



2026

1ST QUARTER REPORT

September 30, 2026 (un-audited)

KOT ADDU POWER COMPANY LIMITED

Contents

Company Information	1
Directors' Review (English)	2
Directors' Review (Urdu)	4
Condensed Interim Statement of Financial Position	6
Condensed Interim Statement of Profit or Loss	8
Condensed Interim Statement of Comprehensive Income	9
Condensed Interim Statement of Changes in Equity	10
Condensed Interim Statement of Cash Flows	11
Notes to the Condensed Interim Financial Statements	12

Company Information

Board of Directors

LT. General (Retd) Muhammad Saeed (Chairman)
Mr. Waqar Ahmad Khan (Chief Executive)
Mr. Aqeel Ahmed Nasir
Mr. Hafiz Mohammad Yousaf
Mr. Saad Iqbal
Mr. Naveed Asghar Chaudhry
Ms. Mahwish Humayun Khan
Mr. Khawaja Khalil Shah
Mr. Muhammad Arfan

Audit Committee

Mr. Hafiz Mohammad Yousaf (Chairman)
Mr. Saad Iqbal
Mr. Naveed Asghar Chaudhry
Mr. Khawaja Khalil Shah
Mr. Muhammad Arfan

HR Committee

Ms. Mahwish Humayun Khan (Chairperson)
Mr. Aqeel Ahmed Nasir
Mr. Hafiz Mohammad Yousaf
Mr. Naveed Asghar Chaudhry
Mr. Muhammad Arfan

Investment Committee

Mr. Naveed Asghar Chaudhry (Chairman)
Mr. Aqeel Ahmed Nasir
Mr. Hafiz Mohammad Yousaf
Mr. Saad Iqbal
Mr. Khawaja Khalil Shah

Special Committee

Mr. Muhammad Arfan (Chairman)
Mr. Aqeel Ahmed Nasir
Mr. Naveed Asghar Chaudhry
Mr. Saad Iqbal

GM Finance / CFO

Mr. Muhammad Masood

Company Secretary / Head Legal Counsel

Mr. A. Anthony Rath

Head of Internal Audit

Mr. Muhammad Umer Javaid Ansari

Auditors

A.F. Ferguson & Co.
Chartered Accountants

Legal Advisor

Cornelius, Lane & Multi

Bankers

Conventional
Askari Bank Limited
Bank Al-Habib Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
National Bank of Pakistan
Standard Chartered Bank (Pakistan) Limited
United Bank Limited

Islamic

AlBaraka Bank (Pakistan) Limited
Askari Bank Limited-IBD
Bank Alfalah Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Meezan Bank Limited
National Bank of Pakistan-IBD
The Bank of Punjab-IBD

Share Registrar

THK Associates (Private) Limited
Plot No. 32-C, Jami Commercial Street 2, DHA, Phase-VII, Karachi 75500, Pakistan Tel:
+92 (0)21 111 000 322, Fax: +92 (0)21 34168271

Registered Office

Office No. 309, 3rd Floor, Evacuee Trust Complex
Agha Khan Road, F-5/1, Islamabad, Pakistan

Corporate Office

5 B/3, Gulberg III, Lahore 54860, Pakistan
Tel: +92 (0)42 3577 2912-6, Fax: +92 (0)42 3577 2922

Power Project

Kot Addu Power Complex, Kot Addu
District Muzaffargarh, Punjab, Pakistan
Tel: +92 (0)66 230 1047-9
Fax: +92 (0)66 230 1025

Email

info@kapco.com.pk

Website

www.kapco.com.pk

We are pleased to present the Directors' Report together with the Financial Statements (un-audited) for the First Quarter Ended September 30, 2026.

Principal Activities of the Company

The principal activities of the Company are the ownership, operation and maintenance of multi fuel (natural gas / Regasified Liquified Natural Gas (RLNG), furnace oil and high-speed diesel) fired Power Plant at Kot Addu, Punjab. The Company is permitted under its Memorandum of Association to make investments in other businesses.

The Company is listed on the Pakistan Stock Exchange and is a KSE-100 index company.

Operational Highlights

Power Generation and Power Purchase Agreement

Under the Tri-Partite Power Purchase Agreement (TPPA), the Company's 495 MW generation facility and associated switchyard operate under a hybrid Take-or-Pay arrangement, providing a minimum guaranteed return at 25% availability, with additional returns linked to incremental generation. The Indicative Generation Capacity Expansion Plan (IGCEP) 2025–35, approved by the National Electric Power Regulatory Authority (NEPRA), retains the Company in the generation plan until FY 2028–29, in line with the term of the TPPA.

Electricity Generation

During the quarter ended September 30, 2026, the Company generated 182,877 MWh of electricity in accordance with dispatch instructions received from Independent System and Market Operator (ISMO).

Financial Highlights

The financial performance for the quarter ended September 30, 2026 is as follows:

	Quarter Ended September 30	
	2026	2025
Net Revenue - PKR Thousand	11,724,398	4,155,946
Gross Profit - PKR Thousand	38,790	(831,400)
Profit before Levy and Income Tax - PKR Thousand	364,094	211,111
Net Profit after Tax - PKR Thousand	193,771	4,876
Earnings per Share - PKR	0.22	0.01
Generation - MWh	182,877	151,163

Strategic Diversification

Following the completion of the investment in Attock Cement Pakistan Limited (ACPL), the Board of Directors continues to pursue its portfolio diversification strategy to broaden the Company's earnings base and reduce reliance on a single revenue stream. This strategy aims to strengthen the resilience of the business and create sustainable long-term value for shareholders through a more balanced portfolio of investments.

The board of directors of ACPL authorised its management to explore and evaluate the feasibility of a potential merger of ACPL with Fauji Cement Company Limited and to present its recommendations to its board of directors accordingly.

