

THE ORGANIC MEAT COMPANY LIMITED

CORPORATE BRIEFING SESSION

We are pleased to invite all shareholders, investors, and analysts to attend the Corporate Briefing Session of **The Organic Meat Company Limited** to brief about the Company's performance during FY24 and outlook going forward is scheduled as follows:

Date: October 18, 2024
Time: 11:30 AM, Friday
Venue: Corporate Office - The Organic Meat Company Limited,
Plot # 254, Sector 24, Korangi Industrial Area, Karachi

Physical Participation:

You can join the session with Original CNIC, institutional identity card/authority letter, details of folio number (if applicable) are necessary to attend the session physically.

Online Participation:

Accordingly, shareholders and analysts wishing to attend the session online are requested to register by following the registration link provided on the next page.

During the session, we will provide an overview of the company's performance, financial results, and future outlook. Attendees will also have the opportunity to ask questions and engage with the management team.

You may please inform the TRE Certificate Holders of the Exchange accordingly.

For: **The Organic Meat Company Ltd**



Imran Khan
Company Secretary
Contact: cs@tomcl.net
Website: <https://tomcl.net/>

THE ORGANIC MEAT COMPANY LIMITED

ANALYST BRIEFING SESSION FOR FY24

 Live
Webinar



Friday 18th October 2024
11:30 AM PK

Mr. Faisal Hussain

CEO

Mr. Faisal Hussain has been leading the company since the very first day of operations as the Chief Executive Officer. His vision, along with his dedication to work, has resulted in enormous growth in the last ten years. It was his ideas and research which resulted in a well-built and firmly structured operations facility for The Organic Meat Company Limited.

Moreover, he enjoys the credit for introducing many innovations into Pakistan's meat produce sector including Vacuum packed beef meat and shipping fresh meat to the Middle East by sea to reduce the transportation cost to the biggest market for a Pakistani meat exporter. He is the true catalyst for making TOMCL different and better equipped than any other company in Pakistan in the agriculture livestock and meat sector.



Muhammad Faisal Idrees

CFO

Mr. Muhammad Faisal Idrees has recently joined in October 2022, as the Group Chief Financial Officer with TOMCL. He has more than 25 years of experience in the field of finance, investment banking, M&A transactions both in Pakistan and the Middle East.

He has been Group Chief Financial Officer of many public listed companies and conglomerates such as Ajlan Group, KSA, Al Wazzan Holdings, Kuwait, Global Omani Development & Investment Group, Kuwait and Mybank Limited, Pakistan.



HOSTED BY

SYED FAWAD BASIR

Head of Research, KTrade

Registration link:

www.kasb.com/tomcl-register

CORPORATE BRIEFING SESSION 2024



THE ORGANIC
MEAT COMPANY LIMITED



SCHEDULE OF THE EVENT

- ❑ Tilawat e Quran
- ❑ Opening remarks by Mr. Faisal Hussain
Chief Executive Officer (5 minutes)
- ❑ Analysts Presentation by
Mr. Muhammad Faisal Idrees Chief Financial Officer (20 minutes)
- ❑ Question & Answer session (20 minutes)





OPENING REMARKS
BY
MR. FAISAL HUSSAIN
CHIEF EXECUTIVE OFFICER



The Organic Meat Company Limited (TOMCL) – An Introduction

- One of the largest Halal meat processor and exporter, with the largest market coverage from Pakistan.
- The current operational facilities are :
 1. A slaughter-house, processing facility, and fattening farm on an area of 13.852 acres at Gadap, Karachi
 2. Offal processing facility at Korangi Industrial Area, Karachi
 3. A sheep casing and offal processing facility acquired in August 2023 located at Karachi Export Processing Zone (KEPZ) - acquisition of control by December 2024
 4. Naturally dehydrated pet chews processing at Korangi Industrial Area, Karachi
 5. Cooking and heat treatment facilities at Gadap & Korangi Industrial Area
- Product categories include fresh chilled meat, frozen meat, vacuum packed meat, M.A.P. vacuum packed chilled meat, Heat treated/cooked meat, private labelling fresh/frozen and salted vacuum packed offal, fresh and frozen red offal, and dehydrated/baked natural pet chews.

Comparative Performance Overview between 2023 and 2024 with Growth and %age

	(Rupees in Millions)			
Financial Metric	FY 2024	FY 2023	Growth	Growth %
Net Sales	11,797.75	6,365.24	5,432.52	85%
Gross Profit	1,579.04	852.45	726.59	85%
Operating Expenses	787.41	539.56	247.86	46%
Finance Cost	231.49	181.03	50.46	28%
Other Income	154.36	675.03	(520.66)	-77%
Profit Before Tax	483.45	722.19	(238.74)	-33%
Profit For The Year	497.37	722.19	(224.82)	-31%
Earnings Per Share (Rupees)	3.35	4.86	(1.51)	-31%
Real EPS (after adjusting for exchange differences and deferred taxes in Rupees)	2.80	0.71	2.09	294%



ANALYSTS BRIEFING

BY

MR. MUHAMMAD FAISAL IDREES

CHIEF FINANCIAL OFFICER



The Organic Meat Company Limited – Largest Meat Product Portfolio in Pakistan

Product Offerings

Heat Treated Meat & Cooked Processed Beef



Heat-treated/cooked boneless beef
Cooked beef balls

Pet Chews



Dried/dehydrated/
baked offal

Mutton



Fresh Chilled & Frozen Mutton Carcass, bone-in and boneless

Beef



Fresh Chilled & Frozen Beef Bone-in & Boneless with private labelling.

Offal



Fresh chilled & Frozen edible red offal & white offal, Raw & Salted Raw Bones & Hides

TOMCL

Corporate Briefing

2024



The Organic Meat Company Limited (TOMCL) – Our Market Reach

Middle East & South Asia



Saudi Arabia



UAE



Egypt



Iraq



Oman



Bahrain



Kuwait



Qatar



Maldives



Jordan



Far East



China



Hong Kong



Thailand



Vietnam

CIS



Azerbaijan



Uzbekistan

North America



USA



Canada

EUROPE



Italy



Albania

TOMCL has the most extensive market access within Pakistan's meat export segment

Future Target Markets



Russia



The Organic Meat Company Limited – Our Company's "1st - Firsts" in Pakistan

- Deboning facility introduced in Pakistan.
- Offering Fresh Chilled Vacuum-Packed Meats and frozen meat products from Pakistan.
- Shifted logistics to "via-sea" for Fresh Chilled Meat to UAE, Oman and Qatar markets.
- Cooked/heat-treated meat from Pakistan for countries with FMD restrictions.
- First company registered on sea ports in KSA duly approved by Saudi Food and Drug Authority (SFDA) for meat exports.
- Exclusive approval from Middle Eastern food processing companies, Americana, and Seara for frozen meat supplies.
- Largest animal fattening facility
- Dehydrated Pet chews to the international markets.
- USDA (FDA) approval for exporting dehydrated Pet chews.
- Private Labeling for importers in the Middle East.
- Only company to have sheep casings EU approvals post-acquisition of MSMHL.
- Red and white offal export initiated from Pakistan for GCC.
- EU approved for salted beef casings exports from Pakistan.
- First company from Pakistan to be approved for cooked beef (frozen) exports to China by the GACC
- First company in Pakistan to get approval to export MAP vacuum packed meat to UAE via-sea
- Only company in Pakistan to export pet chews to Canada



The Organic Meat Company Limited – Our Recent Achievements

- In September 2024, successfully secured a significant contract for the supply of frozen cooked beef meat to the People's Republic of China (PR China). This contract, valued at USD 12 million.
- In September 2024, the successful completion of Expansion Phase 2 has increased the company's production capacity by an additional 300 metric tons (MT) per month for frozen cooked beef meat.
- VIS Credit Rating Company Limited (VIS) has upgraded the ratings of the Company to 'A/A-1' from 'A-/A-2'. The long-term rating of 'A' indicates good credit quality with adequate protection factors, while the short-term rating of 'A-1' reflects high certainty of timely payment with excellent liquidity factors and minor risk factors. The rating outlook is 'Stable'.
- On May 2, 2024, the successful completion of First Phase of Operational Expansion Increases Chilled Product Capacity by 30% at Gadap Facility.
- The first company from South Asia to have successfully exported Cooked/Heat Treated Frozen Beef meat products to the Peoples' Republic of China on March, 2024.
- The Company has undertaken a substantial expansion of their existing meat chilling and freezing capacities through an enhanced investment outlay of Rupees 650 million.

