

FOUNDATIONS OF TOMORROW
STRENGTH. INNOVATION. PROGRESS.

HALF YEARLY REPORT
DECEMBER 31, 2025



DEWAN CEMENT LIMITED

 **YD** | A YOUSUF DEWAN COMPANY

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COMPANY INFORMATION

| | | |
|--|--|-----------------------------|
| BOARD OF DIRECTORS | <u>Executive Director</u> | |
| | Mr. Ghazanfar Babar Siddiqi | Chief Executive Officer |
| | Mr. Abdul Basit Syed Maqbool Ali | |
| | <u>Non-Executive Directors</u> | |
| | Mr. Ishtiaq Ahmad | Chairman Board of Directors |
| | Mr. Waseem-ul-Haque Ansari | |
| | Mrs. Nida Jamil | |
| | <u>Independent Director</u> | |
| | Mr. Azizul Haque | |
| AUDIT COMMITTEE MEMBERS | Mr. Azizul Haque | Chairman |
| | Mr. Waseem-ul-Haque Ansari | Member |
| | Mr. Ishtiaq Ahmed | Member |
| HUMAN RESOURCE & REMUNERATION COMMITTEE | Mr. Azizul Haque | Chairman |
| | Mr. Ishtiaq Ahmed | Member |
| | Mr. Ghazanfar Babar Siddiqi | Member |
| CHIEF FINANCIAL OFFICER | Mr. Hazrat Ali | |
| COMPANY SECRETARY | Mr. Muhammad Hanif German | |
| REGISTERED OFFICE | Dewan Centre, 3-A Lalazar, Beach Luxury Hotel Road, Karachi. Pakistan | |
| CORPORATE OFFICE | Block-A, 2nd Floor, Finance & Trade Centre, Shahra-e-Faisal, Karachi, Pakistan. | |
| FACTORY | 1. Deh Gahgar, Dhabeji, District Malir, Karachi | |
| | 2. Kamilpur Near Hattar, District Haripur, Khyber Pakhtoonkhuwa | |
| AUDITORS | Faruq Ali & Company Chartered Accountants | |
| SHARE REGISTRAR / TRANSFER AGENT | BMF Consultants Pakistan (Pvt.) Ltd. | |
| | Anum Estate Building, Room No. 310 & 311, 3rd Floor, | |
| | 49, Darul Aman Society, Main Shahrah-e-Faisal, Adjacent to Baloch Colony Bridge, Karachi, Pakistan | |
| LEGAL ADVISORS | Muhammad Azhar Faridi (Advocate) | |
| WEBSITE | www.yousufdewan.com | |

DIRECTORS' REPORT

IF YE GIVE THANKS, I WILL GIVE YOU MORE (HOLY QURAN)

The Directors are pleased to present un-audited financial results for the Half year ended December 31, 2025.

Overview of Cement Industry

An increase of 8.94% was recorded, reflecting positive growth overall. Local sales grew by 12.25%, while exports saw a mild decrease of 3.73%. Local sales increased from 18.44 million tons to 20.70 million tons, whereas exports decreased from 4.81 million tons to 4.63 million tons.

COMPANY'S PERFORMANCE

Production

| | December 2025 (In Tonnes) | December 2024 (In Tonnes) | Variance (%age) |
|---------|------------------------------|------------------------------|--------------------|
| Clinker | 707,341 | 560,016 | 26.31 |
| Cement | 805,130 | 651,877 | 23.51 |

Dispatches

| | | | |
|---------------------------|---------|---------|-------|
| Local Dispatches - Cement | 804,444 | 643,181 | 25.07 |
|---------------------------|---------|---------|-------|

Operating Performance

The operating results of the Company for the current period and that of the corresponding period last year are highlighted below: □

| | December 2025 | December 2024 | Variance (%age) |
|--------------------|------------------------------|---------------|--------------------|
| | ----- (Rupees in '000) ----- | | |
| Net Sales | 11,697,633 | 9,973,813 | 17.28 |
| Cost of goods sold | (11,261,003) | (9,430,583) | (19.41) |
| Gross profit | 436,630 | 543,230 | (19.62) |
| Expenses & Taxes | (1,048,425) | (840,697) | (24.71) |
| Net Loss | (611,795) | (297,467) | (105.67) |

The Company recorded a 17.28% increase in net turnover as compared to the corresponding period of the previous year. This improvement was primarily driven by a revision in selling prices and higher sales volumes, reflecting sustained market demand and effective distribution strategies. There was a 19.41% increase in production cost which was mainly due to plant major maintenance work carried out during current period under review which cause gross sales margin decrease by 19.62% in comparing to the same period last year.

During the period under review, the Company also advanced its energy conservation and sustainability agenda through the installation of solar power system. This initiative is expected to reduce reliance on conventional energy sources, lower electricity costs, and contribute positively toward environmental sustainability.

Future Outlook

Inflation is expected to range between 5% and 7% in FY26. The economic environment is gradually strengthening, with improving macroeconomic stability fostering recovery-led growth. A more balanced external account, disciplined fiscal management, easing inflation, and a supportive interest rate environment are helping rebuild investor confidence.

