# Half Yearly Report (Un-Audited)
For the Period ended June 30, 2026
KSB Pumps Company Limited

# Contents

# Company Information

## Board of Directors

| | |
|---|---|
| Dr. Sven Baumgarten | Chairman |
| Imran Ghani | Chief Executive Officer / MD |
| Asif Malik | |
| Dieter Antonius Pott | |
| Ayesha Aziz | |
| Hasan Aziz Bilgrami | |
| Shahid Mahmood | |

## Company Secretary

Faisal Aman Khan

## Management

| | |
|---|---|
| Imran Ghani | Chief Executive Officer /MD |
| Syed M. Adeel Raza Zaidi | Chief Financial Officer |
| Fida Hussain | Chief Manufacturing Officer |
| Faisal Aman Khan | Company Secretary |
| Syed Nadeem Naqvi | Head of Infrastructure Business / Market Area |
| Ali Asif | Head of Human Resource & Organizational Development |
| M. Omer Siddiqui | Head of Product Management, Foundry, Export Business & Tech. |

## Auditors

KPMG Taseer Hadi & Co. — Chartered Accountants

## Internal Auditors

Tariq Abdul Ghani Maqbool & Co. — Chartered Accountants

## Legal Advisors

Mandviwala & Zafar

## Bankers

Allied Bank Limited
BankIslami Pakistan Limited
Bank Alfalah Limited
Deutsche Bank AG
Habib Bank Limited
MCB Bank Limited
National Bank of Pakistan
Meezan Bank Limited
Bank Al Habib Limited
Bank of Punjab

## Audit Committee

| | |
|---|---|
| Ayesha Aziz | Chairperson |
| Dieter Antonius Pott | Member |
| Shahid Mahmood | Member |

## HR & R Committee

| | |
|---|---|
| Asif Malik | Chairman |
| Imran Ghani | Member |
| Hasan Aziz Bilgrami | Member |

## Registered Office

16/2 Sir Aga Khan Road, Lahore - 54000.
Ph: (042) 36304173, 36370969
Fax: (042) 36368878, 36366192
Email: info@ksb.com.pk
Website: https://www.ksb.com/en-pk

## Manufacturing Facility

Hazara Road, Hassanabdal
Ph: (057) 2520236
Fax: (057) 2520237
Email: info@ksb.com.pk
Website: https://www.ksb.com/en-pk

## Share Registrar

CDC Share Registrar Services Limited
CDC House, 99-B, Block B, SMCHS
Shahra-e-Faisal, Karachi-74000
Tel: (021) 111-111-500
Fax: (021) 34326053

# Sales Offices

**Lahore**
16/2 Sir Aga Khan Road Lahore.
Ph: (042) 111 572 786, 36304173
Fax: (042) 36366192, 36368878
Email: info@ksb.com.pk

**Rawalpindi**
Racecourse Landmark, 299-A, Main
Peshawar Road, Rawalpindi Cantt
Tel: +92 51 5491481-82 Fax: +92 51 5491237
Email: info@ksb.com.pk

**Multan**
Office # 15 & 16, 3rd Floor, Bomanji Square
84/2-Nusrat Road, Bomanji Chowk Multan Cantt
Ph: (061) 111 572 786 Fax: (061) 4541784
Email: info@ksb.com.pk

**Karachi**
Plot No. 6, Sector 24, Main Korangi Road,
Korangi Industrial Area, Karachi
Ph: (021) 111 572 786 Fax: (021) 34388302
Email: info@ksb.com.pk

# DIRECTOR'S REVIEW

It is my privilege to present the financial statements of KSB Pumps Company Limited for the six-month period ended June 30, 2026. The first half of the year reflects our continued commitment to operational excellence, financial discipline, and sustainable growth. Despite an evolving business environment, the Company remained focused on executing its strategic priorities and strengthening its position across its key markets.

During the first six months of 2026, the Company achieved an order intake of PKR 6,696 million, compared to PKR 4,485 million during the corresponding period of 2025. The Company continued to maintain a strong focus on profitable growth, with Earnings Before Interest and Tax (EBIT) reaching PKR 243 million, representing a margin of 5.6%, compared to PKR 165 million and a margin of 5.0% in the corresponding period of 2025. The performance reflects the benefits of a disciplined approach to commercial execution, improved sales mix, operational efficiencies, and sustained business momentum across key market segments.

Working capital management remained a key area of focus during the period. Receivable days stood at 71 days, compared to 91 days as of December 2025, reflecting continued emphasis on timely collections, prudent credit management, and efficient utilization of working capital. Inventory stood at 191 days, compared to 210 days as of December 2025. Inventory levels continue to be managed prudently, with due consideration given to order execution requirements, supply chain dynamics, and the need to ensure uninterrupted fulfillment of customer commitments.

Export business continued to be an important contributor to the Company's growth strategy. Export sales during the first half of 2026 amounted to PKR 979 million, compared to PKR 912 million in the corresponding period of 2025. The Company remains committed to expanding its international footprint and strengthening its presence in intercompany and international markets. We continue to see encouraging opportunities, particularly in the Water and General Industry segments, where our technical capabilities, established brand equity, product quality, and market reputation provide a strong foundation for sustainable growth.

