



# ANALYST BRIEFING

2023

From Quarry to Cement: Quality is our Legacy

# CONTENTS

**About FCCL**

**ESG**

**Operational Highlights**

**Financial Overview**

**Outlook**



# About Fauji Cement

## Vision & Mission



### Vision

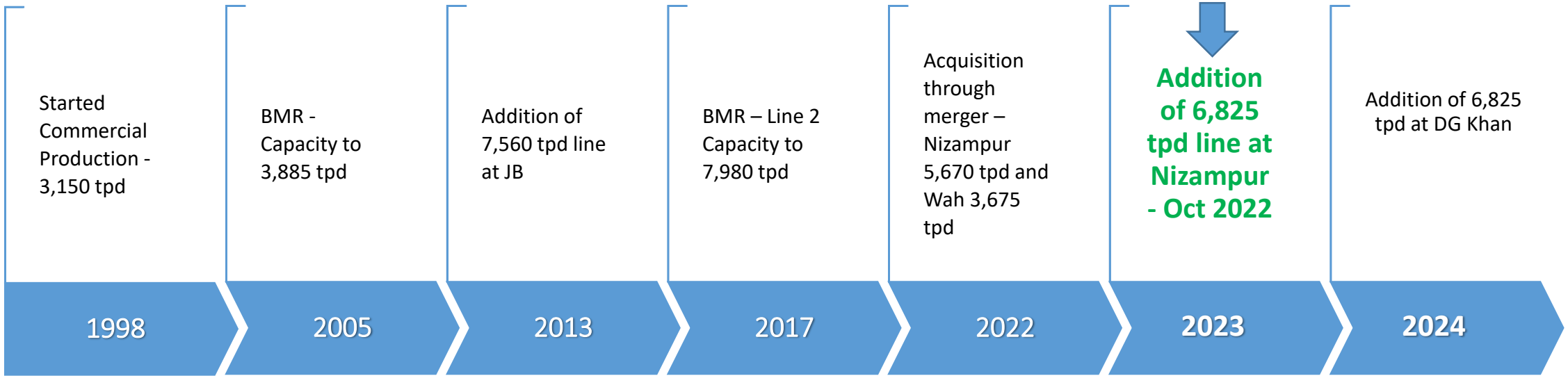
