

shaping the
future



**Pioneer
Cement Limited**

**CORPORATE
BRIEFING SESSION
2023**

November 24, 2023

About Pioneer Cement Limited

The Vision is

To be the preferred provider of cement and building solutions in Pakistan

Incorporated in 1986 and subsequently listed on Pakistan Stock Exchange

Location of Plant is near Jauharabad, Khushab, the land of the finest limestone reserves

Human Capital includes a team of more than 1,100 employees

Market Capitalization - Rs. 23.99 billion i.e. US\$ 83.81 million

Total Assets - Rs. 87.16 billion i.e. US\$ 304 million

Annual gross turnover for FY 2023 was Rs. 49.33 billion (US\$ 172.33 million)

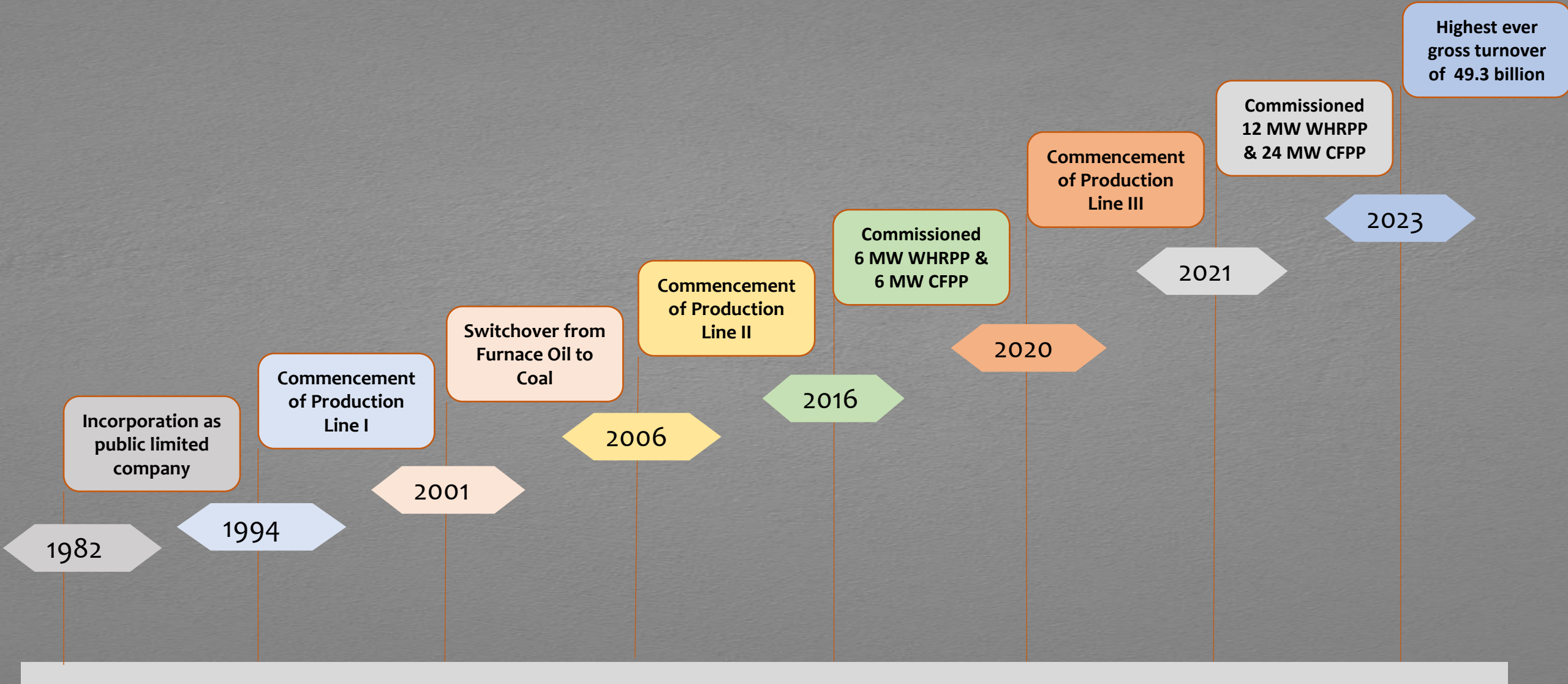
Annual installed cement production capacity is 5.19 million metric tons

