



D.G. KHAN CEMENT COMPANY LIMITED

Head Office: Nishat House, 53 - A, Lawrence Road, Lahore - Pakistan.
UAN: (92 - 42) 111 113 333, Tel: (92 - 42) 36360154, Fax: (92 - 42) 36367414
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SECY/PSX/158

November 22, 2023

The General Manager,
Pakistan Stock Exchange Ltd (PSX),
Stock Exchange Building,
Stock Exchange Road,
KARACHI.

**Subject: Holding of Corporate Briefing Session of D. G. Khan Cement Co. Ltd. FY 2023
in Compliance with the requirements of Clause 5.7.3 of the Rule Book**

Submission of Presentation for CBS 2023

Dear Sir,

In continuation of our letter No. SECY/PSX/157 dated November 20, 2023 for holding of Corporate Briefing Session (CBS) of D. G. Khan Cement Company Limited ("the Company") on November 23, 2023 at 4:00 p.m. through Zoom, we are pleased to submit herewith Presentation for the said CBS for information of all concerned.

You may please circulate the same to all concerned.

Yours' sincerely,

Khalid Mahmood Chohan
Company Secretary

Factory Sites:

Khofli Sattai, Distt. Dera Ghazi Khan - Pakistan. UAN: (92 - 64) 111 - 113 - 333 Tel: (92 - 42) 36360153, Fax: (92 - 64) 2585010
Khairpur, Tehsil, Kallar Kahar. Distt. Chakwal - Pakistan. Tel: (92 - 42) 36360152 Fax: (92 - 543) 650231

