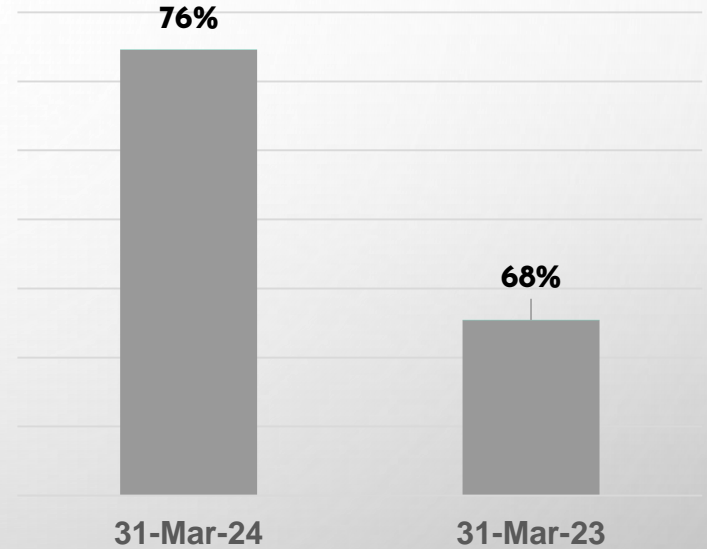
OPERATIONAL INFORMATION



Production

Production	Nine Months ended			
	March 31, 2024	March 31, 2023	Change	Variance %
	In Tons			
Clinker Production	1,822,924	1,626,976	195,948	12%
Cement Production	1,299,530	1,529,002	(229,472)	(15%)

Capacity Utilization



The overall capacity utilization for the nine months period stood at **76%** as compared to **68%** in the corresponding period.

Sales

Sales Volume	Nine Months ended		
	March 31, 2024	March 31, 2023	Variance %
	In Tons		
Cement / Clinker Dispatches (Local) (51%)	1,048,454	1,239,106	(14%)
Cement Dispatches (Export) (14%)	280,586	392,238	(28%)
Clinker Dispatches (Export) (35%)	727,085	195,151	273%
Total Dispatches	2,056,125	1,826,495	13%

Countries of Export

Period	Receipts (In Mn)		
	Jul 23- Mar 24	Jul 22- Mar 23	Change
USD	39.57	25.33	56%
PKR	11,187.32	5,944.13	88%



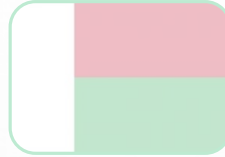
Sri Lanka



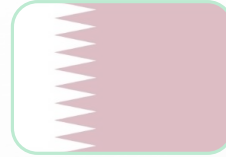
China



Malta



Madagascar



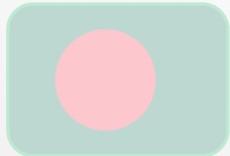
Qatar



Yemen



United States



Bangladesh



Somalia



Seychelles



Tanzania



West Africa



Mozambique

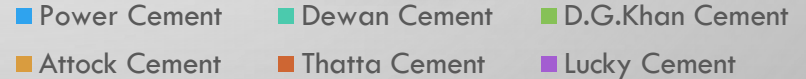
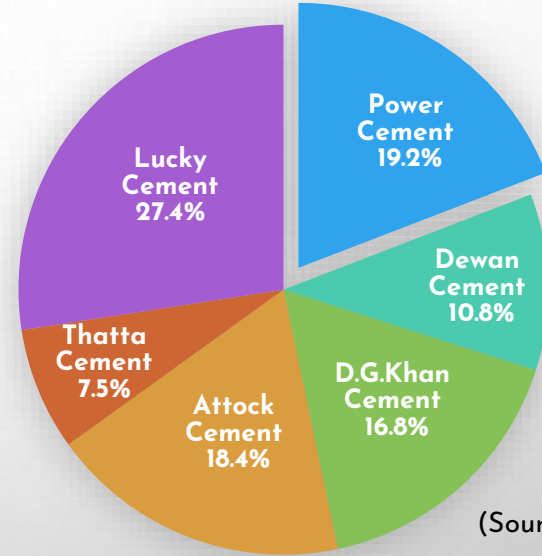