Future Outlook

Pakistan's energy sector faces uncertainty as geopolitical tensions disrupt international fuel supply chains and constrain the availability of RLNG and low-sulphur furnace oil (LSFO). These developments highlight the Country's exposure to imported fuels and reinforce the importance of a more diversified energy mix, greater reliance on indigenous resources and renewable energy, and reliable grid infrastructure. Against this backdrop, the Company will continue to focus on operational readiness, efficiency and cost discipline under the TPPA. Building on the completed investment in ACPL, the Board of Directors will also pursue commercially viable opportunities in renewable energy and other strategic investments to broaden the Company's earnings base, strengthen business resilience and create sustainable long-term value for shareholders.

On behalf of the Board



Waqar Ahmad Khan
Chief Executive Officer
Lahore: October 23, 2026



Naveed Asghar Chaudhry
Director

30 ستمبر 2026 کو ختم ہونے والی پہلی سرمایہ کے مالیاتی گوشواروں (غیر آڈٹ شدہ) کے ساتھ ڈائریکٹر کی رپورٹ پیش خدمت ہے۔

کمپنی کی بنیادی سرگرمیاں

کمپنی کی بنیادی سرگرمیوں میں کوٹ ادو، پنجاب میں واقع ملتی فیول (قدرتی گیس، آرائیل امینٹی، فرنس آئل اور ہائی سپیڈ ڈیزل) سے چلنے والے پاور پلانٹ کی ملکیت، آپریشن اور دیکھ بھال شامل ہیں۔ کمپنی کو اپنے مینورٹم آف ایسی ایشن کے تحت دیکر کاروباروں میں سرمایہ کاری کرنے کی اجازت ہے۔ کمپنی پاکستان اسٹاک ایکسچینج میں درج KSE-100 انڈیکس کمپنی ہے۔

آپریٹس جھلکیاں

بھلی کی پیداوار اور پاور پر چھڑا بھریٹ

سفراتی پاور پر چھڑا بھریٹ (TPPA) کے تحت کمپنی کی 495 میگا واٹ بھلی پیدا کرنے کی سہولت اور متعلقہ سوچ پاؤ ٹیک ایڈ ہے (Take-or-Pay) انتظام کے تحت کار کر رہے ہیں، جس کے تحت 25 فیصد دستیابی کی بنیاد پر کم از کم ضمانت شدہ منافع حاصل ہوتا ہے، جبکہ اضافی بھلی کی پیداوار سے اضافی منافع بھی حاصل ہوتا ہے۔ نیشنل انیکلرک پاور ریگولیٹری اتھارٹی (NEPRA) کے منظور شدہ انڈیکسڈ جنریشن کسٹنسی ایکسپنیشن پلان (IGCEP) 2025-35 میں کمپنی کو TPPA کی مدت کے مطابق مالی سال 2028-29 تک بھلی کی پیداوار کے منصوبے میں برقرار رکھا گیا ہے۔

بھلی کی پیداوار

30 ستمبر 2026 کو ختم ہونے والی سرمایہ کے دوران، کمپنی نے انڈیکسڈ سسٹم اینڈ مارکیٹ آپریٹر (ISMO) کی جانب سے موصول ہونے والی ڈیپٹیچ پائیاٹ کے مطابق 182,877 میگا واٹ آور (MWh) بھلی پیدا کی۔

مالیاتی جھلکیاں

30 ستمبر 2026 کو ختم ہونے والی سرمایہ کی مالیاتی کارکردگی درج ذیل ہے:

30 ستمبر کو ختم ہونے والی سرمایہ		
2025	2026	
4,155,946	11,724,398	خالص آمدنی - ہزار روپے
(831,400)	38,790	مجموعی منافع (نقصان) - ہزار روپے
211,111	364,094	لیوی اور ٹیکس سے قبل منافع - ہزار روپے
4,876	193,771	بعد از ٹیکس خالص منافع - ہزار روپے
0.01	0.22	فی شیئر آمدنی - روپے
151,163	182,877	بھلی کی پیداوار - میگا واٹ آور (MWh)

سٹرٹجک متنوع

انٹل سینٹ پاکستان لمیٹڈ (ACPL) میں سرمایہ کاری مکمل ہونے کے بعد، بورڈ آف ڈائریکٹرز کمپنی کی آمدنی کے ذرائع کو وسعت دینے اور کسی ایک ذریعے پر انحصار کم کرنے کے لیے سرمایہ کاری کے پورٹ فولیو میں متنوع کی حکمت عملی پر عمل پیرا ہے۔ اس حکمت عملی کا مقصد سرمایہ کاری کے زیادہ متنوع پورٹ فولیو کے ذریعے کاروبار کو مختلف معاشی حالات میں مضبوط رکھنا اور حصص یافتگان کے لیے طویل مدت میں پائیدار قدر پیدا کرنا ہے۔

اسے پی ایل (ACPL) کے بورڈ آف ڈائریکٹرز نے انتظامیہ کو فوجی سینٹ کمپنی لمیٹڈ کے ساتھ ای سی پی ایل کے مکنڈ انضمام (Merger) کے امکانات اور قابل عمل ہونے کا جائزہ لینے اور اس ضمن میں اپنی سفارشات بورڈ آف ڈائریکٹرز کے سامنے پیش کرنے کا اختیار دیا ہے۔

