NISHAT

NISHAT POWER LIMITED

POWERING GROWTH. DELIVERING VALUE.



Q1

FIRST QUARTER REPORT

Quarter ended 30 September 2026

UN-AUDITED | FY 2027



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NISHAT POWER LIMITED

CORPORATE PROFILE

CORPORATE **PROFILE**

BOARD OF DIRECTORS

Mian Hassan Mansha	Chairman
Mr. Ghazanfar Husain Mirza	Chief Executive Officer
Ms. Maleeha Humayun Bangash	
Mr. Humayun Maqbool	
Mr. Mahmood Akhtar	
Mr. Muhammad Aqib Zulfiqar	
Mr. Shahzad Ahmad Malik	

AUDIT COMMITTEE

Mr. Humayun Maqbool	Chairman
Ms. Maleeha Humayun Bangash	Member
Mr. Muhammad Aqib Zulfiqar	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Ms. Maleeha Humayun Bangash	Chairperson
Mian Hassan Mansha	Member
Mr. Ghazanfar Husain Mirza	Member

CHIEF FINANCIAL OFFICER

Mr. Tanvir Khalid

COMPANY SECRETARY

Mr. Khalid Mahmood Chohan

AUDITORS

Riaz Ahmad & Co.
Chartered Accountants

LEGAL ADVISOR

Cornelius, Lane & Mufti
Advocates & Solicitors

BANKERS OF THE COMPANY

Askari Bank Limited
Allied Bank Limited
Al-Baraka Bank (Pakistan) Limited
Bank Alfalah Limited
Bank Al-Habib Limited
BankIslami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
First Women Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Pak Brunei Investment Co. Limited
Soneri Bank Limited
The Bank of Punjab
United Bank Limited

REGISTERED OFFICE

53 - A, Lawrence Road, Lahore - Pakistan
UAN: 042-111-11-33-33

HEAD OFFICE

1-B, Aziz Avenue, Canal Bank,
Gulberg-V, Lahore - Pakistan
Tel: +92-42-35717090-96, 35717159-63
Fax: +92-42-35717239
Website: www.nishatpower.com

SHARE REGISTRAR

Hameed Majeed Associates (Pvt.) Ltd.
Financial & Management Consultants
H.M. House, 7-Bank Square, Lahore - Pakistan.
Tel: 042-37235081-2

PLANT

66-K.M, Multan Road, Jamber Kalan,
Tehsil Pattoki, District Kasur, Punjab - Pakistan.

DIRECTORS' **REVIEW REPORT**

The Board of Directors is pleased to present its review report together with the Condensed Interim Financial Statements of the Company for the quarter ended 30 September 2026.

◆ PRINCIPAL ACTIVITY AND OPERATIONAL HIGHLIGHTS

The principal activity of the Company is to build, own, operate and maintain a fuel-fired power plant based on Reciprocating Engine Technology, having a gross capacity of 200 MW, located at Jamber Kalan, Tehsil Pattoki, District Kasur, Punjab, Pakistan. During the quarter under review, the plant operated at an average capacity factor of 35.28% (September 2025: 7.38%) and dispatched 152 GWh of electricity to the Power Purchaser (September 2025: 32 GWh), reflecting a significant improvement in plant utilization over the corresponding quarter of last year.

◆ FINANCIAL PERFORMANCE

For the quarter ended 30 September 2026, the Company recorded a turnover of Rs. 8,246 million (September 2025: Rs. 1,672 million), an increase of 393%, mainly due to higher dispatch resulting from the improved capacity factor. Cost of sales increased accordingly to Rs. 7,730 million (September 2025: Rs. 1,282 million) on account of higher generation and the resulting fuel consumption. Gross profit for the period stood at Rs. 516 million as compared to Rs. 391 million in the corresponding quarter last year.

As part of Company's strategy to diversify its investment portfolio and reduce reliance on a single source of income, the Company had deployed its surplus funds into investments in Rafhan Maize Products Company Limited and Nexgen Auto (Private) Limited. Consequently, other income decreased to Rs. 113 million from a comparatively higher other income of Rs. 436 million, during same period last year, due to utilization of surplus funds in acquisition of long-term investment in the aforementioned companies.

However, these investments have started contributing to the Company's earnings, with Nexgen Auto (Private) Limited adding a share of profit of Rs. 210 million during the current quarter, as per 33.33% shareholding owned by the Company. Furthermore, the Company also received a dividend of Rs.79.59 million from its investment in Rafhan Maize Products Company Limited during the quarter, marking the commencement of dividend income from this investment and reflecting progress towards the Company's objective of generating a more diversified and sustainable income stream.

