

CA/PSX/1949

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February 27, 2026

The General Manager,  
Pakistan Stock Exchange Limited,  
Stock Exchange Building,  
Stock Exchange Road,  
**KARACHI.**

The Executive Director/HOD,  
Offsite-II Department, Supervision Division  
Securities and Exchange Commission of Pakistan  
63, NIC Building, Jinnah Avenue, Blue Area,  
**ISLAMABAD.**

Subject: **FINANCIAL RESULTS FOR THE 2<sup>ND</sup> QUARTER ACCOUNTS FOR THE PERIOD ENDED DECEMBER 31, 2025**

Dear Sir,

This is to inform you that the Board of Directors of our Company in their meeting held on February 27, 2026 at 10:30 a.m. at Lahore, recommended the following: -

<b>i. Cash Dividend:</b>	<b>NIL</b>
<b>ii. Bonus Shares:</b>	<b>NIL</b>
<b>iii. Right Shares:</b>	<b>NIL</b>
<b>iv. Any Other Entitlement / Corporate Action:</b>	<b>NIL</b>
<b>v. Any Other Price-Sensitive Information:</b>	<b>NIL</b>

The financial results of the Company for the 2<sup>nd</sup> Quarter Accounts for the period ended December 31, 2025 along with qualified conclusion of the auditors are annexed, herewith, as follows:

- Statement of Profit / Loss for the period ended December 31, 2025 along with appropriations, Earning / (Loss) Per Share and comparative figures of immediately preceding corresponding period (**Annex-A**);
- Statement of Financial Position as at December 31, 2025 (**Annex-B**);
- Statement of Changes in Equity for the period ended December 31, 2025 (**Annex-C**); and
- Statement of Cash Flows for the period ended December 31, 2025 (**Annex-D**);

Further, the Auditors in their report to the members have stated as under:

“We draw attention to the note 13.1 to the accompanying interim financial statements which explains that the settlement of circular debt, including tariff adjustment is dependent upon the resolution of inter corporate balances by the Government of Pakistan, and increase in gas prices or subsidy by the Government of Pakistan to the Company.

Our opinion is not modified in respect of above matter.”

The Quarterly Report of the Company for the period ended December 31, 2025 will be transmitted through PUCARS separately, within the specified time.

Thanks and regards.

Yours sincerely,  
**SUI NORTHERN GAS PIPELINES LIMITED**



**(IMTIAZ MEHMOOD)**  
SGM (Corporate Affairs) /  
Company Secretary

Encls: As above.

**SUI NORTHERN GAS PIPELINES LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)**  
**FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED DECEMBER 31, 2025**

Annex-A

	Three-month period ended		Six-month period ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	Rupees in thousand		Rupees in thousand	
Revenue from contracts with customers - gas sales	291,724,386	322,042,351	661,190,414	713,608,154
Tariff adjustment	13,184,948	14,492,203	(37,681,988)	(15,560,261)
<b>Revenue and tariff adjustment</b>	<b>304,909,334</b>	<b>336,534,554</b>	<b>623,508,426</b>	<b>698,047,893</b>
Less: Cost of gas sales	289,133,604	317,690,448	596,705,005	672,079,096
<b>Gross profit</b>	<b>15,775,730</b>	<b>18,844,106</b>	<b>26,803,421</b>	<b>25,968,797</b>
Other income	8,836,682	5,767,746	16,856,640	18,112,740
<b>Operating income net of cost of gas sales</b>	<b>24,612,412</b>	<b>24,611,852</b>	<b>43,660,061</b>	<b>44,081,537</b>
<b>Operating expenses</b>				
Selling costs	2,786,007	2,698,839	6,214,153	5,628,208
Administrative expenses	4,228,632	3,791,379	6,955,187	5,942,493
Other expenses	544,002	391,399	875,819	718,901
Net impairment loss on financial assets	999,085	2,963,488	819,273	1,281,499
	8,557,726	9,845,105	14,864,432	13,571,101
<b>Operating profit</b>	<b>16,054,686</b>	<b>14,766,747</b>	<b>28,795,629</b>	<b>30,510,436</b>
Finance cost	6,442,594	7,392,072	12,982,133	17,169,978
<b>Profit before income tax</b>	<b>9,612,092</b>	<b>7,374,675</b>	<b>15,813,496</b>	<b>13,340,458</b>
Income tax	5,890,193	2,907,851	8,645,603	5,591,004
<b>Profit for the period</b>	<b>3,721,899</b>	<b>4,466,824</b>	<b>7,167,893</b>	<b>7,749,454</b>
<b>Earnings per share - basic and diluted (in Rupees)</b>	<b>5.87</b>	<b>7.04</b>	<b>11.30</b>	<b>12.22</b>