The Organic Meat Company Limited – Our Recent Achievements

- **The first meat and offals processing company in Pakistan that has successfully secured the approval of its Environmental Management Plan (EMP) from the Sindh Environmental Protection Authority (SEPA), Government of Sindh.**
- **The Company has received approval to export "Red and White Offals (frozen and fresh, vacuum-packed)" to the UAE.**
- **The Company Completes 100% Acquisition of MSMHL, Fulfills all IPO Commitment.**
- **The first of its kind meat processor and exporter of Pakistan that Secures \$4 Million Contract to Export 1,000 Metric Tonnes of Beef to UAE in August, 2023. And after successful completion this contract renewed again in April 2024 for additional \$4 Million to Export 1,000 Metric Tonnes of Beef to UAE.**
- **The company has developed and implemented first phase of its Fattening farm management ERP which is a state-of-the-art fattening and feedlot farming enterprise program.**

TOMCL



Corporate Briefing



2024

The Organic Meat Company Limited | Business Challenges

- Animals mandi prices have been fluctuating erratically and thus needs astute planning by the management.
- High inflationary pressures on the economy translating in high cost of raw and packing materials.
- Energy and fuel prices have been increasing and being a manufacturing and processing business with high energy demands, this is affecting the gross margins.
- Bank interest / mark-up rates have remained high and the management has continued its strategy of gradual reduction in its bank borrowings as well as hedging against interest rate risk through better cash placement and management practices.



The Organic Meat Company Limited | Business Challenges

- The new taxation for exports introduced for TY 2025 and onwards which has moved the Company from Final Tax Regime (FTR) to Minimum Tax Regime (MTR). The additional 1% adjustable advance tax deducted at source on inward remittance. Further Super Tax applicability (under litigation by industry) is also a significant burden on the Company's operating cash flows.
- The conflict in Middle East has a potential to escalate and expand to embroil the region and thus the management is focussing on diversifying its exports to CIS and with particular focus on China to ensure this risk is adequately managed in the foreseeable future.