مستقبل کا منظر نامہ

جغرافیائی و سیاسی کشیدگی کے باعث ایندھن کی بین الاقوامی سپلائی چین متاثر ہونے اور RLNG اور کم سلفر والے فرس آئل (LSFO) کی دستیابی محدود ہونے کی وجہ سے پاکستان کا توانائی کا شعبہ غیر یقینی صورتحال سے دوچار ہے۔ یہ حالات درآمدی ایندھن پر ملک کے انحصار سے جوئے خطرات کو نمایاں کرتے ہیں اور زیادہ متنوع توانائی کے ذرائع، مقامی وسائل اور قابل تجدید توانائی پر زیادہ انحصار، اور قابل اعتماد گرو انفراسٹرکچر کی اہمیت کو مزید اجاگر کرتے ہیں۔ اس پس منظر میں کمپنی TPPA کے تحت آپریشنل تیاری، استعداد کار اور لاگت میں نظم و ضبط پر اپنی توجہ مرکوز رکھے گی۔ ACPL میں مکمل ہونے والی سرمایہ کاری کو بنیاد بناتے ہوئے، بورڈ آف ڈائریکٹرز قابل تجدید توانائی اور دیگر اسٹریٹجک سرمایہ کاریوں میں تجارتی طور پر قابل عمل مواقع بھی تلاش کرے گا، تاکہ کمپنی کی آمدنی کی بنیاد کو وسعت دی جاسکے، کاروبار مضبوط ہو اور شیئرز ہولڈرز کے لیے طویل مدتی پائیدار قدر پیدا کی جاسکے۔

منجانب بورڈ

Shaukat Ali
جناب نوید اصغر چوہدری
ڈائریکٹر

Qasim Ali Khan
قاسم احمد خان
چیف ایگزیکٹو آفیسر

لاہور: 23 اکتوبر 2026ء

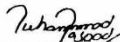
Condensed Interim Statement of Financial Position

as at September 30, 2026 (Un-audited)

	Un-audited September 30, 2026	Audited June 30, 2026
Note	(Rupees in thousand)	
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised capital 3,600,000,000 (June 30, 2026: 3,600,000,000) ordinary shares of Rs 10 each	36,000,000	36,000,000
Issued, subscribed and paid up capital 880,253,228 (June 30, 2026: 880,253,228) ordinary shares of Rs 10 each	8,802,532	8,802,532
Capital reserve	444,451	444,451
Revenue reserve: un-appropriated profit	47,486,717	46,986,930
	56,733,700	56,233,913
NON-CURRENT LIABILITIES		
Long term borrowings - secured	5 7,604,092	8,718,840
Staff retirement benefits - deferred liabilities	266,136	270,435
	7,870,228	8,989,275
CURRENT LIABILITIES		
Trade and other payables	6 4,271,976	4,441,413
Finances under mark-up arrangements - secured	7 4,316,463	7,912,069
Current portion of long term borrowings - secured	4,555,467	4,585,253
Unclaimed dividend	1,260,444	1,261,185
	14,404,350	18,199,920
CONTINGENCIES AND COMMITMENTS		
	8	
	79,008,278	83,423,108

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


Waqar Ahmad Khan
Chief Executive Officer


Muhammad Masood
Chief Financial Officer

		Un-audited September 30, 2026	Audited June 30, 2026
	Note	(Rupees in thousand)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	9	1,871,905	1,846,975
Long term investment accounted for under equity method	10	21,644,770	21,247,346
Long term deposits	11	8,034,688	9,074,584
Deferred taxation		1,011,949	1,043,898
Staff retirement benefits - pension		647,132	634,592
		33,210,444	33,847,395
CURRENT ASSETS			
Stores and spares		3,774,670	3,816,904
Stock-in-trade	12	4,672,192	5,230,086
Trade debts and other receivables	13	7,852,794	4,526,032
Contract Asset		7,510,135	2,509,441
Investments at fair value	14	10,357,389	11,121,861
Income tax due from Government		49,876	114,778
Loans, advances, deposits, prepayments and other receivables		10,275,341	9,870,024
Cash and bank balances		1,305,437	12,386,587
		45,797,834	49,575,713
		79,008,278	83,423,108

Naveed Asghar Chaudhry
Naveed Asghar Chaudhry
Director

Condensed Interim Statement of Profit or Loss
for the quarter ended September 30, 2026 (Un-audited)

		Quarter ended	
		September 30, 2026	September 30, 2025
	Note	(Rupees in thousand)	
Revenue	15	11,724,398	4,155,946
Cost of sales	16	(11,685,608)	(4,987,346)
Gross profit / (loss)		38,790	(831,400)
Administrative expenses		(141,133)	(221,466)
Other operating expenses		(28,856)	(21,843)
Other income	17	922,454	1,290,840
Share of net profit of investment accounted for under equity method	18	397,424	-
Finance cost		(427,161)	(5,020)
Profit before levy and income tax		761,518	211,111
Levy - minimum and final taxes		(146,555)	-
Profit before income tax		614,963	211,111
Income Tax		(115,176)	(206,235)
Profit for the period		499,787	4,876
Earnings per share - basic and diluted	Rupees	0.57	0.01

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


Waqar Ahmad Khan
Chief Executive Officer


Muhammad Masood
Chief Financial Officer


Naveed Asghar Chaudhry
Director

Condensed Interim Statement of Comprehensive Income

for the quarter ended September 30, 2026 (Un-audited)

	Quarter ended	
	September 30, 2026	September 30, 2025
	(Rupees in thousand)	
Profit for the period	499,787	4,876
- Items that will not be reclassified subsequently to profit or loss	-	-
- Items that may be reclassified subsequently to profit or loss	-	-
Other comprehensive income for the period - net of tax	-	-
Total comprehensive income for the period	499,787	4,876

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


Waqar Ahmad Khan
Chief Executive Officer


Muhammad Masood
Chief Financial Officer


Naveed Asghar Chaudhry
Director

Condensed Interim Statement of Changes in Equity
for the quarter ended September 30, 2026 (Un-audited)

