



BESTWAY CEMENT LIMITED

BCL/PSX/CBS
September 27, 2024

The General Manager
Pakistan Stock Exchange Ltd.
Stock Exchange Building
Stock Exchange Road
Karachi.

CORPORATE BRIEFING SESSION

Dear Sir,

This is in continuation of our earlier letter dated September 23, 2024 regarding subject, please find below the zoom link for the Corporate Briefing Session (CBS) of Bestway Cement Limited (the Company) scheduled on Monday, September 30, 2024 at 4:00 p.m. at ISE Tower Auditorium, 55-B, Jinnah Avenue, Islamabad as well as through video conference (on Zoom) to brief the investors/analysts on Company's current financial performance and outlook.

Join Zoom Meeting

<https://zoom.us/j/93701615591?pwd=76O9HpRIN7t7PN0SFfgcsOYr19PV6I.1>

Meeting ID: 937 0161 5591

Passcode: 112211

The CBS presentation is attached. You are requested to please inform the investors/members of the exchange accordingly.

Thanking you,

Yours sincerely,
for **Bestway Cement Limited**

Hassan Niazi
Company Secretary



Bestway Cement Limited

Corporate Briefing Session 2023-24

Conducted by
Mr. Muhammad Danish Khan (CFO)

Facilitated by
Ms. Nadia Saleem (HOD Budgeting)