The Auditors M/s A.F Ferguson & Co. Chartered Accountants have expressed a qualified conclusion in their “Report on Review of Interim Financial Statements to the Members” due to non-compliance with presentation requirements of IFRS 14 following the expiry of SECP’s exemption on June 30, 2024.

**“Quote”**

As disclosed in note 2.5 to the accompanying interim financial statements, the Company, as a gas utility engaged in rate-regulated activities, has recognized Regulatory Deferral Account (RDA) balances in accordance with International Financial Reporting Standard (IFRS) 14 ‘Regulatory Deferral Accounts’. However, the Company has not complied with the presentation requirements of IFRS 14, as detailed below. These departures do not impact the retained earnings of the Company.

- i. IFRS 14 requires that the ‘net movement in Regulatory Deferral Account balances’ be presented as a separate line item in the condensed interim statement of profit or loss, with a subtotal for profit or loss excluding such movements. The Company has instead added the ‘net movement in RDA balances with revenue from contracts with customers’ as ‘Tariff adjustment’ and has not presented the required subtotal. Had the Company complied with the requirement, the condensed interim statement of profit or loss would have presented:
  - a. A separate subtotal Profit for the period before net movement in regulatory deferral account balances’ amounting to Rs 44,849.881 million (for the six-month period ended December 31, 2024: Rs 23,309.715 million);
  - b. Removal of the ‘Tariff adjustment’ line item by an amount of Rs 37,681.988 million (for the six-month period ended December 31, 2024: Rs 15,560.261 million);
  - c. Inclusion of a separate line item, Net movement in regulatory deferral account balances’ amounting to Rs (37,681.988 million) (for the six-month period ended December 31, 2024: Rs (15,560.261 million)], presented after ‘profit for the period’.

‘Profit for the period and net movement in RDA balances and profit for the period’ as per accompanying condensed interim financial statements would have remained the same.

- ii. IFRS 14 requires that Regulatory Deferral Account assets and liabilities be presented separately from other assets and liabilities. The Company has classified RDA balances within ‘Other receivables’ without separate line-item presentation. Had the requirement been followed, a separate line item, ‘Regulatory deferral account balances’ amounting to Rs 903,945.222 million (June 30, 2025: Rs 941,627.211 million), would have been presented after the subtotal of total assets, with a corresponding decrease in ‘Other receivables’, classified as a current asset and included in total assets.
- iii. IFRS 14 mandates separate presentation of basic and diluted Earnings Per Share (EPS) calculated by excluding the net movement in RDA balances. The Company has not presented this EPS in the condensed interim statement of profit or loss. Had the requirement been followed, EPS would have been presented as:
  - Basic and diluted EPS (excluding net movement in RDA balances): Rs 70.72 (for the six-month period ended December 31, 2024: Rs 36.75)
  - Basic and diluted EPS (including net movement in RDA balances): Rs 11.30 (for the six-month period ended December 31, 2024: Rs 12.22)



In the corresponding period, the Company also did not comply with the aforementioned presentation requirements of IFRS 14, which caused us to qualify our review report on the interim financial statements for that period.