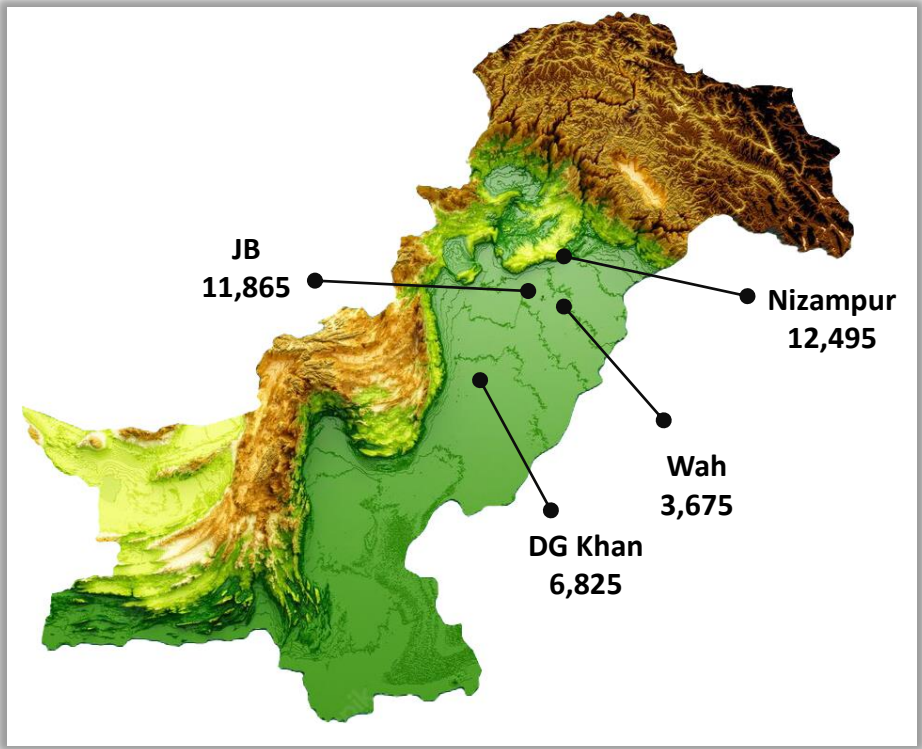
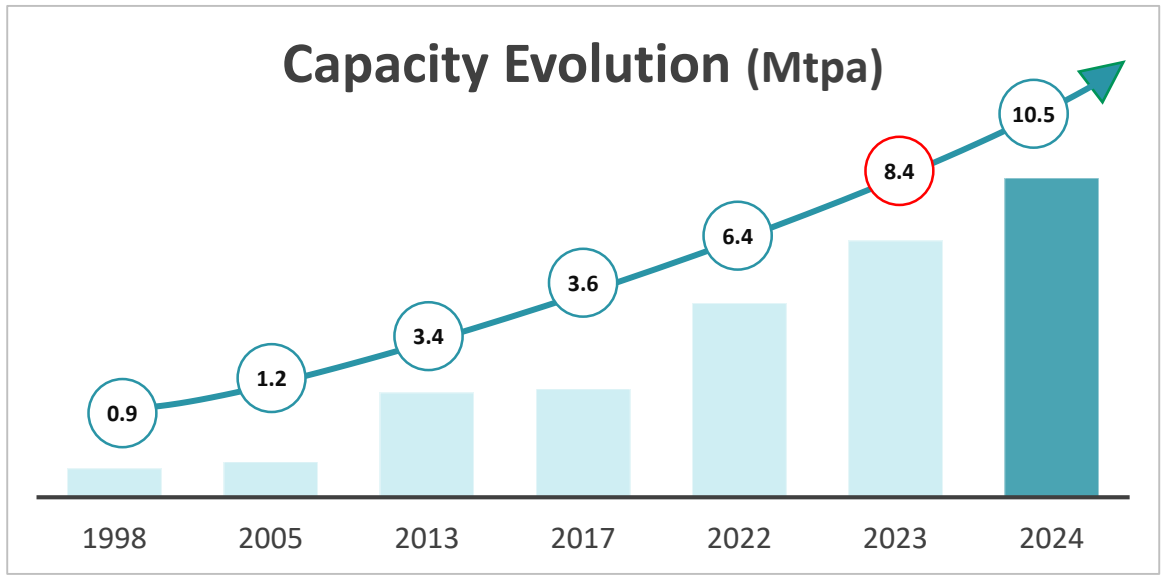
To be a role model cement manufacturing Company, benefiting all stakeholders and fulfilling corporate social responsibilities while enjoying public respect and goodwill