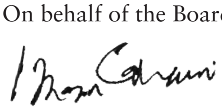
Looking ahead, the Company remains focused on the effective execution of its order backlog, strengthening gross margins, enhancing operational efficiencies, and maintaining disciplined cost and working capital management. With the progress achieved during the first half of the year, we remain confident in our ability to deliver against our full-year objectives and pursue opportunities that can further enhance the Company's financial performance and long-term competitiveness.

Our strategic priorities remain centered on sustainable and profitable growth, customer focus, operational excellence, innovation, and responsible resource management. We will continue to closely monitor market developments and respond proactively to emerging opportunities and challenges while maintaining our commitment to sound governance and prudent financial management.

On behalf of the Board of Directors, I would like to express my sincere appreciation to our management team and employees for their continued dedication, professionalism, and resilience. I also extend our gratitude to our valued customers, business partners, shareholders, and all other stakeholders for their continued confidence and support.

Together, we remain committed to strengthening KSB Pumps Company Limited's market leadership, advancing our strategic priorities, and creating sustainable, long-term value for all our stakeholders.

On behalf of the Board



Imran Ghani
MD/Chief Executive Officer

18th August, 2026
Lahore, Pakistan

KPMG Taseer Hadi & Co.
Chartered Accountants
351 Shadman-1, Jail Road,
Lahore 54000 Pakistan
+92 (42) 111-KPMGTH (576484), Fax +92 (42) 3742 9907

# Independent Auditor’s Review Report

## To the members of KSB Pumps Company Limited
## Report on the review of Condensed Interim Financial Statements

### Introduction

We have reviewed the condensed interim statement of financial position of **KSB Pumps Company Limited ("the Company")** as at 30 June 2026 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements on our review.

### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review Of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing' and consequently does not enable us to obtain assurance thet we would become aware of all significant matters that might be identified in an audit. we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### ***Other Matter relating to comparative information***

Pursuant to the requirement of Section 237 (1) (b) of the CompaniesAct, 2017, only cumulative figures for the half year, presented in the second quarter accounts, are subject to a limited scope review by the statutory auditors of the Company Actnrdingly, the figures of the condensed interim statement of profit or loss and other comprehensive income for the three months period ended 30 June 2025 and 30 June 2026 have not been reviewed by us.

The engagement partner on the review resulting in this independent auditors report is Bilal Ali.

KPMG Taseer Hadi & Co.

Lahore
Date: 24 August 2026
UDIN: RR20261011#VMOtLxsy

KPMG Taseer Hadi & Co.
Chartered Accountants

# Condensed Interim Statement of Financial Position
## As at June 30, 2026 (Un-audited)

| | Note | June 30, 2026 (Un-audited) | December 31, 2025 (Audited) |
|---|---|---|---|
| | | (Rupees in thousand) | |
| **EQUITY AND LIABILITIES** | | | |
| **Share capital and Reserves** | | | |
| Authorised capital | | | |
| 45,000,000 (2025: 45,000,000) ordinary shares of Rs 10 each | | 450,000 | 450,000 |
| Issued, subscribed and paid up share capital | | | |
| 30,900,000 (2025: 30,900,000) ordinary shares of Rs 10 each | | 309,000 | 309,000 |
| Capital reserves- Share Premium | | 1,728,921 | 1,728,921 |
| Revenue reserves | | 2,288,984 | 2,148,454 |
| | | 4,326,905 | 4,186,375 |
| **Non-current liabilities** | | | |
| Employees' retirement and other benefits | | 133,558 | 119,494 |
| **Current liabilities** | | | |
| Trade and other payables | 6 | 3,956,006 | 4,034,023 |
| Contract liabilities | 7 | 1,014,444 | 904,959 |
| Provisions for other liabilities and charges | | 75,224 | 95,304 |
| Unclaimed dividend | | 36,444 | 10,532 |
| Due to provident fund | | 14,358 | 9,887 |
| | | 5,096,476 | 5,054,705 |
| **CONTINGENCIES AND COMMITMENTS** | 8 | | |
| | | 9,556,939 | 9,360,574 |

The annexed notes 1 to 24 form an integral part of these condensed interim financial statements.

Chairman

Chief Executive Officer

Chief Financial Officer

| | Note | June 30, 2026 (Un-audited) | December 31, 2025 (Audited) |
|---|---|---|---|
| | | (Rupees in thousand) | |
| **ASSETS** | | | |
| **Non Current Assets** | | | |
| Property, plant and equipment | 9 | 1,267,570 | 1,135,121 |
| Intangible assets | 10 | 2,349 | 2,843 |
| Long-term loans and deposits | | 13,064 | 61,635 |
| Deferred tax assets | | 181,028 | 184,769 |
| | | 1,464,011 | 1,384,368 |
| **Current Assets** | | | |
| Stores, spares and loose tools | | 205,184 | 184,728 |
| Stock-in-trade | 11 | 3,824,044 | 3,654,764 |
| Trade debts - unsecured | 12 | 1,504,084 | 1,671,558 |
| Contract assets | 13 | 348,305 | 439,139 |
| Advances, deposits, prepayments and other receivables | | 1,152,222 | 1,142,870 |
| Income tax recoverable | | 538,575 | 488,521 |
| Cash and bank balances | 14 | 520,514 | 394,626 |
| | | 8,092,928 | 7,976,206 |
| | | 9,556,939 | 9,360,574 |

