Cherat Cement Company Limited
A Ghulam Faruque Group Company

CHERAT CEMENT COMPANY LIMITED

Corporate Briefing Session

For the year ended June 30, 2026

Monday, November 02, 2026



The Founder



Late Mr. Ghulam Faruque

CIE, HPK, OBE

A visionary and a highly respected name in industrial circles, he spearheaded the development of Pakistan's industry and laid the foundation for the country's industrialisation.

Honours conferred

- Office of the Order of the British Empire, 1944
- Companion of the Order of the Indian Empire, 1946
- Commander of the Order of Merit, Spain, 1956
- Hilal-e-Pakistan, 1958 (highest-ranking civilian award of Pakistan)
- Honorary Doctorate of Science, West Pakistan University of Engineering and Technology, 1966
- Fellow Member of the Chartered Institute of Logistics & Transport, London
- Member of the Association of Iron and Steel Technology, USA

Group Structure

Faruque (Private) Limited
Parent Company

Cherat Cement Company Limited

A leader in cement manufacturing, selling in Pakistan & Afghanistan

Cherat Packaging Limited

Manufacturer of Polypropylene bags, flexible packaging products and carrier/SOS bags

Mirpurkhas Sugar Mills Limited

Manufacturer and seller of sugar and corrugated paper

Unicol Limited

Joint venture distillery producing ethanol, sugar and liquid carbon dioxide (Co2)

Greaves Pakistan (Pvt.) Limited

Providing specialized engineering sales and services

Air Conditioning (Pvt.) Limited

HVAC and BMS equipment suppliers and solution providers

Zensoft (Pvt.) Limited

Information systems services provider specializing in business software solutions

CFS Minerals (Pvt.) Limited

Joint venture for acquisition, leasing, exploration and development of mining rights

OUR VALUES



RESPECT
is our way of life



QUALITY
is our legacy



OWNERSHIP
is our way to success



FAIRNESS
is our way of work

Nature of Business

About the Company

Cherat Cement Company Limited is a Ghulam Faruque Group (GFG) Company, principally engaged in the manufacturing, marketing and sale of cement. The Company is a pioneer in Pakistan's cement industry and commands a leading market position in its region, placing an unwavering emphasis on quality.

The Company offers Ordinary Portland Cement under the Cherat brand and Portland Composite Cement under the Cherat Khyber brand, manufactured in accordance with applicable quality standards.

Local and International Market

The Company's manufacturing plant is strategically located in Village Lakrai, District Nowshera, Khyber Pakhtunkhwa (KPK), catering primarily to the local market of KPK, FATA, Azad Kashmir and Punjab. The Company also actively exports its product to the Afghanistan market.

REVENUE DRIVERS

Ordinary Portland Cement
Cherat brand

Portland Composite Cement
Cherat Khyber brand

Our Products



JOURNEY OF SUCCESS



Significant Events

- Macroeconomic factors
- Overview of local cement demand
- Closure of Afghan border
- Volatility in commodity prices
- Optimising fuel and power mix
- BESS and solar project

Industry Dispatches - Tons

Description	June 2026	June 2025	Variance
North	33,196,990	30,172,280	10%
South	6,386,757	6,121,383	4%
Total local dispatches	**39,583,747**	**36,293,663**	**9%**
Afghanistan	803,975	1,683,456	-52%
Sea	8,236,668	7,529,722	9%
Total export dispatches	**9,040,643**	**9,213,178**	**-2%**
Total industry dispatches	**48,624,390**	**45,506,841**	**7%**



