



CORPORATE BRIEFING SESSION FOR THE YEAR ENDED JUNE 30, 2024 AND FIRST QUARTER ENDED 30th SEPTEMBER 2024





FOUNDER PROFILE & COMPANY HISTORY



THE FOUNDER

LATE Mr. Ghulam Mohammed Fecto



The origin of Fecto Group can be traced back to the year 1952. The founder, Mr. Ghulam Mohammed Fecto established a company that was to be engaged in the trading and assembling of Electrical Appliances & Wires. Very soon, the company diversified into import, export and trading of Electrical wires, cables, Home Appliances and automobiles.

The Company then made a pioneering effort as it entered into a joint venture with a Japanese brand for the manufacturing of Radio, which was the first ever-technical collaboration with Japan in Pakistan.

Fecto Cement Limited (FCL) was incorporated back in 1981 as a public limited company and subsequently listed on PSX.



About the Company

- FCL is the flagship company of the FECTO Group. The FECTO Group has diversified business interests spanning across various sectors including cement, paper products and exploration technology businesses. FCL enjoys a good market standing with sales both to local and export markets (Afghanistan).
- The existing production facility of FECTO is located in Sangjani, about 25 kilometers from Islamabad. The factory is spread over an area of around 200 acres. The plant is based on the dry process of cement manufacturing. Commissioning of plant commenced in December 1988 with a capacity of 1,000 metric tons per day (MTPD) of clinker and was upgraded to 2,000 MTPD during commissioning which ended in 1989.
- With continued Balancing Modernization and Replacement (BMR) initiatives since commissioning plant was upgraded to 2,600 MTPD in 2006 followed by upgradation to 3,000 MTPD in 2023.
- During the year-ended 30th June 2024, FECTO achieved capacity utilization of 72.34% for clinker and 72.42% for cement.



Board of Directors(as at 30th June 2024) - Fecto Cement Limited

Board of Directors at June 30, 2024

Chairman

Mr. Aamir Ghani

Chief Executive

Mr. Mohammed Yasin Fecto

Directors

Ms. Saira Ibrahim Bawani

Mr. Khalid Yacoob

Mr. Muhammad Anwar Habib

Mr. Jamil Ahmed Khan

Mr. Rohail Ajmal (Nominee of Saudi Pak Industrial & Agricultural Investment Co. Ltd.)



Major Shareholders of Fecto Cement Limited as at 30th June 2024

Major Shareholders as at June 30, 2024		
Details	Shares Held	%
Mr. Mohammed Yasin Fecto	37,673,211	75.11%
Other Directors	14,050	0.03%
Bank, DFI, NBFCs, Insurance & Modarabas	4,186,041	8.34%
NIT and ICP	1,129,855	2.25%
Mutual Funds	474,780	0.95%
Others (including Institutions / Joint Stock Companies and local individuals)	6,682,063	13.32%
Total	50,160,000	100.00%



REWARDS AND CERTIFICATIONS



**ISO 9001 : 2015 Certificate
Valid upto Feb 2027**



STRATEGIC & OPERATIONAL DEVELOPMENT



MILESTONES ACHIEVED BY FCL

1990

COMMERCIAL PRODUCTION

Commenced commercial production of cement



2006

PLANT UP-GRADATION

Guaranteed production level from 2,000 tons to 2600 tons was achieved



2007

NEW PULVERIZED COAL MILL

Company now have option of all three types of fuel i.e. coal, gas and furnace oil



2010

WASTE HEAT RECOVERY POWER PLANT

The Project was successfully commenced power generation of 6 MW in 2010



2021

SOLAR POWER PLANT

Successful installation of 6mw Solar Power Plant

2024

Classifier / Separator Project initiated

Self-funded project of approx. PKR 200m without any additional borrowing to improve product quality & capacity



2022

INCREASED CAPACITY TO 3000 TONS / DAY

Completed BMR activities on Clinker Cooler, Coal injection system, Dome shed and Rotary packer





ASSOCIATED COMPANY

Frontier Paper Products (Pvt.) Limited

The latest technology to produce poly propylene and is located at Hattar Industrial Estate, North, West Frontier Province (NWFP), Pakistan. With an annual production capacity of 60 million Poly Propylene bags, the company primarily caters to the needs of FCL and also has a sound customer base that includes other cement manufacturers and contractors.