CONTENTS



**Bestway
Group**



Key Highlights



**Corporate
Social
Responsibility**



**Future
Outlook**



**Q&A
Session**

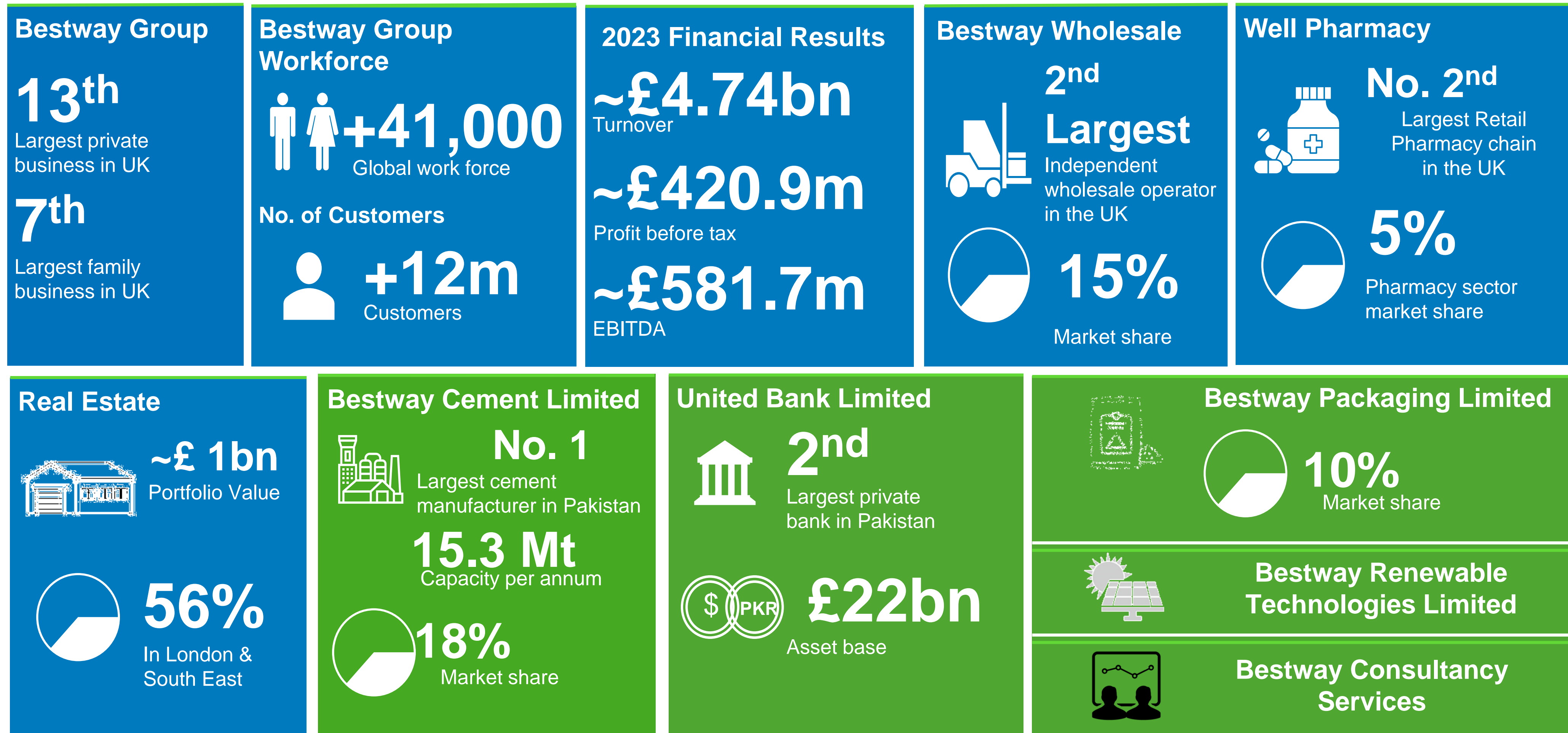


**Appendices
Key Financial Data**



BESTWAY GROUP

BESTWAY GROUP – FAST FACTS



LARGEST CEMENT PRODUCER IN PAKISTAN



15.3
million

tonnes cement per annum
production capacity

8

State-of-the-art production
lines at five locations

Hattar
Farooqia
Chakwal
Kallar Kahar
Mianwali

Bestway offers the widest
range of products for domestic
and international markets
including tile adhesives. We're
the only cement producer
Selling cement

