

Result announcement FY22

Cement

Maple Leaf Cement Factory Limited (MLCF)

Earnings: Maple Leaf Cement Factory Limited (MLCF) announced its' full year FY22 financial result, whereby the company reported earnings of PKR 3,626mn or PKR 3.3/share, down by 42%/y. For the 4qFY22 alone the company reported earnings of PKR 35mn or PKR 0.03/share down by 95% q/q). Quarterly earnings decline depicts implementation of new taxes in budget FY23.

Dividends/Payouts: The Company did not announce dividend.

Operating performance: During the 4qFY22, company's sales clocked in at PKR 14,408mn up by a +37%/y on the back of higher retention prices. Moreover, company's gross margins stood at 25% during the period compared to 21% in the same period last year. This takes full year gross margins to 25%. Improved gross margins symbolize efficient cost and coal inventory management by the company. During the period under review, company reported EBIT of PKR 8,925mn up by 2%/y and 1xq/q. Margins wise, Company's net margins clocked in at 7% during the year compared to previous year net margins of 18%. Effective tax for the company came in at 98% for the quarter mainly due to the higher tax measures imposed during the FY23 budget, including Super Tax and Poverty Alleviation Tax.

| Exhibit: MLCF Financial highlights | | | | | | | | | | |
|------------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| For period ending 4qFY22/FY22 | | | | | | | | | | |
| PKRmn=Jun(end) | FY22 | 4QFY22 | 3q/22a | 2q/21a | 1q/21a | FY21 | 4q/21a | 3q/21a | 2q/20a | 1q/20a |
| Net Sales | 48,520 | 14,408 | 11,990 | 12,226 | 9,896 | 35,538 | 9,440 | 9,477 | 9,100 | 7,521 |
| Gross Profits | 12,275 | 3,637 | 2,909 | 3,801 | 1,929 | 7,403 | 1,982 | 2,224 | 1,969 | 1,229 |
| EBIT | 8,925 | 2,676 | 2,172 | 2,916 | 1,161 | 8,784 | 1,321 | 5,117 | 1,463 | 882 |
| Finance cost | 1,741 | 536 | 494 | 380 | 330 | 1,494 | 306 | 348 | 370 | 469 |
| Profit before tax | 7,184 | 2,140 | 1,677 | 2,536 | 831 | 7,290 | 1,015 | 4,768 | 1,093 | 413 |
| Taxation | 3,557 | 2,105 | 489 | 695 | 268 | 1,035 | 282 | 357 | 293 | 104 |
| Profit after Tax | 3,626 | 35 | 1,188 | 1,841 | 563 | 6,254 | 733 | 4,412 | 800 | 309 |
| EPS | 3.3 | 0.0 | 1.1 | 1.7 | 0.5 | 5.7 | 0.7 | 4.0 | 0.7 | 0.3 |
| DPS | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Gross Margins | 25% | 25% | 24% | 31% | 19% | 21% | 21% | 23% | 22% | 16% |
| Effective tax | 50% | 98% | 29% | 27% | 32% | 14% | 28% | 7% | 27% | 25% |
| Net Margins | 7% | 0% | 10% | 15% | 6% | 18% | 8% | 47% | 9% | 4% |

Source: Company Accounts, IGI Research

No. of shares:1098.3mn

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