+7%

Total industry dispatches
48.6M tonnes vs 45.5M



+9%

Local dispatches
North +10%, South +4%



–52%

Exports to Afghanistan
Border closure since Oct 2025

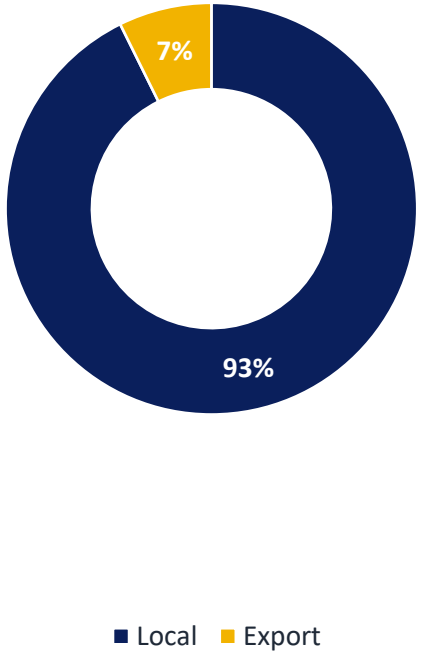
Company Dispatches - Tons

Description	June 2026	June 2025	Variance
Local	2,176,787	1,995,003	9%
Export	171,618	395,161	-57%
Total dispatches	**2,348,405**	**2,390,164**	**-2%**

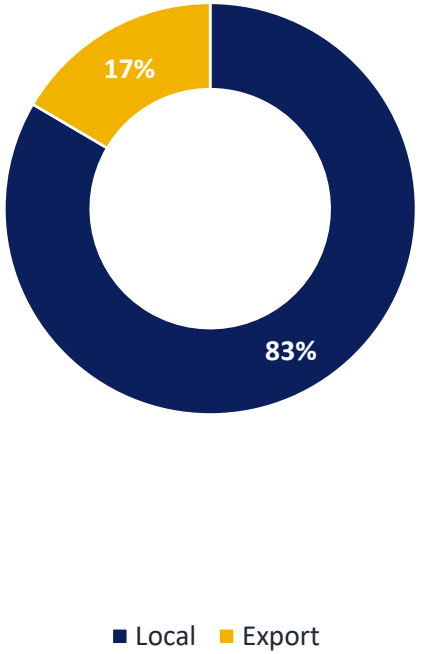
Local dispatches up 9%

Strong domestic demand lifted local volumes to 2.18M tons, while exports fell 57% after the Afghan border closure. Local share of the sales mix rose to 93%.

