



THATTA CEMENT
COMPANY LIMITED



FORM 7

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

February 01, 2025

Subject: Financial results for the half year ended December 31, 2024

Dear Sir,

We have to inform you that the Board of Directors of our company in their meeting held on February 01, 2025 at 4:00 p.m. at its registered office located CL/5-4 State Life Building # 10, Abdullah Haroon Road, Karachi have recommended the following for the half year ended December 31, 2024.

- | | | |
|------|--|-----|
| i. | An interim cash dividend for minority shareholders at Rs. 0.5/- per share i.e. 5%. | |
| ii. | Bonus shares | Nil |
| iii. | Right shares | Nil |
| iv. | Any other entitlement / corporate action | Nil |
| v. | Any other price sensitive information | Nil |

The above entitlement will be paid to the shareholders whose names appearing in the Register of Members on February 07, 2025.

The Share Transfer Books of the Company for Ordinary Shares will remain closed from February 10, 2025 to February 12, 2025 (both days inclusive). Transfers received at, M/s THK Associates (Pvt) Limited, Plot No. 32-C, Jami Commercial Street 2, D.H.A Phase VII, Karachi at the close of business on February 07, 2025 will be treated for the purpose of above entitlement to the transferees.

The financial results of the Company are attached herewith.

The half yearly report of the Company for the period ended December 31, 2024 will be transmitted through PUCARS separately, within the specified time.

Muhammad Abid Khan
Company Secretary

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Main Abdullah Haroon Road, Karachi-75350.
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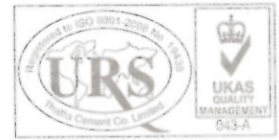
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THATTA CEMENT COMPANY LIMITED

THATTA CEMENT COMPANY LIMITED

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE HALF YEAR ENDED DECEMBER 31, 2024



	Note	Half year ended		Quarter ended	
		December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
		(Un-audited) (Rupees in thousands)	(Un-audited) (Rupees in thousands)	(Un-audited) (Rupees in thousands)	(Un-audited) (Rupees in thousands)
Sales - gross		5,599,802	4,182,844	3,088,865	2,205,213
Sales tax and federal excise duty		(1,750,212)	(1,058,877)	(960,489)	(551,779)
Sales - net	18	3,849,590	3,123,967	2,128,376	1,653,434
Cost of sales	19	(2,648,288)	(2,462,898)	(1,663,433)	(1,206,523)
Gross profit		1,201,302	661,069	464,943	446,911
Selling and distribution cost		(30,918)	(27,703)	(19,193)	(14,304)
Administrative expenses		(73,549)	(84,285)	(37,466)	(44,802)
		1,096,835	549,081	408,284	387,805
Other operating expenses		(127,624)	(47,111)	(56,678)	(32,194)
Expected credit loss allowance		-	(18,821)	-	(18,821)
Other income	20	780,334	180,113	422,496	110,855
Operating profit		1,749,545	663,262	774,102	447,645
Finance cost		(27,597)	(28,773)	(9,409)	(14,109)
Profit before taxation		1,721,948	634,489	764,693	433,536
Taxation					
Current		(666,163)	(256,326)	(301,840)	(191,130)
Prior		63,382	(12,438)	63,382	(12,438)
Deferred		8,365	(7,641)	4,446	6,804
		(594,416)	(276,405)	(234,012)	(196,764)
Profit for the period		1,127,532	358,084	530,681	236,772
Earnings per share - basic and diluted (Rupee)	21	13.31	3.64	6.26	2.41

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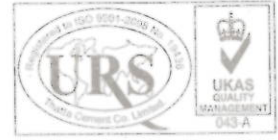


THATTA CEMENT COMPANY LIMITED

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CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2024