As economic activity broadens across sectors, construction and infrastructure development are expected to gain momentum, benefiting the cement industry.

Nevertheless, sustained progress will depend on policy continuity, effective management of risks, and consistent public sector development initiatives.

Acknowledgement

The Board of Directors places on record its gratitude to its valued customers, Federal and Provincial Governments, dealers and employees of the Company, for their continued co-operation & support.

In conclusion, we bow, beg and pray to Almighty Allah, Rahman-ur-Rahim, in the name of our beloved Prophet Mohammad (peace be upon him), for continued showering of His blessings, guidance, strength, health, and prosperity to us, our Company, Country and Nation and also pray to Almighty Allah to bestow peace, harmony, brotherhood and unity in true Islamic spirit to whole of Muslim Ummah, Ameen, Summa Ameen.

LO-MY LORD IS INDEED HEARER OF PRAYER (HOLY QURAN)

For and on behalf of Board of Directors



Ghazanfar Babar Siddiqi
Chief Executive Officer



Syed Maqbool Ali
Director

Dated: **February 25, 2026**
Place: Karachi

Independent Auditors' Report To The Members On Review Of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Dewan Cement Limited ('the Company') as at 31 December 2025, the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the condensed interim financial statements for the six-month period then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review. The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarters ended 31 December 2025 and 31 December 2024 have not been reviewed, as we are required to review only the cumulative figures for the half year ended 31 December 2025.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of the condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for qualified conclusion

- a) The Company has classified 'advances for investment in term finance certificates' amounting to Rs.2,910 million as long term liability. We do not concur with the management's assertion regarding its classification as long-term liability. In our opinion the entire liability should be classified as current liability as per terms of agreement with the investors.
- b) The Company has not made provision of markup for the period amounting to Rs. 316.316 million (up to 31 December 2025: Rs. 10,338.75 million) (refer note 14) keeping in view of the settlement reached with lenders. In our opinion, since the Company admitted the liability in the standstill agreements executed with the lenders during the year and for which consent decrees were obtained, the provision of markup should have been made in these financial statements. Had the provision of markup been made in the condensed interim financial statement, the profit for the period would have been lower by Rs. 316.316 million and accrued mark-up would have been higher and shareholders' equity would have been lower by Rs. 10,338.75 million.

**Qualified conclusion**

Based on our review, except for the matters described in Para (a) and (b) above, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Emphasis of matter

Without further qualifying our conclusion, we draw attention of the members to the following:

Note 2 to the financial statements which indicates loss after taxation of Rs. 611.795 million, and as of that date its current liabilities exceeded its current assets by Rs. 2,063.247 million, a consent decree was obtained by the majority of the lenders on the terms and conditions stipulated in standstill agreement and certain lenders have gone into litigation for recovery of their liabilities through attachment and sale of the Company's hypothecated / mortgaged properties and some of the lenders have also filed winding up petitions. These conditions, along with other matters as set forth in note 2, indicate the existence of material uncertainty which may cast significant doubt about Company's ability to continue as going concern therefore the Company may be unable to realise its assets and discharge its liabilities in the normal course of business. The amounts of current liabilities reported in said note do not include the effect of matters discussed in basis for qualified conclusion.

The engagement partner on the review engagement resulting in this independent auditor's review report is Umer Farooq.

A handwritten signature in blue ink, appearing to read 'Umer Farooq', is written over a horizontal line.

CHARTERED ACCOUNTANTS
Engagement partner: Umer Farooq
UDIN: RR202510707xFqHrPZg

Dated: February 26, 2026
Place: Karachi

Condensed Interim Statement of Financial Position-Unaudited As at December 31, 2025

| | | (Un-audited) December 31, 2025 | (Audited) June 30 2025 |
|--|-------|--------------------------------------|------------------------------|
| | Notes | ----- (Rupees in '000) ----- | |
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 6 | 43,084,791 | 43,493,809 |
| Long term deposits | | 132,311 | 132,311 |
| Long term loans | | 244 | 2,925 |
| | | 43,217,346 | 43,629,045 |
| CURRENT ASSETS | | | |
| Stores and spare parts | | 2,132,495 | 1,839,921 |
| Stock in trade | | 652,595 | 524,240 |
| Trade debts - Unsecured | | 714,578 | 683,475 |
| Loans and advances - Unsecured, considered good | | 391,517 | 337,274 |
| Deposits and prepayments | | 51,671 | 20,369 |
| Other receivables | | 45,190 | 43,680 |
| Short term investments | | 924 | 882 |
| Cash and bank balances | | 81,008 | 161,630 |
| | | 4,069,978 | 3,611,471 |
| | | 47,287,324 | 47,240,516 |
| EQUITY AND LIABILITIES | | | |
| SHARE CAPITAL AND RESERVES | | | |
| Authorised share capital 850,000,000 (June 2025 850,000,000) Ordinary shares of Rs. 10/- each | | 8,500,000 | 8,500,000 |
| Issued, subscribed and paid-up share capital | | 4,841,133 | 4,841,133 |
| Advance against issuance of shares | 7 | 600,000 | -- |
| Revenue reserves | | | |
| Un-appropriated profit | | 2,227,656 | 2,620,443 |
| Capital reserve | | | |
| Merger reserve | | 629,444 | 629,444 |
| Surplus on revaluation of property, plant and equipment | 8 | 16,166,946 | 16,385,954 |
| | | 24,465,179 | 24,476,974 |
| NON-CURRENT LIABILITIES | | | |
| Long term borrowings | 9 | 64,592 | 73,886 |
| Advances for investment in term finance certificates | 10 | 2,910,000 | 2,910,000 |
| Long term deposits and payables | | 637,512 | 638,982 |
| Deferred tax liability - Net | 11 | 13,076,816 | 12,985,301 |
| | | 16,688,920 | 16,608,169 |

