HUBCO

The Hub Power Company Ltd

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Karachi Pakistan

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PSX-8356

August 27, 2026

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

SUBJECT: **FINANCIAL RESULTS FOR THE YEAR ENDED JUNE 30, 2026**

Dear Sir,

We would like to inform you that the Board of Directors of The Hub Power Company Limited ("Company"), in their meeting held on Thursday, August 27, 2026 at 10:00 am (PST) at the Head Office of the Company, reviewed and approved the annual audited financial statements of the Company for the year ended June 30, 2026, and recommended the following for the approval of the members.

- Final Cash Dividend for the Financial year ended June 30, 2026 @ Rs. 5 per share i.e. 50%.

  (Interim dividends at Rs. 15 per share i.e. 150% have already been paid during the financial year)

- Bonus /Right Shares - NIL

The financial results of the Company for the year ended June 30, 2026 are attached.

The Annual General Meeting of the Company will be held on Tuesday, October 20, 2026 at 10:00 am at, Karachi.

The above entitlement will be paid to the Shareholders whose names will appear in the register of the members on Monday, October 12, 2026.

The Share Transfer Books of the Company will be closed from Tuesday, October 13, 2026 to Tuesday, October 20, 2026 (both days included). Transfers received in order at the Company's Share Registrar at "M/s. FAMCO Share Registration Services (Pvt) Limited, 8-F, Next to Hotel Faran, Nursery, Block-6, P.E.C.H.S, Shahra-e-Faisal, Karachi" at close of business (5 pm) on Monday, October 12, 2026 will be treated in time for the purpose of above entitlement to the transferees.

The Annual Report of the Company will be transmitted through PUCARS at least 21 days before holding of Annual General Meeting.

Yours sincerely,

For and behalf of
The Hub Power Company Limited

THE HUB POWER COMPANY LIMITED

Faiza Kapadia Raffay
Company Secretary

Cc: The Director, Securities and Exchange Commission of Pakistan, SECP, NIC Building, Jinnah Avenue, Blue Area, Islamabad.

THE HUB POWER COMPANY LIMITED
UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 (Rs. '000s)	2025 (Rs. '000s)
Revenue from contract with customer - net	5	-	13,209,513
Cost of revenue	6	-	(4,151,668)
GROSS PROFIT		-	9,057,845
Dividend income	7	29,306,367	14,913,572
General and administration expenses	8	(147,195)	(548,332)
Other income	9	349,591	536,000
Other operating expenses	10	(485,444)	(807,333)
PROFIT FROM OPERATIONS		29,023,319	23,151,752
Finance costs	11	(566,103)	(3,242,836)
PROFIT BEFORE LEVY AND TAXATION		28,457,216	19,908,916
Levy - final tax	12	(647,096)	-
PROFIT BEFORE TAXATION		27,810,120	19,908,916
Taxation	13	(3,342,721)	(829,438)
PROFIT FOR THE YEAR		24,467,399	19,079,478
Basic and diluted earnings per share (Rupees)	35	18.86	14.71

The annexed notes from 1 to 44 form an integral part of these unconsolidated financial statements.

M. Habibullah Khan	Kamran Kamal	Muhammad Saqib
Chairman	Chief Executive	Chief Financial Officer

THE HUB POWER COMPANY LIMITED
UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 (Rs. '000s)	2025 (Rs. '000s)
Profit for the year		24,467,399	19,079,478
Other comprehensive (loss) / income for the year:			
Items that will not be reclassified to profit or loss in subsequent periods			
Gain on remeasurement of post employment benefit obligation - net of related tax	26	1,982	58,861
(Loss) / gain on revaluation of equity investment at fair value through other comprehensive income - net of related tax	15.6	(1,067,045)	813,020
		(1,065,063)	871,881
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		23,402,336	19,951,359

The annexed notes from 1 to 44 form an integral part of these unconsolidated financial statements.

M. Habibullah Khan	Kamran Kamal	Muhammad Saqib
Chairman	Chief Executive	Chief Financial Officer

THE HUB POWER COMPANY LIMITED
UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	2026 (Rs. '000s)	2025 (Rs. '000s)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	14	4,405,740	4,449,228
Long term investments	15	64,323,359	64,806,359
Long term loan to subsidiary	16	-	3,266,568
Long term deposits		7,701	7,695
		68,736,800	72,529,850
CURRENT ASSETS			
Stores, spares and consumables	17	383,790	432,985
Stock-in-trade	18	26,676	300,781
Loans and advances	19	4,685,125	34,475
Prepayments and other receivables	20	16,217,083	17,358,827
Cash and bank balances	21	604,912	876,269
		21,917,586	19,003,337
TOTAL ASSETS		90,654,386	91,533,187
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share Capital			
Authorised		17,000,000	17,000,000
Issued, subscribed and paid-up	22	12,971,544	12,971,544
Capital Reserve			
Share premium		5,600,000	5,600,000
Revenue Reserve			
Unappropriated profit		48,654,488	57,681,012
		67,226,032	76,252,556
NON-CURRENT LIABILITIES			
Long term lease liabilities	23	93,522	128,080
Deferred taxation	24	1,095,775	-
		1,189,297	128,080
CURRENT LIABILITIES			
Trade and other payables	25	8,432,026	8,065,017
Provision for taxation		7,868,582	2,517,561
Unclaimed dividend		422,474	303,805
Unpaid dividend		113,724	175,019
Interest / mark-up accrued		-	14,664
Short term borrowings	27	5,370,762	4,050,790
Current maturity of long term lease liabilities	23	31,489	25,695
		22,239,057	15,152,551
TOTAL LIABILITIES		23,428,354	15,280,631
TOTAL EQUITY AND LIABILITIES		90,654,386	91,533,187
COMMITMENTS AND CONTINGENCIES	28		

The annexed notes from 1 to 44 form an integral part of these unconsolidated financial statements.

