

Power Generation: Nishat Power Limited

Result Review: EPS arrived at PKR 2.33/share in 4QFY26

REP-300

4QFY26: EPS at PKR 2.33, dividend declared at PKR 1.00/share

Nishat Power Limited (NPL) announced its financial results for 4QFY26, wherein the EPS arrived at PKR 2.33 (-40% YoY / 19% QoQ). The 19% QoQ increase is driven by a higher gross profit, rising share of associate income, primarily reflecting improved performance in the auto segment, alongside elevated other income, supported by a stronger cash position following receivables recovery under the amended agreement.

Result Highlights

- In 4QFY26, revenue stood at PKR 5.9bn (vs. PKR 1.8bn SPLY), supported by higher plant utilization of 24.7% in Jun'26 (8.3% in Jun'25), amid RLNG supply disruptions and stronger summer demand. However, earnings remained capped by the guaranteed 35% ROE under the revised tariff structure.
- NPL declared a PKR 1.00/share dividend for 4QFY26, supported by its strong cash position despite ongoing investments.
- Share of associate income stood at PKR 913mn, primarily driven by strong contributions from the auto business is expected to contribute strongly, with Jaecoo J5 sales estimated at ~5,500 units in 4QFY26 and J7 bookings at ~1,000 units. The stronger-than-expected contribution reflects higher realized net margins, which, based on our back-testing, are justified at ~6.3%.
- Other income stood at PKR 321mn (PKR 0.68/share, post-tax) in 4QFY26, driven by surplus cash and short-term investments in PIBS and Sukuks (PKR 3.3bn as of Jun'26), and is expected to remain a key support to earnings.
- We maintain a Buy stance on NPL with a Dec'26 target price of PKR 104/share.

Exhibit: Financial Highlights

(PKR mn)	FY26	FY25	YoY	4QFY26	4QFY25	YoY	QoQ
Income statement							
Net Revenue	11,018	7,058	56%	5,871	1,842	219%	152%
Gross Profit	1,378	2,658	-48%	434	380	14%	50%
Admin and Dist. Exp.	637	544	17%	207	151	37%	29%
Other Income	1,451	1,471	-1%	321	484	-34%	35%
Share of profit	1,303	-	n.m	913	-	n.m	132%
Finance Cost	70	43	61%	39	1	49x	234%
PBT	3,039	(376)	n.m	1,102	1,588	-31%	47%
Taxation	556	371	50%	278	222	25%	380%
PAT / (LAT)	2,483	(747)	n.m	823	1,366	-40%	19%
EPS (PKR)	7.01	(2.11)		2.33	3.86		
DPS (PKR)	2.50	6.00		1.00	-		

Ratio Analysis

Gross Margins	12.5%	37.7%	7.4%	20.6%
Net Margins	22.5%	n.m	14.0%	74.2%
Effective Tax Rate	18.3%	n.m	25.3%	14.0%

Source (s): Company Financials, AHL Research

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