| | (Un-audited) December 31, 2025 ----- (Rupees in '000) ----- | (Audited) June 30 2025 ----- |
|--|--|---------------------------------------|
| CURRENT LIABILITIES | | |
| Trade and other payables | 2,987,031 | 3,005,107 |
| Short term borrowings | 579,159 | 579,159 |
| Mark-up payable | 792,660 | 792,660 |
| Current and overdue portion of non-current liabilities | 1,730,737 | 1,730,737 |
| Dividend payable | 12,926 | 12,926 |
| Unpaid and unclaimed dividend | 1,780 | 1,780 |
| Provision for taxation - Net | 28,932 | 33,004 |
| | 6,133,225 | 6,155,373 |
| CONTINGENCIES AND COMMITMENTS | | |
| | 13 -- | -- |
| | 47,287,324 | 47,240,516 |

The annexed notes form an integral part of these condensed interim financial statements.



Ghazanfar Babar Siddiqi
Chief Executive Officer



Hazrat Ali
Chief Financial Officer



Syed Maqbool Ali
Director

Condensed Interim Statement of Profit or Loss -Unaudited For the Period Ended December 31, 2025

| Notes | Half year Ended | | Quarter Ended | |
|--|------------------------------|----------------------|----------------------|----------------------|
| | December 31, 2025 | December 31, 2024 | December 31, 2025 | December 31, 2024 |
| | ----- (Rupees in '000) ----- | | | |
| Turnover - Net | 11,697,633 | 9,973,813 | 6,106,671 | 5,153,007 |
| Cost of sales | (11,261,003) | (9,430,583) | (5,830,797) | (4,906,626) |
| Gross profit | 436,630 | 543,230 | 275,874 | 246,382 |
| Operating expenses | | | | |
| Distribution cost | (109,717) | (67,772) | (54,213) | (29,325) |
| Administrative expenses | (701,427) | (562,848) | (341,000) | (241,037) |
| Other operating expenses | (2,613) | (5,827) | (2,613) | (2,716) |
| | (813,757) | (636,447) | (397,825) | (273,078) |
| Operating loss | (377,127) | (93,217) | (121,952) | (26,696) |
| Other income | 9,472 | 11,848 | 5,795 | 8,574 |
| Finance cost | 14 (6,388) | (6,361) | (3,780) | (3,089) |
| Loss before income taxation and levies | (374,043) | (87,731) | (119,936) | (21,211) |
| Levies | (146,236) | (124,753) | (76,305) | (64,451) |
| Loss before Taxation | (520,279) | (212,484) | (196,241) | (85,662) |
| Taxation | | | | |
| - Current | -- | (3,970) | -- | (3,970) |
| - Deferred | (91,516) | (81,013) | (19,096) | 44,339 |
| | (91,516) | (84,983) | (19,096) | 40,369 |
| Loss after Taxation | (611,795) | (297,467) | (215,337) | (45,293) |
| Loss per share - Basic and diluted (Rupees) | 15 (1.26) | (0.61) | (0.44) | (0.09) |

The annexed notes form an integral part of these condensed interim financial statements.



Ghazanfar Babar Siddiqi
Chief Executive Officer



Hazrat Ali
Chief Financial Officer



Syed Maqbool Ali
Director

Condensed Interim Statement of Comprehensive Income For the Period Ended December 31, 2025

| | Half year Ended | | Quarter Ended | |
|--|----------------------|----------------------|----------------------|----------------------|
| | December 31, 2025 | December 31, 2024 | December 31, 2025 | December 31, 2024 |
| ----- (Rupees in '000) ----- | | | | |
| Loss for the period | (611,795) | (297,467) | (215,337) | (45,293) |
| Other comprehensive income | -- | -- | -- | -- |
| Total comprehensive loss for the period | (611,795) | (297,467) | (215,337) | (45,293) |

The annexed notes form an integral part of these condensed interim financial statements.



