

# **INDUS MOTOR COMPANY LTD**

**Quarter Ended September 2020  
10<sup>th</sup> of November 2020**

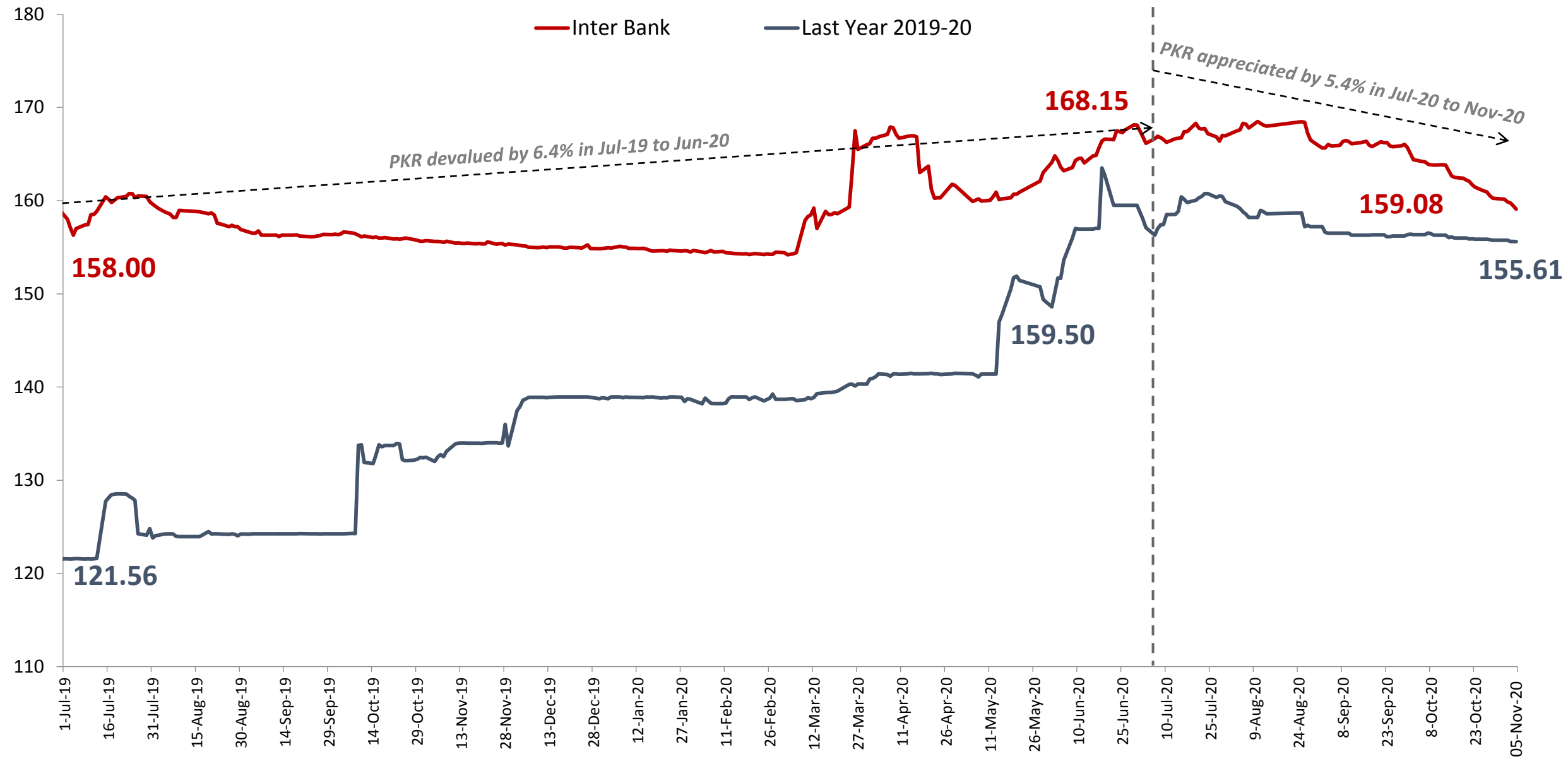
## HIGHLIGHTS FOR QUARTER ENDED SEPTEMBER, 2020

1. The Net Sales revenue increased to Rs 34.19 billion as compared to Rs 20.72 billion same period last year, mainly attributable to increased market demand after COVID-19 lockdown and new product response of Toyota Yaris;
2. Profit after tax increased to Rs. 1.85 billion from Rs. 1.32 billion in same period last year, mainly due to:
  - Higher CKD and CBU volumes;
  - Increase in demand after COVID-19 lockdown;
  - Increase in other income due to improved cash flows on account of balance orders;
  - Gross margins reduced to 6.7% as compared to 9.7% mainly due to depreciation of PKR and absorption of costs, despite of increase in volumes.
3. On August 04, 2020, company opened booking for Corolla 1.6 MT, considering the customer demand;
4. Based on improved profitability, the Board of directors has declared interim cash dividend of Rs. 12 per share.

