

Flash Note

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Power Generation & Distribution

Nishat Chunian Power Limited (NCPL)

Earnings: Nishat Chunian Power Limited (NCPL) announced its 2QFY24 result. The Company reported 1QFY24 earnings of PKR 1.04bn (EPS PKR 2.83), up by +18%/y/y, compared to PKR 0.88bn (EPS PKR 2.39) in the similar period last year. On quarterly basis, earnings are down by 25%q/q. This brings total profitability for 1HFY24 to PKR 2.43bn (EPS PKR 6.60), up by +32%/y/y, compared to PKR 1.84bn (EPS PKR 5.00) in the same period last year.

Dividend/Payout: The Company did not announce any cash dividend along with the result.

Operating Performance: Growth in earnings during 2QFY24 is mainly attributable to lower other charges, higher other income and drop in finance cost. Net sales dropped by 3%/y/y to PKR 1.92bn likely owing to lower load factor amid depressed demand. Gross profit clocked in at PKR 1.1bn during 2QFY24 compared to PKR 1.18bn in the same period last year. Other income increased by +3.8x/y/y to PKR 48mn during 2QFY24 compared to PKR 12mn in the similar period last year. Administrative expenses increased by +10%/y/y to PKR 39mn during 2QFY24. Finance cost dropped by 71%/y/y to PKR 78mn during 2QFY24 compared to PKR 274mn in the same period last year likely owing to lower borrowings despite higher interest rates.

Exhibit: NCPL Financial Highlights For the period 2QFY24								
PKRmn	2QFY24	2QFY23	y/y	1QFY24	q/q	1HFY24	1HFY23	y/y
Net Sales	1,917	1,980	-3%	6,806	-72%	8,723	10,567	-17%
Cost of Sales	808	795	2%	5,266	-85%	6,074	8,114	-25%
Gross Profit	1,109	1,184	-6%	1,539	-28%	2,648	2,453	8%
Administrative Expense	39	35	10%	40	-4%	79	73	8%
Other Expense	0	10	-	1	-	1	131	-99%
Other Income	48	12	3.8x	28	68%	76	52	47%
EBIT	1,118	1,152	-3%	1,526	-27%	2,644	2,302	15%
Finance Cost	78	274	-71%	141	-44%	219	463	-53%
PBT	1,040	878	18%	1,386	-25%	2,425	1,838	32%
Tax	(0)	(0)	-91%	(0)	-53%	(0)	(0)	-71%
PAT	1,040	878	18%	1,386	-25%	2,425	1,838	32%
EPS	2.83	2.39		3.77		6.60	5.00	
DPS	0.0	0.0		0.0		0.0	0.0	

Source: IGI Research and Company Financials No of Shares: 367.35mn

Analyst

Abdullah Farhan

Abdullah.Farhan@igi.com.pk

Tel: +92 21 111 234 234 Ext: 912

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IGI Finex Securities Limited

Research Analyst(s)

Research Identity Number: BRP009

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Contact Details

Equity Sales

Zaeem Haider Khan	Head of Equities	Tel: (+92-42) 35301405	zaeem.haider@igi.com.pk
Muhammad Naveed	Regional Manager (Islamabad & Upper North)	Tel: (+92-51) 2604861-62	muhammad.naveed@igi.com.pk
Syeda Mahrukh Hameed	Branch Manager (Lahore)	Tel: (+92-42) 38303564	mahrukh.hameed@igi.com.pk
Shakeel Ahmad	Branch Manager (Faisalabad)	Tel: (+92-41) 2540843-45	shakeel.ahmad1@igi.com.pk
Asif Saleem	Equity Sales (RY Khan)	Tel: (+92-68) 5871652-56	asif.saleem@igi.com.pk
Mehtab Ali	Equity Sales (Multan)	Tel: (+92-61) 4512003	mahtab.ali@igi.com.pk

Research Team

Abdullah Farhan	Head of Research	Tel: (+92-21) 111-234-234 Ext: 912	abdullah.farhan@igi.com.pk
Sakina Makati	Research Analyst	Tel: (+92-21) 111-234-234 Ext: 810	sakina.makati@igi.com.pk
Laraib Nisar	Research Analyst	Tel: (+92-21) 111-234-234 Ext: 974	laraib.nisar@igi.com.pk

IGI Finex Securities Limited

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Corporate member of Pakistan Mercantile Exchange Limited

Website: www.igisecurities.com.pk

Head Office

Suite No 701-713, 7th Floor, The Forum, G-20,
 Khayaban-e-Jami Block-09, Clifton, Karachi-75600
 UAN: (+92-21) 111-444-001 | (+92-21) 111-234-234
 Fax: (+92-21) 35309169, 35301780

Lahore Office

Shop # G-009, Ground Floor,
 Packages Mall
 Tel: (+92-42) 38303560-69
 Fax: (+92-42) 38303559

Islamabad Office

Mezzanine Floor, Office 5, 6 & 7, Kashmir Plaza,
 Block- B, Jinnah Avenue, Blue Area
 Tel: (+92-51) 2604861-2, 2604864, 2273439
 Fax: (+92-51) 2273861

Faisalabad Office

Office No. 2, 5 & 8, Ground Floor, The
 Regency International 949, The Mall
 Faisalabad
 Tel: (+92-41) 2540843-45

Rahim Yar Khan Office

Plot # 12, Basement of Khalid Market,
 Model Town, Town Hall Road
 Tel: (+92-68) 5871652-3
 Fax: (+92-68) 5871651

Multan Office

Mezzanine Floor, Abdali Tower,
 Abdali Road
 Tel: (92-61) 4512003, 4571183

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Research Identity Number: BRP009

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