



AKD SECURITIES LIMITED



PAKISTAN CEMENT SECTOR



**CEMENT SECTOR TO
REMAIN FAVOURABLE
AHEAD OF ECONOMIC
RECOVERY**

SEPTEMBER 2025

CEMENT SECTOR TO REMAIN FAVOURABLE AHEAD OF ECONOMIC RECOVERY

Improving macros with easing interest rates and stable inflation are expected to spur construction demand. Additionally, flood rehabilitation and higher PSDP allocations would further drive the growth in cement offtakes. This along with firm local prices, declining energy, and easing financing cost are anticipated to support sector's profitability growth. We maintain 'Overweight' stance on the sector, with LUCK, DGKC, and FCCL as our preferred picks.

Macros aligning towards growth: Stronger external stability under the IMF Extended Fund Facility (EFF) would allow the SBP to continue monetary easing as inflation anchors within the central bank's medium-term range of 5–7%. With inflation expected to remain contained, we foresee the policy rate normalizing to single digit. Lower interest rates, coupled with easing inflation, are anticipated to support industrial growth, overshadowing agriculture sector's growth.

Demand recovery on the cards: Cement demand is projected to rise by 7.3%YoY in FY26 after a prolonged four-year slump, primarily led by recovery in domestic dispatches alongside sustained export growth. Where, local construction activity is likely to rebound on i) lower financing cost, ii) easing construction input prices, iii) rehabilitation spending on flood reconstruction, and iv) higher PSDP allocation.

Profitability to rise further: We expect AKD Cement universe earnings to grow at a 3-year forward CAGR of 19%, driven by: i) ~8% annual demand recovery during FY25–28E, ii) 4% increase in domestic prices, iii) expected ease in international coal prices to US\$85/ton by FY27, and iv) 26% annual drop in finance cost through FY28 on the back of deleveraging and lower policy rates reducing to 9.5%.

Investment perspective: We maintain an 'Overweight' stance on the sector, backed by sustained earnings growth supported by, i) demand recovery in construction driven by improving macros and pent-up demand, ii) cost relief from lower coal and grid prices along with optimized energy mix, and iii) lower reinvestment needs amid declining working capital requirement due to shift to local coal and sufficient capacity headroom. Our top picks are LUCK (Jun'26 TP: PkR558.6/sh), DGKC (Jun'26 TP: PkR320.9/sh), and FCCL (Jun'26 TP: PkR76.8/sh).

Risks: Key downside risks to our thesis include: i) volatility in international coal prices, given fuel's as major portion of cost, ii) slower-than-expected domestic demand recovery may pressure local pricing, and iii) slowdown in global construction activity could weigh on exports and utilization levels.



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Usama Rauf
usama.rauf@akdsl.com
111-253-111 Ext: 634

Osama Naeem
osama.naeem@akdsl.com
111-253-111 Ext: 602

AKD Research
research@akdsl.com
+92-111-253-111 Ext: (639)

Price as of: September 01, 2025
KSE-100 Index 149,971.12

KSE– All Market Capitalization
PkR17,801bn (US\$63.2bn)

12-Months KSE-All Share Avg TD Value
PkR 42,434mn (US\$150.6mn)

Cement Universe Valuations

Stocks	Stance	Price*	TP	Return	PE
LUCK	Buy	445.6	558.6	26.9%	7.3
FCCL	Buy	59.5	76.8	32.5%	9.8
MLCF	Buy	104.8	141.8	36.5%	10.4
KOHC	Buy	105.6	158.6	51.1%	9.5
DGKC	Buy	209.2	320.9	55.8%	8.2
CHCC	Buy	354.2	605.6	73.0%	8.6
PIOC	Buy	252.2	345.5	43.5%	10.2

*Prices as of
Sept 01, 2025

Source: PSX & AKD Research

Updated projections & valuation metrics

Stocks	TP	T. Upside	(PkR)	FY25	FY26E	FY27E	FY28E
LUCK	558.6	26.9%	EPS	48.6	60.8	68.0	75.7
			DPS	4.0	7.0	9.0	11.0
FCCL	76.8	32.5%	EPS	5.4	6.0	7.9	9.6
			DPS	1.3	2.0	2.5	3.0
MLCF	141.8	36.5%	EPS	11.0	10.1	13.1	15.8
			DPS	-	1.3	2.5	4.5
KOHC	158.6	51.1%	EPS	12.8	11.1	13.6	16.3
			DPS	-	1.0	3.0	3.0
DGKC	320.9	55.8%	EPS	19.8	25.6	30.2	37.3
			DPS	2.0	5.0	9.0	11.0
CHCC	605.6	73.0%	EPS	44.7	41.0	52.3	63.7
			DPS	5.5	7.0	9.5	11.0
PIOC	345.5	43.5%	EPS	22.9	24.7	31.5	38.9
			DPS	15.0	16.5	21.0	25.5

Source: PSX & AKD Research

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32-34	Pioneer Cement Limited
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IMPROVING MACROECONOMIC INDICATORS TO SUPPORT SINGLE DIGIT RATES

Stronger external stability that comes with IMF Extended Fund Facility (EFF) would allow SBP to continue with monetary easing as inflation seems to anchor around central bank medium term range of 5-7%. With the inflation expectation to remain within SBP's range, we foresee the central bank taking the policy rate to single digit. Slow pick up in domestic demand post policy rate cuts of 1,100bps since Jun'24, significant increase in remittances and double-digit growth in exports amid weak outlook for commodity prices has further provided strength to our call. However, we do expect SBP would maintain positive real interest rates of 2-3% in order to avoid another bust cycle.

Industrial sector to outshine in FY26: We anticipate a broad base recovery, supported by monetary easing and a stable currency during FY26. Moreover, industry operations at lower utilization levels would support growth without requiring significant CAPEX. Better availability of raw materials, adequate energy supplies, stable currency, and lower commodity prices are likely to facilitate growth in LSM.

IMF-Backed discipline fuels economic resilience: Pakistan's economy has remained on a gradual path toward stabilization, supported by consistent fiscal consolidation efforts and a firm monetary policy stance, implemented under the supervision of the IMF program. Thus leading to, the nation's per capita income rising to US\$1,824 in FY25. Real GDP is projected to grow by 4.2%YoY in FY26, with ongoing reforms focused on improving agricultural productivity, rejuvenating industrial output, boosting exports, and advancing the digital ecosystem expected to contribute toward achieving sustainable growth.

Inflation within bounds; Remittances drive surplus: We expect inflation to remain at 4.4% in FY26, driven by a modest increase in the heavily weighted Food and Housing indices amid subdued Int'l commodity prices. Moreover, the current account deficit is anticipated to stay at a manageable level over the medium term, thereby reinforcing stable and sustained economic growth. The country's external account witnessed a significant turnaround, recording a surplus of US\$2.1bn during FY25, in contrast to a deficit of US\$2.1bn in FY24, primarily driven by a strong rebound in remittances, which rose by 27%YoY to US\$38.3bn.

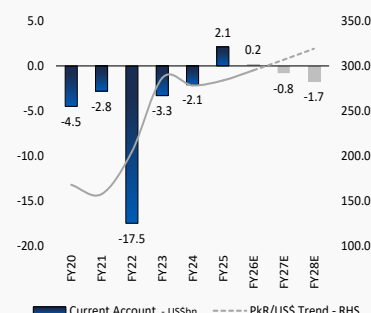
Rupee to remain stable: Rupee is expected to remain stable due to improved external account position driven by higher remittances and rising exports amid tight monetary and fiscal policies aided by focus on structural reforms. Stability in the PkR is critical to keep the inflation low at current levels. We foresee PkR to devalue at 4%, slightly higher than inflation differential due to tariff rationalization adopted in recent budget.

Pakistan reached historic trade deal with US: Pakistan has reached a trade agreement with U.S.A, aimed at boosting bilateral trade, expanding market access, attracting investment, and fostering cooperation in areas of mutual interest. Preferential tariff treatment would provide a much needed boost to Pakistan's exports, which have grown at a CAGR of 3.0% since 2012, while also supporting efforts to address the ongoing balance of payments crisis through increase in FDI and lower energy import bill. As an import-led economy, Pakistan also stands to benefit from the overall tariff hikes, given the potential for a decline in global commodity prices.



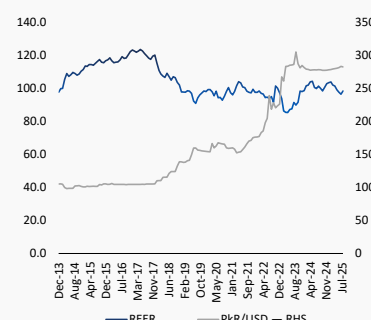
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Current account to remain manageable



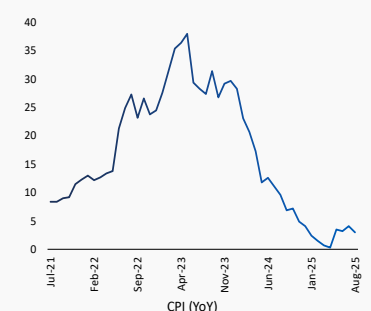
Source: SBP & AKD Research

REER index clocks in at 98.58 for Jul'25



Source: SBP & AKD Research

Inflation has remained modest

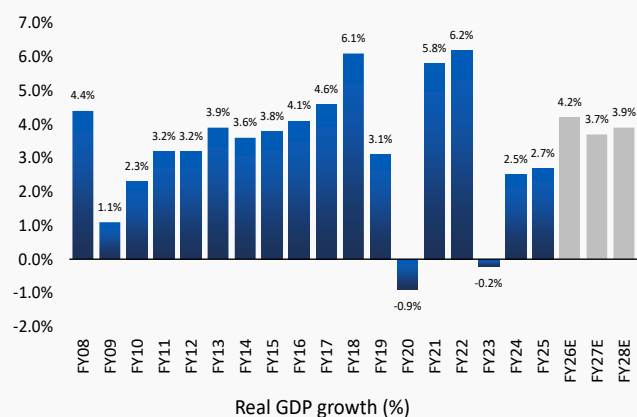


Source: PBS & AKD Research

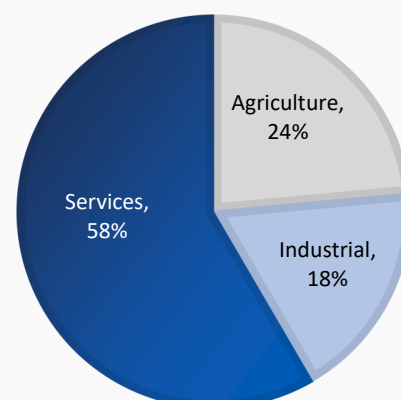


MONETARY EASING TO SUPPORT BROAD BASE RECOVERY

GDP growth improved to 2.7%YoY...



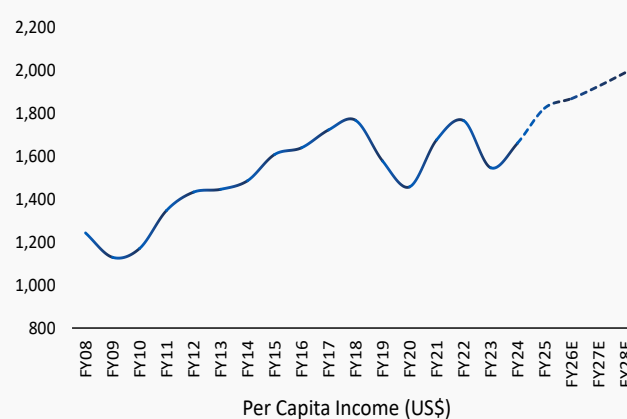
...services contributes 58% to the overall GDP



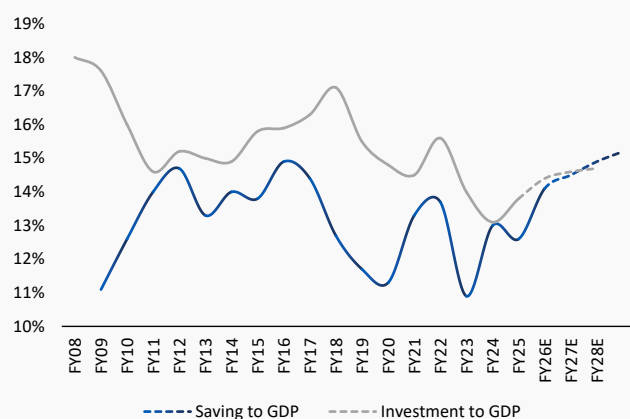
....GDP increased to US\$411bn in FY25...



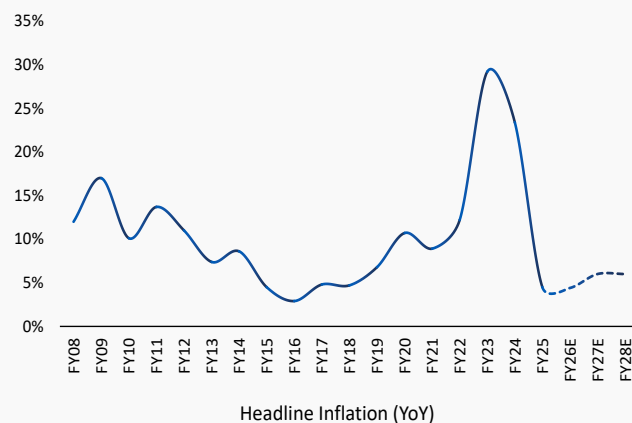
...meanwhile per capita income improved to record US\$1,824



Investment to GDP improved to 13.8% in FY25



...while inflation reduced to 4.5%YoY on currency appreciation



Source: MoF & AKD Research

CEMENT SECTOR TO OUTSHINE DURING FY26

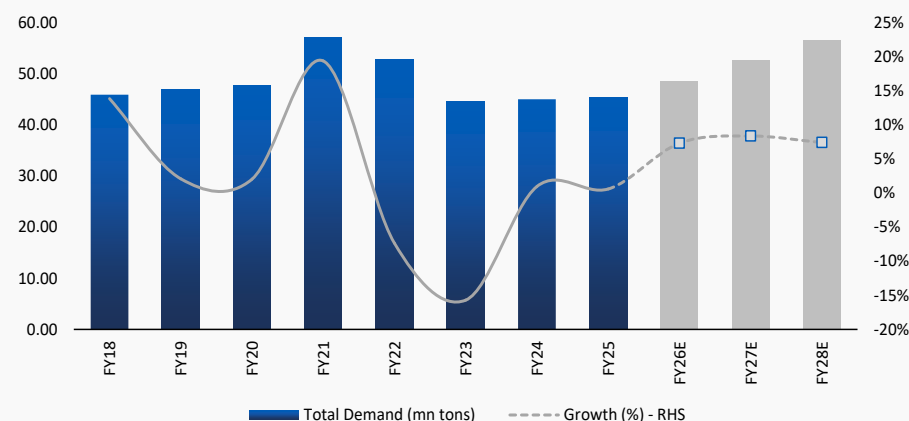
AKD Cement Universe valuation summary—Target price (Jun'26)

LUCK	FCCL	MLCF	KOHC	DGKC	CHCC	PIOC
558.6	76.8	141.8	158.6	320.9	605.6	345.5

Pakistan cement sector is poised for recovery in FY26, with domestic offtakes expected to rise 7.3%YoY amid sharp decline in interest rates and rising government development spending. Demand is further supported by incentives for housing sector and improving macroeconomic stability. Falling debt levels and finance cost are set to further enhance sector profitability. Given this alignment of supportive factors, we maintain an 'Overweight' stance on the sector.

Local demand recovery to aid dispatches: We expect cement dispatches to increase by 7.3%YoY in FY26 and 8.4%YoY in FY27, mainly driven by a revival in domestic activity, given the fall in interest rates. Interest rates have declined to 11% from a historic high of 22% in Jun'24. However, a significant uptick in the cement sector offtakes has not been witnessed in the short run amid a lag in impact of the monetary policy. The downturn in cement demand has basically run through during FY25 due to ongoing weakness in real-estate and sluggish construction activity.

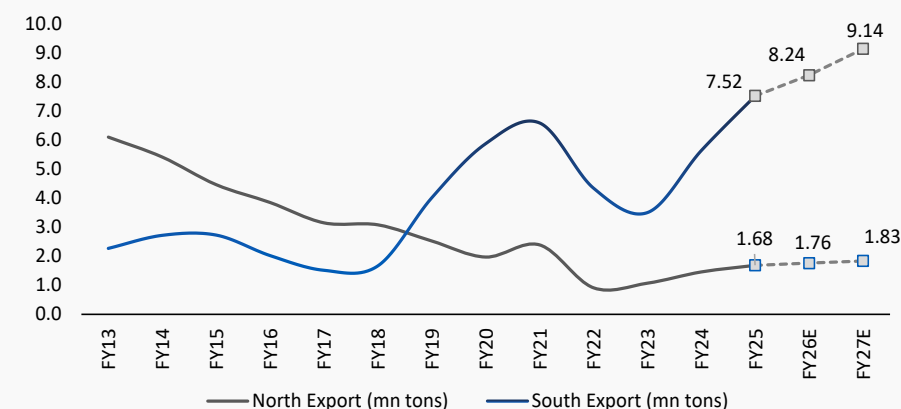
Cement offtakes to increase by 7%YoY in FY26E



Source: APCMA & AKD Research

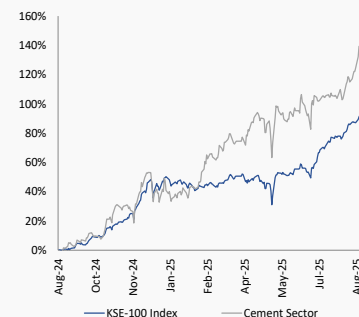
Exports growth to sustain momentum: Cement exports are projected to rise by 8.6%YoY in FY26, led by 9.5%YoY growth in sea exports. The said growth is anticipated on the back of increasing exports viability due to i) easing coal prices, ii) improved international clinker prices, iii) expansion into new markets, and iv) lower domestic utilization. Additionally, exports from the North are expected to grow by 4.5%YoY in FY26.

