

February 12, 2025

**The General Manager**  
Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi.

**SUBJECT: FINANCIAL RESULTS FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

Dear Sir,

This is to inform you that the Board of Directors of the Company in their meeting held on February 12, 2025 at 03:30 pm via video link recommended the following:

|       |   |            |
|-------|---|------------|
| (i)   | <b>CASH DIVIDEND</b>                          | <b>NIL</b> |
| (ii)  | <b>BONUS SHARES</b>                           | <b>NIL</b> |
| (iii) | <b>RIGHT SHARES</b>                           | <b>NIL</b> |
| (iv)  | <b>ANY OTHER ENTITLEMENT/CORPORATE ACTION</b> | <b>NIL</b> |
| (iv)  | <b>ANY OTHER PRICE SENSITIVE INFORMATION</b>  | <b>NIL</b> |

The financial results of the Company for the half year ended December 31, 2024 are enclosed.

The half-yearly report for the period ended December 31, 2024, will be transmitted electronically through PUCARS within the specified timeframe.

Yours Sincerely,



**Salman Gogan**  
Company Secretary

Encl: as above

c.c

**Executive Director/HOD**  
Offsite-II Department, Supervision Division  
SECP, 63, NIC Building, Jinnah Avenue  
Blue Area, Islamabad.

**POWER CEMENT LIMITED**

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2024**

|  |      | (Unaudited)<br>December 31,<br>2024 | (Audited)<br>June 30,<br>2024 |
|--|------|-------------------------------------|-------------------------------|
|  | Note | (Rupees in '000)                    |                               |
| ASSETS   |      |                                     |                               |
| Non-current assets   |      |                                     |                               |
| Property, plant and equipment  | 5    | 34,300,920                          | 34,309,305                    |
| Right-of-use asset   |      | 93,898                              | -                             |
| Long-term investments  | 6    | 26,105                              | 28,268                        |
| Deferred tax asset   | 7    | 3,251,510                           | 3,186,709                     |
| Long-term deposits   |      | 63,669                              | 56,069                        |
|  |      | 37,736,102                          | 37,580,351                    |
| Current assets   |      |                                     |                               |
| Inventories  | 8    | 2,832,719                           | 2,019,890                     |
| Stores, spares and loose tools   | 9    | 3,494,060                           | 3,532,483                     |
| Trade receivables - considered good  | 10   | 523,092                             | 294,896                       |
| Advances and other receivables<br>- unsecured, considered good                   |      | 712,604                             | 758,588                       |
| Taxation - payments less provision   |      | 368,205                             | 393,418                       |
| Derivative financial asset   |      | 1,833,787                           | 2,186,893                     |
| Trade deposits and short-term prepayments  |      | 52,529                              | 117,438                       |
| Tax refund due from government - sales tax                                       |      | 293,546                             | 359,252                       |
| Short-term investments   | 11   | 881,099                             | 31,099                        |
| Cash and bank balances   | 12   | 605,297                             | 503,468                       |
|  |      | 11,596,938                          | 10,197,425                    |
|  |      | 49,333,040                          | 47,777,776                    |
| TOTAL ASSETS   |      |                                     |                               |
| EQUITY AND LIABILITIES   |      |                                     |                               |
| Share capital and reserves   |      |                                     |                               |
| Share capital  |      |                                     |                               |
| Ordinary shares  | 13   | 11,910,355                          | 11,118,852                    |
| Cumulative preference shares   |      | 1,488,695                           | 2,082,323                     |
|  |      | 13,399,050                          | 13,201,175                    |
| Reserves   |      |                                     |                               |
| Capital reserve  |      |                                     |                               |
| Share premium  |      | 739,493                             | 739,493                       |
| Difference on conversion of cumulative preference<br>shares into ordinary shares |      | (319,053)                           | (121,178)                     |
| Revenue reserve  |      |                                     |                               |
| Accumulated loss   |      | (6,068,000)                         | (6,100,369)                   |
|  |      | (5,647,560)                         | (5,482,054)                   |
| Contribution from associated undertakings  | 14   | 16,650,000                          | 11,700,000                    |
|  |      | 24,401,490                          | 19,419,121                    |
| TOTAL EQUITY   |      |                                     |                               |
| LIABILITIES  |      |                                     |                               |
| Non-current liabilities  |      |                                     |                               |
| Long-term financing - secured  | 15   | 13,619,645                          | 14,877,802                    |
| Long-term trade payables   | 16   | 281,718                             | 356,493                       |
| Long-term lease liability  |      | 86,112                              | -                             |
| Staff retirement benefits  |      | 266,376                             | 234,977                       |
|  |      | 14,253,851                          | 15,469,272                    |
| Current liabilities  |      |                                     |                               |
| Trade and other payables   |      | 5,207,942                           | 3,186,426                     |
| Unclaimed dividend   |      | 126                                 | 126                           |
| Accrued mark-up  |      | 1,568,471                           | 2,044,231                     |
| Short-term financing - secured   | 17   | 2,448,498                           | 6,269,067                     |
| Current portion of long-term lease liability                                     |      | 7,899                               | -                             |
| Current portion of long-term financing   | 15   | 1,444,763                           | 1,389,533                     |
|  |      | 10,677,699                          | 12,889,383                    |
|  |      | 24,931,550                          | 28,358,655                    |
| TOTAL LIABILITIES  |      |                                     |                               |
| Contingencies and commitments  |      |                                     |                               |
|  | 18   |                                     |                               |
| TOTAL EQUITY AND LIABILITIES   |      |                                     |                               |
|  |      | 49,333,040                          | 47,777,776                    |

