

# STORY



Across Pakistan, The Street has always been a starting point, a place where resilience, discipline, and ambition first takes shape. It is where raw potential begins its journey towards achievement.

At Power Cement, we see a parallel in our own story. From modest beginnings, we have steadily transformed challenges into opportunities, investing in people, processes, and performance to build enduring strength. **“From Street to Strength”** reflects this progression from the earliest foundations to the structures that define progress today.

This year’s report captures not only our financial and operational performance, but also our commitment to sustainable growth, resilience in the face of change, and strength that drives long-term value for all stakeholders.

# COVER



# TABLE OF CONTENTS

## 01 ORGANIZATIONAL OVERVIEW AND EXTERNAL ENVIRONMENT

PAGE NO

Company Profile	06
Vision and Mission	07
Code of Business Conduct and Ethical Principles	08
Strategic Pillars and Core Values	10
Principal Business Activity, Local and International Markets	12
Products	13
Geographical Location	14
Company Information	15
Success Journey	16
Ownership Structure	18
Organogram	20
Directors' Profiles	22
SWOT	28
Competitive Landscape and Market Positioning	30
The Legislative, Regulatory and Political Environment in which the Organization Operates	31
Effect of Seasonality on Business	31
General Review of the Performance of the Company and Significant Improvements from Prior Years	32
Legitimate needs & Interest of Key Stakeholders	33
Value Chain Analysis	34
Factors Affecting the External Environment	36
PESTEL Analysis	37

## 02 STRATEGY AND RESOURCE ALLOCATION

Strategic Objectives and Strategies in Place	40
Value Created by the Company Using Its Resources and Capabilities	41
Company's Strategy on Market, Product and Service Development	41
Business Model	42
Resource Allocation Plans to Implement the Strategy	44
The Linkage of Strategic Objectives with Company's Overall Vision and Mission	45
Statement on Significant Plans and Decisions	45
Information about Payment of Debt	46
Strategy to Overcome Liquidity Issues	46

## 03 RISKS AND OPPORTUNITIES

Key Risks and Opportunities	50
Assessment of Principal Risks	52
Risk Tolerance and Governance	53
Risk Management Framework & Methodology	53
Disclosure of Supply Chain Disruption Risks and Mitigation Strategy in the Face of Environmental, Social, and Governance Incidents	53

## 04 GOVERNANCE

PAGE NO

Chairman's Review Report	56
Directors' Report	57
Report of the Audit Committee	64
Independent Auditor's Review Report on Statement of Compliance with the CCG	66
Statement of Compliance with the CCG	67
Notice of the 34th Annual General Meeting	70
Role of Chairman and Chief Executive Officer	78
Board Composition	78
Terms of Reference of HR & R Committee	78
Terms of Reference of Audit Committee	79
Board's Function and Decision Making	80
Matters Delegated to the Management	80
Commitment to Ethics and Compliance	80
Evaluation Criteria for the Board and Evaluation of the Board	80
CEO's Performance Review	81
Directors' Training Program and Orientation	81
External Oversight of Functions	81
Policy for Related Party Transactions	81
Conflict of Interest	82
Policy Statement	82
Director's Interest	82
Implementation of Governance Practices	
Exceeding Legal Requirements	82
Policy on Diversity	83
Policy of Remuneration to Non-Executive Directors	83
Retention of Board Fee by the Executive Director Against Services Rendered As Non-Executive Director In Other Companies	83
Presence of Executive Director on Board of other Companies	83
Security Clearance of Foreign Directors	84
Board Meetings held outside Pakistan	84
Social and Environmental Responsibility Policy	84
Communication with Stakeholders	84
Investors' Grievance Policy	84
Policy for Safeguarding of Records	85
IT Governance Policy	85
Whistle Blowing Policy	85
Human Resource Management Policy	85
Succession Planning	86
Compliance with the Best Practices of Code of Corporate Governance	86
Details of Shares Held By Sponsors / Directors / Executives and Distribution of Shareholders	86
Presence of the Chairman of the Board Audit Committee at the General Meeting	86
Disclosure of Beneficial Ownership	86
Chairman's Significant Commitments	87
External Search Consultancy for Appointment of any Director	87
Employee Well-being Initiatives	87
Election of Directors	88
Certifications and Awards	89

## 05 FUTURE OUTLOOK

Forward Looking Statement

PAGE NO

92

## 06 ANALYSIS OF FINANCIAL INFORMATION

Key Performance Highlights	96
Financial Ratios	97
Financial Highlights-Six Years	98
Comments on Analysis-Six Years	101
Graphical Presentation	102
Composition of Balance Sheet	105
Quarterly Performance	106
Results Reported in Interim and Annual Financial Statements	106
Quarterly Analysis	107
Free Cash Flows	108
Statement of Cash Flows – Direct Method	109
Composition of Local vs Imported Material and Sensitivity Analysis	110
Statement of Value Addition and Distribution of Wealth	111
Dupont Analysis	112
Share Price Sensitivity Analysis	113
Economic Value Added	114
Corporate Calender for FY-2025	115

## 07 DISCLOSURES ON IT GOVERNANCE AND CYBERSECURITY

Digital Transformation Highlights	118
-----------------------------------	-----

## 08 STAKEHOLDERS RELATIONSHIP AND ENGAGEMENT

Stakeholder Relationship & Engagement	122
Encouragement of Minority Shareholders to Attend Genral Meetings	123
Investor Relations Section on Website	124
Stakeholders Engagement Policy	124
Corporate Briefing Session	125
Redressal of Investors' Complaints	125
Issues Raised in Last General Meeting	125

## 08 SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY

PAGE NO

Health, Safety and Environment	128
Sustainability at PCL - Powering a Green Tomorrow	130

## 09 STRIVING FOR EXCELLENCE IN CORPORATE REPORTING

Statement of Adoption and Adherence with the International Integrated Reporting Framework	134
Adoption of Integrated Reporting Framework	134
Corporate Calender for FY-2026	135

## 10 FINANCIAL STATEMENTS

Independent Auditor's Report	138
Statement of Financial position	144
Statement of Profit or Loss and Other Comprehensive Income	146
Statement of Changes in Equity	147
Statement of Cash Flows	148
Notes to the Financial Statements	149
Pattern of Shareholding	204
Notice of Annual General Meeting (Urdu)	217
Directors' Report (Urdu)	227
Proxy Form	
Proxy Form (Urdu)	



A blue sky with several colorful kites flying. The kites are in various colors including purple, blue, red, and yellow. They are flying at different heights and angles, with long strings trailing behind them. The sky is a clear, light blue.

# ORGANIZATIONAL OVERVIEW AND EXTERNAL ENVIRONMENT

## ELEVATION & FOCUS

From the ground to the sky, controlling a kite means managing wind, line tension, and timing. It's all about rising smartly. Power Cement rises with vision, mission and adaptability, soaring against unseen forces.

# پشنگ بازی



# COMPANY PROFILE

Power Cement Limited, is strategically located at Motorway M9, Nooriabad, Sindh, an ideal location for a cement factory. Formerly known as Al-Abbas Cement Limited, the Company was acquired in 2010 by the Arif Habib Group, a prominent financial and industrial conglomerate.

The Company specializes in manufacturing, selling, and marketing high-quality cement, the Company has established a strong market presence in the southern region of Pakistan. In addition to serving the local market, Power Cement exports clinker and cement to several international destinations, including the Middle East, Sri Lanka, East/West African countries, the United Kingdom, and the United States.

Power Cement's production facilities include manufacturing lines with a nameplate clinker capacity of 10,700 tons per day (TPD), equivalent to an annual capacity of 3.21 million tons. The Company also holds a cement production capacity of 3.37 million tons annually (11,235 TPD).

As part of its strategic growth and commitment to innovation, the Company has made a substantial investment in a state-of-the-art production plant from FLSmidth, a renowned European cement equipment manufacturer. This advanced facility reflects Power Cement's dedication to achieving and maintaining global operational standards.

In line with its focus on sustainability, the Company has already commissioned an 11.5 MW Waste Heat Recovery System and a 7 MW Solar Power Plant (on a Rental basis). Additionally, a 7.5 MW Wind Power Project (on a Rental basis) is currently under development and is expected to be commissioned in FY-2026. Together, these initiatives will bring the Company's total renewable energy capacity to 26 MW—underscoring its long-term commitment to clean energy and environmental responsibility.

As one of Pakistan's leading cement producers in the southern region, Power Cement Limited takes pride in its continuous pursuit of operational excellence, innovation, and environmental stewardship. The Company remains committed to creating lasting value for its customers, shareholders, employees, and the communities it serves.



# VISION

Power Cement Limited aims to be recognized nationally and internationally as a successful cement producer with a strong satisfied customer base.

# MISSION

To become a profitable organization and exceed the expectations of its customers and stakeholders by producing and marketing competitive and high quality products through concentration on quality, business values and fair play.

To promote best use and development of human talent in a safe environment, as an equal opportunity employer and use advanced technology for efficient and cost effective operations.



# CODE OF BUSINESS CONDUCT AND ETHICAL PRINCIPLES

The ensuing set of principles establishes the ethical framework by which all Directors and personnel of Power Cement Limited are obliged to abide in their daily endeavors and uphold in the execution of the Company's operations. While the Company is committed to ensure comprehensive awareness of these principles among its employees, it remains the responsibility of each individual to enact the Company's policies. Violation of this code will be regarded as misconduct. The code underscores the imperative of maintaining high standards of honesty and integrity, pivotal for the prosperity of any business entity.



# ETHICAL PRINCIPLES

## 1. CONFLICTS OF INTEREST

Directors and employees are expected to refrain from engaging in any activities that lead to conflicts between their personal and the Company's interests. This encompasses affiliations with organizations supplying goods or services to the Company or purchasing its products. Should such a relationship exist, it must be immediately disclosed to the management.

## 2. THIRD PARTY ENGAGEMENTS

Interactions with third parties, including government officials, suppliers, buyers, agents, and consultants, safeguard the Company's integrity and reputation. Directors and employees are prohibited from accepting favors, gift or kickbacks from any entity involved in transactions with the Company.

## 3. CONFIDENTIALITY

Confidential information pertaining to the Company is not to be divulged to unauthorized parties. When communicating publicly on matters concerning Company affairs, individuals should only do so if they are certain that their expressions align with the Company's views and objectives and if it is the Company's intention for those views to be publicly shared.

## 4. FAIR & ETHICAL CONDUCT

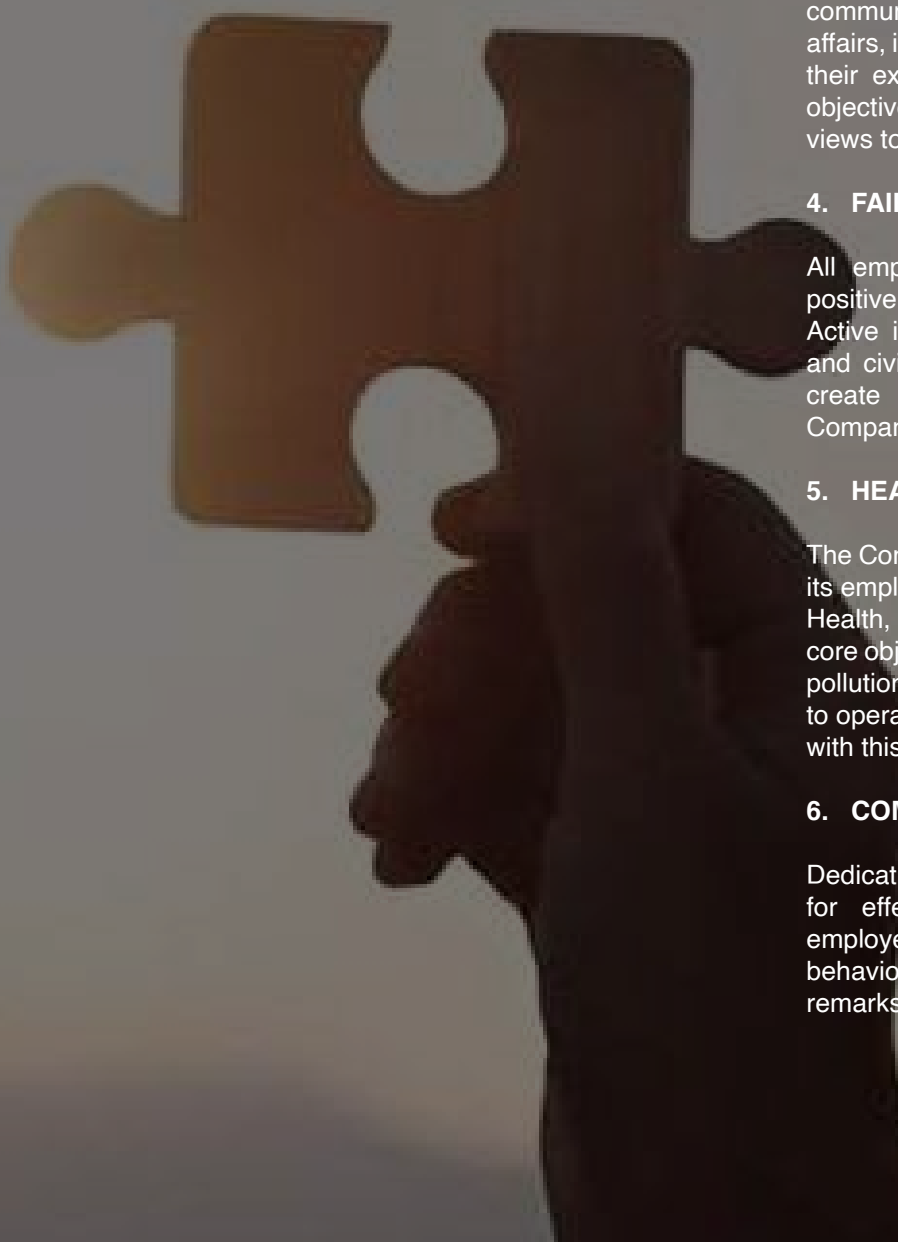
All employees shoulder the responsibility of fostering positive public relations, particularly within the community. Active involvement in religious, charitable, educational, and civic activities is encouraged, provided it does not create obligations that impede commitment to the Company's best interests.

## 5. HEALTH AND SAFETY

The Company remains fully committed to the well-being of its employees and environmental preservation. Improving Health, Safety, and Environment (HSE) performance is a core objective, focused on minimizing hazards, preventing pollution, and raising awareness. Employees are required to operate Company facilities and processes in alignment with this commitment.

## 6. COMMITMENT AND TEAM WORK

Dedication and teamwork are fundamental components for effective and efficient company operations. All employees must be treated with equal respect and behaviors such as workplace harassment and derogatory remarks based on race, or ethnicity are strictly prohibited.





# STRATEGIC PILLARS AND CORE VALUES

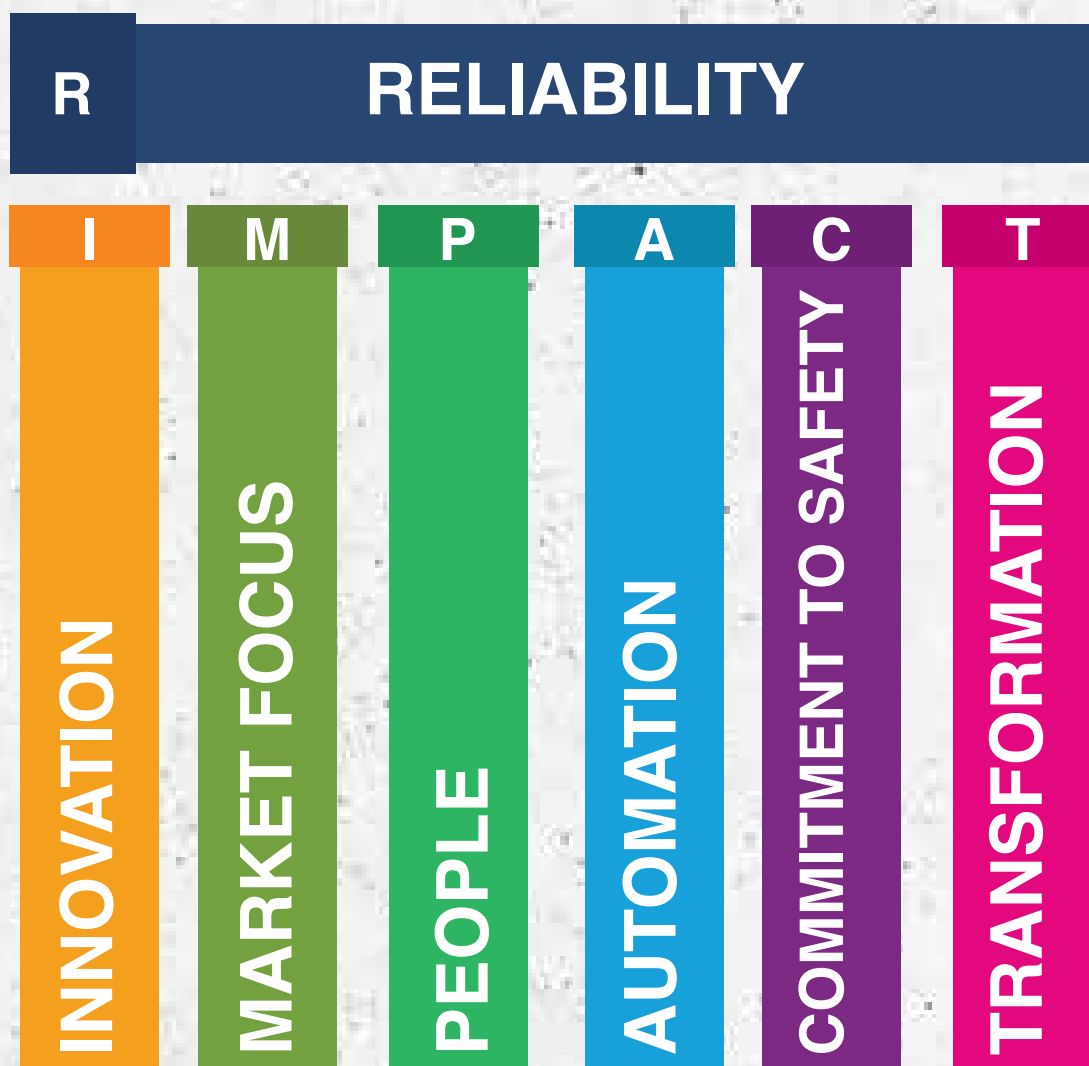
## A New Chapter at Power Cement

During the year, Power Cement Limited embarked on a transformative journey by redefining its strategic pillars and core values, laying a strong foundation for sustainable growth, innovation, and enhanced stakeholder confidence.

## R-IMPACT – OUR STRATEGIC PILLARS

R-IMPACT reflects the way we deliver excellence. Our seven strategic pillars — Reliability, Innovation, Market focus, People, Automation, Commitment to Safety, and Transformation — serve as the guiding framework for achieving long-term success. These pillars align our operations, foster innovation, and strengthen competitiveness while reinforcing our commitment to sustainability.

- **Reliability** – Delivering consistent quality and performance.
- **Innovation** – Driving progress through new ideas and advanced solutions.
- **Market Focus** – Strengthening our presence and customer relationships.
- **People** – Empowering employees through inclusivity and development.
- **Automation** – Leveraging technology to improve efficiency and competitiveness.
- **Commitment to Safety** – Ensuring a safe and secure workplace.
- **Transformation** – Adapting to change and leading with resilience.



# RISE – OUR CORE VALUES

At Power Cement, sustainability begins with our values. RISE - Respect, Integrity, Sustainability, and Efficiency. It is more than a framework; it is the foundation of our culture and the compass that guides our actions.

- **Respect** – Fostering a workplace where diverse perspectives, strengths, and cultures are valued, ensuring collective success.
- **Integrity** – Upholding honesty, ethical behavior, and adherence to organizational principles in every action.
- **Sustainability** – Meeting today's social, business, and environmental needs without compromising future generations.
- **Efficiency** – Maintaining agile policies and practices, while consistently ensuring safety, quality, and operational excellence.

These values are embedded in every decision, from boardroom strategies to day-to-day plant operations. By living RISE, our people ensure that Power Cement remains a Company driven by purpose, resilience, and responsibility.



# R

Respect

# I

Integrity

# S

Sustainability

# E

Efficiency

# PRINCIPAL BUSINESS ACTIVITY

Power Cement Limited, a prominent player in the cement industry is part of the Arif Habib Group, a renowned conglomerate in Pakistan. We have strategically positioned ourselves to meet the growing demand for this essential construction material. With an annual cement production capacity of 3.37 million tons.

Our cutting-edge production facility, strategically located in Nooriabad, Sindh, to address the diverse cement needs of the southern region of the country. This facility enables us to efficiently serve both local and export markets, ensuring a consistent supply of high-quality cement. Power Cement Limited's steadfast commitment to excellence and innovation in cement production solidifies our position as an prominent industry player, contributing to the growth and development of Pakistan's dynamic construction landscape.

# LOCAL AND INTERNATIONAL MARKETS

Power Cement Limited operates a state-of-the-art manufacturing facility featuring European technology – a fully automated/integrated FLSmidth plant with advanced online quality control. The plant can produce a wide range of cement grades, including 32.5 N, 42.5 N, and 52.5 N, and offers versatile packaging solutions. Equipped with cutting-edge testing and material analysis capabilities, Power Cement Limited ensures consistent product quality.

The Company's distribution network effectively covers key markets across Karachi, Sindh, and Balochistan. Power Cement has established itself as a preferred supplier for major development projects, working with prominent developers such as EMAAR, Dominion Mall and Apartments Bahria Town, Magnacrete, Envicrete and Saima Group. Additionally, the Company serves various government entities, including Army Housing, C.W.O., and the National Development Complex.

Internationally, the Company has exported clinker and cement to numerous countries, including the USA, UK, Cameroon, Djibouti, Ghana, Ivory Coast, Sri Lanka, Madagascar, Tanzania, Réunion, Seychelles, Maldives, Mauritius and more. The Company has pioneered clinker exports to China via containers, further expanding its global footprint.

The Company is committed to sustainable practices, a key differentiator in the global market where eco-friendly solutions are increasingly valued. We pioneer the use of alternative energy sources, including biomass fuels such as sugar mud-press, rice husk, and cow dung, complemented by solar and wind power (in process). This forward-thinking approach enables us to minimize our reliance on traditional energy sources, with a remarkable 40% of our energy needs currently met through renewable sources. This strategic focus on sustainability positions us for success in export markets where environmental responsibility is paramount.

Power Cement Limited holds multiple international certifications, including ISO 9001:2015 (Quality Management), ISO 14001:2015 (Environmental Management), and ISO 45001:2018 (Occupational Health and Safety). The Company continues to pursue additional certifications to keep itself abreast with the evolving industry standards.



# PRODUCTS

## Ordinary Portland Cement

Power's Ordinary Portland Cement is recommended for projects especially where strength and matchless quality is a top priorities. It can be used in concrete, mortars and blocks etc. Power's Ordinary Portland Cement has a strong compatibility with admixture/ retarder.

### Brands

- Power-53
- Black Bull-53
- Black Hawk
- Power OPC

## Sulphate Resistant Cement

Power's Sulphate Resistant Cement is highly recommended in the coastal areas and in corrosive soil conditions due to its greater resistance to chemical attack from sulphates and dissolved salts in the water logged areas.

### Brand

- Power SRC-53

## Power Block Cement

Power's Block Cement is a specially designed OPC Brand, catering to the needs of local block and precast segment. This brand has been introduced exclusively for block & precast slab makers after years of research.

### Brand

- Power Block

## Composite Cement

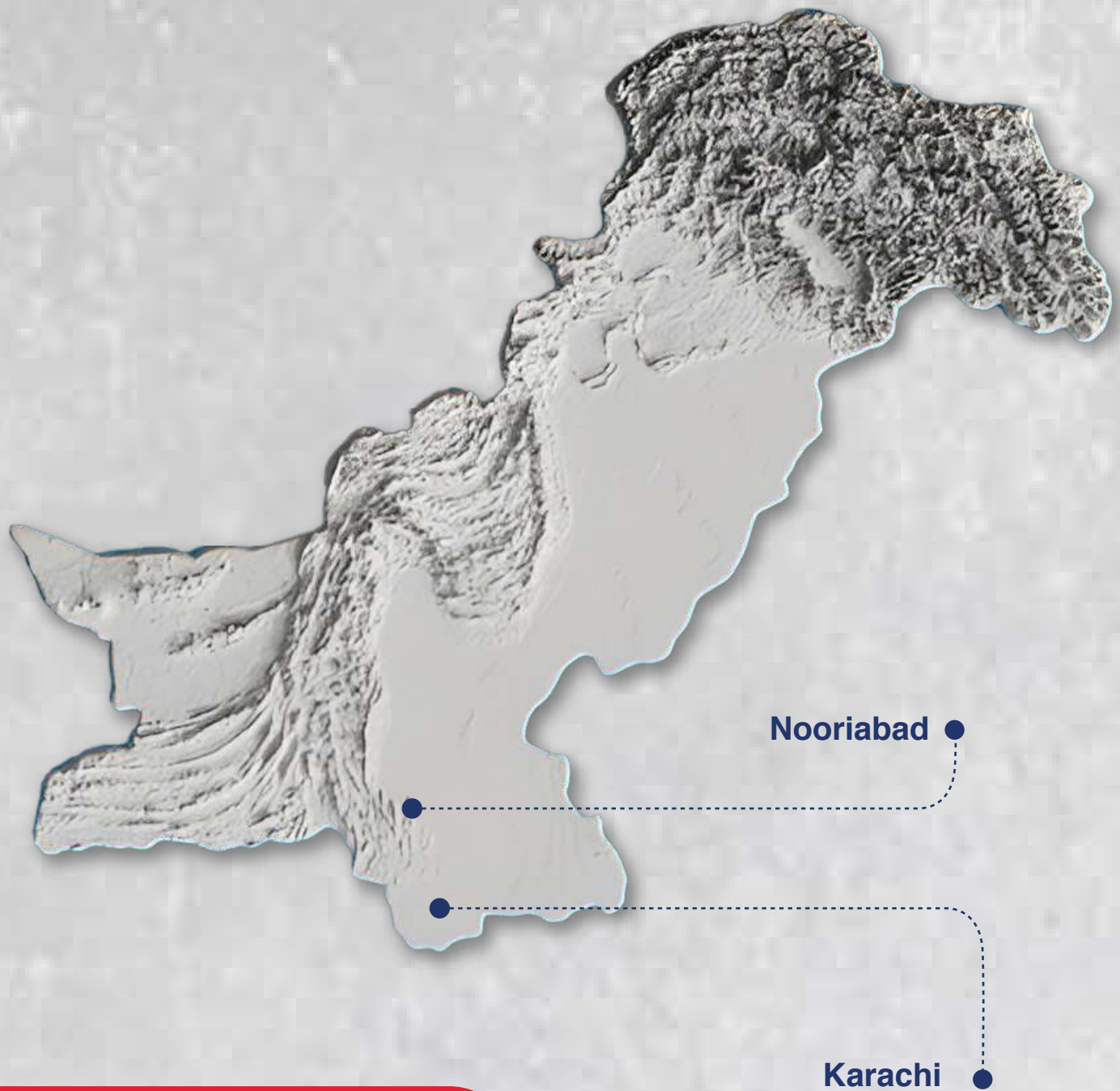
Environment Friendly Cement requiring less clinker

### Brand

- Qila Cement



## GEOGRAPHICAL LOCATION



**Geographically, the Company is located in the South Zone. Head Office is situated at Karachi and Factory is at Nooriabad, District Jamshoro**

# COMPANY INFORMATION

## Board of Directors

Mr. Muhammad Arif Habib  
Mr. Nasim Beg  
Mr. Muhammad Kashif  
Mr. Abdus Samad  
Syed Salman Rashid  
Mr. Khursheed Anwer Jamal  
Mr. Khalilullah Shaikh  
Ms. Zainab Kashif

Chairman, Non-Executive Director  
Non-Executive Director  
Chief Executive Officer  
Non-Executive Director  
Non-Executive Director  
Independent Director  
Independent Director  
Non-Executive Director

## Audit Committee

Mr. Khursheed Anwer Jamal  
Syed Salman Rashid  
Mr. Abdus Samad

Chairman  
Member  
Member

## Human Resources & Remuneration Committee

Mr. Khursheed Anwer Jamal  
Syed Salman Rashid  
Mr. Muhammad Kashif

Chairman  
Member  
Member

## Chief Financial Officer

Muhammad Taha Hamdani

## Share Registrar

CDC Share Registrar Services Limited  
CDC House, 99-B, Block-B, SMCHS,  
Main Shahrah-e-Faisal, Karachi - 74400

## Company Secretary

Mr. Salman Gogan

## Registered Office

Arif Habib Centre, 23, M.T. Khan Road, Karachi

## External Auditors

A.F. Ferguson & Co. Chartered Accountants

## Factory

Nooriabad Industrial Area, Deh Kalo Kohar, District  
Jamshoro, Sindh

## Cost Auditors

UHY Hassan Naeem & Co. Chartered Accountants

## Website

[www.powercement.com.pk](http://www.powercement.com.pk)

## Legal Advisor

Barrister Asad Iftikhar

## Foreign Banks / DFIs

DEG - Deutsche Investitionsund  
Entwicklungsgesellschaft mbH - Germany

The OPEC Fund for International Development  
("OFID") – Austria

Islamic Corporation for the Development  
of the Private Sector ("ICD") – Saudi Arabia

## Bankers / Lenders of the Company

### Local Banks / DFIs

Al Baraka Bank (Pakistan) Limited  
Allied Bank Limited  
Askari Bank Limited  
Bank Alfalah Limited  
Bank Al Habib Limited  
Bank Makramah Limited  
BankIslami Pakistan Limited  
Dubai Islamic Bank Pakistan Limited  
Faysal Bank Limited  
First Credit & Investment Bank Limited  
Habib Bank Limited  
Habib Metropolitan Bank Limited  
JS Bank Limited  
Meezan Bank Limited  
National Bank of Pakistan  
Pak Oman Investment Company Limited  
Soneri Bank Limited  
Samba Bank Limited  
The Bank of Punjab  
The Bank of Khyber  
United Bank Limited

## Contact Number

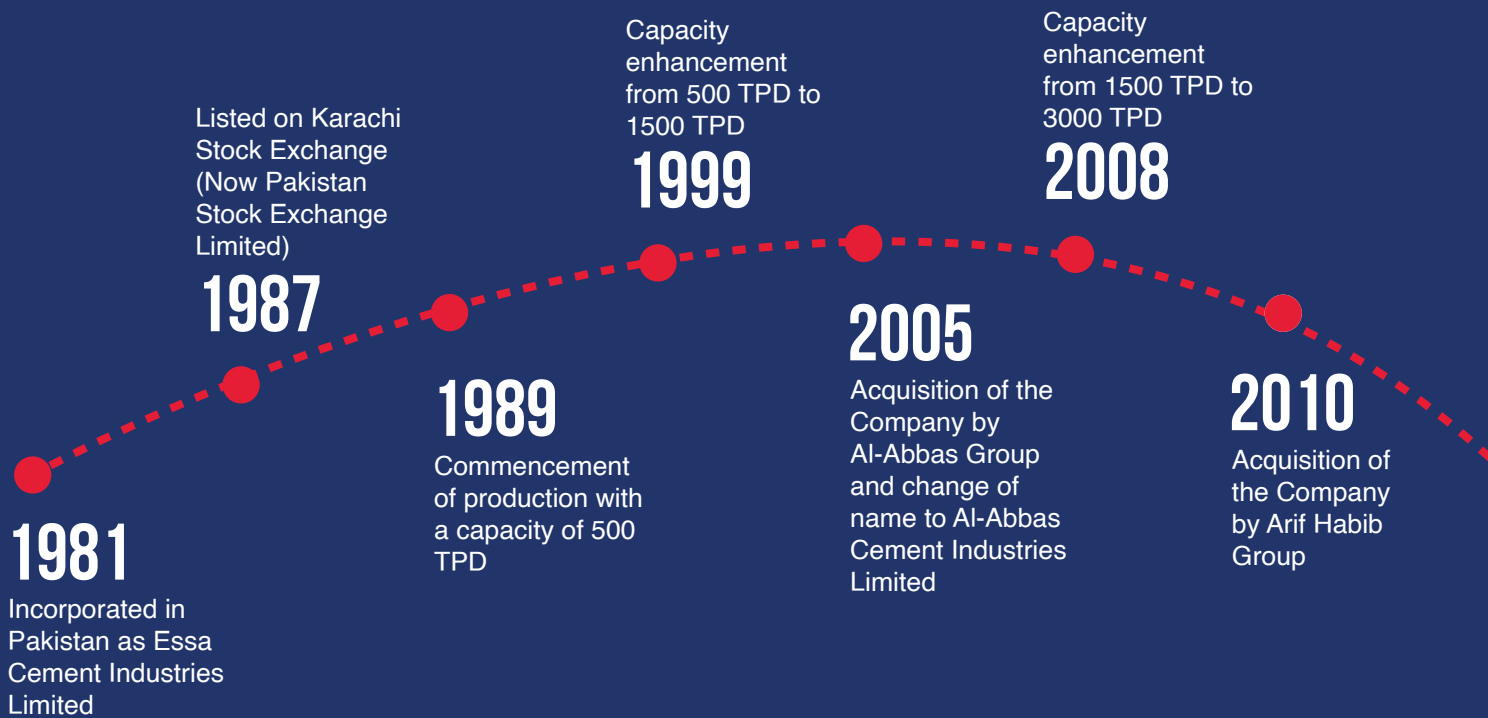
021-32468231-2  
021-32468350-1

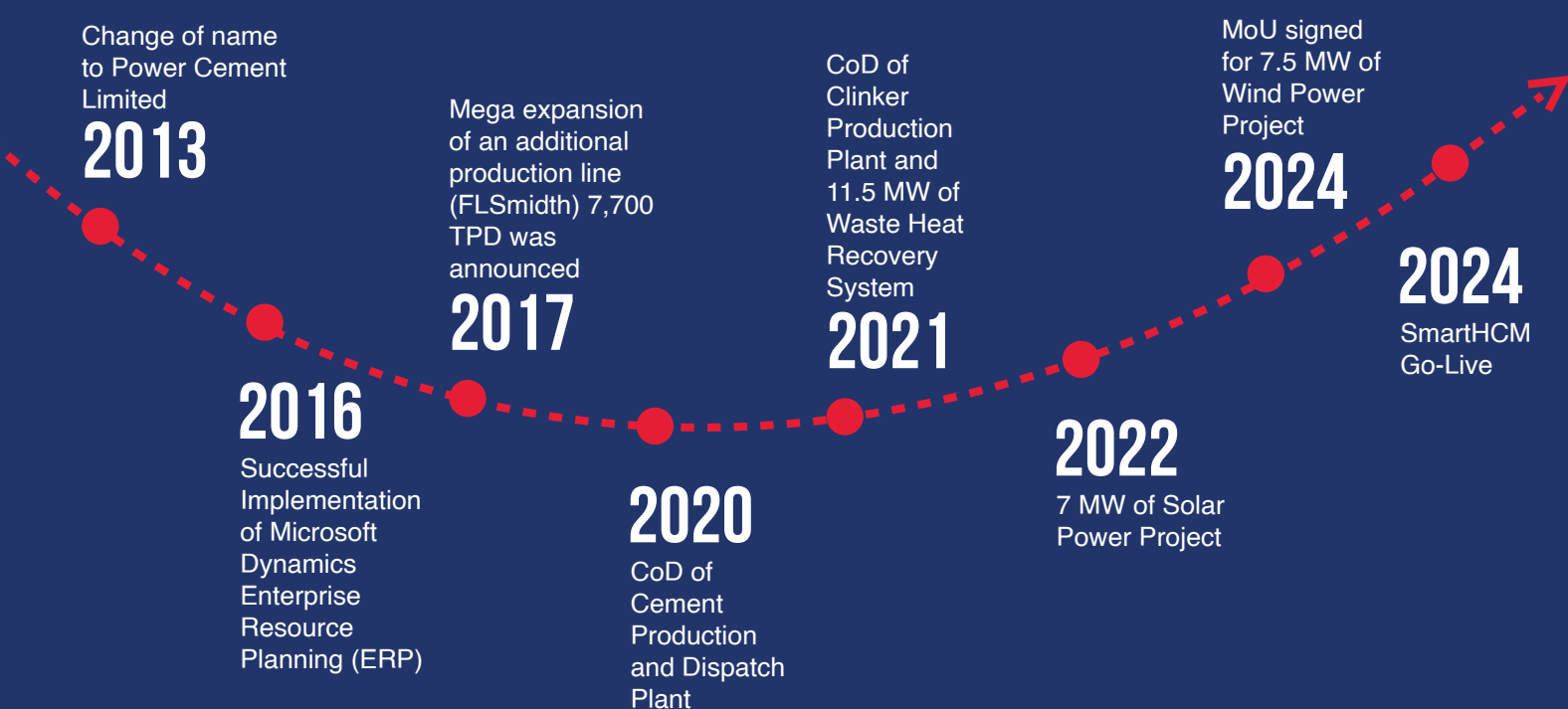
## Fax Number

021-32463209



# SUCCESS JOURNEY





# OWNERSHIP STRUCTURE

As at reporting date, Power Cement Limited shares are majorly held by below mentioned shareholders for which detailed disclosure has been annexed with the Report.

Name of Shareholder	Shareholding %
Mr. Muhammad Arif Habib	24.15
Arif Habib Corporation Limited	24.48
Syed Salman Rashid (including spouse)	5.54

## LIST OF ASSOCIATED COMPANIES

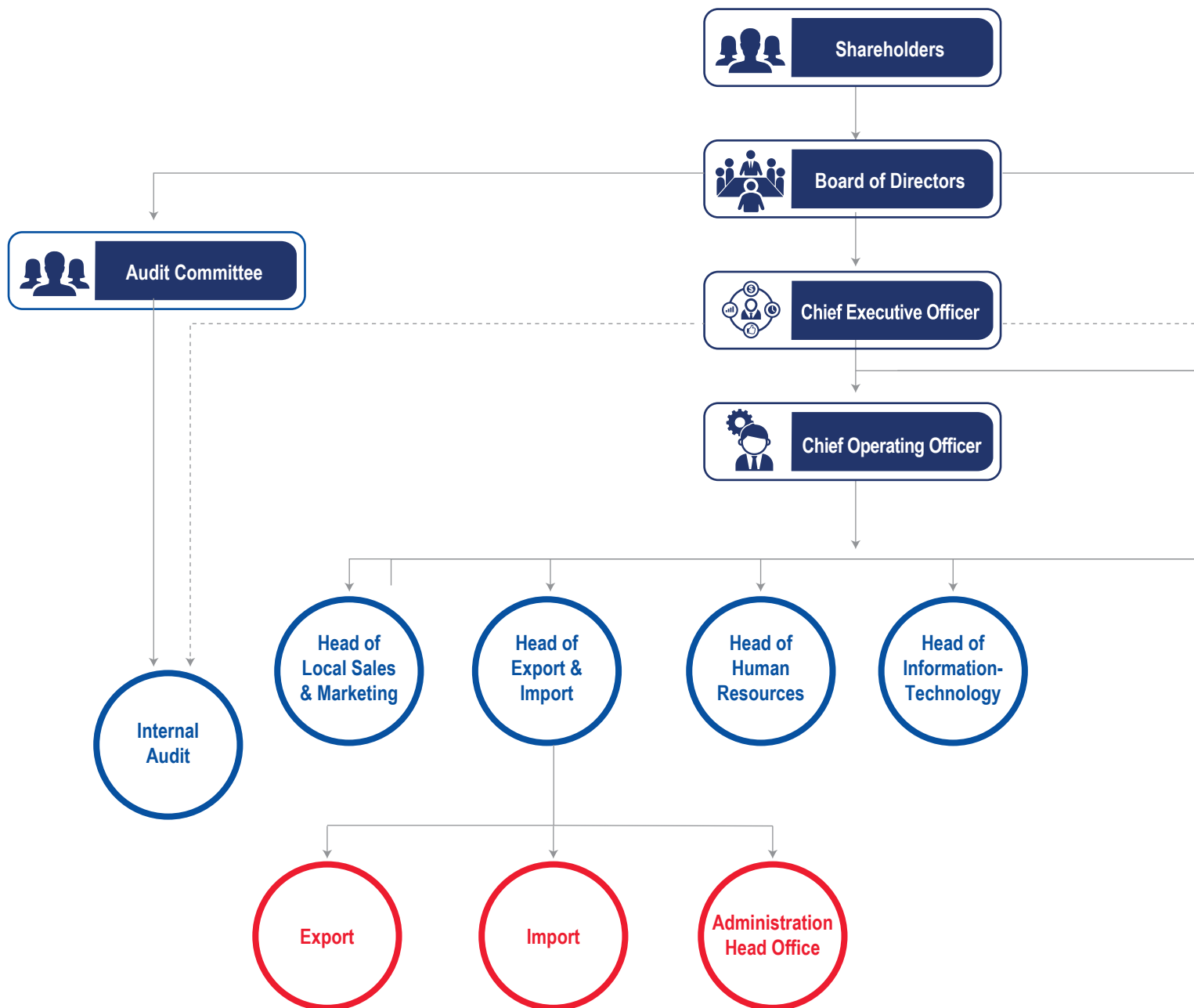
S. No.	Name of Company	Basis of Relationship	Name of Director
1	Aisha Steel Mills Limited	Common Directorship	Mr. Nasim Beg, Mr. Abdus Samad, Mr. Muhammad Arif Habib and Mr. Muhammad Kashif
2	Arif Habib Consultancy (Pvt.) Limited	Common Directorship	Mr. Nasim Beg and Mr. Muhammad Arif Habib
3	Arif Habib Corporation Limited	Common Directorship	Mr. Nasim Beg, Mr. Abdus Samad, Mr. Muhammad Arif Habib and Mr. Muhammad Kashif
4	Arif Habib Dolmen REIT Management Limited	Common Directorship	Mr. Abdus Samad and Mr. Muhammad Arif Habib
5	Arif Habib Equity (Private) Limited	Common Directorship	Mr. Muhammad Arif Habib , Mr. Muhammad Kashif and Mr. Abdus Samad
6	Arif Habib Foundation	Common Directorship	Mr. Muhammad Arif Habib , Mr. Muhammad Kashif and Mr. Abdus Samad
7	Arif Habib Development and Engineering Consultants (Private) Limited	Common Directorship	Mr. Muhammad Arif Habib , Mr. Muhammad Kashif and Mr. Abdus Samad
8	Alternates (Private) Limited	Common Directorship	Mr. Muhammad Kashif
9	All Pakistan Cement Manufacturers Association	Common Directorship	Mr. Muhammad Kashif
10	Alfalalah GHP Investment Management Limited	Common Directorship	Mr. Khalilullah Shaikh
11	BioMasdar (Pakistan) Limited	Common Directorship	Syed Salman Rashid, Mr. Abdus Samad and Mr. Muhammad Kashif
12	Black Gold Power Limited	Common Directorship	Mr. Muhammad Arif Habib , Mr. Muhammad Kashif and Mr. Abdus Samad
13	Dow University of Health Sciences	Common Directorship	Mr. Khalilullah Shaikh
14	Essa Textile And Commodities (Private) Limited	Common Directorship	Mr. Muhammad Arif Habib , Mr. Muhammad Kashif and Mr. Abdus Samad
15	Easy E-Tameer (Private) Limited	Common Directorship	Mr. Muhammad Kashif
16	Fatima Fertilizer Company Limited	Common Directorship	Mr. Muhammad Arif Habib and Mr. Muhammad Kashif
17	Fatima Packaging Limited	Common Directorship	Mr. Muhammad Kashif
18	Fatima Cement Limited	Common Directorship	Mr. Muhammad Arif Habib and Mr. Muhammad Kashif
19	Fatimafert Limited	Common Directorship	Mr. Muhammad Arif Habib and Mr. Muhammad Kashif
20	Green Store (Private) Limited	Common Directorship	Mr. Muhammad Kashif
21	Habib Sugar Mills Limited	Common Directorship	Mr. Khursheed Anwer Jamal

S. No.	Name of Company	Basis of Relationship	Name of Director
22	Habib University Foundation	Common Directorship	Mr. Muhammad Arif Habib
23	International Builders and Developers (Pvt) Limited	Common Directorship	Mr. Muhammad Arif Habib
24	Javedan Corporation Limited	Common Directorship	Mr. Muhammad Arif Habib , Mr. Muhammad Kashif , Mr. Abdus Samad
25	JS Bank Limited	Common Directorship	Mr. Khalilullah Shaikh
26	Karachi Education Initiative	Common Directorship	Mr. Muhammad Arif Habib
27	Memon Health and Education Foundation	Common Directorship	Mr. Muhammad Arif Habib and Mr. Abdus Samad
28	Memon Education Board	Common Directorship	Mr. Muhammad Arif Habib
29	NN Maintenance Company (Pvt.) Limited	Common Directorship	Mr. Abdus Samad
30	Nooriabad Spinning Mills (Private) Limited	Common Directorship	Mr. Muhammad Kashif and Mr. Abdus Samad
31	Naya Nazimabad Foundation	Common Directorship	Mr. Muhammad Arif Habib
32	NCEL Building Management Limited	Common Directorship	Mr. Muhammad Arif Habib
33	Naya Nazimabad IT Park Limited	Common Directorship	Mr. Muhammad Arif Habib , Mr. Abdus Samad and Mr. Muhammad Kashif
34	Parkview Corporation (Private) Limited	Common Directorship	Mr. Abdus Samad
35	Pakistan Opportunities Limited	Common Directorship	Mr. Muhammad Arif Habib , Mr. Abdus Samad and Mr. Muhammad Kashif
36	Prime Agtech Solutions (Private) Limited	Common Directorship	Mr. Muhammad Kashif
37	Pakarab Energy Limited	Common Directorship	Mr. Muhammad Arif Habib
38	Pakistan Business Council	Common Directorship	Mr. Muhammad Arif Habib
39	Pakistan Engineering Company Limited	Common Directorship	Mr. Muhammad Arif Habib
40	Pakistan Centre for Philanthropy	Common Directorship	Mr. Muhammad Arif Habib
41	Pakarab Fertilizers Limited	Common Directorship	Mr. Muhammad Arif Habib , Mr. Abdus Samad and Mr. Muhammad Kashif
42	Rotocast Engineering Company (Pvt.) Limited	Common Directorship	Mr. Muhammad Kashif and Mr. Abdus Samad
43	Sachal Energy Development (Private) Limited	Common Directorship	Mr. Muhammad Arif Habib , Mr. Abdus Samad and Mr. Muhammad Kashif
44	Safemix Concrete Limited	Common Directorship	Mr. Muhammad Kashif and Mr. Abdus Samad
45	Siddiqsons Energy Limited	Common Directorship	Mr. Muhammad Kashif
46	Sapphire Bay Development Company Limited	Common Directorship	Mr. Muhammad Arif Habib and Mr. Abdus Samad
47	Sukh Chayn Gardens (Pvt.) Limited	Common Directorship	Mr. Abdus Samad
48	Transmovers (Private) Limited	Common Directorship	Mr. Muhammad Kashif

All companies are operated by their management under the oversight of respective Board of Directors. Transactions are entered into normal course of business at arm's length. All transactions are placed for approval of Board of Directors of respective companies.

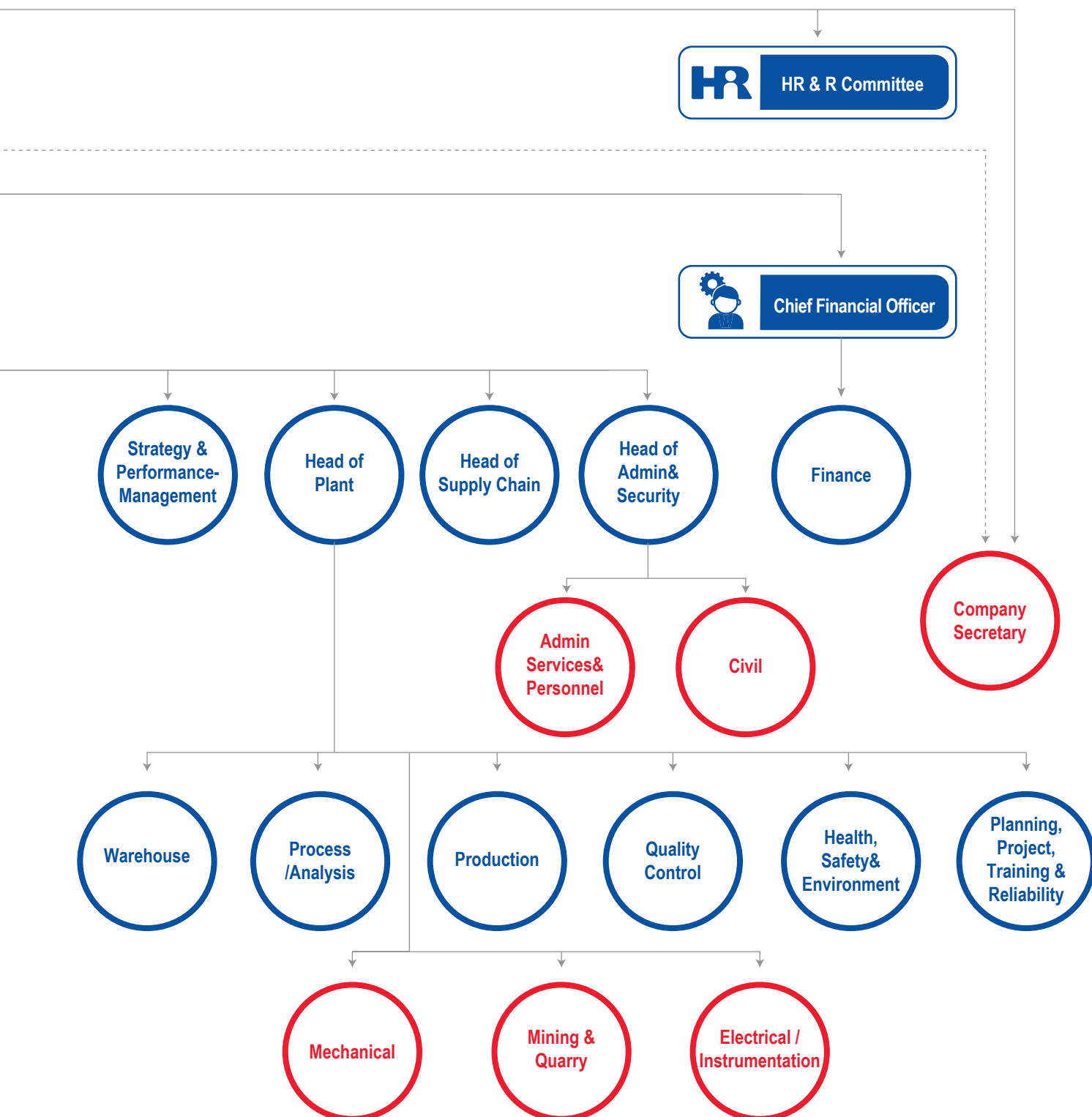


# ORGANOGRAM



## Legends

- Functional Reporting
- Administrative Reporting



## DIRECTORS' PROFILE

# MR. MUHAMMAD ARIF HABIB

## Chairman & Non-Executive Director

Mr. Arif Habib is the Chairman of Arif Habib Group and Chief Executive of Arif Habib Corporation Limited, the holding company of Arif Habib Group. He is also the Chairman of Fatima Fertilizer Company Limited, Aisha Steel Mills Limited, Javedan Corporation Limited (the owner of Naya Nazimabad) and Sachal Energy Development (Pvt.) Limited and Arif Habib Dolmen REIT Management Limited.

Mr. Arif Habib remained the elected President/Chairman of Karachi Stock Exchange for six times in the past and was a Founding Member and Chairman of the Central Depository Company of Pakistan Limited. He has served as a Member of the Privatisation Commission, Board of Investment, Tariff Reforms Commission and Securities & Exchange Ordinance Review Committee. He has been a member of the Prime Minister's Economic Advisory Council (EAC) and the Think-Tank constituted by the Prime Minister on COVID-19 related economic issues. He has also remained a member of the Prime Minister's Task Force on attracting Foreign Direct Investment (FDI) and a member of Advisory Committee of Planning Commission.

Mr. Habib participates significantly in welfare activities. He remains one of the directors of Pakistan Centre for Philanthropy (PCP), Habib University Foundation, Karachi Education Initiative (KSBL), Arif Habib Foundation and Naya Nazimabad Foundation as well as trustee of Memon Health & Education Foundation (MMI).

### Other Directorships

- Fatima Fertilizer Company Limited
- Fatimafert Limited
- Sachal Energy Development (Pvt.) Limited
- Javedan Corporation Limited
- Aisha Steel Mills Limited
- Arif Habib Dolmen REIT Management Limited / (Dolmen City REIT)
- Arif Habib Development and Engineering Consultants (Pvt.) Limited
- Sapphire Bay Development Company Limited
- Naya Nazimabad IT Park Limited
- Black Gold Power Limited
- Essa Textile and Commodities (Pvt.) Limited
- Arif Habib Corporation Limited
- Arif Habib Equity (Pvt.) Limited
- Arif Habib Consultancy (Pvt.) Limited
- Fatima Cement Limited

- International Builders and Developers (Pvt.) Limited
- NCEL Building Management Limited
- Pakarab Energy Limited
- Pakarab Fertilizers Limited
- Pakistan Engineering Company Limited
- Pakistan Opportunities Limited

### As Honorary Trustee/Director:

- Arif Habib Foundation
- Habib University Foundation
- Karachi Education Initiative
- Memon Health and Education Foundation
- Memon Education Board
- Naya Nazimabad Foundation
- Pakistan Centre for Philanthropy
- The Pakistan Business Council

# MR. NASIM BEG

## Non-Executive Director

Mr. Nasim Beg is the Chief Executive Officer of Arif Habib Consultancy (Pvt.) Limited. He qualified as a Chartered Accountant in 1970 and over the decades has had experience in manufacturing, as well as in financial services, both within and outside the country. He joined the Arif Habib Group in the year 2000 to conceive and set up an Asset Management Company, namely Arif Habib Investments, which became the market leader, it was later converted into a joint venture with MCB and subsequently sold to MCB.

Mr. Beg has also held senior level responsibilities in the automobile industry. During his tenure at the Allied Engineering Group, he set up a green-field project for the manufacture of sophisticated indigenous components for the automotive industry under transfer of technology licenses with Japanese and European manufacturers.

His initiation into the financial services business was with the Abu Dhabi Investment Company, UAE, where he was a part of the team that set up the company in 1977. He was the founding Chairman of the Institute of Financial Markets of Pakistan, which was sponsored by the Securities & Exchange Commission of Pakistan (SECP). He has served on several committees set up by the SECP for developing the Capital Markets, including the one that authored the Voluntary Pension System. He has also held the Chairmanship of the Mutual Funds Association of Pakistan. In addition, he has also been a member of the Prime Minister's Economic Advisory Council (EAC).

### Other Directorships

- Arif Habib Corporation Limited
- Aisha Steel Mills Limited
- Arif Habib Consultancy (Private) Limited (Chief Executive Officer)

# MR. MUHAMMAD KASHIF

## Chief Executive Officer

Mr. Muhammad Kashif is the Chief Executive of Power Cement Limited. He is a member of the Institute of Chartered Accountants of Pakistan (ICAP). He completed his articleship from A.F. Ferguson & Co. (a member firm of Price Water House Coopers), where he gained experience of diverse sectors serving clients spanning the Financial, Manufacturing and Services industries.

He has to his credit over a decade of experience serving as a board member in multiple companies of the group. This exposure not only enriched his understanding of diverse corporate dynamics but also enabled him to refine his strategic decision-making capabilities.

Mr. Kashif is deeply committed to enhancing the country's energy landscape. He remains engaged with experts to establish renewable energy as a viable and readily available solution, benefiting not only industries but also the public at large.

### Other Directorships

- Aisha Steel Mills Limited
- Arif Habib Corporation Limited
- Fatima Fertilizer Company Limited
- Javedan Corporation Limited
- SafeMix Concrete Limited
- Black Gold Power Limited
- Fatima Cement Limited
- Fatima Packaging Limited
- Fatimafert Limited
- Pakistan Opportunities Limited
- Siddiqsons Energy Limited
- BioMasdar (Pakistan) Limited
- Pakarab Fertilizers Limited
- Alternates (Private) Limited
- Arif Habib Equity (Pvt.) Limited
- Arif Habib Development and Engineering Consultants (Pvt.) Limited
- Prime Agtech Solutions (Private) Limited
- Sachal Energy Development (Private) Limited
- Easy E-Tameer (Private) Limited
- Essa Textile And Commodities (Private) Limited
- Green Store (Private) Limited
- Nooriabad Spinning Mills (Private) Limited
- Rotocast Engineering Company (Private) Limited
- Transmovers (Private) Limited
- Naya Nazimabad IT Park Limited
- Arif Habib Foundation
- All Pakistan Cement Manufacturers Association

# MR. ABDUS SAMAD

## Non-Executive Director

Mr. Abdus Samad holds a Master's degree in Business Administration. He is the Chief Executive of Javedan Corporation Limited and Safemix Concrete Limited. Mr. Samad has more than 15 years of experience, including 9 years in the financial services industry in various senior management roles.

He began his career with Arif Habib Corporation Limited (the holding company of Arif Habib Group) and has served the company in various executive positions including Executive Sales and Business Promotions, Company Secretary, Head of Marketing.

In 2004, Mr. Samad joined Arif Habib Limited leading the company as its Chairman and Chief Executive. He played a key role in shaping the strategic direction of the company where he specialized in capital market operations and corporate finance. Several noteworthy Initial Public Offerings (IPOs) and successful private placements took place under his stewardship, showcasing his exceptional financial acumen and deep market insight.

Mr. Samad transitioned to Javedan Corporation Limited, in 2011, as the driving force behind the transformation of a dilapidated cement plant to a vibrant living community, Naya Nazimabad. Mr. Abdus Samad Habib has been pivotal in advancing positive societal change and providing the city's middle class an elevated standard of living.

In 2019, Mr. Abdus Samad took on the role of CEO at Safemix Concrete Limited. Guided by his strategic acumen, Safemix Concrete has undergone a remarkable transformation from a loss-making entity to a profitable enterprise.

### Other Directorships

- Aisha Steel Mills Limited
- Arif Habib Corporation Limited
- Javedan Corporation Limited
- Safemix Concrete Limited
- Black Gold Power Limited
- Pakistan Opportunities Limited
- BioMasdar (Pakistan) Limited
- Pakarab Fertilizers Limited
- Arif Habib Equity (Pvt.) Limited
- Arif Habib Development and Engineering Consultants (Pvt.) Limited
- Sachal Energy Development (Pvt.) Limited
- Essa Textile And Commodities (Pvt.) Limited
- Nooriabad Spinning Mills (Pvt.) Limited
- Rotocast Engineering Company (Pvt.) Limited
- Naya Nazimabad IT Park Limited
- Arif Habib Foundation
- Arif Habib Dolmen REIT Management Limited
- Memon Health & Education Foundation
- NN Maintenance Company (Pvt.) Limited
- Parkview Corporation (Pvt.) Limited
- Sapphire Bay Development Company Limited
- Sukh Chayn Gardens (Pvt.) Limited



# MR. KHURSHEED ANWER JAMAL

## Independent Director

Mr. Khursheed Anwer Jamal is a Fellow member of the Institute of Chartered Accountants of Pakistan (ICAP) since 1990. Mr. Khursheed brings more than 35 years of experience and has held various corporate and management positions as Chief Accountant, Manager Taxation, Manager Internal Audit, Company Secretary, Director Finance, Chief Operating Officer and Chief Executive Officer.

Mr. Khursheed was associated with Ghulam Faruque Group (Cherat Cement, Cherat Electric and Cherat Packaging), Dewan Mushtaq and Yousuf Group [Dewan Cement (Pakland Cement), Dewan Sugar, and other group companies] and Al-Abbas Group (Al-Abbas Sugar, Al-Abbas Cement and other Group companies).

Mr. Khursheed is also a certified director from ICAP and he is currently associated with Habib Sugar Mills Limited.

### Other Directorships

- Habib Sugar Mills Limited (Chief Executive Officer)

# SYED SALMAN RASHID

## Non-Executive Director

Syed Salman Rashid holds a bachelor's degree from Karachi University and is a certified director from Pakistan Institute of Corporate Governance. He has served with EFU Group for over 30 years and presently serves as a Deputy Managing Director of EFU General Insurance Limited looking after the largest Marketing and Sales Division of the Company. Parallel to his professional services, he is also serving on the Board of BioMasdar Pakistan Limited and Power Cement Limited.

### Other Directorships

- BioMasdar Pakistan Limited

# MS. ZAINAB KASHIF

## Non-Executive Director

Ms. Zainab is a Bachelor's in Commerce. She is a proud mother and an active homemaker. She is gearing up in her family business.

# MR. KHALILULLAH SHAIKH

## Independent Director

Mr. Shaikh is a Fellow Chartered Accountant (Pakistan and UK) and holds a distinguished professional record, including the achievement of five Gold Medals in the CA Final examinations—an unprecedented milestone in the history of the Institute of Chartered Accountants of Pakistan (ICAP). He had the honour of serving as the youngest-ever President of ICAP and continues to represent Pakistan at the International Federation of Accountants (IFAC) as a Board Member and Chair of IFAC's Governance Committee. He has previously contributed to the global profession through his membership in IFAC's Professional Accountants in Business (PAIB) Committee and regionally as a Board Member of the South Asian Federation of Accountants (SAFA).

Mr. Shaikh brings over two decades of leadership experience across prominent national and international organizations. He served as Chief Financial Officer at Pakistan International Airlines (2019-2021), and held senior positions at K-Electric from 2007 to 2019, including Director Finance & Business Administration, Head of Supply Chain, and Chief Internal Auditor. Prior to this, he was Head of Treasury & MIS at Shell and began his career with A.F. Ferguson & Co. in Assurance and Business Advisory Services.

He currently serves as Independent Director and Chairman of the Audit Committee at JS Bank Limited, Alfalah GHP Investment Management Limited, and Dow University of Health Sciences. Beyond his executive roles, Mr. Shaikh is deeply committed to human capital development. He has designed and delivered numerous corporate trainings and has been teaching Strategic Financial Management to CA students for the past 20 years, with over 2,500 alumni working across the globe. He is also an alumnus of the International Leadership Development Program from the National University of Singapore.