Favorable prices to keep exports in uptrend



Source: APCMA & AKD Research

Cement Sector vs. KSE100 Index



Source: PSX & AKD Research



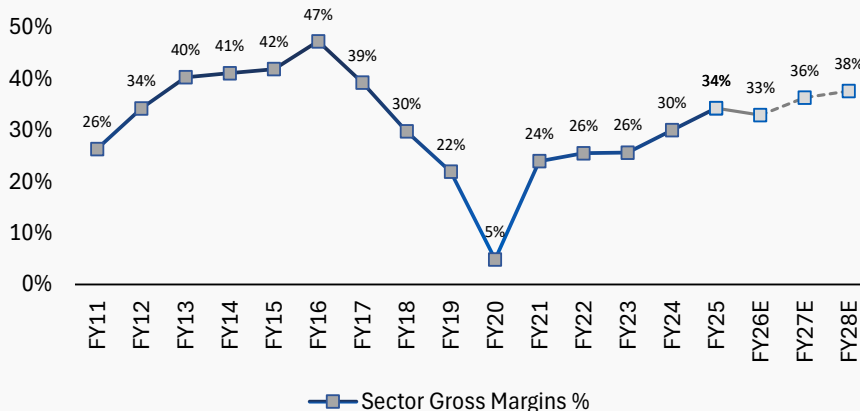
OFFTAKES TO PICK-UP AMID DECLINING INTEREST RATES

Construction demand to recover post-floods: We believe that weaker farm economics in FY24 and FY25 kept cement demand subdued. Looking ahead, improvement in farmer income, coupled with pent-up demand from the past four years, is expected to result in recovery during FY26 and beyond, supported by i) recovery in private construction amid easing construction cost and lower financing rates, ii) rehabilitation spending on flood reconstruction projects, and iii) improvement in agricultural income with improved yields post-flood. Additionally, the abolition of Federal Excise Duty (FED) on first-time property purchases and tax credits on low-cost housing loans are expected to stimulate housing demand by lowering upfront costs for buyers, particularly first-time entrants.

Cement prices to recover in FY27: We foresee domestic prices to witness a marginal decline of 0.3%YoY in FY26, as decline in North prices would offset the impact of improving South prices. Where, North prices are expected to fall 1.2%YoY in FY26, primarily due to lower royalty rates in KPK. Notably, North prices had surged above Pkr1,500/bag in 1QFY25 after the Punjab govt imposed higher royalty, but normalized in 2HFY25 due to supply pressures amid KPK's lower royalty. Meanwhile, South prices are projected to rise 4.1%YoY in FY26, supported by stronger export margins and a pick-up in domestic demand. However, we project domestic cement prices to increase by 6.5%YoY in FY27, supported by improving demand.



Gross margins to witness improvement given pick-up in cement prices

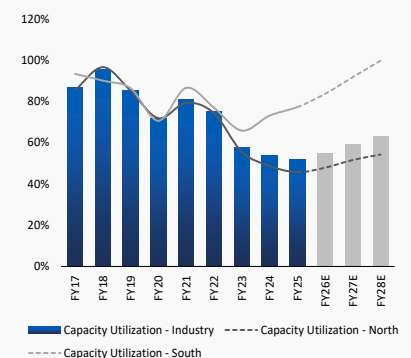


Source: PSX & AKD Research

Higher exports driving utilization recovery: We anticipate industry's utilization to increase to 55%/60%/63% during FY26/FY27/FY28, respectively. The said improvement in utilization is supported by increase in utilization from the south region given higher exports amid increasing demand and higher prices. Additionally, higher utilizations supported by strong demand and ample existing capacity are expected to limit the risk of a price war, unlike in the past. Since most expansions were completed during FY21–FY23, sufficient idle capacity remains, reducing the need for additional capex.

Surge in global clinker demand to boost exports: Exports from southern region players are expected to grow by 9.5%YoY, while those from northern players are projected to rise by 4.5%YoY. This growth is driven by increasing global demand, particularly for clinker, due to a gap between cement grinding capacity and clinker production.

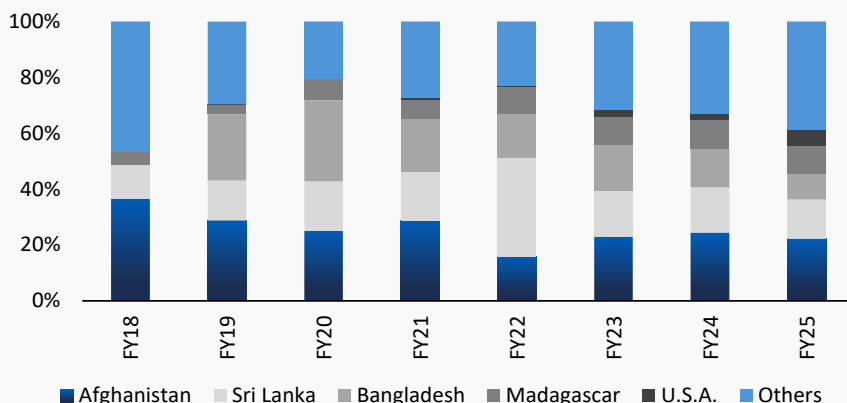
Utilization to improve on strong exports



Source: APCMA & AKD Research

OFFTAKES TO PICK-UP AMID DECLINING INTEREST RATES

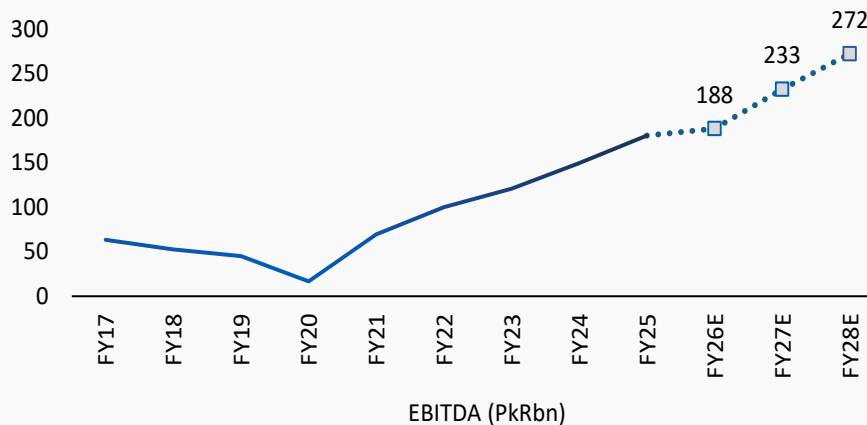
Sector expanding into newer export markets



Source: PSX & AKD Research

Coal & Power ease to boosts margins: We anticipate gross margins for cement companies under the AKD universe to remain robust, primarily supported by a 12%YoY decline in international coal prices and a 9%YoY reduction in grid electricity tariffs in FY26. Moving forward, we anticipate Int'l coal prices to remain US\$90/85/ton during FY26/FY27, respectively. These said developments are likely to strengthen the sector's profitability, especially for players like MLCF, FCCL, DGKC, PIOC, and KOHC given their higher reliance on coal and grid for energy needs.

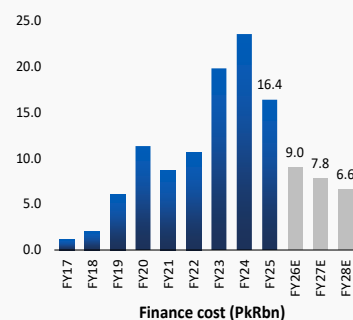
AKD cement universe operating profitability to surge amid stronger margins



Source: PSX & AKD Research

Debt levels on decline: We anticipate AKD Cement universe's finance cost to decline by 45%YoY in FY26, given falling financing rates coupled with decrease in outstanding debt. Notably, AKD Cement universe Finance cost to EBITDA decreased to 9% in FY25 from 16% in FY24, amid heightened focus on repaying expansion related borrowing, where AKD Cement universe total debt has reduced by 16%YoY as of Jun'25 accounts.

Finance cost to decline 45%YoY in FY26



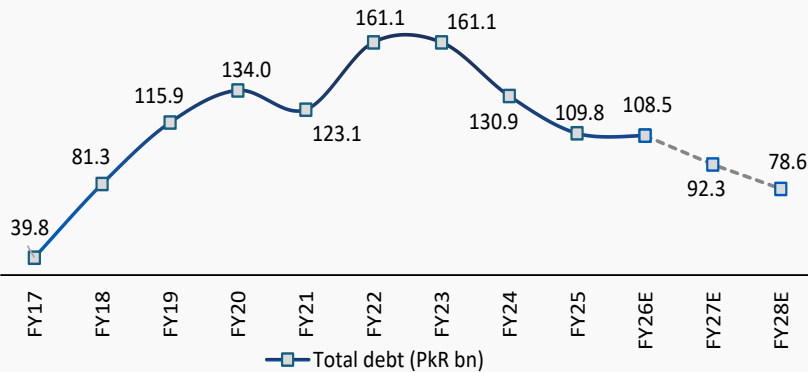
Source: PSX & AKD Research



OFFTAKES TO PICK-UP AMID DECLINING INTEREST RATES

Profitability to rise further: We expect AKD Cement universe earnings to grow at a 3-year forward CAGR of 19%, driven by: i) ~8% annual demand recovery during FY25–28E, ii) 4% increase in domestic prices, iii) expected ease in international coal prices to US\$85/ton by FY27, iv) 26% annual drop in finance cost through FY28 on the back of deleveraging and lower policy rates reducing to 9.5%, and v) improving export prices for clinker and cement driven by an uptick in global demand.

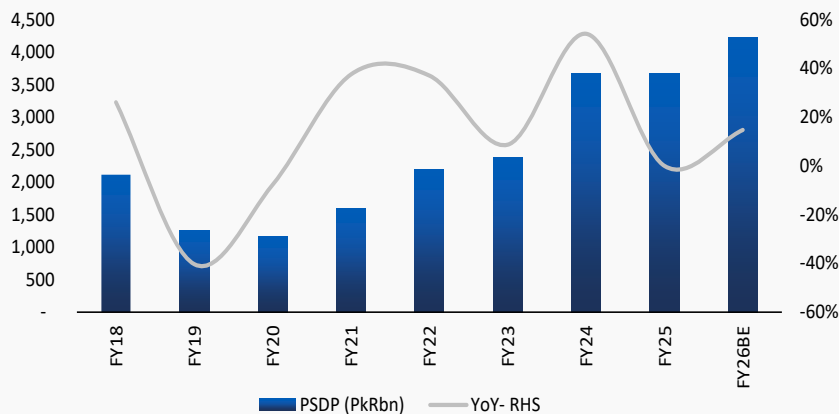
AKD cement universe debt declines 16%YoY during FY25



Source: PSX & AKD Research

Government ramp-up in public development: PSDP allocation for FY26 has been raised by 15%YoY to Pkr4.2tn, signaling strong government focus on infrastructure. In addition, increasing tax collection and declining interest cost provide fiscal space for development spending. Moreover, we anticipate PSDP outlays to rise going forward due to growing demand for water infrastructure projects, amid recurring weather-related challenges and risks linked to the Indus Water Treaty. Furthermore, the govt's plan to launch an infrastructure fund to mobilize capital market financing under newly launched SECP framework could further boost infrastructure spending.

Government ramps up PSDP allocation by 15%YoY for FY26



Source: MoF & AKD Research

Major infrastructure projects

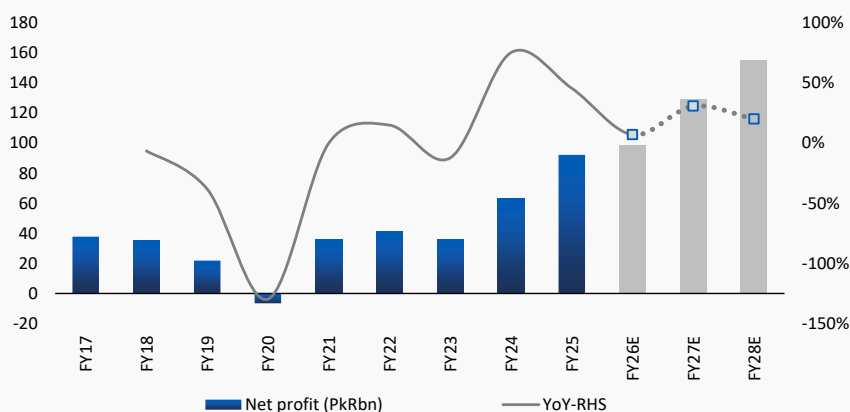
(Pkrbn)	Total	Throw-forward
Diamer Basha Dam Project	480	366
Flood Protection Sector Project-III	195	195
Mohmand Dam	310	174
Dasu Hydro Power Project	511	135
Chashma Right Bank Canal	123	123
Post-Flood 2022 Reconstruction Program	88	81
Remodeling of Pat Feeder Canal	49	39
Naulong Multipurpose Dam	35	33

Source: MoF & AKD Research

Investment Perspective: We maintain an 'Overweight' stance on the Pakistan cement sector, with expectations of a meaningful recovery in FY26 driven by monetary easing, fiscal support, and improving macroeconomic conditions. Domestic offtakes are projected to grow by 7%YoY to 38.6mn tons, supported by a sharp decline in interest rates, from 22% in Jun'24 to 11% in May'25, alongside further room for rate cut and sharp increase in PSDP. In our view, the alignment of macro, monetary, and fiscal levers makes the cement sector an attractive space for investment, with a cyclical upswing expected to materialize over the next 12 months.



AKD cement universe profitability to increase by 10%YoY in FY26E



Source: PSX & AKD Research

Updated projections & valuation metrics

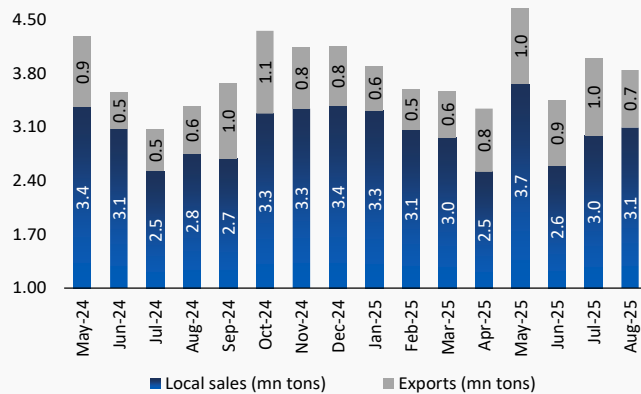
(Pkr)	Symbol	Target Price	FY26E		FY27E	
			EPS	DPS	EPS	DPS
New	LUCK	558.6	60.8	7.0	68.0	9.0
Old		393.0	65.5	6.4	81.0	9.6
%chg		42.2%	-7.1%	9.4%	-16.0%	-6.3%
New	FCCL	76.8	6.0	2.0	7.9	2.5
Old		61.0	5.6	1.5	6.4	2.0
%chg		25.8%	8.2%	33.3%	22.8%	25.0%
New	MLCF	141.8	10.1	1.3	13.1	2.5
Old		70.0	6.4	1.3	7.7	1.5
%chg		102.6%	57.1%	0.0%	70.3%	66.7%
New	KOHK	158.6	11.1	1.0	13.6	3.0
Old		107.4	9.8	2.0	11.4	2.2
%chg		48.0%	13.6%	-50.0%	19.6%	36.4%
New	DGKC	320.9	25.6	5.0	30.2	9.0
Old		167.0	10.7	3.0	12.6	4.0
%chg		92.2%	139.2%	66.7%	140.5%	125.0%
New	CHCC	605.6	41.0	7.0	52.3	9.5
Old		379.0	32.9	6.5	38.0	7.8
%chg		59.9%	24.3%	7.7%	37.8%	22.6%
New	PIOC	345.5	24.7	16.5	31.5	21.0
Old		264.0	25.3	15.0	29.8	18.0
%chg		30.7%	-2.5%	10.0%	5.8%	16.7%