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.

  
Chief Financial Officer

  
Chief Executive

  
Director

97

POWER CEMENT LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME - UNAUDITED  
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

|  |      | Half year ended      |                                    | Quarter ended        |                                    |
|--|------|----------------------|------------------------------------|----------------------|------------------------------------|
|  | Note | December 31,<br>2024 | December 31,<br>2023<br>(Restated) | December 31,<br>2024 | December 31,<br>2023<br>(Restated) |
|  |      | (Rupees in '000)     |                                    |                      |                                    |
| Revenue from contracts with customers                                | 19   | 13,822,103           | 16,847,334                         | 8,774,613            | 7,111,392                          |
| Cost of sales  |      | (10,075,593)         | (12,853,329)                       | (6,266,460)          | (5,567,421)                        |
| Gross profit   |      | 3,746,510            | 3,994,005                          | 2,508,153            | 1,543,971                          |
| Selling and distribution expenses                                    | 20   | (1,367,212)          | (1,532,291)                        | (930,429)            | (600,675)                          |
| Administrative expenses  |      | (289,906)            | (218,687)                          | (165,824)            | (106,413)                          |
| Impairment loss on trade receivables                                 |      | (12,021)             | -                                  | (12,021)             | -                                  |
| Other income / (expense)   | 21   | 26,292               | (309,701)                          | 23,803               | (113,738)                          |
|  |      | (1,642,847)          | (2,060,679)                        | (1,084,471)          | (820,826)                          |
| Profit from operations   |      | 2,103,663            | 1,933,326                          | 1,423,682            | 723,145                            |
| Finance income   |      | 14,481               | 11,737                             | 7,319                | 5,444                              |
| Finance cost   |      | (1,903,717)          | (2,547,530)                        | (787,656)            | (1,217,473)                        |
|  |      | (1,889,236)          | (2,535,793)                        | (780,337)            | (1,212,029)                        |
| Profit / (loss) before taxation and levy                             |      | 214,427              | (602,467)                          | 643,345              | (488,884)                          |
| Levy   |      | (46,328)             | (77,303)                           | (32,837)             | (27,441)                           |
| Taxation   | 22   | (135,730)            | 209,953                            | (85,984)             | 516,699                            |
| Profit / (loss) after taxation and levy                              |      | 32,369               | (469,817)                          | 524,524              | 374                                |
| Other comprehensive income / (loss):                                 |      |                      |                                    |                      |                                    |
| Items that are or may be reclassified subsequently to profit or loss |      |                      |                                    |                      |                                    |
| Changes in fair value of cash flow hedges                            |      | (353,105)            | (585,024)                          | (100,759)            | (119,431)                          |
| Adjustment for amounts transferred to profit or loss                 |      | 353,105              | 585,024                            | (60,479)             | 119,431                            |
|  |      | -                    | -                                  | (161,238)            | -                                  |
| Related deferred tax   |      | -                    | -                                  | 62,883               | -                                  |
| Hedging reserve  |      | -                    | -                                  | (98,355)             | -                                  |
| Total comprehensive income / (loss) for the period                   |      | 32,369               | (469,817)                          | 426,169              | 374                                |
| (Rupee)  |      |                      |                                    |                      |                                    |
| (Loss) / earnings per share - Basic & diluted                        | 23   | (0.15)               | (0.64)                             | 0.40                 | (0.12)                             |

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.

