

# PAKGEN POWER LIMITED



PKG-PSX/197

October 28, 2025

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

**SUB: TRANSMISSION OF QUARTERLY REPORT FOR THE PERIOD ENDED**  
**30-09-2025**

Dear Sir,

We have to inform you that the Quarterly Report of the Pakgen Power Limited ("the Company") for the period ended 30-09-2025 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**

**HEAD OFFICE**

**REGISTERED OFFICE**

**POWER STATIONS**

: 1-B, AZIZ AVENUE, CANAL BANK, GULBERG V, LAHORE. TEL: +92-42-35717090-96, 35717159-63, FAX: 92-42-35717239, WEBSITE: [www.pakgenpower.com](http://www.pakgenpower.com), E-MAIL: [pakgen@lalpir.com](mailto:pakgen@lalpir.com)

: NISHAT HOUSE, 53/A, LAWRENCE ROAD, LAHORE. TEL: 111-113-333 FAX: +92-42-36367414

: LALPIR THERMAL POWER STATIONS, P.O. BOX NO. 89, MUZAFFARGARH. PC-34200, PAKISTAN. TEL: 92-66-2300030, FAX: 92-66-2300260, [www.pakgenpower.com](http://www.pakgenpower.com)



N I S H A T

PAKGEN POWER LIMITED

THIRD QUARTERLY  
**Report**

FOR THE PERIOD ENDED  
SEPTEMBER 30,

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**Pakgen Power Limited** ("the Company") was incorporated in Pakistan on 22 June 1995 under the repealed Companies Ordinance, 1984 now the Companies Act, 2017.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 Director /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 Chairman  
Mr. Sheikh Muhammad Shakeel  
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 period ended September 30, 2025.

The Power Purchase Agreement (PPA) was terminated, during current period w.e.f. January 31, 2025. For further details, please see note 1.2 of the annexed condensed interim financial statements.

Despite the termination of PPA, the company is in a sound financial position and there are sufficient funds available to meet the day to today expenditure, including plant preservation & maintenance costs. As on September 30, 2025 the Company's investments in Mutual Funds & saving accounts, stand at Rs. 22,038 million.

We are hopeful that the Company shall participate in the upcoming 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.

Subsequent to the period end, in order to provide an opportunity of exit to the members of the Company and to enhance the book value of the Company's shares, the Board of Directors, in its meeting held on October 16, 2025, recommended approval from the Members of the Company to purchase/buy-back of up to 185,000,000 (one hundred eighty five million) ordinary shares, comprising of 49.72% of the total outstanding shares, having a face value of Rs. 10/- (Rupees ten) each. The Board has recommended this buy-back to be executed at the prevailing spot/current market price during the purchase period. Shareholders' approval will be sought, through a special resolution in an Extra Ordinary General Meeting to be held on November 20, 2025.

In accordance with the provisions of the Companies Act, 2017, the Board has proposed a purchase period commencing from November 27, 2025, and ending on May 15, 2026, or until completion of the proposed buy-back, whichever occurs earlier.

### OPERATIONAL FINANCIAL RESULTS:

The financial results of the Company for period ended September 30, 2025 are as follows:

Financial Highlights	PERIOD ENDED	
	30 September 2025	30 September 2024
Revenue (Rs '000')	925,405	10,806,198
Gross profit (Rs '000')	395,471	5,663,523
After tax (loss) / profit (Rs '000')	(296,093)	6,197,846
(Loss) / earnings per share (Rs)	(0.80)	16.66

The Company has posted after tax loss of Rs 296.093 million as against after tax profit Rs 6,197.846 million earned in the comparative period. The net loss of the Company demonstrated the loss per share of Rs 0.80 per share as against earnings per share of Rs 16.66 in the comparable previous period.

As explained in Note 1.2 to the condensed interim 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.

#### COMPOSITION OF BOARD:

<b>Total number of Directors:</b>		
(a)	Male	7
(b)	Female	1
<b>Composition:</b>		
(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.

