



FECTO CEMENT LTD.

Registered Office : Plot # 60 - C, Khayaban-e-Shahbaz, Phase VI, Defence Housing Authority, Karachi - 75500 Pakistan. **PBX :** (+9221) 35248921 - 22 - 23 & 24

E-mail : cement@fectogroup.com **Website :** www.fectogroup.com

FCL/SHD/047-2025/

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

October 27, 2025

FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2025

This is to inform that Board of Directors of Fecto Cement Limited ("The Company") in their meeting held at on Monday, October 27, 2025 at 3:00 p.m., at Plot no. 60-C, Khayaban-e-Shahbaz, DHA Phase-VI, Karachi ("The Registered Office") has recommended the following.

i. CASH DIVIDEND	Nil
ii. BONUS SHARES	Nil
ii. RIGHT SHARE	Nil
iv. ANY OTHER ENTITLEMENT / CORPORATE ACTION	Nil

The financial results of the Company consisting of (1) Statement of Financial Position; (2) Statement of Profit or Loss; (3) Statement of Comprehensive Income; (4) Statement of Changes in Equity; (5) Statement of Cash Flows and (6) Directors report are annexed.

We will be transmitting the 1st quarterly report of the Company for the period ended September 30, 2025 through PUCARS separately, within specified time.

You may please inform the TREC holders of the Exchange accordingly.

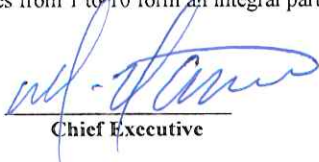
Yours faithfully
For FECTO CEMENT LIMITED

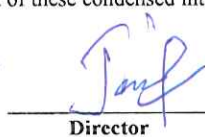

(TARIQ IQBAL)
Company Secretary

Fecto Cement Limited
Condensed Interim Statement of Financial Position
As at September 30, 2025

	(Un-Audited) September 30 2025	Audited June 30 2025
	Rupees in '000'	
EQUITY AND LIABILITIES		
Share capital and reserves		
<i>Authorized capital</i>		
75,000,000 (2025: 75,000,000) ordinary shares of Rs. 10/- each	750,000	750,000
<i>Issued, subscribed and paid up capital</i>		
50,160,000 (2025: 50,160,000) ordinary shares of Rs.10/- each	501,600	501,600
<i>Revenue reserves</i>		
General reserve	550,000	550,000
Accumulated profit	3,707,710	3,499,930
	4,257,710	4,049,930
<i>Capital Reserve</i>		
Share of other comprehensive income of associate	(2,113)	(2,113)
	4,757,197	4,549,417
Non-current liabilities		
Long term financing from a banking company - secured	533,464	562,558
Lease Liability	-	139
Deferred income - Government grant	62,443	69,630
Deferred taxation	317,170	253,308
	913,077	885,635
Current Liabilities		
Trade and other payables	2,643,669	1,862,023
Short term borrowing - secured	107,188	384,412
Accrued mark-up	3,230	6,917
Unclaimed dividend	14,397	14,473
Unpaid dividend	185	185
Provision for taxation	188,195	21,384
Current maturity of long term financing - secured	192,799	194,533
Current maturity of lease liabilities	13,459	15,512
Current maturity of government grant	30,866	32,430
	3,193,988	2,531,869
Contingencies and commitments		
Total equity and liabilities	8,864,262	7,966,921
ASSETS		
Non-current assets		
Property, plant and equipment	3,104,933	3,140,182
Intangible Asset	12,338	12,691
Right-of-use assets	20,011	25,260
Investment Property	102,260	102,260
Long term investments	198,689	199,862
Long term deposits	10,901	10,901
Long term loans and advances	4,353	2,965
	3,453,485	3,494,121
Current assets		
Stores and spares	1,191,404	1,388,382
Stock-in-trade	2,476,934	2,089,158
Trade debts - unsecured	568,549	569,636
Short term investment - unsecured	-	49,930
Short term loan to a related party	19,990	19,990
Loans, advances, deposits, prepayments and Other Receivable	94,861	88,763
Tax refunds due from government	14,735	14,735
Cash and bank balances	1,044,304	252,206
	5,410,777	4,472,800
Total assets	8,864,262	7,966,921

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.