Consequently, the Company reported a net profit after tax of Rs. 541 million (September 2025: Rs. 584 million), translating into earnings per share of Rs. 1.53 (September 2025: Rs. 1.65). The decline in profit is mainly attributable to lower other income which is partly offset by recognizing the share of profit (amounting Rs.210 million) from the associated company, as per the equity method of accounting.

Total receivables from the Power Purchaser as at 30 September 2026 stood at Rs. 9,607 million (30 June 2026: Rs. 6,541 million). The significant increase in receivables reflects continuing circular debt pressures in the power sector, adversely affecting the Company's liquidity and increasing its reliance on short term borrowings to meet working capital requirements. Management continues to actively pursue recoveries and remains engaged with the Power Purchaser and relevant authorities for timely realization of outstanding amounts.

FUTURE OUTLOOK

The Company expects capacity utilization to remain at elevated levels in the near term, primarily due to the continuing conflict in the Middle East and the resulting constraints on RLNG supplies for gas-based plants,although dispatch may remain subject to fluctuations.

The Company continues to explore opportunities to diversify its portfolio. Following its investments in Nexgen Auto (Private) Limited and Rafhan Maize Products Company Limited, the Board has also approved participation in a consortium, led by Pakgen Limited, for the proposed privatization of Faisalabad Electric Supply Company (FESCO), subject to requisite corporate and regulatory approvals and with no binding obligation assumed by the Company as at the date of this report.

ACKNOWLEDGEMENT

The Board of Directors expresses its sincere appreciation to all stakeholders, including shareholders, lenders, regulators, business partners and employees, for their continued trust and support. The Board particularly acknowledges the dedication and commitment of the Company's management and staff, whose efforts remain instrumental to the Company's success.

For and on behalf of Board of Directors

CHIEF EXECUTIVE OFFICER

DIRECTOR

Lahore: 27 October 2026

مجلس نظماء کی جائزہ رپورٹ

مجلس نظماء 30 ستمبر 2026 کو ختم ہونے والی سہ ماہی کے لیے کمپنی کے مختصر عبوری مالیاتی گوشواروں کے ساتھ اپنی جائزہ رپورٹ پیش کرتے ہوئے خوشی محسوس کرتی ہے۔

اہم سرگرمی اور آپریشنل جھلکیاں

کمپنی کی بنیادی سرگرمی پنجاب، پاکستان کے ضلع قصور، تحصیل پتوکی، جمبڑ کلاں میں واقع 200 میگاواٹ مجموعی صلاحیت کے ایندھن سے چلنے والے بجلی گھر کی تعمیر، ملکیت، آپریشن اور دیکھ بھال ہے۔ یہ بجلی گھر ریسیپروکیٹنگ انجن ٹیکنالوجی پر مبنی ہے۔ زیرِ جائزہ سہ ماہی کے دوران پلانٹ اوسطاً 35.28 فیصد صلاحیتی عنصر پر چلا (ستمبر 2025: 7.38 فیصد) اور پاور پرچیزر کو 152 GWh بجلی فراہم کی (ستمبر 2025: 32 GWh)۔ یہ گزشتہ سال کی اسی سہ ماہی کے مقابلے میں پلانٹ کے استعمال میں نمایاں بہتری کی عکاسی کرتا ہے۔

مالی کارکردگی

30 ستمبر 2026 کو ختم ہونے والی سہ ماہی میں کمپنی کا کاروباری حجم 8,246 ملین روپے رہا (ستمبر 2025: 1,672 ملین روپے)، جو 393 فیصد اضافہ ہے۔ اس کی بنیادی وجہ صلاحیتی عنصر میں بہتری کے باعث بجلی کی زیادہ ترسیل تھی۔ زیادہ پیداوار اور اس کے نتیجے میں ایندھن کے زیادہ استعمال کے باعث فروخت کی لاگت بھی بڑھ کر 7,730 ملین روپے ہوگئی (ستمبر 2025: 1,282 ملین روپے)۔ اس مدت کا مجموعی منافع 516 ملین روپے رہا، جبکہ گزشتہ سال کی اسی سہ ماہی میں یہ 391 ملین روپے تھا۔

