

10th September 2024

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

SUBJECT: CORPORATE BRIEFING SESSION - PRESENTATION

Dear Sir,

This is further to our post on PUCARS dated 19th August 2024 regarding Corporate Briefing Session (CBS) for the financial year 2024.

Presentation for the CBS to be held virtually through MS Teams on 12th September 2024 at 10:00 a.m. is attached.

You may inform the members of the exchange accordingly.

Thanking You.

Yours truly,
PAKISTAN TOBACCO COMPANY LIMITED



Sami Zaman
Company Secretary

Pakistan Tobacco Company Corporate Briefing Session

AGENDA

1. About PTC
2. Current Business Environment
3. 2024 – H1 Financial Overview
 - a) Profit & Loss
 - b) Ratios Analysis
4. Outlook 2024
5. Q&A



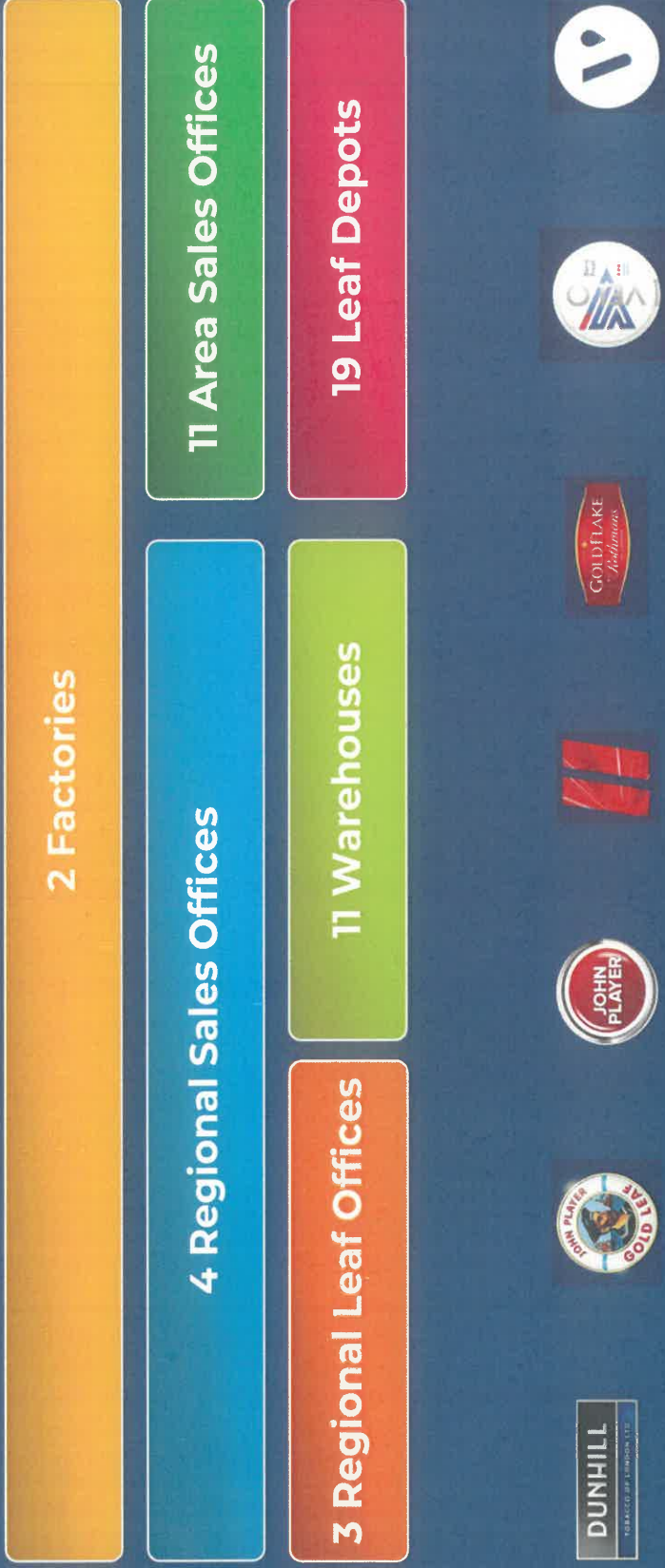
Company Overview



ABOUT PTC



As a key subsidiary of BAT Group, PTC has evolved from a single warehouse to a leading FMCG company with a focus on reduced-risk products, aligning with BAT's vision of a Smokeless World.