	December 31, 2024 (Un-audited)	June 30, 2024 Audited
Note	(Rupees in thousands)	
ASSETS		
NON - CURRENT ASSETS		
Property, plant and equipment	6 2,432,333	2,219,818
Intangibles	7 2,340	2,925
Long term investment in subsidiary	8 936,658	299,158
Long term deposits	5,125	5,125
Gratuity Fund asset	23,100	23,100
	3,399,556	2,550,126
CURRENT ASSETS		
Stores, spare parts and loose tools	9 263,713	176,343
Stock-in-trade	10 160,412	243,941
Trade debts	11 281,583	138,875
Advances	40,772	25,474
Deposits and prepayments	21,659	7,300
Short term investment	12 1,424,966	1,190,825
Other receivables and accrued mark-up	13 336,959	340,081
Cash and bank balances	14 2,273,283	2,953,616
	4,803,347	5,076,455
	8,202,903	7,626,581
TOTAL ASSETS		
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital	15 2,000,000	2,000,000
Issued, subscribed and paid-up capital	15 847,181	847,181
Capital reserve	99,718	99,718
Revenue reserve	4,339,331	3,262,289
	5,286,230	4,209,188
NON - CURRENT LIABILITIES		
Long term deposits	12,787	22,787
Deferred taxation	340,999	349,364
	353,786	372,151
CURRENT LIABILITIES		
Trade and other payables	16 1,616,433	2,165,615
Unclaimed dividend	1,932	1,933
Unpaid dividend	16,112	-
Taxation - net	721,521	668,134
Accrued mark-up	9,236	11,911
Short term borrowings	197,653	197,649
	2,562,887	3,045,242
	8,202,903	7,626,581
TOTAL EQUITY AND LIABILITIES		
CONTINGENCIES AND COMMITMENTS		
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THATTA CEMENT COMPANY LIMITED

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CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED DECEMBER 31, 2024



	Half year ended	
	December 31, 2024	December 31, 2023
	(Un-audited)	(Un-audited)
Note	————(Rupees in thousands)————	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,721,948	634,489
Adjustment for:		
Depreciation on property, plant and equipment	6.1 75,909	57,382
Amortization on intangibles	585	585
Finance cost	27,597	28,773
Provision for leave encashment	-	1,371
Provision for expected credit loss allowance	-	18,821
Workers' Welfare Fund	35,142	12,949
Workers' Profit Participation Fund	92,479	34,076
Other charge	6,539	574
Realized gain on investment in shares of listed companies	(25,060)	-
Unrealized gain on investment in shares of listed companies	(15,013)	-
Gain on sale of property, plant and equipment	(1,800)	(32,598)
	196,378	121,933
Operating cash flows before working capital changes	1,918,326	756,422
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	(87,370)	(32,980)
Stock-in-trade	83,529	680,913
Trade debts	(142,708)	80,358
Advances	(15,298)	(11,511)
Deposits and prepayments	(14,359)	(20,422)
Other receivable and accrued mark-up	3,122	(53,079)
	(173,084)	643,279
(Decrease) / increase in current liabilities		
Trade and other payables	(552,758)	(159,886)
Cash generated from operations	1,192,484	1,239,815
Finance cost paid	(30,272)	(27,038)
Leave encashment paid	-	(1,529)
Workers' Welfare Fund paid	(50,473)	(8,015)
Workers' Profit Participation Fund paid	(80,111)	(21,445)
Income tax paid	(549,394)	(13,278)
Net cash generated from operating activities	482,234	1,168,510
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition in capital expenditure	(288,424)	(173,029)
Investment in shares of listed companies	(635,407)	-
Disposal of investment in shares of listed companies	390,514	-
Disposal of / (addition in) investment in TDRs	50,825	(1,043,150)
Further investment in subsidiaries	(637,500)	-
Long term deposit - liabilities	(10,000)	14,350
Proceeds from sale of property, plant and equipment	1,800	32,598
Net cash (used in) investing activities	(1,128,192)	(1,169,231)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(34,379)	-
Buy back of shares	-	(175,309)
Net cash used in financing activities	(34,379)	(175,309)
Net (decrease) in cash and cash equivalents	(680,337)	(176,030)
Cash and cash equivalents at the beginning of the period	2,755,967	460,462
Cash and cash equivalents at the end of the period	2,075,630	284,432
CASH AND CASH EQUIVALENTS		
Cash and bank balances	14 2,273,283	481,058
Short term borrowings	(197,653)	(196,626)
	2,075,630	284,432