	Issued, subscribed and paid up capital	Capital reserve	Revenue Reserve: Un-appro- priated profit	Total
	(Rupees in thousand)			
Balance as at June 30, 2025				
Audited	8,802,532	444,451	47,851,102	57,098,085
Profit for the period	-	-	4,876	4,876
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	4,876	4,876
Balance as at September 30, 2025				
Un-audited	8,802,532	444,451	47,855,978	57,102,961
Balance as at June 30, 2026				
Audited	8,802,532	444,451	46,986,930	56,233,913
Profit for the period	-	-	499,787	499,787
Other comprehensive income for the period	-	-	-	-
Total comprehensive profit for the period	-	-	499,787	499,787
Balance as at September 30, 2026				
Un-audited	8,802,532	444,451	47,486,717	56,733,700

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


Waqar Ahmad Khan
Chief Executive Officer


Muhammad Masood
Chief Financial Officer


Naveed Asghar Chaudhry
Director

Condensed Interim Statement of Cash Flows
for the quarter ended September 30, 2026 (Un-audited)

		Quarter ended	
		September 30, 2026	September 30, 2025
Note		(Rupees in thousand)	
Cash flows from operating activities			
Cash used in operations	19	(8,031,914)	(2,095,588)
Finance cost paid		(403,045)	(1,365,533)
Income tax paid		(164,880)	(575,062)
Workers' Profit Participation Fund paid		(18,126)	-
Staff retirement benefits paid		(12,370)	(11,001)
Net cash used in operating activities		(8,630,335)	(4,047,184)
Cash flows from investing activities			
Fixed capital expenditure		(30,411)	(1,302)
Income on bank deposits received		211,976	1,306
Net decrease in long term deposits		1,039,896	1,869
Interest/ profit on long term deposit received		29,939	-
Investment made in mutual funds - net of inter fund transfers		(5,000,000)	-
Redemption of mutual funds - net of inter fund transfers		6,063,050	3,415,418
Proceeds from sale of assets classified as held for sale		-	353,497
Net cash generated from investing activities		2,314,450	3,770,788
Repayment of long term borrowings		(1,102,039)	-
Dividend paid		(741)	(10,608)
Net cash used in financing activities		(1,102,780)	(10,608)
Net decrease in cash and cash equivalents		(7,418,665)	(287,004)
Cash and cash equivalents at the beginning of the period		4,616,349	1,367,410
Cash and cash equivalents at the end of the period	20	(2,802,316)	1,080,406

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


Waqar Ahmad Khan
Chief Executive Officer


Muhammad Masood
Chief Financial Officer


Naveed Asghar Chaudhry
Director

Notes to the Condensed Interim Financial Statements

for the quarter ended September 30, 2026 (Un-audited)

1. Legal status and nature of business

Kot Addu Power Company Limited (the Company or KAPCO), was incorporated in Pakistan on April 25, 1996 as a public limited company under the Repealed Companies Ordinance, 1984 (now Companies Act, 2017). The Company was listed on April 18, 2005 on Pakistan Stock Exchange Limited. The principal activities of the Company are to own, operate and maintain a multi-fuel fired power station at Kot Addu, District Muzaffargarh, Punjab, Pakistan and to sell the electricity produced therefrom to a single customer, Pakistan Water and Power Development Authority (WAPDA) under a Power Purchase Agreement (PPA) which was initially for a period of 25 years. WAPDA irrevocably transferred all of its rights, obligations and liabilities under the PPA to Central Power Purchasing Agency Guarantee Limited (CPPA-G) (Power Purchaser) thereunder via Novation Agreement which became effective on May 21, 2021 after approval from the relevant authorities. The PPA was extended by 16 months from June 26, 2021, pursuant to the terms of Master Agreement and the Third Amendment to the PPA, which expired on October 24, 2022. On June 3, 2025 the Company signed a new Tripartite Power Purchase Agreement (TPPA) for 495 MW capacity with CPPA-G and National Grid Company of Pakistan Limited (NGC). The TPPA is effective from September 13, 2025, and has a duration of 3 years from effective date.

The Company has a plant site at Kot Addu (Muzaffargarh), a corporate office located in Lahore and registered office located in Islamabad.

A Special Purpose Vehicle was incorporated in 2014 under the name of KAPCO Energy (Private) Limited (KEPL) for establishment of a coal power project. However, the project was called off and KEPL was put into liquidation under the Easy Exit Scheme of SECP. Subsequently, the liquidation application of KEPL was withdrawn for exploring investment opportunities. However, the share capital of KEPL has not yet been subscribed by the Company, therefore, the Company has not prepared consolidated financial statements.

2. Basis of preparation

2.1 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;
- Provisions of, directives and notifications issued under the Companies Act, 2017.

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

2.2 These condensed interim financial statements are un-audited and being submitted to the members of the Company as required by Section 237 of the Companies Act, 2017:

Notes to the Condensed Interim Financial Statements

for the quarter ended September 30, 2026 (Un-audited)

These condensed interim financial statements do not include all the information required for annual financial statements including financial risk management information and therefore should be read in conjunction with the annual financial statements for the year ended June 30, 2026.

These condensed interim financial statements have been prepared under the historical cost convention except certain employee benefits which are recognized on present value and investments which are measured at fair value. The financial statements are prepared in Pak Rupees, which is the functional currency of the Company. Figures have been rounded off to the nearest thousand rupees unless otherwise specified.

2.3 Update on Tri-Partite Power Purchase Agreement & Diversification

Under the Tri-Partite Power Purchase Agreement (TPPA), the Company's 495 MW generation facility and associated switchyard operate on a hybrid Take-or-Pay basis, providing a minimum guaranteed return at 25% availability, with additional returns for incremental generation. NEPRA approved the IGCEP 2025–35 on September 11, 2026, wherein KAPCO has been retained till 2028-29 as per TPPA term.