Geographical Presence in Central, North and South Punjab

Dealers Network - 152 in Central, 164 in North & 105 in South Punjab



Brief History



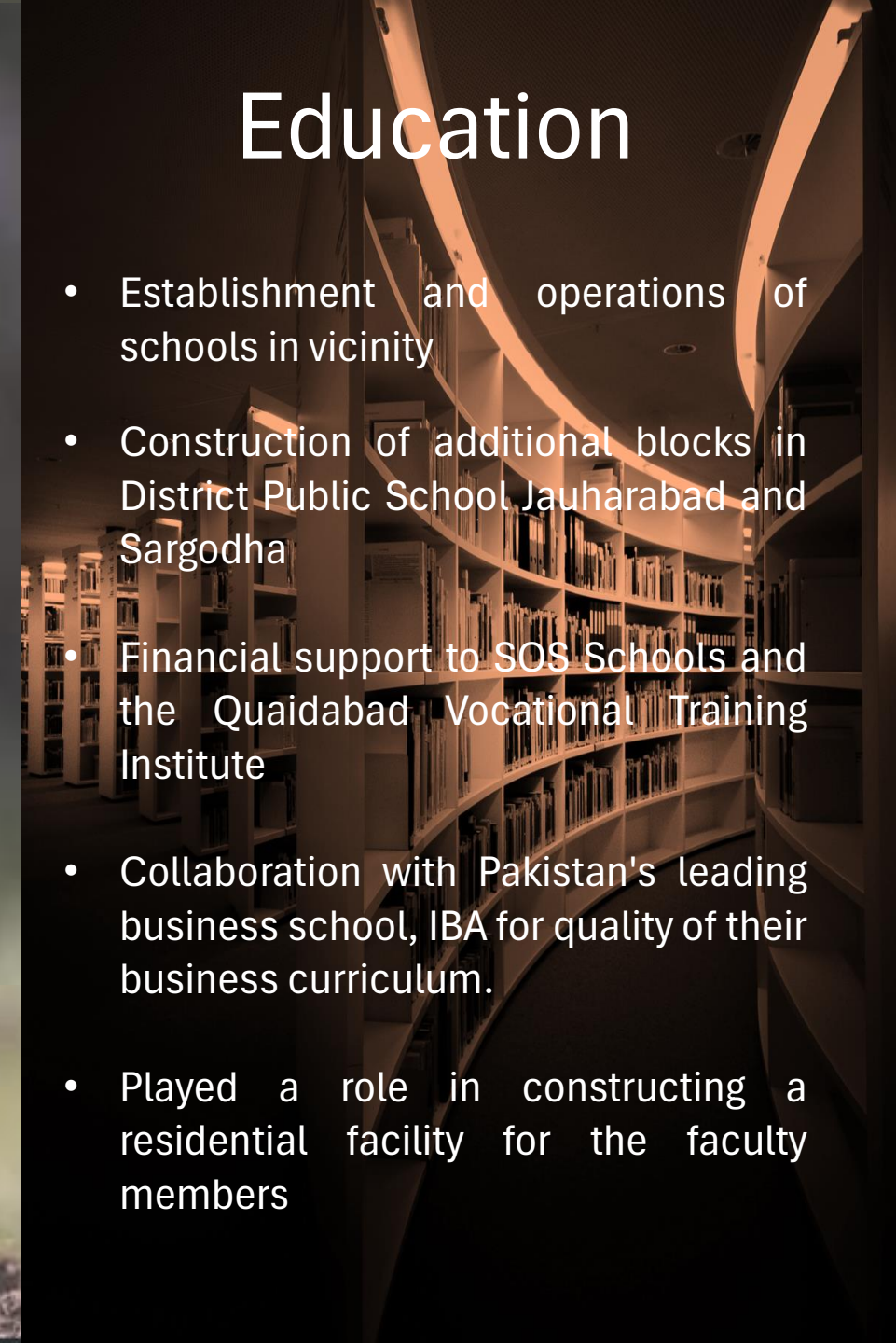


Environment

- ISO 14001:2015 and ISO 9001:2015 Certifications
- Environmentally compliant coal firing burners together with waster heat recovery mechanism
- Tree plantation with the resolve of fostering green legacy that will thrive for generations
- Advanced extensive dust collection equipment helping in reducing carbon footprints
- Green Office Diploma by WWF Pakistan, an authentication of quest towards a resource-efficient entity