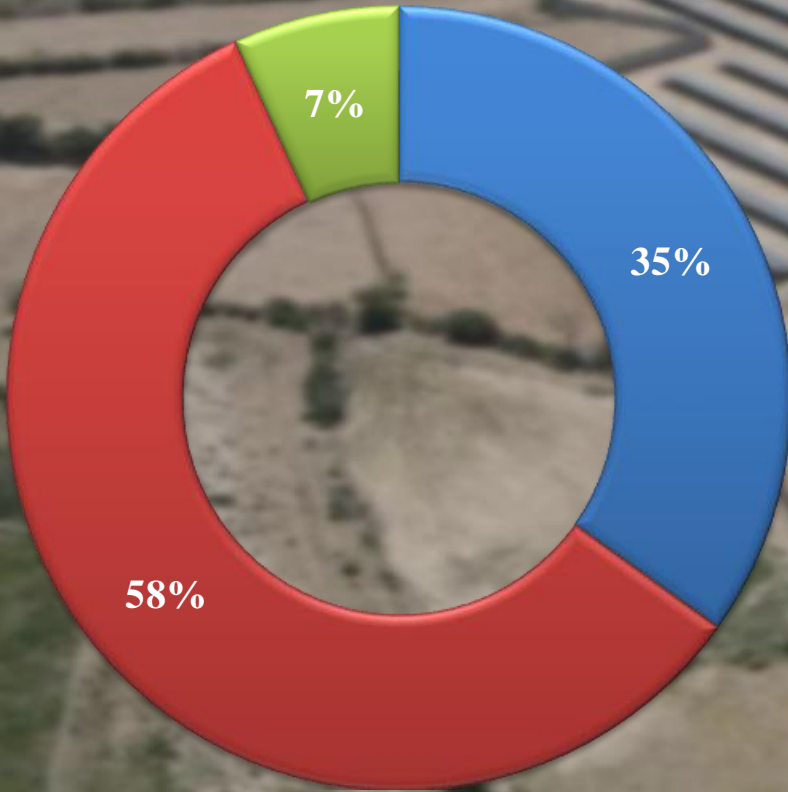
GREEN ENERGY & RESOURCE CONSERVATION INITIATIVES

- 2010: Installed State of the art Waste Heat Recovery Power Plant (WHRPP) of 6MW
- 2010: Rainwater harvesting commenced.
- 2021: Drain water harvesting commenced.
- 2021: Installed Solar power generation of 5MW
- 2025: Further addition of Solar Power is under consideration.

