




N I S H A T

LALPIR POWER LIMITED



Annual Report
2025

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THE COMPANY

Lalpir Power Limited (“the Company”) was incorporated in Pakistan on 8 May 1994 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017).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 362 MW in Mehmood Kot, Muzaffargarh, Punjab, Pakistan.

COMPANY PROFILE

BOARD OF DIRECTORS

Mian Hassan Mansha Chairman
Mr. Zaheer Ahmad Ghanghro
Mr. Mahmood Akhtar
Mr. Muhammad Azam
Mr. Farrukh Ifzal
Mr. Inayat Ullah Niazi
Mrs. Hajra Arham

CHIEF EXECUTIVE OFFICER

Mr. Mahmood Akhtar

AUDIT COMMITTEE

Mr. Zaheer Ahmad Ghanghro Chairman
Mr. Inayat Ullah Niazi
Mrs. Hajra Arham

HUMAN RESOURCE & REMUNERATION (HR & R) COMMITTEE

Mian Hassan Mansha
Mrs. Hajra Arham Chairperson
Mr. Inayat Ullah Niazi

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. Awais Majeed Khan

COMPANY SECRETARY

Mr. Khalid Mahmood Chohan

BANKERS OF THE COMPANY

Habib Bank Limited
The Bank of Punjab
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 Islami Pakistan Limited
Standard Chartered Bank (Pakistan) Limited
Al Baraka Bank (Pakistan) Limited
Meezan Bank Limited
Silk Bank 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.

VISION & MISSION STATEMENT

VISION

ENLIGHTEN THE FUTURE THROUGH EXCELLENCE, COMMITMENT, INTEGRITY AND HONESTY.

MISSION

TO BECOME LEADING POWER PRODUCER WITH SYNERGY OF CORPORATE CULTURE AND VALUES THAT RESPECT COMMUNITY AND ALL OTHER STAKE HOLDERS.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that Annual General Meeting of the Members of Lalpir Power Limited ("the Company") will be held on April 27, 2026 (Monday) at 11:30 a.m. at Emporium Mall, The Nishat Hotel, Trade and Finance Centre Block, Near Expo Centre, Abdul Haq Road, Johar Town, Lahore to transact the following businesses:

Ordinary Business: -

1. To receive, consider, and adopt the Annual Audited Financial Statements of the Company for the year ended December 31, 2025, together with Notes to the Accounts, Chairman Review, Directors' and Auditors' reports thereon.

<https://lalpir.com/finance/pdf/LPLannual2025.pdf>



Scan QR Code for
Annual Report 2025

2. To appoint statutory Auditors for the year ending December 31, 2026 and fix their remuneration.
3. To elect Seven (7) Directors of the Company, as fixed by the Board of Directors, for the next term of three years, in accordance with the provisions of Section 159 of the Companies Act, 2017, in place of following retiring directors who are also eligible to offer themselves for re-election:-

- | | |
|---------------------------|------------------------------|
| 1. Mian Hassan Mansha | 2. Mr. Zaheer Ahmed Ghanghro |
| 3. Mrs. Hajra Arham | 4. Mr. Muhammad Azam |
| 5. Mr. Inayat Ullah Niazi | 6. Mr. Mahmood Akhtar |
| 7. Mr. Farrukh Ifzal | |

4. Special Business: -

To consider and, if deemed fit, to pass the following resolutions as Special Resolutions as recommended by the Board of Directors with or without modification, addition(s) or deletion(s).

- A) **RESOLVED THAT** pursuant to the provision of Section 32 of the Companies Act, 2017 and all other applicable provisions, and subject to requisite approval(s), consent of the members of **Lalpir Power Limited ("the Company")** be and is hereby accorded to alter the Memorandum of Association of the Company by substituting the existing Clause III (Principal Line of Business) with the following:

- (i) The principle line of business of the company shall be to buy, sell, hold or otherwise acquire or invest in any sort of financial instruments, either debt or equity, including but not limited to shares, stocks of companies,

debentures, debenture stocks, bonds, mutual fund certificates, modaraba certificates, musharika certificates, sukuk, participation term certificates (PTCs), term finance certificates, unit trust certificates and any other marketable securities and/or certificates of any kind, obligations and securities issued or guaranteed by the Government of Pakistan.

- (ii) Except for the businesses mentioned in sub-clause (iii) hereunder, the company shall engage in all the lawful businesses and shall be authorized to take all necessary steps and actions in connection therewith and ancillary thereto.
- (iii) Notwithstanding anything contained in the foregoing sub-clauses of this clause nothing contained herein shall be construed as empowering the Company to undertake or indulge, directly or indirectly in the business of a Banking Company, Non-banking Finance Company (Asset Management Services, Leasing, Investment Finance Services, Investment Advisory Services, REIT management Services, Housing Finance Services, Private Equity and Venture Capital Fund Management Services, Discounting Services, Pension Fund Scheme Business, Micro Financing), Corporate Restructuring Company, Insurance Business, Modaraba management company, Stock Brokerage business, forex, Clearing House, Securities and Futures Advisor, Commodity Exchange, managing agency, business of providing the services of security guards or any other business subject to license and restricted under any law for the time being in force or as may be specified by the Commission.
- (iv) It is hereby undertaken that the company shall not:
 - (a) engage in any of the business mentioned in sub-clause (iii) above or any unlawful operation;
 - (b) launch multi-level marketing (MLM), Pyramid and Ponzi Schemes, or other related activities/businesses or any lottery business;
 - (c) engage in any of the permissible business unless the requisite approval, permission, consent or licence is obtained from competent authority as may be required under any law for the time being in force.

RESOLVED FURTHER THAT Chief Executive Officer and/or Company Secretary of the Company (“authorized officers”) be and are hereby singly / jointly authorized to take all necessary steps, actions, and to do all acts, deeds and things, including but not limited to filing of necessary form and applications with the Securities and Exchange Commission of Pakistan, to give effect to this resolution.

RESOLVED FURTHER THAT any amendments, modifications, additions or deletions as may be required, directed or advised by the SECP shall be deemed to be incorporated in the aforesaid resolutions without the need to obtain fresh approval from the members of the Company, and the aforementioned authorized officers be and are hereby authorized to make and effect such amendments accordingly.

- B) RESOLVED THAT, subject to approval of the** Securities and Exchange Commission of Pakistan (“SECP”) and pursuant to the applicable provisions of the Companies Act, 2017, the consent of the Members of **Lalpir Power Limited (“the Company”)** be and is hereby accorded to change of name of the Company from **‘Lalpir Power Limited’** to **‘Lalpir Limited’**.

RESOLVED FURTHER THAT consequent to the aforesaid change of name the name Lalpir Power Limited, wherever appearing in the Memorandum and Articles of Association of the Company and/or in any other Deed, Document, instrument or record of the Company be and is hereby substituted with the name “Lalpir Limited”.

RESOLVED FURTHER THAT Chief Executive Officer and/or Company Secretary of the Company (“authorized officers”) be and are hereby singly / jointly authorized to do all such acts, deeds and things and to take all necessary steps, including but not limited to making requisite filings and applications with the SECP as may be necessary or expedient for to give effect to this resolution.

- C) RESOLVED THAT** pursuant to the provisions of Section 183(3)(a) of the Companies Act, 2017, the consent of the members of **Lalpir Power Limited (“the Company”)** be and is hereby accorded to the disposal and sale of plant and machinery, sizeable part of buildings, stores, spare parts and other consumables (“the Assets”) of the Company located at power plant site, at Mehmood Kot, Muzaffargarh, Punjab.

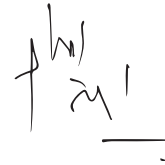
RESOLVED FURTHER THAT as part and parcel of the foregoing consent, the Board of Directors be and are hereby authorized and empowered to undertake, finalize and complete the sale of the Assets, on such terms and conditions as it may deem fit and in the best interest of the Company and its shareholders, including securing the best available market price.

FURTHER RESOLVED THAT the Board of Directors be and is hereby authorized to delegate any of its powers in connection with the foregoing to the Chief Executive Officer (CEO) or any other person with full authority to conduct negotiations, obtaining offers, enter into agreement, execute documents and do all acts, deeds and things necessary or incidental for the purpose of implementing and completing the sale of the Assets and to secure the best available market price for the Assets.

FURTHER RESOLVED THAT the Chief Executive Officer and/or the Company Secretary be and are hereby singly/jointly authorized to take all necessary steps, actions and filings, and to do all acts, deeds and things as may be necessary or expedient to give effect to this resolution.