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CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED DECEMBER 31, 2024



Issued, subscribed and paid-up capital	Capital reserves	Revenue reserve	Total
	Share premium	Accumulated profit	

(Rupees in thousands)

Balance as at July 1, 2023 (audited)	997,181	99,718	1,887,810	2,984,709
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Total comprehensive income for the period ended
December 31, 2023

Profit for the period

Other comprehensive income

Buy back of shares during the period

-	-	358,084	358,084
-	-	-	-
(100,000)	-	(75,309)	(175,309)
(100,000)	-	282,775	182,775

Balance as at December 31, 2023 (unaudited)

897,181	99,718	2,170,585	3,167,484
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Balance as at July 1, 2024 (audited)

847,181	99,718	3,262,289	4,209,188
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Total comprehensive income for the period ended
December 31, 2024

Profit for the period

Other comprehensive income

-	-	1,127,532	1,127,532
-	-	-	-
-	-	1,127,532	1,127,532

Transactions with shareholders

Final cash dividend @ Rs. 1 per share for the
year ended June 30, 2024

Interim cash dividend @ Rs. 0.5 per share for the
quarter ended September 30, 2024

-	-	(33,660)	(33,660)
-	-	(16,830)	(16,830)
-	-	(50,490)	(50,490)

Balance as at December 31, 2024 (unaudited)

847,181	99,718	4,339,331	5,286,230
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THATTA CEMENT COMPANY LIMITED

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Condensed Interim Consolidated Statement of Profit or Loss (Un-audited)

For the half year ended December 31, 2024



	Note	Half year ended		Quarter ended	
		December 31,		December 31,	
		2024	2023	2024	2023
--- Rupees in thousands ---					
Sales - gross		5,956,697	4,219,002	3,237,997	2,119,158
Sales tax and federal excise duty		(1,804,654)	(1,064,393)	(983,238)	(460,174)
Sales - net		4,152,044	3,154,609	2,254,760	1,658,984
Cost of sales	14	(2,901,713)	(2,529,496)	(1,765,838)	(1,317,284)
Gross profit		1,250,331	625,113	488,922	341,700
Selling and distribution cost		(30,918)	(27,703)	(19,193)	(14,304)
Administrative expenses		(75,810)	(88,974)	(37,093)	(46,233)
Other operating expenses		1,143,603	508,436	432,636	281,163
Expected credit loss allowance		(127,624)	(47,111)	(56,678)	(32,194)
Other income		-	(18,821)	-	(18,821)
		635,731	218,512	352,233	136,367
Operating profit		1,651,710	661,016	728,191	366,515
Finance cost		(115,207)	(123,884)	(53,695)	(61,270)
Profit before taxation		1,536,503	537,132	674,496	305,245
Taxation					
Current		(670,309)	(272,198)	(305,347)	(199,147)
Prior		63,382	(12,438)	63,382	(12,438)
Deferred		8,365	(7,641)	4,446	6,804
		(598,562)	(292,277)	(237,519)	(204,781)
Profit for the quarter		937,941	244,855	436,977	100,464
Profit / (loss) for the period attributable to:					
Equity holders of the Holding Company		1,006,751	287,395	469,762	151,675
Non-controlling interests		(68,810)	(42,540)	(32,785)	(51,211)
		937,941	244,855	436,977	100,464
Earnings per share - basic and diluted (Rupee)	15	11.88	2.92	5.54	1.54

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THATTA CEMENT
COMPANY LIMITED