United Kingdom

New Markets

Market Share-South Zone Nine Months Ended March-2024

- LATEST / FULLY INTEGRATED EUROPEAN PLANT (FLSMIDTH-DENMARK)
- FULLY AUTOMATED QUALITY CONTROL THEREBY LEADING TO CONSISTENT PRODUCTION OF HIGHEST QUALITY CEMENT
- FROM BEING ONE OF THE SMALLEST COMPANY IN SOUTH ZONE TO NOW HAVING THE 2ND LARGEST MARKET SHARE



03 FINANCIAL INFORMATION



Comparison of Financial Results for Nine Months Mar-2024

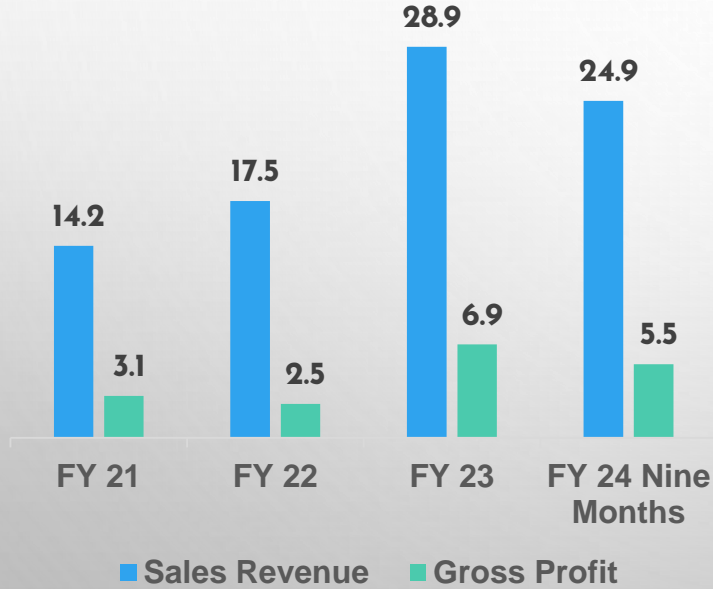
Category	Mar 2024	Mar 2023	Change
Gross Profit	PKR 5.459 Billion	PKR 4.833 Billion	13% ▲
Net Revenue	PKR 24.939 Billion	PKR 21.513 Billion	16% ▲
Operating Profit	PKR 2.642 Billion	PKR 2.675 Billion	1% ▼
Finance Cost	PKR 3.903 Billion	PKR 2.809 Billion	39% ▲
Export Sales	1.008 Million Tons	0.587 Million Tons	76% ▲
Clinker Production	1.823 Million Tons	1.627 Million Tons	12% ▲

Financial Performance for the Nine Months of FY 2023-24

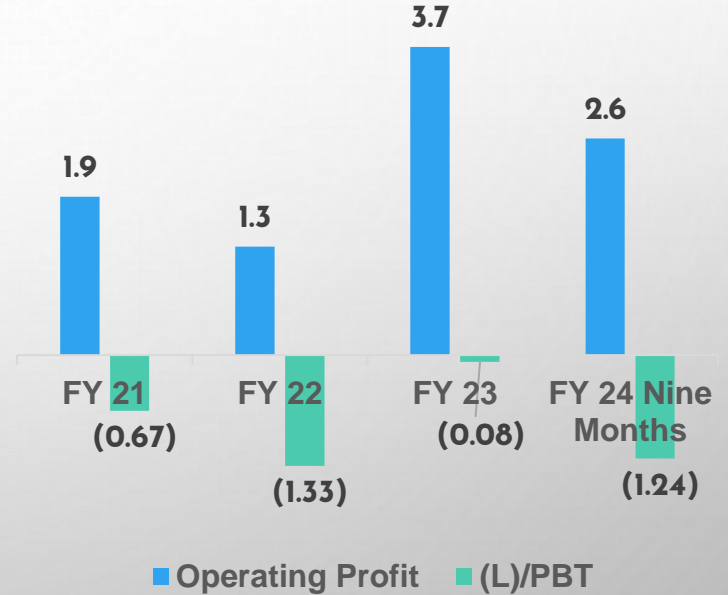
Particulars	PKR in '000'		
	Nine Months Mar-2024		Nine Months Mar-2023
Revenue	24,939,287	▲	21,513,126
Gross Profit	5,459,050	▲	4,833,498
Operating Profit	2,642,042	▼	2,674,919
Finance Cost	(3,882,134)	▲	(2,795,251)
Loss Before Tax	(1,240,092)	▲	(120,332)
(Loss) / Profit After Tax	(1,186,911)	▼	553,427
EBITDA	3,382,940	▼	3,391,129