M. Habibullah Khan	Kamran Kamal	Muhammad Saqib
Chairman	Chief Executive	Chief Financial Officer

THE HUB POWER COMPANY LIMITED
UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 (Rs. '000s)	2025 (Rs. '000s)
ISSUED CAPITAL			
Balance at the beginning and end of the year	22	12,971,544	12,971,544
SHARE PREMIUM			
Balance at the beginning and end of the year		5,600,000	5,600,000
UNAPPROPRIATED PROFIT			
Balance at the beginning of the year		57,681,012	55,241,237
Profit for the year		24,467,399	19,079,478
Other comprehensive (loss) / income for the year		(1,065,063)	871,881
Total comprehensive income for the year		23,402,336	19,951,359
Transactions with owners in their capacity as owners			
Final dividend for the fiscal year 2024-25 @ Rs. 10.00 (2023-24 @ Rs. 8.50) per share		(12,971,544)	(11,025,812)
First interim dividend for the fiscal year 2025-26 @ Rs. 5.00 (2024-25 @ Rs. 5.00) per share		(6,485,772)	(6,485,772)
Second interim dividend for the fiscal year 2025-26 @ 5.00 (2024-25 @ Rs. Nil) per share		(6,485,772)	-
Third interim dividend for the fiscal year 2025-26 @ 5.00 (2024-25 @ Nil) per share		(6,485,772)	-
		(32,428,860)	(17,511,584)
Balance at the end of the year		48,654,488	57,681,012
TOTAL EQUITY		67,226,032	76,252,556

The annexed notes from 1 to 44 form an integral part of these unconsolidated financial statements.

M. Habibullah Khan
Chairman

Kamran Kamal
Chief Executive

Muhammad Saqib
Chief Financial Officer

THE HUB POWER COMPANY LIMITED
UNCONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 (Rs. '000s)	2025 (Rs. '000s)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		27,810,120	19,908,916
Adjustments for:			
Depreciation	14.4	49,315	539,246
Amortisation		-	342
Dividend income from subsidiaries and equity investment	7	(29,306,367)	(14,913,572)
Provision for Workers' Profits Participation Fund	10	-	239,952
Gain on disposal of fixed assets	9	(3,144)	(139,529)
Gain on retirement of lease		-	-
(Reversal of provision) / provision against slow moving stores, spares and consumables		(6,250)	57,493
Staff gratuity	26	42,135	46,806
Interest income	9	(124,242)	(109,739)
Gain on mutual fund investments	9	(210,137)	(286,732)
Interest / mark-up expense	11	244,159	2,778,641
Provision for net realizable value - stores and spares	10	-	174,986
Mark-up on lease liabilities	11	16,190	20,664
Amortisation of transaction costs	11	-	26,526
Levy	12	647,096	-
Operating (loss) / profit before working capital changes		(841,125)	8,344,000
Working capital changes	33	10,455,250	34,145,772
Cash generated from operations		9,614,125	42,489,772
Interest income received		90,481	132,037
Interest / mark-up paid		(258,823)	(3,516,225)
Staff gratuity paid		(35,000)	(41,100)
Taxes paid		(6,745,077)	(680,174)
Net cash generated from operating activities		2,665,706	38,384,310
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividend received from subsidiaries and equity investment		29,306,367	17,912,469
Fixed capital expenditure		(6,980)	(100,218)
Proceeds from disposal of fixed assets	14.2	4,297	152,284
Long term loan repaid by / (given to) subsidiary - net		3,266,568	(3,266,568)
Loan given to subsidiary		(4,620,978)	-
Long term deposits and prepayments		(6)	6,619
Short term investment made		(23,079,707)	(40,874,664)
Short term investments redeemed		23,289,844	41,161,396
Net cash generated from investing activities		28,159,405	14,991,318
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(32,371,486)	(17,480,463)
Repayment of privately placed Sukuk		-	(6,000,000)
(Repayment) / drawdown of short term borrowings - net		(1,546,821)	1,546,821
Repayment of long term loans		-	(14,815,693)
Repayment of long term lease liabilities	23	(44,954)	(41,868)
Net cash used in financing activities		(33,963,261)	(36,791,203)
Net (decrease) / increase in cash and cash equivalents		(3,138,150)	16,584,425
Cash and cash equivalents at the beginning of the year		(1,627,700)	(18,212,125)
Cash and cash equivalents at the end of the year	34	(4,765,850)	(1,627,700)

The annexed notes from 1 to 44 form an integral part of these unconsolidated financial statements.