سرمایہ کاری کے پورٹ فولیو کو متنوع بنانے اور آمدنی کے کسی ایک ذریعے پر انحصار کم کرنے کی حکمتِ عملی کے تحت کمپنی نے اپنے فاضل فنڈز رفحان میز پراڈکٹس کمپنی لمیٹڈ اور نیکس جن آٹو (پرائیویٹ) لمیٹڈ میں سرمایہ کاری کے لیے استعمال کیے تھے۔ نتیجتاً، گزشتہ سال کی اسی مدت کے 436 ملین روپے کے نسبتاً زیادہ دیگر آمدنی کے مقابلے میں، موجودہ سہ ماہی میں دیگر آمدنی کم ہو کر 113 ملین روپے رہی۔ اس کمی کی وجہ مذکورہ کمپنیوں میں طویل مدتی سرمایہ کاری کے حصول کے لیے فاضل فنڈز کا استعمال تھا۔

تاہم، ان سرمایہ کاریوں نے کمپنی کی آمدنی میں حصہ ڈالنا شروع کر دیا ہے۔ کمپنی کی 33.33 فیصد حصص داری کے تناسب سے نیکس جن آٹو (پرائیویٹ) لمیٹڈ نے موجودہ سہ ماہی میں 210 ملین روپے کا منافع بطور حصہ شامل کیا۔ مزید یہ کہ سہ ماہی کے دوران رفحان میز پراڈکٹس کمپنی لمیٹڈ میں سرمایہ کاری پر 79.59 ملین روپے کا منافع بھی وصول ہوا۔ یہ اس سرمایہ کاری سے منافع کی آمد کا آغاز ہے اور آمدنی کے زیادہ متنوع اور پائیدار ذرائع پیدا کرنے کے کمپنی کے مقصد کی جانب پیش رفت کو ظاہر کرتا ہے۔

نتیجتاً، کمپنی نے 541 ملین روپے بعد از ٹیکس خالص منافع رپورٹ کیا (ستمبر 2025: 584 ملین روپے)، جبکہ فی حصص آمدنی 1.53 روپے رہی (ستمبر 2025: 1.65 روپے)۔ منافع میں کمی کی بنیادی وجہ دیگر آمدنی میں کمی تھی، جس کی جزوی تلافی متعلقہ کمپنی میں ایکویٹی طریقہء حساب کے تحت 210 ملین روپے کے منافع میں حصے کو تسلیم کرنے سے ہوئی۔

30 ستمبر 2026 کو پاور پرچیزر سے کل وصول طلب رقوم 9,607 ملین روپے تھیں (30 جون 2026: 6,541 ملین روپے)۔ وصول طلب رقوم میں نمایاں

اضافے سے بجلی کے شعبے میں گردشی قرضے کے مسلسل دباؤ کی عکاسی ہوتی ہے، جو کمپنی کی نقدی کی دستیابی پر منفی اثر ڈالتا اور ورکنگ کیپیٹل کی ضروریات پوری کرنے کے لیے قلیل مدتی قرض گیری پر انحصار بڑھاتا ہے۔ انتظامیہ رقوم کی وصولی کے لیے سرگرمِ عمل ہے اور بقایا جات کی بروقت وصولی کے سلسلے میں پاور پرچیز اور متعلقہ حکام سے رابطے میں ہے۔

مستقبل کا منظر نامہ

کمپنی کو توقع ہے کہ قریبی مدت میں صلاحیت کا استعمال بلند سطح پر برقرار رہے گا۔ اس کی بنیادی وجہ مشرقِ وسطیٰ میں جاری تنازع اور اس کے نتیجے میں گیس سے چلنے والے پلانٹس کے لیے آر ایل این جی کی فراہمی میں رکاوٹیں ہیں، تاہم بجلی کی ترسیل میں اتار چڑھاؤ ممکن ہے۔

کمپنی اپنے سرمایہ کاری کے پورٹ فولیو کو متنوع بنانے کے مواقع تلاش کرتی رہتی ہے۔ نیکس جن آٹو (پرائیویٹ) لمیٹڈ اور رفحان میز پراڈکٹس کمپنی لمیٹڈ میں سرمایہ کاری کے بعد، بورڈ نے پاک جن لمیٹڈ کی سربراہی میں ایک کنسورشیم میں شرکت کی بھی منظوری دی ہے، جو فیصل آباد الیکٹرک سپلائی کمپنی (فیسکو) کی مجوزہ نجکاری میں حصہ لینے کے لیے تشکیل دیا گیا ہے۔ یہ شرکت ضروری کارپوریٹ اور ریگولیٹری منظوریوں سے مشروط ہے، اور اس رپورٹ کی تاریخ تک کمپنی نے کوئی پابند عہد نہیں کیا ہے۔

