

INDUS MOTOR COMPANY LTD.

October 27, 2026

The General Manager,
Pakistan Stock Exchange Limited,
Stock Exchange Building,
Karachi-74000.

Subject: **Financial Results for the Quarter Ended September 30, 2026**

Dear Sir / Madam,

We have to inform you that the Board of Directors of our company in their meeting held on Tuesday, October 27, 2026 at 4 p.m. at Karachi recommended the following:

1) CASH DIVIDEND

First Interim Cash Dividend for the Quarter Ended September 30, 2026 at Rs. 56 per share i.e. 560%.

2) FINANCIAL RESULTS

The Financial Results of the Company for the Quarter Ended September 30, 2026 (Unaudited) are attached alongwith following statements.

- a) Condensed Interim Statement of Financial Position;
- b) Condensed Interim Statement of Profit or Loss;
- c) Condensed Interim Statement of Comprehensive Income;
- d) Condensed Interim Statement of Changes in Equity;
- e) Condensed Interim Statement of Cash Flows; and
- f) Directors Report

The recommended entitlement will be paid to the shareholders whose names will appear in the Register of Members on November 5, 2026.

The Share Transfer Books of the Company will be closed from November 6, 2026 to November 10, 2026 (both days inclusive). Transfers received at the Company's Share Register at "CDC Share Registrar Services Limited, CDC House, 99-B, Block-'B', S.M.C.H.S. Main Shahrah-e-Faisal, Karachi-74400, Pakistan (Tel: 111-111-500, 0800-23275, Email: info@cdcsrsl.com)" at the close of business of November 5, 2026 will be treated in time for the purpose of above entitlement to the transferees.

The Quarterly Financial Statements (Quarterly Report) of the Company for the period Ended September 30, 2026 will be transmitted through PUCARS separately within the specified time.

Thanking you,

Yours sincerely,
For **INDUS MOTOR COMPANY LIMITED**


Muhammad Arif Anzer
Company Secretary

Encl. As stated above

Cc:

Chief Executive Officer
Central Depository Company of Pakistan
99-B, Block-B, SMCHS Shahrah-e-Faisal
Karachi.

Cc:

Executive Director / HOD Offsite-II Department,
Securities and Exchange Commission of Pakistan
63, NIC Building, Jinnah Avenue Blue Area,
Islamabad

Condensed Interim Statement of Financial Position

As at September 30, 2026

	Note	September 30 2026 (Unaudited)	June 30 2026 (Audited) (Restated)
------(Rupees in '000)-----			
ASSETS			
Non-current Assets			
Property, plant and equipment	4	17,029,044	18,122,920
Intangible assets		73,126	76,452
Long-term loans and advances		196,914	195,567
Long-term deposits		12,273	12,273
Deferred taxation - net		2,350,439	2,052,923
		19,661,796	20,460,135
Current Assets			
Stores and spares		684,991	563,409
Stock-in-trade		42,927,749	36,793,565
Trade debts - unsecured		3,912,990	2,803,870
Loans and advances		1,878,742	2,027,992
Short-term prepayments		156,542	116,703
Accrued return		585,347	300,371
Other receivables		3,934,998	4,127,097
Short-term investments	5	87,611,336	103,013,902
Cash and bank balances		4,937,597	11,193,271
		146,630,292	160,940,180
TOTAL ASSETS		166,292,088	181,400,315
EQUITY			
Share Capital			
Authorised capital			
500,000,000 (June 30, 2026: 500,000,000) ordinary shares of Rs 10 each		5,000,000	5,000,000
Issued, subscribed and paid-up capital		786,000	786,000
Reserves		89,799,731	86,109,555
		90,585,731	86,895,555
LIABILITIES			
Non-Current Liabilities			
Long term loan	6	109,950	119,946
Deferred Revenue		55,855	20,649
Payable for Sindh Infrastructure Development Cess (SIDC)		3,571,918	3,407,186
		3,737,723	3,547,781
Current Liabilities			
Current portion of long term loan		39,983	39,983
Current portion of deferred revenue		15,788	46,682
Current portion of payable for SIDC		1,392,540	1,392,540
Unclaimed dividend		150,566	150,957
Unpaid dividend		4,068,398	376,428
Trade payables, other payables and provisions		46,964,827	50,496,243
Warranty Obligations		3,221,632	3,082,416
Advances from customers and dealers		10,468,899	30,261,975
Taxation - net		5,646,001	5,109,755
		71,968,634	90,956,979
TOTAL EQUITY AND LIABILITIES		166,292,088	181,400,315
CONTINGENCIES AND COMMITMENTS			
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The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