M. Habibullah Khan	Kamran Kamal	Muhammad Saqib
Chairman	Chief Executive	Chief Financial Officer

THE HUB POWER COMPANY LIMITED
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 (Rs. '000s)	2025 (Rs. '000s)
CONTINUING OPERATIONS			
Revenue from contracts with customers - net	5	71,126,352	83,351,492
Cost of revenue	6	(41,438,192)	(43,527,604)
GROSS PROFIT		29,688,160	39,823,888
General and administration expenses	7	(2,006,481)	(1,788,886)
Other income	8	7,383,608	4,021,179
Other operating expenses	9	(997,323)	(4,020,470)
PROFIT FROM OPERATIONS		34,067,964	38,035,711
Finance costs	10	(9,135,708)	(15,230,753)
Share of profit from associates and joint ventures - net	11	45,315,750	41,310,192
PROFIT BEFORE LEVY AND TAXATION FROM CONTINUING OPERATIONS		70,248,006	64,115,150
Levy - final tax	12	(647,096)	-
PROFIT BEFORE TAXATION FROM CONTINUING OPERATIONS		69,600,910	64,115,150
Taxation	13	(13,343,732)	(12,502,566)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		56,257,178	51,612,584
DISCONTINUED OPERATIONS			
Profit from discontinued operations	42	-	161,977
NET PROFIT FOR THE YEAR		56,257,178	51,774,561
Attributable to:			
- Owners of the holding company		49,630,724	46,131,156
- Non-controlling interests		6,626,454	5,643,405
		56,257,178	51,774,561
EARNINGS PER SHARE (BASIC AND DILUTED) - RUPEES			
- Continuing operations		38.26	35.44
- Discontinued operations		-	0.12
Basic and diluted earnings per share attributable to owners of the holding company	43	38.26	35.56

The annexed notes from 1 to 52 form an integral part of these consolidated financial statements.

M. Habibullah Khan	Kamran Kamal	Muhammad Saqib
Chairman	Chief Executive	Chief Financial Officer

THE HUB POWER COMPANY LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 (Rs. '000s)	2025 (Rs. '000s)
Profit for the year		56,257,178	51,774,561
Other comprehensive (loss) / income for the year:			
Items that will not be reclassified to profit or loss in subsequent periods			
- Gain on remeasurement of post employment benefit obligation - net of tax		20,673	100,696
- (Loss) / gain on revaluation of equity investment at fair value through other comprehensive income - net of related tax		(1,067,045)	813,020
		(1,046,372)	913,716
Items that will be reclassified to profit or loss in subsequent periods			
- Share of foreign currency translation reserve of joint venture - net of tax		(221,574)	180,096
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		54,989,232	52,868,373
Total comprehensive income attributable to equity shareholders from:			
- Continuing operations		54,989,232	52,706,396
- Discontinued operations		-	161,977
		54,989,232	52,868,373
Total comprehensive income attributable to:			
- Owners of the holding company		48,365,068	47,226,140
- Non-controlling interests		6,624,164	5,642,233
		54,989,232	52,868,373

The annexed notes from 1 to 52 form an integral part of these consolidated financial statements.

M. Habibullah Khan	Kamran Kamal	Muhammad Saqib
Chairman	Chief Executive	Chief Financial Officer

THE HUB POWER COMPANY LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	2026 (Rs. '000s)	2025 (Rs. '000s)
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
Property, plant and equipment	14	119,413,260	124,751,778
Intangibles	15	1,510,317	1,519,444
Long term investments	16	207,071,521	196,124,862
Long term deposits	17	15,719	15,713
		328,010,817	322,411,797
CURRENT ASSETS			
Stores, spares and consumables	18	5,215,732	4,573,028
Stock-in-trade	19	3,420,180	1,609,093
Trade debts	20	32,430,708	28,966,134
Loans and advances	21	1,061,572	1,603,767
Deposits, prepayments and other receivables	22	22,607,065	24,310,692
Short term investments	23	3,993,713	-
Cash and bank balances	24	25,823,657	31,247,676
		94,552,627	92,310,390
TOTAL ASSETS		422,563,444	414,722,187
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Share Capital			
Authorised	25	17,000,000	17,000,000
Issued, subscribed and paid-up	25	12,971,544	12,971,544
Capital Reserve			
Share premium		5,600,000	5,600,000
Revenue Reserves			
Operation and maintenance reserve	25.3	3,883,916	3,129,120
Unappropriated profit		212,926,195	198,007,417
ATTRIBUTABLE TO OWNERS OF THE HOLDING COMPANY		235,381,655	219,708,081
NON-CONTROLLING INTERESTS		22,625,854	24,213,824
		258,007,509	243,921,905
NON-CURRENT LIABILITIES			
Long term loans	26	62,943,930	71,824,944
Long term lease liabilities	27	94,931	134,136
Deferred taxation	28	34,794,348	35,730,838
		97,833,209	107,689,918
CURRENT LIABILITIES			
Trade and other payables	29	31,675,404	34,677,770
Provision for taxation		11,906,671	7,051,952
Unclaimed dividend		422,474	303,805
Unpaid dividend		113,724	186,218
Interest / mark-up accrued	30	3,150,844	3,764,321
Refund liability	31	9,935,322	4,786,690
Short term borrowings	32	2,043,018	5,686,292
Current maturity of long term loans	26	7,438,859	6,597,412
Current maturity of long term lease liabilities	27	36,410	55,904
		66,722,726	63,110,364
TOTAL EQUITY AND LIABILITIES		422,563,444	414,722,187
COMMITMENTS AND CONTINGENCIES	33		

The annexed notes from 1 to 52 form an integral part of these consolidated financial statements.

