

PAKGEN POWER LIMITED



N I S H A T

STOCKEXC/

April 30, 2025

The General Manager,
Pakistan Stock Exchange Ltd,
Stock Exchange Building,
Stock Exchange Road,
KARACHI.

SUB: TRANSMISSION OF QUARTERLY REPORT FOR THE PERIOD ENDED 31.03.2025

Dear Sir,

We have to inform you the Quarterly Report of Pakgen Power Limited for the period ended March 31, 2025 have been transmitted through PUCARS and is also available on Company's website.

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Thanking you,

Yours truly,


KHALID MAHMOOD CHOCHAN
COMPANY SECRETARY



NISHAT

PAKGEN POWER LIMITED

FIRST QUARTERLY
Report

FOR THE PERIOD ENDED
MARCH 31,

20
25



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COMPANY PROFILE

THE COMPANY

Pakgen Power Limited ("the Company") was incorporated in Pakistan on 22 June 1995 under the repealed Companies Ordinance, 1984 now the Companies Act, 2017. The registered office is situated at 53-A, Lawrence Road, Lahore. The principal activities of the Company are to own, operate and maintain an oil fired power station ("the Complex") having gross capacity of 365 MW in Mehmood Kot, Muzaffargarh, Punjab, Pakistan.

BOARD OF DIRECTORS

Mrs. Sadia Younas Mansha
Mr. Muhammad Ali Zeb Chairman
Mr. Samir Mustapha Chinoy
Mr. Sheikh Muhammad Shakeel
Mr. Farrukh Ifzal
Mr. Ghazanfar Hussain Mirza
Mr. Omer Zubair Khan

CHIEF EXECUTIVE OFFICER

Mian Hassan Mansha

AUDIT COMMITTEE

Mr. Farrukh Ifzal
Mr. Sheikh Muhammad Shakeel Chairman
Mr. Muhammad Ali Zeb

HUMAN RESOURCE & REMUNERATION(HR &R) COMMITTEE

Mr. Samir Mustapha Chinoy Chairman
Mian Hassan Mansha
Mr. Ghazanfar Hussain Mirza

AUDITOR OF THE COMPANY

Riaz Ahmad & Co.
Chartered Accountants

REGISTERED OFFICE

53-A, Lawrence Road, Lahore-Pakistan
UAN:+92 42-111-11-33-33
+92 42 36367414

SHARE REGISTRAR

CDC Share Registrar Services Limited
CDC House,99-B, Block-B, S.M.C.H.S
Shahra-e-Faisal, Karachi – 74400
Tel: (92-21) 111-111-500
Fax: (92-21) 34326053

CHIEF FINANCIAL OFFICER

Mr. Tanvir Khalid

COMPANY SECRETARY

Mr. Khalid Mahmood Chohan

BANKERS OF THE COMPANY

Habib Bank Limited
The Bank of Punjab
Silk Bank Limited
United Bank Limited
Allied Bank Limited
National Bank of Pakistan
Bank Alfalah Limited
Faysal Bank Limited
Askari Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Bank Islamic Pakistan Limited
Bank Al-Habib Limited
Al Baraka Bank (Pakistan) Limited

LEGAL ADVISOR OF THE COMPANY

Mr. M. Aurangzeb Khan
Advocate High Court

HEAD OFFICE

1-B, Aziz Avenue, Gulberg-V, Lahore-
Pakistan
Tel: +92 42-35717090-96
Fax: +92 42-35717239

PLANT

Mehmood Kot, Muzaffargarh,
Punjab – Pakistan.

DIRECTORS' REPORT

The Directors of [Pakgen Power Limited](#) ("the Company") are pleased to present their report together with the Condensed Interim Financial Information for the first quarter ended March 31, 2025.

During the year ended December 31, 2024, the Federal Government (GOP) notified a Task Force to negotiate the early termination of Company's Implementation Agreement ("IA"), Power Purchase Agreement ("PPA") and the Guarantee ("Guarantee"), collectively referred to as "Agreements". Although, these Agreements were scheduled to expire on October 07, 2028 however, the Task Force desired the early termination with effect from January 31, 2025.