### Other Directorships

- JS Bank Limited
- Alfalah GHP Investment Management Limited
- Dow University of Health Sciences

# S



## Strengths

- As part of the eminent and established Arif Habib Group, Power Cement Limited enjoys enhanced credibility and Trust.
- The Company operates a highly efficient European production facility that enhances its overall performance and profitability.
- Production of high quality cement and adherence to environmental standards set by IFC/World Bank/EU and SEPA.
- Projects like the Waste Heat Recovery System & Solar are providing eco-friendly and cost-efficient energy solutions.
- Proximity to seaports allows efficient logistics and distribution.
- Equipped with advanced European technology, Power Cement Limited leads in using alternative fuels to replace coal, achieving both cost savings and environmental benefits, with a 25% substitution rate using biomass fuel.
- Strategic location within the wind corridor enables Power Cement Limited to benefit from wind power projects.
- Established brand reputation with strong market presence in the South Zone.
- Developed distribution network and established relationships with key customers and suppliers.

# W



## Weaknesses

- Absence of an in-house fleet makes the Company reliant on external transporters, which could affect timely deliveries and leads to higher costs.
- High gearing levels and consequential high financial costs resulting in subdued EPS.
- Heavy reliance on the South Zone market with limited geographic diversification.

# O



## Opportunities

- Capitalizing on the growing demand for cement in the UK and USA, and establishing a strong presence in these markets.
- Falling interest rates
- Government initiatives and public support in housing and infrastructure development may drive domestic demand.
- Pakistan's per capita cement consumption remains low compared to neighboring countries in the region, presenting significant growth opportunities.

# T



## Threats

- Incompetitive energy costs challenge the ability to maintain competitive pricing in the export market.
- Exposure to interest rate fluctuations, currency devaluation, and other adverse macroeconomic factors can impact the Company's financial stability.
- Increase in Government taxes and levies such as Federal Excise Duty and Royalty are making the commodity dearer.
- Intense competition within the cement industry affecting market share and pricing.

# COMPETITIVE LANDSCAPE AND MARKET POSITIONING

## **Threat of New Entrants**

The cement industry in Pakistan presents significant barriers to entry. High capital requirements, complex regulatory approvals, and access to key raw materials and distribution networks make market entry extremely challenging. As a result, the risk of new entrants remains minimal.

## **Threat of Substitutes**

Cement is a fundamental construction material with no direct substitutes on a commercial scale. This entrenched demand provides industry stability. While innovations in building technologies are monitored, the risk of substitution remains minimal.

## **Power of Customers**

Cement is primarily distributed through dealers and distributors to retailers and end-users. Strong brand equity and steady demand, coupled with low price elasticity, allow the Company to retain control over pricing.

## **Power of Suppliers**

Suppliers in the cement industry hold significant influence, as volatility in global coal, fuel, and other input prices can substantially affect the production costs. In such an environment, unchecked supplier power can challenge competitiveness. Power Cement mitigates this risk by adopting a competitive vendor selection process, securing long-term lease arrangements for key raw materials, and sourcing inputs through careful market research and negotiations. The Company also emphasizes building collaborative and reliable supplier relationships, which help ensure continuity of supply, cost stability, and shared value creation. Despite these measures, external factors such as international commodity prices, energy tariffs, and currency fluctuations continue to shape overall production expenses.

## **Competitive Rivalry**

The cement industry in Pakistan is intensely competitive, with multiple players operating across the country and continuously expanding existing capacities, despite one of the lowest per capita cement consumption levels globally. In such a challenging environment, cost efficiency, operational excellence, and consistent product quality remain the key drivers of competitiveness.

Power Cement Limited differentiates itself through strategic marketing initiatives, enhanced operational efficiency, and reliable customer service. By strengthening its brand positioning and maintaining a strong focus on customer satisfaction, the Company continues to compete effectively, build long-term loyalty, and expand its presence in a saturated industry.

# THE LEGISLATIVE, REGULATORY AND POLITICAL ENVIRONMENT IN WHICH THE ORGANIZATION OPERATES

Power Cement Limited operates in a highly regulated environment, where compliance with applicable laws and regulations is a cornerstone of our business. The Company places the highest priority on strict adherence to these frameworks and takes proactive measures to minimize the risk of non-compliance. This commitment reflects our dedication to responsible, ethical, and transparent business practices under close oversight from regulators and government authorities.

The principal laws and frameworks governing the Company's operations include:

- **Companies Act, 2017**
- **Sales Tax Act, 1990**
- **Federal Excise Act, 2005**
- **Income Tax Ordinance, 2001**
- **Sindh Sales Tax on Services Act, 2011**
- **Competition Act, 2010**
- **Labor and Employment Laws**
- **Provincial Mining Laws**
- **Central Depository Company Act and Regulations**
- **Listed Companies (Code of Corporate Governance) Regulations, 2019**

## Political Environment

The cement industry is closely tied to construction and infrastructure development, making it highly sensitive to the prevailing political and economic climate. Political stability plays a critical role in shaping demand, investor confidence, and the continuity of development projects.

The challenges encountered by the Company during the year, arising from the political environment and global events, have been comprehensively addressed in the Directors' Report.

# EFFECT OF SEASONALITY ON BUSINESS

Power Cement Limited's sales are subject to seasonal variations, with demand typically slowing during the monsoon and winter months, as well as around major festive holidays when construction activity subsides. Despite these cyclical dips, the Company's production cycle remains largely unaffected, enabling stable operations and uninterrupted supply to the market throughout the year.



# GENERAL REVIEW OF THE PERFORMANCE OF THE COMPANY AND SIGNIFICANT IMPROVEMENTS FROM PRIOR YEARS

Key developments and their impact during the year includes:

## **Stabilizing Macroeconomic Environment:**

In FY 2025, Pakistan's economy demonstrated gradual stabilization despite persistent domestic and external challenges. GDP grew by 2.68%, supported by strong agricultural output and modest recovery in services, while industrial activity remained subdued. Inflation eased sharply to 3.2% in June 2025 (from 12.6% a year earlier), enabling the State Bank of Pakistan to reduce the policy rate from 22% to 11%. These developments provided relief to the overall cost of doing business.

## **Cement Sector Dynamics:**

Despite macroeconomic progress, the cement sector remained under pressure due to political uncertainty, elevated input costs, and subdued construction activity. Domestic sales continued to decline for the third consecutive year since FY 2022.

## **Financial Turnaround:**

Your Company delivered a significant improvement in performance, with net sales revenue of Rs. 29.52 billion. Gross profit increased by 24% to Rs. 8.40 billion, driven by improved selling prices, operational efficiencies, strict cost control, and greater reliance on alternative fuels. EBITDA also rose to Rs. 5.51 billion from Rs. 3.98 billion last year, while operating profit surged 52% to Rs. 4.62 billion.

## **Reduced Finance Cost and Improved Bottom Line:**

Finance costs declined sharply to Rs. 3.04 billion from Rs. 4.95 billion in FY 2024, owing to monetary easing, financial support from sponsors (currently Rs. 15 billion), and partial repayment of principal. As a result, the Company posted a profit before tax of Rs. 1.57 billion, a remarkable turnaround from a loss of Rs. 1.92 billion in the previous year. Net profit stood at Rs. 815 million, compared to a net loss of Rs. 2.70 billion in FY 2024, translating into positive EPS of Rs. 0.44 versus a loss per share of Rs. 2.88 last year.

## **Commitment to Renewable Energy and Cost Efficiency:**

The Company continued to enhance its energy mix with an 11.5 MW Waste Heat Recovery System (WHRS) and a 7 MW Solar Power Plant already commissioned, alongside progress on a 7.5 MW Wind Power Project expected to be completed in FY 2026. These initiatives will increase renewable capacity to 26 MW, meeting nearly 48% of the Company's energy requirements through sustainable sources. Alternative fuels such as sugar mud-press, cow dung and rice husk further strengthened cost efficiency and reduced reliance on imported fuels.

Amid these shifts, Power Cement Limited has demonstrated resilience by delivering financial turnaround, advancing its renewable energy agenda, and maintaining its strategic focus on cost competitiveness, operational excellence, and sustainable growth.

# LEGITIMATE NEEDS & INTERESTS OF KEY STAKEHOLDERS

## Shareholders

Shareholders prioritize financial performance, profitability, and sustainable growth, seeking consistent returns on investment (ROI) and value appreciation. Power Cement focuses on cost efficiency, profitability, and long-term growth through innovation and sustainability initiatives. As the cement industry embraces eco-friendly practices and technological advancements, shareholders expect PCL to invest strategically in these areas to maintain its competitive edge, as evidenced by our current share price.

## Customers

Customers demand high-quality, competitively priced cement, reliable supply, and excellent customer service. Sustainability and transparency are increasingly important. PCL maintains stringent quality standards and a robust supply chain to ensure reliability. With growing demand for sustainable products, particularly from international clients, the Company's commitment to renewable energy and alternative fuels reinforces customer trust and loyalty.

## Employees

Employees seek job security, fair compensation, professional development, and a safe, supportive work environment. Career growth opportunities and a positive workplace culture are highly valued. The Company invests in employee development through training, safety programs, and skill enhancement initiatives. As the industry evolves with new technologies and sustainable practices, PCL ensures its workforce is equipped to meet future demands.

## Government and Regulatory Bodies

Regulatory authorities focus on compliance with laws, environmental standards and safety protocols. PCL strictly adheres to environmental and safety regulations, aligning with government expectations. The industry's trend toward stringent environmental compliance underscores the importance of the Company's sustainability initiatives, helping to ensure regulatory compliance and strengthen its reputation.

## Vendors and Suppliers

Vendors and suppliers seek long-term partnerships, timely payments, and growth opportunities. Strong supplier relationships are vital for consistent access to high-quality raw materials. As sustainability becomes an industry priority, PCL collaborates with suppliers who share its eco-friendly practices, further enhancing these partnerships.

## VALUE CHAIN ANALYSIS

The principal activity of the Company is the manufacturing and sale of cement. Cement is produced by blending various earth materials into a fine raw mix, which is then heated at very high temperatures in a kiln and subsequently ground to produce cement. The main materials used include:

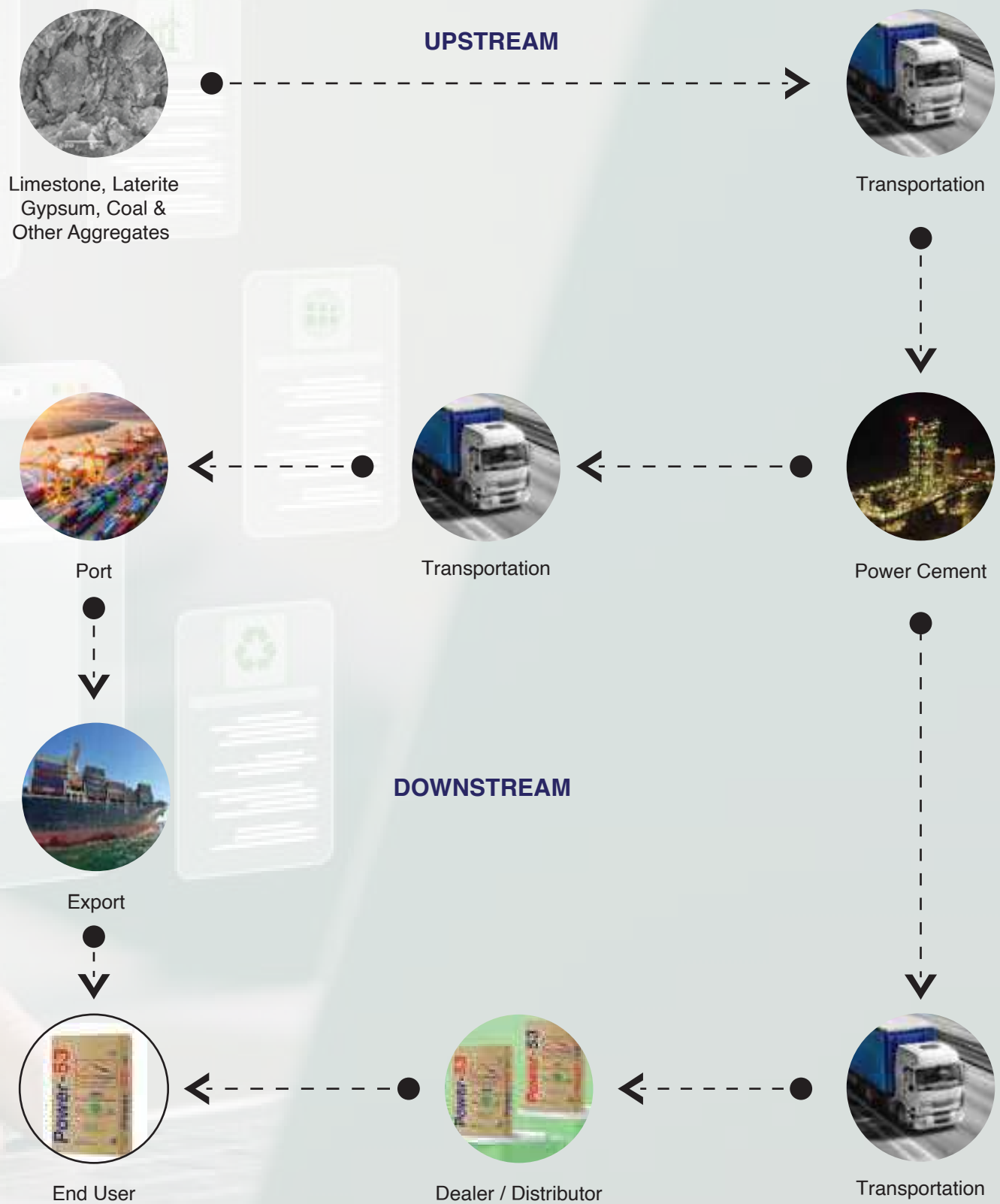
- Limestone
- Shale/ Clay
- Laterite
- Gypsum
- Fuels – Coal & Alternative fuels

On the upstream side, the Company ensures reliable access to essential raw materials. Shale and limestone are extracted from Company-operated quarries under lease from the Minerals Department, with monthly royalties and excise duties paid accordingly. Additional inputs, such as gypsum and laterite, are sourced from approved vendors. All mining, grinding, crushing, and blending operations are conducted under the strict supervision of highly qualified specialists, ensuring consistent product quality.

On the downstream side, Power Cement emphasizes strong customer connectivity and an efficient market presence. The Company implements targeted marketing strategies that build brand recognition, strengthen customer loyalty, and tap into emerging markets. Dealer engagement programs are regularly conducted to reinforce partnerships, expand outreach, and promote the Company's diversified product portfolio.

Value chain analysis is conducted regularly to identify key competencies and opportunities for value creation for both the Company and its stakeholders. Through this process, Power Cement identifies its core strengths and the stakeholders contributing to value creation upstream and downstream. This approach allows the Company to focus on activities that deliver maximum value to customers while continuously evaluating its competitive positioning within the cement industry.

Upstream	Company Activities	Down Stream
Extraction of limestone and shale/ clay	<ul style="list-style-type: none"> <li>• Production</li> <li>• Marketing and sales</li> </ul>	<ul style="list-style-type: none"> <li>• Transporters</li> <li>• Dealers /Wholesaler</li> <li>• Projects</li> <li>• Communities</li> <li>• Export</li> </ul>



# FACTORS AFFECTING THE EXTERNAL ENVIRONMENT

## Political

Pakistan's political environment remained uncertain, frequent policy adjustments, and regulatory volatility, especially around energy tariffs and freight policies. Sudden changes in electricity and coal pricing, taxation, or transport regulations directly influence input costs and can erode export competitiveness.

PCL addresses these challenges by actively engaging with policymakers and industry associations such as APCMA and PBC, while diversifying its export portfolio and maintaining a strong culture of compliance to safeguard operations against sudden policy shifts.

(Risk – policy unpredictability; Opportunity – stronger voice through advocacy and export diversification.)

## Economic

Pakistan's macroeconomic environment stabilized in FY2025: inflation fell to 3.2% (from 12.6%), and the policy rate was reduced from 22% to 11%. These developments lowered financing costs significantly, enabling the Company to reduce finance expense by 38% and return to a net profit of Rs. 815 million. However, domestic cement demand remained weak, with South Zone sales declining, while exports rose by more than 33%.

PCL strengthened its balance sheet by partially repaying borrowings and securing sponsors' support Rs. 15 billion. The Company also tightened cost controls and expanded exports to capture foreign exchange earnings and support margins.

(Risk – subdued domestic demand and FX exposure; Opportunity – lower interest rates and growing export potential.)

## Social

Pakistan's urbanisation and housing needs underpin long-term demand, but near-term pressures on consumer purchasing power and employment, limit private sector construction activity. At the same time, communities and stakeholders increasingly demand stronger health, safety, and sustainability practices.

PCL has embedded ISO 45001-certified safety systems across its production facility, regularly conducts training and safety drills, and engages in community welfare initiatives in its operating areas. These actions strengthen the Company's social license to operate and employee commitment.

(Risk – weak near-term housing demand; Opportunity – enhanced reputation through safety and community engagement.)

## Technological

Advances in cement manufacturing, process automation, and digitalisation are reshaping industry efficiency and competitiveness. Companies that fail to modernise risk higher costs and operational inefficiencies

The Company operates a modern FLSmidth plant with online quality control, while ERP and SmartHCM systems improve integration. Business continuity has been strengthened through disaster recovery infrastructure, and predictive maintenance initiatives are being pursued to enhance asset reliability.

(Risk – technological obsolescence; Opportunity – efficiency gains and digital leadership.)

## Environmental

Climate change pressures and ESG standards from regulators, customers, and financiers are reshaping the cement sector, with stricter expectations on carbon reduction. Rising energy and emission compliance costs can undermine profitability, but sustainability investments create long-term competitive advantage and access to green financing.

PCL has achieved measurable results: its alternative fuels program substituted up to 25% of thermal energy, replacing 35,000 tons of imported coal; WHRS and solar together delivered substantial savings; and the Company avoided approximately 127,000 tonnes of CO<sub>2</sub> emissions. A wind power project is also in development.

(Risk – tightening carbon regulations; Opportunity – cost savings and environmental leadership through renewables.)

## Legal

The cement industry is subject to extensive regulatory oversight, including environmental compliance, taxation, labor laws, and corporate governance requirements. Non-compliance can result in penalties, reputational harm, or even plant closures. Conversely, strong compliance improves investor confidence and creditworthiness.

PCL has a dedicated compliance team and internal audit function, adheres to SECP and ISO standards, and maintains ISO 9001, 14001, and 45001 certifications. Its robust governance framework has contributed to its A-/A-2 credit rating.

(Risk – compliance failure; Opportunity – stronger market trust and financing access through best-practice governance.)

# PESTEL ANALYSIS

Factor	Driver	Impact on Industry & PCL	Organisational Response
<b>P</b>	Policy volatility in energy tariffs, taxation, and freight regulation.	Sudden changes increase input costs and erode export competitiveness.	Advocacy through APCMA/PBC; diversification into exports; strong compliance culture.
<b>E</b>	Inflation eased to 3.2%; policy rate cut to 11%. Domestic demand weak; exports surged >33% in South Zone.	Finance cost fell 38%, enabling profit turnaround; domestic demand contracted slightly.	Sponsors' support of PKR 15bn; partial debt repayment; cost control; exports expansion.
<b>S</b>	Urbanisation and housing demand vs weak purchasing power; rising HSE and community expectations.	Private construction slowed; greater pressure for safety, sustainability, and community engagement.	ISO 45001-certified safety systems; training and drills; community development projects.
<b>T</b>	Advances in automation, digitalisation, and energy-saving technologies.	Risk of obsolescence; efficiency critical for competitiveness.	FLSmith plant, ERP, SmartHCM, disaster recovery systems; predictive maintenance underway.
<b>E</b>	Climate change and tightening ESG standards.	Rising compliance and energy costs; potential financing barriers for non-green players.	Alternative fuels (up to 25% substitution); WHRS and solar (substantial savings); ~127k tonnes CO <sub>2</sub> avoided; wind project under development.
<b>L</b>	Complex regulatory framework: environmental, tax, labor, governance.	Penalties or reputational damage if non-compliant; good compliance builds trust.	Dedicated compliance team; ISO 9001/14001/45001 certifications; strong Board oversight.



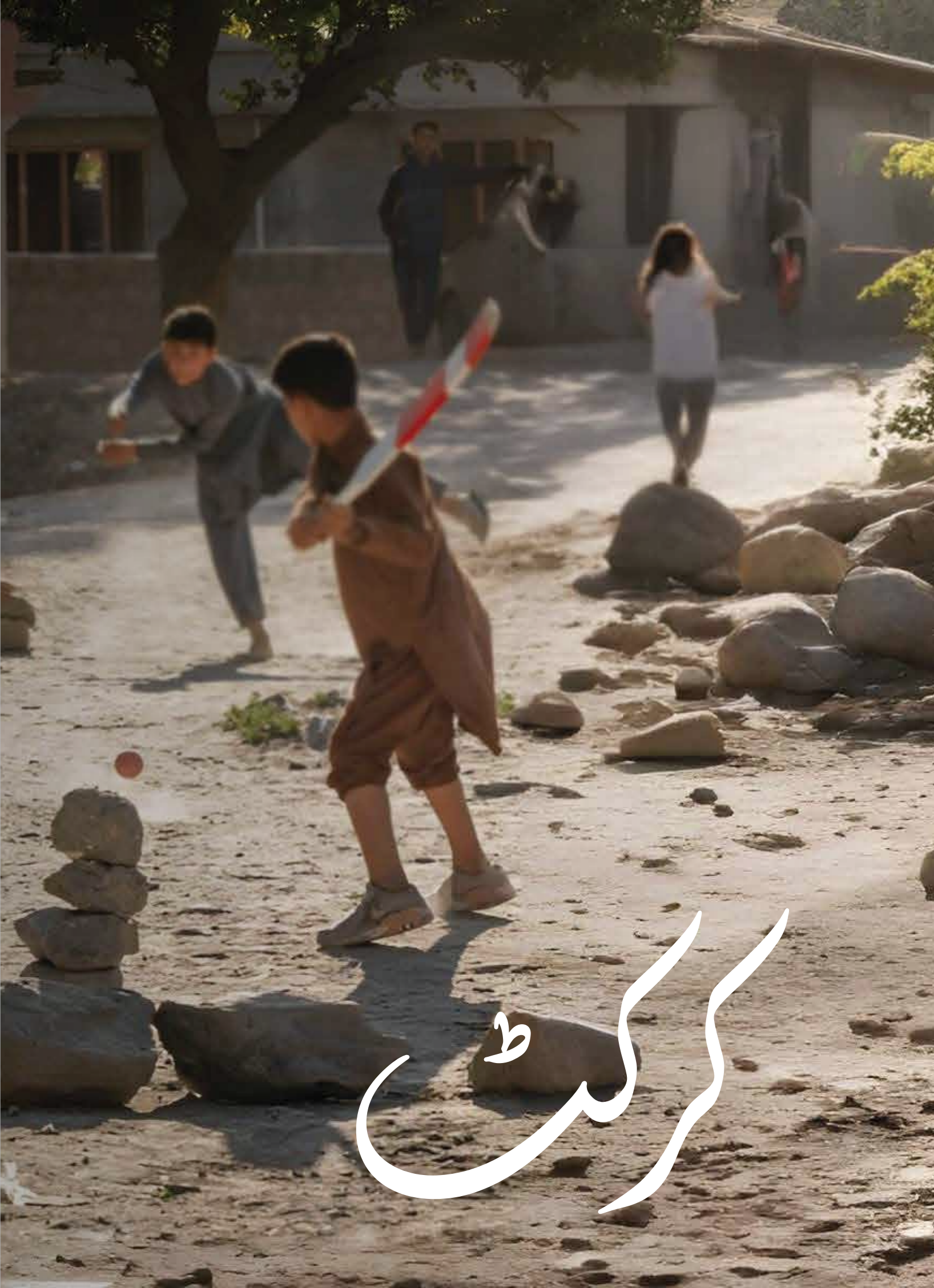
A young boy with dark hair, wearing a blue t-shirt and light-colored cargo pants, is walking away from the camera on a dirt path. The path is uneven and has many footprints. In the background, there is a white building with a small window and some trees. The lighting is warm, suggesting late afternoon or early morning.

# STRATEGY & RESOURCE ALLOCATION

## PLANNING AND COORDINATION

Cricket is a game where success relies on strategy, timing, and seamless coordination among players. Success comes from teamwork, timing, and strategic moves. Power Cement advances with coordinated efforts, passing responsibility seamlessly for maximum impact.





کسی

# STRATEGIC OBJECTIVES AND STRATEGIES IN PLACE

Power Cement Limited remains dedicated to enhancing stakeholder's value through innovation, process modernization, and efficient resource utilization. Our strategic objectives are guided by a focus on sustainable growth.

Strategic Objectives	Strategies in Place / To Be Implemented	Performance Metrics	Time Horizon
Human Capital Development	<ul style="list-style-type: none"> <li>- Technical and non-technical training programs for all staff levels, conducted internally and externally.</li> <li>- Structured processes to develop and groom professionals across functions.</li> <li>- Equal opportunity policies with transparent systems and clearly defined KPIs aligned with vision and core values.</li> <li>- Job rotation to expand employee skillsets and leadership capacity.</li> </ul>	Training and education programs	Mid Term
Environmental Sustainability	<ul style="list-style-type: none"> <li>- Maintaining a safe workplace and ensuring compliance with environmental standards.</li> <li>- Economically feasible arrangement for renewable energy, including a 7 MW Solar Power Project and a 7.5 MW Wind Power Project (to be operational in FY 2026).</li> <li>- To get maximum power generation from 11.5 MW of Waste Heat Recovery System (WHRS).</li> <li>- Full compliance with National Environmental Quality Standards (NEQS).</li> <li>- Community development initiatives in operational areas.</li> </ul>	Health & safety incidents / environmental testing reports	Mid Term
Production Efficiencies	<ul style="list-style-type: none"> <li>- Using alternative fuels to reduce costs.</li> <li>- Focus on energy optimization and resource efficiency.</li> <li>- To maximize production efficiency by using state-of-the-art European FLSmidth plant.</li> <li>- Continuous cost rationalization while monitoring external factors such as input cost volatility and global price trends.</li> </ul>	Energy cost reduction	Short Term
Brand Image	<ul style="list-style-type: none"> <li>- Strengthening market presence through enhanced packaging, expanded sales network, timely delivery, and targeted marketing campaigns.</li> </ul>	Increase in retention price	Short Term
Supplier Relationships	<ul style="list-style-type: none"> <li>- Monitoring cash flow to ensure timely settlement of liabilities.</li> </ul>	Payable Days Liquidity Ratios	Short Term
Dealers / Distribution Network	<ul style="list-style-type: none"> <li>- Planned marketing campaigns and network expansion to increase reach.</li> </ul>	Dealer network growth, market penetration	Short Term
Cash Flow & Receivables	<ul style="list-style-type: none"> <li>- Regular monitoring of aging reports, credit limits, and receivables to ensure timely recoveries.</li> </ul>	Receivable Days, Liquidity Ratios	Short Term

## Significant Changes in Objectives and Strategies from Prior Years

There have been no significant changes in our objectives and strategies.

## Future Relevance

These KPIs will remain critical to our success. Power Cement Limited is committed to transparency and to diligently assessing progress to ensure that we achieve our strategic objectives in the long term.

# VALUE CREATED BY THE COMPANY USING IT'S RESOURCES AND CAPABILITIES

Power Cement Limited (PCL) leverages its resources and capabilities to create value for a diverse range of stakeholders through sustainable practices, operational excellence, and strong relationships. Below is a summary of how PCL generates value for its key stakeholders:

- |  |  |
|--|--|
| 1. <b>Employees</b><br>Competitive pay, training & career growth<br>Safe, healthy, and inclusive workplace                         | 4. <b>Communities</b><br>Education, healthcare & social initiatives<br>Environmental stewardship & sustainability focus                            |
| 2. <b>Customers</b><br>High-quality cement products<br>Reliable supply & after-sales support<br>Strong brand trust & loyalty       | 5. <b>Shareholders</b><br>Sustainable growth & operational efficiency<br>Strategic investments & strong governance<br>Consistent long-term returns |
| 3. <b>Suppliers and Service Providers</b><br>Transparent procurement practices<br>Long-term partnerships & supply chain efficiency | 6. <b>Government</b><br>Employment generation & tax contribution<br>Compliance with regulations<br>Alignment with national sustainability goals    |

This integrated approach allows PCL to build enduring relationships with all stakeholders, ensuring that our operations contribute positively to the broader economy and society.

# COMPANY'S STRATEGY ON MARKET, PRODUCT AND SERVICE DEVELOPMENT

Power Cement Limited (PCL) pursues a well-defined strategy to strengthen its market presence, enhance product offerings, and improve service delivery.

## Market Development

PCL aims to expand into new geographical regions while consolidating its position in existing markets. Efforts are directed toward increasing market share, enhancing brand visibility, and reaching untapped customer segments through targeted marketing and distribution strategies.

## Product Development

Innovation lies at the core of PCL's product strategy. The Company emphasizes the development of high-performance, durable, and sustainable cement products that address evolving customer requirements and align with global construction trends.

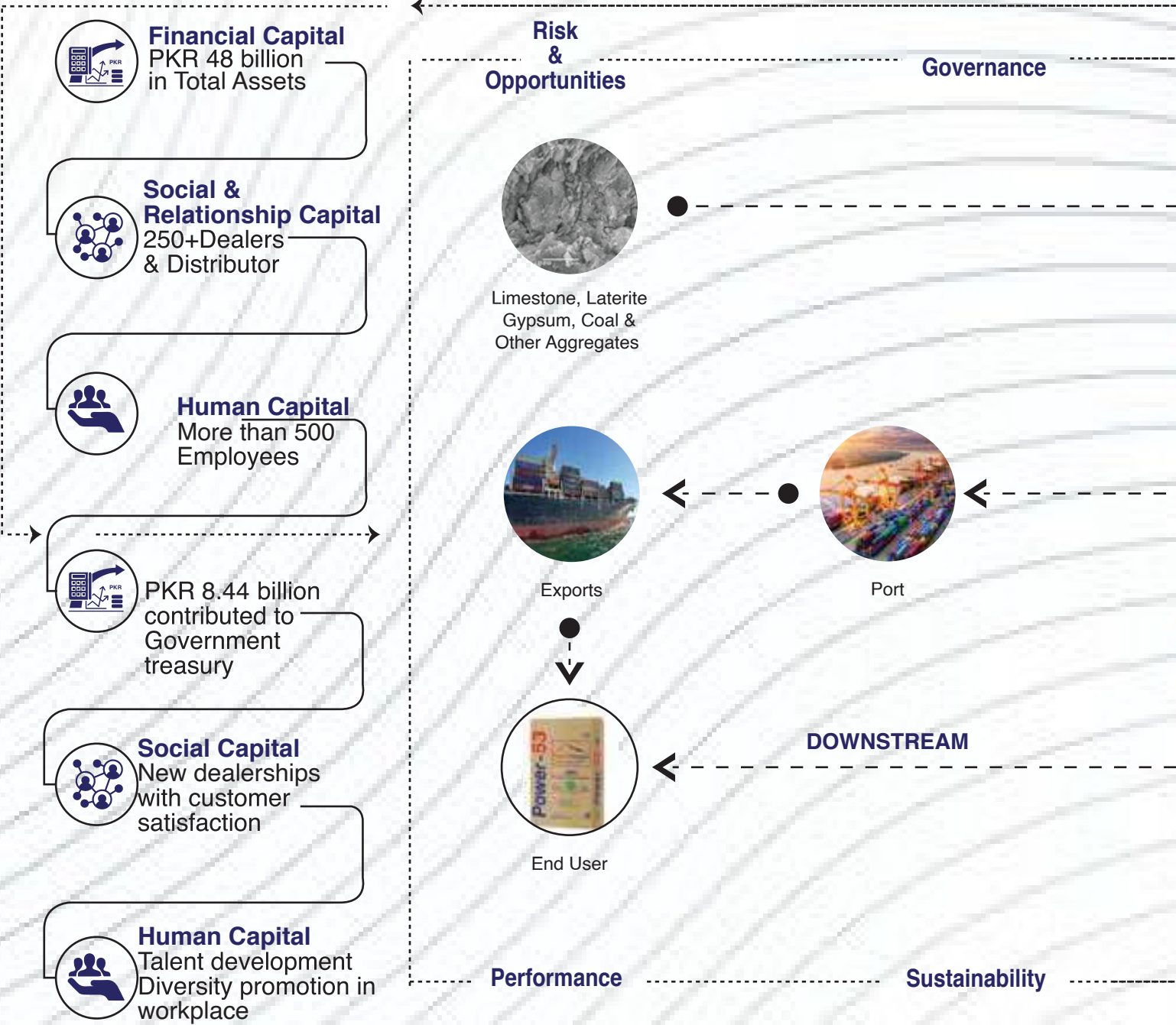
## Service Development

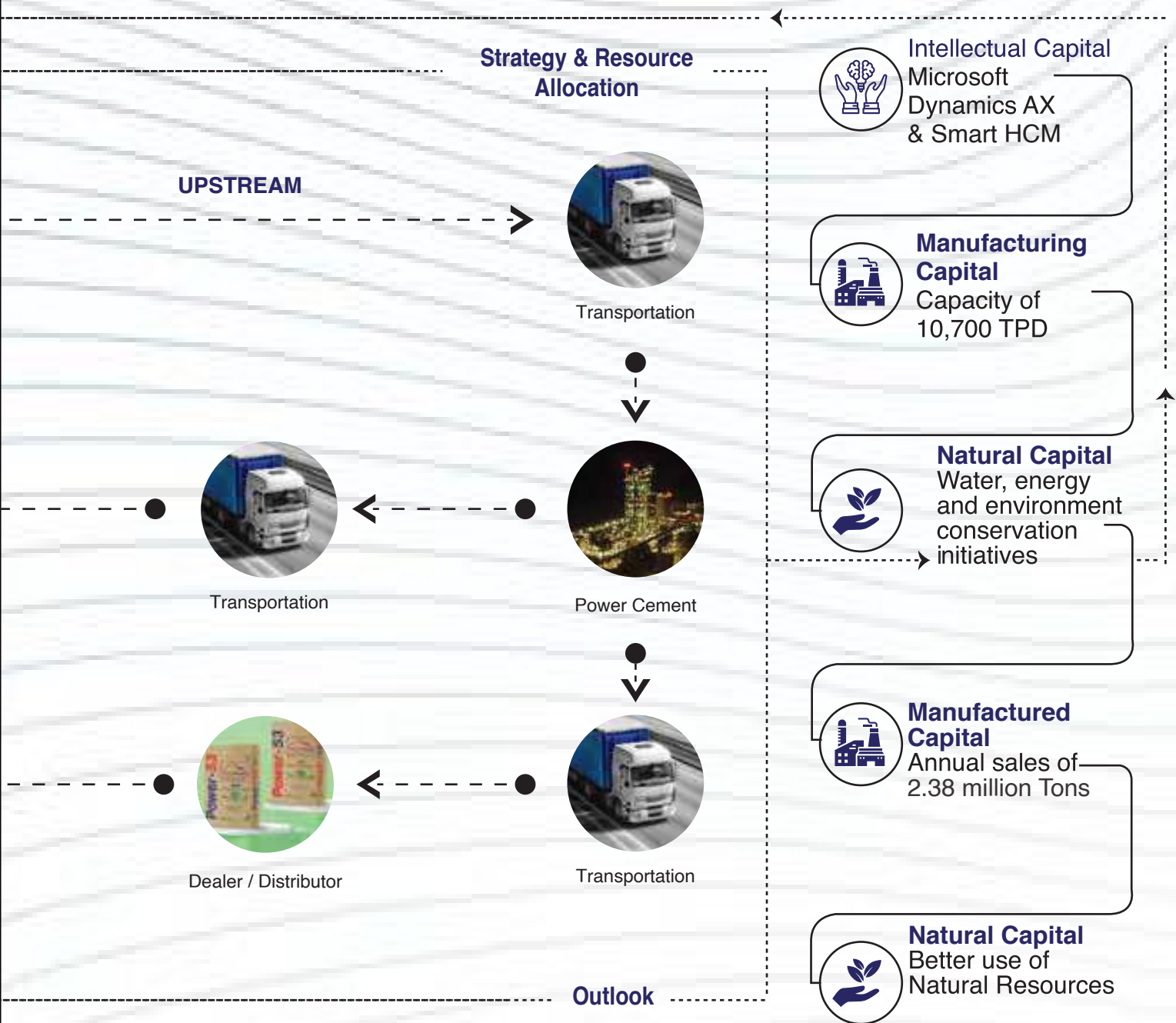
PCL focuses on improving customer experience by ensuring timely delivery, robust after-sales support, and an extensive dealer and distributor network. Continuous investment in operational efficiency and digital tools further strengthens service quality and responsiveness.

Through this integrated approach, PCL strives to achieve sustainable growth, enhance customer satisfaction, and reinforce its standing as a trusted leader in Pakistan's cement industry.



# BUSINESS MODEL







# RESOURCE ALLOCATION PLANS TO IMPLEMENT THE STRATEGY

Power Cement Limited leverages a diverse mix of human, financial, manufactured, intellectual, social, and natural resources to achieve its strategic objectives. Each resource is deployed with a strong focus on operational excellence, sustainability, and long-term value creation for all stakeholders.

## Financial Capital

PCL manages its financial resources through prudent liquidity planning, treasury operations, and effective cost management. The capital structure is composed of shareholders' equity along with Islamic long-term and short-term financing facilities coupled with the long term Musharakah arrangement with the sponsors of the Company. The Company maintains strong banking relationships with leading financial institutions, ensuring timely access to funding at competitive terms. To support strategic growth, internally generated cash flows are prioritized alongside initiatives aimed at reducing fixed costs and optimizing working capital requirements.

## Human Capital

People remain at the core of PCL's success. Guided by the Company's values, code of conduct, and HR policies, a strong emphasis is placed on professional development and employee engagement. The HR function ensures talent development through training, performance management, and career progression opportunities. Skilled professionals and technical experts are engaged to enhance production processes, strengthen marketing strategies, and improve control systems.

## Manufactured Capital

The Company continues to utilize and expand its base of plant, machinery, power generation units, and infrastructure to support efficiency and growth. Investments are directed towards reliability, and energy efficiency. In line with its sustainability commitments, PCL is expanding renewable energy initiatives, including solar & wind power resources, along with the Waste Heat Recovery System.

## Intellectual Capital

PCL's intellectual capital encompasses its brand equity, enterprise systems, processes, and certifications. The adoption of advanced ERP solutions and ISO-certified HSE and Information Security systems strengthens internal controls and operational excellence. The Company also fosters a culture of innovation through R&D and continuous improvement programs. Initiatives such as energy-efficient production techniques, and sustainable raw materials reflect PCL's commitment to innovation and industry leadership.

## Natural Capital

The Company carefully manages its use of natural resources, including raw materials and water, ensuring availability and efficiency while minimizing environmental impact. Resource utilization is guided by responsible practices to support sustainable operations and long-term competitiveness.

# THE LINKAGE OF STRATEGIC OBJECTIVES WITH COMPANY'S OVERALL VISION AND MISSION

Power Cement Limited (PCL) ensures that its strategic objectives remain closely aligned with the Company's vision, mission and core values, thereby supporting sustainable growth and long-term stakeholder value creation.

## Vision Alignment

PCL's focus on market expansion, customer satisfaction, and adoption of advanced technologies reflects its vision of being a recognized cement producer at both national and international levels. Continuous process improvements and innovation reinforce this pursuit of excellence.

## Mission Fulfillment

The Company's mission—to exceed customer and stakeholder expectations—drives its strategic initiatives. By producing high-quality products, investing in sustainability, and optimizing cost structures, PCL delivers on its mission while maintaining a safe and responsible work environment.

## Core Values Integration

PCL's strategies are underpinned by its core values of customer focus, ethics, integrity, corporate social responsibility and teamwork. These values guide decision-making, strengthen relationships with stakeholders, and ensure transparency and accountability across operations.

## Commitment to Ethics

All strategic objectives are rooted in a strong ethical foundation. PCL is committed to conducting business responsibly, with integrity and fairness, ensuring that growth is achieved in line with the highest professional and governance standards.

This alignment between strategy, mission, vision, and values ensures that Power Cement Limited continues to build sustainable performance, foster stakeholder trust, and create long-term value.

# STATEMENT ON SIGNIFICANT PLANS AND DECISIONS

Electricity accounts for nearly 16% of total production costs in cement manufacturing. To address this, Power Cement Limited (PCL) continues to prioritize energy efficiency, cost optimization, and sustainability as core strategic drivers.

## Wind Power Project

PCL has finalized a 7.5 MW wind energy project with Burj Clean Energy Modarabah which will be operational in FY-2026, adding to the existing 11.5 MW Waste Heat Recovery System and 7 MW Solar Power Project. The Company has also transitioned to alternative fuels—including sugar-mud, cow dung, and rice husk—replacing up to 25% of coal consumption. This has significantly lowered production costs, reduced import dependence, and reinforced PCL's commitment to clean energy and environmental responsibility.

The Board remains committed to translating these measures into sustained profitability and long-term value creation for shareholders.

# INFORMATION ABOUT PAYMENT OF DEBT

During the year, Power Cement Limited successfully met all its financial obligations. Backed by strong sponsors support coupled with efficient use of operational cash flows, the Company has consistently honored its commitments in a timely manner, demonstrating prudent financial management and strict adherence to repayment schedules. This disciplined approach has strengthened the Company's financial stability and reinforced the confidence of lenders, shareholders, and other stakeholders.

## STRATEGY TO OVERCOME LIQUIDITY ISSUES

Power Cement Limited has implemented a structured and proactive approach to manage liquidity risk, ensuring the availability of funds to meet both short-term and long-term operational and strategic requirements.

The Company primarily meets its working capital needs through internally generated funds from domestic and export sales, supplemented by short-term financing facilities. Robust controls over receivables—including regular follow-ups, detailed aging analysis, periodic credit limit reviews, and a focus on advance payments—help maintain consistent cash flows.

Effective coordination among the treasury, sales, production, and inventory management teams ensures optimal resource utilization and sustained liquidity, even under volatile market conditions.

Demonstrating continued sponsor support, the Company received an additional contribution of Rs. 3.3 billion during the year, bringing the total sponsor contribution to Rs. 15 billion. Provided on soft terms, this infusion has further strengthened the Company's balance sheet, enhanced financial flexibility, and empowered Power Cement Limited to pursue its strategic goals with greater resilience. The flexible nature of these funds has significantly complemented the Company's broader liquidity management framework and contributed to long-term value creation for shareholders.

**THIS PAGE INTENTIONALLY LEFT BLANK**

# RISKS AND OPPORTUNITIES

A tall, precarious stack of smooth, reddish-brown stones is the central focus of the image. The stones are stacked vertically, with some showing signs of weathering and varying shades of brown and red. They are balanced on a light-colored, sandy surface. The background is a clear, pale blue sky, suggesting an outdoor setting. The overall composition is simple yet striking, emphasizing the balance and risk involved in the act of stacking stones.

## TEAMWORK & STRATEGY

Players work together to rebuild a stone tower while avoiding getting hit by the opposing team. It emphasizes coordinated planning while avoiding risks, mirroring how Power Cement operates with strategic clarity.

پوگرم





# KEY RISKS AND OPPORTUNITIES

The Company actively identifies and manages risks that may influence the achievement of its corporate goals and objectives, while simultaneously capitalizing on emerging opportunities.

Outlined below are the major risks that could affect our business operations, along with the corresponding mitigation strategies. For each risk, the sources, likelihood of occurrence, and potential impact have also been highlighted.

STRATEGIC RISKS			
Risk	Area of Impact	Mitigation Strategy	Assessment
<b>Excess Supply &amp; Price Pressure</b>  The risk arises due to industry's capacity expansion and economic factors, potentially leading to excess supply and stagnant or decreasing selling prices. This could cause a drop in market share, reduced sales, and squeezed profit margins, affecting the Company's ability to pass on input cost increases.	Financial Capital	Leveraged via advanced European technology to reduce costs and uphold brand perception, while focusing on high-quality products to exceed market standards and boost project and green cement sales, positioning the Company as a prominent domestic and international brand.	<b>Source:</b> External <b>Likelihood:</b> Possible
<b>Market Competition &amp; Brand Positioning</b>  Intense competition from existing and new players may erode market share, affect customer loyalty, and put pressure on retention prices. Failure to differentiate and strengthen the brand could weaken Power Cement's long-term positioning.	Market Capital & Customer Capital	Enhance brand visibility through targeted marketing campaigns, improved packaging, and timely delivery. Strengthen the distribution network, ensure superior service, and focus on high-quality cement solutions to appeal to evolving customer demands.	<b>Source:</b> External <b>Likelihood:</b> Possible
OPERATIONAL RISKS			
<b>Production Efficiencies &amp; Plant Reliability</b>  Breakdowns, inefficiencies, or delays in plant operations can disrupt production, increase maintenance costs, and reduce profitability.	Financial Capital	Implement preventive maintenance schedules, maintain adequate spare parts inventory, and upgrade to state-of-the-art technology. Optimize energy consumption through WHRS and renewable energy projects, including solar and wind.	<b>Source:</b> Internal <b>Likelihood:</b> Possible
<b>Employees' Health &amp; Safety</b>  Unsafe working conditions may lead to accidents, injuries, or fatalities, resulting in reputational damage, legal liabilities, and productivity loss.	Human Capital	Strict enforcement of safety protocols, regular training, health awareness sessions, and compliance with national and international safety standards (ISO, NEQS). Promote a culture of safety-first.	<b>Source:</b> Internal <b>Likelihood:</b> Low
<b>Talent Retention &amp; Succession Planning</b>  Loss of key professionals and lack of succession planning may lead to operational inefficiencies, knowledge gaps, and weakened performance.	Human Capital	Implement structured training and development programs, offer competitive compensation, ensure transparent evaluation, and prepare succession pipelines for leadership positions.	<b>Source:</b> Internal <b>Likelihood</b> Medium

Risk	Area of Impact	Mitigation Strategy	Assessment
<b>Disaster Recovery &amp; Cybersecurity</b>  Increasing reliance on digital platforms and ERP systems exposes the Company to risks of cyberattacks, data breaches, or IT system failures, leading to operational disruption and reputational harm.	All Capital	Invest in IT security infrastructure, conduct periodic penetration testing, establish disaster recovery sites, and enforce strict data protection policies with regular employee awareness programs.	<b>Source:</b> External <b>Likelihood:</b> Medium
<b>FINANCIAL RISKS</b>			
<b>Rising Fuel, Power &amp; Input Costs</b>  Volatility in global coal, oil, and raw material prices increases operational costs, impacting profitability.	Financial Capital	Expand renewable energy projects (solar, wind, WHRS), explore local sourcing, and implement energy optimization initiatives.	<b>Source:</b> External <b>Likelihood:</b> Possible
<b>Exchange &amp; Interest Rate Risk</b>  Exchange rate volatility impacts imported raw material costs and loan repayments, while increase in interest rates would increase financing costs.	Financial Capital	Use hedging instruments, maintain a balanced debt profile, and focus on export sales to create natural hedges.	<b>Source:</b> Internal <b>Likelihood:</b> Possible
<b>Credit &amp; Liquidity Risk</b>  Delayed customer payments or excessive credit exposure may weaken liquidity and affect operations.	Financial Capital	Regular monitoring of receivables aging, strict credit control policies, and maintaining adequate working capital lines.	<b>Source:</b> Internal/External <b>Likelihood:</b> Possible
<b>COMPLIANCE AND LEGAL RISKS</b>			
<b>Regulatory Compliance</b>  Non-compliance with SECP, SBP, PSX, CDC, tax regulations, corporate governance codes, or other applicable laws may lead to penalties, litigation, and reputational damage.	Social Capital	Strong compliance framework, continuous monitoring, internal audit checks, and employee training on legal and regulatory updates.	<b>Source:</b> Internal <b>Likelihood:</b> Low
<b>Law &amp; Order &amp; Political Instability</b>  Political uncertainty, law and order situations, or policy changes can disrupt supply chains, increase costs, and affect market demand.	Financial & Manufactured Capital	Strengthen market share by deepening relationships with regional stakeholders, enhancing distribution efficiency, and implementing contingency plans to manage region-specific risks.	<b>Source:</b> External <b>Likelihood:</b> Low
<b>ENVIRONMENTAL RISKS</b>			
<b>Environmental Hazards &amp; Emissions</b>  Non-compliance with environmental standards or excessive emissions could result in regulatory penalties, reputational damage, and operational shutdowns.	Natural Capital	Full compliance with NEQS, continuous monitoring, adoption of green technologies, and investment in emission control systems.	<b>Source:</b> Internal <b>Likelihood:</b> Low
<b>Climate Change &amp; Resource Scarcity</b>  Climate change impacts and scarcity of natural resources (limestone, water, coal) pose risks to long-term sustainability and cost management.	Natural & Financial Capital	Adopt renewable energy projects, ensure water conservation, diversify resource base, and explore alternative fuels/raw materials.	<b>Source:</b> External <b>Likelihood:</b> Possible

OPPORTUNITIES		
Opportunities	Description	Impact
<b>Technological Advancement and Production Efficiencies</b>	The installation of a state-of-the-art production line and Waste Heat Recovery System has substantially increased production capacity and operational efficiency. This positions the Company as a domestic quality leader while providing a strong competitive advantage in export markets.	Lower production costs and improved profit margins enhance competitiveness, enabling the Company to maintain high-quality standards while offering competitive pricing. This strengthens its market position both locally and internationally.
<b>Environmental and Sustainable Practices</b>	The Company's initiatives relating to electricity through Solar and Wind power projects under the ERA model, including the use of alternative fuels, energy-efficient practices, CO <sub>2</sub> emission reduction, and water conservation, reflect its commitment to global sustainability standards.	These initiatives reinforce the Company's image as an environmentally responsible organization, attracting eco-conscious customers and investors. They also open avenues for sustainability-driven incentives, partnerships, and long-term cost savings.

# ASSESSMENT OF PRINCIPAL RISKS

PCL has conducted a robust assessment of the principal risks that may affect its business model, financial performance, and long-term sustainability. Mitigation measures are outlined in the Risks and Opportunities section of this Report. Management is satisfied with the adequacy of the Company's risk management practices, which safeguard assets, reputation, and stakeholder value.

## Commitment to Continuous Improvement

PCL's approach continues to evolve by incorporating lessons from market dynamics, regulatory changes, and stakeholder feedback. By embedding risk awareness in operations and fostering accountability, the Company strengthens resilience and ensures sustainable value creation.

# RISK TOLERANCE AND GOVERNANCE

Power Cement Limited regards risk management as a cornerstone of sound governance and sustainable performance. Management acknowledges that prudent risk-taking is vital for growth and innovation, while ensuring alignment with strategic objectives, financial stability, and stakeholder protection.

## RISK MANAGEMENT FRAMEWORK & METHODOLOGY

PCL has adopted a comprehensive Risk Management Framework to identify, assess, mitigate, and monitor risks across strategic, operational, financial, compliance, and environmental dimensions. Regular assessments ensure clear accountability and effective mitigation actions.

The framework embeds risk considerations into corporate planning and decision-making, with oversight reinforced through the Audit Committee. Risks are prioritized by impact and likelihood, with tailored responses developed accordingly. Engagement across management levels ensures timely identification of emerging risks and continuous monitoring.

## DISCLOSURE OF SUPPLY CHAIN DISRUPTION RISKS AND MITIGATION STRATEGY IN THE FACE OF ENVIRONMENTAL, SOCIAL, AND GOVERNANCE INCIDENTS

Power Cement Limited recognizes the growing importance of environmental, social, and governance (ESG) factors in the global business landscape and their potential impact on supply chains. To address these challenges, the Company proactively identifies and mitigates supply chain disruption risks linked to ESG incidents and engages in close collaboration with internal stakeholders, suppliers, and industry partners to gain insights into emerging risks, supported by real-time monitoring systems.

Our mitigation strategy is multifaceted and includes the following key components:

**Supplier Engagement:** We actively engage with suppliers to promote responsible sourcing, ethical labor standards, and sustainable production methods, ensuring alignment with our ESG values.

**Supplier Diversification:** To reduce dependency on any single source, we diversify our supplier base, mitigating the potential impact of regional disruptions.

**Supply Chain Resilience:** We invest in enhancing the resilience of our supply chain by incorporating redundancy and exploring alternative sourcing options.

By identifying, monitoring, and addressing these risks, Power Cement Limited is committed to ensuring the long-term sustainability of its operations and contributing to a more resilient and socially responsible business ecosystem.



# GOVERNANCE

## PATIENCE, PRECISION & LASTING IMPACT

Chess is a game of strategy, patience, and calculated moves. In the same way, effective governance requires foresight, discipline, and sound judgement. Power Cement's governance framework ensures balanced decisions that strengthen resilience and long-term sustainability.

# شطرنج



# CHAIRMAN'S REVIEW REPORT

On Board's overall performance u/s 192 of the Companies Act, 2017

Dear Shareholders,

I present herewith my review of the overall performance of the Board of Directors (the "Board") for the financial year ended 30th June 2025.

## Effectiveness of the role played by the Board in achieving the Company's objectives

The Board has remained effective in discharging its responsibilities in accordance with the Companies Act, 2017 (the Act) and the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Code). Compliance with all legal requirements relating to composition, procedures, and conduct of meetings was duly ensured. A formal annual evaluation was carried out, and I am satisfied to report that the Board's performance during the year was effective and satisfactory across the following key areas:

**Composition, Diversity, and Expertise:** The Board is well-structured with members possessing relevant skills and professional expertise. Their collective insight has supported informed decision-making and enhanced oversight of the Company's affairs.

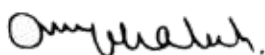
**Oversight of Vision, Mission, and Goals:** The Board has remained committed to the Company's long-term vision, mission, and strategic goals. It has provided timely guidance to management by closely monitoring both financial and operational performance.

**Communication and Leadership:** An open and timely flow of information between the Board and management facilitated informed deliberations and effective decision-making.

**Due Diligence:** The Board diligently reviewed and approved business strategies, financial statements, budgets, and operational plans. Meetings were conducted regularly with comprehensive agendas and supporting documents, ensuring proper evaluation of matters, including input from internal and external auditors.

**Governance:** Strong governance practices were maintained through robust internal controls and compliance mechanisms. The Audit Committee and HR&R Committee functioned effectively under approved terms of reference, reflecting the Board's commitment to accountability, transparency, and ethical conduct.

The Board remains dedicated to strengthen governance standards and enhancing shareholders value through prudent oversight and strategic direction.



**Muhammad Arif Habib**

Chairman

September 01, 2025



# DIRECTORS' REPORT

The Board of Directors of Power Cement Limited presents to you this report along with the annual audited financial statements of your Company for the year ended June 30, 2025.

## Global Economy

The global economy has entered a phase of gradual stabilization after years of severe disruptions. Inflation receded from multidecade highs, with global headline inflation at 5.7% in 2024, easing to 4.3% in 2025 and projected at 3.6% in 2026, supported by moderating commodity and energy prices. Global GDP expanded by 3% in 2025 and is expected to improve slightly to 3.1% in 2026.

Geopolitical tensions remain a concern but are showing signs of resolution. At the same time, supply chain pressures have eased, energy markets have become more balanced, and central banks are signaling a gradual shift towards monetary easing, all of which are expected to support steady global growth.

For the cement industry, these trends are particularly relevant. The easing of conflicts and improved global trade flows are likely to reduce commodity and freight costs. This, coupled with stabilizing currencies in emerging markets, is expected to lower input costs, improve margins, and enhance the Company's overall cost competitiveness in the years ahead.

## Pakistan's Economy

In FY 2025, Pakistan's economy demonstrated steady trajectory despite persistent domestic and external challenges. GDP grew by 2.68%, driven by robust agricultural output and a modest recovery in services, while industrial activity remained subdued. Fiscal consolidation efforts, structural reforms, and a record primary surplus helped narrow the fiscal deficit, with improved external inflows contributing to macroeconomic stability.

Inflation eased significantly, with CPI declining to 3.2% in June 2025 from 12.6% a year earlier, and core inflation at 7.6%. This sharp moderation, supported by tight monetary policy, fiscal discipline, targeted relief measures, and exchange rate stability, enabled the State Bank of Pakistan to reduce the policy rate from 22% to 11% over the year.

While progress is encouraging, underlying vulnerabilities persist. A narrow tax base, elevated energy costs, and dependence on external financing continue to weigh on the economy. Additionally, exposure to commodity price volatility, currency fluctuations, and political uncertainty pose ongoing risks.

## Cement Sector

Pakistan's economic landscape remained under considerable pressure during the year, shaped by rising commodity prices, political uncertainty, elevated import costs, and the lingering effects of high inflation. These factors constrained overall economic activity and weighed heavily on the cement sector. Over the past three years, cement demand has remained largely stagnant, with domestic sales posting consecutive annual declines since FY 2022. Looking ahead, the industry approaches FY 2026 with cautious optimism, supported by emerging signs of a potential revival in construction activity.

Despite these headwinds, the cement sector recorded some positive momentum. Total industry dispatches stood at 46 million tons, reflecting a 2.64% increase over last year. This growth was driven primarily by the export segment, which surged by 29.54%, while domestic sales declined by 2.43%—slipping from 37.71 million tons to 36.79 million tons.

In the North Zone, domestic sales fell by 2.60% to 30.73 million tons from 31.54 million tons in the previous year. However, exports in the region rose by 15.55%, reaching 1.68 million tons compared to 1.46 million tons. In the South Zone—where your Company operates—domestic sales contracted by 1.59% to 6.07 million tons from 6.17 million tons, but exports posted an impressive 33.15% jump to 7.53 million tons from 5.65 million tons in the previous year.

## Financial Performance

A comparison of the key financial indicators of your Company for the year ended 30 June 2025 with the corresponding year are as under:

Particulars	2025	2024
	Rs in '000'	
Revenue – net	29,520,136	31,077,214
Gross profit	8,398,898	6,790,401
Operating profit	4,616,219	3,028,707
EBITDA	5,513,693	3,978,492
Finance cost – net	3,043,906	4,947,626
Profit / (loss) before taxation and levy	1,572,313	(1,918,919)
Profit / (loss) after taxation and levy	814,996	(2,703,284)
Earnings / (loss) per share (in rupees)	0.44	(2.88)

During the fiscal year ended 30 June 2025, Power Cement Limited recorded net sales revenue amounted to Rs. 29.52 billion, against Rs. 31.08 billion in FY 2024.

Gross profit increased to Rs. 8.40 billion in FY 2025 from Rs. 6.79 billion in the prior year, showing a robust growth of 24%. This improvement was driven by appreciation in selling price, improved operational efficiencies, strict cost control measures, and continued reliance on alternative fuels to mitigate energy cost pressures.

EBITDA improved significantly to Rs. 5.51 billion in FY 2025 from Rs. 3.98 billion in FY 2024. Operating profit also posted strong growth of 52%, reaching Rs. 4.62 billion compared to Rs. 3.03 billion in the previous year, underscoring stronger margins.

Finance cost during the year declined sharply to Rs. 3.04 billion, down from Rs. 4.95 billion in FY 2024. This was primarily due to a reduction in the policy rate to 11%, sponsors financial support which currently stands at Rs. 15 billion and partial repayment of borrowings. The reduction in finance costs provided substantial support to the bottom line.

As a result, the Company reported a profit before tax and levy of Rs. 1.57 billion in FY 2025, marking a remarkable turnaround from the loss of Rs. 1.92 billion in FY 2024. After accounting for taxation, the Company posted a net profit of Rs. 815 million, compared to a net loss of PKR 2.70 billion in the prior year. Accordingly, Earnings Per Share (EPS) stood at Rs. 0.44 for the year, a significant recovery from the Loss Per Share (LPS) of Rs. 2.88 in FY 2024.

## Production and Sales Quantitative Performance

Production	FY 2025	FY 2024	Variance	
	Tons			%
Clinker	2,134,913	2,285,325	(150,412)	(6.58)
Cement	1,601,983	1,691,795	(89,812)	(5.31)

Dispatches	FY 2025	FY 2024	Variance	
	Tons			%
Cement/Clinker	1,337,248	1,327,656	9,592	0.72
Clinker (Export)	683,288	785,734	(102,446)	(13.04)
Cement (Export)	364,414	415,763	(51,349)	(12.35)
<b>Total Dispatches</b>	<b>2,384,950</b>	<b>2,529,153</b>	<b>(144,203)</b>	<b>(5.70)</b>

The clinker production of your Company during the year under review was 2,134,913 tons resulting in capacity utilization of 67% (2024: 71%).

## Outlook

The outlook for the cement industry remains encouraging, supported by the expected revival of infrastructure projects, gradual recovery in private construction, and improved financing conditions. While cost pressures from energy and taxation persist, easing monetary policy and efficiency gains are likely to provide support.

Your Company's export business is gaining strong momentum. In existing markets, better rates are being realized, while new markets are opening up fresh opportunities for growth. Going forward, your Company will continue to build on this positive trend by strengthening its presence where it is already established and carefully expanding into new regions. This balanced approach will help improve margins, enhance resilience, and deliver lasting value, while also contributing to the nation's economic growth.

The Company is focused on driving operational excellence, strengthening cost competitiveness, and expanding the use of alternative energy. With these initiatives, management is confident of sustaining profitability, enhancing resilience, and positioning the Company as a leading player in a growing market while creating long-term value for shareholders.

## Dividend and Bonus Shares

Given the prevailing economic volatility and the Company's commitments to cover its existing long-term loans, the Board of Directors has resolved not to declare any cash dividend or issue bonus shares for the year ended June 30, 2025.

## Credit Rating

The Company has been assigned a long term rating of "A-" (Single A Minus) and short term rating of "A-2" (Single A Two) by JCR-VIS Credit Rating Company Limited on December 23, 2024.

## Contribution to National Exchequer

The Company contributed Rs.8.44 billion (2024: Rs.5.14 billion) into the Government Treasury on account of income tax, excise duty, sales tax and other Government levies.