M. Habibullah Khan	Kamran Kamal	Muhammad Saqib
Chairman	Chief Executive	Chief Financial Officer

THE HUB POWER COMPANY LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 (Rs. '000s)	2025 (Rs. '000s)
ISSUED CAPITAL			
Balance at the beginning and end of the year	25	12,971,544	12,971,544
SHARE PREMIUM			
Balance at the beginning and end of the year		5,600,000	5,600,000
REVENUE RESERVES			
OPERATION AND MAINTENANCE RESERVE			
Balance at the beginning of the year		3,129,120	-
Transfers during the year	25.3	1,824,681	3,129,120
Utilisation during the year	25.3	(1,069,885)	-
Balance at the end of the year		3,883,916	3,129,120
UNAPPROPRIATED PROFIT			
Balance at the beginning of the year		198,007,417	171,797,319
Profit for the year		49,630,724	46,131,156
Other comprehensive (loss) / income for the year		(1,265,656)	1,094,984
Total comprehensive income for the year		48,365,068	47,226,140
Transfers to operation and maintenance reserve	25.3	(1,824,681)	(3,129,120)
Utilisation from operation and maintenance reserve	25.3	1,069,885	-
Share issue cost from discontinued operations		-	(34,041)
Adjustment in respect of			
- change in net assets of associate - net of tax	16.1.1	(43,032)	(236,653)
- allocation of net assets from owners to NCI due to right issue		(196,031)	(101,208)
Transactions with owners in their capacity as owners			
Final dividend for the fiscal year 2024-25 @ Rs. 10 (2023-24 @ Rs. 8.50) per share		(12,971,544)	(11,025,812)
First interim dividend for the fiscal year 2025-26 @ Rs. 5 (2024-25 @ Rs. 5) per share		(6,485,772)	(6,485,772)
Second interim dividend for the fiscal year 2025-26 @ Rs. 5 (2024-25 @ Rs. Nil) per share		(6,485,772)	-
Third interim dividend for the fiscal year 2025-26 @ Rs. 5 (2024-25 @ Rs. Nil) per share		(6,485,772)	-
		(32,428,860)	(17,511,584)
Share issuance cost		(23,571)	(3,436)
Balance at the end of the year		212,926,195	198,007,417
ATTRIBUTABLE TO OWNERS OF THE HOLDING COMPANY		235,381,655	219,708,081
NON-CONTROLLING INTERESTS (NCI)			
Balance at the beginning of the year		24,213,824	19,603,615
Arising on acquisition of subsidiary		-	51,579
Profit for the year		6,626,454	5,643,405
Other comprehensive loss for the year		(2,290)	(1,172)
Total comprehensive income for the year		6,624,164	5,642,233
Adjustment in respect of allocation of net assets from owners to NCI due to right issue		196,031	101,208
Dividends to NCI		(8,408,165)	(1,184,811)
Balance at the end of the year		22,625,854	24,213,824
TOTAL EQUITY		258,007,509	243,921,905

The annexed notes from 1 to 52 form an integral part of these consolidated financial statements.

M. Habibullah Khan	Kamran Kamal	Muhammad Saqib
Chairman	Chief Executive	Chief Financial Officer

THE HUB POWER COMPANY LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 (Rs. '000s)	2025 (Rs. '000s)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation from continuing operations		69,600,910	64,115,150
Profit before taxation from discontinued operations	42	-	170,374
		69,600,910	64,285,524
Adjustments for:			
Depreciation	14.3	5,080,980	5,471,198
Amortisation	15.2	11,301	39,253
Provision against slow moving stores, spares and consumables	18.1	105,045	124,592
Provision for Workers' Profits Participation Fund	9	-	239,952
Trade debts written off	9	-	2,555,472
Provision for Net Realizable Value - Stores and spares	9	-	174,986
Staff gratuity	29.3	132,866	109,322
Gain on investment - Mutual Fund	8	(1,196,259)	(683,307)
Interest income	8	(3,069,404)	(2,360,666)
Gain on disposal of fixed assets - net	8	(18,395)	(119,249)
Dividend income from equity investment		(2,588,384)	-
Loss on foreign currency balance		900	13,384
Interest / mark-up expense		7,916,508	13,761,747
Amortisation of transaction costs	10	504,853	610,271
Share of profit from associates and joint ventures - net		(45,266,882)	(41,261,324)
Gain on dilution of equity interests in subsidiary	42	-	(985,829)
Levy		647,096	-
Realised profit on management services to an associate		(48,868)	(48,868)
Operating profit before working capital changes		31,812,267	41,926,458
Working capital changes	40	(4,217,207)	52,789,996
Cash generated from operations		27,595,060	94,716,454
Interest income received		3,037,025	2,378,230
Interest / mark-up paid		(8,512,738)	(16,334,105)
Staff gratuity paid		(82,382)	(100,248)
Taxes paid		(10,608,391)	(1,899,498)
Net cash generated from operating activities		11,428,574	78,760,833
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(935,016)	(2,364,177)
Proceeds from disposal of fixed assets		26,281	132,004
Long term investments made		(6,600,000)	-
Dividend received from associate, joint venture and equity investment		43,921,748	216,000
Short term investment made		(97,733,781)	(71,058,789)
Short term investments redeemed		94,936,327	71,742,096
Loan repayment received from / (given to) MMCPL - an associated company - net		1,400,000	(1,400,000)
Cash and cash equivalents acquired under business combination		-	105
Cash and cash equivalents transferred at dilution of equity interest in subsidiary		-	(1,078,058)
Long term deposits - net		(6)	(35,091)
Net cash generated from / (used in) investing activities		35,015,553	(3,845,910)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid to owners of the holding company		(32,371,486)	(17,480,463)
Dividends paid to non-controlling interests		(8,419,364)	(2,175,868)
Repayment of long term loans	26	(7,383,942)	(28,478,084)
Repayment of privately placed Sukuk		-	(11,000,000)
(Repayments of) / proceeds from short term borrowings - net		(3,546,821)	4,546,821
Repayment of long term lease liabilities	27	(49,180)	(910,390)
Share issuance cost		-	(34,526)
Net cash used in financing activities		(51,770,793)	(55,532,510)
Net (decrease) / increase in cash and cash equivalents		(5,326,666)	19,382,413
Cash and cash equivalents at the beginning of the year		30,108,205	10,739,176
Loss on foreign currency balance		(900)	(13,384)
Cash and cash equivalents at the end of the year	41	24,780,639	30,108,205

The annexed notes from 1 to 52 form an integral part of these consolidated financial statements.