During the reporting period, the Company generated 182,877 MWh of electricity as dispatched by the National Power Control Centre (NPCC).

During the Financial Year 2025-2026, Company diversified its business portfolio and acquired a 46.02% shareholding in ACPL, as disclosed in Note 13 to the annual financial statements. The Company's shareholding in ACPL remained unchanged during the quarter ended September 30, 2026.

3. Standards, amendments and interpretations to published accounting standards

3.1 Standards, amendments to published standards and interpretations that are effective in the current period

Certain standards, amendments and interpretations to the approved accounting standards are effective for the accounting periods beginning on or after July 1, 2026 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements.

3.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments to accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after October 1, 2026, but are under in process of assessing the impact of these standards, amendments and interpretations on the Company's interim financial statements and are, therefore, not detailed in these condensed interim financial statements. Further, these standards, interpretations and the amendments are not expected to have significant impact on the Company's condensed interim financial statements other than certain disclosures.

Notes to the Condensed Interim Financial Statements

for the quarter ended September 30, 2026 (Un-audited)

4. Material accounting policy information, estimates, judgements and financial risk management

The preparation of these condensed interim financial statements is in conformity with the approved accounting and reporting standards as applicable in Pakistan. Interim reporting requires management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on the historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

Accounting policies, judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied to the audited financial statements as at and for the year ended June 30, 2026.

The Company's financial risk management objectives and policies are consistent with those disclosed in the audited financial statements as at and for the year ended June 30, 2026.

	Note	Un-audited September 30, 2026	Audited June 30, 2026
(Rupees in thousand)			
5. Long term borrowings - secured			
Term loan facility - conventional		2,431,556	2,660,410
Murabaha facility - shariah compliant		9,728,003	10,643,683
		12,159,559	13,304,093
Less: Current portion of long term borrowings 5.1		(4,555,467)	(4,585,253)
		7,604,092	8,718,840

5.1 The current portion of long term borrowings includes accrued finance cost amounting to Rs. 178.307 million (June 30, 2026: 188.595 million).

6. Trade and other payables

Trade and other payables include an amount of Rs. 3,483 million (June 30, 2026: Rs. 3,483 million) payable to the fuel suppliers on account of late payment surcharge on credit supplies of fuel. Further, they include an amount of Rs. 67.28 million (June 30, 2026: Rs. 76.69 million) payable to CPPA-G, a related party, against the purchase of electricity. Furthermore, they include an amount of Rs. 36.58 million (June 30, 2026: Rs. 37.44 million) received in advance from Fauji Cement Company Limited, a related party, against the sale of sludge.

	Note	Un-audited September 30, 2026	Audited June 30, 2026
(Rupees in thousand)			
7. Finances under mark-up arrangements secured			
- Under conventional finances	7.1	2,287,999	6,106,598
- Under Islamic finances	7.2	2,028,464	1,805,471
	7.3	4,316,463	7,912,069

Notes to the Condensed Interim Financial Statements

for the quarter ended September 30, 2026 (Un-audited)

- 7.1 The available limit of finances under mark-up arrangements from conventional banks amounted to Rs. 7,214 million (June 30, 2026: Rs. 7,214 million), carrying mark-up rates ranging from 12.15% to 12.21% per annum. The Company also utilized ancillary facilities, including letters of credit and bank guarantees, during the period.
- 7.2 The available limit of finances under mark-up arrangements from shariah-compliant sources amounted to Rs. 2,000 million (June 30, 2026: Rs. 2,000 million). The profit rates under shariah-compliant arrangements ranged from 12.31% to 12.58% per annum on outstanding balances.
- 7.3 This includes an amount of Rs. 208.710 million (June 30, 2026: Rs.141.83 million) of markup / profit accrued on finances under mark-up arrangements.

7.4 Letters of credit and bank guarantees

Of the aggregate facility of Rs 200 million (June 30, 2026: Rs 200 million) for opening letters of credit and Rs 5,113 million (June 30, 2026: Rs 5,113 million) for guarantees, the amounts utilised as at September 30, 2026 were Nil (June 30, 2026: Rs Nil) and Rs 5,013 million (June 30, 2026: Rs 5,013 million) respectively.

- 7.5 The aggregate running finances, short term finances and letters of credit and guarantees are secured by joint pari passu and ranking charge over current assets up to a limit of Rs 22,701 million (June 30, 2026: Rs 22,701 million).

8. Contingencies and commitments

8.1 Contingencies

There has been no significant change in the status of the contingent liabilities disclosed as at June 30, 2026 except the following:

- (i) The Deputy Commissioner Inland Revenue (DCIR) amended the assessment for tax year 2017 vide order dated June 23, 2023, and created a demand of Rs. 322 million by disallowing certain expenses. Being aggrieved, the Company filed an appeal before Commissioner Inland Revenue (Appeals) CIR(A), which was partially decided in favor of the Company vide order dated December 04, 2023, whereby demand of Rs 149 million was deleted and remaining issues were remanded back to DCIR. The DCIR reinitiated the remand back proceedings and created a demand of Rs. 85 million vide order dated June 30, 2026. Being aggrieved by the assessment order, the Company filed an appeal before the CIR(A) who vide order dated September 24, 2026, annulled the demand and directed the department to re-examine and verify the underlying facts.

8.2 Commitments

- (i) Stand by letters of credit for long term borrowings are Rs. 2,636 million (June 30, 2026: Rs. 2,660 million).
- (ii) Contracts for car ijara are Rs. 7.6 million (June 30, 2026: Rs. 11.1 million).