## Composition of Board of Directors

Presently, the Board of Directors of the Company consists of:

Total Number of Directors	8
i) Male	7
ii) Female	1

Presently, the names and composition of the Board of Directors are as follows:

Composition of Directors	Name of Directors
<b>a. Non-Executive Directors</b>	1) Mr. Muhammad Arif Habib* 2) Mr. Nasim Beg 3) Mr. Abdus Samad 4) Syed Salman Rashid 5) Ms. Zainab Kashif
<b>b. Independent Directors</b>	6) Mr. Khursheed Anwer Jamal 7) Mr. Khalilullah Shaikh**
<b>c. Executive Director</b>	8) Mr. Muhammad Kashif

\*On September 25, 2024 Mr. Muhammad Arif Habib was appointed as Chairman/Non Executive Director by the Board of Directors of the Company.

\*\*On June 25, 2025 Mr. Khalilullah Shaikh was appointed as Independent Director by the Board of Directors of the Company.

## Meetings of Board of Directors

During the year under review five meetings of Board of Directors (BoD) were held and attendance of Board Members is as follows:

Name of Director	Designation	Meetings attended
Mr. Muhammad Arif Habib*	Chairman	4/4
Mr. Nasim Beg	Non-Executive Director	5/5
Mr. Muhammad Kashif	Chief Executive Officer	5/5
Syed Salman Rashid	Non-Executive Director	4/5
Mr. Abdus Samad Habib	Non-Executive Director	4/5
Mr. Javed Kureishi*	Independent Director	2/2
Mr. Khursheed Anwer Jamal	Independent Director	5/5
Ms. Zainab Kashif	Non-Executive Director	5/5
Mr. Andres Paludan-Muller*	Non-Executive Director	1/1
Ms. Aaiza Khan**	Independent Director	2/2

\*Mr. Muhammad Arif Habib was appointed to the Board, while Mr. Javed Kureishi and Mr. Andres Paludan-Muller resigned during the financial year.

\*\* Ms. Aaiza Khan was appointed to the Board and subsequently resigned during the financial year.

Leaves of absence were granted to Directors who did not attend the meetings.

## Board Committees' Meetings

### Audit Committee

The Board of Directors has established an Audit Committee which comprises three members all of whom are non-executive directors and the Chairman is an Independent Director. Composition of the Audit Committee has been made in line with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

During the year under review, four meetings of the Audit Committee were held and attendance of each member is as under:

Name of Member	Designation	Meetings attended
Mr. Khursheed Anwer Jamal	Chairman	4/4
Syed Salman Rashid	Member	3/4
Mr. Abdus Samad Habib	Member	4/4

### Human Resources & Remuneration Committee

The Board of Directors has established a Human Resources & Remuneration Committee (HR&RC) which comprises three members; amongst them two are non-executive directors. The composition of the HR&R Committee has been made in line with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

During the year under review, one meeting of HR&R Committee was held and attendance of each member is as under:

Name of Member	Designation	Meetings attended
Mr. Khursheed Anwer Jamal*	Chairman	N/A
Mr. Javed Kureishi*	Chairman	1/1
Syed Salman Rashid	Member	1/1
Mr. Muhammad Kashif	Member	1/1

\*Mr. Javed Kureishi resigned during the financial year, following which Mr. Khursheed Anwer Jamal was appointed as Chairman of the Committee. The meeting of the Committee was held prior to Mr. Jamal's appointment.

## **Risk Management & Strategy for Mitigating Risks**

The Board of Directors has identified potential risks, assessed their impact on your Company and formulated strategies to mitigate foreseeable risks to the business. These strategies have been enforced throughout the hierarchy of your Company to ensure that no gaps exist in risk mitigation.

The major risks and challenges faced by the Company are as follows:

- i. High level of leverage weighing downward pressure on profitability;
- ii. Inability to pass on sharp increase in cost of doing business to the consumers (especially coal & electricity costs) due to the competitive pricing by market players;
- iii. Exposure to exchange rate and interest rate risks;
- iv. Supply glut due to capacity expansions/new plants;
- v. Loss of quality human resource due to a surge in employee turnover

These are explained further in the relevant sections of Annual Report.

## **Code of Corporate Governance**

The Directors' of your Company review the Company's strategic direction and business plans on a regular basis. The Audit Committee is empowered for effective compliance of Listed Companies (Code of Corporate Governance) Regulations, 2019. We are taking all necessary steps to ensure good corporate governance in your Company as required by the Code. As part of the compliance, we confirm the following:

- The financial statements prepared by the management of the Company, present fairly the Company's state of affairs, the result of operations, cash flows and changes in equity.
- Proper books of accounts have been maintained by the Company.
- Chief Executive Officer and Chief Financial Officer duly endorsed the financial statements before the approval of the Board.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- The International Financial Reporting Standards as applicable in Pakistan have been followed in the preparation of financial statements.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no doubts upon the Company's ability to continue as a going concern. Further, the Company is paying all debts in time and no default is made on the part of Company to repay its debts to the banks.
- There has been no material departure from the best practices of corporate governance as detailed in the listing regulations.
- The Company operates funded gratuity scheme for its employees as disclosed in relevant note to the financial statements.
- The statement of the pattern of shareholding in the prescribed format disclosing aggregate number of shares forms part of this Annual Report.
- Key operating and financial data for the last 6 years is contained in 'Analysis of Financial Information' segment of this Annual Report.

## **Evaluation Criteria for the Board**

A comprehensive mechanism is put in place for undertaking an evaluation of the performance of the Board of Directors in accordance with the Listed Companies (Code of Corporate Governance) Regulations, 2019.

The mechanism evaluates the performance of the Board of Directors on the following parameters:

- Oversight and Effectiveness of the Board
- Composition and Committees of the Board
- Board Meetings and Proceedings
- Board and Management Relations
- Managing Relationship and Leadership
- Directors' Acquaintance with Corporate Laws and Regulations
- Corporate Governance

## Evaluation of the Board

The overall performance of the Board, assessed against the criteria outlined above, was satisfactory for the year. A separate report by the Chairman on the Board's performance, as required under section 192 of the Companies Act, 2017 is also annexed to this Annual Report.

## Directors' Remuneration Policy

The independent Directors of the Company are being paid meeting fee for attending meeting(s) of Board of Directors or meeting(s) of any of Boards' sub-committee as approved in the Annual General Meeting held on October 28, 2019. Remuneration of Chief Executive and Directors' are disclosed in notes to the Financial Statements for the year ended June 30, 2025.

## Adequacy of Internal Financial Controls

The Board of Directors is aware of its responsibility with respect to internal controls environment and accordingly has established an efficient system of internal financial controls, for ensuring effective and efficient conduct of operations, safeguarding of Company assets, compliance with applicable laws and regulations and reliable financial reporting. The independent Internal Audit function of the Company regularly appraises and monitors the implementation of financial controls.

The Board Audit Committee receives reports on the system of internal financial controls from the external and internal auditors and reviews the process for monitoring the effectiveness of internal controls.

## Pattern of Shareholding

The ordinary and preference shares of the Company are listed on Pakistan Stock Exchange. There were 1,290,523,671 (2024: 1,111,885,154) ordinary shares and 74,253,381 (2024: 208,232,277) preference shares of the Company as of June 30, 2025. During the year 133,978,896 preference shares converted into 178,638,517 ordinary shares by the shareholders of the Company. The detailed pattern of shareholding is enclosed with the Annual Report.

## Trading In Company's Share by Directors and Executives

The Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit, and their spouses and minor children are required to promptly notify the Company Secretary in writing of any trade in the Company's shares, whether undertaken by themselves or by their spouses/minor children, and to furnish a written record of the transaction— including the price, number of shares, and CDC statement—within the time prescribed under the applicable regulations.

## Impact of Company's Business on The Environment

The Company's FLSmith Plant complies with IFC and World Bank environmental standards and is equipped with an advanced online quality control system.

The Plant has a Waste Heat Recovery System (WHRS) and solar energy facilities to meet part of its electricity needs, with wind power integration in progress. A dedicated HSE team ensures compliance with SEPA and SEQS standards.

Comprehensive de-dusting measures—including bag houses, dust collection cyclones, electrostatic precipitators, and dust suppression systems—are in place to control RSPM and fugitive road dust. The Plant operates a pollution control bag house system based on European Eco E3 filtration technology, keeping emission levels below World Bank/IFC limits. This system also supports sustainability by extending equipment life and reducing energy losses.

## Certifications

The Company has always been committed to provide a safe working environment for all of its employees and stakeholders at large, and the award of the ISO 14001:2015, ISO 45001:2018 and ISO 9001:2015 certifications is a testimony of its continuous implementation of practices that offer development of health, safety and environment at the work place.

## Appointment of External Auditors

The auditors, M/s. A.F. Ferguson & Co. Chartered Accountants, will retire and being eligible, offer themselves for re-appointment. The Board of Directors, on the recommendation of the Audit Committee, has recommended the appointment of M/s A.F. Ferguson & Co. Chartered Accountants as auditors for the ensuing year ending on June 30, 2026, for the approval of the members in the forthcoming Annual General Meeting.

## Acknowledgement

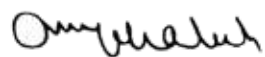
The Board of Directors sincerely thanks all stakeholders—employees, customers, suppliers, shareholders, and bankers—for their steadfast support. Your confidence has been vital to the Company's progress and resilience over the years.

Our success is founded on a shared commitment: the dedication of our employees, the loyalty of our customers, the dependability of our suppliers, the trust of our shareholders and the unwavering support of our bankers. We remain devoted to strengthening these valued relationships as we progress.

### For and on Behalf of the Board



**Muhammad Kashif Habib**  
Chief Executive Officer



**Muhammad Arif Habib**  
Chairman

Karachi  
September 01, 2025



# REPORT OF THE AUDIT COMMITTEE

## Composition of the Audit Committee

The Audit Committee comprises of three Non-Executive Directors, including one Independent Director who serves as the Chairman. All members are seasoned professionals with extensive economic, financial, and business acumen, having held senior roles at Boards and management levels across diverse sectors.

The Head of Internal Audit serves as the Committee Secretary. The Chief Financial Officer and Chief Executive Officer attend meetings by invitation, while External Auditors participate as required.

## Financial Statements

The Audit Committee has conducted its annual review of the Company's financial statements for the fiscal year 2025 and reports the following:

- The financial statements for the year ended June 30, 2025, have been prepared on a going concern basis in accordance with the Companies Act, 2017 and IFRS as applicable in Pakistan.
- The statements fairly present the Company's financial position, results of operations, profits, cash flows, and changes in equity. Appropriate accounting policies have been consistently applied, with any changes duly disclosed.
- The CEO and CFO have endorsed the financial statements, and the Directors' Report has been signed by the Chairman and CEO, confirming their responsibility for fair presentation, regulatory compliance, and internal control systems.
- Accounting estimates are based on prudent judgement, and proper records have been maintained as per the Act. The financial statements comply with the requirements of Fourth Schedule, and external reporting aligns with management processes to serve shareholder needs.
- The Committee reviewed all related party transactions, recommended them for approval of the shareholders in the Annual General Meeting after ratification from the Board.

The Company's risk management framework leverages top management expertise to identify and address potential operational risks proactively.

## Internal Audit

- The internal control system is continuously evaluated for effectiveness.
- Internal Audit findings are reviewed, with corrective actions implemented or reported to the Board as necessary.
- Channels for confidential reporting of concerns are established, and remedial measures are applied as required.

The Head of Internal Audit maintains direct access to the Audit Committee Chair.

### External Auditors

- M/s. A.F. Ferguson & Co., Chartered Accountants, completed the audit of the Company's Financial Statements and Compliance Statement for the fiscal year ended June 30, 2025.
- The Auditors attended Committee meetings and the General Meeting, and will continue to attend the upcoming 34<sup>th</sup> Annual General Meeting.
- The Committee recommends the reappointment of M/s. A.F. Ferguson & Co. as External Auditors for the year ending June 30, 2026.

### Annual Report 2025

The Company's Annual Report provides stakeholders with detailed insights into management, policies, performance, and future prospects, exceeding regulatory requirements.

### The Audit Committee

The Committee confirms that it has fulfilled its responsibilities as per the Board-approved Terms of Reference, including all matters detailed in this report. The evaluation of the Board Audit Committee is performed annually.



**Khursheed Anwer Jamal**  
Chairman Audit Committee

**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF POWER CEMENT LIMITED****Review Report on the Statement of Compliance Contained in Listed Companies  
(Code of Corporate Governance) Regulations, 2019**

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Power Cement Limited for the year ended June 30, 2025 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2025.



**A.F. Ferguson & Co.  
Chartered Accountants  
Karachi**

**Date: September 17, 2025**

**UDIN: CR202510073LIUXOZAu1**

# STATEMENT OF COMPLIANCE WITH THE LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 FOR THE YEAR ENDED JUNE 30, 2025

Power Cement Limited ("the Company") has complied with the requirements of Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Regulations") in the following manner.

1. The total number of Directors of the Company are 8 as per the following:

Male	7
Female	1

2. The composition of Board is as follows:

Categories	Names of Directors
Non-Executive Directors	Mr. Muhammad Arif Habib*
	Mr. Nasim Beg
	Mr. Abdus Samad Habib
	Syed Salman Rashid
Independent Directors***	Mr. Khursheed Anwer Jamal
	Mr. Khalilullah Shaikh**
Non-Executive Director - Female	Ms. Zainab Kashif
Executive Director	Mr. Muhammad Kashif

\*Appointed in September-2024

\*\* Appointed in June-2025

\*\*\* Best practices in Corporate Governance imply that not only the individual directors be qualified and independent but collectively they should possess diversified skills, governance experience and industry related expertise. The current composition of the Board of Directors adequately meets the requirements; therefore, the fraction 0.33 contained in one third of 7 elected directors or 0.66 contained in one third of 8 directors (including the Chief Executive Officer) was not rounded up.

3. The Directors have confirmed that none of them is serving as a Director on more than seven (7) listed companies, including this Company (excluding the listed subsidiaries of listed holding companies where applicable).
4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board/ Shareholders as empowered by the relevant provisions of the Companies Act, 2017 ("the Act") and these Regulations.
7. The meetings of the Board were presided over by the Chairman. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.

8. The Board of Directors has a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and the Regulations.
9. Majority of the Directors have complied with the requirements of Directors' Training program.
10. The Board has approved the appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.
12. The Board has formulated the following committees comprising of the given below:

a. Audit Committee	<b>Name of Committee Members</b>	<b>Category</b>
	Mr. Khursheed Anwer Jamal - Chairman	Independent Director
	Syed Salman Rashid	Non-Executive Director
	Mr. Abdus Samad Habib	Non-Executive Director

b. Human Resources and Remuneration Committee	<b>Name of Committee Members</b>	<b>Category</b>
	Mr. Khursheed Anwer Jamal - Chairman	Independent Director
	Syed Salman Rashid	Non-Executive Director
	Mr. Muhammad Kashif	Executive Director

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance.
14. The number of meetings of the committees held during the year are as under –
  - a) Audit Committee – Four meetings
  - b) Human Resources and Remuneration Committee – One meeting
15. The Board has set up an effective internal audit function which is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the Company.
16. The Statutory Auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan and are registered with the Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Chief Internal Auditor, Company Secretary or Director of the Company.
17. The Statutory Auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, the regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.
19. Explanation for non-compliance with requirements, other than of regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below;



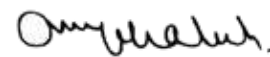
S. No.	Non-Mandatory Requirement	Explanation	Reg. No.
1	<b>Directors Training</b> The Code encourages the companies that all the Directors have obtained DTP certification by June 30, 2022.	The Board of Directors of the Company comprises eight members. Two directors are exempt from this requirement on account of their qualifications and experience. Five directors have successfully obtained the DTP certification, while the remaining one director is expected to obtain their certification in due course.	19(1)
2	<b>Nomination Committee</b> The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	The Board has not constituted separate Nomination Committee and currently functions required to be performed by Nomination Committee are being dealt with by Human Resources and Remuneration Committee.	29(1)
3	<b>Risk Management Committee</b> The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	The Board has not constituted separate Risk Management Committee and currently functions required to be performed by Risk Management Committee are being dealt with by the Audit Committee and the Board.	30(1)
4	The Company may post on its website key elements of its significant policies including but not limited to the following: I. Communication and disclosure policy; II. Code of conduct; III. Risk management policy; IV. Internal control policy; V. Whistle blowing policy; VI. Corporate social responsibility / sustainability / environmental, social and governance related policy; VII. Policies for promoting DE&I and protection against harassment at the workplace.	As the regulation provides concession with respect to disclosure of key elements of significant policies on the website, only those policies which were considered necessary, have been posted.	35(1)
5	Role of the Board and its member to address sustainability risk and opportunities.  The Board is responsible for setting the Company's sustainability strategies, priorities and targets to create long term corporate value. The Board may establish a dedicated sustainability committee.	Currently, the Board provides governance and oversight of the Company's Environmental, Social, and Governance (ESG) initiatives. However, the Board has not constituted separate Sustainability Committee.	10(A)

**For & on behalf of Board of Directors**



**Muhammad Kashif**  
Chief Executive Officer

September 01, 2025  
Karachi



**Muhammad Arif Habib**  
Chairman



# NOTICE OF THE 34<sup>TH</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 34<sup>th</sup> Annual General Meeting (AGM) of Power Cement Limited (“the Company”) will be held at PSX Auditorium, 3<sup>rd</sup> Floor, Admin Block, Stock Exchange Building, Stock Exchange Road, Karachi and virtually through video-link facility, on Tuesday, October 14, 2025 at 12:00 noon to transact the following businesses.

## Ordinary Business:

1. To confirm the minutes of 33<sup>rd</sup> Annual General Meeting of the Company held on October 24, 2024.
2. To receive, consider and adopt the annual audited financial statements of the Company for the year ended June 30, 2025, together with the Directors’ and Auditors’ reports thereon.

As required under section 223(7) of the Companies Act, 2017 and pursuant to the S.R.O. 389(I)/2023 dated 21 March 2023 issued by the Securities and Exchange Commission of Pakistan (SECP), the annual report of the Company for the financial year ended 30 June 2025 has been uploaded on the Company’s website which can be downloaded accessing the following link and QR Code:

<https://powercement.com.pk/financial-reports/>



3. To appoint and fix remuneration of the Auditors for the year ending June 30, 2026. The present Auditors, M/s. A. F. Ferguson & Co., Chartered Accountants, shall retire and being eligible, offered themselves for re-appointment.
4. To elect seven (07) Directors of the Company as fixed by the Board of Directors of the Company in accordance with the provisions of Section 159(1) of the Companies Act, 2017 for a period of three years, commencing from October 28, 2025.

The names of retiring Directors are listed as under –

1. Mr. Muhammad Arif Habib
2. Mr. Nasim Beg
3. Mr. Abdus Samad
4. Syed Salman Rashid
5. Mr. Khursheed Anwer Jamal
6. Mr. Khalilullah Shaikh
7. Ms. Zainab Kashif

**The retiring Directors are eligible for re-election.**

## Special Business:

5. To consider and if deemed fit, ratify and approve, the following resolutions, as special resolutions, with respect to related party transactions/ arrangements conducted/ to be conducted, in terms of Sections 207 and/ or 208 of the Companies Act, 2017 (to the extent applicable), with or without modification:

**RESOLVED THAT** the transactions carried out by the Company with different Related Parties, during the year ended June 30, 2025, as disclosed in note 41 to the financial statements of the Company for the year ended June 30, 2025, and specified in the Statement of Material Information as per Section 134(3), be and are hereby ratified, confirmed and approved.

**FURTHER RESOLVED THAT** the Company be and is hereby authorized to enter into arrangements or carry out transactions from time to time, with different related parties to the extent deemed fit and approved or ratified by the Board of Directors, during the financial year ending June 30, 2026. The transactions may include sale and purchase of goods and inventories, rendering of services, payment of fees, reimbursement of expenses, receipt or repayment of loan and Musharakah contributions and markup/ profit thereon, sale or purchase of investment properties. As some of the directors are interested in some of the related party transactions on account of common directorships, therefore, the members hereby authorize the Board of Directors of the Company to approve, confirm and ratify all related party transactions.

**FURTHER RESOLVED THAT** the related party transactions, for the period ending June 30, 2026, shall be deemed to have been approved by the members, and shall also subsequently be placed before the members in the next Annual General Meeting for ratification and confirmation.

#### Any Other Business:

6. To consider any other business with the permission of the Chair.

A Statement under Section 134(3) and 166(3) of the Companies Act, 2017 pertaining to the material facts is given along with this notice.

By Order of the Board



**Salman Gogan**  
Company Secretary

September 23, 2025  
Karachi

#### Notes:

##### 1. Closure of Share Transfer Books:

The Share transfer books of the Company shall remain closed from October 07, 2025 to October 14, 2025 (both days inclusive). Transfers received in order at the office of Company's Share Registrar, M/s CDC Share Registrar Services Limited, CDC House, 99-B, Block-B, S.M.C.H.S, Main Shahrah-e-Faisal, Karachi up to the close of business on October 06, 2025 shall be treated in time for the purpose of Annual General Meeting.

##### 2. Participation in the AGM Proceeding via Video Link Facility:

The Company also facilitate participation of its shareholders through a video link facility in pursuance to Circulars notified by the Securities and Exchange Commission of Pakistan (SECP). The members/ proxies interested to participate in the AGM through this facility are requested to share below information at [corporate@powercement.com.pk](mailto:corporate@powercement.com.pk) with subject "Registration for 34<sup>th</sup> AGM of Power Cement Limited" alongwith valid copy of CNIC (both sides) or passport —

Shareholder Name	Folio/ CDC Number	CNIC Number	Cell Number	Registered Email Address

Video-link and login credentials will be shared with the members/ proxies whose email containing all the above particulars are received at least 48 hours before the time of AGM.

##### 3. Appointment of Proxies and Attending AGM:

- A member entitled to attend and vote at the meeting may appoint another member as his/ her proxy who shall have such rights as respect to attending, speaking and voting at the meeting as are available to a member.
- A blank instrument of proxy (in English and Urdu) is attached in the Annual Report. The form of proxy is also available at the Company's website [www.powercement.com.pk](http://www.powercement.com.pk).
- In order to be effective, the proxy forms must be received at registered office of the Company at 1st Floor, Arif Habib Centre, 23, M.T. Khan Road, Karachi not later than 48 hours before the meeting.
- Central Depository Company (CDC) account holders are also required to follow the guidelines as laid down in Circular No.1 dated 26 January 2000 issued by the Securities and Exchange Commission of Pakistan (SECP).
- In the case of proxy by a corporate entity, Board of Directors' resolution/ power of attorney and attested copy of the CNIC or passport of the proxy shall be submitted along with proxy form.

#### 4. Change in Members Address:

Members having physical shareholding are requested to notify any change in their address/ contact details immediately to the Share Registrar M/s. CDC Share Registrar Services Limited. Whereas, CDC account holders are requested to contact their respective CDC participant/ Investor Account Service Provider.

#### 5. Circulation of Audited Financial Statements Through e-mail:

The shareholders in their 25th AGM on October 15, 2016 have already granted approval to transmit annual reports in the soft form via CD/DVD/USB/email instead of transmitting the annual audited accounts in printed form pursuant to SRO 787(1)/2014 dated September 08, 2014 and SRO 470(1)/2016 dated May 31, 2016. Therefore, the Company has circulated the annual reports to the shareholders through email at their registered emails as also allowed under Section 223(6) of the Companies Act, 2017. However, the shareholders who wish to receive the hardcopy of the financial statements are requested to send a request using the "Standard Request Form" (also available on the Company's website: [www.powercement.com.pk](http://www.powercement.com.pk)) at the Company's registered address.

#### 6. Submission of CNIC / NTN (Mandatory):

Individual members who have not yet submitted photocopy of their valid CNIC to the Company/ Share Registrar, are once again requested to send their CNIC (copy) at the earliest directly to the Company's Share Registrar, M/s. CDC Share Registrar Services Limited. Corporate Entities are requested to provide their National Tax Number (NTN). Folio Numbers must be shared with the copy of CNIC/ NTN details.

#### 7. Availability of Financial Statements and Reports on Website:

In accordance with the provisions of Section 223(7) of the Companies Act, 2017, the audited financial statements of the Company for the year ended June 30, 2025, are available on the Company's website: <https://powercement.com.pk/financial-reports/>

#### 8. Consent for Video Conference Facility:

In compliance with Section 134(1)(b) of the Companies Act, 2017 members of the Company may attend and participate in the AGM through video conference facility if member(s) residing in a city other than Karachi, collectively holding 10% or more shareholding, demand in writing, to participate in the AGM through video conference at least ten (10) days prior to the date of the AGM.

To avail such facility, members are requested to submit the following form with the requisite information at the Registered Office of the Company –

I/We _____ of _____ being member(s) of Power Cement Limited, holder of _____ ordinary/ preference shares(s) as per Registered Folio/ CDC Account No. _____ hereby opt for video conference facility at _____.	
_____ Name and Signature(s)	_____ Date
The Company will intimate members regarding venue of video conference facility at least five (05) days before the date of the AGM along with complete information necessary to enable them to access such facility.	

## 9. Contesting Election of Directors:

In compliance with the provisions of Regulation 7A of the Listed Companies (Code of Corporate Governance) Regulations, 2019, Election of Directors will be held separately for the following three categories:

S. No.	Categories	No. of Seats
1.	Female Director (may also be considered as an Independent Director if meets the criteria of independence set out under Section 166 of the Act)	01
2.	Independent Directors	02
3.	Other Directors	04

Any person (including a retiring Director) who seeks to contest election of directors shall file following documents with the Company at its registered office, Arif Habib Centre, 23 M. T. Khan Road, Karachi, not later than 14 days before the said meeting:

- Notice of his/ her intention for election, along with his / her consent to act as Director of the Company on Appendix to Form-9 under section 159(3) of the Companies Act, 2017, and certify that he/ she is not ineligible to become a Director under any applicable laws, Rules and Regulations.
- Detailed profile along with office address to be placed on the Company's website seven days prior to the date of election in term of SECP's SRO 1196 (I)/ 2019 of 3rd October 2019.
- Declaration in respect of being compliant with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 and the eligibility criteria as set out in the Companies Act, 2017 to act as the director of a listed Company.
- Attested copy of valid CNIC (in case of Pakistani national)/ Passport (in case of foreign national), and NTN and Folio Number/ CDC Investors Account No. /CDC Sub-Account No (applicable for person filing consent for the first time). Details of Directorships and Offices held in other companies with respective dates.

Following additional documents are to be submitted by the candidates intending to contest election of directors as an Independent Director:

- Declaration by Independent Director(s) under Clause 6(2) of the Listed Companies (Code of Corporate Governance) Regulation 2019.
- Undertaking on non-judicial stamp paper that he/ she meets the requirements of sub-regulation (1) of Regulation 4 of the Companies (Manner and Selection of Independent Directors) Regulations, 2018.

## 10. Polling on Election of Directors and Special Business:

The members are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 (the "Regulations"), as amended through SRO 2192(1)/2022 dated December 05, 2022, issued by the Securities and Exchange Commission of Pakistan ("SECP"), the SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all businesses classified as special business and for election of directors.

Accordingly, members of the Company will be allowed to exercise their right to vote through electronic voting facility or voting by post for the above businesses in its forthcoming AGM to be held on 14th day of October 2025 at 12:00 noon in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations. In accordance with the clause 11 of the Regulations, the Board of the Company has appointed M/s. UHY Hassan Naeem & Co., Chartered Accountants, a QCR rated CA firm, to act as the Scrutinizer of the Company for election of directors to be transacted in the meeting and to undertake other responsibilities as defined in Regulation 11A of the Regulations.

For the convenience of the Members, ballot paper is available on the Company's website at [www.powercement.com.pk](http://www.powercement.com.pk) for the download.

#### **A. Procedure for E-Voting:**

- i. Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company before the close of business on, October 06, 2025.
- ii. The web address, login details, and password, will be communicated to the members via email. The security codes will be communicated to the members through SMS from the web portal of CDC Share Registrar Services Limited (being the e-voting service provider).
- iii. Identity of the Members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.
- iv. E-Voting lines will start from October 09, 2025, 09:00 a.m. and shall close on October 13, 2025 at 5:00 p.m. Members can cast their votes any time during this period. Once the vote on a resolution is casted by a Member, he / she shall not be allowed to change it subsequently.

#### **B. Procedure for Voting Through Postal Ballot:**

The members shall ensure that duly filled and signed ballot paper, along with copy of Computerized National Identity Card (CNIC), should reach the Chairman of the meeting through post on the Company's registered address at First Floor, Arif Habib Centre, 23, M.T. Khan Road, Karachi or email at [corporate@powercement.com.pk](mailto:corporate@powercement.com.pk) no later than one day before the AGM i.e. October 13, 2025, during working hours. The signature on the ballot paper shall match the signature on CNIC. For the convenience of the shareholders, ballot paper is available for download on the Company's website at [www.powercement.com.pk](http://www.powercement.com.pk)

#### **Special Note for Conversion of Physical Shares into the Book-Entry Form:**

In compliance with Section 72 of the Companies Act, 2017, and SECP's letter No. CDC/ED/Misc.2016-639-640 dated March 26, 2021, listed companies are required to convert physical shares into Book-Entry Form. This conversion offers shareholders multiple benefits, including safe custody, instant tradability, reduced risk of loss or damage, and simpler, more secure transfers. Shareholders may contact the Company's Share Registrar for assistance in converting their physical shares into Book-Entry Form.

For any query/ problem/ information, members may contact the Company's Share Registrar at the following address:

#### **CDC Share Registrar Services Limited**

CDC House, 99-B, Block-B, S.M.C.H.S  
Main Shahrah-e-Faisal, Karachi

## **Statement of Material Facts Under Section 166(3) of the Companies Act, 2017**

### **Agenda Item no. 4**

Independent Directors will be elected through the process of election of directors in terms of Section 159 of the Companies Act, 2017.

After the contestants file their notice / intention to contest elections, the Company shall apply following criteria for choosing the appointee for appointment as an independent director:

- Inclusion of name of independent directors in the data bank maintained by Pakistan Institute of Corporate Governance (PICG) duly authorized by SECP.
- Respective competencies, diversity, skill, knowledge and experience of the contestants shall be assessed.
- The Company shall exercise due diligence before selecting a person from the data bank that the contestant meets the independence criteria as mentioned in Section 166(2) of the Companies Act, 2017.

## **Statement of Material Facts Under Section 134(3) of the Companies Act, 2017**

### **Agenda Item no. 5**

The Company routinely enters into arrangements and carries out transactions with its related parties in accordance with its policies and the applicable laws and regulations. Certain related party transactions, in which some of the Directors are interested, would require members' approval under Sections 207 and/ or 208 (to the extent applicable) of the Companies Act, 2017, read with Regulation 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

The Company carries out transactions and enters into arrangements with its related parties primarily on an arm's length basis as per the approved policy with respect to 'transactions with related parties' in the normal course of business. All transactions / arrangements entered into with related parties are reviewed by the Board Audit Committee, which is chaired by an independent director of the Company. Upon the recommendation of the Board Audit Committee, such arrangements / transactions are placed before the Board of Directors for approval.

The nature of the Company's relationship with related parties is disclosed in Note 41 to the financial statements for the year ended June 30, 2025. The Directors are interested in the resolution only to the extent of their common directorships and shareholdings in such related parties. To ensure transparency, members' approval was obtained at the 33<sup>rd</sup> AGM, whereby the Board of Directors was authorized to approve related party transactions undertaken by the Company from time to time (on a case-to-case basis) during the financial year ended June 30, 2025. These transactions are now being presented before the members at the AGM for ratification/ confirmation.

Furthermore, the Company will be entering into arrangements or carry out transactions from time to time, with different related parties to the extent deemed fit and approved or ratified by the Board of Directors, during the financial year ending June 30, 2026. The transactions may include sale and purchase of goods and inventories, rendering of services, payment of fees, reimbursement of expenses, receipt or repayment of loan and Musharakah contributions, sale or purchase of investment properties. As some of the Directors are interested in some of the related party transactions on account of common Directorships, therefore, an approval from members is being sought to authorize the Company to conduct such related party transactions and enter into an arrangement with related parties and further to authorize and grant power to the Board of Directors to approve the related party transactions to be conducted by the Company for the year ending June 30, 2026.



**Related Party Transactions for the year ended June 30, 2025 are given below:**

Name of the related party	Transactions during the year	2025 (Rs. in '000)
Aisha Steel Mills Limited	- Sale of goods	377
	- Payments received	377
	- Sharing of expense	3,929
	- Payments made	4,500
Arif Habib Equity (Private) Limited	- Contribution received	6,968,600
	- Loan repaid	308,760
	- Mark-up accrued	166,061
	- Mark-up paid	180,316
Arif Habib Corporation Limited	- Guarantee commission accrued	849
	- Guarantee commission paid	848
	- Financing received	2,375,000
	- Financing repaid	2,375,000
	- Mark-up paid	1,446
	- Mark-up accrued	1,446
All Pakistan Cement Manufacturers Association	- Membership fee	1,500
	- Payments made	1,500
Biomasdar (Pakistan) Limited	- Sale of goods	18,414
	- Payments received	18,404
Fatima Packaging Limited	- Purchase of goods	1,013,205
	- Payments made	892,799
Fatima Fertilizer Company Limited	- Purchase of goods	168
Green Store (Private) Limited	- Purchase of goods	2,787
	- Payment made	2,787
Globe Residency REIT	- Sale of goods	64,955
	- Payments received	60,810
Habib Sugar Mills Limited	- Sale of goods	30,294
	- Payments received	30,166
Javedan Corporation Limited	- Sale of goods	16,145
	- Payments received	35,496
	- Services received	180
	- Payments made	180

Name of the related party	Transactions during the year	2025 (Rs. in '000)
Mr. Arif Habib	- Contribution received	4,950,000
	- Contribution repaid	8,618,600
Memon Health & Education Foundation	- Sale of goods	611
	- Payments received	611
Rahat Residency REIT	- Sale of goods	12,116
	- Payments received	8,283
Rotocast Engineering Company (Private) Limited	- Services received	27,640
	- Lease Rental	27,368
	- Payments made	59,370
Safe Mix Concrete Limited	- Sale of goods	609,902
	- Payments received	570,312
Signature Residency REIT	- Sale of goods	4,856
	- Payments received	6,386
Staff retirement benefit fund	- Provision for gratuity expense	84,397
	- Gratuity paid	46,074
All members of Company's Management Team and Directors	- Remuneration and other benefits	478,710
	- Retirement benefits	48,188
	- Directors' fees	600
	- Advances disbursed to employees	66,743
	- Advances repaid by employees	53,890

### Role of Chairman

- To provide leadership to the Board of Directors of the Company.
- To ensure that the Board plays an effective role in setting up the Company's corporate strategy, business direction and Key Performance Indicators (KPIs).
- To promote and oversee the highest standards of corporate governance within the Board and the Company.
- To review performance of the Board.
- To manage and solve conflict, if any, amongst the Board members and to ensure freedom of opinion in the Board.

### Role of Chief Executive Officer

- To execute and implement the strategies, policies and business plans approved by the Board.
- To achieve the performance targets set by the Board.
- To maintain an effective communication with the Chairman and the Board and to bring all important matters to their attention.
- To ensure that all strategic and operational risks are effectively managed to an acceptable level and that adequate system of internal controls is in place for all major operational and financial areas.
- To encourage and inculcate a culture of highest moral, ethical and professional values in all business dealings of the Company.

### Board Composition

#### Leadership Structure of Those Charged With Governance

Nmae	Designation
Mr. Muhammad Arif Habib	Chairman of the Board
Mr. Nasim Beg	Non-Executive Director
Mr. Muhammad Kashif	Chief Executive Officer
Mr. Abdus Samad	Non-Executive Director
Syed Salman Rashid	Non-Executive Director
Mr. Khursheed Anwer Jamal	Independent Director
Mr. Khalilullah Shaikh	Independent Director
Ms. Zainab Kashif	Non-Executive Director

### Terms of Reference of Human Resources and Remuneration (HR&R) Committee

The purpose of the Human Resources & Remuneration Committee (the "HR&R Committee") is to assist the Board of Directors (the "Board") of Power Cement Limited (the "Company") in fulfilling its oversight responsibilities in the field of human resources and their compensation. The Committee's primary focus is with respect to the development, succession planning and compensation of senior executives.

The terms of reference of Human Resources and Remuneration Committee shall include the following:

- i. Recommending Human Resource Management Policies to the Board.
- ii. Recommending to the Board the selection, evaluation, compensation (including retirement benefits) and succession planning of the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Company Secretary and Head of Internal Audit.
- iii. Consideration of any other issue or matter as may be assigned by the Board of Directors.

## Terms of Reference of the Audit Committee

The Audit Committee shall, inter alia, recommend to the Board of Directors the appointment of external auditors, their removal, audit fees, the provision by the external auditors of any service to the Company in addition to audit of its financial statements. The Board of Directors shall give due consideration to the recommendations of the Audit Committee in all these matters and where it acts otherwise, it shall record the reasons thereof.

The terms of reference of the Audit Committee shall also include the following:

- a) determination of appropriate measures to safeguard the Company's assets;
- b) review of quarterly, half-yearly and annual financial statements of the Company, prior to their approval by the Board of Directors, focusing on:
  - major judgmental areas;
  - significant adjustments resulting from the audit;
  - the going concern assumption;
  - any changes in accounting policies and practices;
  - compliance with applicable accounting standards;
  - compliance with listing regulations and other statutory and regulatory requirements; and
  - related party transactions.
- c) review of preliminary announcements of results prior to publication;
- d) facilitating the external audit and discussion with external auditors on major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);
- e) review of management letter issued by external auditors and management's response thereto;
- f) ensuring coordination between the internal and external auditors of the Company;
- g) review of the scope and extent of internal audit and ensuring that the internal audit function has adequate resources and is appropriately placed within the Company;
- h) consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;
- i) ascertaining that the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and the reporting structure are adequate and effective;
- j) review of the Company's statement on internal control systems prior to endorsement by the Board of Directors and internal audit reports;
- k) instituting special projects, value for money studies or other investigations on any matter specified by the Board of Directors, in consultation with the CEO and to consider remittance of any matter to the external auditors or to any other external body;
- l) monitoring compliance with the best practices of corporate governance and identification of significant violations thereof; and
- m) consideration of any other issue or matter as may be assigned by the Board of Directors.

## Board's Function and Decision Making

The Board has been effective in managing the affairs of the Company, fulfilling its duties in accordance with the Companies Act, 2017 ("the Act") and the Listed Companies (Code of Corporate Governance) Regulations, 2019 ("the Code"). The Board has meticulously ensured the compliance with the relevant laws regarding its composition, procedures, and the conduct of its meetings.

The Board of Directors plays a crucial role in steering the Company's strategic direction. Leveraging their extensive expertise, the Board oversees key decisions, including approval of annual budget, investment management, capital issuance, and key appointments, ensuring alignment with long-term goals.

The Board also ensures rigorous oversight of the Company's operations by approving financial statements, reviewing audit findings, and upholding governance standards through formal business policies. Supported by an independent Internal Audit Department reporting to the Audit Committee, the Board maintains strict compliance and transparency, driving sustainable growth and value for all stakeholders.

## Matters Delegated to the Management

The management team at Power Cement Limited is tasked with executing the strategies approved by the Board of Directors. They manage day-to-day operations, ensuring alignment with the Company's objectives while maintaining ethical standards. This delegation of authority allows management to respond swiftly to market trends, assess financial data, and implement strategies effectively.

Under the Board's oversight, management prepares accurate financial statements in compliance with applicable statutory and accounting standards coupled with ensuring exceptional standards of transparency. By entrusting key decision-making to the management, PCL fosters agility and efficiency, enabling the Company to adapt to market changes and capitalize on opportunities.

## Commitment to Ethics and Compliance

The Board of Directors at PCL is fully committed to upholding the highest standards of ethics and compliance throughout the Company. We believe that a strong ethical foundation is essential for building trust with our stakeholders and ensuring the long-term success of the organization. The Board actively promotes a culture of integrity, transparency, and accountability, ensuring that all business practices and decisions are conducted in strict accordance with all applicable statutes and Company's code of conduct. Through rigorous oversight and continuous improvement of compliance programs, the Board reaffirms its dedication to maintaining a corporate environment where ethical behavior is the cornerstone of all operations.

## Evaluation Criteria for the Board

A comprehensive mechanism is put in place for undertaking an evaluation of the performance of the Board of Directors in accordance with the Listed Companies (Code of Corporate Governance) Regulations, 2019.

The mechanism evaluates the performance of the Board of Directors on the following parameters:

- Oversight and Effectiveness of the Board
- Composition and Committees of the Board
- Board Meetings and Proceedings
- Board and Management Relations
- Managing Relationship and Leadership
- Directors' Acquaintance with Corporate Laws and Regulations
- Corporate Governance

## Evaluation of the Board

The overall performance of the Board, assessed against the criteria outlined above, was satisfactory for the year. A separate report by the Chairman on the Board's performance, as required under section 192 of the Companies Act, 2017 is also annexed to this Annual Report.

## CEO Performance Review

The Board of Directors evaluated the CEO's performance against defined KPIs and commends his effective leadership during a challenging year marked by economic pressures and weak cement demand. He remained focused on achieving corporate objectives, ensured alignment with strategic goals, and provided the Board with regular progress updates. The Board appreciates his commitment, resilience, and results-driven approach, which have supported stability and positioned Power Cement Limited for sustainable growth.

## Directors Training Program and Orientation

The following Directors are certified:

- |                             |                         |
|-----------------------------|-------------------------|
| • Mr. Muhammad Kashif       | Chief Executive Officer |
| • Mr. Khursheed Anwer Jamal | Independent Director    |
| • Mr. Abdus Samad           | Non-Executive Director  |
| • Syed Salman Rashid        | Non-Executive Director  |
| • Mr. Khalilullah Shaikh    | Independent Director    |

Besides, the following directors are exempted from the directors' training program certification based on relevant experience as mentioned in the Code.

- |                           |                                   |
|---------------------------|-----------------------------------|
| • Mr. Muhammad Arif Habib | Chairman / Non-Executive Director |
| • Mr. Nasim Beg           | Non-Executive Director            |

Mr. Khursheed Anwer Jamal and Mr. Khalilullah Shaikh - being the Independent Directors meet the criteria for independence as per Section 166 of the Companies Act, 2017.

## External Oversight of Functions

The Company obtains external assurance from:

- Statutory Audit of Financial Statements from a reputable Chartered Accountants firm, M/s. A.F. Fergusons & Co., Chartered Accountants
- Cost Audit from M/s. UHY Hassan Naeem & Co., Chartered Accountants
- QMS Audit to ensure compliance with ISO 14001:2015, ISO 45001:2018 and ISO 9001:2015 by SGS
- Environment Monitoring Report to ensure compliance with ISO 14001

## Gender Pay Gap Statement

The Company currently has all-male workforce; hence no gender pay gap exists.

## Policy for Related Party Transactions

The Company is committed to ensuring that all transactions with related parties are conducted in a fair, transparent and arm's length manner, on normal commercial terms and conditions.

- All related party transactions arising in the normal course of business are carried out without bias.
- Transactions where the majority of Directors have an interest are referred to the shareholders for approval in a General Meeting.
- In accordance with the CCG and applicable laws, a comprehensive list of all related party transactions is submitted to the Audit Committee on quarterly basis for review.
- The Committee reviews and recommends actions to the Board, which then approves the transactions.
- The Company maintains an updated list of all related parties, and discloses their names, relationships, and percentage holdings in the Financial Statements.



## Conflict of Interest

Power Cement Limited is committed to maintaining the highest standards of ethical governance and transparency. This policy aims to identify, manage, and prevent actual, potential, and perceived conflicts of interest that may arise among directors or employees.

### Policy Statement:

- All Directors and employees are bound to avoid conflicts of interest and disclose any material transactions that may pose a conflict.
- The Company maintains a Conflict of Interest Policy and ensure compliance through education, communication, and enforcement.

### Procedures:

1. Identify areas of risk and develop strategies to mitigate them.
2. Educate all employees about the conflict of interest policy.
3. Communicate with stakeholders to provide a platform for proper disclosure.
4. Enforce the policy and ensure compliance.
5. Remind Directors of the insider trading laws & regulations.
6. Require Directors to provide complete details of material transactions that may pose a conflict of interest for prior Board approval.
7. Ensure interested Directors do not participate in discussions or vote on matters involving conflict.
8. Conduct transactions with related parties on an arm's length basis and disclose all details in the financial statements.

By implementing this policy, Power Cement Limited demonstrates its commitment to transparency, ethical governance, and responsible decision-making.

## Director's Interest

The Company's policy requires that all directors disclose their interests and ensure that any transactions with related parties are conducted on an arm's length basis and are subject to approval by the Board at the general meeting, as the case may be. This ensures that all transactions are fair, transparent, and in the best interest of the Company and its stakeholders.

## Implementation of Governance Practices Exceeding Legal Requirements

At Power Cement Limited, management is steadfast in its commitment to adhere with the best governance practices within the Company's operating framework. While we consider compliance with all legal requirements as the baseline, we strive to exceed these standards. Our aim is to implement governance rules and practices that are not only aligned with global standards but also in the best interests of our shareholders, employees, the environment, and the community we serve. This approach underscores our dedication to ethical and responsible corporate governance.

Following additional governance practices implemented by the management includes:

- Best Corporate Reporting practices recommended jointly by ICAP / ICMAP by transmitting additional corporate and financial information to stakeholders to make the Company's affairs more transparent and to give better insight of the Company's affairs, policies and strategies.
- Implementation of aggressive Health, Safety and Environment Strategies to ensure safety of employees and equipment.

## Policy on Diversity

At Power Cement Limited, we champion a culture of inclusion, where diversity is celebrated as a vital strength. We believe that individuals from diverse backgrounds and experiences bring unique perspectives that fuel collaboration, innovation, and growth. Our commitment to diversity extends beyond mere tolerance to actively addressing discrimination in all forms.

We strive to cultivate a culture where individual differences are valued, and everyone can contribute their best ideas, leading to groundbreaking advancements. We aim to foster a collaborative work environment, drive innovation and progress, encourage unique perspectives, ensure equal opportunities for all, address discrimination and harassment, and foster a culture of inclusion and respect.

## Policy of Remuneration to Non-Executive Directors

The main features of the policy are as follows:

- The Company shall not pay remuneration to its Non-Executive Directors including Independent Directors except for meeting fee for attending Board and its Committee meetings.
- The Company will reimburse or incur expenses of travelling and accommodation of Directors in relation to attending Board and its Committees meetings.
- The Directors' Remuneration Policy is approved by the members in the general meeting of the Company.

Details of the remuneration paid to Executive and Non-Executive Directors during the year is given in note 41.3 to the financial statements.

## Retention of Board Fee by the Executive Director Against Services Rendered As Non-Executive Director In Other Companies

The Executive Directors are authorized to retain the Board fee they earn in exchange for their services as Non-Executive Director in other companies.

## Presence of Executive Director on Board of other Companies

In addition to being the Chief Executive of the Company, Mr. Muhammad Kashif holds Directorship on the Board of the following companies that have also been mentioned in Directors' Profile Section of the Report:

- Aisha Steel Mills Limited
- Arif Habib Corporation Limited
- Fatima Fertilizer Company Limited
- Javedan Corporation Limited
- SafeMix Concrete Limited
- Black Gold Power Limited
- Fatima Cement Limited
- Fatima Packaging Limited
- Fatimafert Limited
- Pakistan Opportunities Limited
- Siddiqsons Energy Limited
- BioMasdar (Pakistan) Limited
- Pakarab Fertilizers Limited
- Alternates (Private) Limited
- Arif Habib Equity (Private) Limited
- Arif Habib Development and Engineering Consultants (Private) Limited
- Prime Agtech Solutions (Private) Limited
- Sachal Energy Development (Private) Limited
- Easy E-Tameer (Private) Limited
- Essa Textile And Commodities (Private) Limited
- Green Store (Private) Limited
- Nooriabad Spinning Mills (Private) Limited
- Rotocast Engineering Company (Private) Limited
- Transmovers (Private) Limited
- Naya Nazimabad IT Park Limited
- Arif Habib Foundation
- All Pakistan Cement Manufacturers Association

## Security Clearance of Foreign Directors

As of the latest update, there is no foreign representation on the Board of Power Cement Limited (PCL). Previously, one foreign Director had served on the Board, but he tendered his resignation in the month of August 2024. Currently, the Board comprises solely with Directors of Pakistani origin, with no foreign Directors in place.

## Board Meetings held outside Pakistan

Throughout the year, Power Cement Limited did not convene any Board meeting outside the borders of Pakistan.

## Social and Environmental Responsibility Policy

At Power Cement Limited, we recognize the link between financial performance and corporate social and environmental responsibility. We are committed to embracing robust environmental and social strategies to build a resilient brand, safeguard our reputation, and ensure long-term success.

We strive to conduct our operations in an ethical, sustainable, and socially responsible manner, minimizing our environmental footprint while making a positive impact on society. We affirm our dedication to environmental stewardship, social responsibility, and ethical business practices, aiming to create a better future for all while driving long-term growth and success.

### Social Responsibility Policy

- Implementation of Employee Code of Conduct that fits with local customs and regulations.
- Culture of ethics and behavior which improve values like integrity and transparency.
- Promoting the culture of work facilitation and knowledge transfer.
- Carrying out corporate philanthropy actions
- Maintaining collaborative relations with society through a good harmony and effective communication.

### Environmental Responsibility Policy

- Ensure our products, operations comply with applicable environmental legislation and regulations.
- Maintain and continuously improve our environmental management systems to conform to the ISO Standards or more stringent requirements as dictated by specific markets or local regulations.
- Operate in a manner that is committed to continuous improvement in environmental sustainability through conservation of resources, prevention of pollution, and promotion of environmental responsibility amongst our employees.

## Communication with Stakeholders

At Power Cement, we are committed to building strong relationships with our stakeholders through effective communication and engagement. We believe in providing opportunities for stakeholders to contribute to management decision-making and ensuring transparent disclosure of material information.

We engage with stakeholders through various channels, including:

- Annual Reports
- Corporate briefing sessions with investors and research analysts
- Website updates
- Employee communication through newsletters, surveys, portals, and electronic bulletin boards

Our goal is to understand stakeholders' needs and concerns, tailor our strategies to suit business decisions, and communicate regularly based on corporate and business requirements, contractual obligations, or as needed. By fostering open dialogue and collaboration, we aim to create value for our stakeholders and drive long-term success for Power Cement.

### Investors' Grievance Policy

The shareholders have been facilitated and encouraged to file their grievances with the Company in an effective manner. All queries including grievances and information requests lodged by shareholders and potential investors are handled in a timely manner. The 'Investors' Relations' section is also maintained on the Company's website: <https://powercement.com.pk/investor-correspondence/>

## Policy for Safeguarding of Records

Power Cement Limited places paramount importance on the safety and security of its records. Physical documents are scanned and meticulously preserved in specifically designated storerooms at both our Head Office and Site locations. Access to these storage areas is exclusively granted to authorized personnel responsible for the records' secure upkeep and maintenance.

Additionally, an independent archiving company has been entrusted with the task of diligently maintaining the Company's records in a secure location for the past five years.

## IT Governance Policy

Recognizing the pivotal role of Information Technology (IT) governance in the attainment of overarching strategic and operational objectives, the Company have strategically aligned its IT resources to furnish management with an efficient operational and decision-making platform, ultimately streamlining business operations.

### The IT Governance Policy encompasses the following key aspects:

- i. **Maximizing ROI on Technology Investment:** We prioritize optimizing returns on technology investments while maintaining controlled spending.
- ii. **Data Security:** Ensuring the safeguarding of the Company's valuable data assets is of paramount importance.
- iii. **IT Security Awareness:** We are committed to enhancing user awareness regarding IT security to detect and prevent vulnerabilities effectively.
- iv. **Compatibility and Integration:** Our IT governance framework focuses on ensuring compatibility, integration, and the avoidance of redundancy in our IT systems.

## Whistle Blowing Policy

The Company has developed a policy where any of the stakeholders (i.e. employees, customers, suppliers, contractors, or shareholders) can contribute towards our aim to be vigilant about, and responsive of, the following misdemeanors undertaken by any person associated with Company, either directly or indirectly:

- Any fraudulent act;
- Waste of resources;
- Misuse of authority; or
- Sabotage of machinery or equipment

### The salient features of the policy are as follows:

1. A whistle-blower who raises a concern as per the policy, is provided with due protection in respect of performance of his duties and receipt of justified consideration under employment or contractual arrangement. No harassment or pressures towards the whistle-blower are tolerated and the Company takes appropriate actions to protect all such individuals.
2. The Company ensures that the information shared and the identity of the whistle-blower remains confidential until such time as the person needs to come forward as a witness.
3. All concerns are reported in writing to ensure a clear understanding of the issues being raised. The background, the nature of concern, relevant dates and timings, evidences/proofs where possible, the reasons for the concern and the names of individuals against whom the concern is being reported are documented therein.
4. Each concern communicated is assessed for its validation and initial inquiries are made to determine whether an investigation is appropriate. At the end of the investigation, a written report that provides the findings, basis of findings and a conclusion is submitted to the Chief Executive Officer.

## Human Resources Management Policy

The backbone of any organization is its Human Capital. Power Cement Limited firmly believes in nurturing, investing in and promoting its employees with the ultimate objective of ensuring a very high level of employee satisfaction and efficiency, which in turn translates into high levels of customer satisfaction and assistance in attaining business objectives.

The Company is committed to build a strong organizational culture that is shaped by empowered employees who demonstrate a deep belief in Company's vision and values. Therefore, Human Resources Management (HRM) is an integral part of our business strategy. The Company fosters leadership, individual accountability and teamwork.

### **The main components of the Company's policy are:**

- Selecting the right person, with the right experience, at the right time, offering the right compensation.
- Developing management philosophies and practices to promote and encourage motivation and retention of the best employees.
- Recognizing and rewarding employees' contribution to the business.
- Fostering the concept of teamwork and synergetic efforts.
- Encouraging and supporting team concepts and team building techniques.
- Nurturing a climate of open communications between management and employees.
- Making all reasonable efforts to achieve a high quality of work-life integration.

### **Succession Planning**

At Power Cement Limited, we embrace a proactive approach to succession planning. We take deliberate steps to recruit talented individuals, nurture their knowledge, enhance their skills and abilities, and prepare them for progressive roles and promotions within the organization. A robust succession planning framework is aimed for all levels of our organization, ensuring a constant pipeline of skilled individuals ready to fill key roles.

We seek individuals who embody the spirit of continuous improvement when identifying potential successors. In this regard, we invest significantly, both in terms of financial resources and time, in the training and development of our workforce.

### **Compliance with the Best Practices of Code of Corporate Governance**

The Board of Directors is pleased to confirm that Power Cement Limited has fully complied with the Code of Corporate Governance, listing regulations of the Pakistan Stock Exchange Limited, and the applicable financial reporting framework, as evidenced by the Audit Committee's report, and the Company's Auditors' review report, demonstrating our commitment to maintaining the highest standards of corporate governance and transparency.

### **Details of Shares Held by Sponsors / Directors / Executives and Distribution of Shareholders**

Details of shares held by sponsors and distribution of shareholders are given in the Shareholders' category and Pattern of Shareholding sections of this Report.

### **Presence of the Chairman of the Board Audit Committee at the General Meeting**

During FY 2025, Power Cement Limited held one Annual General Meeting, which was also attended by the Chairman of the Board Audit Committee who was also available to address any questions related to the committee's activities.

### **Disclosure of Beneficial Ownership**

The Ultimate Beneficial Owner of the Company (natural persons) are enlisted below:

Mr. Muhammad Arif Habib directly holds 24.15% shares of the Company (this includes both ordinary and preference shares).

## Chairman's Significant Commitments

Throughout the year, the Chairman has been actively engaged in the conduct of the Board and the Shareholders' meetings. The Chairman played a pivotal role in ensuring the effective conduct of Board meetings and Shareholders' meeting, coupled with facilitating informed decision-making processes.

Details of the Chairman's external engagements, beyond Power Cement Limited, can be found in the Directors' profile section of this report, providing comprehensive insight into his multifaceted responsibilities and contributions.

## External Search Consultancy for Appointment of any Director

No external search consultancy was enlisted for the selection and appointment of Director to the Board.

## Employee Well-being Initiatives

At PCL, prioritizing the health and well-being of employees is essential, recognizing that a healthy workforce is vital for success. To this end, various programs and partnerships have been implemented to support employees.

### Empowering Our Team's learning with different sessions

Power Cement Ltd organized various learning sessions, including leadership and management development programs, along with a 'Safe Work Practice' and ISO 50001 training.

These initiatives reflect PCL's commitment to foster employee growth, driving development, and achieving organizational excellence.

**Annual Sports Gala:** Our Sports Gala has garnered positive feedback from employees and their families. It fosters a sense of camaraderie, teamwork, and physical fitness among our staff, contributing to their overall well-being.

**On-site Gym:** We have established a well-equipped gym at our factory premises to encourage employees to focus on their physical health. This facility allows them to engage in regular exercise routines, promoting a healthier lifestyle.

**Comfortable Transportation:** PCL provides free of charge air-conditioned vehicles for its employee's transportation, ensuring their comfort and safety during commutes and high quality subsidised food. This initiative not only enhances their well-being but also reduces the stress associated with daily travel.

**RO Plant:** To ensure access to clean and safe drinking water, we have installed a Reverse Osmosis (RO) plant in both residential and office areas. This provision contributes to the physical well-being of our employees by ensuring access to quality drinking water.

These initiatives reflect a commitment to the health and motivation of employees, fostering a positive and supportive work environment.

## Project Based Internship Program

The Company periodically inducts group of project-based interns across various departments, including Finance, Marketing, Mechanical, Production, Electrical and Instrumentation, Human Resources, and Preventive Planning and Maintenance. These internships are aimed at enhancing students' exposure and providing valuable hands-on fieldwork experience.

## Building Roads & Responsibility

Safety remains a top priority at PCL. On April 24, 2025, a Road Safety Awareness Session was organized at the Factory premises, Nooriabad, in collaboration with the Motorway Police, enhancing employees' knowledge of helmet usage, safe driving, and road discipline.

Further reinforcing this commitment, PCL partnered with Rescue 1122 Hyderabad to conduct Emergency First Responder Training at the Factory premises, Nooriabad. This program equipped employees with essential emergency response skills. PCL extends its gratitude to both organizations for their vital contributions toward building a safe and secure workplace.



## Election of Directors

The current directors will retire at the forthcoming AGM scheduled on October 14, 2025.

In accordance with Section 159(1) of the Companies Act, 2017, the Board has fixed the number of directors at seven (07) for a three-year term commencing from October 28, 2025. The retiring directors are mentioned hereunder and are also eligible for re-election:

1. Mr. Muhammad Arif Habib
2. Mr. Nasim Beg
3. Mr. Abdus Samad
4. Syed Salman Rashid
5. Mr. Khursheed Anwer Jamal
6. Mr. Khalilullah Shaikh
7. Ms. Zainab Kashif

In line with the Listed Companies (Code of Corporate Governance) Regulations, 2019, the election of directors will be conducted separately for the following categories:

S. No.	Categories	No. of Seats
1.	Female Director (may also be considered as an Independent Director if meets the criteria of independence set out under Section 166 of the Act)	01
2.	Independent Directors	02
3.	Other Directors	04

The election will be held only if nominations are received in excess of the number of directors fixed by the Board (i.e. seven).

Members may exercise their right to vote through electronic voting and postal ballot as per SECP's Postal Ballot Regulations, 2018 (as amended). For transparency, the Board has appointed M/s. UHY Hassan Naeem & Co., Chartered Accountants, as Scrutinizer, while M/s. CDC Share Registrar Services Limited will act as the e-voting service provider.

# CERTIFICATIONS AND AWARDS

## Certifications

PCL remains committed to providing a safe, efficient, and sustainable working environment for its employees, stakeholders, and surrounding communities. This commitment is demonstrated through the attainment of globally recognized certifications:

- ISO 45001:2018 – Occupational Health and Safety Management
- ISO 14001:2015 – Environmental Management
- ISO 9001: 2015 – Quality Management
- ISO 50001:2018 – Energy Management (cement manufacturing and energy conversion systems)

These certifications reinforce the Company's adoption of international best practices in safety, quality, and environmental stewardship.

In addition, Power Cement holds multiple foreign certifications from the USA, Turkey, Sri Lanka, and the Philippines, enabling exports of cement and clinker to key international markets.

## Awards

### 21st Annual Environment Excellence Award

In August, 2024, PCL received the 21st Annual Environment Excellence Award from the National Forum for Environment & Health (NFEH) in Karachi. This recognition highlights the Company's consistent commitment to sustainability and environmental responsibility.

### National Environmental Sustainability Conference Award

In June, 2025, PCL was honored at the National Environmental Sustainability Conference & Awards held at the Marriott Hotel, Karachi. The award, presented on behalf of the Governor of Sindh, acknowledged the Company's progress in renewable energy, alternative fuels, and green innovation.

### Fastest Growing Brand of the Year 2024 – Grey Cement Category

Presented by Mr. Saeed Ghani, Sindh Minister for Local Government & Housing Town Planning, and received on behalf of the Company by the Director Marketing & Domestic Sales. This milestone reflects the collective efforts of the PCL team, leadership, customers, and partners, underscoring the Company's strong market growth.

These certifications and awards serve as a testament to PCL's ongoing pursuit of excellence, sustainability, and responsible growth at both national and international levels.





# **FUTURE OUTLOOK**



# FORWARD LOOKING STATEMENT

The outlook for the cement industry remains encouraging, supported by the anticipated revival of infrastructure projects, the gradual recovery of private construction, and improved financing conditions. While cost pressures from energy and taxation persist, easing monetary policy and operational efficiency gains are expected to provide support. The Company is focused on the following key drivers of future growth

## Alternative Fuel and Wind Energy Project

The Company is intensifying efforts to reduce energy costs and enhance sustainability. A key initiative is the progressive substitution of coal with biomass fuel, where Power Cement has already achieved a 25% substitution rate.

To further strengthen efficiency and effectiveness, the Company is optimizing the fuel-mix system, implementing cost-efficient procurement practices, and expanding storage capacity to facilitate bulk purchasing and large-volume stocking.

