

# **Pakistan Equity | Power | Company Report**



Nishat Power Limited | Nishat Chunian Power Limited

Power to Mobility: The Re-Rating Story of NPL & NCPL

21 Apr 2026



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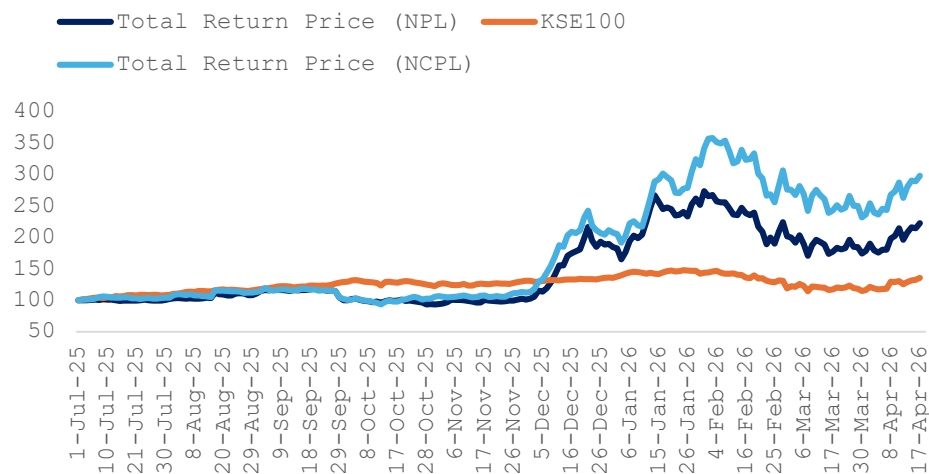
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# NPL, NCPL TP PKR 117, 111/share; Upside of 47%, 55%

| Symbol           | NPL      | NCPL     |
|------------------|----------|----------|
| Recommendation   | BUY      | BUY      |
| Current Price    | 79.6     | 71.4     |
| Target Price     | 117.0    | 110.6    |
| Potential Upside | 47.0%    | 55.0%    |
| Market Cap       | 28,181.9 | 26,213.9 |
| Shares           | 354.1    | 367.3    |
| Free Float       | 48.9%    | 55.0%    |

Source: Company Accounts, Growth Securities

## NPL/NCPL vs KSE-100



Source: PSX, Growth Securities

- We initiate coverage on Nishat Power Limited (NPL) and Nishat Chunian Power Limited (NCPL) with a BUY rating and Dec'26 target prices of PKR 117.0/share and PKR 110.6/share, offering upsides of 47.0% and 55.0% from last closing prices of PKR 79.6/share and PKR 71.4/share, respectively.
- We expect NPL EPS to rebound from a loss of PKR (2.11) in FY25A to PKR 10.0 in FY26E and PKR 12.2 in FY27F. NCPL follows the same arc: PKR (9.32) in FY25A to PKR 9.8 in FY26E and PKR 12.3 in FY27F. In both, the auto JV (33.33% stake each) contributes roughly half of forecast EPS from FY26E onwards.
- Our investment case for the company rests on the following factors:
  - **1) Auto re-rating has started but is not fully priced in.** NexGen Autos commenced commercial operations in November 2025 and has already launched four vehicles: the Jaecoo J7, J5, J6 and the Omoda E5, with the J5 and J7 being assembled locally as CKD units. NPL and NCPL share prices have roughly doubled since launch as the market has begun to recognise this shift, but we see further upside. We project NPL's attributable auto EPS at PKR 5.41 in FY26E (PKR 7.03 in FY27F) and NCPL's at PKR 5.22 (PKR 6.77 in FY27F) — collectively accounting for over half of FY26E consolidated EPS at both names.
  - **2) Residual power business remains cash-generative.** Even with utilization down to 5.1% (NPL) and 3.3% (NCPL) post-PPA settlement, the plants generate FY26E operating profits of PKR 1.1bn and PKR 1.3bn respectively, supported by stable fixed O&M and retained fuel-efficiency economics.
  - **3) Investment income cushion.** PPA settlement proceeds have left both companies with sizeable cash and short-term investment portfolios. We estimate FY26E non-operating income of PKR 1.54bn at NPL and PKR 900mn at NCPL, which covers admin and finance costs with material buffer and supports a non-zero base EPS even before the auto contribution.

