

**LCI: Earnings up by 5% YoY during FY25**

REP-300

Lucky Core Industries Limited announced its 4QFY25 financial result today where the company posted a profit after tax (PAT) of PKR 2.8bn (EPS: PKR 6.17), compared to PAT of PKR 3.2bn (EPS: PKR 6.98) during SPLY. This takes the FY25 earnings to PKR 11.7bn (EPS: PKR 25.46), up by 5% YoY. The company also announced a cash dividend of PKR 6.2/share taking full year dividend per share to PKR 13.0/share.

**Result Highlights**

- Net sales declined by 1% YoY to PKR 119.9bn in FY25, primarily due to a slowdown in the soda ash segment, which led the overall contraction. In 4QFY25, sales fell by 6% YoY and QoQ, reflecting continued softness across key business lines.
- Gross margins increased by 50bps YoY to 22.9% during FY25 amid revision in sales prices and improved margins of pharma segment post deregulation of prices of non-essential medicines.
- During FY25, LCI booked an exchange loss of PKR 56mn compared to exchange gain of PKR 116mn in SPLY amid a recovery in Pak Rupee against the greenback during the period.
- Other income remained stable at PKR 3.7bn during FY25, primarily supported by higher average cash and short-term investments, which helped offset the impact of declining interest rates. However, in 4QFY25, other income declined by 27% YoY to PKR 776mn.
- Finance costs of the company declined by 38% YoY to PKR 2,210mn during FY25 owed to lower interest rates.
- The company booked effective taxation at 36.9% in FY25 vis-à-vis 32.2% in FY24.

**Exhibit: Financial Highlights**

| (PKR mn)          | FY25    | FY24    | YoY  | 4QFY25 | 4QFY24 | YoY  | QoQ  |
|-------------------|---------|---------|------|--------|--------|------|------|
| Net Revenue       | 119,941 | 120,635 | -1%  | 27,891 | 29,538 | -6%  | -6%  |
| Gross Profit      | 27,453  | 26,994  | 2%   | 6,477  | 7,092  | -9%  | -4%  |
| Admin Exp.        | 2,248   | 2,431   | -8%  | 482    | 568    | -15% | -21% |
| Distribution Exp. | 7,175   | 7,310   | -2%  | 1,659  | 1,948  | -15% | -9%  |
| Other Exp.        | 943     | 838     | 13%  | 197    | 340    | -42% | -2%  |
| Other Income      | 3,737   | 3,754   | 0%   | 776    | 1,062  | -27% | 50%  |
| Finance Cost      | 2,210   | 3,538   | -38% | 456    | 805    | -43% | 0%   |
| PBT               | 18,633  | 16,465  | 13%  | 4,450  | 4,409  | 1%   | 7%   |
| Taxation          | 6,876   | 5,302   | 30%  | 1,603  | 1,183  | 35%  | 4%   |
| PAT               | 11,757  | 11,163  | 5%   | 2,847  | 3,225  | -12% | 9%   |
| EPS (PKR)*        | 25.46   | 24.17   |      | 6.17   | 6.98   |      |      |
| DPS (PKR)*        | 13.00   | 12.00   |      | 6.20   | 6.60   |      |      |

**Ratio Analysis**

|                    |       |       |  |       |       |  |  |
|--------------------|-------|-------|--|-------|-------|--|--|
| BVPS (PKR)         | 595.4 | 535.5 |  | 595.4 | 535.5 |  |  |
| Gross Margins      | 22.9% | 22.4% |  | 23.2% | 24.0% |  |  |
| Net Margins        | 9.8%  | 9.3%  |  | 10.2% | 10.9% |  |  |
| Return on Equity   | 22.5% | 23.9% |  | 22.5% | 23.9% |  |  |
| Return on Assets   | 12.0% | 12.2% |  | 12.0% | 12.2% |  |  |
| Effective Tax Rate | 36.9% | 32.2% |  | 36.0% | 26.8% |  |  |

Source (s): Company Financials, AHL Research, \*@ current no. of shares

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