M. Habibullah Khan	Kamran Kamal	Muhammad Saqib
Chairman	Chief Executive	Chief Financial Officer

Report of the Directors

The Directors of your Company are pleased to present the Annual Report of the Company along with its audited financial statements for the year ended June 30, 2026.

Executive Summary

The year under review marked a significant chapter in HUBCO's journey as the Company continued to strengthen its position as a diversified group with a portfolio spanning power generation, mining, oil & gas, new energy vehicles (NEVs) and NEV charging infrastructure, while remaining focused on operational excellence, financial resilience and long-term value creation for stakeholders. Looking ahead, HUBCO remains committed to disciplined growth, strengthening its existing businesses, pursuing new opportunities and creating enduring value for its shareholders, stakeholders and the communities in which it operates.

The Year in Perspective

HUBCO is the first and one of the largest Independent Power Producers (IPPs) in Pakistan, with a strong track record spanning more than three decades. Together with its subsidiaries, joint ventures and associates, HUBCO has developed a growing portfolio of businesses across the energy and related sectors, while continuing to maintain a strong presence in Pakistan's power generation landscape. HUBCO's power generation portfolio comprises an installed capacity of 2,289 MW.

Our Assets

In Thar, HUBCO has management control and operates two 330MW mine-mouth lignite-fired power plants in Thar Block II namely Thar Energy Limited (TEL), in which it holds a 60% equity interest with Fauji Fertilizer Company Limited (FFCL) and China Machinery Engineering Corporation (CMEC) holding 30% and 10% equity interests, respectively. Through its wholly owned subsidiary and the Group's investment platform for new businesses and growth opportunities, Hub Power Holdings Limited (HPHL), it holds a 38.3% interest in ThalNova Power Thar (Private) Limited (TNPTL).

The Company's integrated presence in the Thar energy value chain is further supported through its investment in Sindh Engro Coal Mining Company Limited (SECMC), a leading coal producer in Pakistan with the world's largest lignite coal reserves located in the region. SECMC's mining capacity now stands at 7.6 Mt/annum, with Phase II catering to TEL and TNPTL. During the reporting year, together, these Thar coal based power plants generated foreign exchange savings of approximately USD 90 million for the country through use of indigenous coal. SECMC is further expanding its capacity up to 11.2 MT/annum as part of Phase III of mine expansion.

An important part of HUBCO's portfolio includes China Power Hub Generation Company Limited (CPHGC), its joint venture with China Power International Holdings (CPIH), which owns and operates a 1,320MW imported coal-based power plant and an integrated coal jetty at Hub. TEL, TN and CPHGC are strategic projects under the China-Pakistan Economic Corridor (CPEC), supported by substantial Chinese debt financing and also equity participation

Additionally, HUBCO's power portfolio includes its wholly owned subsidiary, Narowal Energy Limited (NEL), which operates a 225MW RFO-fired, engine-based combined cycle power station in Narowal, Punjab,

Through a 74.95% controlling stake in Laraib Energy Limited (LEL), Pakistan's first hydel Independent Power Producer, HUBCO operates an 84MW run-of-the-river hydropower project near the New Bong Escape in Azad Jammu and Kashmir. The Project is registered as a Clean Development Mechanism

(CDM) project with the CDM Executive Board under the United Nations Framework Convention on Climate Change (UNFCCC), making it the first hydropower project in Pakistan/AJ&K to achieve such registration. During the year under review, LEL contributed 357 GWh of clean energy to the national grid, resulting in foreign exchange savings of approximately USD 30 million for the country.

Operations & Maintenance

The Company, continues to support the Operations and Maintenance (O&M) of its power generation assets, including the two indigenous coal-based growth projects in Thar, Sindh and pursue future growth opportunities through its wholly owned subsidiary, Hub Power Services Limited (HPSL).

Oil & Gas

Beyond power generation, HUBCO, through HPHL, holds a 50% joint venture interest in Prime International Oil and Gas Company Limited (Prime), giving it a meaningful presence in Pakistan's oil and gas exploration and production sector.

Prime is focused on expanding its exploration and production footprint in Pakistan and supporting the development of indigenous oil and gas resources. During the year under review, Prime strengthened its exploration portfolio through the acquisition of two new onshore exploration blocks, Sukhpur II and Naing Sharif, in close proximity to its existing facilities. In Sukhpur II, Prime is the Operator, with Oil and Gas Development Company Limited (OGDCL), Mari Energies Limited (Mari) and Turkish Petroleum Corporation (TPAO) as non-operated JV Partners, while OGDCL is the Operator of Naing Sharif, with Prime participating as a non-operated JV Partner.
In addition to this, Prime successfully acquired four offshore blocks during the bid round process in partnership with OGDCL, Mari and PPL. Prime is operator of one of the blocks (Sapat Bandar) with OGDCL as operator for Bin Qasim South and Keti Bandar, whilst Mari is operator for Zarrar block. These acquisitions represent a significant expansion of Prime's exploration footprint and reinforce the Company's commitment to pursuing opportunities in Pakistan's oil and gas sector, while supporting efforts to counter the natural decline of existing fields and enhance indigenous energy resources.

