

Cement: D.G. Khan Cement Company Limited

Result Review: DGKC posts EPS PKR 4.93 in 1QFY26

REP-300

1QFY26: Earnings arrived at PKR 4.93/share; up by 169% YoY.

- DGKC posted Profit after Tax (PAT) of PKR 2.2bn (2.7x YoY); EPS at PKR 4.93/share in 1QFY26. The substantial increase in profits is due to higher Net Revenue, better gross margins, and lower finance costs.

Result Highlights

- Net Revenue for 1QFY26 was recorded at PKR 19.8bn (+29% YoY). Higher revenue is mainly due to higher domestic and export dispatches and higher retention prices. To recall, in 1QFY26 domestic dispatches increased by 16% YoY to 0.86mn tons and export dispatches increased by 10% YoY to 0.48mn tons.
- Gross margins in 1QFY26 were recorded at 21.7% compared to 19.6% in 1QFY25 and 31.8% in 4QFY25.
- Distribution expenses increased by 7% YoY to PKR 872mn mainly due to higher domestic and export dispatches.
- Finance costs fell 73% YoY and by 25% QoQ to PKR 431mn in 1QFY26. The sharp reduction was driven by lower interest rates and reduced borrowings.
- Effective tax rate in 1QFY26 stood at 37.0% compared to 39.0% in 1QFY25.

Exhibit: Financial Highlights

(PKR mn)	1QFY26	1QFY25	YoY	4QFY25	QoQ
Income statement					
Net Revenue	19,808	15,301	29%	16,776	18%
Gross Profit	4,303	2,994	44%	5,339	-19%
Admin Exp.	399	304	31%	346	15%
Distribution Exp.	872	818	7%	937	-7%
Other Income	1,010	1,038	-3%	1,055	-4%
Finance Cost	431	1,589	-73%	571	-25%
PBT	3,429	1,318	160%	4,244	-19%
Taxation	1,269	514	147%	1,088	17%
PAT	2,160	804	169%	3,156	-32%
EPS (PKR)	4.93	1.84		7.20	
DPS (PKR)	-	-		2.00	
Ratio Analysis					
BVPS (PKR)	241.5	177.1		216.1	
Gross Margins	21.7%	19.6%		31.8%	
Net Margins	10.9%	5.3%		18.8%	
Effective Tax Rate	37.0%	39.0%		25.6%	

Source (s): Company Financials, AHL Research

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