

## Power Cement depicts lowest EV per ton among players

Wednesday, 11 February 2026

### EV per ton is at \$42-43/ton...

Power Cement (POWER) is a company in the Southern zone at the Karachi's Super Highway. It's an Arif Habib Group's flagship cement company with a stated 3rd largest plant (11,235 Tons per day) in the Southern zone.

Our premise for POWER is its one of the lowest Enterprise Value (EV/ton) at \$42-43/ton in the country, which is also exporting cement.

POWER operates with an annual capacity of 3.375 million tons, utilizing FLSmidth Denmark technology. This is the same technology that DGKC is also operating at Hub, Balouchistan as per our understanding.

### Balance sheet reducing...

The loans in the balance sheet have been reduced to PKR 16.67bn in 1QFY26 from PKR 18.45bn. Also the company reaped benefits of nearly 1150bps in FY25, which will now help in further reduction of the financial charges – a key ingredient in improved profitability outlook.

### The export chunk is increasing...

We see sales revenue is increasing by 45% QoQ. We believe the company's export sales is a game changer as its being reported in All Pakistan Cement Manufacturing Association (APCMA) data.

### ML10 is key...

We expect that the ML10 project, as envisioned at the ECC level, would be beneficial for this plant situated on the Super Highway route in *Nooriabad*, Karachi.

### Cement producers EV/ton tabulations

Companies	EV/ton USD	EV PKR mn	Annual Capacity*
DCL	9.78	8,193	2,940,000
FECTC	30.28	8,631	1,000,000
GWLC	42.09	24,110	2,010,000
POWER	42.83	41,141	3,370,500
ACPL	42.96	52,668	4,302,150
CHCC	52.78	68,236	4,536,000
DGKC	57.59	110,304	6,720,000
MLCF	58.59	130,256	7,800,000
PIOC	59.40	87,936	5,194,500
FCCL	64.39	170,009	9,263,625
KOHC	72.30	99,209	4,814,800
BWCL	85.08	353,854	14,593,751
FLYNG	118.67	40,485	1,197,000
LUCK	164.62	717,806	15,300,000
THCCL	171.40	33,852	693,000

Source: SCS Research

\*Capacity data is taken from latest books

## Power Cement sensitivity

Wednesday, 11 February 2026

### Some key highlights...

- Power Cement holds a 15%+ share in cement dispatches in the Sindh/Balochistan in the southern zone monopoly.
- In the month of Jan'26 Power Cement exported 191k tons. Although the overall export in the first 7MFY26 is 665k Tons.
- During 7MFY26, the total dispatches from the Southern zone is 8.6mn tons.
- Instead, the export sales contributed 55.17%.
- The Lucky Cement also contributed a significant number of around 1.88 mn tons directed towards exports.

Power Cement is exporting clinker with a cheaper coal hedge.

### 1Q revisited...

POWER posted PKR 0.6/sh in 1QFY26.

### FY26 EPS estimations..

We expect it will post an EPS of PKR 2.32/sh in FY26.

Its current EV/ton is \$42/43 is lower than other southern site plant i.e. EV of \$51 -55/ton

### Power Sensitivity

EV/Ton USD	EV/Ton PKR	EV PKR mn	Share Price PKR/sh Expected
50	14,250	48,030	26.3
52	14,820	49,951	27.9
55	15,675	52,833	30.3
60	17,100	57,636	34.3

Source: SCS Research

## Disclaimer

### ‘Research Analyst’ Certification

‘Research Analyst’ involves in this ‘Research Report’ certifies that:

- ‘Research Analyst’ or any of his close relatives do not have a financial interest in the securities of the ‘Subject Company’ aggregating more than 1% of the value of the ‘Subject Company’
- ‘Research Analyst’ or his close relative has neither served as a director/officer in the past 3 years nor received any compensation from the Subject Company in the previous 12 months
- His compensation will not be related to the recommendations or views given in ‘Research Report’

### Distribution of ‘Research Report’

Standard Capital Securities (Pvt.) Ltd. will distribute Research Report to clients in a timely manner through electronic distribution vide email or through physical distribution such as courier express. Standard Capital will make all efforts; even so it is possible that not all clients may receive Research Report at the same time given technical glitches or breakdown/slowdown of internet during the process of sending emails.

### ‘Research Entity’ Disclosures

- Standard Capital Securities (Pvt.) Ltd. or any of its officers and directors does not have a significant financial interest (above 1% of the value of the securities) of the subject company.
- Standard Capital Securities (Pvt.) Ltd. employee including directors, officers or associates has not served the subject company in preceding 36 months.
- Subject Company is not been a client for Standard Capital Securities (Pvt.) Ltd. during the publication of Research Report
- Standard Capital Securities (Pvt.) Ltd. has not managed public offering, take over or buyback of securities for the Subject Company in the past 12 months neither receives any compensation from the subject company for corporate advisory or underwriting services in the past 12 months.
- Standard Capital Securities (Pvt.) Ltd. hasn’t recently underwritten/or not in the process of underwriting the securities of an issuer mentioned herein. Standard Capital Securities (Pvt.) Ltd. hasn’t have provided/providing advisory services to the issuer mentioned herein.

### Risk disclosures impeding target price

The Subject Company is exposed to market risks, such as changes in interest rates, exchange rates, changes in raw material prices. Subject company can also exposed to risk such as derivative transaction or certain regulatory changes from government authorities.

### Rating System

Standard Capital Securities (Pvt.) Ltd. standardized recommendation structure i.e. Positive, Hold and Negative, based on rating system i.e.

- (Target Price, if any/Current Price - 1) > 10% Positive
- (Target Price, if any/Current Price - 1) < 10% Hold
- (Target Price, if any/Current Price - 1) < -10% Negative

The time duration is the financial reporting period of Subject Company

### Valuation method

Following research techniques adopted to calculate target price/recommendation

- Price to earnings & Price to Book, EV-EBITDA multiple
- Discounted Cash flows or Dividend Discount Model or Enterprise Value