



**SAIF POWER LIMITED**

A Saif Group Company

# Condensed Interim Financial Information

For Six Months Ended  
June 30, 2024



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### Board of Directors

Mr. Javed Saifullah Khan	Chairman
Mrs. Hoor Yousafzai	Director
Mr. Osman Saifullah Khan	Director
Mr. Assad Saifullah Khan	Director
Mr. Asif Saifullah Khan	Director
Miss. Saima Akbar Khattak	Independent Director
Mr. Rashid Ibrahim	Independent Director

### Audit Committee

Mr. Rashid Ibrahim	Chairman
Mr. Osman Saifullah Khan	Member
Mr. Asif Saifullah Khan	Member

### Human Resource and Remuneration Committee

Miss. Saima Akbar Khattak	Chairperson
Mrs. Hoor Yousafzai	Member
Mr. Assad Saifullah Khan	Member

### Management

Mr. Sohail H. Hydari  
Chief Executive Officer

Mr. Muhammad Shakeel  
Chief Financial Officer

Mr. Ghias Ul Hassan  
GM Power Plant

Mr. Waseemullah  
Company Secretary

### Auditors

Grant Thornton Anjum Rahman  
302 B, 3rd Floor, Evacuee Trust Complex,  
Aga Khan Road, F-5/1, Islamabad, Pakistan.  
Tel: +92 51 2271906, Fax: +92 51 2273874

### Legal Advisors

Mr. Muhammad Naeem Amer (MNA) Rehan  
Advocate High Court

### Registered/ Head Office

1st Floor, Kashmir Commercial Complex,  
Fazal-ul-Haq Road Block E, Blue Area,  
Islamabad, Pakistan.  
Tel: +92-51-2271378-83  
Fax: +92-51-2277670  
Email: info.spl@saifgroup.com

### Website

<http://www.saifpower.com>

### Share Registrar

THK Associates (Private) Ltd.  
Plot No. 32-C, Jami Commercial  
Street 2, DHA Phase VII, Karachi.  
Tel: +92-21- 111 000 322,  
Email: sfc@thk.com.pk

### Banks & Financial Institutions

Allied Bank Limited  
Askari Bank Limited  
Bank Alfalah Limited  
Bank Islami Pakistan Limited  
Dubai Islamic Bank Limited  
Faysal Bank Limited  
First Habib Modaraba  
Habib Bank Limited  
Habib Metropolitan Bank Limited Meezan  
Bank Limited  
National Bank of Pakistan  
Soneri Bank Limited  
Bank Makramah Limited (formerly Summit Bank)  
The Bank of Punjab  
United Bank Limited  
Samba Bank Limited

### Plant Location

Chak 56/5L, Qadarabad,  
Multan Road, District  
Sahiwal, Punjab, Pakistan.

# DIRECTORS' REVIEW REPORT TO THE SHAREHOLDERS

FOR THE SIX MONTHS PERIOD ENDED JUNE 30, 2024

The Board of Directors is pleased to present a concise review of Saif Power Limited's "the Company" financial and operational performance on the condensed interim financial statements for the six months period ended June 30, 2024.

## SUMMARY OF FINANCIAL PERFORMANCE

Turnover of the Company was Rs. 3,654 million as compared to Rs. 10,210 million for the same period last year. Dispatch level was 3.62% as compared to 28.42% during the same period last year. Net profit during the period amounts to Rs. 519 million as against net loss of Rs. 742 million for the comparable period of 2023. Earning per share for the period is Rs. 1.34 as compared to loss per share of Rs. 1.92 during the same period last year.

In lieu of the above, Net profit during the period comes to Rs. 519 million resulting in an Earning per share for the period is Rs. 1.34 as against loss of Rs. 742 million (as explained in earlier reports, it was actually not a loss).

## PENDING ISSUES

(a) In the case against M/s Sui Northern Gas Pipelines Limited (SNGPL), after the arbitration award in Company's favor for an amount of Rs. 270.66 million (disputed amount of Rs. 239.68 million & related costs of Rs. 30.98 million), the Company filed a petition in the Civil Court Lahore to obtain the enforcement Decree in lieu of the Arbitration award. The Company has already adjusted the awarded amount as above against payables to SNGPL.

SNGPL enforced another arbitration saying that Company could not adjust without a decree from the court. The arbitration tribunal has agreed with SNGPL in its decision dated April 22, 2022. SNGPL has filed a petition in the Lahore High Court. During the year 2023, Civil Court Lahore issued decree in favor of the Company. The Honorable Court, whilst making the Award a rule of Court, modified the Award to the extent that the interest awarded by the Arbitrator would not run from August 18, 2014 and the date of Award, respectively, but from the date of Honorable Court's Order date. This modification was upheld by Lahore High Court. This modification of interest date in Award made is against the arbitration rules. The Company has challenged this modification in Supreme Court of Pakistan which is pending adjudication. Company is confident that ultimately the money will be retained by the Company.

(b) In disputes with Central Power Purchasing Agency (Guarantee) Limited "Power Purchaser" on account of 'Period Weighing Factors' (PWF) and 'Heat Rate Correction Factor', the Company has proceeded and filed request for arbitration in London Court of International Arbitration during the year. However, the Company and Power Purchaser are discussing the matter and the Arbitrator has been requested to suspend any further proceedings at the moment. In addition to this, the Company has obtained stay order against deduction on account of 'Heat Rate Correction Factor' from Civil Court, Islamabad.

## KEY OPERATIONAL AND FINANCIAL DATA (STANDALONE)

	Six Months ended (unaudited)	
	June 30, 2024	June 30, 2023
	<b>Rupees in Million</b>	
Turnover	3,654	10,210
Net profit / (loss)	519	(742)
Earnings / (loss) per share	1.34	(1.92)
Dispatch level	3.62%	28.42%
Capacity made available – GWs	885	886
	<b>June 30, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
	<b>Rupees in Million</b>	
Property, plant and equipment	10,533	10,863
Loan to associated company	2,044	492
Net worth	12,105	12,166
Short term borrowings	6,844	11,669

## KEY FINANCIAL HIGHLIGHTS DATA (CONSOLIDATED)

	Six Months ended (unaudited)	
	June 30, 2024	June 30, 2023
	<b>Rupees in Million</b>	
Turnover	3,654	10,210
Net profit / (loss)	594	(569)
	<b>June 30, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
	<b>Rupees in Million</b>	
Property, plant and equipment	10,533	10,863
Net worth	12,678	12,664

## RECEIVABLES FROM THE POWER PURCHASER

The Company's total receivables are Rs. 8.157 billion (December 31, 2023: Rs. 9.159 billion) at the period end.

## INVESTMENTS

In 2023, the sale transaction of assets of Saif Cement Limited ("SCL") has been completed and sale proceeds were transferred to SCL's bank account. The Board of Directors of the Company had recommended the voluntary winding up of SCL. During the period, the funds were transferred to the Company to cater for its operational requirements subject to the condition that the amount will be settled / adjusted upon winding up of the Company.

At the period end, SCL is in the process of winding up. The final amount of final tax at this stage is still under process with the tax department after which the net amount will be declared.

## LOAN TO SAIF TEXTILE MILLS LIMITED, an associated company

(a) In 2023, Board of Directors of the Company recommended long term loan maximum up to Rs. 1 (one) billion in compliance with requirements of section 199 of the Companies Act 2017 on as and when required basis. The same was approved by the shareholders in their Extraordinary General Meeting held on September 11, 2023. At the period end, the outstanding amount of long-term loan amounts to Rs. 999.98 million (December 31, 2023: Rs. 492.30 million.)

(b) During the period, the Board of Directors of the Company recommended unsecured running finance facility up to Rs. 1.5 billion in compliance with requirements of section 199 of the Companies Act 2017. The same was approved by the shareholders of the Company in their Extra Ordinary General Meeting held on April 15, 2024. At the period end, the outstanding amount of running finance facility amounts to Rs. 1.044 billion.

## EVENTS AFTER REPORTING DATE


The Board of Directors of the Company, in its Board Meeting held on August 27, 2024 have approved interim cash dividend of Rs.1.25 per share.