Education

- Establishment and operations of schools in vicinity
- Construction of additional blocks in District Public School Jauharabad and Sargodha
- Financial support to SOS Schools and the Quaidabad Vocational Training Institute
- Collaboration with Pakistan's leading business school, IBA for quality of their business curriculum.
- Played a role in constructing a residential facility for the faculty members





Community Development

- Development maintenance of 15 km road connecting Chenki village to Jabbi village providing convenience to local commuters
- A new 2.1km bypass road is being built for heavy traffic, bringing relief to locals impacted by congestion.
- Construction and maintenance of the Chenki village mosque

Healthcare and Safety

- The Pioneer Medical Center at our plant provides free medical and emergency ambulance services not just to our employees but also to the local community
- Public dispensary in Chenki Village
- Financial support to TB Centre Foundation





Company Performance

Particulars		Year ended June 30		Period ended September 30		Variance		
		2023	2022	2023	2022	YoY	QoQ	
		Tons '000'				%		
Local	North	32,780	39,439	8,333	7,259	▼	(16.88)	▲ 14.80
	South	7,237	8,196	1,795	1,343	▼	(11.70)	▲ 33.66
		40,017	47,635	10,128	8,602	▼	(15.99)	▲ 17.74
Export	North	1,070	911	428	289	▲	17.45	▲ 48.10
	South	3,496	4,345	1,323	730	▼	(19.54)	▲ 81.23
		4,566	5,256	1,751	1,019	▼	(13.13)	▲ 71.84
Industry Total		44,583	52,891	11,879	9,621	▼	(15.71)	▲ 23.47
Pioneer Cement		2,704	3,388	601	634	▼	(20.19)	▼ (5.20)

	Q1-FY 2024	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019
	----- Tons '000' -----					

Production

Clinker	524	2,409	2,893	2,955	1,540	1,257
Cement	592	2,741	3,373	3,408	1,737	1,443

Dispatches - Cement / Clinker

Domestic Market	601	2,704	3,388	3,368	1,723	1,384
International Market	-	-	-	13	12	62
	601	2,704	3,388	3,381	1,735	1,446