Additionally, the Company is at advanced stage to install a 7.5 MW wind power project via ERA/ PPA mode, expected to become operational in FY-2026. This initiative will reduce dependence on the HESCO grid by almost 10% and is projected to deliver substantially annual savings. These measures are designed to reduce reliance on conventional energy sources, promote environmental sustainability, and enhance long-term profitability.

## Export Business

The export business is gaining strong momentum, with export prices trending upward and new markets presenting fresh opportunities for growth. Going forward, the Company will deepen its presence in established regions while selectively expanding into new geographies. This balanced strategy is expected to improve margins, enhance resilience, and deliver sustainable value for shareholders, while also contributing to national economic growth.

## Steady Interest Rate Environment

A stable interest-rate environment is expected to further reduce finance costs and strengthen the Company's cash flows. Predictable and manageable borrowing costs will allow greater reinvestment in core operations and efficiency initiatives, creating a favorable backdrop for long-term growth plans.

A steady rate outlook also supports stronger business and consumer confidence, encouraging capital investment and underpinning steady construction demand from both private and public sectors.

## Impact of Recent Floods

The recent floods have caused a temporary but significant supply shock, which may push headline inflation higher and disrupt supply chains, potentially dampening activity in the manufacturing and services sectors.

For Pakistan's cement industry, these disruptions may slow construction activity and increase input costs, particularly in Northern region of Pakistan, where infrastructure damage and logistics challenges are more pronounced. While the medium-term demand outlook remains positive, near-term dispatches in the province could face delays until the situation stabilizes.

## Shaping Tomorrow

The Company remains focused on driving operational excellence, strengthening cost competitiveness, and expanding the use of alternative energy. With these initiatives, management is confident in sustaining profitability, enhancing resilience, and positioning the Company as a leading player in a growing market, while continuing to create long-term value for shareholders.





A close-up photograph of a person's arm and hand holding a slingshot. The hand is positioned to pull back the rubber bands of the slingshot. The background is a soft, out-of-focus green, suggesting an outdoor setting. The lighting is natural, highlighting the texture of the skin and the fabric of the sleeve.

# ANALYSIS OF FINANCIAL INFORMATION

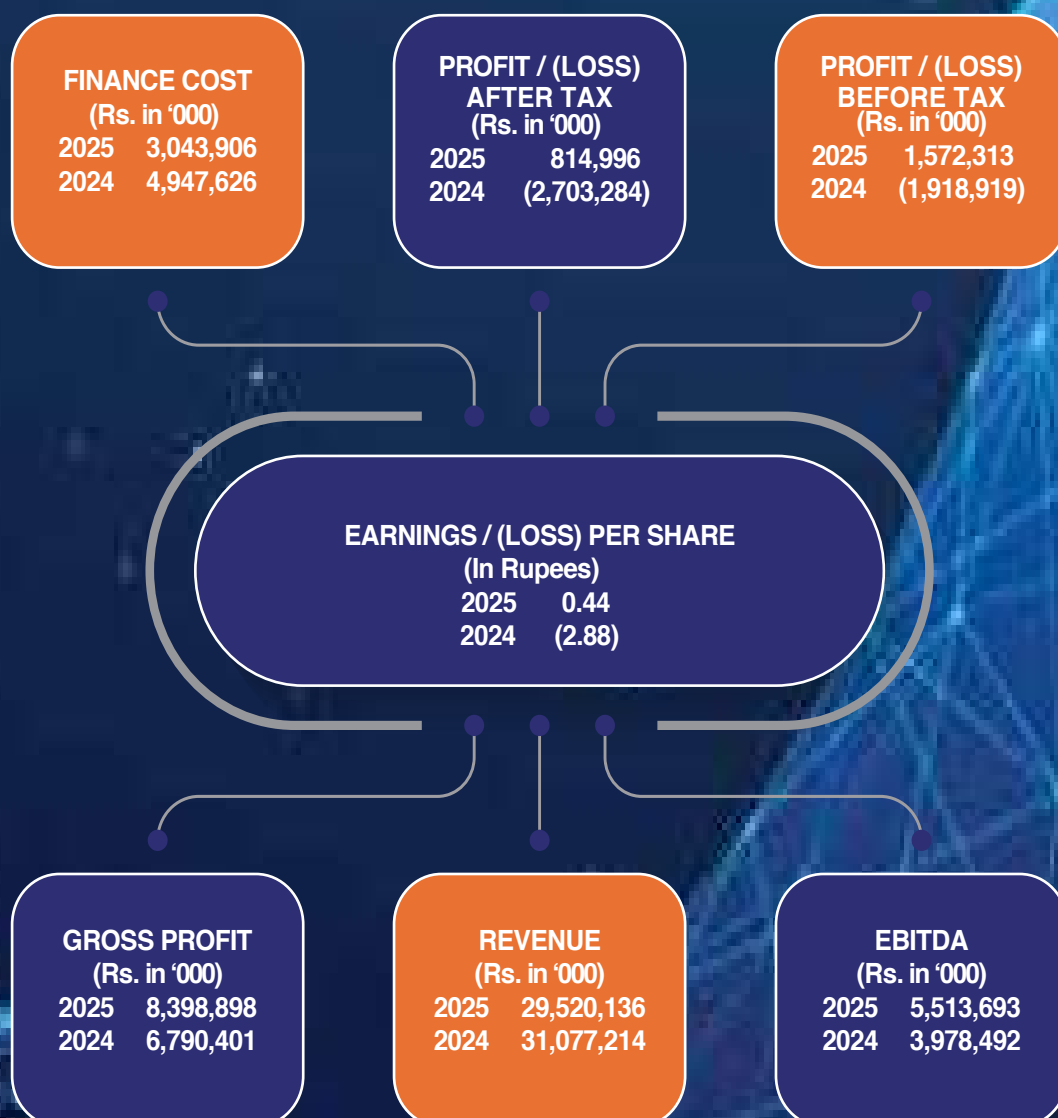
## AIM & IMPACT

Using a slingshot to hit distant targets, this game combines tension, calculation, and precision. Power Cement applies this mastery in every financial and operational decision.



غلپیں

# KEY PERFORMANCE HIGHLIGHTS



# FINANCIAL RATIOS

Financial Ratios	Unit of Measurement	2025	2024	2023	2022	2021	2020
<b>Profitability Ratios</b>							
Gross profit / (loss) to sales	%	28.45	21.85	23.95	14.19	21.73	(2.82)
Operating profit/ (loss) to sales	%	15.64	9.75	12.90	7.45	13.56	(24.02)
Profit / (loss) before tax to sales	%	5.33	(6.17)	(0.28)	(7.61)	(4.72)	(96.44)
Net profit / (loss) after tax to sales	%	2.76	(8.70)	0.58	(2.54)	2.52	(88.05)
EBITDA to sales	%	18.68	12.80	16.29	12.19	20.59	(20.66)
Operating leverage	%	(101.95)	(32.90)	21.22	(19.06)	28.86	(287.13)
Return on equity	%	3.46	(13.92)	0.96	(2.57)	3.34	(42.71)
Return on capital employed	%	12.62	8.68	10.50	3.68	6.58	(3.80)
Shareholders fund	Rs. in million	23,529	19,419	17,568	17,283	10,745	8,479
<b>Liquidity Ratios</b>							
Current ratio	Times	1.00	0.79	0.76	0.69	0.43	0.36
Quick / Acid test ratio	Times	0.47	0.36	0.44	0.39	0.25	0.25
Cash ratio	Times	0.11	0.01	(0.28)	(0.01)	(0.02)	(0.02)
Cash flow from operation to sales	Times	0.05	(0.12)	0.03	(0.03)	(0.11)	0.35
Cash flow to capital expenditures	Times	(6.16)	9.82	(4.34)	2.83	24.67	(0.20)
Cash flow coverage ratio	Times	0.08	(0.17)	0.03	(0.02)	(0.06)	0.05
<b>Investment Valuation Ratios</b>							
Earnings / (loss) per share	Rs.	0.44	(2.88)	(0.19)	(0.62)	0.17	(3.41)
Price / earnings ratio (after tax)	Times	30.86	(1.91)	(21.58)	(8.63)	55.76	(1.82)
Price to book ratio	Times	2.17	0.94	0.54	0.72	1.24	0.78
Market price per share	Rs.	13.58	5.50	4.10	5.32	9.61	6.20
Year High close	Rs.	15.55	6.43	5.46	9.93	11.80	7.22
Year Low close	Rs.	4.65	3.49	3.84	5.17	6.26	4.63
Breakup value per share	Rs.	6.25	5.85	8.01	7.79	8.21	7.97
<b>Activity / Turnover Ratios</b>							
Inventory turnover	Times	10.36	10.53	11.12	11.95	11.80	6.31
Inventory holding period	Days	35	35	33	31	31	58
Debtor turnover	Times	92.47	108.86	104.82	74.89	51.66	9.82
No. of days in receivables	Days	4	3	3	5	7	37.
Creditor turnover	Times	5.83	6.30	6.36	5.33	4.83	2.41
No. of days in payable	Days	63	58	57	68	76	151
Operating cycle	Days	(23)	(20)	(21)	(33)	(38)	(56)
Total assets turnover	Times	0.62	0.65	0.60	0.38	0.31	0.09
Fixed assets turnover	Times	0.87	0.90	0.83	0.49	0.39	0.11
<b>Capital Structure Ratios</b>							
Debt to equity ratio (book value)	Times	40:60	51:49	53:47	55:45	72:28	77:23
Interest coverage ratio	Times	1.50	0.61	0.97	0.49	0.74	(0.33)
Financial leverage ratio	Times	1.03	1.46	1.76	1.69	3.23	4.37
Net assets per share	Rupees	6.25	5.85	8.01	7.79	8.21	7.97
<b>Non Financial Ratios</b>							
Plant capacity utilisation	%	66.51	71.19	71.59	58.05	72.71	44.38
Cement production per employee	MT	3,135	3,453	3,812	3,187	3,701	1,488
Revenue per employee	Rs. in million	57.77	63.42	57.31	34.99	29.08	8.34
Staff turnover ratio	%	12.00	17.00	18.00	9.00	10.00	37.00
Spares Inventory as % of assets cost	%	7.64	8.31	4.86	4.38	3.44	8.09

# FINANCIAL HIGHLIGHTS

## SIX YEARS AT A GLANCE

Financial Position (Rs in '000)	2025	2024	2023	2022	2021	2020
<b>Assets Employed</b>						
Property, plant and equipment	33,682,318	34,309,305	34,853,984	35,647,052	36,270,530	37,222,552
Right of use asset	83,465	-	12,362	24,725	37,086	48,194
Intangible assets	-	-	-	423	2,958	5,493
Long term investments	21,589	20,094	26,873	25,578	24,873	23,751
Long term deposits	62,069	56,069	63,359	74,359	42,338	24,159
Deferred tax asset	2,751,777	3,186,709	3,649,907	3,138,307	2,104,838	1,059,665
Current Assets	11,078,791	10,205,599	9,924,138	7,538,288	7,009,055	7,117,391
<b>Total Assets</b>	<b>47,680,009</b>	<b>47,777,776</b>	<b>48,530,623</b>	<b>46,448,732</b>	<b>45,491,678</b>	<b>45,501,205</b>
<b>Financed By</b>						
<b>Shareholders' Equity</b>	<b>23,529,257</b>	<b>19,419,121</b>	<b>17,568,027</b>	<b>17,283,455</b>	<b>10,744,915</b>	<b>8,478,635</b>
<b>Long-term liabilities</b>						
Long term financing	12,601,197	14,877,802	17,328,806	17,510,223	18,403,048	17,357,208
Long term trade payables	-	356,493	470,634	522,828	-	-
Lease liabilities	83,394	-	-	17,327	31,675	45,032
Deferred grant income	-	-	-	-	1,997	7,079
Deferred liabilities	356,996	302,396	170,307	136,270	108,965	94,931
<b>Current liabilities</b>	<b>11,109,165</b>	<b>12,821,964</b>	<b>12,992,849</b>	<b>10,978,629</b>	<b>16,201,078</b>	<b>19,518,320</b>
<b>Total Funds Invested</b>	<b>47,680,009</b>	<b>47,777,776</b>	<b>48,530,623</b>	<b>46,448,732</b>	<b>45,491,678</b>	<b>45,501,205</b>

Financial Performance (Rs in '000)	2025	2024	2023	2022	2021	2020
Revenue	29,520,136	31,077,214	28,939,096	17,494,878	14,220,613	4,113,353
Gross profit / (loss)	8,398,898	6,790,401	6,932,216	2,482,131	3,089,637	(116,167)
Operating profit / (loss)	4,616,219	3,028,707	3,732,098	1,304,202	1,928,231	(988,226)
Profit / (loss) before taxation and levy	1,572,313	(1,918,919)	(80,911)	(1,330,626)	(671,208)	(3,966,776)
Profit / (loss) after taxation and levy	814,996	(2,703,284)	168,993	(443,946)	358,359	(3,621,629)
Total comprehensive income / (loss)	810,136	(2,848,906)	284,572	(461,460)	353,751	(3,617,069)
Earnings / (loss) per share (Rupee)	0.44	(2.88)	(0.19)	(0.62)	0.17	(3.41)

Cash Flow Summary (Rs in '000)	2025	2024	2023	2022	2021	2020
Net cash generated from / (used in) operating activities	1,539,793	(3,808,360)	758,576	(503,905)	(1,507,764)	1,424,013
Net cash used in investing activities	(211,950)	(361,721)	(158,163)	(170,845)	(50,215)	(6,942,544)
Net cash (used in) / generated from financing activities	(229,536)	8,105,283	(4,170,365)	787,419	1,630,909	5,379,684
Increase / (decrease) in cash and cash equivalents	1,098,307	3,935,202	(3,569,953)	112,669	72,930	(138,847)
Cash and cash equivalents at the beginning of the year	136,925	(3,798,277)	(228,325)	(340,994)	(413,924)	(275,077)
Cash and cash equivalents at end of the year	1,235,232	136,925	(3,798,277)	(228,325)	(340,994)	(413,924)

## ANALYSIS OF STATEMENT OF FINANCIAL POSITION

Description (Rs in '000)	2025	2024	2023	2022	2021	2020
Share capital & reserves	23,529,257	19,419,121	17,568,027	17,283,455	10,744,915	8,478,635
Non current liabilities	13,041,587	15,536,691	17,969,747	18,186,648	18,545,685	17,504,250
Current Liabilities	11,109,165	12,821,964	12,992,849	10,978,629	16,201,078	19,518,320
<b>Total equity &amp; liabilities</b>	<b>47,680,009</b>	<b>47,777,776</b>	<b>48,530,623</b>	<b>46,448,732</b>	<b>45,491,678</b>	<b>45,501,205</b>
Non current assets	36,601,218	37,572,177	38,606,485	38,910,444	38,482,623	38,383,814
Current assets	11,078,791	10,205,599	9,924,138	7,538,288	7,009,055	7,117,391
<b>Total assets</b>	<b>47,680,009</b>	<b>47,777,776</b>	<b>48,530,623</b>	<b>46,448,732</b>	<b>45,491,678</b>	<b>45,501,205</b>

Vertical Analysis - %	2025	2024	2023	2022	2021	2020
Share capital & reserves	49	41	36	37	24	19
Non current liabilities	28	32	37	39	41	38
Current liabilities	23	27	27	24	35	43
<b>Total equity &amp; liabilities</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
Non current assets	77	79	80	84	85	84
Current assets	23	21	20	16	15	16
<b>Total assets</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Horizontal Analysis - Cumulative %	2025	2024	2023	2022	2021	2020
Share capital & reserves	178	129	107	104	27	100
Non current liabilities	(25)	(11)	3	4	6	100
Current liabilities	(43)	(34)	(33)	(44)	(17)	100
<b>Total equity &amp; liabilities</b>	<b>5</b>	<b>5</b>	<b>7</b>	<b>2</b>	<b>0</b>	<b>100</b>
Non current assets	(5)	(2)	1	1	0	100
Current assets	56	43	39	6	(2)	100
<b>Total assets</b>	<b>5</b>	<b>5</b>	<b>7</b>	<b>2</b>	<b>0</b>	<b>100</b>

Horizontal Analysis - Year on Year %	2025 vs 2024	2024 vs 2023	2023 vs 2022	2022 vs 2021	2021 vs 2020	2020 vs 2019
Share capital & reserves	21	11	2	61	27	(27)
Non current liabilities	(16)	(14)	(1)	(2)	6	(8)
Current liabilities	(13)	(1)	18	(32)	(17)	100
<b>Total equity &amp; liabilities</b>	<b>0</b>	<b>(2)</b>	<b>4</b>	<b>2</b>	<b>0</b>	<b>13</b>
Non current assets	(3)	(3)	(1)	1	0	14
Current assets	9	3	32	8	(2)	8
<b>Total assets</b>	<b>0</b>	<b>(2)</b>	<b>4</b>	<b>2</b>	<b>0</b>	<b>13</b>

\* Financial year 2020 is considered as a base year for above analysis.



## ANALYSIS STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Description (Rs in '000)	2025	2024	2023	2022	2021	2020
Revenue	29,520,136	31,077,214	28,939,096	17,494,878	14,220,613	4,113,353
Cost of sales	(21,121,238)	(24,286,813)	(22,006,880)	(15,012,747)	(11,130,976)	(4,229,520)
<b>Gross profit / (loss)</b>	<b>8,398,898</b>	<b>6,790,401</b>	<b>6,932,216</b>	<b>2,482,131</b>	<b>3,089,637</b>	<b>(116,167)</b>
Selling and distribution expenses	(3,012,206)	(3,175,039)	(1,960,273)	(965,724)	(1,195,573)	(426,535)
Administrative expenses	(529,165)	(442,075)	(367,107)	(286,584)	(254,537)	(190,279)
Other (expenses) / income - net	(241,308)	(144,580)	(872,738)	74,379	288,704	(255,245)
<b>Operating profit / (loss)</b>	<b>4,616,219</b>	<b>3,028,707</b>	<b>3,732,098</b>	<b>1,304,202</b>	<b>1,928,231</b>	<b>(988,226)</b>
Finance cost - net	(3,043,906)	(4,947,626)	(3,813,009)	(2,634,828)	(2,599,439)	(2,978,550)
<b>Profit / (loss) before taxation and levy</b>	<b>1,572,313</b>	<b>(1,918,919)</b>	<b>(80,911)</b>	<b>(1,330,626)</b>	<b>(671,208)</b>	<b>(3,966,776)</b>
Taxation and levy	(757,317)	(784,365)	249,904	886,680	1,029,567	345,147
<b>Profit / (loss) after taxation and levy</b>	<b>814,996</b>	<b>(2,703,284)</b>	<b>168,993</b>	<b>(443,946)</b>	<b>358,359</b>	<b>(3,621,629)</b>
Other comprehensive (loss) / income	(4,860)	(145,622)	115,579	(17,514)	(4,608)	4,560
<b>Total comprehensive income / (loss)</b>	<b>810,136</b>	<b>(2,848,906)</b>	<b>284,572</b>	<b>(461,460)</b>	<b>353,751</b>	<b>(3,617,069)</b>

Vertical Analysis - %	2025	2024	2023	2022	2021	2020
Revenue	100	100	100	100	100	100
Cost of sales	(72)	(78)	(76)	(86)	(78)	(103)
<b>Gross profit / (loss)</b>	<b>28</b>	<b>22</b>	<b>24</b>	<b>14</b>	<b>22</b>	<b>(3)</b>
Selling and distribution expenses	(9)	(11)	(7)	(5)	(8)	(10)
Administrative expenses	(2)	(1)	(1)	(2)	(2)	(5)
Other (expenses) / income - net	(1)	0	(3)	0	2	(6)
<b>Operating profit / (loss)</b>	<b>16</b>	<b>10</b>	<b>13</b>	<b>7</b>	<b>14</b>	<b>(24)</b>
Finance cost - net	(11)	(16)	(13)	(15)	(19)	(72)
<b>Profit / (loss) before taxation and levy</b>	<b>5</b>	<b>(6)</b>	<b>0</b>	<b>(8)</b>	<b>(5)</b>	<b>(96)</b>
Taxation and levy	(3)	(3)	1	5	8	8
<b>Profit / (loss) after taxation and levy</b>	<b>3</b>	<b>(9)</b>	<b>1</b>	<b>(3)</b>	<b>3</b>	<b>(88)</b>
Other comprehensive (loss) / income	0	0	0	0	0	0
<b>Total comprehensive income / (loss)</b>	<b>3</b>	<b>(9)</b>	<b>1</b>	<b>(3)</b>	<b>3</b>	<b>(88)</b>

Horizontal Analysis - Cumulative %	2025	2024	2023	2022	2021	2020
Revenue	618	656	604	325	246	100
Cost of sales	399	474	420	255	163	100
<b>Gross profit / (loss)</b>	<b>7,330</b>	<b>5,945</b>	<b>6,067</b>	<b>2,237</b>	<b>2,760</b>	<b>100</b>
Selling and distribution expenses	606	644	360	126	180	100
Administrative expenses	178	132	93	51	34	100
Other (expenses) / income - net	(5)	(43)	242	(129)	(213)	100
<b>Operating profit / (loss)</b>	<b>567</b>	<b>406</b>	<b>478</b>	<b>232</b>	<b>295</b>	<b>100</b>
Finance cost - net	2	66	28	(12)	(13)	100
<b>Profit / (loss) before taxation and levy</b>	<b>140</b>	<b>52</b>	<b>98</b>	<b>66</b>	<b>83</b>	<b>100</b>
Taxation and levy	(319)	(327)	(28)	157	198	100
<b>Profit / (loss) after taxation and levy</b>	<b>(123)</b>	<b>(25)</b>	<b>(105)</b>	<b>(88)</b>	<b>(110)</b>	<b>100</b>
Other comprehensive (loss) / income	(207)	(3,293)	2,435	(484)	(201)	100
<b>Total comprehensive income / (loss)</b>	<b>122</b>	<b>21</b>	<b>108</b>	<b>87</b>	<b>110</b>	<b>100</b>

Horizontal Analysis - Year on Year %	2025 vs 2024	2024 vs 2023	2023 vs 2022	2022 vs 2021	2021 vs 2020	2020 vs 2019
Revenue	(5)	7	65	23	246	7
Cost of sales	(13)	10	47	35	163	14
<b>Gross profit / (loss)</b>	<b>24</b>	<b>(2)</b>	<b>179</b>	<b>(20)</b>	<b>2,760</b>	<b>(174)</b>
Selling and distribution expenses	(5)	62	103	(19)	180	248
Administrative expenses	20	20	28	13	34	33
Other (expenses) / income - net	67	(83)	1,273	(74)	213	72
<b>Operating profit / (loss)</b>	<b>52</b>	<b>(19)</b>	<b>186</b>	<b>(32)</b>	<b>295</b>	<b>286</b>
Finance cost - net	(38)	30	45	1	(13)	1,809
<b>Profit / (loss) before taxation and levy</b>	<b>182</b>	<b>2,272</b>	<b>(94)</b>	<b>98</b>	<b>(83)</b>	<b>862</b>
Taxation and levy	(3)	414	(72)	(14)	198	(65)
<b>Profit / (loss) after taxation and levy</b>	<b>130</b>	<b>(1,700)</b>	<b>138</b>	<b>(224)</b>	<b>110</b>	<b>(722)</b>
Other comprehensive (loss) / income	(97)	(226)	760	280	(201)	(99)
<b>Total comprehensive income / (loss)</b>	<b>128</b>	<b>(1,101)</b>	<b>162</b>	<b>(230)</b>	<b>110</b>	<b>(488)</b>

\* Financial year 2020 is considered as a base year for above analysis.

# COMMENTS ON SIX YEARS ANALYSIS

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

### Revenue

Revenue surged by 618% from Rs. 4,113 million in 2020 to Rs. 29,520 million in 2025, driven by price optimization and significant volume increase fueled by enhanced capacity. The production capacity has increased by 257% from 3,000 TPD to 10,700 TPD, following the commissioning of a new 7,700 TPD plant, that commenced production on July 1, 2020.

### Cost of Sales

Company experienced a significant increase in total costs, rising 399% from Rs. 4,230 million in 2020 to Rs. 21,121 million in 2025. This substantial growth in production cost was primarily driven by higher production volumes, coupled with increased costs of raw materials, packing materials, fuel and electricity.

### Gross Profit

The Company's Gross Profit (GP) experienced a remarkable 7330% growth, from gross loss of Rs. 116 million in 2020 to gross profit of Rs. 8,398 million in 2025. Moreover, the gross profit margin has also improved significantly, rising from negative 3% to 28%.

The increase in gross profit is consistent with the fluctuations in revenue and costs over the years. The increase in gross profit margin is primarily attributed to the use of alternative fuels and adopting other fuel-efficient production strategies, coupled with increased sales volumes and prices.

### Net Profit / Loss

The Company achieved a remarkable turnaround in 2025, going from a net loss of Rs. 3.62 billion in 2020 to a net profit of Rs. 815 million. This transformation was due to substantial improvement in GP margin driven by effective production cost controls, significant savings from the use of alternative fuels and a notable reduction in finance cost.

## STATEMENT OF FINANCIAL POSITION

### Share Capital & Reserves

The Company's share capital witnessed a whopping increase of 178%, which is mainly due to contribution of Rs. 15,000 million from associated undertakings.

### Liabilities

The Company's non-current liabilities decreased between 2020 and 2025, primarily attributed to the repayment of local currency and foreign currency long-term financing and trade payable.

The Company's current liabilities fell by 43%, approximately by Rs. 8.4 billion, between 2020 and 2025. This decline was driven primarily by effective working-capital management, as both trade and other payables and short-term financing decreased gradually over the six-year period.

### Assets

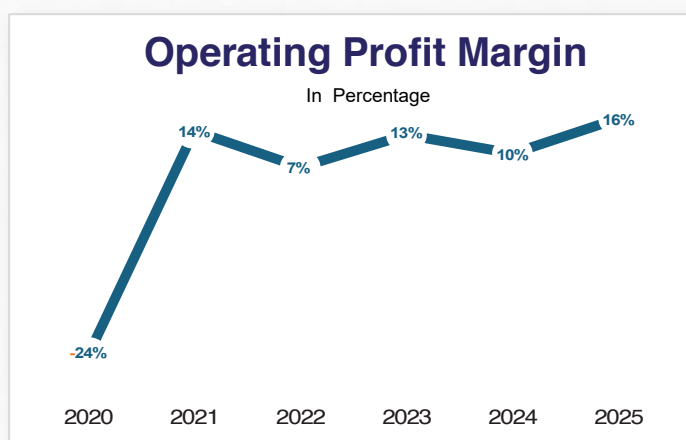
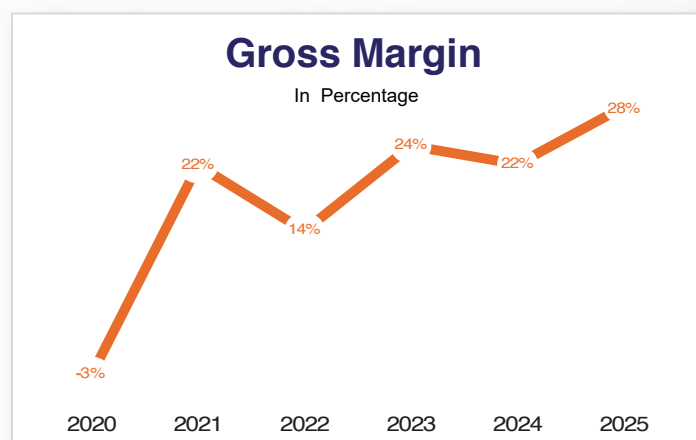
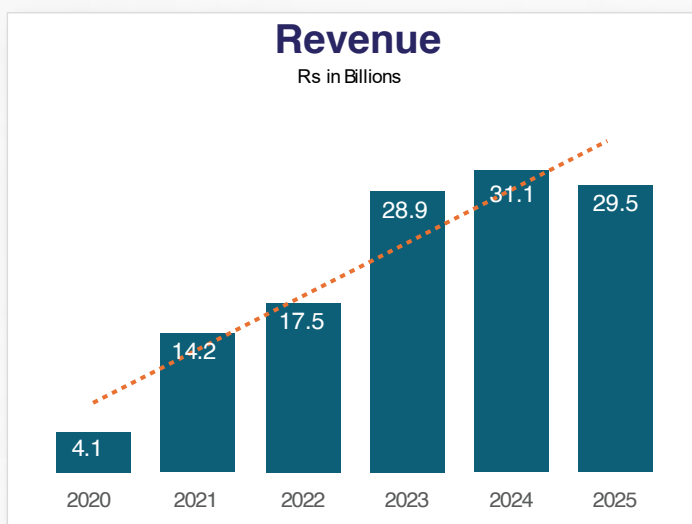
The Company's non-current assets decreased by about 5% from 2020 to 2025, mainly due to depreciation, particularly on plant and machinery. However, the deferred tax asset increased substantially due to accumulated losses during these years, which partly offset the overall decline.

The Company's current assets rose by 56% from 2020 to 2025, primarily driven by the increase in stock level of Inventory and stores, spares and loose tools. More over, short term investments and cash and bank balances has also increased substantially.

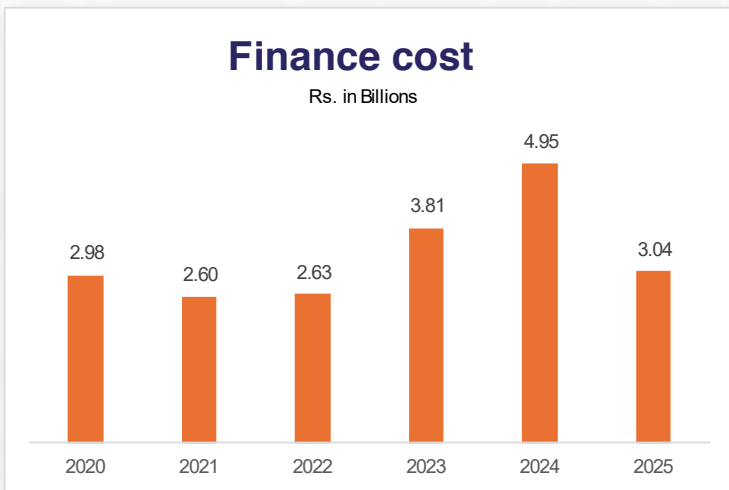
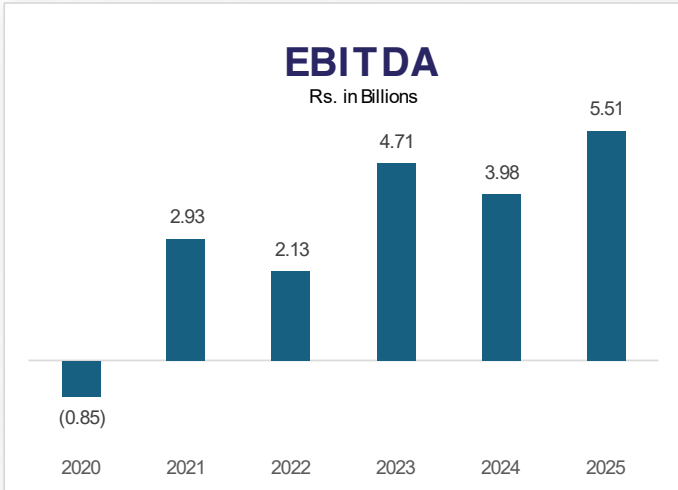
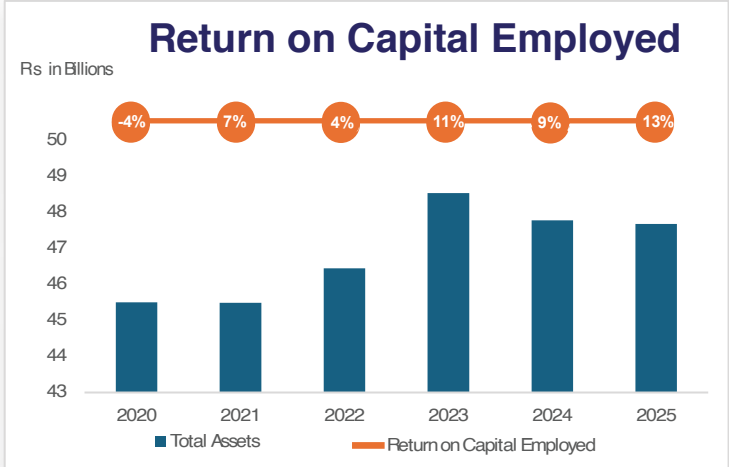
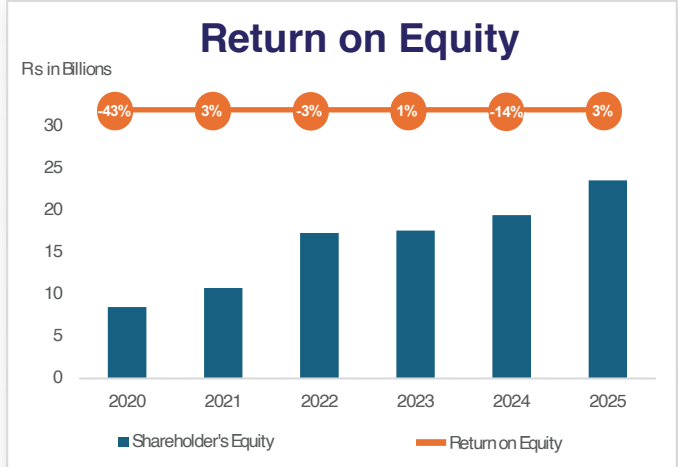
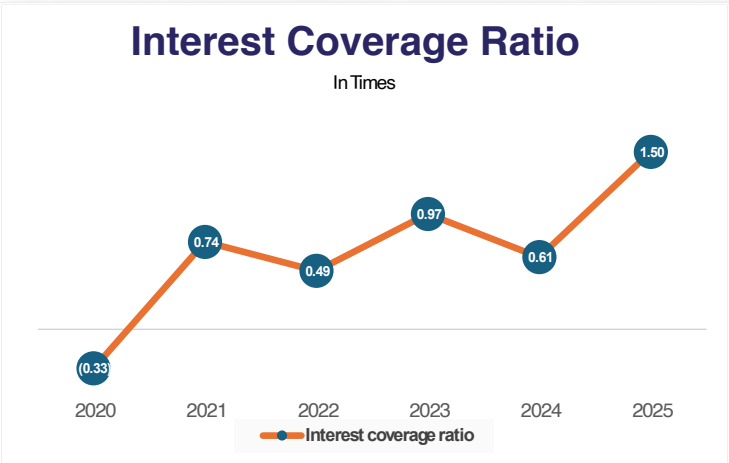
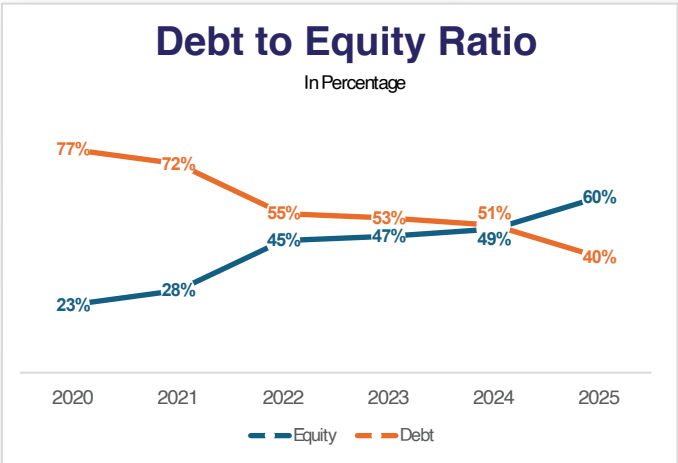
## STATEMENT OF CASH FLOWS

The Company's cash-flow statement shows a period of expansion, pressure, and then recovery. In 2020, the Company borrowed to build a new plant, which became operational in 2021. Local sales remained depressed after the pandemic, so operating cash flow was negative and additional borrowing was needed to manage working capital. From 2022 to 2024 unstable foreign-exchange rates and high KIBOR levels increased the finance costs and reduced net margins, leading to negative operating cash flows. In 2025 economic conditions stabilized and KIBOR reduced significantly, resulting in an operating cash inflow of Rs. 1.54 billion and hence, Company minimize the utilisation of its short-term debt. Year-end cash and cash equivalents stood at a healthy Rs. 1.24 billion.

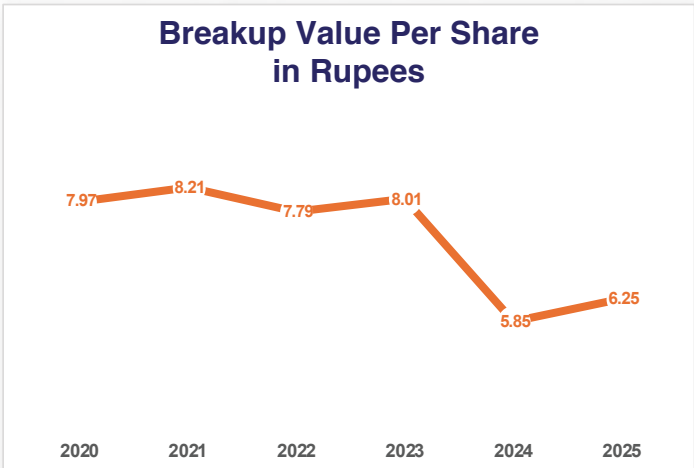
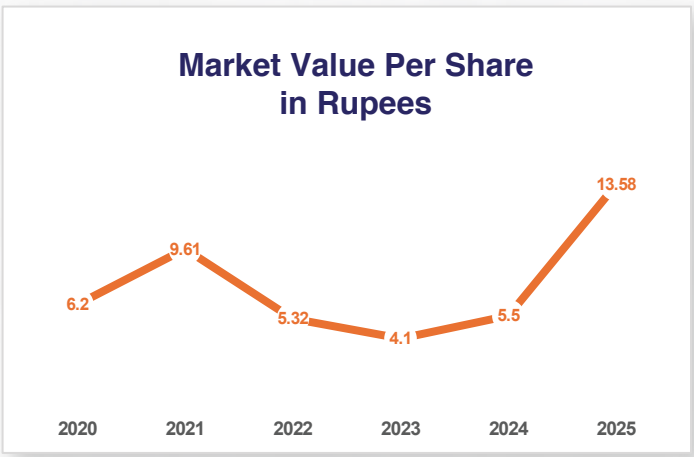
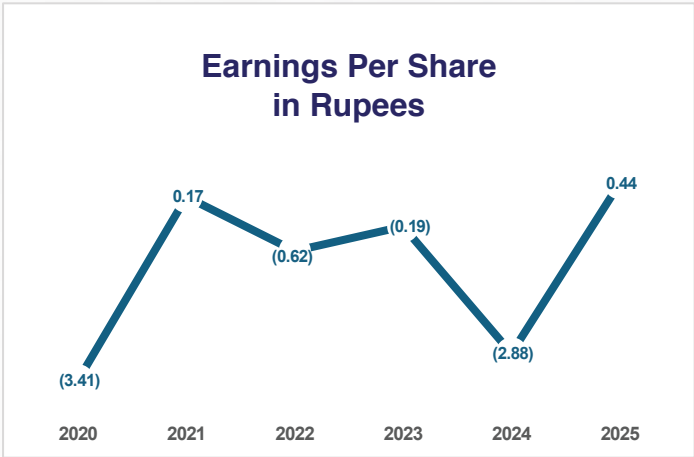
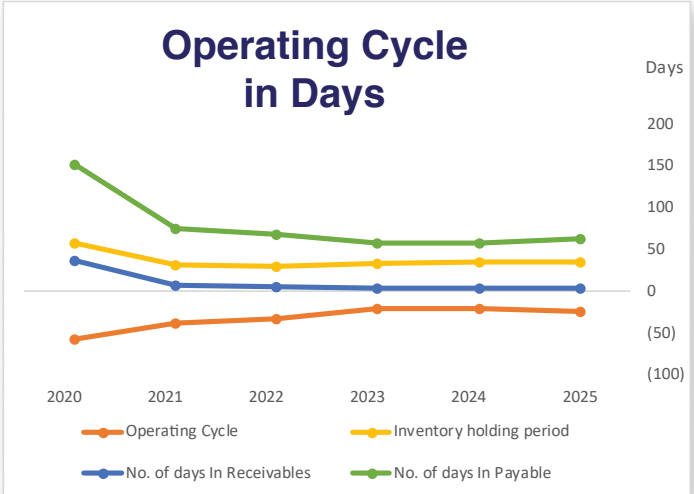
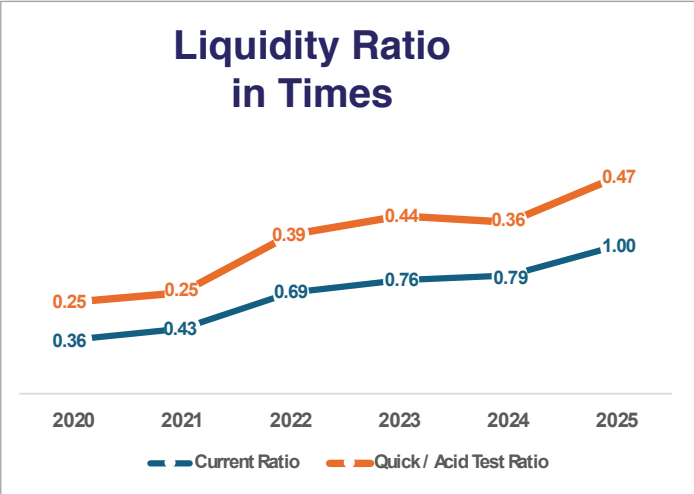
## GRAPHICAL PRESENTATION - STAKEHOLDERS' INFORMATION



GRAPHICAL PRESENTATION - STAKEHOLDERS' INFORMATION



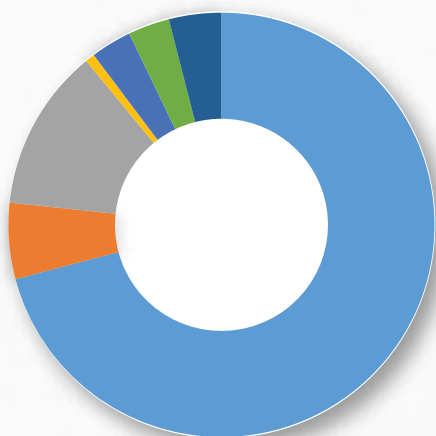
GRAPHICAL PRESENTATION - STAKEHOLDERS' INFORMATION



# COMPOSITION OF BALANCE SHEET

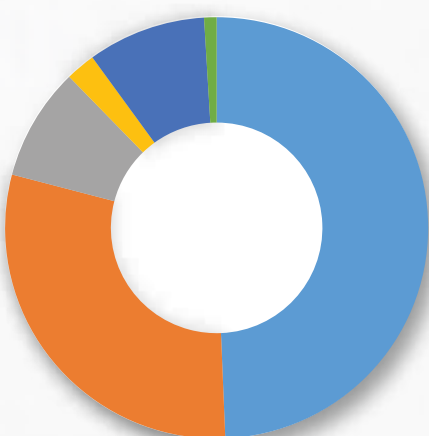
2025

## ASSETS



- Derivative financial asset 3%
- Cash and bank balances 3%
- Property, plant and equipment 71%
- Inventories and stores, spares and loose tools 12%
- Other assets 4%
- Trade receivables 1%
- Deferred tax asset 6%

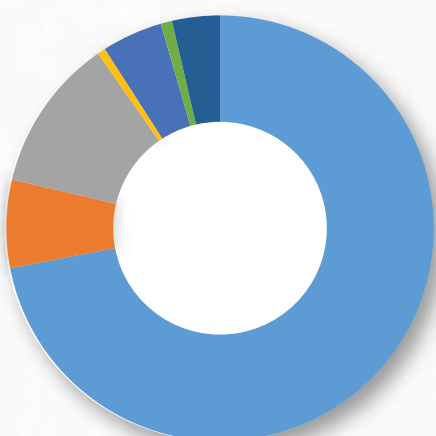
## EQUITIES & LIABILITIES



- Short term borrowings 9%
- Trade and other payables 9%
- Share capital and reserves 49%
- Other liabilities 1%
- Mark up accrued 2%
- Long term financing 30%

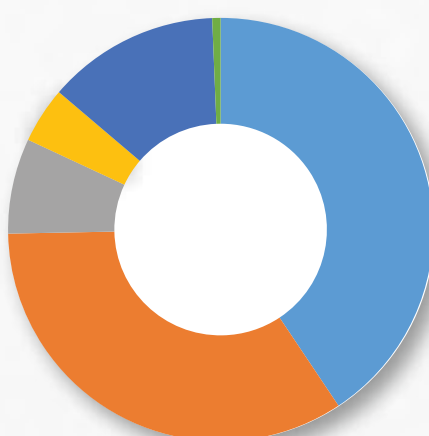
2024

## ASSETS



- Derivative financial asset 4%
- Cash and bank balances 1%
- Property, plant and equipment 72%
- Inventories and stores, spares and loose tools 12%
- Other assets 3%
- Trade receivables 1%
- Deferred tax asset 7%

## EQUITIES & LIABILITIES



- Short term borrowings 13%
- Trade and other payables 7%
- Share capital and reserves 41%
- Other liabilities 1%
- Mark up accrued 4%
- Long term financing 34%



# QUARTERLY PERFORMANCE

	Quarter 1 Sep-24	Quarter 2 Dec-24	Quarter 3 Mar-25	Quarter 4 Jun-25	Total
<b>Production Volumes (in Tons):</b>					
Cement production	327,188	467,732	437,947	369,116	1,601,983
Clinker production	477,339	620,699	378,490	658,385	2,134,913
Capacity utilization (%)	59.48%	77.35%	47.16%	82.04%	66.51%
<b>Sales Volumes (in Tons):</b>					
Cement & clinker dispatches (Local)	251,806	388,232	377,357	319,853	1,337,248
Clinker dispatches (Export)	99,897	174,491	116,234	292,666	683,288
Cement dispatches (Export)	42,802	151,009	65,232	105,371	364,414
	<u>394,505</u>	<u>713,732</u>	<u>558,823</u>	<u>717,890</u>	<u>2,384,950</u>
----- (Rupees in '000) -----					
Revenue	5,047,490	8,774,613	7,182,203	8,515,830	29,520,136
Cost of sales	(3,809,133)	(6,266,460)	(5,129,858)	(5,915,787)	(21,121,238)
Gross profit	<u>1,238,357</u>	<u>2,508,153</u>	<u>2,052,345</u>	<u>2,600,043</u>	<u>8,398,898</u>
Selling and distribution expenses	(436,783)	(930,429)	(626,031)	(1,018,963)	(3,012,206)
Administrative expenses	(124,082)	(165,824)	(143,550)	(95,709)	(529,165)
Other operating expenses	2,489	23,803	(111,177)	(117,195)	(202,080)
Impairment / (reversal) of allowance on trade receivables	-	(12,021)	-	(27,207)	(39,228)
	<u>(558,376)</u>	<u>(1,084,471)</u>	<u>(880,758)</u>	<u>(1,259,074)</u>	<u>(3,782,679)</u>
Operating profit	<u>679,981</u>	<u>1,423,682</u>	<u>1,171,587</u>	<u>1,340,969</u>	<u>4,616,219</u>
Finance income	7,162	7,319	15,330	4,856	34,667
Finance costs	(1,116,061)	(787,656)	(639,088)	(535,768)	(3,078,573)
Finance costs - net	<u>(1,108,899)</u>	<u>(780,337)</u>	<u>(623,758)</u>	<u>(530,912)</u>	<u>(3,043,906)</u>
(Loss) / profit before taxation & levy	<u>(428,918)</u>	<u>643,345</u>	<u>547,829</u>	<u>810,057</u>	<u>1,572,313</u>
Levy	(13,491)	(32,837)	(17,428)	63,756	-
Taxation	(49,746)	(85,984)	(214,843)	(406,744)	(757,317)
(Loss) / profit after taxation & levy	<u>(492,155)</u>	<u>524,524</u>	<u>315,558</u>	<u>467,069</u>	<u>814,996</u>
----- (Rupee) -----					
(Loss) / earnings per share	<u>(0.55)</u>	<u>0.40</u>	<u>0.22</u>	<u>0.37</u>	<u>0.44</u>

## RESULTS REPORTED IN INTERIM AND ANNUAL FINANCIAL STATEMENTS

Particulars	Interim Results						Annual Results	
	3 months period		6 months period		9 months period		Year ended June 30, 2025	
	Rs in '000	%	Rs in '000	%	Rs in '000	%	Rs in '000	%
Revenue	5,047,490		13,822,103		21,004,306		29,520,136	
Gross profit	1,238,357	24.53%	3,746,510	27.11%	5,798,855	27.61%	8,398,898	28.45%
Operating Profit	679,981	13.47%	2,103,663	15.22%	3,275,250	15.59%	4,616,219	15.64%
(Loss) / profit before taxation and levy	(428,918)	-8.50%	214,427	1.55%	762,256	3.63%	1,572,313	5.33%
(Loss) / profit after taxation and levy	(492,155)	-9.75%	32,369	0.23%	347,927	1.66%	814,996	2.76%
(Loss) / earnings per share	(0.55)		(0.15)		0.07		0.44	

# QUARTERLY ANALYSIS

## Quarter # 1:

The Company faced significant challenges in the 1st quarter. Total dispatches declined due to heavy monsoon rains which caused a 29.4% decline in domestic sales volumes for South Zone. The gross-profit margin was low while finance costs remained substantial at Rs. 1,109 million, resulting in a loss after tax of Rs. 492 million and loss per share (LPS) of Rs. 0.55.

## Quarter # 2:

The Company achieved a strong recovery in the 2nd quarter, driven by higher local sales volumes and a significant reduction in finance costs due to the decline in policy rates coupled with contribution from sponsors. The gross-profit margin increased in the 2nd quarter with substantial savings in finance cost resulting in profit after tax of Rs. 525 million and earnings per share (EPS) of Rs. 0.40.

## Quarter # 3:

The Company continued its recovery in the third quarter following the growth momentum of the second quarter driven by a significant reduction in finance costs, improved operational efficiencies, use of alternative fuels and lower electricity costs. The gross-profit margin remains steady but local sales volumes declined, which resulted in a profit after tax of Rs. 316 million and earnings per share (EPS) of Rs. 0.22 lower than the previous quarter.

## Quarter # 4:

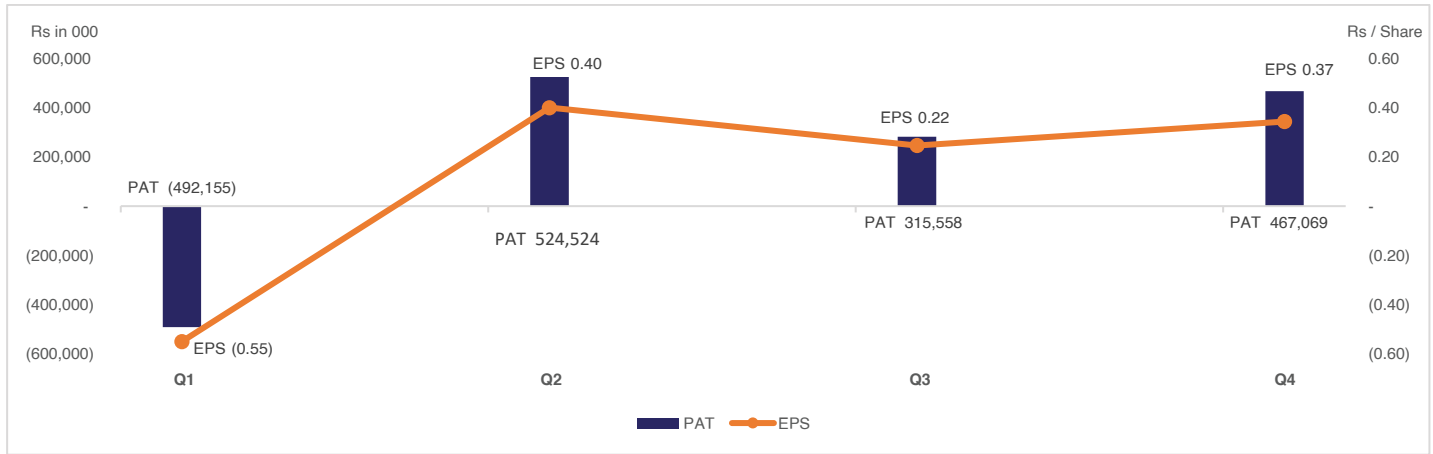
The company closed the year on a strong note with quarterly dispatches appreciated to 718 thousand tons, and capacity utilization of 82 percent, which were highest during the year. The gross profit margin improved due to appreciation in selling price and finance costs dropped to Rs. 531 million, which was the lowest in the year. The Company posted a profit after tax of Rs 467 million with an EPS of Rs. 0.37.

## Annual Result:

The Company achieved a steady recovery after a difficult start to the year mainly due to a continued reduction in finance costs and an increase in selling prices in the last quarter. Despite the decline in local sales volume of the South Zone by 1.59% to 6.07 million tons from 6.17 million tons, the Company maintained its market share.

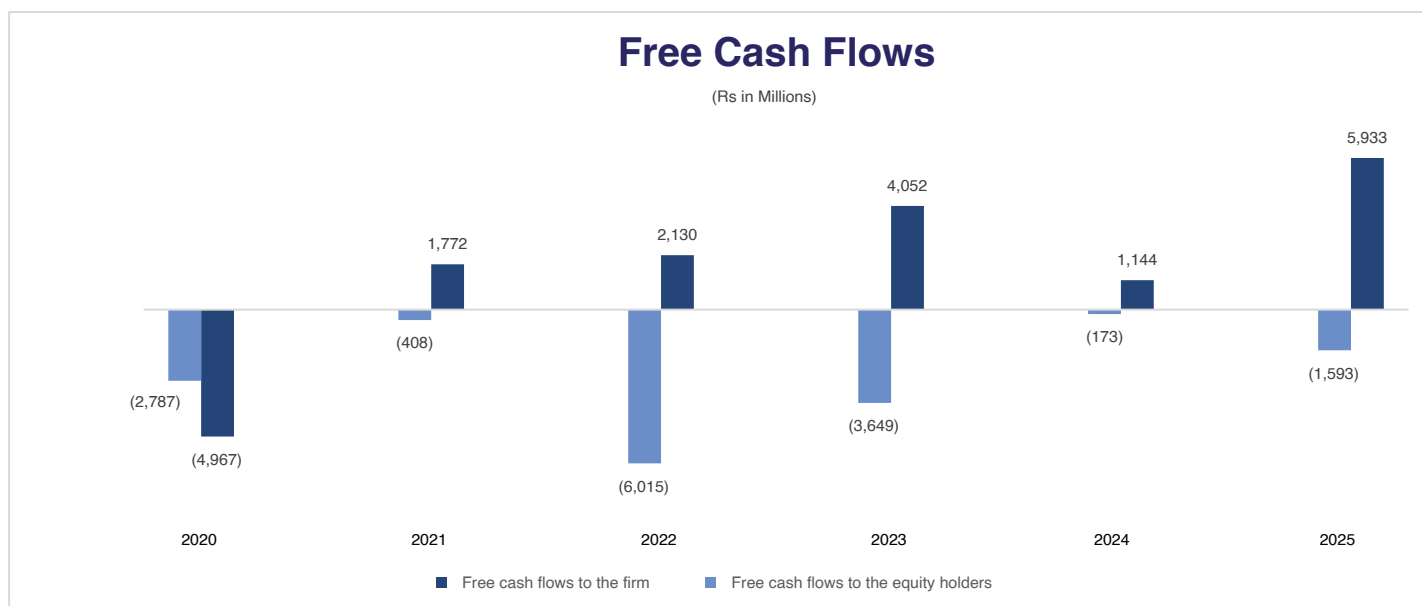
A significant turnaround in profitability was observed with annual earnings per share (EPS) of Rs. 0.44 and a net profit of Rs. 815 million. This performance was driven by operational efficiencies, strict cost control, lower electricity costs, and

## GRAPHICAL PRESENTATION OF QUARTERLY PERFORMANCE ANALYSIS



# FREE CASH FLOWS

	2025	2024	2023	2022	2021	2020
----- (Rupees in '000) -----						
Profit /(loss) before taxation	1,572,313	(1,918,919)	(80,911)	(1,330,626)	(671,208)	(3,966,776)
Adjustment for non-cash items	4,120,011	6,115,306	5,681,184	3,413,705	3,329,067	3,416,935
Changes in working capital	492,151	(2,663,569)	(1,372,555)	236,904	(820,610)	2,616,892
Net cash generated from operating activities	6,184,475	1,532,818	4,227,718	2,319,983	1,837,249	2,067,051
Capital expenditure	(251,364)	(389,274)	(175,998)	(189,772)	(65,452)	(7,034,177)
<b>Free cash flows to the firm</b>	<b>5,933,111</b>	<b>1,143,544</b>	<b>4,051,720</b>	<b>2,130,211</b>	<b>1,771,797</b>	<b>(4,967,126)</b>
Net borrowing (repaid) / received	(3,529,536)	3,405,283	(4,170,365)	(5,532,581)	964,388	2,933,831
Interest payments	(3,996,842)	(4,721,818)	(3,530,151)	(2,612,170)	(3,144,326)	(753,458)
<b>Free cash flows to the equity holders</b>	<b>(1,593,267)</b>	<b>(172,991)</b>	<b>(3,648,796)</b>	<b>(6,014,540)</b>	<b>(408,141)</b>	<b>(2,786,753)</b>



## ANALYSIS ON FREE CASH FLOWS

Free cash flows represent the cash a company can generate after required investment to maintain or expand its asset base. It is a measurement of a company's financial performance and health.

The Company's Free Cash Flow to the Firm (FCFF) experienced remarkable growth in FY 2025 as compared to the previous year and this was primarily attributed to the exceptional turnaround of the Company from a net loss of Rs. 2.70 billion to a net profit of Rs.815 million. However, the Free Cash Flow to Equity Holders (FCFE) witnessed a decline due to significant repayments of short-term borrowings.

# STATEMENT OF CASH FLOWS - DIRECT METHOD

	2025 ----- (Rs. '000)	2024 -----
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Cash receipts from customers	30,016,643	31,207,584
Cash paid to suppliers and employees	(24,324,319)	(27,011,197)
<b>Net cash generated from operations</b>	<b>5,692,324</b>	<b>4,196,387</b>
Increase in stores, spares and loose tools	(296,037)	(1,895,722)
(Increase) / decrease in inventories	(36,304)	573,328
Increase in trade receivables	(56,903)	(48,375)
Decrease in advances and other receivables	164,492	129,392
Increase in short term investments	(5,084)	(4,700)
Increase in trade deposits and short-term prepayments	(39,804)	(14,586)
Increase / (Decrease) in trade and other payables	761,791	(1,402,906)
Income tax and levy paid	(585,855)	(578,981)
Leave encashment paid	(9,911)	(3,993)
Gratuity paid	(46,074)	(41,378)
Deposits (paid) / received	(6,000)	4,992
Finance cost paid	(3,996,842)	(4,721,818)
<b>Net cash generated from / (used in) operating activities</b>	<b>1,539,793</b>	<b>(3,808,360)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure - Operations	(251,364)	(389,274)
Finance income received	37,956	26,012
Proceeds from sale of property, plant and equipment	1,458	1,541
<b>Net cash used in investing activities</b>	<b>(211,950)</b>	<b>(361,721)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of long-term financing	(1,553,777)	(1,671,177)
(Repayment of) / proceeds from short-term financing	(1,948,391)	5,098,624
Contribution from associated undertakings - net	3,300,000	4,700,000
Lease rentals paid	(27,368)	(22,164)
<b>Net cash (used in) / generated from financing activities</b>	<b>(229,536)</b>	<b>8,105,283</b>
Net increase in cash and cash equivalents	1,098,307	3,935,202
Cash and cash equivalents at the beginning of the year	136,925	(3,798,277)
<b>Cash and cash equivalents at end of the year</b>	<b>1,235,232</b>	<b>136,925</b>

# COMPOSITION OF LOCAL VERSUS IMPORTED MATERIAL AND SENSITIVITY ANALYSIS

	2025		2024	
	Rs. in '000	%	Rs. in '000	%
<b>Local Components</b>				
Raw materials consumed	2,698,800	14.64	2,593,578	12.18
Packing materials consumed	1,076,358	5.84	1,365,089	6.42
Fuel - other than imported coal	1,131,570	6.14	1,533,471	7.20
Power	3,919,479	21.26	5,005,866	23.51
Stores, spare parts and loose tools consumed	349,184	1.89	226,370	1.06
<b>Imported Components</b>				
Fuel - coal	8,466,328	45.93	10,039,275	47.15
Stores, spare parts and loose tools consumed	792,451	4.30	528,197	2.48
Total	18,434,170	100.00	21,291,847	100.00

## Sensitivity analysis

If US\$ to Pak Rupee exchange rate fluctuates by 1% , the impact on cost of production on above imported components would have been as follows:

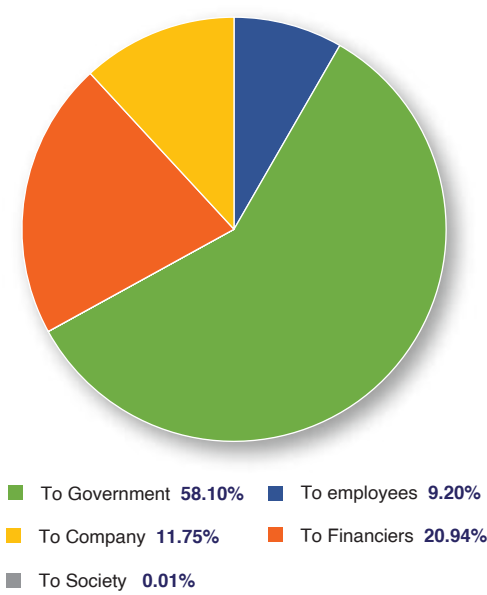
	2025	2024
Average USD Rate (in Rs)	279.58	283.20
Increase of 1% in exchange rate (Rs. In '000)	92,588	105,675
Decrease of 1% in exchange rate (Rs. In '000)	(92,588)	(105,675)

The management constantly monitors the international coal prices and exchange rates and takes necessary and timely steps to mitigate such impacts.