اظہار تشکر

بورڈ آف ڈائریکٹرز حصص یافتگان، قرض دہندگان، ریگولیٹرز، کاروباری شراکت داروں اور ملازمین سمیت تمام متعلقہ فریقوں کے مسلسل اعتماد اور تعاون پر دلی شکریہ ادا کرتا ہے۔ بورڈ کمپنی کی انتظامیہ اور عملے کی لگن اور وابستگی کو بھی خصوصی طور پر سراہتا ہے، جن کی کوششیں کمپنی کی کامیابی میں اہم کردار ادا کرتی ہیں۔

منجانب بورڈ آف ڈائریکٹرز

چیف ایگزیکٹو آفیسر

ڈائریکٹر

27 اکتوبر 2026

CONDENSED INTERIM

STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2026

	Note	Un-audited 30 September 2026	Audited 30 June 2026
		(Rupees in thousand)	
◆ EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital 500,000,000 (30 June 2026: 500,000,000) ordinary shares of Rs 10 each		5,000,000	5,000,000
Issued, subscribed and paid-up share capital		3,540,885	3,540,885
Reserves		26,164,355	26,355,418
TOTAL EQUITY		**29,705,240**	**29,896,303**
◆ LIABILITIES			
NON-CURRENT LIABILITY			
Deferred income tax liability - net		15,315	185,683
◆ CURRENT LIABILITIES			
Trade and other payables		611,453	395,881
Short term borrowings		5,907,570	4,909,483
Accrued mark-up / profit on short term borrowings		54,058	27,268
Provision for taxation and levy payable - net		80,562	72,545
Unclaimed dividend		28,405	29,770
		6,682,048	5,434,947
TOTAL LIABILITIES		**6,697,363**	**5,620,630**
CONTINGENCIES AND COMMITMENTS	4		
TOTAL EQUITY AND LIABILITIES		**36,402,603**	**35,516,933**

The annexed notes form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

CONDENSED INTERIM

STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2026

	Note	Un-audited 30 September 2026	Audited 30 June 2026
		(Rupees in thousand)	
◆ ASSETS			
NON-CURRENT ASSETS			
Fixed assets	5	6,807,698	6,992,980
Intangible asset		-	-
Long term investments		15,190,629	15,931,360
Long term loans to employees		1,282	1,593
		21,999,609	**22,925,933**
◆ CURRENT ASSETS			
Stores, spares and loose tools		727,791	737,415
Inventories		1,684,198	1,614,377
Trade debts	6	9,607,428	6,540,700
Loans, advances, deposits, prepayments and other receivables		452,960	385,619
Accrued Interest		2,076	63
Short term investments		1,820,994	3,175,091
Cash and bank balances		107,547	137,735
		14,402,994	12,591,000
TOTAL ASSETS		**36,402,603**	**35,516,933**

DIRECTOR

CHIEF FINANCIAL OFFICER

CONDENSED INTERIM

STATEMENT OF PROFIT OR LOSS (Un-audited)

FOR THE QUARTER ENDED 30 SEPTEMBER 2026

	Note	Quarter ended	
		30 September 2026	30 September 2025
		(Rupees in thousand)	
Revenue from contract with customer		**8,246,113**	**1,672,083**
Cost of sales	7	(7,730,473)	(1,281,501)
Gross profit		**515,640**	**390,582**
Administrative expenses		(157,009)	(129,266)
Other expenses		(6,969)	-
		(163,978)	(129,266)
		351,662	261,316
Other income		113,419	435,902
Profit from operations		**465,081**	**697,218**
Finance cost		(58,767)	(7,016)
		406,314	690,202
Share of net profit of associate accounted for using the equity method		210,489	-
Profit before levy and taxation		**616,803**	**690,202**
Levy		(18,306)	(494)
Profit before taxation		**598,497**	**689,708**
Taxation		(57,121)	(105,408)
Profit after taxation		**541,376**	**584,300**
Earnings per share - basic and diluted (Rupees)		**1.53**	**1.65**

The annexed notes form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER

CONDENSED INTERIM

STATEMENT OF COMPREHENSIVE INCOME (Un-audited)

FOR THE QUARTER ENDED 30 SEPTEMBER 2026

	Quarter ended	
	30 September 2026	30 September 2025
	(Rupees in thousand)	
◆ **PROFIT AFTER TAXATION**	541,376	584,300
◆ **OTHER COMPREHENSIVE LOSS:**		
Items that will not be reclassified to profit or loss		
Fair value adjustment arising on remeasurement of investment at FVTOCI	(951,220)	-
Deferred income tax related to this item	218,781	-
	(732,439)	-
Items that may be reclassified subsequently to profit or loss	-	-
Other comprehensive loss - net of tax	(732,439)	-
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD	(191,063)	584,300