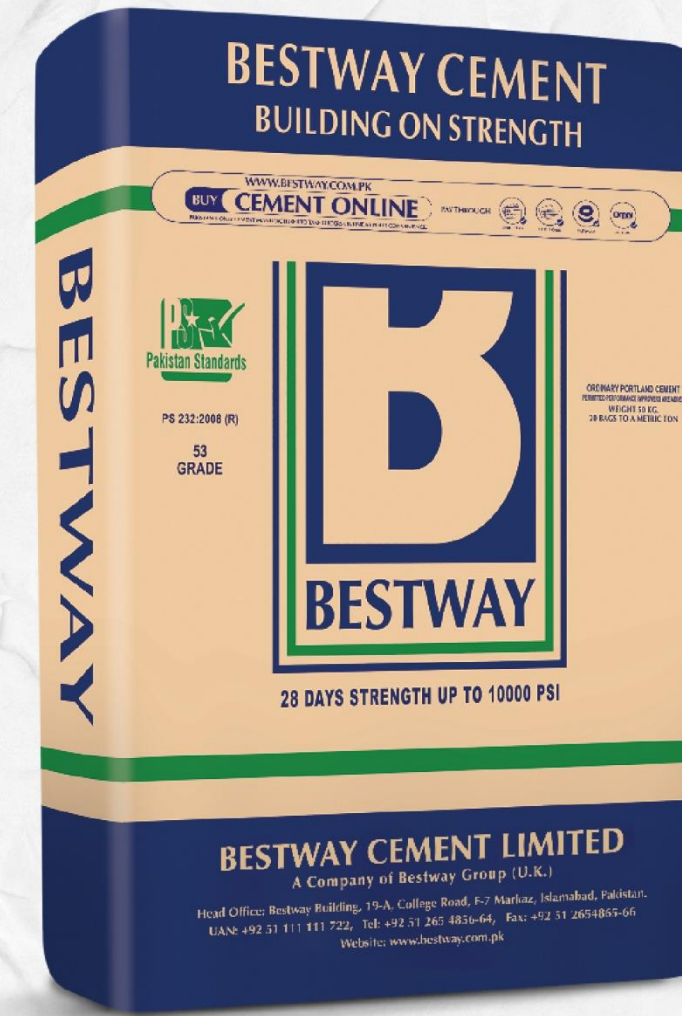
online

PRODUCT PORTFOLIO

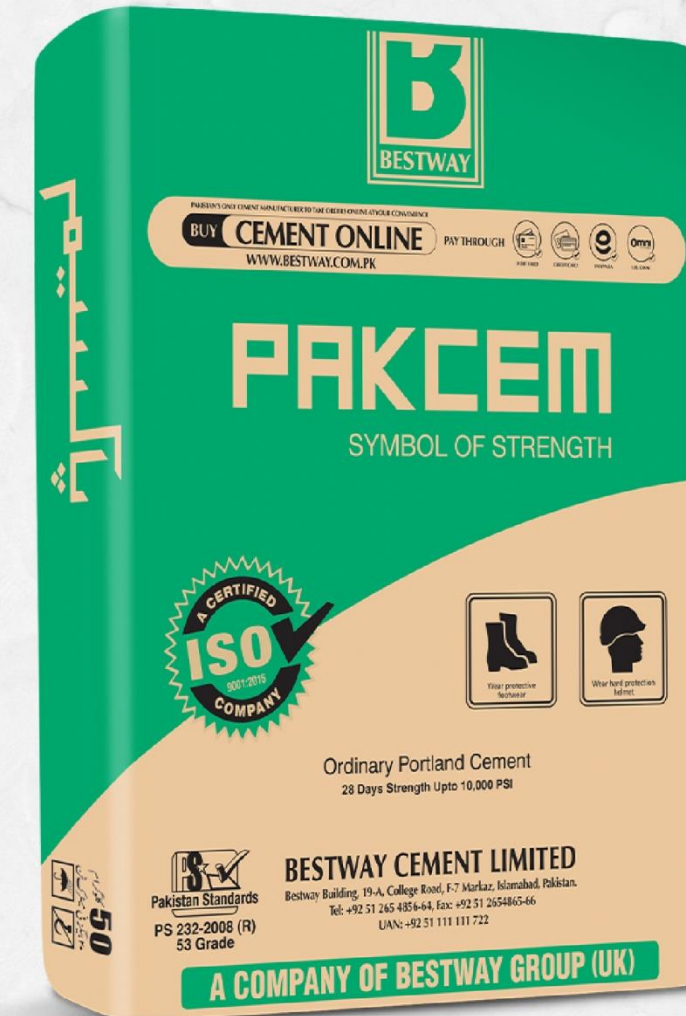


XTREME TILE BOND
SUPERIOR TILE ADHESIVE FOR FLOOR AND WALL TILES

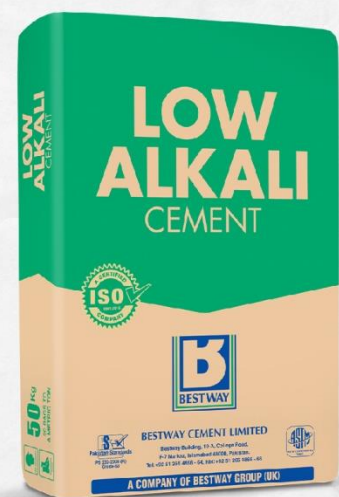
XTREME TILE GROUT
LONG LASTING, FAST COLORS



BESTWAY
ORDINARY PORTLAND CEMENT
ALL PURPOSE CEMENT



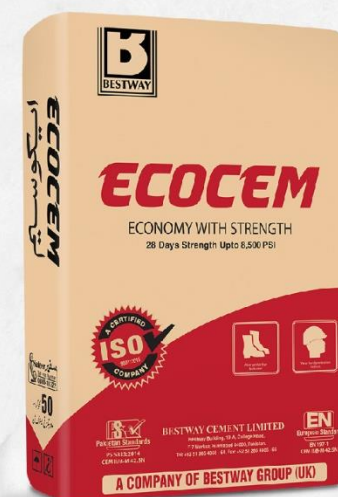
PAKCEM
ORDINARY PORTLAND CEMENT
ALL PURPOSE CEMENT



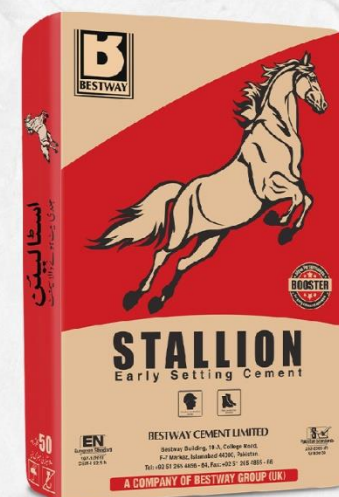
LOW ALKALI
INFRASTRUCTURE PROJECTS
ESPECIALLY FOR DAMS & BRIDGES



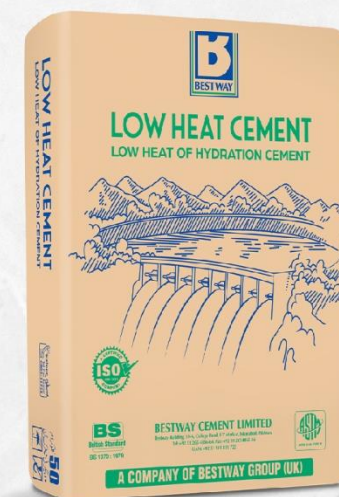
DURA CEM
ORDINARY PORTLAND CEMENT
ASTM C150 (TYPE I)



ECOCEM
ECONOMY WITH STRENGTH
ALL PURPOSE CEMENT



STALLION
EARLY SETTING CEMENT
FOR PRE-CAST



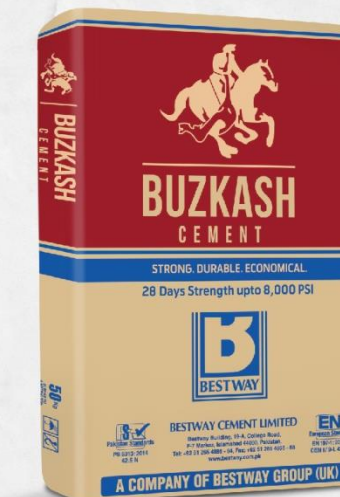
LOW HEAT CEMENT
LOW HEAT OF HYDRATION CEMENT
FOR MASS CONCRETING & DAMS



SRC
PROTECTS AGAINST
WATER LOGGED & SALINE SOILS



STALLION
HIGH QUALITY CEMENT
ALL PURPOSE CEMENT



BUZKASH
STRONG, DURABLE, ECONOMICAL,
ALL PURPOSE CEMENT



LION
LOW CHROME CEMENT



KEY HIGHLIGHTS

SIGNIFICANT HIGHLIGHTS



Outperformed Industry with 5.9% Growth

Bestway increased its market share and achieved a growth of 5.9 % in the sales volumes, outperforming the industry growth of 1.6%, mainly due to two new production lines in Hattar and Mianwali, which became operational in February and March 2023, respectively.