Accordingly, the terms given by Task Force were placed before the Board of Directors in its meeting held on December 10, 2024 and the Board of Directors placed the matter of early termination and the terms thereof for approval of shareholders. During the period, on January 27, 2025, shareholders of the Company in their Extra Ordinary General Meeting approved early termination of the PPA as proposed by the Task Force. Consequently, the Agreements stand terminated with effect from 31 January 2025. For further details, please see note 1.2 of the annexed condensed interim financial statements.

We report that during the period under review and upto PPA termination date, the power plant dispatched 5,938.6 MWh electricity to Central Power Purchasing Agency (Guarantee) Limited ("CPPA-G") as compared with 58,182 MWh dispatched during the corresponding period of the previous financial year.

OPERATIONAL FINANCIAL RESULTS:

The financial results of the Company for period ended March 31, 2025 are as follows:

Financial Highlights	PERIOD ENDED	
	March 31, 2025	March 31, 2024
Revenue (Rs '000')	925,405	5,152,733
Gross profit (Rs '000')	145,108	1,700,117
After tax profit (Rs '000')	37,402	1,853,499
Earnings per share (Rs)	0.10	4.98

The Company has posted after tax profit of Rs 37.402 million as against Rs 1,853.499 million earned in the comparative period. The net profits of the Company demonstrated the Earning per Share of Rs 0.10 per share as against Rs 4.98 per share earned in the comparable previous period.

The Company remains in a sound financial position and has sufficient liquidity and reserves to meet its plant preservation expenditures and discharge its liabilities for the foreseeable future. As on March 31, 2025, the Company's investments in Mutual Funds and cash and bank stand at Rs. 18,704 Million, which are primarily held to meet day to day expenditure keeping in view that the Company shall participate in the Competitive Trading Bilateral Contracts Market (CTBCM)

once it is implemented by the Government of Pakistan (GoP), which will allow the Company to sell electricity as a Merchant Plant to Bulk Consumers / Distribution Companies (DISCOs) through wheeling arrangements.

As explained in Note 1.2 to the financial statements, the Company has taken several cost reduction measures, including but not limited to rationalization of workers and employees through Voluntary Severance Scheme (VSS) and reduction / optimization of plant maintenance costs, to mitigate the financial impacts arising due to termination of the Agreements, consequently, the Power Plant is being kept in preservation mode to ensure that the Power Plant is readily available if the offtake of electricity is required in near future. The Company is fully determined to explore other avenues of income generation including establishment of new businesses, which are under discussions, using funds available with the Company and the same will be placed before the shareholders of the Company for formal approval after the recommendation by the Board of Directors of the Company.

COMPOSITION OF BOARD:

Total number of Directors:		
(a)	Male	7
(b)	Female	1
Composition:		
(i)	Independent Directors	2
(ii)	Other Non-executive Directors	5
(iii)	Executive Director (Chief Executive Officer)	1

COMMITTEES OF THE BOARD:

Audit Committee of the Board:

Sr. #	Name of Members	
1.	Mr. Sheikh Muhammad Shakeel	(Chairman)
2.	Mr. Farrukh Ifzal	(Member)
3.	Mr. Muhammad Ali Zeb	(Member)

Human Resource & Remuneration (HR&R) Committee:

Sr. #	Name of Members	
1.	Mr. Samir Mustapha Chinoy	(Member/Chairman)
2.	Mian Hassan Mansha	(Member)
3.	Mr. Ghazanfar Hussain Mirza	(Member)

DIRECTORS' REMUNERATION:

The company does not pay remuneration to its non-executive directors including independent directors except for meeting fee. Aggregate amount of remuneration paid to executive and non-executive directors have been disclosed in Note 9 of the annexed financial statements.

APPROPRIATIONS:

The Board of Directors has announced 1st Interim Cash Dividend at the rate of PKR 2/- per share for the three-month period ended March 31, 2025.

ACKNOWLEDGEMENT:

The board appreciates the management for establishing a modern and motivating working climate and promoting high levels of performance in all areas of the power plant. We also take this opportunity to thank our executives and staff members for their consistent support, hard-work and commitment for delivering remarkable, under extra ordinary circumstances.