## ACKNOWLEDGEMENTS

Directors of the Company would like to show their appreciation to its customer, suppliers, financial institutions, regulators and to all other stakeholders for their cooperation and support during the period.

Directors would also like to express their deep appreciation for the services, loyalty and efforts being continuously rendered by the employees of the Company and hope that they will continue to do so in the future.

On behalf of the Board,



Hoor Yousafzai  
Director

Islamabad  
August 27, 2024

مالیاتی جھلکیاں: (مستحکم):

چھ مہینے کے اختتام پر (غیر آڈیٹ)			
2023 جون 30	2024 جون 30		
(روپے ملین میں)			
10,210	3,654	کاروبار	
(569)	594	خالص منافع / (نقصان)	
31 دسمبر 2023 (آڈیٹ)		2024 جون 30 (غیر آڈیٹ)	
10,863	10,533	پراپرٹی، پلائنٹ اور آلات	
12,664	12,678	نیت بائیت	

بورڈ آف ڈائریکٹرز کی 30 جون 2024 کو ختم ہونے والی مدت کے لیے بطور عبوری مالیاتی بیانات پر کابینہ کی مالیاتی اور آپریشنل کارکردگی کا ایک جامع جائزہ پیش کرنے پر خوشی ہے۔

مالیاتی کارکردگی کا خلاصہ:

کابینہ کا کاروبار 3,654 ملین روپے کے مقابلے میں گزشتہ سال اسی مدت کے لیے 10,210 ملین روپے تھا۔ ڈیبٹ کی سطح 3.62 فیصد رہی جو پچھلے سال کی اسی مدت کے دوران 28.42 فیصد تھی۔ اس مدت کے دوران خالص منافع 519 ملین روپے ہے۔ جو کہ 2023 کی قابل مدت کے مقابلے میں خالص نقصان 742 ملین روپے تھا۔ اس مدت کے لیے فی حصص آمدنی 1.34 روپے فی شیئر ہے، جو کہ گزشتہ سال کی اسی مدت کے دوران فی حصص نقصان 1.92 روپے فی شیئر تھا۔

مندرجہ بالا کے بدلے، اس مدت کے دوران خالص منافع 519 ملین روپے رہا۔ جس کے نتیجے میں اس مدت کے لیے فی حصص آمدنی 1.34 روپے ہے۔ جو کہ گزشتہ سال کی اسی مدت کے مقابلے میں 742 ملین روپے نقصان کا تھا (جیسا کہ پبلک رپورٹوں میں وضاحت کی گئی ہے، یہ دراصل کوئی نقصان نہیں تھا)۔

زیر التوا مسائل:

(a) سیمز سوئی ناردرن گیس پائپ لائنز لمیٹڈ (SNGPL) کے خلاف مقدمے میں، کابینہ کے حق میں ثالثی کے فیصلے کے بعد 270.66 ملین روپے کی رقم (توازن رقم) 239.68 ملین روپے اور متعلقہ اخراجات 30.98 ملین روپے، کابینہ نے ثالثی کے ایوارڈ کے عوض قابل غناذ حکم نامہ حاصل کرنے کے لیے سول کورٹ لاہور میں درخواست بھی درج کر رکھی ہے۔ کابینہ نے سوئی ناردرن گیس پائپ لائن کو ثالثی ادارہ کے معاملے میں یہ رقم پہلے ہی ایڈجسٹ کر دی ہے۔

سوئی ناردرن گیس پائپ لائنز لمیٹڈ (SNGPL) نے ثالثی نافذ کرتے ہوئے کہا کہ کابینہ عدالت کے حکم نامے کے بغیر ایڈجسٹ نہیں کر سکتی۔ ثالثی ٹریبونل نے 12 اپریل 2022 کے اپنے فیصلے میں سوئی ناردرن گیس پائپ لائنز لمیٹڈ سے اتفاق کیا ہے۔ سوئی ناردرن گیس پائپ لائنز لمیٹڈ نے لاہور ہائی کورٹ میں درخواست دائر کی ہے۔ 2023 سال کے دوران سول کورٹ لاہور نے کابینہ کے حق میں حکم نامہ جاری کیا۔ معزز عدالت نے، ایوارڈ کو عدالت کا اصول بناتے ہوئے، ایوارڈ میں اس حد تک ترمیم کی کہ ثالثی کی طرف سے دیا جانے والا سود بالترتیب 18 اگست 2014 اور ایوارڈ کی تاریخ سے نہیں بلکہ معزز عدالت کے حکم کی تاریخ سے چلے گا، سود کی تاریخ میں تبدیلی لاہور ہائی کورٹ کی جانب سے برقرار رکھی گئی تھی۔ یہ تبدیلی ثالثی کے قوانین کے خلاف ہے۔ کابینہ نے اس تبدیلی کو پوریم کورٹ آف پاکستان میں چیلنج کیا ہے جو ابھی تک زیر التوا ہے۔ کابینہ کو یقین ہے کہ بالآخر رقم کابینہ کے پاس ہی رہے گی۔

(b) سنٹرل پاور پراجیکٹس ایجنسی (جارجی) لمیٹڈ (G-CPPA) کے ساتھ بی بی ڈی بی جی ٹینڈر (PWF) اور 'ہیٹ ریٹ کریکشن ٹیکسٹ' کی وجہ سے تنازعہ میں، کابینہ نے آگے بڑھ کر بین الاقوامی ثالثی کی لندن کورٹ میں ثالثی کی درخواست دائر کی ہے۔ تاہم، کابینہ اور پاور پراجیکٹس کے معاملے پر بات کر رہے ہیں اور ثالثی سے درخواست کی گئی ہے کہ وہ اس وقت مزید کارروائی کو معطل کر دیں۔ اس کے علاوہ، کابینہ نے سول کورٹ، اسلام آباد سے 'ہیٹ ریٹ کریکشن ٹیکسٹ' کی وجہ سے کوئی بھی خلاف حکم انتہائی حاصل کیا ہے۔

مالیاتی جھلکیاں: (غیر مستحکم):

چھ مہینے کے اختتام پر (غیر آڈیٹ)			
2023 جون 30	2024 جون 30		
(روپے ملین میں)			
10,210	3,654	کاروبار	
(742)	519	خالص منافع / (نقصان)	
(1.92)	1.34	فی شیئر منافع / (نقصان)	
28.42 فیصد	3.62 فیصد	ترسیل کالیول	
886	885	دستیاب صلاحیت (GWHS)	
31 دسمبر 2023 (آڈیٹ)		2024 جون 30 (غیر آڈیٹ)	
(روپے ملین میں)			
10,863	10,533	پراپرٹی، پلائنٹ اور آلات	
492	2,044	متعلقہ کابینہ کو قرض	
12,166	12,105	نیت بائیت	
11,669	6,844	مختصر مدت کے قرضوں کے حصول	

بورڈ آف ڈائریکٹرز کی جگہ اور بورڈ کی نیابت سے:

Amir Yusuf

حمز یوسف  
ڈائریکٹر

اسلام آباد

12 اگست 2024

## INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF SAIF POWER LIMITED REPORT ON REVIEW OF UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

### Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of Saif Power Limited (the "Company") as at June 30, 2024 and the related unconsolidated condensed interim statement of profit or loss, the unconsolidated condensed interim statement of comprehensive income, the unconsolidated condensed interim statement of changes in equity, and the unconsolidated condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "unconsolidated condensed interim financial statements"). Management is responsible for the preparation and presentation of these unconsolidated condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these unconsolidated condensed interim financial statements based on our review. The figures for the three-month period ended June 30, 2024 and June 30, 2023, in the unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

### Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards, as applicable in Pakistan for interim financial reporting.

The engagement partner on the engagement resulting in this independent auditors' review report is Waqas Waris.