A Statement of Material Facts as required under Section 166(3) of the Companies Act, 2017, and the Statement under Section 134(3) of the Companies Act, 2017 concerning Special Business are annexed to the notice of meeting circulated to the members of the Company.

By order of the Board



(KHALID MAHMOOD CHOHAN)
COMPANY SECRETARY

LAHORE
March 31, 2026

NOTES:

BOOK CLOSURE NOTICE:-

The Ordinary Shares Transfer Books of the Company will remain closed from **13.04.2026 to 27.04.2026 (both days inclusive)** for attending and voting at Annual General Meeting. Physical transfers/ CDS Transactions IDs received in order in all respects up to 1:00 p.m. on 10.04.2026 at the office of Share Registrar, at CDC Share Registrar Services Limited, CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahrah-e-Faisal, Karachi, will be considered in time for attending of meeting.

NO GIFTS WILL BE DISTRIBUTED AT THE MEETING

ATTENDANCE AT MEETING

A member entitled to attend, speak and vote at this meeting may appoint any other member as his/her proxy to do the aforesaid. The Instrument appointing a proxy and the power of attorney or other authority under which it is signed or a notarially attested copy of the power of attorney must be deposited at the registered office of the Company at least 48 hours before the time of the meeting. A proxy must be a member of the company. The proxy form in English and Urdu languages is attached. The same is also available on the Company's website: <https://www.lalpir.com>.

Members through book entry system under Central Depository Company of Pakistan Limited, are advised to must bring their original National Identity Cards / Passport along with copy of their particulars of CDC Account duly authenticated by the concerned Participant/Investor Account Services for verification and also follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan under Circular No.1 of 2000:

A. For Attending the Meeting

- a. In case of Individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity by showing his/her original CNIC or, original Passport along with copy of CDC Account Registration details duly authenticated by the concerned Participant/Investor Account Services at the time of attending the Meeting.

- b. In case of corporate entity, the person attending the meeting on behalf of the corporate entity must produce Board Resolution duly certified by the Chief Executive Officer/Director and/or a duly notarized power of attorney in his favor along with copy of proxy form submitted with the Company, the Board Resolution/Power of Attorney must contain specimen signature of the person attending meeting.

B. For Appointing Proxies

- a. In case of individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per above requirements.
- b. The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form.
- c. Attested copies of the CNIC or the passport of beneficial owners, proxy holder and witnesses shall be furnished with the proxy form.
- d. The proxy shall produce his original CNIC or original passport at the time of the Meeting.
- e. In case of corporate entity, Board Resolution duly certified by the Chief Executive Officer/Director and/or a duly notarized power of attorney in favor of proxy holder along with proxy form to the Company The Board Resolution/Power of Attorney must contain specimen signature of proxy holder.

Election of Directors:

Any member (including a retiring Director) who seeks to contest election of directors shall file with the Company at its registered office, Nishat House, 53-A, Lawrence Road, Lahore, not later than 14 days before the said meeting his / her intention to offer himself / herself for the election of the directors in terms of Section 159(3) of the Companies Act, 2017 together with:

- i) His/her folio No./CDC Investor Account No. / CDC Participant No./ Sub-Account No.
- ii) Notice of his / her intention to offer himself/herself for election as a director, along with duly completed and signed Annexure to Form-9 giving his / her consent to act as Director of the Company if elected (under Section 167(1) of the Companies Act, 2017), and certify that he is not ineligible to become a Director under any applicable laws, Rules and Regulations.
- iii) Detailed profile along with office address to be placed on the Company's website.
- iv) A declaration confirming that:
 - a) He/she is aware of duties and powers under the relevant applicable laws, Memorandum & Articles of Association of Company, the Listed Companies (Code of Corporate Governance) Regulations, 2019 and listing regulations of Pakistan Stock Exchange Limited;
 - b) He/she is not serving as a director in more than seven (7) listed companies simultaneously including as an alternate Director;
 - c) He/she is not ineligible to become a Director of a listed company under Section 153 of the Companies Act, 2017 and any other applicable laws and regulations
- v) Attested copy of valid Computerized National Identity Card /Passport and NTN certificate.
- vi) Declaration by Independent Director(s) under Clause 6(3) of the Listed Companies (Code of Corporate Governance) Regulation 2019 that he/she qualifies the criteria of independence stipulated under Section 166 of the Companies Act, 2017.
- vii) Detail of other offices and offices held;
- viii) The candidates are requested to read the relevant provisions / requirements relating to the Election of Directors, as stipulated in the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019, the other applicable laws and regulations and ensure the compliance with the same in letter and spirit.

E-VOTING / POSTAL BALLOT FACILITY

Members of the Company have right to vote through electronic voting facility and voting by post for all businesses classified as special business under the Companies Act, 2017, (“the Act”) in the manner and subject to conditions contained in the Companies (Postal Ballot) Regulation, 2018, (“the Regulations”).

POLLING ON ELECTION OF DIRECTORS:

If the number of persons offered to contest the election is more than the number of Directors fixed under Section 159 (1) of the Companies Act, 2017, right to vote through electronic voting facility and voting by postal ballot will be provided to the members.

POLLING ON SPECIAL BUSINESS RESOLUTIONS:

The members are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 (“the Regulations”) amended through Notification dated December 05, 2022, issued by the Securities and Exchange Commission of Pakistan (“SECP”), SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all businesses classified as special business.

Accordingly, members of Lalpir Power Limited (the “Company”) will be allowed to exercise their right to vote through electronic voting facility or voting by post for the special business in its forthcoming Annual General Meeting to be held on 27-04-2026, at 11:30 A.M., in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations.

Procedure for E-Voting:

- I. Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business on 20-04- 2026.
- II. The web address, login details, and password, will be communicated to members via email. The security codes will be communicated to members through SMS from the web portal of CDC Share Registrar Services Limited (being the e-voting service provider).
- III. Identity of the Members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.
- IV. E-Voting lines will start from 24-04-2026, 09:00 a.m. and shall close on 26-04-2026 at 5:00 p.m. Members can cast their votes any time during this period. Once the vote on a resolution is cast by a Member, he / she shall not be allowed to change it subsequently.

Procedure for Voting Through Postal Ballot:

The members shall ensure that duly filled and signed ballot paper, along with copy of Computerized National Identity Card (CNIC), should reach the Chairman of the meeting through post on the Company’s registered address Nishat House 53-A, Lawrence Road, Lahore, Pakistan or email at chairman@lalpir.com one day before the Annual General Meeting on 26-04-2026 up to 5 p.m. The signature on the ballot paper shall match the signature on CNIC.

This Postal Ballot Paper is also available for download from the website of the Company at www.lalpir.com or use the same as attached to this Notice and published in newspapers.

Please note that in case of any dispute in voting including the casting of more than one vote, the Chairman of the meeting shall be the deciding authority.

E-voting Service Provider:

M/s CDC Share Registrar Services Limited

Scrutinizer:

As required under Regulation 11 of the Companies (Postal Ballot) Regulations, 2018, M/s Riaz Ahmad & Co., Chartered

Accountants have been appointed to act as Scrutinizer for the forthcoming election of directors.

Video Link Facility for Meeting:-

To attend the meeting through video link, members and their proxies are requested to register themselves by providing the following information along with valid copy of Computerized National Identity Card (both sides)/passport, attested copy of board resolution / power of attorney (in case of corporate shareholders) through email at kchohan@lalpir.com or smahmood@dgcement.com by April 20, 2026.

Name of Member / Proxyholder	CNIC No.	Folio No. / CDC Account No.	Cell No. / Whatsapp No.	Email ID

Conversion of Physical Shares into Book Entry Form

We once again strongly advise members of the Company, in their best interest, to convert their physical shares into book-entry form at earliest.

STATEMENT OF MATERIAL FACTS UNDER SECTION 166(3) OF THE COMPANIES ACT, 2017

Pursuant to the requirements of Section 166(3) of the Companies Act, 2017, independent directors will be elected through the process of election of directors as laid down under Section 159 of the Companies Act, 2017.

The company shall exercise due diligence before selecting a person from the data bank that the contestant meets the independence criteria as mentioned in Section 166(2) of the Companies Act, 2017 and are competent and experienced.

The candidates are requested to read the relevant provisions/requirements relating to the appointment/election of directors, as mentioned in the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2017 and ensure compliance with the same in letter and spirit.

The present directors are interested to the extent that they are eligible for re-election as Directors of the Company, subject to eligibility criteria.

STATEMENT UNDER SECTION 134 (3) OF THE COMPANIES ACT, 2017.