Results Assessment



TOMCL ✦

Corporate Briefing

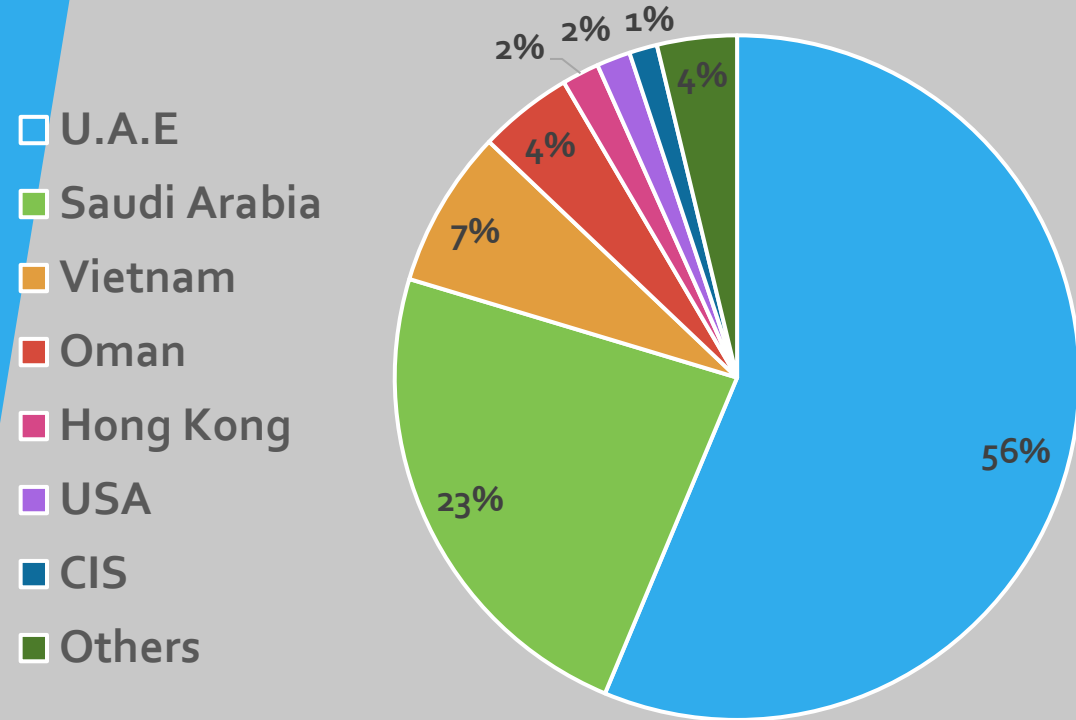


2024

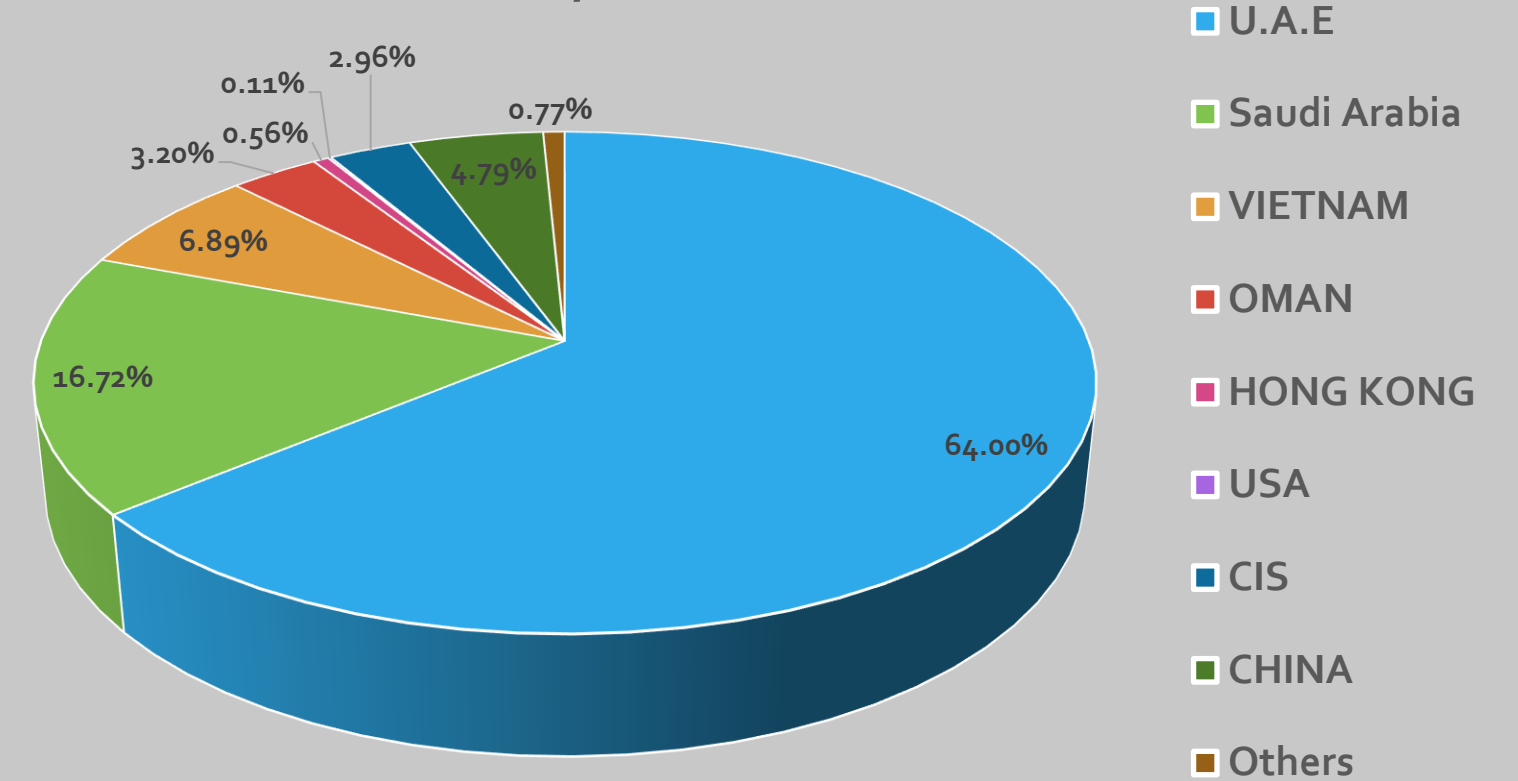


The Organic Meat Company Limited | Sales Mix Profile

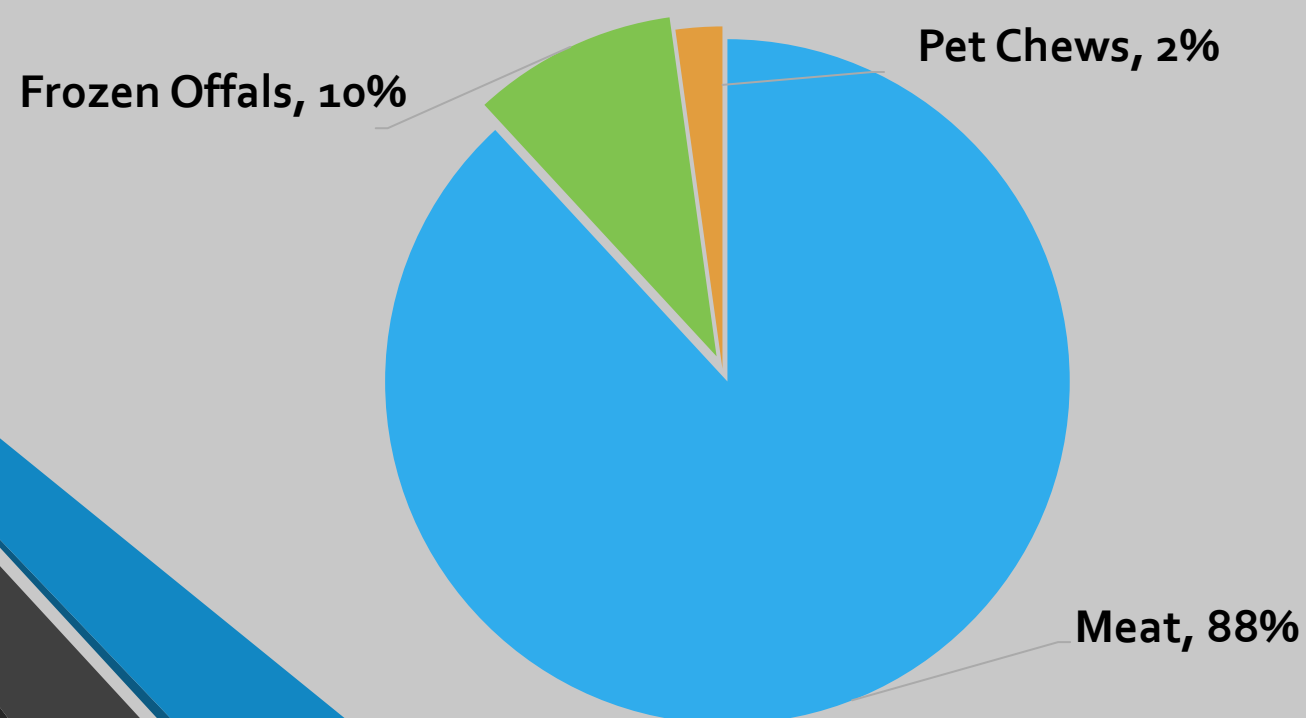
Revenue By-Destination - Year 2023



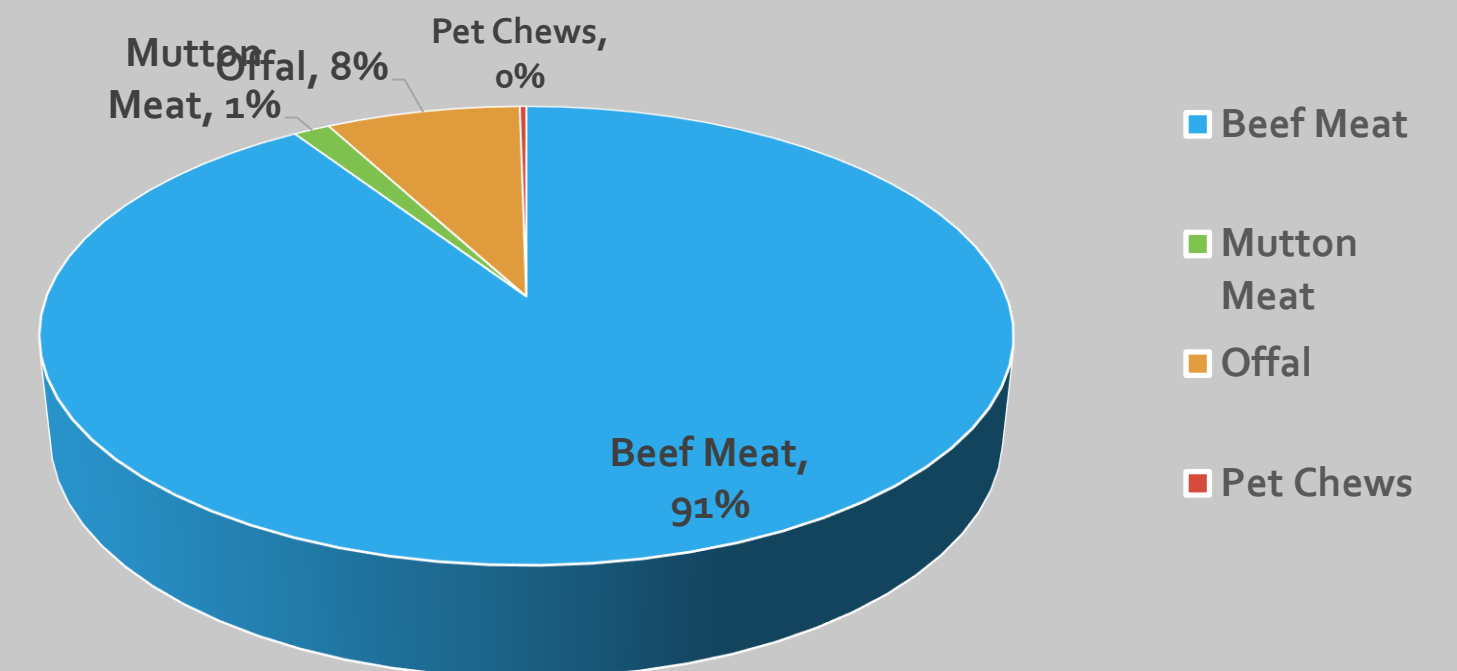
Revenue By Destination - Year 2024