Further expansion in solar power generation

From 90 MW in June 2023 to 105 MW in June 2024.

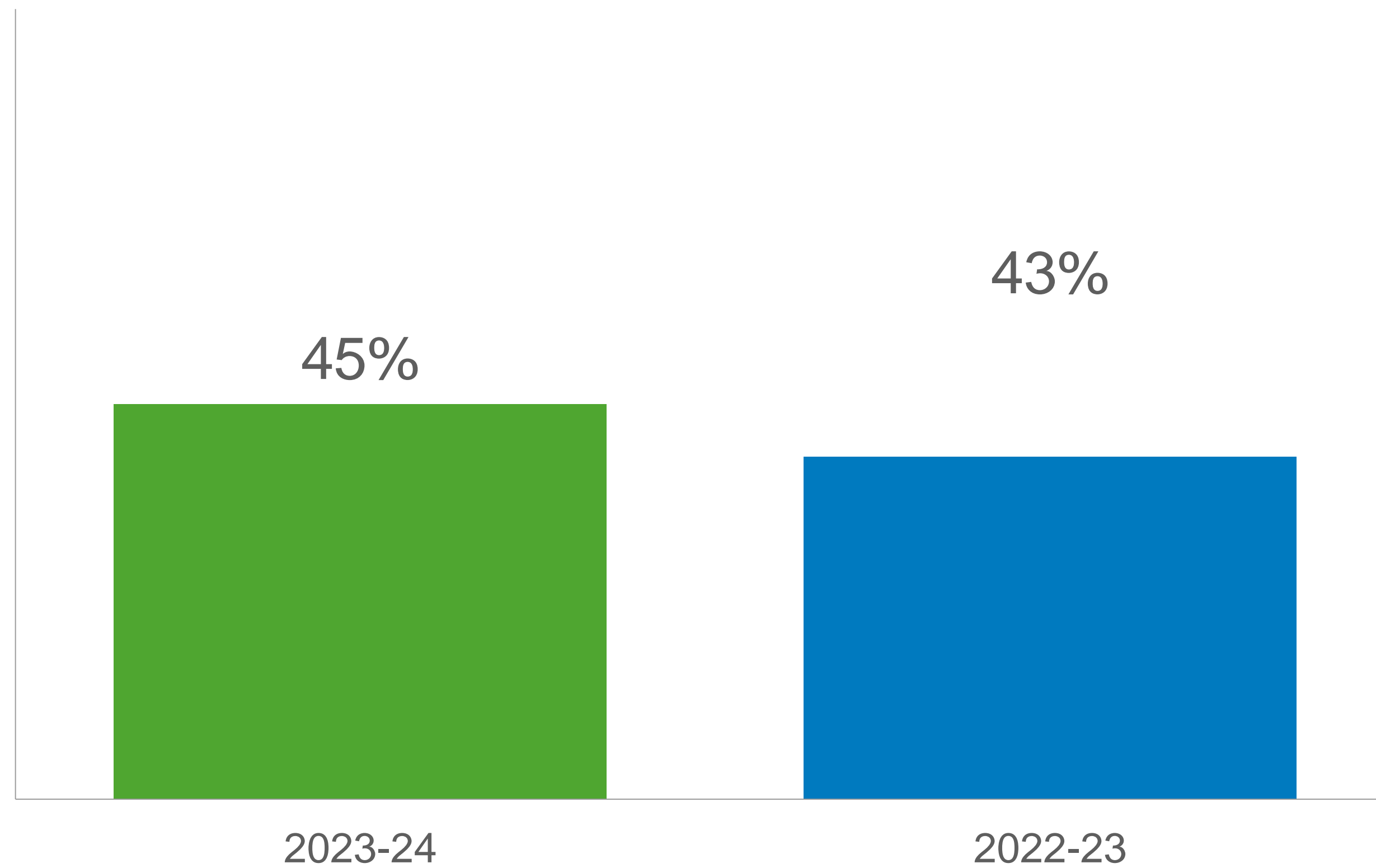
Focus on innovation, efficiency and financial discipline

resulted in Bestway retaining its position as the market leader in 2024, despite the challenging economic environment.