Source: PSX & AKD Research

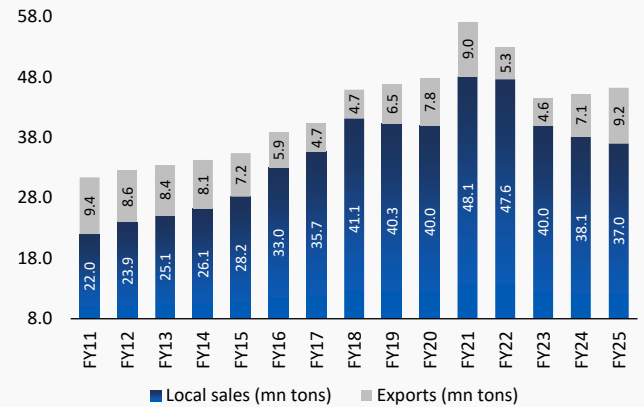


MONTHLY OFFTAKES WITNESSING REBOUND

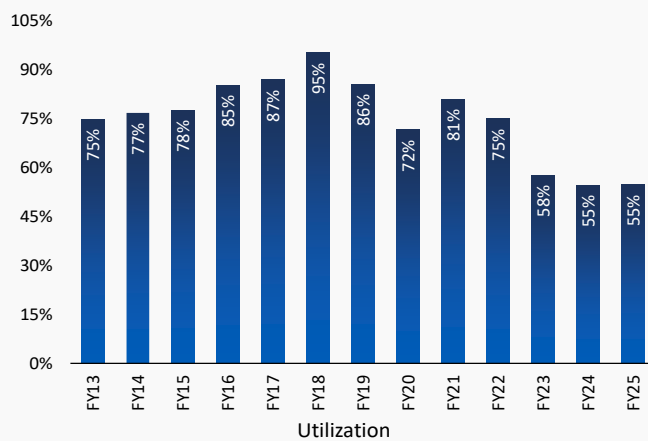
Cement off-takes up 14%YoY in Aug'25



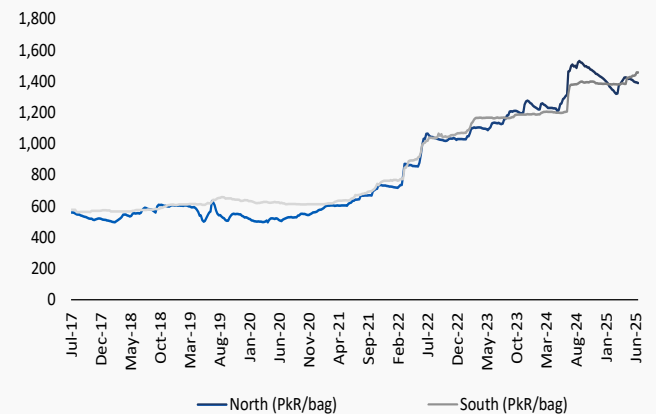
FY25 total off-takes improved by 2%YoY due to higher exports



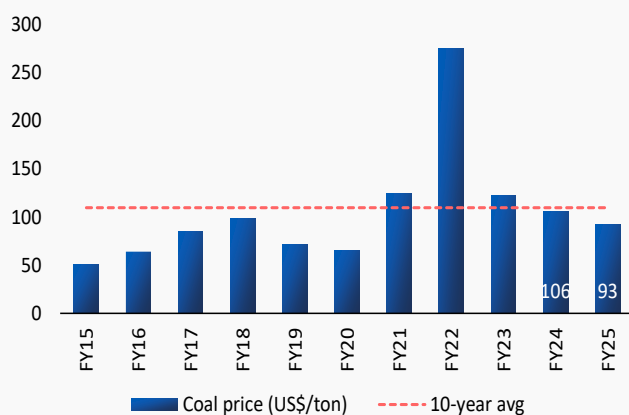
Utilization levels improved meagerly on robust exports



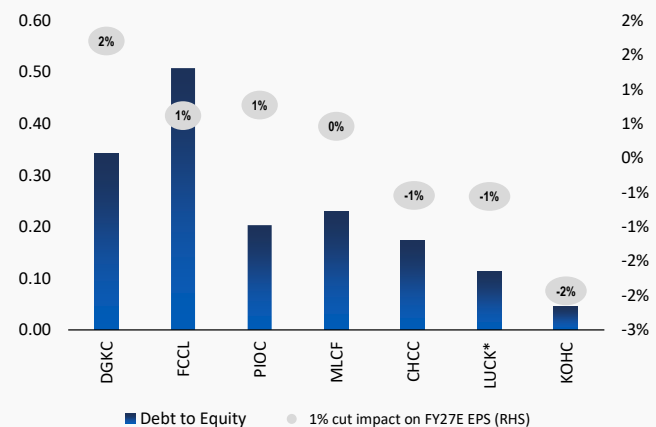
Cement prices on the constant incline (Pkr/bag)



....along with declining coal prices



High leveraged stocks to remain beneficiaries of rate cut



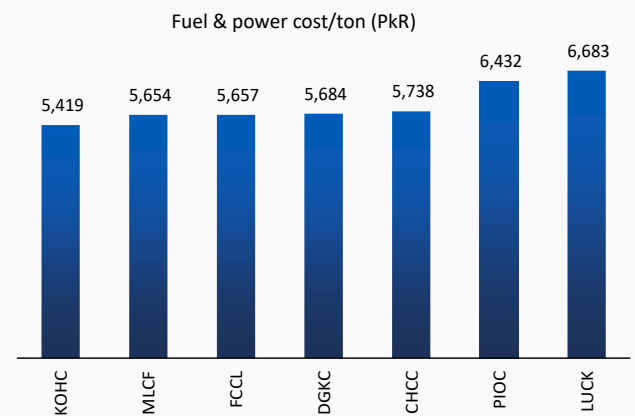
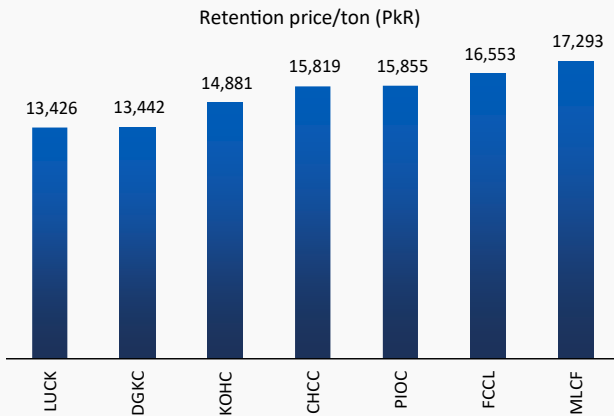
Source: PSX, Bloomberg, APCMA & AKD Research



AKD CEMENT UNIVERSE COMPARABLES

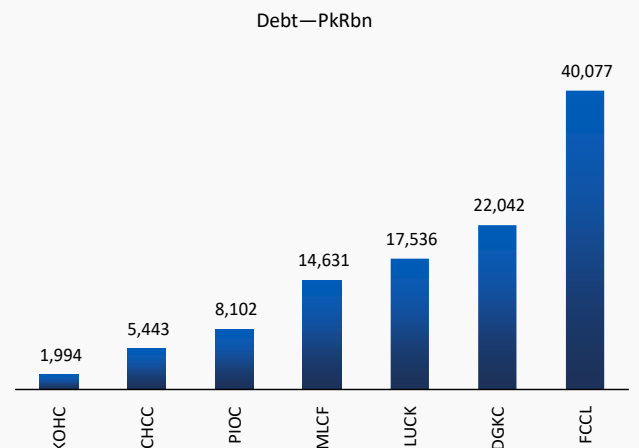
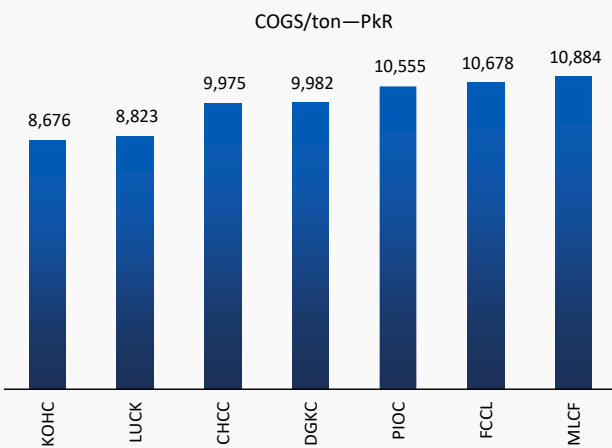
MLCF leads retention prices given white cement/putty sales

KOHC's Fuel & Power cost/ton remains the cheapest



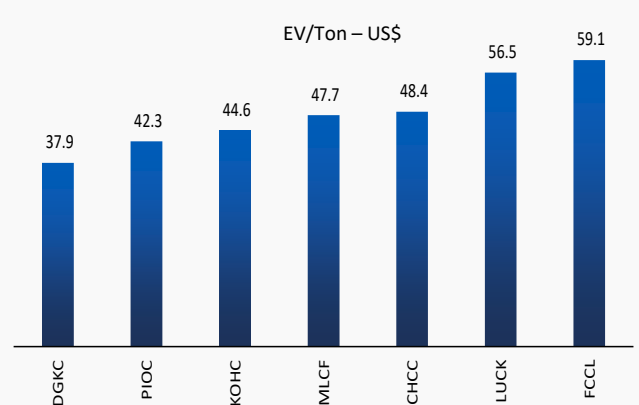
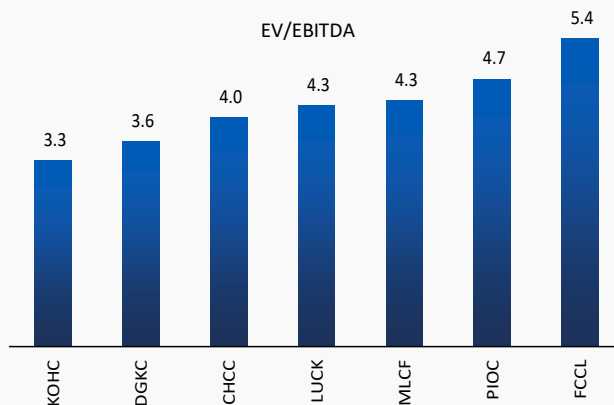
Leading to lowest COGS/ton producer in our cement universe

FCCL is key beneficiary of policy rate cuts given high leverage



KOHC remains the cheapest on EV/EBITDA

while DGKC trades at the cheapest EV/ton



Source: PSX, Bloomberg, APCMA & AKD Research



KEY RISKS TO OUR THESIS

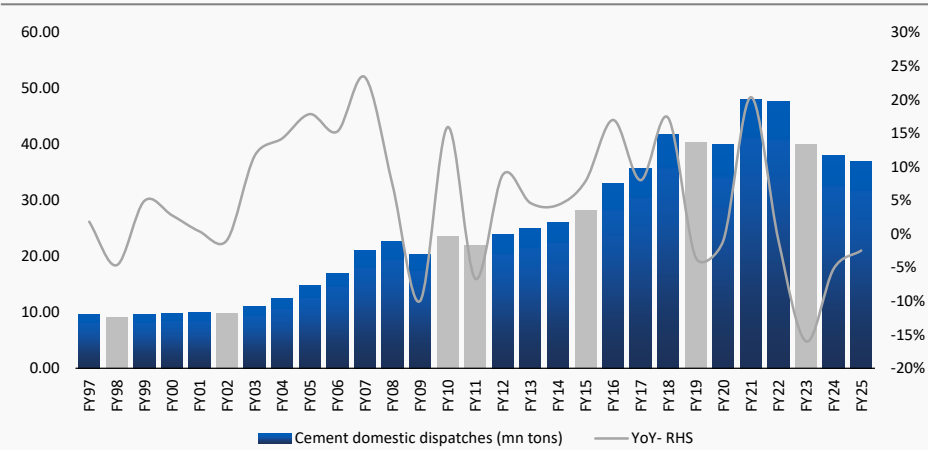
International coal price volatility: Coal remains a critical component of the cement production, with a sizable portion being imported, particularly in South. Any sudden surge in international coal prices driven by supply disruptions, geopolitical tensions, or shifts in global energy demand would directly raise production costs. Given the limited ability of producers to pass on cost increases in a weak demand environment, margins could come under pressure. However, with increasing share of local and Afghan coal availability, this impact has been mitigated up to a large extent.

Currency depreciation and exchange rate volatility: The sector remains exposed to exchange rate movements since imported coal form a sizable portion of production costs. Sharp depreciation of the domestic currency increases input costs and pressures margins, particularly when pricing power in the domestic market is weak.

Cement prices to remain sticky in face of costing pressures: While industry players have historically passed on cost increases to consumers through price hikes, there is a risk that prices may not keep pace with rising costs due to weak demand conditions and competitive pressures. If cement producers are forced to absorb higher input costs without being able to raise selling prices, profitability would be adversely impacted.

Flood-led economic slowdown could impact cement demand: The recent floods have disrupted agricultural output, damaged crops and livestock, and strained rural infrastructure, directly reducing farmers’ disposable incomes. Given agriculture’s central role in Pakistan’s GDP and its strong link to rural consumption, weaker farm economics could weigh on overall economic growth. This slowdown could spill over into the construction sector, as rural and semi-urban households defer construction and renovation activities. Additionally, limited fiscal space to finance large-scale public sector projects may further suppress cement demand.

Cement dispatches see mild effect in previous flood years




Floods
Source: APCMA & AKD Research

Delay in infrastructure and public sector development spending: Fiscal constraints, political uncertainty, or diversion of funds toward flood relief and debt servicing may result in slower or delayed execution of planned projects, leading to weaker-than-expected demand.



LUCKY CEMENT LIMITED - BUY

Firing on all cylinders

SHARE PRICE	TARGET PRICE	T. UPSIDE/(DOWNSIDE)	DIVIDEND YIELD
 445.6	 558.6	 26.9%	 1.6%

LUCK is expected to deliver significant earnings growth, driven by volumetric expansion, higher retention prices, and dividend inflows from LEPCL. With the broader economic recovery underway, the auto, mobile, and chemical segments are well-positioned to witness renewed growth, enhancing its appeal as an investment opportunity. We have a 'BUY' stance on the stock with Jun'26 target price of PKR558.6/sh, reflecting an total upside of 26.9%.

Dominance cemented, exports rising: LUCK remains to be the largest market player with a total capacity of 15.3mn tons. We anticipate, company's domestic market share to remain around 15.7% during FY26/FY27/FY28, respectively. Moreover, with LUCK's access to new export markets coupled with improved global demand, is anticipated to drive export offtakes to 3.75mn tons, an increase of 9%YoY.

Renewables to spur efficiency: LUCK stands as the second lowest-cost producer in AKD cement sector with COGS/ton at PKR8,823 amid its majority power reliance on self-generation. With the recent commissioning of a 28.8MW wind power project at the South plant, 55% of the company's power requirement is now met through renewables. Alongside, the company plans to install battery storage at the South plant, which would increase the efficiency of the renewables project.

Strategic expansion initiatives: LUCK's foreign operations continue to perform well, with increasing demand and recently announced commissioning of clinker line of 1.8mn TPA in Samawah, Iraq. In addition, company has announced a new grinding line expansion of 0.7mn TPA in Samawah, Iraq. We estimate consolidated EPS contribution from Iraq to increase to PKR10.3/10.8 during FY26/FY27, respectively.

LEPCL payouts to increase post Tariff True-Up: LUCK's 660MW IPP, LEPCL, continues to add significant value to the company. We expect the wholly owned subsidiary's dividend to increase to PKR13.9bn in FY27 from PKR6.0bn in FY26E, due to expected tariff true-up during the year with expectations of continued payouts moving forward as well. Furthermore, company's ROE is expected to enhance to 29.5% in FY26 from 27.2% currently, following the commencement of thar coal supply post commissioning of Phase-III of Thar Coal Mine 2 during 2HCY25.

Sportage variant upgrade to rekindle demand: With the recent launch of new variants, LMC (72% stake) aims to capitalize on Sportage's strong track record as one of Pakistan's best-selling cross-over SUV. We anticipate volumes for FY26E for LMC to clock in at 17,374 units, reaching a market share of 9.0%.

Earnings revision: We have had a downward revision in our earnings estimates, down by 7.1%/16.0% for FY26E/FY27E, respectively, due to downward revision in income from LCI.

Target Price change: We have rolled over the stock's target price to PKR558.6/sh to Jun'26 compared to our previous target price of PKR393.0/sh for Dec'25, alongside, increase in its portfolio value amid surge in LCI's share price and incline in LMC's valuation post new variants launch.

Investment Perspective: We have a 'BUY' stance on the stock with Jun'26 SOTP target price of PKR558.6/sh. Our liking for LUCK stems from; i) improvement in core margins, ii) increase in dividend from power segment and iii) expected recovery in cyclical segments benefiting it's subsidiaries.

Risks: i) Decline in export prices may make exports unfeasible, thus leading to underutilization of south plants, ii) delay in tariff true-up of LEPCL and iii) recent tariff rationalization could lead to higher influx of imported cars.



