



**THATTA CEMENT**  
COMPANY LIMITED

**REPORT**  
**DECEMBER 2024**



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# vision

Foresight of the Future



To transform the company into a modern and dynamic cement manufacturing unit fully equipped to play a meaningful role on sustainable basis in the economy of Pakistan.

# mission

Prosperity with a Purpose



- To provide quality products to customers at competitive prices; and
- To generate sufficient profit to add to the shareholder's value.

## **COMPANY INFORMATION**

### **BOARD OF DIRECTORS**

Mr. Khawaja Muhammad Salman Younis  
Mr. Kamran Munir Ansari  
Ms. Naheed Memon  
Mr. Noor Muhammad  
Mr. Saleem Zamindar  
Mr. Alamuddin Bullo  
Ms. Shaista Bano Gilani

Chairman  
Chief Executive  
Director  
Director  
Director  
Director  
Director

### **AUDIT COMMITTEE**

Ms. Naheed Memon  
Mr. Khawaja Muhammad Salman Younis  
Mr. Saleem Zamindar

Chairperson  
Member  
Member

### **IT STEERING COMMITTEE**

Mr. Khawaja Muhammad Salman Younis  
Mr. Kamran Munir Ansari  
Mr. Muhammad Abid Khan

Chairman  
Member  
Member

### **CHIEF FINANCIAL OFFICER**

Mr. Muhammad Owais

### **COMPANY SECRETARY**

Mr. Muhammad Abid Khan

### **REGISTERED OFFICE**

CL/5-4 State Life Building # 10,  
Abdullah Haroon Road, Karachi, Pakistan.  
UAN: 0092-21-111-842-882  
Fax no.: 0092-21-35665976-77  
Website: [www.thattacement.com](http://www.thattacement.com)  
E-mail: [info@thattacement.com](mailto:info@thattacement.com)

### **STATUTORY AUDITOR**

M/s BDO Ebrahim & Co., Chartered Accountants

### **FACTORY**

Ghulamullah Road, Makli,  
District Thatta, Sindh 73160

### **CORPORATE ADVISOR**

M/s Sharjeel Ayub & Co., Chartered Accountants

### **LEGAL ADVISOR**

M/s LEX FIRMA, Advocates, Barristers and  
Legal Consultants

### **SHARE REGISTRAR**

THK Associates (Pvt) Limited  
Plot # 32-C, Jami Commercial  
Street 2, Phase-VII, DHA,  
Karachi, Pakistan.  
UAN: 021-111-000-322  
Fax: 021-35655595  
Website: [www.thk.com.pk](http://www.thk.com.pk)

### **BANKERS - CONVENTIONAL**

National Bank of Pakistan  
Sindh Bank Limited  
Bank Makramah Limited  
MCB Bank Limited  
Bank Al Habib Limited  
Allied Bank Limited  
Bank Alfalah 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:

<b>Description</b>	<b>December 31, 2024</b>	<b>December 31, 2023</b>	<b>Variance</b>	
	<b>-----Metric Tons-----</b>			<b>%</b>
<b><u>Production</u></b>				
Clinker	<b>198,592</b>	<b>147,345</b>	51,247	34.78
Cement	<b>251,113</b>	<b>222,987</b>	28,126	12.61
<b><u>Dispatches</u></b>				
Clinker	-	<b>4,555</b>	(4,455)	(100)
Cement	<b>253,568</b>	<b>225,843</b>	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 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 for the quarter	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.

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.

## **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.

<u>Statement of Financial Position</u>	December 31, 2024	June 30, 2024
	----- (Rupees in thousands) -----	
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	5,667,718	4,325,669
Trade and Other payables	1,457,323	1,423,518

<u>Statement of Profit or Loss</u>	December 31, 2024	December 31, 2023
	----- (Rupees in thousands) -----	
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 before taxation	1,536,503	537,132
Profit after taxation	937,941	244,855
Earnings per share (in Rupees)	11.91	2.92

## 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.



**Kamran Munir Ansari**  
Chief Executive



**Khawaja Muhammad Salman Younis**  
Chairman

Karachi: February 01, 2025

**CONDENSED INTERIM  
UNCONSOLIDATED  
FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED  
DECEMBER 31, 2024**

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

**CONTINGENCIES AND COMMITMENTS**

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The annexed notes from 1 to 26 form an integral part of these condensed interim unconsolidated financial statements.



**CHIEF FINANCIAL OFFICER**



**CHIEF EXECUTIVE**



**DIRECTOR**

**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
		(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)
<b>Gross profit</b>		<b>1,201,302</b>	661,069	<b>464,943</b>	446,911
Selling and distribution cost		(30,918)	(27,703)	(19,193)	(14,304)
Administrative expenses		(73,549)	(84,285)	(37,466)	(44,802)
		<b>1,096,835</b>	549,081	<b>408,284</b>	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
<b>Operating profit</b>		<b>1,749,545</b>	663,262	<b>774,102</b>	447,645
Finance cost		(27,597)	(28,773)	(9,409)	(14,109)
<b>Profit before taxation</b>		<b>1,721,948</b>	634,489	<b>764,693</b>	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
		<b>(594,416)</b>	(276,405)	<b>(234,012)</b>	(196,764)
<b>Profit for the period</b>		<b>1,127,532</b>	358,084	<b>530,681</b>	236,772
<b>Earnings per share - basic and diluted (Rupee)</b>	21	<b>13.31</b>	3.64	<b>6.26</b>	2.41

The annexed notes from 1 to 26 form an integral part of these condensed interim unconsolidated financial statements.



**CHIEF FINANCIAL OFFICER**



**CHIEF EXECUTIVE**



**DIRECTOR**

**THATTA CEMENT COMPANY LIMITED**  
**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE**  
**INCOME**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

	Half year ended		Quarter ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	(Rupees in thousands)			
<b>Profit for the period</b>	<b>1,127,532</b>	358,084	<b>530,681</b>	236,772
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>1,127,532</b>	358,084	<b>530,681</b>	236,772

The annexed notes from 1 to 26 form an integral part of these condensed interim unconsolidated financial statements.



**CHIEF FINANCIAL OFFICER**



**CHIEF EXECUTIVE**



**DIRECTOR**

**THATTA CEMENT COMPANY LIMITED**  
**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

		Half year ended	
		December 31, 2024	December 31, 2023
Note		------(Rupees in thousands)-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
	<b>Profit before taxation</b>	<b>1,721,948</b>	634,489
	<b>Adjustment for:</b>		
	Depreciation on property, plant and equipment	6.1 <b>75,909</b>	57,382
	Amortization on intangibles	<b>585</b>	585
	Finance cost	<b>27,597</b>	28,773
	Provision for leave encashment	<b>-</b>	1,371
	Provision for expected credit loss allowance	<b>-</b>	18,821
	Workers' Welfare Fund	<b>35,142</b>	12,949
	Workers' Profit Participation Fund	<b>92,479</b>	34,076
	Other charge	<b>6,539</b>	574
	Realized gain on investment in shares of listed companies	<b>(25,060)</b>	-
	Unrealized gain on investment in shares of listed companies	<b>(15,013)</b>	-
	Gain on sale of property, plant and equipment	<b>(1,800)</b>	(32,598)
		<b>196,378</b>	121,933
	<b>Operating cash flows before working capital changes</b>	<b>1,918,326</b>	756,422
	<b>(Increase) / decrease in current assets</b>		
	Stores, spare parts and loose tools	<b>(87,370)</b>	(32,980)
	Stock-in-trade	<b>83,529</b>	680,913
	Trade debts	<b>(142,708)</b>	80,358
	Advances	<b>(15,298)</b>	(11,511)
	Deposits and prepayments	<b>(14,359)</b>	(20,422)
	Other receivable and accrued mark-up	<b>3,122</b>	(53,079)
		<b>(173,084)</b>	643,279
	<b>(Decrease) / increase in current liabilities</b>		
	Trade and other payables	<b>(552,758)</b>	(159,886)
	<b>Cash generated from operations</b>	<b>1,192,484</b>	1,239,815
	Finance cost paid	<b>(30,272)</b>	(27,038)
	Leave encashment paid	<b>-</b>	(1,529)
	Workers' Welfare Fund paid	<b>(50,473)</b>	(8,015)
	Workers' Profit Participation Fund paid	<b>(80,111)</b>	(21,445)
	Income tax paid	<b>(549,394)</b>	(13,278)
	<b>Net cash generated from operating activities</b>	<b>482,234</b>	1,168,510

