

Flash Note

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Cement

Maple Leaf Cement Factory Limited (MLCF)

Earnings: Maple Leaf Cement Factory Limited (MLCF) announced its 3Q'23 result. For the period, the Company reported consolidated earnings of PKR 1.9bn (EPS PKR 1.75), up by +20%/y. This brings (mFY23) total earnings to PKR 6.2bn (PKR 5.76/share), up +43%/y.

Dividend/Payout: The Company did not announce any cash dividend.

Operating Performance: During 3Q'23, the company's net sales increased by 42%/y. Moreover, gross profit margin remained flat at 27% compared to the last year's same period. Administrative, selling and distribution costs jumped by 2x y/y. Finance costs dropped by 20%/y. Tax charges clocked in at PKR 0.8bn or +30% effectively higher when compared to 3Q'22 charges of +24%.

| Exhibit: Maple Leaf Cement Factory Limited (MLCF) | | | | | | | | | | | | | |
|---|------|------|------|------|------|------|------|------|------|------|------|------|------|
| in PKRbn | | | | | | | | | | | | | |
| Period end (JUN) | 3q23 | 2q23 | 1q23 | FY22 | 4q22 | 3q22 | 2q22 | 1q22 | FY21 | 4q21 | 3q21 | 2q21 | 1q21 |
| Net Sales | 17.0 | 17.2 | 12.8 | 48.5 | 14.4 | 12.0 | 12.2 | 9.9 | 35.5 | 9.5 | 9.5 | 9.1 | 7.5 |
| Cost of Sales | 12.5 | 11.6 | 9.1 | 35.3 | 10.6 | 8.7 | 8.3 | 7.7 | 27.0 | 6.9 | 6.9 | 6.9 | 6.3 |
| Gross Profit | 4.6 | 5.6 | 3.7 | 13.2 | 3.9 | 3.3 | 3.9 | 2.2 | 8.5 | 2.6 | 2.5 | 2.2 | 1.2 |
| Gross Profit margin | 27% | 33% | 29% | 27% | 27% | 27% | 32% | 22% | 24% | 27% | 27% | 24% | 16% |
| Admin | 0.4 | 0.3 | 0.4 | 1.0 | 0.3 | 0.2 | 0.2 | 0.2 | 0.8 | 0.2 | 0.2 | 0.2 | 0.2 |
| Selling & Dist. | 0.8 | 0.5 | 0.4 | 1.5 | 0.3 | 0.4 | 0.4 | 0.4 | 1.0 | 0.3 | 0.3 | 0.3 | 0.2 |
| EBIT | 3.1 | 4.6 | 2.5 | 9.8 | 2.9 | 2.5 | 3.0 | 1.4 | 6.3 | 1.8 | 1.9 | 1.7 | 0.9 |
| EBIT margin | 18% | 27% | 20% | 20% | 20% | 21% | 24% | 14% | 18% | 19% | 20% | 19% | 12% |
| Finance Cost | 0.4 | 0.5 | 0.6 | 1.7 | 0.5 | 0.5 | 0.4 | 0.3 | 1.4 | 0.3 | 0.3 | 0.3 | 0.5 |
| Profit before tax | 2.7 | 4.1 | 2.0 | 8.1 | 2.4 | 2.1 | 2.6 | 1.1 | 4.9 | 1.5 | 1.6 | 1.4 | 0.4 |
| Tax | 0.8 | 1.2 | 0.6 | 3.6 | 2.1 | 0.5 | 0.7 | 0.3 | 1.1 | 0.3 | 0.4 | 0.3 | 0.1 |
| Effective tax rate | 30% | 28% | 30% | 44% | 90% | 24% | 27% | 25% | 22% | 19% | 23% | 23% | 25% |
| Profit after tax | 1.9 | 2.9 | 1.4 | 4.6 | 0.2 | 1.6 | 1.9 | 0.8 | 3.8 | 1.2 | 1.2 | 1.1 | 0.3 |
| Net Margins | 11% | 17% | 11% | 9% | 2% | 13% | 16% | 8% | 11% | 13% | 13% | 12% | 4% |
| EPS | 1.75 | 2.73 | 1.28 | 4.24 | 0.22 | 1.46 | 1.78 | 0.78 | 3.57 | 1.15 | 1.14 | 1.00 | 0.29 |
| DPS | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

Source: Company Accounts, IGI Research No. of Shares: 1073.3mn.

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