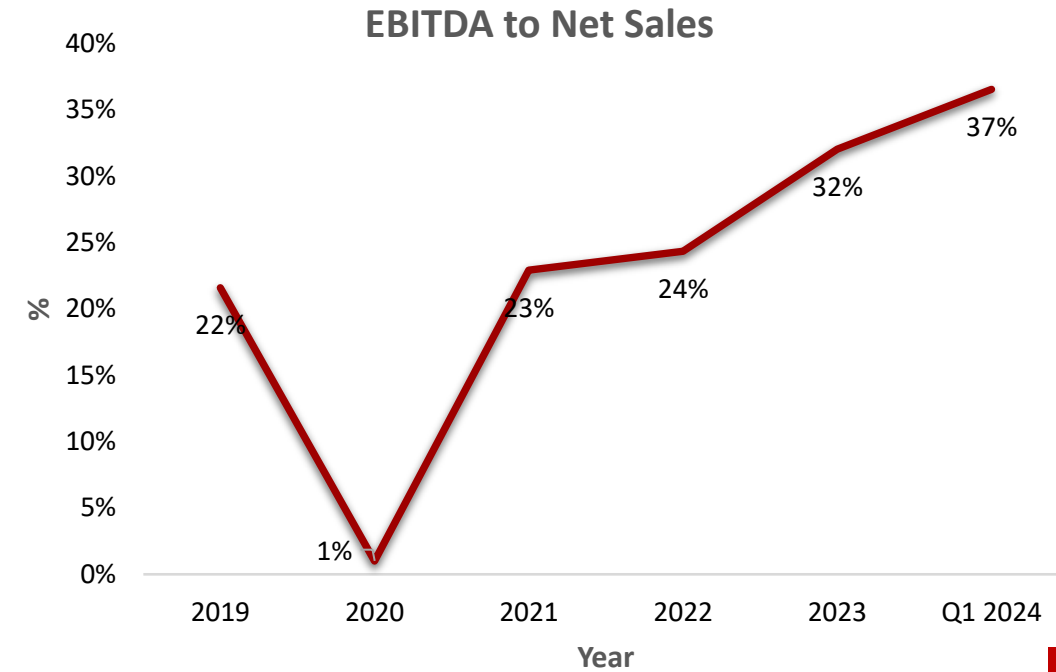
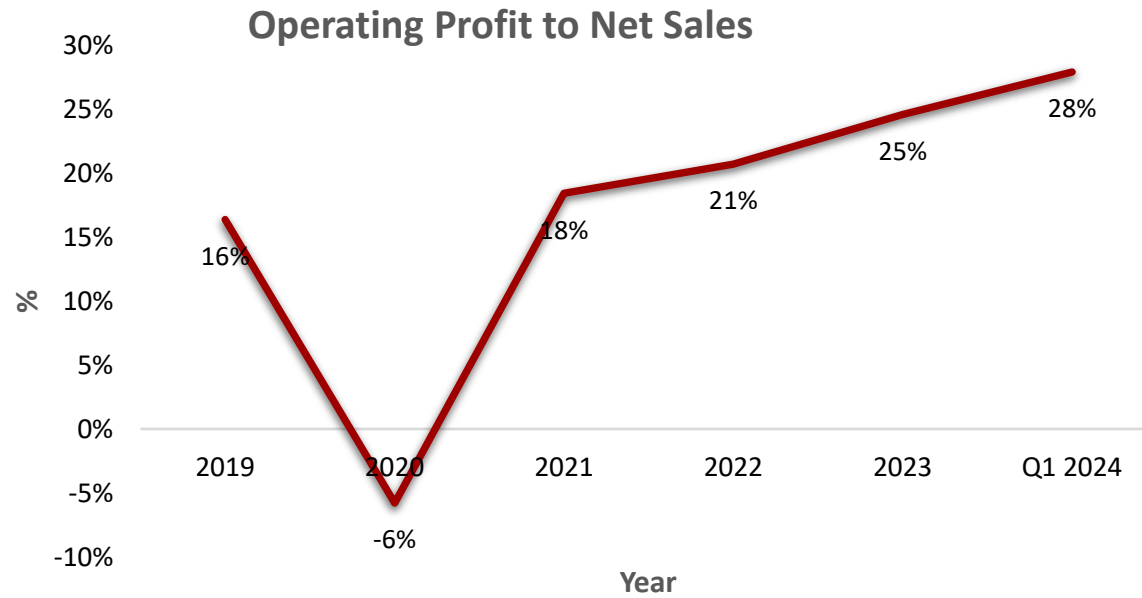
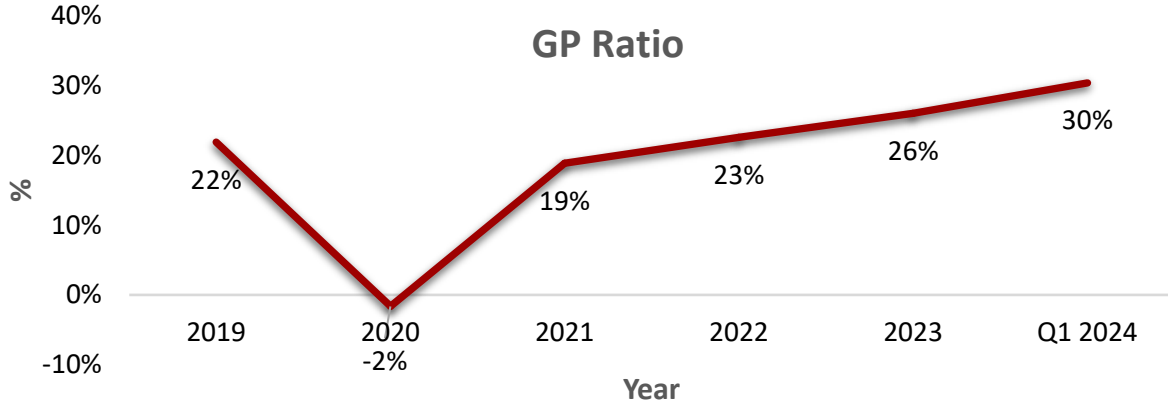
(Decline) / Growth