AKD SECURITIES LIMITED

LUCK: Valuation Glance

(Pkr mn)	FY24	FY25	FY26E	FY27E
EPS (Pkr)	44.7	48.6	60.8	68.0
DPS (Pkr)	3.0	4.0	7.0	9.0
Gross Margins	30.1%	27.3%	27.3%	27.0%
P/E (x)	10.0	9.2	7.3	6.6
D/Y(%)	0.7%	0.9%	1.6%	2.0%
P/B(x)	0.7	1.7	1.4	1.1
ROE	23.3%	21.0%	20.4%	18.9%
ROA	11.0%	11.2%	11.8%	11.8%
EV/Ton (US\$)*	13.1	56.5	47.3	36.5
D/E (x)	0.8	0.5	0.4	0.3

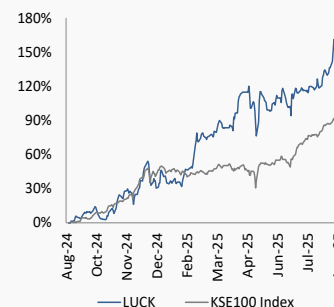
*Adjusting for local cement assets

Source: PSX & AKD Research

KATS Code	LUCK
Bloomberg Code	LUCK.PA
Price Pkr	445.6
Market Cap (Pkrmn)	652,731
Market Cap (US\$m)	2,296
Shares (mn)	1,465.0
Free Float Shares (mn)	440
1Yr High (Pkr)	445.6
1Yr Low (Pkr)	162.7
3M Avg DT Value (Pkr'000)	799,831
3M Avg DT Value (US\$'000)	2,813
1Yr Avg DT Value (Pkrmn)	379
1Yr Avg DT Value (US\$m)	1.3

Source: PSX & AKD Research

LUCK vs. KSE100 Index



Source: PSX & AKD Research

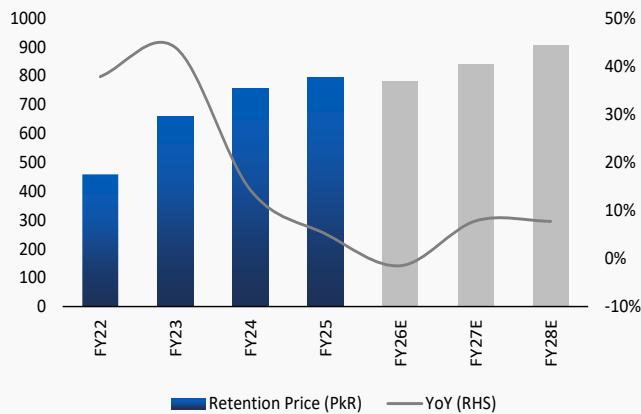


EXPORT BOOST TO IMPROVE UTILIZATION

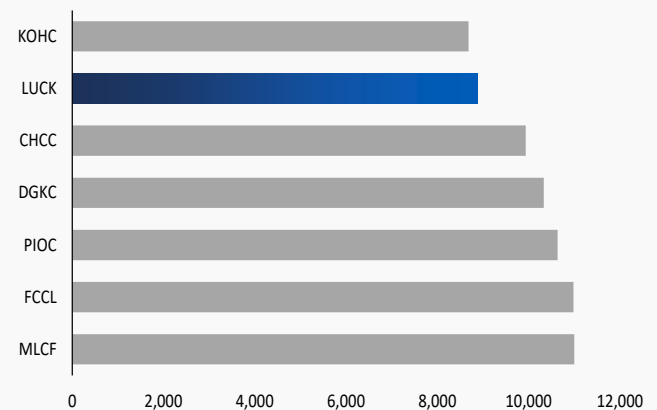
LUCK Sum of the part valuation (Jun'26 TP)

	Valuation Method	Valuation (Pkrmn)	Shares held (%)	Portfolio Discount (%)	LUCK share (Pkrmn)	TP Contri (Pkr/sh)	% contri in TP
Standalone	DCF	411,775	-	-	411,775	281.1	50.3%
LEPCL	DDM	186,169	100.0%	25.0%	139,627	95.3	17.1%
LMC	DCF	173,827	71.1%	25.0%	92,745	63.3	11.3%
LCI	Market value	151,577	55.0%	20.0%	66,694	45.5	8.1%
Iraq	DCF	230,004	50.0%	30.0%	80,501	54.9	9.8%
Congo	DCF	70,184	50.0%	30.0%	24,565	16.8	3.0%
YEL	DDM	12,969	20.0%	30.0%	1,816	1.2	0.2%
NRL	Book value	-	33.3%	30.0%	835	0.4	0.1%
LHL	Book value	-	75.0%	25.0%	32	0.0	0.0%
Jun'26 TP	-	-	-	-	-	558.6	100.0%

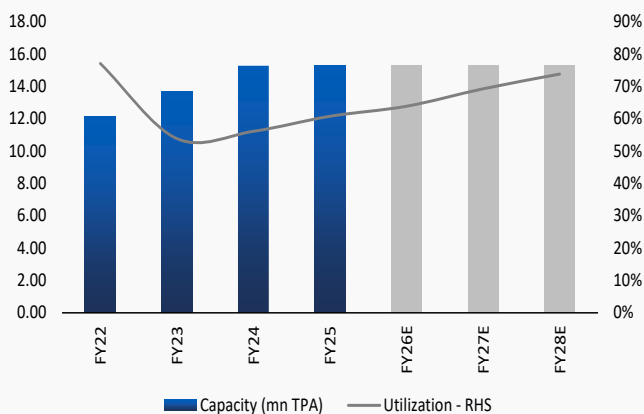
Retention prices continue to increase



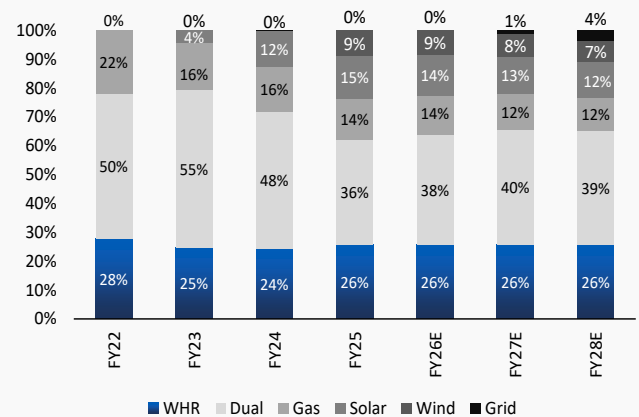
...along with cheaper COGS/ton... (Pkr)



Utilization to improve with increasing exports



...alongside higher reliance on self generation



Source: PSX, PBS, APCMA & AKD Research

LUCKY CEMENT LTD - FINANCIAL DATA BANK

(Key Ratios)	FY24	FY25	FY26E	FY27E	FY28E
EPS	44.7	48.6	60.8	68.0	75.7
DPS	3.0	4.0	7.0	9.0	11.0
BV	212.0	264.9	327.9	395.5	469.4
PE	10.0	9.2	7.3	6.6	5.9
Dividend Yield	0.7%	0.9%	1.6%	2.0%	2.5%
P/BV	0.7	1.7	1.4	1.1	0.9
Earnings Growth	21.5%	12.8%	20.3%	11.4%	11.1%
ROE	23.3%	21.0%	20.4%	18.9%	17.7%
Gross Margin	30.1%	27.3%	27.3%	27.0%	26.8%
Net Margin	17.6%	18.1%	19.2%	19.1%	19.1%

Income Statement	FY24	FY25	FY26E	FY27E	FY28E
(PkRmn)					
Sales	410,995	449,630	511,881	572,214	634,745
Gross Profit	123,517	122,738	139,638	154,565	170,396
EBITDA	130,312	132,772	142,709	158,130	176,025
Profit Before Tax	92,100	103,167	127,528	144,279	162,526
Net Profit	72,337	81,575	98,134	109,300	121,440

Balance Sheet	FY24	FY25	FY26E	FY27E	FY28E
(PkRmn)					
Current Assets	275,133	320,554	398,401	463,966	534,245
Long Term Assets	384,529	408,808	434,792	462,628	490,254
Total Assets	659,662	729,362	833,193	926,594	1,024,499
Current Liabilities	184,362	177,774	194,426	201,169	203,705
Non-Current Liabilities	164,668	163,547	158,452	146,065	133,179
Total Liabilities	349,030	341,320	352,878	347,234	336,883
Total Equity	310,631	388,041	480,315	579,360	687,615

Cash flow	FY24	FY25	FY26E	FY27E	FY28E
(PkRmn)					
CF from Operations	60,524	110,689	98,273	108,060	117,086
CF from Investing	(32,429)	(40,298)	(43,389)	(45,190)	(44,923)
CF from Financing	(2,829)	(15,477)	(2,530)	(23,202)	(29,709)
Net Change in Cash	25,266	54,914	52,354	39,668	42,454
Cash & Cash Equivalents	86,863	141,777	194,130	233,798	276,252



FAUJI CEMENT COMPANY LIMITED - BUY

Pricing power to command growth

SHARE PRICE
Pkr 59.5

TARGET PRICE
76.8

T. UPSIDE/(DOWNSIDE)
32.5%

DIVIDEND YIELD
3.4%

FCCL commands the highest retention prices in the grey cement segment, owing to its robust brand equity. Company is set to emerge a key beneficiary of the ongoing monetary easing cycle, as the most leveraged player in our AKD Cement universe. We maintain a 'BUY' rating on the stock, with Jun'26 target price of Pkr76.8/sh, reflecting total return of 32.5%.

Commanding the curve: FCCL is poised to benefit from its recent capacity expansion to 10.6mn TPA, despite currently operating at a modest utilization level of 51% during FY25. We anticipate FCCL's local market share to remain 13% in FY26/FY27/FY28, respectively, up from 12.1%/11.0% in FY24/FY23, respectively. Company commands the highest retention prices in the grey cement segment, owing to its robust brand equity and higher corporate sales. Furthermore, company has potential of exports from DGK plant given continued higher export prices, however we have not incorporated that in our base case.

Poised to gain from monetary easing: FCCL is set to emerge as a key beneficiary of the ongoing monetary easing cycle, with benchmark interest rates expected to reach single digits in FY26. As the most leveraged player in the AKD Cement Universe, with a debt-to-equity (D/E) ratio of 0.4x, compared to industry avg. of 0.22x, the recent 1100bps decline in interest rate is expected to significantly reduce FCCL's finance costs to Pkr3.4bn during FY26E, down 41%YoY. Additionally, we anticipate a positive 0.6% impact of 1.0% cut on FY26E EPS.

Powering growth through renewables: We project margins to lift to 37.8% by FY28 given an optimized fuel mix, initiatives in renewable energy and company's investment in PP-bag line. Company has enhanced its reliance on local coal, currently making up to 59% of fuel mix, offering a cost advantage of ~25% over imported coal, supporting robust margins. Moreover, company sources ~5% of its energy from alternative fuels, with plans to increase this share to 10-15% in the near term. Along with, FCCL is beneficiary of the declining grid cost, (down 9%YoY) amid its higher reliance on grids (FY26E: 40%). Additionally, company's recent investment of Pkr1.5bn in the development of an additional 15MW solar captive plant is expected to raise in-house power generation to 55% of total power requirements.

Earnings revision: We have had an upward revision in our earnings estimate for FY26E/FY27E, by 8.2%/22.8%, respectively, due to reduction in power cost amid a 9% decline in grid tariff.

Target Price change: We have rolled over the stock's target price to Jun'26 at Pkr76.8/sh compared to our previous target price of Pkr61 for Dec'25, besides incorporating impact of lower power cost amid declining grid tariff and higher forecasted demand.

Valuation sensitivity to conversion price: In our base case, we have assumed the conversion of Pkr7.6bn loan from parent into ordinary shares at a par value of Pkr10. However, if the conversion takes place at Pkr30, our TP would be Pkr91.1, whereas, conversion at the prevailing market price would result in a target price of Pkr94.7.

Investment Perspective: We maintain a 'BUY' stance on FCCL with a Jun'26 DCF target price of Pkr76.8/sh, offering an upside potential of 32.5% from the last close. Our positive view is anchored by, i) industry-leading retention prices, ii) improving gross margins (FY26E GM: 34.1%) given optimal energy mix, and iii) declining financing cost amid easing policy rate given its high leverage position (D/E: 0.4x).

Risks: i) Any upward revision in the agreed royalty amount could lead to higher production cost, and ii) increase in coal prices given geopolitical uncertainty.



AKD SECURITIES LIMITED

FCCL: Valuation Glance

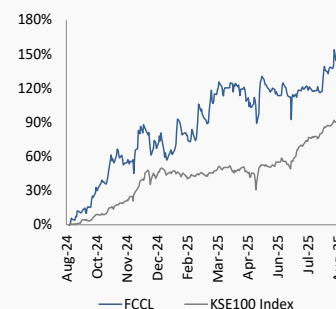
(Pkr mn)	FY24	FY25	FY26E	FY27E
EPS (Pkr)	3.4	5.4	6.0	7.9
DPS (Pkr)	1.0	1.3	2.0	2.5
Gross Margins	32.1%	35.5%	34.1%	36.5%
P/E (x)	5.0	10.9	9.8	7.6
D/Y(%)	1.7%	2.1%	3.4%	4.2%
P/B(x)	2.0	1.7	1.5	1.4
ROE	11.2%	15.8%	15.7%	18.0%
ROA	5.6%	8.3%	8.6%	10.6%
EV/Ton (US\$)	30.3	59.1	54.3	49.5
D/E (x)	0.60	0.48	0.40	0.31

Source: PSX & AKD Research

KATS Code	FCCL
Bloomberg Code	FCCL.PA
Price Pkr	59.5
Market Cap (Pkrmn)	145,846
Market Cap (US\$mn)	513
Shares (mn)	2,452.8
Free Float Shares (mn)	858
1Yr High (Pkr)	59.5
1Yr Low (Pkr)	21.0
3M Avg DT Value (Pkr'000)	527,884
3M Avg DT Value (US\$'000)	1,857
1Yr Avg DT Value (Pkrmn)	527
1Yr Avg DT Value (US\$mn)	1.9

Source: PSX & AKD Research

FCCL vs. KSE100 Index

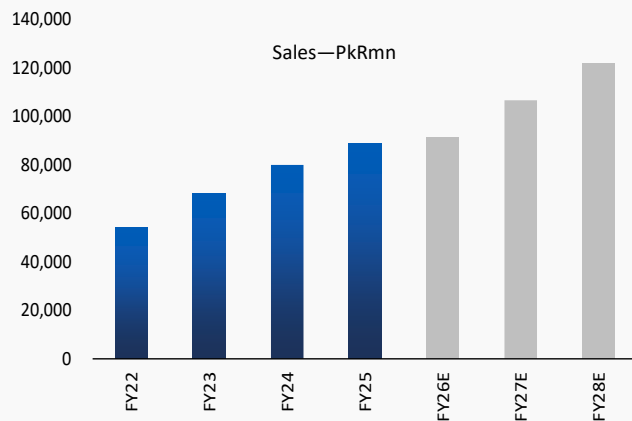


Source: PSX & AKD Research

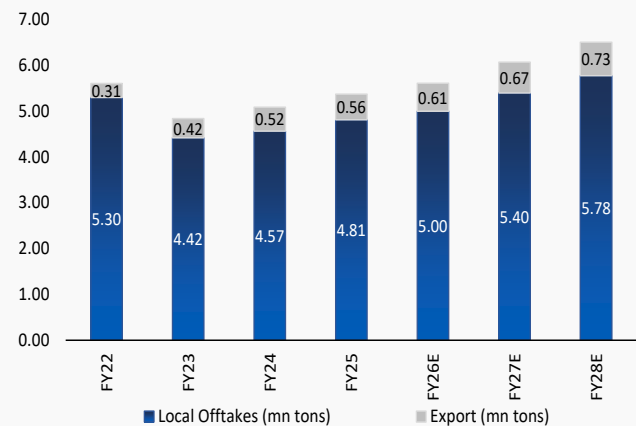


STRONG BRAND EQUITY TO SUPPORT PREMIUM PRICING

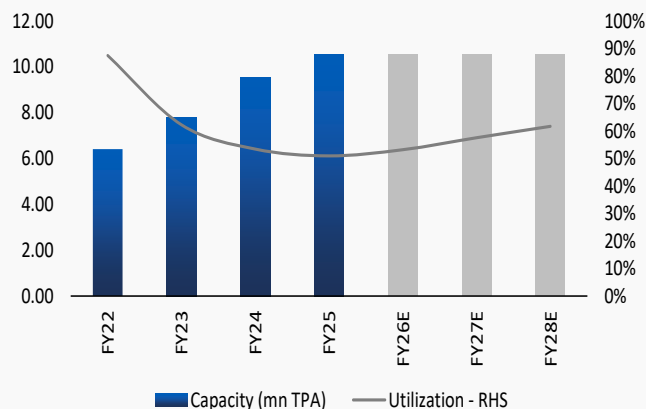
Revenue to witness robust growth



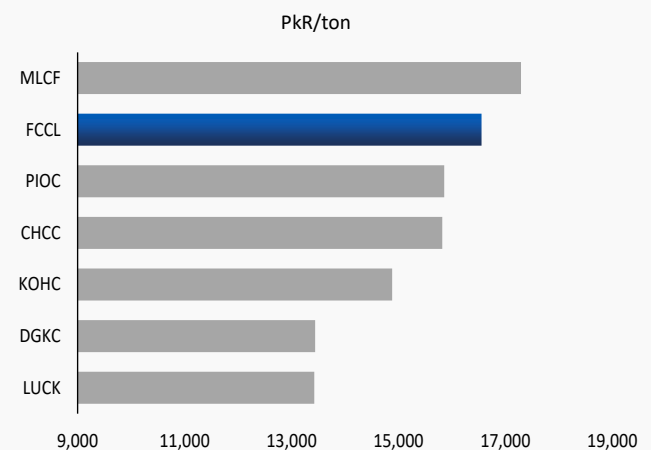
given higher domestic market share



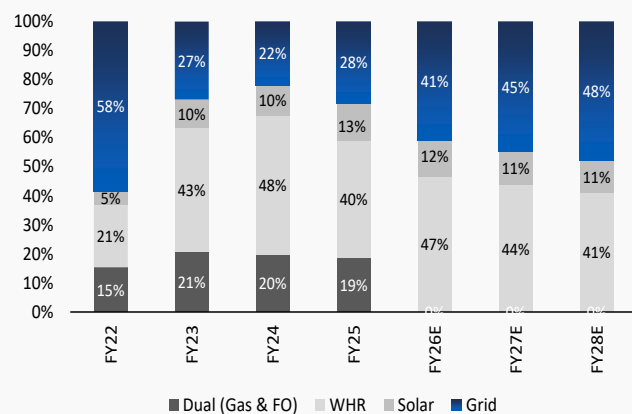
Resulting in improved utilization



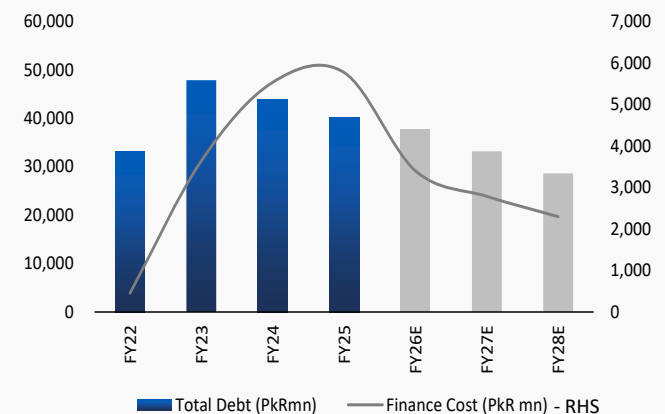
along with higher retention price amid strong brand equity



