

**HUBC: Bottom-line projected to decline by 30% QoQ to PKR 8.94/share in 1QFY27**

The Hub Power Company Limited (HUBC) is expected to announce its 1QFY27 results shortly, with PAT projected at PKR 11.6bn, broadly flat YoY. On a QoQ basis, earnings are expected to decline, driven by a 12.1% decrease in gross profit, along with a lower effective tax rate booked in the last quarter, and lower share of associates' profit.

We expect HUBC to announce a 1QFY27 dividend of PKR 5.0/share, with payout expected to be supported by strong dividend inflows from its CPEC IPPs. In addition, there remains significant dividend distribution potential from CPHGC and TNPTL. During FY26, both companies paid approximately PKR 41bn to HPHL, of which only PKR 11.6bn has been upstreamed to HUBC. With the majority of the BYD investment now completed, we expect higher upstream dividends to support future shareholder payouts.

In addition, NEL's utilization is expected to improve to 16% in 1QFY27, compared with 4% in 1QFY26, while CPHGC is also projected to operate at a slightly higher utilization of ~34% versus historical levels, due to RLNG supply disruptions and summer demand. Meanwhile, TEL and TNPTL are expected to maintain robust utilization of 90% and 89%, respectively, while LEL is likely to witness a significant increase to 18%, (10% in the same period last year).

BYD's USD 150mn (PKR 42bn) CKD assembly plant in Ghara is in its final stages, with equipment installation and commissioning underway. HUBC's 50% stake implies an equity commitment of ~USD 30mn (PKR 8.5bn), of which PKR 6.6bn had been invested as of Jun'26. The 25,000-unit annual capacity plant is expected to commence operations in 4QCY26, with CKD launches planned across multiple vehicle segments.

**Exhibit: Financial Highlights (Consolidated)**

| (PKR mn)                       | 1QFY27e      | 1QFY26       | YoY        | 4QFY26       | QoQ         |
|--------------------------------|--------------|--------------|------------|--------------|-------------|
| Net Sales                      | 21,466       | 17,397       | 23%        | 20,551       | 4%          |
| Cost of sales                  | 14,363       | 9,811        | 46%        | 12,475       | 15%         |
| <b>Gross profit</b>            | <b>7,103</b> | <b>7,586</b> | <b>-6%</b> | <b>8,076</b> | <b>-12%</b> |
| Admin Exp.                     | 290          | 623          | -53%       | 149          | 94%         |
| Other Income                   | 220          | 1,319        | -83%       | 758          | -71%        |
| Finance Cost                   | 2,086        | 2,501        | -17%       | 2,271        | -8%         |
| Share of Profit                | 11,099       | 10,794       | 3%         | 13,007       | -15%        |
| Taxation                       | 2,650        | 3,177        | -17%       | 268          | 889%        |
| Profit for the year            | 13,396       | 13,279       | 1%         | 18,507       | -28%        |
| Profit to company shareholders | 11,591       | 11,628       | 0%         | 16,567       | -30%        |
| <b>EPS</b>                     | <b>8.94</b>  | <b>8.96</b>  |            | <b>12.77</b> |             |
| <b>DPS</b>                     | <b>5.00</b>  | <b>5.00</b>  |            | <b>5.00</b>  |             |

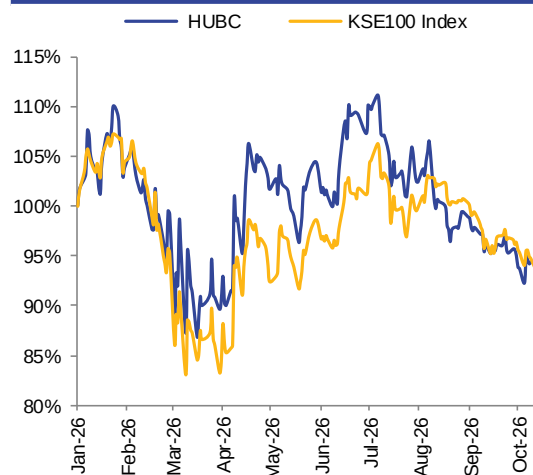
Source (s): Company Financials, AHL Research