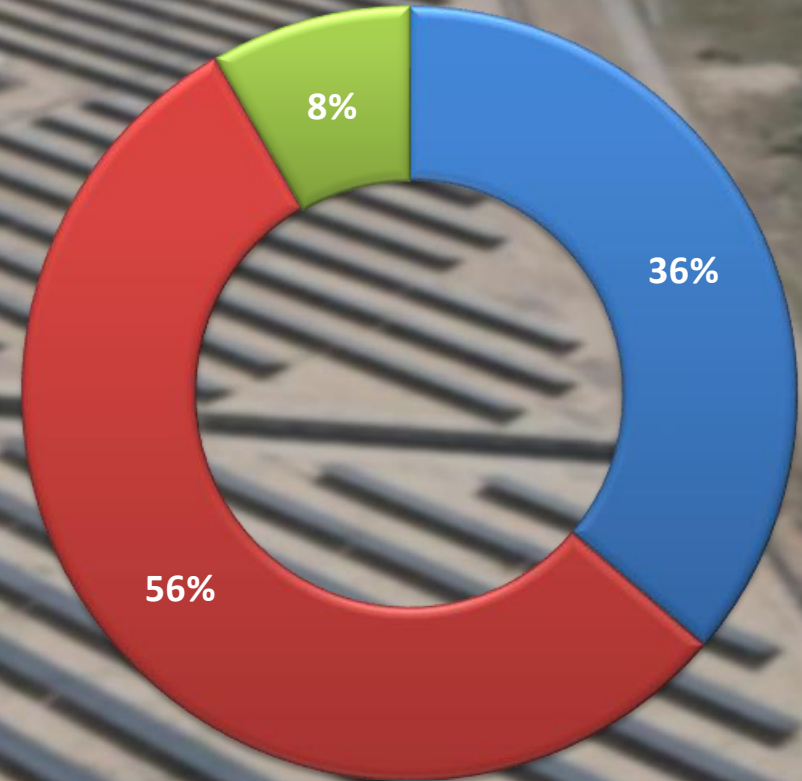


POWER MIX

FY 2023



FY 2024



- WHRPP
- WAPDA
- SOLAR

