

# Flash Note

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Securities

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## Cement

### Pioneer Cement Limited (PIOC)

**Earnings:** Pioneer Cement Limited (PIOC) announced its 2QFY25 result. The Company reported earnings of PKR 1.8bn (EPS PKR 7.70/share), up by +3.4%/y compared to PKR 1.7bn (EPS PKR 7.5/share) during the same period last year. On a quarterly basis, profitability is up by +71%q/q. On 6MFY25 basis, the company reported earnings of PKR 2.8bn (EPS PKR 12.2/share) up by +6%/y compared to PKR 2.6bn (EPS PKR 11.6/share) during the same period last year

**Dividend/Payout:** The Company announced interim cash dividend of PKR 5/share along with the result.

**Operating Performance:** During 2QFY25, the Company's net sales were reported at PKR 8.9bn depicting a decline of 12%/y. For the quarter, the Company's gross margins witnessed an increase and were reported at 42% likely owing to lower coal prices and better retention prices. In addition, the company reported finance cost of PKR 0.3bn in 2QFY25 (down by 45%/y) likely owing to declining interest rates. The effective tax rate during 2QFY25 stood at 39% compared to 34% in the same period last year.

Exhibit: Pioneer Cement Company Limited (PIOC) Financial highlights								
For period ending: 2q/25								
PKRbn	1HFY25	2q/25	1q/25	1HFY24	2q/24	1q/24	ΔYoY	ΔQoQ
Net Sales	16.8	8.9	7.9	18.8	10.1	8.7	-12%	13%
Gross Profits	6.1	3.7	2.4	6.1	3.5	2.7	6%	55%
Admin	0.3	0.1	0.1	0.2	0.1	0.1	38%	-17%
EBIT	5.4	3.2	2.2	5.9	3.4	2.5	-6%	49%
Finance cost	0.8	0.3	0.5	1.6	0.6	1.0	-45%	-30%
Profit before tax	4.6	2.9	1.7	4.3	2.8	1.5	2%	72%
Taxation	1.8	1.1	0.7	1.7	1.1	0.6	1%	73%
Profit after Tax	2.8	1.8	1.0	2.6	1.7	0.9	3%	71%
<b>EPS*</b>	<b>12.21</b>	<b>7.70</b>	<b>4.50</b>	<b>11.56</b>	<b>7.45</b>	<b>4.11</b>	<b>3.4%</b>	<b>71%</b>
<b>DPS</b>	<b>5.00</b>	<b>5.00</b>	<b>0.00</b>	<b>5.00</b>	<b>5.00</b>	<b>0.00</b>	-	-
Gross Margins	36%	42%	30%	33%	35%	30%	7%	11%
EBIT Margins	32%	36%	28%	31%	34%	29%	2%	9%
Effective tax	39%	39%	39%	40%	40%	39%	-1%	0%
Net Margins	17%	20%	13%	14%	17%	11%	3%	7%

Source: Company Accounts, IGI Research, \*Number of Shares (mn): 227.1

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