# NPL, NCPL TP PKR 117, 111/share; Upside of 47%, 55%

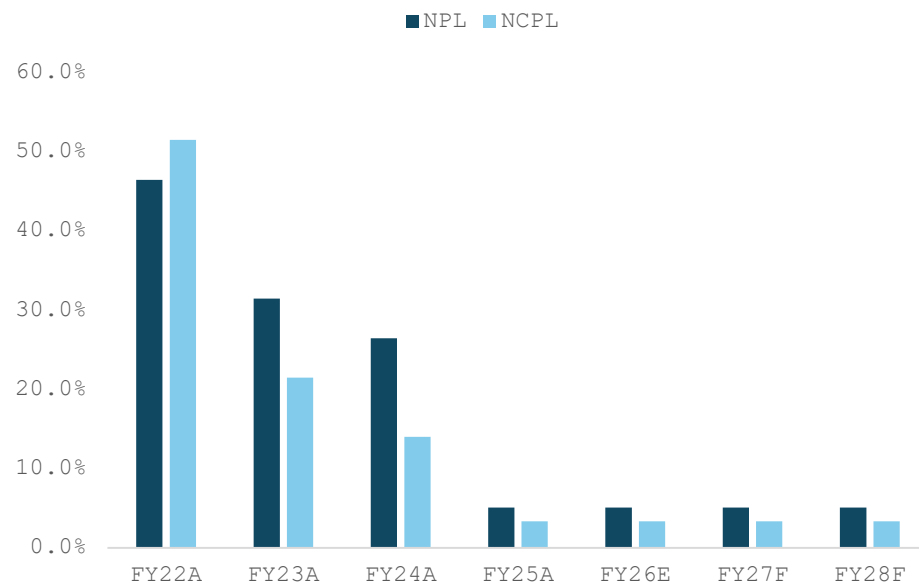
| Key Ratios (NPL)  |       |        |       |       |       |
|-------------------|-------|--------|-------|-------|-------|
|                   | FY24A | FY25A  | FY26E | FY27F | FY28F |
| EPS               | 15.2  | -2.1   | 10.0  | 12.2  | 13.9  |
| EPS YoY           | 31.8% | NA     | NA    | 22.1% | 13.9% |
| P/E               | 1.9x  | NA     | 8.0x  | 6.5x  | 5.7x  |
| P/B               | 0.3x  | 0.5x   | 0.9x  | 0.9x  | 0.8x  |
| Dividend Yield    | 32.6% | 16.8%  | 5.0%  | 6.1%  | 8.7%  |
| Gross Margin      | 22.8% | 37.7%  | 23.9% | 24.5% | 24.5% |
| EBITDA Margin     | 24.2% | 39.6%  | 25.9% | 26.2% | 26.2% |
| Net Profit Margin | 23.9% | -10.6% | 52.7% | 62.0% | 68.5% |
| ROE               | 17.2% | NA     | 12.2% | 13.8% | 14.5% |
| ROA               | 15.6% | NA     | 10.9% | 11.8% | 12.6% |

| Key Ratios (NCPL) |       |        |       |       |       |
|-------------------|-------|--------|-------|-------|-------|
|                   | FY24A | FY25A  | FY26E | FY27F | FY28F |
| EPS               | 13.4  | -9.3   | 9.8   | 12.3  | 13.9  |
| EPS YoY           | 24.3% | NA     | NA    | 24.8% | 12.9% |
| P/E               | 1.9x  | NA     | 7.3x  | 5.8x  | 5.2x  |
| P/B               | 0.3x  | 0.4x   | 1.0x  | 0.9x  | 0.8x  |
| Dividend Yield    | 0.0%  | 25.5%  | 3.4%  | 4.3%  | 7.8%  |
| Gross Margin      | 32.1% | 38.7%  | 30.3% | 32.7% | 32.8% |
| EBITDA Margin     | 35.7% | 43.8%  | 35.6% | 37.4% | 37.4% |
| Net Profit Margin | 32.3% | -61.5% | 65.4% | 75.5% | 82.6% |
| ROE               | 18.4% | NA     | 14.7% | 16.3% | 16.5% |
| ROA               | 16.4% | NA     | 13.7% | 15.0% | 15.4% |

- **4) Chery partnership is a structural advantage.** Chery Automobile is China's top passenger-car exporting brand for 22 consecutive years (~1.14mn export units in 2024, 2.6mn total global sales) and one of the few Chinese OEMs with genuine global brand-building traction. Unlike many Pakistani auto JVs built around niche or second-tier Chinese brands, NexGen's Jaecoo and Omoda brands benefit from Chery's global R&D scale, existing UN WP.29 compliance, and a product pipeline spanning HEV, PHEV and BEV powertrains — positioning the JV for Pakistan's post-AIDEP regulatory shift towards electrification.
- **6) Valuation asymmetry.** At PKR 79.6 (NPL) and PKR 71.4 (NCPL), both names trade at ~6x FY27F earnings — a ~40% discount to the Pakistani auto peer average of ~10.4x — which in our view prices in a low probability of NexGen delivering, inconsistent with the launch momentum already visible.
- **7) Key Risks:** Delay in Jaecoo J5 / J7 production ramp, CKD cost inflation driven by PKR depreciation versus CNY and USD, substitution risk from competing Chinese SUV launches, residual liabilities at the power plants, and changes to Pakistan's upcoming Auto Industry Development & Export Policy (AIDEP) 2026–2031, which may adjust duty structures for CKD imports.

# The Power Business: A Wind-Down, Not a Write-Off

Capacity Utilization



Source: Company Accounts, Growth Securities

## Origin: The 2002 Power Policy and the RFO IPP Boom

Both NPL and NCPL were established under Pakistan's 2002 Power Policy, which invited private thermal-generation investment with dollar-indexed capacity payments, guaranteed offtake under 25-year PPAs with CPPA-G, and a ROE of ~15% in USD terms. Both commissioned their 195MW RFO plants in mid-2010 at a capital cost of approximately USD 203mn each (financed 75:25 debt-to-equity). The model functioned effectively as a regulated utility: predictable dollar-linked ROE, minimal commodity exposure, with most cumulative free cash returned as dividends or accumulated in short-term investments.

## The 2024 Inflection: Task Force on IPPs and PPA Settlements

With circular debt exceeding PKR 2.6trn by 2024 and IMF conditionalities tightening, the Government constituted the Task Force on IPPs in August 2024 to renegotiate, terminate, or convert existing PPAs. Across FY25, multiple IPPs entered settlement agreements involving PPA termination, a discounted one-time settlement payment, and conversion to a hybrid take-or-pay arrangement.