**HUBC**

Last Closing 193.24

PSX Code HUBC

Bloomberg Code HUBC PA

**Relative Performance**

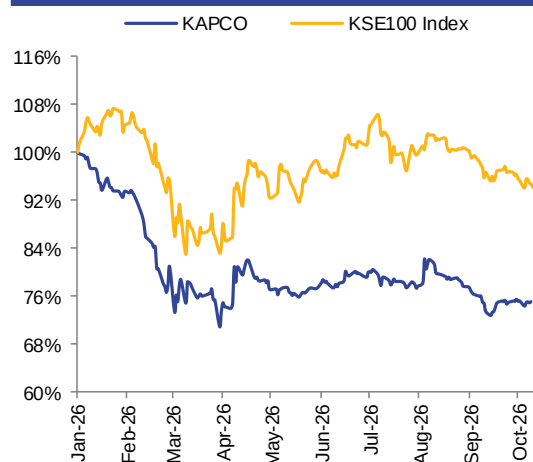
Source (s): PSX, AHL Research

**KAPCO**

Last Closing 26.48

PSX Code KAPCO

Bloomberg Code KAPCO PA

**Relative Performance**

Source (s): PSX, AHL Research

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**KAPCO: Bottom-line projected to arrive at PKR 1.12/share in 1QFY27**

Kot Addu Power Company (KAPCO) is set to announce its 1QFY27 results, with expected PAT of PKR 986mn (EPS: PKR 1.12), marking a strong 197x YoY increase.

Earnings are to be primarily supported by declining but still robust other income, driven by returns from short term investments, while gross profit is projected at PKR 450mn following the renewal of its PPA. KAPCO's SY plant is expected to operate at ~15.0% utilization in Sep'26. The 500MW plant now operates under a hybrid take-and-pay model, ensuring fixed cost recovery and a minimum 25% ROE, with additional upside from incremental generation.

Moreover, 1QFY27 will mark the second quarter to reflect the earnings contribution from ACPL. KAPCO acquired 63.2mn shares of ACPL for a total consideration of PKR 20.9bn, including the public tender offer. The acquisition was financed through a USD 47.5mn (PKR 13.3bn) debt facility, with the remaining amount funded from internal resources. We estimate share of profit from ACPL at PKR 292mn (PKR 0.33/share) for 1QFY27.

Additionally, we expect the company to announce no dividend for the quarter.

| Exhibit: Financial Highlights                |             |              |              |              |            |
|----------------------------------------------|-------------|--------------|--------------|--------------|------------|
| (PKR mn)                                     | 1QFY27e     | 1QFY26       | YoY          | 4QFY26       | QoQ        |
| Net Sales                                    | 8,642       | 4,156        | 108%         | 9,084        | -5%        |
| Cost of sales                                | 8,192       | 4,987        | 64%          | 8,727        | -6%        |
| <b>Gross profit / (loss)</b>                 | <b>450</b>  | <b>(831)</b> | <b>-154%</b> | <b>357</b>   | <b>26%</b> |
| Admin Exp.                                   | 223         | 221          | 1%           | 166          | 35%        |
| Other Income                                 | 1,207       | 1,291        | -7%          | 1,212        | 0%         |
| Finance Cost                                 | 483         | 5            | 97x          | 336          | 44%        |
| Share of Profit / (loss) from ACPL           | 292         | 0            | n.m          | 355          | -18%       |
| <b>Profit for the period</b>                 | <b>986</b>  | <b>5</b>     | <b>197X</b>  | <b>1,011</b> | <b>-3%</b> |
| <b>EPS</b>                                   | <b>1.12</b> | <b>0.01</b>  |              | <b>1.15</b>  |            |
| <b>DPS</b>                                   | <b>-</b>    | <b>-</b>     |              | <b>1.50</b>  |            |
| Source (s): Company Financials, AHL Research |             |              |              |              |            |