Half year ended	
December 31, 2024	December 31, 2023

Note -----(Rupees in thousands)-----

#### 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
<b>Net cash (used in) investing activities</b>	<b>(1,128,192)</b>	<b>(1,169,231)</b>

#### CASH FLOWS FROM FINANCING ACTIVITIES

Dividend paid	(34,379)	-
Buy back of shares	-	(175,309)
<b>Net cash used in financing activities</b>	<b>(34,379)</b>	<b>(175,309)</b>
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
<b>Cash and cash equivalents at the end of the period</b>	<b>2,075,630</b>	<b>284,432</b>

#### CASH AND CASH EQUIVALENTS

Cash and bank balances	14	2,273,283	481,058
Short term borrowings		(197,653)	(196,626)
		<b>2,075,630</b>	<b>284,432</b>

The annexed notes from 1 to 26 form an integral part of these condensed interim unconsolidated financial statements.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR

**THATTA CEMENT COMPANY LIMITED**  
**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

	Share capital	Capital reserves	Revenue reserve	Total
		Share premium	Accumulated profit	
(Rupees in thousands)				
<b>Balance as at July 1, 2023 (audited)</b>	997,181	99,718	1,887,810	2,984,709
<b>Total comprehensive income for the period ended December 31, 2023</b>				
Profit for the period	-	-	358,084	358,084
Other comprehensive income	-	-	-	-
Buy back of shares during the period	(100,000)	-	(75,309)	(175,309)
	(100,000)	-	282,775	182,775
<b>Balance as at December 31, 2023 (unaudited)</b>	<b>897,181</b>	<b>99,718</b>	<b>2,170,585</b>	<b>3,167,484</b>
<b>Balance as at July 1, 2024 (audited)</b>	<b>847,181</b>	<b>99,718</b>	<b>3,262,289</b>	<b>4,209,188</b>
<b>Total comprehensive income for the period ended December 31, 2024</b>				
Profit for the period	-	-	1,127,532	1,127,532
Other comprehensive income	-	-	-	-
	-	-	1,127,532	1,127,532
<b>Transactions with shareholders</b>				
Final cash dividend @ Rs. 1 per share for the year ended June 30, 2024	-	-	(33,660)	(33,660)
Interim cash dividend @ Rs. 0.5 per share for the quarter ended September 30, 2024	-	-	(16,830)	(16,830)
	-	-	(50,490)	(50,490)
<b>Balance as at December 31, 2024 (unaudited)</b>	<b>847,181</b>	<b>99,718</b>	<b>4,339,331</b>	<b>5,286,230</b>

The annexed notes from 1 to 26 form an integral part of these condensed interim unconsolidated financial statements.



**CHIEF FINANCIAL OFFICER**



**CHIEF EXECUTIVE**



**DIRECTOR**

**THATTA CEMENT COMPANY LIMITED**  
**NOTES TO THE CONDENSED UNCONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

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**1 STATUS AND NATURE OF BUSINESS**

Thatta Cement Company Limited ("the Company") was incorporated in Pakistan in 1980 as a public limited company under the repealed Companies Act, 1913 (now the Companies Act, 2017) and is listed on Pakistan Stock Exchange. The Company's main business activity is manufacturing and marketing of cement.

The Company owns 88.52% shareholding of Thatta Power (Private) Limited (the Subsidiary Company). Thatta Power (Private) Limited has only class of shares and all shares have equal voting rights. The principal business of the Subsidiary Company is generation and supply of electric power.

These condensed interim unconsolidated financial statements represent standalone financial statements of the Company in which investment in subsidiary has been accounted for at cost less accumulated impairment losses, if any. Details of investment held by the Company in the Subsidiary Company has been given in note 8.

**2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS**

The registered office of the Company is situated at CL 5/4, State Life Building-10, Main Abdullah Haroon Road Karachi, Pakistan. The production facility of the Company comprises of 233 acres and is located at Ghulamullah Road, Makli, District Thatta, Sindh, Pakistan.

**3 BASIS OF PREPARATION**

**3.1 Statement of compliance**

These condensed interim unconsolidated financial statements are unaudited but subject to the limited scope review by auditors and are being submitted to the shareholders as required under section 237 of the Companies Act, 2017.

These condensed interim unconsolidated financial statements for the half year ended December 31, 2024 have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ from the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3.2 These condensed interim unconsolidated financial statements do not include all the statements and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended June 30, 2023 which have been prepared in accordance with accounting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

3.3 The comparative unconsolidated statement of financial position presented in these condensed interim unconsolidated financial statements has been extracted from the annual audited unconsolidated financial statements of the Company for the year ended June 30, 2024, whereas the comparative condensed interim unconsolidated statement of profit or loss, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of cash flows and condensed interim unconsolidated statement of changes in equity are extracted from the unaudited condensed interim unconsolidated financial statements for the half year ended December 31, 2023.

3.3.1 The figures of the condensed interim statement of profit or loss and condensed statement of comprehensive income for the quarter ended December 31, 2024 and December 31, 2023 included in these condensed interim financial statements were neither subject to review nor audited.

**3.4 Basis of measurement**

These condensed interim unconsolidated financial statements have been prepared under the historical cost convention unless stated otherwise.

**3.5 Functional and presentation currency**

These condensed interim unconsolidated financial statements have been presented in Pakistani Rupee, which is the functional and presentation currency of the Company.

The figures have been rounded off to the nearest thousand of Rupees.

#### 4 MATERIAL ACCOUNTING POLICIES AND CHANGES THEREIN

The accounting policies adopted and methods of computation followed in the preparation of these condensed interim financial statements are same as those for the preceding annual financial statements for the year ended June 30, 2024.

##### 4.1 Initial application of standards, amendments or an interpretation to existing standards

###### a) Standards, amendments and interpretations to accounting standards that are effective in the current period

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on July 01, 2024, but are considered not to be relevant or did not have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim unconsolidated financial statements.

###### b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after July 1, 2025, but are considered not to be relevant or expected to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements.

#### 5 ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial statements requires management to make certain judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2024.

	Note	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
		(Rupees in thousands)	
<b>6 PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	6.1	<b>1,898,489</b>	1,946,349
Major stores and spares	6.2	<b>37,028</b>	33,585
Capital work in progress	6.3	<b>496,816</b>	239,884
		<b>2,432,333</b>	<b>2,219,818</b>
<b>6.1 Operating fixed assets</b>			
Opening net book value (NBV)		<b>1,946,349</b>	1,756,027
Additions during the period / year at cost	6.1.1	<b>28,049</b>	334,529
		<b>1,974,398</b>	2,090,556
Depreciation charge for the period / year		<b>(75,909)</b>	(142,803)
Disposal / write off during the period / year		-	(1,404)
		<b>(75,909)</b>	(144,207)
Closing net book value (NBV)		<b>1,898,489</b>	1,946,349
<b>6.1.1 Detail of additions (at cost) during the period / year are as follows:</b>			
Factory building on freehold land		-	14,813
Plant and machinery		<b>21,885</b>	41,408
Electrical installations		-	245,225
Office equipment		<b>340</b>	139
Laboratory equipment		<b>140</b>	-
Computers		<b>195</b>	1,290
Vehicles		<b>5,489</b>	31,654
		<b>28,049</b>	<b>334,529</b>