Financial Highlights

Sales Revenue & Gross Profit (In Billions)

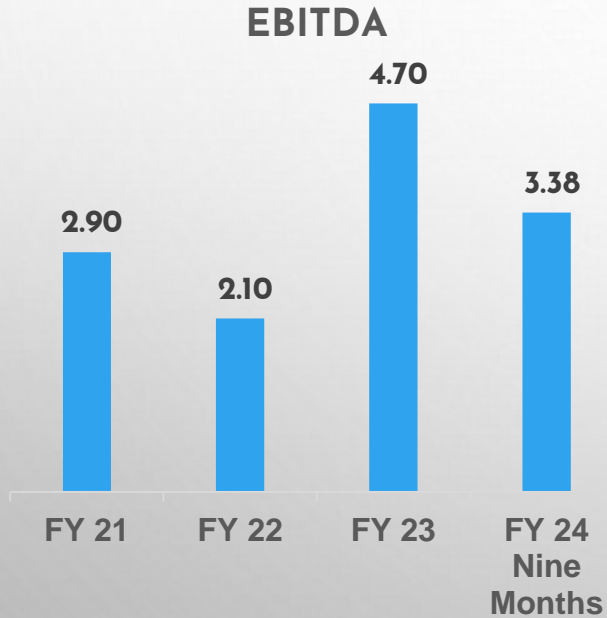


Operating Profit & (Loss) / Profit Before Taxation (In Billions)

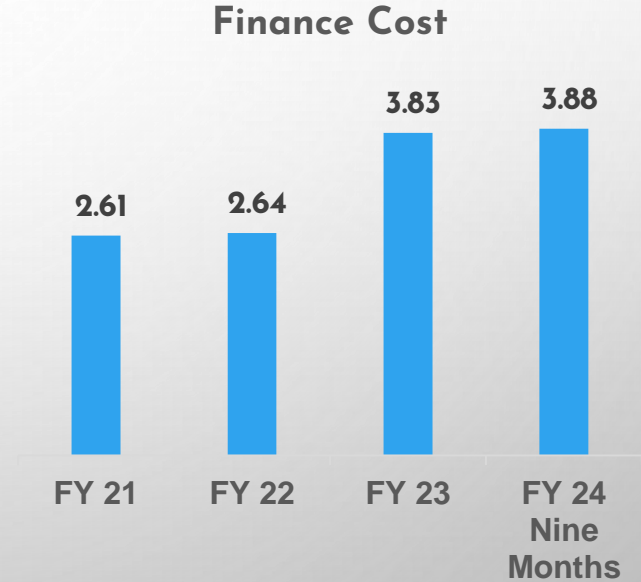


Financial Highlights

EBITDA (In Billions)

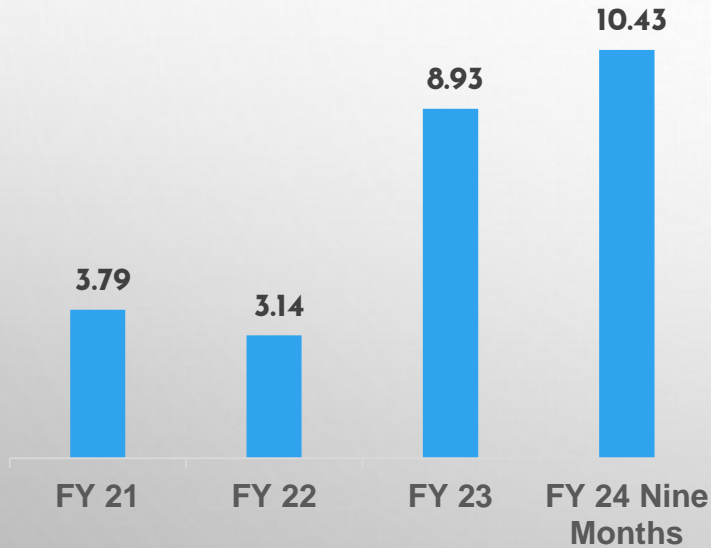


Finance Cost (In Billions)