Domestic Dispatches - YoY	(5.20%)	(20.20%)	0.61%	95.46%	24.49%	(12.23%)
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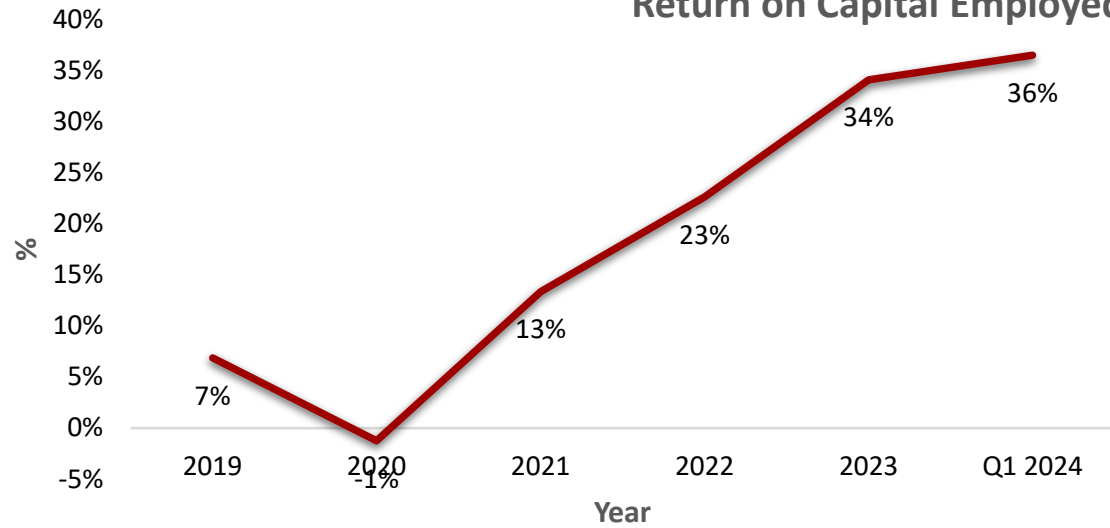
	Q1-FY 2024	FY 2023	FY 2022
	----Rs. in million----		
Property, plant and equipment	77,380	77,803	63,243
Other long term assets	440	439	179
Current assets	8,394	8,914	8,468
Total Assets	86,215	87,155	71,891
Financed by			
Shareholders' equity	18,155	16,921	13,593
Surplus on revaluation of fixed assets	23,300	23,600	16,178
Total Equity	41,454	40,521	29,771
Long term loan (incl. current maturity)	13,544	13,521	18,030
Short term financing	2,675	3,962	4,181
Total Debt	16,219	17,483	22,211
Deferred liabilities	19,878	19,682	10,512
Other liabilities	8,663	9,469	9,397
Total Equity and Liabilities	86,215	87,155	71,891

	Q1-FY 2024	FY 2023	FY 2022
-----Rs. in million-----			
Gross turnover	12,089	49,333	44,509
Net turnover	8,712	36,165	31,879
Gross profit	2,650	9,409	7,203
Operating profit	2,430	8,889	6,637
Profit before taxation	1,535	5,732	3,945
Profit after taxation	933	2,611	1,050
EBITDA	3,184	11,588	7,798
-----Rs. Per ton of cement sold-----			
Net turnover	14,506	13,375	9,408
Gross profit	4,413	3,480	2,126
Operating profit	4,047	3,287	1,959
Profit before taxation	2,555	2,120	1,164
Profit after taxation	1,554	966	310
EBITDA	5,302	4,285	2,302
-----Rs. per share-----			
Earnings per share	4.11	11.50	4.62
Breakup value per share	182.50	178.39	131.07