		December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
	Note	(Rupees in thousands)	
<b>6.2 Capital stores and spares</b>			
Cost			
Opening balance		<b>86,329</b>	112,243
Additions during the period / year		<b>80,048</b>	46,943
Transferred during the period / year		<b>(76,605)</b>	(72,857)
Closing balance		<b>89,772</b>	86,329
Accumulated impairment			
Opening balance		<b>(52,744)</b>	(47,098)
Impairment charge for the period / year		<b>-</b>	(5,646)
Closing balance		<b>(52,744)</b>	(52,744)
Net book value		<b>37,028</b>	33,585

### 6.3 Capital work in progress

Work in progress	6.3.1	<b>496,816</b>	239,884
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#### 6.3.1 Movement of capital work in progress:

Opening Balance		<b>239,884</b>	17,639
Additions during the period / year		<b>256,932</b>	482,178
Transfers during the period / year		<b>-</b>	(259,933)
Closing Balance		<b>496,816</b>	239,884

		December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
	Note	(Rupees in thousands)	

## 7 INTANGIBLES

Movement during the period / year is as follows:

ERP Software

Net carrying value basis

Opening net book value (NBV)		<b>2,925</b>	4,095
Amortization		<b>(585)</b>	(1,170)
Closing net book value (NBV)		<b>2,340</b>	2,925

#### Gross carrying value basis

Cost		<b>5,850</b>	5,850
Accumulated amortization		<b>(3,510)</b>	(2,925)
Net book value		<b>2,340</b>	2,925
Amortization rate per annum		<b>20%</b>	20%

7.1 Amortization charged on ERP software has been allocated to administrative expenses amounting to Rs. 0.585 million (June 30, 2024: Rs. 1.17 million).

## 8 LONG TERM INVESTMENT IN SUBSIDIARIES- AT COST

Thatta Power (Private) Limited (TPPL)	8.1	<b>436,658</b>	299,158
Advance against investment in Minsk Work Tractor and Assembling (Private) Limited	8.3	<b>500,000</b>	-
		<b>936,658</b>	299,158

- 8.1 During the period, Thatta Cement Company Limited "Holding Company" has further consolidated its shareholding in Thatta power private limited "Subsidiary Company" (TPPL) from 62.43% to 88.52% pursuant to the special resolution passed by shareholders in extra ordinary general meeting (EOGM) dated on December 09, 2024. The Holding Company purchased further 12.5 million shares at the rate of Rs. 11 per share amounting to Rs. 137.5 million in aggregate from Rotocast Engineering company (Private) Limited.
- 8.2 Thatta Cement Company Limited has pledged its investment in shares of TPPL in favor of National Bank of Pakistan (NBP) as the security trustee against syndicate term finance facility extended by NBP and other syndicated banks of TPPL.
- 8.3 During the period, Thatta Cement Company Limited "Holding Company" has made investment in shares of Minsk Work Tractors and Assembling Private Limited "Wholly owned Subsidiary" (newly incorporated company) in pursuant to the special resolution passed by share holders in Extra Ordinary General meeting (EOGM) dated on December 09, 2024. The company acquired 5,000,000 shares at Rs. 10 per share making it wholly owned subsidiary as at reporting date. The shares of the subsidiary company are yet to be transferred, therefore, the investment is disclosed as "Advance against investment" in these condensed unconsolidated interim financial statement. The subsidiary company was incorporated under Companies Act 2017, on August 22, 2024.

The principle line of business is assembling and selling tractors, starting with Completely Built Unit (CBUs) units, progressing to Semi knocked Down (SKD) units, and eventually transitioning to assembly of Completely Knocked Down Units (CKD) " Belarus" models in collaboration with Minsk Tractor Works (MTZ).

		December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
	Note	(Rupees in thousands)	
<b>9 STORES, SPARE PARTS AND LOOSE TOOLS</b>			
Coal and other fuels		<b>35,973</b>	33,033
Stores and spare parts		<b>268,381</b>	183,949
Loose tools		<b>47</b>	49
		<b>304,401</b>	217,031
Provision for obsolete stores		<b>(10,898)</b>	(10,898)
Provision for slow moving stores and spares		<b>(29,790)</b>	(29,790)
		<b>(40,688)</b>	(40,688)
		<b>263,713</b>	176,343
<b>10 STOCK-IN-TRADE</b>			
Raw material		<b>1,950</b>	12,959
Packing material		<b>37,079</b>	21,322
Work-in-process		<b>92,540</b>	146,166
Finished goods		<b>28,843</b>	63,494
		<b>160,412</b>	243,941
<b>11 TRADE DEBTS</b>			
Considered good			
Local - unsecured		<b>281,583</b>	138,875
Considered doubtful			
Local - unsecured		<b>75,340</b>	75,340
		<b>356,923</b>	214,215
Allowance for expected credit losses	11.1	<b>(75,340)</b>	(75,340)
		<b>281,583</b>	138,875
<b>11.1 Allowance for expected credit losses</b>			
Balance at beginning of the period / year		<b>75,340</b>	75,340
Allowance for expected credit losses		-	-
Balance at end of the period / year		<b>75,340</b>	75,340
<b>12 SHORT TERM INVESTMENT</b>			
Term Deposit Receipt (TDR)	12.1	<b>1,140,000</b>	1,190,825
Investment in equity shares - FVTPL	12.2	<b>284,966</b>	-
		<b>1,424,966</b>	1,190,825

12.1 At December 31, 2024, the Company holds term deposit receipt carrying profit rate of 11.3% (June 30, 2024: 18.5%) per annum and will mature maximum by May 22, 2025.

12.2

Particulars	Purchase date	Number of shares				Carrying value as at December 31, 2024	Market value as at December 31, 2024	Unrealized (diminution) / appreciation as at December 31, 2024	Realized (diminution) / appreciation as at December 31, 2024
		As at July 1, 2024	Purchased during the period	Sold during the period	As at December 31, 2024				

(Rs in 000)

#### Investment in shares

OGDC	August 29, 2024	-	800,000	800,000	-	-	-	-	21,115,160
MCB	August 29, 2024	-	50,000	50,000	-	-	-	-	1,577,615
POL	August 15, 2024	-	400,000	400,000	-	-	-	-	2,367,525
HUBCO	October 01, 2024	-	2,200,000	-	2,200,000	269,953,183	284,966,000	15,012,817	-
<b>Total as at December 31, 2024 (Un-Audited)</b>		-	3,450,000	1,250,000	2,200,000	269,953,183	284,966,000	15,012,817	25,060,300

### 13 OTHER RECEIVABLES AND ACCRUED MARK-UP

This includes interest receivable from profit on savings accounts and TDRs amounting to Rs. 248.150 million.

### 14 CASH AND BANK BALANCES

#### Cash in hand

Local currency

Foreign currencies

<b>114</b>	224
<b>3,131</b>	4,078
<b>3,245</b>	4,302

#### Cash at bank

Current account

Profit and loss sharing (PLS) accounts

14.1

<b>42,077</b>	13,216
<b>2,227,961</b>	2,936,098
<b>2,270,038</b>	2,949,314
<b>2,273,283</b>	2,953,616

14.1 During the period, the profit rates on PLS accounts is 13.5% to 19.0% (June 30, 2024: 19.5% to 20.5%) per annum.

### 15 SHARE CAPITAL

December 31, 2024 (Un-audited)	June 30, 2024 (Audited)		December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
Number of shares		Note	(Rupees in thousands)	
<b>Authorised share capital</b>				
<b>200,000,000</b>	200,000,000	Ordinary shares of Rs. 10/- each	<b>2,000,000</b>	2,000,000
<b>89,418,125</b>	89,418,125	Ordinary shares of Rs. 10/- each shares allotted for consideration paid in cash	<b>894,181</b>	894,181
<b>10,300,000</b>	10,300,000	Ordinary shares of Rs. 10/- each shares allotted for consideration other than cash	<b>103,000</b>	103,000
<b>(15,000,000)</b>	(15,000,000)	Treasury shares	<b>(150,000)</b>	(150,000)
<b>84,718,125</b>	84,718,125		<b>847,181</b>	847,181

- 15.1 The Company has only one class of ordinary shares which carries no right to fixed income. The shareholders are entitled to receive dividend as declared from time to time and are entitled to one vote per share at Annual General Meetings (AGM) of the Company. All shares rank equally with regard to the Company's residual assets.
- 15.2 In the Annual General Meeting held on October 26, 2023, It was hereby approved to purchase upto 15 million ordinary shares of the company under Buy Back scheme pursuant to section 88 of the Companies Act 2017 read with Buy Back Regulations. The Buy Back was made through Pakistan Stock Exchange Limited at the spot/current price. The Company has purchased 15 million ordinary shares which are disclosed as Treasury Shares as stated above.

