

August 11, 2025

LCK/CS/2025-26/

The General Manager
Pakistan Stock Exchange
Limited
Stock Exchange Road
Off: I.I. Chundrigar Road
Karachi

The Director / HOD
Surveillance Supervision
and Endorsement Dept
Securities & Exchange
Commission of Pakistan
Islamabad

FINANCIAL RESULTS FOR THE YEAR ENDED JUNE 30, 2025 & DISCLOSURE OF MATERIAL INFORMATION

Dear Sir(s),

This is to inform that the Board of Directors of Lucky Cement Limited (the "**Company**") in their meeting held on Friday, August 8, 2025 at 4:30 p.m., at 6-A, Muhammad Ali Housing Society, A. Aziz Hashim Tabba Street, Karachi-75350 has recommended the following:

(i)	Cash Dividend	PKR 4/- per share
(ii)	Bonus Issue	Nil
(iii)	Right Issue	Nil
(iv)	Any other entitlement	Nil

A. FINANCIAL RESULTS

The financial results of the Company consisting of (1) Consolidated and Standalone Statements of Financial Position; (2) Statement of Comprehensive income; (3) Statement of Changes in Equity; (4) Statement of Cash Flows and (5) Directors' Report are annexed.

B. MATERIAL INFORMATION

In accordance with Sections 96 and 131 of the Securities Act, 2015, and Clause 5.6.1 of the Rule Book of the PSX, the following decision made by the Board of Directors of the Company, in its meeting held on August 8, 2025, is being disclosed. In respect of the same, approval will be sought from the members in the upcoming Annual General Meeting of the Company, details of which are given below.

FURTHER INVESTMENT IN NATIONAL RESOURCES (PRIVATE) LIMITED

National Resources (Private) Limited ("**NRL**") is a joint venture company, in which the Company holds 33.33% equity, and has been established to carry out activities in the field of exploration and mining of metals (mainly gold and copper). As recently informed, NRL has made a significant copper & gold mineralization discovery within its licensed area in Chagai, Baluchistan.

Lucky Cement Limited

6-A, Mohammad Ali Housing Society, A. Aziz Hashim Tabba Street, Karachi-75350.
U.A.N: 111-786-555 F: 34534302 E: info@lucky-cement.com
URL: www.lucky-cement.com



The Board of Directors of the Company has recommended that the Company makes further equity investment, of an amount of up to PKR 1.2 billion, in its associated company, NRL, by subscribing to shares of NRL and acquisition of additional 250 ordinary shares of NRL from Mr. Muhammad Ali Tabba, a related party of the Company. This further investment is intended to be utilized by NRL for conducting pre-feasibility studies including physical geology, drilling and mineral resource estimation.

The above investment shall be subject to obtaining necessary corporate and regulatory approvals, including the approval of the shareholders of the Company in accordance with Section 199 of the Companies Act, 2017, read with the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017.

C. ANNUAL GENERAL MEETING AND BOOK CLOSURE

The 32nd Annual General Meeting ("AGM") of the Company will be held on Friday, September 26, 2025 at 11:30 am at the registered office of the Company situated at factory premises in Pezu, District Lakki Marwat, Khyber Pakhtunkhwa.

The Share Transfer Books of the Company will remain closed from Friday, September 19, 2025 to Friday, September 26, 2025 (both days inclusive). Any transfers received at our Share Registrar, M/s. CDC Share Registrar Services Limited, situated at CDC House, 99-B, Block 'B', S.M.C.H.S. Main Shahrah-e-Faisal, Karachi-74400 till close of business on Thursday, September 18, 2025 will be treated in time for the purpose of Annual General Meeting and dividend.

We will be transmitting the Annual Report of the Company for the year ended June 30, 2025 in electronic form through PUCARS within the specified time.

You may please inform the TREC holders of the Exchange accordingly.

Yours truly,
For LUCKY CEMENT LIMITED


ALI SHAHAB
General Manager Legal
& Company Secretary

LUCKY CEMENT LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	2025	2024
		(PKR in '000)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	305,340,294	298,571,892
Intangible assets	6	8,112,396	6,625,546
Right-of-use assets	7	368,211	182,457
		<u>313,820,901</u>	<u>305,379,895</u>
Long-term investments	8	92,217,941	78,083,162
Long-term loans, advances and deposits	9	1,683,076	1,065,591
Long term trade debts	12	1,085,658	502,317
		<u>408,807,576</u>	<u>385,030,965</u>
CURRENT ASSETS			
Stores and spares	10	29,585,458	24,834,721
Stock-in-trade	11	61,689,309	68,049,161
Trade debts	12	61,738,176	67,225,170
Loans and advances	13	3,489,610	3,468,097
Deposits and prepayments	14	7,047,694	6,296,487
Other receivables	15	14,552,293	17,191,874
Tax refunds due from the Government	16	538,812	538,812
Taxation receivable		136,119	163,398
Short-term investments	17	80,091,215	44,899,062
Cash and bank balances	18	61,685,366	41,963,878
		<u>320,554,052</u>	<u>274,630,660</u>
TOTAL ASSETS		<u>729,361,628</u>	<u>659,661,625</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	19	2,930,000	2,930,000
Reserves	20	344,371,028	270,695,520
Attributable to the owners of the Holding Company		347,301,028	273,625,520
Non-controlling interest		40,740,410	37,005,928
Total equity		<u>388,041,438</u>	<u>310,631,448</u>
NON-CURRENT LIABILITIES			
Long-term deposits and other liabilities	21	8,623,090	9,861,994
Long-term finance	22	117,625,786	124,167,975
Lease liabilities	7	307,146	157,478
Deferred Government grant	23	2,648,059	3,412,709
Deferred liabilities	24	34,342,438	27,638,646
		<u>163,546,519</u>	<u>165,238,802</u>
CURRENT LIABILITIES			
Trade and other payables	25	80,989,867	77,016,266
Current portion of long-term finance	22	13,181,508	11,567,233
Taxation - net		25,406,151	21,065,055
Accrued return		3,260,774	4,166,355
Short-term borrowings	26	54,787,977	69,878,771
Current portion of lease liabilities	7	81,649	38,547
Unclaimed dividend		65,745	59,148
		<u>177,773,671</u>	<u>183,791,375</u>
		<u>341,320,190</u>	<u>349,030,177</u>
TOTAL EQUITY AND LIABILITIES		<u>729,361,628</u>	<u>659,661,625</u>
CONTINGENCIES AND COMMITMENTS	27		

The annexed notes from 1 to 49 form an integral part of these consolidated financial statements.

Chairman / Director

Chief Executive Officer

Chief Financial Officer


LUCKY CEMENT LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		(PKR in '000)	
Gross Revenue	29.1	559,204,434	489,363,447
Less: Sales tax and excise duty		94,691,953	64,681,767
Rebates, incentive and commission		14,882,534	13,686,497
		109,574,487	78,368,264
Net Revenue		449,629,947	410,995,183
Cost of sales	29.2	(326,892,051)	(287,478,242)
Gross profit		122,737,896	123,516,941
Distribution cost	31	(17,254,021)	(15,785,531)
Administrative expenses	32	(7,559,413)	(7,652,978)
Finance cost	33	(25,498,349)	(36,698,507)
Other expenses	34	(4,728,985)	(3,674,585)
Gain on bargain purchase	2.6	292,555	
Other income	35	20,320,672	16,185,370
		88,310,355	75,890,710
Share of profit - joint ventures and associates	8.9	17,779,995	16,209,618
Profit before taxation and levy		106,090,350	92,100,328
Levy	36	(343,784)	(1,798,556)
Profit before taxation		105,746,566	90,301,772
Taxation	36	(21,248,189)	(17,965,025)
Profit after taxation		84,498,377	72,336,747
Attributable to:			
Owners of the Holding Company		76,956,147	65,555,505
Non-controlling interest		7,542,230	6,781,242
		84,498,377	72,336,747
		(PKR)	
		(Restated)	
Earnings per share - basic and diluted	37	52.53	44.10

The annexed notes from 1 to 49 form an integral part of these consolidated financial statements.

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Chairman / Director


Chief Executive Officer


Chief Financial Officer

LUCKY CEMENT LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025

	2025	2024
	(PKR in '000)	
Profit after taxation	84,498,377	72,336,747
Other comprehensive income / (loss) :		
Items that will not be reclassified subsequently to profit or loss		
Foreign exchange differences on translation of foreign operations	1,689,986	(1,728,162)
Remeasurement loss of post retirement benefit obligation	(1,007,063)	(87,133)
Deferred tax thereon	387,780	14,828
	(619,283)	(72,305)
Gain on equity instrument at fair value through other comprehensive income	27,678	9,576
Deferred tax thereon	(3,460)	(1,197)
	24,218	8,379
	1,094,921	(1,792,088)
Total comprehensive income for the year	85,593,298	70,544,659
Attributable to:		
Owners of the Holding Company	78,070,508	63,718,285
Non-controlling interest	7,522,790	6,826,374
	85,593,298	70,544,659

The annexed notes from 1 to 49 form an integral part of these consolidated financial statements.


