

INDUS MOTOR COMPANY LTD

Corporate Briefing Session
For the Year Ended June 30, 2024

11th September, 2024



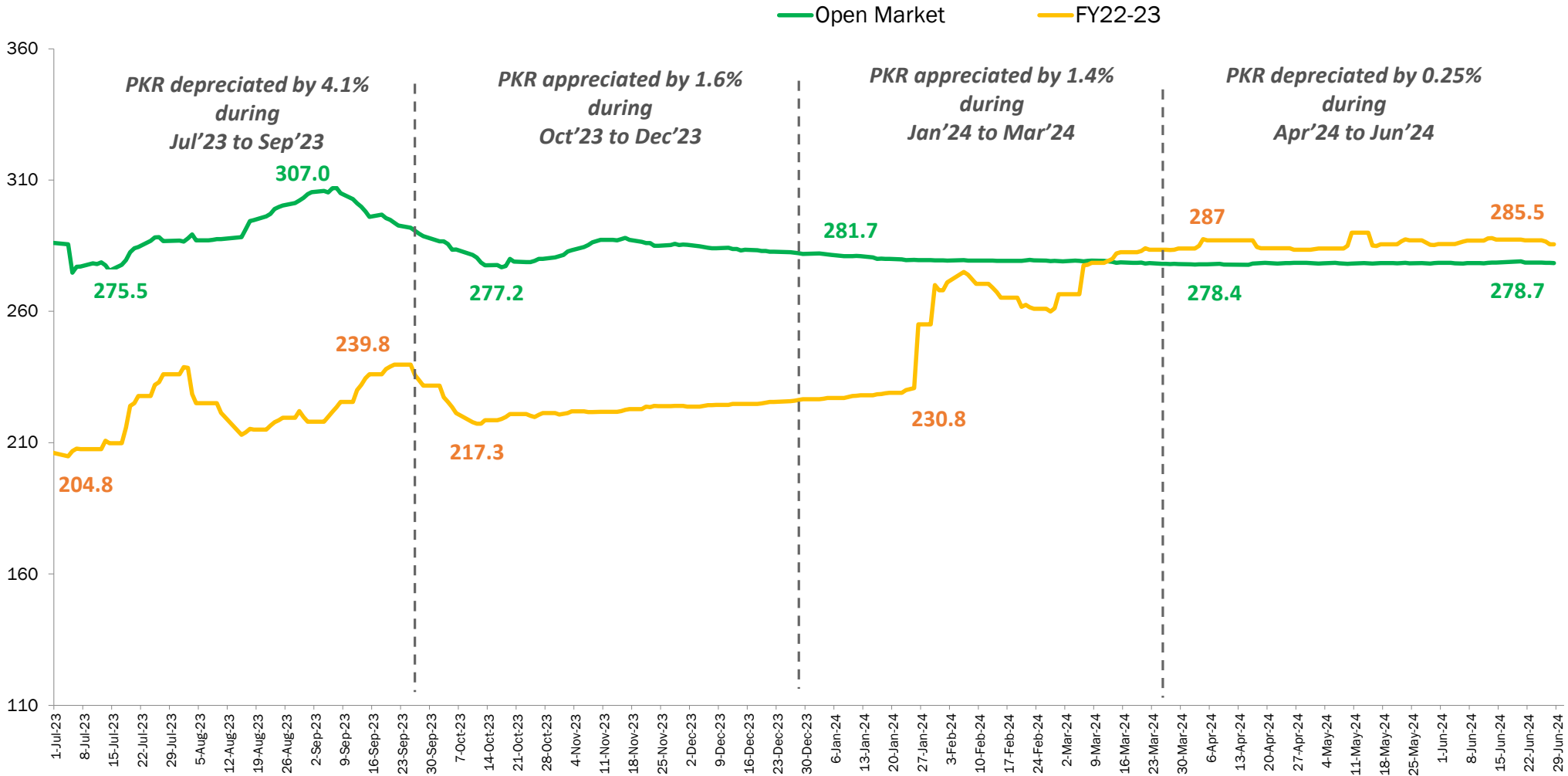
HIGHLIGHTS FOR YEAR ENDED JUNE 2024

1. The net sales turnover for the year ended June 2024 decreased by 14% to Rs. 152.48 billion as compared to Rs.177.71 billion in the same period last year. Profit after tax for the year ended increased by 56% to Rs.15.07 billion, as against Rs. 9.66 billion achieved in the same period last year.
2. The decrease in turnover for the period was mainly due to lower CKD and CBU sales volumes. The demand remained subdued mainly due to higher duties and taxes, high interest rates, low auto finance availability and diminished purchasing power of consumers.
3. The Company's positive results were mainly due to cost reduction measures, increasing localization of parts and Pakistani Rupee appreciation against the Japanese Yen, which reduced the cost of vehicles. Furthermore, return on deposits and investments continues to make significant contribution to the overall profitability.