This statement sets out the material facts pertaining to the special business to be transacted at the Annual General Meeting of the Company to be held on April 27, 2026.

A) Change of the object clause/principal line of business in the Memorandum of Association of the Company:

The Company had entered into a Power Purchase Agreement ("PPA") with Central Power Purchasing Agency (Guarantee) Limited ("CPPA-G") for the sale of electricity, along with an Implementation Agreement ("IA") and a sovereign guarantee issued by the Government of Pakistan. Pursuant to a policy decision of the Government of Pakistan, implemented through a Task Force constituted by the Prime Minister of Pakistan, the aforesaid PPA, IA and the related Government Guarantee stand terminated with effect from October 01, 2024. Consequent to the termination of the aforesaid arrangements, the Company presently does not have any customer for the sale of electricity and has not undertaken any electricity sales thereafter. In the circumstances, the Company's asset base now substantially comprises investments, and its revenue stream is primarily derived, and is expected to continue to be derived, from returns on such investments. In order to align the Company's principal line of business with its existing asset composition and revenue model, and to regularize its operations within the framework of applicable law, the Board of Directors has recommended the alteration of Clause III (Principal Line of Business) of the Memorandum of Association of the Company. The proposed alteration requires approval of the members by way of a special resolution. The Board of Directors recommends that the members approve the Special Resolution as set out above. None of the directors or their spouses have any direct or indirect interest in the proposed resolution except to the extent of their shareholding in the Company.

Key Disclosures required under the statement of material facts:

<p>i)</p>	<p>Existing and proposed principal line of business of the company</p>	<p>Existing Clause III:</p> <p>The objects for which the Company is established are all or any of the following (and in construing the following sub – clauses, the scope of no one of such sub clauses shall be deemed to limit or affect the scope of any other such sub – clauses):-</p> <ol style="list-style-type: none"> 1. To design, insure, construct, acquitted own, operate and maintain power generation complexes and to carry on the business of electricity generation, power transmission and distribution services, over hauling and re-powering of power plants and to deal in electrical and other appliances cables, dry cells accumulators, lamps and to work, generate, accumulate, distribute and supply electricity for the purpose of light, heat, motive power and for all other purposes for which electrical energy can be employed and to manufacture and deal in all apparatuses and things required for or capable of being used in connection with the generation, distribution, supply, accumulation and employment of electricity, including in the term electricity all power that may be incidentally hereafter discovered in dealing with electricity. 2. To engage in reforestation, and other works relating to pollution abatement and to acquire land for this purpose. 3. To adopt such means of making known the products and business of the Company as may seem expedient and in particular by advertisement and publicity in the press or otherwise exhibitions publication of books and periodicals and by granting prizes, rewards and donations. 4. To purchase or acquire, protect, prolong and renew, whether, whether in Pakistan or elsewhere, any patent rights, brevetted, inventions, licenses, protections, concessions, and the like, which may appear to be advantageous or useful to the Company and to use, turn to account and / or manufacture under or grant licenses or privileges in respect of the same and to spend money in experimenting upon and testing in or improving or seeking to improve any patents, inventions or rights which the Company may acquire or propose to acquire. 5. To acquire, hold or dispose of investments in shares, modaraba certificates, term finance certificates, muaharika certificates, unit trust certificates, mutual fund certificates, debentures, debenture stocks, bonds, obligations and securities issued or guaranteed by any company, any Government, commission, public body,
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		<p>authority, supreme, municipal, local or otherwise.</p> <ol style="list-style-type: none"> 6. To borrow, raise or secure the payment of money by the issue of musharika certificates, unit trust certificates, mutual fund certificates, debentures, debenture-stocks, bonds, obligations and securities of all kinds, and secure the same as may seem expedient with full power to make the same transferable by delivery or by instrument of transfer or otherwise on the undertaking of the Company or upon any specific property and rights present and future of the Company including its capital or otherwise, however collaterally or further to secure any securities of the Company by a trust deed or any other assurance. 7. To pay for any property or rights acquired by the Company, either in cash or fully paid shares or by the issue of securities, or partly in one mode and partly in another and generally on such terms as may be determined 8. To draw, make, accept, endorse, discount, execute and issue cheque's, promissory notes, bills of exchange, bills of lading, warrants, debentures and other negotiable or transferable instruments but not to act as a banking company. 9. To support and subscribe to any charitable or public object including donations to charitable and benevolent foundations and any institution, society, or club or for any purpose which may be for the benefit of the Company or its employees or maybe connected with or for the benefit and welfare of any town or place where the Company carries on business, to give pensions, gratuities or charitable aid to any persons who may have been Directors of or may have served the Company, or the wives, children, or other relatives or dependents of such persons to make payments towards insurance, and to form and contribute to provident and benevolent funds for the benefit of any such persons, or of their wives, children or other relatives or dependents. 10. To deal with the surplus monies of the Company not immediately required in such lawful form as may be thought expedient. 11. To open an account or accounts with any Bank or Banks and to pay into and to withdraw monies from such account or accounts. 12. To promote a Company to be registered or recognised in any foreign country or any place for the promotion of any business of the Company. 13. To enter into partnership or arrangement in the nature of a partnership, cooperation or union of interest, with any person or persons, company or corporation engaged or interested or about to
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		<p>become engaged or interested in the carrying on or conduct of any business or enterprise which the Company is authorized to carry on or conduct or from which the Company would or might derive any benefit</p> <p>14. To sell or dispose of the undertaking of the Company or any part thereof in such manner and for such consideration as the Company may think fit and in particular for shares, debentures, debenture stock, or securities of any other company whether promoted by this Company for the purpose or not, and to improve, manage, develop, exchange, lease, dispose of urn to account or otherwise deal with all or any part of the property and rights of the Company.</p> <p>15. To pay all preliminary expenses of any kind and incidental to the formation and incorporation of the Company out of the funds of the Company.</p> <p>16. To distribute any of the Company's property among the members in specie or many manner whatsoever</p> <p>17. To accept shares, modaraba certificates, term finance certificates, musharika certificates, bonds, debentures or other securities of any other Company in payment or part payment of any services rendered or for any sale made to or debt owing from any such company.</p> <p>18. To advance money to staff members, customers and obligations of the Company in relation to the payment of any loan, debenture stock, bonds, obligations or securities by or in favour of the Company and to guarantee the payment or return on such investments or of dividends on any share of the Company.</p> <p>19. To guarantee the performance of the contacts and obligations of the Company in relation to the payment of any loan, debenture stock, bonds, obligations or securities by or in favor of the Company and guarantee the payment or return on such investments or of dividends on any share of the Company.</p> <p>20. To underwrite, acquire, hold or dispose of any shares, debentures, debenture stocks, modaraba certificates, unit trust certificates, mutual fund certificates, term finance certificates, bonds, obligations or securities by original subscriptions, participation in syndicate, tender, purchase, exchange or otherwise and to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.</p> <p>21. To create any reserve fund, sinking fund, insurance fund or any other special fund whether</p>
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		<p>for depreciation or for repairing, insuring, improving, extending, or maintaining any of the property of the Company or for any other purpose conducive in the interests of the Company.</p> <p>22. To issue any share of the Company at par or at premium or at a discount subject to any permission required by law</p> <p>23. To remunerate any person or company for services rendered or to be rendering in placing or assisting to place or guaranteeing the placing of the underwriting of any of the shares in the Company's capital or any debentures, debenture stocks or other securities of the Company, or in or about the formation and promotion of the Company or the conduct of this business.</p> <p>24. To enter into any arrangement with any Government or authority, supreme, municipal, local or otherwise that may seem conducive to the Company's objects or any of them and to obtain from any such Government or authority all rights, concessions and privileges which the Company may think fit and desirable to obtain and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions</p> <p>25. And generally to do all such other things as are incidental or conducive to the attainment of the above objects or any of them.</p> <p>26. It is declared that notwithstanding anything contained in the foregoing object clauses of the Memorandum of association nothing contained therein shall be construed as empowering the Company to undertake or indulge in the business of a banking company, leasing, investment managing agency or insurance business directly or indirectly as restricted under the law or any other unlawful business operations.</p> <p>Proposed Clause III:</p> <p>(i) The principle line of business of the company shall be to buy, sell, hold or otherwise acquire or invest in any sort of financial instruments, either debt or equity, including but not limited to shares, stocks of companies, debentures, debenture stocks, bonds, mutual fund certificates, modaraba certificates, musharika certificates, sukuk, participation term certificates (PTCs), term finance certificates, unit trust certificates and any other marketable securities and/or certificates of any kind, obligations and securities issued or guaranteed by the Government of Pakistan.</p> <p>(ii) Except for the businesses mentioned in sub-clause (iii) hereunder, the company shall engage in all the lawful businesses and shall be authorized to take all necessary steps and actions in connection therewith and ancillary thereto.</p>
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		<p>(iii) Notwithstanding anything contained in the foregoing sub-clauses of this clause nothing contained herein shall be construed as empowering the Company to undertake or indulge, directly or indirectly in the business of a Banking Company, Non-banking Finance Company (Asset Management Services, Leasing, Investment Finance Services, Investment Advisory Services, REIT management Services, Housing Finance Services, Private Equity and Venture Capital Fund Management Services, Discounting Services, Pension Fund Scheme Business, Micro Financing), Corporate Restructuring Company, Insurance Business, Modaraba management company, Stock Brokerage business, forex, Clearing House, Securities and Futures Advisor, Commodity Exchange, managing agency, business of providing the services of security guards or any other business subject to license and restricted under any law for the time being in force or as may be specified by the Commission.”</p> <p>(iv) It is hereby undertaken that the company shall not:</p> <ul style="list-style-type: none"> (a) engage in any of the business mentioned in sub-clause (iii) above or any unlawful operation; (b) launch multi-level marketing (MLM), Pyramid and Ponzi Schemes, or other related activities/businesses or any lottery business; (c) engage in any of the permissible business unless the requisite approval, permission, consent or licence is obtained from competent authority as may be required under any law for the time being in force.”
ii)	Reasons for change in the principal line of business	<p>The Power Purchase Agreement (“PPA”) for the sale of electricity to Central Power Purchasing Agency (Guarantee) Limited (“CPPA-G”), together with the Implementation Agreement (“IA”) and the sovereign guarantee of the Government of Pakistan, stands terminated with effect from October 01, 2024, pursuant to a decision of the Task Force constituted by the Prime Minister of Pakistan.</p> <p>Following such termination, the Company no longer has any customer for the sale of electricity and has not undertaken any electricity sale thereafter. In the intervening period, the Company’s asset base has substantially transitioned to investments, and its principal source of income comprises, and is expected to continue to comprise, returns generated from such investments.</p> <p>In view of the foregoing, the Board of Directors of the Company has recommended a change in the principal line of business of the company so as to align the same with the current operations and revenue model.</p>