Current Business Environment



BUSINESS ENVIRONMENT



CONSUMER AFFORDABILITY



DECLINING CONSUMER
PURCHASING POWER

HIGHER PRICES VS. ILLICIT

ILLICIT GROWTH



ILLICIT MARKET SHARE
56%

MORE HEADROOM FOR
ENFORCEMENT

RISING COST BASE



LEAF
3X INCREASE

INFLATIONARY PRESSURE ON
THE COST BASE

FISCAL PRESSURE



GOVT. REVENUE PRESSURES

IMF PROGRAM NEGOTIATIONS
UNDERWAY

EXCISE ENVIRONMENT



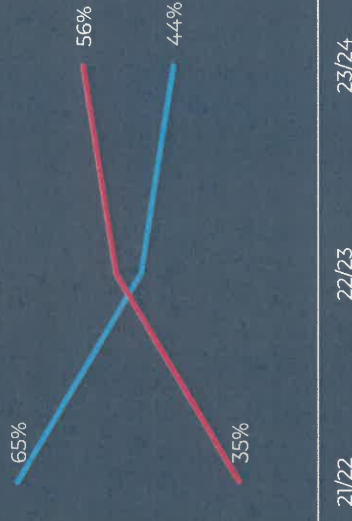
FMC EXCISE (Rs. / 1,000 sticks)

	TIER 1	TIER 2
May-22	5,200	1,650
Jun-22	5,900	1,850
Aug-22	6,500	2,050
Feb-23	16,500	5,050

200%+
excise increase in 1 year

IMPLICATION ON INDUSTRY

LEGIT ILLICIT



21% decline
in legit market share

EXCISE ON NEW CATEGORIES

	MODERN ORAL	VAPOUR
June 2024	-	Rs 10,000 per KG
Finance Bill 2024/25	Rs 1,200 per KG	Higher of Rs 10,000 per KG or 65% of Retail Price

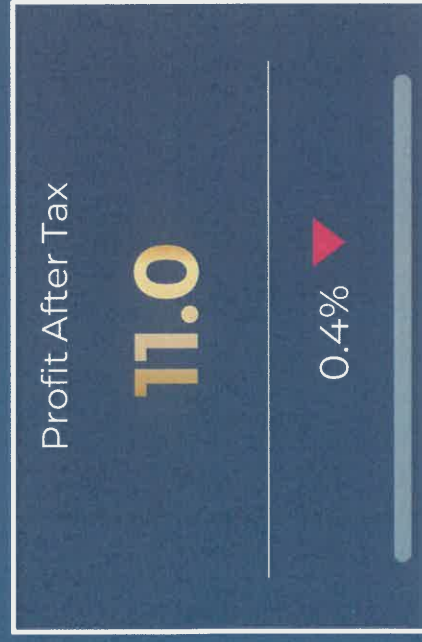
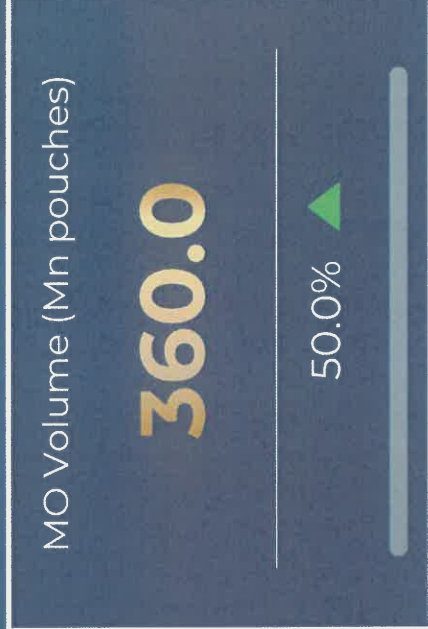
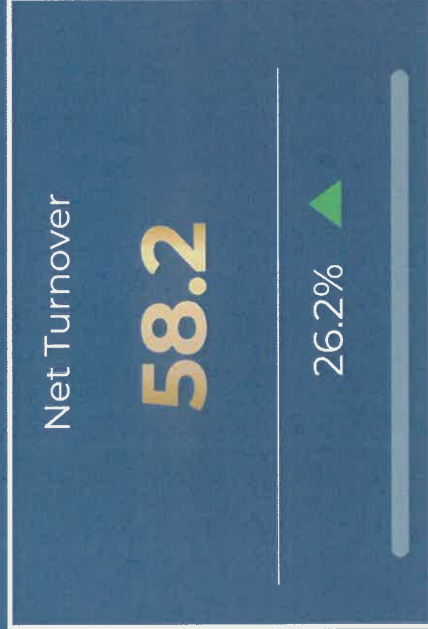
Significant increase in excise on new category products