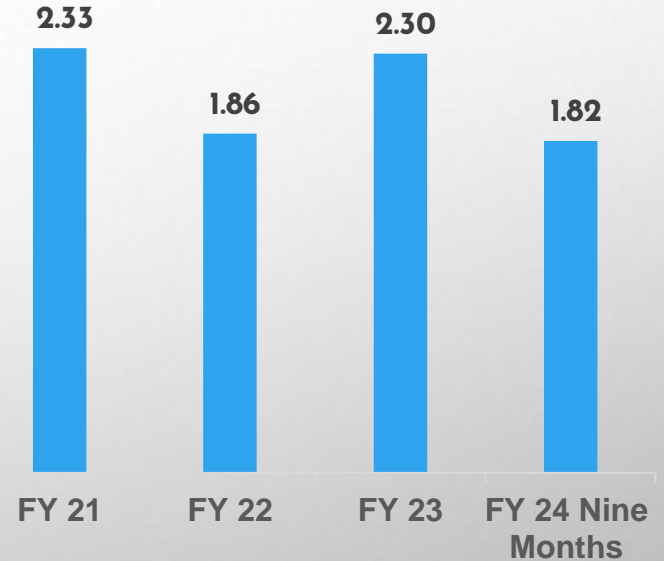


Financial Highlights

Export Sales (In Billions)



Clinker Production (In Millions Tons)



04 OTHER INFORMATION



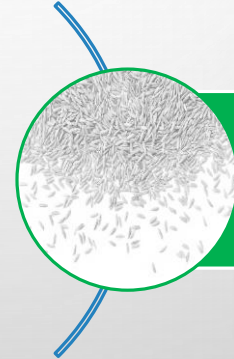
Solar and WHRS CO₂ Saving



Solar produced **5,115** MW Energy during the period, saving **2,788** Tons of Carbon Emission.

WHRs produced **52,824** MW Energy during the period, saving **28,789** Tons of Carbon Emission.

