



**CORPORATE BRIEFING
SESSION
FOR THE YEAR ENDED JUNE
2020**

GROUP AND COMPANY PROFILE

- One of Pakistan's largest business conglomerates.
- More than 43,000 regular employees.
- Market Capitalization as on June 30, 2020 is about PKR 285 billion (about USD 1.7 billion).
- Market capitalization is occupied by
 - Banking 67.3%
 - Cement 13.1%
 - Textile 9.6%
 - Power 5.9%
 - Insurance 4.1%

- NISHAT HOTELS AND PROPERTIES LIMITED

- NISHAT HOSPITALITY (PRIVATE) LIMITED

HOSPITALITY & HOTELS

- DG KHAN CEMENT COMPANY LIMITED

CEMENT

- NISHAT POWER LIMITED

- LALPIR POWER LIMITED

- PAKGEN POWER LIMITED

ENERGY

- ADAMJEE INSURANCE COMPANY LIMITED

- SECURITY GENERAL INSURANCE COMPANY LIMITED

INSURANCE

- NISHAT DAIRY (PRIVATE) LIMITED

- NISHAT SUTAS DAIRY LIMITED

LIVESTOCK & DAIRY

- MCB BANK LIMITED

- MCB ISLAMIC BANK LIMITED

BANKING SERVICES

- PAKISTAN AVIATORS & AVIATION (PRIVATE) LIMITED

AVIATION

- HYUNDAI NISHAT MOTORS (PRIVATE) LIMITED

AUTOMOBILES

- NISHAT PAPER PRODUCTS COMPANY LIMITED

PAPER PACKING PRODUCTS

- NISHAT MILLS LIMITED

- NISHAT LINEN (PRIVATE) LIMITED

TEXTILE



Note: Only Companies with significant operations are mentioned here

COMPANY PROFILE

- Incorporated in Pakistan in 1978 as limited liability company.
- Primarily engaged in production and sale of Clinker and Cement.
- More than 1,800 regular employees.
- Operate locally through more than 2,200 dealers.
- As at June 30, 2020; total market capitalization was about Rs 37 billion (about 9% of the total market capitalization of cement sector in Pakistan).
- Total market share of the company is about 13% (for FY 2019-20).
- Clinker production capacity of 22,400 tons per day (6.72 million tons/annum) (10.2% of total capacity of cement industry)

BRICK BY BRICK DEVELOPMENTS OVER THE YEARS....

1978

Established under the control of State Cement Corporation of Pakistan Limited

1986

Commenced commercial production with clinker capacity of 2,000 TPD at DG Khan site

1992

Acquired by Nishat Group under privatization initiated by the Government

1993

Clinker production capacity of existing production line increased to 2,200 TPD

1996

Installation of 23.84 MW furnace oil based captive power plant

1998

Addition of another production line with clinker capacity of 3,300 TPD at DG Khan site

2001

Kiln Firing System converted from furnace oil to coal-based system.

2005

Increase in production capacity of existing lines to 6,700 tons per day

2007

Installation of plant at Khairpur Chakwal, enhanced the capacity to 13,400 TPD.

BRICK BY BRICK DEVELOPMENTS OVER THE YEARS....

2007

Installation of 33 MW dual fuel power plant at Khairpur site

2010

Installation of 10.4 MW WHR power plant at DG Khan site

2013

Installation of 8.6 MW WHR power plant at Khairpur site

2013

Capitalization of Refuse - Derived Fuel (RDF) at Khaipur

2016

Installation of 30 MW Coal Fired Power Plant at DG Khan site

2018

Addition of new plant at HUB enhanced the clinker capacity to 22,400 TPD

2020

Replacement of 8.6 MW with 12 MW new waste heat recovery power plant at Khairpur site