		December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
	Note	(Rupees in thousands)	
<b>16 TRADE AND OTHER PAYABLES</b>			
Trade creditors		<b>535,262</b>	470,484
Accrued liabilities		<b>523,928</b>	1,078,159
Royalty payable	16.1	<b>90,649</b>	234,641
Contract liability		<b>141,137</b>	136,512
Excise duty and sales tax payable		<b>103,765</b>	56,696
Workers' Profit Participation Fund		<b>151,730</b>	132,823
Workers' Welfare Fund		<b>35,142</b>	50,473
Other liabilities		<b>34,820</b>	5,827
		<b>1,616,433</b>	2,165,615

- 16.1 Further to the matter referred to in note 24.2 of the financial statements of the company for the year ended June 30, 2024, during the period, Department of Minerals and Mines development Govt. of Sindh has made downward revision in the rates of Lime stone and Shale Clay amounting to Rs. 52 and 42 per one thousand kg respectively vide notification DMD/S/Misc-(09)/24 dated Sept 13, 2024. Therefore, the management of the company has reversed an excess provision of Rs. 150.84 million in respect of Royalty.

## **17 CONTINGENCIES AND COMMITMENTS**

### **17.1 Contingencies**

The status of contingencies as disclosed in annual audited unconsolidated financial statements for the year ended June 30, 2024 are same as at December 31, 2024.

### **17.2 Commitments**

- 17.2.1 Guarantee given by a commercial bank to Sui Southern Gas Company Limited on behalf of the Company amounts to Rs. 45 million (June 30, 2024: Rs. 45 million).
- 17.2.2 Irrevocable letter of credit under capital expenditure as at reporting date against wind mill is amounting to Rs. 874.638 million (2024: Rs. 881.257 million) and against import of stores and spares is amounting to Rs. 128.829 (2024: 73.512) million
- 17.2.3 Other outstanding guarantees given on behalf of the Company by banks amount to Rs. 1.5 million (June 30, 2024: Rs.52.325 million).

**THATTA CEMENT COMPANY LIMITED**  
**NOTES TO THE CONDENSED UNCONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

	Half year ended		Quarter ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
------(Rupees in thousands)-----				
<b>18 SALES - NET</b>				
Gross Sales				
Local	<b>5,599,802</b>	4,182,844	<b>3,088,865</b>	2,205,213
Less:				
Federal excise duty	<b>(1,014,273)</b>	(460,594)	<b>(556,868)</b>	(240,612)
Sales tax	<b>(735,939)</b>	(598,283)	<b>(403,621)</b>	(311,167)
	<b>(1,750,212)</b>	(1,058,877)	<b>(960,489)</b>	(551,779)
	<b>3,849,590</b>	3,123,967	<b>2,128,376</b>	1,653,434
<b>18.1</b> Company's revenue disaggregated by primary geographical markets is as follows:				
<b>Sale of cement and clinker</b>				
Primary geographical markets				
Within Pakistan	<b>3,849,590</b>	3,123,967	<b>2,128,376</b>	1,653,434
Outside Pakistan	-	-	-	-
	<b>3,849,590</b>	3,123,967	<b>2,128,376</b>	1,653,434
<b>18.2</b> Company's revenue disaggregated by pattern / timing of revenue recognition is as follows.				
Timing of revenue recognition				
Goods transferred at a point in time	<b>3,849,590</b>	3,123,967	<b>2,128,376</b>	1,653,434
<b>19 COST OF SALES</b>				
Raw material consumed	<b>453,388</b>	132,130	<b>531,082</b>	74,645
Manufacturing expenses:				
Fuel and power	<b>1,540,833</b>	1,134,988	<b>861,145</b>	561,197
Salaries, wages and other benefits	<b>147,923</b>	206,293	<b>73,818</b>	111,224
Depreciation	<b>71,266</b>	55,571	<b>38,522</b>	32,418
Packing material consumed	<b>199,478</b>	173,702	<b>109,363</b>	89,890
Stores, spare parts and loose tools consumed	<b>115,528</b>	80,528	<b>78,409</b>	34,592
Vehicle hire, running and maintenance	<b>9,544</b>	12,738	<b>4,805</b>	6,123
Repairs and maintenance	<b>5,715</b>	4,675	<b>5,054</b>	2,520
Insurance	<b>10,013</b>	16,761	<b>5,131</b>	7,968
Other production overheads	<b>4,300</b>	1,980	<b>3,448</b>	944
Communication	<b>1,015</b>	976	<b>501</b>	414
Entertainment	<b>1,008</b>	1,448	<b>689</b>	968
Provision for slow moving and obsolete stores and spares	-	-	-	-
	<b>2,106,623</b>	1,689,660	<b>1,180,885</b>	848,258
Cost of production	<b>2,560,011</b>	1,821,790	<b>1,711,967</b>	922,903
Work-in-process				
Opening balance	<b>146,166</b>	737,889	<b>18,237</b>	394,261
Closing balance	<b>(92,541)</b>	(136,955)	<b>(92,541)</b>	(136,955)
	<b>53,625</b>	600,934	<b>(74,304)</b>	257,306
Cost of goods manufactured	<b>2,613,636</b>	2,422,724	<b>1,637,663</b>	1,180,209

	Half year ended		Quarter ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
------(Rupees in thousands)-----				
Finished goods				
Opening balance	63,494	93,529	54,612	79,669
Closing balance	(28,842)	(53,355)	(28,842)	(53,355)
	34,652	40,174	25,770	26,314
	2,648,288	2,462,898	1,663,433	1,206,523

## 20 OTHER INCOME

This includes royalty reversal amounting to Rs.150.84 million for the period from July 2021 to June 2024 against downward revision of royalty rates of Limestone and Shale Clay. (Refer Note 16.1).

## 21 EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED

	Half year ended		Quarter ended	
	December 31, 2024 (Un-audited)	December 31, 2023 (Un-audited)	December 31, 2024 (Un-audited)	December 31, 2023 (Un-audited)
Profit for the period	1,127,532	358,084	530,681	236,772
Weighted average number of ordinary shares	84,718,125	98,297,931	84,718,125	98,297,931
Basic earnings per share (Rupee in thousands)	13.31	3.64	6.26	2.41

There is no dilutive effect on the basic earnings / (loss) per shares of the Company during the reporting period.

