

SAIF GROUP



CORPORATE BRIEFING SESSION

(for the year ended December 31, 2024)

SAIF POWER LIMITED

May 30, 2025

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Profile of the Company

- Saif Power Limited (SPL) is an Independent Power Producer (IPP) and its power plant is located at Qadarabad, Sahiwal, which commenced commercial operations from April 30, 2010.
- The Combined Cycle Thermal Power Plant is a dual fuel power generating station where the primary fuel is Re-Gasified Liquified Natural Gas (RLNG) and the backup fuel is High Speed Diesel (HSD).
- Gross Capacity of the Plant is 225MWs with two Gas Turbines from GE France and a Steam Turbine from Siemens Sweden.
- The 6 FA.03 Gas Turbines are perhaps the most fuel efficient in the world in their rated capacity and, Plant's combined cycle efficiency is perhaps the highest in Pakistan within such Gross capacity.
- General Electric is the O&M Operator of the Plant.

Sponsor's Profile

- Saif Holdings Limited (SHL) is the parent company of Saif Power Limited (SPL). Headquartered in Islamabad, SHL has a strong corporate presence.
- Saif Group's principal business areas are textiles, power generation, under sea cable, real estate, healthcare services and information technology.

Financial Highlights

	Audited			
	Annual - 2024	Annual - 2023	Annual - 2022	Annual - 2021
	----- Rupees in Millions -----			
Turnover	9,671	19,044	22,870	16,394
Net Profit	133	336	1,951	1,959
Waiver under amendment agreement	(1,360)	-	-	-
ECL Provision under IFRS 09	(252)	-	-	-
Property, Plant and Equipment	10,213	10,863	11,302	11,711
Investment in subsidiary	-	-	-	789
Asset classified as 'Held for Sale'	-	789	789	-
Net worth	11,231	12,166	13,867	16,552
Short term borrowing	7,532	11,669	15,527	7,668
Earnings per share – (in rupees)	0.35	0.87	5.05	5.07

Business Performance / Operational Development

- **Amendment Agreement with GOP** *(Note 15.1.1 of annual accounts)*
 - During the year 2024, the Company, GoP, CPPA-G and Energy Task Force (constituted by Prime Minister of Pakistan) along with other IPPs including 2002 Power Policy IPPs entered into the process of altering the contractual agreements. Salient features of the amendment agreement is as under;
 - Return on Equity tariff component, will be paid in a Hybrid Take and Pay Mode;
 - Indexation mechanism of O&M has been changed;
 - Tariff of cost of working capital and O&M has been revised;
 - Insurance premium tariff will be capped at 0.9% of the EPC Cost;
 - GOP will unconditionally withdraw Arbitration under Arbitration Submission Agreement;
 - Company agreed one time waiver of late payment interest verified till October 31, 2024; and
 - GOP to clear all outstanding receivables verified till October 31, 2024 after approval from competent authority;

Business Performance / Operational Development – con't

- Under the amendment agreement, the Energy Task Force (constituted by the Prime Minister of Pakistan) arranged that late payment interest amounting to Rs. 1,360 million be waived. The Company agreed to waive off one-time late payment interest verified till October 31, 2024 and the same has been charged to profit and loss account for the year. GoP in return has agreed to facilitate waiver of late payment interest claims of Sui Northern Gas Pipelines Limited (SNGPL) and in the event of failure, CPPA-G shall pay to the Company.
- Subsequent to the year end, the Amendment Agreement has been formally executed, and the Company has duly received payment against outstanding receivables as of October 31, 2024 amounting to Rs. 5,207 million. However, formal tariff notification is still awaited from NEPRA for implementation of revised tariffs.
- The Company's receivables stood at Rs. 8.2 billion as of December 31, 2024 out which receivable against late payment interest amounting to Rs. 1.36 billion have been waived off under the amendment agreement.