Mining

To further strengthen its diversified portfolio, in November 2024, HPHL entered into a joint venture agreement with a mining company, Ark Metals (Private) Limited (AMPL) and its shareholders, for the exploration and development of mineral mines in Pakistan. HPHL holds approximately fifty-three (53%) of the shareholding in AMPL. During the year First Resource Report (FRR) was completed, which confirms strong mineral potential in the Chaghi region, Balochistan.

Green Mobility

HUBCO made a strategic and transformative entry into Pakistan's rapidly evolving new energy vehicle (NEV) market through Mega Motor Company (Private) Limited (MMCPL), a 50:50 joint venture between HPHL and Mega Conglomerate (Private) Limited. In June 2024, MMCPL entered into a Distribution Agreement with BYD Auto Industry Company Limited, bringing one of the world's leading NEV brands to Pakistan. Since inception, MMCPL has launched five mainstream models, Atto 2, Atto 3, Seal, Sealion 7 and Shark 6, marking a significant step in the development of Pakistan's NEV ecosystem and positioning the Company at the forefront of the country's transition towards new energy mobility. A state-of-the-art CKD plant is under development in Pakistan, which will support local assembly of

BYD's New Energy Vehicles and contribute to the development of the country's automotive and NEV manufacturing ecosystem.

Complementing its NEV business, HUBCO Green (Private) Limited (HGL), a wholly owned subsidiary of HPHL, has successfully embarked on developing Pakistan's NEV charging infrastructure. HGL has expanded its network across major highways and motorways, connecting Karachi to Peshawar and enabling intercity NEV travel across approximately 1,300 kilometres.

Operational Highlights

Operational highlights of the Company during the year under review are as follows:

Power Generation

The Company remains committed to supporting Pakistan's energy security through increased utilization of indigenous resources and reducing reliance on imported fuels. Our Thar coal-based power plants continue to play an important role in this strategy by providing reliable and cost-competitive electricity from indigenous Thar coal. During FY2025-26, the Company's operating subsidiaries and associates collectively contributed 5,363 GWh to the national grid.

Operational highlights of our plants during the year under review are as follows:

Plant Name	FY 2025-26 (GWh)	FY 2024-25 (GWh)
TEL Plant	1,822	1,594
TNPTL Plant	1,824	1,768
CPHGC Plant	1,198	675
Laraib Plant	357	354
Narowal Plant	162	38
Hub Plant	0	15

Electric Mobility

MMCPL has introduced five state-of-the-art vehicles, including three SUVs (B to D segment), one D segment sedan and Pakistan's first PHEV Pickup Truck, further increasing its nationwide dealership footprint with seven active locations operational across Pakistan, including three experience centres (one each in Karachi, Lahore and Islamabad), two customer care centres (one each in Karachi and Lahore) and two 3S dealerships (one each in Karachi and Faisalabad).

During the year under review, HGL successfully installed and operationalized 24 DC fast-charging stations, comprising 21 public charging stations and 3 charging stations for MMCPL (BYD) at selected dealerships.

FUTURE OUTLOOK

After completion of its state-of-the-art assembly plant, expansion of New Energy Vehicle options for its customers will be one of the key focuses for the company in the future.

The company is also committed to further expanding its NEV charging network across Pakistan to accelerate the adoption of NEVs in the country.

The Company further continues to explore new business opportunities and strategic initiatives to support sustainable long-term growth, diversify its portfolio, and create value for its stakeholders.

GOVERNANCE

Board of Directors

The Board remains focused on providing strategic direction to the Company while ensuring operational excellence through thorough stewardship of annual corporate plans and targets, long-term investments and borrowing. The Board remains committed to ensuring the highest standard of governance.

The Current Board of Directors of the Company, including non-elected directors, consists of:

Composition	
Independent Directors	3
Other Non-Executive Directors (Male)	3
Executive Director	1
Non-Executive Directors (Female)	2

During the year, four meetings of the Board of Directors were held. Attendance of the Directors were as follows:

Names	Attendance
Mr. M. Habibullah Khan	4/4
Mr. Aly Khan	4/4
Ms. Aleeya Khan	4/4
Mr. Muhammad Kamran Kamal	4/4
Mr. Manzoor Ahmed	4/4
Mr. Saad Iqbal	4/4
Mr. Shafiuddin Ghani Khan	4/4
Ms. Samina Mumtaz Zehri	3/4
Mr. Syed Bakhtiyar Kazmi	4/4

Pattern of Shareholding

The Pattern of Shareholding as required under the Code of Corporate Governance is attached with this Report. Details of trades in shares of the Company by Directors and Key Management Personnel and their spouses and minor children are reported on page xxx of the Annual Report.

Material Changes Due to Subsequent Events

No material changes or commitments affecting our financial position have occurred subsequent to the reporting period.

Committees of the Board

The Board committees and their members are disclosed on page xxx of the Annual Report.

Chief Executive and Directors' Remuneration

The Company maintains a structured approach to Directors' remuneration through an approved Remuneration policy, designed to ensure that compensation remains appropriate to the responsibilities, experience and expertise required to provide effective oversight and governance.
The remuneration framework is governed by the Company's Articles of Association and applicable provisions of the Companies Act, 2017. The Chairman, Non-Executive Directors and Independent Directors are compensated through meeting fees, while the remuneration of the Chief Executive is determined in accordance with the Company's established framework and applicable requirements.
Details of the remuneration paid to the Chief Executive and Directors for the year ended June 30, 2026, are provided on page xxx of this Annual Report.