Financial Overview

H1 2024



PROFIT & LOSS REVIEW – H1 2024 (vs. SPLY)



Note: Above financials in PKR Bn

RATIO ANALYSIS – H1 2024

**Gross Profit
Margin**



H1'23

57.8%

(Gross Profit / NTO) * 100%

**Operating
Profit Margin**

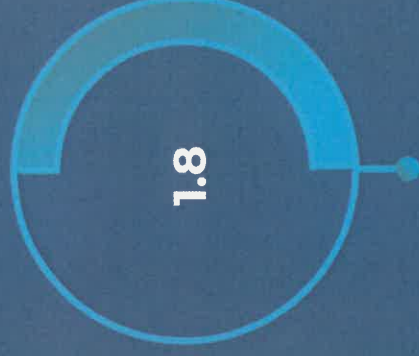


H1'23

39.5%

(Op. Profit / NTO) * 100%

**Current
Ratio**

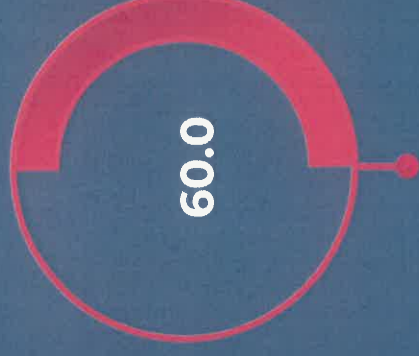


FY'23

1.6

Current Assets / Current Liabilities

**Dividend
Per Share**



H1'23

-

Dividends Paid / No. of Shares



Outlook 2024



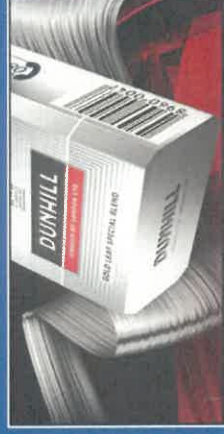
OUTLOOK

MACROECONOMIC FACTORS



GDP growth projected at 2.3%
Sustainability of policies crucial for economic recovery

TRACK AND TRACE SYSTEM



T&T system has potential but requires proper implementation and enforcement

EXCISE ON VAPOUR



Legitimate players at a severe disadvantage as compared to illicit offerings

OUR AMBITION



COMPANY STRATEGY



Sustainable Business Growth
Focus on New Categories & Exports

HUMAN CENTRIC VALUE CREATION



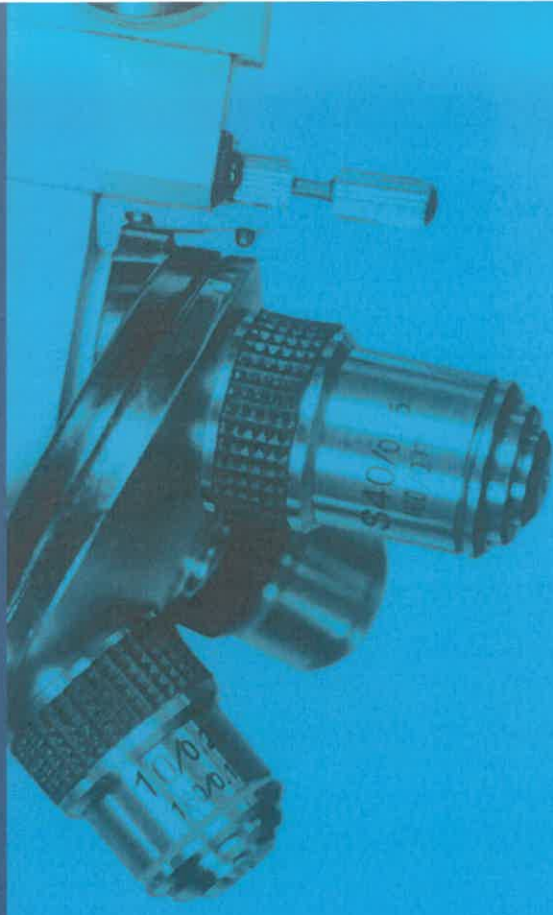
Fostering an Agile and Inclusive Culture
Developing Transformative Leadership

ESG STRATEGY



Carbon Neutrality
Ethics and Integrity
Community Well-Being

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



Q&A

Thank You