TRANSFORMATION MANAGEMENT



Alternative
Fuel Program



ALTERNATIVE
FUEL PROGRAM

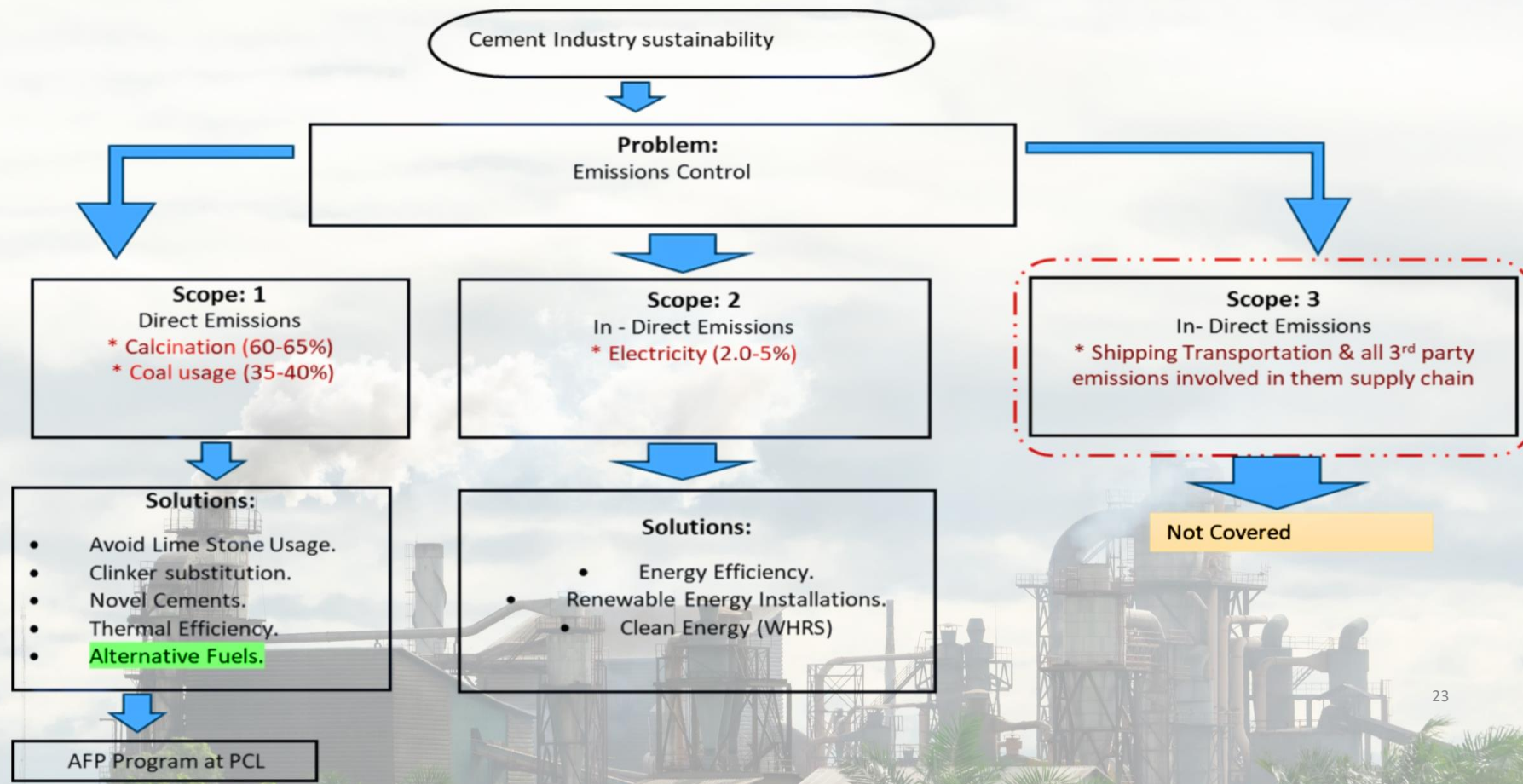


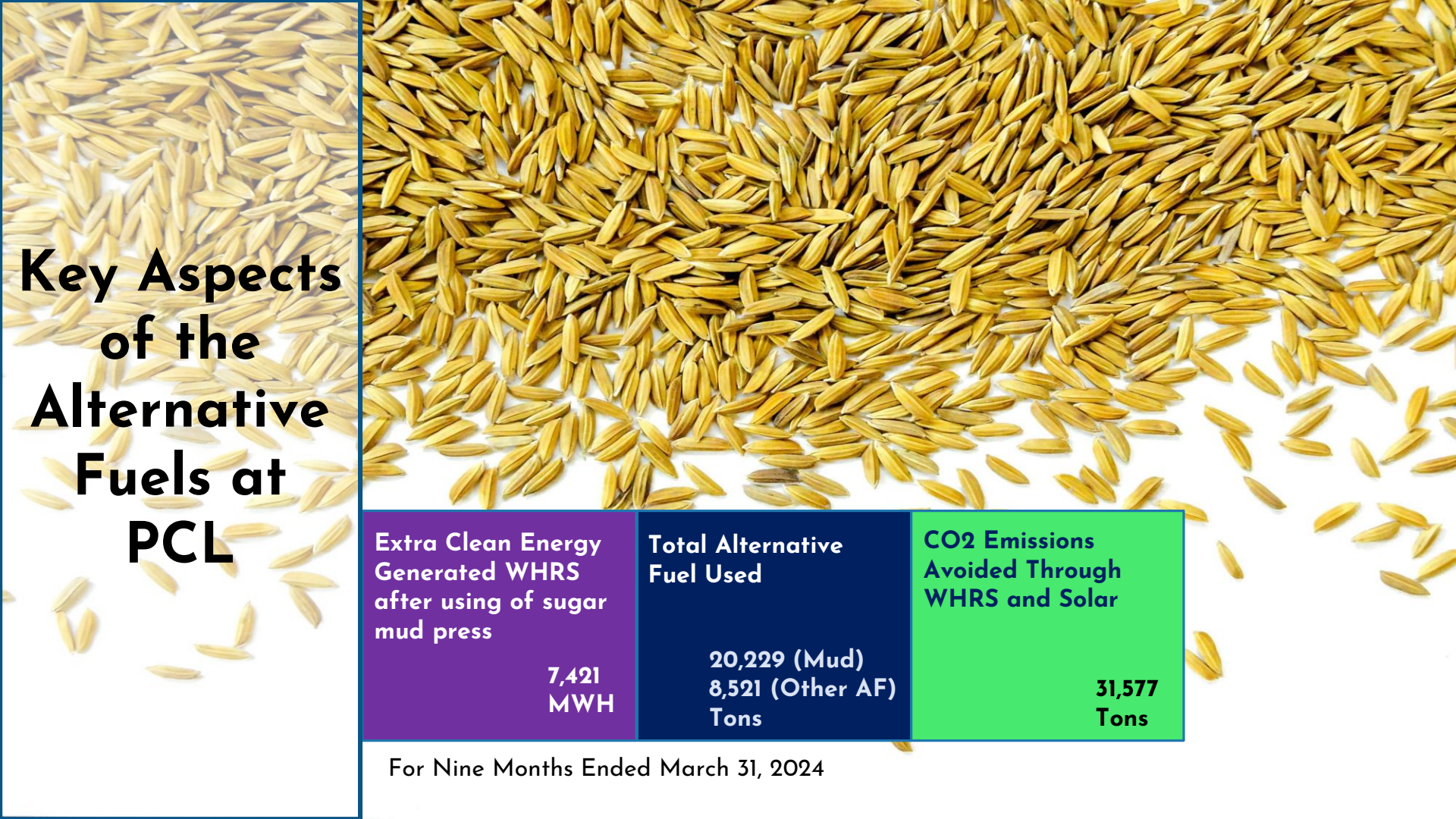
Power-53
53 GRADE



ARIF HABIB
GROUP

Alternative Fuels Financial, Employment and Environmental Impacts





Key Aspects of the Alternative Fuels at PCL

Extra Clean Energy
Generated WHRS
after using of sugar
mud press

**7,421
MWH**

Total Alternative
Fuel Used

**20,229 (Mud)
8,521 (Other AF)
Tons**

CO2 Emissions
Avoided Through
WHRS and Solar

**31,577
Tons**

For Nine Months Ended March 31, 2024

9.6 MW Wind Power Project

Estimated savings of Rs. 685 million per year



Power Cement X Burj Solar

In our continued drive for sustainability, Power Cement signed a Term Sheet for **9.6MW** Wind Power Project with Burj Solar



Fastest Growing Brand

Power Cement Limited is honored to receive the 2023 Fastest Growing Brand Award in grey cement from the Brands Foundation. This recognition underscores our commitment to quality, strategic marketing, and sustainability. We support Pakistan's construction sector with high-quality products and innovative strategies. Our use of alternative fuels and investments in renewable energy significantly reduce our carbon footprint.