For and on behalf of the Board of Directors



Mian Hassan Mansha
Chief Executive Officer
Lahore: 29 April 2025



Mr. Ghazanfar Hussain Mirza
Director

پاک جن پاور لمیٹڈ "دی کمپنی" کے ڈائریکٹرز 31 مارچ 2025ء بمطابق پہلی سہ ماہی کے لئے منجملہ عبوری مالیاتی معلومات پر مشتمل اپنی رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

31 دسمبر 2024 کو ختم ہونے والے سال کے دوران، وفاقی حکومت (GOP) نے کمپنی کے ایپلی مینیشن معاہدے ("IA")، پاور پرچیز انگریسٹ ("PPA") اور گارنٹی ("گارنٹی") کے جلد برطرفی کی خاطر مذاکرات کے لیے ایک ٹاسک فورس تشکیل دی۔ اگرچہ ان معاہدوں کی میعاد 107 اکتوبر 2028 کو ختم ہونی تھی، تاہم، ٹاسک فورس نے 31 جنوری 2025 سے فوری برطرف کرنے کی خواہش ظاہر کی۔

اس کے مطابق، ٹاسک فورس کی طرف سے دی گئی شرائط کو بورڈ آف ڈائریکٹرز کے زور بردار اس کی 10 دسمبر 2024 کو منعقد ہونے والے اجلاس میں رکھا گیا اور بورڈ آف ڈائریکٹرز نے جلد برطرفی کا معاملہ اور اس کی شرائط کو کمپنی کے شیئر ہولڈرز کی منظوری کے لیے رکھا۔ مدت کے دوران، 27 جنوری 2025 کو، کمپنی کے شیئر ہولڈرز نے اپنے غیر معمولی اجلاس عام میں ٹاسک فورس کی تجویز کے مطابق PPA کو جلد برطرف کرنے کی منظوری دی۔ نتیجتاً، معاہدے 31 جنوری 2025 سے ختم ہو گئے ہیں۔ مزید تفصیلات کے لیے، براہ کرم منسلک کنڈینسڈ عبوری مالیاتی گوشواروں کا نوٹ 1.2 ملاحظہ کریں۔

ہم بیان کرتے ہیں کہ زیر جائزہ مدت کے دوران اور PPA کی برطرفی کی تاریخ تک پاور پلانٹ نے سنٹرل پاور پرچیزنگ ایجنسی (گارنٹی) لمیٹڈ ("CPPA-G") کو 5,938.6 MWh بجلی ترسیل کی جبکہ پچھلے مالی سال کی اسی مدت کے دوران 58,182 MWh ترسیل کی گئی تھی۔

آپریٹل مالیاتی نتائج:

31 مارچ 2025ء کو ختم ہونے والی مدت کے لئے کمپنی کے مالیاتی نتائج مندرجہ ذیل ہیں:

مالی جھلکیاں	31 مارچ 2025ء بمطابق سہ ماہی	31 مارچ 2024ء بمطابق سہ ماہی
محصولات (000 روپے)	925,405	5,152,733
مجموعی منافع (000 روپے)	145,108	1,700,117
بعد از ٹیکس منافع (000 روپے)	37,402	1,853,499
آمدنی فی حصص (روپے)	0.10	4.98

کمپنی نے ٹیکس کے بعد منافع 37,402 ملین روپے درج کیا جبکہ تقابلی مدت میں 1,853,499 ملین روپے ٹیکس کے بعد منافع حاصل ہوا تھا۔ کمپنی کے خالص منافع نے گزشتہ مدت میں 4.98 روپے فی حصص منافع کے مقابلے 0.10 روپے فی حصص منافع ظاہر کیا ہے۔