4. During last year, mainly in the first half the Company have sold vehicles at committed price and borne impact of significant PKR depreciation, which resulted in net loss from operations by manufacturing segment in last year. The Company was able to recover this year by passing partial impact of cost increases to consumers, improving sales mix and reducing its costs.
5. In December 2023, the company launched much awaited Toyota Corolla Cross with the highest localized content for hybrid vehicle in the entire auto market, which also contributed to positive results. The initiative was made to support Government efforts to reduce fuel imports and adopt cleaner environment.
6. The Board of directors have declared Final interim cash dividend of Rs. 43 per share for quarter ended Jun 30, 2024 as against Rs. 29 per share for same quarter last year resulting in the total dividend for the year ended June 2024 of Rs.114.7 (2023 Rs.71.8).
7. The Company contributed Rs. 68.5 billion (2023 Rs. 84.8 billion) to the national treasury, representing approximately 0.8% of the total tax revenue collected by the Government of Pakistan. Since its establishment in 1989, the Company has contributed over Rs. 780 billion to the national exchequer.

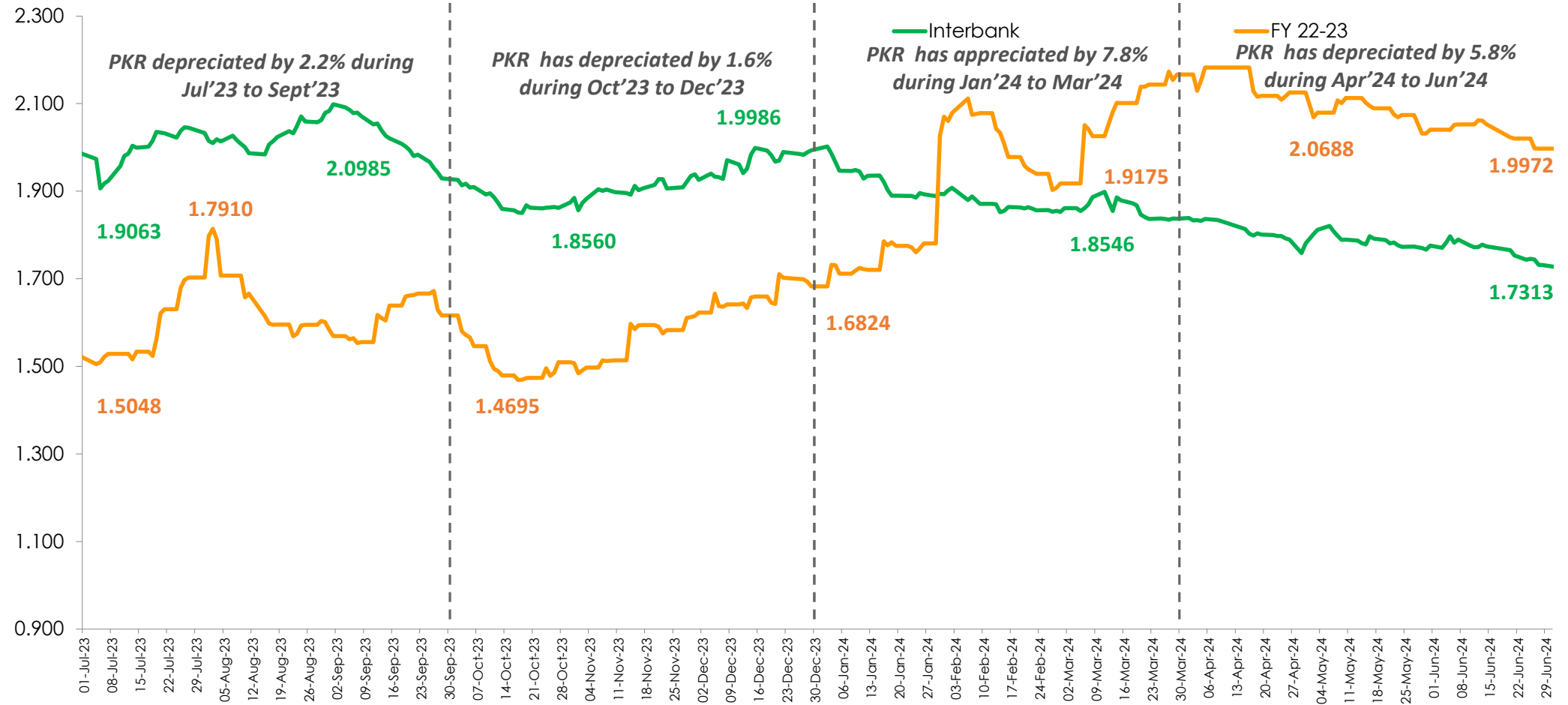
IMCL PERFORMANCE FOR THE YEAR ENDED JUNE 30, 2024

