

Flash Note

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Automobile Assemblers

Pak Suzuki Motor Company Limited (PSMC)

Earnings: Pak Suzuki Motor Company Limited (PSMC) announced its 3QCY23, financial result. The company reported earnings of PKR 3.8bn (PKR 46.2/share) compared to loss in the same period last year of PKR 2.5bn (PKR 30.2/share). This brings total loss for 9MCY23 to PKR 5.9bn (PKR 71.3/share) compared to loss of PKR 2.5bn (PKR 30.5/share) in the same period last year.

Dividend/Payout: The Company did not announce any cash dividend along with the result. To note, the Company last announced dividend along with 4QCY21 financial result.

Operating Performance: During the period under review, company reported net sales of PKR 29.9bn during 3QCY23 (up 0.4%/y). Company reported gross profit of PKR 4.2bn or 14% gross margins, down by +2.7xy/y compared to PKR 1.6bn or 5% gross margin in the similar period last year. Gross margins improved owing to high vehicle prices and favorable exchange rate movement. Net interest income clocked in at PKR 0.9bn during 3QCY23 as Company report Finance income of PKR 0.8bn. Effective tax rate stood at 8% during 3QCY23 (2QCY23: 28%) compared to 28% in the same period last year.

Exhibit: Financial highlights Pak Suzuki Company Limited (PSMC)								
Financial Result for period: 3q23								
PKRbn	9M'23	3q23	2q23	1q22	9M'22	3q22	2q22	1q21
Net Sales	73.1	29.9	21.3	21.8	142.4	29.8	64.9	47.7
Gross Profit	8.4	4.2	2.2	2.0	5.8	1.6	2.9	1.3
Operating Profit	4.3	3.1	1.1	0.2	1.3	0.3	1.2	(0.1)
EBIT	4.5	3.2	1.1	0.2	1.4	0.3	1.1	(0.1)
Net Interest	(8.5)	0.9	3.4	(12.8)	(4.1)	(3.8)	0.2	(0.5)
Profit before Tax	(4.0)	4.1	4.5	(12.6)	(2.7)	(3.5)	1.4	(0.6)
Tax	1.9	0.3	1.3	0.3	(0.2)	(1.0)	1.0	(0.2)
Net Profit	(5.9)	3.8	3.2	(12.9)	(2.5)	(2.5)	0.4	(0.5)
EPS / (LPS)	(71.3)	46.2	39.4	(156.9)	(30.5)	(30.2)	5.4	(5.6)
DPS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gross Margins	11%	14%	10%	9%	4%	5%	4%	3%
EBIT Margins	6%	11%	5%	1%	1%	1%	2%	0%
Net Margins	-8%	13%	15%	-59%	-2%	-8%	1%	-1%
Effective tax rate	-46%	8%	28%	-2%	8%	28%	68%	29%

Source: IGI Research, Company Financials

No. of Shares: 142.8mn

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