کمپنی ایک مستحکم مالی پوزیشن میں ہے اور اس کے پاس پلانٹ کے تحفظ کے اخراجات کو پورا کرنے اور مستقبل قریب کے لئے اپنی ذمہ داریوں کو ادا کرنے کے لئے کافی لیکویڈیٹی اور ذخائر ہیں۔ 31 مارچ، 2025ء تک کمپنی کی میوچل فنڈز، نقد اور بینکوں میں سرمایہ کاری 18,704 ملین روپے ہے، جو بنیادی طور پر روزمرہ کے اخراجات کو پورا کرنے کے لئے رکھی گئی ہے، اس بات کو مد نظر رکھتے ہوئے کہ حکومت پاکستان (جی او پی) کی جانب سے نافذ ہونے کے بعد کمپنی مسابقتی تجارتی دو طرفہ کنٹریکٹ مارکیٹ (CTBCM) میں حصہ لے گی۔ جس سے کمپنی کو مرچنٹ پلانٹ کے طور پر ویلنگ انتظامات کے ذریعے بلک صارفین/ڈسٹری بیوشن کمپنیوں (ڈسکوز) کو بجلی فروخت کرنے کی اجازت ہوگی۔

جیسا کہ مالیاتی گوشواروں کے نوٹ 1.2 میں وضاحت کی گئی ہے، کمپنی نے لاگت میں کمی لانے کے کئی اقدامات کیے ہیں، جن میں رضا کارانہ علیحدگی اسکیم (VSS) کے ذریعے کارکنوں اور ملازمین کی معقولیت اور پلانٹ کی دیکھ بھال کے اخراجات میں کمی/اصلاح شامل ہیں، تاکہ معاہدوں کی برطرفی کی وجہ سے پیدا ہونے والے مالی اثرات کو کم کیا جاسکے، اس بات کو یقینی بنانے کے لیے کہ پاور پلانٹ کو پہلے سے محفوظ رکھا جائے۔ تاکہ اگر مستقبل قریب میں بجلی کی ضرورت پڑے تو پلانٹ آسانی سے دستیاب ہو۔ کمپنی اپنے پاس دستیاب فنڈز کا استعمال کرتے ہوئے نئے کاروباروں کے قیام سمیت آمدنی پیدا کرنے کی دیگر راہیں تلاش کرنے کے لیے پوری طرح پُر عزم ہے اور کمپنی کے بورڈ آف ڈائریکٹرز کی سفارش کے بعد اسے باضابطہ منظوری کے لیے کمپنی کے شیئر ہولڈرز کے روبرو رکھا جائے گا۔

بورڈ کی تشکیل:

ڈائریکٹرز کی کل تعداد	
مرد	7
خاتون	1
تشکیل	
(i) آزاد ڈائریکٹرز	2
(ii) دیگر نان ایگزیکٹو ڈائریکٹرز	5
(iii) ایگزیکٹو ڈائریکٹرز (چیف ایگزیکٹو آفیسر)	1

بورڈ کی کمیٹیاں:

بورڈ کی آڈٹ کمیٹی:

نمبر شمار	نام رکن
1	جناب شیخ محمد شکیل (چیئر مین)
2	جناب فرخ افضال (رکن)
3	جناب محمد علی زیب (رکن)

ہیومن ریسورس اینڈ ریمنڈیشن (HR&R) کمیٹی:

نمبر شمار	نام رکن
1	جناب سیر مصطفیٰ چنائے (رکن/چیئر مین)
2	میاں حسن منشاء (رکن)
3	جناب غففر حسین مرزا (رکن)

ڈائریکٹرز کا مشاہرہ:

کمپنی اپنے آزاد ڈائریکٹرز سمیت نان ایگزیکٹو ڈائریکٹرز کو اجلاس فیس کے علاوہ کوئی مشاہرہ ادا نہیں کرتی ہے۔ ایگزیکٹو اور نان ایگزیکٹو ڈائریکٹرز کو ادا کئے جانے والے مشاہرہ کی مجموعی رقم منسلکہ مالی حسابات کے نوٹ 9 میں منکشف ہے۔

تصرفات

بورڈ آف ڈائریکٹرز نے 31 مارچ 2025 کو ختم ہونے والی سہ ماہی مدت کے لئے پہلا عبوری نقد منافع منقسمہ بشرح - 2/ روپے فی شیئر کا اعلان کیا ہے۔