Operating Highlights		Year Ended June 30,2024		% change
		2024	2023	2024 vs. 2023
Vehicle Sales	Units	21,063	31,602	-33%
Vehicle Production	Units	19,599	32,696	-40%
Net Revenue	Rs in million	152,481	177,711	-14%
Gross Profit	Rs in million	19,382	7,931	144%
Other Income	Rs in million	13,656	14,179	-4%
Profit Before Tax	Rs in million	23,327	16,797	39%
Profit After Tax	Rs in million	15,072	9,664	56%
Earnings Per Share	Rs	191.76	122.96	56%
At the end of Period		As at		
		30-Jun-24	30-Jun-23	
Total Assets	Rs in million	145,820	122,764	19%
Shareholders' Equity	Rs in million	67,226	60,070	12%
Share Performance		As at		
		2-Sep-24	28-Aug-23	
Price per Share	Rs	1,746.55	953.21	83%
Market Capitalization	Rs in million	137,279	74,922	

PKR/USD PARITY



JPY/PKR PARITY



BUSINESS OUTLOOK AND KEY CHALLENGES

- 1. We foresee challenges to continue in the next quarters in the form of one or other, as certain measure but not limited to, structural reforms, increase in taxes, privatization of state-owned entities, curbing circular debt, etc., are on the back of IMF conditions.**
- 2. The auto sector continues to experience a significant downturn due to prevailing economic conditions, higher interest rates, higher duties and taxes, limited auto finance availability, low consumer purchasing power, etc. This may continue to keep low volumes of the sector in the upcoming periods.**
- 3. Pakistan existing taxation system overburdens the local automotive industry with higher duties and taxes, which has also contributed to significant decline in volumes, thereby resulting in lower contribution to the Government.**
- 4. The Company also requests consistency in policy making, particularly regarding the Hybrid incentives provided in the AIDEP 2021-26, which is step in right direction to reduce fuel import bill of vehicles and have clean environment.**
- 5. We request the Government to rationalize the duties and taxation system on CKD vehicles in Pakistan for fostering a fair and sustainable tax system that support volume growth and increasing contribution to the economy.**

THANK YOU