Notes to the Condensed Interim Financial Statements
for the quarter ended September 30, 2026 (Un-audited)

		Un-audited September 30, 2026	Audited June 30, 2026
	Note	(Rupees in thousand)	
9. Property, plant and equipment			
Opening net book value (NBV)		1,846,975	1,818,304
Add: Additions during the period / year	9.1	30,411	33,093
Add: Transfer from assets held for sale		-	48
		<u>1,877,386</u>	<u>1,851,445</u>
Less: Depreciation charged during the period / year		<u>5,481</u>	<u>4,470</u>
		<u>5,481</u>	<u>4,470</u>
		<u>1,871,905</u>	<u>1,846,975</u>
9.1 Following is the detail of additions during the period / year			
Office equipment		<u>3,195</u>	<u>13,587</u>
Vehicles		<u>27,216</u>	<u>19,506</u>
		<u>30,411</u>	<u>33,093</u>
		<u>30,411</u>	<u>33,093</u>
10. Long term investment accounted for under equity method			
Balance at the beginning of the year		21,247,346	-
Investment during the year		-	20,913,942
Gain on bargain purchase		-	67,190
Share of total comprehensive income for the period / year		<u>397,424</u>	<u>266,214</u>
Closing carrying value	10.1	<u>21,644,770</u>	<u>21,247,346</u>

10.1 This represents investment in Attock Cement Pakistan Limited (ACPL) through acquisition of 63,238,327 fully paid ordinary shares of Rs. 10 each, representing 46.02% of ACPL share capital. Market value of the investment in the ordinary shares of ACPL as at September 30, 2026 was Rs. 15,606 million (June 30, 2026: Rs. 13,708 million).

The company jointly controls ACPL along with Fauji Cement Company Limited (FCCL) and ACPL's registered office is at D-70, Block-4, Kehkashan-5, Clifton, Karachi. The principal activity of ACPL is manufacturing and sale of different types of cement.

Notes to the Condensed Interim Financial Statements

for the quarter ended September 30, 2026 (Un-audited)

	Note	Un-audited September 30, 2026 (Rupees in thousand)	Audited June 30, 2026
11. Long term deposits			
Deposit under lien arrangement		13,826,913	13,621,000
Profit / interest received during the period / year		23,951	205,913
Less: deposit disbursed during the period		(1,062,705)	-
Less: current portion		(4,754,333)	(4,754,333)
		8,033,826	9,072,580
Deposit - other		862	2,004
		8,034,688	9,074,584
12. Stock-in-trade			
Furnace oil		3,886,058	4,495,066
Diesel		772,019	710,696
Coal		14,115	24,324
		4,672,192	5,230,086
13. Trade debts and other receivables			
Trade debts		7,702,448	4,603,899
Operating lease receivables	13.1	768,023	539,810
	13.2	8,470,471	5,143,709
Provision for doubtful debts		(617,677)	(617,677)
		7,852,794	4,526,032

13.1 Operating lease receivables include amounts due from CPPA-G in respect of operating lease income arising under the Tripartite Power Purchase Agreement (TPPA). These receivables represent consideration for the fixed or in-substance fixed components of the capacity payment, including fixed O&M, insurance and the fixed return on equity component, which are recognized as operating lease income over the lease term in accordance with IFRS 16.

13.2 Trade debts and other receivables represent an overdue amount of Rs. 3,636 million (June 30, 2026: Rs. 3,514 million) receivable from CPPA-G, which is a related party of the Company. Amount disputed by the Power Purchaser is Rs. 3,475 million (June 30, 2026: Rs. 3,214 million), out of which Rs 618 million (June 30, 2026: Rs. 618 million) is considered doubtful and the provision has been recorded accordingly. Out of this disputed amount Rs. 976 million (June 30, 2026: Rs. 715 million) is against the invoices raised under the new TPPA and the management believes that these disputes are timing differences only pending NEPRA indexations. Accordingly, the Company has not recorded

Notes to the Condensed Interim Financial Statements
for the quarter ended September 30, 2026 (Un-audited)

provision in respect of this amount, as there are adequate grounds to defend the claim for such invoices.

The maximum aggregate amount outstanding during the year was Rs. 7,875 million (June 30, 2026: Rs. 9,321 million). The trade debts and other receivables are Pakistani rupee denominated. These are in the normal course of business and are interest free, however, a late payment surcharge of three month Kibor plus 1 percent per annum is charged in case the amounts are not paid within due dates (30 days from invoice date) as prescribed in the TPPA i.e. default by CPPA-G in timely payment.

14. Investments at fair value	Un-audited September 30, 2026		Audited June 30, 2026	
	Cost	Carrying	Cost	Carrying
	(Rupees in thousand)			
Fair value through profit or loss				
Mutual Funds	4,177,550	4,213,969	11,082,678	11,121,861
Fixed Rate / Return Funds	6,133,461	6,143,420	-	-
Money Market Funds	10,311,011	10,357,389	11,082,678	11,121,861

14.1 This includes investments amounting to Rs. 4,214 million (June 30, 2026: Rs. 10,023 million) in Shariah-compliant Fixed Rate / Return funds.