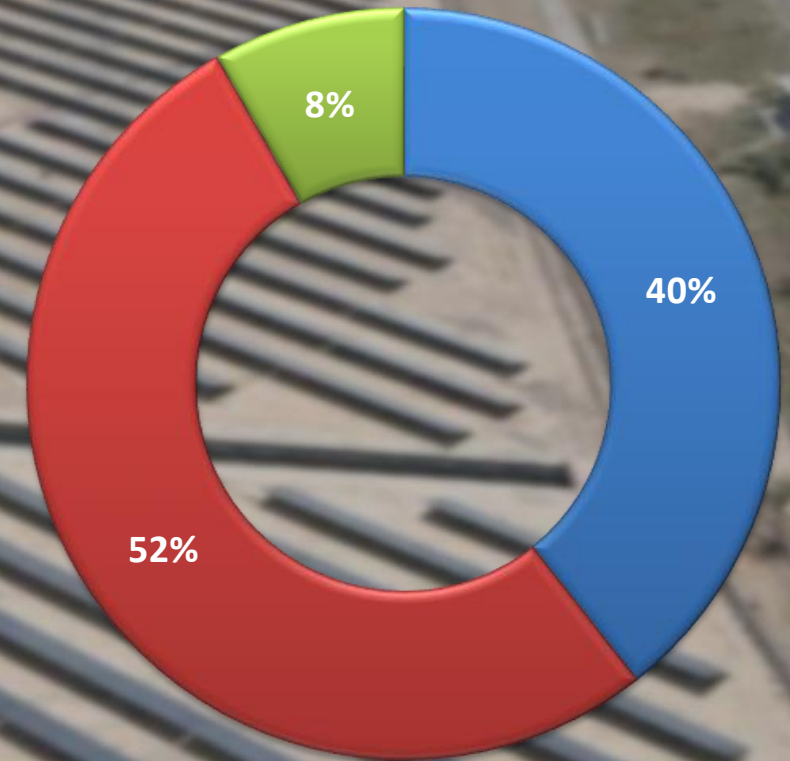
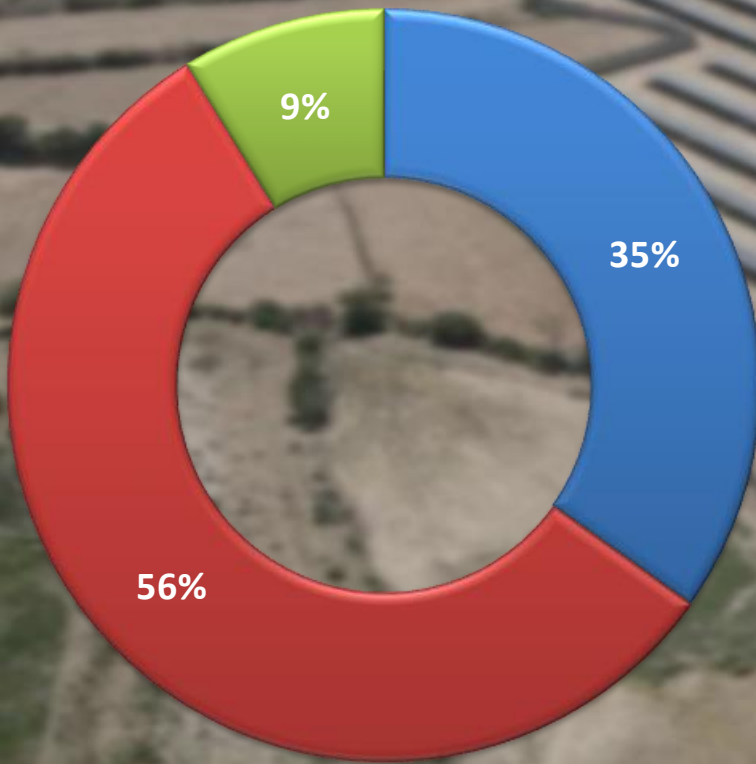
- WHRPP
- WAPDA
- SOLAR