Directors' Training

Of the nine (9) Directors, one (1) Director is exempt from the Corporate Governance Leadership Skills (CGLS) training based on his experience as Director on the Board of Listed Companies. A total of seven members of the Board are certified Directors.

Adequacy of Internal Financial Controls

Directors confirm compliance with the highest standard of Corporate Governance and that the internal controls are sound in design and have been effectively implemented and monitored.

Summary of Financial Performance

Consolidated financial highlights of the Company during the year under review are as follows:

Rs. in million

Consolidated	Year ended June 30, 2026	Year ended June 30, 2025
Turnover	71,126	83,351
Operating Costs	41,438	43,528
*Net Profit	49,631	46,131
*Earnings per share (Rs.)	38.26	35.56

*attributable to owners of the holding company

The Consolidated net profit during the year under review is Rs. 49,631 million, resulting in earnings per share of Rs. 38.26 compared to net profit of Rs. 46,131 million and earnings per share of Rs. 35.56 last year. The increase in profits is mainly due to a higher share of profits from associates and joint ventures and lower finance costs, partly offset by the impact of the early termination of the Power Purchase Agreement of Hub Plant.

Rs. in million

Unconsolidated	Year ended June 30, 2026	Year ended June 30, 2025
Dividend Income	29,306	14,914
Net Profit	24,467	19,079
Earnings per share (Rs.)	18.86	14.71

The Unconsolidated net profit earned by the Company during the year under review is Rs. 24,467 million, resulting in earnings per share of Rs. 18.86 compared to a net profit of Rs. 19,079 million and earnings per share of Rs. 14.71 last year. The increase in unconsolidated profits was primarily driven by higher dividend income from the Thar projects following the achievement of their respective Project Completion Dates.

Appropriations and movement in reserves have been disclosed in the Statement of Changes in Equity on page xxx of the Annual Report.

The directors have recommended for approval of the shareholders a final dividend of PKR xxx per share (xxx%) for the year ended June 30, 2026. This is in addition to the interim cash dividend of PKR 15 per share (150%).

Related Party Transactions

Board Audit & Risk Committee reviewed the related party transactions and the Board approved them. These transactions were in line with the requirements of International Financial Reporting Standards (IFRS), the Companies Act, 2017 and the related party transactions policy of the Company. The Company maintains a thorough and complete record of all such transactions.

The Company has entered into the following related party transactions on mutually agreed terms, along with their justification:

Name of Related Party	Nature of Transaction	Justification
Hub Power Services Limited Narowal Energy Limited Thar Energy Limited Laraib Energy Limited Hub Power Holding Limited ThalNova Power Thar (Private) Limited Mega Motors Company (Private) Limited HUBCO Green (Private) Limited	Reimbursement of Expenses	To share the common resources/expenses on a proportionate basis to minimize Company's and group companies' costs.

The details of related party transactions are disclosed on page xxx of the Annual Report.

Credit Rating

Credit rating is an assessment of the credit standing of entities in Pakistan. Since 2008, when the Company initiated its rating process, PACRA has maintained long-term and short-term entity ratings at AA+ and A1+ respectively, for the Company. These ratings denote a very low expectation of credit risk and indicate very strong capacity for timely payment of financial commitments. NEL's long-term rating is maintained as AA- and short-term rating is A1+, which are indicative of very high credit quality and very strong capacity for timely payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.

Audited Financial Statements and Auditor's Appointment

The Unconsolidated and Consolidated financial statements of the Company have been audited by Messrs. A.F. Ferguson & Co., Chartered Accountants, the auditors, without any qualification. The retiring auditors Messrs. A. F. Ferguson & Co., Chartered Accountants, being eligible, offer themselves for reappointment.

Statement of Directors Responsibility

The Directors are pleased to confirm compliance with Corporate and Financial Reporting Framework of the Securities & Exchange Commission Pakistan (SECP) and the Code of Corporate Governance for the following:

a. The financial statements, prepared by the management of the Company, fairly portray its state of affairs, the result of its operations, cash flows and changes in its equity;
b. Proper books of account of the Company have been maintained;
c. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
d. IFRSs as applicable in Pakistan, have been followed in preparation of financial statements and any departure therefrom has been adequately disclosed; and
e. There are no significant doubts in the Company's ability to continue as a going concern.

Key financial data (unconsolidated) of the last six years is as follows:

Rs. in million

Fiscal year ending June	**2026**	**2025**	**2024**	**2023**	**2022**	**2021**
Turnover	-	13,210	41,534	44,516	62,544	32,292
Profit	24,467	19,079	33,879	30,942	21,128	21,434
Assets	90,654	91,533	157,390	151,823	154,008	160,007
Dividend	32,429	17,512	22,700	31,132	14,917	9,080

Value of investments of provident fund and gratuity scheme based on their respective audited accounts as of June 30, 2025, are as follows:

Fund	**Rs. in million**
Gratuity Fund	369
Provident Fund	4.2

Risk Management Strategy

HUBCO maintains a proactive and integrated approach to risk management, recognizing its importance in protecting business continuity, supporting informed decision-making and achieving long-term strategic objectives. Our Enterprise Risk Management (ERM) framework is embedded within the Company's governance structure and enables the systematic identification, assessment, monitoring and mitigation of risks across the organization.

Key risks are managed through defined mitigation measures, including diversification of energy sources and revenue streams, operational resilience initiatives, targeted maintenance and capacity-building measures, in line with the Company's established risk appetite. Continuous monitoring and regular reporting enable timely responses to emerging risks and evolving business conditions, helping safeguard stakeholder value and sustain business performance.

For further information on key risks and mitigation, please refer to page number xxx of the Annual Report.