05 ECONOMIC CHALLENGES

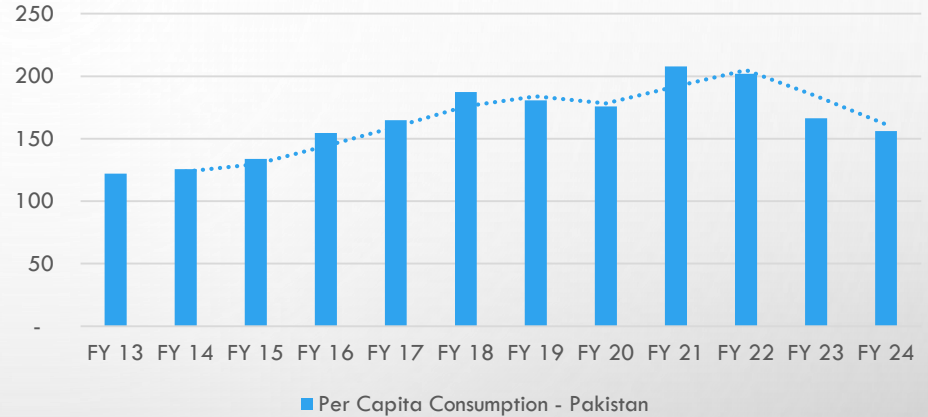


Per Capita Cement Consumption - Pakistan

Years	Dispatches in Mn Tons			Population in Million	Per Capita Consumption (kg)
	North	South	Total		
FY 13	20.3	4.7	25.1	205	122
FY 14	21.7	4.5	26.1	208	126
FY 15	23.4	4.8	28.2	211	134
FY 16	27.1	5.9	33.0	214	155
FY 17	29.1	6.5	35.7	216	165
FY 18	34.0	7.2	41.1	220	187
FY 19	32.4	8.0	40.3	223	181
FY 20	34.3	5.6	40.0	227	176
FY 21	40.6	7.5	48.1	231	208
FY 22	39.4	8.2	47.6	236	202
FY 23	32.8	7.2	40.0	240	166
FY 24*	31.5	6.8	38.3	245	156

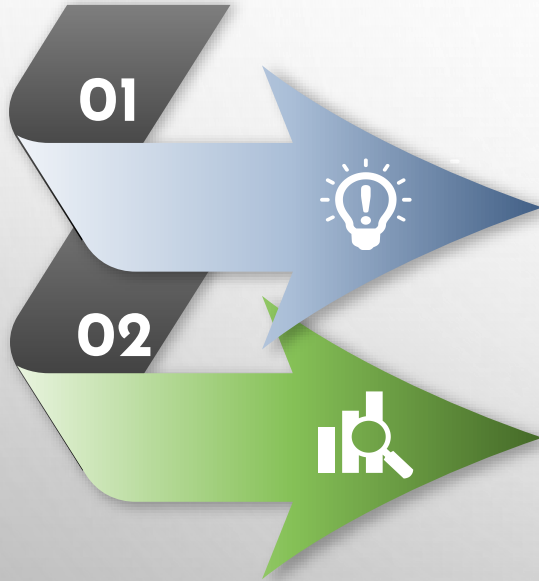
*Expected dispatches numbers

Per Capita Consumption - Pakistan



Country	Per Capita Consumption
India	250 - 270 kg
World	540

Axle Load Regime



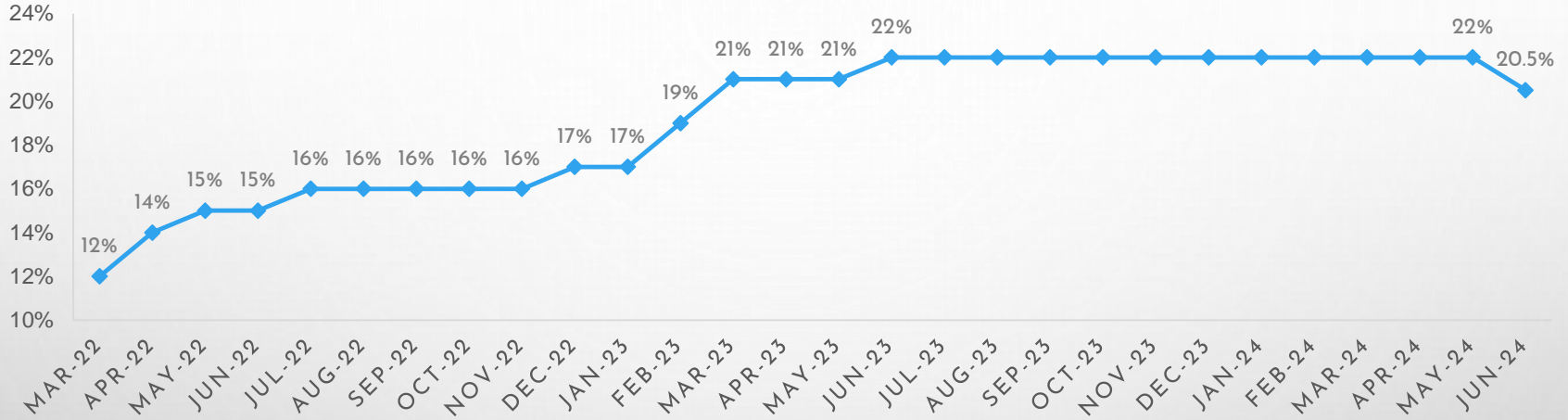
Axle Load Regime

The government has decided to enforce the axle load control regime from mid Nov 2023