21.1 The basic earnings / (loss) per share of the comparative periods have been restated due to purchase of treasury shares during the period

## 22 RELATED PARTY TRANSACTIONS & BALANCES

The related parties comprises of associated companies, undertakings, directors of the Company, key management personnel and staff retirement funds. The Company continues to have a policy whereby all transactions with related parties are entered into at commercial terms and conditions except for Service Level Agreement for business support services with the Subsidiary Company for which the basis are approved by the Board of Directors. Further, contribution to defined contribution plan (provident fund) is made as per the terms of employment and trust deed. Detail of transactions during the period ended December 31, 2024 and outstanding balances as at December 31, 2024 with related parties are as follows:

### 22.1 Transactions with related parties

#### Subsidiary Company

##### Thatta Power (Private) Limited

Common shared expenses	2,944	2,748	1,412	1,327
Receipts for common shared expenses	-	2,315	-	467
Sale of store items - net	91	332	59	785
Payment of store items - net	-	633	-	1,356
Purchase of electricity (inclusive of GST)	952,995	510,803	529,325	203,691
Payment for electricity (inclusive of GST)	1,576,222	459,179	1,066,222	172,909
Management fee claimed (inclusive of SST)	19,686	17,586	9,843	8,793
Management fee received (inclusive of SST)	-	14,122	-	2,931
Sale / (Adjustment) of waste heat	163,669	2,457	85,465	(4,676)
Receipt for sale of waste heat	406,222	15,541	406,222	4,704
Further investments in shares	137,500	-	137,500	-

	Half year ended		Quarter ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
------(Rupees in thousands)-----				
<b>Key management personnel</b>				
Salaries and benefits	<b>41,360</b>	54,598	<b>21,374</b>	23,766
<b>Other related parties</b>				
Contribution to Provident Fund	<b>5,820</b>	6,474	<b>2,841</b>	3,182
Education expense - Model tarbiat school	<b>244</b>	2,305	<b>133</b>	1,248
Minsk Work Tractors and Assembling Private Limited (investment in shares).	<b>500,000</b>	-	<b>500,000</b>	-

December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
<b>(Rupees in thousands)</b>	

## 22.2 Balances with related parties

### Subsidiary Company

#### Thatta Power (Private) Limited

Payable against purchase of electricity (inclusive of GST)	<b>386,820</b>	1,010,047
Receivable against management fee (inclusive of SST)	<b>46,063</b>	26,377
Receivable against common shared expenses	<b>6,800</b>	3,856
Receivable against sale of store items - net	<b>462</b>	371
Receivable against sale of waste heat (inclusive of GST)	<b>33,747</b>	276,300

### Other related parties

Receivable from Gratuity Fund	<b>23,100</b>	23,100
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22.3 There are no transactions with key management personnel other than under their terms of employment.

## 23 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objective and policies are consistent with that disclosed in the annual audited unconsolidated financial statements for the year ended June 30, 2024.

## 24 FAIR VALUE MEASUREMENT - FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in the condensed interim unconsolidated financial statements approximate their fair values. Fair value is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted prices (Unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset either directly or derived from prices.

Level 3: inputs for the asset or liability that are not based on observable market data (unadjusted) inputs.

As of the reporting date, none of the financial instruments of the Company are carried at fair value.

The carrying values of all financial assets and liabilities reflected in these condensed interim financial statements approximate their fair values.

**Transfers during the period**

During the period ended December 31, 2024, there were no transfers between level 1 and level 2 fair value measurement and into or out of Level 3 fair value measurements.

**25 DATE OF AUTHORIZATION FOR ISSUE**

These condensed interim unconsolidated financial statements have been authorized for issue on February 01, 2025 by the Board of Directors of the Company.

**26 GENERAL**

Amounts have been rounded off to the nearest thousands of rupees unless otherwise stated.



**CHIEF FINANCIAL OFFICER**



**CHIEF EXECUTIVE**



**DIRECTOR**

**CONDENSED INTERIM  
CONSOLIDATED  
FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED  
DECEMBER 31, 2024**

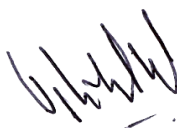
**THATTA CEMENT COMPANY LIMITED**  
**CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2024**

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

The annexed notes from 1 to 22 form an integral part of these condensed interim consolidated financial statements.



**CHIEF FINANCIAL OFFICER**



**CHIEF EXECUTIVE**



**DIRECTOR**

**THATTA CEMENT COMPANY LIMITED**  
**CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**(UN-AUDITED)**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

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

The annexed notes from 1 to 22 form an integral part of these condensed interim consolidated financial statements.



**CHIEF FINANCIAL OFFICER**



**CHIEF EXECUTIVE**



**DIRECTOR**

**THATTA CEMENT COMPANY LIMITED**  
**CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**(UN-AUDITED)**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

	Half year ended		Quarter ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	----- (Rupees in thousands) -----			
<b>Profit for the period</b>	<b>937,941</b>	244,855	<b>436,977</b>	100,464
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>937,941</b>	244,855	<b>436,977</b>	100,464
<b>Total comprehensive income / (loss) for the period attributable to:</b>				
Equity holders of the Holding Company	<b>1,006,751</b>	287,395	<b>469,762</b>	151,675
Non-controlling interests	<b>(68,810)</b>	(42,540)	<b>(32,785)</b>	(51,211)
	<b>937,941</b>	244,855	<b>436,977</b>	100,464

The annexed notes from 1 to 22 form an integral part of these condensed interim consolidated financial statements.



**CHIEF FINANCIAL OFFICER**



**CHIEF EXECUTIVE**



**DIRECTOR**

**THATTA CEMENT COMPANY LIMITED**  
**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**  
**(UN-AUDITED)**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

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

**THATTA CEMENT COMPANY LIMITED**  
**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**  
**(UN-AUDITED)**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

Half year ended	
December 31, 2024	December 31, 2023

Note -----(Rupees in thousands)-----

**CASH FLOWS FROM INVESTING ACTIVITIES**

Fixed capital expenditure	<b>(297,597)</b>	(174,861)
Investment in shares of listed companies	<b>(635,407)</b>	(993,150)
Disposal of investment in shares of listed companies	<b>390,514</b>	-
Disposal of / (addtion in) investment in TDRs	<b>50,825</b>	-
Further investment in subsidiaries	<b>(637,500)</b>	-
Proceeds from sale of property, plant and equipment	<b>1,800</b>	32,598
Long term deposit - assets	<b>(10,000)</b>	14,350
<b>Net cash used in investing activities</b>	<b>(1,137,365)</b>	(1,121,063)

**CASH FLOWS FROM FINANCING ACTIVITIES**

Buy back of shares	-	(175,309)
Dividend paid	<b>(34,379)</b>	-
<b>Net cash used in financing activities</b>	<b>(34,379)</b>	(175,309)

**Net increase / (decrease) in cash and cash equivalents**

Cash and cash equivalents at beginning of the period	<b>2,795,267</b>	477,843
<b>Cash and cash equivalents at end of the period</b>	<b>2,089,801</b>	297,231


**CASH AND CASH EQUIVALENTS**

Cash and bank balances	<b>2,287,454</b>	493,857
Short term borrowings	<b>(197,653)</b>	(196,626)
	<b>2,089,801</b>	297,231

The annexed notes from 1 to 22 form an integral part of these condensed interim consolidated financial statements.



**CHIEF FINANCIAL OFFICER**



**CHIEF EXECUTIVE**



**DIRECTOR**


**THATTA CEMENT COMPANY LIMITED**  
**CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

	Attributable to the owners of the Holding Company			Non-controlling interests	Total equity	
	Share capital	Share premium	Accumulated profits			Total
	----- Rupees in thousands -----					
<b>Balance as at July 1, 2023 (audited)</b>	997,181	99,718	3,090,047	4,186,946	904,844	5,091,790
<i>Total comprehensive income for the period</i>						
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
<b>Balance as at December 31, 2023 (un-audited)</b>	<u>897,181</u>	<u>99,718</u>	<u>3,302,133</u>	<u>4,299,032</u>	<u>862,304</u>	<u>5,161,336</u>
<b>Balance as at July 1, 2024 (audited)</b>	<b>847,181</b>	<b>99,718</b>	<b>4,325,669</b>	<b>5,272,568</b>	<b>821,280</b>	<b>6,093,848</b>
<i>Total comprehensive income for the period ended December 31, 2024</i>						
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 share quarter ended September 30, 2024	-	-	(16,830)	(16,830)	-	(16,830)
	-	-	(50,490)	(50,490)	-	(50,490)
<b>Balance as at December 31, 2024 (un-audited)</b>	<u><b>847,181</b></u>	<u><b>99,718</b></u>	<u><b>5,667,718</b></u>	<u><b>6,614,617</b></u>	<u><b>229,182</b></u>	<u><b>6,843,799</b></u>

The annexed notes from 1 to 22 form an integral part of these condensed interim consolidated financial statements.