Health, Safety & Environment (HSE)

HUBCO continued to strengthen its focus on health, safety and environmental performance during the year, with emphasis on operational risk management, process safety, environmental compliance and continuous improvement. The Company maintained strong HSE performance and delivered focused training and awareness programmes for employees and contractors. The Company also progressed its safety management practices through risk assessments, incident prevention and investigation, emergency preparedness and regular management oversight.

For more details, please refer to page number xxx of the Annual Report.

Environment, Social & Governance (ESG)

HUBCO continues to strengthen its approach to Environment, Social and Governance (ESG), with sustainability increasingly integrated into its business strategy, governance and decision-making. The establishment of the Sustainable Growth Committee (SGC) in 2024 further strengthened Board-level oversight of the Company's sustainability agenda and ESG performance.

HUBCO's sustainability reporting is aligned with recognized reporting frameworks and standards, including the applicable International Financial Reporting Standards (IFRS) S1 and S2, Global Reporting Initiative (GRI) Standards, the International Integrated Reporting Framework, and applicable SECP ESG requirements.

The Company also developed a comprehensive ESG Strategy, supported by measurable targets through 2030 and an ESG Policy, to further formalize its sustainability priorities and embed them across the organization.

The Company also continued to advance its social priorities through a focus on workplace health and safety, diversity, equity and inclusion, employee development and community engagement.

These initiatives reflect HUBCO's continued efforts to strengthen ESG governance, enhance accountability and align its business practices and reporting with evolving international sustainability standards and the United Nations Sustainable Development Goals (SDGs).

For more details, please refer to page number xxx.

Corporate Social Responsibility

HUBCO remains committed to contributing to the socio-economic development of communities surrounding its operations and creating shared value for its stakeholders. During the year under review, the Company continued to focus on its CSR pillars, education, healthcare, livelihood development and community infrastructure with initiatives undertaken directly and in partnership with organizations including Thar Foundation, The Citizens Foundation (TCF), Muslim Hands, LRBT, Alkhidmat Foundation and KORT.

The Company continued to support education through scholarships, educational infrastructure, digital learning and skills development initiatives, while healthcare interventions focused on improving access to essential and specialized medical services for underserved communities. HUBCO also continued to support community development and vulnerable segments of society through targeted social welfare and infrastructure initiatives.

These efforts are supported by a formal CSR framework and defined governance mechanisms, with CSR integrated into the Company's broader sustainability agenda. The Company's approach is aligned with relevant SECP guidelines and the United Nations Sustainable Development Goals (SDGs), with emphasis on responsible investment, stakeholder engagement and sustainable community impact.

Through these initiatives, HUBCO continues to fulfil its responsibility as a corporate citizen and contribute towards building more resilient and inclusive communities around its areas of operation.

For more details, please refer to page number xxx.

Human Resources Management (HRM)

At HUBCO, our Human Resources Management (HRM) strategy focuses on building organizational capability, strengthening leadership pipelines and fostering an engaged, high-performing workforce. During the reporting period, we enhanced our succession planning framework through structured talent assessments and leadership pipeline development.

Our learning and development initiatives delivered over 5,100 learning hours through functional and leadership programs aligned with business priorities. Employee well-being was further strengthened through the launch of the Wellness Hub, while year-round engagement initiatives and an enhanced employee engagement survey continued to promote a collaborative and inclusive workplace.

HUBCO remains committed to maintaining the highest standards of ethical employment practices, with zero tolerance for child or forced labor in compliance with applicable laws and international standards.

For more details, please refer to page number xxx.

Diversity, Equity & Inclusion (DEI)

HUBCO continues to strengthen its commitment to diversity, equity and inclusion through initiatives that promote an inclusive and equitable workplace. During FY 2025–26, key initiatives included the launch of the Aghaz-e-Nau Women Returnship Program, continued engagement through the HUBCO Women Circle and DEI awareness initiatives. Our commitment to equitable workplace practices was further recognized through the Pay Equity and Fair Wage Award under the Employer of Choice Gender Diversity Awards.

Our Anti-Harassment Policy continues to ensure a safe, respectful and inclusive work environment for all employees.

Speak Up Policy

HUBCO continues to maintain a robust Speak Up framework to encourage the reporting of concerns and support a culture of integrity and accountability. Under the Board-approved policy, employees, contractors, vendors and customers may raise concerns relating to unethical behaviour, violations of policies or other misconduct through a secure and confidential reporting mechanism. The Head of Internal Audit oversees the centralized handling of disclosures, while matters concerning senior officials may be referred to the Chairman of the Board Audit & Risk Committee. Each disclosure undergoes an appropriate credibility assessment and, where required, is investigated in accordance with established principles of confidentiality, fairness and due process. The Board Audit & Risk Committee is kept apprised through quarterly reporting on cases received, their status and outcomes, enabling continued Board-level oversight of the mechanism and its effectiveness.

For more details, please refer to page number xxx.

Conclusion

The Board remains confident in the Company's strategic direction and its ability to navigate a dynamic operating environment while pursuing sustainable growth. HUBCO will continue to build on the strength of its existing businesses, exercise disciplined capital allocation and pursue opportunities that reinforce its position across the evolving energy landscape.

The Board extends its appreciation to the Company's management and employees for their commitment and contribution during the year. The Board also acknowledges the continued support and confidence of its shareholders, partners, customers, regulators and other stakeholders, which remain integral to HUBCO's progress and long-term success.

By Order of the Board

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KAMRAN KAMAL	**M. HABIBULLAH KHAN**
Chief Executive	Chairman