Mohammad Ibadullah
Chief Financial Officer

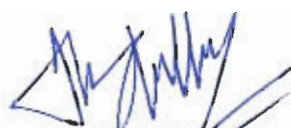
Ali Asghar Jamali
Chief Executive

Condensed Interim Profit and Loss Account

For the quarter ended September 30, 2026 (unaudited)

		Quarter ended September 30	
	Note	2026	2025
		------(Rupees in '000)-----	
Revenue from contracts with customers	8	74,014,959	61,737,936
Cost of sales	9	(62,701,692)	(51,196,522)
Gross profit		11,313,267	10,541,414
Distribution expenses		(723,310)	(696,868)
Administrative expenses		(898,235)	(854,921)
Other operating expenses		(107,670)	(81,297)
		(1,729,215)	(1,633,086)
		9,584,052	8,908,328
Workers' Profit Participation Fund and Workers' Welfare Fund		(763,463)	(687,557)
Net Profit from operations		8,820,589	8,220,771
Other income	11	3,220,914	2,900,106
		12,041,503	11,120,877
Finance cost		(203,747)	(49,700)
Profit before taxation & levy		11,837,756	11,071,177
Levy		(523)	(1,671)
Profit before taxation		11,837,233	11,069,506
Taxation		(4,452,857)	(4,350,226)
Profit after taxation		7,384,376	6,719,280
		------(Rupees)-----	
Earnings per share - basic and diluted		93.95	85.49

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.


Mohammad Ibadullah
 Chief Financial Officer

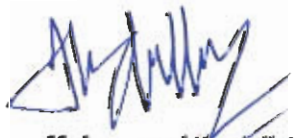

Ali Asghar Jamali
 Chief Executive

Condensed Interim Statement of Comprehensive Income

For the quarter ended September 30, 2026 (unaudited)

	Quarter ended September 30	
	2026	2025
	----- (Rupees in '000) -----	
Profit after taxation for the period	7,384,376	6,719,280
Items that may be reclassified subsequently to profit or loss	-	-
Items that will not be subsequently reclassified to profit or loss	-	-
Total comprehensive income for the period	<u>7,384,376</u>	<u>6,719,280</u>

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.


Mohammad Iqbalullah
Chief Financial Officer


Ali Asghar Jamali
Chief Executive



Condensed Interim Statement of Changes in Equity

For the quarter ended September 30, 2026 (unaudited)

	Share Capital		Reserves			
	Issued, subscribed and paid-up	Premium on issue of ordinary shares	General reserve	Unappropriated profit	Sub-Total	Total
			(Rupees in '000)			
Balance as at July 1, 2025	786,000	196,500	62,451,050	13,519,088	76,166,638	76,952,638
Total comprehensive income for the quarter ended September 30, 2025	-	-	-	6,719,280	6,719,280	6,719,280
Balance as at September 30, 2025	786,000	196,500	62,451,050	20,238,368	82,885,918	83,671,918
Balance as at July 1, 2026	786,000	196,500	71,451,050	14,462,005	86,109,555	86,895,555
Total comprehensive income for the quarter ended September 30, 2026	-	-	-	7,384,376	7,384,376	7,384,376
Transfer to general reserve for the year ended June 30, 2026 appropriated subsequent to year end	-	-	10,500,000	(10,500,000)	-	-
Transactions with owners						
Final dividend @ 470% for the year ended June 30, 2026 declared subsequent to year end	-	-	-	(3,694,200)	(3,694,200)	(3,694,200)
Balance as at September 30, 2026	786,000	196,500	81,951,050	7,652,181	89,799,731	90,585,731

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.


