

RESULT REVIEW

Maple Leaf Cement Factory Limited (MLCF) - 2QFY25

Thursday, February 20, 2025

MLCF reported a PAT of PKR 3.7bn (EPS: PKR 3.57), reflecting a 178% QoQ increase from PKR 1.34bn (EPS: PKR 1.28) in 1QFY25. The improvement was primarily driven by higher volumetric sales, improved gross margins due to increased use of pet coke and a decline in distribution costs.

- **Revenue:** Increased by 21% QoQ, supported by higher volumetric sales and retention prices.
- **Gross Margins:** Expanded to 39.8%, driven by increased use of pet coke and alternate fuel, with lower fuel costs further aiding improvement.
- **Other Income:** Jumped ~15x YoY and 20x QoQ to PKR 1.2bn, largely driven by a sharp rise in short-term investments to PKR 42.7bn.
- **Finance Cost:** Increased by 110% QoQ to PKR 1.6bn, reflecting higher short-term borrowings, which surged 6.8x QoQ to PKR 37.1bn.
- **Taxation:** Effective tax rate increased to 27% vs. 23% in SPLY, impacting bottom-line growth but remaining in line with sector trends.

Financials (PKR in mn)	2QFY25	1QFY25	QoQ	2QFY24	YoY
Revenue	19,028	15,720	21%	18,073	5%
Cost of Sales	(11,451)	(10,757)	6%	(11,690)	-2%
Gross Profit	7,577	4,963	53%	6,383	19%
Administrative Cost	(674)	(586)	15%	(576)	17%
Distribution cost	(1,043)	(1,347)	-23%	(1,644)	-37%
Impairment Loss on Financial Assets	(240)	(90)	167%	(90)	167%
Other Expense	(241)	(221)	9%	(302)	-20%
Other Income	1,158	55	1994%	71	1540%
Finance Cost	(1,416)	(675)	110%	(916)	55%
Profit Before Tax	5,121	2,099	144%	2,925	75%
Tax	(1,385)	(757)	83%	(682)	103%
Profit After Tax	3,735	1,342	178%	2,243	67%
EPS	3.57	1.28		2.09	
Gross Profit Margin	40%	32%		35%	
Profit Margin	20%	854%		1241%	

Source: Company Financials, HMFS Research

* Consolidated Financials

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HMFS RATING GUIDE

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