POWER MIX

FY 2024 Q-1

FY 2025 Q-1





DETAILS OF FINANCIAL INFORMATION



Statement of Profit or Loss

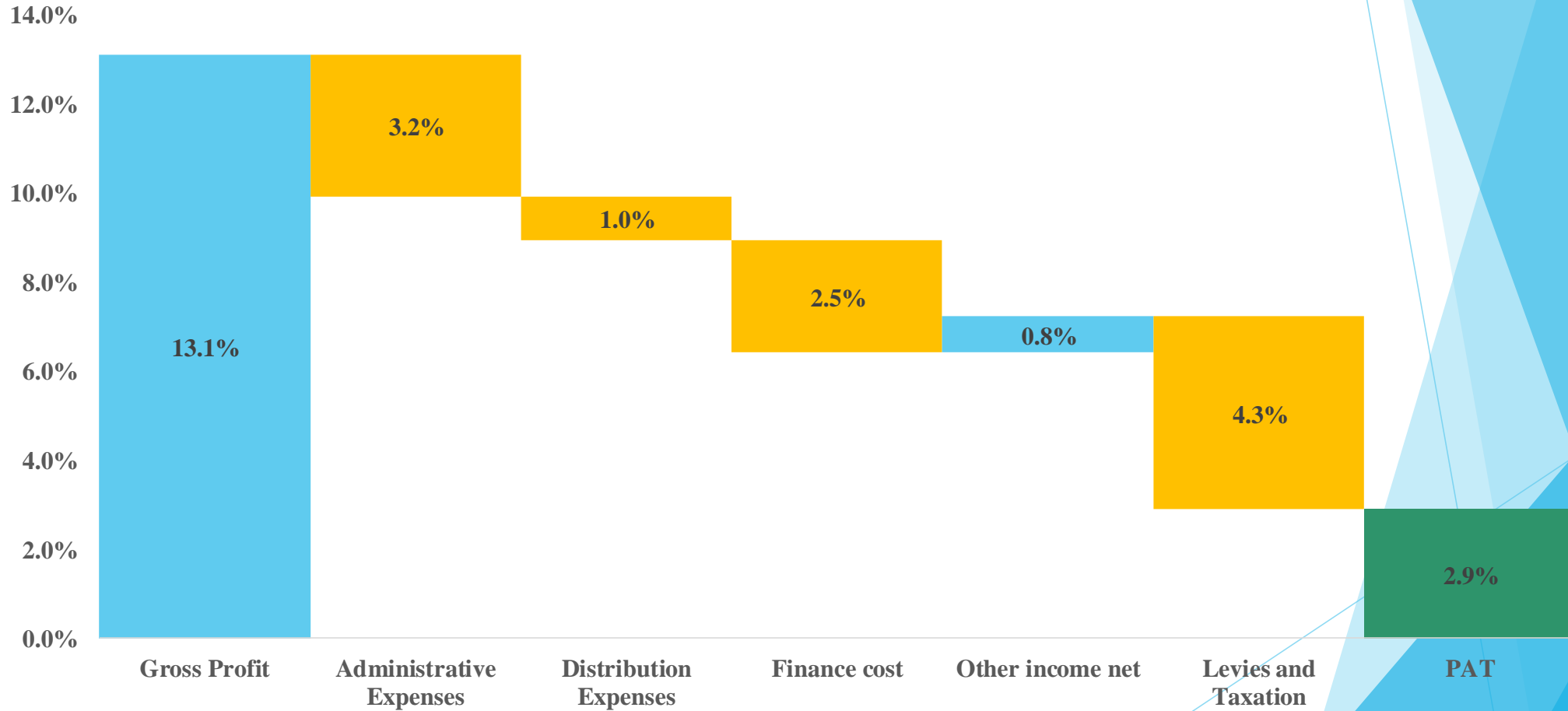
For the year ended June 30, 2024

	Year ended June 2024	Year ended June 2023	Variation	
	Rupees in '000'		%age	
Sales revenue - net	10,908,118	8,682,183	2,225,935	25.64%
Cost of sales	(9,478,553)	(8,369,763)	(1,108,790)	13.25%
Gross profit	1,429,565	312,420	1,117,145	357.58%
Administrative expenses	(346,335)	(309,741)	(36,594)	11.81%
Distribution costs	(107,138)	(92,564)	(14,574)	15.74%
	(453,473)	(402,305)	(51,168)	12.72%
Finance costs	(276,174)	(303,203)	27,029	-8.91%
Other expenses	(2,953)	(5,315)	2,362	-44.44%
	(279,127)	(308,518)	29,391	-9.53%
Operating Profit / (loss)	696,965	(398,403)	1,095,368	> 100%
Other income	91,337	225,474	(134,137)	-59.49%
Profit / (Loss) before levies and taxation	788,302	(172,929)	961,231	> 100%
Levies	(118,174)	(108,913)	(9,261)	8.50%
Profit / (Loss) before taxation	670,128	(281,842)	951,970	> 100%
Taxation	(352,805)	148,597	(501,402)	> 100%
Profit / (Loss) after taxation	317,323	(133,245)	450,568	> 100%