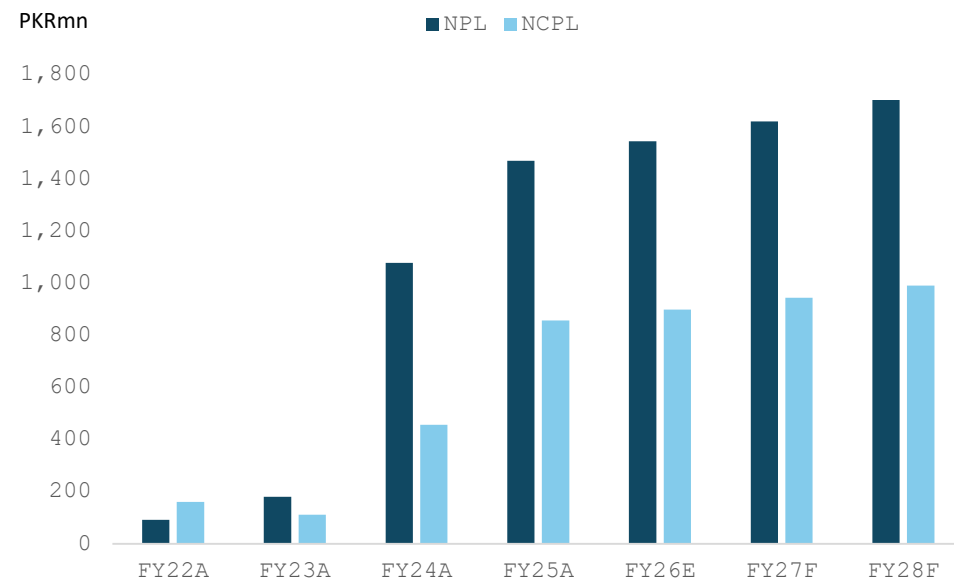
The FY25 impact is stark: NPL's utilization fell from 26.4% to 5.1%, NCPL's from 14.0% to 3.3%. Revenue collapsed from PKR 22.5bn to PKR 7.1bn at NPL, and PKR 15.2bn to PKR 5.6bn at NCPL. One-time charges of PKR 4.86bn (NPL) and PKR 5.72bn (NCPL) reflecting settlement-related adjustments with power purchasers drove reported FY25A PAT to PKR (746mn) and PKR (3,423mn) respectively, versus prior-year profits of PKR 5.4bn and PKR 4.9bn.

## What the Plants Look Like Now

Post-settlement, both plants are maintained on a limited-dispatch basis against residual capacity arrangements. We model sustained 5.1% utilization at NPL (86,664 MWh p.a.) and 3.3% at NCPL (57,209 MWh p.a.), flat across our forecast horizon. Even at these reduced throughput levels, the plants remain gross-margin positive: NPL FY26E gross margin is 23.9% and NCPL's is 30.3%. FY26E operating profit stabilises at PKR 1.09bn for NPL and PKR 1.32bn for NCPL — modest numbers, but a meaningful cash floor rather than zero.

# The Power Business: A Wind-Down, Not a Write-Off

## Other Income



Source: Company Accounts, Growth Securities

## The Investment Income Tailwind

An often-overlooked feature is the substantial investment income on accumulated cash and short-term investment balances. NPL ended FY25 with approximately PKR 18.2bn in cash and short-term investments, and NCPL with approximately PKR 11.9bn. As settlement proceeds flow through and NexGen JV capex is phased, these portfolios will remain sizeable. At current T-Bill and short-term deposit rates of 10–12%, Other Income is modelled at PKR 1,545mn for NPL and PKR 900mn for NCPL in FY26E — an annuity-like stream that covers admin and finance charges with buffer.

# The Auto Business: NexGen Auto and the Chery Portfolio



## Structure of the Venture

NexGen Auto (Private) Limited was incorporated in Pakistan in August 2024, with NPL and NCPL each holding a 33.33% equity interest. The company holds distribution and local assembly rights for Chery Automobile's Jaecoo and Omoda brands under a technology and brand licensing agreement. Chery is China's top-exporting passenger car brand for 21 consecutive years, with 1.14mn export units and 2.6mn total global sales in 2024.

NexGen commenced commercial operations in November 2025, initially assembling vehicles through toll manufacturing arrangements with Hyundai Nishat while establishing a dedicated CKD assembly facility with a capacity of 32,000 units on a double shift basis. Jaecoo, launched globally by Chery in 2023, is positioned as a premium off-road and SUV sub-brand; Omoda is Chery's compact urban/EV-focused sub-brand. Both brands operate in over 90 countries.

## Product Portfolio

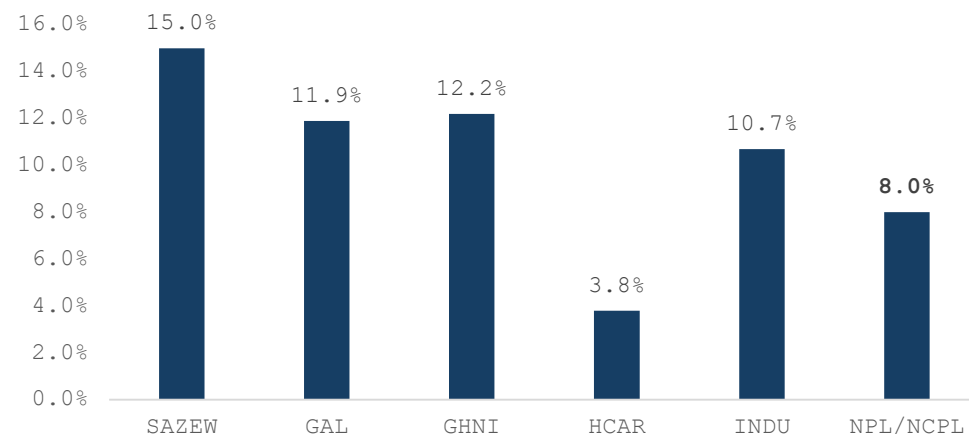
Four vehicles have already been launched in Pakistan since November 2025:

1. **Jaecoo J7 SHS PHEV:** mid-size plug-in hybrid SUV; locally assembled (CKD); ex-factory price PKR 10.5mn; positioned against the Haval H6, MG HS and Hyundai Tucson.
2. **Jaecoo J5 SHS HEV:** compact hybrid SUV; locally assembled (CKD); two variants; comfort and premium, ex-factory price PKR 6.7mn for comfort and PKR 7.7mn for premium; positioned against the MG ZS, Changan Oshan X7 and Kia Sportage Alpha.
3. **Jaecoo J6:** fully electric SUV offered as a CBU import, three variants; comfort, luxury and premium, priced at PKR 8.7mn, PKR 9.8mn and PKR 10.7mn, broadening the range into the premium EV off-road segment.
4. **Omoda E5:** Chery's battery-electric crossover, imported as CBU and targeting the emerging premium-EV segment in Pakistan. Only one variant priced at PKR 8.9mn.