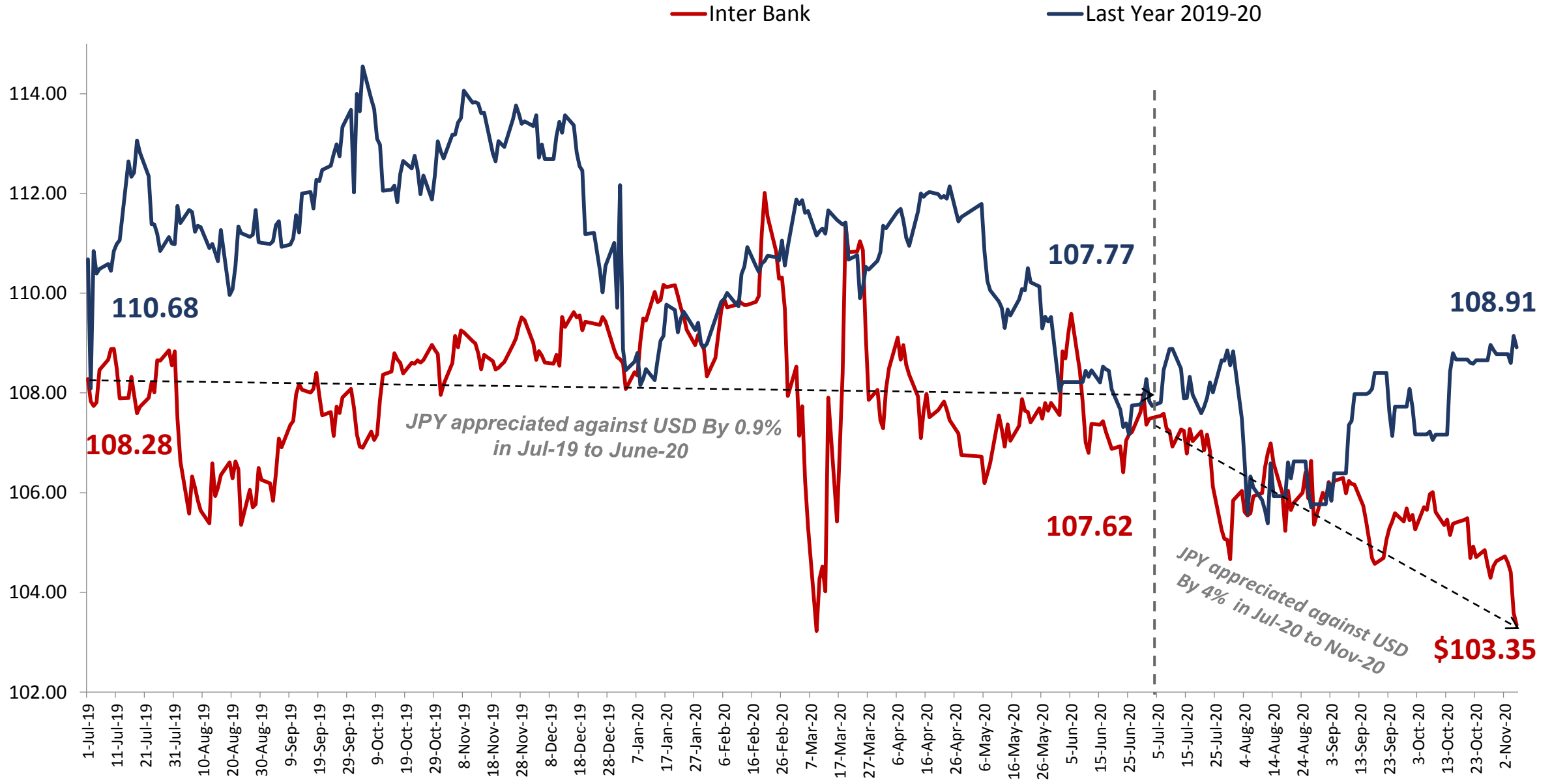
# IMC PERFORMANCE FOR QUARTER ENDED SEPTEMBER 2020

Operating Highlights		Quarter ended Sep 30		% change 2020 vs. 2019
		2020	2019	
Vehicle Sales	Units	11,809	6,839	73%
Vehicle Production	Units	11,648	8,036	45%
Net Revenue	Rs in million	34,195	20,716	65%
Gross Profit	Rs in million	2,288	2,008	14%
Other Income	Rs in million	1,089	695	57%
Profit Before Tax	Rs in million	2,646	1,779	49%
Profit After Tax	Rs in million	1,845	1,319	40%
Earnings Per Share	Rs	23.48	16.78	40%
At the end of Period		As at		
		30-Sep-20	30-Sep-19	
Total Assets	Rs in million	101,304	60,728	67%
Shareholders' Equity	Rs in million	42,465	41,364	3%
Share Performance		As at		
		29-Oct-20	30-Oct-19	
Price per Share	Rs	1,200.00	945.00	26.9%
Market Capitalization	Rs in million	94,320	74,277	