GP, Expenses & PAT as %age of Sales: YEAR ENDED 30th JUNE 2024

Gross Profit 13.11%





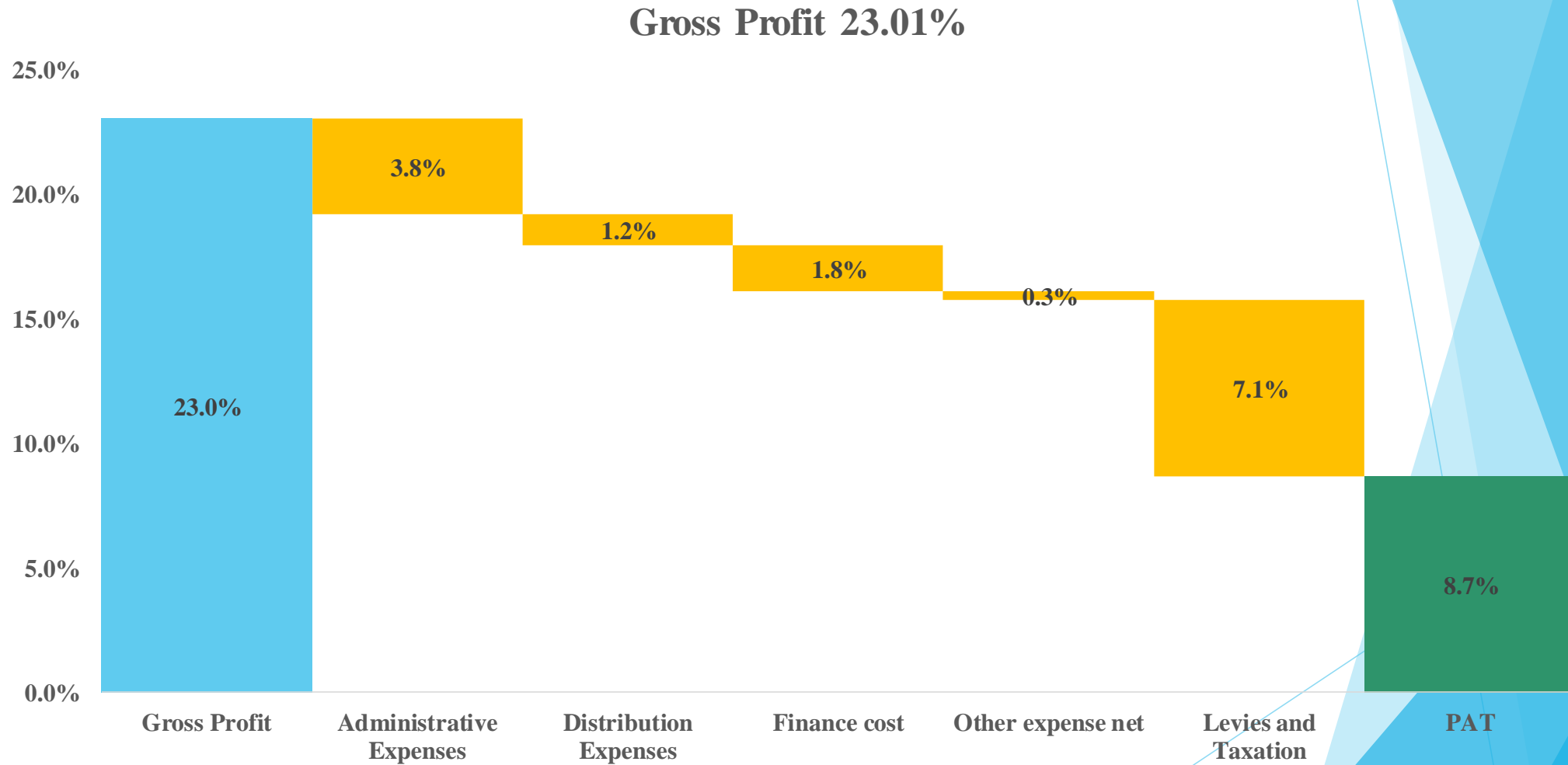
Statement of Profit or Loss

For the quarter ended September 30, 2024

	1st Qtr ended 2024	1st Qtr ended 2023	Variation	
	Rupees in '000'			% age
Sales revenue - net	2,875,038	2,625,901	249,137	9.49%
Cost of sales	(2,212,342)	(2,286,044)	73,702	-3.22%
Gross profit	662,696	339,857	322,839	94.99%
Administrative expenses	(110,206)	(92,434)	(17,772)	19.23%
Distribution costs	(35,894)	(26,793)	(9,101)	33.97%
	(146,100)	(119,227)	(26,873)	22.54%
Finance costs	(53,169)	(74,655)	21,486	-28.78%
Other expenses	(28,364)	(9,022)	(19,342)	214.39%
	(81,533)	(83,677)	2,144	-2.56%
Operating Profit	435,063	136,953	298,110	217.67%
Other income	18,554	34,473	(15,919)	-46.18%
Profit before levies and taxation	453,617	171,426	282,191	164.61%
Levies	-	(33,071)	33,071	-100.00%
Profit before taxation	453,617	138,355	315,262	227.86%
Taxation	(203,596)	(49,102)	(154,494)	314.64%
Profit after taxation	250,021	89,253	160,768	180.13%



GP, Expenses & PAT as %age of Sales: Jul-Sep 2024





Industry Analysis



QUANTITATIVE ANALYSIS OF THE INDUSTRY YEAR ENDED 30th JUNE 2024

DESCRIPTION	2024	2023	Variation	
	Tons in '000'			%
LOCAL	38,185	40,018	(1,833)	-4.58%
EXPORT	7,110	4,566	2,544	55.71%
TOTAL DISPATCHES	45,295	44,584	711	1.60%