  
Chief Financial Officer

  
Chief Executive

  
Director



POWER CEMENT LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY - UNAUDITED  
FOR THE HALF YEAR ENDED DECEMBER 31, 2024

|  | Issued,<br>subscribed<br>and paid up<br>capital | Difference on<br>conversion of<br>cumulative<br>preference<br>shares into<br>ordinary shares | Capital reserve  |                    | Revenue<br>reserve  | Contribution<br>from associated<br>undertakings<br>- note 14 | Total<br>Equity |
|--|---|--|------------------|--------------------|---------------------|--|-----------------|
|  |   |  | Share<br>premium | Hedging<br>reserve | Accumulated<br>loss |  |                 |
|  | (Rupees in '000)                                |  |                  |                    |                     |  |                 |
| Balance as at July 1, 2023   | 13,201,138                                      | (121,141)  | 739,493          | 125,309            | (3,376,772)         | 7,000,000  | 17,568,027      |
| Contribution received  | -   | -  | -                | -                  | -                   | 2,000,000  | 2,000,000       |
| Cumulative preference shares of Rs.10 each<br>converted into 1.333 Ordinary Shares of Rs. 10<br>each during the period | 33  | (33)   | -                | -                  | -                   | -  | -               |
|  | 33  | (33)   | -                | -                  | -                   | 2,000,000  | 2,000,000       |
| Total comprehensive loss for the period  | -   | -  | -                | -                  | (469,817)           | -  | (469,817)       |
| Loss for the period  | -   | -  | -                | (111,814)          | -                   | -  | (111,814)       |
| Other comprehensive loss for the period  | -   | -  | -                | (111,814)          | (469,817)           | -  | (581,631)       |
| Balance as at December 31, 2023  | 13,201,171                                      | (121,174)  | 739,493          | 13,495             | (3,846,589)         | 9,000,000  | 18,986,396      |
| Balance as at July 1, 2024   | 13,201,175                                      | (121,178)  | 739,493          | -                  | (6,100,369)         | 11,700,000   | 19,419,121      |
| Contribution received  | -   | -  | -                | -                  | -                   | 4,950,000  | 4,950,000       |
| Cumulative preference shares of Rs.10 each<br>converted into 1.333 Ordinary Shares of Rs. 10<br>each during the period | 197,875   | (197,875)  | -                | -                  | -                   | -  | -               |
|  | 197,875   | (197,875)  | -                | -                  | -                   | 4,950,000  | 4,950,000       |
| Total comprehensive income for the period  | -   | -  | -                | -                  | 32,369              | -  | 32,369          |
| Profit for the period  | -   | -  | -                | -                  | 32,369              | -  | 32,369          |
| Balance as at December 31, 2024  | 13,399,050                                      | (319,053)  | 739,493          | -                  | (6,068,000)         | 16,650,000   | 24,401,490      |

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.

  
Chief Financial Officer

  
Chief Executive

  
Director

**POWER CEMENT LIMITED**

**CONDENSED INTERIM STATEMENT OF CASH FLOWS - UNAUDITED  
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

|   |      | Six-month period ended |                      |
|---|------|------------------------|----------------------|
|   | Note | December 31,<br>2024   | December 31,<br>2023 |
|   |      | (Rupees in '000)       |                      |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                     |      |                        |                      |
| Cash generated from operations                                  | 24   | 2,899,755              | 918,778              |
| Gratuity paid   |      | (15,410)               | (9,953)              |
| Income tax and levy paid  |      | (221,647)              | (218,537)            |
| Deposits (paid) / refunded                                      |      | (7,600)                | 4,992                |
| Finance cost paid - Islamic                                     |      | (2,326,627)            | (1,988,178)          |
| Finance cost paid - Conventional                                |      | (63,596)               | (127,377)            |
|   |      | (2,634,880)            | (2,339,053)          |
| <b>Net cash generated from / (used in) operating activities</b> |      | <b>264,875</b>         | <b>(1,420,275)</b>   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                     |      |                        |                      |
| Capital expenditure - operations                                |      | (438,124)              | (93,189)             |
| Proceeds from sale of property, plant and equipment             |      | 1,436                  | 1,395                |
| Proceeds from realization of long term investment               |      | 2,917                  | -                    |
| Finance income received   |      | 13,725                 | 11,035               |
| <b>Net cash used in investing activities</b>                    |      | <b>(420,046)</b>       | <b>(80,759)</b>      |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                     |      |                        |                      |
| Repayment of long-term financing                                |      | (852,230)              | (848,494)            |
| Lease rentals paid  |      | (20,201)               | (9,130)              |
| Proceeds from short-term financing - net                        |      | 1,025,000              | 1,823,832            |
| Proceeds of contribution from associated undertakings - net     |      | 4,950,000              | 2,000,000            |
| <b>Net cash generated from financing activities</b>             |      | <b>5,102,569</b>       | <b>2,966,208</b>     |
| <b>Net increase in cash and cash equivalents</b>                |      | <b>4,947,398</b>       | <b>1,465,174</b>     |
| Cash and cash equivalents at beginning of the period            |      | (4,415,599)            | (3,702,177)          |
| <b>Cash and cash equivalents at end of the period</b>           | 25   | <b>531,799</b>         | <b>(2,237,003)</b>   |

The annexed notes from 1 to 27 form an integral part of these condensed interim financial statements.