Ghazanfar Babar Siddiqi
Chief Executive Officer



Hazrat Ali
Chief Financial Officer



Syed Maqbool Ali
Director

Condensed Interim Statement of Cash Flows-Unaudited For the Period Ended December 31, 2025

| | Notes | December 31, 2025 | December 31, 2024 |
|--|-------|----------------------|----------------------|
| ----- (Rupees in '000) ----- | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Cash (used in)/generated from operations | 16 | (169,022) | 245,771 |
| Taxes net of refund received | | (150,300) | 360,124 |
| Finance cost | | (206) | (86) |
| Net cash (outflow)/inflows from operating activities | | (319,528) | 605,809 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Fixed capital expenditures | | (348,138) | (778,517) |
| Long term loans recovered | | 2,681 | (629) |
| Net cash outflows from investing activities | | (345,457) | (779,146) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Repayments of long term borrowings | | (14,166) | (25,321) |
| Advance against issuance of shares | | 600,000 | -- |
| Net movement in long term deposits and payables | | (1,471) | 98,927 |
| Net cash inflows from financing activities | | 584,363 | 73,606 |
| Net decrease in cash and cash equivalents | | (80,622) | (99,731) |
| Cash and cash equivalents at the beginning of the period | | 161,630 | 159,266 |
| Cash and cash equivalents at the end of the period | 16 | <u>81,008</u> | <u>59,535</u> |

The annexed notes form an integral part of these condensed interim financial statements.



Ghazanfar Babar Siddiqi
Chief Executive Officer



Hazrat Ali
Chief Financial Officer



Syed Maqbool Ali
Director

Condensed Interim Statement Of Changes In Equity-Unaudited For the Period Ended December 31, 2025

| | Issued, subscribed and paid- up share capital | Advance against issuance of shares | Revenue reserves | Capital reserves | | | Total equity |
|--|---|---|--------------------------------|-------------------|--|---------------------------|-------------------|
| | | | Un- appropriate d profit | Merger reserve | Surplus on revaluation of property, plant and equipment | Total capital reserves | |
| ----- (Rupees in '000) ----- | | | | | | | |
| Balance as on 1 July 2024 | 4,841,133 | - | 3,197,283 | 629,444 | 18,303,818 | 18,933,262 | 26,971,678 |
| Loss for the year ended 31 December 2024 | - | - | (297,467) | - | - | - | (297,467) |
| Other comprehensive income | - | - | - | - | - | - | - |
| Total comprehensive loss for the period | - | - | (297,467) | - | - | - | (297,467) |
| Incremental depreciation transferred from surplus on revaluation of property, plant and equipment - Net of tax | - | - | 200,258 | - | (200,258) | (200,258) | - |
| Balance as at 31 December 2024 | 4,841,133 | - | 3,100,074 | 629,444 | 18,103,560 | 18,733,004 | 26,674,211 |
| Balance as on 1 July 2025 | 4,841,133 | - | 2,620,443 | 629,444 | 16,385,954 | 17,015,398 | 24,476,974 |
| Loss for the year ended 31 December 2025 | - | - | (611,795) | - | - | - | (611,795) |
| Other comprehensive income | - | - | - | - | - | - | - |
| Total comprehensive loss for the period | - | - | (611,795) | - | - | - | (611,795) |
| Incremental depreciation transferred from surplus on revaluation of property, plant and equipment - Net of tax | - | - | 219,008 | - | (219,008) | (219,008) | - |
| Advance against issuance of shares | - | 600,000 | - | - | - | - | 600,000 |
| Balance as at 31 December 2025 | 4,841,133 | 600,000 | 2,227,656 | 629,444 | 16,166,946 | 16,796,390 | 24,465,179 |

The annexed notes form an integral part of these condensed interim financial statements.



Ghazanfar Babar Siddiqi
Chief Executive Officer



Hazrat Ali
Chief Financial Officer



Syed Maqbool Ali
Director

Notes To The Condensed Interim Financial Information-Unaudited For the Period Ended December 31, 2025

1 THE COMPANY AND ITS OPERATIONS

Dewan Cement Limited ('the Company / DCL') was incorporated in Pakistan as a public limited company in March, 1980. Its shares are quoted in the Pakistan Stock Exchange. The principal activity of the Company is manufacturing and selling of cement.

The registered office of the Company is situated at Dewan Centre, 3-A, Lalazar, Beach Hotel Road, Karachi, Pakistan. The Company has two production facilities at Deh Gahgar, Dhabeji Karachi, Sindh and Kamilpur Hattar Industrial Estate, district Khyber Pakhtunkhwa. The Company has regional offices located in Islamabad .

2 GOING CONCERN ASSUMPTION

The condensed interim financial statements for the period ended 31 December 2025 reflects loss after taxation of Rs. 611.795 million (June 2025: Rs. 967.788 million), and as of that date its current liabilities exceeded its current assets by Rs. 2,063.247 million (June 2025: Rs. 2,543.902 million). The Company's short-term borrowing facilities have expired and not been renewed and the Company has been unable to ensure scheduled payments of long term borrowings due to the liquidity problems. Following course, majority of the lenders had gone into litigation for repayment of liabilities through attachment and sale of Company's hypothecated / mortgaged properties and certain lenders had also filed winding up petitions as more fully explained in the annual financial statements of the Company for the year ended 30 June 2025. These conditions indicate the existence of material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern therefore the Company may be unable to realize its assets and discharge its liabilities in the normal course of business.