**“Unquote”**

Company considers that the qualification is limited to presentation aspects and have no impact on Profit for the period and net movement in ‘Regulatory Deferral Account balances’ and ‘profit for the period’ as per annexed condensed interim financial statements. Company’s exemption renewal request is under consideration with the Cabinet Committee on State-Owned Enterprises (CCoSOEs) to which a summary has been submitted by Ministry of Energy (Petroleum Division).



**SUI NORTHERN GAS PIPELINES LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2025 (UN-AUDITED)**

Annex-B

	Un-audited December 31, 2025 (Rupees in thousand)	Audited June 30, 2025
<b>EQUITY AND LIABILITIES</b>		
<b>Share capital and reserves</b>		
Share capital	6,342,167	6,342,167
Revenue reserves	69,569,186	64,303,943
<b>Total equity</b>	<b>75,911,353</b>	<b>70,646,110</b>

**Non-current liabilities**

Long term financing from financial institutions - secured	18,405,653	15,183,905
Long term financing - unsecured	50,626	53,031
Lease liabilities	19,871,717	20,683,413
Security deposits	86,042,510	77,474,574
Deferred grant	52,056,643	52,867,164
Contract liabilities	25,714,872	25,614,352
Employee benefit obligations	23,294,809	21,576,871
	<b>225,436,830</b>	<b>213,453,310</b>

**Current liabilities**

Trade and other payables	1,178,305,754	1,170,545,995
Current portion of:		
Long term financing from financial institutions - secured	8,240,458	7,818,583
Long term financing - unsecured	61,688	56,907
Lease liabilities	2,638,289	3,461,254
Deferred grant	3,247,191	3,247,191
Contract liabilities	9,182,031	6,435,494
Provision for taxation	11,718,127	5,213,733
Unclaimed dividend	384,254	276,265
Interest / mark-up accrued on loans and other payables	40,682,325	41,077,759
Short term borrowings from financial institutions - secured	171,043,748	159,413,427
	<b>1,425,503,865</b>	<b>1,397,546,608</b>

**CONTINGENCIES AND COMMITMENTS**

<b>1,726,852,048</b>	<b>1,681,646,028</b>
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**ASSETS**

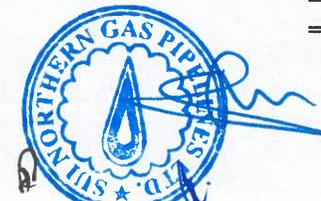
**Non-current assets**

Property, plant and equipment	325,256,896	318,116,798
Intangible assets	372,523	431,255
Right-of-use assets	18,236,946	19,946,471
Deferred taxation	34,703,355	20,985,122
Long term loans	1,278,954	1,298,438
Employee benefits	10,155,285	9,346,899
Long term deposits and prepayments	744,501	699,988
	<b>390,748,460</b>	<b>370,824,971</b>

**Current assets**

Stores and spare parts	9,132,049	7,856,358
Stock-in-trade	17,500,941	26,230,208
Trade debts	225,193,145	181,166,336
Loans and advances	858,723	871,432
Trade deposits and short term prepayments	1,081,757	217,981
Accrued interest	15,065	21,288
Other receivables	904,468,698	942,343,724
Contract assets	33,660,250	750,383
Sales tax recoverable	128,394,123	135,438,257
Cash and bank balances	15,798,837	15,925,090
	<b>1,336,103,588</b>	<b>1,310,821,057</b>

<b>1,726,852,048</b>	<b>1,681,646,028</b>
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**SUI NORTHERN GAS PIPELINES LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE SIX-MONTH PERIOD ENDED DECEMBER 31, 2025**