**Chairman** **Chief Executive Officer** **Chief Financial Officer**

# Condensed Interim Statement Of Profit Or Loss And Other Comprehensive Income

## For the three-month and six-month period ended June 30, 2026 (Un-audited)

| | Note | 01 April to 30 June 2026 | 01 April to 30 June, 2025 | 01 January to 30 June 2026 | 01 January to 30 June 2025 |
|---|---|---|---|---|---|
| | | | (Rupees in thousands) | | |
| Sales | 15 | 2,531,165 | 1,723,229 | 4,313,518 | 3,315,666 |
| Cost of sales | 16 | (1,960,139) | (1,329,452) | (3,353,291) | (2,564,705) |
| **Gross profit** | | 571,026 | 393,777 | 960,227 | 750,961 |
| Distribution and marketing expenses | | (163,012) | (133,931) | (343,289) | (272,976) |
| Impairment loss on financial assets | | (109,796) | (46,076) | (77,904) | (75,105) |
| Administrative expenses | 17 | (87,684) | (103,600) | (256,481) | (195,896) |
| Other operating expenses | | (74,415) | (80,110) | (81,927) | (117,757) |
| **Profit from operations** | | 136,119 | 30,060 | 200,626 | 89,227 |
| Other income | | 10,920 | 67,220 | 42,866 | 76,050 |
| Finance cost | 18 | (2,652) | (4,211) | (6,243) | (7,619) |
| **Profit before levy and tax** | | 144,387 | 93,069 | 237,249 | 157,658 |
| **Levy** | | | | | |
| - Minimum Tax | | - | (38,994) | - | (38,994) |
| - Final Tax | | (1,569) | (26) | (1,569) | (26) |
| **Profit before tax** | | 142,818 | 54,049 | 235,680 | 118,638 |
| **Income tax** | | | | | |
| -Current tax | | (38,230) | 17,468 | (60,509) | (2,452) |
| -Deferred tax | | (3,741) | 21,893 | (3,741) | 37,374 |
| **Profit after tax** | | 100,847 | 93,410 | 171,430 | 153,560 |
| Other comprehensive income | | - | - | - | - |
| **Total comprehensive income for the period** | | 100,847 | 93,410 | 171,430 | 153,560 |
| **Earnings per share - (basic & diluted)** | | 3.26 | 3.02 | 5.55 | 4.97 |

The annexed notes 1 to 24 form an integral part of these condensed interim financial statements.

**Chairman** **Chief Executive Officer** **Chief Financial Officer**

# Condensed Interim Statement of Changes In Equity
## For the six-month period ended June 30, 2026 (Un-audited)

| | | Capital Reserve | Reserves Revenue Reserve | | | |
|---|---|---|---|---|---|---|
| | Share capital | Share Premium | General reserves | Unappropriated profit | Total Reserves | Total |
| | | | (Rupees in thousand) | | | |
| Balance as at 1 January 2025 | 309,000 | 1,728,921 | 1,879,100 | 56,281 | 3,664,302 | 3,973,302 |
| Transfer to general reserve | - | - | 56,000 | (56,000) | - | - |
| Total comprehensive income for the period | - | - | - | 153,560 | 153,560 | 153,560 |
| Balance as at 30 June 2025 - unaudited | 309,000 | 1,728,921 | 1,935,100 | 153,841 | 3,817,862 | 4,126,862 |
| Total comprehensive income for the period | - | - | - | 59,513 | 59,513 | 59,513 |
| Balance as at 1 January 2026 | 309,000 | 1,728,921 | 1,935,100 | 213,354 | 3,877,375 | 4,186,375 |
| Final cash dividend at Rs 1 per share for the year Ended 31 December 2025 approved on 26 March 2026 | - | - | - | (30,900) | (30,900) | (30,900) |
| Total comprehensive income for the period | - | - | - | 171,430 | 171,430 | 171,430 |
| Balance as at 30 June 2026 - unaudited | 309,000 | 1,728,921 | 1,935,100 | 353,884 | 4,017,905 | 4,326,905 |

The annexed notes 1 to 24 form an integral part of these condensed interim financial statements.

Chairman | Chief Executive Officer | Chief Financial Officer

# Condensed Interim Statement of Cash Flows
## For the six-month period ended June 30, 2026 (Un-audited)

| | Note | 01 January to 30 June 2026 | 01 January to 30 June 2025 |
|---|---|---|---|
| | | (Rupees in thousand) | |
| **Cash flow from operating activities** | | | |
| **Cash generated from operations** | 19 | 449,733 | 69,081 |
| Finance costs paid | | (6,397) | (7,619) |
| Levy and taxes paid | | (112,132) | (90,753) |
| Payments to worker's profit participation fund | | - | - |
| Employees' retirement and other benefits paid | | (12,469) | (13,184) |
| Net (increase) / decrease in long term loans and deposits | | 48,571 | (661) |
| **Net cash generated from / (used in) operating activities** | | 367,306 | (43,136) |
| | | | |
| **Cash flows from investing activities** | | | |
| Fixed capital expenditure including capital work in progress | | | |
| and Intangible assets | | (241,313) | (45,148) |
| Proceeds from sale of property, plant and equipment | | 4,883 | 8,145 |
| **Net cash used in investing activities** | | (236,430) | (37,003) |
| | | | |
| **Cash flows from financing activities** | | | |
| Dividend paid | | (4,988) | - |
| **Net cash used in financing activities** | | (4,988) | - |
| Net (decrease) / increase in cash and cash equivalents | | 125,888 | (80,139) |
| Cash and cash equivalents at the beginning of the period | | 394,626 | 524,574 |
| **Cash and cash equivalents at the end of the period** | | 520,514 | 444,435 |