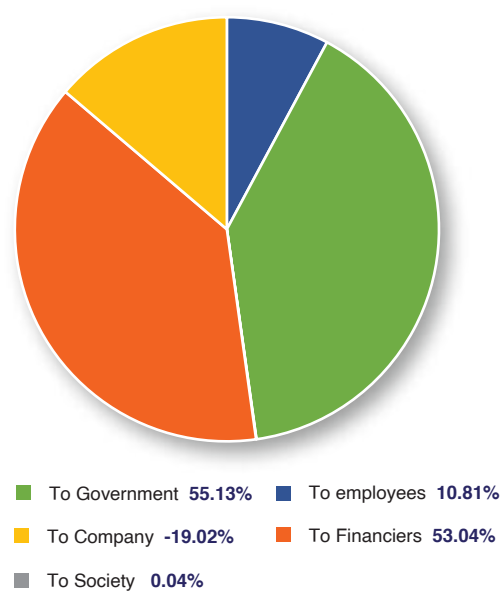
# STATEMENT OF VALUE ADDITION & DISTRIBUTION OF WEALTH

	2025		2024	
	Rs. in '000	%	Rs. in '000	%
<b>Wealth Created</b>				
<b>Turnover - Gross</b>	40,024,259	275.32	38,318,834	410.77
Less: Operating cost & other general expenses	(25,486,898)	(175.32)	(28,990,393)	(310.77)
<b>Total Wealth generated during the year</b>	<b>14,537,361</b>	<b>100.00</b>	<b>9,328,441</b>	<b>100.00</b>
<b>Distribution of Wealth</b>				
<b>To employees</b>				
Salaries, wages and other benefits	1,337,066	9.20	1,008,118	10.81
<b>To Government</b>				
Income tax, sales tax, excise duty and others	8,447,974	58.10	5,142,885	55.13
<b>To Society</b>				
Donation towards education, health and environment	805	0.01	3,624	0.04
<b>To Financiers</b>				
To Finance providers as Finance charges	3,043,906	20.94	4,947,626	53.04
<b>To Company</b>				
Depreciation, amortization & retained profit	1,707,610	11.75	(1,773,812)	(19.02)
<b>Total Wealth distributed during the year</b>	<b>14,537,361</b>	<b>100.00</b>	<b>9,328,441</b>	<b>100.00</b>

Wealth Distribution  
 2025



Wealth Distribution  
 2024





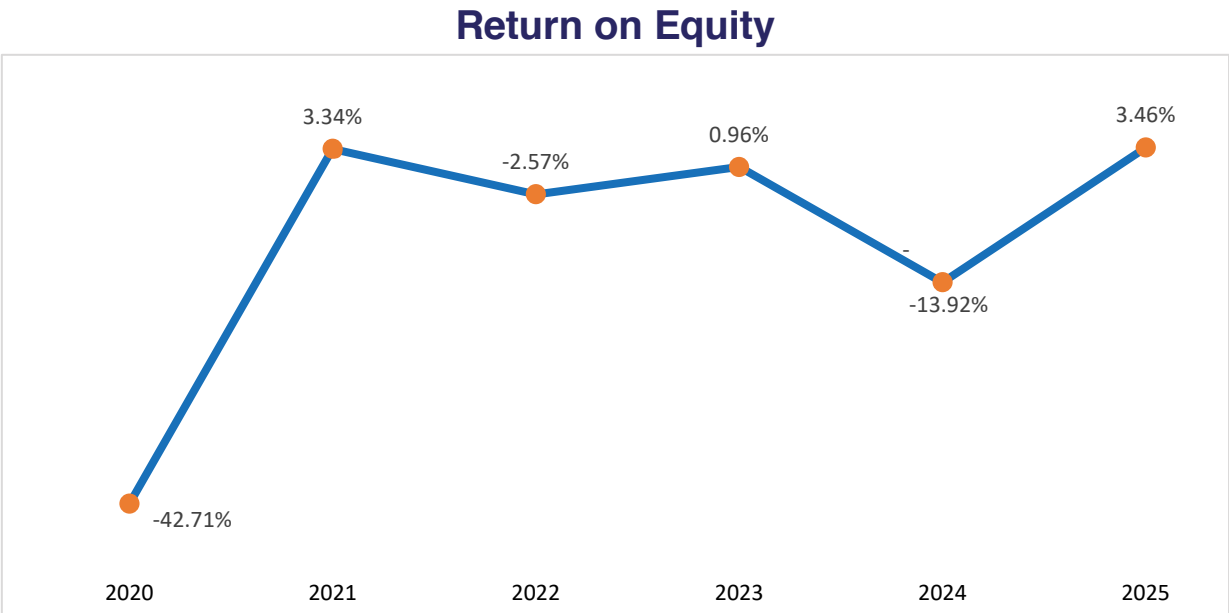
# DUPONT ANALYSIS

Year	Net Profit Margin (Net Profit / Revenue)	Asset Turnover (Revenue / Total Assets)	Return on Assets (Net Profit / Total Assets)	Equity Multiplier (Total Assets / Total Equity)	Return On Equity (Net Profit / Total Equity)
	A	B	C=A*B	D	E=C*D
2025	2.76%	0.62	1.71%	2.03	3.46%
2024	-8.70%	0.65	-5.66%	2.46	-13.92%
2023	0.58%	0.60	0.35%	2.76	0.96%
2022	-2.54%	0.38	-0.96%	2.69	-2.57%
2021	2.52%	0.31	0.79%	4.23	3.34%
2020	-88.05%	0.09	-7.96%	5.37	-42.71%

DuPont analysis is a valuable tool for investors, providing insight into a Company's financial performance and growth potential. By breaking down Return on Equity (ROE) into profit margin, asset turnover, and financial leverage, investors can identify areas of strength and weakness. This analysis helps investors evaluate management's effectiveness, assess risk, and make informed decisions about investment.

The main highlights of DuPont analysis are as follows:

- 1. The Company saw a significant turnaround with profit margins rising from negative 8.70% (2024) to positive 2.76% (2025), mainly due to lower finance costs.
- 2. A slight decrease in Asset turnover was observed due to lower export volumes.
- 3. Despite decrease in asset turnover, the Return on Assets (ROA) has improved substantially, driven by significant increase in net profit for the year.
- 4. The equity multiplier has decreased by 18% due to further contribution from associated undertakings of Rs. 3.3 billion.
- 5. Return on Equity surged due to a net profit of Rs. 815 million in the current year as compare to loss of Rs. 2.70 billion in the corresponding year.



# SHARE PRICE SENSITIVITY ANALYSIS

The Ordinary shares (POWER) and Preference shares (POWERPS) of Power Cement Limited are traded on Pakistan Stock Exchange (PSX). The free float for Ordinary and Preference Shares of the Company is 45%. The market capitalization of Power Cement Limited as on 30 June 2025 stood at Rs. 18.80 billion.

The Company's share price is sensitive to various internal factors such as company performance (revenue growth, profitability) and financial health (EPS, dividend payments) and various external factors such as economic environment, interest rates and foreign exchange rates.

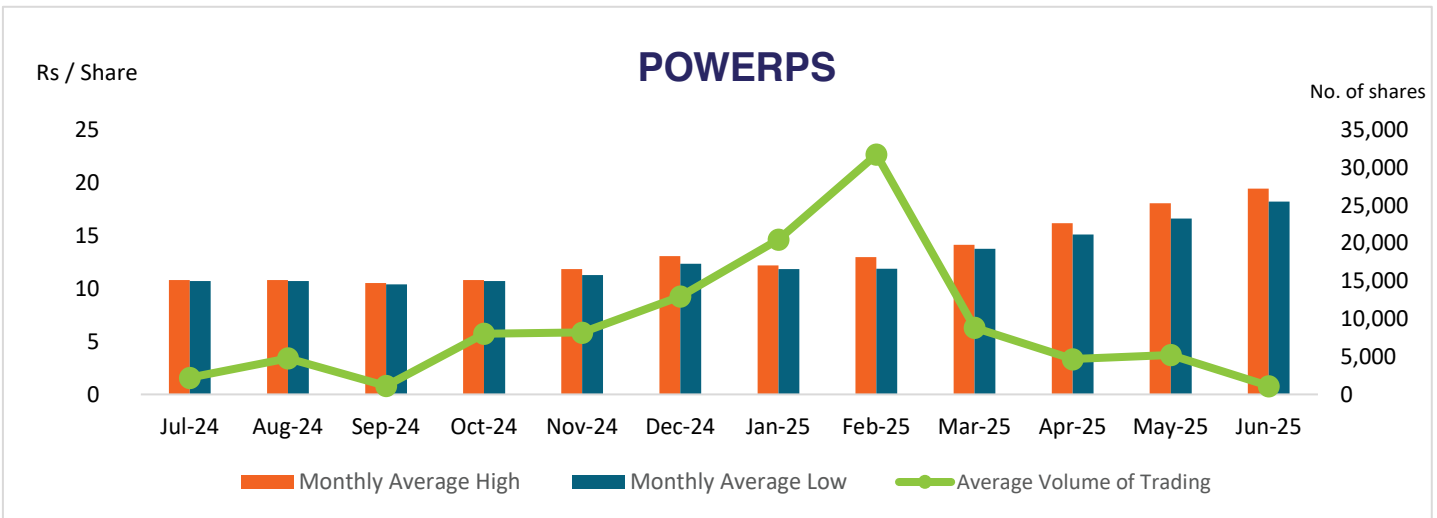
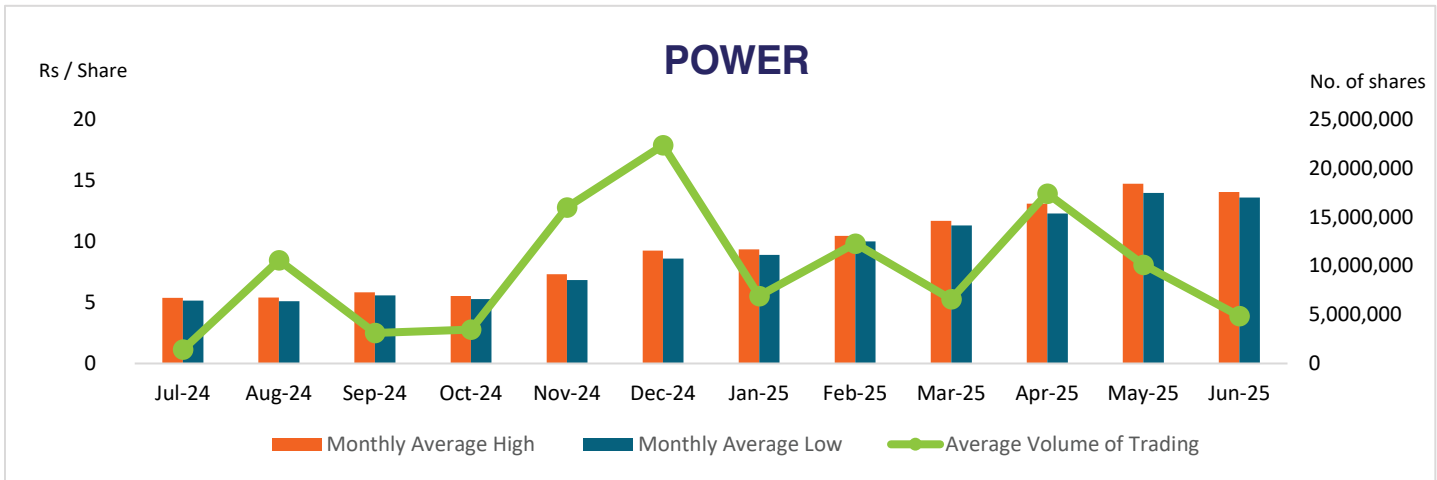
As detailed in Note 36 of the annual audited financial statements, the sensitivity analysis quantifies and demonstrates that even moderate fluctuations in the interest rates and foreign exchange rates can materially affect the Company’s Profit After Tax (PAT) and earnings per share (EPS) and, consequently, its share price.

During the year under review, market price of Ordinary share gained approximately 150% from Rs. 5.50/share to Rs. 13.58/share and market price of Preference share gained approximately 64% from Rs. 10.50/share to Rs. 17.17/share , whereas PSX's KSE 100 index gained 60% and moved from 78,445 points to 125,627 points. This upwards trend began after the 1st quarter, i.e. September 2024, as investors anticipated a sharp turnaround in financial performance due to falling policy rates.

The upward trend of share price affirms investors’ confidence in operational efficiencies of the Company, which was reflected in trading activity, which increased by 437%. These expectations were validated by the Company’s quarter-on-quarter improvement in profitability, driven by declining finance costs, lower energy prices, and increased selling prices.

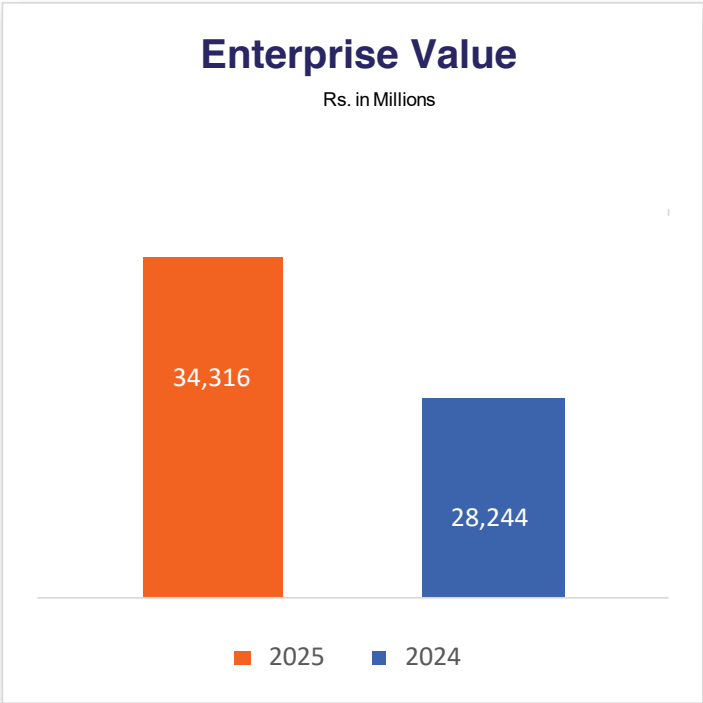
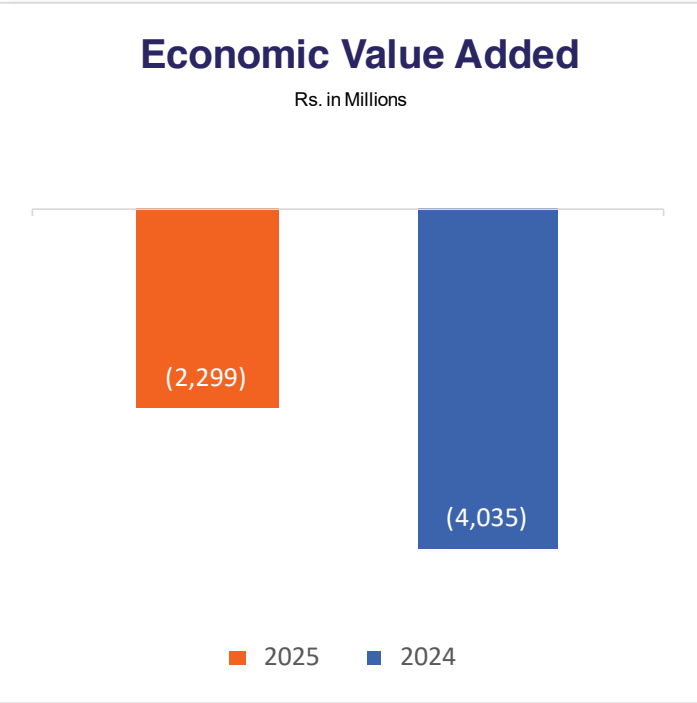
The table and graphs below outline the prices and volumes of the Company's ordinary and preference shares:

Ordinary Shares (POWER)				Preference Shares (POWERPS)		
Years	High	Low	Volume	High	Low	Volume
2024	6.43	3.49	434,425,778	11.11	4.40	7,743,801
2025	15.55	4.65	2,371,828,054	21.95	9.37	1,926,307



# ECONOMIC VALUE ADDED

	2025	2024
	----- (Rs. '000) -----	
<b>Cost of capital</b>		
Cost of equity	19.20%	21.80%
Cost of debt	13.59%	15.20%
Market value of equity	18,800,242	8,301,807
Market value of debt	17,011,607	20,349,509
Weighted average cost of capital (WACC)	16.53%	17.11%
Average capital employed	37,244,856	36,697,828
<b>Economic Value added</b>		
NOPAT (Net operating profit after tax)	3,858,902	2,244,342
Less: Cost of capital	(6,158,332)	(6,279,868)
	(2,299,430)	(4,035,526)
<b>Enterprise Value</b>		
Market value of equity	18,800,242	8,301,807
Add: Debt	17,011,607	20,349,509
Less: Cash & bank balance	(1,496,175)	(407,368)
	34,315,674	28,243,948
<b>Return Ratios</b>		
NOPAT / Average capital employed	10.36%	6.12%
EVA / Average capital employed	(6.17%)	(11.00%)
Enterprise value / Average capital employed	0.92 times	0.77 times




# CORPORATE CALENDER FOR THE FINANCIAL YEAR 2024-25



**ON SEPTEMBER 25, 2024**

The Board of Directors approved the annual audited financial statements of the Company for the year ended June 30, 2024 and the Directors' Report thereon.



**ON OCTOBER 24, 2024**

The 33rd Annual General Meeting (AGM) of the Company was held. The shareholders approved the annual audited accounts for the year ended June 30, 2024.



**ON OCTOBER 28, 2024**

The Board of Directors approved the condensed interim financial statements for the first quarter ended September 30, 2024 along with the Directors' Report thereon




**ON FEBRUARY 12, 2025**

The Board of Directors approved the condensed interim financial statements for the half year ended December 31, 2024 along with the Directors' Report thereon.



**ON APRIL 24, 2025**

The Board of Directors approved the condensed interim financial statements for the third quarter ended March 31, 2025 along with the Directors' Report thereon.



**ON MAY 21, 2025**

The Company conducted a mandatory Corporate Briefing Session (CBS) to inform the stakeholders about its performance and future plans.



# DISCLOSURES ON IT GOVERNANCE AND CYBERSECURITY

## CONTROLLING MOTION

A test of hand control and timing where the top must spin smoothly on a single point. Represents precision in movement and the ability to maintain control through constant rotation.

طسو





# DIGITAL TRANSFORMATION HIGHLIGHTS

Power Cement Limited (PCL) achieved major milestones in strengthening its digital backbone, driving resilience, efficiency, and sustainable growth:

**Governance Reinforced** – Robust IT Governance Framework with clear policies, monitoring, and accountability, ensuring full alignment of technology with business goals.

**Cybersecurity Elevated** – Deployment of Extended Detection & Response (XDR), secure email gateways, and deep security protocols delivering multi-layered protection against evolving threats.

**Resilience Secured** – Fully operational Disaster Recovery site and High Availability architecture ensuring uninterrupted operations and business continuity.

**Communication Secured** – On-premises Email Exchange platform implemented, enhancing data privacy, regulatory compliance, and enterprise-wide control.

- **Infrastructure Modernized** – Comprehensive network and hardware upgrade enabling faster, more stable, and scalable operations across all sites.
- **ERP Advanced** – Automation in plant maintenance, production, and budgeting workflows, unlocking predictive insights, cross-functional efficiency, and stronger governance.

Together, these achievements reflect PCL's commitment to building a secure, agile, and future-ready digital enterprise—a cornerstone of long-term value creation.



A close-up photograph of a hand moving a yellow Ludo piece on a board. The board has a grid pattern with yellow and blue squares. The hand is positioned over the piece, and the piece is being moved from one square to another. The background is blurred, showing other parts of the board and possibly other players.

# STAKEHOLDER RELATIONSHIP AND ENGAGEMENT

## INTERACTION & TRUST

Like Ludo, engagement with stakeholders requires patience and fairness. Every player matters, and progress depends on balancing competition with collaboration. Power Cement builds enduring trust by engaging all stakeholders with consistency, transparency, and respect.

# لوڈو



# STAKEHOLDER RELATIONSHIP & ENGAGEMENT

## Stakeholder Engagement-Bridging the Gap

At Power Cement Limited, we recognize that our success is closely linked to the strength of our relationships with stakeholders. We are committed to open dialogue, transparency, and mutual trust, ensuring that stakeholder needs, expectations, and concerns are understood and addressed responsibly. Guided by our vision, mission, and core values, we foster collaboration that creates shared value while fulfilling our corporate and regulatory responsibilities under the Listed Companies (CCG) Regulations, 2019, and other applicable requirements.

## Our Engagement Approach

Stakeholder engagement at Power Cement Limited is designed to strengthen long-term partnerships and build confidence in our business. The frequency and method of engagement vary according to stakeholder needs and business priorities. Below is a summary of our key stakeholder groups, our commitments, and the value created through these interactions:

### Stakeholders Engagement Process:

Stakeholders	Power Cement's Commitment	Effect and Value
Shareholders/ Investors/ Analysts	We value the trust placed in us and ensure transparency through Annual General Meetings, analyst briefings, and ongoing communication.	Providers of capital enable us to achieve our vision, mission, and business objectives.
Customers & Suppliers	We deliver competitive, high-quality products to our customers and maintain long-term relationships with distributors, dealers, and suppliers.	Customer loyalty and a resilient supply chain strengthen our growth and sustainability.
Banks and Lenders	We actively engage with financial institutions for short-term and long-term financing to support business continuity and growth.	Strong banking relationships ensure reliable access to financing and efficient financial services.
Media	We comply with legal requirements for notices and disclosures and promote our brand through diverse communication platforms.	Media engagement enhances visibility, strengthen reputation, and builds investor and customer trust.
Regulators	We adhere to all laws and regulations, ensuring timely submissions and compliance with statutory requirements.	Compliance fosters integrity, accountability, and long-term sustainability.
Employees	We prioritize employee well-being through training, development, and health initiatives, empowering them to drive results.	Human Capital is the backbone of our success and critical to executing strategic decisions.
Community	Through our Waste Heat Recovery and Solar Power Projects, alongside CSR programs, we reduce our carbon footprint and support local communities.	We contribute to clean energy generation, environmental protection, and social development.

This engagement framework reflects our ongoing commitment to building collaborative, transparent, and sustainable relationships with all stakeholders, ensuring long-term value creation and resilience.

# ENCOURAGEMENT OF MINORITY SHAREHOLDERS TO ATTEND GENERAL MEETINGS

At Power Cement Limited, we deeply value all our shareholders, including minority shareholders, recognizing their critical role as providers of financial capital. The Company ensures that every shareholder, irrespective of their shareholding size, has an opportunity to participate in shaping the Company's future by encouraging active engagement during Annual and Extraordinary General Meetings.

In compliance with regulatory requirements and to facilitate broader participation, we provide several avenues for shareholder involvement:

**Video Conferencing Facility:** As per SECP directives, we offer a video conferencing option to enable remote attendance at general meetings, encouraging minority shareholders to engage without the need for physical presence.

**Notices:** The notice of meetings, along with the Annual Report and proxy forms, is sent to all shareholders at least 21 days before the meeting. These notices are also published on the PSX portal, the Company's website, and in English and Urdu newspapers with nationwide circulation.

**Proxies:** Shareholders who are unable to attend in person can participate through proxies, with proxy forms provided to enable representation at the meeting.

We are committed to fostering upon, two-way communication during these meetings. Shareholders are encouraged to share their views, raise concerns, and provide suggestions, which are formally recorded and addressed in subsequent actions. This platform allows them to participate in discussions regarding the Company's operations, objectives, and future strategy, ensuring that their voices are heard and valued.

By providing these avenues and ensuring transparency, Power Cement Limited continues to honor the trust and contributions of all its shareholders, while actively facilitating their involvement in the decision-making process.



# INVESTOR RELATIONS SECTION ON WEBSITE

Power Cement Limited places a strong emphasis on transparent and compliant communication with our valued investors. Our corporate website is meticulously maintained to comply with regulatory requirements, ensuring the prompt dissemination of essential information.

Within our Investor Relations section, you will find:

- 1. Financial Insights:** Access to the Company's latest financial reports, quarterly updates, and annual reports to stay informed about the Company's financial performance.
- 2. Investor Resources:** Explore comprehensive information about the Company, including history, mission, and strategic objectives.
- 3. Shareholding Details:** Stay current on the distribution of shares among investors with the Company's shareholding pattern of information.
- 4. SECP Service Desk:** Easily access the Securities & Exchange Commission of Pakistan's (SECP) Service Desk Management System through a direct link for additional regulatory information.
- 5. Grievance Submission:** This section is available for registering grievances and addressing investor queries. Your concerns are of utmost importance to us, and we are committed to providing timely assistance.

At Power Cement Limited, we recognize the significance of clear and compliant communication with our investors/ stakeholders. Our commitment to transparency and adherence to regulatory standards ensures that you receive the necessary information for a confident and informed investment experience.

## STAKEHOLDERS ENGAGEMENT POLICY

At Power Cement Limited, we prioritize clear and continuous relationships with our stakeholders.

This commitment includes fair dealings with financial institutions, rigorous risk management, strict compliance with laws, and a focus on enhancing our corporate reputation. We value our human resources, promote an excellent public image, ensure full and fair disclosure of material information, and provide accessible information about our strategy and financial performance through our Annual Reports and website. Our engagement with stakeholders is fundamental to our commitment to responsible and sustainable business practices, driving our long-term success.

### Corporate Briefing Session

In adherence to the guidelines set forth by the PSX (Pakistan Stock Exchange), Power Cement Limited conducted a Corporate Briefing Session on May 21, 2025, via video link. The event witnessed participation from a diverse group of analysts and shareholders. During the session, the Chief Operating Officer and Chief Financial Officer of the Company delivered a comprehensive presentation on the financial performance, followed by an interactive Q&A session aimed at addressing inquiries from the attendees.

This commitment to transparency and engagement underscores our dedication to providing our stakeholders with valuable insights and fostering open communication.

### Redressal of Investors' Complaints

Power Cement Limited places a high priority on maintaining clear and effective channels of communication with our valued shareholders. We are pleased to report that during the year under review, no complaints were lodged by any shareholder of the Company. This absence of complaints reflects our continuous efforts to ensure that our shareholders' concerns and inquiries are promptly addressed, promoting trust and confidence in our Company's operations. We remain committed to upholding these standards of excellence in shareholder engagement.



## CORPORATE BRIEFING SESSION

In line with the guidelines of the Pakistan Stock Exchange (PSX), Power Cement Limited held its Corporate Briefing Session on May 21, 2025, through video link. The session was attended by a diverse group of analysts and shareholders. The Company's Chief Operating Officer and Chief Financial Officer presented a detailed review of the financial performance, followed by an interactive Q&A session that addressed participants' queries. This initiative reflects the Company's ongoing commitment to transparency, timely disclosure, and active stakeholder engagement.

## REDRESSAL OF INVESTORS' COMPLAINTS

Power Cement Limited places strong emphasis on maintaining open and effective communication with its shareholders. During the year under review, no complaints were received from shareholders. This underscores the Company's efforts to promptly address investor concerns and maintain the highest standards of trust, accountability, and investor confidence. The Company remains committed to further strengthening these practices in the years ahead.

## ISSUES RAISED IN LAST GENERAL MEETING

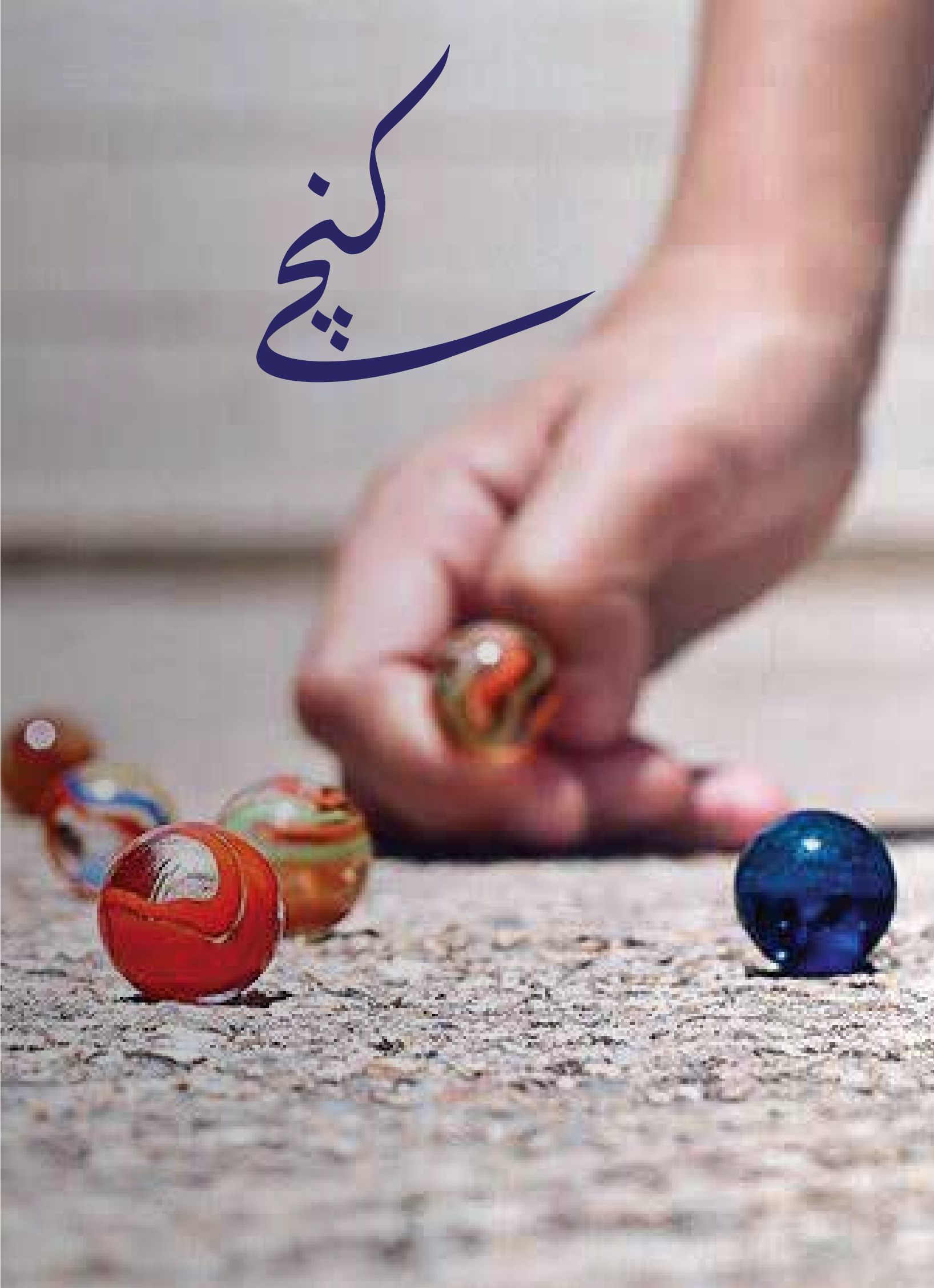
The shareholders posed questions and sought clarifications on the agenda items, all of which were addressed to their satisfaction. No significant issues or concerns were raised during the meetings.

# SUSTAINABILITY AND CSR

## AIM & IMPACT

A game of aim and control where players hit target marbles using precise angles. It showcases intense concentration akin to the precision and focus behind Power Cement's sustainability initiatives.

# کینج



# HEALTH, SAFETY AND ENVIRONMENT

At Power Cement Limited, safety, health, and environmental responsibility form the cornerstone of our sustainable business practices. We recognize that while challenges may appear daunting, proactive action can safeguard lives, protect the environment, and create long-term value.

## Corporate Policy

At Power Cement Limited, our commitment to sustainability and responsible operations is central to our corporate philosophy. We are dedicated to:

- Minimizing environmental impact, conserving natural resources, and preventing pollution.
- Taking proactive measures to eliminate hazards and reduce risks, ensuring a safe and healthy workplace for all stakeholders.
- Continuously improving our environmental, occupational health, and safety performance.

Our long-term success, and that of the global cement industry, is built on sustainable practices throughout our operations and supply chains.

## Compliance and Standards

Power Cement adheres strictly to all environmental, health, and safety regulations in Pakistan. We also comply with IFC Performance Standards and maintain certifications in ISO 9001 (Quality), ISO 14001 (Environment), and ISO 45001 (Health & Safety). These certifications underscore our commitment to global best practices.

## Health, Safety, and Environment (HSE)

Our integrated HSE Management System ensures the well-being of employees, contractors, and visitors. Through robust policies, incident management, regulatory compliance, and transparent reporting aligned with IFC guidelines, we cultivate a culture of accountability and continuous improvement.

## HSE Training and Awareness

Capacity building remains a priority to enhance hazard identification and risk assessment. In FY 2024–25:

- 40 training modules were developed in coordination with department heads.
- 128 sessions were conducted across functions.

These initiatives strengthen professional development and reinforce workplace safety culture.

## Environmental Responsibility

- Compliance with Sindh Environmental Quality Standards (SEQS) is ensured through state-of-the-art systems.
- 90 bag filters and European-designed baghouses maintain dust emissions well within IFC and SEQS limits.
- Zero-wastewater discharge policy through dry-process technology.
- Online Continuous Emission Monitoring System (CEMS) with 24/7 monitoring.
- Recycling of collected dust back into the production process.
- Installation of a low-NOx burner to reduce harmful emissions.
- Tree plantation drives, including 10,000 new trees planted across plant and boundary areas, serving as natural dust arresters.

## Housekeeping Initiatives

Bi-weekly Housekeeping Day ensures collective participation from all staff in maintaining a clean, safe, and efficient workplace.

## Safety Week and Fire Safety Initiatives

**Safety Week:** Engaged employees through workshops, training sessions, and live demonstrations.

**Fire Safety Systems:** Comprehensive hydrant network, extinguishers, and alarms maintained at all critical points.

**Emergency Drills:** Regularly conducted to ensure readiness and swift response until external assistance arrives.

## Recognition

Power Cement was honored with the Annual Environment Excellence Award at the National Environmental Sustainability Conference & Awards (June 25, 2025, Marriott Hotel, Karachi).

The award was received by Plant Head, on behalf of the Company.

Presented by Mr. Tariq Mustafa, Adviser to the Governor of Sindh, alongside senior government and industry representatives.

This recognition reflects our steadfast commitment to environmental stewardship and sustainable practices.

# SUSTAINABILITY AT PCL: POWERING A GREEN TOMORROW

Power Cement Limited (PCL) is committed to building value responsibly by integrating sustainability into its operational core. Our FY 2024-25 performance highlights significant progress in reducing our environmental footprint, investing in our communities, and upholding robust governance.

## Decarbonizing Our Operations

PCL is transitioning to a sustainable future through innovation and efficiency:

- **Alternative Fuels:** Substituted ~20% of fossil fuels with local biomass, avoiding 67,000 tons of CO<sub>2</sub>.
- **Renewable Energy:** Met 33% of power demand via a 9 MW Waste Heat Recovery system and solar grid, avoiding over 40,800 tons of CO<sub>2</sub>.
- **Air Compliance:** Maintained emissions well below regulatory limits through advanced controls and monitoring.

## Creating Shared Value

Our strategy generates tangible social and economic impact:

- **Local Employment:** Created ~550 direct and indirect jobs through our biomass supply chain.
- **Safety First:** Unwavering commitment to Zero Fatalities and Zero Lost Time Injuries.
- **Operational Efficiency:** Implemented energy-saving technologies, optimizing consumption and reducing costs.

## Governance & Transparency

Strong governance ensures accountability:

- **Certified Management:** ISO 50001:2018 certification for our Energy Management System.
- **Guided by Standards:** Aligned with UN SDGs, IFC Guidelines, and SEPA regulations.

## Our Forward-Looking Commitment

PCL will continue to power green growth by:

- Expanding Alternative Fuel use to 30% by FY 2026.
- Commissioning a 7.5 MW wind turbine project.
- Enhancing water stewardship and employee welfare programs.

Power Cement is dedicated to delivering long-term value and contributing to a sustainable future for Pakistan.







# STRIVING FOR EXCELLENCE IN CORPORATE REPORTING

## STRENGTH IN UNITY

Two teams pull against each other in a powerful test of strength and alignment. Winning isn't just about force, it's about pulling together. This represents Power Cement's collaborative strength where teams work in unison to overcome pressure and deliver results.



# رسد کشتی

# STATEMENT OF ADOPTION AND ADHERENCE WITH THE INTERNATIONAL INTEGRATED REPORTING FRAMEWORK

## Board's Responsibility on Compliance with Financial Accounting and Reporting Standards

The Board and management of Power Cement Limited acknowledge their responsibility for the preparation and presentation of financial statements. The Directors confirm that:

- The financial statements have been prepared which fairly represent the state of affairs of the Company, the result of its operations, cash flows and changes in equity.
- Proper books of accounts have been maintained.
- Accounting policies have been consistently applied, and estimates are based on prudent business judgment.
- International Financial Reporting Standards (IFRS), as applicable in Pakistan, have been followed, with any departures adequately disclosed.
- The internal control system is sound, effectively implemented, and monitored.
- There are no significant doubts regarding the Company's ability to continue as a going concern.
- There is no material departure from corporate governance best practices as per regulations.

## Commitment to Stakeholders

Building trust with our stakeholders is central to our ongoing success. Power Cement Limited is committed to enhancing transparency and providing relevant information that enables informed decision-making. We have expanded our reporting to include management insights, governance disclosures, performance analysis, forward-looking perspectives, and financial statement notes, ensuring a holistic view of our operations.

## ADOPTION OF INTEGRATED REPORTING FRAMEWORK

Power Cement Limited has adopted the International Integrated Reporting Framework, aligning our reporting practices with its fundamental concepts, content elements, and guiding principles. This approach enables a comprehensive view of our business, integrating financial, environmental, social, and governance aspects to reflect how we create value for the Company and its stakeholders.

The Board and management remain dedicated to continuously improving the quality, accessibility, and relevance of our reporting, taking stakeholder feedback into account, and reinforcing our commitment to transparency, accountability, and sustainable value creation.

# CORPORATE CALENDAR OF UPCOMING EVENTS 2026

<b>BOARD MEETING</b> 1 <sup>st</sup> Quarter Ending September 30, 2025	<b>TENTATIVE DATES</b> 3rd week of October 2025
<b>BOARD MEETING</b> Half Year Ending December 31, 2025	<b>TENTATIVE DATES</b> 2nd week of February 2026
<b>BOARD MEETING</b> 3rd Quarter Ending March 31, 2026	<b>TENTATIVE DATES</b> 3rd week of April 2026
<b>BOARD MEETING</b> Annual Financial Year Ending June 30, 2026	<b>TENTATIVE DATES</b> End of August 2026

A high-angle, slightly blurred photograph of a child's feet jumping over a series of rectangular boxes drawn on a sidewalk with chalk. The boxes are drawn in yellow and green. The child's feet are wearing green sneakers. The background shows more chalk drawings, including a large spiral and other geometric shapes, suggesting a playful activity. The overall tone is warm and nostalgic.

# FINANCIAL STATEMENTS

## BALANCE & FOUNDATION

A game of structured movement across drawn boxes, requiring players to leap skillfully. Represents strong footing, step-by-step progress, and staying grounded just like the foundational strength Power Cement provides to every build.

# پہل دوج







## INDEPENDENT AUDITOR'S REPORT

To the members of Power Cement Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the annexed financial statements of Power Cement Limited (the Company), which comprise the statement of financial position as at June 30, 2025, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2025 and of the profit and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Following are the Key audit matters:**

<b>S. No.</b>	<b>Key audit matters</b>	<b>How the matters were addressed in our audit</b>
(i)	<b>Revenue from contracts with Customers</b>  <i>(Refer notes 2.19 &amp; 27 to the financial statements)</i>  The Company recognises revenue from the sale of cement to domestic as well as export customers when the performance obligation is satisfied by transferring control of a promised good to the customer.  We considered revenue recognition as a key audit matter due to revenue being one of the key performance indicators of the Company. In addition, revenue was also considered as an area of significant audit risk as part of the audit process.	Our audit procedures amongst others included the following: <ul style="list-style-type: none"><li>- performed verification of sales on sample basis with underlying documentation including sales orders, sales invoices and delivery challans;</li><li>- performed cut-off procedures on sample basis to ensure sales have been recorded in the correct period;</li><li>- verified that sales prices are negotiated and approved by appropriate authority on a sample basis; and</li><li>- ensured that presentation and disclosures related to revenue are being addressed appropriately.</li></ul>

M

S. No.	Key audit matters	How the matters were addressed in our audit
(ii)	<b>Inventories</b>	
	<b><i>(Refer notes 2.8 &amp; 8 to the financial statements)</i></b>	
	<p>Inventories include:</p> <ul style="list-style-type: none"> <li>- raw materials comprising limestone, shale, gypsum, iron ore; and</li> <li>- work-in-progress mainly comprising clinker and raw meal.</li> </ul>	<p>The Company performs annual inventory counts at year end and issues prior notification of procedures to be performed for such inventory counts.</p>
	<p>The above inventory items are valued at lower of cost and net realisable value. The inventory quantities are determined through a complex process involving various estimates.</p>	<p>Our audit procedures amongst others included the following:</p>
	<p>Due to the significance of inventory balances and related estimations involved, this is considered as a key audit matter.</p>	<ul style="list-style-type: none"> <li>- assessed the management's process of measurement of stockpiles and the determination of values using conversion of volumes and density to total weight and the related yield;</li> <li>- attended the physical count of the inventories and observed the said parameters. A representative of the Company and an external surveyor were also present;</li> <li>- checked the background and experience of the surveyor to ensure his competence and capability;</li> <li>- involved an independent auditor's expert having expertise in the measurement and technical assessment for determination of quantities for certain inventory items;</li> <li>- obtained and reviewed the inventory count report prepared by the management's external surveyor and the report prepared by the auditor's expert and assessed their accuracy; and</li> <li>- ensured that presentation and disclosures related to inventory are being addressed appropriately.</li> </ul>



<b>S. No.</b>	<b>Key audit matters</b>	<b>How the matters were addressed in our audit</b>
<b>(iii)</b>	<p><b>Deferred tax</b></p> <p><i>(Refer notes 2.12 &amp; 6 to the financial statements)</i></p> <p>The Company has booked net deferred tax asset of Rs. 2.75 billion as at June 30, 2025 that mainly include carry forward losses.</p> <p>Under International Accounting Standard 12 "Income Taxes", the Company is required to review recoverability of the deferred tax assets recognised in the statement of financial position at each reporting period.</p> <p>Recognition of deferred tax asset is dependent on management's estimate of availability of sufficient future taxable profits against which carried forward losses and tax credits can be utilised. The future taxable profits are based on approved management's projections. This estimation involves a degree of uncertainty and requires judgement in relation to the future cash flows and also involves assessment of timing of reversals of un-used tax losses and tax credits.</p> <p>Valuation of deferred tax asset is considered a key audit matter because the amounts involved are material, the complexities of the calculation of future taxable profits and the inherent uncertainty involved in forecasting taxable profits available in future periods.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>- considered the expected timing of utilisation of the Deferred Tax Assets (DTA) keeping in view the relevant provision of Income Tax Ordinance 2001 that apply to the utilisation of tax losses;</li> <li>- determined the extent to which sufficient probable taxable profits would arise in the period within which the related losses would be available for utilisation;</li> <li>- considered whether the tax balances were calculated using appropriate and substantively enacted tax laws and rates;</li> <li>- obtained financial projections from the Company's management;</li> <li>- evaluated the financial projections and assessed the likelihood of the Company generating sufficient future taxable profits; and</li> <li>- ensured that presentation and disclosures related to deferred tax are being addressed appropriately.</li> </ul>

### **Information Other than the Financial Statements and Auditor's Report Thereon**

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

*m*



**Responsibilities of Management and Board of Directors for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

Based on our audit, we further report that in our opinion:

- (a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- (b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- (c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- (d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Syed Muhammad Hasnain.



**A. F. Ferguson & Co.**  
**Chartered Accountants**  
**Karachi**

**Date: September 17, 2025**

**UDIN: AR202510073mKoZjPn1q**



# STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2025

## ASSETS

### Non-current assets

	Note	2025	2024
		----- (Rupees in '000) -----	
Property, plant and equipment	3	33,682,318	34,309,305
Right-of-use asset	4	83,465	-
Long-term investment	5	21,589	20,094
Deferred tax asset	6	2,751,777	3,186,709
Long-term deposits	7	62,069	56,069
		36,601,218	37,572,177


### Current assets

Inventories	8	2,056,194	2,019,890
Stores, spares and loose tools	9	3,828,520	3,532,483
Trade receivables - considered good	10	343,571	294,896
Advances and other receivables			
- unsecured, considered good	11	576,269	758,588
Taxation - payments less provision		659,995	393,418
Derivative financial asset	12	1,474,289	2,186,893
Trade deposits and short-term prepayments		157,242	117,438
Tax refund due from government - sales tax		346,079	359,252
Short-term investments	13	140,457	135,373
Cash and bank balances	14	1,496,175	407,368
		11,078,791	10,205,599


### TOTAL ASSETS

		47,680,009	47,777,776
--	--	------------	------------

The annexed notes from 1 to 45 form an integral part of these financial statements.

  
Chief Financial Officer

  
Chief Executive

  
Director




# STATEMENT OF FINANCIAL POSITION


AS AT JUNE 30, 2025

	Note	2025	2024
		----- (Rupees in '000) -----	
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
<b>Share capital</b>	15		
Ordinary shares		12,905,237	11,118,852
Cumulative preference shares		742,534	2,082,323
		13,647,771	13,201,175
<b>Reserves</b>			
<b>Capital reserve</b>			
Share premium	16	739,493	739,493
Difference on conversion of cumulative preference shares into ordinary shares	15.4	(567,774)	(121,178)
Hedging reserve	17	-	-
<b>Revenue reserve</b>			
Accumulated loss		(5,290,233)	(6,100,369)
		(5,118,514)	(5,482,054)
Contribution from associated undertakings	18	15,000,000	11,700,000
<b>TOTAL EQUITY</b>		23,529,257	19,419,121
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long-term financing - secured	19	12,601,197	14,877,802
Long-term trade payables	20	-	356,493
Long-term lease liability	21	83,394	-
Staff retirement benefits	22	356,996	302,396
		13,041,587	15,536,691
<b>Current liabilities</b>			
Trade and other payables	23	4,126,156	3,119,007
Unclaimed dividend		126	126
Accrued mark-up	24	1,085,284	2,044,231
Short-term financing - secured	25	4,311,176	6,269,067
Current portion of long-term lease liability	21	12,900	-
Current portion of long-term financing	19	1,573,523	1,389,533
		11,109,165	12,821,964
<b>TOTAL LIABILITIES</b>		24,150,752	28,358,655
<b>Contingencies and commitments</b>	26		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>47,680,009</b>	<b>47,777,776</b>

The annexed notes from 1 to 45 form an integral part of these financial statements.

  
Chief Financial Officer

  
Chief Executive

  
Director

# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
<b>Revenue from contracts with customers</b>	27	29,520,136	31,077,214
Cost of sales	28	(21,121,238)	(24,286,813)
<b>Gross profit</b>		8,398,898	6,790,401
Selling and distribution expenses	29	(3,012,206)	(3,175,039)
Administrative expenses	30	(529,165)	(442,075)
Other (expenses) / income - net	31	(202,080)	(154,981)
Impairment (loss) / reversal on financial assets	10 & 11	(39,228)	10,401
<b>Profit from operations</b>		4,616,219	3,028,707
Finance income		34,667	27,407
Finance cost		(3,078,573)	(4,975,033)
Finance income / (cost) - net	32	(3,043,906)	(4,947,626)
<b>Profit / (loss) before taxation and levy</b>		1,572,313	(1,918,919)
Levy	33	-	(128,348)
<b>Profit / (loss) before taxation</b>		1,572,313	(2,047,267)
Taxation	34	(757,317)	(656,017)
<b>Profit / (loss) after taxation and levy</b>		814,996	(2,703,284)
<b>Other comprehensive loss:</b>			
Items that are or may be reclassified subsequently to profit or loss			
Changes in fair value of cash flow hedges		712,604	(1,322,256)
Adjustment for amounts transferred to profit or loss		(712,604)	1,152,621
		-	(169,635)
Related deferred tax		-	44,326
Hedging reserve		-	(125,309)
Actuarial loss on remeasurement of defined benefit obligations		(7,968)	(33,300)
Related deferred tax		3,108	12,987
		(4,860)	(20,313)
Other comprehensive loss for the year - net of tax		(4,860)	(145,622)
<b>Total comprehensive income / (loss) for the year</b>		810,136	(2,848,906)
		----- (Rupees) -----	
<b>Earnings / (loss) per share - basic and diluted</b>	35	0.44	(2.88)

The annexed notes from 1 to 45 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive



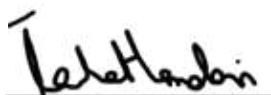
Director

# STATEMENT OF CHANGES IN EQUITY

## FOR THE YEAR ENDED JUNE 30, 2025

	Share Capital	Difference on conversion of cumulative preference shares into ordinary shares (note 15.4)	Capital reserve		Revenue reserve	Contribution from associated undertakings (note 18)	Total Equity
	Issued, subscribed and paid up capital		Share premium	Hedging reserve (note 17)	Accumulated loss		
(Rupees in '000)							
<b>Balance as at July 1, 2023</b>	13,201,138	(121,141)	739,493	125,309	(3,376,772)	7,000,000	17,568,027
Contribution received - net	-	-	-	-	-	4,700,000	4,700,000
Cumulative preference shares of Rs.10 each converted into 1.333 Ordinary Shares of Rs. 10 each during the year	37	(37)	-	-	-	-	-
	37	(37)	-	-	-	4,700,000	4,700,000
<b>Total comprehensive loss for the year</b>							
Loss for the year	-	-	-	-	(2,703,284)	-	(2,703,284)
Other comprehensive loss	-	-	-	(125,309)	(20,313)	-	(145,622)
	-	-	-	(125,309)	(2,723,597)	-	(2,848,906)
<b>Balance as at June 30, 2024</b>	13,201,175	(121,178)	739,493	-	(6,100,369)	11,700,000	19,419,121
Contribution received - net	-	-	-	-	-	3,300,000	3,300,000
Cumulative preference shares of Rs.10 each converted into 1.333 Ordinary Shares of Rs. 10 each during the year	446,596	(446,596)	-	-	-	-	-
	446,596	(446,596)	-	-	-	3,300,000	3,300,000
<b>Total comprehensive income for the year</b>							
Profit for the year	-	-	-	-	814,996	-	814,996
Other comprehensive loss	-	-	-	-	(4,860)	-	(4,860)
	-	-	-	-	810,136	-	810,136
<b>Balance as at June 30, 2025</b>	<b>13,647,771</b>	<b>(567,774)</b>	<b>739,493</b>	<b>-</b>	<b>(5,290,233)</b>	<b>15,000,000</b>	<b>23,529,257</b>

The annexed notes from 1 to 45 form an integral part of these financial statements.

  
Chief Financial Officer

  
Chief Executive

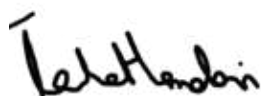
  
Director

# STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
----- (Rupees in '000) -----			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	38	6,184,475	1,532,818
Gratuity paid	22.7	(46,074)	(41,378)
Leave encashment paid		(9,911)	(3,993)
Income tax and levy paid		(585,855)	(578,981)
Deposits (paid) / received		(6,000)	4,992
Finance cost paid - Islamic		(3,916,904)	(4,399,930)
Finance cost paid - Conventional		(79,938)	(321,888)
		(4,644,682)	(5,341,178)
<b>Net cash generated from / (used in) operating activities</b>		1,539,793	(3,808,360)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditure - operations		(251,364)	(389,274)
Finance income received		37,956	26,012
Proceeds from sale of property, plant and equipment		1,458	1,541
<b>Net cash used in investing activities</b>		(211,950)	(361,721)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayment of long-term financing & trade payables		(1,553,777)	(1,671,177)
Lease rental paid	21	(27,368)	(22,164)
(Repayment of) / proceeds from short-term financing		(1,948,391)	5,098,624
Contribution from associated undertakings - net	18.2	3,300,000	4,700,000
<b>Net cash (used in) / generated from financing activities</b>		(229,536)	8,105,283
<b>Net increase in cash and cash equivalents</b>		1,098,307	3,935,202
Cash and cash equivalents at the beginning of the year		136,925	(3,798,277)
<b>Cash and cash equivalents at the end of the year</b>	39	<b>1,235,232</b>	<b>136,925</b>

The annexed notes from 1 to 45 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive



Director

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

## 1. THE COMPANY AND ITS OPERATIONS

Power Cement Limited (the Company) was incorporated in Pakistan as a private limited company on December 1, 1981 and was converted into a public limited company on July 9, 1987. The Company is listed on Pakistan Stock Exchange. The Company's principal activity is manufacturing, selling and marketing of cement. The registered office of the Company is situated at Arif Habib Centre, 23 M.T. Khan Road, Karachi and its production facility is situated at Deh Kalo Kohar, Nooriabad Industrial Estate, District Jamshoro (Sindh).

## 2. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below.

### 2.1 Basis of preparation

#### 2.1.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprises of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS or IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

#### 2.1.2 Accounting convention

These financial statements have been prepared under the historical cost convention, as modified by re-measurement of certain financial assets and financial liabilities (including derivative financial instruments) at fair value and recognition of certain staff retirement and other service benefits at present value.

#### 2.1.3 Critical accounting estimates & judgements

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

The matters involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are:

#### (i) Income tax payable / refundable

In making the estimates for income taxes payable by the Company, the management considers current income tax law and the decisions of appellate authorities on certain cases issued in the past.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

## **(ii) Staff retirement benefits**

Certain actuarial assumptions have been adopted as disclosed in the notes to these financial statements for valuation of present value of defined benefit obligation.

## **(iii) Inventories**

Estimates made with respect to provision for slow moving, damaged and obsolete items and their net realisable value are disclosed in note 2.8 to these financial statements.

Further, the Company's certain inventory items [i.e. raw materials (limestone and gypsum), work-in-process, semi-finished goods (clinker) and stores and spares (coal)] are stored in purpose-built sheds, stockpiles and silos. As the weighing of these inventory items is not practicable, the management assess the reasonableness of the on-hand inventory by obtaining measurement of stockpiles and converting these measurements into unit of volume by using angle of repose and bulk density values. In making this estimate the Company involves external surveyor for determining the existence of inventory.

## **iv) Property, plant and equipment**

The useful lives, residual values and depreciation methods are reviewed on a regular basis. The effect of any changes in estimates is accounted for on a prospective basis.

## **v) Contingencies and provisions**

Recognition and disclosure of provisions and contingent liabilities requires management of the Company to make judgments and estimates in relation to the interpretation of laws, statutory rules, regulations and the probability of outcome and financial impact, if any, for recognition and measurement of any provision and disclosure in these financial statements.

## **vi) Derivative financial instruments and hedge accounting**

Estimates made with respect to derivative financial instruments and hedge accounting are disclosed in note 2.17 to these financial statements.

## **vii) Deferred taxation**

Deferred taxation is recognised taking into account availability of taxable profits. The management uses assumptions about future best estimates of the availability of future taxable profits based on available information.

## **viii) Contribution from associated undertakings**

The classification of the contribution from associated undertakings in Equity involves estimates in relation to the timing of payment of principal and profit, since the payment of principal and profit is as per the discretion of the Company.

Management believes that the change in outcome of estimates would not have a material impact on the amounts disclosed in the financial statements.

There have been no critical judgements made by the Company's management in applying the accounting policies that would have significant effect on the amounts recognised in the financial statements except as stated above.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

## 2.1.4 Changes in accounting standards, interpretations and pronouncements

### a) Amendments to approved accounting standards that are effective

There are certain amendments to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2024. However, these do not have any significant impact on the Company's financial reporting except for the following:

#### i) Amendment to IAS 1 - Non-current liabilities with covenants:

This amendment aims to improve the information an entity provides when its right to defer settlement of liability is subject to compliance with covenants within twelve months after the reporting period that affects the classification of a liability. This amendment introduce additional disclosure requirements that enables users of financial statements to understand the risk that the liability could become repayable within twelve months of the reporting period. This amendment only have an impact on the Company's disclosure of long-term borrowings, but not on the measurement, recognition or presentation of any item in these financial statements.

### b) Standards and amendments to approved accounting standards that are not yet effective

There are certain amendments to the accounting and reporting standards that will be mandatory for the Company's accounting periods beginning on or after July 01, 2025 but are not considered to be relevant or will not have any significant effect on the Company's operations and therefore not detailed in these financial statements, except for the following:

#### i) Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments (effective January 1, 2026):

These amendments :

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

#### ii) IFRS 18 'Presentation and Disclosure in Financial Statements' (IFRS 18) (effective January 1, 2027):

A new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss is being introduced. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;
- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

## 2.2 Foreign currencies

Transactions in foreign currencies are recorded in Pak Rupee at the exchange rates prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into Pak Rupee using the exchange rates prevailing at the statement of financial position date. Exchange gain / (loss) are taken to the statement of profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

## 2.3 Functional and presentation currency

The financial statements are presented in Pak Rupee, which is the Company's functional and presentation currency and figures are rounded off to the nearest thousand of Rupees.

## 2.4 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost.

These are stated at cost less accumulated depreciation and impairment losses, if any, except for leasehold land, which is stated at cost less impairment, if any.

Cost of leasehold land is not amortised since the lease is renewable at a nominal price at the option of the lessee.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the asset will flow to the Company and the cost of the asset can be measured reliably. The carrying amount of the replaced part is derecognised.

Maintenance and normal repairs are charged to the statement of profit or loss and other comprehensive income as and when incurred.

Company accounts for impairment, where indication exist, by reducing its carrying value to the estimated recoverable amount.

Depreciation on plant and machinery is charged using units of production method. The units of production method results in depreciation charge based on the actual use or output.

Depreciation other than plant and machinery is charged, on a systematic basis over the useful life of the assets, on reducing balance method, which reflects the patterns in which the asset's economic benefits are consumed by the Company, at the rates specified in note 3.1. Depreciation on additions is charged from the month in which the asset is available for use and on disposals up to the month prior to disposal.

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the net sale proceed and the carrying amount of the asset and is recognised in the statement of profit or loss and other comprehensive income.

### Capital work-in-progress (CWIP)

Capital work-in-progress is stated at cost including, where relevant, related financing costs less impairment losses, if any. These costs are transferred to operating assets as and when assets are available for use.

Advances made to vendors for projects under construction are also classified and accounted for under capital work-in-progress.

### Capitalisable stores and spares

Stores, spare parts, and stand-by equipments that an entity expects to use for more than one year are classified as property, plant and equipment under the category of capitalisable stores and spares and are stated at cost.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

## 2.5 Lease liability and right-of-use asset

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease payments include fixed payments, variable lease payment that are based on an index or a rate amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable. The extension and termination options are incorporated in determination of lease term only when the Company is reasonably certain to exercise these options.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit and loss if the carrying amount of right-of-use asset has been reduced to zero.

The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use asset is depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

### 2.5.1 Ijarah

In ijarah transactions, significant portion of the risks and rewards of ownership are retained by the lessor. Islamic Financial Accounting Standard 2 – 'Ijarah' requires the recognition of 'ujrah payments' (lease rentals) against ijarah financing as an expense in the statement of profit or loss and other comprehensive income on a straight-line basis over the ijarah term.

## 2.6 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of statement of cashflows, cash and cash equivalents comprise of cash and cheques in hand and in transit, balances with banks in current, saving and deposit accounts and short-term running finance under mark-up arrangements. The statement of cashflows is prepared using the indirect method.

## 2.7 Dividends and appropriations

Dividends and reserve appropriations are recognised in the period in which these are declared / approved.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

## 2.8 Inventories

Inventories are valued at lower of cost and net realisable value except for goods-in-transit which are stated at cost. Raw and packing materials, work-in-process and finished goods are valued at the weighted average cost. Cost of work-in-process and finished stocks comprise of direct costs and appropriate portion of production overheads.

Stores, spares and loose tools are valued at weighted average cost less provision for slow moving and obsolete stores, spares and loose tools. Provision for slow moving and obsolete items is charged to the statement of profit or loss and other comprehensive income. Value of items is reviewed at each statement of financial position date to record provision for any slow moving and obsolete items. Items in transit are stated at cost.

Net realisable value is determined on the basis of estimated selling price of the product in the ordinary course of business less costs of completion and costs necessarily to be incurred in order to make the sale.

## 2.9 Trade receivables, advances and other receivables

Trade receivables, advances and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value.

They are subsequently measured at amortised cost using effective interest rate method less loss allowance. Refer note 2.16 for a description of the Company's impairment policies.

## 2.10 Borrowings and their cost

Borrowings are recognised initially at fair value and subsequently at amortised cost using the effective interest method. Borrowing costs are recognised as an expense in the period in which these are incurred except to the extent of borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. Such borrowing costs are capitalised as part of the cost of that asset. Borrowings are classified as current liabilities unless, at the end of the reporting period, the company has a right to defer settlement of the liability for at least 12 months after the reporting period.

Covenants that the Company is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the Company is required to comply with after the reporting period do not affect the classification at the reporting date.

## 2.11 Trade and other payables

Trade and other payables are carried at their amortised cost, which is approximately fair value of the consideration to be paid in future for goods and services received, whether or not billed to the Company.

## 2.12 Taxation

### a) Current

The charge for current taxation is based on the taxable income for the year, determined in accordance with the prevailing law for taxation on income, using prevailing tax rates after taking into account tax credits and rebates available, if any.

### b) Levy

The tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income, which is not adjustable against the future tax liability, is classified as levy in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 21 / IAS 37.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

## c) Deferred

Deferred tax is accounted for using the balance sheet liability method on all temporary differences arising between tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax liability is generally recognised for all taxable temporary differences and deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is determined using tax rates and prevailing law for taxation on income that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off current tax assets against current tax liabilities, and they relate to income taxes levied by the same tax authority.