GRANT THORNTON ANJUM RAHMAN  
Chartered Accountants  
Islamabad  
Date: August 28, 2024  
UDIN: RR202410209Z6InEBimu

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**UNCONSOLIDATED CONDENSED  
INTERIM FINANCIAL STATEMENTS**  
FOR THE HALF YEAR ENDED JUNE 30, 2024



**SAIF POWER LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**

AS AT JUNE 30, 2024

	Note	Un-audited June 30, 2024	Audited December 31, 2023
(Rupees)			
<b>Share capital and reserves</b>			
Share capital		3,864,717,790	3,864,717,790
Unappropriated profit - revenue reserve		8,002,337,233	8,087,810,847
Maintenance reserve		238,199,929	213,728,363
<b>Total equity</b>	5	<b>12,105,254,952</b>	12,166,257,000
<b>Liabilities</b>			
Lease liabilities		20,300,510	9,436,235
<b>Non-current liabilities</b>		<b>20,300,510</b>	9,436,235
Trade and other payables	6	2,270,815,304	411,968,780
Short term borrowings		6,844,514,046	11,669,326,413
Sub-ordinated loan	7	560,938,261	730,519,567
Markup accrued	8	1,390,349,619	1,390,558,249
Unclaimed dividend		27,147,545	118,163,748
Current portion of lease liabilities		9,677,047	6,801,757
<b>Current liabilities</b>		<b>11,103,441,822</b>	14,327,338,514
Total liabilities		<b>11,123,742,332</b>	14,336,774,749
<b>Total equity and liabilities</b>		<b>23,228,997,284</b>	26,503,031,749
<b>Contingencies and commitments</b>			
	9		
<b>Assets</b>			
Property, plant and equipment	10	10,532,794,214	10,862,567,248
Right of use assets		35,144,915	24,098,636
Loan to associated company	11	999,981,000	492,300,000
<b>Non-current assets</b>		<b>11,567,920,129</b>	11,378,965,884
Loan to associated company	11	1,043,914,020	-
Stock in trade - HSD		399,899,817	399,899,817
Trade debts	12	8,157,534,190	9,159,264,055
Other receivables	13	926,658,923	678,076,008
Advances		8,968,377	1,923,347
Advance income tax		19,638,916	9,771,832
Trade deposits and prepayments		283,988,860	128,239,903
Short term investments		29,877,762	3,956,220,043
Bank balances		1,417,650	1,492,220
		<b>10,871,898,515</b>	14,334,887,225
Assets classified as held for sale	14	789,178,640	789,178,640
<b>Current assets</b>		<b>11,661,077,155</b>	15,124,065,865
<b>Total assets</b>		<b>23,228,997,284</b>	26,503,031,749

The annexed notes 1 to 22 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

# UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)

FOR THE SIX MONTHS ENDED JUNE 30, 2024

		Unaudited			
		Three months ended		Six months ended	
		June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
		(Rupees)			
Turnover - net	Note 15	2,589,621,286	8,154,714,419	3,654,055,883	10,209,727,003
Cost of sales		<b>(1,598,430,374)</b>	(8,102,772,066)	<b>(2,201,746,430)</b>	(9,639,175,285)
<b>Gross profit</b>		<b>991,190,912</b>	51,942,353	<b>1,452,309,453</b>	570,551,718
Other income		<b>94,245,588</b>	1,922,904	<b>133,829,609</b>	9,107,905
Administrative expenses		<b>(79,088,945)</b>	(56,972,109)	<b>(146,166,492)</b>	(104,938,302)
Finance cost		<b>(489,693,319)</b>	(639,287,994)	<b>(921,176,849)</b>	(1,217,172,418)
<b>Net profit / (loss) for the period</b>		<b>516,654,236</b>	(642,394,846)	<b>518,795,721</b>	(742,451,097)
Earning / (loss) per share - basic and diluted	Note 16	<b>1.34</b>	(1.66)	<b>1.34</b>	(1.92)

The annexed notes 1 to 22 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

# UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR SIX MONTHS ENDED JUNE 30, 2024

	Unaudited			
	Three months ended		Six months ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	(Rupees)			
Profit / (loss) for the period	516,654,236	(642,394,846)	518,795,721	(742,451,097)
Other comprehensive income for the period	-	-	-	-
Total comprehensive profit / (loss) for the period	516,654,236	(642,394,846)	518,795,721	(742,451,097)

The annexed notes 1 to 22 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

# UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR SIX MONTHS ENDED JUNE 30, 2024

	June 30, 2024	June 30, 2023
Note	(Rupees)	
<b>Cash flows from operating activities</b>		
Profit / (loss) for the period	518,795,721	(742,451,097)
<b>Adjustments for non-cash income and expenses:</b>		
Provision for staff retirement benefits - gratuity	26,968,165	5,624,724
Depreciation - property, plant and equipment	319,548,184	316,227,942
Depreciation - right of use assets	5,699,405	6,875,076
Finance cost	921,176,849	1,217,172,418
Loss / (gain) on disposal of property, plant and equipment	(322,136)	(63,000)
Profit on deposit accounts	(146,374)	(696,494)
Return on investments	(5,416,294)	-
	<b>1,786,303,520</b>	<b>802,689,569</b>
<b>Changes in working capital:</b>		
Stock in trade	-	311,734
Trade debts	1,001,729,865	(605,461,433)
Other receivable	(248,582,915)	(83,448,564)
Advances	(7,045,030)	9,862
Trade deposits and prepayments	(155,748,957)	(219,160,409)
Trade and other payables	1,835,762,563	1,279,621,289
<b>Cash generated from operations</b>	<b>4,212,419,046</b>	<b>1,174,562,048</b>
Income taxes paid	(9,867,084)	(726,789)
Finance cost paid	(921,385,479)	(790,240,846)
Staff retirement benefits paid	(3,884,204)	(6,805,257)
<b>Net cash generated from / (used in) operating activities</b>	<b>3,277,282,278</b>	<b>376,789,156</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(4,124,144)	424,000
Acquisition of right of use assets	(18,177,842)	-
Loan to associated company	(1,551,595,020)	-
Markup received on loan to associated company	41,913,851	-
Proceeds from sale of property, plant and equipment	7,041,360	-
Insurance claim received	75,500	63,000
Profit on deposit accounts	146,374	696,494
Return on investments - receipt	5,416,294	-
<b>Net cash (used in) / generated from investing activities</b>	<b>(1,519,303,627)</b>	<b>1,183,494</b>
<b>Cash flows from financing activities</b>		
Repayment of sub-ordinated loan	(161,346,584)	(148,168,103)
Dividend paid	(670,720,122)	(812,136,495)
Short term borrowings - net	(4,845,455,858)	(6,619,801,609)
Lease liabilities paid	(6,872,939)	(13,028,356)
<b>Net cash used in financing activities</b>	<b>(5,684,395,503)</b>	<b>(7,593,134,563)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(3,926,416,851)</b>	<b>(7,215,161,913)</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>3,957,712,263</b>	<b>7,246,040,901</b>
<b>Cash and cash equivalents at end of the period</b>	<b>31,295,412</b>	<b>30,878,988</b>

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The annexed notes 1 to 22 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

# UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE SIX MONTHS ENDED JUNE 30, 2024

	Share capital	Unappropriated profit-revenue reserve	Maintenance reserve	Total equity
	(Rupees)			
Balance as at January 1, 2023 (Audited)	3,864,717,790	9,001,248,625	1,001,140,025	13,867,106,440
Loss for the period	-	(742,451,097)	-	(742,451,097)
Other comprehensive income /(loss) for the period	-	-	-	-
Total comprehensive loss for the period	-	(742,451,097)	-	(742,451,097)
<b>Transaction with owners of the Company</b>				
<b>Distributions</b>				
Final dividend - 2022 @ Rs. 2.50 per share	-	(966,179,448)	-	(966,179,448)
Transfer from unappropriated profit to maintenance reserve	-	(388,484,266)	388,484,266	-
Charged to unappropriated profits from maintenance reserve	-	1,281,350,696	(1,281,350,696)	-
	-	892,866,430	(892,866,430)	-
Balance as at June 30, 2023 - (Un- audited)	3,864,717,790	8,185,484,510	108,273,595	12,158,475,895
<b>Balance as at January 1, 2024 - (Audited)</b>				
Profit for the period	-	518,795,721	-	518,795,721
Other comprehensive income /(loss) for the period	-	-	-	-
Total comprehensive income for the period	-	518,795,721	-	518,795,721
<b>Transaction with owners of the Company</b>				
<b>Distributions</b>				
Final dividend - 2023 @ Rs. 1.50 per share	-	(579,703,919)	-	(579,703,919)
Transfer from unappropriated profit to maintenance reserve	-	(24,471,566)	24,471,566	-
-	-	-	-	-
Balance as at June 30, 2024 - (Un- audited)	3,864,717,790	8,002,337,233	238,199,929	12,105,254,952

The annexed notes 1 to 22 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED JUNE 30, 2024

## 1 REPORTING ENTITY

Saif Power Limited (“the Company”) was incorporated in Pakistan on November 11, 2004 as a public limited company under the repealed Companies Ordinance, 1984 (which has now been replaced by the Companies Act, 2017) and commenced operations from April 30, 2010. The shares of the Company are quoted on Pakistan Stock Exchange Limited. The principal activities of the Company are to own, operate and maintain a combined cycle power plant having nameplate capacity of 225 MW (ISO) and sell the electricity to Central Power Purchasing Agency Guarantee Limited (CPPA-G). The Company has amended its Implementation Agreement on February 11, 2021 whereby National Transmission and Dispatch Company (NTDC) has been replaced with CPPA-G as Power Purchaser. Saif Holdings Limited, major share holder of the Company, holds 23.01% shareholding of the Company.

