

# Flash Note

Tuesday, April 29, 2025



## Cement

### D.G. Khan Cement Company Limited (DGKC)

**Earnings:** D.G. Khan Cement Company Limited (DGKC) announced its 3QFY25 result. The Company reported unconsolidated earnings of PKR 2.0bn (EPS PKR 4.56/share), up by 69%/y. On a 9MFY25 basis, the company reported a profit of PKR 5.5bn (EPS PKR 12.60/share) compared to earnings of PKR 2.2bn (EPS PKR 5.1/share) up by 2.5xy/y during the same period last year.

**Dividend/Payout:** The Company did not announce any cash dividend along with the result.

**Operating Performance:** During 3QFY25, the Company's net sales increased to PKR 18.1bn depicting an increase of +27%/y. The sales during the quarter were up due to 30%/y increase in total dispatches. On 9MFY25 basis, the Company's net sales increased to PKR 55bn up by +12.4%/y. For the quarter, the company's gross margins were reported at 26% compared to the same margins reported in the previous quarter. However, average gross margins for 9MFY25 were recorded at 24% compared to 19% during the same period last year likely due to better retention prices and lower coal prices. The company reported finance cost of PKR 0.7bn in 3QFY25 (down by -66%/y) owing to decreasing interest rates. The effective tax rate during 9MFY25 stood at 34% compared to 39% during the same period last year.

Exhibit: D.G. Khan Cement Company Limited (DGKC) Financial highlights										
For period ending: 3q/25										
PKRbn	9MFY25	3q/25	2q/25	1q/25	9MFY24	3q/24	2q/24	1q/24	ΔYoY	ΔQoQ
Net Sales	55.1	18.1	21.7	15.3	49.1	14.3	18.3	16.5	27%	-16%
Gross Profits	13.2	4.7	5.5	3.0	9.2	3.6	2.3	3.2	30%	-13%
Admin	0.9	0.3	0.3	0.3	0.9	0.3	0.3	0.3	4%	-3%
EBIT	12.1	4.2	4.9	2.9	9.7	3.9	2.7	3.2	9%	-15%
Finance cost	3.3	0.7	1.1	1.6	6.1	2.0	2.0	2.1	-66%	-37%
Profit before tax	8.3	3.4	3.7	1.2	3.7	1.9	0.7	1.1	78%	-9%
Taxation	2.8	1.4	1.0	0.4	1.4	0.7	0.3	0.4	92%	39%
Profit after Tax	5.5	2.0	2.7	0.8	2.2	1.2	0.4	0.7	69%	-27%
EPS*	12.60	4.56	6.21	1.84	5.10	2.69	0.90	1.51	69%	-27%
DPS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	-
Gross Margins	24%	26%	25%	20%	19%	26%	13%	19%	1%	1%
EBIT Margins	22%	23%	23%	19%	20%	27%	15%	19%	-4%	1%
Effective tax	34%	42%	27%	31%	39%	39%	40%	39%	3%	14%
Net Margins	10%	11%	13%	5%	5%	8%	2%	4%	3%	-2%

Source: Company Accounts, IGI Research, \*Number of Shares (mn): 438.1

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