Sales mix 2026



Sales mix 2025



Executive Summary

GROSS REVENUE

PKR 56.4B

Highest-ever topline

NET PROFIT

PKR 7.2B

Second highest

LOCAL DISPATCHES

+9%

Growth vs 2025

EARNINGS PER SHARE

PKR 37.34

Second highest

Operational Highlights

+9%

Local dispatches
Vs 2025

–57%

Export dispatches
Vs 2025

+13%

CEM II
+90% growth Vs 2025

+32%

Local coal substitution
Vs 2025

+11%

Other income
Vs 2025

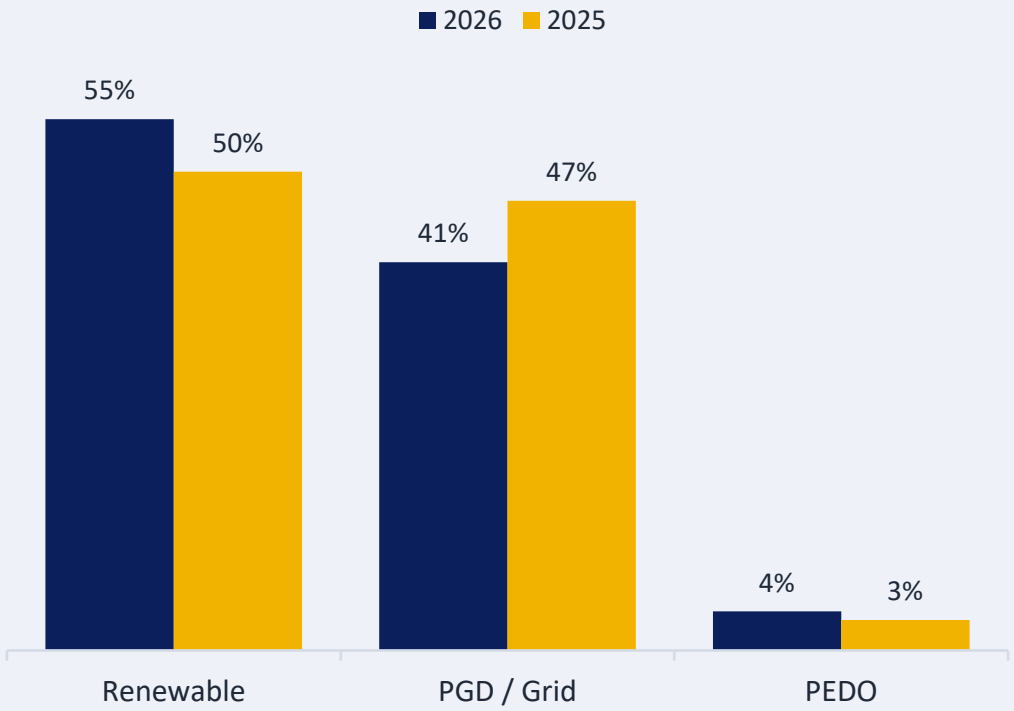
+11%

Renewable energy
Vs 2025

Power & Fuel Mix

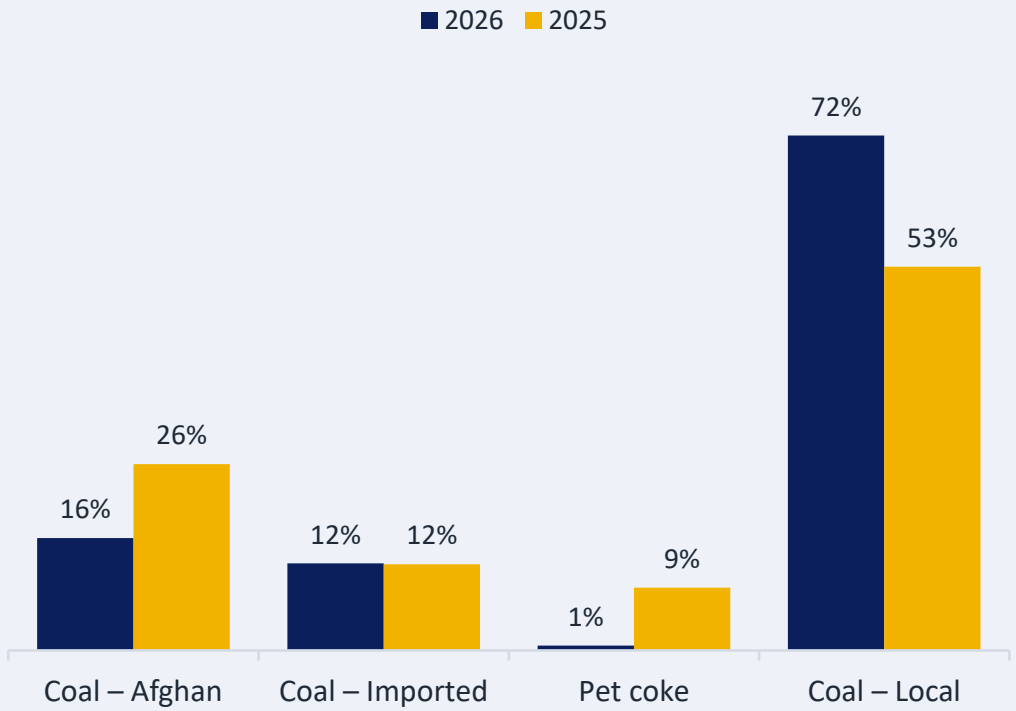
Power mix

Renewables now supply 55% of power, up from 50%



Fuel mix

Local coal rises to 72% of fuel, up from 53%



Explanation of Material Variations

Revenue

↓ 4%

JUNE 2025	JUNE 2026	CHANGE
37,811 →	**36,483**	**–1,328**

Decreased primarily due to lower exports following the closure of the Afghan border since October 2025.

Cost of sales

↑ 3%

JUNE 2025	JUNE 2026	CHANGE
23,841 →	**24,440**	**+599**

Increased mainly due to higher input costs and rising coal prices.

Other income

↑ 11%

JUNE 2025	JUNE 2026	CHANGE
1,588 →	**1,767**	**+179**

Increased primarily due to gains on short-term investments owing to improved liquidity position.

Finance costs

↓ 42%

JUNE 2025	JUNE 2026	CHANGE
592 →	**342**	**–250**

Decreased due to the decline in mark-up rates.

