

INDUS MOTOR COMPANY LTD

**Corporate Briefing Session
for the year ended June 30, 2022**

held on 27th September 2022

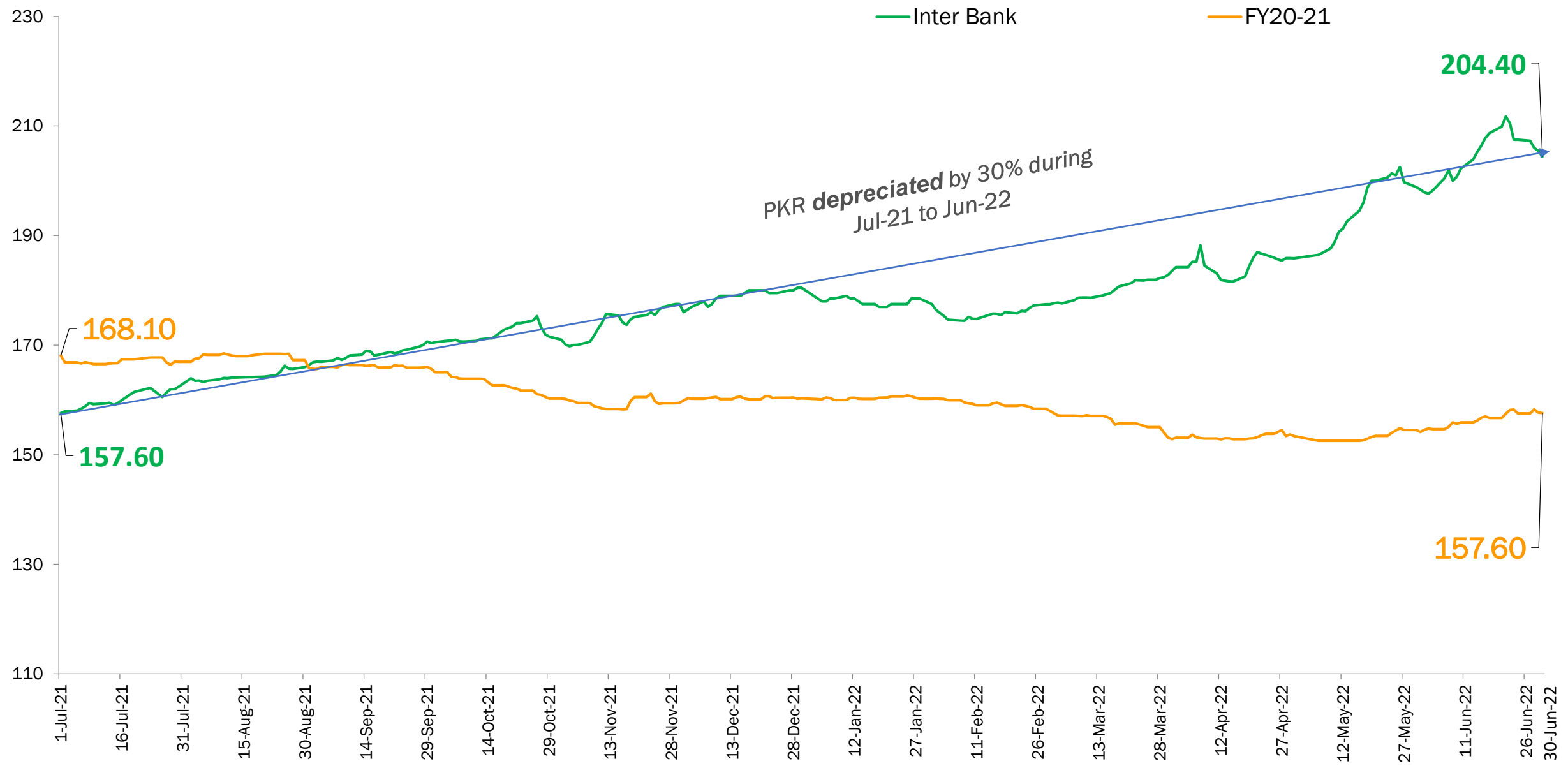
HIGHLIGHTS FOR YEAR ENDED JUNE 2022

1. Turnover for the FY21-22 increased to Rs. 275.5 billion by 54% as compared to last year, while profit after tax for the year increased by 23% to Rs. 15.8 billion against last year.
2. The increase in turnover and profitability for the year was mainly due to higher CKD and CBU volumes, primarily due to healthy demand generated on account of launch of the facelift models of Hilux and Fortuner, along with wider acceptance of Corolla & Yaris variants in the market.
3. Despite of highest ever sales in the year, the gross margin percentage declined from 9.3% last year to 6.7% which is primarily on account of Rupee depreciation, increased freight charges globally and rising international commodity prices. This is the lowest gross margin percentage in the last 10 years.
