Nestlé Good food, Good life

Nestlé Pakistan Ltd.

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Lahore: July 23, 2026

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi - 74000

Dear Sir,

FINANCIAL RESULTS FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2026

We wish to inform you that the Board of Directors of Nestlé Pakistan Ltd., in their meeting held on July 23, 2026, has approved the Condensed Interim Financial Statements of the Company for the six-month period ended June 30, 2026 and the results of same are attached as "Annexure A1 to A5".

The Board of Directors has approved an interim Cash Dividend of PKR 213 per share, i.e. 2130%

Nestlé Pakistan Ltd.

Maqsood Ahmad Anjum
Chief Financial Officer

Annexure A1

Nestlé Pakistan Limited

Condensed Interim Statement of Profit or Loss

For the six month period ended June 30, 2026 (un-audited)

	Six-month period ended		Three-month period ended	
	Jun 30, 2026	Jun 30, 2025	**Jun 30, 2026**	Jun 30, 2025
	--- (Rupees in '000) ---		**--- (Rupees in '000) ---**	
Revenue from contracts with customers - net	**107,022,787**	101,292,322	**53,002,591**	50,914,491
Cost of goods sold	**(65,486,400)**	(61,995,759)	**(32,346,237)**	(30,689,857)
Gross profit	**41,536,387**	39,296,563	**20,656,354**	20,224,634
Distribution and selling expenses	**(18,323,671)**	(16,657,323)	**(9,368,196)**	(8,611,024)
Administration expenses	**(3,584,066)**	(3,542,630)	**(1,638,915)**	(1,836,342)
Operating profit	**19,628,650**	19,096,610	**9,649,243**	9,777,268
Finance cost	**(174,591)**	(333,178)	**(77,752)**	(154,881)
Other expenses	**(1,579,954)**	(1,634,766)	**(734,053)**	(931,934)
	(1,754,545)	(1,967,944)	**(811,805)**	(1,086,815)
Other income	**601,039**	255,436	**116,609**	175,614
Profit before final tax, minimum tax differential and income tax	**18,475,144**	17,384,102	**8,954,047**	8,866,067
Minimum tax differential	**(48,735)**	(139,996)	(28,590)	(90,877)
Profit before income tax	**18,426,409**	17,244,106	**8,925,457**	8,775,190
Income tax	**(8,447,771)**	(6,819,226)	**(4,558,404)**	(3,349,087)
Profit after taxation	**9,978,638**	10,424,880	**4,367,053**	5,426,103
Earnings per share basic and diluted (Rupees)	**220.04**	229.88	**96.30**	119.65

Annexure A2

Nestlé Pakistan Limited

Condensed Interim Statement of Comprehensive Income

For the six month period ended June 30, 2026 (un-audited)

	Six-month period ended		**Three-month period ended**	
	Jun 30, 2026	Jun 30, 2025	**Jun 30, 2026**	Jun 30, 2025
	--- (Rupees in '000) ---		**--- (Rupees in '000) ---**	
Profit after taxation	**9,978,638**	10,424,880	**4,367,053**	5,426,103
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss (net of tax)	**-**	-	**-**	-
Items that will not be reclassified subsequently to profit or loss (net of tax)	**-**	-	**-**	-
Other comprehensive income for the period	**-**	-	**-**	-
Total comprehensive income for the period	**9,978,638**	10,424,880	**4,367,053**	5,426,103