اتلہا تشکر

بورڈ، ایک جدید اور حوصلہ افزاء کام کے ماحول کے قیام اور پاور پلانٹ کے تمام شعبوں میں اعلیٰ سطح کی کارکردگی کو فروغ دینے کے لئے بھی انتظامیہ کو سراہتا ہے۔ ہم غیر معمولی حالات کے تحت، قابل ذکر نتائج کی فراہمی کے لئے اپنے ایگزیکٹوز اور تمام عملہ کی مسلسل حمایت، سخت محنت اور عزم کے بھی شکر گزار ہیں۔

منجانب مجلس نظاماء

Qharun 4. Hira

غففر حسین مرزا
ڈائریکٹر

Hum Hira

میاں حسن منشاء

چیف ایگزیکٹو آفیسر

لاہور: 29 اپریل 2025ء

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025 (UN-AUDITED)

	Note	Un-audited 31 March 2025 (Rupees in thousand)	Audited 31 December 2024
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 400,000,000 (31 December 2024: 400,000,000) ordinary shares of Rupees 10 each		4,000,000	4,000,000
Issued, subscribed and paid-up share capital 372,081,591 (31 December 2024: 372,081,591) ordinary shares of Rupees 10 each		3,720,816	3,720,816
Capital reserve		116,959	116,959
Revenue reserve - un-appropriated profit		22,794,780	22,757,378
Total equity		26,632,555	26,595,153
LIABILITIES			
NON-CURRENT LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		423,929	572,234
Accrued mark-up / profit		-	10,502
Taxation and levy - net		30,867	41,082
Unclaimed dividend		130,556	130,615
		585,352	754,433
Total liabilities		585,352	754,433
CONTINGENCIES AND COMMITMENTS			
	4		
TOTAL EQUITY AND LIABILITIES		27,217,907	27,349,586

The annexed notes form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE

	Note	Un-audited 31 March 2025 (Rupees in thousand)	Audited 31 December 2024
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	5	2,765,647	2,998,120
Long-term loans to employees		17,764	18,982
Long-term security deposit		1,774	1,774
Employee benefit - gratuity		19,822	19,822
		2,805,007	3,038,698
CURRENT ASSETS			
Stores, spare parts and other consumables		666,028	647,068
Fuel stock		1,359,947	2,486,106
Trade debts		964,252	11,514,884
Loans, advances and short-term prepayments		1,460,318	804,976
Other receivables		1,245,457	2,128,564
Accrued interest		12,297	2,961
Short term investment		7,748,436	6,626,325
Cash and bank balances		10,956,165	100,004
		24,412,900	24,310,888
TOTAL ASSETS		27,217,907	27,349,586



DIRECTOR



CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME


For the Quarter Ended 31 March 2025 (Un-audited)

	Note	Quarter Ended	
		31 March 2025 (Rupees in thousand)	31 March 2024
REVENUE FROM CONTRACT WITH CUSTOMER	6	925,405	5,152,733
COST OF SALES		(780,297)	(3,452,616)
GROSS PROFIT		145,108	1,700,117
PLANT MAINTENANCE AND PRESERVATION COSTS	7	(217,207)	-
ADMINISTRATIVE EXPENSES		(69,005)	(82,247)
OTHER EXPENSES		(1,324)	(1,554)
OTHER INCOME		208,284	314,269
PROFIT FROM OPERATIONS		65,856	1,930,585
FINANCE COST		(116)	(14,322)
PROFIT BEFORE TAXATION		65,740	1,916,263
TAXATION		(28,338)	(62,764)
PROFIT AFTER TAXATION		37,402	1,853,499
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		37,402	1,853,499
EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)		0.10	4.98

The annexed notes form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR




CHIEF FINANCIAL OFFICER


CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For the Quarter Ended 31 March 2025 (Un-audited)