  
Chief Financial Officer

  
Chief Executive

  
Director





# Power Cement Limited

## DIRECTORS' REVIEW FOR THE HALF YEAR ENDED DECEMBER 31, 2024

The Board of Directors of your Company present herewith their review on the financial and operational performance of the Company for the half year ended December 31, 2024.

### Economic Overview

Global economic growth is projected at 3.3% for both 2025 and 2026, remaining below the historical average of 3.7% (2000–19). Global inflation is expected to decline to 4.2% in 2025 and 3.5% in 2026, with advanced economies likely to achieve inflation targets ahead of emerging markets.

Pakistan entered FY25 with signs of macroeconomic stabilization following a challenging FY24. The first half of FY25 saw a steady decline in inflation, a stable exchange rate, reduction in exchange rate and improved external account management. While policy measures such as exchange rate flexibility and import relaxation eased external pressures, structural weaknesses remained, posing challenges to long-term economic resilience and sustainable growth.

In January 2025, the State Bank of Pakistan (SBP) further reduced the policy rate by 100 basis points to 12%, reflecting confidence in the downward inflation trend, which stood at 4.1% in December 2024. The cumulative 1,000 basis points reduction since June 2024 is anticipated to stimulate economic activity in the coming months.

(Source: IMF World Economic Outlook, January-2025)

### Industry Overview

The cement industry faced significant challenges during the half-year ended December 31, 2024, amid ongoing economic uncertainties. Total dispatches declined by 3.05% year-on-year, reaching 22.91 million tons. Domestic dispatches fell sharply by 9.40%, reflecting subdued local demand in the first quarter. However, domestic demand showed an increasing trend in the second quarter of the fiscal year, which is a positive sign, and the industry is hopeful for further improvement. Export dispatches grew by an impressive 31.69%, indicating stronger international demand.

In the North Zone, domestic dispatches declined by 9.46% to 15.18 million tons. However, exports surged by 28.81%, reaching 0.99 million tons. The South Zone experienced a steeper decline in domestic dispatches, dropping 9.08% to 2.93 million tons, but exports increased by 32.47% to 3.81 million tons.

### Production & Sales Performance

The production and sales statistics for the half year ended December 31, 2024, compared to the corresponding period are as follows:

| Production         | Half Year Ended      |                      |          |
|--------------------|----------------------|----------------------|----------|
|                    | December 31,<br>2024 | December 31,<br>2023 | Variance |
|                    | In Tons              |                      |          |
| Clinker production | 1,098,038            | 1,226,356            | (10.46%) |
| Cement production  | 794,920              | 895,217              | (11.20%) |

Head Office : Arif Habib Centre 23, M.T. Khan Road, Karachi - 74000. Pakistan. Phone : (92-21) 32468231-32, 32468350-51  
Fax : (92-21) 32463209 E-mail : info@powercement.com.pk Web : www.powercement.com.pk

Factory : Nooriabad Industrial Area, Kalo Kohar Distt. Jamshoro, Sindh. PABX: 025-4670600



The overall capacity utilization for the half year ended December 31, 2024 stood at 68% as compared to 76% in the corresponding period.

| Sales Volume                       | Half Year Ended   |                   |          |
|------------------------------------|-------------------|-------------------|----------|
|                                    | December 31, 2024 | December 31, 2023 | Variance |
|                                    | In Tons           |                   |          |
| Cement/ Clinker dispatches (Local) | 640,038           | 671,253           | (4.65%)  |
| Clinker dispatches (Export)        | 274,388           | 520,185           | (47.25)% |
| Cement dispatches (Export)         | 193,811           | 197,800           | (2.02)%  |
| <b>Total</b>                       | <b>1,108,237</b>  | <b>1,389,238</b>  |          |