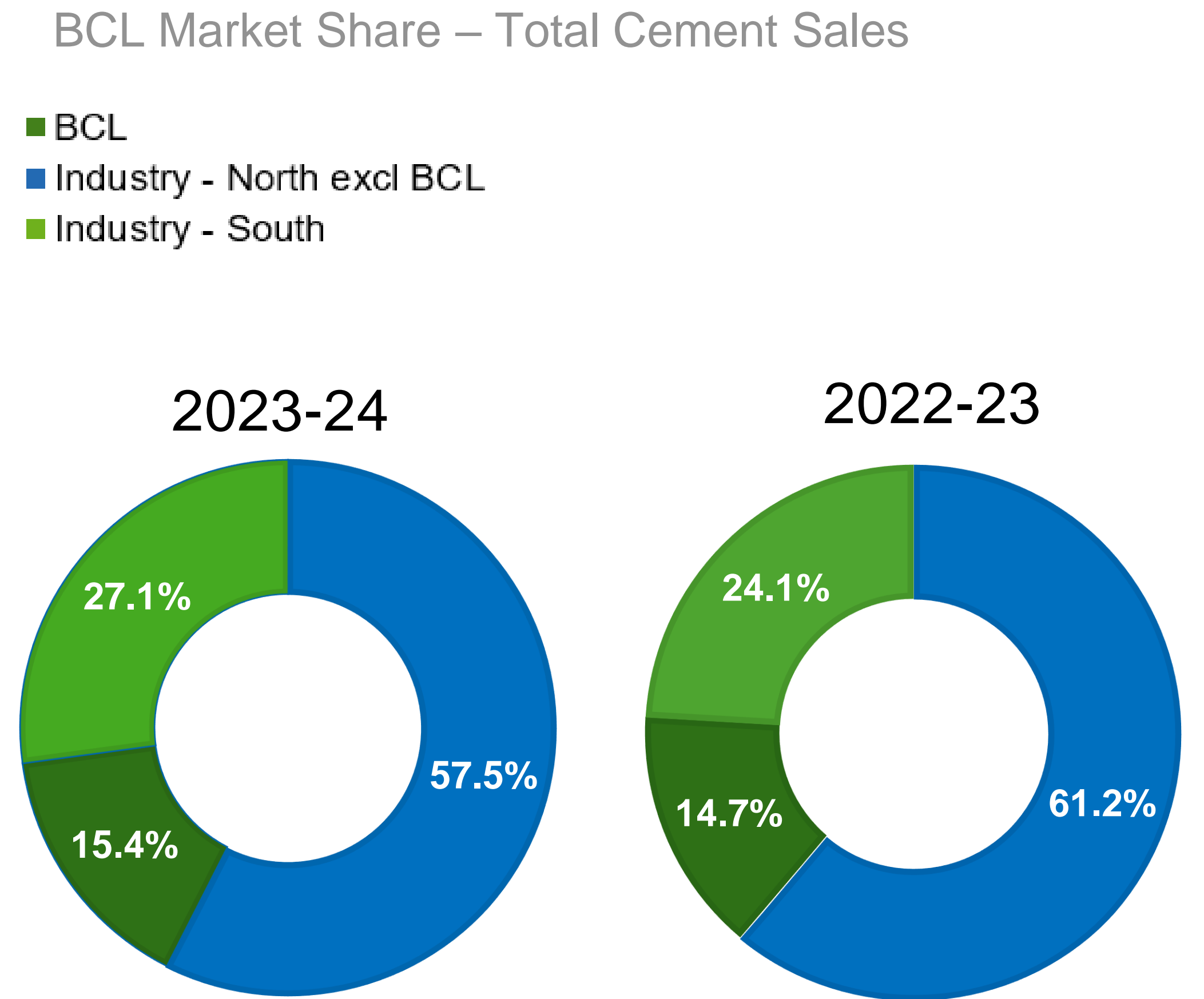
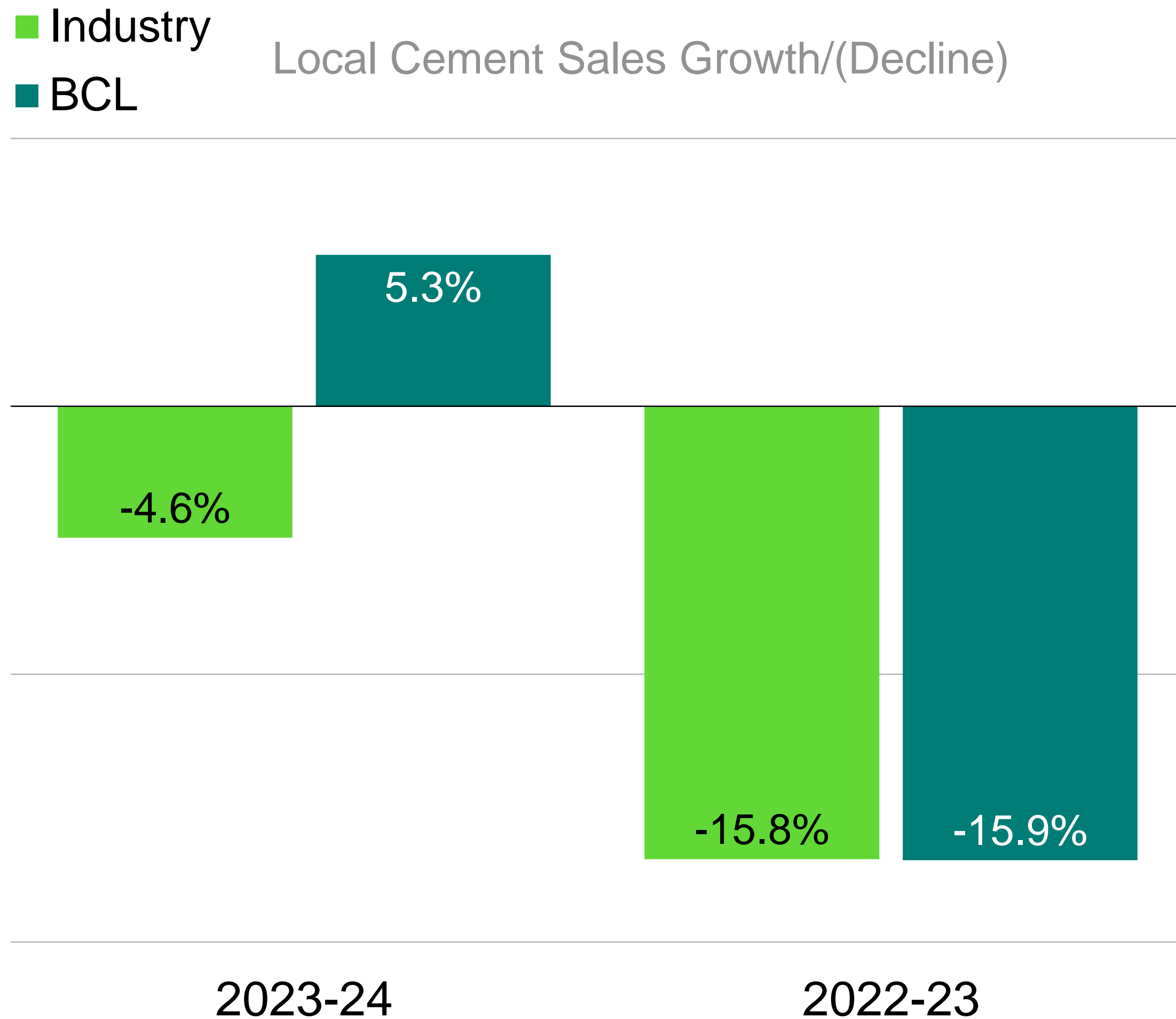
BCL CAPACITY UTILISATION