Revenue By-Product Line - Year 2023

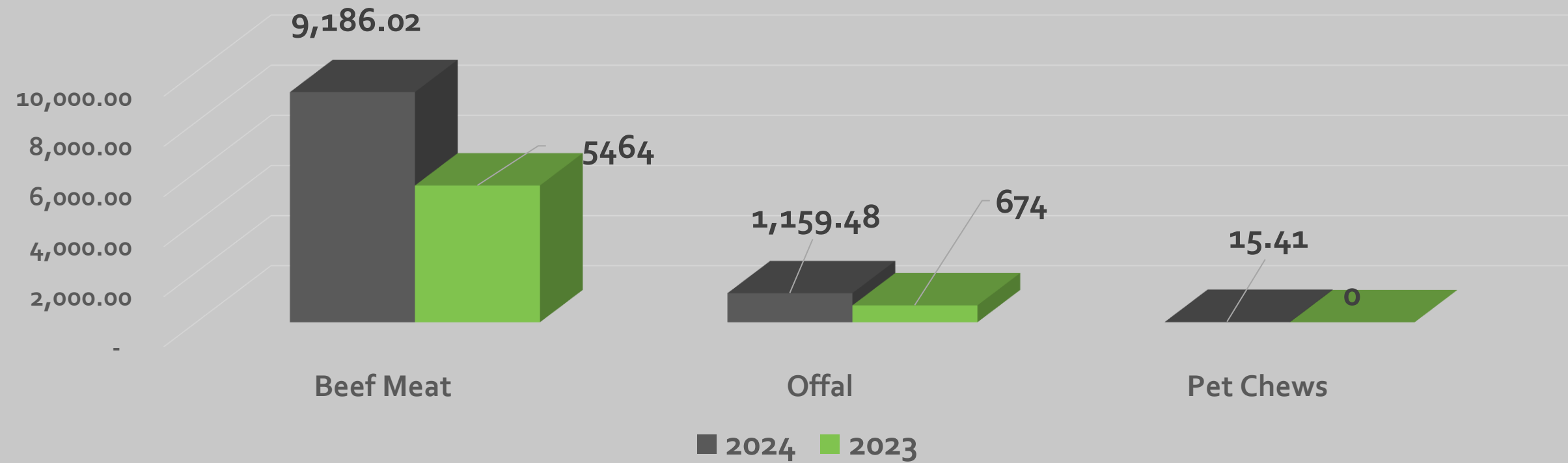


Revenue By Product Line - Year 2024

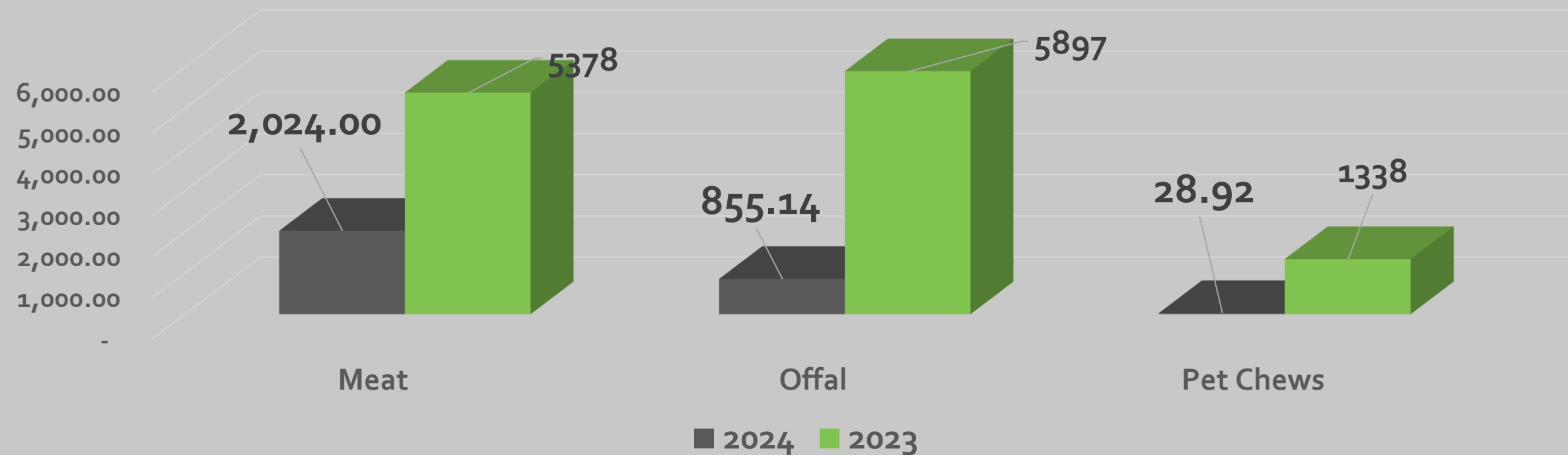


The Organic Meat Company Limited | Sales Mix Profile

Export by Volume (Quantity MT)

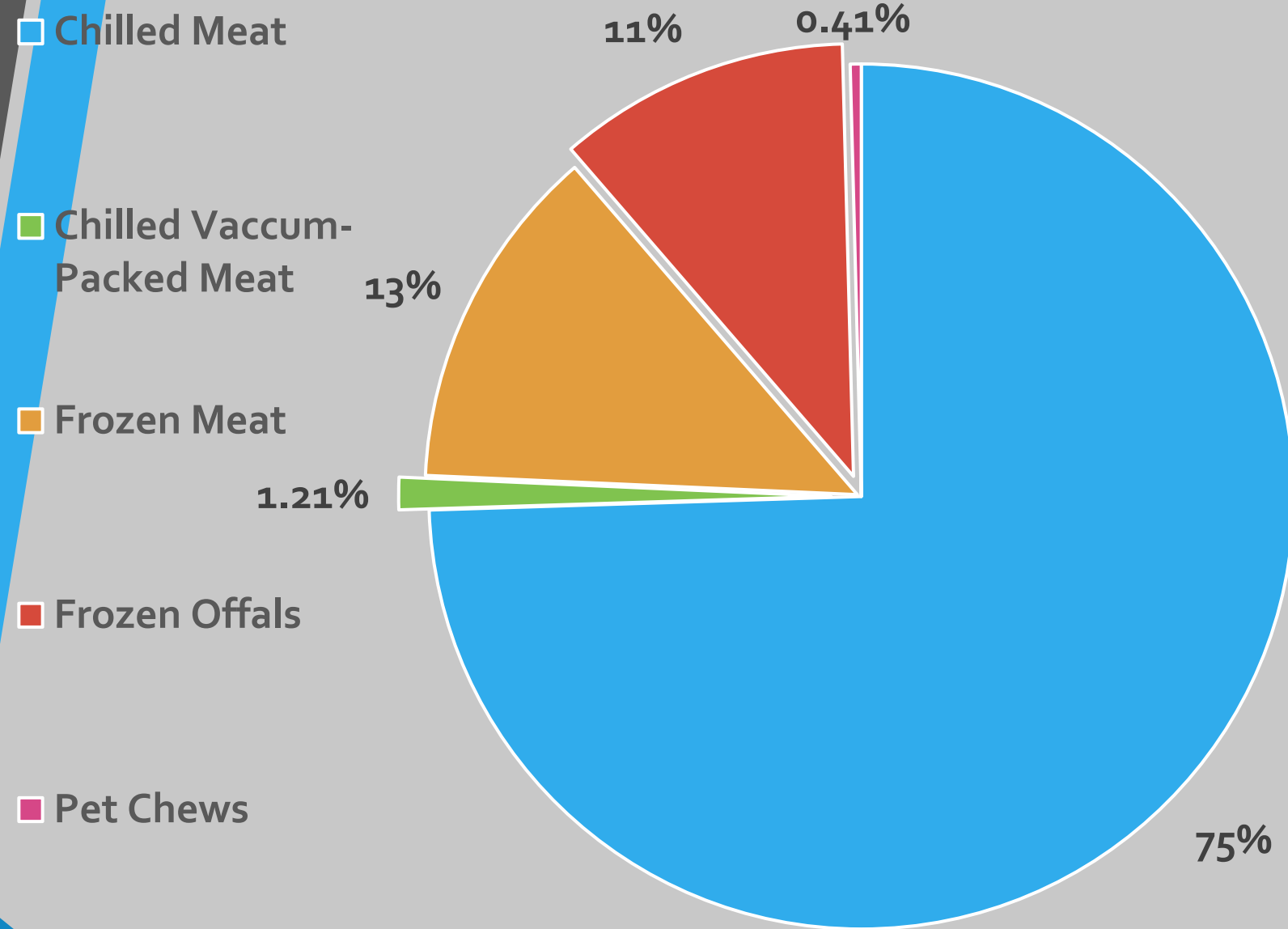


Export by Value (Rupees in Million)

