



# **HINOPAK MOTORS LIMITED**

**CORPORATE BRIEFING SESSION**

**YEAR ENDED MARCH 31, 2024**

**Date: August 23, 2024**

# COMPANY OVERVIEW

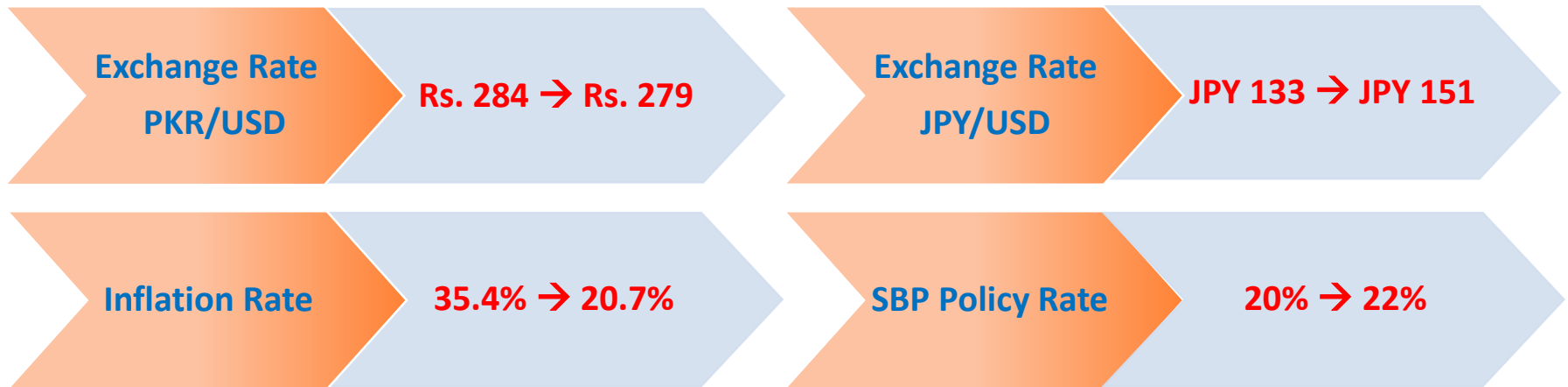
# COMPANY OVERVIEW

- Hinopak Motors Limited was incorporated in Pakistan in 1985 as a Public limited company and is listed on the Pakistan Stock Exchange.
- The Company is primarily engaged in the assembly, progressive manufacturing and sale of Hino buses and trucks. Company's product range comprises of Light, Medium and Heavy Commercial Vehicles. Company's plant and production site has the capacity of producing 6,000 chassis and 1,800 bodies.
- The majority shareholding of the Company is held by Hino Motors Ltd., Japan and Toyota Tsusho Corporation Japan (Aggregate 89.5%) since 1998.
- The Company offers total of 13 models of vehicles which include 4 LCV models, 3 MCV models, 3 HCV models and 3 models of buses.