Chairman / Director


Chief Executive Officer


Chief Financial Officer

LUCKY CEMENT LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2025

Attributable to the owners of the Holding Company											Non-controlling Interest	Total equity
Issued, subscribed and paid up capital	Capital reserves						Revenue reserve					
	Share premium	Capital re-purchase reserve account	Foreign currency translation reserve	Capacity expansions capital reserve	Long-term Investments capital reserve	Capital redemption reserve	Unappropri- ated profit	Total reserves				
PKR in '000												
Balance as at 1st July 2023	3,118,386	7,343,422	115,384	22,184,577	40,000,000	40,000,000	35,815,875	78,906,397	224,365,635	33,515,038	260,999,059	
Transactions with owners												
Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(3,070,884)	(3,070,884)	
Cancellation of own shares purchased (note 37.2)	(188,366)	-	188,366	-	-	-	(12,124,669)	-	(11,936,263)	-	(12,124,669)	
Final cash dividend for year ended June 30, 2023												
Buy-Back of Shares	-	-	-	-	-	-	-	(5,452,117)	(5,452,117)	-	(5,452,117)	
Total comprehensive Income												
Profit after taxation	-	-	-	-	-	-	-	65,555,505	65,555,505	6,781,242	72,336,747	
Other comprehensive income / (loss)	-	-	-	(1,728,162)	-	-	-	(109,058)	(1,837,220)	45,132	(1,792,088)	
Total comprehensive Income for the year	-	-	-	(1,728,162)	-	-	-	65,446,447	63,718,285	6,826,374	70,544,659	
Balance as at June 30, 2024	2,930,000	7,343,422	303,750	20,456,415	40,000,000	40,000,000	23,691,206	138,900,727	270,695,520	37,005,928	310,631,448	
Transactions with owners												
Final cash dividend for year ended June 30, 2024	-	-	-	-	-	-	-	(4,395,000)	(4,395,000)	-	(4,395,000)	
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	-	-	(3,881,308)	(3,881,308)	
Addition of non-controlling interest	-	-	-	-	-	-	-	-	-	93,000	93,000	
Total comprehensive Income												
Profit after taxation	-	-	-	-	-	-	-	76,956,147	76,956,147	7,542,230	84,498,377	
Other comprehensive income / (loss)	-	-	-	1,689,886	-	-	-	(675,625)	1,114,361	(19,440)	1,094,921	
Total comprehensive Income for the year	-	-	-	1,689,886	-	-	-	76,380,522	78,070,508	7,522,790	86,593,298	
Balance as at June 30, 2025	2,930,000	7,343,422	303,750	22,146,401	40,000,000	40,000,000	23,691,206	210,886,249	344,371,028	40,740,410	388,041,438	

The annexed notes from 1 to 49 form an integral part of these consolidated financial statements.



Chairman / Director



Chief Executive Officer



Chief Financial Officer

LUCKY CEMENT LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 (PKR in '000)	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	38	133,694,930	86,151,570
Finance cost paid		(26,343,120)	(37,548,473)
Income tax paid		(11,768,602)	(7,749,823)
Income from deposits and others		2,195,461	5,152,093
Staff retirement benefits paid		(418,970)	(316,682)
Long term deposits - net		-	(5,757)
Increase in long-term loans and advances		(617,485)	(233,771)
Increase in long-term deposits and prepayments		-	(241,806)
Net cash generated from operating activities		96,742,214	45,207,351
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(20,981,028)	(24,812,205)
Dividends and other income from equity accounted investments		5,093,092	3,532,623
Dividends received on short term investments		8,735,075	7,605,308
Sale proceeds on disposal of intangibles		121	-
Payment for acquisition of business		(5,000,000)	-
Sale proceeds on disposal of property, plant and equipment		488,232	421,155
Net cash used in investing activities		(11,664,508)	(13,253,119)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term finance repaid		(5,692,564)	(10,024,236)
Dividend paid to owners of the Holding Company		(4,388,403)	(5,443,084)
Dividend paid to non-controlling interest		(3,788,308)	(3,070,884)
Buy-back of shares of subsidiary from non-controlling shareholders		-	(264,600)
Short term borrowings - net		(15,980,961)	6,739,686
Payment against lease liability		(184,529)	(131,893)
Long-term deposits and other liabilities		(1,238,904)	-
Own shares purchased for cancellation	37.2	-	(12,124,669)
Net cash used in from financing activities		(31,273,669)	(24,050,180)
Net increase in cash and cash equivalents		53,804,037	7,634,552
Cash and cash equivalents at the beginning of the year		77,623,341	70,004,715
Effect of foreign currency translation on cash and cash equivalents		242,110	(15,926)
Cash and cash equivalents at the end of the year	38.1	131,669,488	77,623,341

The annexed notes from 1 to 49 form an integral part of these consolidated financial statements.

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Chairman / Director

Chief Executive Officer

Chief Financial Officer

LUCKY CEMENT LIMITED
UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	2025 (PKR in '000')	2024
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	107,409,588	107,258,973
Intangible assets	6	46,229	69,394
		<u>107,455,817</u>	<u>107,328,367</u>
Long-term investments	7	58,555,707	58,072,373
Long-term loans, advances and deposits	8	189,147	165,266
		<u>166,200,671</u>	<u>165,566,006</u>
CURRENT ASSETS			
Stores and spares	9	19,895,130	14,591,821
Stock-in-trade	10	4,774,577	8,505,426
Trade debts	11	6,353,194	6,932,479
Loans and advances	12	1,518,578	964,732
Deposits and prepayments	13	356,771	158,422
Other receivables	14	3,021,922	4,355,588
Tax refunds due from the Government	15	538,812	538,812
Short-term investments	16	61,298,052	29,837,628
Cash and bank balances	17	2,790,323	2,567,176
		<u>100,547,359</u>	<u>68,452,084</u>
TOTAL ASSETS		<u>266,748,030</u>	<u>234,018,090</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share capital	18	2,930,000	2,930,000
Reserves	19	172,980,400	144,831,277
		<u>175,910,400</u>	<u>147,761,277</u>
NON-CURRENT LIABILITIES			
Long-term deposits	20	114,200	255,087
Long-term financing	21	9,184,522	12,760,637
Deferred Government grant	22	1,382,651	1,766,055
Deferred liabilities	23	21,514,874	17,286,561
		<u>32,196,247</u>	<u>32,068,340</u>
CURRENT LIABILITIES			
Trade and other payables	24	27,300,919	30,006,625
Current maturity of long-term financing	21	1,866,085	2,099,147
Short term borrowings	25	6,485,000	5,485,000
Unclaimed dividend		65,745	59,148
Accrued markup		185,616	342,935
Taxation - net		22,738,018	16,195,618
		<u>58,641,383</u>	<u>54,188,473</u>
		<u>90,837,630</u>	<u>86,256,813</u>
TOTAL EQUITY AND LIABILITIES		<u>266,748,030</u>	<u>234,018,090</u>
CONTINGENCIES AND COMMITMENTS			
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The annexed notes from 1 to 46 form an integral part of these unconsolidated financial statements.

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Chairman / Director

Chief Executive

Chief Financial Officer

LUCKY CEMENT LIMITED
UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		(PKR in '000')	
Gross Revenue	27	174,302,064	151,808,171
Less: Sales tax and federal excise duty		47,513,376	34,277,688
Rebates, incentives and commission		2,276,944	2,205,541
		49,790,320	36,483,229
Net Revenue		124,511,744	115,324,942
Cost of sales	28	(81,827,060)	(76,520,370)
Gross profit		42,684,684	38,804,572
Distribution costs	29	(8,972,815)	(7,773,885)
Administrative expenses	30	(2,427,249)	(2,160,682)
Finance costs	31	(1,370,569)	(1,581,168)
Other expenses	32	(3,056,913)	(2,476,636)
Other income	33	20,465,921	16,575,363
Profit before taxation and levy		47,323,059	41,387,564
Levy	34	(329,600)	(953,051)
Profit before taxation		46,993,459	40,434,513
Taxation	34	(13,901,297)	(12,327,974)
Profit after taxation		33,092,162	28,106,539
			Restated
			(PKR)
Earnings per share - basic and diluted	35	22.59	18.91

The annexed notes from 1 to 46 form an integral part of these unconsolidated financial statements.

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Chairman / Director


Chief Executive


Chief Financial Officer

LUCKY CEMENT LIMITED
UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025	2024
		(PKR in '000')	
Profit after taxation		33,092,162	28,106,539
Other comprehensive loss:			
Items that will not be reclassified subsequently to profit or loss			
- Remeasurement loss of post retirement benefit obligation	23.1.2	(938,127)	(234,721)
- Deferred tax thereon		365,870	91,541
		(572,257)	(143,180)
- Gain on equity instrument at fair value through other comprehensive income		27,678	9,575
- Deferred tax thereon		(3,460)	(1,197)
		24,218	8,378
		(548,039)	(134,802)
Total comprehensive income for the year		32,544,123	27,971,737

The annexed notes from 1 to 46 form an integral part of these unconsolidated financial statements.

