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NPL — FY26 Analyst Briefing takeaways

AKD Securities Limited

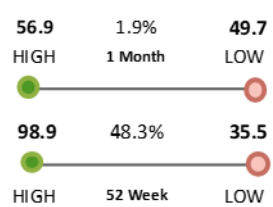
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Nishat Power Ltd (NPL) held its analyst briefing earlier today to brief investors about the FY26 financial results and future outlook:

- NPL posted a profit of PkR2.5bn (EPS: PkR7.0) vs. a loss of PkR0.8bn in FY25, mainly due to the absence of the one-off PkR3.9bn CPPA-G adjustment and a PkR1.3bn share of profit from NexGen, while operating profit fell 49%YoY on lower delayed-payment income despite a 123%YoY rise in dispatch (193GWh; CF 11.3% vs. 5.1%).
- Company also paid out DPS of PkR2.5/sh during the year (vs. PkR6.0/sh in FY25).
- Nishat Power Ltd (NPL) operates a 200MW RFO-fired power plant in Pattoki, with PPA valid until 2035. Company transitioned to hybrid take-and-pay tariff in FY25.
- During FY26, NPL deployed PkR13.0bn for a 14.4% equity stake in Rafhan Maize Products and PkR2.0bn for a 33.3% associate stake in EV/NEV assembler NexGen Auto (Omoda & Jaecoo). Company also prequalified in Aug'26 via Pakgen-led consortium for FESCO's privatization.
- NexGen Autos expanded its product lineup by introducing iCUAR (BEV & REEV), with MoU signed to launch Luxeed (Chery) in Pakistan.
- During 2HFY26, NexGen Auto revenue stood at PkR68.7bn and its NPAT at PkR4.0bn, resulting in a PkR1.3bn share of profit for NPL in FY26.
- Power sector losses reduced in FY25 to 24.2% (down from 26.8% in FY24), driven by a reduction in recovery losses to 4.1% (vs. 6.1% in FY24) alongside lower distribution losses of 17.6% (vs. 18.3% in FY24).
- Management remained confident in NPL's ability to compete with RFO-based generation effectively once CTBCM market rules are finalized.
- Imposition of the carbon and petroleum levy drove a surge in RFO prices, weakening NPL's position in the merit order and restricting plant dispatch.
- Management expects plant factor to reach 15% in FY27 (up from 11.3% in FY26, with 10–12% already achieved as of Nov'26) due to tighter RLNG availability and anticipated winter dispatch demand.
- Management stated that future dividend declaration will be based on financial position, cash availability, and capex requirements.
- We have a 'BUY' stance on NPL with a Dec'26 target price of PkR86/sh.

53.0	354.1
Price (PkR/sh)	Shares (mn)
18,756.1	67.8
Market Capitalization (PkRmn)	Market Capitalization (USDmn)
2.187	126.7
3M Avg Turnover (mn)	3M Avg DT Value(PkRmn)

Price Performance



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