**NPL: Bottom-line to arrive at PKR 2.51/share in 1QFY27**

Nishat Power Limited (NPL) is expected to post 1QFY27 PAT of PKR 887mn (EPS: PKR 2.51), with plant utilization projected at 37.8% in Sep'26 versus 7.4% in Sep'25, supported by higher summer demand and RLNG supply disruptions. This would allow NPL to marginally exceed the guaranteed 35% ROE under the revised tariff structure. Gross profit is estimated at PKR 532mn, while lower cash reserves (PKR 3.3bn as of Jun'26) following investments are expected to limit post-tax other income to PKR 0.23/share. Share of associate income is projected at PKR 851mn, including PKR 607mn from the auto business and PKR 244mn from RMPL. The auto sector continues to demonstrate strong performance, with management reporting that 15,000 JAECCO units had been manufactured and delivered as of October 8, 2026. With a network of 20 dealerships across 14 cities, we estimate quarterly sales of 4,750 units, comprising 2,000 J7 PHEVs and 2,500 J5 Hybrids.

**Exhibit: Financial Highlights**

| (PKR mn)                                | 1QFY27e     | 1QFY26      | YoY        | 4QFY26      | QoQ        |
|-----------------------------------------|-------------|-------------|------------|-------------|------------|
| Net Sales                               | 8,866       | 1,672       | 430%       | 5,871       | 51%        |
| Cost of sales                           | 8,334       | 1,282       | 550%       | 5,437       | 53%        |
| <b>Gross profit</b>                     | <b>532</b>  | <b>391</b>  | <b>36%</b> | <b>434</b>  | <b>22%</b> |
| Admin Exp.                              | 135         | 129         | 5%         | 207         | -35%       |
| Other Income                            | 108         | 436         | -75%       | 321         | -66%       |
| Finance Cost                            | 146         | 7           | 21x        | 39          | 278%       |
| Share of profit from associated company | 851         | 0           | n.m        | 913         | -7%        |
| PAT / (LAT)                             | 887         | 584         | 52%        | 823         | 8%         |
| <b>EPS / (LPS)</b>                      | <b>2.51</b> | <b>1.65</b> |            | <b>2.33</b> |            |
| <b>DPS</b>                              | <b>-</b>    | <b>-</b>    |            | <b>1.00</b> |            |

Source (s): Company Financials, AHL Research

**NCPL: Bottom-line to arrive at PKR 2.10/share in 1QFY27**

Nishat Chunian Power Limited (NCPL) is expected to post 1QFY27 PAT of PKR 773mn (EPS: PKR 2.10), with plant utilization projected to improve to 29.4% in Sep'26 from 4.1% in Sep'25, supported by higher summer demand and RLNG supply disruptions. Gross profit is estimated at PKR 409mn, while lower cash reserves following investments, with cash of PKR 1.6bn as of Jun'26, are expected to constrain post-tax other income to PKR 0.09/share. Share of associate income is projected at PKR 737mn, primarily comprising PKR 607mn from the auto business and PKR 130mn from RMPL. The auto sector continues to demonstrate strong performance, with management reporting that 15,000 JAECCO units had been manufactured and delivered as of October 8, 2026. With a network of 20 dealerships across 14 cities, we estimate quarterly sales of 4,750 units, comprising 2,000 J7 PHEVs and 2,500 J5 Hybrids.