2021

10 MW Waste Heat Recovery (WHR) and 30 WM Coal Fire Power Plant (CFPP) at HUB Site

SUBSIDIARIES

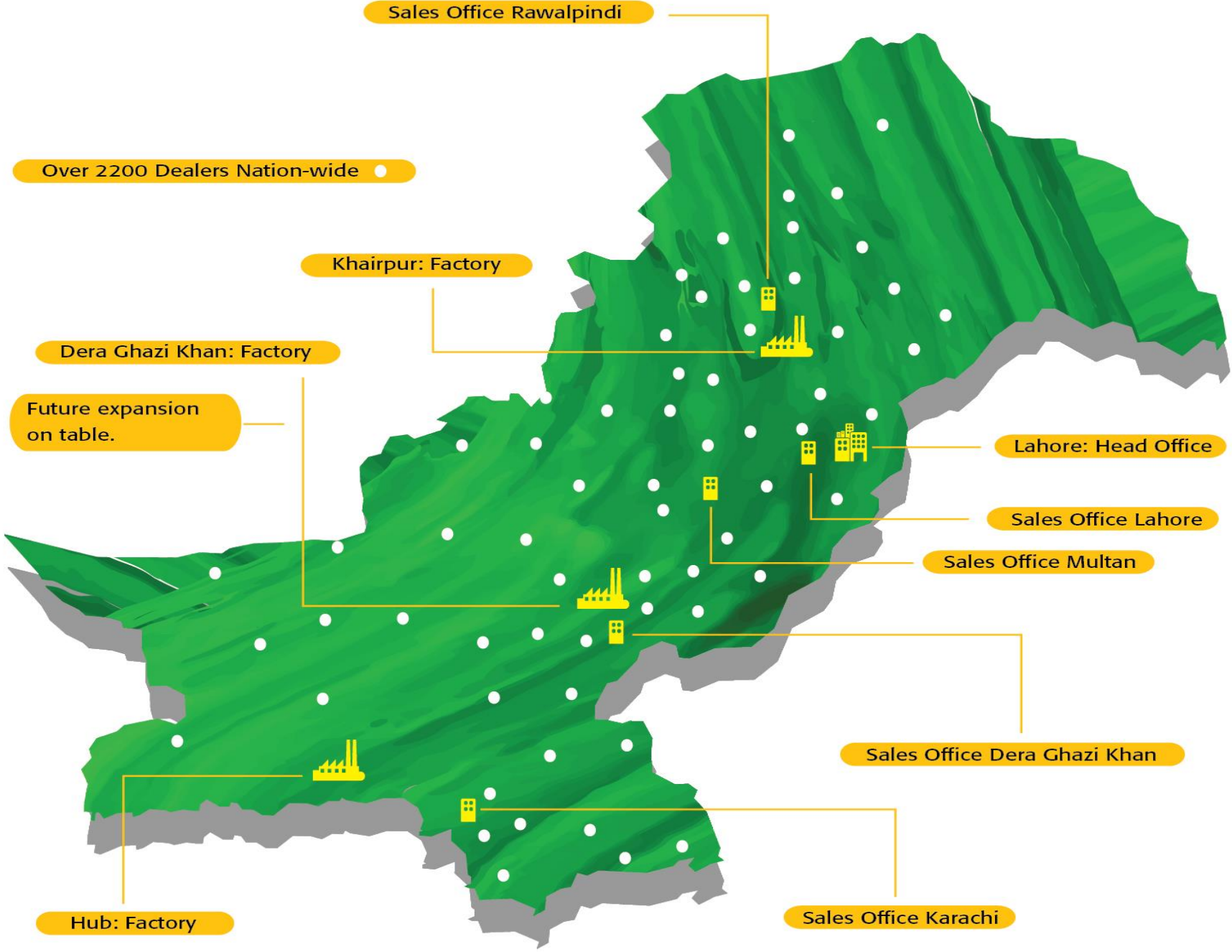
Nishat Paper Products Company Limited (NPPCL)

- Incorporated in Pakistan on July 23, 2004.
- Principally engaged in the manufacture and sale of paper products and packaging material, primarily in meeting cement industry requirement.
- Located at Khairpur on the parent company's land.
- Company has 3 main production lines with 220 million bags per annum production capacity
- DGKC holds 55% shares in NPPCL.
- As at June 30, 2020, NPPCL has breakup value of Rs 32.75

SUBSIDIARIES...