YEAR ENDED JUNE 30

Profit & Loss

	Rate per ton (Rs)		Rupees in '000		Variance	
Particulars	**2026**	**2025**	**2026**	**2025**	**Rs '000**	**%**
Turnover	15,535	15,819	36,482,808	37,810,806	(1,327,998)	-4%
Cost of sales	(10,407)	(9,975)	(24,439,774)	(23,841,181)	(598,593)	3%
Gross profit	**5,128**	**5,844**	**12,043,034**	**13,969,625**	**(1,926,591)**	**-14%**
Distribution costs	(388)	(357)	(911,048)	(854,277)	(56,771)	7%
Administrative expenses	(293)	(250)	(689,010)	(596,438)	(92,572)	16%
Other expenses	(242)	(263)	(568,801)	(628,717)	59,916	-10%
Total operating expenses	**(923)**	**(870)**	**(2,168,859)**	**(2,079,432)**	**(89,427)**	**4%**
Other income	752	665	1,767,105	1,588,443	178,662	11%
Operating profit	**4,957**	**5,639**	**11,641,280**	**13,478,636**	**(1,837,356)**	**-14%**
Finance cost	(145)	(248)	(341,610)	(591,775)	250,165	-42%
Profit before taxation	**4,812**	**5,391**	**11,299,670**	**12,886,861**	**(1,587,191)**	**-12%**
Taxation	(1,722)	(1,760)	(4,045,102)	(4,205,505)	160,403	-4%
Net profit for the year	**3,090**	**3,631**	**7,254,568**	**8,681,356**	**(1,426,788)**	**-16%**

AS AT JUNE 30 · RUPEES IN '000

Financial Position

Assets	2026	2025	Variance
NON-CURRENT ASSETS			
Property, plant & equipment	28,663,830	28,603,371	60,459
Other non-current assets	547,094	595,647	(48,553)
Total non-current assets	**29,210,924**	**29,199,018**	**11,906**
CURRENT ASSETS			
Stores, spare parts & loose tools	6,571,442	5,535,254	1,036,188
Stock-in-trade	2,338,232	1,655,211	683,021
Trade debts	1,390,198	1,257,631	132,567
Short term Investment	11,726,281	11,795,250	(68,969)
Other current assets	1,057,160	1,111,187	(54,027)
Total current assets	**23,083,313**	**21,354,533**	**1,728,780**
Total assets	**52,294,237**	**50,553,551**	**1,740,686**

Equity & liabilities	2026	2025	Variance
Share capital	1,942,950	1,942,950	–
Reserves	37,571,148	31,364,779	6,206,369
Total equity	**39,514,098**	**33,307,729**	**6,206,369**
NON-CURRENT LIABILITIES			
Long-term financing	2,162,829	2,528,191	(365,362)
Other non-current liabilities	5,911,273	5,948,412	(37,139)
Total non-current liabilities	**8,074,102**	**8,476,603**	**(402,501)**
CURRENT LIABILITIES			
Trade and other payables	3,066,438	3,069,893	(3,455)
Short-term borrowings	194,358	2,729,921	(2,535,563)
Current maturity of LT financing	365,363	184,925	180,438
Other current liabilities	1,079,878	2,784,480	(1,704,602)
Total current liabilities	**4,706,037**	**8,769,219**	**(4,063,182)**
Total equity & liabilities	**52,294,237**	**50,553,551**	**1,740,686**

Explanation of Material Variations

Stores, spare parts and loose tools +1,036M

Increase is primarily attributable to higher coal stock at higher rates.

Long-term financing –365M

Decreased due to scheduled repayments of long-term loans during the year.