15. Revenue	Note	Quarter ended September 30, 2026 September 30, 2025	
		(Rupees in thousand)	
Revenue from contract with customer	15.1	10,937,491	4,011,379
Operating lease rentals - capacity purchase price under TPPA	15.2	786,907	144,567
	15.3	11,724,398	4,155,946
15.1 Revenue from contract with customer			
Energy purchase price		11,928,026	4,708,679
Sales tax		(1,085,623)	(720,522)
Net energy purchase price		10,842,403	3,988,157
Cost of Working Capital Component		95,088	23,222
	15.1.1	10,937,491	4,011,379

Notes to the Condensed Interim Financial Statements

for the quarter ended September 30, 2026 (Un-audited)

Quarter ended
September 30, 2026 September 30, 2025
(Rupees in thousand)

15.1.1 The Company's net revenue disaggregated by pattern of revenue recognition is as follows:

Revenue recognised at a point in time -		
Energy Purchase Price	10,842,403	3,988,157
Revenue recognized over time -		
Cost of Working Capital Component	95,088	23,222
	<u>10,937,491</u>	<u>4,011,379</u>

15.2 Operating lease rentals - Capacity Purchase Price under TPPA

Lease income arising from operating lease is recognized in profit or loss on a systematic basis over the lease term in accordance with IFRS 16. For the purposes of the TPPA, lease income comprises the fixed or in-substance fixed components of the capacity payment that represent consideration for making the contracted capacity available, including fixed O&M, insurance and the fixed return on equity component, as applicable. Variable consideration linked to actual dispatch, fuel charges and other variable operating components is excluded from lease income and is recognized as revenue in the period in which the related generation or dispatch occurs.

15.3 These figures represent management's best estimates, determined with reference to the projected indexation factors. The key indexation factors include the fuel cost, heat rate, variable and fixed operation and maintenance (O&M) components, calorific value, and start-up costs.

Quarter ended
September 30, 2026 September 30, 2025
(Rupees in thousand)

16. Cost of sales

Fuel cost	10,990,129	5,594,574
Salaries, wages and benefits	348,029	326,594
Electricity import for self consumption	204,669	215,283
Plant maintenance	60,422	(6,577)
Plant insurance	80,684	124,907
Depreciation on property, plant and equipment	1,675	72
Reversal of provision for net realizable value (NRV) against fuel stock	-	(1,267,507)
	<u>11,685,608</u>	<u>4,987,346</u>

Notes to the Condensed Interim Financial Statements

for the quarter ended September 30, 2026 (Un-audited)

Quarter ended
September 30, 2026 September 30, 2025
(Rupees in thousand)

17. Other Income

Income from financial assets

Income from mutual funds	298,579	978,431
Income on long term deposits - conventional	73,497	-
Profit on long term deposits - shariah compliant	278,519	-
Income on bank deposits - conventional	211,976	20,695
Interest on late payment - CPPA-G	37,434	-
Exchange gain	582	968
	900,587	1,000,094

Income from non-financial assets

Gain on disposal of assets classified as held for sale	16,636	-
Scrap sales	5,231	9,801
Others	21,867	290,746
	922,454	1,290,840

18. Transactions with related parties

Relationship with the Company Percentage of shareholding Nature of transaction

i. Associated

undertakings

- CPPA-G	-	Sale of electricity	11,724,398	4,155,946
- CPPA-G	-	Purchase of electricity	211,523	222,261
- CPPA-G	-	Interest income on late payment	37,434	-
- Central Depository Company	-	Purchase of services	-	1,150
- Attock Cement Pakistan Limited	46.02%	Share of total comprehensive income for the year	397,424	-
- Fauji Cement Company Limited	-	House rent income	4,314	-
- Fauji Cement Company Limited	-	Sale of sludge	865	-

ii. Post retirement benefit plans

- KAPCO employees provident fund trust	-	Contributions paid	5,238	15,293
--	---	--------------------	-------	--------

iii. Key management personnel

(including directors)	-	Compensation	85,486	110,080
-----------------------	---	--------------	--------	---------

Sale and purchase transactions with related parties are carried out on mutually agreed terms.

As per Company policy, Company transport, education of children, club charges, medical facility, house loan subsidy, security and utilities are provided to the employees. Further, a company maintained vehicle is provided to the Chairman of the Board of Directors, and the directors are entitled for corporate club memberships.

Notes to the Condensed Interim Financial Statements

for the quarter ended September 30, 2026 (Un-audited)

	Un-audited September 30, 2026	Audited June 30, 2026
	(Rupees in thousand)	
Period end balances		
Associated Undertakings		
Receivable from related parties	7,852,794	4,526,032
Payable to related parties	67,282	76,688
Joint Investor		
Receivable from related parties	1,791	1,777
Payable to related parties	36,579	37,444

They are in the normal course of business and interest free.

	Quarter ended	
	September 30, 2026	September 30, 2025
	(Rupees in thousand)	
19. Cash used in operations		
Profit before tax	614,963	211,111
Adjustments for:		
- Depreciation on property, plant and equipment	5,481	72
- Gain on disposal of assets classified as held for sale	-	(280,945)
- Gain on sale of stores and spares	-	(4,874)
- Income from mutual funds	(298,579)	(978,431)
- Share of net profit of investment accounted for under equity method	(397,424)	-
- Exchange gain	(582)	(968)
- Income on bank deposits - conventional	(211,976)	(20,695)
- Income on long term deposits - conventional	(73,497)	-
- Profit on long term deposits - shariah compliant	(278,519)	-
- Staff retirement benefits accrued	(4,469)	1,406
- Finance cost	473,353	5,020
- Provision for Workers' Profit Participation Fund	19,575	11,350
- Provision for Workers' Welfare Fund	7,830	4,540
- Levy - minimum and final taxes	146,555	-
Loss before working capital changes	2,711	(1,052,414)
Effect on cash flow due to working capital changes:		
- Decrease / (Increase) in stores and spares - net	42,234	(5,372)
- Increase in trade debts	(3,326,762)	(5,155,212)
- Increase in contract asset	(5,000,694)	-
- Decrease in stock-in-trade	557,894	3,568,405
- (Increase) / decrease in loans, advances, deposits, prepayments and other receivables	(83,240)	441,932
- (Decrease) / increase in trade and other payables	(224,057)	97,709
	(8,034,625)	(1,052,538)
Proceed from sale of stores and spares	-	9,364
	(8,031,914)	(2,095,588)
20. Cash and cash equivalents		
Cash and bank balances	1,305,437	1,080,406
Finances under mark-up arrangements - secured	(4,107,753)	-
	(2,802,316)	1,080,406