The J5 and J7 are the volume and margin drivers in our model, with the J6 and Omoda E5 providing portfolio breadth and brand-building rather than near-term earnings scale.

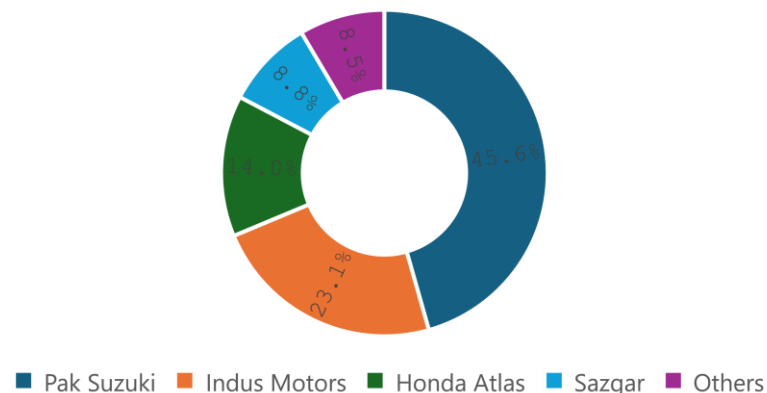
# The Auto Business: NexGen Auto and the Chery Portfolio

## Net Profit Margin



Source: Company Accounts, Growth Securities

## Market Share (Passenger cars & SUVs)



Source: PAMA, Growth Securities

## Volume and Revenue Build

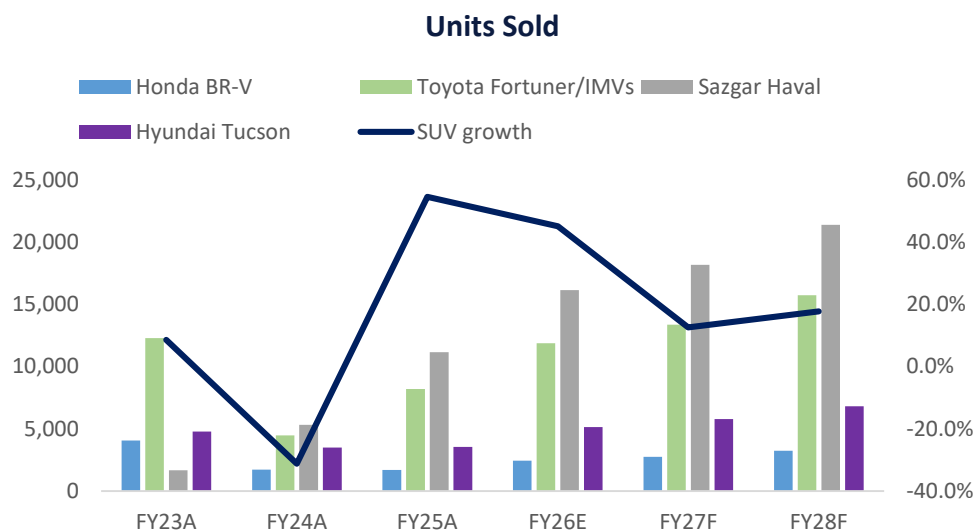
We assume NexGen delivers 10,267 units in FY26E (its first full year), rising to 12,687 in FY27F, split approximately 40:60 between J7 and J5 (the two CKD models), with a minor share of J6 and E5. We assume realised prices grow by ~5% per annum, absorbing domestic inflation and partial imported-kit cost pass through. At the NexGen level, net revenue (post sales tax and dealer margin) is modelled at PKR 72bn in FY26E and PKR 93bn in FY27F.

We apply a conservative 8% net margin assumption across our forecast horizon. This is deliberately below the margins achieved by established Pakistani assemblers: Sazgar Engineering reported net margins of 15.0% in FY24–FY25, while Indus Motor posted 10.7% over the same period. Our lower assumption reflects NexGen's early-stage CKD economics, with upside potential as localisation deepens and scale builds.

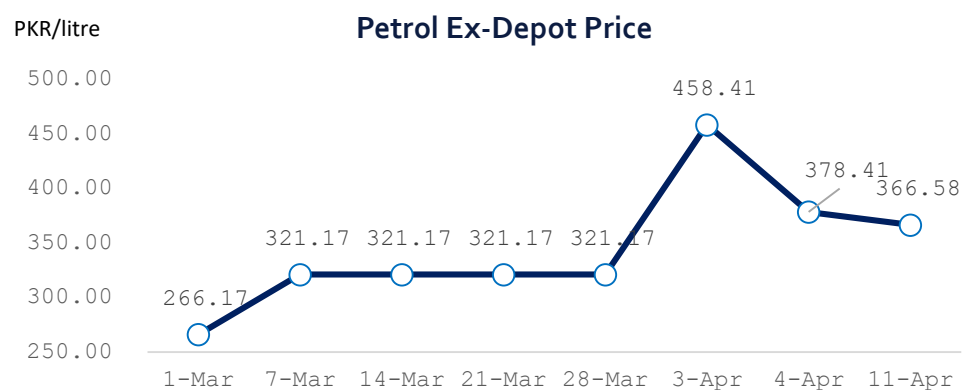
## Competitive Landscape

Nexgen enters a Pakistani auto market that is transitioning rapidly from Japanese-dominated passenger cars to Chinese-branded SUVs. Sazgar's partnership with Great Wall Motors (Haval, Tank) has demonstrated the playbook: credible Chinese OEM brand, aggressive pricing against legacy Japanese models and modern feature sets. MG (JW-SAIC joint venture), Lucky Motors' Kia and new GAC partnership, Master Motors' Changan, and Hyundai Nishat's Tucson together define the competitive set. We view Jaecoo's global-OEM parentage, premium positioning and the Nishat group distribution network as strong differentiators, though brand loyalty in Chinese SUVs is still forming in Pakistan and share shifts can be rapid.