Nishat Dairy (Private) Limited (NDPL)

- Incorporated In Pakistan on October 28, 2011.
- Production and sale of raw milk.
- As at June 30, 2020 the Company has 2,957 mature and 2,670 immature milking animals.
- Future plans of Group to move into processing under the joint venture with Turkish brand, Sutas.
- DGKC owns 55.1% holding in NDPL
- As at June 30, 2020, share price of NDPL is Rs 8.03



PRODUCTION AND POWER GENERATION CAPACITY

	DGP	KHP	HUB	Total
Clinker production capacity (TPD)	6,700	6,700	9,000	22,400
CFPP (MW)	30	-	-	30
WHR Power plant (MW)	10.40	12.00	-	22.40
Gas Fired power plant (MW)	24.60	-	-	24.60
Dual Fuel Power plant (MW)	-	33.00	-	33
FO based power plant (MW)	-	-	23.84	23.84
Electricity requirement (MW)	42	31	40	113

CORE COMPETENCIES

- Strong brand recognition
- Creating more values via efficient operations
- Strong credibility and reputation
- Quality and efficiency of human resources
- Easy access to production resources
- Trusted and efficient supply chain
- Geographically diversified & state-of-art production facilities
- Self sufficiency in electricity requirement (self sufficiency in HUB shall be achieved by year end 2021)

FUTURE OPPORTUNITIES, PROSPECTS AND POTENTIAL IMPLICATIONS

- Future growth potential due to emphasis on construction industry
- Emerging export markets
- Export opportunities due to fully operational HUB facilities near port
- CPEC led growth opportunities
- Construction of Bhasha and Mehmand Dam and many small dams
- Karachi package
- Self sufficiency and significant cost reduction due to new WHR and CFPP at Hub site.
- Restriction by SBP on payment of dividend upto September Quarter 2020

CORPORATE SOCIAL RESPONSIBILITY

Khairpur Chakwal Site

- Ongoing support for research center in UET Chakwal Campus.
- Infrastructure development for local community.
- Collaboration with universities for Internship and research based programs.
- Free medical dispensary and ambulance service
- Free fire-fighting service
- Water to adjoining communities
- Provided facilities in the form of equipment in aid of civil administration to manage crisis like situation.

DG Khan Site:

- Job opportunities for the local community.
- Two schools for free education.
- Free medical dispensary/hospital and ambulance service.
- Water to adjoining communities

CORPORATE SOCIAL RESPONSIBILITY...

HUB Site:

- Provided basic necessities and upgradation of Gaddani Jail district.
- Major Developments for LIEDA Main Mosque.
- Construction of 248 cubic meter Water Tank, By pass- Jarrar peer, and office rooms at labour court
- Donation for flood victims, lockdown affectees and sports activities.
- Installation of 5.5 KW Solar System
- Established free basic Health Unit
- Provision of free Text Books up to 12th standard students.

VOLUMETRIC DATA ANALYSIS

Construction sector

- 2.53% of GDP
- Growth of 8.06% in 2020

Cement industry

- Overall Growth of 2%
- North zone growth of 4%
- South zone decline of 4%
- Exports growth of 20% (largely clinker)
- Local dispatches decline by 1%

DG Khan Cement Company

- Clinker production up by 7%
- Cement sales down by 2%
- Clinker sales (exports) up by 138%

SALES UTILIZATION (%)

Year	Local Sales		Exports		Total	
	Industry	DGKC	Industry	DGKC	Industry	DGKC
FY 20	62.81	75.75	12.33	26.11	75.14	101.86
FY 19	72.05	75.50	11.67	13.85	83.73	89.36
FY18	85.38	103.11	9.85	10.85	95.23	113.96
FY17	75.95	92.28	9.93	13.81	85.88	106.09
FY16	72.34	88.62	12.87	16.94	85.22	105.56

KEY FINANCIAL HIGHLIGHTS (JUNE 30, 2020 – UNCONSOLIDATED)



Sales

2019	40,516,525
2020	38,033,124



Gross Profits

2019	5,362,439
2020	1,585,906



Profit/(loss) after tax

2019	1,609,759
2020	(2,158,661)



Total Assets

2019	125,941,425
2020	129,551,534



Earning/(loss) per Share

2019	3.67
2020	(4.93)



Dividend per Share

2019	1
2020	-

Thank

you