iii)	Benefits likely to accrue to the company and its members from the proposed change;	The proposed change is expected to enable the Company and its members to benefit from returns on investments, as envisaged in financial projections forming part of the Alternate Business Plan. Alternate Business Plan is available for inspection at the Registered Office of the Company on any working day up to April 24, 2026 during Business Hours and shall also be available at the time of the Annual General Meeting.
iv)	Financial projections, including, inter alia, project cost for new proposed principal business, sources of funds to cover the project cost, revenues, expenses etc. along with underlying assumptions	The Company has prepared an Alternate Business Plan that includes a financial projection and related other information. Alternate Business Plan is available for inspection at the Registered Office of the Company on any working day up to April 24, 2026 during Business Hours and shall also be available at the time of the Annual General Meeting. Members can also assess the Alternate Business via the below link: http://www.lalpir.com/finance/pdf/LalpirAGMNotice.pdf
v)	Impact on the existing line of business of the company	The company's existing line of business shall effectively cease, and the associated assets are proposed to be disposed of. Approval of the members is accordingly being sought for such disposal, alongside the proposed change in principal line of business.
vi)	Expected time period when proposed change is expected to be implemented	This change shall be implemented forthwith by the Company, as it has all the resources for implementation.
vii)	A statement by the board that the proposed change will not be detrimental to the interest of the company or its members as a whole	The Board of Directors of the Company is confident that this change will not be detrimental to the interests of the Company or its members as a whole.

B) Change of the name of the Company:

The Power Purchase Agreement (“PPA”) with CPPA-G, along with the Implementation Agreement and Government Guarantee, stands terminated with effect from October 01, 2024. Since then, the Company has neither undertaken any electricity sales nor has any customer for such business. Accordingly, approval is being sought for a change in the principal line of business of the Company. In terms of the Companies Act, 2017, the principal line of business must be commensurate with the name of the Company. In light thereof, the Board of Directors has also proposed to change the name of the Company from “Lalpir Power Limited” to “Lalpir Limited”. The availability of the name “Lalpir Limited” for use by the Company has been confirmed by the office of the Registrar of Companies, Securities and Exchange Commission of Pakistan, Lahore.

Key Disclosures required under the statement of material facts:

i)	Reasons and effects of the change of name by the company	The Power Purchase Agreement (“PPA”) with CPPA-G, along with the Implementation Agreement and Government Guarantee, stands terminated with effect from October 01, 2024. Since then, the Company has neither undertaken any electricity sales nor has any customer for such business. Accordingly, approval is being sought for a change in the principal line of business of the Company. In terms of the Companies
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Key Disclosures required under the statement of material facts:

i)	Reasons and effects of the change of name by the company	Act, 2017, the principal line of business must be commensurate with the name of the Company. In light thereof, the Board of Directors has also proposed to change the name of the Company from “Lalpir Power Limited” to “Lalpir Limited”.
ii)	Proposed new name of the company	“Lalpir Limited”
iii)	Confirmation that the proposed name is not incommensurate with the principal line of business of the company	The directors of the Company confirmed that the proposed name Lalpir Limited is not incommensurate with the new principal line of business of the Company.
iv)	If change of name is due to diversification of main business activities or entering a new geography etc. same shall be disclosed.	Change in the name of the company is due to a change in the principal line of business of the Company.

C) The disposal and sale of plant and machinery and other assets (“the Assets”) of the Company:

The Power Purchase Agreement (“PPA”) with CPPA-G, along with the Implementation Agreement and Guarantee of the Government of Pakistan, stand terminated with effect from October 01, 2024. Since then company has neither undertaken any electricity sales nor has any customer for such business.

The company has accordingly formulated a revised business plan, pursuant to which its principal line of business is proposed to be changed from power generation to investment activities. In consequence, the plant & machinery, sizeable portion of buildings on freehold land as well as store & spares previously utilized for power generation, are no longer required and are proposed to be disposed of in order to derive maximum value for the members.

Key Disclosures required under the statement of material facts:

i)	The details of assets to be sold, leased or disposed of	Description/Name of asset	Acquisition date of the asset	Cost (Rs)	Revalued amount and date of revaluation	Book value (Rs)	Approximate current market price/fair value**** (Rs)
		Plant & Machinery*	There are numerous assets under this category, these are acquired/ purchased between 1997 and 2024	15,083,344,000	N/A	1,707,207,000	2,371,568,000
		Buildings on freehold land **	Main construction before February 1998.	591,283,235	N/A	59,045,976	330,000,000
		Store & Spares***	There are numerous assets under this category, these are acquired/ purchased between 1997 and 2025	836,723,665	N/A	459,214,457	459,214,457
		* It is mainly fuel fired power plant. ** It is a sizeable portion of buildings on freehold land of the Company. *** These are for the purposes of fuel fired power plant. **** As per the valuation conducted by the independent consultant					
ii)	The proposed manner of disposal of the said assets	Through advertisement in newspapers.					

iii)	In case the company has identified a buyer, who is a related party the fact shall be disclosed in the statement of material facts	The Company has not identified any buyer who is a related party.
iv)	Purpose of the sale, lease or disposal of assets	<p>Purpose/reason for the disposal of the Assets: Post the PPA, IA and Guarantee termination by the Task Force constituted by the Prime Minister of Pakistan, the company has designed and proposed for approval a new business plan where its object clause/principal line of business in the Memorandum of Association will be changed from power generation to investment business. The company is not pursuing the power business; hence the related assets are being disposed off.</p> <p>Utilization of the proceeds received from the transaction: The proceeds from the disposal of these assets of the Company shall be utilized in its new business plan.</p> <p>Effect on operational capacity of the company, if any; Since the termination of PPA, IA and Guarantee of the company, the company has no customer to sell electricity to and has not sold electricity to anyone. Furthermore, the company is changing its object clause/principal line of business in the Memorandum of Association from power generation to investment business. Therefore, the disposal of these assets will not impact the operational capacity of the company.</p> <p>Quantitative and qualitative benefits expected to accrue to the members: The company is not pursuing the power business, as mentioned hereinabove. In the circumstances, the Company's asset base now substantially comprises investments, and its the revenue stream is primarily derived, and is expected to continue to be derived, from returns on such investments which will improve the financial position and add to shareholders' value.</p>
v)	A brief containing all the necessary details of viable alternate business plan duly authenticated by the board; including total cost of the proposed future business plan and means of financing	<p>Brief of Alternate Business Plan/Proposed future business plan: Following the cessation of power generation operations due to the termination of the PPA, IA, and Government Guarantee, the Company intends to adopted a strategic pivot to transition into Investment business. Under this alternate business plan, the company will leverage the liquidity generated from the disposal of its plant and machinery to add a diversified portfolio of debt and/or equity instruments to its current portfolio. This transition aims to mitigate the risks associated with capital-intensive infrastructure and instead focus on capital preservation and yield optimization. These investments shall be financed by the funds available to the company. Alternate Business Plan has been prepared by the company that is duly approved and authenticated by the Board of Directors.</p>
	Expected time of completion of the proposed project	Company has already made investments. With the proceeds of the disposal of these assets, the company will be able to enhance its investment portfolio.