## 2 STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

## 3 BASIS OF PREPARATION

These condensed interim financial statements do not include all the information required in the annual financial statements prepared in accordance with the approved accounting and reporting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant in understanding of the changes in the Company’s financial positing and performance since the last annual financial statements. These condensed financial statements should be read in conjunction with the Company’s annual financial statements for the year ended December 31, 2023.

These condensed interim unconsolidated financial statements are unaudited and are being submitted to the members as required under Section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.

### 3.1 Exemptions from applicability of accounting and reporting requirements

#### 3.2.1 IFRS 9 “Financial Instruments”

Securities and Exchange Commission of Pakistan (“SECP”) through S.R.O 67(I)/2023 dated January 20, 2023 has notified that in respect of companies holding financial assets due from the Government of Pakistan (GoP), the requirements contained in IFRS-9 with respect to application of expected credit loss (ECL) model shall not be applicable till December 31, 2024 provided that such companies shall follow relevant requirements of IAS-39 ‘Financial Instruments Recognition and measurement’ in respect of above referred financial assets during the exemption period.

#### 3.2.2 IFRS 16 “Leases”

Control of the Company’s plant due to purchase of total output by CPPA-G and other arrangement under the Power Purchase Agreement (PPA) was classified as a lease under IFRIC 4 “Determining whether an Arrangement Contains a Lease” which due to exemption available to the Company were not accounted for as a lease in prior years. After applicability of IFRS-16, the Company’s arrangement with CPPA-G falls under the definition of a lease as defined in IFRS-16, however, the SECP through S.R.O 986(1)/2019 dated September 02, 2019 has extended the earlier exemption from IFRIC-4 to all companies, which have entered into power purchase arrangements before January 01, 2019. The Company signed its PPA with CPPA-G on April 30, 2007, accordingly, requirement of lease accounting relating to the Company’s arrangement with CPPA-G are not applicable to the Company.

## 4 MATERIAL ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

The accounting policies and the methods of computations adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company’s audited financial statements for the year ended December 31, 2023.

The preparation of these condensed interim financial statements in conformity with accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED JUNE 30, 2024

Company's accounting policies. Estimates and judgements are continually evaluated and are based on historic experience including expectations of future events that are believed to be reasonable under the circumstances.

Estimates and judgements made by the management in the preparation of these condensed interim financial statements are the same as those used in the preparation of the Company's audited financial statements for the year ended December 31, 2023.

## 5 MAINTENANCE RESERVE

Overhauls of the complex are at certain intervals based on Factored Fired Hours (operating hours) as per terms and details of the O&M Agreement. The amount of such overhauls has been calculated on the basis of operating hours as in the above sentence and such amount has been appropriated to Maintenance Reserve through statement of changes in equity. After completion of specific operating hours, the amount will be transferred from maintenance reserve and the same amount will be charged to cost of sales. Resultantly, appropriation made in prior, current and subsequent years will be netted off in the year payment is made on account of this overhaul. Thus, it is just a replacement in the years only and has zero effect in actual on the company.

## 6 TRADE AND OTHER PAYABLES

6.1 Creditors includes amounts due to related party, M/S SNGPL, amounting to Rs. 381.7 million (December 31, 2023: Rs. 9 million) on account of procurement of supplies.

6.2 Other payables includes an amount of Rs. 1,353.5 million (December 31, 2023: Nil) on account of fund transfer from related party which is in process of liquidation. These funds are payable on demand.

## 7 SUBORDINATED LOAN - UNSECURED

	Un-audited June 30, 2024	Audited December 31, 2023
	(Rupees)	
Balance at January 01	730,519,567	586,951,826
Exchange (gain) / loss capitalised during the period / year	(8,234,722)	195,147,385
Repayment during the period / year	(161,346,584)	(51,579,644)
	<u>560,938,261</u>	<u>730,519,567</u>

7.1 Terms and conditions of the above loan are same as disclosed in financial statements for the year ended December 31, 2023.

	Un-audited June 30, 2024	Audited December 31, 2023
	(Rupees)	
Markup on sub-ordinated loan	931,591,321	922,460,244
Markup on short term financing	458,758,298	468,098,005
	<u>1,390,349,619</u>	<u>1,390,558,249</u>

## 9 CONTINGENCIES AND COMMITMENTS

There is no significant change in the status of contingencies and commitments from the preceeding annual financial statements of the Company for the year ended December 31, 2023 except for the following:

- In respect of Sui Northern Gas Pipeline Limited (SNGPL)'s claim on account of late payment by the Company against invoices of Regasified Liquefied Natural Gas (RLNG) has increased to Rs. 126.69 million (December 31, 2023: Rs. 124.52 million).

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED JUNE 30, 2024

		Un-audited June 30, 2024	Audited December 31, 2023
		Rupees	
<b>10</b>	<b>PROPERTY, PLANT AND EQUIPMENT</b>		
	Balance at January 01	10,862,567,248	11,302,149,549
	Additions during the period / year	4,124,144	736,000
	Net book value of assets disposed off	(6,114,272)	(157,223)
	Depreciation for the period / year	(319,548,184)	(635,308,463)
	Capitalization of exchange (gain) / loss	(8,234,722)	195,147,385
	<b>Balance at June 30 / December 31</b>	<b>10,532,794,214</b>	<b>10,862,567,248</b>
<b>11</b>	<b>LOAN TO ASSOCIATED COMPANY</b>		
	Long Term Loan	11.1 999,981,000	492,300,000
	Running Finance Facility	11.2 1,043,914,020	-

**11.1** Details of long term loan provided are same as disclosed in the annual financial statements of the Company for the year ended December 31, 2023.

**11.2** During the period, the Board of Directors of the Company in their meeting held on March 21, 2024 recommended to the shareholders for their approval to provide an unsecured running finance facility, in favor of Saif Textile Mills Limited of Rs. 1.5 billion, which was approved by the shareholders of the Company in their Extra Ordinary General Meeting held on April 15, 2024. The loan carries markup, payable on quarterly basis, at the rate of 0.1% above the lenders' average borrowing cost or KIBOR for the relevant period whichever is higher. The running finance facility is renewable every year by mutual consent and approval of the shareholders.

		Un-audited June 30, 2024	Audited December 31, 2023
		Rupees	
<b>12</b>	<b>TRADE DEBTS - secured</b>		
	Considered good	12.1 8,157,534,190	9,159,264,055

**12.1** Trade debts, including delayed payment charges, are secured by a guarantee from the Government of Pakistan under the Implementation Agreement and as such are considered good.

Apart from the information already disclosed in financial statements for the year ended December 31, 2023, following is the major event or transaction pertaining to trade debts:

- Trade debts include unbilled receivable amount of Rs. 1.796 billion (December 31, 2023: Rs. 0.989 billion) at the period end.