The annexed notes 1 to 23 form an integral part of these condensed interim financial statements.

| | | |
|---|---|---|
| **Chairman** | **Chief Executive Officer** | **Chief Financial Officer** |

# Notes to the Condensed Interim Financial Statements

## For the three-month and six-month period ended June 30, 2026 (Un-audited)

### 1. Legal status and nature of business

KSB Pumps Company Limited (the Company) was incorporated in Pakistan on July 18, 1959 under the Companies Act, 1913 (now Companies Act, 2017) and is listed on the Pakistan Stock Exchange Limited. The Company is a subsidiary of KSB SE & Co. KGaA ("the Holding Company") and principally engaged in the manufacture and sale of industrial pumps, valves, castings, auto and related parts and provision of after market services. The registered office of the Company is situated at KSB Building, 16/2 Sir Agha Khan road, Lahore. The factory of the Company is situated at Hazara Road, Hassanabdal. The Company also has four regional offices. These regional offices are located in Lahore, Rawalpindi, Karachi and Multan.

### 2. Statement of Compliance

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:

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

- Provisions of, directives and notifications issued under the Companies Act, 2017.

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

These condensed interim financial statements is un-audited and is being submitted to the members of the Company as required by Section 237 of the Companies Act, 2017 (the "Act").

### 3. Basis of presentation and measurement

These condensed interim financial statements do not include all the information required for full set of financial statements and should be read in conjunction with the annual audited published financial statements of the Company for the year ended December 31, 2025. These condensed interim financial statements have been presented in Pak Rupees, which is the functional currency of the Company. Figures have been rounded off to the nearest thousand rupee unless specified otherwise. These condensed interim financial statements have been prepared under the historical cost convention except as otherwise stated.

### Judgments and estimates

4. The preparation of condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and incomes and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognised prospectively. In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Company’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended December 31, 2025.

## 5. Material Accounting policies

**5.1** The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended December 31, 2024.

**5.2** The following amendments and interpretations of approved accounting standards will be effective for accounting periods as detailed below:

*Amendments and interpretations of approved accounting standards*

| | |
|---|---|
| - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) | 01 July 2026 |
| - Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures) | 01 July 2026 |

*Adoption of IFRS 18 and IFRS 19*

| | |
|---|---|
| - IFRS 18 Presentation and Disclosure in Financial Statements | 01 January 2027 |
| - IFRS 19 Subsidiaries without Public Accountability: Disclosures | 01 January 2027 |

## 6. Trade and other payables

Trade creditors and accrued liabilities in trade and other payable include the following:
- Due to Holding Company Rs 1,672 million (December 2025: Rs 1,696.30 million) and
- Due to associated undertakings Rs 379.75 million (December 2025: Rs. 319.46 million)

## 7. Contract Liabilities

Contract liabilites includes Rs 845.32 million (December 2025: Rs 804.74 million) as advance received from customers other than projects.

## 8. Contingencies and commitments

### 8.1 Contingencies

**8.1.1** There is no significant change in contingencies since the date of preceding published annual financial statements.

**8.1.2** The Company has given bank guarantees of Rs 1,799.88 million (December 2025: Rs 1,835.88 million) against the performance of various contracts.

### 8.2 Commitments

'Letters of credit other than for capital expenditure approximately Rs. 407.19 million (December 2025: Rs. 569.64 million).

## 9. Property, plant and equipment

| | Note | (Un-Audited) 30 June 2026 | Audited 31 December 2025 |
|---|---|---|---|
| | | (Rupees in thousand) | |
| Operating fixed assets | 9.1 | 1,246,629 | 1,051,717 |
| Capital work in progress | | 20,941 | 83,404 |
| | | 1,267,570 | 1,135,121 |

## 9.1 Operating Fixed assets

| | | | |
|---|---|---|---|
| Opening book value | | 1,051,717 | 994,474 |
| Add: | | | |
| Transfer from CWIP during the period/year | 9.2 | 296,600 | 114,369 |
| Direct transfer to PPE | | 7,176 | 143,812 |
| | | 1,355,493 | 1,252,655 |
| Less: | | | |
| Disposals during the period / year (at book value) | | (4,883) | (6,760) |
| Depreciation for the period / year | 9.3 | (103,981) | (194,178) |
| | | 1,246,629 | 1,051,717 |

## 9.2 Additions

| | | | |
|---|---|---|---|
| Freehold land | | 35,000 | 132,571 |
| Plant and machinery | | 147,984 | 66,678 |
| Tools, jigs and attachments | | - | 1,522 |
| Other equipment | | 5,454 | 18,159 |
| Patterns | | 5,213 | 8,482 |
| Furniture and fixtures | | - | 2,562 |
| Office machines and appliances | | 5,201 | 21,258 |
| Vehicles | | 104,924 | 6,949 |
| | | 303,776 | 258,181 |