Annexure A3

Nestlé Pakistan Limited

Condensed Interim Statement of Financial Position

As at June 30, 2026

	(Un-audited) Jun 30, 2026	(Audited) Dec 31, 2025
	--- (Rupees in '000) ---	
ASSETS		
Non-current assets		
Property, plant and equipment	**29,304,101**	30,131,584
Capital work-in-progress	**1,733,626**	2,526,967
Intangible assets	**77,476**	95,541
Deferred taxation	**5,407,293**	4,658,016
Long-term loans	**629,142**	583,462
	37,151,638	37,995,570
Current assets		
Current portion of long-term loans	**199,144**	172,020
Stores and spares	**4,848,853**	4,355,163
Stock-in-trade	**35,584,163**	24,818,457
Trade debts	**3,671,696**	3,177,030
Sales tax recoverable	**5,039,485**	5,923,212
Advances, deposits, prepayments and other receivables	**7,219,280**	3,954,754
Short term investments	**-**	9,588,794
Cash and bank balances	**2,287,764**	3,908,396
	58,850,385	55,897,826
Total Assets	**96,002,023**	93,893,396
EQUITY AND LIABILITIES		
Share capital and reserves		
Authorized capital		
75,000,000 (2025: 75,000,000) ordinary shares of PKR 10 each	**750,000**	750,000
Issued, subscribed and paid up capital	**453,496**	453,496
Share premium - capital reserve	**249,527**	249,527
General reserve - revenue reserve	**280,000**	280,000
Accumulated profits - revenue reserve	**18,654,232**	20,285,092
	19,637,255	21,268,115
Non-current liabilities		
Long-term finances - secured	**-**	-
Lease liabilities	**1,323,531**	1,326,275
Long-term employee benefits	**5,928,926**	5,532,046
	7,252,457	6,858,321
Current liabilities		
Current portion of lease liabilities	**359,284**	473,319
Current maturity of long term finances	**-**	1,434,375
Running finance under mark-up arrangements - secured	**3,708,911**	-
Trade and other payables	**60,310,335**	60,335,267
Contract liabilities	**993,640**	850,973
Income tax payable	**3,147,340**	2,126,681
Interest and mark-up accrued	**43,246**	956
Customer security deposits	**441,661**	440,742
Unclaimed dividend	**107,894**	104,647
	69,112,311	65,766,960
Total equity and liabilities	**96,002,023**	93,893,396

Annexure-A4

Nestlé Pakistan Limited

Condensed Interim Statement of Changes in Equity

For the six month period ended June 30, 2026 (un-audited)

	Share Capital	Capital reserves	Revenue reserves		
		Share premium	General reserve	Accumulated profits	Total
	(Rupees in '000)				
Balance as at January 01, 2025 (audited)	**453,496**	**249,527**	**280,000**	**17,600,015**	**18,583,038**
Total comprehensive income for the six-months ended June 30, 2025					
Profit after taxation	-	-	-	10,424,880	10,424,880
Other comprehensive income	-	-	-	-	-
	-	-	-	10,424,880	10,424,880
Transaction with owners directly recognized in equity					
Final dividend for the year ended December 31, 2024 (Rs. 30 per share)	-	-	-	(1,360,488)	(1,360,488)
Balance as at June 30, 2025 (un-audited)	**453,496**	**249,527**	**280,000**	**26,664,407**	**27,647,430**
Total comprehensive income for the six-months ended December 31, 2025					
Profit after taxation	-	-	-	6,819,041	6,819,041
Other comprehensive income	-	-	-	451,874	451,874
	-	-	-	7,270,915	7,270,915
Interim dividend for the six-month period ended June 30, 2025 (Rs. 223 per share)	-	-	-	(10,112,961)	(10,112,961)
Interim dividend for the nine-month period ended September 30, 2025 (Rs. 78 per share)	-	-	-	(3,537,269)	(3,537,269)
Balance as at December 31, 2025 (audited)	**453,496**	**249,527**	**280,000**	**20,285,092**	**21,268,115**
Total comprehensive income for the six-months ended June 30, 2026					
Profit after taxation	-	-	-	9,978,638	9,978,638
Other comprehensive income	-	-	-	-	-
	-	-	-	9,978,638	9,978,638
Transaction with owners directly recognized in equity					
Final dividend for the year ended December 31, 2025 (Rs. 256 per share)	-	-	-	(11,609,498)	(11,609,498)
Balance as at June 30, 2026 (un-audited)	**453,496**	**249,527**	**280,000**	**18,654,232**	**19,637,255**

Annexure-A5

Nestlé Pakistan Limited

Condensed Interim Statement of Cash Flows

For the six month period ended June 30, 2026 (un-audited)