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Chairman / Director


Chief Executive


Chief Financial Officer

LUCKY CEMENT LIMITED

	Issued, subscribed and paid-up share capital	Capital reserves					Revenue reserves		Total reserves	Total equity
		Share premium	Capital re-purchase reserve account	Capacity expansions capital reserve	Long-term Investments capital reserve	Capital redemption reserve	General reserve	Unappropriated Profit		
Balance as at July 1, 2023	3,118,386	7,343,422	115,364	40,000,000	40,000,000	35,815,875	-	10,973,279	134,247,940	137,366,326
Profit after taxation for the year	-	-	-	-	-	-	-	28,106,539	28,106,539	28,106,539
Other comprehensive loss for the year	-	-	-	-	-	-	-	(134,802)	(134,802)	(134,802)
Total comprehensive Income for the year	-	-	-	-	-	-	-	27,971,737	27,971,737	27,971,737
Transaction with owners										
Cancellation of own shares purchased	(188,386)	-	188,386	-	-	(12,124,669)	-	-	(11,936,283)	(12,124,669)
Final cash dividend for the year ended June 30, 2023	-	-	-	-	-	-	-	(5,452,117)	(5,452,117)	(5,452,117)
Balance as at June 30, 2024	2,930,000	7,343,422	303,750	40,000,000	40,000,000	23,691,206	-	33,492,899	144,831,277	147,761,277
Profit after taxation for the year	-	-	-	-	-	-	-	33,092,162	33,092,162	33,092,162
Other comprehensive loss for the year	-	-	-	-	-	-	-	(548,039)	(548,039)	(548,039)
Total comprehensive income for the year	-	-	-	-	-	-	-	32,544,123	32,544,123	32,544,123
Transaction with owners										
Final cash dividend for the year ended June 30, 2024	-	-	-	-	-	-	-	(4,395,000)	(4,395,000)	(4,395,000)
Balance as at June 30, 2025	2,930,000	7,343,422	303,750	40,000,000	40,000,000	23,691,206	-	61,642,022	172,980,400	175,910,400

The annexed notes from 1 to 46 form an integral part of these unconsolidated financial statements.

Chairman / Director

Chief Executive

Chief Financial Officer

LUCKY CEMENT LIMITED
UNCONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 (PKR in '000')	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	36	33,808,781	30,937,432
Taxes and levy paid		(4,520,421)	(2,234,906)
Staff gratuity paid	23.1.2	(300,000)	(188,243)
Finance costs paid		(1,527,888)	(1,735,978)
(Decrease) / increase in long-term deposits (liabilities)		(140,887)	2,250
Income from deposits with Islamic banks		276,863	763,406
(Increase) / decrease in long-term loans and advances		(23,881)	36,780
Net cash generated from operating activities		27,572,567	27,580,741
CASH FLOWS FROM INVESTING ACTIVITIES			
Addition to property, plant and equipment		(7,048,725)	(17,709,902)
Addition to intangible assets		(37,744)	(26,925)
Long term investment made		(483,334)	(477,888)
Proceeds on disposal of property, plant and equipment	5.3	127,174	155,199
Proceeds on disposal of short term investment		50,351	-
Dividends received from subsidiary companies		12,088,517	10,450,559
Dividends received from associate		611,365	183,510
Income received from short-term investments		6,407,057	4,845,426
Net cash generated from / (used in) investing activities		11,714,661	(2,580,021)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing repaid	21.4	(4,192,581)	(652,415)
Short term borrowings obtained / (repaid) - net		1,000,000	(400,000)
Own shares purchased for cancellation		-	(12,124,669)
Dividends paid		(4,388,403)	(5,443,084)
Net cash used in financing activities		(7,580,984)	(18,620,168)
Net increase in cash and cash equivalents		31,706,244	6,380,552
Cash and cash equivalents at the beginning of the year		32,382,131	26,001,579
Cash and cash equivalents at the end of the year	36.2	64,088,375	32,382,131

The annexed notes from 1 to 46 form an integral part of these unconsolidated financial statements.


Chairman / Director


Chief Executive


Chief Financial Officer



Report of the Directors for the year ended June 30, 2025

The Directors are pleased to present this report, accompanied by the company's audited financial statements for the fiscal year ending June 30, 2025. The information provided below encompasses the unconsolidated and consolidated performance of the Company during this year.

This report has been prepared in accordance with section 227 of the Companies Act, 2017 and Listed Companies (Code of Corporate Governance) Regulations, 2019 and will be submitted to the shareholders at the thirty second Annual General Meeting of the Company to be held on September 26, 2025.

Overview of Economy and Consolidated Financial Performance

Overview of Economy

Pakistan's economy maintained its fiscal consolidation during the outgoing year, supported by strengthened macroeconomic fundamentals, prudent fiscal management, and a notable improvement in the external sector. The current account recorded a surplus of USD 2.1 billion, a significant turnaround from the deficit of USD 2.1 billion posted last year. This improvement was primarily driven by robust workers' remittances, which rose to USD 38.3 billion, resilient export performance, and disciplined import management. The Pakistani Rupee (PKR) remained relatively stable against the US Dollar, aided by an improved current account position and an increase in the State Bank of Pakistan's (SBP) foreign exchange reserves, which rose to USD 14.5 billion from USD 9.4 billion a year earlier.

The monetary policy stance also played a crucial role in reinforcing macroeconomic stability. During the year, SBP reduced the policy rate from 20% to 11%, reflecting easing inflationary pressures. This monetary easing contributed to restoring investor confidence and lowering the cost of borrowing for businesses, which supported economic activity. The moderation in interest rates, along with exchange rate stability and a buildup in foreign exchange reserves, have contributed to improved macroeconomic stability.

Furthermore, the continuation of IMF programs, including the Extended Fund Facility (EFF) and the Resilience and Sustainability Facility (RSF) has strengthened policy credibility and supported investor sentiment. Pakistan's upgraded credit ratings during the year further validated its economic reform agenda. The government has committed to structural reforms focused on increasing tax revenue by broadening the tax base, energy pricing reforms, and privatization of state-owned enterprises, while also advancing climate action through dedicated initiatives. Collectively, these efforts will help lay a strong foundation for inclusive, resilient, and sustainable long-term economic growth.

In response to the evolving macroeconomic landscape, the Company's leadership is proactively executing strategies centered on cost optimization, effective risk management, and innovation to drive operational efficiency. We remain firmly committed to creating sustainable value for our stakeholders and are confident in the strength and resilience of our businesses to navigate current challenges and adapt seamlessly to economic challenges.

Consolidated Financial Performance

On a consolidated basis, your Company reported gross revenue of PKR 559.2 billion, up 14.3% from PKR 489.4 billion in last year. This increase was driven mainly by improved performance from the Company and its subsidiary, Lucky Motor Corporation.

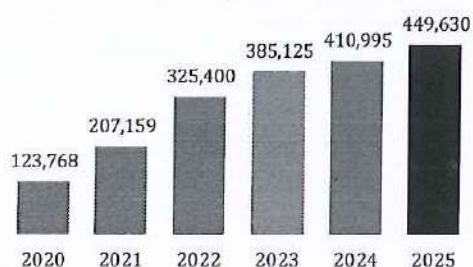
Furthermore, the Company's consolidated net profit was PKR 84.5 billion, of which PKR 7.5 billion was attributable to non-controlling interests. The net profit attributable to shareholders of the Company translated into an EPS of PKR 52.53 for FY 2025, compared to PKR 44.10 in last year, which is a 19.1% increase. The Company's net profit for FY 2025 has shown improvement compared to last year, primarily driven by the increased profitability of local and foreign cement operations followed by Lucky Motor Corporation and Lucky Core Industries Limited.

The **consolidated** financial performance of your Company for the year ended June 30, 2025, as compared to last year is as follows:

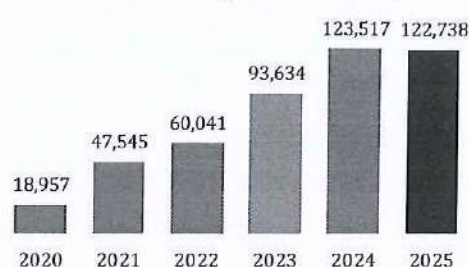
PKR million except EPS	FY 2025	FY 2024	Change (%)
Gross Revenue	559,204	489,363	14.3%
Net Revenue	449,630	410,995	9.4%
Gross Profit	122,738	123,517	(0.6%)
GP as % of Net Revenue	27.3%	30.1%	(9.3%)
Operating Profit	97,924	100,078	(2.2%)
EBITDA	116,766	117,801	(0.9%)
Other Income	20,613	16,185	27.4%
Net Profit	84,498	72,337	16.8%
NP (Attributable to Owners of the holding company)	76,956	65,556	17.4%
Earnings Per Share (PKR)*	52.53	44.10	19.1%
<i>*EPS has been restated to reflect the 5-for-1 stock split (explained in detail in the EPS section below)</i>			

Six years' financial performance - Consolidated:

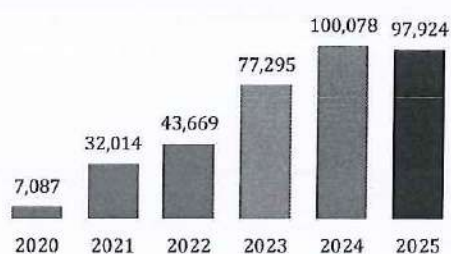
Net Revenue (PKR in Million)