### Mission

FCCL while maintaining its leadership position in quality of cement maximizes profitability through reduced cost of production and enhanced share in domestic and international markets

# Fauji Cement Becomes the 3<sup>rd</sup> largest Cement Producer in Pakistan



# Complete Product Range to cater all types of construction



# CONTENTS

**About FCCL**

**ESG**

**Operational Highlights**

**Financial Overview**

**Outlook**



# Embracing ESG: A Pathway to Sustainable Future

## Environment

- Addition of 20MW solar power takes capacity to 40MW
- Increase Sales of Green Cement by reducing clinker factor. (9% of total Sales for the year)
- Surface water is used to meet plant needs

### CAPTIVE SOLAR POWER PLANTS

	Jhang Bahtar	Wah	NZP
<b>Capacity MW</b>	20	8.6	11
<b>FY 23 (MWH)</b>	27,513	10,473	1,298
<b>CO<sup>2</sup> avoided (Tons)</b>	14,411	5,486	679

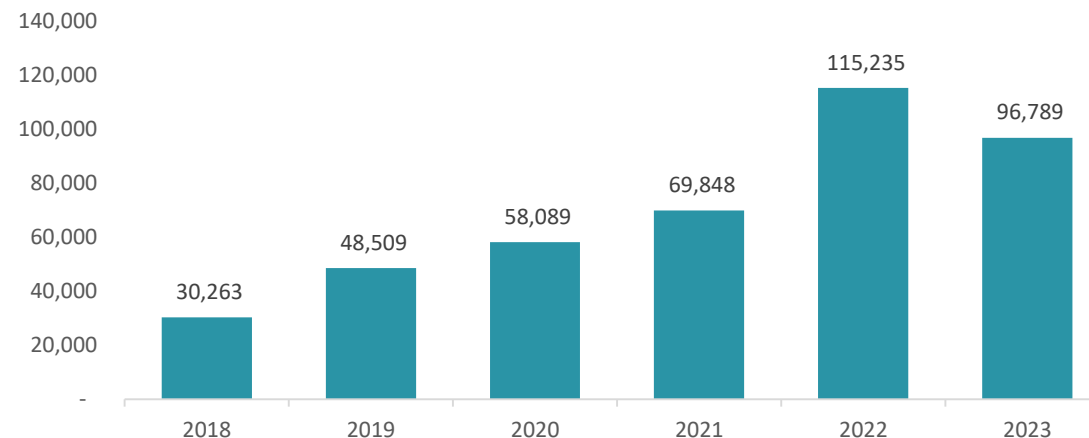
### WASTE HEAT RECOVERY POWER PLANTS

	Jang Bahtar	Wah	NZP
<b>Capacity MW</b>	21	7.5	19
<b>FY 23 (MWH)</b>	83,193	21,404	40,903
<b>CO<sup>2</sup> avoided (Tons)</b>	43,576	11,211	21,425

Addition of 7MW WHRP at Nizampur during the year



### Carbon Emission Reductions



# Embracing ESG: A Pathway to Sustainable Future

## Social Initiatives



### Health & Safety

- Ensuring a safe work environment for our employees at plant sites dedicated MI rooms
- Catering to Medical needs of Local Community



### Supporting local communities

- Providing Education through self run school
- Women Vocational training
- Jobs creation in general and especially at our greenfield project at DG Khan
- Water Filtration & RO Plants
- Solarization of nearby communities



### Diversity and inclusion

- Promoting a diverse and equitable workplace
- Equal opportunities for all employees

## Governance



### Strong Corporate Governance

- Transparency and accountability
- Ethical business conduct
- Trusted and responsible reporting