Mohammad Abdullah
 Chief Financial Officer


Ali Asghar Jamali
 Chief Executive

Condensed Interim Statement of Cash Flows

For the quarter ended September 30, 2026 (unaudited)

Note	Quarter ended September 30	
	2026	2025
	----- (Rupees in '000) -----	

CASH FLOWS FROM OPERATING ACTIVITIES

Cash (used in) operations	12	(19,683,193)	(20,731,230)
Net increase in long-term loans and advances		(1,347)	(42,517)
Compensation paid on advances received from customers		(29,339)	(12,265)
Increase/(decrease) in deferred revenue		35,206	(886)
Interest paid on long-term loan		(1,705)	(4,120)
Income tax paid		(4,214,583)	(3,877,996)
Net cash used in operating activities		(23,894,961)	(24,669,014)

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment and intangible assets	(430,365)	(700,894)
Proceeds from disposal of property, plant and equipment	155,235	63,816
Interest received on bank deposits and Term Deposit Receipts	60,929	124,620
Net gain on trade of Pakistan Investment Bonds	664,251	225,446
Net proceeds from Market Treasury Bills	203,566	2,794,335
Net (Proceeds from) / Investment in listed mutual fund units	(2,841,681)	25,365,025
Dividend Income from listed mutual fund units	-	4,976
Net cash (used in) / generated from investing activities	(2,188,065)	27,877,325

CASH FLOWS FROM FINANCING ACTIVITY

Dividends paid	(2,619)	(126,521)
Long-term loan re-paid during the period	(9,996)	-
Net cash used in financing activities	(12,615)	(126,521)

Net (decrease)/ increase in cash and cash equivalents during the period	(26,095,641)	3,081,789
Cash and cash equivalents at the beginning of the period	31,033,238	19,834,866
Cash and cash equivalents at the end of the period	4,937,597	22,916,655

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.


Mohammad Ibadullah
 Chief Financial Officer


Ali Asghar Jamali
 Chief Executive

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Directors' Report

For the Quarter Ended September 30, 2026

The Board of Directors is pleased to present the Directors' Report together with the unaudited condensed interim financial statements of Indus Motor Company Limited ("the Company") for the period ended September 30, 2026, along with the requisite disclosures under the Companies Act, 2017, the Listing Regulations, and best practices of corporate governance.

Overview of Pakistan's Economy

Pakistan's economy-maintained stability and has shown gradual recovery during the first quarter of FY 2026-27. The current account posted a deficit of USD 874 Million for the quarter, mainly on account of increase in imports by 14.6%. Inflation averaged 10.2%, driven in part by rising international oil prices and their pass-through to domestic fuel and energy costs. Higher fuel prices also increased transportation, production and distribution costs, adding to broader inflationary pressures. In response to these inflationary risks, the State Bank of Pakistan maintained the policy rate at 11.50%. The fiscal deficit was at 2.6% of GDP for FY26, due to improved revenues and expenditure control. Going forward, GDP is projected at 4% by Government for the fiscal year 2026-27, indicating a gradual improvement in economic activity, subject to domestic and external developments.

Automobile Industry Performance

During the first quarter of FY 2026-27, Pakistan's automobile sector continued its recovery momentum, supported by improved macroeconomic stability and lower auto-financing costs. As per the data released by the Pakistan Automotive Manufacturers Association (PAMA), sales of locally and assembled Passenger Cars (PCs) and Light Commercial Vehicles (LCVs) recorded a year-on-year increase of around 19.4%, reaching approximately 50,480 units compared to 42,267 units in the same period last year. Despite the current economic growth, the auto sector is still currently operating at approximately 45% of its installed production capacity, which is well below its normal level.