# ECONOMIC OVERVIEW

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## March 2024 vs March 2023

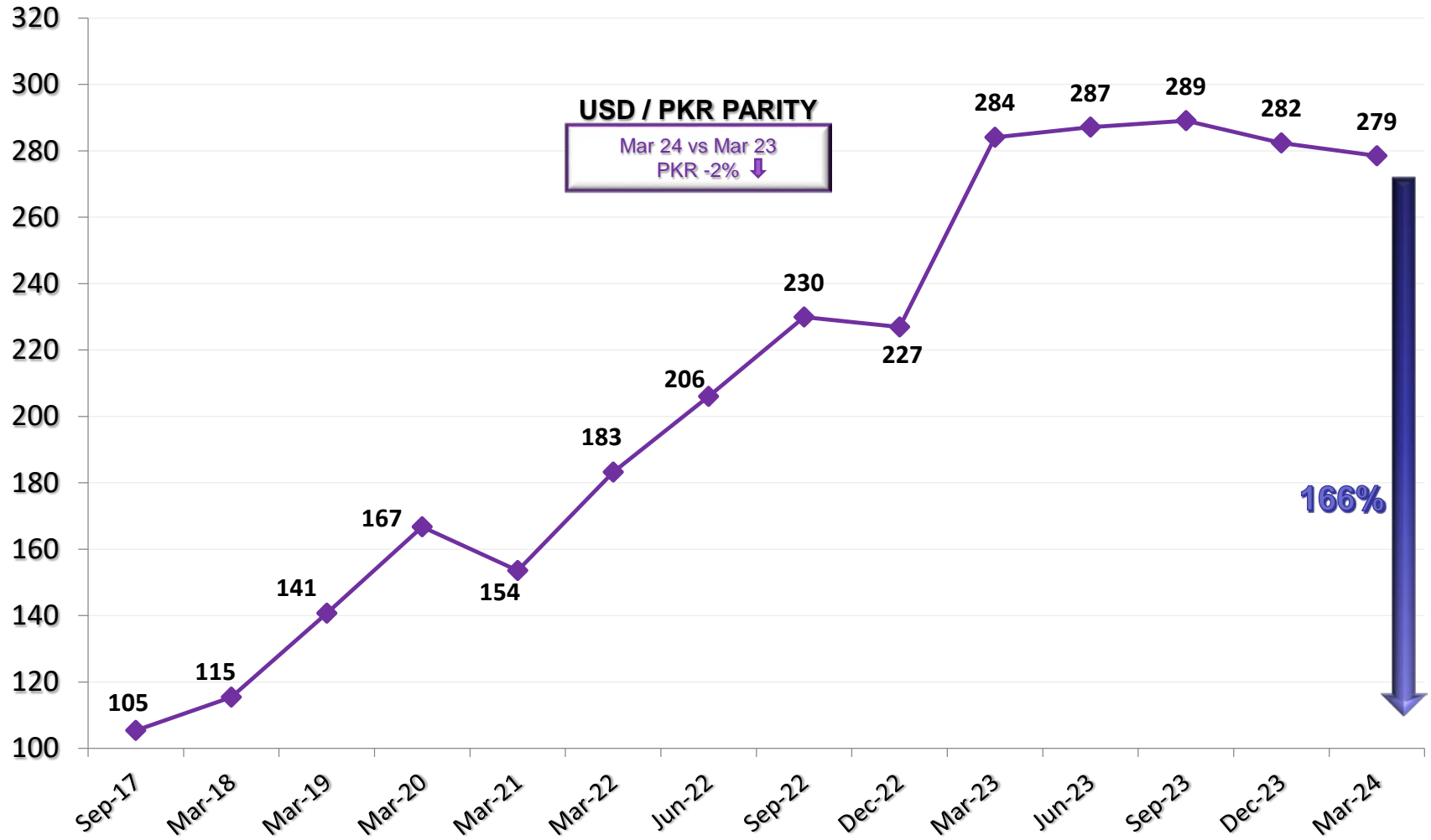


### Other Economic and Regulatory Factors during the year:

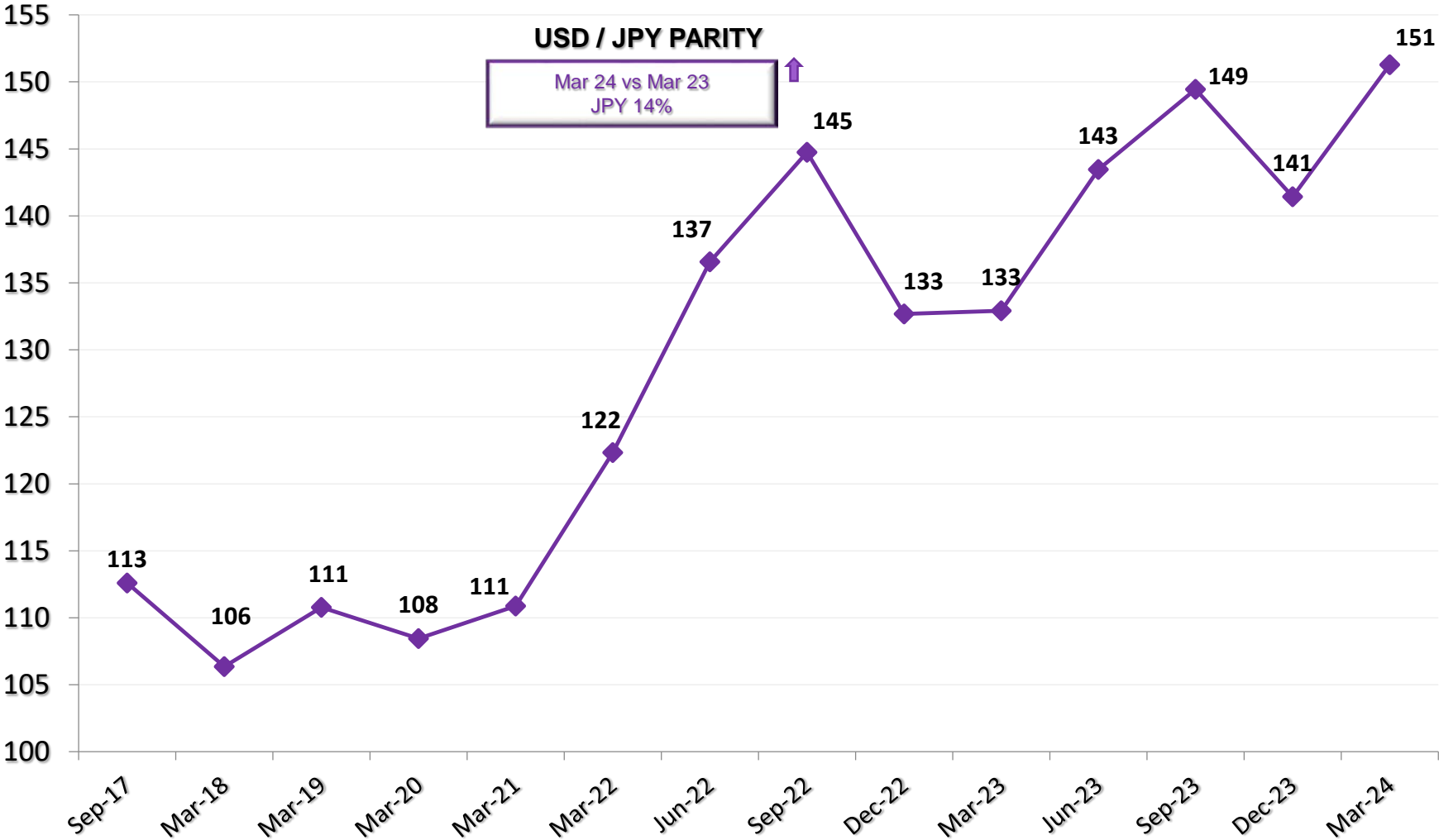
- Political and Economic uncertainty;
- Squeezing government spending on development projects
- Restrictions / discouragement of non-essential imports by the Govt.;
- Import Margins on LC openings;

