

Flash Note

Thursday, October 30, 2025



Power Generation & Distribution

The Hub Power Company Limited

Earnings: The Hub Power Company Limited (HUBC) announced 1QFY26 result. The Company reported consolidated 1QFY26 earnings attributable to HUBC of PKR 11.63bn (EPS PKR 8.96), down by 39%/y/y compared to PKR 19.13bn (EPS PKR 14.74) in the similar period last year. On quarterly basis, profitability is down by 1%q/q during 1QFY26.

Dividend/Payout: The Company announce cash dividend of PKR 5/share along with the result compared to PKR 10.0/share for 4QFY25.

Operating Performance: During the period under review, HUBC's revenue declined by 46%/y/y during 1QFY26 likely on the back of termination of Hub plant and lower tariff for Narowal while down by 7%q/q likely due to lower utilization levels at Laraib. Company's gross profit dropped by 58%/y/y likely due to termination of base plant with gross margins declining by 12.7%/y/y to 43.6%. HUBC booked other income of PKR 1.32bn during 1QFY26, up by +26%/y/y. The Company booked share of profit from associate of PKR 10.79bn during 1QFY26 compared to PKR 10.34bn in the same period last year likely owing to contribution from Mega Motors. Finance cost declined by 54%/y/y to PKR 2.50bn during 1QFY26 likely owing to substantial decline in interest rates and borrowings. Effective tax stood at 19.3% during 1QFY26 (4QFY25: 19.6%) compared to 12.7% in the similar period last year.

Exhibit: HUBC Financial Highlights					
For the period 1QFY26					
PKRmn	1QFY26	1QFY25	y/y	4QFY25	q/q
Turnover	17,397	32,038	-46%	18,755	-7%
Gross Profit	7,586	18,049	-58%	8,417	-10%
General & Admin expenses	623	437	43%	377	65%
Other Income	1,319	1,049	26%	46	28.9x
Other Expenses	119	0	n/m	240	-50%
Profit from Operations	8,163	18,662	-56%	7,845	4%
Financing Cost	2,501	5,461	-54%	2,778	-10%
Share of profit/(loss) from associates	10,794	10,338	4%	10,953	-1%
PBT	16,456	23,539	-30%	16,020	3%
PAT - from Continuing Operations	13,279	20,557	-35%	12,887	-2%
PAT	13,279	20,309	-35%	13,508	-2%
PAT - Attributable to HUBC	11,628	19,125	-39%	11,765	-1%
EPS (PKR)	8.96	14.74		9.07	
DPS (PKR)	5.00	0.00		10.00	
Source: IGI Research, PSX			No of Shares: 1,297.15mn		

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- Justified Price to Book
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