# The Auto Business: NexGen Auto and the Chery Portfolio



Source: PAMA, Company Accounts, Growth Securities



Source: OGRA, Growth Securities

## Policy Environment

The current AIDEP 2021–2026 expires on 30 June 2026. The successor auto policy, expected to be unveiled on July 1, 2026, centers on higher localisation — the government plans to mandate more local content, provide five years of protection for domestically manufactured parts, and introduce special incentives for EV parts manufacturing. Tax and duty changes aimed at making vehicles more affordable for the middle class are also under consideration. Notably, auto parts manufacturers have flagged that new entrants are importing localised parts at 25% duty while CKD kits attract only 15% customs duty — the new policy is expected to address this gap. NexGen is well-positioned: its entire lineup is electrified (J5 HEV, J7 PHEV, J6 and Omoda E5 BEVs), giving it a structural tax and duty advantage over ICE competitors and alignment with the government's EV-forward policy direction.

## Fuel Price Tailwind

Rising fuel prices add a further demand catalyst. Petrol surged from PKR 266/litre in early March 2026 to a peak of PKR 458/litre by 3 April (+72%), before easing to PKR 367/litre; diesel spiked from PKR 281 to PKR 520 (+85%). The surge, driven by US-Iran tensions and Strait of Hormuz disruption risks, underscores Pakistan's vulnerability as a major crude importer. This structural exposure strengthens the case for electrified vehicles — NexGen's all-HEV/PHEV/BEV lineup offers materially lower per-km running costs than internal combustion engine SUVs, a gap that widens with every fuel price hike.

# Impact of the Auto Business on Earnings

The NexGen Autos contribution transforms NPL and NCPL from terminal-value IPP plays into diversified industrial stories. We accrete each company's 33.33% share of NexGen's net profit through the 'Share of Associate Income' line, adopting equity method accounting for what is structurally an associate company.

| EPS decomposition                           |       |       |       |       |       |       |
|---------------------------------------------|-------|-------|-------|-------|-------|-------|
| NPL                                         | FY26E | FY27F | FY28F | FY29F | FY30F | FY31F |
| Core Power + Other Income EPS               | 4.59  | 5.19  | 5.53  | 5.88  | 6.24  | 6.61  |
| NexGen Autos EPS Contribution               | 5.41  | 7.03  | 8.38  | 9.66  | 10.73 | 11.79 |
| Total EPS                                   | 10.00 | 12.21 | 13.91 | 15.54 | 16.97 | 18.40 |
| Auto as % of Total Eps                      | 54%   | 58%   | 60%   | 62%   | 63%   | 64%   |
| DPS                                         | 6.0   | 7.3   | 8.3   | 9.3   | 10.2  | 11.0  |
| Source: Company Accounts, Growth Securities |       |       |       |       |       |       |

| EPS decomposition                           |       |       |       |       |       |       |
|---------------------------------------------|-------|-------|-------|-------|-------|-------|
| NCPL                                        | FY26E | FY27F | FY28F | FY29F | FY30F | FY31F |
| Core Power + Other Income EPS               | 4.62  | 5.50  | 5.78  | 6.04  | 6.31  | 6.58  |
| NexGen Autos EPS Contribution               | 5.22  | 6.77  | 8.08  | 9.31  | 10.34 | 11.37 |
| Total EPS                                   | 9.84  | 12.28 | 13.85 | 15.35 | 16.65 | 17.95 |
| Auto as % of Total Eps                      | 53%   | 55%   | 58%   | 61%   | 62%   | 63%   |
| DPS                                         | 0.0   | 0.0   | 6.9   | 7.6   | 8.3   | 8.9   |
| Source: Company Accounts, Growth Securities |       |       |       |       |       |       |

## Interpretation

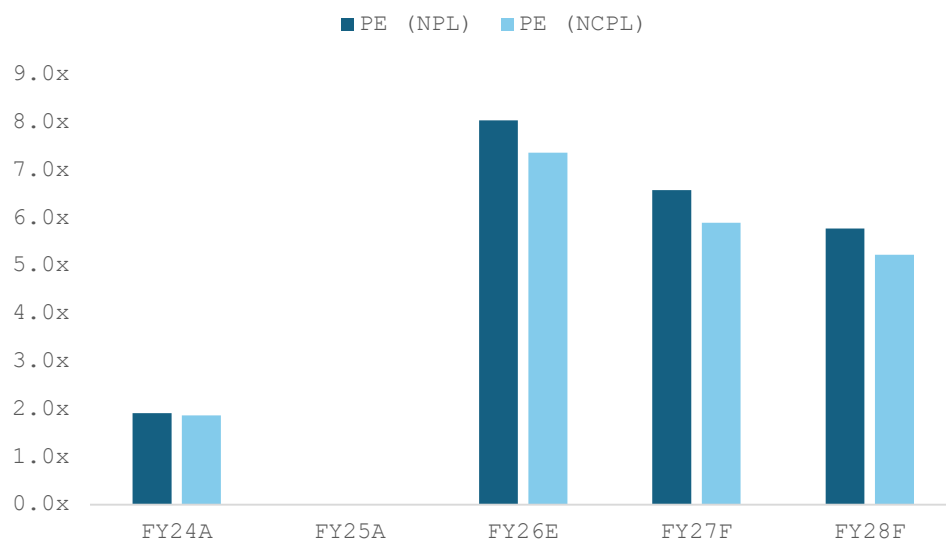
Two observations emerge. First, from FY26E onwards the auto contribution exceeds the core power-plus-investment-income contribution in every forecast year. Second, both companies' earnings trajectories look materially better than a pure IPP in run-off.