# FOREIGN EXCHANGE ANALYSIS

# Foreign Exchange Spot Rate



# Foreign Exchange Spot Rate





# FINANCIAL HIGHLIGHTS

# FINANCIAL HIGHLIGHTS – Profit & Loss A/C

Particulars	March 31,		June 30,
	2023	2024	2024
Units	1,000	332	76
	Rs. in '000		
Turnover	13,185,973	7,622,709	1,918,517
<b>Gross Profit</b>	<b>1,126,607</b>	<b>907,889</b>	<b>224,728</b>
Distribution cost & administrative expenses	(814,661)	(869,502)	(205,309)
Other Income	204,601	164,521	27,937
<b>Operating Profit / Loss</b>	<b>516,547</b>	<b>202,908</b>	<b>47,356</b>
Finance Cost	(255,858)	(239,313)	(142,894)
<b>Profit / (loss) before tax</b>	<b>260,689</b>	<b>(36,405)</b>	<b>(95,538)</b>
Corporate Tax	(244,656)	(94,693)	(24,150)
<b>Profit / (loss) after tax</b>	<b>16,033</b>	<b>(131,098)</b>	<b>(119,688)</b>
Earnings / (loss) per Share	Rs. 0.65	Rs. (5.29)	Rs. (4.83)

# FINANCIAL HIGHLIGHTS

- Overall market size shrink is 50% (5004 units in Mar'23 to 2477 units in Mar'24).
- Gross profit margins improved from 8.5% to 11.9% based on the favorable exchange impacts and improved pricings.
- Finance cost incurred for Rs. 224 million mainly for short term borrowings.
- Loss per share of Rs. 5.29 in March 2024 as against last year earning per share of Rs. 0.65.
- During the year, employee rightsizing activity was carried out for lean business operations of the company.

# FINANCIAL HIGHLIGHTS – Balance Sheet

Particulars	March 31,		June 30,
	2023	2024	2024
	Rs. in '000		
Non-Current Assets	4,016,921	4,027,351	3,929,152
Inventory	2,043,552	4,145,840	4,469,799
Other Current Assets	3,078,145	1,783,632	1,719,789
<b>Total Assets</b>	<b>9,138,618</b>	<b>9,956,823</b>	<b>10,118,740</b>
Equity	5,154,710	5,295,705	5,176,017
Long-Term Liabilities	234,618	230,356	196,433
Current Liabilities	3,749,290	4,430,762	4,746,290
<b>Total Equity &amp; Liabilities</b>	<b>9,138,618</b>	<b>9,956,823</b>	<b>10,118,740</b>

- Increase in inventory balances is mainly based on the planning for new models.

# CHALLENGES & OUTLOOK

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Automobile industry is presently facing various challenges which includes mainly:

- Political and economic instability leading to low economic output
- Forced mandatory export targets affecting add. custom duty
- High interest rates affecting lease sales volumes and profitability
- Double digit Inflation impacting cost of material/services

The management is striving hard to ensure the sustainable business operations of the company.

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