QUANTITATIVE ANALYSIS OF THE COMPANY YEAR ENDED 30th JUNE 2024

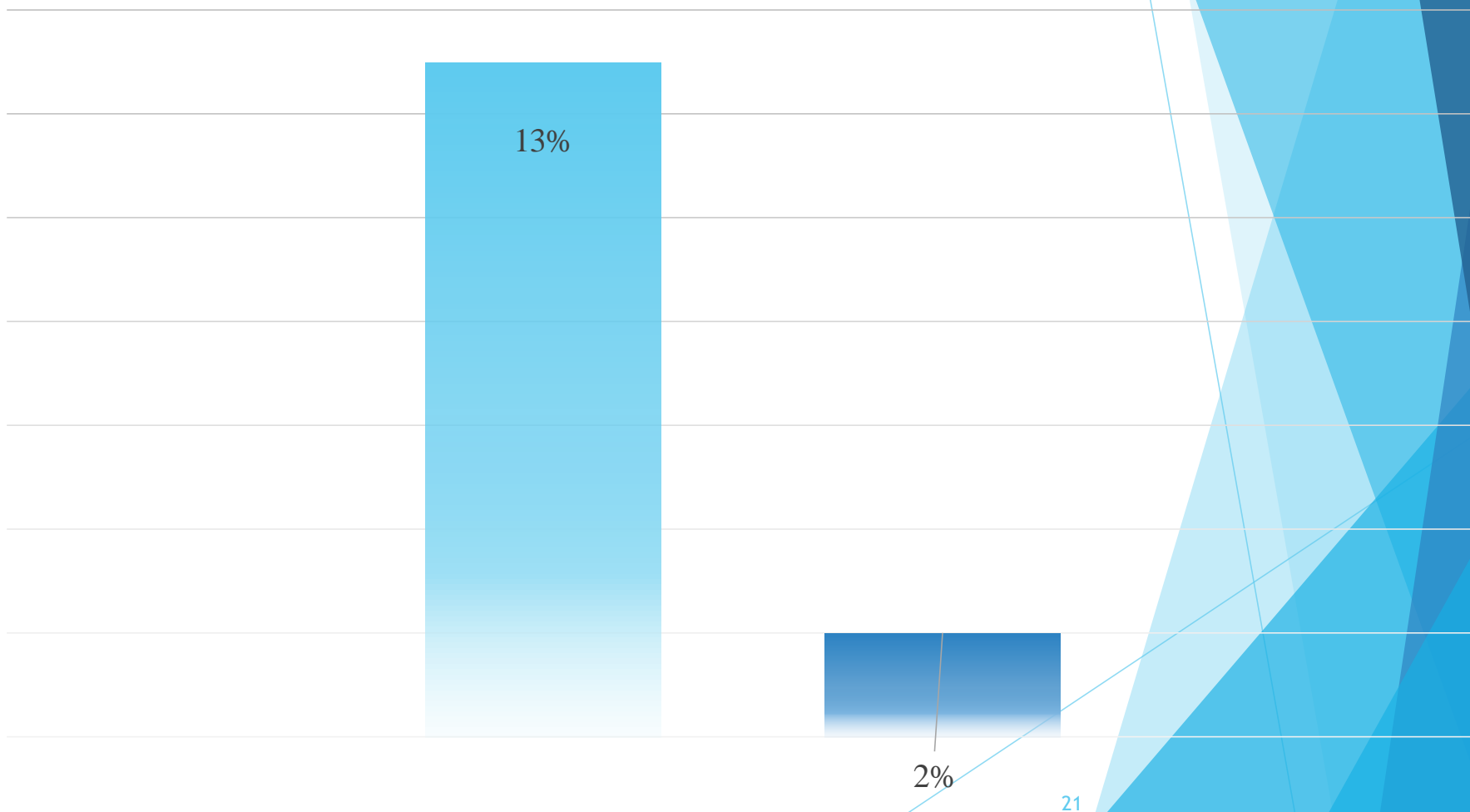
DESCRIPTION	2024	2023	Variation	
	Tons in '000'			%
LOCAL	713	620	93	14.99%
EXPORT	12	22	(10)	-44.43%
TOTAL DISPATCHES	725	642	83	12.94%