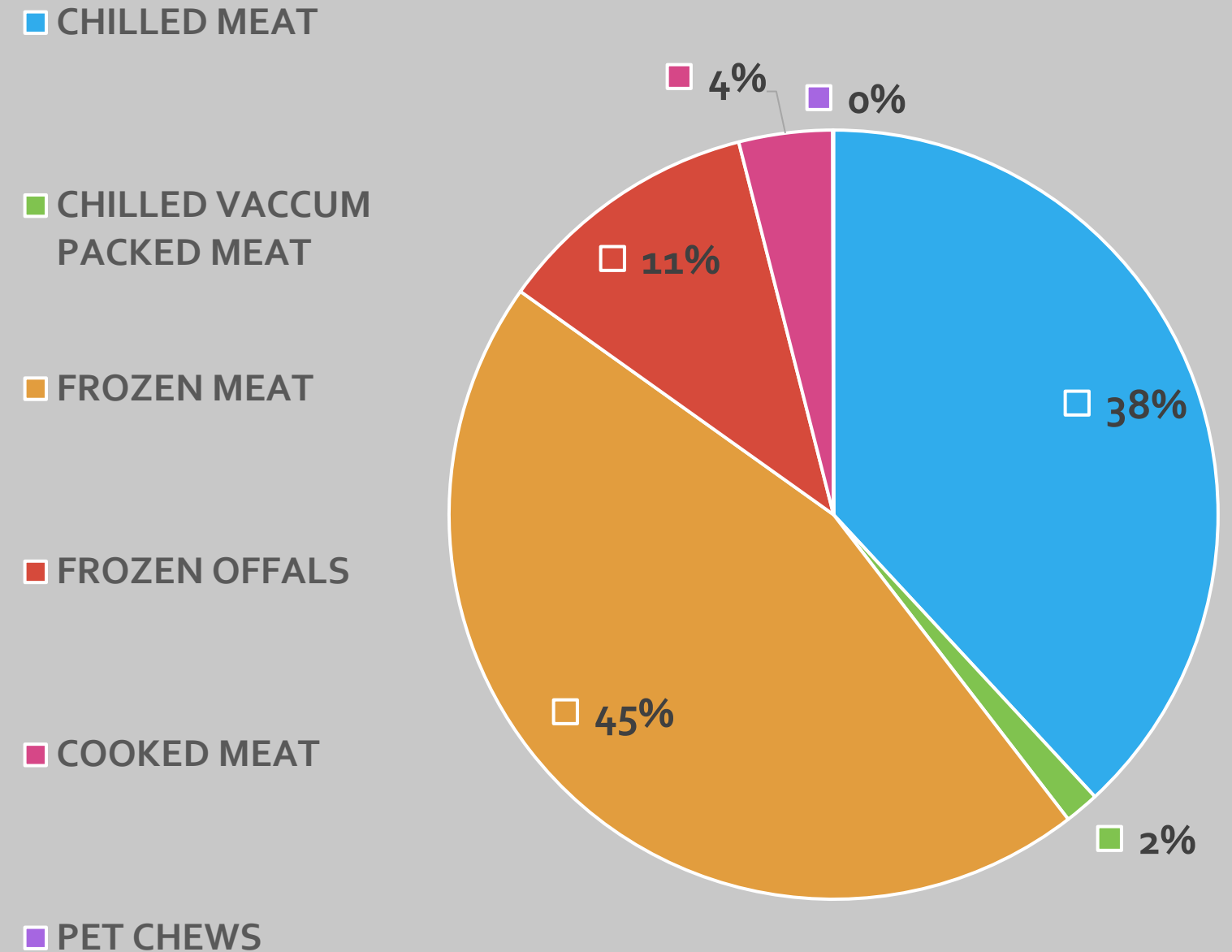


The Organic Meat Company Limited | Sales Mix Profile

Sales Mix by Volumes - Year 2023

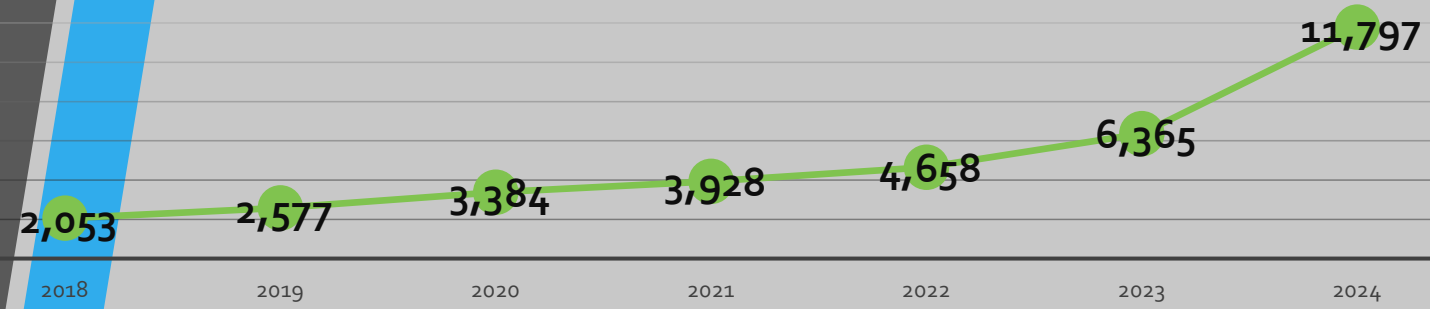


Sales Mix By Volumes - Year 2024

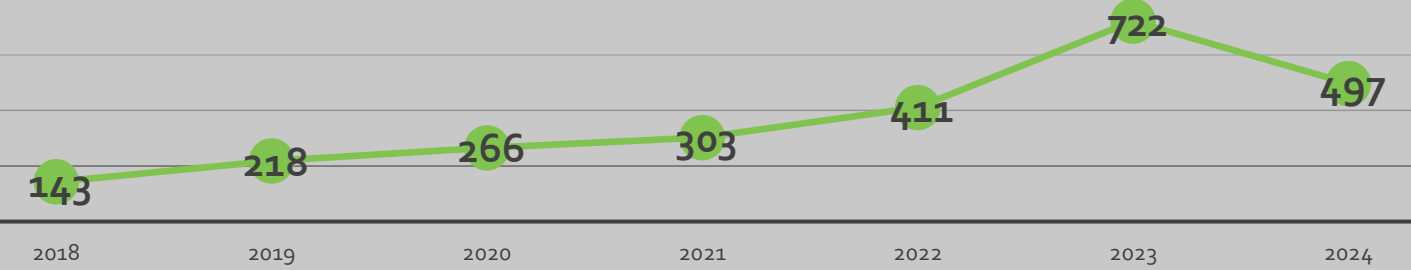


The Organic Meat Company Limited | Key Financial Metrics

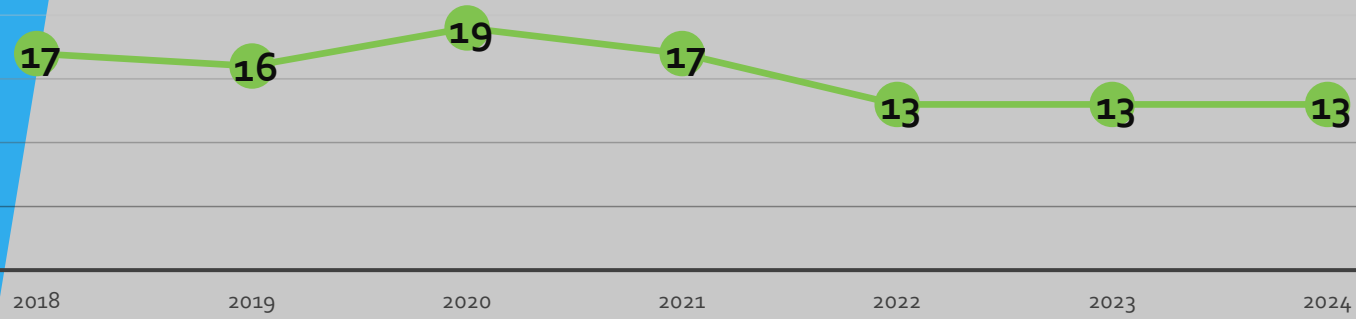
Revenue (Rs.'Million)



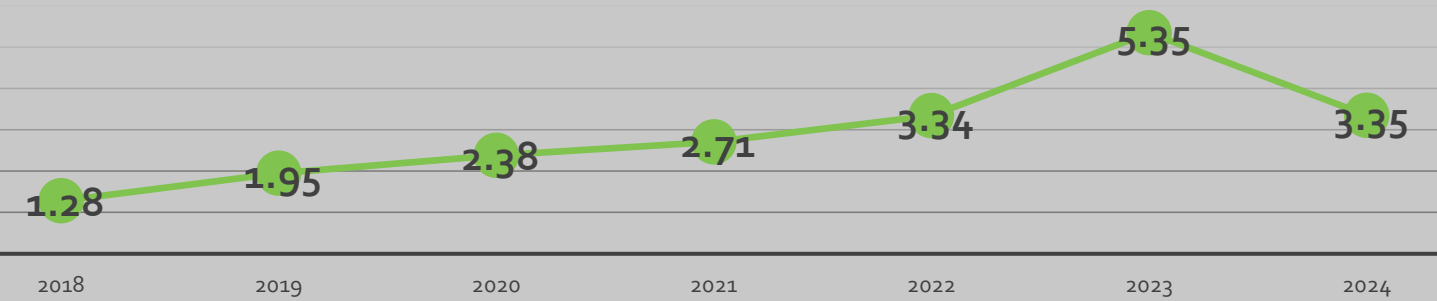
Profit after Tax (Rs.'million)