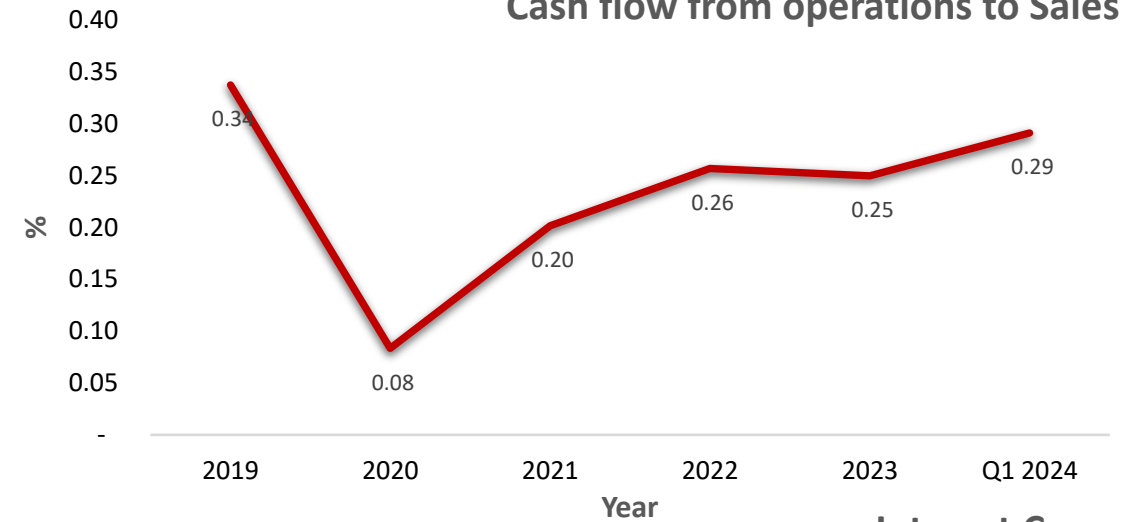
	Q1- FY 2024	FY 2023	FY 2022
-----%-----			
<u>Profitability Ratios</u>			
Gross profit to net sales	30.42	26.02	22.60
Operating profit to net sales	27.90	24.58	20.82
Profit after tax to net sales	10.71	7.22	3.29
EBITDA to net sales	36.55	32.04	24.46
Return on capital employed	36.48	34.08	23.27
-----Times-----			
<u>Liquidity Ratios</u>			
Current ratio	0.51	0.47	0.48
Cash flow from operations to sales	0.29	0.25	0.26
EBITDA to current liabilities	0.78	0.61	0.44
<u>Capital Structure Ratios</u>			
Financial leverage	0.39	0.43	0.75
Debt to equity	0.89	1.03	1.64
Interest coverage	3.35	3.62	2.94