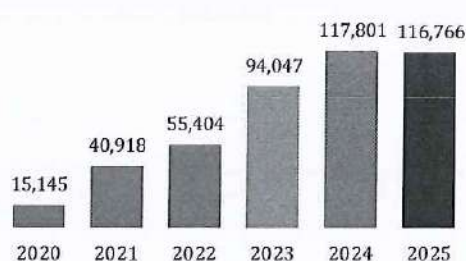
Gross Profit (PKR in Million)



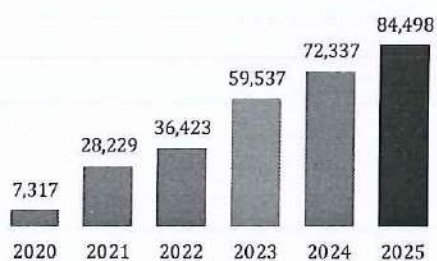
Operating Profit (PKR in Million)



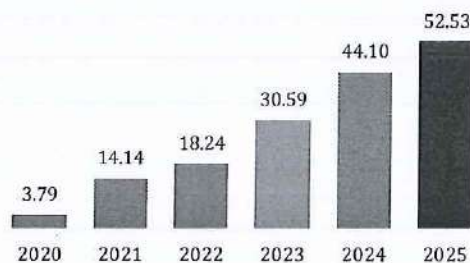
EBITDA (PKR in Million)



Net Profit (PKR in Million)



EPS (PKR)





Local Cement Operations

During FY 2025, the Company posted a 15% increase in gross sales revenue compared to last year. This growth was primarily driven by a 53% year-over-year increase in export volumes, which offset a 7% decline in domestic sales. The drop in local sales stemmed from reduced demand due to record-high inflation in previous years eroding consumer purchasing power, lower PSDP spending, and increased taxes and levies. The overall cement industry also witnessed a 3% decline in domestic sales for similar reasons.

In addition, the Company's significant investments in renewable energy adding 74.3MW of solar and 28.8MW of wind power have contributed to supporting gross margins.

Foreign Cement Operations

The Company's cement production facilities in Iraq and Congo, operating under joint venture agreements, continued to drive profitability with strengthened margins. Cement sales recorded consistent growth across both regions.

Polyester, Soda Ash and Chemicals

Net Turnover at PKR 120 billion for FY 2025 is almost in line with last year. Net Turnover for the Pharmaceuticals Business is 72% higher as compared to last year, conversely, a slowdown in demand across the Soda Ash, Animal Health, Chemicals & Agri Sciences and Polyester Businesses resulted in a decline of 16%, 10%, 2% and 1% respectively compared to last year.

Despite economic challenges, the Operating Result for FY 2025 stood at PKR 18 billion, reflecting a 4% increase over last year. The Pharmaceuticals and Animal Health Businesses delivered strong performances, recording growth in their Operating Results by 99% and 23% respectively as compared to last year. The Polyester Business maintained operating performance in line with the last year, while the Soda Ash Business and Chemicals & Agri Sciences Business registered a decline of 16% and 5% respectively in Operating Results year-on-year.

Profit After Tax (PAT) for FY 2025 stood at PKR 11.8 billion, representing a 5% increase over last year, primarily driven by improved Operating Results and a reduction in finance cost, attributable to a 9% decline in policy rate compared to last year. This performance was achieved despite an increase in the effective tax rate following the change in the export taxation regime, effective July 1, 2024.

During FY 2025, LCI announced a subdivision (stock split) of the face value of its ordinary shares from PKR 10 to PKR 2 per share, aimed at enhancing investor accessibility, improving stock liquidity, and broadening shareholder participation. The subdivision was approved by the members of LCI at the Extraordinary General Meeting held on June 20, 2025. Following this approval, the remaining regulatory and procedural formalities were completed on July 19, 2025. Following the subdivision of shares, LCI's



subscribed and paid-up capital has been restructured, whereby the number of ordinary shares has increased from 92,359,050 ordinary shares of PKR 10 each to 461,795,250 shares of PKR 2 each, with no change in the rights and privileges attached to the shares.

On September 6, 2024, LCI completed an asset acquisition with Pfizer Pakistan Limited and other relevant Pfizer group entities. The transaction entailed the acquisition of a manufacturing facility, pharmaceutical products and associated trademarks.

Power

Lucky Electric Power Company Ltd (LEPCL) owns and operates a 660 MW supercritical lignite coal-fired power plant located in Bin Qasim, Karachi. The plant achieved Commercial Operations Date on 21st March 2022 and is designed to run on Thar Lignite Coal.

LEPCL has completed 6.4 million safe man-hours without a Lost Workday Injury (LWI) or significant incident since commencing operations in March 2022, reflecting continued focus on safety and operational discipline.

Automobiles and Mobile Phones

The automobile sector demonstrated improved volumes during FY 2025 compared to last year due to stable pricing on the back of stable PKR to USD exchange rate, the State Bank of Pakistan's decision to reduce the discount rate in recent monetary policy statements, decline in inflation, and lower fuel prices. The sector observed an overall volume increase of around 48% compared to last year.

Due to the imposition of 18% GST effective 1st July 2024, smartphone imports registered a decline of 28% in volume and 24% in value terms in FY 2025 compared to last year.

Cement Industry and Company's Performance – Unconsolidated

During FY 2025, Pakistan's domestic cement sales volumes recorded a reduction of 3.0%, decreasing to 37.0 million tons from 38.2 million tons last year. In contrast, exports demonstrated robust growth, surging by 29.5% to 9.2 million tons compared to 7.1 million tons last year. Consequently, the total industry sales volume improved by 2.1%, reaching 46.2 million tons in FY 2025 compared to 45.3 million tons last year. The decline in domestic volumes was primarily attributed to a slowdown in construction sector mainly mega infrastructure projects, as well as a substantial increase in Federal Excise Duty (FED), royalties, and other applicable taxes.

Against the backdrop of the industry's overall performance, your Company's results showed moderate improvement, with total sales volumes increasing by 8.1% to 9.3 million tons in FY 2025, compared to 8.6 million tons last year. Local sales volumes, however, declined by 7.4%, reducing to 5.9 million tons in FY 2025 from 6.4 million tons in FY 2024. Conversely, export volumes experienced a sharp growth of

53.3%, rising to 3.4 million tons compared to 2.2 million tons last year. This significant growth in exports was driven by improved global demand as well as access to new export markets.

Cement Production & Sales Volume Performance

The production and sales statistics of your Company for FY 2025, compared to last year are as follows:

Particulars	FY 2025	FY 2024	Growth / (Decline)	
	Tons in '000'		%	
Clinker Production	7,876	8,158	↓	(3.5%)
Cement Production	7,163	7,476	↓	(4.2%)
Cement / Clinker Sales	9,290	8,590	↑	8.1%

A comparison of **Pakistan's Cement Industry** and your **Company's dispatches** for FY 2025, in comparison with last year, is presented below:

Particulars (Tons in '000')	FY 2025	FY 2024	Change %	
Cement Industry				
Local Sales	37,054	38,185	(1,131)	(3.0%)
Export Sales				
- Bagged	3,336	3,243	93	2.9%
- Loose	-	52	(52)	-
- Clinker	5,874	3,816	2,058	53.9%
Total Exports	9,210	7,110	2,099	29.5%
Grand Total	46,264	45,296	968	2.1%
Lucky Cement				
Local Sales				
- Cement	5,918	6,265	(347)	(5.5%)
- Clinker	-	126	(126)	-
	5,918	6,391	(473)	(7.4%)
Export Sales				
- Bagged	1,225	1,194	31	2.6%
- Loose	-	52	(52)	-
- Clinker	2,147	953	1,194	125.2%
Total Exports	3,372	2,199	1,172	53.3%
Grand Total	9,290	8,590	699	8.1%
Market Share				
	FY 2025	FY 2024	Change %	
Local Sales	16.0%	16.4%	(2.7%)	
Export Sales				
- Bagged	36.7%	36.8%	(0.3%)	
- Loose	100.0%	100.0%	-	
- Clinker	36.5%	25.0%	46.0%	
Total Export	36.6%	30.9%	18.4%	
Grand Total	20.1%	18.7%	7.5%	

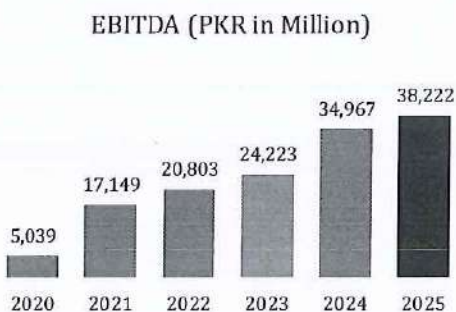
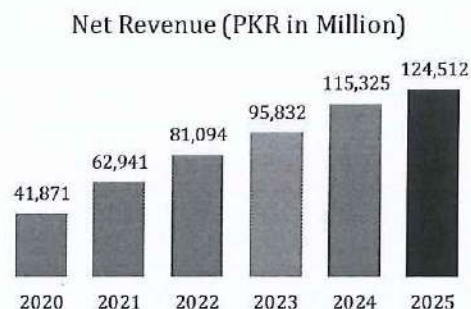
Financial Performance - Unconsolidated

The financial performance of your Company for the fiscal year ended June 30, 2025, as compared to last year is presented below:

PKR million except EPS	FY 2025	FY 2024	Change (%)
Gross Revenue	174,302	151,808	14.8%
Net Revenue	124,512	115,325	8.0%
Cost of Sales	81,827	76,520	6.9%
Gross Profit	42,685	38,805	10.0%
GP as % of Net Revenue	34.3%	33.6%	2.1%
Operating Profit	31,285	28,870	8.4%
EBITDA	38,222	34,967	9.3%
Other Income	20,466	16,575	23.5%
Net Profit	33,092	28,107	17.7%
Earnings Per Share (PKR)*	22.59	18.91	19.5%

**EPS has been restated to reflect the 5-for-1 stock split (explained in detail in the EPS section below)*

Six years' financial performance - Unconsolidated:



Revenue

During the year, your Company achieved a 14.8% increase in overall gross revenue compared to last year. Local sales revenue increased by 9.5%, reaching PKR 141.5 billion compared to PKR 129.2 billion last year whereas export sales revenue experienced significant growth, surging by 45.0% to PKR 32.8 billion from PKR 22.6 billion last year. As stated earlier, this significant growth in exports was driven by improved global demand as well as access to new export markets.