## 2.13 Staff retirement benefits

### 2.13.1 Defined benefit plan

The Company operates an approved funded gratuity scheme (defined benefit plan) for all its employees who have completed the qualifying period under the scheme. Contribution is made to the fund in accordance with actuarial recommendations. The latest actuarial valuation of the scheme has been carried out as at June 30, 2025 using the Projected Unit Credit method. The amount arising as a result of remeasurements are recognised in the statement of financial position immediately, with a charge or credit to other comprehensive income in the periods in which they occur. Past-service costs are recognised immediately in statement of profit or loss and other comprehensive income.

Retirement benefits are payable to employees on completion of prescribed qualifying period of service under the scheme.

### 2.13.2 Leave Encashment

Leave encashment is payable to the employees on separation from the Company's service with a maximum entitlement of 45 days. The provision to cover the obligation is made using the last drawn salary of the employees and accumulated leaves balance at the reporting date.

The Company accounts for the liability in respect of leave encashment in the year in which these are earned. The liability is recorded on an undiscounted basis, as the impact of discounting is deemed immaterial. Additionally, no actuarial valuation of leave encashment expense will be carried out, as management believes the financial impact will be immaterial.

## 2.14 Provisions

Provisions are recognised in the statement of financial position when the Company has a legal or constructive obligation as a result of past events, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. However, provisions are reviewed at each statement of financial position date and adjusted to reflect current best estimate.

## 2.15 Contingencies

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence will be confirmed only by the occurrence or non-occurrence, of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

## 2.16 Financial instruments

### Initial recognition

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. These are subsequently measured at amortised cost or fair value as the case may be.

### Classification of financial assets

The Company classifies its financial instruments in the following categories:

- at fair value through profit or loss ("FVTPL"),
- at fair value through other comprehensive income ("FVTOCI"), or
- at amortised cost.

The Company determines the classification of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at FVTPL.

### Classification of financial liabilities

The Company classifies its financial liabilities in the following categories:

- at fair value through profit or loss ("FVTPL"),
- at amortised cost.

Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

### Subsequent measurement

#### i) Financial assets at FVTOCI

Elected investments in equity instruments at FVTOCI are initially recognised at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains or losses arising from changes in fair value recognised in other comprehensive income / (loss).

#### ii) Financial assets and liabilities at amortised cost

Financial assets and liabilities at amortised cost are initially recognised at fair value plus or minus transaction cost, and subsequently carried at amortised cost, and in the case of financial assets, less any impairment.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

## iii) Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of profit or loss and other comprehensive income. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of profit or loss and other comprehensive income in the period in which they arise.

Where management has opted to recognise a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognised in other comprehensive income / (loss). Currently, there are no financial liabilities designated at FVTPL.

## Impairment of financial assets

The Company recognises loss allowance for Expected Credit Loss (ECL) on financial assets measured at amortised cost and FVTOCI at an amount equal to life time ECLs except for the financial assets in which there is no significant increase in credit risk since initial recognition or financial assets which are determined to have low credit risk at the reporting date, in which case 12 months' ECL is recorded. The following were either determined to have low or there was no increase in credit risk since initial recognition as at the reporting date:

- bank balances;
- employee receivables; and
- other short-term receivables.

Loss allowance for trade receivables are always measured at an amount equal to life time ECLs.

A default on a financial asset is considered when the counterparty fails to make contractual payments within 90 days of when they fall due.

Lifetime ECLs are the ECLs that results from all possible default events over the expected life of a financial instrument. 12 month ECLs are portion of ECL that result from default events that are possible within 12 months after the reporting date.

ECLs are a probability weighted estimate of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between cash flows due to the entity in accordance with the contract and cash flows that the Company expects to receive).

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectation of recovering a financial asset in its entirety or a portion thereof.

## Derecognition

### i) Financial assets

The Company derecognises financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying value and the sum of the consideration received or receivable is recognised in statement of profit or loss and other comprehensive income. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to statement of changes in equity.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

## ii) Financial liabilities

The Company derecognises financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid or payable, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of profit or loss and other comprehensive income.

## 2.17 Derivative financial instruments and hedge accounting

The Company uses derivative financial instruments to hedge its interest rate risk and foreign currency risk. Such derivative financial instruments are initially recognised at fair value on the date on which the derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are classified as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in fair value on derivatives during the year that do not qualify for hedge accounting and the ineffective portion of an effective hedge are taken to profit or loss.

The fair value of derivative financial instruments is determined by reference to market values for similar instruments or by using discounted cash flow method.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company intends to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the Company will assess the hedging instrument's effectiveness in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedge risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair values or cash flows and are assessed on an ongoing basis to determine that these actually have been highly effective throughout the financial reporting periods for which such were designated.

Derivative financial instruments that are designated as, and are effective hedging instruments, are classified consistent with the classification of the underlying hedged item. The derivative financial instrument is separated into a current portion and non current portion only if a reliable allocation can be made.

### Fair value hedges

Fair value hedge is a hedge of exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.

The change in the fair value of a hedging derivative is recognised in statement of profit or loss and other comprehensive income. The change in the fair value of the hedged item attributable to the risk hedged is recorded as a part of the carrying value of the hedged item and is also recognised in statement of profit or loss and other comprehensive income. When the hedged item is derecognised, the unamortised fair value is recognised immediately in statement of profit or loss and other comprehensive income.

### Cash flow hedges

Cash flow hedge is a hedge of the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in the hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss. Where the hedged item is the cost of a non financial asset or non financial liability, the amounts taken to equity are transferred to the initial carrying amount of the non financial asset or liability. If the forecast transaction is no longer expected to occur, the hedge no longer meets the criteria for hedge accounting, the hedging instrument expires or is sold, terminated or exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. If the forecast transaction is no longer expected to occur, then the amount accumulated in equity is reclassified to profit or loss.

## 2.18 Offsetting of financial assets and liabilities

Financial assets and liabilities are off-set and the net amount is reported in the statement of financial position if the Company has a legal right to set off the transaction and also intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

## 2.19 Revenue recognition

Revenue is recognised at a point in time when control of the goods is transferred i.e. when the goods are dispatched to the customer, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. Revenue is recognised as follows:

- Local sale of goods is recognised on dispatch of goods to customers from the production facility.
- Revenue from export sales is recognised on the basis of terms of sale with the customer.

Revenue is measured at fair value of consideration received or receivable, excluding discounts, commission, rebates and government levies.

Income from sale of scrap is recorded on dispatch of scrap to the customers.

Profit on bank deposits is recorded on effective interest basis.

Gain / (loss) on sale of fixed assets is recorded when control is transferred to the transferee.

No element of financing is deemed present as the sales are made with a credit term of up to 90 days, which is consistent with the market practice.

## 2.20 Earnings per share

The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

## 2.21 Segment reporting

Segment results that are reported to the Company's Chief Executive Officer (CEO), the chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items, if any, comprise mainly corporate assets, head office expenses and tax assets and liabilities. Management has determined that the Company has a single reportable segment and therefore it has only presented entity wise disclosures.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		----- (Rupees in '000) -----	
<b>3. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating assets	3.1	32,960,889	33,732,846
Capital work-in-progress	3.4	108,077	45,739
Capitalisable stores and spares	3.5	613,352	530,720
		<b>33,682,318</b>	<b>34,309,305</b>

## 3.1 Operating assets

	Leasehold land	Factory building on leasehold land	Non factory building on leasehold land	Leasehold improvements	Plant and machinery	Factory and laboratory equipment	Quarry equipment	Office equipment	Computer and peripherals	Furniture and fixtures	Vehicles	Total
	(Rupees in '000)											
<b>Year ended June 30, 2025</b>												
Opening net book value	200,515	289,123	984,577	11,144	32,103,705	68,861	880	21,773	11,925	23,214	17,129	33,732,846
Additions / transfer (at cost)	-	-	14,019	-	60,346	-	-	1,779	7,023	22,540	687	106,394
Disposals at NBV	-	-	-	-	-	-	-	(36)	-	-	(1,708)	(1,744)
Depreciation charge - Note 3.2	-	(14,026)	(99,263)	(1,107)	(740,474)	(6,912)	(132)	(2,270)	(5,266)	(3,969)	(3,188)	(876,607)
Closing net book value	200,515	275,097	899,333	10,037	31,423,577	61,949	748	21,246	13,682	41,785	12,920	32,960,889
<b>Gross carrying value basis At June 30, 2025</b>												
Cost	200,515	741,737	1,531,949	33,299	36,828,670	128,288	12,887	44,787	58,591	76,644	53,852	39,711,219
Accumulated depreciation	-	(466,640)	(632,616)	(23,262)	(5,405,093)	(66,339)	(12,139)	(23,541)	(44,909)	(34,859)	(40,932)	(6,750,330)
Net book value	200,515	275,097	899,333	10,037	31,423,577	61,949	748	21,246	13,682	41,785	12,920	32,960,889
<b>Year ended June 30, 2024</b>												
Opening net book value	200,515	301,256	1,093,887	12,374	32,823,535	68,517	1,035	23,959	11,147	24,740	15,528	34,576,493
Additions / transfer (at cost)	-	2,570	-	-	68,020	7,747	-	219	5,448	967	5,335	90,306
Disposals at NBV	-	-	-	-	-	-	-	-	(147)	-	(247)	(394)
Depreciation charge - Note 3.2	-	(14,703)	(109,310)	(1,230)	(787,850)	(7,403)	(155)	(2,405)	(4,523)	(2,493)	(3,487)	(933,559)
Closing net book value	200,515	289,123	984,577	11,144	32,103,705	68,861	880	21,773	11,925	23,214	17,129	33,732,846
<b>Gross carrying value basis At June 30, 2024</b>												
Cost	200,515	741,737	1,517,930	33,299	36,768,324	128,288	12,887	43,085	51,568	54,104	58,834	39,610,571
Accumulated depreciation	-	(452,614)	(533,353)	(22,155)	(4,664,619)	(59,427)	(12,007)	(21,312)	(39,643)	(30,890)	(41,705)	(5,877,725)
Net book value	200,515	289,123	984,577	11,144	32,103,705	68,861	880	21,773	11,925	23,214	17,129	33,732,846
<b>Rate of depreciation %</b>	-	5%	10%	10%	Units of production	10%	15%	10%	33%	10%	20%	

**3.1.1** The fair value of land, building, plant and machinery and factory equipments is valued at Rs. 57.02 billion.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		----- (Rupees in '000) -----	
3.2 Depreciation charge for the year has been allocated as follows:			
Cost of sales	28	871,460	929,231
Selling and distribution expenses	29	303	425
Administrative expenses	30	4,844	3,903
		<b>876,607</b>	<b>933,559</b>

3.3 Particulars of immovable property (i.e. land and building) in the name of the Company are as follows:

Usage of Immovable Property	Location	Total Area (acres)
Manufacturing plant	Deh Kalo Kohar, Nooriabad Industrial Estate, District Jamshoro (Sindh)	485

### 3.4 Capital work-in-progress

	2025			
	Cost as at 1 July 2024	Additions	Transferred to operating assets	Cost as at 30 June 2025
	----- (Rupees in '000) -----			
Civil works	45,739	94,570	(32,232)	108,077

	2024			
	Cost as at 1 July 2023	Additions	Transferred to operating assets	Cost as at 30 June 2024
	----- (Rupees in '000) -----			
Plant and machinery	-	36,100	(36,100)	-
Civil works	-	45,739	-	45,739
	-	81,839	(36,100)	45,739

	2025	2024
	----- (Rupees in '000) -----	
3.5 Capitalisable stores and spares		
Balance at beginning of the year	530,720	277,491
Additions during the year	361,427	308,807
Transferred to operating assets and spares	(278,795)	(55,578)
Balance at end of the year	<b>613,352</b>	<b>530,720</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		----- (Rupees in '000) -----	
<b>4. RIGHT-OF-USE ASSET</b>			
Balance at beginning of the year		-	12,362
Additions		104,332	-
Modification		-	3,864
Depreciation expense	30	(20,867)	(16,226)
Balance at end of the year		<b>83,465</b>	-

**4.1** This Right-of-use asset is booked on rented office premises.

## 5. LONG-TERM INVESTMENT

### At Amortised Cost

Defence savings certificates	5.1	<b>21,589</b>	<b>20,094</b>
------------------------------	-----	---------------	---------------

**5.1** These Defence Savings Certificates (DSCs) are for a period of 10 years having maturity in 2026. These carry mark-up at effective interest rate of 7.44% per annum. These DSCs are pledged with the Nazir of High Court of Sindh as disclosed in note 26.1.

## 6. DEFERRED TAX ASSET

	Accelerated tax depreciation	Right-of-use-assets	Provision for stores and loose tools	Long-term lease liability	Unwinding of transaction cost	Deferred exchange gain	Minimum tax	Carry forward tax losses	Gain on restructuring of local long-term syndicate financing	Loss allowance on trade receivables	Cashflow hedge	Staff retirement benefits	Gain on modification of long-term trade payables	Total
	----- (Rupees '000) -----													
July 01, 2024	(6,655,396)	-	7,406	-	(15,412)	(525)	494,807	9,287,986	(45,880)	28,355	(9,617)	117,934	(22,949)	3,186,709
(Charge) / credit to profit or loss for the year	1,085,103	(32,551)	-	37,555	536	525	(494,807)	(1,080,024)	9,815	7,690	(6,651)	18,187	16,582	(438,040)
Credit to other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-	3,108	-	3,108
<b>June 30, 2025</b>	<b>(5,570,293)</b>	<b>(32,551)</b>	<b>7,406</b>	<b>37,555</b>	<b>(14,876)</b>	<b>-</b>	<b>-</b>	<b>8,207,962</b>	<b>(36,065)</b>	<b>36,045</b>	<b>(16,268)</b>	<b>139,229</b>	<b>(6,367)</b>	<b>2,751,777</b>
July 01, 2023	(4,679,996)	(3,230)	4,962	4,527	-	-	528,284	7,693,203	(36,326)	21,715	92,867	57,524	(33,623)	3,649,907
(Charge) / credit to profit or loss for the year	(1,975,400)	3,230	2,444	(4,527)	(15,412)	(525)	(33,477)	1,594,783	(9,554)	6,640	(102,484)	47,423	10,674	(476,185)
Credit to other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-	12,987	-	12,987
<b>June 30, 2024</b>	<b>(6,655,396)</b>	<b>-</b>	<b>7,406</b>	<b>-</b>	<b>(15,412)</b>	<b>(525)</b>	<b>494,807</b>	<b>9,287,986</b>	<b>(45,880)</b>	<b>28,355</b>	<b>(9,617)</b>	<b>117,934</b>	<b>(22,949)</b>	<b>3,186,709</b>

**6.1** The deferred tax assets and the deferred tax liabilities relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

**6.2** The deferred tax asset on unabsorbed depreciation and carry forward tax losses will be recoverable based on the estimated future taxable income and approved business plans and budgets.

**6.3** As per Finance Act, 2023, companies operating in certain sectors, including cement, having taxable income above Rs. 500 million are liable to pay super tax at 10% for tax year 2023 and onwards. Consequently, the Company has recorded deferred tax at 39% in accordance with applicable accounting and reporting standards.

**6.4** Deferred tax asset has been recognised in full as per future financial projections of the Company.

**6.5** Taxable and deductible differences are booked in profit or loss except for actuarial loss on remeasurement of defined benefit obligations amounting to Rs. 3.11 million (2024: Rs. 12.99 million).

	Note	2025	2024
		----- (Rupees in '000) -----	
<b>7. LONG-TERM DEPOSITS</b>			
Burj Solar Energy (Private) Limited	7.1	33,402	33,402
Hyderabad Electric Supply Company		19,167	19,167
First Habib Modaraba		6,000	-
First Credit and Investment Bank		1,500	1,500
Mines and Mineral Development Department Government of Sindh		2,000	2,000
		<b>62,069</b>	<b>56,069</b>

**7.1** This represents security deposit against solar equipment rental agreement for a period of twenty years.

	Note	2025	2024
		----- (Rupees in '000) -----	
<b>8. INVENTORIES</b>			
Raw material		288,155	139,243
Packing material		271,884	259,610
Semi-finished goods	8.1	1,299,827	1,291,018
Work-in-process		20,826	21,849
Finished goods	8.2	175,502	308,170
		<b>2,056,194</b>	<b>2,019,890</b>

**8.1** This includes clinker held at port for export amounting to Rs. 480.39 million (2024: Rs. 2.63 million).

**8.2** This includes cement held at port for export amounting to Rs. 22.22 million (2024: Rs. 98.67 million).

	Note	2025	2024
		----- (Rupees in '000) -----	
<b>9. STORES, SPARES AND LOOSE TOOLS</b>			
Stores		881,397	996,985
Coal & other fuels	9.1	1,415,741	945,687
Spares		1,540,988	1,601,441
Loose tools		9,385	7,361
		<b>3,847,511</b>	<b>3,551,474</b>
Less: Provision for net realisable value written down		(18,991)	(18,991)
		<b>3,828,520</b>	<b>3,532,483</b>

**9.1** This includes coal-in-transit amounting to Rs. 453.13 million (2024: Rs. Nil).

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		----- (Rupees in '000) -----	
<b>10. TRADE RECEIVABLES - considered good</b>			
Secured		15,250	33
Due from related parties - unsecured	10.1 & 10.2	85,640	58,815
Due from other parties - unsecured		304,104	308,754
		404,994	367,602
Less: Loss allowance on trade receivables	10.3	(61,423)	(72,706)
		<b>343,571</b>	<b>294,896</b>
<b>10.1</b>	The related parties from whom the receivables are due are as under:		
Safe Mix Concrete Limited		49,163	9,573
Globe Residency REIT		16,345	12,200
Javedan Corporation Limited		13,617	32,968
Rahat Residency REIT		4,477	644
Signature Residency REIT		1,900	3,430
Habib Sugar Mills Limited		128	-
Biomasdar (Pakistan) Limited		10	-
		<b>85,640</b>	<b>58,815</b>
<b>10.2</b>	The balances due from related parties are mark-up free. The aging analysis of these balances is as follows:		
		2025	2024
		----- (Rupees in '000) -----	
1-30 days		30,554	20,052
31-60 days		35,933	7,255
61-365 days		19,153	31,508
		<b>85,640</b>	<b>58,815</b>
<b>10.2.1</b>	Maximum aggregate due from the related parties at any time during the year calculated by reference to month-end balances is Rs. 117.29 million (2024: Rs. 74.82 million).		
	Note	2025	2024
		----- (Rupees in '000) -----	
<b>10.3 Loss allowance on trade receivables</b>			
Balance at beginning of the year		72,706	83,107
Impairment loss / (reversal) for the year		8,228	(10,401)
Bad debts written off		(19,511)	-
Balance at end of the year		61,423	72,706
<b>11. ADVANCES AND OTHER RECEIVABLES - unsecured, considered good</b>			
To employees	11.1 & 11.2	60,817	49,235
To contractors and suppliers	11.2	278,249	356,040
Excise duty receivable	11.3	182,604	182,604
Rebate receivable		6,973	7,618
Others		78,626	163,091
		607,269	758,588
Less: Loss allowance on other receivables		(31,000)	-
		<b>576,269</b>	<b>758,588</b>

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

- 11.1** These include personal and car loan advances to executives amounting to Rs. 54.79 million (2024: Rs. 41.93 million). Maximum amount outstanding against advances to employees during the year was Rs. 64.87 million (2024: Rs. 52.24 million). The amount is payable on demand and is secured against retirement benefit entitlement of the employees.

	2025	2024
	----- (Rupees in '000) -----	
Movement in advances to executives during the year:		
Balance at beginning of the year	41,934	51,429
Disbursed during the year	66,743	84,670
Repayments during the year	(53,890)	(94,165)
Balance at end of the year	<u>54,787</u>	<u>41,934</u>

- 11.2** These advances to employees and contractors / suppliers are non-interest bearing.

- 11.3** From the year 1993-94 to 1998-99, excise duty was levied and recovered from the Company being wrongly worked out on retail price based on misinterpretation of sub section 2 of section 4 of the Central Excise Act, 1944 by Central Board of Revenue. Such erroneous basis of working of Central Excise Duty (CED) has been held, being without lawful authority, by the Honourable Supreme Court of Pakistan as per its judgment dated February 15, 2007. Accordingly, the Company filed an application to the Collector of Federal Excise and Sales Tax to refund the excess excise duty amounting to Rs. 182.6 million.

The refund was however, rejected by Collector of Appeals vide order in appeal number 01 of 2009 dated March 19, 2009 and Additional Collector, Customs, Sales tax and Federal excise vide its order in original number 02 of 2009 dated January 24, 2009 primarily based on the fact that the Company has failed to discharge the burden of proof to the effect that incidence of duty had not been passed on to the customers of the Company. Accordingly, the Company filed an appeal before the learned Appellate Tribunal Inland Revenue (ATIR) regarding CED which, vide its order dated May 23, 2012 held that the requisite documents proving the fact that the incidence of duty had not been passed to the customers of the Company has been submitted by the Company and therefore the Company has discharged its onus. Based on the foregoing the original order number 01 of 2009 dated March 19, 2009 and order number 02 of 2009 dated January 24, 2009 were set aside by ATIR and appeal was allowed. Based on the decision by ATIR and the tax adviser's opinion that the refund claim is allowed to the Company, the Company recorded the refund claim receivable with a corresponding credit to the profit or loss account. The matter has been challenged by the tax department in the High Court of Sindh vide its reference application 252/2012 in September 2012 on the grounds that the Company has failed to discharge the burden of proof to the effect that incidence of duty has not been passed on to the customers of the Company. The hearing of the case is pending since September 2012. The management, based on its legal advisor's opinion, is confident of a favourable outcome and has therefore considered the balance recoverable. The Company is pursuing the matter for the settlement of the said refund claim.

	2025	2024
	----- (Rupees in '000) -----	
Balance at beginning of the year	2,186,893	3,509,149
Loss arising during the year	(712,604)	(1,322,256)
Balance at end of the year	<u>1,474,289</u>	<u>2,186,893</u>

## 12. DERIVATIVE FINANCIAL ASSET

- 12.1** The Company has entered into multiple cross currency swap arrangements with commercial banks in connection with foreign currency borrowings as disclosed in note 19.4. Pursuant to the agreements, the Company's foreign currency borrowings up to USD 6.62 million (2024: USD 11.04 million) and EUR 2.84 million (2024: EUR 4.73 million) were converted into hedged Pakistan Rupee amount and the interest rate accruing thereon is payable to the hedging bank at 6 months KIBOR + spread ranging from positive 415 to 549 basis points.
- 12.2** The above hedge of exposures arising due to variability in cash flows owing to currency risks have been designated as cash flow hedges.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		----- (Rupees in '000) -----	
<b>13. SHORT-TERM INVESTMENTS</b>			
<b>At Amortised Cost</b>			
Term deposit receipts	13.1	135,757	130,673
Treasury bills		4,700	4,700
		<b>140,457</b>	<b>135,373</b>

**13.1** These term deposit certificates are placed with local banks and carry profit at declared rates of 4.71% - 10.00% (2024: 10% - 20%) per annum.

	Note	2025	2024
		----- (Rupees in '000) -----	
<b>14. CASH AND BANK BALANCES</b>			
Cash at bank			
<b>Conventional</b>			
- In current accounts		5,170	2,496
<b>Islamic</b>			
- In current accounts	14.1	219,979	281,826
- In savings accounts		170,513	122,348
		390,492	404,174
- Term deposit receipts	14.2	1,100,000	-
Cash in hand		513	698
		<b>1,496,175</b>	<b>407,368</b>

**14.1** These accounts are maintained with Islamic banks and carry profit at declared rates ranging from 7.46% - 9.92% (2024: 10% - 22.55%) per annum.

**14.2** This represents term deposit certificate placed with a local bank and carry profit at rate of 10.50% per annum.

## 15. SHARE CAPITAL

<b>15.1 Authorised share capital</b>			
		2025	2024
		----- (Number of Shares) -----	
		<b>1,390,000,000</b>	<b>1,390,000,000</b>
	Ordinary and Cumulative Preference Shares of Rs. 10 each	<b>13,900,000</b>	<b>13,900,000</b>

## 15.2 Issued, subscribed and paid-up share capital

<b>15.2.1 Ordinary Shares</b>			
		2025	2024
		----- (Number of Shares) -----	
	Fully paid Ordinary Shares of Rs. 10 each issued:		
1,051,234,846	1,051,234,846	10,512,348	10,512,348
840,000	840,000	8,400	8,400
11,339,588	11,339,588	113,396	113,396
227,109,237	48,470,720	2,271,093	484,708
<b>1,290,523,671</b>	<b>1,111,885,154</b>	<b>12,905,237</b>	<b>11,118,852</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

## 15.2.2 Cumulative Preference Shares

2025	2024		2025	2024
----- (Number of Shares) -----			----- (Rupees in '000) -----	
244,585,320	244,585,320	Fully paid Cumulative Preference	2,445,853	2,445,853
(170,331,939)	(36,353,043)	Shares of Rs. 10 each	(1,703,319)	(363,530)
74,253,381	208,232,277	Converted to ordinary shares	742,534	2,082,323

**15.3** The shareholders of the Company in their extraordinary general meeting held on June 20, 2020 approved the issue of 23% right shares in terms of Cumulative Preference Shares at par value of Rs. 10 each. 244,585,320 Cumulative Preference Shares have been issued in the ratio of 23 Cumulative Preference Shares for every 100 Ordinary Shares held by the existing shareholders.

The terms and conditions of such Right Issue are as follows:

- the rate of preferential dividend shall be six months KIBOR plus 1.5% per annum. The entitlement of dividend shall not lapse if no dividend is paid during that year and shall be carried forward to subsequent years;
- the preference shareholders will have the right to vote;
- Preference Shares will be convertible at the option of the preference shareholders into Ordinary Shares of the Company. The conversion option can be exercised upon the expiry of 12 months from the issue date by giving a thirty days notice in advance to the issuer. However, the accumulation of preference dividends will cease at the time of filing of conversion notice with the Company's Registrar;
- conversion ratio is to be determined by dividing the aggregate face value of Preference Shares plus the outstanding balance of any accumulated / accrued Preferred Dividend (if not paid till conversion) by Rs. 7.5;
- the Preference Shares are non-redeemable and convertible into Ordinary Shares of the Company;
- there will be no change / revision in the rate of preferred dividend in case of accumulation;
- there is no upper limit of maximum accumulations of preferred dividend;
- preferential cash dividends shall be in priority over any dividend to ordinary shareholders and holders of any subsequent issues / series of preference shares;
- in case of liquidation the preference shareholders shall be entitled to preferred liquidation rights prior to ordinary shareholders; and
- the preference shareholders shall not be entitled to bonus or rights shares, in case the Company / Directors decide to increase the capital of the Company by issue of further shares except for the adjustment in conversion ratio provided hereinabove referred terms and conditions.

If cash dividend is not paid in any year, due to loss or inadequate profits, then such unpaid cash dividend will accumulate and will be paid in the subsequent year(s) before any dividend is paid to the Ordinary Shareholders subject to approval of the Board of Directors. As at June 30, 2025 the undeclared dividend on Cumulative Preference Shares amounted to Rs.1,574.67 million (2024: Rs. 1,277.70 million).

**15.4** Under the terms and conditions of conversion of such right issue 170,331,939 preference shares of Rs. 10 each were converted into 227,109,237 ordinary shares of Rs. 10 each upto 30 June 2025, resulting in a difference on conversion of cumulative preference shares into ordinary shares amounting to Rs. 567.77 million. The unpaid cumulative dividend on such preference shares amounting to Rs. 999.20 million will be distributed in subsequent year(s) out of the available profits subject to the approval of the Board of Directors. During the year, 133,978,896 preference shares were converted into 178,638,517 ordinary shares.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

**15.5** All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

**15.6** Shares held by the associated undertakings as at the statement of financial position date were 361,767,247 (2024: 827,668,305) and Mr. Arif Habib is the ultimate beneficial owner of the Company on the basis of effective shareholding.

## **16. SHARE PREMIUM**

This reserve can be utilized by the Company only for the purpose specified in section 81 of the Companies Act, 2017.

## **17. HEDGING RESERVE**

The hedging reserve comprises the spot element of forward contract. The amount represents an effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges. The net change in fair value of the hedging instrument, deferred in equity, has been recycled to profit or loss to the extent that the hedged item (foreign currency loan) impacts profit or loss.

	Note	2025	2024
		----- (Rupees in '000) -----	
<b>18. CONTRIBUTION FROM ASSOCIATED UNDERTAKINGS</b>			
- Contribution from associated undertaking - unsecured	18.1	11,327,300	4,358,700
- Contribution from sponsor - unsecured	18.1	3,672,700	7,341,300
		<b>15,000,000</b>	<b>11,700,000</b>

**18.1** This represents Musharakah arrangement with Mr. Arif Habib (Sponsor), Arif Habib Equity (Private) Limited (Associated Undertaking) and Rotocast Engineering Company (Private) Limited (Associated Undertaking) (together termed as 'Investors'). The investment has been made on the following terms and conditions:

- The repayment of the principal amount shall be at the sole and absolute discretion of the Company (taking into consideration the availability of its cash flows).
- The financing shall carry profit at the rate of 3 months KIBOR + 1.75% per annum. However, the payment of the profit shall also be at the sole and absolute discretion of the Company. Further, dividends to the ordinary shareholders will only be declared after the payments of profit to the Investors.
- In case of Musharakah loss, the loss shall be shared between the parties in consultation with Shariah Advisor.

Pursuant to the requirements of IAS 32- 'financial instruments presentation' and the terms of the arrangement, the Long-Term Musharakah arrangement is classified as equity in these financial statements. The unpaid profit as at June 30, 2025 in respect of the above mentioned arrangement amounts to Rs. 6,191.51 million (2024: Rs. 3,748.76 million).

	2025	2024
	----- (Rupees in '000) -----	
<b>18.2 Movement during the year:</b>		
Balance at beginning of the year	11,700,000	7,000,000
Contributions received during the year	11,918,600	6,639,700
Repayments made during the year	(8,618,600)	(1,939,700)
Balance at end of the year	<b>15,000,000</b>	<b>11,700,000</b>



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 ----- (Rupees in '000) -----	2024
<b>19. LONG-TERM FINANCING - secured</b>			
<b>Local currency loan</b>			
Syndicated loan	19.1&19.2	11,300,165	11,512,118
Term loan	19.3	50,000	273,003
		11,350,165	11,785,121
Current maturity		(645,520)	(461,152)
		10,704,645	11,323,969
<b>Foreign currency loan</b>			
Syndicated loan	19.4	2,824,555	4,482,214
Current maturity		(928,003)	(928,381)
		1,896,552	3,553,833
		<b>12,601,197</b>	<b>14,877,802</b>

**19.1** This includes funded / Musharakah contribution amount drawn from a syndicate of 16 local banks / Development Financial Institutions (DFIs) under the long-term syndicate finance facility of Rs. 16,200 million, for the expansion project of 7,700 Tonnes Per Day, led by National Bank of Pakistan as Investment Agent (2024: Rs. 16,200 million). The said facility has been structured in Islamic mode of financing (Diminishing Musharakah) having Syndicate Term Finance Facility (STFF) of Rs. 16,200 million. The facility carries mark-up at the rate of 6 months KIBOR plus 0.5% (2024: 6 months KIBOR plus 0.5%) per annum calculated on daily product basis with mark-up and principal repayment falling due on semi-annual basis. The facility is secured through first pari passu charge over current and fixed assets of the Company amounting to Rs. 16,180 million along with additional collaterals. This loan was initially payable through semi annual instalments in 10 years time and started from July 2018.

**19.1.1** In 2023, lenders of the Company have revised the terms of the existing STFF to include, inter alia, the following:

- Downward revision of spread from 1.5% to 0.5% per annum for a period of three years from July 2023 to July 2026;
- The term has been extended by two years, previously scheduled to be repaid by January 2028 whereas now it is scheduled to be paid by January 2030; and
- Principal repayments have been revised in the following manner:
  - From July 2023 to January 2025: Rs. 4,429.64 million principal repayments have been reduced to Rs. 442.96 million.
  - From July 2025 to January 2026: Rs. 2,214.82 million principal repayments have been reduced to Rs. 553.70 million.
  - From July 2026 to January 2030: the remaining principal amounting to Rs. 10,077.43 million, it has been agreed to be paid in eight equal biannual installments of Rs. 1,259.68 million.

The reprofiling of the liability had resulted in a gain of Rs. 139.02 million which had been recorded as other income in the respective year, however, it did not result in the derecognition of the original liability.

**19.2** This also includes loan of Rs. 1,000 million structured as Diminishing Musharakah for the purpose of operational support, project cost overruns and service of deferred payables of Company's clinker plant. The security includes first pari passu charge over fixed and current assets amounting to Rs. 1,333 million along with other collaterals and personal guarantees of the Company's related party.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

**19.2.1** In 2023, lenders of the Company have revised the terms of the existing Diminishing Musharakah to include, inter alia, the following:

- i) Downward revision of spread from 1.5% to 0.5% per annum for a period of three years starting from July 2023 to July 2026;
- ii) The term has been extended by two years, previously scheduled to be repaid by January 2028 whereas now it is scheduled to be paid by January 2030; and
- iii) Principal repayments have been revised in the following manner:
  - From July 2023 to January 2025: Rs. 333.33 million principal repayments have been reduced to Rs. 33.33 million.
  - From July 2025 to January 2026: Rs. 166.67 million principal repayments have been reduced to Rs. 41.67 million.
  - From July 2026 to January 2030: the remaining principal amounting to Rs. 758.33 million, it has been agreed to pay in eight equal biannual installments of Rs. 94.79 million.

**19.3** This includes term loan obtained from a commercial bank for a period of 5 years at the rate of 6 months KIBOR plus 1.5% (2024: 6 months KIBOR plus 1.5%) payable semi-annually. This loan was disbursed on December 10, 2020.

**19.4** This represents 3 foreign multilateral institutions / DFIs under long-term syndicate finance facility of equivalent drawdowns of EUR 11.357 million, USD 11.357 million, USD 15.143 million disbursed by Deutsche Investitions-und Entwicklungsgesellschaft mBH (DEG) through Arif Habib Equity (Private) Limited (AHEPL), OPEC Fund for International Development (OFID) and Islamic Corporation Development (ICD) respectively for the expansion project of Line III. The facility of EUR 11.357 million carries mark-up at the rate of 6 months EURIBOR plus 4.75% (2024: 6 months EURIBOR plus 4.75%) and the facilities of USD 11.357 million and USD 15.143 million carry mark-up at the rate of Term SOFR plus 4.75% (2024: Term SOFR plus 4.75%) per annum calculated on daily product basis with mark-up and principal repayment falling due on semi-annual basis.

The Company has executed cross currency swaps with Habib Bank Limited at the exchange rate of PKR 139.5 and PKR 141.4 per USD and Faysal Bank Limited through AHEPL at the exchange rate of PKR 162 and PKR 164.5 per EURO to hedge the Company's foreign currency payment obligation. This facility carries markup ranging between 6 months KIBOR plus 4.15% to 6 months KIBOR plus 5.49% (2024: 6 months KIBOR plus 4.15% to 6 months KIBOR plus 5.49%) with mark-up / principal repayment falling due on semi-annual basis with commercial Banks for cross currency swap. The facility is secured through first parri passu charge over current and fixed assets of the Company along with additional collaterals. The above hedge of exposures arising due to variability in cash flows owing to interest / currency risks were designated as cash flow hedges by the management of the Company.

**19.5** The Company is to comply with financial covenants which includes debt service coverage ratio (min. 1.20x), current ratio (min. 1.00x), interest coverage ratio (min. 2.00x), debt to EBITDA ratio (max. 2.5x), project related debt to equity ratio (max. 65:35) and debt to equity ratio (max. 70:30). The Company has a waiver from complying with these financial covenants as at June 30, 2025. The next evaluation of the financial covenants will be carried out based on the annual audited financial statements for the year ending June 30, 2026.

## 20. LONG-TERM TRADE PAYABLES

Local currency payables  
Less: Current maturity

Foreign currency payables  
Less: Current maturity

	2025	2024
	----- (Rupees in '000) -----	
	330,424	419,161
	(330,424)	(88,742)
	-	330,419
	26,582	48,979
	(26,582)	(22,905)
	-	26,074
	-	356,493

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

- 20.1** In 2017, the Company had entered into a construction contract with CEEC Tianjin (Pakistan) Electric Power Construction (Private) Limited for the construction of Line III. In 2022, the Company entered into an extension of payment contract for settlement of the outstanding amount. As per the terms of the contract, the Company is liable to pay a revised amount of Rs. 847.68 million along with USD 0.4 million over a period of 4 years.

	2025	2024
	----- (Rupees in '000) -----	
<b>21. LONG-TERM LEASE LIABILITY</b>		
Balance at beginning of the year	-	17,326
Addition	104,332	-
Modification	-	3,864
Mark-up on lease liability	19,330	974
Payment	(27,368)	(22,164)
Balance at end of the year	96,294	-
Less: Current maturity shown under current liability	(12,900)	-
	<b>83,394</b>	-

- 21.1** The maturity analysis of lease liabilities is as follows:

	Future minimum lease payments	Interest	Present value of future minimum lease payments
	----- (Rupees in '000) -----		
Less than one year	30,105	17,205	12,900
Between two to five years	109,613	26,219	83,394
	<b>139,718</b>	<b>43,424</b>	<b>96,294</b>

	Note	2025	2024
		----- (Rupees in '000) -----	
<b>22. STAFF RETIREMENT BENEFITS</b>			
Leave encashment payable		75,729	67,419
Provision for gratuity	22.5	281,267	234,977
		<b>356,996</b>	<b>302,396</b>
<b>22.1</b> Number of employees covered under staff gratuity scheme		<b>489</b>	<b>471</b>

- 22.2** As stated in note 2.13, the Company operates approved funded gratuity scheme for all management and non management employees. The scheme defines an amount of gratuity benefit that an employee will receive on retirement subject to minimum service under the scheme. Actuarial valuation of this plan is carried out every year and the latest actuarial valuation was carried out as at June 30, 2025.

- 22.3** Plan assets held in trust are governed by local regulations which mainly includes the Sindh Trusts Act, 2020; Companies Act, 2017; Income Tax Rules, 2002 and the Rules under the respective trust deed. Responsibility for governance of the Plan, including investment decisions and contribution schedules, lies with the respective Board of Trustees. The Company appoints the trustees and all trustees are employees of the Company.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

**22.4** The latest actuarial valuation of the Plan as at June 30, 2025 was carried out using the Projected Unit Credit Method. Details of the Fund as per the actuarial valuation are as follows:

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
<b>22.5 Balance sheet reconciliation as at June 30</b>			
Present value of defined benefit obligations	22.6	357,571	297,913
Fair value of plan assets	22.7	(76,304)	(62,936)
Deficit		<b>281,267</b>	<b>234,977</b>
<b>22.6 Movement in the defined benefit obligation</b>			
Present value of defined benefit obligation at beginning of the year		297,913	211,492
Current service cost for the year		53,174	47,950
Interest cost for the year		41,492	33,258
Benefits paid during the year		(32,841)	(14,486)
<b>Remeasurements:</b>			
Experience adjustments		(2,167)	19,699
Present value of defined benefit obligation as at June 30		<b>357,571</b>	<b>297,913</b>
<b>22.7 Movement in fair value of plan assets</b>			
Fair value of plan assets at beginning of the year		62,936	41,185
Contribution during the year		46,074	41,378
Expected return on plan assets		10,269	8,460
Benefits paid during the year		(32,841)	(14,486)
Actuarial loss on plan assets		(10,134)	(13,601)
Fair value of plan assets as at June 30		<b>76,304</b>	<b>62,936</b>
<b>22.8 Expenses recognised in the statement of profit or loss and other comprehensive income</b>			
Current service cost		53,174	47,950
Interest cost		41,492	33,258
Return on plan assets		(10,269)	(8,460)
		<b>84,397</b>	<b>72,748</b>
<b>22.9 Remeasurements recognised in other comprehensive income</b>			
Experience adjustments		(2,167)	19,699
Actuarial loss on plan assets		10,134	13,601
Total remeasurements chargeable in other comprehensive income		<b>7,967</b>	<b>33,300</b>
<b>22.10 Net recognised liability</b>			
Balance at beginning of the year		234,977	170,307
Charge for the year		84,397	72,748
Remeasurements chargeable in other comprehensive income		7,967	33,300
Contribution during the year		(46,074)	(41,378)
Balance at end of the year		<b>281,267</b>	<b>234,977</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

	2025		2024	
	Amount (Rupees in '000)	Percentage	Amount (Rupees in '000)	Percentage
<b>22.11 Composition of plan assets</b>				
Cash and / or deposits	3,710	4.86%	2,422	3.85%
Loan to members	72,594	95.14%	60,514	96.15%
	<b>76,304</b>	<b>100.00%</b>	<b>62,936</b>	<b>100.00%</b>

	2025	2024
<b>22.12 Significant actuarial assumptions</b>		
<b>Financial assumptions</b>		
Discount rate	12.50%	14.75%
Expected rate of eligible salary increase in future years	11.50%	13.75%
<b>Demographic assumptions</b>		
Mortality rate	SLIC 2001-2005	SLIC 2001-2005
Withdrawal rate	Moderate	Moderate
Retirement assumption	Age 60	Age 60

## 22.13 Description of the risks to the Company

The defined benefit plan exposes the Company to the following risks:

**Discount rate fluctuation** - The plan liabilities are calculated using a discount rate set with reference to market yields at the balance sheet date on high quality corporate bonds. A decrease in market yields on high quality corporate bonds will increase plan liabilities.

**Risk of insufficiency of assets** - This is managed by making regular contribution to the Fund to meet its obligations.

**Investment risks** - The risk arises when the actual performance of the investments is lower than expectation and thus creating a shortfall in the funding objectives.

**Mortality risks** - The risk that the actual mortality experience is different. The effect depends on the beneficiaries' service / age distribution and the benefit.

**Final salary risks** - The risk that the final salary at the time of cessation of service is different than what was assumed. Since the benefit is calculated on the final salary, the benefit amount changes similarly.

**Withdrawal risks** - The risk of higher or lower withdrawal experience than assumed. The final effect could go either way depending on the beneficiaries' service / age distribution and the benefit.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

## 22.14 Sensitivity analysis for the year ended June 30, 2025

	2025	
	PV of defined benefit obligation (Rupees in '000)	Rate effect
<b>Discount rate effect</b>		
Original liability	357,571	12.50%
1% increase	332,713	13.50%
1% decrease	386,152	11.50%
<b>Salary increase rate effect</b>		
Original liability	357,571	11.50%
1% increase	386,258	12.50%
1% decrease	332,207	10.50%
<b>Withdrawal rate effect</b>		
Original liability	357,571	
10% increase	361,168	
10% decrease	355,340	
<b>Mortality rate effect</b>		
Original liability	357,571	
+1 year	357,436	
-1 year	357,908	

## 22.15 If longevity increases by 1 year, the resultant increase in obligation is insignificant.

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as and when calculating the gratuity liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared to the previous year.

## 22.16 Maturity profile

The average duration of defined benefit obligation is 7.91 years.

## 22.17 As per actuarial advice, the Company is expected to recognise a service cost of Rs. 97.32 million in 2026 (2025: Rs. 88.62 million).

## 22.18 The weighted average service duration of employees is 5.71 years.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

**22.19** Expected maturity analysis of undiscounted retirement benefit payments is as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
	(Rupees in '000)				
Retirement benefit payments	62,399	29,729	95,578	160,743	348,449

**22.20** Analysis of present value of defined benefits obligations and fair value of plan assets

	2024-25	2023-24	2022-23	2021-22	2020-21
	(Rupees in '000)				
Present value of defined obligations	357,571	297,913	211,492	189,543	155,115
Fair value of plan assets	(76,304)	(62,936)	(41,185)	(53,273)	(46,150)
Deficit	281,267	234,977	170,307	136,270	108,965

**22.21** Experience adjustments

	2024-25	2023-24	2022-23	2021-22	2020-21
	(Rupees in '000)				
Experience adjustment	(2,167)	19,699	(16,620)	17,784	(2,176)

**23. TRADE AND OTHER PAYABLES**

	Note	2025	2024
		(Rupees in '000)	
Trade creditors	23.1	1,542,581	1,695,491
Advances from customers	23.2	1,184,279	639,097
Bills payable		472,901	-
Accrued liabilities		457,070	327,389
Withholding tax payable		152,874	180,558
Sindh Workers' Welfare Fund payable	23.3	59,532	5,012
Sindh Workers' Profit Participation Fund payable	23.4	85,755	-
Royalty payable on raw material	23.5	78,461	52,953
Federal Excise Duty payable		70,001	212,805
Salaries, wages and other benefits payable		16,388	-
Excise duty payable on raw material		1,606	4,185
Loan from previous sponsors		735	735
Others		3,973	782
		4,126,156	3,119,007

**23.1** Creditors include Rs. 458.79 million (2024: 343.31 million) in respect of amounts due to related parties.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

- 23.2** Advance received from customers is recognised as revenue when the performance obligation in accordance with the policy as described in note 2.19 is satisfied.

	2025	2024
	----- (Rupees in '000) -----	
Balance at beginning of the year	639,097	488,510
Advance received during the year	32,759,195	27,252,249
Revenue recognised during the year	(32,133,786)	(27,101,662)
Transferred to sales tax refund due from government	(80,227)	-
Balance at end of the year	<b>1,184,279</b>	<b>639,097</b>

Note **2025** **2024**  
----- (Rupees in '000) -----

- 23.3** The movement in Sindh Workers' Welfare Fund payable is as follows:

Balance at beginning of the year		5,012	5,012
Charge for the year	31	54,520	-
Balance at end of the year		<b>59,532</b>	<b>5,012</b>

Note **2025** **2024**  
----- (Rupees in '000) -----

- 23.4** The movement in Sindh Workers' Profit Participation Fund payable is as follows:

Balance at beginning of the year		-	-
Charge for the year	31	85,755	-
Balance at end of the year		<b>85,755</b>	-

- 23.5** This represents royalty payable to the Mines & Mineral Development Department, Government of Sindh, having registered office at ST-19/1, Block 6, Gulshan-e-Iqbal, Karachi.

Note **2025** **2024**  
----- (Rupees in '000) -----

## 24. ACCRUED MARK-UP

On long-term financing		738,883	1,338,180
On loan from related parties		292,722	292,722
On short-term financing		53,679	413,329
		<b>1,085,284</b>	<b>2,044,231</b>

## 25. SHORT-TERM FINANCING - secured

### Conventional

Running finance	25.2	260,943	270,443
Export Refinance Facility (ERF)	25.3	-	200,000
		260,943	470,443

### Islamic

Istisna / Running Musharakah	25.4		
Maturity within three months		1,000,233	4,648,624
Maturity after three months		2,350,000	450,000
Islamic Export Refinance Facility (IERF)	25.5	700,000	700,000
		4,050,233	5,798,624
		<b>4,311,176</b>	<b>6,269,067</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

- 25.1** The short-term financing facilities available to the Company aggregate to Rs. 7,550 million (2024: Rs.7,350 million) repayable with a maximum tenure of 180 days from the date of disbursement. These facilities have been obtained on annually renewable basis. As at the reporting date, unavailed amount under these facilities amounts to Rs. 3,239 million (2024: Rs. 1,081 million). These are secured by first pari passu charge against current and fixed assets of the Company.
- 25.2** This represents short-term running finance facility from a commercial bank amounting to Rs. 260.94 million (2024: Rs. 270.44 million). This carries mark up at the rate of 1 month KIBOR plus 1.5% (2024: 1 month KIBOR plus 1.5%) per annum calculated on daily product basis. The facility is annually renewable and mark-up on the facility is payable on quarterly basis. The facility is secured by first pari passu charge against current and fixed assets of the Company amounting to Rs. 400 million.
- 25.3** This represents a facility under the State Bank of Pakistan's (SBP) Export Refinance Scheme (ERF), with a maximum tenure of 180 days from the date of disbursement (2024: Rs. 200 million). The ERF facility carried a markup rate of 8% to 19% per annum or SBP policy rate minus 3% (2024: 19% per annum or SBP policy rate minus 3%). During the year, this facility was converted into a Running Musharakah facility.
- 25.4** These Istisna and Running Musharakah facilities carry applicable profit at the rates ranging from KIBOR plus 0.1% to KIBOR plus 3% (2024: KIBOR plus 1% to KIBOR plus 3%).
- 25.5** The IERF facilities availed carry profit at the rate of 8% to 19% per annum or SBP policy rate minus 3%. (2024: 17% to 19% per annum or SBP policy rate minus 3%).

## 26. CONTINGENCIES AND COMMITMENTS

### Contingencies

- 26.1** In 2017, the Company filed a suit 2269/2016 dated October 27, 2016 in the Sindh High Court (SHC) against China Cosco Shipping Corporation and others challenging its detention of the Company's cargo for the want of certain charges. On November 3, 2016, the Court ordered the release of the Company's cargo against deposit of Defence Savings Certificates amounting Rs. 11.65 million with the Nazir of the Court. Accordingly, the Company's cargo was released upon deposit of the requisite security. Pursuant to the Sindh Civil Courts (Amendment) Act, 2025, the aforementioned suit pending before the High Court has been transferred before the Senior Civil Judge/Assistant Sessions Judge VII, Karachi (South) bearing Suit No. 498/2025. Legal counsel of the Company believes that the Company has a good arguable case on merits while next date of hearing of the same is awaited.
- 26.2** A case was initiated on October 03, 2017 via suit 1129 of 2017 in the Court of Senior Civil Judge, Hyderabad against the Company for recovery of advertisement fees, the Company had engaged a legal counsel for that but the appellants have not produced any calculations in their appeal and hence the documents filed by them in the court do not state any specific amount. The case was dismissed by the Court and the appellants have preferred an appeal there against. The management is confident that the outcome of the case would be in favour of the Company hence no provision is made in these financial statements.
- 26.3** Popular Cement Industries (Private) Limited approached the SHC seeking an order restraining the Company from excavating limestone from one of its quarries / mines - the prayer of the applicant was granted by the Court through its order dated February 25, 2019 passed under suit no. 349 of 2019, barring the Company from excavation of limestone from a mining lease. The matter is pending and a favourable outcome is expected as per the Company's legal counsel.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

**26.4** A Constitutional Petition C.P No. 4374/2019 was filed by the Company on June 27, 2019 to challenge the levy of Sindh Infrastructure Development Cess. An interim relief was granted by the Court through its order dated July 26, 2019. On June 06, 2021, the SHC decided in its judgement that the submitted bank guarantees be encashed and paid to the collectorate. On August 31, 2021, the Supreme Court of Pakistan has suspended the judgement passed by the SHC and stayed the encashment of bank guarantees. As at June 30, 2025, amount involved in the matter is Rs. 106 million against which bank guarantee had been submitted as security with the Collectorate. The management in consultation with its legal advisor is confident that the outcome of the case would be in favour of the Company hence no provision is made in these financial statements.

**26.5** The Competition Commission of Pakistan (CCP) passed a single order on August 27, 2009 against all the cement manufacturers of the country on the alleged ground of formation of cartel for marketing arrangement and imposed a penalty at the rate of 7.5% of total turnover of each company consisting of both local and export sales. The amount of penalty imposed on the Company is Rs. 87 million. The Company challenged the constitutionality of the Competition Law before the Honorable Lahore High Court (LHC) and also the show cause notice and subsequent order issued by the CCP. The LHC on October 26, 2020, however, dismissed the petitions of the cement manufacturers and declared the Competition Law to be intra vires. Nevertheless, the LHC struck down the constitution of the Competition Appellate Tribunal (CAT). The Company has filed an appeal before the Honorable Supreme Court of Pakistan to challenge the said decision. Meanwhile, the Government has also filed an appeal to challenge the judgement of the LHC.

The Company has also filed a petition before the Honorable Sindh High Court (SHC) in relation to the constitution of CAT, wherein the SHC had restrained the CAT from passing a final order in the matter, the petition was dismissed during the year and the CAT has heard the appeal challenging the aforesaid penalty. Judgement on the same is pending and based on the opinion of the Company's legal advisors, the management is hopeful that the ultimate outcome of the appeal will be in favour of the Company and hence no provision has been recognised in these financial statements.

**26.6** In 2008, a customer had filed claim of Rs. 1.20 million before the Court of District & Session Judge Karachi (East), for recovery of financial loss due to sub-standard supply of cement via appeal no. 14/2008 and appeal no. 16/2013. The Honourable Judge has decided the order in favour of the customer. Thereafter, the Company filed a revision application against the order before the SHC. The management based on the advice of the lawyer is confident that the outcome of the case would be in favour of the Company and hence no provision is made in these financial statements.

**26.7** In 2013, the Company reversed a liability amounting to Rs. 115.93 million in respect of previous sponsors loan on the basis of arbitration award in favour of the Company.

In 2005, the management of the Company was taken over by purchasing the controlling shareholding. One of the condition of takeover of the management from the previous sponsors was that the amount payable in respect of this loan was required to be adjusted in respect of any differences in the value of assets and / or unrecorded liabilities. However, due to dispute regarding existence of certain assets and / or unrecorded liabilities, the final amount of the previous sponsor's loan remained undetermined and unsettled and the matter was referred for arbitration as per the Share Purchase Agreement between the management and the previous sponsors. The amount outstanding as at June 30, 2012 amounted to Rs. 115.93 million i.e. Rs. 234.08 million net off with unavailable stores and spares of Rs. 118.15 million.

In 2013, the arbitrator decided in favour of the Company vide order dated August 6, 2012 and determined an amount of Rs. 0.74 million to be paid by the Company. The award has been sent to Sindh High Court for making the award a rule of Court. Pursuant to the Sindh Civil Courts (Amendment) Act, 2025, the aforementioned suit pending before the Sindh High Court has been transferred before the Senior Civil Judge/Assistant Sessions Judge X, Karachi (East) bearing Suit No. 6901/2025. The management, based on its lawyers' advice is of the opinion that despite of objection filed by the previous sponsors against the arbitration award, the Company has strong grounds considering the fact that the Arbitration Award has been announced in Company's favour and the arbitration award will be made a rule of Court. Accordingly, the management had reversed the liability in 2013 with a corresponding

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

credit in the profit or loss account. However, as previous sponsors have filed objections to the award, the matter has been disclosed as a contingent liability in these financial statements. The management in consultation with its legal advisor is confident that the outcome of the case would be in favour of the Company hence no provision is made in these financial statements.

### 26.8 SALES TAX MATTERS

**26.8.1** The Company received an order from Central Excise and Land Custom on October 28, 1992 alleging that the Sales tax and Central Excise Duty (CED) amounting to Rs. 15.21 million and Rs. 30.31 million respectively, were not paid on certain sales. Penalty of Rs. 45.52 million was also levied in the said order on account of non payment of above amount. The Company has however disputed the same on grounds of lack of jurisdiction as well as on the merits, the matter is sub-judice. The Honourable High Court of Sindh has granted stay against the said order and the case is currently pending with the Appellate Tribunal Inland Revenue, Karachi. During 2015, the Company received a notice from FBR raising demand of Rs. 60.62 million and Rs. 15.21 million under CED and Sales Tax including penalty respectively. The SHC has granted stay against the said demand notice.

The management in consultation with its legal advisor is confident that the outcome of the case would be in favour of the Company hence no provision is made in these financial statements.

**26.8.2** The Company received a show cause notice from DCIR on June 13, 2015 alleging that the Company has adjusted inadmissible input tax on diesel purchased and consumed in the rented vehicles of the transporter of the Company under Sales Tax Act, 1990. The Company replied that it has adjusted a valid input tax under the provision of Sales Tax Act, 1990. Subsequently, demand notice for recovery was received dated July 13, 2015 for an amount of Rs. 17.36 million for adjusting invalid input tax with a penalty of Rs. 0.87 million against which the Company filed an appeal with CIR Appeals on August 04, 2015, along with application for the grant of stay. Hearing for the same was fixed on August 21, 2015.

On September 10, 2015, the case was decided in favour of the Company vide order no. 17 of 2015 issued by Commissioner Inland Revenue (Appeals), however an appeal has been preferred against the same by CIR in Appellate Tribunal Inland Revenue which has also been decided in favour of the Company.

**26.8.3** During the year ended June 30, 2020, the Company received a show-cause notice u/s 11(2) of the Act dated September 05, 2019 covering transactions of input tax claimed during tax periods from July 2018 to June 2019 alleging an amount of Rs. 946 million as inadmissible under the Act, the DCIR passed order vide no. 01/06/2020 dated August 06, 2020. The Company filed an appeal u/s 45B of the Act. On September 29, 2020, CIR (Appeals-I) has granted a stay, through order # 2020/211, against the mentioned DCIR's order.

During the year ended June 30, 2021, CIR (Appeals-I) decided the case via order number STA/161/LTU/ 2021/08 dated February 11, 2021 partly in favour of the Company by vacating Rs. 461.91 million and remanding back Rs. 484.53 million to decide the matter afresh. The Company received a notice for remand back proceedings from the learned DCIR as instructed by the learned CIR-Appeals.

During the year ended June 30, 2022, the Company replied to the notice of DCIR. During the hearing, the learned DCIR started the proceedings for the whole amount as contained in the original show cause notice i.e. Rs. 946 million which was against the CIR-Appeals order as mentioned, therefore the Company challenged the actions of DCIR before Hon'ble Sindh High Court which granted stay order against the proceedings. During the year the matter was dismissed by the Hon'ble Sindh High Court, however, the department has not undertaken any further action in this regard.

As the department has not initiated any proceedings nor raised any formal demand in relation to the matter, no provision has been made in these financial statements.



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

- 26.8.4** A Special Sales Tax Reference Application No. 413/2019 was filed by the Commissioner Inland Revenue Zone-II on November 23, 2018 against the Appellate Tribunal Order decided in favour of the Company amounting to Rs. 0.34 million. The case pertained to claim of input sales tax on certain communication expenses. The management in consultation with its legal advisor is confident that the outcome of the case would be in favour of the Company hence no provision is made in these financial statements.
- 26.8.5** Appeal before CIR-Appeals is preferred by the Company against Order-in-Original (ONO) # 19/07/2019 dated April 30, 2019 creating demand of Rs. 45.24 million including penalty of Rs. 2.15 million. CIR-Appeals through its order no.12 dated February 06, 2020 deleted demand of Rs. 42.08 million and corresponding penalty as well. The Company has filed before Appellate Tribunal Inland Revenue (ATIR) against disallowance of Rs. 1.35 million which is pending for hearing. The management in consultation with its legal advisor is confident that the outcome of the case would be in favour of the Company hence no provision is made in these financial statements.
- 26.8.6** The DCIR passed an order vide no. 05/07/2020 dated December 27, 2019 creating demand of Rs.13.05 million along with penalty of Rs. 0.65 million. The Company filed appeal u/s 45B of the Act. The CIR-Appeals vide its order vacated the demand created to the extent of Rs.1.55 million. The Company paid Rs. 4.82 million and filed appeal against the remaining disallowance before ATIR hearing.

During the year ended June 30, 2021, the DCIR initiated the remand back proceedings and concluded exercise by creating a demand of Rs. 1.55 million along with the penalty of Rs. 0.078 million. The learned DCIR while passing the aforesaid order failed to consider the reply filed by the Company, recognizing the mistake apparent on records the Company filed application for rectification of mistake u/s 57 of the Act on July 26, 2021, no action by the office of learned DCIR has yet been made on the Company's application till date. The management in consultation with its legal advisor is confident that the outcome of the case would be in favour of the Company hence no provision is made in these financial statements.

- 26.8.7** The Deputy Commissioner Inland Revenue (DCIR) passed two separate orders vide order nos. 10/197 and 23/196 raising tax demand of Rs. 14.68 million and Rs. 301.47 million respectively in respect of alleged failure by local coal suppliers to fulfill their sales tax obligations. The Company believes that it has fully discharged its legal obligations and should not be held responsible for the failures of coal suppliers or the tax department to ensure tax compliance. In this regard, the Company has filed appeals against the said orders with the Appellate Tribunal Inland Revenue (ATIR). During the year, the ATIR has annulled the impugned order amounting to Rs. 14.68 million, while decision of the ATIR is awaited on the order amounting to Rs. 301.47 million. Keeping in view the favourable adjudication of the said matter, the Company is confident that the entire tax demand pertaining to this matter will be set aside by the ATIR.

## 26.9 INCOME TAX MATTERS

- 26.9.1** The Company has challenged the applicability of Alternate Corporate Tax (ACT) via Constitutional Petition and filed Income Tax Return of TY 2016 based on Minimum Tax and accordingly no effect of ACT is taken in the tax liability and an interim order dated September 25, 2019 has been granted by the High Court of Sindh that no coercive action is to be taken against the Company till the pendency of the Constitutional Petition. The management in consultation with its legal advisor is confident that the outcome of the case would be in favour of the Company hence no provision is made in these financial statements.
- 26.9.2** The Finance Act, 2017 had introduced tax on every public company at the rate of 7.5% of its profit before tax for the year. However, this tax shall not apply in case of a public company which distributes at least 40% of its after tax profits within six months of the end of the tax year through cash or bonus shares. Liability in this respect, if any, is recognised when the prescribed time period for distribution of dividend expires. The Finance Act 2018 amended the Section 5A of the Ordinance whereby the prescribed amount of distribution of profit as dividend reduced from 40% to 20% and the levy of tax on profit in case where companies do not distribute the prescribed amount reduced from 7.5% to 5%. The SHC decided in favour of the Company against which the department has preferred an appeal in the Supreme Court of Pakistan. The management in consultation with its legal advisor is confident that the outcome of the case would be in favour of the Company hence no provision is made in these financial statements.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
<b>26.10 Commitments</b>			
Commitments against open letter of credit for:			
- Coal	26.10.1	1,331,625	1,029,346
- Stores and spares	26.10.2	307,788	400,738
Commitments against letter of guarantees	26.10.3	10,765,593	9,716,460
Commitments against ljarah rentals	26.10.4	159,737	175,693
<b>Total Commitments</b>		<b>12,564,743</b>	<b>11,322,237</b>

**26.10.1** The amount utilized in respect of these facilities is Rs. 7,568 million (2024: Rs. 9,500 million).

**26.10.2** The amount utilized in respect of these facilities is Rs. 653 million (2024: Rs. 1,310 million).

**26.10.3** This includes Corporate Guarantee of Rs. 9,980 million (as approved by the Company's shareholders vide special resolution passed on June 23, 2018) issued to DEG (a Foreign Currency Long-Term Financier) being part of the Company's long-term financing on behalf of the Arif Habib Equity (Private) Limited - a related party, being part of Company's long-term financing as disclosed in note 19.