4. The profitability for the year also increased on account of higher return on placements, due to hike in interest rates and increase in fund position, which was mainly on account of increase in advances from customers.
5. In 4th Quarter, the net sales turnover increased by 6% to Rs. 72 Billion as compared to previous quarter. However, profit after tax for the quarter decreased significantly by 90% to 0.51 Billion as compared to 5.1 Billion in 3rd quarter. The decrease in profitability in the last quarter was mainly on account of depreciation of PKR against US Dollar and imposition of super tax.
6. The Company contributed around Rs 101.4 Billion to the National Exchequer.

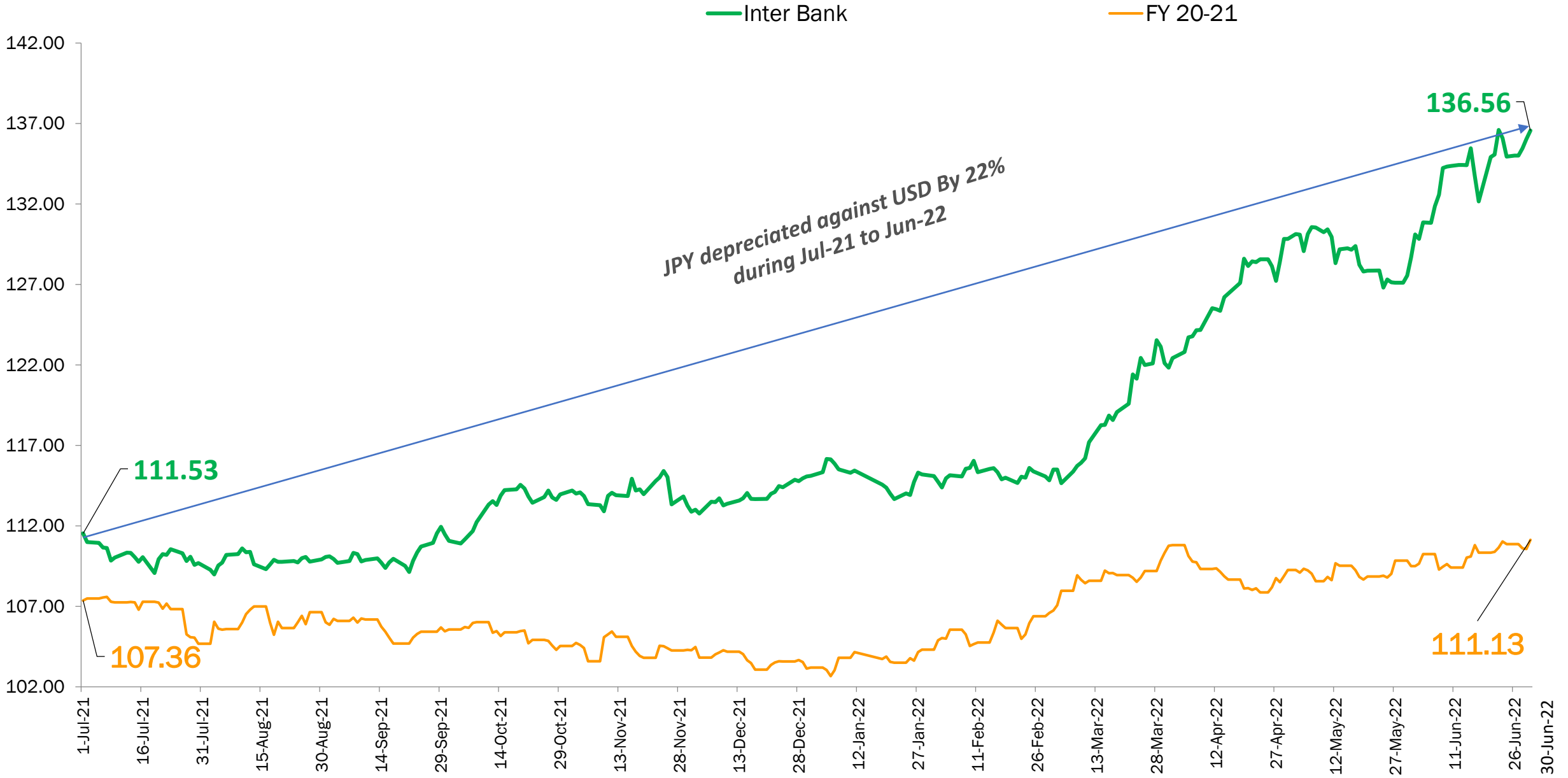
IMC PERFORMANCE FOR YEAR ENDED JUNE 2022