### Compliance

- Compliance with industry standards and regulations



### Diversity

- Board diversity and independence

Formation of New Board's ESG Committee





**CONTENTS**

**About FCCL**

**ESG**

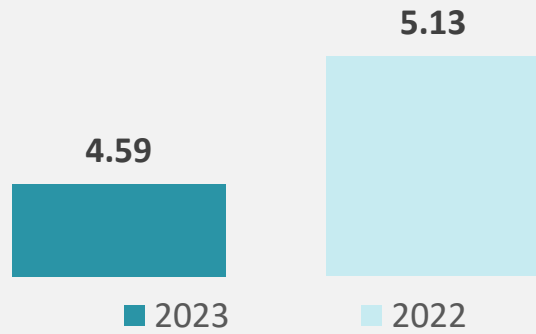
**Operational Highlights**

**Financial Overview**

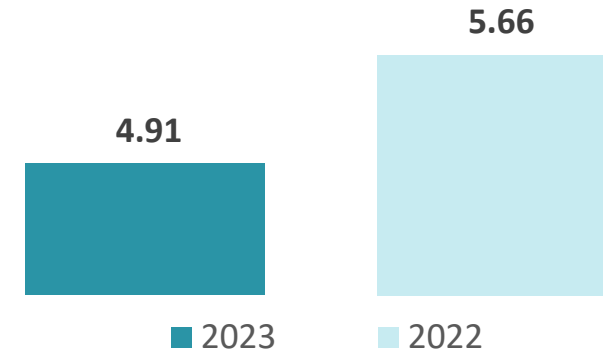
**Outlook**

# Operational Highlights

## Clinker Production Million Tons



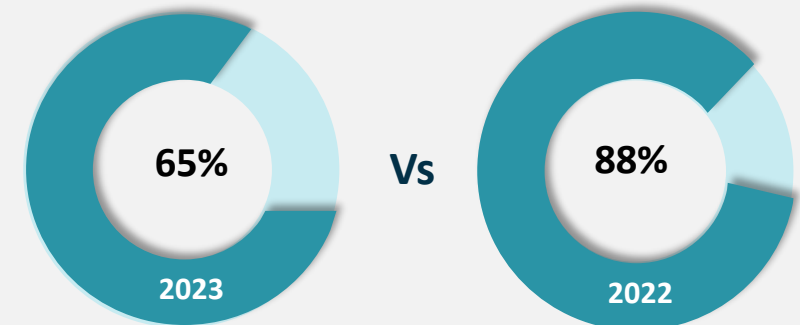