CORPORATE BRIEFING
SESSION
FOR THE YEAR ENDED JUNE

2023



UNLOCKING

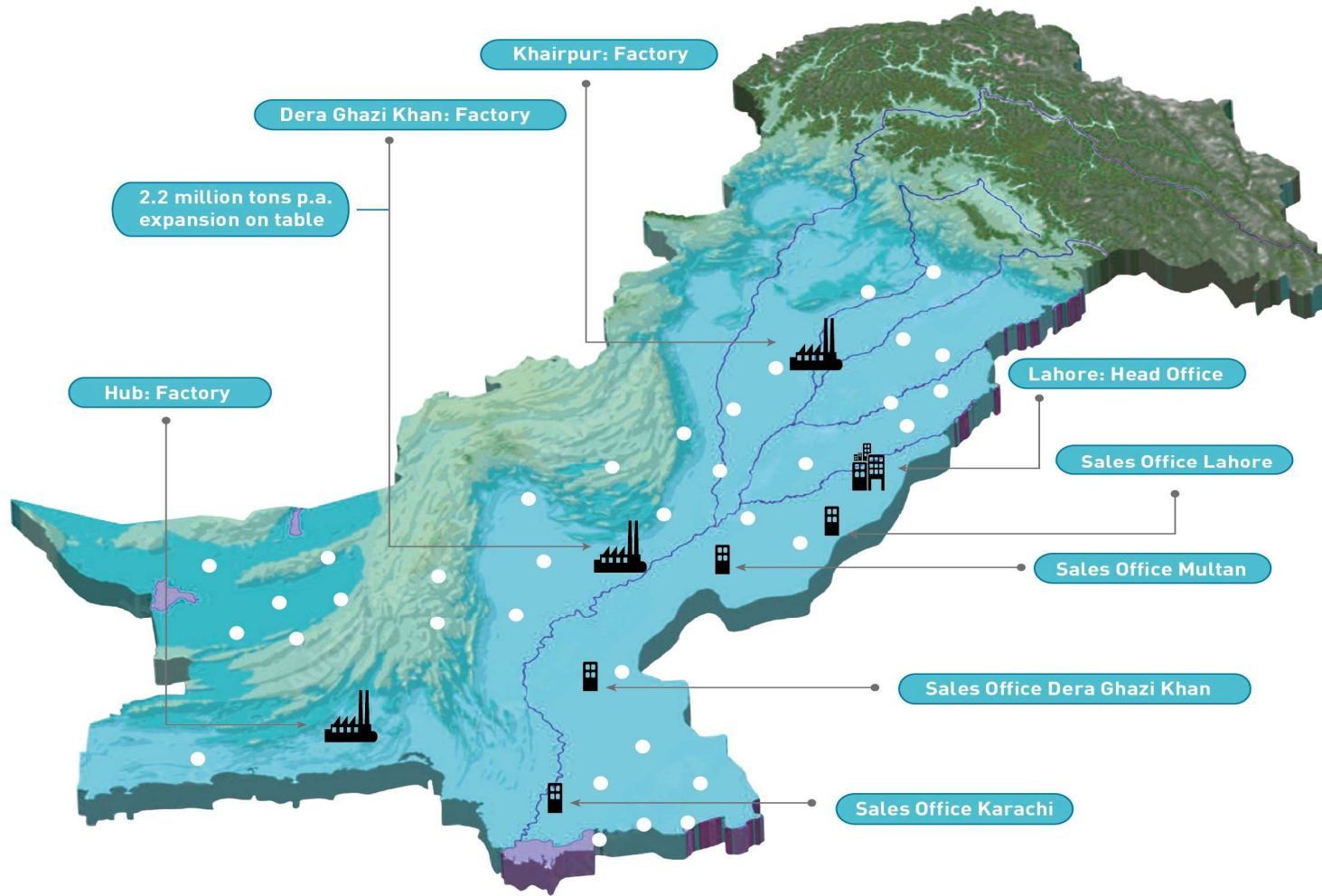
Potential



COMPANY PROFILE

- Incorporated in Pakistan in 1978 as limited liability company.
- Primarily engaged in production and sale of Clinker and Cement.
- Production capacity of 22,400 tons per day (6.72 million tons/annum)
- More than 1,900+ regular employees.
- Operate locally through more than 2,200+ dealers.
- As at June 30, 2023; total market capitalization was about Rs 22 billion
- Total market share of the company (local and export) is about 12%.

Over 2200 Dealers Nation-wide ●





ANALYSIS OF PAKISTAN CEMENT INDUSTRY

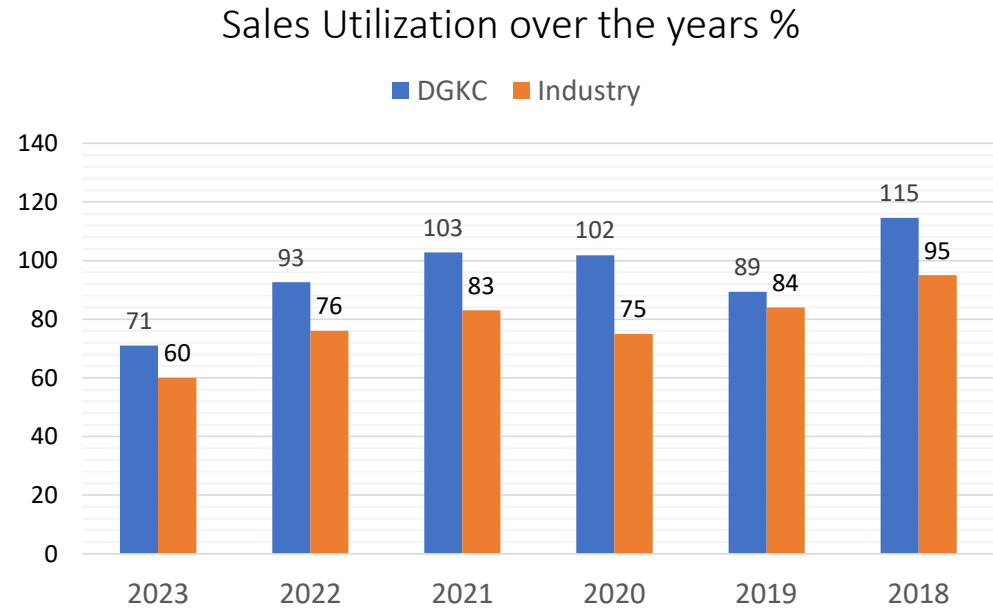
- Construction sector contributes 2.4% in GDP
- Sales utilization of industry declined to 60% against 76% in last year.
- Sales quantity witnessed decline of 8.3 million tons (15.7%) YOY basis to 44.5 million tons.
- North zone with negative growth of 6.5 million tons (16.1%) while South Zone of 1.8 million tons (14.4%).
- Negative growth was driven by local dispatches that declined by 7.6 million tons (16.0%) while exports dispatches declined by 0.7 million tons.