#### 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: 24 October, 2025



**Mr. Ghazanfar Hussain Mirza**  
Director

## ڈائریکٹر ز رپورٹ

### پاک جن پاور لمیٹڈ

پاک جن پاور لمیٹڈ "دی کمپنی" کے ڈائریکٹرز 30 ستمبر 2025 منتخبہ نو مہینے کے لئے مندرجہ ذیل مالیاتی معلومات پر مشتمل اپنی رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

پاور پراجیکٹ انگریجمنٹ ("PPA") رواں سال کے دوران 31 جنوری 2025 کو ختم ہو گیا۔ مزید تفصیلات کے لیے، براؤکرم منسلک کنڈینسڈ عبوری مالیاتی گوشواروں کا نوٹ 1.2 ملاحظہ کریں۔

PPA کے خاتمہ کے باوجود، کمپنی کی مالی حالت مستحکم ہے اور اس کے پاس پلانٹ کے تحفظ اور دیکھ بھال کے اخراجات سمیت روزمرہ کی ضروریات کو پورا کرنے کے لئے کافی فنڈز دستیاب ہیں۔ 30 ستمبر 2025 تک، کمپنی کی میوچل فنڈز اور بچت کھاتوں میں سرمایہ کاری 22,038 ملین روپے ہے۔

حکومت پاکستان (GoP) کی طرف سے نافذ کے بعد ہم پر امید ہیں کہ کمپنی آئندہ مسابقتی تجارتی دوطرفہ کنٹریکٹس (CTBCM) میں شرکت کرے گی، جس سے کمپنی کو وہ بیلنک انتظامات کے ذریعے بلک کنزیومر / ڈسٹری بیوشن کمپنیوں (DISCOs) کو مرچنٹ پلانٹ کے طور پر بجلی فروخت کرنے کی اجازت ہوگی۔

مدت کے اختتام کے بعد کمپنی کے اراکین کو ایگزٹ کا موقع فراہم کرنے اور کمپنی کے حصص کی بک ویلیو کو بڑھانے کے لیے، بورڈ آف ڈائریکٹرز نے 16 اکتوبر 2025 کو منعقد ہونے والے اپنے اجلاس میں، کمپنی کے اراکین سے ہر ایک - 10 روپے (دس روپے) کی بنیادی قیمت کے کل بقیہ حصص کا 49.72% پر مشتمل، 185,000,000 (ایک سو پچاس ملین) عام حصص کی خریداری / بائی بیک کرنے کی منظوری کی سفارش کی۔ بورڈ نے اس بائی بیک کو خریداری کی مدت کے دوران مروجہ موقع / موجودہ مارکیٹ قیمت پر عمل میں لانے کی سفارش کی ہے۔ 20 نومبر 2025 کو منعقد ہونے والے غیر معمولی اجلاس عام میں ایک خصوصی قرارداد کے ذریعے شیئر ہولڈرز کی منظوری لی جائے گی۔

کمپنیز ایکٹ 2017 کی دفعات کے مطابق، بورڈ نے 27 نومبر 2025 سے شروع اور 15 مئی 2026 کو ختم یا مجوزہ بائی بیک کی تکمیل تک، جو بھی پہلے ہو، خریداری کی مدت تجویز کی ہے۔

### آپریٹل مالیاتی نتائج:

30 ستمبر 2025 کو ختم ہونے والی مدت کے لئے کمپنی کے مالیاتی نتائج مندرجہ ذیل ہیں:

مالی جھلکیاں	30 ستمبر 2025 منتخبہ نو مہینے	30 ستمبر 2024 منتخبہ نو مہینے
محصولات (000 روپے)	925,405	10,806,198
مجموعی منافع (000 روپے)	395,471	5,663,523
بعد از ٹیکس (نقصان) / منافع (000 روپے)	(296,093)	6,197,846
(نقصان) / آمدن فی حصص (روپے)	(0.80)	16.66

کمپنی نے ٹیکس کے بعد نقصان 296.093 ملین روپے درج کیا جبکہ تقابلی مدت میں ٹیکس کے بعد منافع 6,197.846 ملین روپے حاصل ہوا تھا۔ کمپنی کے خالص نقصان نے گزشتہ تقابلی مدت میں 16.66 روپے فی حصص منافع کے مقابلے 0.80 روپے فی حصص نقصان ظاہر کیا ہے۔