Cost of Sales

Cost of sales increased by 6.9% to PKR 81.8 billion, compared to PKR 76.5 billion last year. The increase was largely attributable to higher export-related sales volumes. Furthermore, the company recorded efficiency gains from renewable energy investments, however, these were partially offset by increased royalty charges on minerals and elevated energy costs.

Gross Profit

Despite the increase in energy prices and royalties on minerals, the Company's gross profit margin remained stable at 34%. This was driven by a consistent focus on cost control, operational efficiency, and continued investment in renewable energy initiatives.

Dividend Income

The Company's dividend income for FY 2025 increased to PKR 12.7 billion, up from PKR 10.6 billion in last year. Dividend income reported growth across most business segments, especially from Lucky Core industries, Lucky Motor Corporation and Yunus Energy Limited.

Subsidiary/ Associate PKR Billion	FY 2025	FY 2024	FY 2023	FY 2022
LCI	3.4	3.0	1.3	2.0
LHL	-	-	0.2	0.3
YEL	0.6	0.2	0.2	0.2
LEPCL	6.0	6.0	-	-
LMC	2.7	1.4	0.7	1.0
Total	12.7	10.6	2.4	3.5

Net Profit

Your Company achieved a profit before tax and levy of PKR 47.3 billion during FY 2025 as compared to PKR 41.4 billion reported last year, reflecting a growth of 14% year-over-year.

Accordingly, an after-tax profit of PKR 33.1 billion was achieved during FY 2025, reflecting a growth of 18% as compared to PKR 28.1 billion reported last year.

Earnings per share

The Earnings per share of your Company for the year ended June 30, 2025, was PKR 22.59 in comparison to PKR 18.91 reported last year.

As per requirements of International Financial Reporting Standards (IFRS) the earnings per share of the current and all prior period presented have been restated based on the new number of shares i.e., 1,465,000,000 as a result of stock split explained below.

Stock split – Subdivision of company's share capital

The Board of Directors of the Company recommended a 5-for-1 stock split on February 20, 2025, which was subsequently approved by the shareholders at an Extraordinary General Meeting (EOGM) held on March 18, 2025. Pursuant to the stock split, the face value of the Company's shares has been reduced from PKR 10 per share to PKR 2 per share. Consequently, the total number of shares issued has increased from 293,000,000 to 1,465,000,000. Trading in the post-split shares commenced at the Pakistan Stock Exchange (PSX) on April 28, 2025.

This strategic initiative is aimed at sharing the success achieved over the years by your company with a wider investor base, making the company's shares more accessible.

As of the date of this report, Lucky Cement Limited's market capitalization stood at PKR 549 billion, positioning it as the sixth largest listed company on the Pakistan Stock Exchange.

Growth and Expansion

Strategic Expansion in the Copper and Gold Mining

National Resources (Pvt.) Limited (NRL), a joint venture company (33.33% equity owned by Lucky Cement Limited) has acquired two mining leases in Baluchistan on 13th October 2023— one with copper-gold mineralization potential and the other with prospects for Lead-Zinc. Mobilization at both sites is underway, with early-stage exploration activities progressing, showing encouraging initial results. Resource drilling has commenced, leading to a technical report to be prepared by internationally recognized consultants who are already monitoring the project. This will be followed by feasibility studies which would take approximately 2 to 3 years to complete.

Clinker production capacity expansion of 1.82 million tons per annum and Cement production capacity expansion of 0.65 million tons per annum in Samawah, Iraq

The Company has completed addition of new clinker production line with a capacity of 1.82 million tons per annum at its joint venture company, Najmat Al-Samawah, located in Iraq. The kiln of the said clinker line was successfully fired on 13th May'25. In view of the growing cement demand in Central and Northern Iraq, the Company also initiated addition of a 0.65 million tons per annum cement grinding mill at the same site. An EPC contract has been executed, with completion targeted in 1H FY 2026.

Renewable Energy Initiatives of Lucky Cement

The Company remains deeply committed to energy conservation and the integration of sustainable, green energy solutions. As part of this ongoing initiative, a state-of-the-art battery energy storage was installed at the Karachi plant to enhance the efficiency and optimal utilization of renewable power generation.

At present, approximately 55% of the Company's power requirement for self-consumption is met through renewable energy sources, comprising a 74.3 MW solar portfolio, a 28.8 MW wind power plant, and 56 MW of Waste Heat Recovery (WHR) systems installed across both Karachi and Pezu plants.

This substantial increase in renewable capacity reflects our strong focus on environmental sustainability and reduced dependency on imported fossil fuels. These strategic investments not only reinforce our commitment to carbon neutrality but also translate into meaningful cost efficiencies and long-term operational resilience.

Dividend & Appropriation

Your Company remains committed to enhancing shareholder value while delivering sustainable long-term returns. Over the years, our diversification strategy, largely funded through internally generated cash flows, has reinforced this commitment and is now beginning to yield tangible results.

In view of the current strategic priorities and investment outlook, the Board has recommended a final cash dividend of PKR 4/- per share, subject to shareholder approval in the upcoming Annual General Meeting scheduled to be held on September 26, 2025.

Contribution to the National Exchequer and Exports

On an unconsolidated basis, your company contributed PKR 55.0 billion (2024: PKR 39.0 billion) to the Government Treasury on account of Income taxes, excise duty, sales tax, and other government levies. Moreover, valuable foreign exchange to the tune of USD 117 million was generated by your Company for the Country from the export of cement and clinker during the year under review.

Health, Safety and Environment

A strong focus on HSE lies at the core of all Lucky Cement's operations. By strictly adhering to established HSE guidelines, Lucky Cement is dedicated to ensuring a safe working environment for its employees, contractors, and all stakeholders involved in its business activities. The company upholds the highest health and safety standards, both for its on-site stakeholders and the communities in which it operates.

To enhance HSE awareness and foster a culture of continuous improvement in personal and process safety, job safety analysis and risk assessments are conducted for all critical and non-routine tasks. Additionally, the delivery of regular HSE talks and in-depth awareness sessions has further reinforced our safety culture, cultivating an environment where HSE is regarded as a collective responsibility.

Zero Loss Workday Injury

Throughout the past year, no major injuries or accidents were reported. This is a testament to our rigorous HSE follow-ups, audits, safety talks, continuous risk assessments, and the implementation of effective hazard mitigation measures. Adherence to HSE policies and procedures has been crucial in maintaining a safe work environment. These efforts underscore our commitment to ensuring the highest standards of health and safety within our operations.

Compliance with NEQ Standards

To ensure regulatory compliance, environmental testing is conducted regularly by EPA-approved laboratories. Using advanced technologies and timely maintenance, Lucky Cement's facilities operate at emissions levels which are well within the permissible limits set by NEQ standards. Our plants are equipped with state-of-the-art bag houses that control particulate matter emissions with an efficiency of 99.95%, contributing to an overall environmental protection efficiency of 99%.

In addition, Lucky Cement has implemented extensive tree plantation drives in and around its plant facilities, underscoring its commitment to sustainable and eco-friendly practices. This proactive approach to environmental stewardship not only ensures compliance with regulatory standards but also promotes a healthier ecosystem and a safer community. Through these initiatives, Lucky Cement continues to lead the industry in environmental responsibility and innovation.

Management Objectives and Strategies

Throughout its history, Lucky Cement has steadfastly confronted and navigated numerous challenges, demonstrating unwavering perseverance and strength. Your Company's diverse portfolio, ever-expanding operations and exemplary strategies have fortified its foundations as not just the leading manufacturer of cement, but also as one of the most prosperous organizations in Pakistan. It has built a strong foundation to propel its growth through fiscal discipline, cost leadership and a robust distribution network. As the leading cement player, Lucky Cement focuses on achieving its goals and leverages technology by designing a strategic roadmap to reduce carbon footprints, enhance environmental measures, and identify supply chain synergies.

The management firmly believes in implementing best governance practices and upholding the true spirit of adherence. Your Company is dedicated to ensuring equitable treatment of all stakeholders, fostering trust and appreciation. Moreover, it adopts an environment of employee engagement, recognizing employees as the most valuable resource and internal stakeholders.