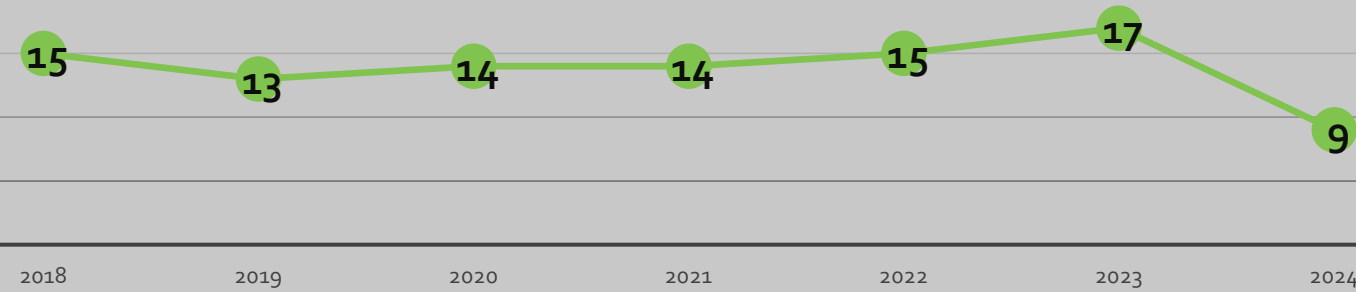
Gross Margin (%)



Earnings per Share (PKR)



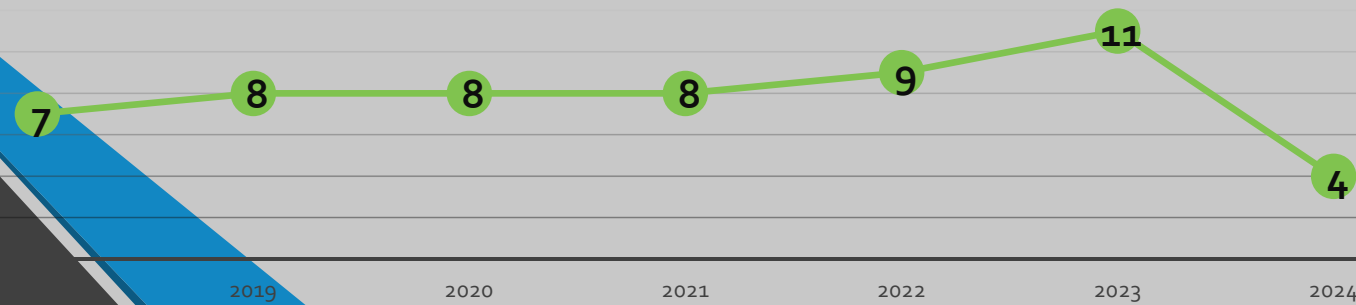
EBITDA Margin (%)



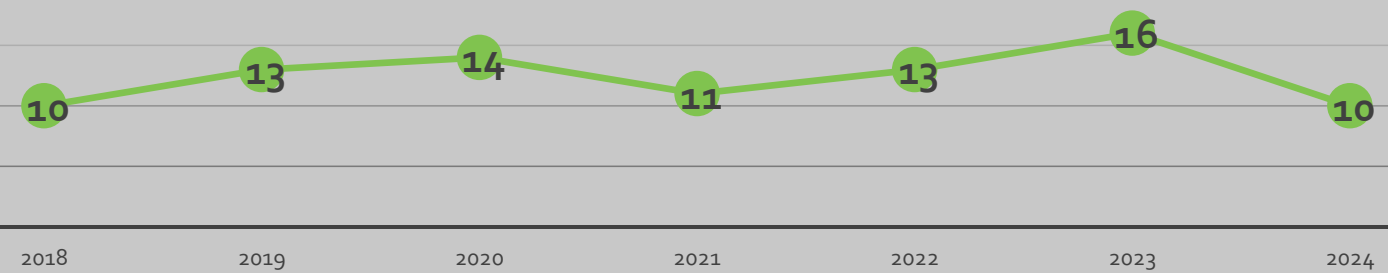
Real Earnings per Share (PKR)



