- To recall FY26, KOHC reported PAT of PKR10.7bn , down 7.6% YoY from PKR11.6bn in FY25, with EPS declining 2.8% YoY to PKR11.64 from PKR11.97. Net sales increased 2.7% YoY to PKR38.5bn , while gross profit fell 8.4% YoY to PKR13.6bn as gross margin narrowed to 35.4% from 39.7%. EBITDA stood at PKR17.4bn with a 45.2% margin, compared with PKR19.4bn and a 51.6% margin in FY25.
- FY26 total dispatches increased 8.1% YoY to 2.52mn tons, driven by 6.7% growth in local dispatches to 2.46mn tons and a 161.7% increase in exports to 54,677 tons. Capacity utilization improved to 50.12% from 47.39% in FY25.
- In Q1 FY27, net sales grew 15.1% YoY to PKR11.8bn, gross profit increased 39.8% to PKR4.9bn, and operating profit rose 40.9% to PKR4.3bn. Net retention improved 18.6% YoY to PKR17,356/ton. However, total dispatches declined 3.0% YoY to 682,024 tons due to nil export volumes.
- Renewable energy contributed 43.6% of total power consumption in FY26, up from 41.3% in FY25, further increasing to 47.7% in Q1 FY27. Management targets increasing solar capacity from 17.66MW to 20MW, while evaluating BESS options. Local coal utilization reached 57.2% in Q1 FY27, with potential to increase to 70–80% across all four production lines, subject to cost competitiveness.
- Management highlighted that coal consumption stands at approximately 124–125kg per ton of cement, while electricity consumption is around 85–90 units per ton. The proposed 28.5MW coal-fired power plant is expected to consume approximately 500–600g of coal per unit of electricity generated, subject to confirmation upon commissioning. Management also indicated that waste heat recovery (WHR) generation remains linked to kiln operating days, providing approximately 30% of the plant's electricity requirements while the kiln is operational.
- The company is also developing a multi-story commercial building in Gulberg, Lahore through its wholly owned subsidiary Ultra Properties, with PKR350mn invested to date and completion targeted by end-FY28.
- Management highlighted higher coal procurement costs of approximately PKR59,000–60,000/ton, which could pressure margins in upcoming quarters as lower-cost inventory is exhausted. Local coal utilization and imported coal sourcing will remain dependent on relative pricing.
- Management expects domestic cement dispatch growth of approximately 6–7% in FY27, following 6.2% growth in local dispatches during the first four months. However, higher coal and diesel prices, transportation costs and royalty-related uncertainties remain key risks to profitability.
- Overall, KOHC's outlook remains cautiously positive, supported by improving domestic cement demand, higher net retention and increasing renewable energy contribution. However, near-term margins may remain under pressure due to higher coal procurement and transportation costs.

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