Availability of Relevant Documents:

The documents about the foregoing special business, including the duly authenticated viable Alternate Business Plan by the board and duly signed recommendations of the due diligence report are available for inspection at the registered office of the Company on any working day up to April 24, 2026, during business hours and also at the time of the Annual General Meeting.

Members can also assess the Alternate Business via the below link:
<http://www.lalpir.com/finance/pdf/LalpirAGMNotice.pdf>

The Directors also undertake and confirm that they have carried out due diligence regarding the Alternate Business Plan.

No Directors or Chief Executive of the Company or their relatives have any interest in the proposed special businesses except in their capacities as Directors/Chief Executive/Shareholders and remuneration received from the Company.



DIRECTORS' PROFILE



Mian Hassan Mansha
Director/ Chairman

Mian Hassan Mansha has over 26 years of diversified experience and serving on the Board of various listed and unlisted companies. Currently he is serving on the Boards of Nishat Power Limited, Security General Insurance Company Limited, Nishat Mills Limited, Lalpir Power Limited, Nishat Hotels and Properties Limited, Nishat (Aziz Avenue) Hotels and Properties Limited, Nishat (Raiwind) Hotels and Properties Limited, Nishat Dairy (Private) Limited, Pakistan Aviators and Aviation (Private) Limited, Nishat Real Estate Development Company (Private) Limited, Nishat Agriculture Farming (Private) Limited, and Nishat Developer (Pvt) Limited. Nishat Packaging Limited, NexGen Auto (Pvt) Limited, Hyundai Nishat Motor (Pvt) Limited.

He is also an Honorary Consulate of Brazil in Pakistan.



Mr. Mahmood Akhtar
Director/CEO

Mr. Mahmood Akhtar holds an MBA degree from University of the Punjab and has over 48 years of managerial experience spread across various sector of industries & business: Sales and Marketing of durable engineering products, manufacturing of cables & overhead aluminum conductor, Power, Health & Hospitality and Relationship Management.

He also serves on the Boards of Nishat Mills Limited, Nishat Power Limited, Nishat Packaging Limited and Nishat Commodities (Private) Limited.

- Member of Pen (Progressive Education Network). Engaged in providing free & quality education to children.
- Keen Golfer.



Mr. Muhammad Azam
Director

Mr. Muhammad Azam is a fellow member of the Institute of Chartered Accountants of Pakistan, he has over 44 years of experience. He is working as Executive Director (F & A) with Nishat Mills Limited since 1991 and also holds office of director in Nishat Hotels and Properties Limited, Nishat (Raiwind) Hotels and Properties Limited, Nishat (Aziz Avenue) Hotels and Properties Limited, and Nishat Real Estate Development Company (Pvt) Limited.



Mr. Inayat Ullah Niazi
Director

He is a Commerce Graduate and C.A. Inter. His experience spans about 41 years, through out with DGKC. He supervised the financial matters related to expansion of DG Plant. He also oversaw critical financing arrangements for installation of new plants at Khairpur (2007) and Hub (2018). His expertise is in accounts, tax, audit, finance, treasury, budget and planning. He remained a crucial negotiator and dealer in transactions with international financial institutions, development institutions and export credit agencies.

He has served as director of Security General Insurance Company Limited, Lahore Stock Exchange, National Clearing Company of Pakistan Limited and LSE Financial Services Limited. He is serving as Director Finance and Chief Financial Officer of D.G. Khan Cement Company Limited and Nishat Packaging Limited.

He is also serving as a director in Nishat Hotels & Properties Limited, Nishat (Aziz Avenue) Hotels & Properties Limited, Nishat (Raiwind) Hotels & Properties Limited, Nishat Energy Limited and Pakistan Aviators and Aviation (Private) Limited.



Mr. Zaheer Ahmed Ghanghro
Director

Mr. Zaheer Ahmed Ghanghro has more than three decades of experience working in the field of power generation and transmission. He is the CEO of Halmore Power Generation Company Limited, which owns a 225 MW combined cycle power plant located at Bhikhi. Previously, he has served as Managing Director of OMS Pakistan, Project Director of Chiniot Power, and an Electrical Engineer with WAPDA. As Managing Director for Pakistan operations of O&M Solutions, Mauritius, he was directly involved as Project Director in the development, contract negotiations, construction, and commissioning of many projects in Pakistan, including all 6FA CCPP projects (Orient, Saif, Sapphire, and Halmore) and K-Electric's 560 MW Bin Qasim – II Project. He started his career with WAPDA, where he worked for over 17 years as an Electrical and Operations Engineer at the 880 MW Jamshoro Thermal Power Plant, Maintenance Engineer for Guddu – Multan 500 KV Transmission Lines, and Operations Engineer at 500 KV grid station, Multan. Mr. Zaheer holds master's degrees in Engineering and Business Administration and has also undergone various trainings in Pakistan, Germany, and UAE. The Government of Punjab has appointed Mr. Zaheer as Chairman of the Boards of Directors for Quaid-e-Azam Solar Power Company and Quaid-e-Azam Thermal Power Company.

He is also a Director in the following companies:

- Halmore Power Generation Company Limited
- Halmore Properties (Private) Limited
- Halmore Seasons (Private) Limited
- OILCO Petroleum (Pvt) Limited
- Halmore Renewables (Pvt) Limited



Mrs. Hajra Arham
Director

Mrs Hajra Arham is a Chartered Accountant qualified from The Institute of Chartered Accountants of Pakistan. She has over 28 years' post qualification work experience with public and private sectors at advisory and management board positions. She has worked at projects funded by Punjab Govt., World Bank, Asian Development Bank, UK Govt. and Japan International Cooperation Agency. Her exposure relates to Information Technology, Water Sector, Power/ Energy Sector and widely diversified clientele of CA firm from Textile and Sugar Industry to Financial Institutions and Development Authorities. She is also currently serving as Independent Director, Chairperson Audit Committee and Member HR Committee of Kohinoor Mills Limited, a listed company engaged in textile production and export.



Mr. Farrukh Ifzal
Director

Mr. Farrukh Ifzal is a Fellow member of the Institute of Chartered Accountants of Pakistan. He has over 37 years of diversified experience in the field of Accounts, Finance, Legal and General Management. He is currently serving as Director and Chief Executive Officer of Nishat Chunian Power Limited and Director of Pakgen Power Limited and Quaid-e-Azam Thermal Limited.

CHAIRMAN'S REVIEW

I am pleased to present the annual report of the Company for the year ended December 31, 2025 to our valued shareholders.

The Company has incurred loss after tax of Rs 816 million as against a profit of Rs 465 million earned during the previous year. The decrease in profitability in current year is because of Negotiated Settlement Agreement as detailed in Directors' Report of the Company and annexed financial statements, resulting in early termination of Company's Power Purchase Agreement with effect from October 01, 2024. Company's strategic repositioning as detailed in the Directors' Report, will allow the Company to preserve capital, maintain financial strength and maximize long-term shareholders' return.

I would like to appreciate overall performance of the Board during this year despite multiple challenges and tough economic conditions prevalent in the Country. They have provided strategic directions to the management and always remained available for guidance. The Board has formed various Committees, like Audit Committee and Human Resource Committee. Through Audit Committee, the Board reviewed the internal controls and financial statements and ensured that the accounts fairly represent the financial position of the Company. While the HR Committee overviews the HR policy framework and recommends selection and compensation of senior management team.

To evaluate the performance of the Board and its Committees, the Board has put in place mechanism for annual evaluation of the performance of the Board of Directors. Accordingly, the Board has completed its annual self-evaluation for the year 2025 and I am pleased to report that the overall performance benchmarked on the basis of set criteria remained satisfactory.