	Note	2025 ----- (Rupees in '000) -----	2024 ----- (Rupees in '000) -----
<b>26.10.4 Commitments against ljarah rentals</b>			
Total of future ljarah payments under the agreement are as follows:			
Not later than one year		65,499	64,931
Later than one year but not later than five years		94,238	110,762
		<b>159,737</b>	<b>175,693</b>

## 27. REVENUE FROM CONTRACTS WITH CUSTOMERS

Local sales		29,864,029	25,483,993
Sales tax		(5,009,141)	(4,227,493)
Federal excise duty		(5,348,862)	(2,655,296)
Commission		(45,510)	(51,123)
<b>Net local sales</b>		<b>19,460,516</b>	<b>18,550,081</b>
Exports	27.2	10,160,230	12,834,841
Freight		(100,610)	(307,708)
<b>Net exports</b>		<b>10,059,620</b>	<b>12,527,133</b>
		<b>29,520,136</b>	<b>31,077,214</b>

**27.1** The Company sells cement and clinker to dealers and other organisations / institutions. Out of these, two (2024: two) of the Company's customers constitute towards 26.28% (2024: 29.26%) of the net revenue during the year amounting to Rs. 7.75 billion (2024: Rs. 9.09 billion).

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		----- (Rupees in '000) -----	
<b>27.2</b>	Exports comprise of sales made in following continents:		
Africa		9,513,071	11,450,688
Asia		647,159	842,619
North America		-	535,150
Europe		-	6,384
		<b>10,160,230</b>	<b>12,834,841</b>
<b>28.</b>	<b>COST OF SALES</b>		
Salaries, wages and other benefits including retirement benefits	28.1	846,462	706,256
Raw materials consumed		2,698,800	2,593,578
Packing materials consumed		1,076,358	1,365,089
Stores, spares and loose tools		1,141,635	754,567
Fuel and power		13,517,377	16,578,613
Depreciation	3.2	871,460	929,231
Repairs and maintenance		294,916	184,459
Earth moving machinery		195,389	273,571
Insurance		139,398	131,324
Vehicle hire, running and maintenance		122,518	135,073
Security charges		29,885	16,395
Travelling and conveyance		4,373	1,808
Other production overheads		9,606	10,229
		<b>20,948,177</b>	<b>23,680,193</b>
<b>Work-in-process and semi-finished goods</b>			
Opening		1,312,867	1,845,770
Closing		(1,320,653)	(1,312,867)
		<b>(7,786)</b>	<b>532,903</b>
<b>Cost of goods manufactured</b>		<b>20,940,391</b>	<b>24,213,096</b>
<b>Finished goods</b>			
Opening		308,170	381,887
Purchases		48,179	-
Closing		(175,502)	(308,170)
		<b>180,847</b>	<b>73,717</b>
		<b>21,121,238</b>	<b>24,286,813</b>

**28.1** These include Rs. 60.25 million (2024: Rs. 52.81 million) against staff retirement benefits.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		----- (Rupees in '000) -----	
<b>29. SELLING AND DISTRIBUTION EXPENSES</b>			
Salaries, wages and other benefits including retirement benefits	29.1	110,916	106,490
Export expenses		2,534,267	2,753,863
Advertisement and sales promotion		196,360	201,646
Transportation expense		130,922	73,363
Marking fee		18,961	18,781
Vehicle running and maintenance		14,077	14,454
Travelling and conveyance		5,978	4,101
Depreciation	3.2	303	425
Repairs and maintenance		10	720
Others		412	1,196
		<b>3,012,206</b>	<b>3,175,039</b>

**29.1** These include Rs.14.17 million (2024: Rs. 19.37 million) against staff retirement benefits.

	Note	2025	2024
		----- (Rupees in '000) -----	
<b>30. ADMINISTRATIVE EXPENSES</b>			
Salaries, wages and other benefits including retirement benefits	30.1	239,413	195,372
Ijarah payments		59,396	43,197
Legal and professional charges		52,481	28,242
Fees and subscription		46,746	53,052
Repairs and maintenance		27,580	24,329
Depreciation	3.2 & 30.2	25,711	20,129
Entertainment		15,355	18,195
Vehicle running and maintenance		23,812	22,705
Postage and telephone		8,908	6,518
Auditor's remuneration	30.3	6,095	4,534
Travelling and conveyance		4,907	4,024
Printing and stationery		4,623	3,228
Rent, rates and taxes		2,906	2,700
Insurance		2,149	1,520
Charity and donations		805	3,624
Others		8,278	10,706
		<b>529,165</b>	<b>442,075</b>

**30.1** These include Rs. 28.20 million (2024: Rs. 22.15 million) against staff retirement benefits.

**30.2** This includes depreciation charged on right-of-use asset.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		----- (Rupees in '000) -----	
<b>30.3 Auditor's remuneration</b>			
<b>Audit Services</b>			
Audit fee		3,200	2,600
Half yearly review fee		800	484
Out of pocket expenses		795	933
		4,795	4,017
Fee for review of compliance with Code of Corporate Governance		300	275
Certifications for regulatory purposes		1,000	242
		<b>6,095</b>	<b>4,534</b>
<b>31. OTHER (EXPENSES) / INCOME - NET</b>			
Sindh Workers' Profit Participation Fund		(85,755)	-
Exchange loss - net	31.1 & 31.2	(71,224)	(164,286)
Sindh Workers' Welfare Fund		(54,520)	-
Environmental incentive income	31.3	13,965	-
(Loss) / gain on scrap sales		(4,415)	8,075
(Loss) / gain on disposal of fixed assets		(285)	1,147
Income on insurance claim		154	83
		<b>(202,080)</b>	<b>(154,981)</b>
<b>31.1</b>	This includes the difference between the exchange rate on the date of shipment of goods and payment of foreign currency purchase price of the goods or receipts against exports. However, outstanding liability against purchase or receivable against exports is remeasured at the rate prevailing on the date of statement of financial position and the difference is also recorded in exchange gain or loss.		
<b>31.2</b>	This includes gain amounting to Rs. 857.71 million (2024: Rs. 916.68 million) on principal repayment of foreign currency loan realised during the year.		
<b>31.3</b>	This represents an incentive of USD 50,000 received from the Islamic Corporation for the Development of the Private Sector in relation to the Company's Alternative Fuel Program.		

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		-----	-----
		(Rupees in '000)	
<b>32. FINANCE INCOME / (COST) - NET</b>			
<b>Finance income:</b>			
Income from PLS Savings account and term deposit- Islamic		31,512	26,012
Income from defence savings certificates		3,155	1,395
		<b>34,667</b>	<b>27,407</b>
<b>Finance cost:</b>			
Finance cost on short-term financing - Islamic		(615,449)	(1,227,661)
Finance cost on short-term financing - Conventional		(26,698)	(221,935)
Mark-up on long-term trade payables		(52,201)	(65,590)
Unwinding of restructuring cost		(26,542)	(781)
Finance cost on long-term financing - Islamic		(2,284,700)	(3,320,434)
Finance cost on long-term financing - Conventional		(28,066)	(108,494)
Mark-up on lease liability		(19,330)	(974)
Bank charges and commission		(25,587)	(29,164)
		<b>(3,078,573)</b>	<b>(4,975,033)</b>
		<b>(3,043,906)</b>	<b>(4,947,626)</b>
<b>33. LEVY</b>			
Minimum tax u/s 154		-	128,348
<b>34. TAXATION</b>			
Current - for the year	34.4	266,590	179,832
- prior year		52,687	-
Deferred		438,040	476,185
		<b>757,317</b>	<b>656,017</b>
<b>34.1 Relationship between income tax and accounting profit / (loss)</b>			
<b>Profit / (loss) before taxation and levy</b>		<b>1,572,313</b>	<b>(1,918,919)</b>
Tax at the applicable rate of 29% (2024: 29%)		455,971	(556,487)
Effect of minimum tax u/s 154		-	128,348
Effect of tax credit		-	(819,598)
Prior year tax charge		52,687	-
Effect of super tax		266,589	-
Effect of rate differential		-	1,339,510
Others		(17,930)	692,592
Levies and taxation		<b>757,317</b>	<b>784,365</b>
<b>34.2</b>	For contingencies relating to taxation, please refer note 26.9.		
<b>34.3</b>	The tax returns have been filed up to tax year 2024 (corresponding to financial year ended June 30, 2024) which are deemed to be assessed under section 120 of the Income Tax Ordinance, 2001 (Ordinance).		
<b>34.4</b>	The Company computes current tax expense based on the generally accepted interpretation of the tax laws to ensure that sufficient provision for purpose of taxation is available. According to management, the tax provision made in these financial statements is sufficient.		

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

	2025	2024
	----- (Rupees in '000) -----	
<b>35. EARNINGS / (LOSS) PER SHARE</b>		
<b>Basic</b>		
Profit / (loss) after taxation attributable to ordinary shareholders	814,996	(2,703,284)
Adjustment for cumulative preference shares' dividend	(296,694)	(493,442)
Profit / (loss) after taxation for calculation of basic earnings / (loss) per share	<b>518,302</b>	<b>(3,196,726)</b>
	--- (Number of Shares in '000) ---	
Ordinary shares at July 1	1,111,885	1,111,870
Effect of conversion of cumulative preference shares	65,798	10
Weighted average number of ordinary shares outstanding at June 30	<b>1,177,683</b>	<b>1,111,880</b>
Earnings / (loss) per share in rupee - basic	<b>0.44</b>	<b>(2.88)</b>

## Diluted

Diluted earnings per share has not been presented for the year ended June 30, 2025 as it has anti-dilutive effect on earnings per share.

The effect of dividend of Cumulative Preference Shares is not accounted for in calculation of weighted average number of potential ordinary shares.

## 36. FINANCIAL INSTRUMENTS AND RELATED DISCLOSURE

### Financial risk management

The Board of Directors of the Company has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has exposure to the following risks from its use of financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

### Risk management framework

The Board meets frequently throughout the year for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

### 36.1 Financial assets and liabilities by category and their respective maturities

	2025			2024		
	Maturity up to one year	Maturity after one year	Total	Maturity up to one year	Maturity after one year	Total
----- (Rupees in '000) -----						
<b>Financial assets</b>						
<b>At amortised cost</b>						
Long term investments	-	21,589	21,589	-	20,094	20,094
Long term deposits	-	62,069	62,069	-	56,069	56,069
Trade receivables	343,571	-	343,571	294,896	-	294,896
Advance and other receivables	85,599	-	85,599	170,709	-	170,709
Trade deposits	58,916	-	58,916	9,336	-	9,336
Short-term investments	140,457	-	140,457	135,373	-	135,373
Cash and bank balances	1,496,175	-	1,496,175	407,368	-	407,368
<b>At fair value through profit or loss</b>						
Derivative financial asset	1,474,289	-	1,474,289	2,186,893	-	2,186,893
	<b>3,599,007</b>	<b>83,658</b>	<b>3,682,665</b>	<b>3,204,575</b>	<b>76,163</b>	<b>3,280,738</b>
<b>Financial liabilities</b>						
<b>At amortised cost</b>						
Long-term financing	-	12,601,197	12,601,197	-	14,877,802	14,877,802
Current portion of long term financing	1,573,523	-	1,573,523	1,389,533	-	1,389,533
Trade and other payables	2,116,281	-	2,116,281	1,911,968	-	1,911,968
Long-term trade payables	357,006	-	357,006	111,647	356,493	468,140
Unclaimed dividend	126	-	126	126	-	126
Accrued mark-up	1,085,284	-	1,085,284	2,044,231	-	2,044,231
Long-term lease liability	-	83,394	83,394	-	-	-
Current portion of Lease liability	12,900	-	12,900	-	-	-
Short-term financing	4,311,176	-	4,311,176	6,269,067	-	6,269,067
	<b>9,456,296</b>	<b>12,684,591</b>	<b>22,140,887</b>	<b>11,726,572</b>	<b>15,234,295</b>	<b>26,960,867</b>
<b>On statement of financial position date gap</b>	<b>(5,857,289)</b>	<b>(12,600,933)</b>	<b>(18,458,222)</b>	<b>(8,521,997)</b>	<b>(15,158,132)</b>	<b>(23,680,129)</b>
Net financial (liabilities) / asset						
Interest bearing	(5,571,913)	(12,579,608)	(18,151,521)	(9,445,109)	(14,857,708)	(24,302,818)
Non-interest bearing	(285,376)	(21,325)	(306,701)	923,112	(300,424)	622,689
	<b>(5,857,289)</b>	<b>(12,600,933)</b>	<b>(18,458,222)</b>	<b>(8,521,997)</b>	<b>(15,158,132)</b>	<b>(23,680,129)</b>

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

## 36.2 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss, without taking into account the fair value of any collateral.

Credit risk of the Company arises principally from the trade debts, loans and advances, trade deposits, bank balances and other receivables. The carrying amount of financial assets represents the maximum credit exposure. To reduce the exposure to credit risk the Company has developed a formal approval process whereby credit limits are applied to its customers. The management continuously monitors the credit exposure towards the customers and makes provision against those balances considered doubtful of recovery (and also obtains security / advance payments, wherever considered necessary).

The maximum exposure to credit risk at the reporting date is:

	2025	2024
	----- (Rupees in '000) -----	
Long-term deposits	62,069	56,069
Trade receivables	343,571	294,896
Advances and other receivables	85,599	170,709
Trade deposits	58,916	9,336
Short term investments	135,757	130,673
Bank balances	1,495,662	406,670
	<b>2,181,574</b>	<b>1,068,353</b>

Cash is held only with reputable banks with high quality external credit rating assessed by external rating agencies. Following are the credit ratings of Banks with which balances are held or credit lines available:

Bank	Rating Agency	Rating	
		Short-term	Long-term
Allied Bank Limited	PACRA	A1+	AAA
Al Baraka Bank (Pakistan) Limited	JCR-VIS	A1	A+
Askari Bank Limited	PACRA	A1+	AA+
Bank Alfalah Limited	PACRA	A1+	AAA
Bank Al-Habib Limited	PACRA	A1+	AAA
BankIslami Pakistan Limited	PACRA	A1	AA-
The Bank of Khyber	PACRA	A1	A+
The Bank of Punjab	PACRA	A1+	AA+
Dubai Islamic Bank Pakistan Limited	JCR-VIS	A1+	AA
Faysal Bank Limited	PACRA	A1+	AA
Habib Bank Limited	JCR-VIS	A1+	AAA
Habib Metropolitan Bank Limited	PACRA	A1+	AA+
JS Bank Limited	PACRA	A1+	AA
National Bank of Pakistan	PACRA	A1+	AAA
Samba Bank Limited	PACRA	A1	AA
Bank Makramah Limited*	JCR-VIS	A3	BBB-
Soneri Bank Limited	PACRA	A1+	AA-
United Bank Limited	JCR-VIS	A1+	AAA
Meezan Bank Limited	JCR-VIS	A1+	AAA

\* The rating has been announced in February, 2019. No rating is available for Bank Makramah Limited for 2025.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

**36.2.1** The maximum exposure to credit risk for trade debts at the reporting date by geographic region is as follows:

	2025	2024
	----- (Rupees in '000) -----	
Domestic	389,744	367,569
Exports	15,250	33
	<b>404,994</b>	<b>367,602</b>

**36.2.2** The maximum exposure to credit risk for trade receivable at the reporting date by the type of customers is as follows:

	2025	2024
	----- (Rupees in '000) -----	
Dealers / distributors	35,283	41,566
End-user customers / exports	369,711	326,036
	<b>404,994</b>	<b>367,602</b>

## 36.2.3 Expected Credit Loss (ECL)

The aging of trade receivables at the reporting date was:

	2025		2024	
	Gross receivables	ECL	Gross receivables	ECL
	----- (Rupees in '000) -----			
1-30 days	208,328	2,264	197,049	4,328
31-60 days	80,472	606	37,640	669
61-365 days	59,859	2,218	68,848	3,644
Over 365 days	56,335	56,335	64,065	64,065
	<b>404,994</b>	<b>61,423</b>	<b>367,602</b>	<b>72,706</b>

## 36.2.4 Concentration of credit risk

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, management focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Management does not consider that it has any concentration of credit risk at reporting date.

## 36.3 Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulties in meeting obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The management believes that it will be able to fulfil its financial obligations. The following are the contractual maturities of financial liabilities, including interest payment:

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

2025						
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to five years	More than five years
----- (Rupees in '000) -----						
<b>Financial liabilities</b>						
Long-term financing - secured	14,174,720	(14,305,330)	(1,289,277)	(1,239,278)	(11,776,775)	-
Long-term trade payables	357,006	(384,057)	(96,376)	(287,681)	-	-
Trade and other payables	3,769,150	(3,769,150)	(3,769,150)	-	-	-
Accrued mark-up	1,085,284	(1,085,284)	(1,085,284)	-	-	-
Short-term financing - secured	4,311,176	(4,311,176)	(4,311,176)	-	-	-
Lease liabilities	96,294	(139,718)	(14,336)	(15,769)	(109,613)	-
Unclaimed dividend	126	(126)	(126)	-	-	-
	<b>23,793,756</b>	<b>(23,994,841)</b>	<b>(10,565,725)</b>	<b>(1,542,728)</b>	<b>(11,886,388)</b>	<b>-</b>

2024						
	Carrying amount	Contractual cash flows	Six months or less	Six to twelve months	One to five years	More than five years
----- (Rupees in '000) -----						
<b>Financial liabilities</b>						
Long-term financing - secured	16,267,335	(16,424,496)	(1,065,517)	(1,188,520)	(11,461,519)	(2,708,940)
Long-term trade payables	468,140	(547,349)	(95,834)	(68,000)	(383,515)	-
Trade and other payables	2,650,867	(2,650,867)	(2,650,867)	-	-	-
Accrued mark-up	2,044,231	(2,044,231)	(2,044,231)	-	-	-
Short-term financing - secured	6,269,067	(6,269,067)	(6,269,067)	-	-	-
Lease liabilities	-	-	-	-	-	-
Unclaimed dividend	126	(126)	(126)	-	-	-
	<b>27,699,766</b>	<b>(27,936,136)</b>	<b>(12,125,642)</b>	<b>(1,256,520)</b>	<b>(11,845,034)</b>	<b>(2,708,940)</b>

**36.3.1** The contractual cash flows relating to the above financial liabilities have been determined on the basis of mark-up rate effective as at June 30. The rate of mark-up has been disclosed in respective notes to these financial statements.

## 36.4 Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. Market risk comprises of currency risk, interest rate risk and other price risk. The Company is exposed to currency risk and interest rate risk only.

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

## a) Currency risk

Foreign currency risk is the risk that the value of financial asset or a liability will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transactions entered into foreign currencies.

### Exposure to currency risk

The Company is exposed to currency risk on export sales and import purchases in a currency other than Rupees. Further, the Company has availed foreign currency loans which also exposes it to the currency risk. However, the Company has hedged its foreign currency exposure on foreign currency loans by entering into cross currency swap.

The Company's exposure to foreign currency risk is as follows:

	2025			2024		
	(Rupees in '000)	(US Dollars in'000)	(EUR in'000)	(Rupees in '000)	(US Dollars in'000)	(EUR in'000)
Bills payable in USD	(458,597)	(1,616)	-	-	-	-
Bills payable in EUR	(14,304)	-	(43)	-	-	-
Long-term trade payables	(28,376)	(100)	-	(55,668)	(200)	-
Trade receivables	15,250	54	-	33	-	-
Foreign currency loan						
- denominated in EUR	(944,157)	-	(2,838)	(1,408,761)	-	(4,732)
- denominated in USD	(1,879,281)	(6,623)	-	(3,423,340)	(12,299)	-
<b>Gross exposure</b>	<b>(3,309,465)</b>	<b>(8,285)</b>	<b>(2,881)</b>	<b>(4,887,736)</b>	<b>(12,499)</b>	<b>(4,732)</b>
Hedging arrangement	2,823,438	6,623	2,838	4,832,101	12,299	4,732
<b>Net exposure</b>	<b>(486,027)</b>	<b>(1,662)</b>	<b>(43)</b>	<b>(55,635)</b>	<b>(200)</b>	<b>-</b>

	Average rates		Reporting date rate	
	2025	2024	2025	2024
	(Rupees)			
US Dollars	279.58	283.20	283.76	278.34
EURO	305.21	306.70	332.66	297.69

### Sensitivity analysis

A ten percent strengthening or weakening of the Rupee against USD and EUR as at the year end would have increased or decreased the equity and profit or loss by an amount shown in the table below. This analysis assumes that all other variables, in particular the interest rates, remain constant. The analysis was performed on the same basis for 2024.

	2025	2024
	(Rupees in '000)	
Effect on profit or loss on 10% weakening of Rupee	(48,603)	(5,564)
Effect on profit or loss on 10% strengthening of Rupee	48,603	5,564

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

The sensitivity of foreign exchange rates looks at the outstanding foreign exchange balances of the Company only as at the balance sheet date and assumes this is the position for a full twelve-month period. The volatility percentages for movement in foreign exchange rates have been used due to the fact that historically (five years) rates have moved on average basis by the mentioned percentages per annum.

## b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate exposure arises from long-term loan, bank balances, lease liability and short-term running finance. Other risk management procedures are same as those mentioned in the credit risk management.

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments were as follows:

	2025	2024
	----- (Rupees in '000) -----	
<b>Fixed rate instruments</b>		
Financial assets		
- Term deposits	1,235,757	130,673
<b>Variable rate instruments</b>		
Financial assets		
- Bank balances	170,513	122,348
Financial liabilities		
- Short-term financing	4,311,176	6,269,067
- Long-term financing	14,174,720	16,267,335
	<b>18,485,896</b>	<b>22,536,402</b>

## Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at the reporting date would have net decreased / increased the profit or loss of the Company for the year ended June 30, 2025 by Rs. 183.15 million (2024: Rs. 224.14 million). This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

## c) Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to individual financial instrument Company, its issuer, or factors affecting all similar financial instrument traded in the market.

At present, the Company is not exposed to any other price risk.



# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

## Reconciliation of movements of liabilities to cash flows arising from financing activities

	2025				
	Short term borrowings used for cash management purpose	Long term borrowings	Hedging Reserve	Loan from related party	Total
	(Rupees in '000)				
Balance as at 1 July 2024	6,682,396	17,605,514	-	292,722	24,580,632
Changes from financing cash flows					
Repayment of long term loan	-	(1,389,912)	-	-	(1,389,912)
Total changes from financing activities	-	(1,389,912)	-	-	(1,389,912)
Other changes - interest cost					
Interest expense	642,147	2,312,766	-	-	2,954,913
Interest paid - note 36.4.1	(1,001,797)	(2,995,045)	-	-	(3,996,842)
Unwinding of restructuring cost	-	26,542	-	-	26,542
Exchange gain on hedged loan	-	(646,263)	-	-	(646,263)
Changes in short-term financing	(1,957,891)	-	-	-	(1,957,891)
Total loan related other changes	(2,317,541)	(1,302,000)	-	-	(3,619,541)
<b>Balance as at 30 June 2025</b>	<b>4,364,855</b>	<b>14,913,602</b>	<b>-</b>	<b>292,722</b>	<b>19,571,179</b>

	2024				
	Short term borrowings used for cash management purpose	Long term borrowings	Hedging Reserve	Loan from related party	Total
	(Rupees in '000)				
Balance as at 1 July 2023	5,340,899	20,143,187	125,309	292,722	25,902,117
Changes from financing cash flows					
Proceeds from long term loan	-	-	-	-	-
Repayment of long term loan	-	(1,513,373)	-	-	(1,513,373)
Total changes from financing activities	-	(1,513,373)	-	-	(1,513,373)
Other changes - interest cost					
Interest expense	1,449,596	3,428,928	-	-	4,878,524
Interest paid - note 36.4.1	(1,365,166)	(3,356,652)	-	-	(4,721,818)
Unwinding of restructuring cost	-	781	-	-	781
Exchange gain on hedged loan	-	(1,097,357)	-	-	(1,097,357)
Changes in short-term financing	1,257,067	-	-	-	1,257,067
Total loan related other changes	1,341,497	(1,024,300)	-	-	317,197
Total equity related other changes	-	-	(125,309)	-	(125,309)
<b>Balance as at 30 June 2024</b>	<b>6,682,396</b>	<b>17,605,514</b>	<b>-</b>	<b>292,722</b>	<b>24,580,632</b>

**36.4.1** This includes mark-up paid under Islamic mode of financing amounting to Rs. 3.92 billion (2024: Rs. 4.40 billion).

## 36.5 Hedging activities and derivatives

The Company uses derivatives to hedge exposure from some of its foreign currency transactions. These include cross currency swaps which are designated as cash flow hedge and qualify for hedge accounting (note 2.17).

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

## Cash flow hedges

During the year, the Company had held cross currency swap with commercial banks, designated as cash flow hedge of expected future principal repayments of loan from foreign lenders. The cross currency swap were being used to hedge the currency risk in respect of long-term financing as stated in note 19.4 to these financial statements.

The critical terms of the cross currency swap contracts have been negotiated to match the terms of the aforementioned financial liability (note 12). Therefore, an economic relationship exists.

Hedge ratio is based on hedging instrument with the same notional amount in foreign currency terms as the underlying exposure results in hedge ratio of 1:1 or 100%.

The following potential sources of ineffectiveness are identified:

- The fair value of the hedging instrument on the hedge relationship designation date (if not zero);
- Changes in the contractual terms or timing of the payments on the hedged item; and
- A change in the credit risk of the Company or the counter party to the cross currency swap.

## 36.6 Capital risk management

The management's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The management closely monitors the return on capital along with the level of distribution to ordinary shareholders.

The management seeks to maintain a balance between higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Company is not required to maintain any regulatory capital.

The debt to capital ratio at June 30 was as follows:

	2025	2024
	----- (Rupees in '000) -----	
Total borrowings - note 19 & 25	18,485,896	22,536,402
Cash and bank - note 14	(1,496,175)	(407,368)
Net debt	16,989,721	22,129,034
Equity	23,529,257	19,419,121
Total capital	40,518,978	41,548,155
Debt to capital ratio	42:58	53:47

## 37. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

As at June 30, 2025, the estimated fair value of all financial assets and financial liabilities are approximate to their carrying values, as the items are either short term in nature or periodically repriced, except for derivatives which are carried at level 2 of fair value hierarchy.

The Company classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the transfer has occurred.

The Company's policy for determining when transfers between levels in the hierarchy have occurred includes monitoring of the following factors:

- changes in market and trading activity (e.g. significant increases / decreases in activity)
- changes in inputs used in valuation techniques (e.g. inputs becoming / ceasing to be observable in the market).

There were no transfers between level 1, 2 or 3 of the fair value hierarchy during the year.

The valuation technique used is as follows:

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

The following table analysis within the fair value hierarchy of the Company's financial assets (by class) measured at fair value at June 30, 2025:

	2025			
	Level 1	Level 2	Level 3	Level 4
<b>Financial assets</b>	----- (Rupees in '000) -----			
Derivative assets - at fair value through profit or loss	-	1,474,289	-	1,474,289

## 38. CASH GENERATED FROM OPERATIONS

	2025	2024
	----- (Rupees in '000) -----	
Profit / (loss) before taxation and levy	1,572,313	(1,918,919)
<b>Adjustment for:</b>		
Depreciation on property, plant and equipment	876,607	933,559
Depreciation on right-of-use asset	20,867	16,226
Finance cost on short-term financing - Islamic	615,449	1,227,661
Finance cost on short-term financing - Conventional	26,698	221,935
Mark up on lease liability	19,330	974
Finance cost on long-term financing - Islamic	2,284,700	3,320,434
Finance cost on long-term financing - Conventional	28,066	108,494
Mark-up on long-term trade payables	52,201	65,590
Unwinding of restructuring cost	26,542	781
Exchange loss - net	62,087	164,286
Loss / (gain) on disposal of fixed assets	285	(1,147)
Finance income	(34,667)	(27,407)
Impairment loss / (reversal) on financial assets	39,228	(10,401)
Provision for leave encashment expense	18,221	21,573
Provision for gratuity expense	84,397	72,748
	4,120,011	6,115,306
<b>Operating profit before working capital changes</b>	5,692,324	4,196,387

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

	2025	2024
	----- (Rupees in '000) -----	
<b>Change in working capital</b>		
<b>(Increase) / decrease in current assets</b>		
Inventories	(36,304)	573,328
Stores, spares and loose tools	(296,037)	(1,895,722)
Trade receivables	(56,903)	(48,375)
Short term investments	(5,084)	(4,700)
Advances and other receivables	164,492	129,392
Trade deposits and short-term prepayments	(39,804)	(14,586)
	(269,640)	(1,260,663)
<b>Increase / (decrease) in current liabilities</b>		
Trade and other payables	761,791	(1,402,906)
<b>Cash generated from operations</b>	<b>6,184,475</b>	<b>1,532,818</b>

## 39. CASH AND CASH EQUIVALENTS

Cash and bank balances	1,496,175	407,368
Short-term financing		
- Running finance	(260,943)	(270,443)
	<b>1,235,232</b>	<b>136,925</b>

Note 2025 2024  
(Metric tons)

## 40. ANNUAL PRODUCTION CAPACITY

Production capacity		
- Clinker	3,210,000	3,210,000
- Cement	3,370,500	3,370,500
Actual production		
- Clinker	40.1 2,134,913	2,285,325
- Cement	40.2 1,601,983	1,691,795

**40.1** Clinker production capacity utilization is 66.51% (2024: 71.19%) of total installed capacity.

**40.2** Cement production capacity utilization is 47.53% (2024: 50.19%) of total installed capacity. Actual production is less than the installed capacity in response to market demand.

## 41. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise of associated undertakings, other related group companies and persons, major shareholders, directors of the Company, staff retirement benefit fund and key management personnel. The Company carries out transactions with various related parties in the normal course of business and all the transactions with related parties have been carried out in accordance with agreed terms.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company considers its Chief Executive Officer, Chief Financial Officer, Company Secretary, Non-Executive Directors and departmental heads to be its key management personnel. There are no transactions with key management personnel other than their terms of employment / entitlement.

Amounts due to / from related parties are shown under respective note to the financial statement. Details of transactions / balances with related parties other than those disclosed elsewhere in the financial statements are as follows:

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

Name of the related party	Relationship	Transactions during the year and year end balances	2025 ----- (Rupees in '000) -----	2024
Aisha Steel Mills Limited	Associated company by virtue of common directorship	- Sale of goods	377	-
		- Payments received	377	-
		- Sharing of expense	3,929	2,500
		- Payments made	4,500	1,500
		- Amount payable	429	1,000
Arif Habib Equity (Private) Limited	Associated company by virtue of common directorship	- Contribution outstanding	10,261,300	3,292,700
		- Contribution received	6,968,600	2,485,700
		- Loan repaid	308,760	308,760
		- Mark-up accrued	166,061	198,229
		- Mark-up paid	180,316	253,773
		- Loan payable (including mark-up)	504,245	827,260
Arif Habib Corporation Limited	Associated company by virtue of common directorship	- Guarantee commission accrued	849	875
		- Guarantee commission paid	848	903
		- Guarantee commission payable	212	211
		- Financing received	2,375,000	-
		- Financing repaid	2,375,000	-
		- Mark-up paid	1,446	-
		- Mark-up accrued	1,446	-
All Pakistan Cement Manufacturers Association	Associated company by virtue of common directorship	- Membership fee	1,500	1,500
		- Payments made	1,500	1,500
Biomasdar (Pakistan) Limited	Associated company by virtue of common directorship	- Sale of goods	18,414	10,106
		- Payments received	18,404	10,106
		- Receivable from customer	10	-
Fatima Packaging Limited	Associated company by virtue of common directorship	- Purchase of goods	1,013,205	1,341,446
		- Payments made	892,799	1,173,577
		- Amount payable	458,148	337,742
Fatima Fertilizer Company Limited	Associated company by virtue of common directorship	- Purchase of goods	168	7,732
		- Payments made	-	7,900
		- Advance to vendor	-	168

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

Name of the related party	Relationship	Transactions during the year and year end balances	2025 ----- (Rupees in '000) -----	2024
Green Store (Private) Limited	Associated company by virtue of common directorship	- Purchase of goods	2,787	208
		- Payment made	2,787	208
Globe Residency REIT	Associated company by virtue of common directorship	- Sale of goods	64,955	33,163
		- Payments received	60,810	24,402
		- Receivable from customer	16,345	12,200
Habib Sugar Mills Limited	Associated company by virtue of common directorship	- Sale of goods	30,294	-
		- Payments received	30,166	-
		- Receivable from customer	128	-
Javedan Corporation Limited	Associated company by virtue of common directorship	- Sale of goods	16,145	60,075
		- Payments received	35,496	64,022
		- Receivable from customer	13,617	32,968
		- Services received	180	-
		- Payments made	180	-
Mr. Arif Habib	Substantial shareholder / Director	- Contribution outstanding	3,672,700	7,341,300
		- Contribution received	4,950,000	3,970,000
		- Contribution repaid	8,618,600	1,585,700
		- Mark-up payable	292,722	292,722
Memon Health & Education Foundation	Associated company by virtue of common directorship	- Sale of goods	611	3,862
		- Payments received	611	3,862
		- Advance from customer	192	192
Pakarab Fertilizer Company Limited	Associated company by virtue of common directorship	- Payments made	-	2,246
Rahat Residency REIT	Associated company by virtue of common directorship	- Sale of goods	12,116	2,600
		- Payments received	8,283	2,563
		- Receivable from customer	4,477	644



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

Name of the related party	Relationship	Transactions during the year and year end balances	2025 ----- (Rupees in '000) -----	2024
Rotocast Engineering Company (Private) Limited	Associated company by virtue of common directorship	- Contribution outstanding	1,066,000	1,066,000
		- Contribution repaid	-	170,000
		- Services received	27,640	25,662
		- Lease Rental	27,368	22,164
		- Payments made	59,370	45,237
		- Amount payable	-	4,362
Safe Mix Concrete Limited	Associated company by virtue of common directorship	- Sale of goods	609,902	353,328
		- Payments received	570,312	355,725
		- Receivable from customer	49,163	9,573
Signature Residency REIT	Associated company by virtue of common directorship	- Sale of goods	4,856	3,857
		- Payments received	6,386	427
		- Receivable from customer	1,900	3,430
Silk Islamic Development REIT	Associated company by virtue of common directorship	- Payments received	-	1,405
Staff retirement benefit fund	Other related party	- Provision for gratuity expense	84,397	72,748
		- Gratuity paid	46,074	41,378
		- Payable to gratuity fund	281,267	234,977
All members of Company's Management Team and Directors	Key management	- Remuneration and other benefits	478,710	363,868
		- Retirement benefits	48,188	25,274
		- Directors' fees	600	400
		- Advances disbursed to employees	66,743	84,670
		- Advances repaid by employees	53,890	94,165
		- Advances to employees	54,787	41,934

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

**41.1** Following are the related parties with whom the Company had entered into transactions during the year or have arrangements / agreement in place :

S.No.	Name of Related Party	Relationship	Direct Shareholding %
1	Aisha Steel Mills Limited	Associated Company (Common directorship)	Nil
2	Safe Mix Concrete Limited	Associated Company (Common directorship)	Nil
3	Green Store (Private) Limited	Associated Company (Common directorship)	Nil
4	All Pakistan Cement Manufacturers Association	Associated Company (Common directorship)	Nil
5	Javedan Corporation Limited	Associated Company (Common directorship)	Nil
6	Biomasdar (Pakistan) Limited	Associated Company (Common directorship)	Nil
7	Rotocast Engineering Company (Pvt) Limited	Associated Company (Common directorship)	Nil
8	Arif Habib Corporation Limited	Associated Company (Common directorship)	24.48%
9	Arif Habib Equity (Private) Limited	Associated Company (Common directorship)	Nil
10	Memon Health & Education Foundation	Associated Company (Common directorship)	Nil
11	Globe Residency REIT	Associated Company (Common directorship)	Nil
12	Rahat Residency REIT	Associated Company (Common directorship)	Nil
13	Signature Residency REIT	Associated Company (Common directorship)	Nil
14	Silk Islamic Development REIT	Associated Company (Common directorship)	Nil
15	Mr. Arif Habib	Substantial Shareholder / Director	24.15%
16	Fatima Packaging Limited	Associated Company (Common directorship)	Nil
17	Fatima Fertilizer Company Limited	Associated Company (Common directorship)	Nil
18	Pakarab Fertilizers Limited	Associated Company (Common directorship)	Nil
19	Habib Sugar Mills Limited	Associated Company (Common directorship)	0.01%
20	Staff retirement benefit fund	Other Related Party	Nil

**41.2** Outstanding balances with related parties have been separately disclosed in trade receivables, other receivables and trade and other payables respectively. These are settled in ordinary course of business.

### 41.3 Remuneration of Chief Executive, Directors and Executives

	Chief Executive		Directors		Executives	
	2025	2024	2025	2024	2025	2024
	(Rupees '000)					
Managerial remuneration	30,915	34,285	-	-	447,795	329,583
Retirement benefits	2,256	1,600	-	-	45,932	23,674
Directors' fees	-	-	600	400	-	-
	33,171	35,885	600	400	493,727	353,257
	1	1	7	7	100	49

The Executives are provided with free use of company maintained car and are also provided with medical facilities in accordance with their entitlements.

Executive means an employee of a listed company other than the chief executive and directors whose basic salary exceeds Rs. 1.2 million in a financial year.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2025

**41.4** Directors' fee paid to 3 (2024: 2) non-executive directors for attending Board of Directors meetings during the year amounted to Rs. 0.6 million (2024: Rs. 0.4 million).

### 42. NUMBER OF EMPLOYEES

The detail of number of employees are as follows:

Number of employees as at June 30

	2025	2024
- factory	419	400
- office	92	90
	511	490
Average number of employees during the year		
- factory	408	403
- office	89	87
	497	490

### 43. SHARIAH COMPLIANCE STATUS DISCLOSURE

Note                      **2025**                      **2024**  
----- (Rupees in '000) -----

#### Disclosures in relation to the statement of financial position - Liability

1. Short term financing as per Islamic mode	25	4,050,233	5,798,624
2. Long term financing as per Islamic mode	19	14,123,773	16,116,368
3. Accrued mark-up on conventional loans	24	295,205	312,784

#### Disclosures in relation to the statement of financial position - Assets

1. Bank balances that are Shariah-compliant	14	390,492	404,174
2. TDRs that are Shariah-compliant	13 & 14	1,235,757	130,673

#### Disclosures in relation to the statement of profit or loss and other comprehensive income

1. Revenue earned from Shariah-compliant business segment	27	29,520,136	31,077,214
2. Profit earned from Shariah-compliant bank balances and TDRs	32	31,512	26,012
3. Exchange loss on actual currency	31	9,137	66,873
4. Exchange loss on conventional derivative financial instruments	12	712,604	1,322,256
5. Profit on Islamic mode of financing	32	2,900,149	4,548,095
6. Break-up of other income			
Shariah-compliant Income			
- Environmental incentive income		13,965	-
- (Loss) / gain on scrap sales		(4,415)	8,075
Non-Shariah compliant Income			
- Income on insurance claim		154	83

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

## 7. Relationship with Shariah-compliant financial institutions

### Islamic banks

The Company has facilities with Islamic banks for Istisna loan, letter of credit, running Musharakah, Murabaha and Islamic export refinance facility amounting to Rs. 4,050 million, Rs. 850 million, Rs. 2,200 million, Rs. 200 million and Rs. 1,000 million respectively.

### Takaful operators

The company has obtained various takaful policies from multiple takaful operators including life insurance from EFU Life Assurance Limited - EFU Hemayah Family Takaful Operations, health insurance from Jubilee Life Insurance Company Limited - Window Takaful Operations, and asset insurance from EFU General Insurance Limited - Window Takaful Operations.

## 44. CORRESPONDING FIGURES

Corresponding figures and balances have been rearranged / reclassified, wherever considered necessary, for the purpose of comparison and better presentation, the effects of which are not material to the financial statements.

## 45. DATE OF AUTHORISATION FOR ISSUE

These financial statements were approved and authorised for issue by the Board of Directors of the Company on September 01, 2025.



Chief Financial Officer



Chief Executive



Director

# CATEGORIES OF SHAREHOLDERS

As at June 30, 2025  
Ordinary Shares

Categories of Shareholders	No. of Shareholders	No. of Shares Held	Percentage (%)
<b>Directors, Chief Executive and their spouse(s) and minor children</b>			
Mr. Muhammad Arif Habib	2	312,856,652	24.24
Mr. Nasim Beg	1	6,849	0.00
Mr. Muhammad Kashif	1	2,623,082	0.20
Mr. Abdus Samad	1	2,621	0.00
Syed Salman Rashid	1	58,662,119	4.55
Mr. Khursheed Anwer Jamal	1	85,352	0.01
Mr. Khalilullah Shaikh	1	100	0.00
Ms. Zainab Kashif	1	8	0.00
	<b>9</b>	<b>374,236,783</b>	<b>29.00</b>
<b>Associated Companies, Undertakings and Related Parties</b>	<b>6</b>	<b>338,596,133</b>	<b>26.24</b>
<b>Banks Development Financial Institutions, Non-Banking Financial Institutions</b>	<b>4</b>	<b>22,257</b>	<b>0.00</b>
<b>Insurance Companies</b>	<b>2</b>	<b>947,569</b>	<b>0.07</b>
<b>Modarabas and Mutual Funds</b>	<b>5</b>	<b>37,939,295</b>	<b>2.94</b>
<b>General Public</b>			
Local	8,231	346,303,788	26.83
Foreign	1,020	5,854,734	0.45
	<b>9,251</b>	<b>352,158,522</b>	<b>27.29</b>
<b>Foreign Companies</b>	<b>17</b>	<b>9,927,755</b>	<b>0.77</b>
<b>Others</b>	<b>92</b>	<b>176,695,357</b>	<b>13.69</b>
<b>Total</b>	<b>9,386</b>	<b>1,290,523,671</b>	<b>100.00</b>
<b>Shareholders holding 10% or more</b>	<b>No. of Shareholders</b>	<b>No. of Shares Held</b>	<b>Percentage (%)</b>
<b>Muhammad Arif Habib</b>	<b>2</b>	<b>312,856,652</b>	<b>24.24</b>
<b>Arif Habib Corporation Limited</b>	<b>1</b>	<b>310,954,117</b>	<b>24.10</b>

# PATTERN OF SHAREHOLDING

As at June 30, 2025  
Ordinary Shares

No. of Shareholders	Shareholding		Total Shares Held
	From	To	
1,434	1	100	43,006
1,475	101	500	531,933
1,240	501	1,000	1,146,978
2,523	1,001	5,000	7,266,827
917	5,001	10,000	7,345,343
411	10,001	15,000	5,323,620
276	15,001	20,000	5,124,483
168	20,001	25,000	3,986,766
127	25,001	30,000	3,596,890
63	30,001	35,000	2,080,104
72	35,001	40,000	2,799,270
39	40,001	45,000	1,687,912
94	45,001	50,000	4,653,212
32	50,001	55,000	1,687,045
26	55,001	60,000	1,517,812
19	60,001	65,000	1,208,626
27	65,001	70,000	1,844,726
15	70,001	75,000	1,101,849
20	75,001	80,000	1,572,859
12	80,001	85,000	998,069
10	85,001	90,000	881,457
8	90,001	95,000	743,730
75	95,001	100,000	7,488,831
14	100,001	105,000	1,438,953
9	105,001	110,000	978,718
8	110,001	115,000	908,500
3	115,001	120,000	355,300
7	120,001	125,000	870,108
4	125,001	130,000	515,000
7	130,001	135,000	924,558
6	135,001	140,000	825,658
1	140,001	145,000	144,500
16	145,001	150,000	2,393,210
2	150,001	155,000	307,000
2	155,001	160,000	316,000
4	160,001	165,000	650,182
4	165,001	170,000	676,941
8	170,001	175,000	1,391,665
3	175,001	180,000	530,646
1	180,001	185,000	185,000
3	185,001	190,000	564,646
3	190,001	195,000	579,000
18	195,001	200,000	3,596,632
3	200,001	205,000	607,549
3	205,001	210,000	629,741
1	210,001	215,000	211,500
1	215,001	220,000	220,000
3	220,001	225,000	669,095
6	225,001	230,000	1,375,073
10	245,001	250,000	2,494,000
4	250,001	255,000	1,017,187
3	260,001	265,000	788,567



# PATTERN OF SHAREHOLDING

As at June 30, 2025  
Ordinary Shares

No. of Shareholders	Shareholding		Total Shares Held
	From	To	
4	270,001	275,000	1,093,400
1	290,001	295,000	292,000
7	295,001	300,000	2,097,500
2	300,001	305,000	607,510
3	305,001	310,000	927,500
1	310,001	315,000	314,461
1	315,001	320,000	320,000
1	320,001	325,000	325,000
1	325,001	330,000	325,014
1	335,001	340,000	340,000
2	345,001	350,000	700,000
2	350,001	355,000	706,642
1	360,001	365,000	365,000
1	380,001	385,000	383,147
1	390,001	395,000	390,530
5	395,001	400,000	1,996,183
2	405,001	410,000	814,500
1	415,001	420,000	418,000
1	435,001	440,000	440,000
2	445,001	450,000	900,000
1	450,001	455,000	453,402
2	455,001	460,000	919,000
1	490,001	495,000	491,000
7	495,001	500,000	3,500,000
1	510,001	515,000	514,987
1	535,001	540,000	536,000
3	545,001	550,000	1,650,000
2	575,001	580,000	1,154,616
2	590,001	595,000	1,187,607
5	595,001	600,000	3,000,000
1	600,001	605,000	605,000
1	605,001	610,000	609,500
1	610,001	615,000	615,000
1	660,001	665,000	660,371
1	675,001	680,000	676,169
1	690,001	695,000	693,357
2	695,001	700,000	1,396,000
1	765,001	770,000	768,846
1	770,001	775,000	773,783
2	845,001	850,000	1,700,000
1	855,001	860,000	855,500
1	865,001	870,000	866,958
1	925,001	930,000	929,842
1	935,001	940,000	938,500
1	945,001	950,000	950,000
1	990,001	995,000	990,957
2	995,001	1,000,000	2,000,000
1	1,015,001	1,020,000	1,020,000
1	1,095,001	1,100,000	1,100,000
1	1,135,001	1,140,000	1,137,500
1	1,295,001	1,300,000	1,300,000
1	1,345,001	1,350,000	1,350,000

# PATTERN OF SHAREHOLDING

As at June 30, 2025  
Ordinary Shares

No. of Shareholders	Shareholding		Total Shares Held
	From	To	
1	1,365,001	1,370,000	1,365,500
1	1,380,001	1,385,000	1,385,000
3	1,495,001	1,500,000	4,500,000
1	1,575,001	1,580,000	1,578,432
1	1,630,001	1,635,000	1,634,469
2	1,645,001	1,650,000	3,300,000
1	1,650,001	1,655,000	1,654,902
1	1,745,001	1,750,000	1,750,000
1	1,800,001	1,805,000	1,804,027
1	1,845,001	1,850,000	1,850,000
1	1,895,001	1,900,000	1,900,000
1	1,905,001	1,910,000	1,908,015
3	1,995,001	2,000,000	6,000,000
1	2,000,001	2,005,000	2,000,747
2	2,075,001	2,080,000	4,154,000
1	2,260,001	2,265,000	2,264,800
2	2,295,001	2,300,000	4,600,000
1	2,485,001	2,490,000	2,488,061
1	2,550,001	2,555,000	2,554,000
1	2,620,001	2,625,000	2,623,082
1	2,905,001	2,910,000	2,909,420
1	3,035,001	3,040,000	3,036,000
1	3,055,001	3,060,000	3,056,500
1	3,180,001	3,185,000	3,182,500
1	3,250,001	3,255,000	3,254,999
1	3,395,001	3,400,000	3,400,000
1	3,495,001	3,500,000	3,500,000
1	3,590,001	3,595,000	3,594,024
1	4,375,001	4,380,000	4,375,255
1	4,870,001	4,875,000	4,872,100
1	4,995,001	5,000,000	5,000,000
1	5,785,001	5,790,000	5,786,500
1	7,245,001	7,250,000	7,246,101
1	7,830,001	7,835,000	7,832,649
1	7,995,001	8,000,000	7,998,147
1	8,395,001	8,400,000	8,400,000
1	10,305,001	10,310,000	10,305,516
1	11,995,001	12,000,000	12,000,000
1	16,200,001	16,205,000	16,201,661
1	16,915,001	16,920,000	16,920,000
1	19,995,001	20,000,000	20,000,000
1	31,295,001	31,300,000	31,297,875
1	44,695,001	44,700,000	44,700,000
1	46,665,001	46,670,000	46,666,666
1	58,660,001	58,665,000	58,662,119
1	74,540,001	74,545,000	74,540,880
1	111,460,001	111,465,000	111,462,396
1	268,155,001	268,160,000	268,156,652
1	310,950,001	310,955,000	310,954,117
9,386	Total		1,290,523,671

# CATEGORIES OF SHAREHOLDERS

As at June 30, 2025  
Preference Shares

Categories of Shareholders	No. of Shareholders	No. of Shares Held	Percentage (%)
<b>Directors, Chief Executive and their spouse(s) and minor children</b>			
Mr. Muhammad Arif Habib	1	16,695,831	22.49
Mr. Muhammad Kashif	1	603,308	0.81
Mr. Abdus Samad	1	602	0.00
	<b>3</b>	<b>17,299,741</b>	<b>23.30</b>
<b>Associated Companies, Undertakings and Related Parties</b>	<b>1</b>	<b>23,171,114</b>	<b>31.21</b>
<b>General Public</b>			
Local	269	27,714,414	37.32
Foreign	9	1,858,871	2.50
	<b>278</b>	<b>29,573,285</b>	<b>39.82</b>
<b>Others</b>	<b>7</b>	<b>4,209,241</b>	<b>5.67</b>
<b>Total</b>	<b>289</b>	<b>74,253,381</b>	<b>100.00</b>

Shareholders holding 10% or more	No. of Shareholders	No. of Shares Held	Percentage (%)
Muhammad Arif Habib	1	16,695,831	22.49
Arif Habib Corporation Limited	1	23,171,114	31.21

# PATTERN OF SHAREHOLDING

As at June 30, 2025  
Preference Shares

No. of Shareholders	Shareholding		Total Shares Held
	From	To	
40	1	100	883
89	101	500	27,201
21	501	1000	15,273
76	1001	5000	180,428
21	5001	10000	138,742
9	10001	15000	103,433
2	15001	20000	38,400
4	20001	25000	90,747
3	30001	35000	95,804
1	35001	40000	37,894
1	40001	45000	40,250
1	60001	65000	63,500
1	85001	90000	90,000
2	95001	100000	195,665
1	190001	195000	190,900
1	435001	440000	438,500
1	455001	460000	460,000
1	570001	575000	572,254
1	600001	605000	603,308
1	670001	675000	675,000
1	700001	705000	702,995
1	735001	740000	737,425
1	905001	910000	907,000
1	995001	1000000	1,000,000
1	1315001	1320000	1,319,070
1	1855001	1860000	1,856,503
1	2185001	2190000	2,190,000
1	3995001	4000000	4,000,000
1	5615001	5620000	5,616,687
1	11995001	12000000	11,998,574
1	16695001	16700000	16,695,831
1	23170001	23175000	23,171,114
289	Total		74,253,381

Name of the related party	Transactions during the year	2025 (Rs. in'000)
Mr. Arif Habib	- Contribution received	4,950,000
	- Contribution repaid	8,618,600
Memon Health & Education Foundation	- Sale of goods	611
	- Payments received	611
Rahat Residency REIT	- Sale of goods	12,116
	- Payments received	8,283
Rotocast Engineering Company (Private) Limited	- Services received	27,640
	- Lease Rental	27,368
	- Payments made	59,370
Safe Mix Concrete Limited	- Sale of goods	609,902
	- Payments received	570,312
Signature Residency REIT	- Sale of goods	4,856
	- Payments received	6,386
Staff retirement benefit fund	- Provision for gratuity expense	84,397
	- Gratuity paid	46,074
All members of Company's Management Team and Directors	- Remuneration and other benefits	478,710
	- Retirement benefits	48,188
	- Directors' fees	600
	- Advances disbursed to employees	66,743
	- Advances repaid by employees	53,890

متعلقہ فریقوں کے لین دین کمپنی برائے مالی سال اختتامیہ 30 جون 2025

Name of the related party	Transactions during the year	2025 (Rs. in'000)
Aisha Steel Mills Limited	- Sale of goods	377
	- Payments received	377
	- Sharing of expense	3,929
	- Payments made	4,500
Arif Habib Equity (Private) Limited	- Contribution received	6,968,600
	- Loan repaid	308,760
	- Mark-up accrued	166,061
	- Mark-up paid	180,316
Arif Habib Corporation Limited	- Guarantee commission accrued	849
	- Guarantee commission paid	848
	- Financing received	2,375,000
	- Financing repaid	2,375,000
	- Mark-up paid	1,446
	- Mark-up accrued	1,446
All Pakistan Cement Manufacturer Association	- Membership fee	1,500
	- Payments made	1,500
Biomasdar (Pakistan) Limited	- Sale of goods	18,414
	- Payments received	18,404
Fatima Packaging Limited	- Purchase of goods	1,013,205
	- Payments made	892,799
Fatima Fertilizer Company Limited	- Purchase of goods	168
Green Store (Private) Limited	- Purchase of goods	2,787
	- Payment made	2,787
Globe Residency REIT	- Sale of goods	64,955
	- Payments received	60,810
Habib Sugar Mills Limited	- Sale of goods	30,294
	- Payments received	30,166
Javedan Corporation Limited	- Sale of goods	16,145
	- Payments received	35,496
	- Services received	180
	- Payments made	180



امیدواروں کی جانب سے انتخابات کیلئے نوٹس/ اظہار دلچسپی جمع کروائے جانے کے بعد مندرجہ ذیل کسوٹی کی بنیاد پر غیر جانبدار ڈائریکٹرز کے امیدواروں کے کوائف کو پرکھا جائے گا:

- ☆ ایس ای سی پی کی جانب سے باقاعدہ تصدیق شدہ ڈیٹا بینک زیر تحت پاکستان انسٹیٹیوٹ آف کارپوریٹ گورننس (PICG) میں غیر جانبدار ڈائریکٹروں کے ناموں کا شامل ہونا۔
- ☆ امیدواروں کی متعلقہ مہارتوں، متنوع صلاحیتوں، علم اور تجربے کا جائزہ لیا جائے گا۔
- ☆ ڈیٹا بینک میں ناموں کی شمولیت کی تصدیق کر لینے کے بعد کمپنی کی جانب سے اس بات کا جائزہ بھی لیا جائے گا کہ متعلقہ امیدوار کمپنیز ایکٹ 2017 کے سیکشن (2) 166 میں مذکور غیر جانبدار ڈائریکٹر کے معیار پر پورا اترتا ہے یا نہیں۔

## کمپنیز ایکٹ، 2017 کی دفعہ 134(3) کے تحت اہم حقائق کا بیان

### ایجنڈا آئٹم نمبر 5:

کمپنی معمول کے مطابق اپنے متعلقہ فریقوں (Related Parties) کے ساتھ انتظامات کرتی ہے اور لین دین انجام دیتی ہے، جو اس کی پالیسیوں اور قابل اطلاق قوانین و ضوابط کے مطابق ہوتے ہیں۔ بعض متعلقہ فریقوں کے لین دین، جن میں چند ڈائریکٹرز کی دلچسپی ہے، ممبران کی منظوری کے متقاضی ہیں جیسا کہ کمپنیز ایکٹ، 2017 کی دفعات 207 اور/یا 208 (جہاں قابل اطلاق ہوں) اور سچڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے ریگولیشن 15 کے ساتھ پڑھے جانے پر واضح ہوتا ہے۔

کمپنی اپنے متعلقہ فریقوں کے ساتھ لین دین اور معاہدے بنیادی طور پر شفافیت کی بنیاد پر کرتی ہے، جیسا کہ "متعلقہ فریقوں کے ساتھ لین دین" کے حوالے سے منظور شدہ پالیسی کے مطابق کاروبار کے معمول کے دوران کیا جاتا ہے۔ تمام متعلقہ فریقوں کے ساتھ کیے گئے لین دین/معاہدے بورڈ آڈٹ کمیٹی کی سفارش کے تابع ہیں، جس کی سربراہی کمپنی کے ایک غیر جانبدار ڈائریکٹر کے پاس ہے۔ بورڈ آڈٹ کمیٹی کی سفارش پر یہ معاہدے/لین دین بورڈ آف ڈائریکٹرز کے سامنے منظوری کے لیے پیش کیے جاتے ہیں۔

ان متعلقہ فریقوں کے ساتھ تعلق کی نوعیت بھی کمپنی کے مالیاتی گوشواروں برائے مالی سال اختتامیہ 30 جون 2025 کے نوٹ 41 میں ظاہر کر دی گئی ہے۔ ڈائریکٹرز اس قرارداد میں صرف اسی حد تک دلچسپی رکھتے ہیں جس قدر ان کے مشترکہ ڈائریکٹر شپ یا شیئر ہولڈنگز ان متعلقہ فریقوں میں ہیں۔ شفافیت کو یقینی بنانے کے لیے، کمپنی کے تین تیس ویں سالانہ اجلاس عام میں ممبران کی منظوری حاصل کی گئی، جس کے تحت بورڈ آف ڈائریکٹرز کو اختیار دیا گیا ہے کہ وہ کمپنی کی جانب سے وقتاً فوقتاً (ہر معاملے کی بنیاد پر) مالی سال اختتامیہ 30 جون 2025 کے دوران کئے گئے متعلقہ فریقوں کے ساتھ لین دین کی منظوری دے سکے۔ متعلقہ فریقوں کے ساتھ لین دین اب سالانہ اجلاس عام میں، ممبران کی توثیق اور منظوری کے لیے پیش کی جا رہی ہیں۔

مزید برآں مالی سال اختتامیہ 30 جون 2026 کے دوران، کمپنی وقتاً فوقتاً مختلف متعلقہ فریقوں کے ساتھ مناسب سمجھی جانے والی حد تک انتظامات کرے گی یا لین دین انجام دے گی جو بورڈ آف ڈائریکٹرز کی جانب سے منظور یا توثیق شدہ ہو، ان لین دین میں اشیاء اور انویسٹری کی خرید و فروخت، خدمات کی فراہمی، فیس کی ادائیگی، اخراجات کی واپسی، قرض یا مشارکہ کی وصولی یا ادائیگی، سرمایہ کاری کی جائیدادوں کی خرید و فروخت شامل ہو سکتی ہیں۔ چونکہ بعض ڈائریکٹرز کو مشترکہ ڈائریکٹر شپ کی وجہ سے کچھ متعلقہ فریقوں کے لین دین میں دلچسپی ہوگی، اس لیے ممبران سے منظوری طلب کی جا رہی ہے تاکہ کمپنی کو اختیار دیا جاسکے کہ وہ متعلقہ پارٹیوں کے ساتھ ایسے لین دین اور معاہدے کرے، اور مزید یہ کہ بورڈ آف ڈائریکٹرز کو اختیار و اجازت دی جائے کہ وہ مالی سال اختتامیہ 30 جون 2026 کے لیے کمپنی کی جانب سے کیے جانے والے متعلقہ فریقوں کے لین دین کو منظور کر سکیں۔

## الف۔ ای ووٹنگ کا طریقہ کار:

- i۔ ای ووٹنگ کی سہولت کی تفصیلات کمپنی کے ان ممبران کے ساتھ ایک ای میل کے ذریعے شیئر کی جائیں گی جن کے درست CNIC نمبر، موبائل فون نمبر، اور ای میل ایڈریس کمپنی کے ممبران کے رجسٹر میں 106 اکتوبر 2025 کو کاروبار بند ہونے سے پہلے دستیاب ہیں۔
- ii۔ ویب ایڈریس، لاگ ان کی تفصیلات اور پاس ورڈ ای میل کے ذریعے ممبران کو بتائے جائیں گے۔ سی ڈی سی شیئر رجسٹر ارسرو سز لمیٹڈ (ای ووٹنگ سروس فراہم کنندہ ہونے کے ناطے) کے ویب پورٹل سے ایس ایم ایس کے ذریعے ممبران کو سیکورٹی کوڈز بتائے جائیں گے۔
- iii۔ ایسے اراکین جو بذریعہ ای ووٹنگ اپنے ووٹ ڈالنے کا ارادہ رکھتے ہیں کی شناخت بذریعہ الیکٹرانک دستخط کی جائے گی تاکہ وہ لاگ ان کر سکیں۔
- iv۔ ای ووٹنگ کی لائسنس 9 اکتوبر 2025 صبح 9 بجے شروع کر دی جائیں گی اور یہ لائسنس 13 اکتوبر 2025 شام 5 بجے بند کر دی جائیں گی، اس وقت کے دوران ممبران اپنا ووٹ ڈال سکتے ہیں۔ ایک مرتبہ ممبران کی جانب سے ووٹ ڈالے جانے کے بعد اس میں تبدیلی کی اجازت نہیں ہوگی۔

## ب۔ پوسٹل بیلٹ کے ذریعے ووٹ ڈالنے کا طریقہ:

ممبران اس بات کو یقینی بنائیں کہ باقاعدہ پُر اور دستخط شدہ پوسٹل بیلٹ مع کمپیوٹرائزڈ قومی شناختی کارڈ کی نقل کمپنی کے رجسٹرڈ شدہ پتے پہلی منزل، عارف حبیب سینٹر، 23، ایم ٹی خان روڈ کراچی پر یا بذریعہ ای میل [corporate@powercement.com.pk](mailto:corporate@powercement.com.pk) ایڈریس پر اجلاس کے چیئرمین کو اجلاس عام کے انعقاد مورخہ 13 اکتوبر 2025 کو اجلاس عام ایک دن پہلے کام کے اوقات کے دوران موصول ہو جائیں۔ پوسٹل بیلٹ پر کئے گئے دستخطوں کا کمپیوٹرائزڈ قومی شناختی کارڈ کے مطابق ہونا لازم ہے۔ حصص یافتگان کی سہولت کیلئے بیلٹ سپر کمپنی کی ویب سائٹ [www.powercement.com.pk](http://www.powercement.com.pk) پر بھی موجود ہے۔