## 9.3 Depreciation charge for the period has been allocated as follows:

| | Note | (Un-Audited) 01 January to 30 June 2026 | (Un-Audited) 01 January to 30 June 2025 |
|---|---|---|---|
| | | (Rupees in thousand) | |
| Cost of sales | | 85,790 | 84,170 |
| Distribution and marketing expenses | | 4,342 | 3,821 |
| Administrative expenses | | 13,849 | 8,173 |
| | | 103,981 | 96,164 |

**9.4** During the six months ended 30 June 2026, the Company acquired the operating fixed assets at a cost of Rs 303.77 million (unaudited). Depreciation charged on additions is Rs 9.87 million (unaudited). Assets having the cost of Rs 29.97 million (unaudited) were disposed off during the six months period ended 30 June 2026 at cost.

## 10. Intangible assets

| Net carrying value basis | Note | (Un-Audited) 30 June 2026 | (Audited) 30 December 2025 |
|---|---|---|---|
| | | (Rupees in thousand) | |
| - Computer software | | 1,169 | 1,663 |
| - Work in process | | 1,180 | 1,180 |
| | | 2,349 | 2,843 |
| **Net carrying value basis** | | | |
| Opening net book value (NBV) | | 1,663 | 1,427 |
| Additions ( at cost) | | - | 1,226 |
| Amortization Charge for the period / year | 10.1 | (494) | (990) |
| Closing Net Book Value ( NBV) | | 1,169 | 1,663 |
| **Gross carrying value** | | | |
| Cost | | 45,346 | 45,346 |
| Accumulated amortization | | (44,177) | (43,683) |
| Net book value (NBV) | | 1,169 | 1,663 |
| **Amortization rate % per annum** | | 33.33% | 33.33% |
| **Intangible - Work In Process** | | | |
| Balance as at 01 January | | 1,180 | 720 |
| Additions during the year | | - | 1,686 |
| Transfers to intangible | | - | (1,226) |
| Balance as at 31 December | | 1,180 | 1,180 |

### 10.1 Amortization charge for the period has been allocated as follows:

| | Note | (Un-Audited) 01 January to 30 June 2026 | (Un-Audited) 01 January to 30 June 2025 |
|---|---|---|---|
| | | (Rupees in thousand) | |
| Cost of sales | | 93 | 93 |
| Distribution and marketing expenses | | - | - |
| Administrative expenses | | 401 | 403 |
| | | 494 | 496 |

### 10.2 No additions or disposals were made during the six months period ended 30 June 2026.

## 11. Stock in trade

| | Note | (Un-Audited) 30 June 2026 | (Audited) 30 December 2025 |
|---|---|---|---|
| | | (Rupees in thousand) | |
| Raw Materials | | 2,058,596 | 2,434,857 |
| Work in process | | 1,687,736 | 1,097,782 |
| Finished goods | | 256,333 | 142,746 |
| | | 4,002,665 | 3,675,385 |
| Less: Provision for obsolescence | | (178,621) | (20,621) |
| | | 3,824,044 | 3,654,764 |

## 12 Trade debts

| | | | |
|---|---|---|---|
| Considered good | | | |
| Related parties - KSB group companies | | 614,948 | 750,071 |
| Others | 12.1 | 889,136 | 921,487 |
| | | 1,504,084 | 1,671,558 |
| | | | |
| Considered doubtful | | 406,719 | 439,145 |
| | | 1,910,803 | 2,110,703 |
| Less: Provision for expected credit loss | 12.2 | (406,719) | (439,145) |
| | | 1,504,084 | 1,671,558 |

**12.1** Included in trade debts is an amount of Rs. 101.20 million (2025: Rs. 101.20 million) receivable from Punjab Saaf Pani Company. The Company had filed writ petition in the Honorable Lahore High Court on September 16, 2020 for recovery of the outstanding balances from the Company. The Honorable Lahore High Court has delivered its decision by advising the Punjab Saaf Pani Company to release the PKR 225 Million against a bank guarantee to be submitted by KSB Pumps Company Limited Pakistan. However, PSPC has filed appeal against court decision. KSB has initiated appropriate legal proceeding to contest the appeal filed by PSPC.

**12.2** Movement of loss allowance recognized in profit or loss during the year is as follows:

| | Note | (Un-Audited) 30 June 2026 | (Audited) 30 December 2025 |
|---|---|---|---|
| | | (Rupees in thousand) | |
| Opening as at January 1 | | 439,145 | 177,505 |
| Loss allowance recognized during the period/year | | 27,551 | 267,762 |
| Less: Write offs during the period/year | | (59,977) | (6,122) |
| Closing Provision | | 406,719 | 439,145 |

## 13 Contract assets

| At banks | Note | (Un-Audited) 30 June 2026 | (Audited) 30 December 2025 |
|---|---|---|---|
| | | (Rupees in thousand) | |
| Contract assets | | 507,719 | 565,436 |
| Less: Loss allowance | 13.1 | (159,414) | (126,297) |
| | | 348,305 | 439,139 |