The Company is fully committed to discharge its admitted liability in stand still agreements as more fully explained in the annual financial statements of the Company for the year ended 30 June 2025. Furthermore, the Company has increased its performance over the period of years, its cash flows are positive and expected growth in the economy are positively linked to the Company's growth. Accordingly, these condensed interim financial statements have been prepared on a going concern basis.

3 BASIS OF PREPARATION

3.1 These condensed interim financial statements of the Company for the half year ended 31 December 2025 have been prepared in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, "Interim Financial Reporting", issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3.2 These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended 30 June 2025.

3.3 The figures included in the condensed interim statement of profit or loss and other comprehensive income for the quarters ended 31 December 2025 and 31 December 2024 and the notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the accumulated figures for the half years ended 31 December 2025 and 31 December 2024.

4 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial information are consistent with those applied in the preparation of annual audited financial statements of the Company for the year ended 30 June 2025.

5 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions.

Judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied in the Company's annual audited financial statements for the year ended 30 June 2025.

The Company's financial risk management objectives and policies are consistent with those disclosed in the Company's annual audited financial statements for the year ended 30 June 2025.

| | | (Un-audited) December 31, 2025 | (Audited) June 30 2025 |
|---|--------------------------------------|--------------------------------------|------------------------------|
| | Notes | ----- (Rupees in '000) ----- | |
| 6 | PROPERTY, PLANT AND EQUIPMENT | | |
| Operating fixed assets - At cost | | | |
| less accumulated depreciation | 6.1 | 42,827,516 | 43,433,368 |
| Right of use assets | | 100 | 111 |
| Capital work in progress - At cost | 6.2 | 257,175 | 60,330 |
| | | <u>43,084,791</u> | <u>43,493,809</u> |
| 6.1 Operating fixed assets - Tangible | | | |
| Opening book value | | 43,433,368 | 43,552,506 |
| Additions / Transfer during the period / year | 6.1.1 | 151,295 | 1,236,299 |
| Depreciation charged during the period / year | | (757,147) | (1,355,437) |
| Closing carrying value | | <u>42,827,516</u> | <u>43,433,368</u> |

| 6.1.1 Additions / transfers from CWIP and disposals during the period (Operating fixed assets) | December 31, 2025 | |
|--|--------------------------------------|------------------------------|
| | Additions/ Transfers Cost | Disposals Cost |
| | ----- (Rupees in '000) ----- | |
| Freehold land | 1,354 | -- |
| Electric and Solar installation | 114,856 | -- |
| Furniture and fixture | 1,506 | -- |
| Office equipment | 7,162 | -- |
| Computers | 2,082 | -- |
| Vehicles | 24,335 | -- |
| | <u>151,295</u> | <u>--</u> |
| | (Un-audited) December 31, 2025 | (Audited) June 30 2025 |
| | ----- (Rupees in '000) ----- | |
| 6.2 Capital work in progress | | |
| Opening balance | 60,330 | 162,251 |
| Additions during the period / year | 201,480 | 76,951 |
| | <u>261,810</u> | <u>239,202</u> |
| Less: Capitalized during the period / year | (4,635) | (178,872) |
| | <u>257,175</u> | <u>60,330</u> |

7 ADVANCE AGAINST ISSUANCE OF SHARES

7.1 During the year the Company received unsecured interest free loan from its sponsor. Subsequent to the Balance Sheet date the Shareholders of the Company approved the issuance of shares against the said amount.

8 SURPLUS ON REVALUATION OF FIXED ASSETS - Net of tax

| | | |
|----------------------------|-------------------|-------------------|
| Gross surplus | 25,705,476 | 26,063,330 |
| Less: Related deferred tax | (9,538,530) | (9,677,376) |
| | <u>16,166,946</u> | <u>16,385,954</u> |

9 LONG TERM BORROWINGS

| | | |
|--|------------------|------------------|
| Long-term loan from financial institutions - Secured | 1,774,529 | 1,788,694 |
| Present value adjustment | (138,174) | (138,174) |
| Total interest charged to profit and loss account | 117,765 | 112,893 |
| | <u>1,754,120</u> | <u>1,763,413</u> |
| Current maturity of long term financing | (28,333) | (28,333) |
| Overdue portion of long term financing | (1,661,194) | (1,661,194) |
| | <u>64,593</u> | <u>73,886</u> |

9.1 Principal terms and conditions of outstanding loans have remained the same as disclosed in the financial statements of the Company for the year ended 30 June 2025.