**CHIEF FINANCIAL OFFICER**



**CHIEF EXECUTIVE**



**Director**

**THATTA CEMENT COMPANY LIMITED**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**(UN-AUDITED)**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

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**1 THE GROUP AND ITS OPERATIONS**

- 1.1** The Group consists of Thatta Cement Company Limited (TCCL) and Thatta Power (Private) Limited (TPPL) (together referred as "the Group").
- 1.2** Thatta Cement Company Limited (the Holding Company) was incorporated in Pakistan in 1980 as a public limited company. The shares of the Holding Company are quoted at the Pakistan Stock Exchange. The Holding Company's main business activity is manufacturing and marketing of cement. The registered office of the Holding Company is situated at CL 5/4, State Life Building-10, Main Abdullah Haroon Road, Karachi. The production facility of the Holding Company comprises of 233 acres and is located at Ghulamullah Road, Makli, District Thatta, Sindh.
- 1.3** Thatta Power (Private) Limited (the Subsidiary Company) is a 88.52% owned subsidiary of the Holding Company as at December 31, 2024 (June 30, 2024: 62.43%). The principal business activity of the Subsidiary Company is generation and sale of electric power. As at December 31, 2024 TPPL has authorized and issued capital of Rs. 500 million and Rs. 479.16 million divided into 50,000,000 (June 30, 2024: 50,000,000) ordinary shares and 47,915,830 (June 30, 2024: 47,915,830) ordinary shares respectively. The registered office and generation facility of the Subsidiary Company is situated at Ghulamullah Road, Makli, District Thatta, Sindh.

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

These condensed interim consolidated financial statements for the half year ended December 31, 2024 have been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34, 'Interim Financial Reporting' and provisions of and directives issued under the Companies Act, 2017. In case the requirements differ, the provisions of and directives issued under the Companies Act, 2017 shall prevail. The disclosures in these condensed interim consolidated financial statements do not include all of the information required in the annual audited consolidated financial statements and should be read in conjunction with the annual audited consolidated financial statements of the Group as at and for the year ended June 30, 2024

These condensed interim consolidated financial statements are unaudited and are being submitted to the shareholders as required under section 228 and 237 of the Companies Act, 2017 and the Pakistan Stock Exchange Regulations.

These condensed interim consolidated financial statements comprise of the condensed interim consolidated statement of financial position as at June 30, 2024 and condensed interim consolidated statement of profit or loss, condensed interim consolidated statement of comprehensive income, condensed interim consolidated statement of cash flows and condensed interim consolidated statement of changes in equity for the half year ended December 31, 2024.

**2.2 Basis of consolidation**

These condensed interim consolidated financial statements include the condensed interim financial statements of the Holding Company and the Subsidiary Company.

The condensed interim financial statements of the Subsidiary Company are included in the condensed interim consolidated financial statements from the date on which more than 50% voting rights are transferred to the Holding Company or power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Upon loss of control, the Holding Company derecognises the assets and liabilities of the Subsidiary Company, any non-controlling interests and other components of equity related to the Subsidiary Company. Any surplus or deficit arising on the loss of control is recognised in profit and loss account.

The financial statements of the Subsidiary Company are prepared for the same reporting period as of the Holding Company, using accounting policies that are generally consistent with those of the Holding Company.

The assets and liabilities of the Subsidiary Company have been consolidated on a line-by-line basis. The carrying value of investment held by the Holding Company is eliminated against the Subsidiary Company's shareholders' equity in the condensed interim consolidated financial statements. Intra-group balances and transactions are eliminated.

**THATTA CEMENT COMPANY LIMITED**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**(UN-AUDITED)**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

**2.3 Functional and presentation currency**

These condensed interim consolidated financial statements have been prepared and presented in Pakistani Rupee which is the Group's functional and presentation currency.

**3 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted in the preparation of these condensed interim consolidated financial statements are the same as those applied in preparation of the annual audited consolidated financial statements as at and for the year ended June 30, 2024.

**4 ESTIMATES AND JUDGEMENTS**

The preparation of these condensed interim consolidated financial statements require management to make certain judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the group's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2024.

**5 PROPERTY, PLANT AND EQUIPMENT**

		(Un-audited) December 31, 2024	(Audited) June 30, 2024
	Note	(Rupees in thousands)	
Operating fixed assets	5.1	<b>3,682,336</b>	3,790,468
Major stores and spares	5.2	<b>37,028</b>	33,585
Capital work in progress	5.3	<b>496,816</b>	239,884
		<b>4,216,180</b>	4,063,937

**5.1 Operating fixed assets**

Opening net book value (NBV)		<b>3,790,468</b>	3,725,575
Additions during the period / year at cost	5.1.1	<b>37,222</b>	336,360
		<b>3,827,690</b>	4,061,935
WDV of disposals during the period / year		-	(1,404)
Depreciation charge for the period / year		<b>(145,354)</b>	(270,063)
		<b>(145,354)</b>	(271,467)
Closing net book value (NBV)		<b>3,682,336</b>	3,790,468

**5.1.1** Detail of additions (at cost) during the period are as follows:

Factory building on freehold land	-	14,813
Electrical installations	-	245,225
Plant and machinery	<b>30,888</b>	43,133
Vehicles	<b>5,489</b>	31,654
Office equipment	<b>510</b>	245
Laboratory equipment	<b>140</b>	-
Computers	<b>195</b>	1,290
	<b>37,222</b>	336,360

**THATTA CEMENT COMPANY LIMITED**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**(UN-AUDITED)**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

	(Un-audited) December 31, 2024	(Audited) June 30, 2024
Note	(Rupees in thousands)	
<b>5.2 Major stores and spares</b>		
Cost		
Opening balance	89,273	115,187
Additions during the period / year	80,048	46,943
Transferred during the period / year	(76,605)	(72,857)
Closing balance	92,716	89,273
Accumulated impairment		
Opening balance	(55,688)	(47,098)
Impairment charge for the period / year	-	(8,590)
Closing balance	(55,688)	(55,688)
Net book value	37,028	33,585
<b>5.3 Capital work in progress</b>		
Opening balance	239,884	17,639
Additions during the period / year	256,932	482,178
Transferred during the period / year	-	(259,933)
Closing balance	496,816	239,884
<b>6 INTANGIBLE ASSETS</b>		
Cost	5,850	5,850
Amortization on intangibles		
Opening balance	(2,925)	(1,755)
Lease cancellation	(585)	(1,170)
Closing balance	(3,510)	(2,925)
	2,340	2,925
<b>7 LONG TERM INVESTMENT IN SUBSIDIARIES- AT COST</b>		
Advance against investment in Minsk Work Tractor and Assembling (Private) Limited	500,000	-
7.1	<p>During the period, the Holding Company has made investment in shares of Minsk Work Tractors and Assembling Private Limited "Wholly owned Subsidiary" (newly incorporated company) in pursuant to the special resolution passed by share holders in Extra Ordinary General meeting (EOGM) dated on December 09, 2024. The holding company acquired 5,000,000 shares at Rs. 10 per share making it wholly owned subsidiary as at reporting date. The shares of the subsidiary company are yet to be transferred, Therefore, the investment is disclosed as "Advance against investment" in these condensed consolidated interim financial statement. The subsidiary company was incorporated under Companies Act 2017, on August 22, 2024.</p>	
7.2	<p>The principle line of business is assembling and selling tractors, starting with Completely Built Unit (CBUs) units, progressing to Semi knocked Down (SKD) units, and eventually transitioning to assembly of Completely Knocked Down Units (CKD) " Belarus" models in collaboration with Minsk Tractor Works (MTZ).</p>	

**THATTA CEMENT COMPANY LIMITED**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**(UN-AUDITED)**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