A useful sensitivity: a 20% shortfall in NexGen volumes would reduce NPL FY26E EPS to around PKR 8.9 and NCPL to PKR 8.8 — still sharply positive versus FY25A. A 20% upside case lifts FY26E EPS to PKR 11.1 and PKR 10.9, respectively..

## Valuation Assumption

|                | NPL   | NCPL  |
|----------------|-------|-------|
| Risk Free Rate | 12.4% | 12.4% |
| Risk Premium   | 6.0%  | 6.0%  |
| Beta           | 1.04  | 1.07  |
| Discount Rate  | 18.7% | 18.8% |
| Growth Rate    | 5.5%  | 5.5%  |

Source: PSX, SBP, Growth Securities



Source: Company Accounts, Growth Securities

NPL offers a potential upside of 47.0% to our Dec'26 target price of PKR 117.0/share, while NCPL offers 55.0% upside to PKR 110.6/share. NPL is currently trading at a P/E of 8.0x for FY26E and 6.5x for FY27F; NCPL at 7.3x and 5.8x respectively — both at a discount to the auto assembler peer average of 10.4x.

Our valuation uses a 50:50 blend of FCFE DCF and forward P/E exit multiple. Key assumptions:

- Risk-free rate at the 10-year PIB yield (12.4%)
- Discount rate via CAPM (NPL: 18.7%, NCPL: 18.8%)
- Beta calculated via the adjusted beta method (NPL: 1.04, NCPL: 1.07)
- Terminal growth rate of 5.5% based on long-run inflation forecast.

## Risks

- Execution risk at NexGen. A 20% volume miss would reduce FY26E EPS by ~11% at both NPL and NCPL.
- Auto policy uncertainty. The AIDEP successor is expected July 2026 but not finalised; a less favourable duty or GST treatment could compress pricing.
- Competitive response. MG (JW-SAIC), Lucky Motors (Kia, GAC), Sazgar (GWM), and Master Motors (Changan) are all ramping hybrid SUV launches.
- Currency exposure. Since NexGen imports CKDs and CBUs from china, currency fluctuation can disrupt revenue chain.
- Plant optionality downside. We assign zero value to plant conversion; adverse decommissioning liabilities could cost PKR 2–3bn per company.
- BYD entry. The world's largest EV maker has entered Pakistan through HUBCO subsidiary Mega Motor, with a 25,000-unit assembly plant near Karachi starting mid-2026.

# Cash flow based valuations

## Cash Flow Based Valuation (FCFE) (NPL)

| PKRmn                    | FY27F         | FY28F | FY29F | FY30F | FY31F |
|--------------------------|---------------|-------|-------|-------|-------|
| Net Income               | 4,325         | 4,927 | 5,501 | 6,007 | 6,514 |
| Add: Depreciation        | 660           | 672   | 684   | 697   | 711   |
| ▲ in Working Capital     | -132          | 122   | 127   | 133   | 140   |
| Capital Expenditure      | -328          | -345  | -362  | -380  | -399  |
| Add: Net Borrowing       | -250          | -238  | -226  | -214  | -204  |
| Free Cash Flow to Equity | 4,274         | 5,139 | 5,725 | 6,244 | 6,763 |
| Discount Factor          | 0.5           | 1.5   | 2.5   | 3.5   | 4.5   |
| Discounted FCFE          | 3,923         | 3,785 | 3,565 | 3,282 | 2,999 |
| PV of Future Cash Flows  | 17,554        |       |       |       |       |
| PV of Terminal Value     | 23,996        |       |       |       |       |
| <b>Equity Value</b>      | <b>41,550</b> |       |       |       |       |
| Outstanding shares (mn)  | 354.1         |       |       |       |       |
| <b>Value/Share (PKR)</b> | <b>117.3</b>  |       |       |       |       |

## PE Multiple Valuation

|                           |              |
|---------------------------|--------------|
| Forward EPS               | 12.2         |
| Exit Multiple             | 10.4         |
| Target Price              | 127.0        |
| <b>Equity Value/Share</b> | <b>116.6</b> |

**Blended Equity Value/Share 117.0**

Source: Company Accounts, Growth Securities

## Cash Flow Based Valuation (FCFE) (NCPL)

| PKRmn                    | FY27F         | FY28F | FY29F | FY30F | FY31F |
|--------------------------|---------------|-------|-------|-------|-------|
| Net Income               | 4,509         | 5,089 | 5,637 | 6,115 | 6,593 |
| Add: Depreciation        | 662           | 681   | 701   | 722   | 744   |
| ▲ in Working Capital     | -519          | -440  | -452  | -467  | -482  |
| Capital Expenditure      | -545          | -592  | -643  | -632  | -676  |
| Add: Net Borrowing       | -200          | -180  | -162  | -146  | -131  |
| Free Cash Flow to Equity | 3,908         | 4,894 | 5,384 | 5,866 | 6,299 |
| Discount Factor          | 0.5           | 1.5   | 2.5   | 3.5   | 4.5   |
| Discounted FCFE          | 3,585         | 3,518 | 3,300 | 3,057 | 2,782 |
| PV of Future Cash Flows  | 16,241        |       |       |       |       |
| PV of Terminal Value     | 22,008        |       |       |       |       |
| <b>Equity Value</b>      | <b>38,249</b> |       |       |       |       |
| Outstanding shares (mn)  | 367.3         |       |       |       |       |
| <b>Value/Share (PKR)</b> | <b>104.1</b>  |       |       |       |       |