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، 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، جو کہ زیر بحث ہیں سمیت آمدنی پیدا کرنے کی دیگر راہیں تلاش کرنے کے لیے پوری طرح پرعزم ہے اور کمپنی کے بورڈ آف ڈائریکٹرز کی سفارش کے بعد اسے باضابطہ منظوری کے لیے کمپنی کے شیئر ہولڈرز کے زور 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 زبیر (رکن)

#### ہیومن ریسورس اینڈ ریمینٹیشن (HR&R) کمیٹی:

نمبر شمار	نام رکن
1	جناب میر مصطفیٰ چٹانے (رکن / چیئر مین)
2	میاں حسن منشاء (رکن)
3	جناب غنفر حسین مرزا (رکن)

### ڈائریکٹرز کا مشاہرہ:

کمیٹی 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 منسلک مالی حسابات کے نوٹ 9 میں منکشف ہے۔

### اظہار تشکر

ہم، 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 کی تعریف کرتے ہیں۔ ہم قابل ذکر نتائج کی فراہمی کے لئے کمیٹی کے تمام عملہ کی مسلسل حمایت، سخت محنت اور عزم کو بھی سراہتے ہیں اور ہم کمیٹی کے ساتھ ان کے طویل تعلقات چاہتے ہیں۔

### منجانب مجلس نفعاء

*Gharunghar H. Hira*

غنفر حسین مرزا  
ڈائریکٹر

*M. H. Hira*

میاں حسن منشاء  
چیف ایگزیکٹو آفیسر

لاہور: 24 اکتوبر 2025ء

# CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (Un-audited)

As at 30 September 2025

	Note	Un-audited 30 September 2025 (Rupees in thousand)	Audited 31 December 2024
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
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
Revenue reserve - un appropriated profit		21,834,081	22,757,378
<b>Total equity</b>		<b>25,554,897</b>	<b>26,595,153</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables		84,102	572,234
Accrued mark-up / profit		-	10,502
Taxation and levy - net		123,380	41,082
Unclaimed dividend		136,935	130,615
		344,417	754,433
<b>Total liabilities</b>		<b>344,417</b>	<b>754,433</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	4		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>25,899,314</b>	<b>27,349,586</b>

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



CHIEF EXECUTIVE

	Note	Un-audited 30 September 2025 (Rupees in thousand)	Audited 31 December 2024
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed assets	5	2,230,253	2,998,120
Long term investment		-	-
Long-term loans to employees		3,081	18,982
Long Term security deposit		300	1,774
Employee benefit - gratuity		14,721	19,822
		2,248,355	3,038,698
<b>CURRENT ASSETS</b>			
Stores, spare parts and other consumables		591,402	647,068
Fuel stock		7,224	2,486,106
Trade debts		-	11,514,884
Loans, advances and short-term prepayments		8,235	804,976
Other receivables		1,005,409	2,128,564
Accrued interest		624	2,961
Short term investment		22,023,967	6,626,325
Cash and bank balances		14,098	100,004
		23,650,959	24,310,888
<b>TOTAL ASSETS</b>		<b>25,899,314</b>	<b>27,349,586</b>