Thatta Cement Company Limited

Condensed Interim Consolidated Statement of Financial Position

As at December 31, 2024



		(Un-audited)	(Audited)
		December 31,	June 30,
		2024	2024
Note		---- Rupees in thousands ----	
ASSETS			
NON-CURRENT ASSETS			
	5	4,216,180	4,063,937
Property, plant and equipment			
	6	2,340	2,925
Intangible Assets			
	7	500,000	-
Long term investment in subsidiary			
		23,100	23,100
Gratuity fund asset			
		5,125	5,125
Long term deposits		4,746,745	4,095,087
CURRENT ASSETS			
	8	300,511	221,907
Stores, spare parts and loose tools			
	9	166,057	250,702
Stock-in-trade			
	10	820,316	745,025
Trade debts			
		137,050	38,486
Advances			
		255,469	233,502
Deposits and prepayments			
		1,424,966	1,190,825
Short term investment			
		263,294	29,738
Other receivables and accrued mark-up			
		101,694	40,396
Sales tax refundable			
		250,000	-
Short term loan			
		2,287,454	2,992,916
Cash and bank balances		6,006,811	5,743,497
TOTAL ASSETS		10,753,556	9,838,584
EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
	11	847,181	847,181
Share capital			
		99,718	99,718
Share premium			
		5,667,718	4,325,669
Accumulated profit			
Equity attributable to the owners of the Holding Company		6,614,617	5,272,568
Non-controlling interests		229,182	821,280
		6,843,799	6,093,848
NON-CURRENT LIABILITIES			
		12,787	22,787
Long term deposits			
		340,999	349,364
Deferred taxation		353,786	372,151
CURRENT LIABILITIES			
	12	1,457,323	1,423,518
Trade and other payables			
		18,044	1,933
Dividend payable			
		424,392	348,088
Accrued mark-up			
		751,329	751,329
Current maturity of long term financing			
		707,230	650,068
Taxation - net			
		197,653	197,649
Short term borrowings		3,555,971	3,372,585
TOTAL EQUITY AND LIABILITIES		10,753,556	9,838,584
CONTINGENCIES AND COMMITMENTS			
	13		

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THATTA CEMENT
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Thatta Cement Company Limited
Condensed Interim Consolidated Statement of Cash Flows (Un-audited)
For the half year ended December 31, 2024

	Half year ended	
	December 31,	
	2024	2023
	--- Rupees in thousands ---	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (loss) before taxation	1,536,503	537,132
Adjustment for:		
Depreciation on property, plant and equipment	145,354	116,108
Amortization	585	585
Finance cost	115,207	123,884
Provision for leave encashment	-	1,371
Provision for expected credit loss allowance	-	18,821
Workers' Welfare Fund	35,142	12,949
Workers' Profit Participation Fund	92,479	34,076
Other charge	6,539	574
Realized gain on investment in shares of listed companies	(25,060)	-
Unrealized gain on investment in shares of listed companies	(15,013)	-
Gain on disposal of property, plant and equipment	(1,800)	(32,598)
	353,433	275,770
Operating cash flows before working capital changes	1,889,936	812,902
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	(78,604)	(31,351)
Stock-in-trade	84,645	665,323
Trade debts	(75,291)	97,038
Advances	(98,564)	(15,815)
Trade deposits and prepayments	(21,967)	(20,435)
Sales tax refundable	(61,298)	-
Short term loan	(250,000)	-
Other receivables and accrued mark-up	(233,556)	(112,485)
	(734,635)	582,275
Increase / (decrease) in current liabilities		
Trade and other payables	30,229	(205,490)
Cash generated from operations	1,185,530	1,189,687
Finance cost paid	(38,903)	(27,039)
Workers' Welfare Fund	(50,473)	(8,015)
Workers' Profit Participation Fund paid	(80,111)	(21,445)
Leave encashment paid	-	(1,529)
Income tax paid - net	(549,765)	(15,899)
Net cash generated from operating activities	466,278	1,115,760
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(297,597)	(174,861)
Investment in shares of listed companies	(635,407)	(993,150)
Disposal of investment in shares of listed companies	390,514	-
Disposal of / (addition in) investment in TDRs	50,825	-
Further investment in subsidiaries	(637,500)	-
Proceeds from sale of property, plant and equipment	1,800	32,598
Long term deposit - liabilities	(10,000)	14,350
Net cash used in investing activities	(1,137,365)	(1,121,063)