		(Un-audited) December 31, 2024	(Audited) June 30, 2024
	Note	(Rupees in thousands)	
<b>8</b>	<b>STORES, SPARE PARTS AND LOOSE TOOLS</b>		
Coal and other fuels		<b>35,973</b>	33,033
Stores & spare parts		<b>306,810</b>	231,144
Loose tools		<b>47</b>	49
		<b>342,830</b>	264,226
Provision for obsolete stores		<b>(10,898)</b>	(10,898)
Provision for slow moving stores and spares		<b>(31,421)</b>	(31,421)
		<b>(42,319)</b>	(42,319)
		<b>300,511</b>	221,907
<b>9</b>	<b>STOCK-IN-TRADE</b>		
Raw material		<b>1,950</b>	12,959
Packing material		<b>37,079</b>	21,322
Work-in-process		<b>97,351</b>	151,865
Finished goods		<b>29,677</b>	64,556
		<b>166,057</b>	250,702
<b>10</b>	<b>TRADE DEBTS</b>		
Considered good			
Local - unsecured	10.1	<b>820,316</b>	745,025
Considered doubtful			
Local - unsecured		<b>75,340</b>	75,340
		<b>895,656</b>	820,365
Allowance for expected credit losses		<b>(75,340)</b>	(75,340)
		<b>820,316</b>	745,025
10.1	It includes receivable from HESCO by the Subsidiary Company is secured against Standby Letter of Credit (SBLC) issued by National Bank of Pakistan to the extent of Rs. 286.71 million.		
<b>11</b>	<b>SHARE CAPITAL</b>		
		(Un-audited) December 31, 2024	(Audited) June 30, 2024
		--- Number of shares ---	
	<b>Authorized share capital</b>		
		<b>200,000,000</b>	200,000,000
	Ordinary shares of Rs. 10/- each	<b>2,000,000</b>	2,000,000
	<b>Issued, subscribed and paid-up share capital</b>		
		<b>89,418,125</b>	89,418,125
	Ordinary shares of Rs. 10/- each - shares allotted for consideration fully paid in cash	<b>894,181</b>	894,181
		<b>10,300,000</b>	10,300,000
	Ordinary shares of Rs. 10/- each - shares allotted for consideration other than cash	<b>103,000</b>	103,000
		<b>(15,000,000)</b>	(15,000,000)
	Treasury shares	<b>(150,000)</b>	(150,000)
		<b>84,718,125</b>	84,718,125
		<b>847,181</b>	847,181

**THATTA CEMENT COMPANY LIMITED**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**(UN-AUDITED)**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

	(Un-audited) December 31, 2024	(Audited) June 30, 2024
Note	(Rupees in thousands)	
<b>12 TRADE AND OTHER PAYABLES</b>		
Trade creditors	<b>540,136</b>	718,733
Accrued liabilities	<b>371,966</b>	267,607
Contract liability	<b>141,137</b>	136,512
Excise duty and sales tax payable	<b>103,765</b>	56,696
Workers' Profit Participation Fund (WPPF)	<b>191,386</b>	172,479
Workers' Welfare Fund (WWF)	<b>50,211</b>	65,542
Other liabilities	<b>58,722</b>	5,949
	<b><u>1,457,323</u></b>	<u>1,423,518</u>
<b>13 CONTINGENCIES AND COMMITMENTS</b>		
<b>13.1 Contingencies</b>		
The status of contingencies as disclosed in annual audited consolidated financial statements for the year ended June 30, 2024 are same as at December 31, 2024.		
<b>13.2 Commitments</b>		
13.2.1 Guarantee given by a commercial bank to Sui Southern Gas Company Limited on behalf of the Holding Company amounts to Rs. 45 million (June 30, 2024: Rs. 45 million).		
13.2.2 Irrevocable letter of credit under capital expenditure as at reporting date against wind mill is amounting to Rs. 874.638 million (2024: Rs. 881.257 million) and against import of stores and spares is amounting to Rs. 128.829 (2024: 73.512) million		
13.2.3 Other outstanding guarantees given on behalf of the Company by banks amounting to Rs. 1.5 million (June 30, 2024: Rs. 52.325 million).		
13.2.4 Guarantees given by banks on behalf of the Subsidiary Company	<b><u>200,000</u></b>	<u>200,000</u>

**THATTA CEMENT COMPANY LIMITED**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UN-**  
**AUDITED)**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

	Half year ended		Quarter ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
----- (Rupees in thousands) -----				
<b>14 COST OF SALES</b>				
Raw material consumed	<b>453,388</b>	132,130	<b>531,082</b>	74,645
Manufacturing expenses				
Fuel and power	<b>1,658,859</b>	1,095,008	<b>902,180</b>	629,366
Salaries, wages and other benefits	<b>147,923</b>	206,293	<b>73,818</b>	111,224
Depreciation	<b>140,712</b>	114,295	<b>73,295</b>	62,437
Packing material consumed	<b>199,478</b>	173,702	<b>109,363</b>	89,890
Stores, spare parts and loose tools consumed	<b>160,037</b>	117,473	<b>95,942</b>	48,054
Vehicle hire, running and maintenance	<b>9,544</b>	12,738	<b>4,805</b>	6,123
Repairs and maintenance	<b>18,040</b>	24,094	<b>11,155</b>	15,760
Insurance	<b>17,746</b>	23,614	<b>8,997</b>	11,394
Other production overheads	<b>4,570</b>	2,207	<b>3,592</b>	1,067
Communication	<b>1,015</b>	976	<b>501</b>	414
Entertainment	<b>1,008</b>	1,448	<b>689</b>	968
Provision for slow moving and obsolete stores and spares	-	-	-	-
	<b>2,358,932</b>	1,771,848	<b>1,284,337</b>	976,697
Cost of production	<b>2,812,320</b>	1,903,978	<b>1,815,419</b>	1,051,342
Work-in-process				
Opening balance	<b>151,865</b>	731,279	<b>21,081</b>	385,833
Closing balance	<b>(97,352)</b>	(143,969)	<b>(97,352)</b>	(143,969)
	<b>54,513</b>	587,310	<b>(76,271)</b>	241,864
Cost of goods manufactured	<b>2,866,833</b>	2,491,288	<b>1,739,148</b>	1,293,206
Finished goods				
Opening balance	<b>64,556</b>	92,979	<b>56,366</b>	78,849
Closing balance	<b>(29,676)</b>	(54,771)	<b>(29,676)</b>	(54,771)
	<b>34,880</b>	38,208	<b>26,690</b>	24,078
	<b>2,901,713</b>	2,529,496	<b>1,765,838</b>	1,317,284

**THATTA CEMENT COMPANY LIMITED**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UN-**  
**AUDITED)**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

	Half year ended		Quarter ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	(Rupees in thousands)			
<b>15 EARNINGS PER SHARE - BASIC AND DILUTED</b>				
Profit for the period attributable to the owners of the Holding Company	<b>1,006,751</b>	287,395	<b>469,762</b>	151,675
Weighted average number of ordinary shares	<b>84,718,125</b>	98,297,931	<b>84,718,125</b>	98,297,931
Earnings per share - basic and diluted (Rupees)	<b>11.88</b>	2.92	<b>5.54</b>	1.54

**16 RELATED PARTY TRANSACTIONS & BALANCES**

Related parties comprise of associated undertakings, directors of the Group, key management personnel and staff retirement funds. The Group continues to have a policy whereby all transactions with related parties are entered into at commercial terms and conditions. Further, contribution to the defined contribution plan (provident fund) is made as per the terms of employment and trust deed and contribution to the defined benefit plan (gratuity fund) is in accordance with the actuarial advice. Details of transactions during the quarter ended / outstanding balances as at December 31, 2024 with related parties are as follows:

**16.1 Transactions with related parties**

**16.1.1 Key management personnel**

Salaries and benefits	<b>41,360</b>	54,598	<b>21,374</b>	23,766
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**16.1.2 Other related parties**

Contribution to Gratuity Fund	<b>5,820</b>	6,474	<b>2,841</b>	3,182
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Education expense - Model tarbiat school	<b>244</b>	2,305	<b>133</b>	1,248
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Minsk Work Tractors and Assembling Private Limited (investment in shares).	<b>500,000</b>	-	<b>500,000</b>	-
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(Un-audited) December 31, 2024	(Audited) June 30, 2024
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-- Rupees in thousands --

**16.2 Balances with related parties**

**16.2.1 Other related parties**

Receivable from Gratuity Fund	<b>23,100</b>	23,100
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**16.3** There are no transactions with key management personnel other than under their terms of employment.