DIRECTOR



CHIEF FINANCIAL OFFICER

# CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Un-audited)

For the Three Month And Nine Month Period Ended 30 September 2025

		Nine Month Ended		Quarter Ended	
	Note	30 September 2025	30 September 2024 (Rupees in thousand)	30 September 2025	30 September 2024
REVENUE FROM CONTRACT WITH CUSTOMER		925,405	10,806,198	-	2,832,175
COST OF SALES	6	(529,934)	(5,142,675)	-	(918,984)
<b>GROSS PROFIT</b>		<b>395,471</b>	<b>5,663,523</b>	<b>-</b>	<b>1,913,191</b>
PLANT MAINTENANCE AND PRESERVATIONS COST	7	(1,649,333)	-	(400,039)	-
ADMINISTRATIVE EXPENSES		(220,991)	(276,744)	(48,462)	(111,062)
OTHER EXPENSES		(3,904)	(4,474)	-	(1,923)
OTHER INCOME		1,547,293	1,148,761	696,749	529,617
<b>PROFIT FROM OPERATIONS</b>		<b>68,535</b>	<b>6,531,066</b>	<b>248,247</b>	<b>2,329,823</b>
FINANCE COST		(280)	(27,493)	(44)	(4,598)
PROFIT BEFORE LEVY AND TAXATION		68,255	6,503,573	248,203	2,325,225
LEVY		(53,013)	(193,765)	(18,083)	(110,415)
PROFIT BEFORE TAXATION		15,242	6,309,808	230,120	2,214,810
TAXATION		(311,335)	(111,962)	(114,090)	(17,278)
<b>(LOSS) / PROFIT AFTER TAXATION</b>		<b>(296,093)</b>	<b>6,197,846</b>	<b>116,030</b>	<b>2,197,532</b>
OTHER COMPREHENSIVE INCOME: ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS		-	-	-	-
ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS		-	-	-	-
		-	-	-	-
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD		(296,093)	6,197,846	116,030	2,197,532
(LOSS)/ EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)		(0.80)	16.66	0.31	5.91

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 (Un-audited)


For the Nine Month Period Ended 30 September 2025

	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
Transaction with owners :				
First interim dividend for the year ended 31 December 2024 @ Rupees 2 per share	-	-	(744,163)	(744,163)
Second interim dividend for the year ended 31 December 2024 @ Rupees 3 per share	-	-	(1,116,245)	(1,116,245)
	-	-	(1,860,408)	(1,860,408)
Profit for the period ended 30 September 2024	-	-	6,197,846	6,197,846
Other comprehensive income for the period ended 30 September 2024	-	-	-	-
Total comprehensive income for the period ended 30 September 2024	-	-	6,197,846	6,197,846
Balance as at 30 September 2024 - un-audited	3,720,816	116,959	25,187,342	29,025,117
Balance as at 31 December 2024 - audited	3,720,816	116,959	22,757,378	26,595,153
Transaction with owners:				
First interim dividend for the qurater ended 31 March 2025 @ Rupees 2 per share	-	-	(744,163)	(744,163)
Transfer of 'retained payments reserve' to 'un-appropriated profit'	-	(116,959)	116,959	-
Loss for the period ended 30 September 2025	-	-	(296,093)	(296,093)
Other comprehensive income for the period ended 30 September 2025	-	-	-	-
Total comprehensive (loss) / income for the period ended 30 September 2025	-	-	(296,093)	(296,093)
Balance as at 30 September 2025 - un-audited	3,720,816	-	21,834,081	25,554,897

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 (Un-audited)

For the Nine Month Period Ended 30 September 2025

	Note	Nine Month Ended 30 September 2025 (Rupees in thousand)	30 September 2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	8	16,296,869	3,904,070
Finance cost paid		(10,782)	(35,071)
Net decrease in long term security deposits		1,474	-
Net decrease / (increase) in long term loans to employees		15,901	(14,923)
Income tax paid		(282,050)	(103,282)
<b>Net cash generated from operating activities</b>		<b>16,021,412</b>	<b>3,750,793</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditure on fixed assets		-	(38,691)
Interest received		26,057	646,131
Proceeds from disposal of operating fixed assets		2,109	-
<b>Net cash generated from investing activities</b>		<b>28,167</b>	<b>607,440</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividend paid		(737,843)	(1,843,337)
<b>Net cash used in financing activities</b>		<b>(737,843)</b>	<b>(1,843,337)</b>
<b>Net increase in cash and cash equivalents</b>		<b>15,311,736</b>	<b>2,514,897</b>
<b>Cash and cash equivalents at beginning of the period</b>		<b>6,726,329</b>	<b>5,108,331</b>
<b>Cash and cash equivalents at end of the period</b>		<b>22,038,065</b>	<b>7,623,228</b>
<b>CASH AND CASH EQUIVALENTS</b>			
Cash in hand		987	246
Cash at banks		13,111	2,049,060
Short term investment		22,023,967	7,282,177
Short-term borrowings		-	(1,708,255)
		<b>22,038,065</b>	<b>7,623,228</b>