**12.2** The aging of trade debts at the reporting date was:

	Un-audited June 30, 2024	Audited December 31, 2023
		Rupees
Not past due	2,496,355,310	1,764,730,961
Past due 0 - 60 days	1,399,404,315	1,242,667,845
Past due 61 - 120 days	594,443,933	2,831,143,177
Past due 121 - 180 days	768,125,766	3,320,722,072
181 days and above	2,899,204,866	-
	<b>8,157,534,190</b>	<b>9,159,264,055</b>

## 13 OTHER RECEIVABLES

**13.1** Other receivable includes Rs. 92.5 million (December 31, 2023: Rs. 13.8 million) receivable from Saif Textile Mills Limited, a related party, on account of interest accrued on long term loan and running finance facility for 2nd quarter of 2024.

**13.2** This also includes amounts due from related parties amounting to Rs. 24.4 million (December 31, 2023: Rs. 0.68 million) on account of payments of shared expenses on behalf of these related parties.



# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED JUNE 30, 2024

## 14 ASSETS CLASSIFIED AS HELD FOR SALE

In last year ended December 31, 2023, sale transaction of assets of Saif Cement Limited ('SCL') has been completed and sale proceeds have been transferred to SCL's bank account. The Board of Directors of the Company has recommended the voluntary winding up of SCL which is in process.

	Un-audited Three months ended		Un-audited Six months ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
<b>15 TURNOVER - NET</b>	(Rupees)			
Gross Energy Purchase Price	1,157,165,649	7,631,292,242	1,179,553,899	8,841,542,050
Less: Sales Tax	(180,799,095)	(1,164,095,427)	(184,214,252)	(1,343,540,783)
	976,366,554	6,467,196,815	995,339,647	7,498,001,267
Capacity Purchase Price	1,613,254,732	1,687,517,604	2,658,716,236	2,711,725,736
	2,589,621,286	8,154,714,419	3,654,055,883	10,209,727,003

## 16 EARNING PER SHARE

There is no dilutive effect on the basic earnings per share of the Company, which is based on:

	Un-audited Three months ended		Un-audited Six months ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	(Rupees)			
Profit / (loss) for the period	516,654,236	(642,394,846)	518,795,721	(742,451,097)
Weighted average number of ordinary shares - numbers	386,471,779	386,471,779	386,471,779	386,471,779
Earning / (loss) per share - basic and diluted - rupees	1.34	(1.66)	1.34	(1.92)

## 17 CASH AND CASH EQUIVALENTS

	Un-audited June 30, 2024	Un-audited June 30, 2023
	(Rupees)	
Short term investments	29,877,762	24,589,238
Bank balances	1,417,650	6,289,750
<b>Cash and cash equivalents in the statement of cash flows</b>	<b>31,295,412</b>	<b>30,878,988</b>

## 18 DISCLOSURE REQUIREMENT FOR SHARIAH COMPLIANT COMPANIES

As per the requirements of the fourth schedule to the Companies Act 2017, information is disclosed resultant of Company being shariah compliant as per Islamic Index;

	Un-audited June 30, 2024	Audited December 31, 2023
	(Rupees)	
Short term running finance facilities - as per islamic mode	2,233,043,642	5,199,139,517
Finance cost on islamic mode of financing	379,777,804	875,789,409

The Company maintains bank accounts with Meezan Bank Limited, Faysal Bank Limited, Dubai Islamic Bank Limited, Bank Islami Pakistan Limited and Bank Alfalah (Islamic) Limited.

# NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED JUNE 30, 2024

## 19 FAIR VALUE MEASUREMENT

The Company's financial risk management objectives and policies are consistent with that disclosed in the annual financial statements for the year ended December 31, 2023. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the audited financial statements of the Company for the year ended December 31, 2023.

The carrying amounts of all financial assets and financial liabilities are estimated to approximate their fair values.

## 20 RELATED PARTY TRANSACTIONS

Details of transactions with related parties during the period, other than those which have been disclosed in note 6, 7, 8, 9, 11, 13 and 14 of these unconsolidated condensed interim financial statements, are as follows:

Nature of relationship	Nature of transaction	Un-audited June 30, 2024	Un-audited June 30, 2023
			Rupees
Associated companies / Related Parties	- Reimbursement of expenses incurred by the company	316,463	-
	- Procurement of supplies	976,263,747	-
	- Payment against procurement of supplies	779,225,377	-
	- Donations	4,200,000	5,310,000
	- Disbursement of long term loan	507,681,000	-
	- Utilization of running finance facility	1,043,914,020	-
	- Interest received on loan	41,913,851	-
	- Dividend paid	320,437,784	386,511,245
	- Contribution paid	3,884,204	6,805,257
	- Remuneration and reimbursable expenses	13,537,462	14,929,726
Key management	- Dividend paid to directors	77,130,882	111,061,937
	- Directors' fee	675,000	500,000
	- Managerial remunerations and other benefits	50,053,262	45,661,160

## 21 GENERAL

### 21.1 Corresponding figures


In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the balances in condensed interim statement of financial position have been compared with the balances of annual audited financial statements of the preceding financial year, whereas the amounts in condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the amounts of comparable period of immediately preceding financial year.

### 21.2 Non adjusting event after reporting date

The Board of Directors of the Company, in its meeting held on August 27, 2024 has approved interim cash dividend of Rs. 1.25 per share.

## 22 DATE OF APPROVAL OF FINANCIAL STATEMENTS

These condensed interim financial statements were approved and authorized for issue by the Board of Directors in their meeting held on August 27, 2024.



Chief Financial Officer



Chief Executive Officer



Director

**CONDENSED INTERIM CONSOLIDATED  
FINANCIAL STATEMENTS**  
FOR THE HALF YEAR ENDED  
JUNE 30, 2024

# CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

	Note	Un-audited June 30, 2024	Audited December 31, 2023
(Rupees)			
<b>Share Capital and Reserves</b>			
Share capital		3,864,717,790	3,864,717,790
Unappropriated profit - revenue reserve		8,526,724,804	8,539,475,369
Maintenance reserve	5	238,199,929	213,728,363
<b>Equity attributable to the owners of the Company</b>		<b>12,629,642,523</b>	12,617,921,522
Non controlling interest		48,823,120	46,099,525
<b>Total equity</b>		<b>12,678,465,643</b>	12,664,021,047
<b>Liabilities</b>			
Lease liabilities		20,300,510	9,436,235
<b>Non-current liabilities</b>		<b>20,300,510</b>	9,436,235
Trade and other payables	6	917,315,304	411,968,780
Short term borrowings		6,844,514,046	11,669,326,413
Sub-ordinated loan	7	560,938,261	730,519,567
Markup accrued	8	1,390,349,619	1,390,558,249
Unclaimed dividend		27,147,545	118,163,748
Current portion of lease liabilities		9,677,047	6,801,757
		9,749,941,822	14,327,338,514
Liabilities directly associated with the asset held for sale	9	40,140,097	92,702,974
<b>Current liabilities</b>		<b>9,790,081,919</b>	14,420,041,488
<b>Total liabilities</b>		<b>9,810,382,429</b>	14,429,477,723
<b>Total equity and liabilities</b>		<b>22,488,848,072</b>	27,093,498,770
<b>Contingencies and commitments</b>			
	10		
<b>Assets</b>			
Property, plant and equipment	11	10,532,794,214	10,862,567,248
Right of use assets		35,144,915	24,098,636
Loan to associated company	12	999,981,000	492,300,000
<b>Non-current assets</b>		<b>11,567,920,129</b>	11,378,965,884
Loan to associated company	12	1,043,914,020	-
Stock in trade - HSD		399,899,817	399,899,817
Trade debts	13	8,157,534,190	9,159,264,055
Other receivables	14	926,658,923	678,076,008
Advances		8,968,377	1,923,347
Advance income tax		19,638,916	9,771,832
Trade deposits and prepayments		283,988,860	128,239,903
Short term investments		29,877,762	3,956,220,043
Bank balances		1,417,650	1,492,220
		10,871,898,515	14,334,887,225
Assets classified as held for sale	9	49,029,428	1,379,645,661
<b>Current assets</b>		<b>10,920,927,943</b>	15,714,532,886
<b>Total assets</b>		<b>22,488,848,072</b>	27,093,498,770