DISPATCHES: INDUSTRY VS. FCL: YEAR ENDED 30TH JUNE 2024

■ FCL

■ INDUSTRY





QUANTITATIVE ANALYSIS OF THE INDUSTRY 1ST QUARTER ENDED 30th SEPTEMBER 2024

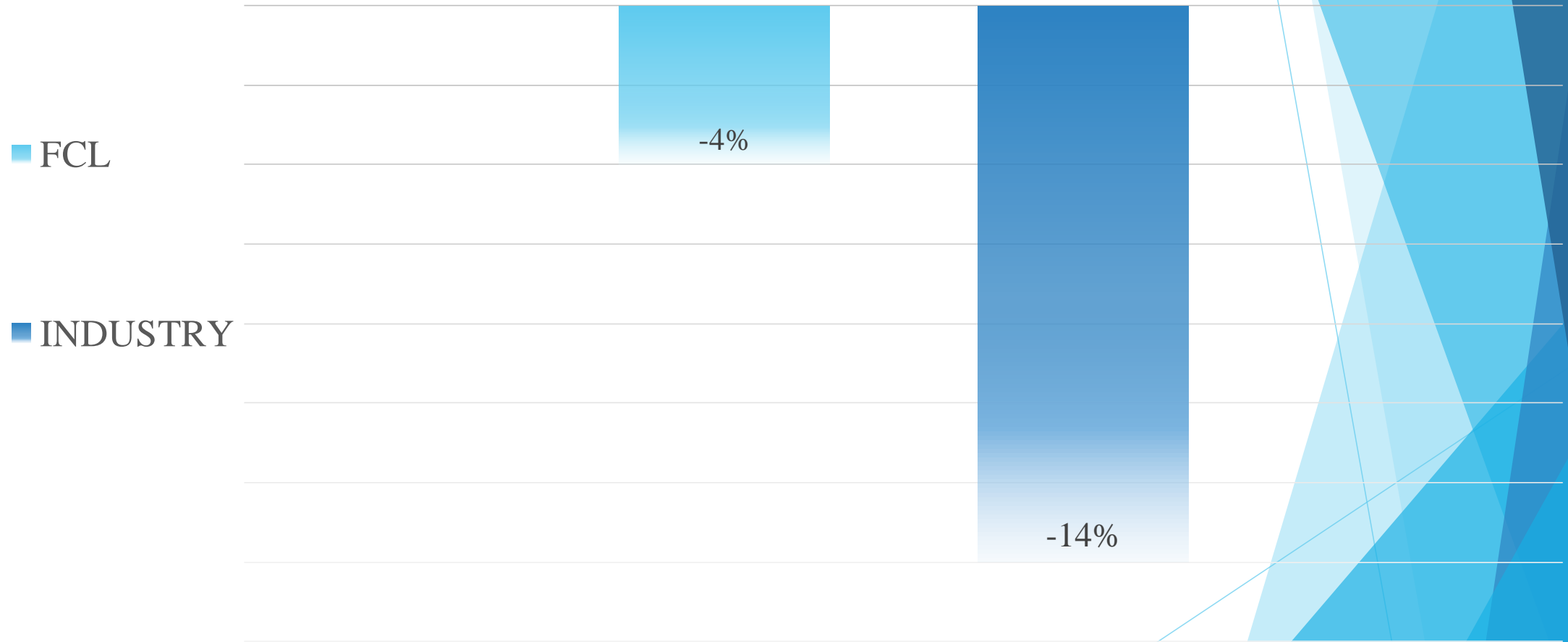
DESCRIPTION	Qtr ended Sept 2024	Qtr ended Sept 2023	Variation	
	Tons in '000'			%
LOCAL	8,134	10,133	(2,000)	-19.73%
EXPORT	2,143	1,751	392	22.36%
TOTAL DISPATCHES	10,277	11,885	(1,608)	-13.53%

QUANTITATIVE ANALYSIS OF THE COMPANY 1ST QUARTER ENDED 30th SEPTEMBER 2024

DESCRIPTION	Qtr ended Sept 2024	Qtr ended Sept 2023	Variation	
	Tons in '000'			%
LOCAL	162	175	(13)	-7.30%
EXPORT	8	2	6	320.00%
TOTAL DISPATCHES	170	177	(7)	-3.73%



DISPATCHES: INDUSTRY VS FCL (JUL-SEP'24)





Future Outlook

- Fiscal space of the Government is expected to remain under pressure which may lead to stringent fiscal regime. Tax incidence on the industry is already very high.
- Indications of further decline in rates of borrowing is a sliver lining on the horizon which could trigger demand.
- Trickle down effect of reducing inflation, borrowing rates, stable exchange rates is yet to be seen.
- Long-term view is optimistic.
- Our focus will continue on:
 - ✓ New market segments from product upgradation and capacity improvement to be achieved on completion of classifier project.
 - ✓ Sustainable profitable exports to off set decline in domestic volumes.
 - ✓ Cost optimization & efficiencies. Addition of further solar power is under consideration.
 - ✓ Working capital management to keep financial costs under control.





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