## PE Multiple Valuation

|                           |              |
|---------------------------|--------------|
| Forward EPS               | 12.3         |
| Exit Multiple             | 10.4         |
| Target Price              | 127.7        |
| <b>Equity Value/Share</b> | <b>117.1</b> |

**Blended Equity Value/Share 110.6**

Source: Company Accounts, Growth Securities

# Financial Summary (NPL)

| Income Statement            |              |              |              |              |              |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|
| PKRmn                       | FY24A        | FY25A        | FY26E        | FY27F        | FY28F        |
| Net sales                   | 22,506       | 7,057        | 6,720        | 6,981        | 7,197        |
| Cost of sales               | 17,366       | 4,398        | 5,112        | 5,272        | 5,430        |
| <b>Gross profit</b>         | <b>5,141</b> | <b>2,659</b> | <b>1,608</b> | <b>1,708</b> | <b>1,767</b> |
| Administrative expenses     | -482         | -544         | -518         | -538         | -554         |
| <b>Operating profit</b>     | <b>4,657</b> | <b>2,114</b> | <b>1,090</b> | <b>1,171</b> | <b>1,212</b> |
| Depreciation & amortisation | 786          | 680          | 649          | 660          | 672          |
| <b>EBITDA</b>               | <b>5,444</b> | <b>2,794</b> | <b>1,739</b> | <b>1,831</b> | <b>1,884</b> |
| Financial charges           | -34          | -44          | -551         | -476         | -452         |
| Other income                | 1,079        | 1,470        | 1,545        | 1,622        | 1,703        |
| Other charges               | -9           | 4,861        | -71          | -74          | -78          |
| Associates' profit/-loss    | 0            | 0            | 1,917        | 2,488        | 2,967        |
| Non-recurring items         | 0            | 943          | -3           | 0            | 0            |
| <b>Profit before tax</b>    | <b>5,694</b> | <b>-376</b>  | <b>3,928</b> | <b>4,730</b> | <b>5,352</b> |
| Taxation                    | -304         | -371         | -386         | -405         | -426         |
| <b>Profit after tax</b>     | <b>5,389</b> | <b>-746</b>  | <b>3,541</b> | <b>4,325</b> | <b>4,927</b> |

| Balance Sheet                         |               |               |               |               |               |
|---------------------------------------|---------------|---------------|---------------|---------------|---------------|
| PKRmn                                 | FY24A         | FY25A         | FY26E         | FY27F         | FY28F         |
| Non-Current Assets                    | 8,288         | 7,628         | 9,289         | 8,957         | 8,630         |
| Current Assets                        | 29,609        | 21,522        | 26,328        | 29,016        | 31,580        |
| <b>Total Assets</b>                   | <b>37,897</b> | <b>29,150</b> | <b>35,617</b> | <b>37,973</b> | <b>40,210</b> |
| Equity                                | 32,617        | 27,975        | 30,100        | 32,695        | 35,158        |
| Non-Current Liabilities               | 0             | 0             | 0             | 0             | 0             |
| Current Liabilities                   | 5,280         | 1,175         | 5,516         | 5,278         | 5,051         |
| <b>Total Equity &amp; Liabilities</b> | <b>37,897</b> | <b>29,150</b> | <b>35,616</b> | <b>37,972</b> | <b>40,209</b> |

Source: Company Accounts, Growth Securities

# Financial Summary (NCPL)



| Income Statement            |              |               |              |              |              |
|-----------------------------|--------------|---------------|--------------|--------------|--------------|
| PKRmn                       | FY24A        | FY25A         | FY26E        | FY27F        | FY28F        |
| Net sales                   | 15,215       | 5,566         | 5,522        | 5,972        | 6,159        |
| Cost of sales               | -10,326      | -3,410        | -3,848       | -4,017       | -4,142       |
| <b>Gross profit</b>         | <b>4,888</b> | <b>2,156</b>  | <b>1,674</b> | <b>1,955</b> | <b>2,017</b> |
| Administrative expenses     | -190         | -356          | -352         | -381         | -393         |
| <b>Operating profit</b>     | <b>4,698</b> | <b>1,802</b>  | <b>1,321</b> | <b>1,574</b> | <b>1,624</b> |
| Depreciation & amortisation | 728          | 634           | 646          | 662          | 681          |
| <b>EBITDA</b>               | <b>5,426</b> | <b>2,436</b>  | <b>1,967</b> | <b>2,236</b> | <b>2,305</b> |
| Financial charges           | -227         | -14           | -222         | -182         | -164         |
| Other income                | 457          | 857           | 900          | 945          | 992          |
| Other charges               | -7           | -5,719        | -75          | -79          | -82          |
| Associates profit/-loss     | 0            | 0             | 1,917        | 2,488        | 2,967        |
| Non-recurring items         | 0            | -128          | -3           | 0            | 0            |
| <b>Profit before tax</b>    | <b>4,921</b> | <b>-3,204</b> | <b>3,838</b> | <b>4,745</b> | <b>5,337</b> |
| Taxation                    | -8           | -220          | -225         | -236         | -248         |
| <b>Profit after tax</b>     | <b>4,913</b> | <b>-3,423</b> | <b>3,613</b> | <b>4,509</b> | <b>5,089</b> |
| <b>EPS - Basic</b>          | <b>13.37</b> | <b>-9.32</b>  | <b>9.84</b>  | <b>12.28</b> | <b>13.85</b> |
| <b>DPS</b>                  | <b>0.00</b>  | <b>7.00</b>   | <b>2.46</b>  | <b>3.07</b>  | <b>5.54</b>  |