Chief Executive


Director


Chief Financial Officer

Fecto Cement Limited

Condensed Interim Statement of Profit and Loss and other Comprehensive Income (Un-Audited)
For the period ended September 30, 2025

	September 2025	(Restated) September 2024
	Rupees in '000'	
	Note	
Sales revenue - net	6	
Cost of sales	3,561,314	2,875,038
Gross profit	(2,899,525)	(2,212,342)
	661,789	662,696
Administrative expenses	(126,719)	(110,206)
Distribution costs	(33,838)	(35,894)
	(160,557)	(146,100)
Finance costs	(25,833)	(53,169)
Other expenses	-	(4,265)
Operating Profit	475,399	459,162
Share of loss from associate	(1,173)	(21,642)
Other income	26,478	18,554
Profit before levies and taxation	500,704	456,074
Levies	(79,153)	(24,099)
Profit before taxation	421,551	431,975
Taxation	(213,771)	(203,596)
Profit after taxation	207,780	228,379
Other comprehensive income	-	-
Total Comprehensive income	207,780	228,379
	(Rupees)	
Earning per share - basic and diluted	4.14	4.55

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.


Chief Executive


Director


Chief Financial Officer

Fecto Cement Limited

Condensed Interim Statement of Changes in Equity For the period ended September 30, 2025

	Issued, subscribed and paid up capital	Revenue reserves		Share of other comprehensive income of associate	Total
		General reserve	Unappropriat ed profits		
	Rupees in '000'				
Balance as at June 30, 2024 (Restated & Audited)	501,600	550,000	2,891,238	(22)	3,942,816
Total comprehensive income for the three months ended September 30, 2024					
Profit after taxation	-	-	228,379	-	228,379
Other Comprehensive income	-	-	-	-	-
	-	-	228,379	-	228,379
Balance as at September 30, 2024 (Un-Audited & Restated)	501,600	550,000	3,119,617	(22)	4,171,195
Balance as at June 30, 2025 (Audited)	501,600	550,000	3,499,930	(2,113)	4,549,417
Total comprehensive income for the three months ended September 30, 2024					
- Profit after taxation	-	-	207,780	-	207,780
- Other comprehensive income	-	-	-	-	-
	-	-	207,780	-	207,780
Balance as at September 30, 2025 (Un-Audited)	501,600	550,000	3,707,710	(2,113)	4,757,197

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.


Chief Executive


Director


Chief Financial Officer

Pecto Cement Limited

Condensed Interim Statement of Cashflows (Un-Audited)
For the period ended September 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Profit before levies and taxation

Adjustments for:

- Finance costs
- Depreciation on property, plant and equipment
- Depreciation on right-of-use assets
- Ammortization
- Amortization of deferred government grant
- Share of loss / (profit) from associate
- Interest income
- Loss on disposal of property, plant and equipment

Operating Profit before working capital changes

Working capital changes

Decrease / (Increase) in current assets

- Stores and spares
- Stock-in-trade
- Trade debts
- Loans, advances, deposit and prepayment
- Sales tax refundable

(Decrease) in current liabilities

Trade and other payables

Cash generated from operations

Income tax paid

Long term loan and advances

Cash generated from operating activities

CAH FLOWS FROM INVESTING ACTIVITIES

Additions to property, plant and equipment

Repayment of Principal from long term investment

Interest received

Proceeds from disposal of property, plant and equipment

Net cash (used in) / generated from investing activities

CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of lease liability (principal portion)

Repayment of Long term financing (principal portion)

Finance cost paid

Short Term Borrowings - net

Net cash generated from / (used in) financing activities

Net increase in cash and cash equivalents

Cash and cash equivalents as at beginning of the period

Cash and cash equivalents as at end of the period

Note	September 30	
	2025	2024
	(Rupees in '000)	
	500,704	456,074
	25,833	53,169
	35,062	25,332
	5,247	6,407
	353	-
	(8,751)	(10,232)
	1,173	21,642
	(15,635)	(1,247)
	(1,313)	-
	41,969	95,071
	542,673	551,145
	196,978	(142,910)
	(387,776)	(404,133)
	1,087	96,957
	(3,859)	23,011
	-	(35,661)
	747,013	(20,323)
	553,443	(483,059)
	1,096,116	68,086
	(27,620)	(3,632)
	(1,388)	(478)
	1,067,108	63,976
	-	(11,917)
	49,930	-
	13,396	4,190
	1,500	-
	64,826	(7,727)
	(2,192)	(1,426)
	(39,006)	(57,459)
	(21,414)	(52,857)
	-	200,000
	(62,612)	88,258
	1,069,322	144,507
	(82,206)	(404,266)
7	987,116	(259,759)

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Chief Executive


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DIRECTORS' REVIEW REPORT

Dear Members

The Directors of your company are pleased to present before you their review report for the quarter ended September 30, 2025.

ECONOMIC OVERVIEW

During the first quarter of FY 2025–26, Pakistan's economy continued its steady path toward stabilization, supported by policy continuity under the IMF-supported program, improved fiscal discipline, and a more predictable macroeconomic environment. GDP growth for the FY 2026 is estimated at around **2.6% - 3.6%**, reflecting moderate recovery in agriculture, sustained industrial output, and renewed confidence in the services and trade sectors.