The annexed notes 1 to 22 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

# CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

FOR THE SIX MONTHS ENDED JUNE 30, 2024

	Note	Three months ended		Six months ended	
		June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
(Rupees)					
<b>Continuing operations</b>					
Turnover - net	15	2,589,621,286	8,154,714,419	3,654,055,883	10,209,727,003
Cost of sales		(1,598,430,374)	(8,102,772,066)	(2,201,746,430)	(9,639,175,285)
<b>Gross profit</b>		<b>991,190,912</b>	<b>51,942,353</b>	<b>1,452,309,453</b>	<b>570,551,718</b>
Other income		94,245,588	1,922,904	133,829,609	9,107,905
Administrative expenses		(79,088,945)	(56,972,109)	(146,166,492)	(104,938,302)
Finance cost		(489,693,319)	(639,287,994)	(921,176,849)	(1,217,172,418)
<b>Net profit / (loss) for the period</b>		<b>516,654,236</b>	<b>(642,394,846)</b>	<b>518,795,721</b>	<b>(742,451,097)</b>
<b>Discontinued operations</b>					
Profit for the period		22,087,793	171,507,778	75,352,794	173,917,178
<b>Profit / (loss) for the period</b>		<b>538,742,029</b>	<b>(470,887,068)</b>	<b>594,148,515</b>	<b>(568,533,919)</b>
<b>Profit / (loss) for the period</b>					
- Owners of the Company		516,654,236	(642,394,846)	518,795,721	(742,451,097)
<b>Profit for the period</b>					
- Owners of the Company		21,289,439	165,403,314	72,629,199	167,631,014
- Non controlling interest		798,354	6,104,463	2,723,595	6,286,163
		22,087,793	171,507,778	75,352,794	173,917,178
		538,742,029	(470,887,068)	594,148,515	(568,533,919)
<b>Earnings / (loss) per share - basic and diluted</b>					
- from continuing operations		1.392	(1.234)	1.530	(1.487)
- from discontinued operations		0.002	0.016	0.007	0.016
		1.394	(1.218)	1.537	(1.471)

The annexed notes 1 to 22 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

# CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR SIX MONTHS ENDED JUNE 30, 2024

	Three months ended		Six months ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	(Rupees)			
<b>Profit / (loss) for the period</b>	<b>538,742,029</b>	(470,887,068)	<b>594,148,515</b>	(568,533,919)
<b>Other comprehensive income for the period</b>	-	-	-	-
<b>Total comprehensive profit / (loss) for the period</b>	<b>538,742,029</b>	(470,887,068)	<b>594,148,515</b>	(568,533,919)
<b>Total comprehensive income / (loss) attributable to:</b>				
- Owners of the Company	<b>537,943,675</b>	(476,991,532)	<b>591,424,920</b>	(574,820,083)
- Non-controlling interests	<b>798,354</b>	6,104,463	<b>2,723,595</b>	6,286,163
	<b>538,742,029</b>	(470,887,068)	<b>594,148,515</b>	(568,533,919)
<b>Total comprehensive income / (loss) income arises from:</b>				
- Continuing operations	<b>516,654,236</b>	(642,394,846)	<b>518,795,721</b>	(742,451,097)
- Discontinued operations	<b>22,087,793</b>	171,507,778	<b>75,352,794</b>	173,917,178
	<b>538,742,029</b>	(470,887,068)	<b>594,148,515</b>	(568,533,919)

The annexed notes 1 to 22 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

# CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR SIX MONTHS ENDED JUNE 30, 2024

	June 30, 2024	June 30, 2023
Note	(Rupees)	
<b>Cash flows from operating activities</b>		
Profit / (loss) for the period	518,795,721	(742,451,097)
<b>Adjustments for non-cash income and expenses:</b>		
Provision for staff retirement benefits - gratuity	26,968,165	5,624,724
Depreciation - property, plant and equipment	319,548,184	316,227,942
Depreciation - right of use assets	5,699,405	6,875,076
Finance cost	921,176,849	1,217,172,418
Loss / (gain) on disposal of property, plant and equipment	(322,136)	(63,000)
Profit on deposit accounts	(146,374)	(696,494)
Return on investments	(5,416,294)	-
	1,786,303,520	802,689,569
<b>Changes in working capital:</b>		
Stock in trade	-	311,734
Trade debts	1,001,729,865	(605,461,433)
Other receivable	(248,582,915)	(83,448,564)
Advances	(7,045,030)	9,862
Trade deposits and prepayments	(155,748,957)	(219,160,409)
Trade and other payables	1,835,762,563	1,282,822,354
Discontinued operations	(1,383,136,615)	(63,814,861)
<b>Cash generated from operations</b>	2,829,282,431	1,113,948,252
Income taxes paid	(9,867,084)	(726,789)
Finance cost paid	(921,385,479)	(793,441,911)
Staff retirement benefits paid	(3,884,204)	(6,805,257)
<b>Net cash generated from / (used in) operating activities</b>	1,894,145,663	312,974,295
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment	(4,124,144)	424,000
Acquisition of right of use assets	(18,177,842)	-
Loan to associated company	(1,551,595,020)	-
Markup received on loan to associated company	41,913,851	-
Proceeds from sale of property, plant and equipment	7,041,360	-
Insurance claim received	75,500	63,000
Profit on deposit accounts	146,374	696,494
Return on investments - receipt	5,416,294	-
Discontinued operations	90,314,770	648,093,579
<b>Net cash (used in) / generated from investing activities</b>	(1,428,988,857)	649,277,073
<b>Cash flows from financing activities</b>		
Repayment of sub-ordinated loan	(161,346,584)	(148,168,103)
Dividend paid	(670,720,122)	(812,136,495)
Short term borrowings - net	(4,845,455,858)	(6,619,801,609)
Lease liabilities paid	(6,872,939)	(13,028,356)
Discontinued operations	-	(42,710,884)
<b>Net cash used in financing activities</b>	(5,684,395,503)	(7,635,845,447)
<b>Net decrease in cash and cash equivalents</b>	(5,219,238,696)	(6,673,594,079)
<b>Cash and cash equivalents at beginning of the period</b>	5,250,649,676	7,908,335,920
<b>Cash and cash equivalents at end of the period</b>	17 31,410,980	1,234,741,841

The annexed notes 1 to 22 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

# CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR SIX MONTHS ENDED JUNE 30, 2024

	Share capital	Unappropriated profit-revenue reserve	Maintenance reserve	Non-Controlling interest	Total equity
	(Rupees)				
<b>Balance as at January 1, 2023 (Audited)</b>	3,864,717,790	9,199,811,049	1,001,140,025	36,608,196	14,102,277,060
(Loss) / profit for the period	-	(574,820,083)	-	6,286,163	(568,533,919)
Other comprehensive income/(loss) for the period	-	-	-	-	-
Total comprehensive loss for the period	-	(574,820,083)	-	6,286,163	(568,533,919)
<b>Transaction with owners of the Company</b>					
<b>Distributions</b>					
Final dividend - 2022 @ Rs. 2.50 per share	-	(966,179,448)	-	-	(966,179,448)
Transfer from unappropriated profit to maintenance reserve	-	(388,484,266)	388,484,266	-	-
Charged to unappropriated profits from maintenance reserve	-	1,281,350,696	(1,281,350,696)	-	-
	-	892,866,430	(892,866,430)	-	-
Balance as at June 30, 2023 - (Un- audited)	3,864,717,790	9,517,857,396	108,273,595	42,894,359	12,567,563,693
<b>Balance as at January 1, 2024 - (Audited)</b>	<b>3,864,717,790</b>	<b>8,539,475,369</b>	<b>213,728,363</b>	<b>46,099,525</b>	<b>12,664,021,047</b>
Profit for the period	-	591,424,920	-	2,723,595	594,148,515
Other comprehensive income/(loss) for the period	-	-	-	-	-
Total comprehensive income for the period	-	591,424,920	-	2,723,595	594,148,515
<b>Transaction with owners of the Company</b>					
<b>Distributions</b>					
Final dividend - 2023 @ Rs. 1.50 per share	-	(579,703,919)	-	-	(579,703,919)
Transfer from unappropriated profit to maintenance reserve	-	(24,471,566)	24,471,566	-	-
Balance as at June 30, 2024 - (Un- audited)	<b>3,864,717,790</b>	<b>8,526,724,804</b>	<b>238,199,929</b>	<b>48,823,120</b>	<b>12,678,465,643</b>

The annexed notes 1 to 22 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director



# CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED JUNE 30, 2024

## 1 REPORTING ENTITY

The Group consists of Saif Power Limited (the Company) and Saif Cement Limited (the Subsidiary Company).