Further, I am pleased to inform that the composition of the Board depicts reasonable balance of executive and non-executive Directors including female and

independent Directors. This combination, possess the requisite skills, core competencies and industry knowledge to lead the Company, whereby all Board members are aware of the high level of ethical and professional standards laid down in Vision & Mission Statements of the Company.

The Board reviews the quality and appropriateness of financial statements of the Company, reporting and transparency of disclosures, Company's accounting policies, corporate objective plans, budgets and other reports. The Board has also framed the Code of Conduct which defines requisite behavior and has been disseminated throughout the Company. Adequate controls and robust systems are in place to ensure effective control environment so compliance of best policies of Corporate Governance are achieved.

I would like to take this opportunity to express my appreciation for the untiring efforts of Company workforce and express gratitude to all the stakeholders for their continued cooperation, trust and support.



Chairman

Lahore: March 31, 2026

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DIRECTORS' REPORT

The Directors are pleased to present the Annual Report and the audited financial statements of the Company for the year ended December 31, 2025 together with the auditors' report thereon.

STRATEGIC DEVELOPMENTS AND STRATEGIC REPOSITIONING

The early termination of the Company's Power Purchase Agreement (PPA), effective 01 October 2024, resulted in the cessation of the Company's primary revenue stream.

Following the termination of the PPA, the Board undertook a comprehensive review of the Company's strategic direction to safeguard shareholder value and ensure sustainable utilization of its available financial resources.

Keeping in view the above factors, the Board of Directors of the Company in their meeting held on March 31, 2026 has formally approved an Alternate Business Plan for the Company involving the disposal / sale of plant and machinery, sizeable part of buildings, stores, spare parts and other consumables and other assets ("the Assets") of the Company located at power plant site, Mehmood Kot, Muzaffargarh, Punjab, subject to the completion of necessary corporate, regulatory and legal formalities.

In accordance with the provisions of Section 183(3)(a) of the Companies Act, 2017, the approval of members of the Company is being sought in forthcoming Annual General Meeting for such sale / disposal of the Assets.

The Company has Rupees 9,198.822 million surplus funds available as on 31 December 2025 which are invested in mutual funds and cash and banks. The sale of the Assets as stated above is expected to further generate Rs. 3,161 million. The Board of Directors of the Company in their meeting held on 18 December 2025 has approved the Company's acquisition, through nomination by Nishat Hotels and Properties Limited, of up to 4.41% of the paid-up ordinary share capital of Rafhan Maize Products Company Limited ("the acquiree company") at a price of PKR 9,800 per share, as part of a broader acquisition with its affiliates to acquire a total of up to 75.10% of paid-up ordinary share capital of the acquiree company through share purchase agreements and 3.23% of paid-up ordinary share capital of the acquiree company through public offer under the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017.

Hence, Alternate Business Plan, approved and recommended by the Board of Directors of the Company encompass change in principal line of business, change in name of the Company, disposal of the Assets and pursuing the principal line of business of making investments in shares / securities. The Board has initiated a strategic repositioning of the Company from an asset-intensive power generation business to a capital allocation and investment-focused platform.

As part of this transition, the Company intends to monetise legacy operating assets and redeploy capital into opportunities capable of generating sustainable returns. The Company's strong financial position, disciplined governance, and experienced management team provide a solid foundation for this transition.

RISK MANAGEMENT AND GOVERNANCE

The Board continues to actively monitor risks associated with the transition, including regulatory developments, execution risks relating to potential investments, and market-related factors. Appropriate governance and oversight mechanisms are in place to ensure prudent decision-making and protection of shareholder interests.

FUTURE OUTLOOK

The Board views the Company's transformation as a proactive response. Going forward, the Company is expected to remain focused on execution of the Alternate Business Plan, enhancing shareholders' value and maintaining financial strength.

PROPOSED STRATEGIC INVESTMENT — RAFHAN MAIZE PRODUCTS COMPANY LIMITED

In view of the delayed / uncertain near-term commercialization through CTBCM and the need to enhance predictability of returns and preserve shareholder value, the Board and management have evaluated alternate avenues of income generation (as contemplated in the Company's financial statements for the year ended December 31, 2024).

As stated above, the Company, as part of a consortium of Nishat Group entities, is in the process of acquiring equity stake in Rafhan Maize Products Company Limited, a listed company engaged in the business of processing of maize as the basis raw material to manufacture and sell a number of industrial products, like industrial starches, liquid glucose, dextrose, dextrin and gluten meals.

The transaction is being undertaken in accordance with the Securities Act, 2015 and the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017, and represents a strategic investment opportunity aligned with the Company's long-term capital allocation framework.

Management considers the proposed investment attractive for the following reasons:

Rafhan Maize Products Company Limited (RMPL) specializes in corn wet-milling, producing a diverse portfolio of starches and sweeteners. These products serve a wide array of sectors, including textiles, food and beverages, pharmaceuticals, and livestock. By maintaining such a broad demand base, RMPL achieve greater operational resilience across economic cycles, mitigating the risks typically associated with single-buyer contract models.

As a mature operating business with a diversified customer base and value-added product portfolio, the proposed investment is expected to provide a combination of stable dividend income potential and long-term capital appreciation.

The Company already holds surplus funds of approximately Rs. 9,198.822 million as on December 31, 2025. Deploying a portion of these surplus funds, into a strategic investment is intended to enhance returns compared with passive placements, while maintaining adequate liquidity to meet operating expenditures and obligations.

GOING CONCERN AND FINANCIAL RESILIENCE

Based on the Company's available financial resources and ongoing strategic initiatives, the Board is satisfied that the Company will continue to meet its obligations as they fall due and has therefore adopted the going concern

basis in preparing these financial statements.

FINANCE AND SIGNIFICANT EVENTS

Due to termination of PPA in Year 2024, the Company had no operating revenues, during the current year. For comparative year, the Company reported total sales revenue of Rupees 14.239 billion and operating costs were Rupees 10.691 billion, resulting in gross profit of Rupees 3.548 billion). During the year, the Company incurred loss after tax of Rupees 816 million resulting in loss per share of Rupees 2.19, as compared to a profit after tax of Rupees 465 million and earnings per share of Rupees 1.22 last year.

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 December 31, 2025, the Company's investments in Mutual Funds and cash and banks stand at Rs. 9,199 million, which are primarily held to meet day to day expenditure and keeping in view the Alternate Business Plan of the Company as elaborated in preceding paragraphs.

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.

BUY BACK OF SHARES:

During the year, the Company undertook buy-back of its own shares in accordance with Section 88 of the Companies Act, 2017 and the Listed Companies (Buy-Back of Shares) Regulations, 2019. The Board of Directors in its meeting held on October 16, 2025 approved the proposal of buy-back of up to 100,000,000 ordinary shares of face value Rs. 10 each, representing 26.33% of the total outstanding shares, with the purpose of cancellation of shares. Proposal was subsequently authorized by the members through a special resolution passed in the Extraordinary General Meeting held on November 20, 2025.

Pursuant to the approval, the Company announced the buy-back on November 20, 2025 and commenced purchases through Pakistan Stock Exchange on November 28, 2025. The Company completed the buy-back during December 2025 and purchased an aggregate of 100,000,000 ordinary shares at prevailing market prices for cancellation.

The purchased shares were cancelled upon confirmation from Central Depository Company, resulting in a reduction of the Company's paid-up share capital from 379,838,732 ordinary shares to 279,838,732 ordinary shares of Rs. 10 each.

The transaction was funded from distributable reserves and has been accounted for as a reduction in equity.

Name of Directors	Number of shares
Issued shares before buy-back	379,838,732
Shares cancelled	(100,000,000)
Issued shares after cancellation	279,838,732

The buy-back has been accounted for as an equity transaction in accordance with IAS 32 - Financial Instruments i.e. the premium paid on buy-back of shares including directly attributable costs has been recognized as a deduction from distributable reserves and no gain or loss has been recognized in profit or loss on cancellation of shares.

The reduction in the number of ordinary shares outstanding has been reflected in the computation of basic and

diluted earnings per share for the year ended 31 December 2025 in accordance with IAS 33 (Earnings per Share). Further details are disclosed in Note 27.