Operating Highlights		Year ended June 30		% change 2022 vs. 2021
		2022	2021	
Vehicle Sales	Units	75,611	57,731	31%
Vehicle Production	Units	72,438	59,187	22%
Net Revenue	Rs in million	275,506	179,162	54%
Gross Profit	Rs in million	18,404	16,654	11%
Other Income	Rs in million	12,936	5,579	132%
Profit Before Tax	Rs in million	25,453	18,199	40%
Profit After Tax	Rs in million	15,802	12,829	23%
Earnings Per Share	Rs	201.04	163.21	23%
At the end of Period		As at		
		30-Jun-22	30-Jun-21	
Total Assets	Rs in million	213,965	133,906	60%
Shareholders' Equity	Rs in million	54,011	48,201	12%
Share Performance		As at		
		23-Sep-22	23-Sep-21	
Price per Share	Rs	951.60	1,200.07	-21%
Market Capitalization	Rs in million	74,796	94,326	

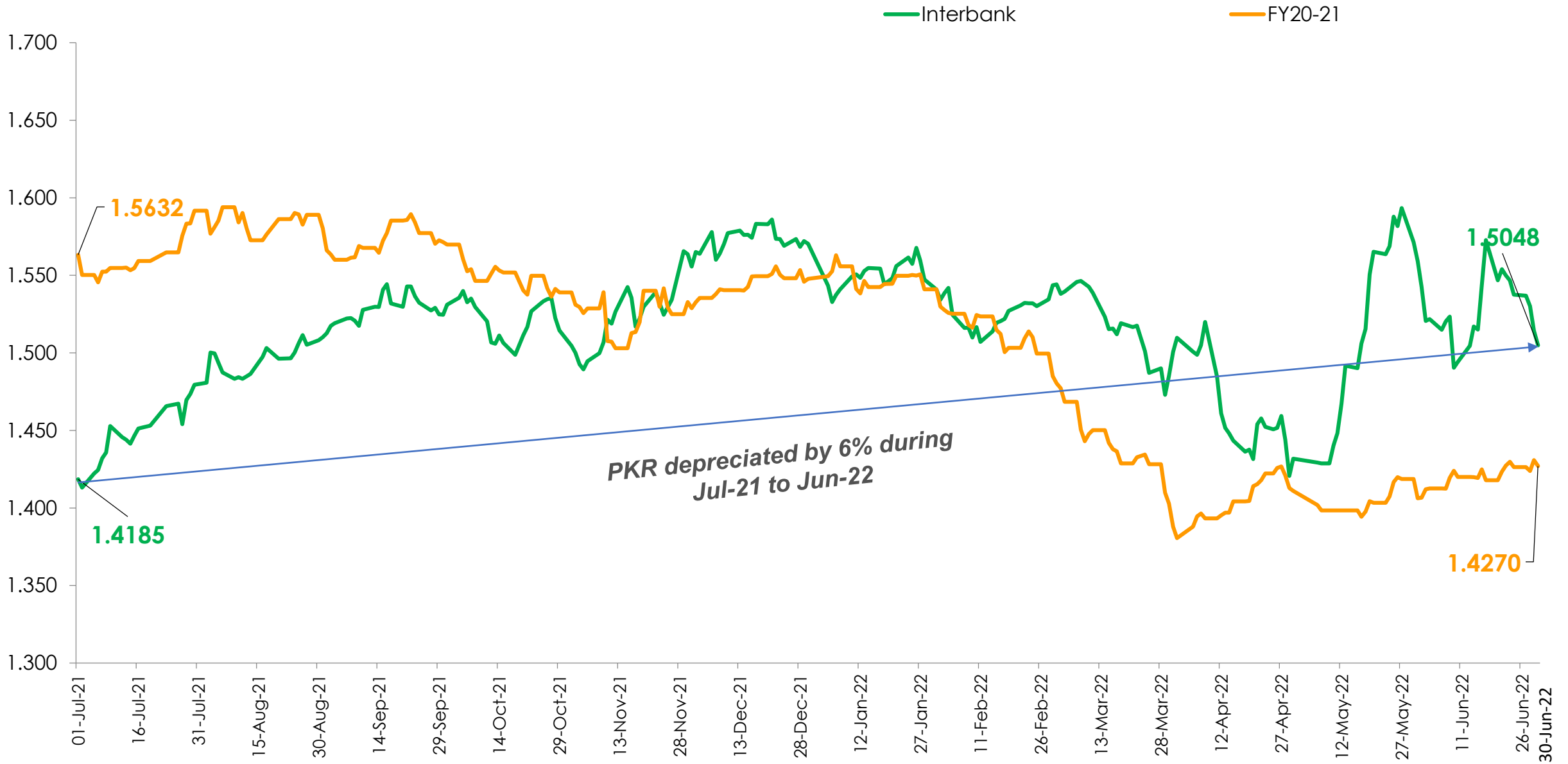
PKR/USD PARITY



JPY/USD PARITY



JPY/PKR PARITY



BUSINESS OUTLOOK AND KEY CHALLENGES

1. The auto sector continues to face unforeseen external challenges due to the unprecedented depreciation of PKR and deteriorating economic conditions.
2. The auto sector has witnessed increase in FED and sales tax on vehicles, from January 2022. From July 2022, Capital Value Tax at the rate 1% was also imposed on vehicles over 1300cc, and advance income tax on vehicles was increased significantly. These measures led to increase in price of vehicles for customers.
3. Major hike in interest rates, strict auto financing rules and regulations, and recent restrictions on import of CKD kits has impacted the auto sector. Due to these factors, operations are significantly impacted, especially from Jun'22 onwards resulting in limited production and sales volume of the auto sector.
4. We appreciate the Government for maintaining supportive policy regarding investment in Electric and Hybrid technologies in the Finance Act 2022, and based on these incentives the company is investing around USD 100 Million for local production of HEV vehicles. We request the Government to provide relaxation in its policies and have consistent policies for long term sustainability and growth of the Sector.
5. With the torrential rains and flash flooding, millions of people have been displaced and infrastructure worth billion of dollars has been destroyed. The national economy has faced another major setback in continuation to the already deteriorating economy. The impact of the same is yet to be observed on the economy and the auto sector.

THANK YOU