Annex-C

	Share capital	Revenue reserves				Total shareholders' equity
		General reserve	Dividend equalization reserve	Unappropriated profits	Total	
		------(Rupees in thousand)-----				
<b>Balance as at July 1, 2024 (Audited)</b>	6,342,167	4,127,682	480,000	53,242,969	57,850,651	64,192,818
Transactions with owners in their capacity as owners recognised directly in equity:						
- Final dividend for the year ended June 30, 2023 @ Rupees 4.5 per share	-	-	-	(2,853,975)	(2,853,975)	(2,853,975)
Total comprehensive income for the six-month period ended December 31, 2024						
Profit for the period	-	-	-	7,749,454	7,749,454	7,749,454
Other comprehensive income for the period	-	-	-	-	-	-
	-	-	-	7,749,454	7,749,454	7,749,454
<b>Balance as at December 31, 2024 (Un-audited)</b>	<b>6,342,167</b>	<b>4,127,682</b>	<b>480,000</b>	<b>58,138,448</b>	<b>62,746,130</b>	<b>69,088,297</b>
<b>Balance as at July 1, 2025 (Audited)</b>	6,342,167	4,127,682	480,000	59,696,261	64,303,943	70,646,110
Transactions with owners in their capacity as owners recognised directly in equity:						
- Final dividend for the year ended June 30, 2025 @ Rupees 3 per share	-	-	-	(1,902,650)	(1,902,650)	(1,902,650)
Total comprehensive income for the six-month period ended December 31, 2025						
Profit for the period	-	-	-	7,167,893	7,167,893	7,167,893
Other comprehensive income for the period	-	-	-	-	-	-
	-	-	-	7,167,893	7,167,893	7,167,893
<b>Balance as at December 31, 2025 (Un-audited)</b>	<b>6,342,167</b>	<b>4,127,682</b>	<b>480,000</b>	<b>64,961,504</b>	<b>69,569,186</b>	<b>75,911,353</b>



**SUI NORTHERN GAS PIPELINES LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**  
**FOR THE SIX-MONTH PERIOD ENDED DECEMBER 31, 2025**

Annex-D

Six-month period ended	
December 31, 2025	December 31, 2024
(Rupees in thousand)	

**CASH FLOWS FROM OPERATING ACTIVITIES**

Cash generated from operations	27,204,812	49,107,236
Finance cost paid	(11,846,841)	(18,854,191)
Payments of lease liabilities - interest	(1,560,346)	(1,755,254)
Income tax paid	(15,859,435)	(7,534,715)
Employee benefits obligations / contributions paid	(1,916,856)	(1,850,789)
Increase in security deposits	8,567,936	5,370,716
Receipts against government grants and consumer contributions	810,011	757,221
Decrease in long term loans	14,961	127,662
Increase in long term deposits and prepayments	(44,513)	(45,395)
<b>Net cash inflow from operating activities</b>	<b>5,369,729</b>	<b>25,322,491</b>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Payments for property, plant and equipment	(17,470,254)	(20,850,385)
Payments for intangible assets	(55,459)	(49,893)
Proceeds from disposal of property, plant and equipment	17,602	35,830
Return on bank deposits	171,409	500,322
<b>Net cash outflow from investing activities</b>	<b>(17,336,702)</b>	<b>(20,364,126)</b>

**CASH FLOWS FROM FINANCING ACTIVITIES**

Proceeds from long term financing from financial institutions - secured	7,300,000	-
Repayment of long term financing - unsecured	-	(161,252)
Repayment of long term financing from financial institutions - secured	(3,656,377)	(3,310,043)
Payments of lease liabilities - principal	(1,638,563)	(1,542,199)
Repayment of short term borrowings	-	(14,400,000)
Proceeds from short term borrowings	32,000,000	26,400,000
Dividend paid	(1,794,661)	(2,835,614)
<b>Net cash inflow from financing activities</b>	<b>32,210,399</b>	<b>4,150,892</b>
<b>Net increase in cash and cash equivalents</b>	<b>20,243,426</b>	<b>9,109,257</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>(143,488,337)</b>	<b>(112,464,591)</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>(123,244,911)</b>	<b>(103,355,334)</b>