**13.1** The closing loss allowance for contract assets as at 30 June 2026 reconcile to the opening loss allowances as follows:

| | | | |
|---|---|---|---|
| Opening as at January 1 | | 126,297 | 120,530 |
| Loss allowance recognized during the period/year | | 33,117 | 5,767 |
| Less: Write offs during the period/year | | - | - |
| Closing Provision | | 159,414 | 126,297 |

## 14 Cash and bank balances

| | Note | (Un-Audited) 30 June 2026 | (Audited) 30 December 2025 |
|---|---|---|---|
| | | (Rupees in thousand) | |
| At banks | | | |
| - Saving accounts | | 324,196 | 324,985 |
| - Current accounts | | 196,307 | 69,638 |
| | | 520,503 | 394,623 |
| Cash in hand | | 11 | 3 |
| | | 520,514 | 394,626 |

## 15. Sales

| | (Un-Audited) 01 April to 30 June 2026 | (Un-Audited) 01 April to 30 June 2025 | (Un-Audited) 01 January to 30 June 2026 | (Un-Audited) 01 January to 30 June 2025 |
|---|---|---|---|---|
| | (Rupees in thousand) | | | |
| Local Sales | 2,472,792 | 1,538,758 | 3,989,328 | 2,834,066 |
| Less: Sales tax | (420,525) | (187,602) | (654,628) | (430,501) |
| | 2,052,267 | 1,351,156 | 3,334,700 | 2,403,565 |
| Export Sales | 478,898 | 372,073 | 978,818 | 912,101 |
| | 2,531,165 | 1,723,229 | 4,313,518 | 3,315,666 |

## 16. Cost of sales

| | | | | |
|---|---|---|---|---|
| Raw material consumed | 1,717,048 | 595,383 | 2,713,264 | 1,724,226 |
| Salaries, wages, amenities and staff welfare | 137,719 | 140,116 | 278,563 | 252,537 |
| Staff training | - | 1,251 | - | 1,321 |
| Electricity and power | 52,218 | 38,860 | 100,959 | 89,719 |
| Stores and spares consumed | 157,373 | 116,031 | 263,857 | 232,070 |
| Insurance | 5,790 | 3,876 | 7,618 | 5,129 |
| Travelling and conveyance | 22,503 | 14,371 | 35,083 | 40,193 |
| Postage and telephone | 2,731 | 1,319 | 5,567 | 2,868 |
| Printing and stationery | 1,527 | 1,229 | 1,971 | 2,203 |
| Rent, rates and taxes | 1,570 | 1,293 | 2,942 | 2,228 |
| Repairs and maintenance | 7,389 | 15,079 | 11,745 | 22,724 |
| Legal & Professional charges | - | 337 | - | 1,386 |
| SAP user licence fee & other IT services | 23,186 | 19,009 | 40,888 | 37,823 |
| Packing expenses | 15,323 | 16,948 | 27,447 | 28,450 |
| Outside services | 168,768 | 141,522 | 305,827 | 305,435 |
| Depreciation on Property, plant and equipment | 43,112 | 42,382 | 85,790 | 84,170 |
| Amortization of intangible assets | 46 | | 93 | 93 |
| Provision for Obsolete stock | 158,000 | - | 158,000 | - |
| Warranties | 134 | 13,371 | 18,627 | 14,818 |
| Other expenses | 1,262 | 3,903 | 2,191 | 5,149 |
| | 2,515,699 | 1,166,326 | 4,060,432 | 2,852,542 |
| Opening work-in-process | 1,236,602 | 994,814 | 1,097,782 | 622,469 |
| Less: Closing work-in-process | (1,687,736) | (846,018) | (1,687,736) | (846,018) |
| (Increase) / decrease in work in process | (451,134) | 148,796 | (589,954) | (223,549) |
| Cost of goods manufactured | 2,064,565 | 1,315,122 | 3,470,478 | 2,628,993 |
| Opening stock of finished goods | 154,144 | 224,650 | 142,746 | 146,032 |
| Less: Closing stock of finished goods | (256,333) | (210,320) | (256,333) | (210,320) |
| (Increase) / decrease in Finished Goods | (102,189) | 14,330 | (113,587) | (64,288) |
| Less: Cost of capital assets manufactured | (2,237) | - | (3,600) | - |
| | 1,960,139 | 1,329,452 | 3,353,291 | 2,564,705 |

## 17. Administration expenses

Administrative expenses include salaries, wages, amenities, staff welfare and staff trainings amounting to Rs. 133.66 million (June 2025: Rs 108.99 million).

## 18. Finance Cost

There is a reduction in finance cost as the Company has not utilized short term credit facilities available to the Company in the current interim period.