With increasing reliance on renewables



FCCL to remain key beneficiary of declining policy rate



Source: PSX, PBS, APCMA & AKD Research

FAUJI CEMENT COMPANY LTD - FINANCIAL DATA BANK

(Key Ratios)	FY24	FY25	FY26E	FY27E	FY28E
EPS	3.4	5.4	6.0	7.9	9.6
DPS	1.0	1.3	2.0	2.5	3.0
BV	29.9	34.4	38.4	43.8	50.3
PE	5.0	10.9	9.8	7.6	6.2
Dividend Yield	1.7%	2.1%	3.4%	4.2%	5.0%
P/BV	2.0	1.7	1.5	1.4	1.2
Earnings Growth	10.5%	62.1%	11.1%	30.2%	21.9%
ROE	11.2%	15.8%	15.7%	18.0%	19.0%
Gross Margin	32.1%	35.5%	34.1%	36.5%	37.8%
Net Margin	10.3%	15.0%	16.2%	18.1%	19.3%

Income Statement	FY24	FY25	FY26E	FY27E	FY28E
(PkRmn)					
Sales	80,026	88,956	91,594	106,709	121,967
Gross Profit	25,680	31,571	31,277	38,901	46,049
EBITDA	24,667	31,984	32,040	38,849	45,346
Profit Before Tax	15,355	21,526	23,888	31,225	38,123
Net Profit	8,223	13,326	14,808	19,276	23,492

Balance Sheet	FY24	FY25	FY26E	FY27E	FY28E
(PkRmn)					
Current Assets	25,784	40,473	48,338	56,698	67,249
Long Term Assets	121,852	120,373	123,367	125,425	127,520
Total Assets	147,636	160,845	171,705	182,122	194,769
Current Liabilities	26,865	30,637	32,151	33,971	35,030
Non-Current Liabilities	47,372	45,935	45,379	40,833	36,287
Total Liabilities	74,237	76,573	77,530	74,804	71,317
Total Equity	73,399	84,272	94,175	107,318	123,451

Cash flow	FY24	FY25	FY26E	FY27E	FY28E
(PkRmn)					
CF from Operations	22,285	24,313	21,369	21,529	25,089
CF from Investing	(8,158)	(11,259)	(7,744)	(6,894)	(7,020)
CF from Financing	(8,480)	(12,739)	(7,215)	(10,702)	(11,905)
Net Change in Cash	5,647	315	6,409	3,933	6,165
Cash & Cash Equivalents	1,997	2,311	8,721	12,654	18,818



MAPLE LEAF CEMENT FACTORY LIMITED - BUY

White cement provides niche market leadership

SHARE PRICE	TARGET PRICE	T. UPSIDE/(DOWNSIDE)	DIVIDEND YIELD
 104.8	 141.8	 36.5%	 1.2%

Company leads the sector with retention rates reaching ~Pkr17,293/ton during FY25. This pricing strength is supported by the inclusion of white cement and putty in its sales mix. We maintain a 'BUY' rating on the stock, with Jun'26 target price of Pkr141.8/sh, reflecting total return of 36.5%.

Strategic fuel synergy in play: Company's gross margins are expected to remain bolstered given it's efficient fuel mix, particularly 50% reliance on local coal (ability to process coal with higher sulfur content). The reliance on local coal offers a cost advantage, being ~25% more cost-effective compared to imported alternatives. Additionally, the company currently sources 23% of its fuel mix from biomass, with plans underway to raise this share to 40%. However, our base case factors in a 30% biomass contribution to the fuel mix.

Optimized power mix: MLCF stands to benefit from declining coal prices, down 12% YoY amid it's higher reliance on coal in the power mix. The power mix comprises 40% reliance on coal-based generation, 23% from the Waste Heat Recovery (WHR) system, 16% from Furnace Oil, 9% through solar energy, and only 12% sourced from the national grid. This diversified energy portfolio enables the company to maintain one of the lowest weighted average power cost in the industry, at approximately Pkr17.9/kWh, significantly supporting its gross margins.

Niche market leadership: With a distinct edge in pricing, company leads the sector with retention rates reaching ~Pkr17,293/ton during FY25. This pricing strength is supported by the inclusion of white cement and putty in company's sales mix. These products are priced 1.5–1.8x higher than grey cement. Backed by an annual white cement capacity of 150k TPA and holding close to 90% share in this specialized segment, allowing the company to maintain elevated retention levels.

Diversification into Healthcare: MLCF is expanding its business portfolio by venturing into the healthcare industry with the creation of Novacare Hospitals (Pvt.) Ltd. However, we have not incorporated the valuation of the hospital business in our base case.

Utilization remains below industry avg: MLCF's domestic market share remained at 10.3% during FY25, despite operating at a utilization level of 48.8%. While the company witnessed a 4%YoY decline in its domestic sales, slightly underperforming the industry's 2% contraction in local market offtakes.

Earnings revision: We have had an upward revision in our earnings estimate for FY26E/FY27E, up by 57.1%/70.3% YoY, respectively due to reduction in Power and Fuel cost amid company's increased reliance on alternative fuels, and an increase in retention prices.

Target Price change: We have rolled over our target price to Jun'26 at Pkr141.8/sh compared to previous target price of Pkr70.0/sh for Dec'25, besides incorporating, i) increased reliance on alternative fuel, ii) decrease in effective tax rates amid tax exemptions for Maple Leaf Power, and iii) declining finance cost.

Investment Perspective: We maintain a 'BUY' stance on MLCF with a Jun'26 DCF target price of Pkr141.8/sh, offering total upside of 36.5%, alongside trading at a compelling valuation of US\$47.7 EV/ton. Our investment case is supported by i) company's strong domestic market share (10.3% in FY25), ii) efficient energy and fuel mix, and iii) higher retention prices due to inclusion of white cement & putty.

Risks: i) Entry of new competitors in the white cement or putty segment could hamper MLCF's pricing power, ii) delays in the execution or lower-than-expected returns from new hospital business venture, iii) increase in coal prices could render the CFB plant unviable, significantly reducing the utility of the related subsidiary.



AKD SECURITIES LIMITED

MLCF: Valuation Glance

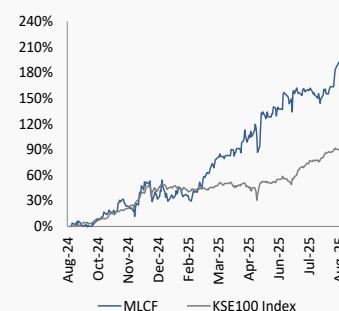
(Pkr mn)	FY24	FY25	FY26E	FY27E
EPS (Pkr)	6.6	11.0	10.1	13.1
DPS (Pkr)	0.0	0.0	1.3	2.5
Gross Margins	33.8%	37.1%	37.2%	39.4%
P/E (x)	5.5	9.5	10.4	8.0
D/Y(%)	0.0%	0.0%	1.2%	2.4%
P/B(x)	1.9	1.5	1.4	1.2
ROE	12.0%	16.2%	13.2%	15.0%
ROA	6.9%	9.7%	8.7%	10.6%
EV/Ton (US\$)	21.4	47.7	44.7	40.9
D/E (x)	0.26	0.21	0.16	0.11

Source: PSX & AKD Research

KATS Code	MLCF
Bloomberg Code	MLCF.PA
Price Pkr	104.8
Market Cap (Pkrmn)	109,816
Market Cap (US\$mn)	386
Shares (mn)	1,047.6
Free Float Shares (mn)	471
1Yr High (Pkr)	104.8
1Yr Low (Pkr)	32.2
3M Avg DT Value (Pkr'000)	738,451
3M Avg DT Value (US\$'000)	2,597
1Yr Avg DT Value (Pkrmn)	610
1Yr Avg DT Value (US\$mn)	2.1

Source: PSX & AKD Research

MLCF vs. KSE100 Index

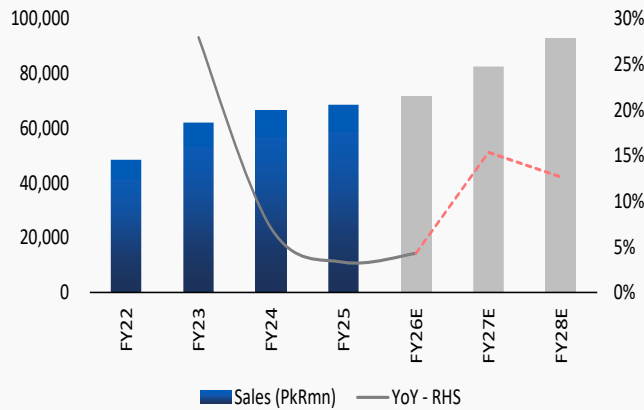


Source: PSX & AKD Research

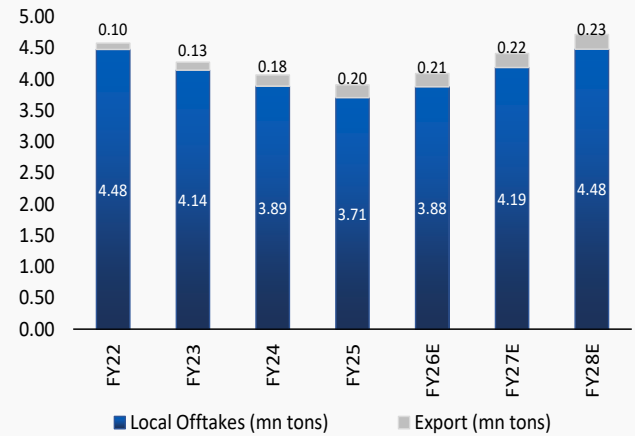


STRONG POSITION IN WHITE CEMENT TO DRIVE PRICE PREMIUMS

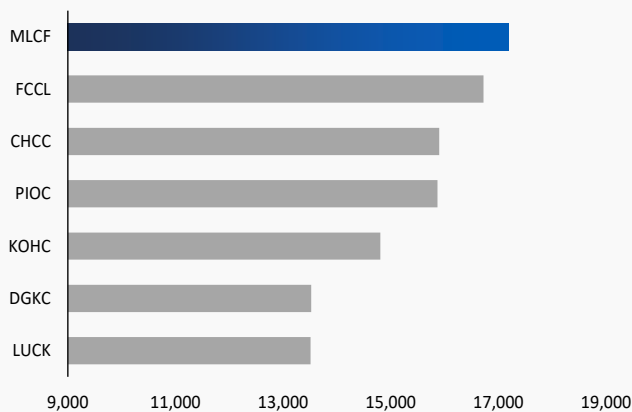
Revenue to grow 35%YoY over 3-years...



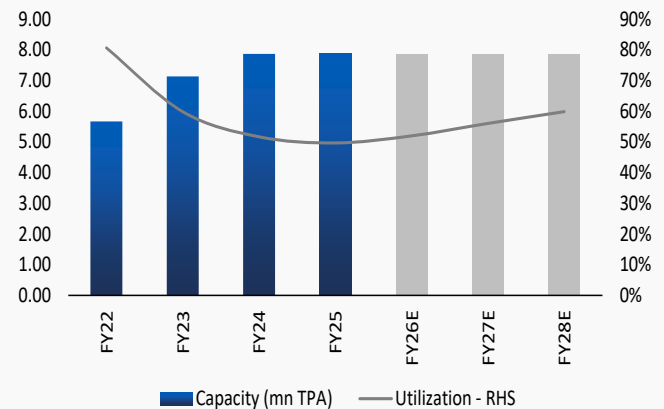
...given increase in offtakes



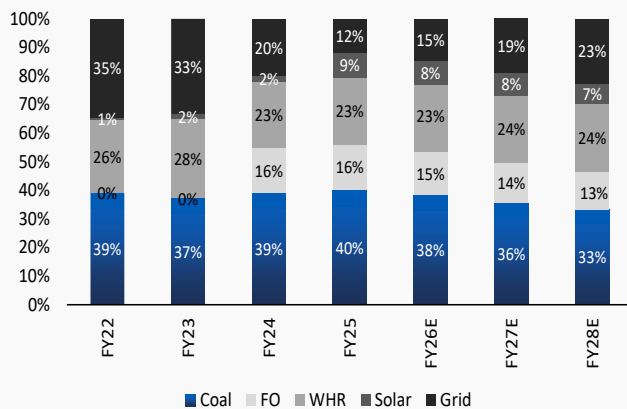
Leading to highest retention prices in the sector Pkr/ton



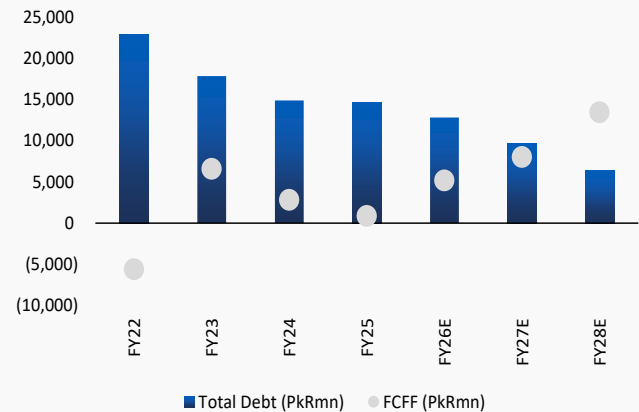
along with higher and stable utilization



Higher reliance on local coal to support margins



Debt sustainability to enhance given rising FCFF



Source: PSX, PBS, APCMA & AKD Research

MAPLE LEAF CEMENT FACTORY LTD - FINANCIAL DATA BANK

(Key Ratios)	FY24	FY25	FY26E	FY27E	FY28E
EPS	6.6	11.0	10.1	13.1	15.8
DPS	0.0	0.0	1.3	2.5	4.5
BV	55.0	67.7	76.6	87.2	98.5
PE	5.5	9.5	10.4	8.0	6.6
Dividend Yield	0.0%	0.0%	1.2%	2.4%	4.3%
P/BV	1.9	1.5	1.4	1.2	1.1
Earnings Growth	19.4%	66.9%	-8.0%	29.4%	20.6%
ROE	12.0%	16.2%	13.2%	15.0%	16.0%
Gross Margin	33.8%	37.1%	37.2%	39.4%	40.2%
Net Margin	10.4%	16.8%	14.9%	16.7%	17.8%

Income Statement	FY24	FY25	FY26E	FY27E	FY28E
(PkRmn)					
Sales	66,452	68,654	71,300	82,260	92,709
Gross Profit	22,430	25,442	26,500	32,391	37,296
EBITDA	19,177	24,136	22,448	27,203	31,333
Profit Before Tax	10,806	16,369	16,544	21,413	25,819
Net Profit	6,920	11,503	10,588	13,704	16,524

Balance Sheet	FY24	FY25	FY26E	FY27E	FY28E
(PkRmn)					
Current Assets	27,375	36,655	39,528	45,646	54,371
Long Term Assets	72,969	82,077	82,807	83,363	83,923
Total Assets	100,344	118,732	122,335	129,010	138,295
Current Liabilities	19,028	23,419	24,066	22,071	21,438
Non-Current Liabilities	23,672	24,353	18,031	15,615	13,722
Total Liabilities	42,700	47,772	42,097	37,686	35,160
Total Equity	57,644	70,959	80,239	91,324	103,134

Cash flow	FY24	FY25	FY26E	FY27E	FY28E
(PkRmn)					
CF from Operations	12,781	19,121	11,010	13,724	19,324
CF from Investing	(4,129)	(14,988)	(6,534)	(6,311)	(6,275)
CF from Financing	(9,533)	(2,284)	(3,057)	(5,813)	(7,909)
Net Change in Cash	(881)	1,848	1,419	1,600	5,140
Cash & Cash Equivalents	(130)	1,718	3,137	4,737	9,877



KOHAT CEMENT COMPANY LTD - BUY

Efficiency-Led ascent in cement space



AKD SECURITIES LIMITED

SHARE PRICE	TARGET PRICE	T. UPSIDE/(DOWNSIDE)	DIVIDEND YIELD
 105.6	 158.6	 51.1%	 0.9%

Kohat Cement Company is trading at the lowest EV/EBIDTA in our universe at 3.3x compared to the AKD Universe average of 5.9x. Company has deferred its expansion plans due to sluggish domestic demand but continues to focus on enhancing operational efficiency through increased investment in renewables, along with plans to set up a 30MW coal-fired captive power plant. We recommend a 'BUY' with a Jun'26 target price of PkR158.6/sh, offering 51.1% total upside.