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Thatta Cement Company Limited
Condensed Interim Consolidated Statement of Cash Flows (Un-audited)
For the half year ended December 31, 2024

	Half year ended	
	December 31,	
	2024	2023
CASH FLOWS FROM FINANCING ACTIVITIES		
Buy back of shares	-	(175,309)
Dividend paid	(34,379)	-
Net cash used in financing activities	(34,379)	(175,309)
Net (decrease) / increase in cash and cash equivalents	(705,466)	(180,612)
Cash and cash equivalents at beginning of the quarter	2,795,267	477,843
Cash and cash equivalents at end of the quarter	2,089,801	297,231
CASH AND CASH EQUIVALENTS		
Cash and bank balances	2,287,454	493,857
Short term borrowings	(197,653)	(196,626)
	2,089,801	297,231

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Condensed Interim Consolidated Statement of Changes in Equity (Un-audited)

For the half year ended December 31, 2024



	Equity attributable to owners of the Holding Company				Non-controlling interests	Total equity
	Share capital	Share premium	Accumulated profit	Total		
	----- Rupees in thousands -----					
Balance as at July 1, 2023 (audited)	997,181	99,718	3,090,047	4,186,946	904,844	5,091,790
Total comprehensive profit for the period ended December 31, 2023						
Profit / (loss) for the period	-	-	287,395	287,395	(42,540)	244,855
Buy back of shares during the period	(100,000)	-	(75,309)	(175,309)	-	(175,309)
	(100,000)	-	212,086	112,086	(42,540)	69,546
Balance as at December 31, 2023 (un-audited)	897,181	99,718	3,302,133	4,299,032	862,304	5,161,336
Balance as at July 1, 2024 (audited)	847,181	99,718	4,325,669	5,272,568	821,280	6,093,848
Total comprehensive profit for the period ended December 31, 2024						
Profit / (loss) for the period	-	-	1,006,751	1,006,751	(68,810)	937,941
Further investment in Subsidiary	-	-	385,788	385,788	(523,288)	(137,500)
Final cash dividend @ Rs. 1 per share for the year ended June 30, 2024	-	-	(33,660)	(33,660)	-	(33,660)
Interim cash dividend @ Rs. 0.5 per share for the quarter ended September 30, 2024	-	-	(16,830)	(16,830)	-	(16,830)
	-	-	(50,490)	(50,490)	-	(50,490)
Balance as at December 31, 2024 (un-audited)	847,181	99,718	5,667,718	6,614,617	229,182	6,843,799

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THATTA CEMENT
COMPANY LIMITED

DIRECTORS' REVIEW



The Board of Directors is pleased to present its review together with the un-audited condensed interim financial statements for the half year ended December 31, 2024.

OVERVIEW

Production and dispatch statistics for the half year ended December 31, 2024 are as follows:

Description	December 31, 2024	December 31, 2023	Variance	
			Metric Tons	%
<u>Production</u>				
Clinker	198,592	147,345	51,247	34.78
Cement	251,113	222,987	28,126	12.61
<u>Dispatches</u>				
Clinker	-	4,455	(4,455)	(100)
Cement	253,568	225,843	27,725	12.28

Pakistan's economy has shown encouraging progress during the first half of FY2025, with several key indicators reflecting significant improvement. Inflation has declined to single digits, offering relief to consumers, while industrial production and major export sectors have experienced notable growth. The State Bank of Pakistan (SBP) has substantially lowered the policy rate to 12%, with expectations of further reductions in the future. Additionally, the country recorded a current account surplus of \$1.21 billion from July 2024 to June 2025, a stark contrast to the \$1.39 billion deficit during the same period last year. This improvement highlights a more balanced trade scenario, supported by prudent fiscal policies. The positive trend is anticipated to persist in the coming months, paving the way for sustainable economic growth.

Consequently, the Company's performance improved considerably in the first half of fiscal year 2025. Local cement dispatches increased by 12.28% during the half year ended December 31, 2024 as compared to same period last year. The Company achieved 73.55% overall clinker production capacity by producing 198,592 tons of clinker against 54.57% capacity utilization with clinker production of 147,345 tons in the same period of last year.