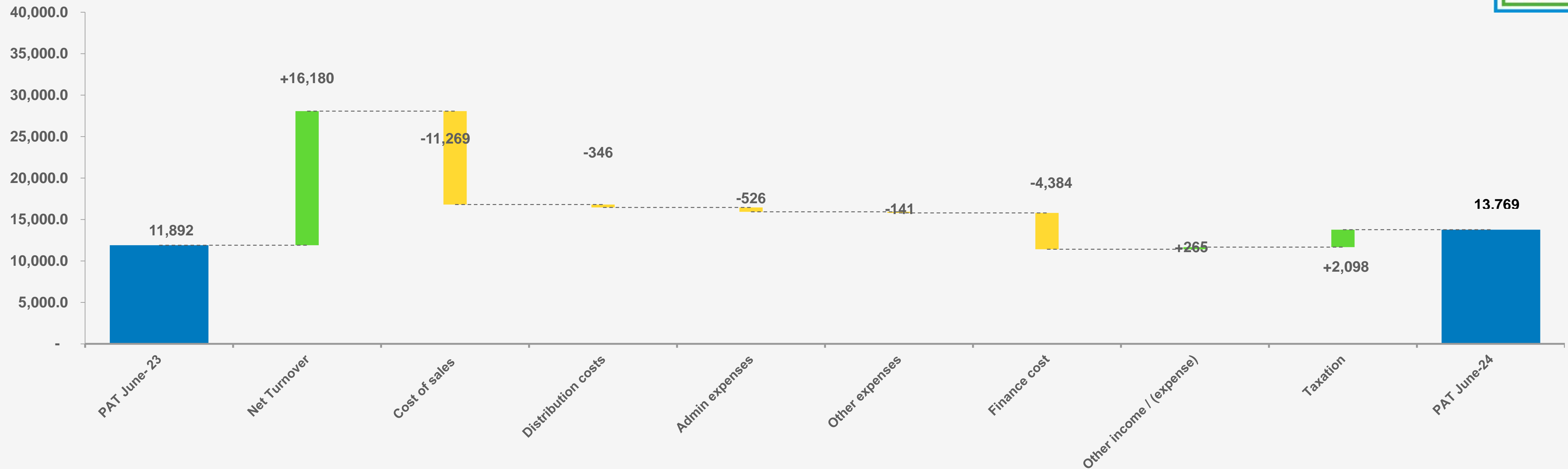
(Based on Installed capacity)



INDUSTRY GROWTH AND BCL MARKET SHARE (BASED ON DESPATCHES)



FINANCIAL PERFORMANCE



• **Net revenue** Increased by 16.2 billion (18%):

• **Volume Impact:** Sales volumes increased by 0.4MT (7%)

• **Retention Impact:** Net retention increased by (11% YOY).