### Parent:

Saif Power Limited (“the Company”) was incorporated in Pakistan on November 11, 2004 as a public limited company under the repealed Companies Ordinance, 1984 (which has now been replaced by the Companies Act, 2017) and commenced operations from April 30, 2010. The shares of the Company are quoted on Pakistan Stock Exchange Limited. The principal activities of the Company are to own, operate and maintain a combined cycle power plant having nameplate capacity of 225 MW (ISO) and sell the electricity to Central Power Purchasing Agency Guarantee Limited (CPPA-G).

### Subsidiary:

The Subsidiary Company is a public limited company incorporated in Pakistan on January 13, 2017 under the repealed Companies Ordinance, 1984 (which has now been replaced by the Companies Act, 2017).

## 2 STATEMENT OF COMPLIANCE

These consolidated condensed interim financial statements include the financial statements of the Company and its Subsidiary (collectively “the Group”). The financial statements of the Subsidiary are prepared for the same reporting period as the Holding Company, using consistent accounting policies. These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Act; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

## 3 BASIS OF PREPARATION

These consolidated condensed interim financial statements do not include all the information required in the annual financial statements prepared in accordance with the approved accounting and reporting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant in understanding of the changes in the Company’s financial positing and performance since the last annual consolidated financial statements. These consolidated condensed interim financial statements should be read in conjunction with the Company’s latest consolidated annual financial statements as at and for the year ended December 31, 2023.

These consolidated condensed interim financial statements are unaudited and are being submitted to the members as required under Section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange.

### 3.1 Exemptions from applicability of accounting and reporting requirements

#### 3.2.1 IFRS 9 “Financial Instruments”

Securities and Exchange Commission of Pakistan (“SECP”) through S.R.O 67(I)/2023 dated January 20, 2023 has notified that in respect of companies holding financial assets due from the Government of Pakistan (GoP), the requirements contained in IFRS-9 with respect to application of expected credit loss (ECL) model shall not be applicable till December 31, 2024 provided that such companies shall follow relevant requirements of IAS-39 ‘Financial Instruments Recognition and measurement’ in respect of above referred financial assets during the exemption period.

#### 3.2.2 IFRS 16 “Leases”

Control of the Company’s plant due to purchase of total output by CPPA-G and other arrangement under the Power Purchase Agreement (PPA) was classified as a lease under IFRIC 4 “Determining whether an Arrangement Contains a Lease” which due to

# CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED JUNE 30, 2024

exemption available to the Company were not accounted for as a lease in prior years. After applicability of IFRS-16, the Company's arrangement with CPPA-G falls under the definition of a lease as defined in IFRS-16, however, the SECP through S.R.O 986(1)/2019 dated September 02, 2019 has extended the earlier exemption from IFRIC-4 to all companies, which have entered into power purchase arrangements before January 01, 2019. The Company signed its PPA with CPPA-G on April 30, 2007, accordingly, requirement of lease accounting relating to the Company's arrangement with CPPA-G are not applicable to the Company.

## 4 MATERIAL ACCOUNTING POLICIES, JUDGMENTS AND ESTIMATES

The accounting policies and the methods of computations adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company's audited financial statements for the year ended December 31, 2023.

The preparation of these condensed interim financial statements in conformity with accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historic experience including expectations of future events that are believed to be reasonable under the circumstances.

Estimates and judgements made by the management in the preparation of these condensed interim financial statements are the same as those used in the preparation of the Company's audited financial statements for the year ended December 31, 2023.

## 5 MAINTENANCE RESERVE

Overhauls of the complex are at certain intervals based on Factored Fired Hours (operating hours) as per terms and details of the O&M Agreement. The amount of such overhauls has been calculated on the basis of operating hours as in the above sentence and such amount has been appropriated to Maintenance Reserve through statement of changes in equity. After completion of specific operating hours, the amount will be transferred from maintenance reserve and the same amount will be charged to cost of sales. Resultantly, appropriation made in prior, current and subsequent years will be netted off in the year payment is made on account of this overhaul. Thus, it is just a replacement in the years only and has zero effect in actual on the company.

## 6 TRADE AND OTHER PAYABLES

- 6.1** Creditors includes amounts due to related party, M/S SNGPL, amounting to Rs. 381.7 million (December 31, 2023: Rs. 9 million) on account of procurement of supplies.
- 6.2** Other payables includes an amount of Rs. 1,353.5 million (December 31, 2023: Nil) on account of fund transfer from related party which is in process of liquidation. These funds are payable on demand.

## 7 SUBORDINATED LOAN - UNSECURED

Balance at January 01  
Exchange (gain) / loss capitalised during the period / year  
Repayment during the period / year

	Un-audited June 30, 2024	Audited December 31, 2023
(Rupees)		
	730,519,567	586,951,826
	(8,234,722)	195,147,385
	(161,346,584)	(51,579,644)
	<u>560,938,261</u>	<u>730,519,567</u>

- 7.1** Terms and conditions of the above loan are same as disclosed in financial statements for the year ended December 31, 2023.

## 8 MARKUP ACCRUED

Markup on sub-ordinated loan  
Markup on short term financing

	Un-audited June 30, 2024	Audited December 31, 2023
(Rupees)		
	931,591,321	922,460,244
	458,758,298	468,098,005
	<u>1,390,349,619</u>	<u>1,390,558,249</u>

# CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED JUNE 30, 2024

## 9 DISCONTINUED OPERATIONS

During the year ended December 31, 2023, sale transaction of assets of Saif Cement Limited ('SCL') has been completed and sale proceeds have been transferred to SCL's bank account. The Board of Directors of the Company has recommended the voluntary winding up of SCL. Once liquidation is completed after approval of shareholders, proceeds from liquidation will be used to payback to the Company and other sponsors according to their investment.

	Un-audited June 30, 2024	Audited December 31, 2023
	(Rupees)	
<b>Liabilities directly associated with asset held for sale;</b>		
Gratuity payable	362,676	-
Provision for taxation	39,777,421	90,702,974
	<b>40,140,097</b>	<b>90,702,974</b>
<b>Assets held for sale;</b>		
Advance tax	37,382,942	75,177,330
Short term investment	-	1,292,161,647
Cash and bank balances	115,568	775,766
Goodwill	11,530,918	11,530,918
	<b>49,029,428</b>	<b>1,379,645,661</b>
	Un-audited June 30, 2024	Un-audited June 30, 2023
	(Rupees)	
<b>Profit for the period;</b>		
Other income	90,314,770	650,300,001
Administrative expenses	(1,320,914)	(399,554,803)
Finance cost	-	(5,789,997)
Provision for taxation	(13,547,215)	(71,038,024)
<b>Profit for the year</b>	<b>75,446,641</b>	<b>173,917,178</b>
<b>Other comprehensive income for the period;</b>		
Profit for the year	75,446,641	173,917,178
Remeasurement of defined benefit liability	-	-
<b>Total comprehensive (loss) / income</b>	<b>75,446,641</b>	<b>173,917,178</b>
<b>Cash flows from / (used in);</b>		
Net cash used in operating activities	(1,383,136,615)	(63,814,861)
Net cash generated from investing activities	90,314,770	648,018,645
Net cash generated from / (used in) financing activities	-	(42,710,884)
<b>Net cashflows for the period</b>	<b>(1,292,821,845)</b>	<b>541,492,900</b>

## 10 CONTINGENCIES AND COMMITMENTS

There is no significant change in the status of contingencies and commitments from the preceeding annual financial statements of the Company for the year ended December 31, 2023 except for the following:

- In respect of Sui Northern Gas Pipeline Limited (SNGPL)'s claim on account of late payment by the Company against invoices of Regasified Liquefied Natural Gas (RLNG) has increased to Rs. 126.69 million (December 31, 2023: Rs. 124.52 million).

# CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED JUNE 30, 2024

		Un-audited June 30, 2024	Audited December 31, 2023
		(Rupees)	
<b>11</b>	<b>PROPERTY, PLANT AND EQUIPMENT</b>		
	Balance at January 01	10,862,567,248	11,302,149,549
	Additions during the period / year	4,124,144	736,000
	Net book value of assets disposed off	(6,114,272)	(157,223)
	Depreciation for the period / year	(319,548,184)	(635,308,463)
	Capitalization of exchange (gain) / loss	(8,234,722)	195,147,385
	Balance at June 30 / December 31	<u>10,532,794,214</u>	<u>10,862,567,248</u>
<b>12</b>	<b>LOAN TO ASSOCIATED COMPANY</b>		
	Long Term Loan	12.1 <u>999,981,000</u>	<u>492,300,000</u>
	Running Finance Facility	12.2 <u>1,043,914,020</u>	<u>-</u>

**12.1** Details of long term loan provided are same as disclosed in the annual financial statements of the Company for the year ended December 31, 2023.

**12.2** During the period, the Board of Directors of the Company in their meeting held on March 21, 2024 recommended to the shareholders for their approval to provide an unsecured running finance facility, in favor of Saif Textile Mills Limited of Rs. 1.5 billion, which was approved by the shareholders of the Company in their Extra Ordinary General Meeting held on April 15, 2024. The loan carries markup, payable on quarterly basis, at the rate of 0.1% above the lenders' average borrowing cost or KIBOR for the relevant period whichever is higher. The running finance facility is renewable every year by mutual consent and approval of the shareholders.

		Un-audited June 30, 2024	Audited December 31, 2023
		(Rupees)	
<b>13</b>	<b>TRADE DEBTS - secured</b>		
	Considered good	13.1 <u>8,157,534,190</u>	<u>9,159,264,055</u>

**13.1** Trade debts, including delayed payment charges, are secured by a guarantee from the Government of Pakistan under the Implementation Agreement and as such are considered good.

Apart from the information already disclosed in financial statements for the year ended December 31, 2023, following is the major event or transaction pertaining to trade debts:

- Trade debts include unbilled receivable amount of Rs. 1.796 billion (December 31, 2023: Rs. 0.989 billion) at the period end.

**13.2** The aging of trade debts at the reporting date was:

	Un-audited June 30, 2024	Audited December 31, 2023
		(Rupees)
Not past due	2,496,355,310	1,764,730,961
Past due 0 - 60 days	1,399,404,315	1,242,667,845
Past due 61 - 120 days	594,443,933	2,831,143,177
Past due 121 - 180 days	768,125,766	3,320,722,072
181 days and above	2,899,204,866	-
	<u>8,157,534,190</u>	<u>9,159,264,055</u>

## 14 OTHER RECEIVABLES

**14.1** Other receivable includes Rs. 92.5 million (December 31, 2023: Rs. 13.8 million) receivable from Saif Textile Mills Limited, a related party, on account of interest accrued on long term loan and running finance facility for 2nd quarter of 2024.

**14.2** This also includes net amount due from related parties of Rs. 24.4 million (December 31, 2023: Rs. 0.68 million) on account of resources received and shared expenses incurred on behalf of related parties.

# CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED JUNE 30, 2024

	Un-audited Three months ended		Un-audited Six months ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
<b>15 TURNOVER - NET</b>	(Rupees)			
Gross Energy Purchase Price	1,157,165,649	7,631,292,242	1,179,553,899	8,841,542,050
Less: Sales Tax	(180,799,095)	(1,164,095,427)	(184,214,252)	(1,343,540,783)
	976,366,554	6,467,196,815	995,339,647	7,498,001,267
Capacity Purchase Price	1,613,254,732	1,687,517,604	2,658,716,236	2,711,725,736
	2,589,621,286	8,154,714,419	3,654,055,883	10,209,727,003

## 16 EARNING PER SHARE

Basic Earnings per share has been calculated by dividing the profit attributable to equity holders of the Group by weighted average number of ordinary shares in issue during the period.

There is no dilutive effect on the basic earnings per share of the Company, which is based on:

	Un-audited Three months ended		Un-audited Six months ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	(Rupees)			
Profit / (loss) for the period:	516,654,236	(642,394,846)	518,795,721	(742,451,097)
- continuing operations	537,943,675	(476,991,532)	591,424,920	(574,820,083)
- discontinued operations	798,354	6,104,463	2,723,595	6,286,163
	538,742,029	(470,887,068)	594,148,515	(568,533,919)
Weighted average number of ordinary shares - numbers	386,471,779	386,471,779	386,471,779	386,471,779
Earning / (loss) per share - basic and diluted - rupees				
- continuing operations	1.392	(1.234)	1.530	(1.487)
- discontinued operations	0.002	0.016	0.007	0.016
	1.394	(1.218)	1.537	(1.471)

	Un-audited June 30, 2024	UN-audited June 30, 2023
	<b>17 CASH AND CASH EQUIVALENTS</b>	(Rupees)
Short term investments	29,877,762	24,589,238
Bank balances	1,533,218	1,210,152,603
<b>Cash and cash equivalents in the statement of cash flows</b>	<b>31,410,980</b>	<b>1,234,741,841</b>

## 18 DISCLOSURE REQUIREMENT FOR SHARIAH COMPLIANT COMPANIES

As per the requirements of the fourth schedule to the Companies Act 2017, information is disclosed resultant of Company being shariah compliant as per Islamic Index;

	Un-audited June 30, 2024	UN-audited June 30, 2023
	(Rupees)	
Short term running finance facilities - as per islamic mode	2,233,043,642	5,199,139,517
Finance cost on islamic mode of financing	379,777,804	875,789,409

The Company maintains bank accounts with Meezan Bank Limited, Faysal Bank Limited, Dubai Islamic Bank Limited, Bank Islami Pakistan Limited and Bank Alfalah (Islamic) Limited.

# CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR SIX MONTHS ENDED JUNE 30, 2024

## 19 FAIR VALUE MEASUREMENT

The Company's financial risk management objectives and policies are consistent with that disclosed in the annual financial statements for the year ended December 31, 2023. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the audited financial statements of the Company for the year ended December 31, 2023.

The carrying amounts of all financial assets and financial liabilities are estimated to approximate their fair values.

## 20 RELATED PARTY TRANSACTIONS

Details of transactions with related parties during the period, other than those which have been disclosed in note 6, 7, 8, 9, 12 and 14 of these consolidated condensed interim financial statements, are as follows:

Nature of relationship	Nature of transaction	Un-audited June 30, 2024	Un-audited June 30, 2023	
		Rupees		
Associated companies / Related Parties	- Reimbursement of expenses incurred by the company	316,463	-	
	- Procurement of supplies	976,263,747	-	
	- Payment against procurement of supplies	779,225,377	-	
	- Donations	4,200,000	5,310,000	
	- Disbursement of long term loan	507,681,000	-	
	- Utilization of running finance facility	1,043,914,020	-	
	- Interest received on loan	41,913,851	-	
	- Dividend paid	320,437,784	386,511,245	
	- Contribution paid	3,884,204	6,805,257	
	- Remuneration and reimbursable expenses	13,537,462	14,929,726	
	Key management	- Dividend paid to directors	77,130,882	111,061,937
		- Directors' fee	675,000	500,000
		- Managerial remunerations and other benefits	50,053,262	45,661,160

## 21 GENERAL

### 21.1 Corresponding figures

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the balances in condensed interim statement of financial position have been compared with the balances of annual audited financial statements of the preceding financial year, whereas the amounts in condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the amounts of comparable period of immediately preceding financial year.

### 21.2 Non adjusting event after reporting date

The Board of Directors of the Company, in its meeting held on August 27, 2024 has approved interim cash dividend of Rs. 1.25 per share.

## 22 DATE OF APPROVAL OF FINANCIAL STATEMENTS

These condensed interim consolidated financial statements were approved and authorized for issue by the Board of Directors in their meeting held on August 27, 2024.



Chief Financial Officer



Chief Executive Officer



Director





Saif Group



## **SAIF POWER LIMITED**

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