INDUSTRY REVIEW

During the first half of fiscal year 2025, the local demand for cement in Pakistan experienced a reduction of 10.4%, were 18.12 million tons compared to 20.24 million tons in the same period last year. Additionally, exports saw a significant surge, increasing by 31.69% to reach 4.81 million tons, up from 3.65 million tons in the previous period. This resulted in an overall reduction of industry volume of 3.97%, reaching 22.93 million tons, compared to 23.89 million tons in the same period last year.

During the first half of fiscal year 2025, local cement demand in Pakistan witnessed a 10.4% decline, dropping to 18.12 million tons from 20.24 million tons in the same period last year. In contrast, exports showed substantial growth, rising by 31.69% to 4.81 million tons, compared to 3.65 million tons in the

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previous year. Consequently, the industry's total volume decreased by 3.97%, settling at 22.93 million tons compared to 23.89 million tons in the corresponding period last year.

SALES REVIEW

During the period under review, local sales of the Company, in terms of volume increased by 12.28% as compared to the corresponding period of last year. By the Grace of Allah Almighty, the Company achieved 23.23% increase in sales revenue as compared to the corresponding period, due to substantial increase in the retention price.

FINANCIAL REVIEW

A comparison of the financial results of the Company's performance for the half year ended December 31, 2024 with the same period last year is as under:

Particulars	December 31, 2024	December 31, 2023
	Rupees in thousands	
Sales – net	3,849,590	3,123,967
Gross Profit	1,201,302	661,069
Selling and Distribution Cost	30,918	27,703
Finance Cost	27,597	28,773
Profit before taxation	1,721,948	634,489
Profit after taxation	1,127,532	358,084
Earnings per share (Rupees)	13.31	3.64

During the period gross profit margin improved significantly, rising from 21.16% to 31.21% compared to the same period in the previous year. The Company earned a profit before tax of Rs. 1,721.948 million.

(i) Sales Performance

Sales revenue of the Company during the period in value terms posted an increase of 23.23%, mainly due to appreciation in local sales of cement as a result of better market penetration strategy.

(ii) Cost of Sales

Cost to Sales ratio decreased to 68.79% during the period as compared to 78.84% of the corresponding period of last year. The primary factor contributing to the reduction is the company's transition to utilizing cheaper domestic coal sources.

RENEWABLE ENERGY AND COST EFFICIENCY INITIATIVES

The Company has made notable progress in embracing renewable energy technologies. It has successfully installed a 5 MW solar power plant that generates clean electricity from solar energy. In addition, the Company has launched a wind power generation project with a capacity of 4.8 MW, expected to be completed in the third quarter of the 2024-25 financial year.

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The company has successfully installed a pre-crushing system for the cement mills. A 150 tph impact crusher, procured from M/S Sinoma-Liyang Heavy Machinery Co., Ltd., was acquired to enhance mill production, increase dispatch volumes, and reduce power consumption.

Since becoming operational on January 15, 2025, the clinker crusher has significantly boosted the grinding capacity of the mills, leading to an increase in cement production. Additionally, power consumption has been notably reduced.

INVESTMENT IN ASSOCIATED COMPANIES

During the period, the Company successfully acquired 12,500,000 shares of Thatta Power (Pvt) Ltd, representing a 26.09% ownership stake. This acquisition has increased Thatta Cement Company Limited's total shareholding in Thatta Power (Pvt) Ltd to 88.52%. The investment aims to strengthen the Company's control over TPPL, enabling it to further align operations and strategies. Additionally, a major overhaul of the generators is planned, which will significantly enhance generation capacity, improve operational efficiency, and reduce maintenance costs. These upgrades are expected to boost TPPL's profitability and contribute to the long-term growth and competitiveness of the entire Thatta Group.