The external sector remained broadly stable. After achieving its first full-year current account surplus in 14 years (**USD 2.1 billion** in FY 2024–25), Pakistan recorded a current account deficit of **USD 594 million** during the first quarter of FY 2026 (July–September 2025), compared to a deficit of **USD 502 million** in the same period last year. Foreign exchange reserves with State Bank of Pakistan ("SBP") remained stable at **USD 14.4 billion** by the end of September 2025.

Inflation continued to ease, reflecting the combined effect of disciplined fiscal management, lower global commodity prices, and monetary stability. Average annual inflation, which was **30.1%** in FY 2023, declined sharply to **12.6%** in FY 2024 and further moderated to **4.5%** in FY 2025, maintaining a downward trend. For the quarter ended September 2025, average inflation stood at **4.2%**, compared to **9.2%** in the same period last year.

The SBP maintained its policy rate at **11%** during the quarter, following a series of gradual reductions from the peak level of **23%** recorded from May 2023 till May 2024. The stable monetary stance has bolstered investor confidence, improved credit conditions, and facilitated a revival in private sector borrowing particularly within manufacturing and construction-linked sectors.

Overall, the macroeconomic outlook remains cautiously optimistic, with policy stability, lower inflation, and improved external balances providing a supportive foundation for sustained economic recovery.



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CEMENT INDUSTRY OVERVIEW

In line with the improving macroeconomic indicators, the overall performance of the cement industry showed a notable recovery during the quarter ended September 2025 compared to the corresponding period last year. Domestic cement dispatches increased by **15.08%**, reaching **9.573 million tons** against **8.319 million tons** in the same quarter last year, reflecting broad-based improvement across both the North and South Zones.

Export volumes also recorded a significant growth of **20.81%**, rising to **2.589 million tons** from **2.143 million tons** as compared to corresponding period last year. South-based manufacturers continued to capitalize on strong international demand, with export dispatches accounting for **55.22%** of the total South Zone dispatches, compared to **7.63%** of the total dispatches from the North Zone. In the same quarter last year, these proportions were **56.28%** and **6.71%**, respectively, indicating consistent export orientation from southern producers.

Capacity utilization across the sector, however, remained below optimal levels, averaging between **50% and 60%**, reflecting persistent overcapacity particularly in the North Zone.

Total industry dispatches during the quarter stood at **12.161 million tons**, compared to **10.461 million tons** in the corresponding quarter last year, reflecting a **16.25%** quarter-to-quarter increase, driven primarily by strong export growth and steady domestic demand recovery.

In the North Zone, total dispatches increased by **14.78%** to **8.672 million tons** from **7.555 million tons** in the same quarter last year. Domestic sales in the North rose by **13.65%** to **8.010 million tons** from **7.048 million tons**, while exports surged by **30.49%** to **0.662 million tons** from **0.507 million tons**.

The South Zone exhibited robust expansion, with total dispatches increasing by **20.07%** to **3.489 million tons** from **2.906 million tons** in the corresponding quarter last year. This growth was supported by a **17.80%** rise in exports to **1.927 million tons** from **1.636 million tons**, alongside a **22.99%** increase in domestic sales to **1.563 million tons** from **1.270 million tons**.

CEMENT PRODUCTION AND SALES VOLUME PERFORMANCE OF THE COMPANY

Cement production and sales volume performance of your Company for the quarter ended September 30, 2025 as compared to corresponding quarter last year is presented below:



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Particulars	Sept 2025	Sept 2024	% Change
Clinker Production (Tons)	234,291	186,767	25.45%
Cement Production (Tons)	245,474	165,606	48.23%
Local Dispatches (Tons)	240,118	162,008	48.21%
Export Dispatches (Tons)	2,990	8,085	(63.02%)
Total Dispatches (Tons)	243,108	170,093	42.93%
Capacity Utilization	98.19%	66.24%	48.23%
Market share	2.00%	1.63%	22.95%
Market share from North region	2.80%	2.25%	24.52%

During the quarter ended September 30, 2025, the Company delivered a robust operational performance, reflecting strong growth in both production and dispatches.

Cement production stood at **245,474 tons**, marking a substantial increase of **48.23%** compared to **165,606 tons** during the corresponding quarter last year. Clinker production also registered a growth of **25.45%**, reaching **234,291 tons** against **186,767 tons** in the same period last year, demonstrating improved plant efficiency and stable operational continuity.

On the sales front, total cement dispatches increased by **42.93%**, reaching **243,108 tons** compared to **170,093 tons** in the corresponding period last year. The growth was primarily driven by a strong rise in local dispatches, which increased by **48.21%** to **240,118 tons**, reflecting improved domestic demand and better distribution efficiency.