The annexed notes form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER

CONDENSED INTERIM

STATEMENT OF CHANGES IN EQUITY

FOR THE QUARTER ENDED 30 SEPTEMBER 2026

	SHARE CAPITAL	RESERVES					TOTAL EQUITY
		CAPITAL			REVENUE		
		OVERHAULING RESERVE	FAIR VALUE RESERVE FVTOCI INVESTMENT	SUB-TOTAL	UN-APPROPRIATED PROFIT	TOTAL	
	(Rupees in thousand)						
Balance as at 30 June, 2025-audited	3,540,885	3,722,257	-	3,722,257	20,712,026	24,434,283	27,975,168
Profit for the period	-	-	-	-	584,300	584,300	584,300
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	584,300	584,300	584,300
Balance as at 30 September 2025 - un-audited	3,540,885	3,722,257	-	3,722,257	21,296,326	25,018,583	28,559,468
Balance as on 30 June 2026 - audited	3,540,885	3,887,244	(30,313)	3,856,931	22,498,487	26,355,418	29,896,303
Profit for the period	-	-	-	-	541,376	541,376	541,376
Other comprehensive loss for the period	-	-	(732,439)	(732,439)	-	(732,439)	(732,439)
Total comprehensive loss for the period	-	-	(732,439)	(732,439)	541,376	(191,063)	(191,063)
Balance as at 30 September 2026 - un-audited	3,540,885	3,887,244	(762,752)	3,124,492	23,039,863	26,164,355	29,705,240

The annexed notes form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

CONDENSED INTERIM

STATEMENT OF CASH FLOWS (Un-audited)

FOR THE QUARTER ENDED 30 SEPTEMBER 2026

	Note	Quarter ended	
		30 September 2026	30 September 2025
		(Rupees in thousand)	
◆ CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	8	(2,423,150)	163,034
Finance cost paid		(31,977)	(65)
Net decrease in long term loans to employees		1,008	1,291
Income tax and levy paid		(18,997)	(30,320)
Net cash (used in) / generated from operating activities		**(2,473,116)**	**133,940**
◆ CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on fixed assets		(11,579)	(2,224)
Short term loan to associate		-	(500,000)
Long term investment - Advance for purchase of shares		-	(2,000,000)
Interest received		292	371
Short term investments made		(17,403,082)	(17,334,492)
Proceeds from sale of short term investments		18,780,985	14,447,965
Dividend received		79,590	1,832
Proceeds from disposal of operating fixed assets		-	147
Net cash generated from / (used in) investing activities		**1,446,206**	**(5,386,401)**
◆ CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(1,365)	-
Net cash used in financing activities		(1,365)	-
Net decrease in cash and cash equivalents		(1,028,275)	(5,252,461)
Cash and cash equivalents at the beginning of the period		(4,771,748)	(606,841)
Cash and cash equivalents at the end of the period	9	(5,800,023)	(5,859,302)

The annexed notes form an integral part of these condensed interim financial statements.

CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER

1. THE COMPANY AND ITS OPERATIONS

1.1 Nishat Power Limited (the 'Company') is a public Company limited by shares incorporated in Pakistan on 23 February 2007 under the repealed Companies Ordinance, 1984 (now, the Companies Act, 2017). The Company is a subsidiary of Nishat Mills Limited. The Company's ordinary shares are listed on the Pakistan Stock Exchange Limited.

1.2 The principal activity of the Company is to build, own, operate and maintain a fuel fired power station having gross capacity of 200 MW in Jamber Kalan, Tehsil Pattoki, District Kasur, Punjab, Pakistan. The address of the registered office of the Company is 53-A, Lawrence Road, Lahore. The Company had a Power Purchase Agreement ('PPA') with its sole customer, National Transmission and Dispatch Company Limited ('NTDC') for twenty five years which commenced from 09 June 2010. On 12 February 2021, the Company entered into a Novation Agreement to the PPA with NTDC and Central Power Purchasing Agency (Guarantee) Limited ('CPPA-G' and also referred to as the 'Power Purchaser'), whereby, NTDC irrevocably transferred all of its rights, obligations and liabilities under the PPA to CPPA-G and thereafter, NTDC ceased to be a party to the PPA, and CPPA-G became a party to the PPA in place of NTDC. Further, on the same day, the Company entered into the PPA Amendment Agreement, whereby the Agreement Year that was ending on 08 June 2021 was extended by sixty eight (68) days to 15 August 2021. The Company entered into another PPA Amendment Agreement with effect from 01 November 2024 to further amend the terms of PPA. Under this Agreement, certain significant amendments have taken place including the conversion of existing tariff to 'Hybrid Take and Pay' model. Government of Pakistan has also agreed to unconditionally and irrevocably withdraw and extinguish all claims against the Company under the Arbitration Submission Agreement as more fully explained in note 10.1.1(vi) to the preceding annual published financial statements of the Company for the year ended 30 June 2026.