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 (Un-audited)

For the Nine Month Period Ended 30 September 2025

## 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) 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. As a result, following terms have been agreed and taken place:

- The original term of the Agreements (PPA and IA) and Guarantee was 30 years and the Agreements were scheduled to expire on 07 October 2028, now the Agreements have been terminated with effect from 31 January 2025;
- Power Purchaser shall pay Rupees 11,670.691 million payable as on 30 November 2024 comprising Capacity Purchase Price, Energy Purchase Price, General sales tax and Pass-Through items to the company, in addition to above, the Company shall invoice and Power Purchaser shall also pay Capacity Purchase Price, Energy Purchase Price, General sales tax and Pass-Through items invoices till the effective date as per the terms of PPA, as full and final settlement by 30 April 2025;
- In case the appeal regarding apportionment of input sales tax imposed on the Capacity Purchase Price, pending before the Apex courts as more fully explained in note 10.1(ii) to the annual preceding audited financial statements of the Company, is decided finally in favor of Federal Board of Revenue (FBR), and the Company is required to make payment to the FBR after exhausting all legal remedies, the Power Purchaser shall be obliged to reimburse the payment to the Company within 30 days of the invoice, after making the payment by the Company;
- The Company shall invoice and the Power Purchaser shall make payment of Workers' Profit Participation Fund (WPPF) and Workers' Welfare Fund (WWF) accrued till 31 January 2025 on prorated based on the Company's profit, in addition

to the payments as specified in above clauses.

- The Company has agreed to waive off all of its rights or claims relating to delayed payment markup and the same have been written off;
- The Power Purchaser and GoP shall not be liable to pay any compensation in any matter of PPA, IA or Guarantee;
- The Company forfeits, waives and relinquish all or any rights, or claims it have, under the Guarantee; and
- The Company will retain the ownership of the Complex, including site;

The above terms given by the Task Force were placed before the Board of Directors of the Company in their meeting held on 10 December 2024 and the Board of Directors placed the matter of early termination and the terms thereof for the approval of shareholders of the Company. On 27 January 2025, shareholders of the Company accorded approval for early termination of the PPA, IA and the Guarantee and adoption of the terms placed before the shareholders. These terms have been formally approved and the Agreements stands terminated with effect from 31 January 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 management of the Company believes that it will be able to continue as a going concern basis, based on the following factors:

- 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) [note 7 to these financial statements] and reduction / optimization of plant maintenance costs, to mitigate the financial impacts arising due to termination of the Agreements;
- The Company has Rupees 22,038.065 million surplus funds available as on 30 September 2025 which are invested in mutual funds, term deposit receipt and cash and banks to generate sufficient income to support the operations of the Company;
- 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 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 the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Section 237 of the Companies Act, 2017.

## **3. MATERIAL ACCOUNTING POLICY INFORMATION**

The material accounting policy information 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 except for the following:

**4.1.1** On 22 January 2024, Deputy Commissioner Inland Revenue (DCIR) passed various orders for tax periods from July 2016 to June 2018, July 2018 to June 2019, July 2019 to June 2020 and July 2022 to June 2023 on various issues under relevant provisions of the Sales Tax Act, 1990 aggregating to Rupees 12.811 million including default surcharge and penalty. Being aggrieved by the orders passed by DCIR, Company preferred appeals before Commissioner Inland Revenue (Appeals) [CIR(A)] on 19 February 2024. On 29 November 2024, in the matter of appeal filed for tax period from July 2016 to June 2018, CIR(A) partially accepted the Company's instance. Being aggrieved with the order of CIR(A), the Company filed an appeal before ATIR which has not been taken up for hearing. However, on 31 October 2024, CIR(A) passed various orders in relation to appeals filed for tax period July 2018 to June 2019, July 2019 to June 2020 and July 2022 to June 2023 whereby matter relating to default surcharge has been remanded back to assessing officer for fresh consideration. On 14 April 2025, the assessing officer has initiated remand back proceedings for tax periods July 2018 to June 2019 and July 2019 to June 2020. Based on tax advisor's opinion, there exists reasonable grounds to defend the Company's stance. Hence, no provision has been made in these condensed interim financial statements.