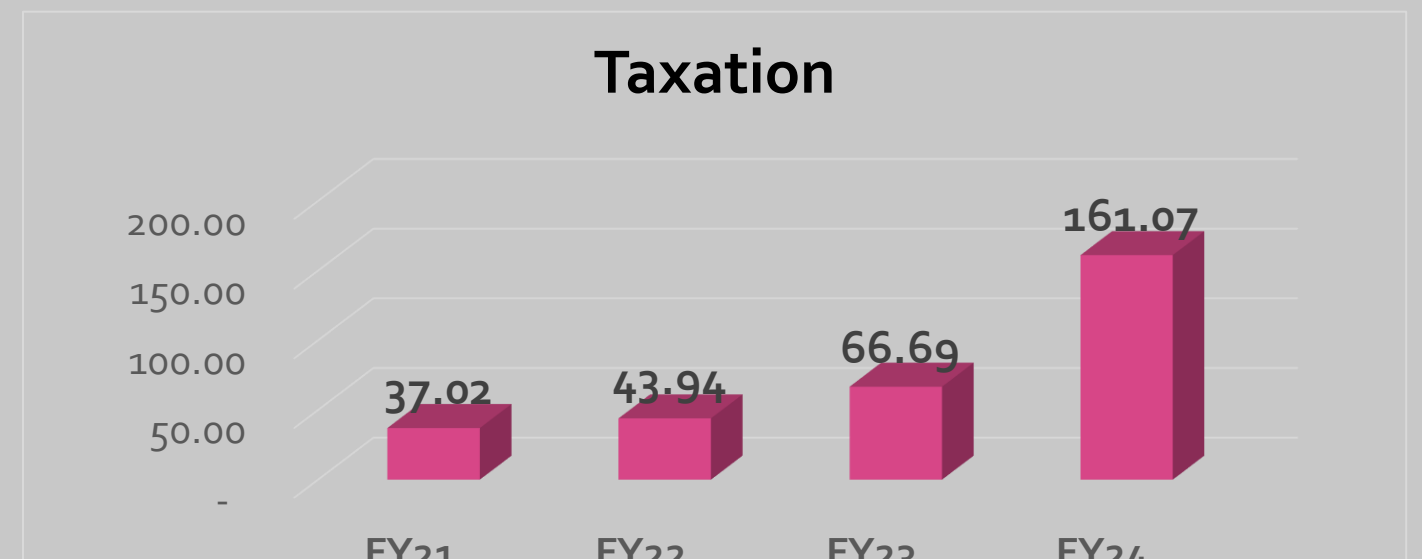
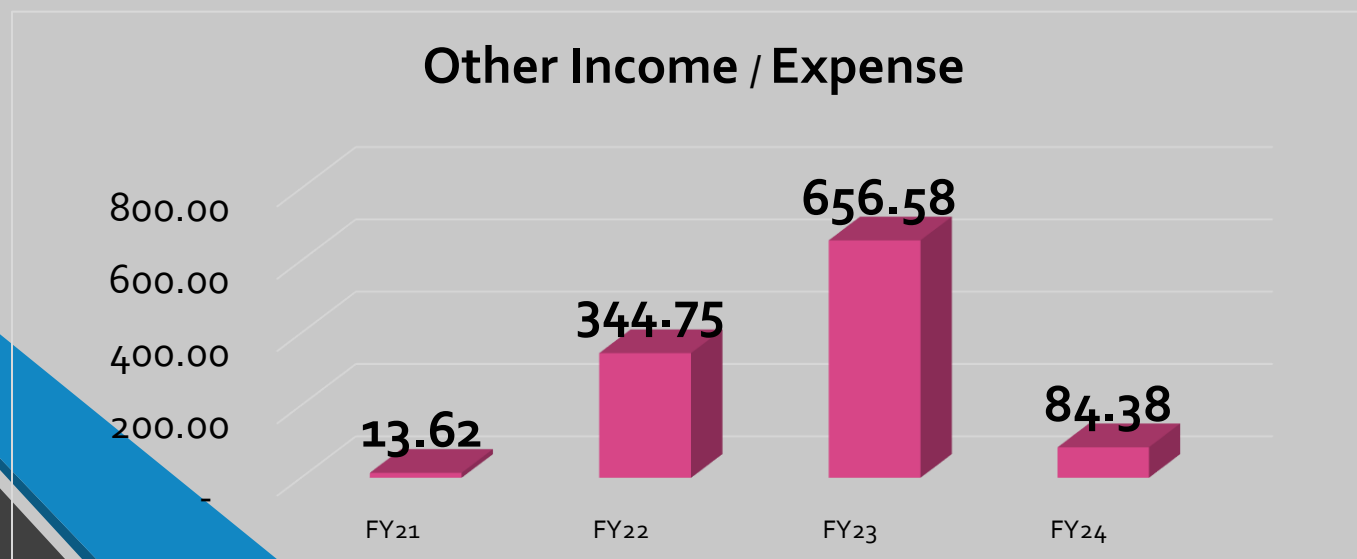
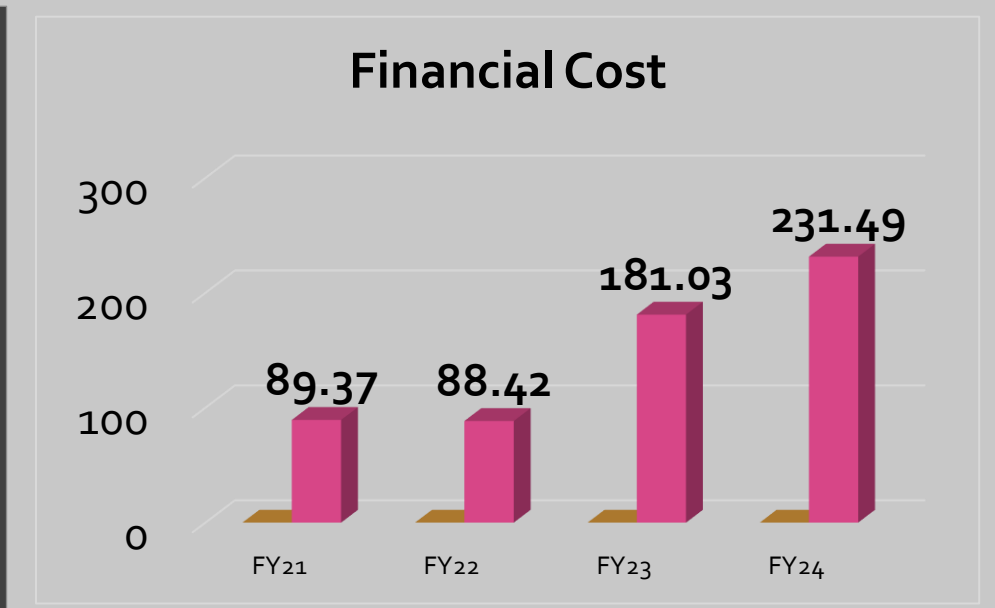
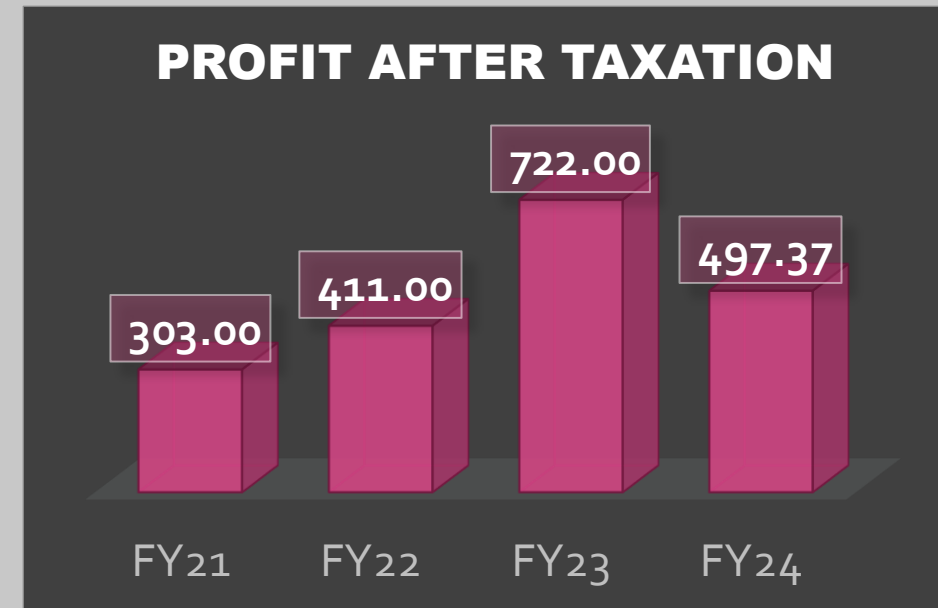
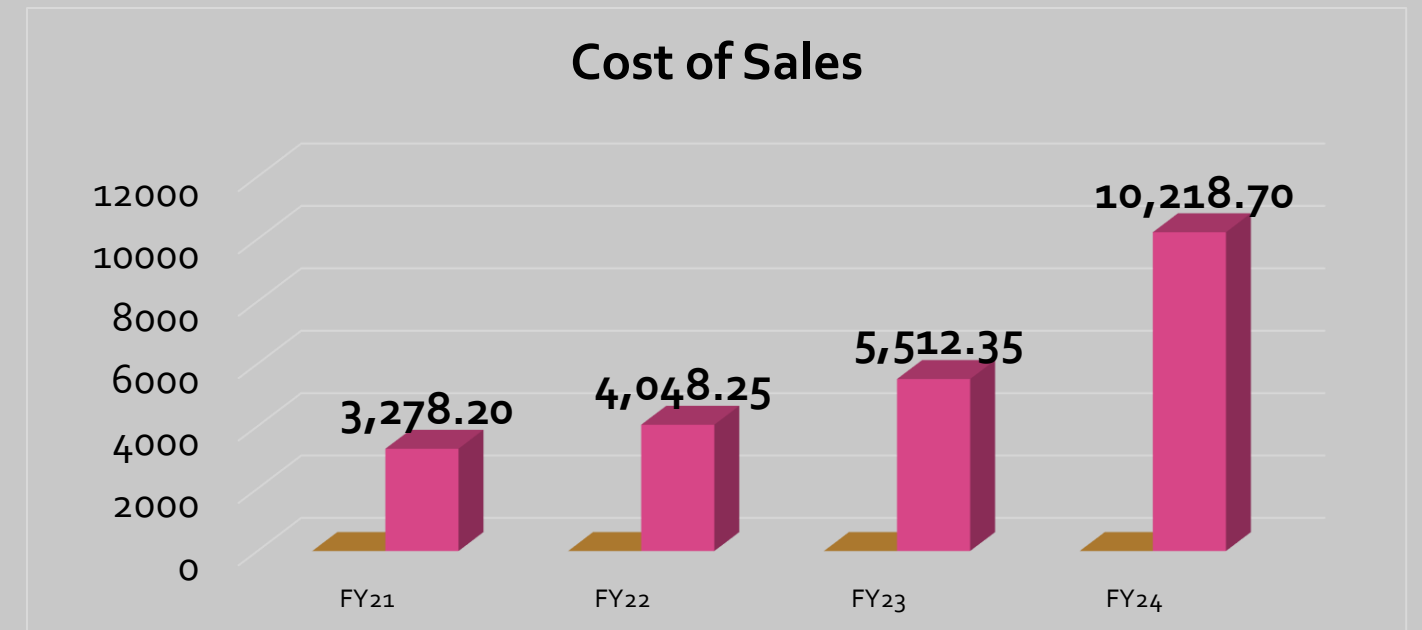
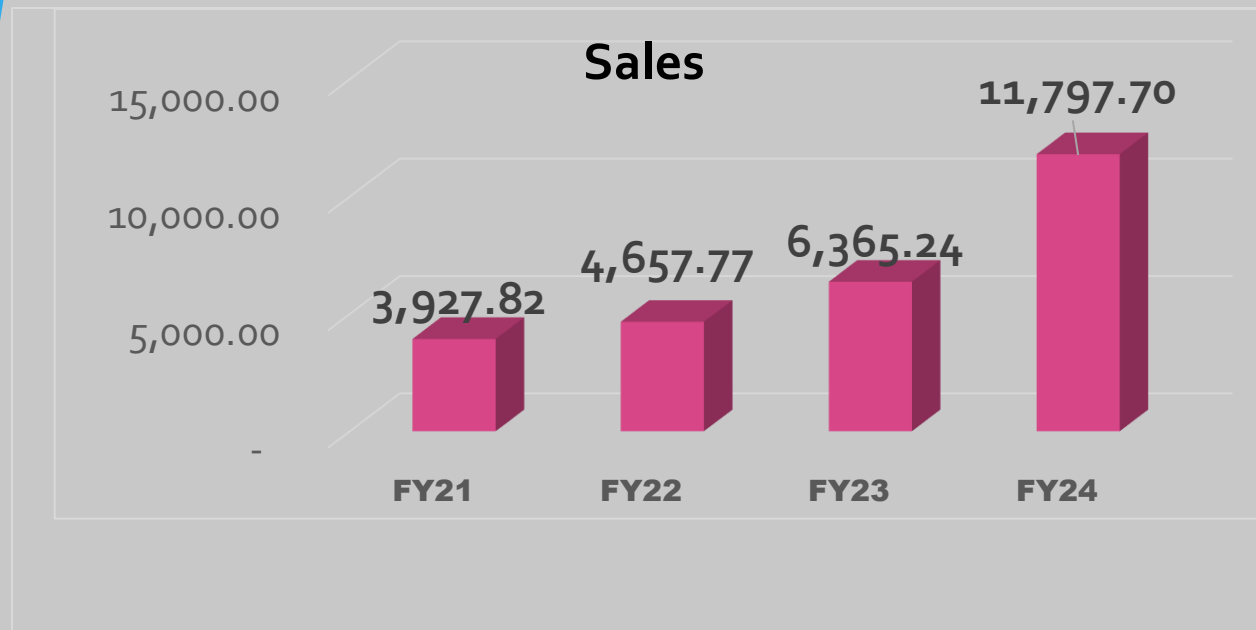
Net Margin (%)



