

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

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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	EV/Ton	EV	Share Price
USD	PKR	PKR mn	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

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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