As a result of higher production and sales volumes, the Company's capacity utilization significantly improved to **98.19%**, compared to **66.24%** in the same quarter last year. Consequently, the Company's overall market share increased to **2.00%** from **1.63%**, while its market share in the North region also strengthened to **2.80%** from **2.25%**, underscoring enhanced operational efficiency and improved market positioning.



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FINANCIAL PERFORMANCE OF THE COMPANY

The Financial performance of your Company for the quarter ended September 30, 2025 as compared to corresponding quarter last year is presented below:

Particulars	Sept 2025	Sept 2024	% Change
	Rs. '000		
Local Sales	3,528,412	2,787,343	26.59%
Export Sales	32,902	87,695	(62.48%)
Total Sales	3,561,314	2,875,038	23.87%
Cost of sales	2,899,525	2,212,342	31.06%
Gross Profit	661,789	662,696	(0.14%)
Gross Profit as % of Sales	18.76%	23.78%	(21.11%)
Operating Profit/ EBIT	526,537	509,243	3.40%
Net Profit	207,780	228,379	(9.02%)
Earnings per Share (EPS)	4.14	4.55	(9.02%)

The Company's revenue increased by **23.87%** during the quarter, primarily driven by a **42.93%** growth in total dispatches, which contributed a positive quantity variance of **PKR 1,234 million**. However, this growth was partially offset by a negative price variance of **PKR 548 million**, as the average retention price declined by **PKR 2,254 per ton** from **PKR 16,903 per ton** to **PKR 14,649 per ton** representing a **13.33%** reduction.

The **Cost of Sales** increased by **31.06%**, mainly due to higher production volumes, which added **PKR 950 million** to the cost base. Despite this, a positive cost variance of **PKR 262 million** was achieved as the average cost per ton decreased by **PKR 1,080 per ton** i.e. from **PKR 13,007 per ton** to **PKR 11,927 per ton**, reflecting an **8.30%** reduction. This improvement was primarily driven by lower fuel and power costs, particularly in coal and electricity, which contributed an estimated saving of over **PKR 600 million** during the quarter.



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Despite these cost efficiencies, gross profit remained largely unchanged at **PKR 662 million**, as the benefit of reduced costs was offset by the decline in average selling prices. Consequently, gross profit margin contracted to **18.76%** from **23.78%** in the corresponding period last year.

Administrative and distribution expenses increased modestly by **9.90%**, from **PKR 146 million** to **PKR 161 million**, mainly due to higher operational activity levels.

On the financing side, the Company achieved significant savings through prudent cash flow management and lower borrowing levels. Finance costs declined by **51.41%**, from **PKR 53 million** to **PKR 26 million**, owing to effective working capital management and a reduction in benchmark interest rates.

Overall, the Company posted a net profit of **PKR 208 million**, compared to **PKR 228 million** in the same quarter last year, representing a **9.02%** decrease, primarily attributable to the fall in average selling prices and increase in levies and taxation.

Earnings per share (EPS) stood at **PKR 4.14** compared to **PKR 4.55** in the corresponding period last year.

FUTURE OUTLOOK

As we move forward into FY 2025–26, Pakistan's economic outlook remains broadly stable, supported by sustained fiscal consolidation, easing inflationary pressures, and a consistent monetary stance under the IMF-supported reform program. The continuation of a low interest rate environment and a stable exchange rate is expected to foster business confidence, enhance liquidity, and stimulate investment activity, particularly in the construction and manufacturing sectors.

The cement industry is anticipated to benefit from a gradual recovery in domestic demand, supported by ongoing infrastructure development, improving private sector investment sentiment, and a more stable macroeconomic environment. However, the sector continues to face multiple challenges, including rising input costs, constrained public development spending, and heightened competition, especially in the northern region where surplus capacity persists.

Despite these external pressures, your Company remains focused on sustaining operational excellence through process optimization, energy efficiency initiatives, and rigorous cost



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management. Strategic efforts are underway to diversify supply sources, strengthen logistics planning, and ensure continuous production at optimal capacity levels.

Fecto Cement Limited remains well positioned to navigate the evolving challenges through its commitment to efficiency, prudent financial management, and sustainable operations. The Board and the management remain confident that these strategic measures will enable the Company to maintain profitability, safeguard competitiveness, and deliver long-term value to its shareholders and stakeholders.

ACKNOWLEDGEMENT

The Board of Directors would like to place on record its sincere appreciation for the continued support and trust of all stakeholders. We extend our gratitude to our employees for their dedication and hard work, our customers and suppliers for their loyalty, our shareholders for their confidence, our financial institutions for their trust, and the regulators for their valuable guidance and support.

The confidence and goodwill of all stakeholders have played a pivotal role in enabling Fecto Cement Limited to sustain, grow, and deliver value over the years.

We pray to Almighty Allah for the continued success of the Company and the prosperity of all our stakeholders and the country at large.

On behalf of the Board of Directors