**THATTA CEMENT COMPANY LIMITED**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

**17 OPERATING SEGMENTS**

For management purposes the Group is organized into following major business segments.

**Cement** Engaged in manufacturing and marketing of cement.

**Power** Engaged in generation and supply of electric power.

17.1 Revenues	Cement		Power		Intra group adjustment		Consolidated	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
----- Un-audited -----								
----- Rupees in thousands -----								
Sales - net	3,849,590	3,123,967	1,071,619	463,526	(769,165)	(432,884)	4,152,044	3,154,609
Cost of sales	(2,648,288)	(2,462,898)	(1,161,025)	(515,831)	907,600	449,233	(2,901,713)	(2,529,496)
<b>Gross profit / (loss)</b>	<b>1,201,302</b>	661,069	<b>(89,406)</b>	(52,305)	<b>138,435</b>	16,349	<b>1,250,331</b>	625,113
Selling and distribution cost	(30,918)	(27,703)	-	-	-	-	(30,918)	(27,703)
Administrative expenses	(73,549)	(84,285)	(21,947)	(20,251)	19,686	15,562	(75,810)	(88,974)
	<b>1,096,835</b>	549,081	<b>(111,353)</b>	(72,556)	<b>158,121</b>	31,911	<b>1,143,603</b>	508,436
Other operating expenses	(127,624)	(47,111)	-	-	-	-	(127,624)	(47,111)
Expected credit loss allowance	-	(18,821)	-	-	-	-	-	(18,821)
Other income	780,334	180,113	14,634	54,720	(159,237)	(16,321)	635,731	218,512
<b>Operating profit / (loss)</b>	<b>1,749,545</b>	663,262	<b>(96,719)</b>	(17,836)	<b>(1,116)</b>	15,590	<b>1,651,710</b>	661,016
Finance cost	(27,597)	(28,773)	(87,610)	(95,111)	-	-	(115,207)	(123,884)
<b>Segment results</b>	<b>1,721,948</b>	634,489	<b>(184,329)</b>	(112,947)	<b>(1,116)</b>	15,590	<b>1,536,503</b>	537,132
Unallocated expenditures	-	-	-	-	-	-	-	-
<b>Profit / (loss) before tax</b>	<b>1,721,948</b>	634,489	<b>(184,329)</b>	(112,947)	<b>(1,116)</b>	15,590	<b>1,536,503</b>	537,132
Taxation								
Current	(666,163)	(256,326)	(4,146)	(15,872)	-	-	(670,309)	(272,198)
Prior	63,382	(12,438)	-	-	-	-	63,382	(12,438)
Deferred	8,365	(7,641)	-	-	-	-	8,365	(7,641)
	<b>(594,416)</b>	(276,405)	<b>(4,146)</b>	(15,872)	-	-	<b>(598,562)</b>	(292,277)
<b>Profit / (loss) for the period</b>	<b>1,127,532</b>	358,084	<b>(188,475)</b>	(128,819)	<b>(1,116)</b>	15,590	<b>937,941</b>	244,855

17.2 Other information	Cement		Power		Intra group adjustment		Consolidated	
	December 31, 2024 (Un-audited)	June 30, 2023 (Audited)	December 31, 2024 (Un-audited)	June 30, 2023 (Audited)	December 31, 2024 (Un-audited)	June 30, 2023 (Audited)	December 31, 2024 (Un-audited)	June 30, 2023 (Audited)
----- Rupees in thousands -----								
Segment assets	8,202,903	7,626,581	3,457,166	3,832,298	(906,513)	(1,620,293)	10,753,556	9,838,585
Unallocated corporate assets	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>8,202,903</b>	7,626,581	<b>3,457,166</b>	3,832,298	<b>(906,513)</b>	(1,620,293)	<b>10,753,556</b>	9,838,585
Segment liabilities	2,916,673	3,417,393	1,466,980	1,653,636	(473,896)	(1,326,292)	3,909,757	3,744,737
Unallocated corporate liabilities	-	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>2,916,673</b>	3,417,393	<b>1,466,980</b>	1,653,636	<b>(473,896)</b>	(1,326,292)	<b>3,909,757</b>	3,744,737
<b>Capital expenditure</b>	<b>288,424</b>	530,860	<b>9,173</b>	3,400	-	-	<b>297,597</b>	534,260
<b>Depreciation</b>	<b>75,909</b>	142,803	<b>69,446</b>	107,285	-	-	<b>145,355</b>	250,088
Non-cash expenses other than depreciation	(1,215)	599	-	(2,288)	-	-	(1,215)	(1,689)

**THATTA CEMENT COMPANY LIMITED**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE PERIOD ENDED DECEMBER 31, 2024**

**17.3 Reconciliation of reportable segment revenues, profit and loss, assets and liabilities:**

	Consolidated	
	(Un-audited) December 31, 2024	(Audited) June 30, 2024
	-- Rupees in thousands --	
<b>17.3.1 Operating revenues</b>		
Total revenue of reportable segments	<b>4,921,209</b>	3,587,493
Elimination of intra group revenue	<b>(769,165)</b>	(432,884)
Consolidated revenue	<b>4,152,044</b>	3,154,609
<b>17.3.2 Profit and loss</b>		
Total profit before tax of reportable segments	<b>1,537,619</b>	521,542
Adjustment of unrealized profit and intra group transactions	<b>(1,116)</b>	15,590
Consolidated profit before taxation	<b>1,536,503</b>	537,132
	-- Rupees in thousands --	
<b>17.3.3 Assets</b>		
Total assets of reportable segments	<b>11,660,069</b>	11,458,879
Elimination of intra group balances and unrealised profit	<b>(904,910)</b>	(1,618,690)
Reclassification for consolidation purposes	<b>(1,603)</b>	(1,603)
Consolidated assets	<b>10,753,556</b>	9,838,585
<b>17.3.4 Liabilities</b>		
Total liabilities of reportable segments	<b>4,383,653</b>	5,071,029
Elimination of intra group balances	<b>(473,896)</b>	(1,326,292)
Consolidated liabilities	<b>3,909,757</b>	3,744,737
<b>17.4 Information about major customers</b>		
Major customers for cement segment are various individual dealers, builders & developers whereas major customer for power segment is Hyderabad Electric Supply Company Limited (HESCO).		

**18 FAIR VALUE MEASUREMENTS**

The carrying values of all financial assets and liabilities reflected in the condensed interim consolidated financial statements approximate their fair values. Fair value is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset either directly or derived from prices.

Level 3: inputs for the asset or liability that are not based on observable market data (unadjusted) inputs.

The fair value of all other assets and liabilities is estimated to approximate their carrying value.

**19 CORRESPONDING FIGURES**

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation. However, no significant reclassification has been made during the period.

**20 NUMBER OF EMPLOYEES**

The number of employees as at December 31, 2024 was 403 (June 30, 2024: 409) and average number of employees during the period was 400 (June 30, 2024: 476).

**21 DATE OF AUTHORIZATION FOR ISSUE**

These condensed interim consolidated financial statements have been authorized for issue on February 01, 2025 by the Board of Directors of the Holding Company.

**22 GENERAL**

Amounts have been rounded off to the nearest thousands of rupees unless otherwise stated.



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE



DIRECTOR



# THATTA CEMENT

COMPANY LIMITED

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Head Office  
CL/5-4 State Life Building # 10,  
Abdullah Haroon Road, Karachi, Pakistan.

Factory  
Ghulamullah Road, Makli,  
District Thatta, Sindh