2. BASIS OF PREPARATION

2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

i) International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

ii) Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2026. These condensed interim financial statements are un-audited.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information and methods of computations adopted for the preparation of these condensed interim financial statements are same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2026.

3.1 Critical accounting estimates and judgments

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2026.

4. CONTINGENCIES AND COMMITMENTS

4.1 Contingencies

There is no significant change in the status of contingencies as disclosed in the preceding annual published financial statements of the Company for the year ended 30 June 2026 except for the following:

i) On 18 March 2026, the Deputy Commissioner Inland Revenue (DCIR) passed an order for tax year 2024 under section 4C of the Income Tax Ordinance, 2001, raising a tax demand of Rupees 17.945 million in respect of certain matters. Being aggrieved by the order, the Company preferred an appeal before the CIR(A). On 11 August 2026, CIR(A) decided the matter against the Company. Against the order of CIR(A), the Company preferred an appeal before ATIR. On 02 September 2026, ATIR granted partial relief to the Company and remanded the matter back to the department for re-computation of the liability. Subsequent to the reporting period, on 15 October 2026 the Company filed a reference before the Honourable Lahore High Court for the matters decided against the Company which is pending adjudication. On 12 June 2026, DCIR raised another demand of Rupees 2.824 million relating to default surcharge on aforementioned super tax. On 19 June 2026, the Company filed an appeal before ATIR against the demand. Through its order dated 29 September 2026, ATIR annulled the default surcharge order, holding that default surcharge shall be charged only on the tax finally determined as unpaid upon re-computation of the super tax liability. The management, based on the advice of tax advisor, is confident of a favourable outcome of the matters and, accordingly, no provision has been made in these financial statements.

ii) On 08 April 2026, the Deputy Commissioner Inland Revenue (DCIR) passed an order for tax year 2025 under section 4C of the Income Tax Ordinance, 2001, raising a tax demand of Rupees 6.429 million in respect of certain matters. The Company, being aggrieved by the aforesaid order, preferred an appeal before CIR(A). On 11 August 2026, CIR(A) decided the matter against the Company. Against the order of

CIR(A), the Company preferred an appeal before ATIR. On 02 September 2026, ATIR granted partial relief to the Company and remanded the matter back to the department for re-computation of the liability. Subsequent to the reporting period, on 15 October 2026 the Company filed a reference before the Honourable Lahore High Court for the matters decided against the Company which is pending adjudication. On 12 June 2026, DCIR raised another demand of Rupees 0.028 million relating to default surcharge on aforementioned super tax. On 19 June 2026, the Company filed an appeal before ATIR against the demand raised by DCIR. Through its order dated 29 September 2026, ATIR annulled the default surcharge order, holding that default surcharge shall be charged only on the tax finally determined as unpaid upon re-computation of the super tax liability. The management, based on the advice of tax advisor, is confident of a favourable outcome of the matters and, accordingly, no provision has been made in these financial statements.