Energy cost relief boosts profitability: Company stands to benefit as its plant in KPK is subject to lower royalty rates compared to the higher rates imposed in Punjab. Subsequently, we anticipate gross margins to clock in at 39.2/42.2% in FY26/FY27, respectively, remaining above the industry avg. of 33.8%/33.6%, despite a PkR100/ton increase in royalty rates. Notably, we project margins to boost beyond FY27, to 43.4%/44.6% during FY28E/FY29E, respectively, given increasing reliance on captive power.

Operational edge backed by efficient power infrastructure: We project company's power and fuel cost to decline by 25%/20% during FY26/FY27, given increasing reliance on self generation. Company has successfully commissioned a 5.3MW solar project, increasing its total solar generation capacity to 15.4MW, with further plans to enhance it to 20.0MW. Additionally, the company is setting up a 30MW coal-fired power plant, with commissioning expected to conclude by the end of FY26. The aforementioned increase in renewables and coal captive capacity is expected to reduce reliance on the grid. Additionally, KOHC stands as the cheapest producer in AKD Cement Universe with COGS/ton at PkR8,676 during 9MFY25, given it's higher reliance on self generation and renewables.

Cash-rich, debt-light, and growth-ready: Company's bottom line remains well-supported by a strong stream of other income, backed by cash and short-term investments amounting to PkR34.2/sh as of Mar'25, where other-income is expected to contribute 23% of PBT for FY26E. We haven't taken any expansion in our base case; but the robust liquidity position not only cushions profitability but also provides ample flexibility to fund future growth or expansion plans without placing any strain on the company's capital structure.

Earnings revision: We have had an upward revision in our earnings estimate for FY26E/FY27E, up by 13.6%/19.6%, due to improved efficiencies driven by an optimized power and fuel mix. However, earnings are anticipated to take hit of 13%YoY during FY26E, due to increase in royalty rates and decline in other-income given higher CAPEX for coal plant.

Target Price change: We have rolled-over the stock's target price to Jun'26 at PkR158.6/sh compared to our previous target price of PkR107/sh for Dec'25, alongside taking into accounts increasing reliance on coal amid setting up of a 30MW coal-fired captive plant.

Investment Perspective: We maintain a 'BUY' stance on KOHC with a Jun'26 DCF target price of PkR158.6/sh, offering potential return of 51.1% from the last close. Our bullish view is supported by i) the company's attractive valuation, trading at the lowest EV/EBITDA in our universe at 3.3x vs the AKD Universe average of 5.9x, ii) positioned as the sector's lowest-cost producer (COGS/ton: PkR8,676), iii) efficient energy mix to keep gross margins uplifted, and iv) strong stream of other income.

Risks: i) Increased allocation of capital towards lower-yielding assets in real estate, and ii) any upward revision in the agreed royalty amount could lead to higher production costs, putting additional pressure on operating margins.

KOHC: Valuation Glance

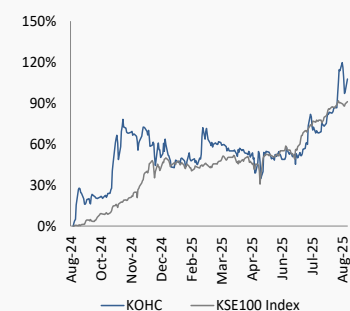
(PkR mn)	FY24	FY25E	FY26E	FY27E
EPS (PkR)	9.7	12.8	11.1	13.6
DPS (PkR)	0.0	0.0	1.0	3.0
Gross Margins	29.1%	41.7%	39.2%	42.2%
P/E (x)	4.5	8.2	9.5	7.8
D/Y(%)	0.0%	0.0%	0.9%	2.8%
P/B(x)	2.4	1.8	1.6	1.4
ROE	21.6%	22.3%	16.4%	17.4%
ROA	15.1%	16.5%	12.2%	14.0%
EV/Ton (US\$)	14.1	44.6	46.8	39.2
D/E (x)	0.04	0.08	0.01	0.00

Source: PSX & AKD Research

KATS Code	KOHC
Bloomberg Code	KOHC.PA
Price PkR	105.6
Market Cap (PkRmn)	19,421
Market Cap (US\$mn)	68
Shares (mn)	183.9
Free Float Shares (mn)	46
1Yr High (PkR)	110.0
1Yr Low (PkR)	50.1
3M Avg DT Value (PkR'000)	28,168
3M Avg DT Value (US\$'000)	99
1Yr Avg DT Value (PkRmn)	16
1Yr Avg DT Value (US\$mn)	0.1

Source: PSX & AKD Research

KOHC vs. KSE100 Index



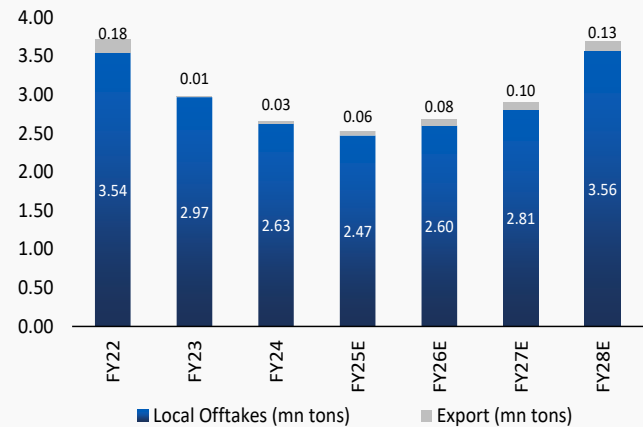
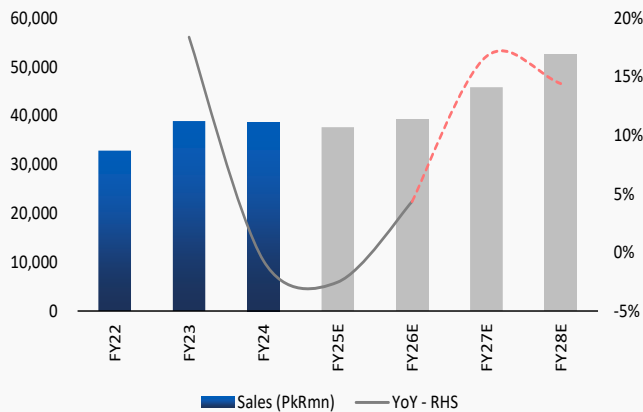
Source: PSX & AKD Research



MARGIN RESILIENCE AIDED BY LOWER ROYALTY RATES

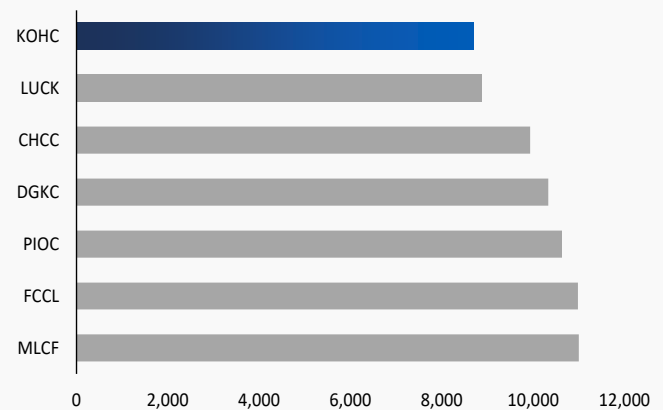
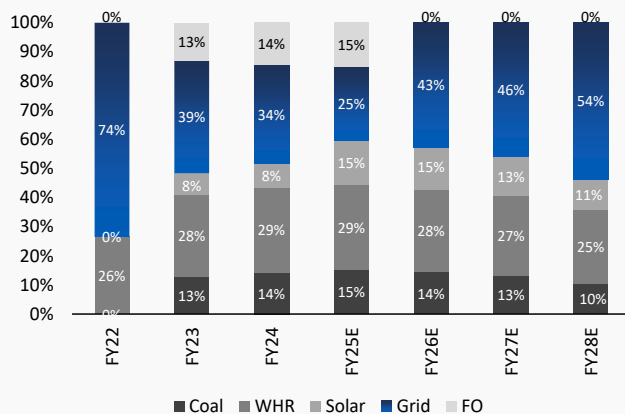
Cement offtakes to rise by 46% over 3-years

supported by 44%YoY increase in domestic sales



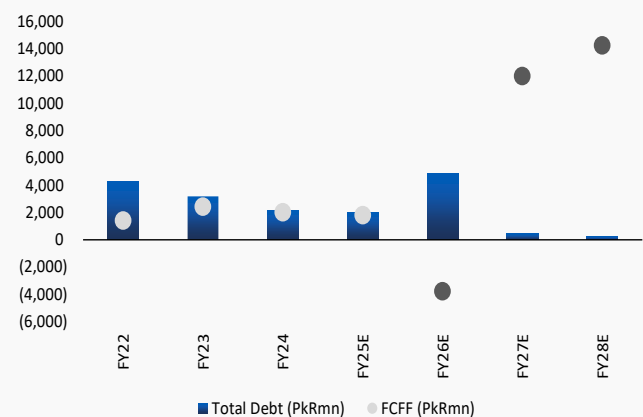
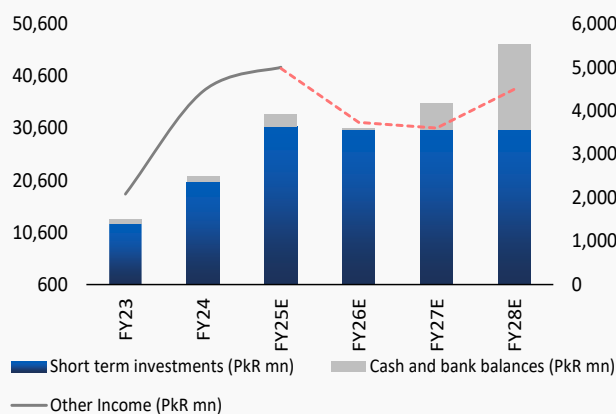
Having higher reliance on renewables....

...leading to lowest COGS/ton in the sector



Having high short-term investments

leaving space for Future Capex without denting capital structure



Source: PSX, PBS, APCMA & AKD Research

KOHAT CEMENT COMPANY LTD - FINANCIAL DATA BANK

(Key Ratios)	FY24	FY25E	FY26E	FY27E	FY28E
EPS	9.7	12.8	11.1	13.6	16.3
DPS	0.0	0.0	1.0	3.0	3.0
BV	44.7	57.4	67.5	78.1	91.5
PE	4.5	8.2	9.5	7.8	6.5
Dividend Yield	0.0%	0.0%	0.9%	2.8%	2.8%
P/BV	2.4	1.8	1.6	1.4	1.2
Earnings Growth	52.8%	32.5%	-13.5%	22.5%	20.2%
ROE	21.6%	22.3%	16.4%	17.4%	17.9%
Gross Margin	29.1%	41.7%	39.2%	42.2%	43.4%
Net Margin	23.0%	31.3%	26.0%	27.2%	28.6%

Income Statement	FY24	FY25E	FY26E	FY27E	FY28E
(PkRmn)					
Sales	38,648	37,666	39,301	45,879	52,491
Gross Profit	11,256	15,707	15,417	19,351	22,758
EBITDA	15,635	19,959	18,605	22,678	26,656
Profit Before Tax	13,776	18,361	16,568	20,317	24,379
Net Profit	8,893	11,788	10,201	12,500	15,022

Balance Sheet	FY24	FY25E	FY26E	FY27E	FY28E
(PkRmn)					
Current Assets	32,294	45,583	41,302	46,859	59,559
Long Term Assets	26,549	25,895	42,276	42,425	42,575
Total Assets	58,843	71,479	83,577	89,284	102,134
Current Liabilities	11,096	12,117	15,185	11,252	11,880
Non-Current Liabilities	6,657	6,577	6,327	6,225	6,183
Total Liabilities	17,753	18,695	21,512	17,477	18,063
Total Equity	41,090	52,784	62,065	71,808	84,071

Cash flow	FY24	FY25E	FY26E	FY27E	FY28E
(PkRmn)					
CF from Operations	6,579	12,261	13,341	14,276	16,593
CF from Investing	(4,962)	(10,669)	(17,381)	(2,378)	(2,388)
CF from Financing	(1,448)	(253)	1,906	(7,101)	(2,969)
Net Change in Cash	169	1,340	(2,135)	4,797	11,237
Cash & Cash Equivalents	1,103	2,442	308	5,104	16,341



D.G. KHAN CEMENT COMPANY LTD - BUY

Undervalued core, strategic lift ahead

SHARE PRICE

PkR 209.2

TARGET PRICE

₹ 320.9

T. UPSIDE/(DOWNSIDE)

↑ 55.8%

DIVIDEND YIELD

% 2.4%

DGKC stands to benefit from the ongoing monetary easing cycle, with our expectation for interest rates to reach single digits during FY26. DGKC appears significantly undervalued at current levels, especially in light of its sizeable strategic holdings in group companies like MCB. We recommend a "BUY" with a Jun'26 target price of PkR320.9/sh, offering 55.8% total return.

Monetary easing tailwind: DGKC stands to benefit from the ongoing monetary easing cycle, with our expectation for interest rates to reach single digits during FY26. The company stands out as the second most leveraged player in the AKD Cement Universe, with a D/E ratio of 0.31x. Finance-cost to EBIDTA is expected to ease to 5% in FY28, compared to 19% during FY25, due to easing benchmark rates.

Exports to uplift margins: DGKC has witnessed a notable turnaround in its gross margins to 25.7% during FY25, compared to 15.9% in FY24. The said improvement in gross margins is attributable to better export prices for clinker, which have increased to ~US\$35/ton from US\$30/ton, previously. Moreover, the company's strategic focus on exports to the USA has resulted in higher prices in the region. Additionally, increased reliance on in-house power generation, reducing dependence on the grid, has contributed to improved gross margins amid declining coal prices to US\$94/ton.

Demand recovery to drive capacity uplift: DGKC's south-region utilization for FY25 stood at 136%, totaling utilization to 88%, given higher exports from the South due to increased viability over eased coal prices and incline in int'l cement and clinker prices. We anticipate utilization to increase to 95% during FY26E, amid a 7.3%YoY increase in sales, start of uptick in construction period given; i) a pick-up in government spending, and ii) sustained demand from the real estate sector are anticipated to drive improvement in cement demand, while improved global demand and strategic position in the USA market is expected to enhance export offtakes by 10%YoY.

Core-cement business significantly underpriced: DGKC appears significantly undervalued at current levels, especially in light of its sizeable strategic holdings in group companies like MCB. Company's portfolio value stands at PkR95/sh, after applying a 25% conglomerate discount, suggesting the market is pricing the core cement operations at merely PkR114/sh.

Earnings revision: We have had an upward revision in our earnings estimate for FY26E/FY27E, up by 139%/141%, respectively, due to improvement in margins given better export prices and lower fuel & power cost, along with higher exports.

Target Price change: We have rolled over the stock's target price to Jun'26 at PkR320.9/sh compared to our previous target price of PkR167.0/sh for Dec'25, along with incorporating, i) better export prices coupled with higher demand, ii) deleveraging aided by lower financing costs and stronger profitability, and iii) higher portfolio value.

Investment Perspective: We maintain a 'BUY' stance on DGKC with a Jun'26 DCF target price of PkR320.9/share, offering total return of 55.8%. Our positive view is anchored by, i) declining finance cost amid easing interest rates given its high leverage position (D/E: 0.31x), ii) improving export prices amid increase in global demand, and iii) incline in utilization to enhance fixed cost absorption.

Risks: i) Decline in export prices may compress profit margins, ii) recently imposed reciprocal tariffs by the U.S. on imports, can lead to underutilization of south plants, and iii) increase in coal prices given geopolitical uncertainty to pressure margins.