	SHARE CAPITAL	RESERVES		TOTAL EQUITY
		Capital	Revenue	
		Retained payments reserve	Un- appropriated profit	
(- - - - - Rupees in thousand - - - - -)				
Balance as at 31 December 2023 - audited	3,720,816	116,959	20,849,904	24,687,679
Profit for the quarter ended 31 March 2024	-	-	1,853,499	1,853,499
Other Comprehensive income for the quarter ended 31 March 2024	-	-	-	-
Total comprehensive income for the quarter ended 31 March 2024	-	-	1,853,499	1,853,499
Balance as at 31 March 2024- un-audited	3,720,816	116,959	22,703,403	26,541,178
Balance as at 31 December 2024 audited	3,720,816	116,959	22,757,378	26,595,153
Profit for the quarter ended 31 March 2025	-	-	37,402	37,402
Other Comprehensive income for the quarter ended 31 March 2025	-	-	-	-
Total comprehensive income for the quarter ended 31 March 2025	-	-	37,402	37,402
Balance as at 31 March 2025 - un-audited	3,720,816	116,959	22,794,780	26,632,555

The annexed notes form an integral part of these condensed interim financial statements.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CASH FLOWS

For the Quarter Ended 31 March 2025 (Un-audited)

		Quarter Ended	
	Note	31 March 2025 (Rupees in thousand)	31 March 2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) Operations	8	11,834,400	(196,389)
Finance cost paid		(10,618)	(14,728)
Net decrease / (increase) in long term loans to employees		1,218	(8,425)
Income tax paid		(38,553)	(18,566)
Net cash generated from / (used in) operating activities		11,786,447	(238,108)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on fixed assets		-	(1,616)
Short term investments made		(3,306,711)	(165,823,295)
Proceeds from disposal of short term investments		2,184,600	163,789,298
Interest received		191,884	314,315
Net cash used in investing activities		(930,227)	(1,721,298)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(59)	(107)
Net cash used in financing activities		(59)	(107)
Net increase / (decrease) in cash and cash equivalents		10,856,161	(1,959,513)
Cash and cash equivalents at beginning of the period		100,004	(1,615,222)
Cash and cash equivalents at end of the period		10,956,165	(3,574,735)
CASH AND CASH EQUIVALENTS			
Cash and bank balances		10,956,165	205,223
Short-term borrowings		-	(3,779,958)
		10,956,165	(3,574,735)

The annexed notes form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the Quarter Ended 31 March 2025 (Un-audited)

1. THE COMPANY AND ITS OPERATIONS

1.1 Pakgen Power Limited (“the Company”) was incorporated in Pakistan on 22 June 1995 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The registered office of the Company is situated at 53-A, Lawrence Road, Lahore. Head office of the Company is situated at 1-B, Aziz Avenue, Canal Road, Gulberg V, Lahore. The ordinary shares of the Company are listed on Pakistan Stock Exchange Limited. The principal activities of the Company are to own, operate and maintain a fuel fired power station (“the Complex”) having gross capacity of 365 MW in Mehmood Kot, Muzaffargarh, Punjab, Pakistan. The Company had a Power Purchase Agreement (PPA) with its sole customer, Central Power Purchasing Agency (Guarantee) Limited (CPPA-G) / (Power Purchaser) for 30 years which commenced from 01 February 1998. As per the terms of PPA amendment agreement dated 20 April 2021, the agreement year that ended on 04 May 2021 was extended by 156 days to 07 October 2021.

1.2 Impact on going concern assumption due to early termination of PPA

The PPA of the Company was initially for a term of 30 years and was scheduled to expire on 07 October 2028. However, during the year ended 31 December 2024, the Company entered into negotiations with the National Task Force on Structural Reforms (Task Force) constituted by the Prime Minister of Pakistan. After several round of discussions with the Task Force, the Company consented the early termination of existing PPA with the Power Purchaser with effect from 31 January 2025 (“effective date”). The Company also consented the early termination of Implementation Agreement (IA) entered into with the President of Islamic Republic of Pakistan and Guarantee issued by the President of Islamic Republic of Pakistan, for and on behalf of the Government of Pakistan (GoP) with effect from 31 January 2025. For details, please refer to note 1.2 to the annual audited financial statements of the Company for the year ended 31 December 2024. As a result, the Agreements stand terminated with effect from 31 January 2025 and the Company has received Rs 10.9 billion from Power Purchaser as per the agreed terms and the remainder amount of Rs 964 million is to be received by April 30, 2025.