Imports of used cars witnessed an upward trend at exponential increase during the quarter by 420% at 5,897 units compared to 1,132 units in the 4th Quarter of FY2025-26. The substantial increase in used-car imports, despite the abolition of the Personal Baggage Scheme, highlights continued concerns regarding the potential commercial misuse of the Gift Scheme. These schemes are intended to facilitate genuine vehicle gifts from overseas Pakistanis to eligible family members; however, their use to import vehicles for resale can create an alternative channel for commercial imports, intensifying competition for locally assembled vehicles. The government has introduced stricter eligibility and transfer conditions to curb such practices, although effective enforcement remains important to safeguard the interests of the domestic automotive industry.

Company Review

The Company continued its positive momentum during the first quarter ended September 30, 2026, registering a 34% increase in total sales of Completely Knocked Down (CKD) and Completely Built-up (CBU) units to 13,380 units, compared to 9,976 units in the corresponding period last year. Vehicle production increased by 39.2% to 14,240 units, compared to 10,230 units in the same period last year. The growth in sales was supported by sustained demand across the Company's product portfolio, mainly pertaining to Toyota Corolla and Yaris in the passenger car segment, and the Toyota Fortuner in the premium SUV segment. The continued popularity of these models, underpinned by their quality, reliability, strong resale value and extensive after-sales service and support, contributed to the Company's overall sales performance and reflected a gradual recovery in market demand. The Company maintained a stable market share of around 17% in the domestic automotive sector.

Net sales revenue for the quarter ended September 30, 2026, increased to Rs. 74.015 billion, as compared to Rs. 61.738 billion in the corresponding quarter of the previous year. Profits after tax also recorded an increase to Rs. 7.384 billion, against Rs. 6.719 billion last year. The improvement in profitability primarily stems from higher sales volumes, effective cost control measures, increased localization efforts, increase in other income, and supported by a relatively favorable exchange rate environment.

The Earnings Per Share (EPS) for the quarter stood at Rs. 93.95, compared to Rs. 85.49 in the same period of the previous year. The Board of Directors is pleased to declare a first interim cash dividend of Rs. 56 per share, as against Rs. 51 per share in the corresponding quarter last year. All transactions with related parties during the period were carried out in the ordinary course of business and in compliance with applicable laws and regulations.

Near-Term Business Outlook

Indus Motor Company Limited anticipates a steady rise in demand for locally manufactured vehicles through the remainder of FY 2026-27, supported by stabilizing macroeconomic conditions, consistent financing costs, and controlled inflation. However, this optimistic outlook is tempered by escalating Middle East tensions, which are driving up global oil prices and creating a challenging environment for energy-dependent economies like Pakistan. These rising fuel and transport costs, coupled with supply chain disruptions, are increasing industrial overheads and putting significant pressure on foreign exchange reserves. Such strain makes managing external debt more difficult and exerts downward pressure on the rupee, risking broader economic instability without timely policy intervention or financial inflows. Consequently, the automotive sector faces headwinds from any rise in interest rates, currency depreciation and reduced consumer purchasing power.

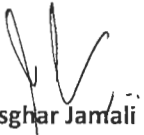
The Company is concerned that misuse of vehicle import schemes, particularly the gift scheme for used vehicles, may adversely affect the competitiveness of the local automotive industry. The Company urges the Government to strengthen monitoring and strictly enforce eligibility criteria to prevent commercial exploitation of these schemes, ensuring a level playing field for local manufacturers while protecting domestic investment and employment.

We also recommend the government to relax the restrictions on auto financing up to Rs. 3 million, provide relief from duties and taxes on direct and indirect export of vehicles, and rationalize taxes fairly on vehicle prices to enhance affordability for consumers. These measures are critical for the sustainable growth of the auto sector and for supporting the additional localization of auto parts, thereby generating more employment and revenue for the government.

Acknowledgment

We extend our heartfelt gratitude to our customers for their enduring loyalty, and to our employees, dealers, vendors, and partners for their steadfast dedication. The Board also appreciates the continued trust and support of our shareholders and stakeholders. We pray for continued progress and seek Almighty's guidance in all our endeavors.

Indus Motor Company Limited


Ali Asghar Jamali
Chief Executive & Director


Shinji Yanagi
Vice Chairman & Director

October 27, 2026
Karachi