To accomplish the specified corporate objectives, your Company has undertaken organization-wide initiatives involving all employees in formalizing SOPs (Standard Operating Procedures) and establishing individual KPIs (Key Performance Indicators) aligned with the broader corporate goals. This approach empowers every employee to be a self-assessor, with clear annual targets and transparent measurement criteria, enabling their contribution to the organizational mission. Additionally, we have optimized and

strengthened our human resource strategies while creating a well-structured management trainee program in collaboration with the country's top educational institutions.

In addition, the management considers employees' health and safety protocols as a moral imperative to comply. Lucky Cement has continually promoted a healthy work environment and contributed to society during the recent floods.

Your Company's financial growth and market leadership reflect its strategic alignment.

Critical Performance Indicators

The management of Your Company has highlighted the following key performance measures and indicators to support the stated objectives. These are shared across the Company at each level as "Lucky Cement Limited's 5 corporate goals" and they assist us in setting our strategic direction.

- a) Sustainable growth/profitability, improving market share both in domestic and foreign markets and lower cost of production
- b) Organizational development and Talent management
- c) Environment, Social and Governance (ESG)
- d) Diversification of product portfolio
- e) Upgrade IT infrastructure / Enhance automation

During the year, the management rolled out the objectives stated above with the intention of implementing these goals companywide in the form of KPIs for each department. The periodic Management Committee and project-related meetings held during the year involved reviewing and following up on these objectives.

Performance of Financial and Non-Financial Measures

Sustainable and Profitable Growth

Market Share:

Despite the broader economic challenges, the Company successfully increased its market share to 20.1% in FY 2025, up from 18.7% in FY 2024. This growth was primarily driven by a significant increase in export volumes, enabling the Company to maintain its position as the market leader in Pakistan's cement sector.



Lowest-Cost Producer:

Lucky Cement successfully retained its position as the lowest-cost producer in FY 2025. This achievement was driven by a substantial increase in renewable energy utilization, strategic cost optimization initiatives, and proactive, data-driven decision-making ensuring continued operational efficiency and effective cost control.

Cost Reduction Initiatives:

The Company expanded its coal supplier base by sourcing a blend of imported and locally available coal, while also engaging with new global suppliers—enhancing overall supply chain efficiency. In line with its sustainability objectives, the Company has completed solar power projects with a combined capacity of 74 MW at its Pezu and Karachi plants. Additionally, the completion of a 28.8 MW wind power project at the Karachi facility has significantly boosted renewable energy generation, which now meets approximately 55% of the Company's total power requirements. These initiatives have not only reduced reliance on conventional energy sources but also supported Lucky Cement Limited's long-term carbon neutrality goals.

Corporate and Brand Image

During the year under review, the Company's practices and initiatives continued to be recognized and appreciated by leading professional bodies. Following are some of the awards which the Company achieved during the outgoing financial year:

- Won the Best Corporate Report Award 2024 organized by ICAP & ICMAP.
- Won the Tree Plantation Award 2024 organized by the National Forum of Environment and Health (NFEH).
- Won the 39th Corporate Excellence Award by Management Association of Pakistan in the Industrial sector category.
- Won the Best Investor Relations 2023 – Listed Companies at the 21st Annual Excellence Award organized by the CFA Society.
- Won ESG Reporting Award 2023 – Corporates at the 21st Annual Excellence Award organized by the CFA Society
- Won the 14th Fire Safety Award organized by the National Forum of Environment and Health (NFEH).
- Won the 17th Annual CSR Award for CSR Initiatives organized by the National Forum of Environment and Health (NFEH).

Human Resources

At Lucky Cement Limited, we consider our people our strongest asset, central to sustaining operational excellence and future growth. During the year, HR remained focused on building a high-performance, agile workforce while strengthening a culture of accountability, collaboration, and inclusion.

Strengthening a High-Performance Culture

We continued to drive a results-oriented culture supported by a structured performance management framework and SMART goal setting. Regular check-ins and performance dialogues ensured alignment and timely course correction. This year, we further emphasized our core competencies as well as functional competencies to strengthen competitiveness across all functions.

Talent Acquisition and Strategic Workforce Planning

Our recruitment efforts focused on attracting talent aligned with our evolving business needs in engineering, digital, and operational excellence. Enhanced employer branding, structured onboarding, and functional induction programs enabling quicker integration and productivity ramp-up. Compensation frameworks were refined through market benchmarking to ensure competitiveness and internal equity.

Enhancing Organizational Diversity, Equity and Inclusion

We reinforced our commitment to a diverse, inclusive workplace aligned with our values of integrity, excellence, and social responsibility. Engagement initiatives, leadership dialogues, and diversity awareness sessions were conducted to strengthen collaboration and psychological safety across the organization.

Employee Engagement and Retention

Sustaining employee engagement remained a priority through transparent communication, recognition initiatives, and team-building activities. Attrition remained within targeted thresholds, supported by career development opportunities and competitive benefits, ensuring retention of key talent and alignment with our Competency Framework.

Learning, Development, and Capability Building

Our learning strategy focused on building functional, behavioral, and leadership competencies through blended learning approaches, workshops, and mentoring. Technical upskilling and our Functional Development Program ensured employees are prepared for current and future challenges while fostering internal mobility.

Leadership Development and Succession Planning

We continued to strengthen our leadership pipeline through mentorship, coaching and structured development for high-potential employees. Succession planning across critical roles was institutionalized, ensuring continuity and readiness. Our phased approach, guided by the Victory Stand model, helped identify and develop successors aligned with strategic needs.

Financial Management

The Company's unconsolidated balance sheet as on June 30, 2025, remains on a strong asset footing of PKR 266.7 billion (2024: PKR 234.0 billion), with a current ratio of 1.71 (2024: 1.26) and a quick ratio of 1.29 (2024: 0.84).

Cash Flow Strategy

Your Company has an efficient cash flow management system in place that regularly projects and monitors cash inflows and outflows. Our philosophy is to maintain sufficient cash flow to support capital expenditures, strategic investments, working capital requirements, efficiency and modernization initiatives, and contingencies—based on the business environment and macroeconomic outlook.

During the year under review, major allocations included capital expenditure of PKR 7.0 billion, income tax payments of approximately PKR 4.5 billion, repayment of long-term debt amounting to PKR 4.2 billion, and dividend distribution to shareholders amounting to PKR 4.4 billion.

Capital Structure and Financial Position

While your company is mostly equity-financed, it also utilizes SBP's financing schemes mainly obtained in previous years, for its long-term requirements. Your company's biggest strength is its self-generated liquidity. This helps management smoothly execute further cost-saving ventures and boost stakeholders' confidence in doing business with the company. After a 19.4% increase, our reserves now equal PKR 173.0 billion. This appreciation is due to the improved cost-saving strategies and profits of your company.

Credit Rating

Your Company maintained the "investment grade" credit rating by VIS Credit Rating Company Limited of medium to long term rating of AA+ (Double A Plus) and short-term rating of A-1+ (A-One Plus) to the Company. While the short-term credit rating of A-1+ assures that the company has adequate short-term liquidity and can make timely payments, the medium to long term rating of AA+ symbolizes high credit quality and strong protection factors. The high credit rating of your company attests to its high creditworthiness, thus evidencing the fact that your company has an efficient cash flow strategy in order to meet its financial obligations.

Segmental Review and Business Performance

After having a strong footprint in the cement manufacturing industry in Pakistan, Iraq and DR of Congo, Lucky Cement has evolved into a conglomerate having strategic investments in diversified industries. The acquisition of LCI Pakistan and investments in Lucky Electric Power Company Limited and Lucky

Motor Corporation were a part of the Company's strategy to diversify its business and create value for its shareholders. While the outgoing financial year was characterized by economic challenges, all the company's subsidiaries demonstrated remarkable resilience, optimizing their operations and adhering to strict financial discipline.

Risk Management

Effective risk management is essential for achieving sustainable business growth. At Lucky Cement, the Board has the overall responsibility of overseeing the Company's risk management processes. These processes, which are documented and regularly reviewed, are designed to safeguard assets and address risks faced by the Company, including the possible impact on business continuity. Any identified risk that could potentially affect the achievement of strategic, operational, financial and/or compliance objectives are promptly reported to the Board and Senior Management for timely action to ensure uninterrupted operations.

The Company maintains a clear organizational structure with a well-defined chain of authorities. Senior Management is responsible for implementing procedures, monitoring risks and assessing the effectiveness of various controls.

The Company continues to employ a robust Enterprise Risk Management (ERM) framework, which is integrated within the organization to ensure proactive identification, evaluation and assessment of risks. All highlighted risks are prioritized according to their impact and likelihood and corrective actions are devised accordingly.

Risk management is an ongoing need and, therefore, this annual process includes interim updates on both the risks and remedial and/or corrective actions.

Strategic Risks

Lucky Cement operates in a highly dynamic business environment that exposes it to different strategic risks and leverages emerging opportunities that significantly influence the achievement of its strategic objectives. The Senior Management focuses on aligning corporate strategies that adapt to changes in the market trends, strengthen the Company's market position and progressively expand its production or manufacturing capacities to address the growing needs of the construction industry. Soaring inflation, adverse exchange rate parity and continuous rise in prices of key inputs such as coal and other fuels lead to increased production costs, which are also constantly monitored and included in the risk register. Moreover, your Company also mitigates the risk of economic challenges, macroeconomic indicators and uncertainties and inconsistent policy changes.