Short-term borrowings –2,536M

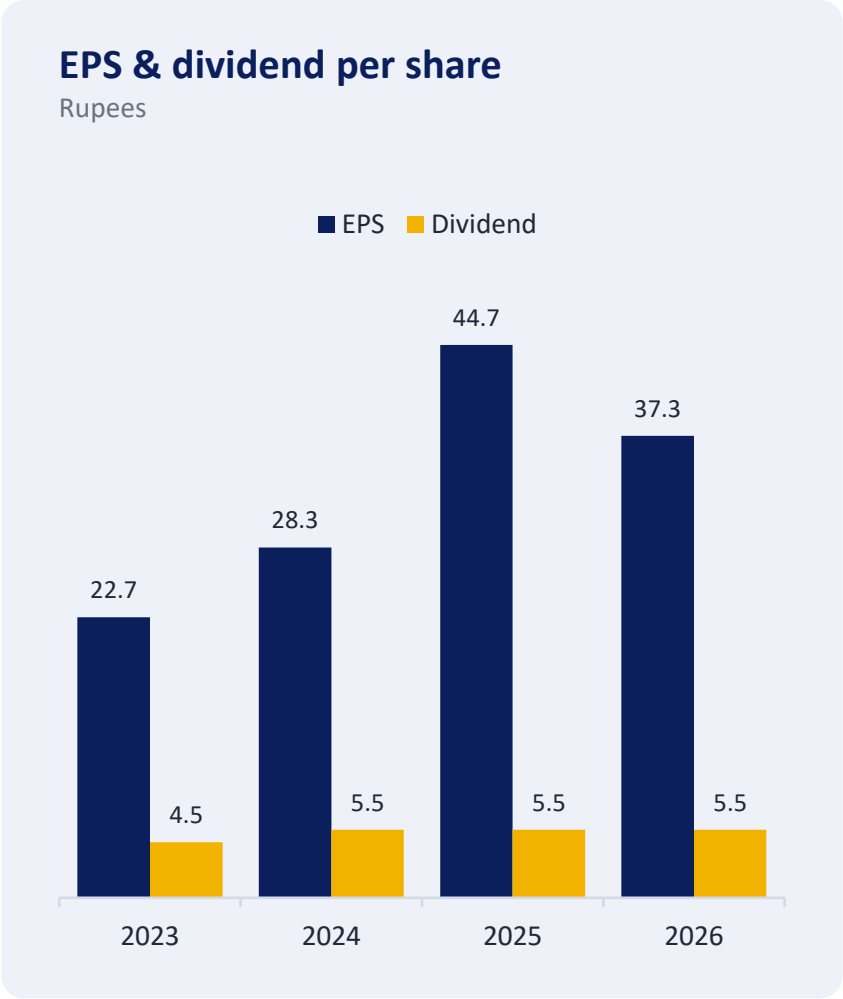
Decreased due to full repayment of the Export Refinance Facility, in line with lower exports due to closure of Afghan border.

Taxation –2,217M

Decreased primarily due to payment of super tax under Section 4C of the ITO, 2001 for tax years up to 2025.

Key Financial Metrics

Rupees in million	2026	2025	2024	2023
Revenue	36,483	37,811	38,434	37,386
Gross profit	12,043	13,970	11,840	10,137
Profit after tax	**7,255**	**8,681**	**5,500**	**4,404**
Total assets	52,294	50,554	41,034	39,302
Total liabilities	12,780	17,246	15,491	18,423
RATIOS				
Gross profit (%)	33.01	36.95	30.81	27.11
Profit before taxation (%)	30.97	34.08	24.01	19.45
Profit after taxation (%)	19.88	22.96	14.31	11.78
Earnings per share (Rs)	**37.34**	**44.68**	**28.31**	**22.67**
Debt to equity (%)	9	11	16	49
Interest cover (times)	34.08	22.78	7.68	4.80
Current ratio (times)	4.91	2.44	1.56	1.21
Cash dividend per share (Rs)	5.50	5.50	5.50	4.50



Future Outlook

- Public spending , PM subsidized house financing scheme and private housing should support domestic demand
- Export recovery depends on the Afghan border reopening
- Inflationary pressure and increasing interest rates
- Optimise costs and improve energy efficiency by investing in BESS and solar
- Pursue diversification for long-term shareholder value

KEY RISKS Geopolitical tensions, energy price volatility, inflation and regional trade disruptions

Environment, Social & Governance



01

Environment

- Renewable energy projects, e.g. solar
- Waste heat recovery
- Tree plantation
- Wildlife protection



02

Social

- Employee well-being
- Safe working conditions
- Fostering diversity



03

Governance

- Board structure
- Ethical standards
- Risk management

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Q&A Session

We welcome your questions

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Thank You

