

Flash Note

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Cement

Maple Leaf Cement Factory Limited (MLCF)

Earnings: Maple Leaf Cement Factory Limited (MLCF) announced its 2QFY26 result. The Company reported unconsolidated earnings for 2QFY26 of PKR 2.5bn (PKR 2.4/share), down by 22% y/y compared to profitability of PKR 3.2bn (PKR 3.08/share) in the same period last year. Profitability is down by 4%q/q during 2QFY26. This brings total earnings for 1HFY26 to PKR 5.1bn (EPS PKR 4.89/share) up by +20%y/y compared to PKR 4.3bn (EPS PKR 4.3/share) in the same period last year.

Dividend/Payout: The Company did not announce any cash dividend along with the result.

Operating Performance: During 2QFY26, the company's net sales remained flat at PKR 18.9bn, likely owing to lower export sales post Afghan border closure, offset by growth in local dispatches. Gross Margins clocked in at 32% during 2QFY26 against 38% in the same period last year, likely owing to a shift to expensive imported coal. Administrative cost increased by +7% y/y to PKR 0.7bn compared to PKR 0.7bn in the same period last year. Other income plummeted by 60%y/y to PKR 0.46bn during 2QFY26 against PKR 1.15bn in the same period last year. Finance cost declined by 76%y/y to PKR 0.4bn during 2QFY26 compared to PKR 1.6bn in the similar period last year, likely due to a decline in interest rate and borrowings. The effective tax rate during 2QFY26 stood at 41.2% (1QFY26: 33.9%) compared to 28.8% during the same period last year, bringing the total effective tax rate for 1HFY26 to 37.7% against 31.6% in 1HFY25.

Exhibit: Maple Leaf Cement Factory Limited (MLCF) - Unconsolidated								
For period ending: 2q/26								
PKRbn	2q/26	2q/25	y/y	1q/26	q/q	1HFY26	1HFY25	y/y
Net Sales	18.9	19.0	0%	16.5	15%	35.4	34.7	2%
Gross Profits	6.0	7.1	-15%	5.0	21%	11.0	11.8	-7%
Admin	0.7	0.7	7%	0.5	36%	1.2	1.2	5%
EBIT	4.7	6.1	-24%	4.3	9%	8.9	8.8	2%
Finance cost	0.4	1.6	-76%	0.3	15%	0.7	2.5	-72%
Profit before tax	4.3	4.5	-6%	3.9	8%	8.2	6.2	32%
Taxation	1.8	1.3	35%	1.3	31%	3.1	2.0	57%
Profit after Tax	2.5	3.2	-22%	2.6	-4%	5.1	4.3	20%
EPS*	2.40	3.08		2.49		4.89	4.08	
DPS	0.00	0.00		0.00		0.00	0.00	
Gross Margins	32%	38%		30%		31%	34%	
EBIT Margins	25%	32%		26%		25%	25%	
Effective tax	41%	29%		34%		38%	32%	
Net Margins	13%	17%		16%		14%	12%	

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Hold if target price on aforementioned security (ies) is in between -10% and 10%, from its last closing price(s)

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- Justified Price to Book
- Residual Income (RI)
- Relative Valuation (Price to Earning, Price to Sales, Price to Book)

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