## 19 Cash generated from operations

| | Note | (Un-Audited) 01 January to 30 June 2026 | (Un-Audited) 01 January to 30 June 2025 |
|---|---|---|---|
| | | (Rupees in thousand) | |
| Profit / (Loss) before taxation | | 235,680 | 118,638 |
| **Adjustment of non-cash items:** | | | |
| Depreciation on property, plant and equipment | | 103,981 | 96,164 |
| Depreciation on Intangible assets | | 494 | 496 |
| Gain on disposal of property, plant and equipment | | - | (5,928) |
| Levy | | 1,569 | 39,020 |
| Employees' retirement and other benefits | | 26,533 | 24,855 |
| Expected credit loss on financial assets | | 77,904 | 75,105 |
| Provision for obsolete and slow moving stock | | 158,000 | - |
| Liabilities no longer payable written back | | - | 49,445 |
| Finance cost | | 6,243 | 7,619 |
| Exchange loss/ (Gain) | | (14,372) | 106,072 |
| Working capital changes | 19.1 | (146,299) | (442,405) |
| | | 449,733 | 69,081 |

## 19.1 Working capital changes

| | | | |
|---|---|---|---|
| **(Increase) / decrease in current assets:** | | | |
| Stores, spares and loose tools | | 20,456 | (25,685) |
| Stock-in-trade | | (327,280) | (1,008,353) |
| Trade debts | | 79,946 | 125,685 |
| Contract assets | | 59,700 | (1,872) |
| Advances, deposits, prepayments and other receivables | | (9,352) | (273,453) |
| | | (176,530) | (1,183,678) |
| **Increase / (decrease) in current liabilities:** | | | |
| Trade and other payables | | (63,645) | 577,048 |
| Contract liabilities | | 109,485 | 193,382 |
| Due to provident fund | | 4,471 | 404 |
| Provisions for other liabilities and charges | | (20,080) | (29,561) |
| | | (146,299) | (442,405) |

## 20. Transaction with related parties

| | | Three month ended | | Six months ended | |
|---|---|---|---|---|---|
| | | (Un-Audited) 01 April to 30 June 2026 | (Un-Audited) 01 April to 30 June 2025 | (Un-Audited) 01 January to 30 June 2026 | (Un-Audited) 01 January to 30 June 2025 |
| | | (Rupees in thousand) | | | |
| **Relationship with the Company** | **Nature of transaction** | | | | |
| **Holding Company** | Purchase of goods and services | 262,863 | 710,896 | 413,325 | 791,330 |
| | Sale of goods and services | 43,987 | 42,459 | 84,733 | 76,954 |
| | Commission income | - | 401 | - | 401 |
| | Royalty and trademark | 14,074 | 2,861 | 26,601 | 8,127 |
| | SAP user license fee | 39,907 | 32,718 | 70,376 | 65,100 |
| **Associated Undertaking** | Purchase of goods and services | 98,205 | 86,050 | 253,382 | 195,045 |
| | Sale of goods and services | 416,316 | 329,615 | 851,076 | 835,147 |
| | Commission income | - | 800 | - | 2,221 |
| **Post retirement benefit plans** | Expense charged for the period | 14,993 | 13,096 | 29,986 | 24,855 |
| **Key management personnel** | Compensation | 121,977 | 148,534 | 243,954 | 230,344 |

| | (Un-Audited) 30 June 2026 | (Un-Audited) 31 December 2025 |
|---|---|---|
| | (Rupees in thousand) | |
| **Period / Year end balances** | | |
| **Receivable from related parties** | | |
| Holding Company | 57,156 | 64,617 |
| Associated Undertaking | 557,792 | 685,454 |
| | 614,948 | 750,071 |
| **Payable to related parties** | | |
| Holding Company | 1,672,064 | 1,696,300 |
| Associated Undertaking | 379,750 | 319,460 |
| | 2,051,814 | 2,015,760 |

## 21. Financial risk management

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance. The financial risk management information and disclosures in these condensed interim financial statements are consistent with those disclosed in the annual audited financial statements of the Company for the year ended December 31, 2025. The financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Company for the year ended December 31, 2025.

## 22. Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Specific valuation techniques used to value financial instruments include:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

As of reporting date, there are no Level 1, 2 or 3 financial assets or financial liabilities during the current period.

## 23. Corresponding figures

'In order to comply with the requirements of International Accounting Standard 34 - ‘Interim Financial Reporting’, the condensed interim statement of financial position has been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the amounts/balances of comparable period of immediately preceding financial year.

## 24. Date of authorization for issue

These condensed interim financial statements were authorized for issue on 18th August, 2026 by the Board of Directors of the Company.

| Chairman | Chief Executive Officer | Chief Financial Officer |
|---|---|---|

# مجلسِ نظماء کا جائزہ

30 جون 2026 کو ختم ہونے والی ششماہی مدت کے لیے کے ایس بی پمپس کمپنی لمیٹڈ کے مالیاتی گوشوارے پیش کرنا میرے لئے باعثِ اعزاز ہے۔ سال کی پہلی ششماہی میں آپریشنل عمدگی، مالیاتی نظم و ضبط اور پائیدار ترقی کے لیے ہماری مسلسل وابستگی کا اظہار ہوتا ہے۔ بدلتے ہوئے کاروباری ماحول کے باوجود کمپنی نے اپنی اسٹریٹجک ترجیحات پر عمل درآمد اور اہم مارکیٹوں میں اپنی پوزیشن مزید مستحکم کرنے پر بھرپور توجہ برقرار رکھی ہے۔