• **Cost of sales** COGS also increased by 18% overall. Per tonne cost increased by 11% YOY due to increase in cost of power, raw material and packing material.

• **Gross profit:** Our GP % remained at 31%.

• **Admin, Selling & Distribution expenses**

• Admin expenses increased mainly due to increase in salaries, charitable donations and depreciation.

• Selling expenses increased due to higher freight costs.

• **Finance cost** increased due to significant increase in interest rates and higher borrowings for the Projects.

• **Other income** primarily increased due to increase in share of profit from associated company.

• **Income tax expense** is lower mainly due to reduction in deferred tax.

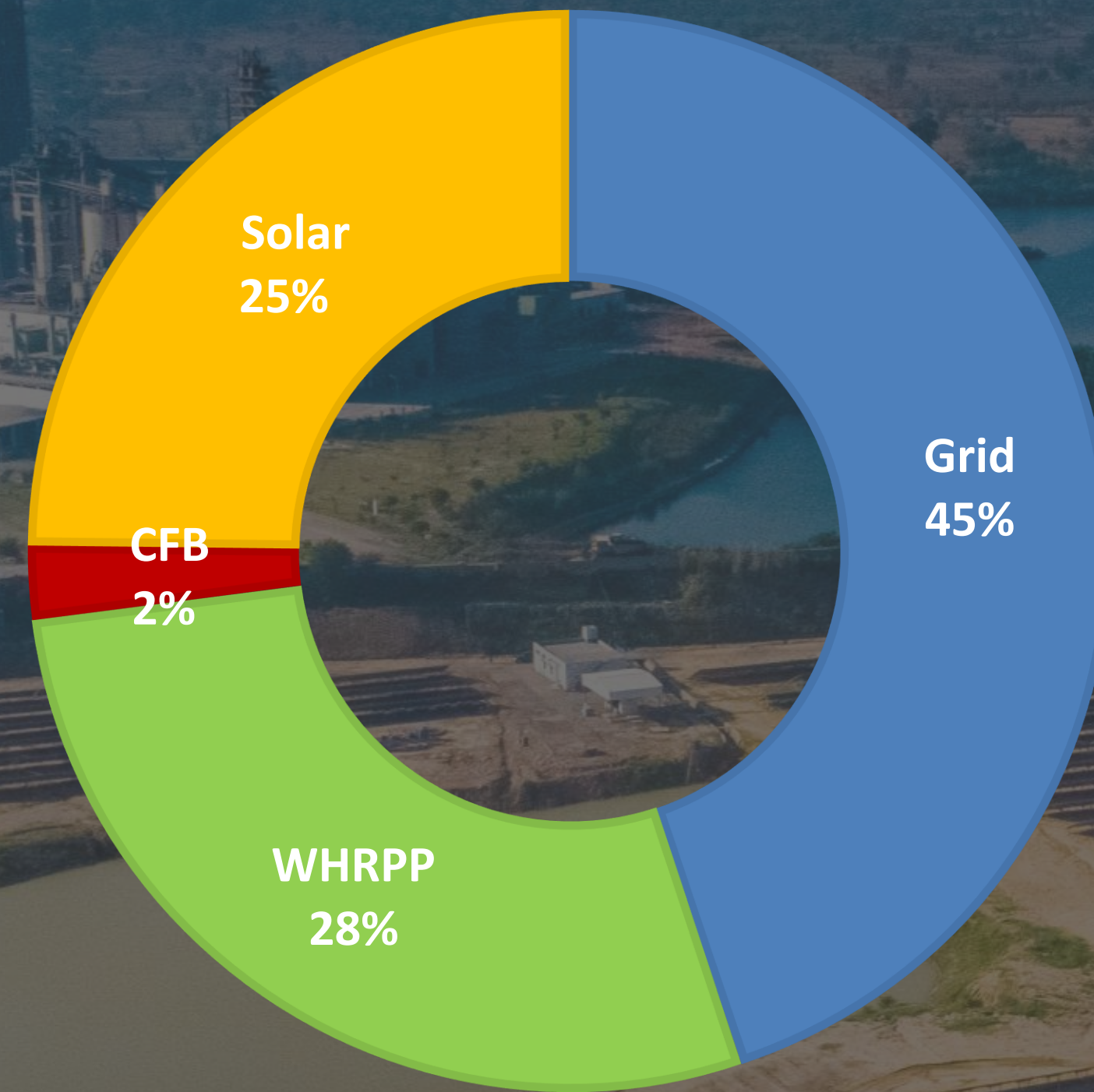
KEY FINANCIAL HIGHLIGHTS



Financial Measure	2023-24	2022-23
Debt : Equity Ratio	50:50	54:46
Dividend Payout	260%	210%
Operating Profit	Rs. 28 Billion	Rs. 24 Billion
Cash from Operating activities	Rs. 24 Billion	Rs. 10 Billion
CAPEX	Rs. 4 Billion	Rs. 32 Billion
Contribution to Exchequer	Rs. 43 Billion	Rs. 36 Billion