## Cement Production Million Tons



## Sales Million Tons



## Capacity Utilization



\* With market share of 14% - North

# CONTENTS

About FCCL

ESG

Operational Highlights

**Financial Overview**

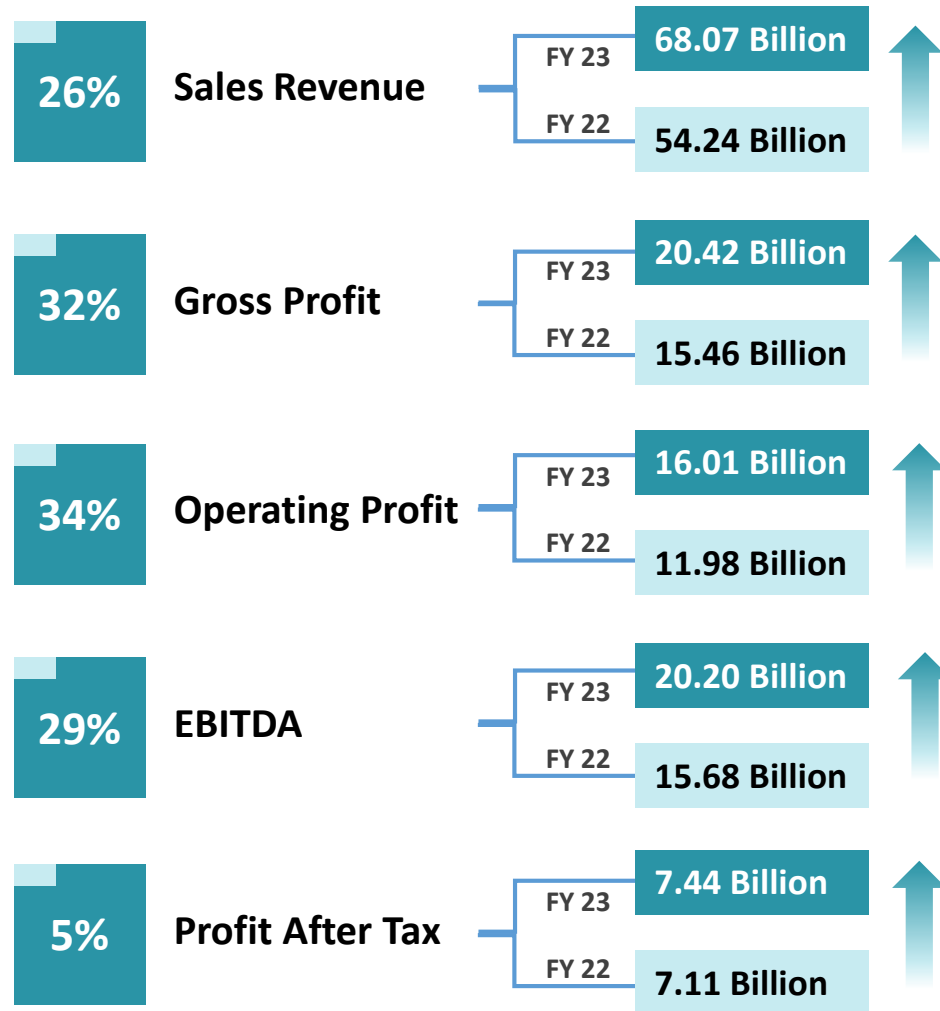
Outlook



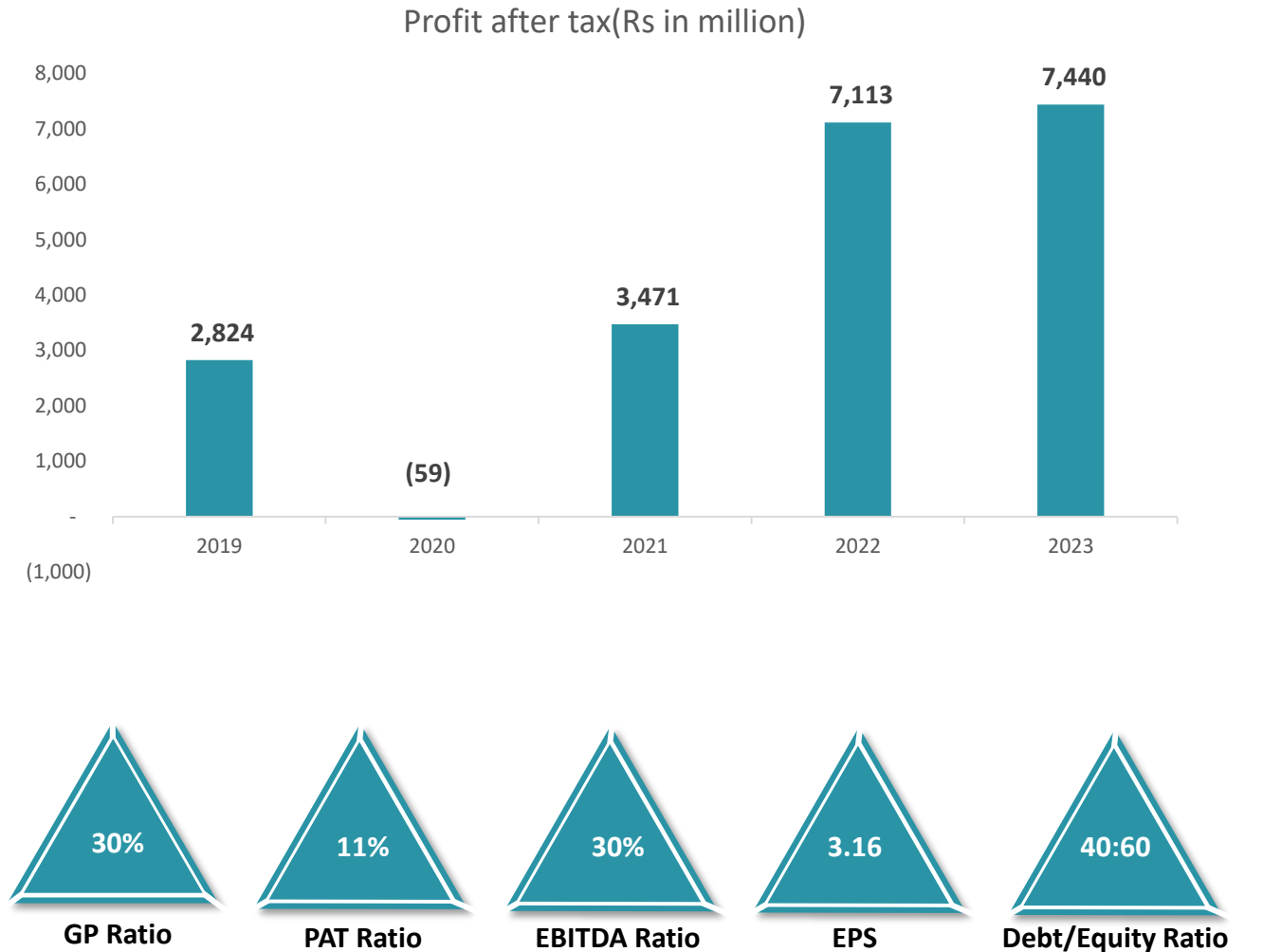
# Financial Overview

## KEY HIGHLIGHTS

### Variance



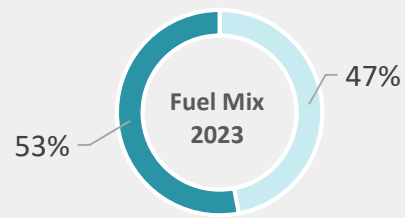
## Improvement in all Key Financial Indicators