AKD SECURITIES LIMITED

DGKC: Valuation Glance

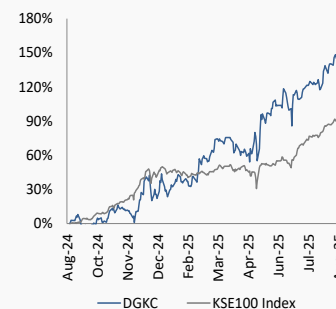
(PkR mn)	FY24	FY25	FY26E	FY27E
EPS (PkR)	1.2	19.8	25.6	30.2
DPS (PkR)	0.0	2.0	5.0	9.0
Gross Margins	15.9%	25.7%	25.2%	26.5%
P/E (x)	53.9	10.6	8.2	6.9
D/Y(%)	0.0%	1.0%	2.4%	4.3%
P/B(x)	1.2	1.0	0.9	0.8
ROE	0.7%	9.2%	10.8%	11.7%
ROA	0.4%	5.9%	7.4%	8.3%
EV/Ton (US\$)	16.5	37.9	33.2	29.6
D/E (x)	0.45	0.23	0.20	0.18

Source: PSX & AKD Research

KATS Code	DGKC
Bloomberg Code	DGKC.PA
Price PkR	209.2
Market Cap (PkRmn)	91,663
Market Cap (US\$mn)	322
Shares (mn)	438.1
Free Float Shares (mn)	219
1Yr High (PkR)	209.2
1Yr Low (PkR)	73.3
3M Avg DT Value (PkR'000)	917,882
3M Avg DT Value (US\$'000)	3,228
1Yr Avg DT Value (PkRmn)	773
1Yr Avg DT Value (US\$mn)	2.7

Source: PSX & AKD Research

DGKC vs. KSE100 Index

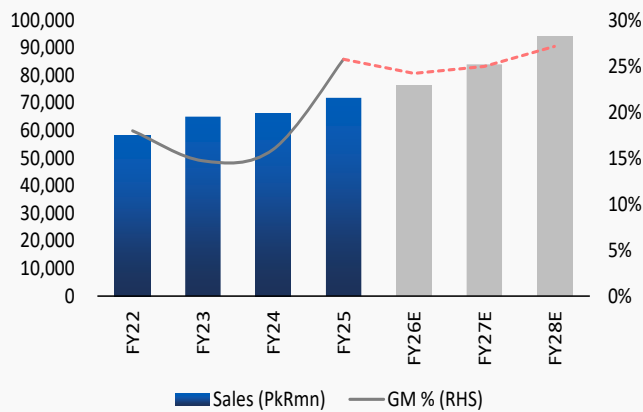


Source: PSX & AKD Research

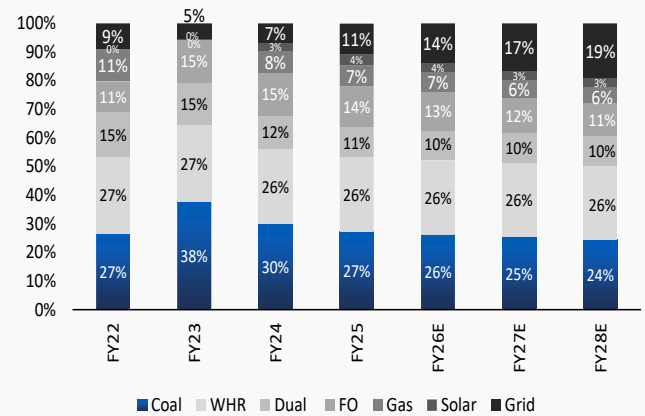


LOWER INTEREST EXPENSES TO AID BOTTOM-LINE GROWTH

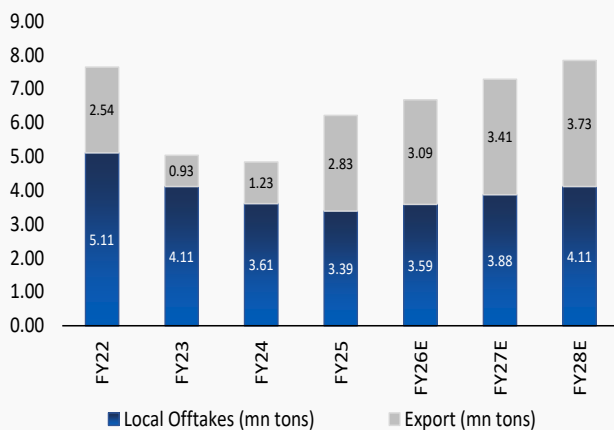
Gross margins to improve moving forward



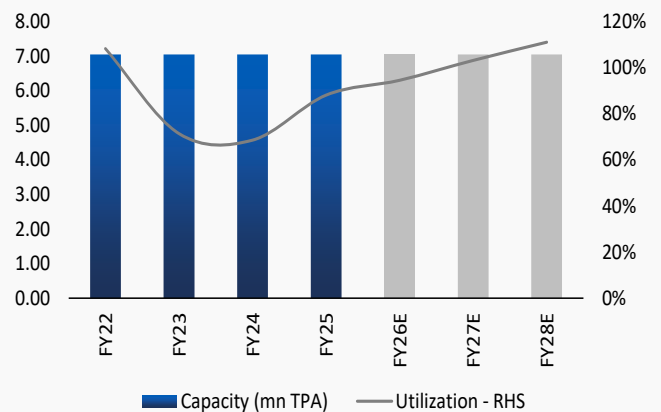
due to higher reliance on in-house generation...



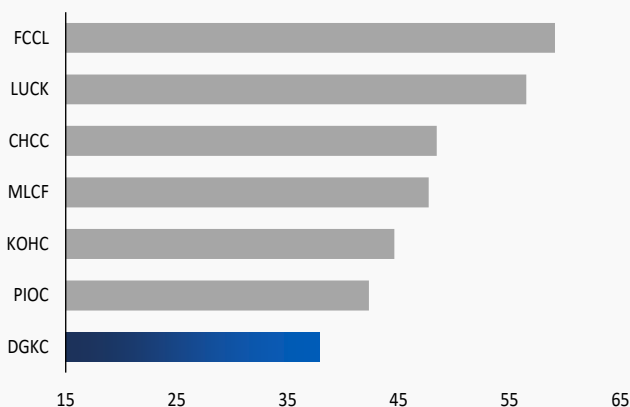
...and rising exports



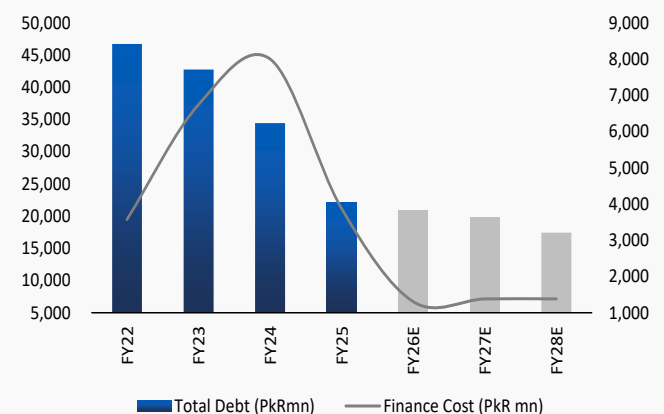
...leading to higher utilization



DGKC having the lowest EV/ton of U\$38



DGKC to remain major beneficiary of falling interest rates



Source: PSX, PBS, APCMA & AKD Research

D.G. KHAN CEMENT COMPANY LTD - FINANCIAL DATA BANK - UNCONSOLIDATED.

(Key Ratios)	FY24	FY25	FY26E	FY27E	FY28E
EPS	1.2	19.8	25.6	30.2	37.3
DPS	0.0	2.0	5.0	9.0	11.0
BV	173.1	216.1	236.7	257.9	284.2
PE	53.9	10.6	8.2	6.9	5.6
Dividend Yield	0.0%	1.0%	2.4%	4.3%	5.3%
P/BV	1.2	1.0	0.9	0.8	0.7
Earnings Growth	-114.9%	16.0x	29.5%	17.8%	23.6%
ROE	0.7%	9.2%	10.8%	11.7%	13.1%
Gross Margin	15.9%	25.7%	25.2%	26.5%	28.5%
Net Margin	0.8%	12.1%	14.8%	15.7%	17.5%

Income Statement	FY24	FY25	FY26E	FY27E	FY28E
(PkRmn)					
Sales	66,039	71,893	76,041	84,135	93,681
Gross Profit	10,528	18,506	19,190	22,314	26,682
EBITDA	14,670	20,637	22,192	25,278	30,215
Profit Before Tax	2,839	13,005	17,186	20,172	25,085
Net Profit	542	8,675	11,230	13,228	16,348

Balance Sheet	FY24	FY25	FY26E	FY27E	FY28E
(PkRmn)					
Current Assets	41,771	47,908	51,719	58,946	66,984
Long Term Assets	96,615	98,016	99,619	100,118	100,622
Total Assets	138,386	145,924	151,338	159,064	167,606
Current Liabilities	32,226	25,911	26,765	29,609	30,459
Non-Current Liabilities	30,312	25,346	20,866	16,464	12,627
Total Liabilities	62,538	51,257	47,631	46,073	43,086
Total Equity	75,848	94,667	103,707	112,992	124,520

Cash flow	FY24	FY25	FY26E	FY27E	FY28E
(PkRmn)					
CF from Operations	6,030	10,034	16,942	15,035	18,923
CF from Investing	2,277	3,001	(7,771)	(6,233)	(5,889)
CF from Financing	4,051	(9,358)	(3,253)	(5,056)	(7,255)
Net Change in Cash	12,358	3,677	5,918	3,746	5,779
Cash & Cash Equivalents	(12,333)	(8,656)	(2,739)	1,008	6,787



CHERAT CEMENT COMPANY LIMITED - BUY

Stability priced too cheap

SHARE PRICE

PkR 354.2

TARGET PRICE

₹ 605.9

T. UPSIDE/(DOWNSIDE)

↑ 73.0%

DIVIDEND YIELD

% 2.0%

Company has gone through a major de-leveraging cycle with its outstanding debt decreasing by 15%YoY and 45% compared to Sep'23. This reduction brings Cherat's D/E to 0.17x, one of the lowest in the industry. We recommend a 'BUY' stance with a Jun'26 target price of PkR605.9/sh, offering total return of 73.0%.

Debt rationalization in play: Company has gone through a major de-leveraging cycle with its outstanding debt declining by 15%YoY and 45% compared to Sep'23 (as per Jun'25 accounts). This reduction brings company's D/E to 0.17x, one of the lowest in the industry. The decline in debt, coupled with a 1,100bps decrease in interest rates from Jun'24 to May'25, is expected to positively impact the bottom-line, as monetary policy typically transmits with a lag. We anticipate company's net margins to increase to 19.9% during FY26 compared to 14.3%/11.8% during FY24/FY23, respectively.

Declining grid tariffs to offset the impact of increase in gas prices: We anticipate company to be key beneficiary of declining grid rates. Company was fully reliant on gas power-generation, with no dependence on the grid. We expect the company to reduce its reliance on gas-based generation following the recent hike in captive gas tariffs, now aligned with RLNG prices after the additional levy, along with the imposed levy on furnace oil. Consequently, the company is likely to shift towards greater dependence on grid electricity.

Margins to normalize amid royalty increase: CHCC is expected to benefit from its plant's location in KPK, where royalty rates remain lower than those in Punjab. However, a PkR100/ton of limestone increase in royalty rates, would result in increasing gross margins over FY26/FY27 to 35.1%/37.2%, respectively.

Shift to local coal enhances cost competitiveness: Company has increased its reliance on local coal to 60% in its fuel mix, compared to 10%/59% during FY23/24, respectively. The reliance on local coal offers a cost advantage, being ~25% more cost-effective compared to imported alternatives, supporting robust margins. We anticipate company's gross margin to improve to 38.5% by FY28E.

Earnings revision: We have had an upward revision in our earnings estimate for FY26E/FY27E, up by 24.3%/37.8%, due to decline in fuel and power cost by 5%/6% for FY26E/FY27E, respectively, along with benefit of lower royalty.

Target Price change: We have rolled over the stock's target price to Jun'26 at PkR605.6/sh compared to our previous target price of PkR379.0/sh for Dec'25, stemming from decline in fuel & power cost, and beneficiary of lower royalty rates.

Investment Perspective: We maintain a 'BUY' stance on CHCC with a Jun'26 DCF target price of PkR605.6/sh, offering total return of 73.0%. Our liking for the scrip is driven by; i) the company's strong deleveraging, bringing its D/E to just 0.17x, ii) robust margins, supported by increased reliance on local coal (~60%) and expansion in solar capacity to 23MW, and iii) lower royalty rates in the region.

Risks: i) Limited expansion in recent years, in contrast to the broader industry's significant capacity growth, presents a potential risk to its market share, ii) price wars within the industry pose a key risk, threatening margin compression, and iii) increase in coal prices given geopolitical uncertainty.



AKD SECURITIES LIMITED

CHCC: Valuation Glance

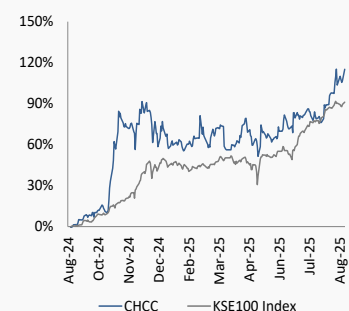
(PkR mn)	FY24	FY25	FY26E	FY27E
EPS (PkR)	28.3	44.7	41.0	52.3
DPS (PkR)	5.5	5.5	7.0	9.5
Gross Margins	30.8%	36.9%	35.1%	37.2%
P/E (x)	5.3	7.9	8.6	6.8
D/Y(%)	1.6%	1.6%	2.0%	2.7%
P/B(x)	2.7	2.1	1.7	1.4
ROE	21.5%	26.1%	19.9%	21.1%
ROA	13.4%	17.2%	14.1%	15.8%
EV/Ton (US\$)	1,211	1,912	1,753	2,238
D/E (x)	0.16	0.10	0.06	0.04

Source: PSX & AKD Research

KATS Code	CHCC
Bloomberg Code	CHCC.PA
Price PkR	354.2
Market Cap (PkRmn)	68,813
Market Cap (US\$mn)	242
Shares (mn)	194.3
Free Float Shares (mn)	107
1Yr High (PkR)	354.2
1Yr Low (PkR)	158.6
3M Avg DT Value (PkR'000)	112,883
3M Avg DT Value (US\$'000)	397
1Yr Avg DT Value (PkRmn)	124
1Yr Avg DT Value (US\$mn)	0.4

Source: PSX & AKD Research

CHCC vs. KSE100 Index



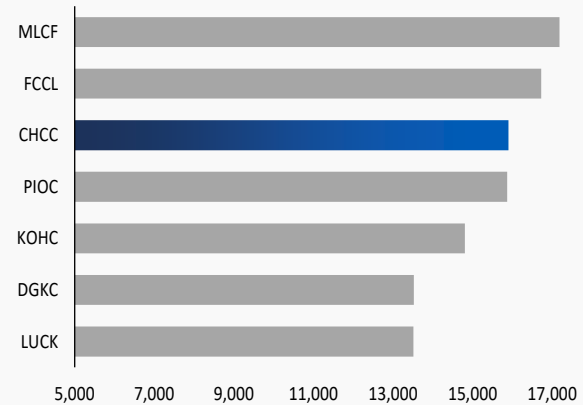
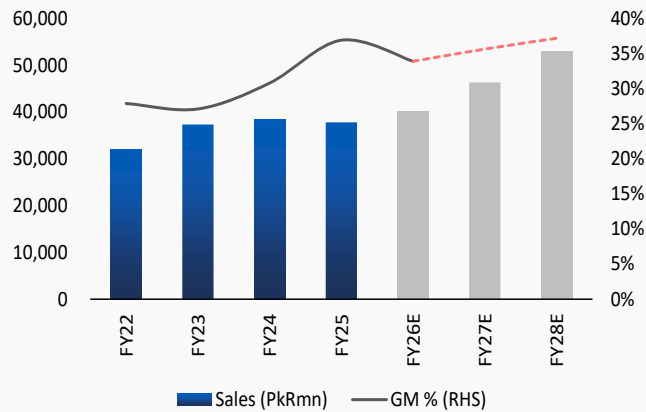
Source: PSX & AKD Research



DOMESTIC OFFTAKES TO RISE 7%YOY IN FY26E

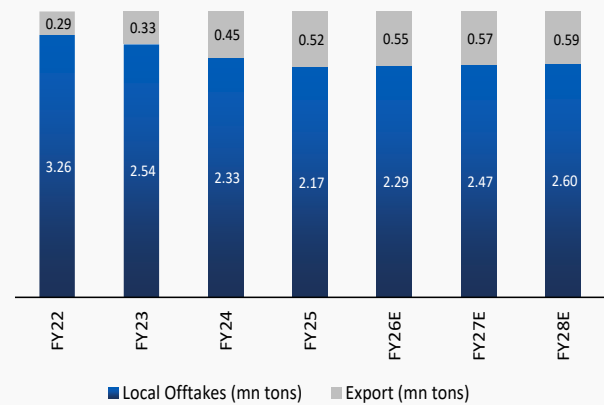
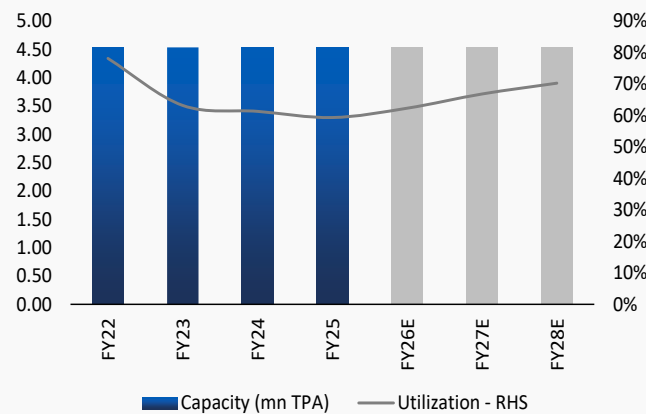
Gross margins to improve due to lower royalty rates

coupled with higher retention prices (Pkr/ton)



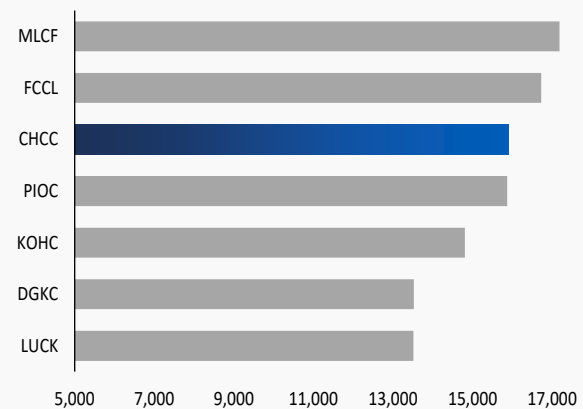
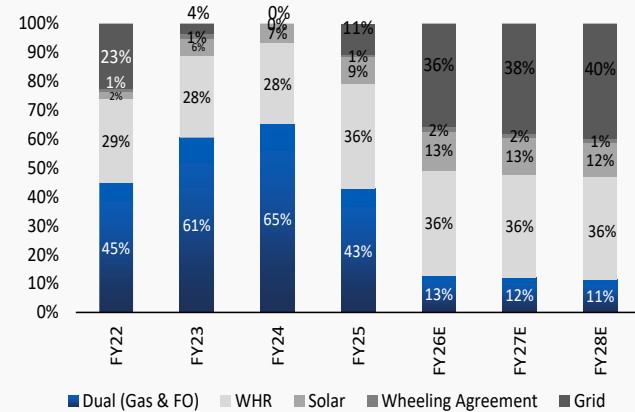
Offtakes set for sustained rise...