iii) On 31 August 2016, Additional Commissioner Inland Revenue (ACIR) passed an amendment order under section 122(5A) of the Income Tax Ordinance, 2001 relating to tax year 2014 whereby tax demand aggregating to Rupees 107.822 million has been raised on various issues. Being aggrieved with the order of ACIR, the Company preferred an appeal before CIR(A) on 23 September 2016. CIR(A) passed an order on 29 November 2016 whereby relief was granted on various issues whereas matter relating to disallowance of tax credit under section 65B of the Income Tax Ordinance, 2001 was decided against the Company. Being aggrieved with the order of CIR(A), both department and the Company preferred appeals before ATIR on 11 December 2016 and 18 January 2017 respectively. On 12 October 2023, ATIR dismissed the department appeal on the issues taken up by the department. Whereas, on 14 September 2023, ATIR passed an order on Company's appeal and remanded back the case to assessing officer for fresh consideration. However, there were certain apparent factual/legal omissions in the order dated 14 September 2023. The Company filed a rectification application before ATIR. On 08 April 2024, ATIR passed rectification order with the directions to assessing officer to proceed strictly in accordance with the ratio settled by ATIR on the matter in case of another taxpayer as prayed by the Company. Further, the department filed an appeal before Honourable Lahore High Court, Lahore on 04 April 2024 against the order passed by ATIR dated 12 October 2023 which is pending for hearing. On 29 June 2025, remand back proceedings were concluded wherein tax credit under section 65B of the Income Tax Ordinance, 2001 has again been disallowed whilst the relief allowed by CIR(A) initially was also disregarded inadvertently creating a demand of Rupees 107.822 million. On 03 July 2025, the Company filed a rectification application. On 23 July 2025, the aforesaid order has been rectified. However, in the matter of disallowance of tax credit, the Company preferred an appeal before CIR(A). On 18 September 2026, CIR(A) decided the matter against the Company. Subsequent to the reporting period the Company preferred an appeal before ATIR on 16 October 2026 against the order of CIR(A) which is pending adjudication. Based on the advice of tax advisor, the management is confident of favourable outcome of the matter. Therefore, no provision has been made in these financial statements.

4.2 Commitments

Following represent commitments arising from short term leases recognized on a straight-line basis as expense under the practical expedients applied by the Company. The amount of future payments under lease and the period in which these payments will become due are as follows:

	Note	Un-audited 30 September 2026	Audited 30 June 2026
		(Rupees in thousand)	
Not later than 1 year		13,782	5,844

5. FIXED ASSETS

Operating fixed assets	5.1	6,728,838	6,914,942
Capital work-in-progress		9,902	9,080
Major spare parts and standby equipment		68,958	68,958
		6,807,698	6,992,980

5.1 Operating fixed assets

Opening net book value		6,914,942	7,545,495
Add: Cost of additions / transfer during the period / year	5.1.1	10,757	99,065
Less: Book value of disposals / derecognitions during the period / year	5.1.2	-	(53,336)
Less: Depreciation charged during the period / year		(196,861)	(676,282)
		6,728,838	6,914,942

5.1.1 Cost of additions / transfer during the period / year

Plant and machinery	-	799
Computer equipment	2,705	6,901
Furniture and fixtures	-	50
Office equipment	3,315	1,508
Vehicles	4,737	89,807
	10,757	99,065

5.1.2 Book value of disposals / derecognitions during the period / year

Computer equipment	-	472
Vehicles	-	52,864
	-	53,336

6. TRADE DEBTS

Other than related parties - considered good	9,607,428	6,540,700

These represent trade receivables from CPPA-G and are considered good. These are secured by a guarantee from the Government of Pakistan under the Implementation Agreement and are in the normal course of business and interest free, however, delayed payment mark-up at the rate of three months KIBOR plus 1.00% per annum is charged in case the amounts are not paid within due dates. The rate of delayed payment mark-up charged during the period on outstanding amounts ranged from 12.69% to 13.24% (June 2026: 11.36% to 22.99%) per annum.

		Un-audited Quarter ended	
		30 September 2026	30 September 2025
		(Rupees in thousand)	
7.	**COST OF SALES**		
	Raw materials consumed	7,243,311	859,473
	Salaries and other benefits	93,700	80,764
	Repairs and maintenance	9,179	248
	Stores, spares and loose tools consumed	20,652	15,299
	Electricity consumed in-house	13,083	14,532
	Insurance	134,515	129,659
	Travelling and conveyance	14,508	10,373
	Printing and stationery	156	72
	Postage and telephone	821	183
	Vehicle running expenses	2,481	2,379
	Entertainment	76	59
	Depreciation on operating fixed assets	185,007	152,594
	Fee and subscription	2,800	2,382
	Miscellaneous	10,184	13,484
		7,730,473	1,281,501
8.	**CASH GENERATED FROM OPERATIONS**		
	Profit before taxation and levy	616,803	690,202
	Adjustment for non-cash charges and other items:		
	Depreciation on operating fixed assets	196,861	169,652
	Profit on bank deposits	(1,906)	(1,599)
	Profit on term deposit receipts	(399)	(352)
	Profit on loan to associate	-	(331)
	Finance cost	58,767	7,016
	Gain on disposal of short term investments at fair value through profit or loss	(23,806)	(88,050)
	Dividend income	(79,590)	(1,832)
	Unrealized gain on remeasurement of investments at fair value through profit or loss	-	(340,867)
	Share of net profit of associate accounted for using the equity method	(210,489)	-
	Cash flows from operating activities before working capital changes	556,241	433,839
	Effect on cash flow due to working capital changes:		
	(Increase) / decrease in current assets		
	Stores, spares and loose tools	9,624	8,761
	Inventories	(69,821)	(116,365)
	Trade debts	(3,066,728)	282,271
	Loans, advances, deposits, prepayments and other receivables	(68,038)	(260,573)
		(3,194,963)	(85,906)
	Increase / (decrease) in current liabilities		
	Trade and other payables	215,572	(184,899)
		(2,979,391)	(270,805)
		(2,423,150)	163,034

