LCI: FY26 Corporate Briefing Takeaways

Flashnote: Lucky Core Industries Limited (LCI) – Corporate Briefing Session

Tuesday, October 6, 2026

- Lucky Core Industries Limited (LCI) operates in Pakistan across five key business segments: Soda Ash, Polyester, Pharmaceuticals, Animal Health, and Chemicals & Agri Sciences. The Company remains a leading player in each of its markets, with a strong capital structure and a consistent track record of shareholder returns.
- In FY26, LCI reported an unconsolidated revenue of PKR 113.2Bn, down 6% from the SPLY, while consolidated revenue stood at PKR 113.4Bn, down 5%YoY. The Company's EBIT declined 18%YoY to PKR 14.7Bn, and PAT fell 17%YoY to PKR 9.7Bn, resulting in EPS of PKR 20.99 (unconsolidated) and PKR 21.11 (consolidated). Despite the challenging environment, LCI maintained a healthy payout, with a DPS of PKR 10.5, representing a 50% payout ratio, and a gearing ratio of just 10%.
- Segment-wise, the Soda Ash business saw production volume decline of 8%YoY to 426k tonnes, with increased domestic volumes but decline in exports of 59%YoY due to tough international competition. The Polyester segment faced a 3%YoY production decline to 97k tonnes, pressured by subdued local demand and higher imports of PSF. The Pharmaceuticals business grew 5%YoY in net turnover, supported by the full-year impact of the Pfizer asset acquisition, with six flagship brands exceeding PKR 1.0Bn in sales. Animal Health delivered a strong 17%YoY turnover growth and 20%YoY EBIT growth, driven by volume growth in both poultry and livestock segments. Chemicals & Agri Sciences reported a 1%YoY decline in turnover, with volume growth in chemicals and masterbatches offset by disrupted crop cycles and low pest pressure in agriculture sector.
- During the year, LCI led two anti-dumping actions via NTC against unfairly priced soda ash imports. The first resulted in five-year duties on Turkish (up to 6.58%) and Kenyan (13.54%) soda ash. The second led to a provisional 10.85% duty on Chinese imports.
- Looking ahead, the Management expects domestic demand to stay subdued amid geopolitical volatility. Low-priced imports will likely continue pressuring Soda Ash and Polyester segment, while the Company remains focused on brand investment, distribution expansion, and deeper farmer reach for its Pharmaceuticals and Animal Health businesses.

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- Justified price to book (JPB)
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- Equity & Asset return based methodologies (EVA, Residual Income etc.)

SECP JamaPunji Portal link: https://jamapunji.pk/

Frequently Used Acronyms

TP	Target Price	**DCF**	Discounted Cash Flow	**FCF**	Free Cash Flows
FCFE	Free Cash Flows to Equity	**FCFF**	Free Cash Flows to Firm	**DDM**	Dividend Discount Model
SOTP	Sum of the Parts	**P/E**	Price to Earnings ratio	**P/BVPS**	Price to Book ratio
P/S	Price to Sales	**EVA**	Economic Valued Added	**BVPS**	Book Value per Share
EPS	Earnings per Share	**DPS**	Dividend per Share	**DY**	Dividend Yield
ROE	Return on Equity	**ROA**	Return on Assets	**JPB**	Justified Price to Book

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