2026 کے پہلے چھ ماہ کے دوران کمپنی نے 6,696 ملین روپے کے آرڈر حاصل کیے، جبکہ 2025 کی اسی مدت کے دوران یہ رقم 4,485 ملین روپے تھی۔ کمپنی نے منافع بخش نمو پر اپنی بھرپور توجہ برقرار رکھی، جس کے نتیجے میں سود اور ٹیکس سے قبل آمدنی (EBIT) 243 ملین روپے تک پہنچ گئی، جو 5.6 فیصد مارجن کی نمائندگی کرتی ہے، جبکہ 2025 کی اسی مدت میں EBIT 165 ملین روپے اور مارجن 5.0 فیصد تھا۔ یہ کارکردگی تجارتی سرگرمیوں پر منظّم انداز میں عمل درآمد، فروخت کے بہتر امتزاج، آپریشنل استعداد میں بہتری اور اہم مارکیٹ سیگمنٹس میں کاروباری سرگرمیوں کی مسلسل رفتار کے مثبت اثرات کی عکاسی کرتی ہے۔

زیرِ جائزہ مدت کے دوران ورکنگ کیپیٹل مینجمنٹ بھی ہماری توجہ کا ایک اہم شعبہ رہا۔ قابلِ وصول رقوم کے دن 71 دن رہے، جبکہ دسمبر 2025 میں یہ 91 دن تھے۔ یہ بروقت وصولیوں محتاط کریڈٹ مینجمنٹ اور ورکنگ کیپیٹل کے مؤثر استعمال پر مسلسل توجہ کی عکاسی کرتا ہے۔ انوینٹری کے دن 191 رہے، جبکہ دسمبر 2025 میں یہ 210 دن تھے۔ آرڈرز کی تکمیل کی ضروریات، سپلائی چین کی صورتحال اور صارفین سے کیے گئے وعدوں کی بلاتعطل تکمیل کو یقینی بنانے کی ضرورت کو مدنظر رکھتے ہوئے انوینٹری کی سطح کا محتاط انداز میں انتظام جاری ہے۔

برآمدی کاروبار کمپنی کی نمو کی حکمتِ عملی میں ایک اہم کردار ادا کرتا رہا۔ 2026 کی پہلی ششماہی کے دوران برآمدی فروخت 979 ملین روپے رہی، جبکہ 2025 کی اسی مدت میں یہ 912 ملین روپے تھی۔ کمپنی اپنی بین الاقوامی موجودگی کو وسعت دینے اور انٹر کمپنی اور بین الاقوامی مارکیٹوں میں اپنی موجودگی کو مزید مضبوط بنانے کے لیے پُرعزم ہے۔ ہمیں بالخصوص پانی اور عمومی صنعت کے شعبوں میں حوصلہ افزاء مواقع نظر آ رہے ہیں، جہاں ہماری تکنیکی صلاحیتیں، قائم شدہ برانڈ ویلیو، مصنوعات کا معیار اور مارکیٹ میں ساکھ پائیدار نمو کے لیے ایک مضبوط بنیاد فراہم کرتے ہیں۔

مستقبل کے حوالے سے کمپنی اپنے آرڈر بیک لاگ پر مؤثر عمل درآمد، مجموعی منافع کے مارجن میں بہتری، آپریشنل استعداد میں اضافے اور اخراجات و ورکنگ کیپیٹل کے محتاط انتظام پر توجہ مرکوز کیے ہوئے ہے۔ سال کی پہلی ششماہی کے دوران حاصل ہونے والی پیش رفت کی بنیاد پر ہمیں یقین ہے کہ ہم پورے سال کے مقررہ اہداف حاصل کرنے اور ایسے مواقع سے فائدہ اٹھانے کی بھرپور صلاحیت رکھتے ہیں جو کمپنی کی مالی کارکردگی اور طویل مدتی مسابقتی حیثیت کو مزید بہتر بنا سکتے ہیں۔

ہماری اسٹریٹجک ترجیحات بدستور پائیدار اور منافع بخش نمو، صارفین پر توجہ، آپریشنل عمدگی، جدت طرازی اور وسائل کے ذمہ دارانہ انتظام پر مرکوز ہیں۔ ہم مارکیٹ میں ہونے والی پیش رفت کی مسلسل نگرانی کرتے رہیں گے اور اُبھرتے ہوئے مواقع اور مشکلات کا فعال انداز میں جواب دیتے ہوئے مضبوط گورننس اور محتاط مالیاتی انتظام کے لیے اپنی وابستگی برقرار رکھیں گے۔

بورڈ آف ڈائریکٹرز کی جانب سے میں اپنی مینجمنٹ ٹیم اور ملازمین کی مسلسل لگن، پیشہ ورانہ صلاحیت اور ثابت قدمی پر دِلی خراجِ تحسین پیش کرتا ہوں۔ میں اپنے معزز صارفین، کاروباری شراکت داروں، شیئر ہولڈرز اور تمام دیگر اسٹیک ہولڈرز کا بھی اُن کے مسلسل اعتماد اور تعاون پر تہہ دل سے شکرگزار ہوں۔

ہم سب مل کر کے ایس بی پمپس کمپنی لمیٹڈ کی مارکیٹ میں قیادت کو مزید مستحکم کرنے، اپنی اسٹریٹجک ترجیحات کو آگے بڑھانے اور تمام اسٹیک ہولڈرز کے لیے پائیدار، طویل مدتی قدر پیدا کرنے کے عزم پر قائم ہیں۔

منجانب بورڈ

عمران غنی

ایم ڈی / چیف ایگزیکٹو آفیسر

18 اگست 2026ء

لاہور، پاکستان

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