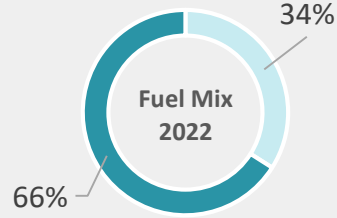
# Financial Overview - COST OF PRODUCTION

## Fuel

- 78% increase in coal prices
- Maximum utilization of local coal



■ Afghan ■ Local

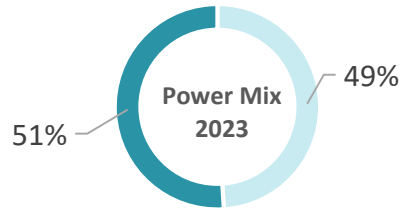


■ Afghan/Imported ■ Local Coal

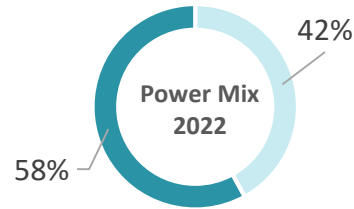
- Saving of Rs.285 per ton of cement produced

## Power

- 32% increase in WAPDA tariff



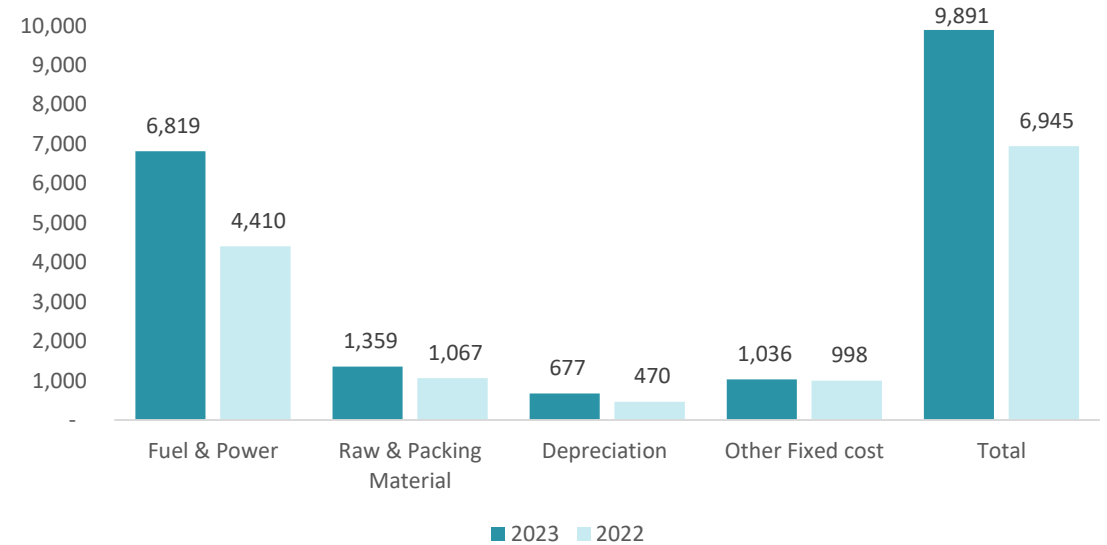
■ Own Generation ■ National Grid



■ Own Generation ■ National Grid

- Additional solar at NZp and Wah - Saving of Rs 60 per ton of cement produced

## Cost of Production



## Fixed Cost

- Inflationary impact of increasing costs
- HR optimization and other cost initiatives resulted in savings of Rs. 73 per ton of cement produced

# CONTENTS

**About FCCL**

**ESG**

**Operational Highlights**

**Financial Overview**

**Outlook**



# Outlook

- Local Cement Demand expected to be positive in FY 24 (YoY)
- Exports to Afghanistan depending upon border situation are expected to be better in FY 24
- Ongoing efforts to become lowest cost producer
- Timely completion of Expansion – DG Khan to further improve market share – Expected in Q2 of FY 24

The background features a pattern of overlapping triangles in various shades of teal and light blue. Some triangles are solid, while others are semi-transparent, creating a layered effect. The triangles are arranged in a way that they appear to be floating or overlapping each other, with some pointing upwards and others downwards.

# Q & A Session



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