The termination of PPA indicates the existence of material uncertainty that may cast significant doubt on the Company’s ability to continue as a going concern and, therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business. However, the Company believes that it will be able to continue as a going concern, based on the following points:

- There is no impediment in the ability of the Company to generate electricity, subject to certain regulatory and formal legal formalities;
- The management of the Company shall participate in the Competitive Trading Bilateral Contracts Market (CTBCM) once it is implemented by the Government of Pakistan (GoP), which will allow the Company to sell electricity as a Merchant Plant to Bulk Consumers / Distribution Companies (DISCOs) through wheeling arrangements;
- The Company has taken several cost reduction measures, including but not limited to rationalization of workers and employees through Voluntary Severance Scheme (VSS) and reduction / optimization of plant maintenance costs, to mitigate the financial impacts

arising due to termination of the Agreements;

- The Company has Rupees 18,704.409 million surplus funds available as on 31 March 2025 which are invested in mutual funds and cash and bank balances to generate sufficient income to support the operations of the Company;
- The Company has Rupees 964 million receivable as on 31 March 2025 from the Power Purchaser which is due to be received by 30 April 2025 pursuant to the terms agreed in Negotiation Settlement Agreement;
- The management of the Company is fully determined to explore other avenues of income generation including establishment of new businesses, which are under discussions, using funds available with the Company and the same will be placed before the shareholders of the Company for formal approval after the recommendation by the Board of Directors of the Company.

Notwithstanding, as elaborated above, the Company has sound financial position and as per the management's forecasts, the Company has enough liquidity and reserves to meet the operational expenditures and discharge its liabilities for the foreseeable future. Therefore, the management is confident that the Company will continue as a going concern in the foreseeable future. Thus, these condensed interim financial statements have been prepared on a going concern basis and consequently, do not require adjustment relating to the realization of its assets and liquidation of liabilities.

The management has also assessed the accounting implications of the aforementioned developments in relation to the impairment of tangible fixed assets under IAS 36 'Impairment of Assets'. However, according to management's assessment, there is no impact of impairment on these condensed interim financial statements.

2. BASIS OF PREPARATION

2.1 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; 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.

2.2 These condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 31 December 2024. These condensed interim financial statements are un-audited and are being submitted to the shareholders as required by Section 237 of the Companies Act, 2017.

3. ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of these condensed interim financial statements are same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 31 December 2024.

3.1 Critical accounting estimates and judgments

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

During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 31 December 2024.

4. CONTINGENCIES AND COMMITMENTS

4.1 Contingencies

There is no significant change in the status of contingencies as disclosed in the preceding audited annual published financial statements of the Company for the year ended 31 December 2024.

4.2 Commitments

	Un-audited 31 March 2025 (Rupees in thousand)	Audited 31 December 2024
4.2.1 Commitments in respect of other than capital expenditure	-	34,133
5. FIXED ASSETS		
Operating fixed assets (Note 5.1)	2,765,647	3,863,831
Capital work-in-progress	-	6,096
	2,765,647	3,869,927

	Un-audited 31 March 2025 (Rupees in thousand)	Audited 31 December 2024
5.1 Operating fixed assets		
Opening book value	2,998,120	3,863,831
Add: Cost of additions during the period / year (Note 5.1.1)	-	54,837
Less: Book value of deletion during the period / year (Note 5.1.2)	(632)	-
Less: Depreciation charged during the period / year	(231,841)	(920,548)
Closing book value	2,765,647	2,998,120
5.1.1 Cost of additions		
Buildings on freehold land	-	10,825
Plant and machinery	-	23,033
Vehicles	-	11,800
Office equipment	-	7,701
Furniture and fittings	-	741
Electric equipment and appliances	-	737
	-	54,837
5.1.2 Book value of deletions		
Cost	(1,543)	(8,141)
Less: Accumulated depreciation	911	8,141
	(632)	-