**Exhibit: Financial Highlights**

| (PKR mn)                                | 1QFY27e     | 1QFY26      | YoY        | 4QFY26      | QoQ        |
|-----------------------------------------|-------------|-------------|------------|-------------|------------|
| Net Sales                               | 6,852       | 1,367       | 401%       | 4,945       | 39%        |
| Cost of sales                           | 6,443       | 931         | 592%       | 4,495       | 43%        |
| <b>Gross profit</b>                     | <b>409</b>  | <b>436</b>  | <b>-6%</b> | <b>450</b>  | <b>-9%</b> |
| Admin Exp.                              | 78          | 99          | -21%       | 159         | -51%       |
| Other Income                            | 46          | 291         | -84%       | 193         | -76%       |
| Finance Cost                            | 96          | 2           | 48x        | 17          | 462%       |
| Share of profit from associated company | 737         | 0           | n.m        | 913         | -19%       |
| PAT / (LAT)                             | 773         | 552         | 40%        | 900         | -14%       |
| <b>EPS / (LPS)</b>                      | <b>2.10</b> | <b>1.50</b> |            | <b>2.45</b> |            |
| <b>DPS</b>                              | <b>-</b>    | <b>-</b>    |            | <b>1.00</b> |            |

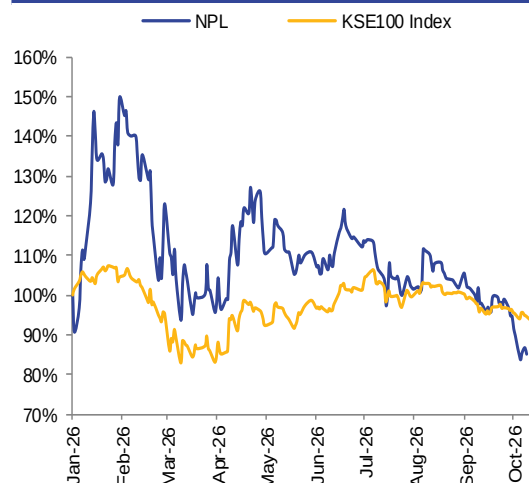
Source (s): Company Financials, AHL Research

**NPL**

Last Closing 52.43

PSX Code NPL

Bloomberg Code NPL PA

**Relative Performance**

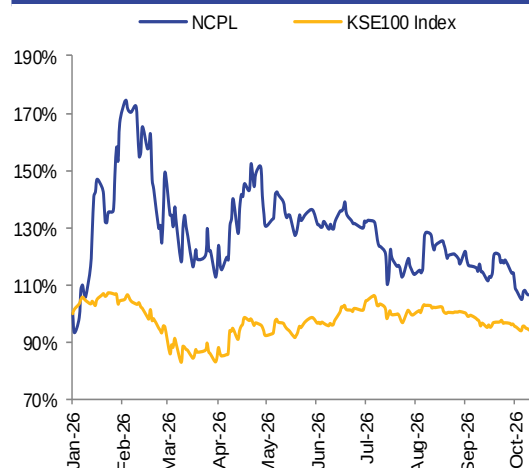
Source (s): PSX, AHL Research

**NCPL**

Last Closing 49.08

PSX Code NCPL

Bloomberg Code NCPL PA

**Relative Performance**

Source (s): PSX, AHL Research

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Arif Habib Limited (AHL) uses three rating categories, depending upon return form current market price, with Target period as Dec 2026 for Target Price. In addition, return excludes all type of taxes. For more details, kindly refer the following table;

| Rating | Description                                                                                   |
|--------|-----------------------------------------------------------------------------------------------|
| BUY    | Upside* of subject security(ies) is more than +10% from last closing of market price(s)       |
| HOLD   | Upside* of subject security(ies) is between -5% and +10% from last closing of market price(s) |
| SELL   | Upside* of subject security(ies) is less than -5% from last closing of market price(s)        |

### Equity Valuation Methodology

AHL Research uses the following valuation technique(s) to arrive at the period end target prices;

- Discounted Cash Flow (DCF)
- Dividend Discount Model (DDM)
- Sum of the Parts (SoTP)
- Justified Price to Book (JPTB)
- Reserved Base Valuation (RBV)

### Risks

The following risks may potentially impact our valuations of subject security (ies);

- Market risk
- Interest Rate Risk
- Exchange Rate (Currency) Risk

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