**4.1.2** On 16 August 2024, DCIR passed an order for tax periods from November 2022 to June 2023 under section 11 of Sales Tax Act, 1990 whereby sales tax demand of Rupees 2.094 million has been raised on account of inadmissible input sales tax on various goods and services claimed along with default surcharge and penalty against the Company. Being aggrieved with the order of DCIR, on 23 September 2024, the Company filed an appeal before CIR(A). On 27 June 2025, CIR(A) partially accepted the Company's instance. Being aggrieved with the order of CIR(A), the Company filed an appeal before ATIR on 17 July 2025, subsequent to the reporting period, which has not been taken up for hearing yet. Based on the tax advisor's opinion, there exists reasonable grounds to defend the Company's stance. Hence, no provision has been made in these condensed interim financial statements.

**4.1.3** On 03 November 2017, the Company challenged before the Honorable Lahore High Court (the Court), the legality of enhancement of canal water rates from Rupees 86.52 per 10,000 cubic feet to Rupees 100 per 1,000 cubic feet as notified by the Punjab Irrigation Department (the Department). On 27 March 2018, the said notification of the Department was set aside by the Court. Against the order of the Court, the Department filed an appeal before division bench of Honorable Lahore High Court, Lahore on 13 January 2021. On 19 June 2025, the Honorable Lahore High Court, Lahore decided the appeal in favor of the Department. Being aggrieved with the order of the Honorable Lahore High Court, Lahore, the Company has filed appeal before Supreme Court of Pakistan. However, as a matter of prudence, the management has fully provided for an amount of Rupees 17.007 million relating to canal water charges in line with decision of the Honorable Lahore High Court, Lahore in these condensed interim financial statements.

On 14 July 2021, the Department has issued a new notification with further enhanced rate of water charges from Rupees 100 per 1,000 cubic feet to Rupees 125 per 1000 cubic feet. Following which, it is possible that the Department could send the water bills based on revised rates under the new notification. However, the Company intends to challenge the new notification as well, if it receives any enhanced bill for water charges.

	Un-audited 30 September 2025 (Rupees in thousand)	Audited 31 December 2024
<b>4.2 Commitments</b>		
For other than capital expenditure	129,000	34,133
<b>5. FIXED ASSETS</b>		
Operating fixed assets (Note 5.1)	2,230,253	2,998,120
<b>5.1 Operating fixed assets</b>		
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 disposals/ derecognitions during the period / year (Note 5.1.2)	1,312	-
Less: Depreciation charged during the period / year	766,555	920,548
Closing book value	2,230,253	2,998,120
<b>5.1.1 Cost of additions</b>		
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
<b>5.1.2 Book value of disposals/ derecognitions during the period/ year</b>		
Cost		
- Plant building	8,194	-
- Plant and machinery	999,402	-
- Furniture and fittings	91	-
- Vehicles	7,876	-
- Office equipment	379	751
- Electric equipment and appliances	990	-
	1,016,933	751
Less: Accumulated depreciation	1,015,620	751
	1,312	-

	Un-audited		Un-audited	
	Nine Month Period Ended		Quarter Ended	
	30 September 2025 (Rupees in thousand)	30 September 2024	30 September 2025 (Rupees in thousand)	30 September 2024
<b>6. COST OF SALES</b>				
Fuel cost	240,527	2,718,774	-	90,797
Operation and maintenance costs	86,438	599,642	-	219,938
Insurance	126,931	1,142,390	-	380,805
Depreciation	76,038	680,497	-	227,107
Liquidated damages to CPPA-G	-	1,372	-	337
	<u>529,934</u>	<u>5,142,675</u>	<u>-</u>	<u>918,984</u>
<b>7. PLANT MAINTENANCE AND PRESERVATION COSTS</b>				
Salaries, wages and other benefits	84,793	-	25,037	-
Employees' Voluntary Severance Scheme (VSS)	42,462	-	-	-
Plant and community maintenance	96,024	-	23,243	-
Store and spare parts consumed	2,478	-	359	-
Electricity consumed in-house	105,456	-	40,941	-
Insurance	638,719	-	4,063	-
Depreciation	679,401	-	306,397	-
	<u>1,649,333</u>	<u>-</u>	<u>400,039</u>	<u>-</u>