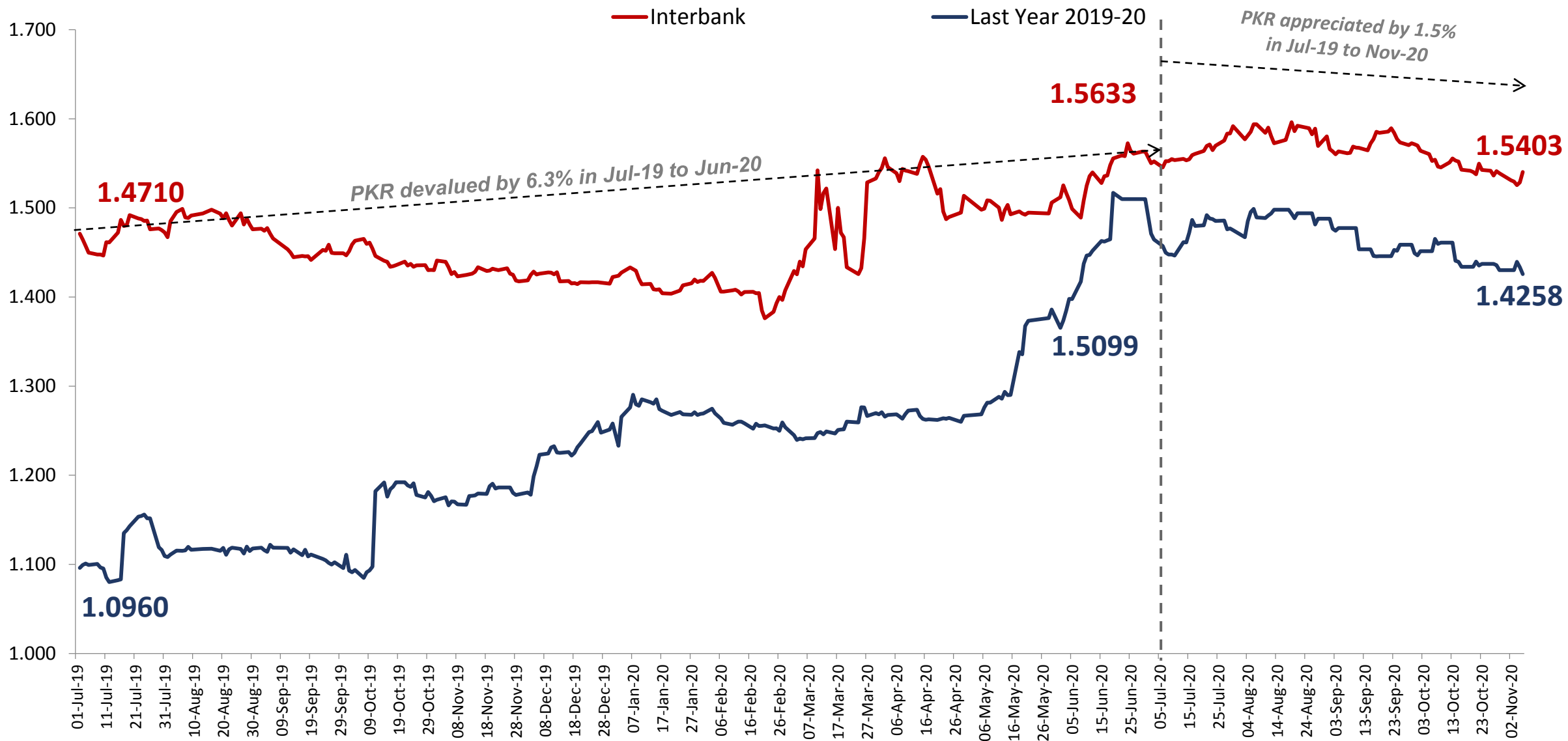
# USD/PKR PARITY



# USD/JPY PARITY



# JPY/PKR PARITY



# BUSINESS OUTLOOK AND KEY CHALLENGES

1. The recent COVID-19 pandemic has created considerable uncertainty and is expected to have a lasting negative effect on the global economy, including in Pakistan. As per IMF projection, GDP growth rate is expected to slightly improve to 1% for the year 2020-21;
2. In current situation, we reiterate our request to Government to take action to support the auto-sector in improving volumes and employment. We request Government to:
  - Exempt Additional Custom Duty @ 7% on import of materials under SRO 655 (auto parts) and 656 (CKD);
  - Reduce custom duty on non-localized parts from 30%; and
  - Eliminate Federal Excise Duty (FED) on vehicles.
3. We support Government's "Make in Pakistan" initiative. In this regard we request:
  - Discourage any major exemptions to Completely Built Units (CBUs) of Electric Vehicles (EV);
  - The EVs and HEVs are relatively new technologies which are considered interchangeable worldwide, therefore a single policy should be devised for EVs and HEVs. Benefit on CKD EV should also be applied to CKD HEV.

**THANK YOU**