Day Break

Wednesday, August 19, 2026

IGI Securities
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Exhibit: CHCC	
No of Share (mn)	194.3
Price (18-Aug-26)	313.7
Target Price	512
Mkt Cap (PKRbn)	61.0
Mkt Cap (US$mn)	217.7
High (52 Week)	390.0
Low (52 Week)	225.0
Free Float	60.0%

Source: PSX, IGI Research

Cement

CHCC: 4QFY26 Result Preview

- We expect Cherat Cement Company Limited (CHCC) to register quarterly earnings of PKR 1.9bn (EPS: PKR 9.87/share) during 4QFY26, up by 4%y/y (up by 36% q/q) compared to PKR 1.8bn (EPS: PKR 9.51/share) in the same period last year.
- On a FY26 basis, the company is expected to report earnings of PKR 7.4bn (EPS PKR 38.27/share) down by 14%y/y compared to same period last year.
- CHCC is expected to announce cash dividend of PKR 4.0/share along with the result bringing total cash payout for FY26 to PKR 5.5/share.

CHCC: Earnings to increase by +4%y/y to PKR 9.87/share during 4QFY26

We expect Cherat Cement Company Limited (CHCC) to register quarterly earnings of PKR 1.9bn (EPS: PKR 9.87/share) during 4QFY26, up by 4%y/y (up by 36% q/q) compared to PKR 1.8bn (EPS: PKR 9.51/share) in the same period last year. Earnings are likely to increase during 4QFY26 owing to higher retention prices, increase in domestic dispatches and stable other income despite absence of exports due to Afghan border closure. On a FY26 basis, the company is expected to report earnings of PKR 7.4bn (EPS PKR 38.27/share) down by 14%y/y compared to same period last year. CHCC is expected to announce cash dividend of PKR 4.0/share along with the result bringing total cash payout for FY26 to PKR 5.5/share.

Exhibit: Cherat Cement Company Limited (CHCC) Financial highlights

For period ending: 4q/26

PKRbn	4q/26	4q/25	y/y	3q/26	q/q	FY26	FY25	y/y
Net Sales	10.2	9.7	4%	7.9	29%	37.7	37.8	0%
Gross Profits	3.4	3.2	7%	2.4	38%	13.0	14.0	-7%
Admin	0.2	0.2	8%	0.2	1%	0.7	0.6	12%
EBIT	3.2	3.1	5%	2.4	37%	12.4	13.5	-8%
Finance cost	0.1	0.1	10%	0.1	16%	0.4	0.6	-37%
Profit before tax	3.1	3.0	4%	2.3	38%	12.0	12.9	-7%
Taxation	1.2	1.2	5%	0.9	40%	4.6	4.3	8%
Profit after Tax	1.9	1.8	4%	1.4	36%	7.4	8.7	-14%
EPS*	**9.87**	**9.51**		**7.24**		**38.27**	**44.68**	
DPS	**4.00**	**4.00**		**0.00**		**5.50**	**5.50**	
Gross Margins	33%	33%		31%		34%	37%	
EBIT Margins	32%	32%		30%		33%	36%	
Effective tax	39%	39%		38%		38%	33%	
Net Margins	19%	19%		18%		20%	23%	

Source: Company Accounts, IGI Research, *Number of Shares (mn): 194.3

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- Discounted Cash Flow (DCF)
- Reserve Based DCF
- Dividend Discount Model (DDM)
- Justified Price to Book
- Residual Income (RI)
- Relative Valuation (Price to Earning, Price to Sales, Price to Book)

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