	(Un-audited)	(Un-audited)
	Jun 30, 2026	Jun 30, 2025
	--- (Rupees in '000) ---	
<u>Cash flow from operating activities</u>		
Profit before taxation	**18,475,144**	17,384,102
Adjustment for non-cash charges and other items:		
Depreciation of property, plant and equipment	**2,288,709**	2,093,267
Amortization of intangible assets	**18,065**	8,048
Impairment reversal - net	**(22,650)**	-
Gain on disposal of property, plant and equipment - owned	**(13,048)**	(29,572)
Interest income	**(325,778)**	-
Provision for Workers' Profit Participation Fund	**945,319**	890,179
Provision for Workers' Welfare Fund	**431,242**	419,487
(Decrease) / Increase in provision for stores and spares	**(118,077)**	195,489
Charge / (Reversal) of provision for stock in trade - net	**204,837**	(524,588)
Exchange (gain) / loss unrealized	**(104,492)**	254,709
Final tax and minimum tax differential	**48,735**	139,996
Provision for defined benefits plans	**485,621**	289,310
Provision for long service awards	**220,259**	-
Finance cost	**174,591**	333,178
Profit before working capital changes	**22,708,477**	21,453,605
Effect on cash flow due to working capital changes:		
(Increase) / decrease in current assets:		
Stores and spares	**(375,613)**	(289,924)
Stock-in-trade	**(10,970,543)**	(6,963,800)
Trade debts	**(494,666)**	(2,432,301)
Advances, deposits, prepayments and other receivables	**(3,323,736)**	968,512
Sales tax recoverable	**883,727**	(113,587)
Increase/ (decrease) in current liabilities:		
Trade and other payables	**457,982**	2,855,824
Contract liabilities	**142,667**	(606,787)
	(13,680,182)	(6,582,063)
Cash generated from operations	**9,028,295**	14,871,542
Increase in long term loans - net	**(72,804)**	(202,897)
Increase in customer security deposits - interest free	**918**	45,357
Contributions by the Company - net	**(309,000)**	(89,655)
Workers' Profit Participation Fund paid	**(1,521,166)**	(1,303,641)
Workers' Welfare Fund paid	**(233,817)**	(594,785)
Finance cost paid	**(24,226)**	(348,691)
Final tax and minimum tax differential paid	**(48,735)**	(139,996)
Income taxes paid	**(8,225,124)**	(4,701,694)
Net cash (used in) / generated from operating activities	**(1,405,659)**	7,535,540

Nestlé Pakistan Limited

Condensed Interim Statement of Cash Flows (continued)

For the six month period ended June 30, 2026 (un-audited)

	(Un-audited)	(Un-audited)
	Jun 30, 2026	Jun 30, 2025
	--- (Rupees in '000) ---	
<u>Cash flow from investing activities</u>		
Purchase of property, plant and equipment	**(676,400)**	(1,945,899)
Proceeds from disposal of short-term investments	**9,588,794**	-
Interest income received	**384,988**	-
Sale proceeds from disposal of property, plant and equipment	**44,213**	43,475
Net cash generated from / (used in) investing activities	**9,341,595**	(1,902,424)
<u>Cash flow from financing activities</u>		
Long-term loans repaid	**(1,434,375)**	(3,000,000)
Short-term borrowings obtained	**-**	3,800,000
Short-term borrowings repaid	**-**	(2,000,000)
Lease rentals paid	**(224,853)**	(155,677)
Dividends paid	**(11,606,251)**	(1,360,488)
Net cash used in financing activities	**(13,265,479)**	(2,716,165)
Net (decrease) / increase in cash and cash equivalents	**(5,329,543)**	2,916,951
Cash and cash equivalents at beginning of the period	**3,908,396**	1,661,851
Cash and cash equivalents at end of the period	**(1,421,147)**	4,578,802

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23 July 2026

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

DISCLOSURE OF MATERIAL / PRICE SENSITIVE INFORMATION

This is with reference to the Company's earlier disclosure submitted (July 23rd, 2026) to the Pakistan Stock Exchange Limited ("PSX") regarding the proposed global transaction involving Nestlé S.A.'s waters and premium beverages business.

The Company wishes to inform that its water operations in Pakistan form part of the waters and premium beverages business.

In this regard, the Board of Directors of Nestlé Pakistan Limited, in its meeting held on 23 July 2026, approved the incorporation of a local entity in Pakistan as a preliminary step in connection with the potential implementation of the announced transaction in Pakistan.

The manner of implementation of the proposed transaction in Pakistan remains subject, inter alia, to definitive agreement and finalization, including requisite corporate and regulatory approvals.

Good food, Good life

This information is being disseminated for the information of all concerned.

Yours truly,

For and on behalf of
Nestlé Pakistan Limited

NESTLÉ PAKISTAN LTD. LAHORE.

Chief Financial Officer
Maqsood Ahmad Anjum

Cc: Executive Director / HOD Securities Market Division, Offsite-II Department Securities and Exchange Commission of Pakistan NIC Building, Jinnah Avenue, Blue Area, Islamabad.