Operational Risks

With a focus on operational efficiencies, Senior Management monitors the operational risks and ensures adequate controls to minimize the potential impact of disruptive events in production and sales.

Raw material sourcing, adequate segregation of duties, implementation of cybersecurity controls, self-sufficiency in power generation at both the plants and efficient supply chain and logistic operations both in-house and outsourced have enabled the Company to mitigate operational risk to an acceptable level.

Financial Risks

To minimize risks arising from uncertainty and volatility of foreign exchange fluctuations, interest rates, and high commodities prices, your Company has designed and implemented stringent policies to mitigate these risks as far as possible. These policies are reviewed periodically and are continuously aligned with the best practices and regulations of the financial market.

Compliance Risks

Any omission or failure to meet regulatory compliance may expose the Company to reputational risks. Changes in law and regulations may result in disruptions. Due to appropriate and diligent adherence to all applicable rules and regulations, the risk of non-compliance is low. Professional law firms manage litigation risks involving serious litigation against the Company.

Corporate Social Responsibility

Education as a Catalyst for Societal Growth

Education forms the cornerstone of a thriving society, driving economic progress, fostering social cohesion, and empowering individuals. It equips the workforce with essential skills, promotes informed decision-making, and inspires active community participation. By nurturing critical thinking and innovation, education plays a pivotal role in addressing global challenges such as poverty and inequality, thereby enhancing social mobility and strengthening societal foundations. At Lucky Cement Limited, we firmly believe in the power of education as a catalyst for social transformation and leadership development. Our investments in educational initiatives are aligned with our broader sustainability goals, aiming to create a lasting, positive impact on society.

Primary and Secondary Education

- Lucky Cement Limited is deeply committed to improving the quality of primary and secondary education at the grassroots level. In collaboration with The Citizens Foundation (TCF), we have established fully operational primary and secondary schools near the PEZU plant for easy accessibility of quality education in PEZU, Lakki Marwat.
- In addition, we continue to support the **Million Smiles Foundation (MSF)** to improve the educational infrastructure of primary schools in Kundal Shahi and Taobat Valley, Neelum Valley, Azad Jammu and Kashmir (AJK).

- Through our ongoing partnership with **Zindagi Trust**, we support two leading government girls' schools in Karachi, transforming them into model institutions that champion girls' education and women's empowerment.

Intermediate and University Level Scholarships & Financial Assistance

Lucky Cement Limited has maintained strategic partnerships with renowned academic institutions across Pakistan to support deserving and high-achieving students. Our core objective is to make quality education accessible and affordable for talented individuals, regardless of their financial background.

- **Lahore University of Management Sciences (LUMS):**
We continue to collaborate with LUMS by offering scholarships through the National Outreach Program (NOP). This flagship initiative is designed to identify and support gifted students from underprivileged rural areas across the country.
- **Institute of Business Management (IoBM):**
Our partnership with IoBM supports exceptional yet financially disadvantaged students. Additionally, we extend support to Creek High School and Creek College (IoBM Campus), ensuring access to quality primary and secondary education.
- **Institute of Business Administration (IBA):**
Our longstanding collaboration with IBA provides financial assistance to outstanding students pursuing higher education at the institute.
- **National University of Sciences and Technology (NUST):**
We contribute to NUST's endowment fund, furthering our mission to support sustainable and affordable education for meritorious students.

PEZU College Scholarship Program

As part of our commitment to youth empowerment, Lucky Cement Limited has expanded its national scholarship initiative to benefit talented students from District Lakki Marwat for intermediate education.

Health and Wellness Projects

In collaboration with the **Aziz Tabba Foundation (ATF)**, we support several healthcare initiatives aimed at improving access to quality treatment across Pakistan.

- **Tabba Heart Institute (THI):**
As a not-for-profit cardiac hospital, THI provides compassionate, high-quality cardiac care at affordable rates. Our contributions help expand their reach and services.
- **Tabba Kidney Institute (TKI):**
We proudly support TKI, a specialized facility offering state-of-the-art dialysis and nephrology care to underprivileged patients, reaffirming our commitment to accessible healthcare.

Medical Camps in association with the Country's renowned medical service providers

Over the past three consecutive months, we have organized medical camps near our PEZU business operations, in collaboration with the country's leading medical service providers. These camps aim to provide accessible healthcare to the local community, and we remain committed to continuing this initiative on an ongoing basis.

Environmental Conservation

Our company remains deeply committed to environmental stewardship. We continue to drive sustainability through eco-friendly initiatives such as tree plantation drives at and around our manufacturing sites, reinforcing the importance of environmental preservation.

Contribution toward the United Nations Sustainability Development Goals 2030

In support of the UN Sustainability Development Goals, your Company has initiated and promoted various sustainable projects to support the United Nations' 2030 Agenda. The integration of SDGs has taught us to view sustainable development as a business response to the challenges we face as a society — to use business-driven approaches to create lasting economic growth to address social needs and empower communities.

Your Company is now on a journey to link the Sustainable Development Goals to Lucky Cement's business strengths. We see the SDGs as a win-win opportunity, improving the world for future generations, whilst supporting our vision to become a value-based, sustainable company.

Code of Corporate Governance

The Directors of your Company are aware of their responsibilities under the Listed Companies (Code of Corporate Governance) Regulations, 2019 and the Rule book of Pakistan Stock Exchange. Your Company has taken all necessary steps to ensure good corporate governance and full compliance with the Code, and we confirm the following:

- The financial statements, prepared by the management of the Company, present fairly its state of affairs, the result of its operations, cash flow, and changes in equity.
- Proper books of accounts of the Company have been maintained.
- Chief Executive and Chief Financial Officer duly endorsed the financial statements before the approval of the Board.
- Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements and any departure therefrom has been adequately disclosed and explained.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- There are no significant doubts about the company's ability to continue as a going concern.

- The statement of the pattern of shareholding has been included as part of this Annual Report; and
- The statement of shares held by associated undertakings and related people have also been disclosed separately.

Composition of the Board of Directors

The diverse mix of gender, knowledge, expertise and skill sets of the members enhances the effectiveness of our Board. Our Board composition represents the interests of all categories of shareholders, and it consists of:

Total number of directors	
a) Male	7
b) Female	1

Composition	
I) Independent Directors	3
II) Other Non-executive Directors	4
III) Executive Director	1

Meetings of the Board of Directors

Board of Directors - 6 Meetings			
S.No	Name of Directors		No. of Meetings Attended
1	Mr. Muhammad Sohail Tabba (Chairman)	Non-Executive Director	5
2	Mr. Muhammad Ali Tabba (CEO)	Executive Director	6
3	Mr. Jawed Yunus Tabba	Non-Executive Director	6
4	Mrs. Mariam Tabba Khan	Non-Executive Director	3
5	Mr. Muhammad Hassan Tabba *	Non-Executive Director	1
6	Mr. Masood Karim Shaikh	Independent Director	6
7	Mr. Khawaja Iqbal Hassan	Independent Director	5
8	Mr. Shabbir Hamza Khandawala	Independent Director	6

The leave of absence was granted to the Directors who could not attend the meeting due to their preoccupation.

* Mr. Muhammad Hassan Tabba was appointed on April 25, 2025

Training of the Board

The Company takes a keen interest in the professional development of its Board members and regularly updates its Board members with any changes in corporate laws or the Code of Corporate Governance. It ensures that all the Directors of the Board comply with the requirements of Directors Training Certification.

Evaluation Criteria for the Board

Apart from their mandatory job requirements, the performance of the Board of our Company is evaluated regularly along the following parameters, both at individual and team levels.

1. Effectiveness in bringing in a mix of gender, talents, skills and philosophical perspectives.
2. Integrity, credibility, trustworthiness and active participation of members.
3. Follow-up and review of annual targets set by the management.
4. Ability to provide guidance and direction to the Company.
5. Ability to identify aspects of the organization's performance requiring action.
6. Review of succession planning of management.
7. Ability to assess and understand the risk exposures of the Company.
8. Contribution and interest about improving health, safety and environment, employment and other policies and practices in the Company.
9. Safeguarding the Company against unnecessary litigation and reputational risk.

Performance Evaluation of The Board

The overall performance of the Board measured based on the above-mentioned parameters for the year was satisfactory. A separate report by the Chairman on the Board's overall performance, as required under section 192 of the Companies Act, 2017 is attached to this Annual Report.

Directors' Remuneration

The Board of Directors has approved a 'Remuneration Policy for Directors and Members of Senior Management; the salient features of which are:

- The Company will not pay any remuneration to its non-executive directors except for a meeting fee for attending the Board and its Committee meetings. As per the policy, Directors are paid a remuneration of PKR 125,000 to attend each meeting of the Board or its sub-committees.
- The remuneration of Directors for attending meetings of the Board of Directors or its Committees is determined and approved by the Board of Directors.
- The Directors are also entitled for reimbursement of reasonable expenses on account of traveling, boarding, lodging and other expenses incurred by them for attending meetings of the Board, its committees and/or General Meetings of the Company.