## فزیکل حصص کی بک انٹری فارم میں تبدیلی سے متعلق اہم نوٹ:

کمپنیز ایکٹ 2017 کے سیکشن 72 اور ایس ای سی پی کی جانب سے جاری شدہ لیٹر نمبر CDC/ED/Misc.2016-639-640 مورخہ 26 مارچ 2021 کے تحت تمام لسٹڈ کمپنیوں کیلئے لازم ہے کہ اپنے حصص کو فزیکل سے بک انٹری فارم میں منتقل کروائیں۔ حصص کا بک انٹری فارم میں منتقل کروانے سے حصص یافتگان کو کوئی لحاظ سے سہولت میسر آ سکتی ہے جیسا کہ محفوظ تحویل، مارکیٹ میں حصص کی خرید و فروخت کیلئے ہمہ وقت موجودگی، حصص کے گم یا ضائع ہو جانے کے خطرے کا تذکر اور باسانی حصص کی منتقلی وغیرہ۔ کمپنی کے حصص یافتگان حصص کی بک انٹری فارم میں منتقلی کیلئے کمپنی کے شیئر رجسٹرار سے رابطہ کر سکتے ہیں۔

کسی بھی سوال / مسئلے / معلومات حاصل کرنے کی صورت میں درج ذیل پتے پر کمپنی کے رجسٹرار سے رابطہ کیا جاسکتا ہے:

سی ڈی سی شیئر رجسٹرار سروسز لمیٹڈ

سی ڈی سی ہاؤس، B-99، بلاک B، ایس ایم سی ایچ ایس،

مین شاہراہ فیصل، کراچی۔

## کمپنیز ایکٹ 2017 کے سیکشن (3) 166 کے تحت اہم حقائق کی بابت بیان

### ایجنڈا آئٹم نمبر 4

غیر جانبدار ڈائریکٹرز کا انتخاب کمپنیز ایکٹ 2017 کے سیکشن 159 میں مذکور طریق کار کے مطابق عمل میں لایا جائے گا۔

نمبر شمار	زمرہ جات	سیٹوں کی تعداد
1	خاتون ڈائریکٹر (ایکٹ کے سیکشن 166 کے تحت طے کردہ غیر جانبدار ڈائریکٹر کے معیار پر پورا اترنے پر اسے غیر جانبدار ڈائریکٹر بھی سمجھا جاسکتا ہے)	01
2	غیر جانبدار ڈائریکٹرز	02
3	دیگر ڈائریکٹرز	04

کوئی بھی شخص (بشمول ریٹائر ہونے والا ڈائریکٹر) جو ڈائریکٹرز کے انتخاب میں حصہ لینا چاہے، کمپنی کے پاس اس کے رجسٹرڈ آفس، عارف حبیب سینٹر، 23 ایم ٹی خان روڈ، کراچی میں، مذکورہ اجلاس سے 14 دن پہلے مندرجہ ذیل دستاویزات جمع کروائے گا:

- کمپنیز ایکٹ 2017 کے سیکشن (3) 159 کے تحت فارم-9 پر کمپنی کے ڈائریکٹر کے طور پر کام کرنے کے لیے اس کی رضامندی کے ساتھ، الیکشن میں حصہ لینے کے ارادے کا نوٹس دینا، اور تصدیق کرنا ہے کہ وہ کسی قابل اطلاق قوانین، قواعد و ضوابط کے تحت ڈائریکٹر بننے کے لیے نااہل نہیں ہے۔
- 03 اکتوبر 2019 کے ایس ای سی پی کے (SRO 1196 (I)/2019 کے تحت الیکشن کی تاریخ سے سات دن پہلے دفتر کے پتے کے ساتھ تفصیلی پروفائل کمپنی کی ویب سائٹ پر ڈالنا ہے۔
- لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) 2019 کے ضوابط، اوپنیز ایکٹ 2019 میں درج کردہ کمپنی کے ڈائریکٹر کے طور پر کام کرنے کے لیے اہلیت کے معیار کے مطابق ہونے کے حوالے سے اقرار کرنا۔
- کارآمد کمپیوٹرائزڈ قومی شناختی کارڈ کی تصدیق شدہ نقل (پاکستانی شہری کی صورت میں) / پاسپورٹ (غیر ملکی شہری کی صورت میں)، اور INTN اور فو لیو نمبر / CDC سرمایہ کار کا وٹ نمبر / CDC ذیلی اکاؤنٹ نمبر (پہلی بار رضامندی داخل کرنے والے شخص کے لیے قابل اطلاق)۔ دیگر کمپنیوں میں متعلقہ تاریخوں کے ساتھ ڈائریکٹر شپ اور دفاتر کی تفصیلات جمع کروانا۔
- ایک غیر جانبدار ڈائریکٹر کی حیثیت سے ڈائریکٹرز کا انتخاب لڑنے کا ارادہ رکھنے والے امیدواروں کو درج ذیل اضافی دستاویزات جمع کرانا ہوں گی:
- لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشن 2017 کی شق (2) 6 کے تحت غیر جانبدار ڈائریکٹر ہونے کا اقرار کرنا۔
- غیر عدالتی اسٹامپ پیپر پر حلف دے دینا (غیر جانبدار ڈائریکٹرز کا طریقہ اور انتخاب) ریگولیشنز 2018 کے ضابطہ 4 کے ذیلی ضابطہ (1) کی شرائط پر پورا اترتا ہے۔

## 10۔ ڈائریکٹرز کے انتخاب اور خصوصی امور سے متعلق قراردادوں پر پولنگ:

ممبران کو مطلع کیا جاتا ہے کہ کمپنیز (پوسٹل بیلٹ) ریگولیشنز 2018 ("ضابطے")، جیسا کہ SRO 2192(1)/2022 مورخہ 05 دسمبر 2022 کے ذریعے ترمیم کیا گیا ہے اور سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان ("SECP") کے ذریعے جاری کیا گیا ہے، کے مطابق SECP نے تمام لسٹڈ کمپنیوں کو ہدایات دی ہیں کہ خصوصی امور اور ڈائریکٹرز کے انتخاب کے سلسلے میں ممبران کو الیکٹرانک ذرائع یا پوسٹل بیلٹ کے ذریعے بھی ووٹ ڈالنے کی سہولت فراہم کی جائے۔

لہذا کمپنی کے سالانہ اجلاس عام مورخہ 14 اکتوبر 2025 بوقت 12:00 بجے دوپہر کے موقع پر ممبران کو اس بات کی اجازت ہوگی کہ وہ ضوابط میں مذکور ہدایات کے تحت اپنا ووٹ الیکٹرانک ذرائع یا پوسٹل بیلٹ کے ذریعے ڈالیں۔ ضوابط کے ضابطہ نمبر 11 کے مطابق، کمپنی کے بورڈ نے میسرز یو ایچ وائی حسن نعیم اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو اجلاس ہذا میں امور خصوصی کیلئے جانچ کار (Scrutinizer) مقرر کیا ہے جو اس کے علاوہ ضوابط کے ضابطہ نمبر 11A میں بیان کردہ دیگر ذمہ داریوں کو بھی سرانجام دیں گے۔

ارکین کی سہولت کے لیے، بیلٹ پیپر کمپنی کی ویب سائٹ [www.powercement.com.pk](http://www.powercement.com.pk) پر ڈاؤن لوڈ کے لیے دستیاب ہے۔

## 6۔ قومی شناختی کارڈ اور نیشنل ٹیکس نمبر لازمی جمع کرانا:

وہ انفرادی ممبران جنہوں نے ابھی تک کمپنی یا شیئرز رجسٹرار کو اپنا درست CNIC جمع نہیں کروایا، ان سے درخواست ہے کہ جلد از جلد CNIC کی کاپی براہ راست CDC شیئرز رجسٹرار سروسز لمیٹڈ کو ارسال کریں۔ کارپوریٹ ادارے اپنا نیشنل ٹیکس نمبر (NTN) فراہم کریں۔ NTN/ CNIC کی تفصیلات کے ساتھ اپنا فو لیو نمبر بھی فراہم کریں۔

## 7۔ مالیاتی گوشواروں اور رپورٹس کی ویب سائٹ پر دستیابی:

کمپنیز ایکٹ 2017 کی دفعہ (7) 223 کے مطابق، کمپنی کے آڈٹ شدہ مالیاتی گوشوارے برائے مالی سال 30 جون 2025 کمپنی کی ویب سائٹ <https://powercement.com.pk/financial-reports/> پر دستیاب ہیں۔

## 8۔ ویڈیو کانفرنس کی سہولت کے لیے رضامندی:

کمپنیز ایکٹ 2017 کی دفعہ (b) (1) 134 کے تحت، وہ ممبران جو کراچی کے علاوہ کسی اور شہر میں رہائش پذیر ہوں اور اجتماعی طور پر 10% یا اس سے زیادہ شیئرز ہولڈنگ رکھتے ہوں، اگر سالانہ اجلاس عام میں ویڈیو کانفرنس کے ذریعے شرکت کی تحریری درخواست سالانہ اجلاس عام کی تاریخ سے کم از کم 10 دن پہلے دیں، تو انہیں یہ سہولت فراہم کی جائے گی۔

اس سہولت سے فائدہ اٹھانے کے لیے درج ذیل فارم کمپنی کے رجسٹرڈ دفتر میں جمع کروائیں:

میں/ہم	، رہائشی	، بطور ممبر پاور سیمنٹ لمیٹڈ، حاملین
عام/ترجمی شیئرز، رجسٹرڈ فو لیو/ CDC کا وٹ نمبر	، ویڈیو کانفرنس کی سہولت کے لیے درخواست دیتے ہیں کہ یہ	
سہولت	میں فراہم کی جائے۔	
نام اور دستخط	تاریخ	

کمپنی سالانہ اجلاس عام کی تاریخ سے کم از کم 5 دن پہلے ویڈیو کانفرنس کے مقام اور اس سہولت تک رسائی کے لیے مکمل معلومات فراہم کرے گی۔

## 9۔ ڈائریکٹرز کے انتخاب کا انعقاد:

لیمٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے ریگولیشن 7A کی دفعات کے مطابق، ڈائریکٹرز کا انتخاب درج ذیل تین زمروں کے لیے الگ سے منعقد کیا جائے گا:

## 2- سالانہ اجلاس عام میں ویڈیولنک کے ذریعے شرکت:

کمپنی اپنے شیئر ہولڈرز کو سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کی جانب سے جاری کردہ سرکلرز کے مطابق ویڈیولنک سہولت کے ذریعے سالانہ اجلاس عام میں شرکت کی سہولت فراہم کرتی ہے۔ وہ ممبران/پراکسی جو اس سہولت کے ذریعے سالانہ اجلاس عام میں شرکت کے خواہشمند ہیں، ان سے درخواست ہے کہ درج ذیل معلومات corporate@powercement.com.pk پر "Registration for 34th AGM of Power Cement Limited" کے عنوان کے ساتھ ارسال کریں، ساتھ ہی CNIC (دونوں اطراف) یا پاسپورٹ کی کارآمد نقل بھی منسلک کریں۔

حصص یافتہ کا نام	فولیو/سی ڈی سی نمبر	کمپیوٹرائزڈ قومی شناختی کارڈ نمبر	موبائل فون نمبر	رجسٹرڈ شدہ ای میل ایڈریس

ویڈیولنک اور لاگ ان کی تفصیلات ان ممبران/پراکسی کو فراہم کی جائیں گی جن کی ای میل، جس میں تمام مذکورہ بالا معلومات شامل ہوں، سالانہ اجلاس عام (AGM) کے وقت سے کم از کم 48 گھنٹے قبل موصول ہو جائے گی۔

## 3- پراکسیز کا تقرر اور سالانہ اجلاس عام میں شرکت:

- کوئی بھی ممبر جو اجلاس میں شرکت اور ووٹ دینے کا حق رکھتا ہے، وہ کسی دوسرے ممبر کو اپنا پراکسی مقرر کر سکتا ہے، جسے اجلاس میں شرکت، اظہار رائے دینے اور ووٹ دینے کے وہی حقوق حاصل ہوں گے جو کسی ممبر کو حاصل ہوتے ہیں۔
- غیر پُر شدہ پراکسی فارم (انگریزی اور اردو میں) سالانہ رپورٹ کے ساتھ منسلک ہے۔ یہ فارم کمپنی کی ویب سائٹ www.powercement.com.pk پر بھی دستیاب ہے۔
- پراکسی فارم کے مؤثر ہونے کے لیے کمپنی کے رجسٹرڈ دفتر، پہلی منزل، عارف حبیب سینٹر، 23، ایم ٹی خان روڈ، کراچی پر اجلاس سے کم از کم 48 گھنٹے قبل موصول ہونا ضروری ہے۔
- سی ڈی سی اکاؤنٹ ہولڈرز کو سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے 26 جنوری 2000 کے سرکلر نمبر 1 میں دی گئی ہدایات پر عمل کرنا ہوگا۔
- اگر پراکسی کسی کارپوریٹ ادارے کی طرف سے مقرر کیا گیا ہو تو بورڈ آف ڈائریکٹرز کی قرارداد/پاور آف اٹارنی بمع CNIC یا پاسپورٹ کی تصدیق شدہ کاپی پراکسی فارم کے ساتھ جمع کروانا ضروری ہے۔

## 4- حصص داروں کے پتے میں تبدیلی:

حصص داروں سے درخواست کی جاتی ہے کہ اپنے پتے یا رابطے کی معلومات میں کسی بھی تبدیلی کی اطلاع فوری طور پر CDC شیئر رجسٹر ارسر و سز لمیٹڈ کو دیں۔ جبکہ CDC اکاؤنٹ ہولڈرز اپنے متعلقہ CDC پارٹنر/انویسٹر اکاؤنٹ سروس فراہم کنندہ سے رابطہ کریں۔

## 5- آڈٹ شدہ مالیاتی گوشواروں کی ای میل کے ذریعے ترسیل:

15 اکتوبر 2016 کو منعقدہ 25 ویں سالانہ اجلاس عام میں حصص داروں نے منظوری دی تھی کہ سالانہ آڈٹ شدہ اکاؤنٹس کو پرنٹ شدہ شکل میں بھیجنے کے بجائے USB/DVD/CD ای میل کے ذریعے سافٹ فارم میں بھیجا جائے، جیسا کہ 2014/1) SRO787 مجریہ 8 ستمبر 2014 اور 2016/1) SRO470 مجریہ 31 مئی 2016 میں بیان کیا گیا ہے۔ لہذا کمپنی نے مالیاتی رپورٹس شیئر ہولڈرز کو ان کے رجسٹرڈ ای میل ایڈریس پر ارسال کر دی ہیں، جیسا کہ کمپنی ایکٹ 2017 کی دفعہ (6) 223 کے تحت اجازت دی گئی ہے۔ تاہم، جو شیئر ہولڈرز مالیاتی گوشواروں کی پرنٹ شدہ کاپی حاصل کرنا چاہتے ہیں، وہ "اسٹینڈرڈ ریکویسٹ فارم" (کمپنی کی ویب سائٹ پر دستیاب) کے ذریعے کمپنی کے رجسٹرڈ پتے پر درخواست بھیج سکتے ہیں۔

## خصوصی امور:

5۔ اس بات پر غور کرنا اور اگر مناسب سمجھا جائے تو، درج ذیل قراردادوں کو، جیسا کہ مناسب ہو، ترمیم کے ساتھ یا بغیر ترمیم کے کمپنیز ایکٹ 2017 کی دفعات 207 اور 208 (جہاں قابل اطلاق ہو) کے تحت، متعلقہ فریقوں کے ساتھ کیے گئے/ کیے جانے والے لین دین/ معاہدات کے حوالے سے، خصوصی قراردادوں کے طور پر منظور اور توثیق کرنا:

"یہ قرارداد منظور کی جاتی ہے کہ کمپنی کی جانب سے مختلف متعلقہ فریقوں کے ساتھ کیے گئے وہ تمام لین دین، جو مالی سال اختتامیہ 30 جون 2025 کے دوران کیے گئے، جیسا کہ کمپنی کے مالیاتی گوشواروں کے نوٹ نمبر 41 میں ظاہر کیا گیا ہے، اور سیکشن (3) 134 کے تحت بیان کردہ "اسٹیٹمنٹ آف میٹیریل انفارمیشن" میں درج ہے، ان کی توثیق، تصدیق اور منظوری دی جاتی ہے۔

مزید یہ قرارداد منظور کی جاتی ہے کہ کمپنی کو اختیار دیا جاتا ہے کہ وہ 30 جون 2026 کو ختم مالی سال کے دوران مختلف متعلقہ فریقوں کے ساتھ، وقتاً فوقتاً، ایسے معاہدے کرے یا لین دین کرے جیسا کہ بورڈ آف ڈائریکٹرز کی جانب سے موزوں اور منظور شدہ ہو یا توثیق شدہ ہو۔ ان لین دین میں اشیاء اور ذخائر کی خرید و فروخت، خدمات کی فراہمی، فیس کی ادائیگی، اخراجات کی واپسی، قرض اور مشارکہ کی رقم کی وصولی یا ادائیگی، اور سرمایہ کاری کی جائیدادوں کی خرید و فروخت شامل ہو سکتی ہے۔ چونکہ چند ڈائریکٹرز کا بعض متعلقہ فریقوں کے ساتھ مشترکہ ڈائریکٹر شپ کی بنیاد پر مفاد ہو سکتا ہے، اس لیے اراکین بورڈ آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز کو ان تمام متعلقہ فریقوں کے لین دین کی منظوری، تصدیق اور توثیق کا اختیار دیتے ہیں۔

مزید یہ قرارداد منظور کی جاتی ہے کہ متعلقہ فریقوں کے ساتھ کیے جانے والے لین دین، جو کہ 30 جون 2026 کو ختم مالی سال کے دوران کیے جائیں گے، وہ اراکین کی جانب سے منظور شدہ تصور کیے جائیں گے، اور بعد ازاں آئندہ سالانہ عمومی اجلاس میں اراکین کے سامنے توثیق اور تصدیق کے لیے پیش کیے جائیں گے۔"

## دیگر امور:

6۔ چیئرمین کی اجازت سے کسی بھی دیگر امور کو زیر غور لانا۔

کمپنیز ایکٹ 2017 کی دفعہ (3) 134 اور (3) 166 کے تحت اہم حقائق سے متعلق ایک بیان نوٹس ہذا کے ساتھ منسلک کیا گیا ہے۔

بکلم بورڈ



سلمان گوگرے

کمپنی سیکریٹری

23 ستمبر 2025

کراچی

نوٹس:

## 1۔ حصص منتقلی کے کھاتوں کی بندش:

کمپنی کے حصص منتقلی کے کھاتے 17 اکتوبر 2025 سے 14 اکتوبر 2025 تک (بشمول ایام مذکورہ) بند رہیں گی۔ کمپنی کے شیئر رجسٹرار، میسرز سی ڈی سی (CDC) شیئر رجسٹرار سروسز لمیٹڈ، سی ڈی سی ہاؤس، 99-B بلاک-S.M.C.H.S-B، مین شارع فیصل، کراچی کے دفتر میں 16 اکتوبر 2025 کو کاروبار کے اختتام تک موصول ہونے والی منتقلیوں کو سالانہ اجلاس عام میں شرکت کے لیے بروقت تصور کیا جائے گا۔

## اطلاع برائے چوتھی سو سالانہ اجلاس عام

بذریعہ ہذا اطلاع دی جاتی ہے کہ پاور سیمنٹ لمیٹڈ ("کمپنی") کا چوتھی سو سالانہ اجلاس عام (AGM) بروز منگل، مورخہ 14 اکتوبر 2025 کو دوپہر 12:00 بجے پاکستان اسٹاک ایکسچینج (PSX) آڈیٹوریم، تیسری منزل، ایڈمن بلاک، اسٹاک ایکسچینج بلڈنگ، اسٹاک ایکسچینج روڈ، کراچی میں منعقد کیا جائے گا، نیز اس اجلاس میں بذریعہ وڈیولنک بھی شرکت کی جاسکتی ہے، اجلاس ہذا میں درج ذیل امور پر غور کیا جائے گا۔

### عمومی امور:

1- کمپنی کی تینتیسویں سالانہ اجلاس عام منعقدہ 24 اکتوبر 2024 کی کارروائی کی توثیق کرنا۔

2- کمپنی کے مالی سال اختتامیہ 30 جون 2025 کے سالانہ آڈٹ شدہ مالیاتی گوشواروں کو ڈائریکٹرز اور آڈیٹرز کی رپورٹس کے ساتھ وصول کرنا، ان پر غور کرنا اور منظوری دینا۔

جیسا کہ کمپنیز ایکٹ 2017 کی دفعہ (7) 223 کے تحت درکار ہے اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کے جاری کردہ S.R.O.389(I)/2023 مورخہ 21 مارچ 2023 کے تحت، کمپنی کی سالانہ رپورٹ برائے مالی سال اختتامیہ 30 جون 2025 کمپنی کی ویب سائٹ پر اپلوڈ کر دی گئی ہے، جسے درج ذیل لنک اور QR کوڈ کے ذریعے ڈاؤن لوڈ کیا جاسکتا ہے:



<https://powercement.com.pk/financial-reports/>

3- آئندہ مالی سال اختتامیہ 30 جون 2026 کے لیے آڈیٹرز کی تقرری اور ان کا معاوضہ مقرر کرنا۔ موجودہ آڈیٹرز، میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، سبکدوش ہو رہے ہیں اور اپنی اہلیت کی بنیاد پر اپنی جانب سے اپنی دوبارہ تقرری کی خدمات پیش کی گئی ہیں۔

4- کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے کمپنیز ایکٹ 2017 کی دفعہ (1) 159 کے تحت مقرر کردہ تعداد کے مطابق سات (07) ڈائریکٹرز کو تین سال کی مدت کے لیے منتخب کرنا، جو کہ 28 اکتوبر 2025 سے شروع ہوگی۔

سبکدوش ہونے والے ڈائریکٹرز کے نام درج ذیل ہیں:

1- جناب محمد عارف حبیب

2- جناب نسیم بیگ

3- جناب عبدالصمد

4- سید سلمان رشید

5- جناب خورشید انور جمال

6- جناب خلیل اللہ شیخ

7- محترمہ زینب کاشف

سبکدوش ہونے والے ڈائریکٹرز دوبارہ انتخاب کے لیے اہل ہیں۔



## اسناد کا حصول

کمپنی ہمیشہ اپنے تمام ملازمین اور شراکت داروں کے لیے محفوظ کام کرنے کا ماحول فراہم کرنے کی پابند رہی ہے، اور ISO 14001:2015، ISO 45001:2018 اور ISO 9001:2015 کی اسناد اس بات کا ثبوت ہیں کہ کمپنی نے صحت، حفاظت اور ماحولیات کے فروغ کے لیے مسلسل پالیسیوں پر عمل درآمد کیا ہے۔

## بیرونی آڈیٹرز کی تقرری

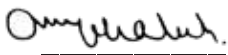
کمپنی کے آڈیٹرز میسرز اے ایف فرگوسن اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس سبکدوش ہو رہے ہیں اور دوبارہ تقرری کے لیے اہل ہونے کے ناطے اپنی خدمات ایک مرتبہ پھر پیش کی ہیں۔ آڈٹ کمیٹی کی سفارش پر بورڈ آف ڈائریکٹرز نے میسرز اے ایف فرگوسن اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کو سالانہ عام اجلاس میں اراکین کی منظوری کے لیے مالی سال اختتامیہ 30 جون 2026 کے لیے آڈیٹرز کے طور پر تجویز کیا ہے۔

## اظہار تشکر

بورڈ آف ڈائریکٹرز تمام شراکت داروں — ملازمین، صارفین، سپلائرز، حصص یافتگان اور بینکاروں — کا ان کے مستقل تعاون پر تہ دل سے شکریہ ادا کرتے ہیں۔ آپ کے اعتماد نے کمپنی کی ترقی اور استحکام میں ہمیشہ اہم کردار ادا کیا ہے۔

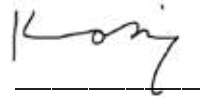
ہماری کامیابی کی بنیاد ایک مشترکہ عزم ہے ہمارے ملازمین کی محنت، صارفین کی وفاداری، سپلائرز کا بھروسہ، حصص یافتگان کا اعتماد اور بینکوں کا غیر متزلزل تعاون۔ ہم ترقی کی راہ میں ان قیمتی تعلقات کو مزید مضبوط بنانے کے لیے پرعزم ہیں۔

برائے و منجانب بورڈ



محمد عارف حبیب

چیئر مین



محمد کاشف

چیف ایگزیکٹو آفیسر

یکم ستمبر 2025

کراچی

## مؤثر داخلی مالیاتی کنٹرول

بورڈ آف ڈائریکٹرز اندرونی کنٹرول کے ماحول کے حوالے سے اپنی ذمہ داری سے آگاہ ہے اور اس مقصد کے لیے ایک مؤثر اندرونی مالی کنٹرولز کا نظام قائم کیا گیا ہے، تاکہ آپریشنز کے مؤثر اور کارگر طریقے سے انعقاد کو یقینی بنایا جاسکے، کمپنی کے اثاثوں کا تحفظ کیا جاسکے، قابل اطلاق قوانین اور ضوابط کی پاسداری ہو سکے اور مالی رپورٹنگ قابل بھروسہ ہو۔ کمپنی کا غیر جانبدار اندرونی آڈٹ ڈپارٹمنٹ باقاعدگی سے مالی کنٹرولز کے نفاذ کا جائزہ اور نگرانی کرتا ہے۔

بورڈ کی آڈٹ کمیٹی کو اندرونی اور بیرونی آڈیٹرز کی طرف سے اندرونی مالی کنٹرولز کے نظام پر رپورٹس موصول ہوتی ہیں اور یہ کمیٹی کنٹرولز کے مؤثر ہونے کی نگرانی کے عمل کا جائزہ لیتی ہے۔

## ترتیب حصص داری

کمپنی کے عام اور ترجیحی حصص پاکستان اسٹاک ایکسچینج میں لسٹڈ ہیں۔ 30 جون 2025 تک کمپنی کے 1,290,523,671 عام حصص (1,111,885,154:2024) اور 74,253,381 ترجیحی حصص (208,232,277:2024) موجود تھے۔ دوران سال، 133,978,896 ترجیحی حصص کو حصص یافتگان نے 178,638,517 عام حصص میں تبدیل کیا۔ تفصیلی ترتیب حصص داری اس رپورٹ کے ساتھ منسلک ہے۔

## ڈائریکٹرز اور ایگزیکٹو کی جانب سے کمپنی کے حصص میں تجارت

ڈائریکٹرز، چیف ایگزیکٹو آفیسر، چیف فنانشل آفیسر، کمپنی سیکریٹری، ہیڈ آف انٹرنل آڈٹ اور ان کے شریک حیات اور نابالغ بچوں کی جانب سے کمپنی کے حصص میں کیے گئے لین دین کا بیان اس رپورٹ کے ساتھ منسلک ہے۔

تمام متعلقہ افراد کے لیے ضروری ہے کہ وہ کمپنی کے حصص میں کی جانے والی کسی بھی تجارت — خواہ وہ خود کریں یا ان کے شریک حیات / نابالغ بچے — کے بارے میں فوری طور پر تحریری طور پر کمپنی سیکریٹری کو اطلاع دیں، اور لین دین کا تحریری ریکارڈ، بشمول قیمت، حصص کی تعداد اور سی ڈی سی (CDC) اسٹیٹمنٹ، قابل اطلاق ضوابط کے تحت مقررہ وقت میں فراہم کریں۔

## کمپنی کے کاروبار کا ماحول پر اثر

کمپنی کا ایف ایل اسمتھ (FLSmidt) پلانٹ آئی ایف سی (IFC) اور ورلڈ بینک کے ماحولیاتی معیار کے مطابق ہے اور ایک جدید آن لائن کوالٹی کنٹرول سسٹم سے لیس ہے۔

کمپنی میں ویسٹ ہیٹ ریکوری سسٹم (WHR) اور شمسی توانائی کی سہولیات موجود ہیں تاکہ بجلی کی ضروریات کا کچھ حصہ پورا کیا جاسکے، جبکہ ونڈ پاور کا انضمام جاری ہے۔ ایک مخصوص ایچ ایس ای (HSE) ٹیم ایس ای پی اے (SEPA) اور ایس ای کیو ایس (SEQS) معیارات پر عمل درآمد کو یقینی بناتی ہے۔

ماحولیاتی آلودگی کو کنٹرول کرنے کے لیے جامع اقدامات — جن میں بیگ ہاؤسز، ڈسٹ کلیمیشن سائیکلونز، الیکٹروسٹیٹک پریسیپیٹیٹرز اور ڈسٹ سپریشن سسٹمز شامل ہیں — نافذ کیے گئے ہیں تاکہ آرائس پی ایم (RSPM) اور سرٹک کے گرد و غبار کو قابو میں رکھا جاسکے۔ پلانٹ میں یورپی Eco E3 فلٹریشن ٹیکنالوجی پر مبنی پولوشن کنٹرول بیگ ہاؤس سسٹم استعمال کیا جاتا ہے، جو اخراج کی سطح کو ورلڈ بینک / IFC کی حد سے کم رکھتا ہے۔ یہ نظام پائیداری میں بھی مدد دیتا ہے، کیونکہ یہ آلات کی عمر بڑھاتا ہے اور توانائی کے نقصان کو کم کرتا ہے۔

☆ کمپنی کی حیثیت کو ایک جاری کاروبار (going concern) کے طور پر برقرار رکھنے پر کوئی شکوک نہیں پائے جاتے۔ مزید یہ کہ کمپنی اپنے تمام قرضے وقت پر ادا کر رہی ہے اور بینکوں کو قرضوں کی واپسی میں کسی ناہندگی کا سامنا نہیں ہے۔

☆ کارپوریٹ گورننس کی بہترین طریقہ کار سے کوئی نمایاں انحراف نہیں کیا گیا جیسا کہ لسٹنگ ریگولیشنز میں تفصیل سے بیان کیا گیا ہے۔

☆ کمپنی اپنے ملازمین کے لیے فنڈ ڈگریجوٹی اسکیم چلاتی ہے جیسا کہ مالی بیانات کے متعلقہ نوٹ میں ظاہر کیا گیا ہے۔

☆ حصص یافتگان کی مجموعی تعداد کو ظاہر کرنے والے مقررہ فارمیٹ میں ترتیب حسب داری کو سالانہ رپورٹ کا حصہ بنایا گیا ہے۔

☆ گزشتہ 6 سالوں کا کلیدی آپریٹنگ اور مالی ڈیٹا اس سالانہ رپورٹ کے "مالی معلومات کے تجزیے" والے حصے میں شامل ہے۔

## بورڈ کے لیے جانچ کے معیار

بورڈ آف ڈائریکٹرز کی کارکردگی کا جائزہ لینے کے لیے ایک جامع طریقہ کار وضع کیا گیا ہے جو لکسمینیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے مطابق ہے۔

یہ طریقہ کار بورڈ آف ڈائریکٹرز کی کارکردگی کو درج ذیل پہلوؤں پر جانچتا ہے:

☆ بورڈ کی نگرانی اور اسکے اثرات

☆ بورڈ کی تشکیل اور اس کی کمیٹیاں

☆ بورڈ کے اجلاس اور کاروائیاں

☆ بورڈ اور انتظامیہ کے تعلقات

☆ تعلقات کا انتظام اور قیادت

☆ ڈائریکٹرز کی کارپوریٹ قوانین و ضوابط سے واقفیت

☆ کارپوریٹ گورننس

## بورڈ کی جانچ

اوپر دیے گئے معیار کے مطابق بورڈ کی مجموعی کارکردگی مالی سال کے لیے تسلی بخش رہی۔ بورڈ کی کارکردگی پر چیئرمین کی ایک علیحدہ رپورٹ بھی اس سالانہ رپورٹ کے ساتھ منسلک ہے، جیسا کہ کمپنیز ایکٹ 2017 کی دفعہ 192 کے تحت درکار ہے۔

## ڈائریکٹرز کی معاوضہ پالیسی

کمپنی کے غیر جانبدار ڈائریکٹرز کو بورڈ آف ڈائریکٹرز یا بورڈ کی کسی ذیلی کمیٹی کے اجلاس میں شرکت کرنے پر فیس ادا کی جاتی ہے، جیسا کہ 28 اکتوبر 2019 کو منعقدہ سالانہ عام اجلاس میں منظور کیا گیا تھا۔ چیف ایگزیکٹو اور ڈائریکٹرز کی معاوضہ کی تفصیلات مالی گوشواروں کے نوٹس میں درج ہیں جو 30 جون 2025 کو ختم ہونے والے سال کے لیے ہیں۔

\* جناب جاوید قریشی نے مالی سال کے دوران استعفیٰ دے دیا، جس کے بعد جناب خورشید انور جمال کو کمیٹی کا رکن اور چیئر مین مقرر کیا گیا۔ کمیٹی کا اجلاس جناب جمال کی تقرری سے پہلے منعقد ہوا۔

### رہسک مینجمنٹ اور خطرات کو کم کرنے کی حکمت عملی

بورڈ آف ڈائریکٹرز کی جانب سے ممکنہ خطرات کی نشاندہی کی گئی ہے، ان خطرات کے کمپنی پر اثرات کا جائزہ لیا گیا ہے، کاروبار کے متوقع خطرات کو کم از کم کرنے کے لیے حکمت عملیاں مرتب کی گئی ہیں۔ یہ حکمت عملیاں آپ کی کمپنی کی کے انتظامی ڈھانچے میں ہر سطح پر نافذ کی گئی ہیں تاکہ خطرات کو کم کرنے میں کوئی خلا باقی نہ رہے۔

کمپنی کو درپیش بڑے خطرات اور مسائل درج ذیل ہیں:

- i۔ زیادہ قرض (leverage) کی وجہ سے منافع پر دباؤ؛
- ii۔ کاروباری لاگت میں تیزی سے اضافہ (خصوصاً کوئلے اور بجلی کے اخراجات) صارفین تک منتقل کرنے سے قاصر ہونا کیونکہ مارکیٹ میں دیگر مسابقت کاروں کی جانب سے مسابقتی قیمتیں فراہم کی جاتی ہیں؛
- iii۔ زرمبادلہ کی شرح اور سود کی شرح میں اتار چڑھاؤ کے خطرات؛
- iv۔ پیداواری گنجائش میں اضافے/نئی فیکٹریوں کے باعث سپلائی میں اضافہ؛
- v۔ قابل ملازمین کی جانب سے ملازمت چھوڑنے کے سبب معیاری انسانی وسائل کا ضیاع۔

ان مسائل کی تفصیلات اس سالانہ رپورٹ کے متعلقہ حصوں میں مزید وضاحت کے ساتھ بیان کی گئی ہیں۔

### کارپوریٹ گورننس کا ضابطہ

آپ کی کمپنی کے ڈائریکٹرز باقاعدگی سے کمپنی کی حکمت عملی کی سمت اور کاروباری منصوبوں کا مستقل بنیادوں پر جائزہ لیتے ہیں۔ آڈٹ کمیٹی کو (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 پر مؤثر عمل درآمد کے اختیارات حاصل ہیں۔ ہم کمپنی میں اچھی کارپوریٹ گورننس کو یقینی بنانے کے لیے تمام ضروری اقدامات کر رہے ہیں جیسا کہ ضابطے کے تحت درکار ہے۔ اس کے مطابق ہم درج ذیل تصدیق کرتے ہیں:

☆ کمپنی کی انتظامیہ کی جانب سے تیار شدہ مالی گوشوارے کمپنی کے مالی حالات، کاروباری افعال کے نتائج، نقد رقوم کی ترسیل اور ایکویٹی میں تبدیلیوں کو درست طور پر ظاہر کرتے ہیں۔

☆ کمپنی نے مناسب طریقہ کار کے مطابق محاسبی کھاتوں کو برقرار رکھا ہوا ہے۔

☆ چیف ایگزیکٹو آفیسر اور چیف فنانس آفیسر نے بورڈ کی منظوری سے قبل مالی گوشواروں کی باقاعدہ توثیق کی ہے۔

☆ مالی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو مستقل طور پر لاگو کیا گیا ہے اور اکاؤنٹنگ تخمینے مناسب اور دانشمندانہ فیصلوں پر مبنی ہیں۔

☆ پاکستان میں قابل اطلاق بین الاقوامی مالیاتی رپورٹنگ معیارات (IFRS) کی پیروی کرتے ہوئے مالی گوشوارے تیار کیے گئے ہیں۔

☆ اندرونی کنٹرول کا نظام مؤثر ساخت پر مبنی ہے اور اس پر عمل درآمد اور نگرانی مؤثر طریقے سے کی گئی ہے۔

5/5	غیر انتظامی ڈائریکٹر	محترمہ زہنب کاشف
1/1	غیر انتظامی ڈائریکٹر	جناب اینڈرلیس پالوڈن مولر *
2/2	غیر جانبدار ڈائریکٹر	محترمہ عازہ خان **

\* مالی سال کے دوران جناب محمد عارف حبیب کو بورڈ میں شامل کیا گیا، جبکہ جناب جاوید قریشی اور جناب اینڈرلیس پالوڈن مولر نے استعفیٰ دے دیا۔  
 \*\* محترمہ عازہ خان کو بھی بورڈ میں شامل کیا گیا لیکن بعد ازاں انہوں نے مالی سال کے دوران استعفیٰ دے دیا۔

اجلاسوں میں شرکت نہ کرنے والے ڈائریکٹرز کی غیر حاضری کی منظوری دی گئی۔

### بورڈ کمیٹیوں کے اجلاس

#### آڈٹ کمیٹی

بورڈ آف ڈائریکٹرز نے ایک آڈٹ کمیٹی قائم کی ہے جو تین ممبران پر مشتمل ہے، اور تمام ممبران غیر انتظامی ڈائریکٹرز ہیں، جبکہ اس کے چیئرمین غیر جانبدار ڈائریکٹر ہیں۔ آڈٹ کمیٹی کی تشکیل سٹیکہولڈرز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے تقاضوں کے مطابق کی گئی ہے۔

زیر نظر مالی سال کے دوران آڈٹ کمیٹی کے چار اجلاس منعقد ہوئے اور ہر ممبر کی حاضری درج ذیل ہے:

ممبران کے نام	عہدہ	اجلاسوں میں شرکت
جناب خورشید انور جمال	چیئرمین	4/4
سید سلمان رشید	ممبر	3/4
جناب عبدالصمد	ممبر	4/4

#### انسانی وسائل اور معاوضہ کمیٹی

بورڈ آف ڈائریکٹرز نے ایک انسانی وسائل اور معاوضہ کمیٹی (HR&RC) قائم کی ہے جو تین اراکین پر مشتمل ہے؛ جن میں سے دو غیر انتظامی ڈائریکٹرز ہیں۔ HR&RC کمیٹی کی تشکیل سٹیکہولڈرز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے تقاضوں کے مطابق کی گئی ہے۔

زیر نظر مالی سال کے دوران، HR&RC کمیٹی کا ایک اجلاس منعقد ہوا اور ہر رکن کی حاضری درج ذیل ہے:

ممبران کے نام	عہدہ	اجلاسوں میں شرکت
جناب خورشید انور جمال *	چیئرمین	کوئی نہیں
جناب جاوید قریشی *	چیئرمین	1/1
سید سلمان رشید	ممبر	1/1

ڈائریکٹرز کی کل تعداد	8
(i) مرد	7
(ii) خواتین	1

فی الوقت، بورڈ آف ڈائریکٹرز کے نام اور تشکیل درج ذیل ہے:

ڈائریکٹرز کی نام	ڈائریکٹرز تشکیل
1) جناب محمد عارف حبیب* 2) جناب نسیم بیگ 3) جناب عبدالصمد 4) سید سلمان رشید 5) محترمہ زینب کاشف	الف۔ غیر انتظامی ڈائریکٹرز
6) جناب خورشید انور جمال 7) جناب خلیل اللہ شیخ**	ب۔ غیر جانبدار ڈائریکٹرز
8) جناب محمد کاشف	ج۔ انتظامی ڈائریکٹر

\* 25 ستمبر 2024 کو جناب محمد عارف حبیب کو بورڈ آف ڈائریکٹرز کی جانب سے چیئر مین / نان ایگزیکٹو ڈائریکٹر مقرر کیا گیا۔

\*\* 25 جون 2025 کو جناب خلیل اللہ شیخ کو بورڈ آف ڈائریکٹرز کی جانب سے بطور غیر جانبدار ڈائریکٹر مقرر کیا گیا۔

### بورڈ آف ڈائریکٹرز کے اجلاس

زیر نظر مالی سال کے دوران بورڈ آف ڈائریکٹرز (BoD) کے پانچ اجلاس منعقد ہوئے اور بورڈ ممبران کی حاضری درج ذیل ہے:

ڈائریکٹرز کے نام	عہدہ	اجلاسوں میں شرکت
جناب محمد عارف حبیب*	چیئر مین	4/4
جناب نسیم بیگ	غیر انتظامی ڈائریکٹر	5/5
جناب محمد کاشف	چیف ایگزیکٹو آفیسر	5/5
سید سلمان رشید	غیر انتظامی ڈائریکٹر	4/5
جناب عبدالصمد	غیر انتظامی ڈائریکٹر	4/5
جناب جاوید قریشی*	غیر جانبدار ڈائریکٹر	2/2
جناب خورشید انور جمال	غیر جانبدار ڈائریکٹر	5/5

زیر نظر مالی سال کے دوران کمپنی کی جانب سے کلنکر پیداوار 2,134,913 ٹن رہی، جس کے نتیجے میں پیداواری صلاحیت کے استعمال کی شرح 66% رہی (مالی سال 2024 میں 71% پیداواری صلاحیت زیر استعمال رہی)۔

## مستقبل پر نظر

سینٹ انڈسٹری کا مستقبل حوصلہ افزا دکھائی دیتا ہے، جسے انفراسٹرکچر منصوبوں کی متوقع بحالی، نئی تعمیرات میں بتدریج بہتری اور بہتر فنانسنگ حالات سہارا دے رہے ہیں۔ اگرچہ توانائی اور ٹیکسیشن کے دباؤ برقرار ہیں، تاہم مالیاتی پالیسی میں نرمی اور کارکردگی میں بہتری کے باعث صنعت کو سہارا ملنے کی توقع ہے۔

کمپنی کا برآمداتی کاروبار تیزی سے مضبوط ہو رہا ہے۔ موجودہ مارکیٹس میں منافع بہتر ہو رہا ہے جبکہ نئی مارکیٹس ترقی کے لیے تازہ مواقع فراہم کر رہی ہیں۔ آئندہ بھی کمپنی اس مثبت رجحان کو جاری رکھتے ہوئے اپنی موجودہ مارکیٹس میں مضبوطی پیدا کرے گی اور نئے خطوں میں محتاط انداز میں توسیع کرے گی۔ یہ متوازن حکمت عملی مارجن بہتر بنانے، استحکام میں اضافہ کرنے اور دیر پا قدر فراہم کرنے میں مدد دے گی، اور ساتھ ہی ملک کی معاشی ترقی میں بھی حصہ ڈالے گی۔

کمپنی آپریشنل کارکردگی کو فروغ دینے، لاگت کی مسابقتی صلاحیت کو مزید بہتر بنانے اور متبادل توانائی کے استعمال میں توسیع پر توجہ مرکوز کر رہی ہے۔ ان اقدامات کے ساتھ مینجمنٹ پر اعتماد ہے کہ کمپنی منافع کو برقرار رکھے گی، استحکام میں اضافہ کرے گی اور بڑھتی ہوئی مارکیٹ میں خود کو ایک نمایاں ادارے کے طور پر قائم کرے گی، جبکہ شیئر ہولڈرز کے لیے طویل مدتی قدر تخلیق کرے گی۔

## ڈیویڈنڈ اور بونس حصص

موجودہ معاشی غیر یقینی صورتحال اور کمپنی کے موجودہ طویل مدتی قرضوں کو پورا کرنے کی ذمہ داریوں کو مد نظر رکھتے ہوئے، بورڈ آف ڈائریکٹرز نے فیصلہ کیا ہے کہ مالی سال اختتامیہ 30 جون 2025 کے لیے کوئی نقد ڈیویڈنڈ یا بونس حصص جاری نہیں کیے جائیں گے۔

## کریڈٹ ریٹنگ

کمپنی کو 23 دسمبر 2024 کو جے سی آر-وی آئی ایس کریڈٹ ریٹنگ کمپنی لمیٹڈ (JCR-VIS) کی جانب سے طویل مدتی ریٹنگ "A-2" (سنگل اے مائنس) اور قلیل مدتی ریٹنگ "A-2" (سنگل اے ٹو) تفویض کی گئی ہے۔

## قومی خزانے میں ادائیگی

کمپنی نے حکومت کے خزانے میں انکم ٹیکس، ایکسائز ڈیوٹی، سیلز ٹیکس اور دیگر سرکاری لیویز کی مد میں 8.44 ارب روپے (مالی سال 2024: 5.14 ارب روپے) جمع کروائے۔

## بورڈ آف ڈائریکٹرز کی تشکیل

فی الوقت کمپنی کے بورڈ آف ڈائریکٹرز درج ذیل اراکین پر مشتمل ہے:



جبکہ خام منافع بڑھ کر مالی سال 2025 میں 8.40 ارب روپے ہو گیا، جو گزشتہ سال 6.79 ارب روپے تھا، یعنی 24% کا زبردست اضافہ ریکارڈ کیا گیا ہے۔ یہ بہتری قیمت فروخت میں اضافے، آپریشنل کارکردگی میں بہتری، پیداواری لاگت پر سخت کنٹرول اقدامات اور توانائی کی لاگت کے دباؤ کو کم کرنے کے لیے متبادل ایندھن پر انحصار جاری رکھنے کے نتیجے میں ممکن ہوئی۔

سود، ٹیکس و لیوی، گراؤٹ اور اخراجات منہا کرنے سے پہلے کی آمدن (EBITDA) میں نمایاں بہتری آئی، جو مالی سال 2025 میں 5.51 ارب روپے رہی، جبکہ مالی سال 2024 میں 3.98 ارب روپے تھی۔ کاروباری منافع بھی 52% کے اضافے کے ساتھ بڑھ کر 4.62 ارب روپے ہو گیا، جو گزشتہ سال 3.03 ارب روپے تھا، جس نے بہترین مارجن کی عکاسی کی۔

زیر نظر مالی سال کے دوران تمولی لاگت نمایاں کمی کے ساتھ 3.04 ارب روپے رہی، جو مالی سال 2024 میں 4.95 ارب روپے تھی۔ اس کمی کی بڑی وجوہات میں پالیسی ریٹ کا 11% تک کم ہونا، اسپانسرز کی جانب سے فراہم کردہ مالی معاونت، جو اس وقت 15 ارب روپے ہے، اور قرضوں کی جزوی واپسی شامل تھیں۔ تمولی لاگت میں اس کمی نے کمپنی کی خالص آمدنی کو زبردست سہارا دیا۔

نتیجتاً، کمپنی نے مالی سال 2025 میں 1.57 ارب روپے منافع قبل از ٹیکس اور لیوی کمایا، جو مالی سال 2024 کے 1.92 ارب روپے کے نقصان سے ایک شاندار تبدیلی ہے۔ ٹیکس کے بعد، کمپنی نے 815 ملین روپے خالص منافع ریکارڈ کیا، جبکہ گزشتہ سال 2.70 ارب روپے کا خالص نقصان ہوا تھا۔ اس کے مطابق، فی حصص آمدنی (EPS) مالی سال 2025 میں 0.44 روپے رہی، جو کہ مالی سال 2024 میں فی حصص نقصان (LPS) 2.88 روپے کے مقابلے میں ایک نمایاں بہتری ہے۔

## پیداوار اور فروخت کی مقداری کارکردگی

پیداوار	مالی سال 2025	مالی سال 2024	فرق
			ٹنوں میں
کلنکر	2,134,913	2,285,325	(150,412)
سیمنٹ	1,601,983	1,691,795	(89,812)
			%
			(6.58)
			(5.31)

فروخت	مالی سال 2025	مالی سال 2024	فرق
			ٹنوں میں
سیمنٹ / کلنکر	1,337,248	1,327,656	9,592
کلنکر (برآمدات)	683,288	785,734	(102,446)
سیمنٹ (برآمدات)	364,414	415,763	(51,349)
مجموعی فروخت	2,384,949	2,529,153	(144,203)
			%
			0.72
			(13.04)
			(12.35)
			(5.70)

## سیمنٹ کی صنعت

زیر نظر سال کے دوران پاکستان کا معاشی منظر نامہ شدید باؤ کا شکار رہا، جس کی بڑی وجوہات میں اجناس کی بڑھتی ہوئی قیمتیں، سیاسی غیر یقینی، بلند درآمدی اخراجات اور مہنگائی کے اثرات شامل ہیں۔ یہ عوامل مجموعی معاشی سرگرمیوں کو محدود کرتے رہے اور سیمنٹ کے شعبے پر بھاری دباؤ ڈالتے رہے۔ گزشتہ تین سالوں میں سیمنٹ کی طلب تقریباً جمود کا شکار رہی ہے، جبکہ مالی سال 2022 سے مقامی فروخت میں مسلسل سالانہ کمی دیکھنے میں آئی ہے۔ تاہم آگے بڑھتے ہوئے صنعت مالی سال 2026 کا سامنا متناظر امید کے ساتھ کر رہی ہے، جس کی وجہ تعمیراتی سرگرمیوں کی ممکنہ بحالی کے ابتدائی آثار ہیں۔

ان رکاوٹوں کے باوجود، سیمنٹ کے شعبے نے کچھ مثبت رجحانات بھی ریکارڈ کیے۔ صنعت کی مجموعی فروخت 46 ملین ٹن رہی، جو پچھلے سال کے مقابلے میں 2.64% اضافہ ظاہر کرتی ہیں۔ یہ اضافہ زیادہ تر برآمدات کے شعبے کی وجہ سے ہوا، جو 29.54% بڑھیں، جبکہ مقامی فروخت میں 2.43% کمی ہوئی۔ جو 37.71 ملین ٹن سے کم ہو کر 36.79 ملین ٹن رہی۔

شمالی زون میں مقامی فروخت 2.60% کمی کے ساتھ 31.54 ملین ٹن سے کم ہو کر 30.73 ملین ٹن رہی۔ تاہم، اس خطے میں برآمدات 15.55% بڑھ کر 1.68 ملین ٹن تک پہنچ گئیں، جو پچھلے سال 1.46 ملین ٹن تھیں۔ جنوبی زون میں — جہاں آپ کی کمپنی کام کرتی ہے — مقامی فروخت 1.59% کمی کے ساتھ 6.17 ملین ٹن سے کم ہو کر 6.07 ملین ٹن رہی، لیکن برآمدات میں شاندار اضافہ دیکھنے میں آیا جو 33.15% سے بڑھ کر 7.53 ملین ٹن تک پہنچ گئیں، جبکہ پچھلے سال یہ 5.65 ملین ٹن تھیں۔

## مالیاتی کارکردگی

30 جون 2025 کو ختم ہونے والے مالی سال کیلئے آپ کی کمپنی کی مالیاتی کارکردگی کا تقابلی موازنہ حسب ذیل ہے:

تفصیلات	مالی سال 2025	مالی سال 2024
روپے ہزاروں میں		
فروخت - صافی	29,520,136	31,077,214
خام منافع	8,398,898	6,790,401
کاروباری منافع	4,616,219	3,028,707
سود، ٹیکس و لیوی، گراؤٹ اور اخراجات منہا کرنے سے پہلے کی آمدن (EBITDA)	5,513,693	3,978,492
تمویلی لاگت - صافی	3,043,906	4,947,626
منافع / (نقصان) قبل از ٹیکس و لیویز	1,572,313	(1,918,919)
منافع / (نقصان) بعد از ٹیکس و لیویز	814,996	(2,703,284)
منافع / (نقصان) فی حصص (روپوں میں)	0.44	(2.88)

مالی سال 2025 کے دوران پاور سیمنٹ لمیٹڈ نے 29.52 ارب روپے کی صافی فروخت حاصل کی، جو کہ مالی سال 2024 کے 31.08 ارب روپے کے مقابلے میں کم ہے۔

## ڈائریکٹرز رپورٹ

پاور سیمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 جون 2025 کو ختم ہونے والے مالی سال سے متعلق اپنی جائزہ رپورٹ مع آڈٹ شدہ مالیاتی گوشوارے آپ کی خدمت میں پیش کرنے جارہے ہیں۔

### عالمی معیشت

عالمی معیشت کئی سالوں کی شدید رکاوٹوں کے بعد بتدریج استحکام کے مرحلے میں داخل ہو چکی ہے۔ مہنگائی جو کئی دہائیوں کی بلند ترین سطح پر پہنچ گئی تھی، اس میں کمی آئی ہے۔ مالی سال 2024 میں عالمی مجموعی مہنگائی پرافراطر 5.7% رہی، جو 2025 میں کم ہو کر 4.3% تک آ چکی ہے اور 2026 میں مزید کم ہو کر 3.6% ہونے کی توقع ہے اور اس کی بڑی وجہ اشیائے صرف اور توانائی کی قیمتوں میں اعتدال ہے۔ سال 2025 میں عالمی مجموعی پیداوار (GDP) 3% بڑھی جبکہ 2026 میں اس کے مزید بڑھ کر 3.1% ہونے کی توقع ہے۔

جغرافیائی و سیاسی کشیدگیاں ابھی تک تشویش کا باعث ہیں لیکن ان کے حل کی علامات نظر آرہی ہیں۔ اسی دوران سپلائی چین کے دباؤ میں کمی آئی ہے، توانائی کی منڈیاں زیادہ متوازن ہوئی ہیں اور مرکزی بینک مالیاتی نرمی کی جانب بتدریج رجحان کا اشارہ دے رہے ہیں۔ ان تمام عوامل کے پیش نظر عالمی معیشت کی مسلسل نمو کو سہارا ملنے کی توقع ہے۔

سیمنٹ کی صنعت کے لیے یہ رجحانات خاص طور پر اہم ہیں۔ تنازعات میں کمی اور عالمی تجارتی بہاؤ کی بہتری سے اجناس اور مال برداری کی لاگت کم ہونے کا امکان ہے۔ اس کے ساتھ ساتھ ابھرتی ہوئی منڈیوں میں کرنسیوں کے استحکام کی وجہ سے پیداواری لاگت گھٹنے، منافع کی شرح بہتر ہونے اور آنے والے برسوں میں کمپنی کی مجموعی لاگت کی مسابقتی حیثیت میں اضافہ ہونے کی توقع ہے۔

### پاکستان کی معیشت

مالی سال 2025 میں پاکستان کی معیشت نے اندرونی اور بیرونی مسلسل مسائل کے باوجود بتدریج استحکام کا مظاہرہ کیا۔ مجموعی قومی پیداوار (GDP) میں 2.68% کی شرح سے اضافہ ہوا، جس کی بنیادی وجہ زرعی پیداوار میں خاطر خواہ اضافہ اور خدمات کے شعبے میں معمولی بحالی رہی، تاہم صنعتی سرگرمیاں سست رہیں۔ مالیاتی خسارہ کم کرنے کے لیے مالیاتی نظم و ضبط، ساختی اصلاحات اور ریکارڈ پرائمری سرپلس نے اہم کردار ادا کیا، جبکہ بیرونی رقوم کی بہتر آمد نے مجموعی طور پر معاشی استحکام کو سہارا فراہم کیا۔

مہنگائی میں نمایاں کمی آئی، جون 2025 میں کنزیومر پرائس انڈیکس (CPI) 12.6% سے کم ہو کر 3.2% رہا، جبکہ بنیادی مہنگائی کی شرح 7.6% رہی۔ اس نمایاں اعتدال کو سخت مالیاتی پالیسی، مالیاتی نظم و ضبط، مخصوص امدادی اقدامات اور زرمبادلہ کی شرح کے استحکام نے سہارا دیا۔ اس کے نتیجے میں اسٹیٹ بینک آف پاکستان کی جانب سے پچھلے ایک سال کے دوران پالیسی ریٹ 22% سے کم کر کے 11% تک کر دیا گیا ہے۔

اگرچہ پیش رفت حوصلہ افزا ہے، لیکن بنیادی کمزوریاں بدستور موجود ہیں۔ محدود ٹیکس بیس، بلند لاگت برائے توانائی اور بیرونی قرضوں پر انحصار معیشت پر دباؤ ڈالتے ہیں۔ اس کے علاوہ اجناس کی قیمتوں میں اتار چڑھاؤ، کرنسی کی شرح میں تغیرات اور سیاسی غیر یقینی کی کیفیت بھی مستقل خطرات کی صورت میں موجود ہیں۔

**THIS PAGE INTENTIONALLY LEFT BLANK**

# PROXY FORM

## 34th Annual General Meeting

The Company Secretary  
Power Cement Limited  
Arif Habib Centre  
23, M.T. Khan Road  
Karachi

I/We \_\_\_\_\_ S/o, W/o \_\_\_\_\_,

being member(s) of Power Cement Limited, holding \_\_\_\_\_ shares as per

Registered Folio No. / CDC Account No. \_\_\_\_\_ hereby appoint

\_\_\_\_\_ S/o, W/o \_\_\_\_\_ (being member of the Company) as my/our Proxy to attend, act vote for me/us and on my/our behalf at the 34<sup>th</sup> Annual General Meeting of the Company to be held on October 14, 2025 and/or any adjournment thereof.

Signed this \_\_\_\_ day of \_\_\_\_\_ 2025.

\_\_\_\_\_  
Signature of Shareholder

Signature on

Revenue Stamp

Witnesses:

1. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
CNIC No.: \_\_\_\_\_  
Signature: \_\_\_\_\_
2. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
CNIC No.: \_\_\_\_\_  
Signature: \_\_\_\_\_

### NOTES:

1. A member entitled to attend and vote at the AGM may appoint another member as his/her proxy who shall have such rights as respects to attending, speaking and voting at the meeting as are available to a member.
2. In order to be effective, the Proxy Form must be received at the registered office of the Company (either hard copy or scanned), not later than 48 hours before the AGM duly signed and stamped and witnessed by two persons with their signatures, name, address and CNIC number given on the form.
3. In the case of individuals attested copies of CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy Form (either hard copy or scanned).
4. In case of proxy by a corporate entity, Board of Directors resolution/power of attorney and attested copy of the CNIC or passport of the proxy shall be submitted along with proxy Form (either hard copy or scanned).

FOLD HERE

The Company Secretary  
Power Cement Limited  
1st Floor, Arif Habib Centre  
23, M.T. Khan Road  
Karachi

FOLD HERE

# پراکسی فارم

## چونٹسیواں سالانہ اجلاس عام

کمپنی بیکریٹری

پاور سینٹ لمیٹڈ

عارف حبیب سینٹر

23، ایم۔ ٹی۔ خان روڈ

کراچی

میں/ہم \_\_\_\_\_ ولد/زوجہ \_\_\_\_\_، بحیثیت رکن/اراکین پاور سینٹ لمیٹڈ، رجسٹرڈ فوئیو نمبر/سی ڈی سی اکاؤنٹ نمبر \_\_\_\_\_ کے مطابق \_\_\_\_\_ حصص کا مالک/مالکان ہوں/ہیں، اس کے ذریعے \_\_\_\_\_ ولد/زوجہ \_\_\_\_\_ (جو کمپنی کا رکن ہے) کو میرا/ہمارا پراکسی مقرر کرتا ہوں/کرتے ہیں تاکہ وہ میرے/ہمارے لیے، اور میری/ہماری طرف سے پاور سینٹ لمیٹڈ کے چونٹسیویں سالانہ اجلاس عام، جو 14 اکتوبر 2025 کو منعقد ہوگا، اور/یا اس کے کسی ملتوی شدہ اجلاس میں شرکت کرے، عمل کرے اور ووٹ دے۔

بروز \_\_\_\_\_ مؤرخہ 2025 \_\_\_\_\_ کو دستخط کیا۔

ریونیو اسٹامپ پر دستخط

شیئر ہولڈر کے دستخط

گواہان:

1۔

نام:

پتہ:

شناختی کارڈ نمبر:

دستخط:

2۔

نام:

پتہ:

شناختی کارڈ نمبر:

دستخط:

نوٹس:

- 1۔ ایسا کوئی بھی رکن جو سالانہ اجلاس عام میں شرکت کرنے اور ووٹ دینے کا اہل ہے، کسی دوسرے رکن کو اپنا پراکسی مقرر کر سکتا ہے، جو اجلاس میں شرکت کرنے، اظہار رائے کرنے اور ووٹ دینے کے وہی حقوق رکھے گا جو ایک رکن کو حاصل ہیں۔
- 2۔ پراکسی فارم مقرر ہونے کے لیے کمپنی کے رجسٹرڈ دفتر میں (چاہے کاغذی صورت میں یا الیکٹرونک صورت میں) اجلاس سے کم از کم 48 گھنٹے پہلے موصول ہونا چاہیے، جو باقاعدہ دستخط شدہ، اسٹامپ شدہ اور دو افراد کی تصدیق کے ساتھ ہو جن کے نام، پتے، شناختی کارڈ نمبر اور دستخط فارم پر درج ہوں۔
- 3۔ انفرادی حصص یافتگان کی صورت میں، مستفید مالکان اور پراکسی کے قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقول پراکسی فارم (چاہے کاغذی یا الیکٹرونک) کے ساتھ فراہم کی جائیں گی۔
- 4۔ کسی کارپوریٹ ادارے کی طرف سے پراکسی کی صورت میں، ڈائریکٹرز کے بورڈ کی قرارداد/وکالت نامہ اور پراکسی کے قومی شناختی کارڈ یا پاسپورٹ کی تصدیق شدہ نقول پراکسی فارم (چاہے کاغذی یا الیکٹرونک) کے ساتھ جمع کرائی جائے گی۔



FOLD HERE

کمپنی سیکرٹری  
پاور سینٹ لمیٹڈ  
عارف حبیب سینٹر  
23 ایم ٹی خان روڈ  
کراچی

FOLD HERE



Arif Habib Centre,  
23, M.T. Khan Road, Karachi  
Tel: 021-32468231-8  
[www.powercement.com.pk](http://www.powercement.com.pk)