10 ADVANCES FOR INVESTMENT IN TERM FINANCE CERTIFICATES

Principal terms and conditions of advances for investment in term finance certificates have remained the same as disclosed in the financial statements of the Company for the year ended 30 June 2025.

| | (Un-audited) December 31, 2025 | (Audited) June 30 2025 |
|--|--------------------------------------|------------------------------|
| | ----- (Rupees in '000) ----- | |
| 11 DEFERRED TAX LIABILITY - Net | | |
| <i>Deferred taxation comprises temporary difference relating to:</i> | | |
| Accelerated tax depreciation | 5,132,962 | 5,115,349 |
| Surplus on revaluation of fixed assets | 9,538,530 | 9,677,376 |
| Provisions and others | (43,852) | (41,945) |
| | <u>14,627,640</u> | <u>14,750,779</u> |
| Accumulated tax losses and available tax credits | (1,550,824) | (1,765,478) |
| | <u>13,076,816</u> | <u>12,985,301</u> |

12 TRADE AND OTHER PAYABLES

12.1 As at reporting date, the Company has unpaid liabilities against excise duty and sales tax amounting to Rs. 772.949 million (June 2025: Rs. 461.038 million) and Rs. 407.931 million (June 2025: Rs. 209.736 million) respectively which the Company was unable to pay within the stipulated time as prescribed in respective laws. The Company is making payments in instalments.

12.2 As at reporting date, the Company has unpaid tax withheld on salaries, purchase of goods, services and expenses amounting to Rs. 195.479 million (June 2025: Rs. 145.433 million), which it was unable to pay within the stipulated time as prescribed in respective laws. Arrangements are being made for the payment against withholding tax payable.

13 CONTINGENCIES AND COMMITMENTS

There are no significant changes in the status of contingencies and commitments as reported in note 28 to the annual audited financial statements of the Company for the year ended 30 June 2025, except for a commitment of Rs. 71.198 million against installation of Solar power plant.

14 FINANCE COST

The Company has not made the provision of mark-up for the period amounting to Rs. 316.316 million (Up to 31 December 2025: Rs. 10,338.75 million) keeping in view that the admitted liability will be reduced to the principle amounts on account of settlement of liabilities in accordance with the standstill agreements with lenders. Had the provision been made the profit for the period would have been lower by Rs. 316.316 million and accrued mark-up would have been higher and shareholders' equity would have been lower by Rs. 10,338.75 million. The said non-provisioning is a departure from the requirements of IAS-23 'Borrowing Costs'.

15 LOSS PER SHARE - BASIC AND DILUTED

| | Half year Ended | | Quarter Ended | |
|--|-------------------------------------|----------------------|-------------------------------------|----------------------|
| | December 31, 2025 | December 31, 2024 | December 31, 2025 | December 31, 2024 |
| | ----- (Rupees in '000) ----- | | ----- (Rupees in '000) ----- | |
| Loss for the period after taxation | (611,795) | (297,467) | (215,337) | (45,293) |
| | ----- (Number of shares '000) ----- | | ----- (Number of shares '000) ----- | |
| Weighted average number of shares in issue | 484,113 | 484,113 | 484,113 | 484,113 |
| | ----- (Rupees) ----- | | | |
| Loss per share - Basic and diluted | (1.26) | (0.61) | (0.44) | (0.09) |

16 CASH FLOWS FROM OPERATING ACTIVITIES

| | (Un-audited) December 31, 2025 | (Un-audited) December 31, 2024 |
|---|--------------------------------------|--------------------------------------|
| | ----- (Rupees in '000) ----- | |
| Loss before income tax and levies | (374,043) | (87,731) |
| Adjustments for non-cash and other items: | | |
| Depreciation | 757,147 | 575,354 |
| Unwinding of discount | 4,872 | 6,276 |
| Workers' Welfare Fund | 1,613 | 4,827 |
| Gain on remeasurement of short term investments | (42) | 15 |
| Finance cost | 1,516 | 86 |
| Cash inflows before working capital changes | 391,064 | 498,827 |
| Movement in working capital | | |
| <i>(Increase) / decrease in current assets</i> | | |
| Stores and spare parts | (292,575) | (97,845) |
| Stock in trade | (128,355) | (85,129) |
| Trade debts - Unsecured | (31,103) | (56,772) |
| Loans and advances - Unsecured, considered good | (54,243) | (175,467) |
| Trade deposits and short term prepayments | (31,302) | (34,834) |
| Other receivables | (1,510) | 1,101 |
| | (539,088) | (448,946) |
| <i>Increase / (decrease) in current liabilities</i> | | |
| Trade and other payables | (20,998) | 195,890 |
| | (20,998) | 195,890 |
| Cash (used in)/generated from operations | (169,022) | 245,771 |

17 TRANSACTIONS WITH RELATED PARTIES

Related parties include associated entities, directors, the other key management personnel and close family members of directors and other key management personnel. Details of transactions with related parties during the year, other than those which have been disclosed elsewhere in these financial statements, are as follows:

| Name of related party | Transaction during the period | (Un-audited) | (Un-audited) |
|-----------------------------------|---------------------------------------|------------------------------|-------------------|
| | | December 31, 2025 | December 31, 2024 |
| | | ----- (Rupees in '000) ----- | |
| Employees' Provident Fund Trust | Expense in relation to provident fund | 23,489 | 18,882 |
| Mr. Yousuf Dewan (Group Chairman) | Advance against issuance of shares | 516,171 | -- |

18 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

18.1 Financial risk factors

The Company is exposed to the credit risks, liquidity risks and market risks (including currency rate risk and other price risk) from its use of financial instruments.