CURRENT POWER MIX

- Grid
- WHRPP
- CFB
- Solar





BESTWAY FOUNDATION SCHOOL

Inaugurated

By

Z.A

IOU

CBE



CORPORATE SOCIAL RESPONSIBILITY



CORPORATE SOCIAL RESPONSIBILITY



Education

- 1,661 students (including 848 girls) receiving education at 5 schools and 1 college being run by Bestway.
- Bestway Scholarship Endowment Funds of Rs. 60 million with NAMAL, Rs. 20 million with LUMS and Rs. 12.5 million with NUST.
- 16 fully funded scholarships are also being provided by Bestway in the UK

Health

- Free medical facilities are provided to thousands of patients in the local community.
- More than 65,633 patients benefitted from 5 medical centers located at Bestway Plants.

CSR

- Spent more than Rs. 500 million on various CSR initiatives, making it one of largest corporates in the country in terms of CSR spend.
- Supported 450 widows and indigents by providing financial assistance in the form of monthly stipends.
- Introduced hundreds of jobs for skilled and unskilled individuals.



FUTURE OUTLOOK

FUTURE OUTLOOK



1

Pakistan is still in the midst of significant economic and political challenges. Political and economic stability is needed to get the country out of crisis and to pave the way for future growth.

2

The new agreement with IMF along with restructuring of loans with friendly countries will provide stability in the short term. However, consumer confidence will take a while to return and economic recovery is expected to remain subdued in the short term.

3

- In the year to date (FY 25), the industry volumes have declined by 19% overall, compared with last year.
- With ongoing economic challenges already impacting demand, FY 2024-25 is anticipated to be a challenging year.

4

- The recent budget has substantially increased the tax burden on the already heavily taxed cement industry. These hikes in taxes and duties are expected to severely impact overall cement demand and construction activity.
- Bestway is one of the lowest cost producers in the country which means that it is much better placed to face off any headwinds and challenges.



QUESTION & ANSWER SESSION



APPENDICES

SALES VOLUME



Description	Industry			BCL		
	June-24	June-23	YOY	June-24	June-23	YOY
Domestic-North	31,544,689	32,784,605	-3.8%	6,840,278	6,493,233	5.3%
Domestic- South	6,640,472	7,237,202	-8.2%	-	-	0%
Domestic- Total	38,185,161	40,021,807	-4.6%	6,840,278	6,493,233	(5.3%)
Exports-North	1,457,947	1,071,122	36.1%	121,262	79,701	(52.1%)
Exports- South	5,652,436	3,496,367	61.7%	-	-	0%
Exports- Total	7,110,383	4,567,489	55.7%	121,262	79,701	(52.1%)
Grand Total	45,295,543	44,589,296	1.6%	6,961,540	6,572,934	(5.9 %)

KEY FINANCIAL DATA

HISTORICAL DATA



OPERATING RESULTS (PKR Millions)	2024	2023	2022	2021	2020	2019	2018
Net turnover	103,922	87,742	72,370	56,864	37,129	53,602	52,884
Cost of sales	71,695	60,426	49,377	40,261	36,012	37,557	33,928
Gross profit	32,227	27,316	22,993	16,603	1,117	16,045	18,956
Operating profit	28,224	24,325	19,144	14,691	(26)	13,290	14,217
Finance cost	11,212	6,828	1,480	1,071	2,152	1,498	600
Profit before tax	22,377	22,598	19,347	15,538	(506)	13,246	14,964
Profit for the year	13,769	11,892	10,239	11,578	49	10,097	13,158
STATEMENT OF FINANCIAL POSITION (PKR Millions)	2024	2023	2022	2021	2020	2019	2018
Share capital and reserves	63,060	61,846	60,757	60,123	54,653	57,606	53,310
Property, plant and equipment	113,482	115,529	85,670	55,007	55,789	57,242	56,086
Long term financing	40,683	46,338	21,982	11,872	11,542	-	5,500
Net current (liabilities) / assets	(11,469)	(9,071)	(9,811)	6,366	(1,441)	(9,680)	(7,250)

KEY FINANCIAL DATA

HISTORICAL DATA



SIGNIFICANT FINANCIAL RATIOS (Percentage)	2024	2023	2022	2021	2020	2019	2018
Gross profit ratio	31.01	31.04	31.94	29.20	3.01	29.93	35.84
Net profit ratio	13.25	13.51	13.89	20.36	0.13	18.84	24.88
Interest coverage ratio	3.00	4.31	14.57	15.51	0.76	9.84	25.94
Return on equity	21.82	19.23	16.46	19.26	0.09	17.53	24.68
Earnings per share	23.09	19.94	17.17	19.42	0.08	16.93	22.07
Dividend payout	260	210	160	140	30	110	120
Despatches (Thousand Metric Tonnes)	2024	2023	2022	2021	2020	2019	2018
Cement and Xtreme bond	6,962	6,572	7,839	8,664	7,311	8,126	8,590