Notes to the Condensed Interim Financial Statements

for the quarter ended September 30, 2026 (Un-audited)

21. Disclosure requirement for companies not engaged in Shariah non-permissible business activities

Securities Exchange Commission of Pakistan (SECP) vide its S.R.O. 1278(1)12024 dated August 15, 2024 has notified an amendment in the Fourth Schedule of Companies Act, 2017 requiring listed companies and their subsidiaries to disclose certain information if they are not engaged in Shariah non-permissible business activities as their core business activities. Following information is disclosed pursuant to the amendment:

	Note	September 2026	June 2026
(Rupees in thousand)			
Statement of Financial Position			
Financing obtained as per Islamic mode			
Short term financing	7	2,028,464	1,805,471
Long term financing	5	9,728,003	10,643,683
Mark-up accrued on conventional loan			
Short term financing		178,652	107,511
Long term financing		35,306	47,871
Long-term and short-term shariah-compliant Investments			
Investment in mutual funds	14.1	4,213,969	10,023,014
Long term investment accounted for under equity method	10	21,644,770	21,247,346
Long term deposits	11	10,084,188	11,126,626
Shariah-compliant bank deposits and bank balances			
Cash and bank balances - current account		41	41
	Note	September 2026	September 2025
(Rupees in thousand)			
Statement of profit or loss			
Revenue earned from a shariah-compliant business segment			
Revenue from contracts with customer - net	15	11,724,398	4,155,946
Late payments or liquidated damages	17	37,434	-
Gain or loss or dividend earned on shariah-compliant investments or share of profit from shariah-compliant associates			
Income from mutual funds		250,471	312,306
Share of total comprehensive income for the period	10	397,424	-
Profit earned from shariah-compliant bank deposits, bank balances, or TDRs			
Profit on long term deposits	17	278,519	-
Exchange gain earned from actual currency		-	-
Exchange gains earned using conventional derivative financial instruments		-	-
Profit paid on Islamic mode of financing			
Short term and long term Islamic financing		237,990	-
Total Interest earned on any conventional loan or advance			
Long term deposits	17	73,497	-
Cash and bank balances - savings account	17	211,976	20,695

Notes to the Condensed Interim Financial Statements

for the quarter ended September 30, 2026 (Un-audited)

September
2026 September
2025
(Rupees in thousand)

Source and detailed breakup of other income

Shariah non-compliant income

Gain on disposal of non - current assets held for sale	17	-	280,945
Profit on long term deposits - shariah compliant	17	278,519	-
Income from mutual funds	17	250,471	312,306
Exchange gain	17	582	968
Scrap Sales	17	16,636	-
Other Income	17	5,231	9,801

Shariah non-compliant income

Income on bank deposits - conventional	17	211,976	20,695
Income on long term deposits - conventional	17	73,497	-
Interest on late payment - CPPA-G	17	37,434	-
Income from mutual funds	17	48,108	666,125

Relationship with Shariah-compliant financial institutions with balances outstanding at year end

Name

Relationship

Banking Companies

National Bank of Pakistan's Islamic Banking Division	Bank Balance
Al Baraka Bank (Pakistan) Limited	Bank Balance
Dubai Islamic Bank Pakistan Limited	Funded Facility & Bank Balance
Meezan Bank Limited	Funded Facility & Bank Balance
Faysal Bank Limited	Bank Balance
Askari Bank Limited - Islamic Banking Division	Funded Facility & Bank Balance
Bank of Punjab - Taqwa Islamic Banking	Bank Balance

Mutual Funds

Al Meezan Investment Management Limited	Investment in Mutual Fund
NBP Fund Management Limited	Investment in Mutual Fund
MCB Investment Management Limited	Investment in Mutual Fund
ABL Asset Management Company Limited	Investment in Mutual Fund

22. Fair values of financial assets and liabilities

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 measurement date. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms. The carrying values of all financial assets and liabilities reflected in these condensed interim financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting 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).

The following is categorization of assets which are disclosed at fair value as at September 30, 2026:

	Level 1	Level 2	Level 3	Total
		(Rupees in thousand)		
Assets:				
Investments at fair value	-	10,357,389	-	10,357,389

The following is categorization of assets which are disclosed at fair value as at September 30, 2026:

	Level 1	Level 2	Level 3	Total
		(Rupees in thousand)		
Assets:				
Investments at fair value	-	11,121,861	-	11,121,861

Notes to the Condensed Interim Financial Statements

for the quarter ended September 30, 2026 (Un-audited)

23. Corresponding figures

In order to comply with the requirements of IAS 34 - 'Interim Financial Reporting', the condensed interim statement of financial position and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas the condensed interim statement of profit or loss, condensed interim statement of comprehensive income and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figure have been re-arranged, wherever necessary, for the purposes of better presentation. During the period, following major reclassifications were made:

			September 30, 2025
Reclassification from component	Note	Reclassification from component	(Rupees in thousand)
Revenue - operating lease rentals - capacity purchase price under TPPA	15	Revenue - revenue from contract with customer	23,222
Cost of sales - fuel cost	16	Cost of sales - reversal of provision for net realizable value (NRV) against fuel stock	(1,267,507)

24. Date of authorisation for issue

These condensed interim financial statements were authorised for issue on October 23, 2026 by the Board of Directors of the Company.


Waqar Ahmad Khan
Chief Executive Officer


Muhammad Masood
Chief Financial Officer


Naveed Asghar Chaudhry
Director