PRODUCTION AND POWER GENERATION CAPACITY

	DGP	KHP	HUB	Total
Clinker Production Capacity (Tons/day)	6,700	6,700	9,000	22,400
Furnace Oil Power plant (MW)			23.84	23.84
Gas Power Plant (MW)	24.60			24.60
Dual Fuel Power Plant (MW)		33.00		33.00
Solar Power Plant (MW)		6.90	1.02	7.92
WHR Power Plant (MW)	10.40	12.00	10.00	32.40
Coal Fired power plant	30.00		30.00	60.00
Total Power Generation capacity (MW)	65.00	51.90	64.86	181.76
Total Electricity Requirement (MW)	42	31	40	113

ANALYSIS OF PAKISTAN CEMENT INDUSTRY

Year	DGKC	Industry
2023	71	60
2022	93	76
2021	103	83
2020	102	75
2019	89	84
2018	115	95





KEY PERFORMANCE INDICATORS



Net Revenue (000)

2023	64,983,821
2022	58,043,863
Percentage	12%



Gross Margin %

2023	14.7%
2022	17.9%



Equity (000)

2023	64,192,277
2022	69,918,102
Percentage	-8%



Profit / Loss After Tax (PAT) (000)

2023	-3,635,976
2022	2,972,132
Percentage	-222%



Total Assets (000)

2023	134,713,251
2022	136,562,013
Percentage	-1%



Profit Before Tax (PBT) (000)

2023	3,162,543
2022	6,019,761
Percentage	-47%



Earnings per Share (EPS)

2023	-8.30
2022	6.78
Percentage	-222%



Breakup Value/ Share

2023	146.52
2022	159.59
Percentage	-8%

-10%

-2.3%

+2.3%

-10%

-3.9%

SUBSIDIARIES

Nishat Paper Products Company Limited (NPPCL)

- Incorporated in Pakistan on July 23, 2004.
- Principally engaged in the manufacture and sale of paper products and packaging material, primarily in meeting cement industry requirement.
- Located at Khairpur on the parent company's land.
- Company has 3 main production lines with 220 million bags per annum production capacity.
- In FY2023, NPPCL produced 50.7 million paper bags.
- DGKC holds 55% shares in NPPCL.
- Revenue and Loss for the FY:2023 are Rs 3,091 Million and Rs 177 Million respectively.
- L/C opened for new PP bag plant with capacity of 90 million bags per annum

SUBSIDIARIES

Nishat Dairy (Private) Limited (NDPL)

- Incorporated In Pakistan on October 28, 2011.
- Engaged in the business of production and sale of raw milk.
- As at June 30, 2023 the Company has 3,535 mature milking animals.
- DGKC owns 55.1% holding in NDPL
- Nishat Group has entered into a joint venture agreement with Turkish brand, Sutas and launched the product 'Milkfield'. NDPL is a major supplier of that new venture.
- Revenue and Profits for the FY:2023 are Rs: 4,942 Million and Rs.491 Million respectively.

FUTURE OUTLOOK

- Exports Opportunities
- Fear of intense price competition as new capacities came online
- Higher interest rates with high inflation numbers.
- New IMF agreement and uncertainties related to it
- Rising energy prices and availability of coal.
- Political turmoil and economic uncertainty (shrinking local market)
- Pressure on PKR/USD parity.

Thank
you