	Un-audited	
	30 September 2026	30 September 2025
	(Rupees in thousand)	

9. CASH AND CASH EQUIVALENTS

Cash and bank balances	107,547	48,676
Short term borrowings	(5,907,570)	(5,907,978)
	(5,800,023)	(5,859,302)

10. TRANSACTIONS WITH RELATED PARTIES

The related parties include the holding company, associates of the holding company, related parties on the basis of common directorship, key management personnel of the Company and its holding company and provident fund trust. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of that company. The Company in the normal course of business carries out transactions with various related parties. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

			Un-audited Quarter ended	
	Relationship with the Company	Nature of transactions	30 September 2026	30 September 2025
i.	Associated Companies	Dividend Income	79,590	-
		Purchase of goods and services	64,999	36,590
		Interest on short term loan	-	331
		Advance for purchase of shares	-	2,000,000
		Insurance premium paid	212,497	88,132
ii.	Other Related Parties	Profit on deposit accounts	1,903	1,598
		Insurance premium paid	138,962	44,182
		Dividend income	-	1,832
		Gain on disposal of short term investments	23,806	88,050
iii.	Post employment benefit plan	Expense charged in respect of Retirement benefit plan	9,972	9,091
iv.	Key management personnel	Remuneration	13,330	13,098

	Period end balances	Nature of balances	Un-audited 30 September 2026	Audited 30 June 2026
			(Rupees in thousand)	
i.	Associated Companies	Payable against purchase of goods and services	18	2,177
		Advance against purchase of vehicles	22,707	-
		Long term investments	15,190,629	15,931,360
ii.	Other Related Parties	Payable against purchase of goods and services	-	94
		Accrued interest	1,880	8
		Bank balances and short term investments	1,910,736	3,294,891

11. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognised and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

	Level 1	Level 2	Level 3	Total
	(Rupees in thousand)			
Recurring fair value measurements at 30 September 2026 - Financial asset				
Financial assets at fair value through other comprehensive income	11,676,649	-	-	11,676,649
Financial assets at fair value through profit or loss	1,820,994	-	-	1,820,994
	13,497,643	-	-	13,497,643

	Level 1	Level 2	Level 3	Total
	(Rupees in thousand)			
Recurring fair value measurements at 30 June 2026 - Financial asset				
Financial assets at fair value through other comprehensive income	12,627,869	-	-	12,627,869
Financial assets at fair value through profit or loss	3,175,091	-	-	3,175,091
	15,802,960	-	-	15,802,960

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the period. Further there was no transfer in and out of level 3 measurements.

(ii) Valuation technique used to determine fair value

Specific valuation technique used to value financial instruments is the use of Net Assets Value (NAV) of respective Asset Management Company.

12. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 June 2026.

13. SUBSEQUENT EVENT

The shareholders of the Company, at the Annual General Meeting held on 23 October 2026, approved a final cash dividend of Rupees 1.0 per share for the year ended 30 June 2026, amounting to Rupees 354.089 million, as recommended by the Board of Directors. However, this event has been considered as non-adjusting event under IAS 10 'Events after Reporting Period' and has not been recognized in these condensed interim financial statements.

14. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 27 October 2026 by the Board of Directors of the Company.

15. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 "Interim Financial Reporting", the condensed interim statement of financial position and condensed interim statement of changes in equity have been compared with balances of audited annual published financial statements of preceding financial year, whereas, the condensed interim statement of profit or loss, condensed interim statement of comprehensive income and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged and reclassified, wherever necessary for the purpose of comparison, however, no significant re-arrangements and reclassifications have been made in these condensed interim financial statements.

16. GENERAL

Figures have been rounded off to the nearest thousand of Rupees, unless otherwise stated.

CHIEF EXECUTIVE OFFICER | DIRECTOR | CHIEF FINANCIAL OFFICER





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