	Un-audited Nine Month Period Ended 30 September 2025      30 September 2024 (Rupees in thousand)	
<b>8. CASH GENERATED FROM OPERATIONS</b>		
Profit before levy and taxation	68,255	6,503,573
<b>Adjustments for non-cash charges and other items:</b>		
Depreciation on operating fixed assets	766,555	688,416
Provision for gratuity	5,101	10,456
Interest income	(23,720)	(648,604)
Gain on sale of fixed asset	(797)	-
Finance cost	280	27,493
Cash flows from operating activities before working capital changes	815,674	6,581,334
<b>Working capital changes:</b>		
Decrease / (Increase) in current assets:		
Stores, spare parts and other consumables	55,665	(169,927)
Fuel stock	2,478,882	(1,163,893)
Trade debts	11,514,884	(2,053,111)
Loans, advances and short-term prepayments	796,741	(20,789)
Other receivables	1,123,155	939,431
	15,969,327	(2,468,289)
Decrease in trade and other payables	(488,132)	(208,975)
	16,296,869	3,904,070

## 9. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise of associated companies, key management personnel and staff retirement benefit plans. The Company in the normal course of business carries out transactions with these related parties. Details of transactions with related parties are as follows:

i) Transactions:

		Un-audited Nine Month Period Ended		Un-audited Quarter Ended	
		30 Sept. 2025	30 Sept. 2024	30 Sept. 2025	30 Sept. 2024
		(Rupees in thousand)			
Relationship with the Company	Nature of transaction				
Associated companies	Insurance premium paid	24,140	1,394,213	17,750	634,098
	Insurance claims received	1,123	507	877	139
	Flying services	42,938	104,882	11,805	34,884
	Dividend paid	291,648	729,121	-	437,472
	Boarding lodging services	934	815	-	-
	Purchase of vehicles	-	7,300	-	7,300
	Services received	26	-	-	-
	Sale of goods	2,645,576	-	1,711	-
	Profit on bank deposits	23,535	115,972	615	45,494
Other related parties	Insurance premium paid	1,080	1,723	1,080	-
	Dividend paid	29,272	73,179	-	43,907
Key management personnel	Remuneration	3,950	23,061	385	7,722
Staff retirement benefits plans	Contribution to provident fund	7,600	15,558	997	5,262
	Benefit paid on behalf of gratuity fund	5,101	10,456	-	3,485

(ii) Period end balances:

Payable to related companies

- Entities on the basis of common directorship	405	379
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Balances with bank

- Entities on the basis of group company	0.46	0.46
- Entities on the basis of common directorship	13,066	439,097

Staff retirement benefit plans

14,721	19,822
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10. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

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. An explanation of each level follows underneath the table:

Recurring fair value measurements at 30 September 2025	Level 1	Level 2	Level 3	Total
(Rupees in thousand)				

#### Financial assets

Financial assets at fair value through  
profit or loss

22,023,967	-	-	22,023,967
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Recurring fair value measurements at 31 December 2024	Level 1	Level 2	Level 3	Total
(Rupees in thousand)				

#### Financial assets

Financial assets at fair value through  
profit or loss

6,626,325	-	-	6,626,325
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The above table does not include fair value information for financial assets and financial liabilities 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.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the period. Further there was no transfer in and out of level 3 measurements.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

**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.

#### (ii) Valuation technique used to determine fair value

Specific valuation technique used to value financial instruments is the use of Net Assets Value (NAV) of respective Asset Management Company.

### 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. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue on October 24, 2025 by the Board of Directors of the Company.

## 14. 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

PAKGEN POWER LIMITED

## **CONTACT US**

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