Return on Equity (%)



The Organic Meat Company Limited | Historic Income Statement (*Rs.' Million)



The Organic Meat Company Limited | Future Outlook

- **Backward integration of the fattening farm operations into backgrounding of animals**
- **Expansion of product offerings in pet chews business**
- **Creation of an FMD free compartment to expand into wider global markets**
- **Reduce reliance on market supply through enhanced supply capabilities of our fattening farm.**
- **Introducing offal processing at MSMH.**
- **Targeting new markets for all products and business lines.**
- **Further expansion in Chinese, Saudi and CIS markets.**
- **Reduce reliance on clean credit-based UAE market**



The Organic Meat Company Limited | Future Outlook

- **Expansion into the private labeling business in other international markets such as UAE and Kuwait.**
- **Expansion into the fast-food production segment**
- **Expansion in sheep and beef casings market in EU as well as UAE**
- **Expansion into five new projects including:**
 - 1) **Dung palletization for fuel efficiency.**
 - 2) **Beef tallow manufacturing,**
 - 3) **Beef (white offal) cooking / Heat treatment unit for China.**
 - 4) **Enhancement in Red Offal (beef) processing line for UAE, and**
 - 5) **Acquisition of further land for future expansion envisioned.**



Thank You

Q & A (20 Minutes)

TOMCL ✦ Corporate Briefing ✦ 2024



DISCLAIMER

This Corporate Briefing Presentation is provided by The Organic Meat Company Limited (the "Company") solely for informational purposes and does not constitute an offer, solicitation, or recommendation to buy, sell, or otherwise transact in any securities or other financial instruments issued by the Company. The information contained in this presentation has been prepared to assist stakeholders in understanding the Company's performance and future outlook. It reflects the Company's current views based on available information as of the date of this presentation. The Company makes no representation or warranty, express or implied, regarding the completeness, accuracy, or reliability of the information contained herein, and expressly disclaims any liability based on or relating to this presentation or any omission therein. Certain statements in this presentation may contain forward-looking statements, which involve known and unknown risks, uncertainties, and other factors that may cause actual results to differ materially from the expectations expressed or implied in these statements. These risks and uncertainties are beyond the control of the Company, and undue reliance should not be placed on these forward-looking statements. The Company assumes no obligation to update or revise any information contained herein, whether as a result of new information, future events, or otherwise, except as required by law.



APPENDIX



Description	For the Year ended June 30 th					
	2019	2020	2021	2022	2023	2024
	(Amounts in PKR Million)					PKR Million)
Statement of Comprehensive Income						
Sales	2,577	3,384	3,928	4,658	6,365	11,797
Cost of Goods Sold	(2,169)	(2,754)	(3,278)	(4,048)	(5,512)	(10,219)
Gross Profit	408	630	650	610	853	1,578
Operating Profit	218	373	416	199	313	792
EBITDA	459	487	556	685	1,079	1,031
Depreciation and Amortization	(123)	(114)	(126)	(142)	(133)	(157)
Financial Charges	(71)	(90)	(89)	(88)	(181)	(231)
Profit before Taxation	265	283	340	455	789	645
Taxation	(47)	(17)	(37)	(44)	(67)	(161)
Profit after Taxation	218	266	303	411	722	497
Statement of Financial Position						
Non-Current Assets	1,245	1,420	1,827	1,863	2,516	3,089
Current Assets	1,323	1,310	1,816	2,405	3,299	3,148
Total Assets	2,569	2,730	3,643	4,268	5,815	6,237
Paid-up Capital	718	718	1,118	1,230	1,350	1,485
Equity	1,621	1,887	2,744	3,155	4,540	4,944
Short-Term Borrowings	719	659	698	779	945	805
Non-Current Liabilities	15	-	30	85	71	163
Current Liabilities	932	843	870	1,027	1,205	1,133
Stock-in-trade	201	239	188	117	245	184
Trade debts	824	702	911	1,598	2,265	2,275
Trade and other payables	139	145	142	196	144	149
Cash Flow Statement						
Operating Activities	28	377	27	(18)	47	970
Investing Activities	(111)	(290)	(533)	(152)	(114)	(67)
Financing Activities	73	(39)	572	67	(156)	(27)
Net increase in Cash	(11)	49	67	(103)	(223)	269
Net Cash Balance	5	7	125	142	219	348
Capital Expenditure	(111)	(289)	(533)	(174)	(120)	(348)
Sales Growth (%)	26	31	16	19	37	85
EBITDA Growth (%)	71	6	14	23	58	(5)
Net Profit Growth (%)	52	22	14	36	138	(31)
Margins						
Gross Margin (%)	16	19	17	13	13	13
EBITDA Margin (%)	13	14	14	15	17	9
Net Margin (%)	8	8	8	9	11	4
Break-up Value per Share (Rs.)	22.57	26.28	24.50	25.65	33.63	21.03
Profitability and Earnings Ratios						
Profit after Tax	218	266	303	411	722	497
Earnings per Share (PKR) - as per audited accounts	1.95	2.38	2.71	3.34	5.35	3.35
Return on Equity (%)	13	14	11	13	16	10
Return on Asset (%)	8	10	8	10	12	8



FINANCIAL HIGHLIGHT

THE ORGANIC MEAT COMPANY LIMITED
FINANCIAL HIGHLIGHTS
FROM JUNE 30, 2019 TO JUNE 30, 2024

Description	For the Year ended June 30 th					
	2019	2020	2021	2022	2023	2024
	(Amounts in PKR Million) PKR Million)					
Balance Sheet Ratios						
Fixed Asset Turnover (x)	2.07	2.38	2.15	2.50	2.53	3.82
Asset Turnover (x)	1.00	1.24	1.08	1.09	1.09	1.89
Capex to Total Assets (%)	4	11	15	4	2	5.58
Current Ratio (x)	1.42	1.55	2.09	2.34	2.74	2.78
Inventory Turnover (days)	28	29	24	14	12	7.66
Receivables Turnover (days)	139	82	75	98	111	70.23
Payables Turnover (days)	26	14	16	15	11	5.24
Leverage Ratios						
EBITDA/Interest (x)	4.80	5.41	6.25	7.78	5.96	4.46
(EBITDA - Capex)	217	198	23	511	959	684
(EBITDA - Capex)/Interest (x)	3.06	2.20	0.26	5.81	5.30	2.95
Number of Shares Outstanding	72	72	112	123	135	148