...as exports continue to grow



Grid reliance to rise as captive gas prices surge

strong stream of other income to support bottom-line



Source: PSX, PBS, APCMA & AKD Research

CHERAT CEMENT COMPANY LTD - FINANCIAL DATA BANK

(Key Ratios)	FY24	FY25	FY26E	FY27E	FY28E
EPS	28.3	44.7	41.0	52.3	63.7
DPS	5.5	5.5	7.0	9.5	11.0
BV	131.5	171.4	205.4	248.2	300.8
PE	5.3	7.9	8.6	6.8	5.6
Dividend Yield	1.6%	1.6%	2.0%	2.7%	3.1%
P/BV	2.7	2.1	1.7	1.4	1.2
Earnings Growth	24.9%	57.8%	-8.3%	27.6%	21.7%
ROE	21.5%	26.1%	19.9%	21.1%	21.2%
Gross Margin	30.8%	36.9%	35.1%	37.2%	38.5%
Net Margin	14.3%	23.0%	19.9%	22.0%	23.6%

Income Statement	FY24	FY25	FY26E	FY27E	FY28E
(PkRmn)					
Sales	38,434	37,811	40,032	46,160	52,475
Gross Profit	11,840	13,970	14,061	17,171	20,208
EBITDA	12,353	15,180	15,194	18,658	22,174
Profit Before Tax	9,228	12,887	12,979	16,565	20,156
Net Profit	5,500	8,681	7,959	10,160	12,368

Balance Sheet	FY24	FY25	FY26E	FY27E	FY28E
(PkRmn)					
Current Assets	11,501	21,355	26,482	34,149	43,772
Long Term Assets	29,533	29,199	29,996	30,344	30,696
Total Assets	41,034	50,554	56,478	64,492	74,468
Current Liabilities	7,358	8,769	8,610	8,595	8,638
Non-Current Liabilities	8,134	8,477	7,961	7,676	7,379
Total Liabilities	15,491	17,246	16,571	16,271	16,017
Total Equity	25,543	33,308	39,907	48,221	58,451

Cash flow	FY24	FY25	FY26E	FY27E	FY28E
(PkRmn)					
CF from Operations	13,101	11,911	10,396	11,010	13,311
CF from Investing	(1,797)	(1,229)	(2,348)	(1,957)	(2,011)
CF from Financing	(8,828)	(2,007)	(2,749)	(2,865)	(2,944)
Net Change in Cash	2,476	8,675	5,299	6,188	8,355
Cash & Cash Equivalents	1,063	9,738	15,037	21,225	29,581



PIONEER CEMENT LIMITED - BUY Deleveraged and demand-ready



AKD SECURITIES LIMITED

SHARE PRICE	TARGET PRICE	T. UPSIDE/(DOWNSIDE)	DIVIDEND YIELD
252.2	345.5	43.5%	6.5%

Company's exclusive focus on the domestic market, enables it to command higher retention prices relative to peers. Alongside, company stands to benefit from the recent decline in coal prices, given higher reliance on coal in it's power mix .We maintain a 'BUY' rating on the stock, with Jun'26 target price of PkR345.5/sh, reflecting total return of 43.5%.

Domestic retention advantage: PIOC reported sales/ton of PkR15,927/ton during 9MFY25, ranking as the second highest across AKD Cement Universe. This strong performance is primarily driven by the company's exclusive focus on the domestic market, enabling it to command higher retention prices relative to peers involved in exports, which typically fetch lower net realizations. Our base case does not factor in any export volumes for the company; however, if export prices turn favorable, they could provide an upside to profitability, supported by the currently available surplus capacity.

From lows to lift-Off: PIOC currently operates at the lowest utilization level within the AKD Cement Universe, primarily due to subdued domestic demand and absence of export sales. However, with an expected sector rebound, supported by declining interest rates and a substantial rise in PSDP spending, company's utilization is projected to improve to 49%/54%/57% in FY26/FY27/FY28, respectively.

Efficiency-driven margin expansion: Company is positioned as a major beneficiary of the recent decline in coal prices, given that coal constitutes the largest share of its power mix. Currently, 61.1% of power requirements are met through its coal-fired plant (CFP), while 27.6% comes from the waste heat recovery (WHR) system and the remainder from the grid. With its strategic shift away from costly grid dependency toward more economical in-house sources, the company is well placed to sustain margin expansion going forward. Company maintains fuel efficiency through a diversified coal mix, comprising 40% local, 50% Afghan, and 10% imported coal. With a ~25% cost differential between local and imported coal, this sourcing strategy effectively lowers company's average fuel cost.

Balance sheet strengthens: PIOC is well-positioned to benefit from its ongoing deleveraging efforts, coupled with declining interest rate environment. As per the latest financials Mar'25, the company has significantly reduced its debt burden, with the debt-to-equity (D/E) ratio falling to 0.2x compared to 0.6x in Mar'23.

Earnings revision: We have had a downward revision in our earnings estimate for FY26E by 2.5%, due to exclusion of exports volume, and upward for FY27E by 5.8% YoY given lower grid rates, respectively.

Target Price change: We have rolled forward the stock's target price to Jun'26 at PkR345.5/sh compared to our previous target price of PkR264.0/sh for Dec'25, alongside lower fuel and power cost.

Investment Perspective: We maintain a 'BUY' stance on PIOC with a Jun'26 DCF target price of PkR345.5/sh, total return of 43.5%. Our bullish view is underpinned by i) company's robust deleveraging (D/E down to 0.2x from 0.6x in Mar'23), ii) improving utilization outlook (FY26E: 45%), and iv) improving gross margins amid efficient power mix.

Risks: i) Infrastructure project delays, low housing demand, or broader economic slowdown due to the recent flooding can sharply curtail volumetric growth, given company's exclusive reliance on local sales and absence of export markets, and ii) increase in coal prices given geopolitical uncertainty.

PIOC: Valuation Glance

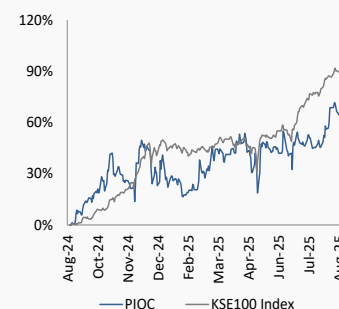
(Pkr mn)	FY24	FY25E	FY26E	FY27E
EPS (Pkr)	22.8	22.9	24.7	31.5
DPS (Pkr)	15.0	15.0	16.5	21.0
Gross Margins	33.1%	33.4%	33.7%	36.2%
P/E (x)	5.1	11.0	10.2	8.0
D/Y(%)	5.9%	5.9%	6.5%	8.3%
P/B(x)	1.3	1.2	1.2	1.1
ROE	11.3%	11.0%	11.3%	13.6%
ROA	6.1%	6.0%	6.3%	7.8%
EV/Ton (US\$)	996	1,002	1,079	1,380
D/E (x)	0.23	0.17	0.19	0.17

Source: PSX & AKD Research

KATS Code	PIOC
Bloomberg Code	PIOC.PA
Price Pkr	252.2
Market Cap (Pkrmn)	57,294
Market Cap (US\$mn)	202
Shares (mn)	227.1
Free Float Shares (mn)	102
1Yr High (Pkr)	253.6
1Yr Low (Pkr)	146.3
3M Avg DT Value (Pkr'000)	48,409
3M Avg DT Value (US\$'000)	170
1Yr Avg DT Value (Pkrmn)	74
1Yr Avg DT Value (US\$mn)	0.3

Source: PSX & AKD Research

PIOC vs. KSE100 Index

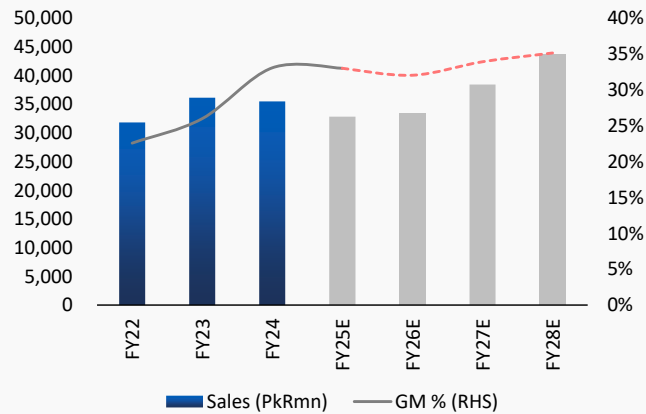


Source: PSX & AKD Research

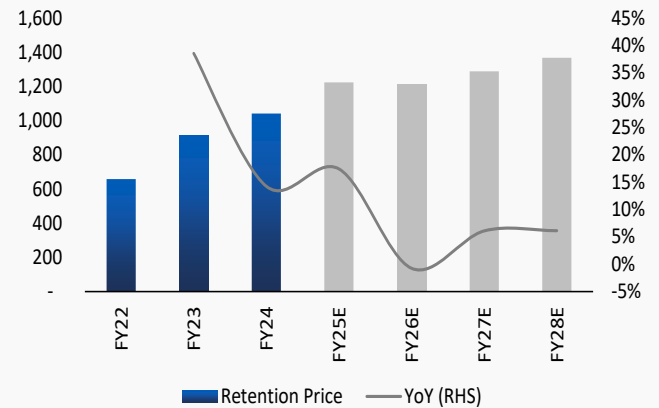


DOMESTIC OFFTAKES UPLIFT TO IMPROVE UTILIZATION

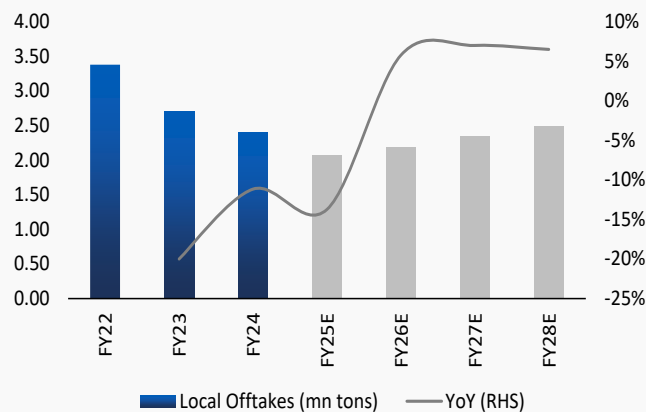
Margins continue to improve...



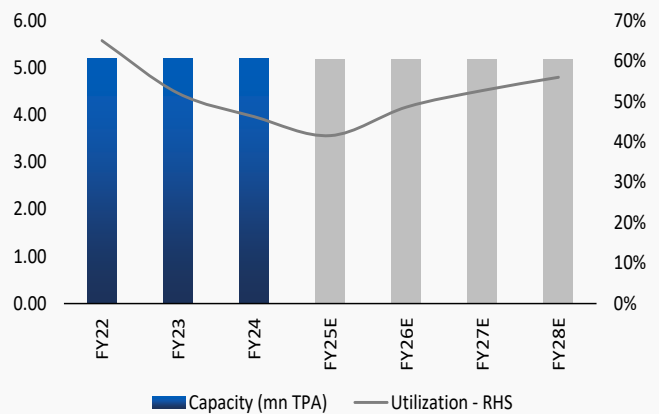
...amid second highest Sale/ton in the sector



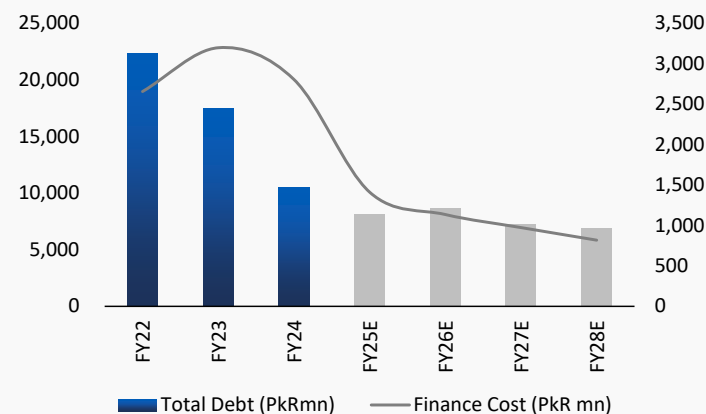
Offtakes to surge given pent-up demand...



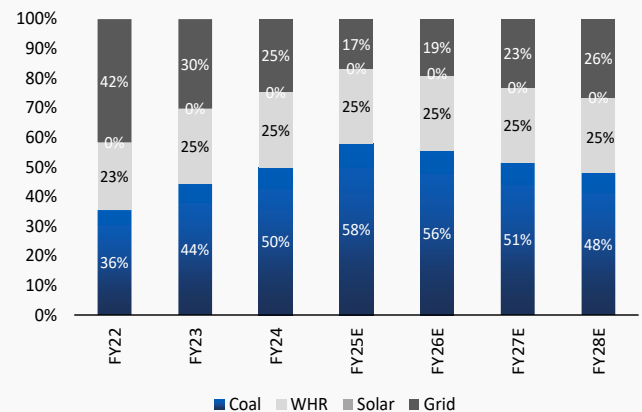
...leading to improvement in utilization to 57% in FY28E



Finance cost to decline amid major de-leveraging cycle



Coal to remain major source in the power mix



Source: PSX, PBS, APCMA & AKD Research

PIONEER CEMENT LTD - FINANCIAL DATA BANK

(Key Ratios)	FY24	FY25E	FY26E	FY27E	FY28E
EPS	22.8	22.9	24.7	31.5	38.9
DPS	15.0	15.0	16.5	21.0	25.5
BV	201.1	209.0	218.7	232.7	249.1
PE	5.1	11.0	10.2	8.0	6.5
Dividend Yield	5.9%	5.9%	6.5%	8.3%	10.1%
P/BV	1.3	1.2	1.2	1.1	1.0
Earnings Growth	98.2%	0.6%	7.7%	27.9%	23.3%
ROE	11.3%	11.0%	11.3%	13.6%	15.6%
Gross Margin	33.1%	33.4%	33.7%	36.2%	38.0%
Net Margin	14.6%	15.8%	17.0%	18.6%	20.1%

Income Statement	FY24	FY25E	FY26E	FY27E	FY28E
(PkRmn)					
Sales	35,519	32,857	33,058	38,444	44,029
Gross Profit	11,763	10,983	11,127	13,902	16,724
EBITDA	14,143	12,989	13,364	15,987	18,631
Profit Before Tax	8,383	8,518	9,150	11,695	14,432
Net Profit	5,176	5,206	5,605	7,166	8,839

Balance Sheet	FY24	FY25E	FY26E	FY27E	FY28E
(PkRmn)					
Current Assets	8,103	11,506	12,553	14,656	17,434
Long Term Assets	76,975	75,328	76,337	77,372	78,422
Total Assets	85,078	86,834	88,890	92,028	95,856
Current Liabilities	14,717	15,124	15,566	16,626	17,058
Non-Current Liabilities	24,689	24,239	23,656	22,542	22,209
Total Liabilities	39,406	39,363	39,221	39,168	39,267
Total Equity	45,672	47,471	49,669	52,860	56,589

Cash flow	FY24	FY25E	FY26E	FY27E	FY28E
(PkRmn)					
CF from Operations	12,628	9,812	7,373	9,010	11,343
CF from Investing	(962)	(3,975)	(4,024)	(4,092)	(4,150)
CF from Financing	(11,595)	(5,808)	(2,303)	(4,129)	(5,680)
Net Change in Cash	71	28	1,046	789	1,514
Cash & Cash Equivalents	415	443	1,488	2,277	3,791



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Valuation Methodology

To arrive at our period end target prices, AKDS uses different valuation techniques including:

- Discounted Cash Flow (DCF, DDM)
- Relative Valuation (P/E, P/B, P/S etc.)
- Equity & Asset return based methodologies (EVA, Residual Income etc.)

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- Buy > 15% expected total return
- Neutral > 0% to < 15% expected total return
- Sell < 0% expected total return

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