## Financial Performance

An analysis of the key financial results of your Company for the half year ended December 31, 2024 is as under:

| Particulars                              | Half Year Ended   |                   | Quarter Ended     |                   |
|--|-------------------|-------------------|-------------------|-------------------|
|  | December 31, 2024 | December 31, 2023 | December 31, 2024 | December 31, 2023 |
|  | Rs. ' 000 '       |                   | Rs. ' 000 '       |                   |
| Net Sales Revenue                        | 13,822,103        | 16,847,334        | 8,774,613         | 7,111,392         |
| Gross Profit                             | 3,746,510         | 3,994,005         | 2,508,153         | 1,543,971         |
| Operating Profit                         | 2,103,663         | 1,933,326         | 1,423,682         | 723,145           |
| Finance Cost -Net                        | 1,889,236         | 2,535,793         | 780,337           | 1,212,029         |
| Profit / (Loss) Before Taxation and Levy | 214,427           | (602,467)         | 643,345           | (488,884)         |
| Profit / (Loss) After Taxation and Levy  | 32,369            | (469,817)         | 524,524           | 374               |

The Company made a sturdy recovery during the second quarter ended December 31, 2024 resulting from improved local sales volume coupled with significant reduction in finance cost. Net sales revenue grew by 23% to Rs. 8,775 million compared to Rs. 7,111 million in the same quarter last year, driven by improving domestic demand in the second quarter of the half-year under review. Gross profit rose by 63% to Rs. 2,508 million from Rs. 1,544 million as a result of improved pricing, cost efficiencies, and lower power costs due to reduction in various surcharges levied by the Government. Operating profit almost doubled during the quarter under review to Rs. 1,424 million, from Rs. 723 million in the corresponding quarter, showcasing strong operational efficiencies and the benefits of using alternate fuels. The Company saved substantial finance costs by almost 35.3% i.e Rs 430 million during the quarter under review as compared to the corresponding period due to contribution from sponsors coupled with reduction in interest rates.

A significant turnaround was observed in profitability, with profit before taxation and levy reaching Rs. 643 million, reversing a loss of Rs. 489 million in the corresponding quarter. Similarly, profit after taxation and levy rose to Rs. 525 million, compared to Rs. 0.374 million in the corresponding quarter, highlighting effective cost control, a recovering domestic market, and financial discipline.

For the half-year ended December 31, 2024, net sales revenue declined by 18% to Rs. 13,822 million due to a sluggish local demand for cement during the first quarter of the current financial year. However, a notable recovery in domestic demand in the last quarter of the period signaled improving market conditions. Gross profit remained stable at Rs. 3,747 million, while operating profit increased by almost 9% to Rs. 2,104 million, supported by cost efficiencies and improved margins.





## Power Cement Limited

Interest costs were reduced due to the decline in policy rates coupled with contribution from sponsors, supporting profit before tax of Rs. 214 million, compared to a loss of Rs. 602 million in the corresponding period. Profit after tax stood at Rs. 32 million, a significant recovery from the Rs. 470 million loss recorded in the corresponding period. With further reductions in interest rates expected in the coming months, financial costs are likely to decline further, improving overall profitability.

These results reflect the Company's resilience in the face of challenging market conditions. While difficulties persist, the strong performance in the quarter offers a positive outlook for sustainable growth moving forward.

### Future Outlook

Pakistan's GDP growth is projected at 3% in FY25 and 4% in FY26. Inflation is expected to average 5.5%–7.5% in FY25, influenced by commodity price fluctuations, tariff adjustments, and fiscal policies. The current account deficit is forecasted to stay low at 0.6% of GDP, supporting external stability.

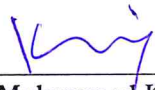
While macroeconomic indicators, such as declining inflation and interest rates, a stable rupee, and improved fiscal discipline, signal cautious optimism, challenges remain. Cement demand remains sluggish, though there has been an uptick in recent months. Electricity prices continue to affect industrial competitiveness. However, the government's commitment to reducing energy costs and further monetary easing offers a positive outlook for cost structures. The Prime Minister has established a task force on housing to propose policy measures aimed at fostering growth in the sector. We are optimistic that the Prime Minister will implement the task force's recommendations, driving an increase in cement demand. Additionally, the Government of Sindh is actively working to enhance investment in infrastructure and housing across the province. Sustained growth will require structural and fiscal reforms to enhance investor confidence, productivity, and economic resilience.


The Board is optimistic that these measures, will create stronger cement demand, which are expected to provide relief to the Company in the coming months.

### Acknowledgement

The Directors express sincere gratitude for the commitment and contributions of all employees, as well as the trust placed in the Company by stakeholders.

For and on behalf of the Board of Directors

  
**Muhammad Kashif**  
 Chief Executive Officer

  
**Muhammad Arif Habib**  
 Chairman

February 12, 2025  
 Karachi