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors is responsible for developing and monitoring the Company's risk management policies.

The Company's objective in managing risk is the creation and protection of shareholders value. The Company's risk management policies are established to identify and analyse the risk 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 aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

There have been no changes in the risk management policies during the period, consequently these condensed interim financial statements do not include all the financial risk management information and disclosures required in the annual financial statements.

18.2 Fair value hierarchy

Fair value is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

Fair value hierarchy

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

| | Level 1 | Level 2 | Level 3 |
|--|---------------------------|---------|---------|
| | ----- (Rupees '000) ----- | | |
| 31 December 2025 | | | |
| <i>Short term investments</i> | | | |
| Investments - Fair value through profit and loss | 924 | -- | -- |
| 31 December 2024 | | | |
| <i>Short term investments</i> | | | |
| Investments - Fair value through profit and loss | 597 | -- | -- |

19 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 "Interim Financial Reporting", condensed interim statement of financial position has been compared with the balances of annual financial statements, whereas condensed interim statement of profit or loss, statement of comprehensive income, statement of cash flows and statement of changes in equity have been compared with the balances of comparable period of immediately preceding financial year.

20 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on **25th February 2026** by the Board of Directors of the Company.

21 GENERAL

Figures have been rounded off to the nearest thousand rupees unless otherwise stated.



Ghazanfar Babar Siddiqi
Chief Executive Officer



Hazrat Ali
Chief Financial Officer



Syed Maqbool Ali
Director

مارک اپ کی فراہمی:

کمپنی نے اس مدت کے لیے روپے کی رقم کے مارک اپ کا انتظام نہیں کیا ہے۔ 316.316 ملین جیسا کہ انتظامیہ نے اپنی طویل مدتی اور قلیل مدتی ذمہ داریوں کی اصل رقم کی تنظیم نو کے لیے بینکرز/مالیاتی اداروں سے رابطہ کیا۔ انتظامیہ کو یقین ہے کہ کمپنی کی تنظیم نو کی تجاویز کو مالیاتی اداروں / بینکرز قبول کر لیں گے۔ لہذا، کمپنی نے مارک اپ کا کوئی بندوبست نہیں کیا ہے۔

اڈیٹرز نے مادے کے پیراگراف پر بھی زور دیا ہے:

• کمپنی کی تشویش کے طور پر جاری رکھنے کی صلاحیت جس کی انتظامیہ نے نوٹ 2 میں عبوری مالیاتی معلومات کی مکمل وضاحت کی ہے۔

اظہار تشکر

بورڈ آف ڈائریکٹرز اپنے قابل قدر صارفین، وفاقی اور صوبائی حکومتوں، کمپنی کے ڈیلرز اور ملازمین کا مسلسل تعاون اور تعاون کے لیے شکریہ ادا کرتا ہے۔

آخر میں اللہ تعالیٰ رحمن الرحیم سے اپنے پیارے نبی حضرت محمد صلی اللہ علیہ وسلم کے نام پر سجدہ، التجا اور دعا کرتے ہیں کہ وہ ہم پر، ہماری کمپنی، ملک اور قوم کے لیے اپنی رحمتوں، رہنمائی، طاقت، صحت اور خوشحالی کی بارش جاری رکھے اور اللہ تعالیٰ سے دعا ہے کہ وہ پوری امت مسلمہ میں امن، ہم آہنگی، بھائی چارے، اتحاد و اتفاق اور حقیقی معنوں میں امت مسلمہ کو امن و امان، ہم آہنگی، بھائی چارہ اور اتحاد و اتفاق کی فضا عطا فرمائے۔ آمین

بورڈ آف ڈائریکٹرز کے لیے اور اس کی جانب سے



غضنفر بابر صدیقی

چیف ایگزیکٹو آفیسر



سید مقبول علی

ڈائریکٹر

کراچی،

مورخہ: 25 فروری 2026



کمپنی نے گزشتہ سال کی اسی مدت کے مقابلے میں خالص کاروبار میں 17.28 فیصد اضافہ ریکارڈ کیا ہے۔ یہ بہتری بنیادی طور پر فروخت کی قیمتوں میں نظر ثانی اور اعلیٰ فروخت کے حجم کی وجہ سے ہوئی، جو کہ مارکیٹ کی مسلسل طلب اور موثر تقسیم کی حکمت عملیوں کی عکاسی کرتی ہے۔ پیداواری لاگت میں 19.41 فیصد اضافہ ہوا جس کی بنیادی وجہ موجودہ مدت کے دوران پلانٹ کے بڑے دیکھ بھال کے کام کی وجہ سے ہے جس کی وجہ سے گزشتہ سال کی اسی مدت میں مجموعی فروخت کے مارجن میں 19.62 فیصد کمی واقع ہوئی۔