Source: Company Accounts, Growth Securities

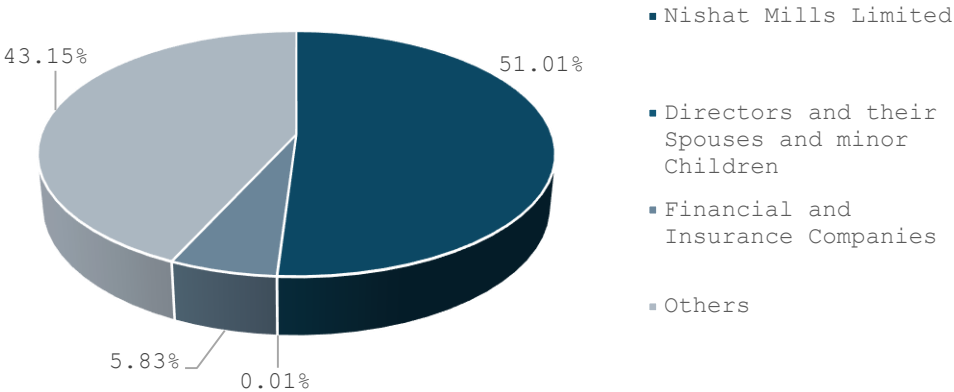
| Balance Sheet                         |               |               |               |               |               |
|---------------------------------------|---------------|---------------|---------------|---------------|---------------|
| PKRmn                                 | FY24A         | FY25A         | FY26E         | FY27F         | FY28F         |
| Non-Current Assets                    | 9,120         | 8,587         | 10,434        | 10,316        | 10,227        |
| Current Assets                        | 22,866        | 15,745        | 17,976        | 21,291        | 24,264        |
| <b>Total Assets</b>                   | <b>31,986</b> | <b>24,332</b> | <b>28,409</b> | <b>31,606</b> | <b>34,491</b> |
| Equity                                | 29,174        | 23,227        | 25,937        | 29,319        | 32,372        |
| Non-Current Liabilities               | 0             | 0             | 0             | 0             | 0             |
| Current Liabilities                   | 2,812         | 1,105         | 2,471         | 2,287         | 2,118         |
| <b>Total Equity &amp; Liabilities</b> | <b>31,986</b> | <b>24,332</b> | <b>28,408</b> | <b>31,605</b> | <b>34,490</b> |

Source: Company Accounts, Growth Securities

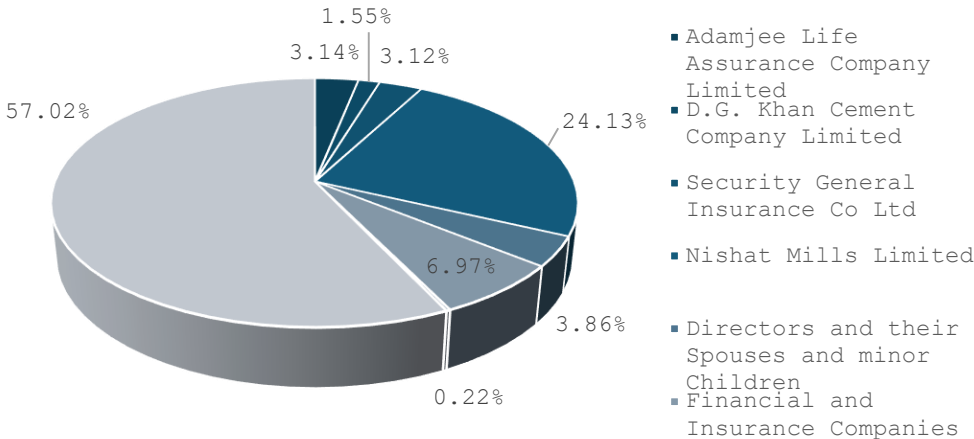
# Appendix A: Company Intro



Shareholding Pattern (NPL)



Shareholding Pattern (NCPL)



Source: PSX, Growth Securities

## Nishat Power Limited (NPL)

Nishat Power Limited, incorporated in February 2007 and listed on the PSX, is a subsidiary of Nishat Mills Limited (the anchor entity of the Nishat Group). The company was established to operate a 200MW gross (195MW net) residual fuel oil (RFO)-fired thermal power plant at Jamber Kalan, Tehsil Pattoki, District Kasur, Punjab, under Pakistan's 2002 Power Policy framework.

The plant commenced commercial operations in mid 2010 under a 25-year PPA with CPPA-G and an Implementation Agreement providing sovereign guarantees on capacity payments. Installed capacity is 1,710,872 MWh per annum (195MW nameplate). Following the 2024 Task Force on IPPs renegotiations and FY25 PPA settlement, the plant now operates on a residual capacity basis.

In FY25, NPL committed to a 33.33% equity stake in NexGen Autos (Pvt.) Limited, redirecting accumulated cash resources and PPA settlement proceeds into the company's new growth engine.

## Nishat Chunian Power Limited (NCPL)

Nishat Chunian Power Limited is a subsidiary of Nishat (Chunian) Limited, the holding company of the Nishat Chunian Group — a separate family-owned conglomerate from the Nishat Group. NCPL was incorporated in February 2007 and listed on the PSX, operating a 200MW gross (195.7MW net) RFO thermal power plant at Jamber Kalan, District Kasur, Punjab. Commercial operations commenced mid 2010 under a 25-year PPA with CPPA-G, mirroring NPL's regulatory and commercial structure.

Installed capacity is 1,714,525 MWh per annum. Post the 2024 Task Force settlements, NCPL's PPA has been concluded and the plant is running on a limited basis. The company has paralleled NPL's strategic pivot by taking a matching 33.33% equity stake in NexGen Autos.

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‘Buy’ – Total stock return > 15%

‘Hold’ – Total stock return > 0% and < 15%

‘Sell’ – Total stock return < 0%

Growth Securities (Pvt.) Limited uses different valuation methods such as 1) Discounted Cash Flow, 2) Relative Valuation (PE, PB, PS etc.), 3) Asset Based Valuation etc.

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