Challenges Due to Axle Load Regime

Managing increased transportation costs while ensuring compliance with axle load regulations poses significant operational & financial challenges for businesses in Pakistan.

Interest Rates

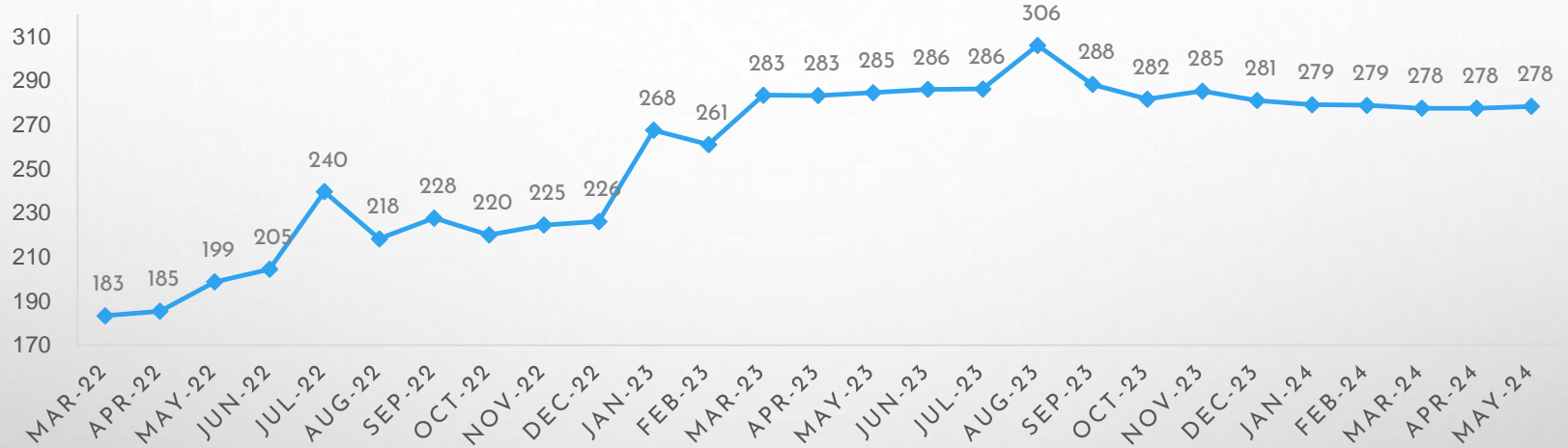


INTEREST RATES HAVE REACHED A HISTORIC HIGH IN PAKISTAN WHICH HAS GREATLY AFFECTED THE COST OF BORROWING FOR THE INDUSTRY. HOWEVER, **ON JUNE 10, 2024 SBP REDUCED THE POLICY RATE BY 150 BPS TO 20.5 PERCENT.** THE COMPANY WILL TENTATIVELY **SAVE FINANCE COST OF AROUND RS.830 MILLION IN NEXT FINANCIAL YEAR** BY THIS REDUCTION.

MITIGATION STRATEGY:

- SPONSOR SUPPORT OF RS. 11.7 BILLION BEING INJECTED INTO THE COMPANY.

USD Exchange Rate



IMPORT

- COAL ACCOUNTS FOR NEARLY 50% OF OUR COGS, WITH 90% OF POWER CEMENT'S COAL BEING IMPORTED. CONSEQUENTLY, THE HISTORIC RISING USD RATE HAS SIGNIFICANTLY **INCREASED THE COST ▲** OF IMPORTED COAL.

Electricity (HESCO) Rates



06 QUESTION/ ANSWER SESSION



Thank You