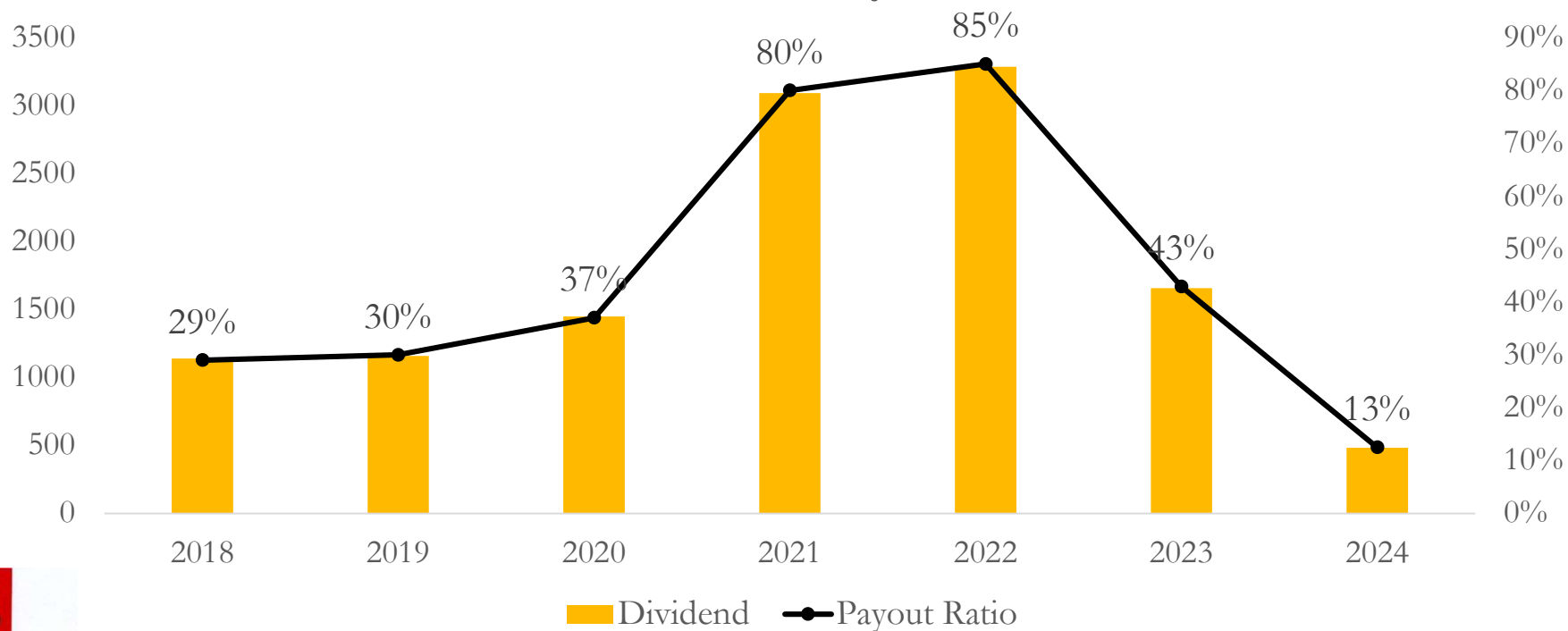
■ **Investment in Saif Cement Limited** *(Note 20 the annual accounts)*

- The sale transaction is completed during the year 2024 and all proceeds have been realized. During the year liquidator has been appointed on the basis of approval of Board and shareholders for voluntary winding up of Saif Cement Limited.
- At the end of the year, cash was distributed to shareholders in accordance with their respective shareholding ratios, except for an insignificant amount of Rs. 7.9 million related to a pending tax refund, which is under adjudication by the Peshawar High Court. The proceeds from the realization of this tax asset will be recognized in profit or loss when received.

DIVIDENDS

- The Board has recommended a final dividend of Nil (Rs. Nil per share) for the year ended December 31, 2024. Total dividend for the year is 12.5% (Rs. 1.25 per share) as compared to 42.9% (Rs. 4.29 per share) for previous year. The dividend was paid from the amount of capacity payments received from CPPA / GOP.

Dividend Payout



FUTURE OUTLOOK

- **CIRCULAR DEBT** - SPL foresees circular debt to remain a challenge for the government and the energy sector particularly in the near future, particularly due to increase in fuel prices, unless concrete policy measures are taken to address the underlying causes. However, country's power demand is expected to recover in 2025 as the macroeconomic indicators show signs of improvement, with falling inflation and interest rates.
- **CAPACITY UTILIZATION** – The drastic shift towards renewable energy has created a challenging environment for power plants overall output. Economic slowdowns and climatic conditions have also impacted demand of electricity. However, our plant efficiency remained the same with 100% reliability factor and an availability factor of 94% for the year 2024.
- **ENVIRONMENT FRIENDLY MEASURES** – The Board is committed to addressing sustainability risks, including Environmental, Social, and Governance (ESG) factors, in line with SECP guidelines. The Board is committed to promote Diversity, Equity, and Inclusion (DE&I) and continue to enhance gender equality across the organization.
- **EXTERNAL AUDITORS** - The Company appreciates the professional services rendered by the retiring auditor M/s Grant Thornton Anjum Rahman, Chartered Accountants and welcomes M/s KPMG Taseer Hadi & Co., Chartered Accountants as external auditors of the Company for the year ending December 31, 2025.

QUESTION & ANSWER SESSION

THANK YOU