Moreover, the Company has also invested Rs. 500 million in Minsk Work Tractor & Assembling (Private) Limited (MWTAPL), a company specializing in the assembly and sale of tractors. Initially focusing on Completely Built Units (CBU), MWTAPL will progress to Semi Knocked Down (SKD) units, and eventually, the assembly of Completely Knocked Down (CKD) "Belarus" models in collaboration with Minsk Tractor Works (MTZ). This investment is aimed at driving MWTAPL's growth and enhancing its operational capabilities. With the agricultural sector evolving and a rising demand for reliable machinery, MWTAPL is well-positioned to capitalize on these trends. MWTAPL has established Letter of Credit for 150 tractors, of which 27 have already arrived at Karachi Port. Additionally, the acquisition opens new opportunities for the company to enter the automobile assembly sector, diversifying its business portfolio. MWTAPL is a fully owned subsidiary of Thatta Cement Company Limited and the management has been given the mandate to take necessary actions in order to give full effect to it.

REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

M/s. Joseph Lobo (Pvt.) Ltd. has conducted a valuation of the Company's property, plant, and equipment. According to the valuation report, the assessed market value of the property, plant, and equipment stands at Rs. 10,030 million. However, the Company has not incorporated this valuation in its financial statements, which continue to be maintained on a cost basis.

CERTIFICATE OF CONSISTENCY OF PERFORMANCE (CE CERTIFICATION)

The Company has successfully obtained the CE Certification from the Council for Quality and Environment - Turkey, reinforcing its commitment to quality and environmental standards. This achievement enhances operational efficiency, ensures regulatory compliance, and strengthens global market credibility. It also opens new export opportunities in Europe and other developed markets, boosting the company's growth and competitiveness.

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SUBSEQUENT APPROPRIATIONS

- (i) To Majority Shareholders (Sky Pak Holding (Pvt) Ltd, Al-Miftah Holding (Pvt) Ltd, Golden Globe Holding (Pvt) Ltd & Rising Star Holding (Pvt) Ltd, collectively hold 51% of the total shares.
NIL
- (ii) To Minority Shareholders (Other than above). Interim Cash Dividend of 5% i.e. Rs. 0.50/- per share.

FUTURE OUTLOOK

Pakistan's macroeconomic indicators are demonstrating signs of recovery. Inflation and interest rates are on a downward trend, the rupee has stabilized, and the current account is under effective management. Moreover, the IMF's approval of a USD 7 billion Stand-by Arrangement (SBA) has bolstered Pakistan's external account stability. Despite these positive developments, electricity prices in the country remain substantially high. The reduction in interest rates is a promising sign, expected to drive increased demand for cement. Additionally, the government has pledged to take measures aimed at reducing electricity costs. Oil & Gas Regulatory Authority, has significantly raised the gas tariff for Captive Power Plants from Rs. 3,000/MMBTU to Rs. 3,500/MMBTU, effective February 1, 2025.

PERFORMANCE OF THE GROUP

A brief of the financial position and performance of the Group for the half year ended December 31, 2024 are as follows.

	December 31, 2024	June 30, 2024
	------(Rupees in thousands)-----	
<u>Statement of Financial Position</u>		
Property, plant and equipment	4,216,180	4,063,937
Stock-in-Trade	166,057	250,702
Trade Debts	820,316	745,025
Total Equity - Holding Company	5,284,349	4,325,669
Trade and Other payables	1,433,889	1,423,518

	December 31, 2024	December 31, 2023
	------(Rupees in thousands)-----	
<u>Statement of Profit or Loss</u>		
Sales - net	4,152,044	3,154,609
Gross Profit	1,250,331	625,113
Selling, Distribution cost & Administrative Expense	106,728	116,677
Profit/(Loss) before taxation	1,536,503	537,132
Profit/(Loss) after taxation	937,941	244,855
Earnings/(Loss) per share (in Rupees)	11.91	2.92

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ACKNOWLEDGEMENT

The Directors are grateful to the Company's shareholders, financial institutions and customers for their continued cooperation, support and patronage. The Directors acknowledge and appreciate the relentless efforts and dedicated services, team work, loyalty and hard work of all the employees of the Company and hope their unrelenting dedication shall further consolidate the Company and keep it abreast to face future challenges, developments and demands.

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