زیر جائزہ مدت کے دوران، کمپنی نے شمسی توانائی کے نظام کی تنصیب کے ذریعے اپنے توانائی کے تحفظ اور پائیداری کے ایجنڈے کو بھی آگے بڑھایا۔ توقع کی جاتی ہے کہ اس اقدام سے توانائی کے روایتی ذرائع پر انحصار کم ہو گا، بجلی کی لاگت کم ہو گی، اور ماحولیاتی پائیداری میں مثبت کردار ادا ہو گا۔

مستقبل کا آؤٹ لک

مالی سال 26 میں افراط زر کی شرح 5% اور 7% کے درمیان متوقع ہے۔ معاشی ماحول بتدریج مضبوط ہو رہا ہے، میکرو اکنامک استحکام میں بہتری سے بحالی کی قیادت میں ترقی کو فروغ مل رہا ہے۔ زیادہ متوازن بیرونی کھاتہ، نظم و ضبط مالیاتی انتظام، مہنگائی میں نرمی، اور شرح سود کا معاون ماحول سرمایہ کاروں کا اعتماد بحال کرنے میں مدد کر رہا ہے۔

جیسے جیسے معاشی سرگرمی تمام شعبوں میں پھیلتی ہے، توقع ہے کہ تعمیرات اور بنیادی ڈھانچے کی ترقی میں تیزی آئے گی، جس سے سیمنٹ کی صنعت کو فائدہ ہوگا۔

اس کے باوجود، پائیدار ترقی کا انحصار پالیسی کے تسلسل، خطرات کے موثر انتظام، اور مسلسل عوامی شعبے کی ترقی کے اقدامات پر ہوگا۔

آڈیٹرز کی جائزہ رپورٹ میں مشاہدات

آڈیٹرز نے مندرجہ ذیل بنیادوں پر اپنی رپورٹ کو اہل بنایا ہے، جس کی وضاحت کی گئی ہے۔

سرمایہ کاری کے لیے پیشگی پری IPO

آڈیٹرز پری کمپنی نے طویل مدتی ذمہ داری کے طور پر 2,910 ملین روپے کی 'ٹرم فنانس سرٹیفکیٹس میں سرمایہ کاری کے لیے پیش قدمی' کی درجہ بندی کی ہے۔ ہم طویل مدتی ذمہ داری کے طور پر اس کی درجہ بندی کے بارے میں انتظامیہ کے دعوے سے متفق نہیں ہیں۔ ہماری رائے میں سرمایہ کاروں کے ساتھ معاہدے کی شرائط کے مطابق پوری ذمہ داری کو موجودہ ذمہ داری کے طور پر درجہ بندی کیا جانا چاہیے۔

ڈائریکٹر رپورٹ

ڈائریکٹرز 31 دسمبر 2025 کو ختم ہونے والے ششماہی کے غیر آڈٹ شدہ مالیاتی نتائج پیش کرتے ہوئے خوش ہیں جن کا آڈیٹرز کے ذریعہ جائزہ لیا گیا ہے۔

سیمنٹ کی صنعت کا جائزہ

8.94% کا اضافہ ریکارڈ کیا گیا جو مجموعی طور پر مثبت نمو کو ظاہر کرتا ہے۔ مقامی فروخت میں 12.25 فیصد اضافہ ہوا، جبکہ برآمدات میں 3.73 فیصد کمی دیکھی گئی۔ مقامی فروخت 18.44 ملین ٹن سے بڑھ کر 20.70 ملین ٹن ہو گئی جبکہ برآمدات 4.81 ملین ٹن سے کم ہو کر 4.63 ملین ٹن ہو گئیں۔

کمپنی کی کارکردگی

پیداوار

| December 2024 (In Tons) | December 2025 (In Tons) | |
|----------------------------|----------------------------|--------|
| 560,016 | 707,341 | کلینکر |
| 651,877 | 805,130 | سیمنٹ |

ڈسپیچز

| | | |
|---------|---------|----------------------|
| 643,181 | 804,444 | مقامی ڈسپیچز – سیمنٹ |
|---------|---------|----------------------|

آپریٹنگ کارکردگی

موجودہ ششماہی کے لیے کمپنی کے آپریٹنگ نتائج اور پچھلے سال کی اسی مدت کے نتائج ذیل میں نمایاں ہیں:

| December 2024 (Rs 000) | December 2025 (Rs 000) | |
|---------------------------|---------------------------|------------------|
| 9,973,813 | 11,697,633 | نیٹ سیلز |
| (9,430,583) | (11,261,003) | قیمت فروخت |
| 543,230 | 436,630 | مجموعی منافع |
| (840,697) | (1,048,425) | اخراجات اور ٹیکس |
| (297,467) | (611,794) | خالص نقصان |