

# Flash Note

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Securities

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## Cement

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

**Earnings:** D.G. Khan Cement Company Limited (DGKC) announced its 3QFY26 result. The Company reported unconsolidated earnings of PKR 2.5bn (EPS PKR 5.71), up by +25%/y. On a 9MFY26 basis, the company reported a profit of PKR 8.4bn (EPS PKR 19.07) compared to earnings of PKR 5.5bn (EPS PKR 12.6) up by +51%/y during the same period last year.

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

**Operating Performance:** During 3QFY26, the Company's net sales increased to PKR 20.0bn depicting an increase of +10%/y. The sales during the quarter were up due to rise in total dispatches mainly led by 19% y/y on total exports. On 9MFY26 basis, the Company's net sales increased to PKR 60.6bn up by +10%/y. For the quarter, the company's gross margins were reported at 27% compared to 32% reported in the previous quarter. However, average gross margins for 9MFY26 were recorded at 27% compared to 24% during the same period last year. The company reported finance cost of PKR 0.2bn in 3QFY26 (down by -63%/y) owing to decreasing interest rates. The effective tax rate during 3QFY26 stood at 40.8% (2QFY26: 34.1%) compared to 43.9% during the corresponding period last year bringing total effective tax rate for 9MFY26 to 37% which is similar to the rate in the same period last year.

Exhibit: D.G. Khan Cement Company Limited (DGKC) Financial highlights								
For period ending: 3q/26								
PKRbn	3q/26	3q/25	y/y	2q/26	q/q	9MFY26	9MFY25	y/y
Net Sales	20.0	18.1	10%	20.8	-4%	60.6	55.1	10%
Gross Profits	5.3	4.7	12%	6.6	-20%	16.2	13.2	23%
Admin	0.42	0.32	32%	0.4	10%	1.2	0.9	26%
EBIT	4.5	4.2	6%	5.9	-24%	14.2	12.1	18%
Finance cost	0.2	0.7	-63%	0.3	-19%	1.0	3.3	-70%
Profit before tax	4.2	3.6	19%	5.6	-25%	13.3	8.8	51%
Taxation	1.7	1.6	10%	1.9	-10%	4.9	3.2	51%
Profit after Tax	2.5	2.0	25%	3.7	-32%	8.4	5.5	51%
<b>EPS*</b>	<b>5.71</b>	<b>4.56</b>		<b>8.43</b>		<b>19.07</b>	<b>12.60</b>	
<b>DPS</b>	<b>0.00</b>	<b>0.00</b>		<b>0.00</b>		<b>0.00</b>	<b>0.00</b>	
Gross Margins	27%	26%		32%		27%	24%	
EBIT Margins	22%	23%		28%		24%	22%	
Effective tax	41%	44%		34%		37%	37%	
Net Margins	13%	11%		18%		14%	10%	

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

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