	Quarter Ended	
	31 March 2025	31 March 2024
	(Rupees in thousand)	
6. COST OF SALES		
Fuel consumed	240,527	2,627,977
Operation and maintenance costs	82,939	217,118
Insurance	380,793	380,793
Depreciation	76,038	226,728
	780,297	3,452,616

		Quarter Ended	
		31 March 2025	31 March 2024
		(Rupees in thousand)	
7.	PLANT MAINTENANCE AND PRESERVATION COSTS		
	Salaries, wages and other benefits	20,757	-
	Repair and maintenance	22,641	-
	Stores and spare parts consumed	1,675	-
	Electricity consumed in-house	20,124	-
	Depreciation	152,010	-
		217,207	-
8.	CASH GENERATED FROM / (USED IN) OPERATIONS		
	Profit before taxation	65,740	1,916,263
	Adjustment for non-cash charges and other items:		
	Depreciation	231,841	229,498
	Loss on disposal / derecognition of fixed assets	632	-
	Provision for gratuity	-	3,485
	Interest income	(201,220)	(314,269)
	Finance cost	116	14,322
	Cash flows from operating activities before working capital changes	97,109	1,849,299
	(Increase) / decrease in current assets:		
	Stores, spare parts and other consumables	(18,960)	(28,504)
	Fuel stock	1,126,159	(1,242,869)
	Trade debts	10,550,632	(286,168)
	Loans, advances and short-term prepayments	(655,342)	(46,637)
	Other receivables	883,107	(266,536)
		11,885,596	(1,870,714)
	Decrease in trade and other payables	(148,305)	(174,974)
		11,834,400	(196,389)

9. TRANSACTIONS WITH RELATED PARTIES

The related parties of the Company comprise of associated undertakings, other related group companies and key management personnel. Transactions with related parties include expenses charged between these companies. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties other than those which have been specifically disclosed elsewhere in these condensed interim financial statements are as follows:

Relationship with the Company	Nature of transaction	Quarter Ended	
		31 March 2025	31 March 2024
		(Rupees in thousand)	
Associated companies	Insurance premium paid	2,019	382,792
	Insurance claims received	12	261
	Flying services	19,401	35,187
	Boarding & lodging services	582	-
	Repair and maintenance of vehicles	26	-
	Profit on bank deposits received	12,132	49,979
	Sale of furnace oil	1,045,046	-
Other related parties	Insurance premium paid	-	1,723
KEY MANAGEMENT PERSONNEL	Remuneration	2,935	7,722
STAFF RETIREMENT BENEFIT PLANS			
Provident fund	Contribution made	3,618	5,200
Gratuity fund	Contribution made	-	3,485

10. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

Certain financial assets and financial liabilities are not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts. Judgements and estimates are made in determining the fair values of the financial instruments that are recognised and measured at fair value in these condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company classify its financial instruments into the following three levels. These levels are explained as under:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

Recurring fair value measurements at 31 March 2025	Level 1	Level 2	Level 3	Total
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(Rupees in thousand)

Financial assets

Financial assets at fair value through profit or loss	7,748,436	-	-	7,748,436
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Recurring fair value measurements at 31 December 2024	Level 1	Level 2	Level 3	Total
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(Rupees in thousand)

Financial assets

Financial assets at fair value through profit or loss	6,626,325	-	-	6,626,325
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11. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Company for the year ended 31 December 2024.

12. CORRESPONDING FIGURES

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

Corresponding figures have been re-arranged and reclassified, wherever necessary for the purpose of comparison, however, no significant re-arrangements and reclassifications have been made in these condensed interim financial statements.

13. EVENTS AFTER THE REPORTING PERIOD

The Board of Directors of the Company at their meeting held on 29th April 2025 has declared interim cash dividend of Rupees 2/- per share. However, this event has been considered as a non-adjusting event under International Accounting Standard (IAS) 10 'Events after the Reporting Period' and has not been recognized in these condensed interim financial statements.

14. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue on 29th April 2025 by the Board of Directors of the Company.

15. GENERAL

Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER



N I S H A T

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