



FCL — FY26 Analyst Briefing takeaways

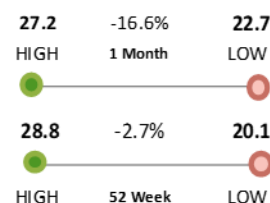
Fast Cables Ltd (FCL) held its analyst briefing earlier today to brief investors about FY26 financial results and future outlook. Key takeaways are as follows:

- Net sales for FY26 clocked in at PkR38.7bn, up 22%YoY, behest of simultaneous increase in volumes delivered and price growth. Company's gross margins amounted to 18.7% during the year, compared to 16.9% in FY25. Consequently, NPAT clocked in at PkR2.1bn (EPS: PkR3.3), up 66%YoY for the year.
- Aforementioned revenue growth was due to growth in the following verticals: Institutions (+60%YoY), Trade (+36%YoY), and Commercial, Industrial and Housing (+8%YoY), while exports and lighting segment remained stable. For 1QFY27, revenue growth stood at 4%YoY, supported by Trade (+70% YoY), Commercial, Industrial and Housing (+21%YoY), and Exports (+9%YoY), offset by lower institutional sales (-85%YoY).
- Management highlighted that company manufactures wide range of cables, including wiring, power, instrumentation, flexible industrial, and aerial bundled cables (ABC) that replaced conventional bare wires, with cables and conductors rated upto 500kV.
- Regarding 1QFY27, management stated that light segment sales fell amid cyclone supply chain disruptions in China, while they expect recovery in institutional sales due to freshly secured orders in 2QFY27.
- Management highlighted that metal prices faced volatility, which delayed customer decision-making process. Moreover, inflationary pressures and higher oil prices dampened purchasing power and investment in new businesses.
- Management highlighted that the second aluminum alloy plant and BESS installation remains on track and are planned for FY27, alongside the recent addition of over 3MW of solar capacity to reduce energy costs.
- Management highlighted growth opportunities from i) DISCO privatization and grid modernization, ii) 'Apna Ghar' scheme, and iii) Punjab's infrastructure projects. Furthermore, exports sales are targeted to double to 16 countries while rising data center capacities and EV charging infrastructure also presents opportunities.
- Management stated that pricing policy remained dynamic during the year, with monthly rate lists for trade segment and price adjustments for C&I segments due to volatility in metal prices.
- Management noted that company utilization stood at 60% in FY27, with monthly production capacity of 1,200 tons for aluminum and 1,000 tons for copper.
- Management sees growth potential in FESCO, GEPCO and IESCO, led by rising energy demand across major industrial and population centers, grid upgrades to support power wheeling and growth in solar generation. Furthermore, adoption of aerial bundled cables (ABC) to improve efficiency is also a major opportunity.
- Management expects investment in privatized DISCOs to increase, as their regulatory tariffs provide returns on approved investment plans which incentivizes upgradation of networks.
- The scrip is not under our coverage.

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Price Performance



Source: PSX & AKD Research

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