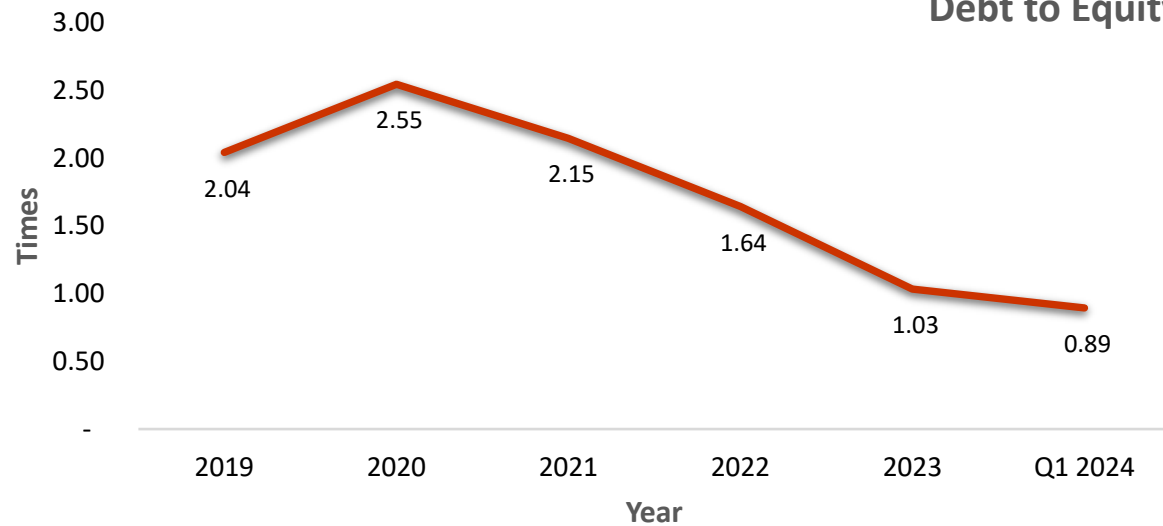
Return on Capital Employed



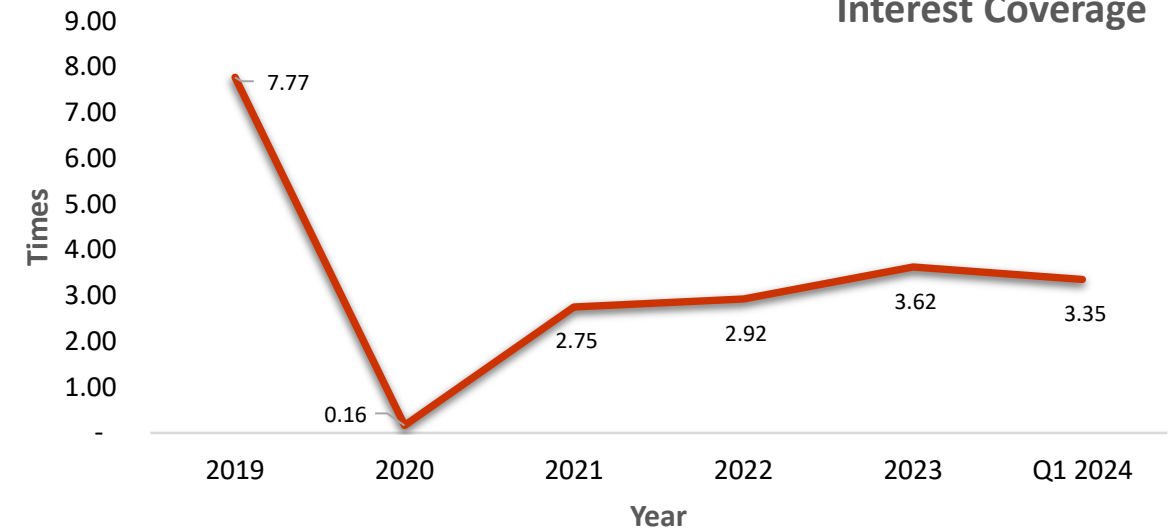
Cash flow from operations to Sales



Debt to Equity



Interest Coverage



Future Outlook

Global level outlook exhibits mix of optimism and uncertainty. Challenges like global conflicts leading to inflationary pressures and supply chain disruptions cast shadows on the global financial landscape.

However, post-pandemic recovery and digital transformation are expected to reshape global outlook and may create new opportunities for developing countries.

National level outlook appears positive following the announcement of general elections, which is expected to alleviate political uncertainties. Recovery in trade balance, stabilization of SBP reserves, and anticipated reductions in policy rates are likely to support future growth.

However, economic growth prospects are closely tied to global and domestic inflation.

Industry / Company level outlook is anticipated to remain positive, demonstrating resilience in the face of challenges posed by rising input cost, limited government expenditure and escalating national grid tariff.

In navigating this landscape, the Company remains committed to proactive measures and strategic adjustments, ensuring a steadfast approach to sustained growth.

Questions



Thanks