Board Committees and Meetings

Audit Committee

Audit Committee - 6 Meetings			
S.No	Name of Directors		No. of Meetings Attended
1	Mr. Masood Karim Shaikh (Chairman)	Independent Director	6
2	Mr. Jawed Yunus Tabba	Non - Executive Director	6
3	Mrs. Mariam Tabba Khan	Non - Executive Director	4
4	Mr. Khawaja Iqbal Hassan	Independent Director	6
5	Mr. Shabbir Hamza Khandawala	Independent Director	6

HR and Remuneration Committee

HR & Remuneration Committee - 3 Meetings			
S.No	Name of Directors		No. of Meetings Attended
1	Mr. Khawaja Iqbal Hassan (Chairman)	Independent Director	3
2	Mr. Muhammad Ali Tabba (CEO)	Executive Director	2
3	Mr. Jawed Yunus Tabba	Non - Executive Director	3
4	Mrs. Mariam Tabba Khan	Non - Executive Director	1
5	Mr. Masood Karim Shaikh	Independent Director	3
6	Mr. Shabbir Hamza Khandawala	Independent Director	3

CEO Performance Review

The Board of Directors maintains a robust and structured process for evaluating the CEO's performance, anchored in a comprehensive framework of financial, operational, and strategic KPIs established at the beginning of the year. For the year under review, the Board has thoroughly assessed the CEO's leadership and execution against these benchmarks and expresses its strong appreciation for his continued commitment, resilience, and results-driven approach. The Board remains fully confident in his ability to steer the Company effectively in a challenging business environment. In addition to overseeing overall performance, the CEO is instrumental in implementing the Board's corporate strategy, setting clear objectives for the senior management team, and ensuring their alignment with the Company's long-term vision. Regular performance updates are provided to the Board, ensuring accountability and strategic cohesion across the organization.

Vision, Mission, and Overall Corporate Strategy Approval by the Board

The Board of Directors has carefully reviewed and approved the vision, mission, and overall corporate strategy of your Company and believes that it comprehensively states the ideology with which Lucky Cement was incorporated. We ensure that our vision and mission sets the direction for our overall corporate strategy and our future journey in everything we do at all levels. The entire organization is connected and driven by this purpose and it serves as the main decision-making criterion in our day-to-day business.

Adequacy of Internal Financial Controls

The Board of Directors has established an efficient system of internal financial controls, for ensuring effective and efficient conduct of operations, safeguarding of Company assets, compliance with applicable laws and regulations, and reliable financial reporting. The independent Internal Audit function of Lucky Cement regularly appraises and monitors the implementation of financial controls, while the Audit Committee reviews the effectiveness of the internal control framework and financial statements quarterly.

Statement of Unreserved Compliance with IFRS Issued by IASB

The Board of Directors of your Company has reviewed the Financial Reporting process. The Financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The approved accounting standards consist of the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 and the provisions of and directives issued under the Act.

Qualifications of CFO and Head of Internal Audit

The Chief Financial Officer and Head of Internal Audit possess the requisite qualifications and experience as prescribed in the Code of Corporate Governance.

Pattern of Shareholding

The pattern of shareholding of the Company in accordance with Section 227 (2)(f) of the Companies Act, 2017 and rule 5.19.11 of the PSX Rule Book as at June 30, 2025, is annexed to this report.

Auditors

The financial statements of the company for the current year 2024-25 were audited by M/s A.F. Ferguson & Co. Chartered Accountants. The auditors will retire at the end of the Annual General Meeting. Being eligible, they have offered themselves for re-appointment. The Board has recommended the appointment of M/s A.F. Ferguson & Co. Chartered Accountants as auditors for the forthcoming year, as recommended by the Audit Committee, subject to the approval of the members at the upcoming Annual General Meeting.

Subsequent Events

No material changes or commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company and the date of this report.

Outlook

Pakistan's economic outlook for FY 2026 remains stable, supported by improved macroeconomic indicators and ongoing reform efforts. Encouraging trends such as a current account surplus, stable exchange rate, and easing inflation offer a foundation for stabilization. With inflation on a downward trajectory, there is room for the State Bank of Pakistan (SBP) to consider further monetary easing, which could stimulate private sector activity and reduce borrowing costs. A consistent policy environment, coupled with strengthening foreign exchange reserves and external buffers, enhances overall economic resilience.

The federal budget for FY 2026 reflects a continued focus on structural reforms, particularly in broadening the tax base, curbing non-filer activity, and addressing fiscal leakages. However, the country continues to face deep-rooted challenges, including a persistently low tax-to-GDP ratio, loss-making State-Owned Enterprises (SOEs), and the need to integrate the undocumented economy into the formal tax net. Privatization and energy pricing reforms remain central to the government's medium-term strategy. Although the Federal PSDP allocation has been reduced to PKR 1,000 billion, it is expected to be more targeted to prioritize productivity and infrastructure support.

The USD 7 billion Extended Fund Facility (EFF) with the IMF remains a critical pillar of the economic reform agenda. With five tranches pending and the second review approaching, timely execution of reform commitments will be essential to maintain program continuity and ensure access to external financing. While global risks such as U.S. tariffs and geopolitical tensions pose challenges, easing global commodity prices may help mitigate their impact. Domestic stability, both political and institutional, will also play a crucial role. With a newly elected government having a five-year mandate, the focus must remain on implementing long-term, sustainable reforms that can unlock productivity, restore investor confidence, and pave the way for inclusive and sustained economic growth.

Local Cement Operations

The recent decline in interest rates and easing inflation are likely to support a gradual recovery for cement demand over the medium term. Achieving long-term economic growth will depend on the consistent revival of domestic economic activity. This includes revitalizing key sectors such as manufacturing and services, as well as reactivating large-scale infrastructure and development projects that have the potential to generate employment, stimulate investment, and drive sustainable growth.

Export momentum is expected to continue, supported by an improvement in international cement prices, which should positively impact overall profitability. However, rising energy costs remain a challenge and as stated earlier to mitigate this, the Company is actively investing in renewable energy solutions, including solar power and battery energy storage systems, which are expected to offset part of the cost impact and enhance operational efficiency.

Foreign Cement Operations

The installation of a new clinker production line and ongoing expansion of cement grinding capacity in Samawah, Iraq, marks a pivotal step in enhancing our operational efficiency and boosting overall profitability. In addition to supporting internal demand, surplus clinker produced at the facility will be marketed and sold within Iraq.

The Company is strategically positioned to leverage its expanded capacity and optimize utilization across existing assets, strengthening its competitive advantage and readiness to meet rising market demand.

Polyester, Soda Ash and Chemicals

Despite challenges on the macroeconomic front, the Company remains well-positioned to adapt and grow, underpinned by a strong balance sheet, diversified product portfolio, and disciplined capital allocation. Strategic growth initiatives are underway, and the Company continues to conduct regular strategic reviews to ensure timely and effective responses to shifting market dynamics. Going forward, the Company will maintain its focus on optimizing operational costs, particularly in energy and supply chain management, identifying new revenue streams, and maximizing shareholder returns. With agility and discipline, the Company remains committed to delivering sustained value in a complex and evolving economic environment.

Power

The power sector continues to face challenges, primarily driven by circular debt and transmission constraints. However, recent government initiatives, such as plans to resolve the circular debt, reduce tariffs, and enhance grid infrastructure, are commendable steps toward sectoral stability and improved offtake. The dispatch of electricity to the off taker is governed by the Merit Order framework. Given the prevailing national demand outlook and the expected unavailability of Thar coal until the last quarter of FY 2026, the plant's dispatch is likely to remain subdued in the near term. However, with projected 100% availability, the plant will remain fully operational, and lower generation levels are not anticipated to materially impact profitability. A significant improvement in dispatch is expected following the commencement of Thar coal supply, which is projected to enhance the plant's merit order position and overall utilization. LEPCL remains committed to upholding the high standards of health, safety, and environmental (HSE) practices, reinforcing its focus on safe and sustainable operations.

Automobiles and Mobile Phones

The outlook for the automobile sector is gradually shifting positively. With the introduction of our new models, leveraging operational optimization and localization strategies, Lucky Motor Corporation (LMC) is positioned to benefit by safeguarding profit margins and enhancing competitiveness in a recovering market.

While higher taxation posed challenges for the mobile phone sector, we still see a positive outlook, as there remains a strategic opportunity, particularly in the low-cost smartphone segment, which is expected to capture a larger market share. In response, LMC has shifted its focus toward producing and promoting affordable smartphones, aiming to strengthen its market position by aligning with the increasing demand for cost-effective mobile phones.

Your Company's strong financial position and free cash flow generating ability are anticipated to further support its vision to improve operational efficiencies, make new investments and enhance shareholder value.



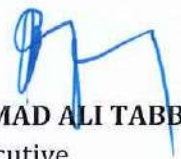
Acknowledgment

The Board would like to thank all our stakeholders, employees, customers, suppliers, shareholders, and bankers for their support. The confidence and goodwill of the stakeholders have allowed the Company to sustain and grow over the years.

We continue to pray to Allah for the success of the Company and the benefit of all stakeholders, and the country in general.

On behalf of the Board


MUHAMMAD SOHAIL TABBA
Chairman / Director


MUHAMMAD ALI TABBA
Chief Executive

Karachi: August 8, 2025