The buy-back had the following financial implications for the Company:

- 1) The cancellation of shares reduced the issued and paid-up capital, thereby optimizing the Company's capital structure and aligning it with the current scale of operations.
- 2) The Company utilized approximately PKR 2.47 billion (inclusive of transaction costs) for the purchase of shares, which was funded from distributable profits/reserves.
- 3) As a result of the reduction in the number of outstanding shares:
 - a. Earnings per share (EPS) is expected to improve due to lower weighted average shares outstanding.
 - b. Net assets per share / book value per share is expected to increase, enhancing shareholder value
- 4) The buy-back did not affect the Company's operational capability or its ability to meet liabilities, as the transaction was executed from available reserves in compliance with regulatory requirements.
- 5) The transaction provided liquidity to shareholders wishing to exit while simultaneously improving capital efficiency for continuing shareholders.

INTERNAL AUDIT AND CONTROL

The Board of Directors (the Board) has set up an independent internal audit function headed by a qualified person reporting to the Audit Committee. The scope of internal auditing within the Company is clearly defined which broadly involves review and evaluation of its' internal control system.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has implemented a robust system of internal and financial controls to safeguard its assets, prevent fraud, and ensure compliance with legal requirements. The internal control framework is regularly reviewed and monitored by the Internal Audit function, established by the Board. The Audit Committee conducts quarterly reviews of the system in line with its terms of reference.

ENVIRONMENT HEALTH AND SAFETY

Lalpir Power Limited is proud of its commitment to protecting the environment and enhancing the health and safety of its employees. During the year, there was no time lost accident (LTA) due to any injury and there was no environment excursion.

CORPORATE SOCIAL RESPONSIBILITY (CSR) AND COMMUNITY WELFARE

The Corporate Social Responsibility (CSR) is not only an integral part of the Company's business since inception. It is part of the Company's culture and all employees show a strong commitment to same. The Company strives to accelerate the process of empowering people to work towards eradicating poverty and unemployment. Some CSR Initiatives by the Company include:

- Managing a basic health unit that is fully equipped with emergency facilities and diagnostics laboratory for the local community. Additionally, the Company also arranges special eye & skin disease camp for the local community on annual basis.
- Support a program for the free education to the house maids working in employees' community.

COMPLIANCE WITH CODE OF CORPORATE GOVERNANCE 2019

Directors are committed to good corporate governance and comply with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 and the Rule Book of Pakistan Stock Exchange.

The statement of compliance with the CCG Regulations, 2019 is enclosed.

CORPORATE AND FINANCIAL REPORTING FRAMEWORK

The Company Management is fully cognizant of its responsibility as recognized by the Companies Act provisions and Code of Corporate Governance issued by the Securities and Exchange Commission of Pakistan (SECP). The following comments are acknowledgement of Company's commitment to high standards of Corporate Governance and continuous improvement.

- o The financial statements, prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.
- o Proper books of account of the Company have been maintained.
- o Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- o International Financial Reporting Standards (IFRS), as applicable in Pakistan, have been followed in preparation of financial statements and any departure therefrom has been adequately disclosed and explained.
- o The system of internal control is sound in design and has been effectively implemented and monitored.
- o There are no doubts upon Company's ability to continue as going concern.
- o All the directors on the Board are fully conversant with their duties and responsibilities as directors of corporate bodies. The directors were apprised of their duties and responsibilities through orientation courses.
- o The key operating and financial data of last six years is attached to the report.
- o Value of investment in provident fund and gratuity scheme as at year ended 31st December 2025, were as follows;

Provident fund: 31 December 2025 is Rupees: 97.575 million

Gratuity fund: 31 December 2025 is Rupees: 1.306 million

COMPOSITION OF BOARD:

Total number of Directors:		
(a)	Male	6
(b)	Female	1
Composition:		
(i)	Independent Directors	2
(ii)	Other Non-executive Directors	4
(iii)	Executive Directors	1

During the year under review, six Board of Directors Meetings were held, attendance position was as under:-

Sr. #	Name of Directors	No. of Meetings Attended
1	Mian Hassan Mansha (Director/Chairman)	5
2	Mr. Mahmood Akhtar (CEO)	6
3	Mr. Zaheer Ahmad Ghanghro	6
4	Mr. Inayat Ullah Niazi	6
5	Mr. Muhammad Azam	6
6	Mr. Amir Mahmood *	4
7	Mrs. Hajra Arham	6
8	Mr. Farrukh Ifzal **	0

*Resigned on December 29, 2025.

**Appointed as director on December 31, 2025 to fill the casual vacancy in place of Mr. Amir Mahmood.

During the year under review, four Audit Committee Meetings were held, attendance position was as under:-

Sr. #	Name of Directors	No. of Meetings Attended
1	Mr. Zaheer Ahmad Ghanghro (Chairman)	4
2	Mr. Inayat Ullah Niazi (Member)	4
3	Mrs. Hajra Arham (Member)	4

During the year under review, one Human Resource & Remuneration (HR&R) Committee meeting was held, attendance position was as under:-

Sr. #	Name of Directors	No. of Meetings Attended
1	Mrs. Hajra Arham (Member/Chairperson)	0
2	Mian Hassan Mansha (Member)	1
3	Mr. Inayat Ullah Niazi (Member)	1

DIRECTORS' REMUNERATION:

The Company does not pay remuneration to its non-executive directors including independent directors except for meeting fee. Aggregate amount of remuneration and meeting fee paid to executive and non-executive directors have been disclosed in note 30 of the annexed financial statements.

PATTERN OF SHAREHOLDING:

The statement of pattern of shareholding as on 31 December 2025 is attached.

TRADING IN THE SHARES OF THE COMPANY

All the trades in the shares of the listed Company, carried out by its directors, executives and their spouses and minor children during the year ended December 31, 2025 is annexed to this report.

RELATED PARTIES

Related party transactions were placed before the Audit Committee and approved by the Board. These transactions were in line with the requirements of the Companies Act, 2017.

FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Risk management is carried out by the Company's finance department under policies approved by the Board. The Company's finance department evaluates and hedges financial risks. The Board provides principles for overall risk management, as well as policies covering specific areas such as currency risk, other price risk, interest rate risk, credit risk, liquidity risk and investment of excess liquidity. All treasury related transactions are carried out within the parameters of these policies.

AUDITORS

The present auditors M/s Riaz Ahmad and Company, Chartered Accountants retired and being eligible, offer themselves for re-appointment for the year 2026. The Audit Committee of the Board has recommended the reappointment of the retiring auditors.

ACKNOWLEDGEMENT

We wish to thank our valuable shareholders, financial institutions, lenders and other suppliers for their trust and faith in the Company and their valuable support that enabled the Company to achieve better results, during PPA tenure.

We also appreciate 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 results, under extra ordinary circumstances.

For and on behalf of the Board of Directors



Mahmood Akhtar
Chief Executive Officer



Mian Hassan Mansha
Chairman

Lahore: March 31, 2026

ڈائریکٹرز رپورٹ لال پیرپاور لمیٹڈ

اہم ڈویلپمنٹ اور سٹریٹجک ری پوزیشننگ

ریسک مینجمنٹ اور گورننس

مستقبل کا نقطہ نظر

مجوزہ اسٹریٹجک سرمایہ کاری — رفغان میزپراڈکٹس کمپنی لمیٹڈ

جاری تشریح اور مالی استحکام

فنانس اور اہم واقعات

حصص کی واپس خریداری (Buy-Back of Shares)

اندرونی آڈٹ اور کنٹرول

موزوں داخلی مالیاتی کنٹرول

ماحول صحت اور حفاظت

کارپوریٹ سماجی ذمہ داری (CSR) اور کیوٹی و بلٹی سٹریٹ

کوڈ آف کارپوریٹ گورننس 2019 کی تعمیل

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک

بورڈ کی تشکیل:

تریر جائزہ سال کے دوران، بورڈ آف ڈائریکٹرز کے چہ اجلاس منعقد ہوئے، حاضری کی پوزیشن حسب ذیل تھی:-

تریر جائزہ سال کے دوران، آڈٹ کمیٹی کے چہ اجلاس منعقد ہوئے، حاضری کی پوزیشن حسب ذیل تھی:-

تریر جائزہ سال کے دوران، ہیومن ریسورس & ریمیننٹیشن (HR & R) کمیٹی کا ایک (1) اجلاس منعقد ہوا، حاضری کی پوزیشن حسب ذیل تھی:-

ڈائریکٹرز کا معاوضہ:

حصص داری کا نمونہ:

کمپنی کے حصص میں ٹریڈنگ:

متعلقہ پارٹیاں:

فائل ریسک مینٹ:

محاسب:

انٹہار ٹنکر:

منجاب مجلس نظاماء

میاں حسن مشا

جناب محمود اختر

PATTERN OF SHAREHOLDINGS

As at December 31, 2025

# of Shareholders	Shareholdings' Slab		Total Shares Held
812	1	to 100	22,715
984	101	to 500	408,984
528	501	to 1000	488,359
850	1001	to 5000	2,418,022
268	5001	to 10000	2,265,818
93	10001	to 15000	1,238,841
69	15001	to 20000	1,279,553
67	20001	to 25000	1,574,569
33	25001	to 30000	962,260
16	30001	to 35000	540,211
20	35001	to 40000	763,355
12	40001	to 45000	518,930
32	45001	to 50000	1,586,400
16	50001	to 55000	846,855
11	55001	to 60000	637,163
5	60001	to 65000	312,161
1	65001	to 70000	69,500
3	70001	to 75000	222,500
3	75001	to 80000	237,000
1	80001	to 85000	80,500
5	85001	to 90000	444,500
3	90001	to 95000	280,000
18	95001	to 100000	1,790,575
2	100001	to 105000	204,491
5	105001	to 110000	545,000
2	110001	to 115000	228,500
1	115001	to 120000	116,544
3	120001	to 125000	370,514
1	125001	to 130000	125,914
1	135001	to 140000	139,841
3	140001	to 145000	433,995
6	145001	to 150000	883,890
2	155001	to 160000	317,080
3	160001	to 165000	485,089
2	170001	to 175000	350,000
1	180001	to 185000	185,000
2	185001	to 190000	377,683
1	190001	to 195000	190,935
7	195001	to 200000	1,396,500

# of Shareholders	Shareholdings' Slab		Total Shares Held	
1	200001	to	205000	205,000
1	205001	to	210000	210,000
3	220001	to	225000	673,086
1	230001	to	235000	230,001
1	245001	to	250000	248,265
1	250001	to	255000	252,000
1	260001	to	265000	261,800
1	270001	to	275000	272,000
1	295001	to	300000	300,000
1	305001	to	310000	308,289
2	310001	to	315000	627,299
1	320001	to	325000	325,000
2	345001	to	350000	700,000
1	365001	to	370000	365,500
1	410001	to	415000	412,500
1	420001	to	425000	423,500
1	445001	to	450000	445,449
1	450001	to	455000	451,250
1	460001	to	465000	464,036
1	485001	to	490000	490,000
5	495001	to	500000	2,500,000
1	515001	to	520000	517,571
1	525001	to	530000	530,000
1	655001	to	660000	659,719
2	745001	to	750000	1,496,716
1	790001	to	795000	794,935
1	885001	to	890000	889,500
1	905001	to	910000	905,901
1	910001	to	915000	914,055
1	960001	to	965000	965,000
1	975001	to	980000	976,500
1	995001	to	1000000	1,000,000
1	1470001	to	1475000	1,475,000
1	1495001	to	1500000	1,500,000
1	1545001	to	1550000	1,550,000
1	1730001	to	1735000	1,732,000
1	1805001	to	1810000	1,810,000
1	2070001	to	2075000	2,071,402

# of Shareholders	Shareholdings' Slab			Total Shares Held
1	2075001	to	2080000	2,079,500
1	2100001	to	2105000	2,100,427
1	2535001	to	2540000	2,536,683
1	2720001	to	2725000	2,721,477
1	2735001	to	2740000	2,740,000
1	3145001	to	3150000	3,147,000
1	4115001	to	4120000	4,119,500
1	15640001	to	15645000	15,641,325
1	25990001	to	25995000	25,993,711
1	26235001	to	26240000	26,235,695
1	27345001	to	27350000	27,348,388
1	109880001	to	109885000	109,882,005
3951				279,838,732

PATTERN OF SHAREHOLDINGS

As at December 31, 2025

Categories of Shareholders	Shareholders	Shares Held	Percentage
Directors, Chief Executive Officer, and their spouse(s) and minor children			
MIAN HASSAN MANSHA	2	25,993,762	9.29
MAHMOOD AKHTAR	1	550	0.00
HAJRA ARHAM	1	500	0.00
INAYAT ULLAH NIAZI	1	500	0.00
MUHAMMAD AZAM	1	500	0.00
FARRUKH IFZAL	1	500	0.00
ZAHEER AHMED GHANGHRO	1	500	0.00
Associated companies, undertakings and related parties			
M/S. SECURITY GENERAL INSURANCE COMPANY LIMITED	2	15,641,326	5.59
M/S. NISHAT MILLS LIMITED	2	109,882,555	39.27
MRS. BEGUM NAZ MANSHA	1	57,000	0.02
UMER MANSHA	1	889,500	0.32
RAZA MANSHA	1	965,000	0.34
NISHAT REAL ESTATES DEVELOPMENT COMPANY (PRIVATE) LIMITED	1	12,000	0.00
NISHAT (AZIZ AVENUE) HOTELS AND PROPERTIES LIMITED	1	365,500	0.13
ADAMJEE INSURANCE COMPANY LIMITED	1	27,348,388	9.77
NIT and ICP			
Executives	-	-	-
Banks, Development Financial Institutions, Non-Banking Financial Institutions			
Insurance Companies	2	435,000	0.16
Mutual Funds and Modarabas			
	5	4,455,771	1.59
General Public			
a. Local	3,773	58,530,261	20.92
b. Foreign	108	705,085	0.25
Foreign Companies			
Others	43	33,154,534	11.85
Totals	3,951	279,838,732	100.00

Share holders holding 10% or more	Shares Held	Percentage
NISHAT MILLS LIMITED	109,882,555	39.27

Trading in the shares of the Company, carried out by its Substantial Shareholder, Directors, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary, their Spouses and minor children during the period January 01, 2025 to December 31, 2025, are as under:

S.No.	Name	Status	No. of Shares	
			Purchased	Sold
1.	Mr. Jahangir Firoz	Substantial Shareholder	-	69,011,371

GENDER PAY GAP STATEMENT

GENDER PAY GAP STATEMENT UNDER CIRCULAR 10 OF 2024 OF SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Name of Company: Lalpir Power Limited

Year ended: 31 December, 2025

Following is the gender pay gap calculated for the year ended December 31, 2025:

- (i) Mean Gender pay gap: 44%
- (ii) Median Gender pay gap: 37%
- (iii) Any other data/details as deemed relevant: The company offers its employees equitable compensation based on their individual profile and performance without any discrimination with respect to their gender.

For and on behalf of Board of Directors of the Company



Chief Executive Officer

Lahore: March 31, 2026

STATEMENT OF COMPLIANCE

WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 (The Regulations)

Name of Company: Lalpir Power Limited

Year ended: December 31, 2025

The company has complied with the requirements of the Regulations in the following manner:

1. The total number of Directors are seven (07) as per the following:
 - a. Male: 06
 - b. Female: 01
2. The composition of the Board is as follows:

Category	Names
Independent Directors	Mr. Zaheer Ahmad Ghanghro Mrs. Hajra Arham (Female Director)
Non-executive Directors	Mian Hassan Mansha Mr. Farrukh Ifzal Mr. Muhammad Azam Mr. Inayat Ullah Niazi
Executive Director	Mr. Mahmood Akhtar (Chief Executive Officer)

3. The Directors have confirmed that none of them is serving as a Director on more than seven listed companies, including this company;
4. The company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures;
5. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company;
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board / shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and the Regulations;
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a Director elected by the Board for this purpose. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;
8. The Board have a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and the Regulations;
9. Following Directors have attained the directors training program certification:

Name of Directors:

Mr. Zaheer Ahmad Ghanghro
 Mr. Farrukh Ifzal
 Mr. Inayat Ullah Niazi
 Mr. Mahmood Akhtar

Mr. Muhammad Azam meets the exemption criteria of minimum of 14 years of education and 15 years of experience on the Boards of listed companies, hence is exempt from Directors' training program.

10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:

a) Audit Committee

Names	Designation held
Mr. Zaheer Ahmad Ghanghro	Chairman
Mr. Inayat Ullah Niazi	Member
Mrs. Hajra Arham	Member

b) HR and Remuneration Committee

Names	Designation held
Mrs. Hajra Arham	Chairperson
Mian Hassan Mansha	Member
Mr. Inayat Ullah Niazi	Member

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;
14. The frequency of meetings (quarterly / half yearly / yearly) of the committee were as per following:

a) Audit Committee

Four meetings were held during the financial year ended December 31, 2025.

b) HR and Remuneration Committee

One meeting of HR and Remuneration Committee was held during the financial year ended December 31, 2025.

15. The board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company.
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Director of the company;
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with;
19. Explanations for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

Sr. No.	Requirement	Explanation of Non-Compliance	Regulation Number
1	Responsibilities of the Board and its members The Board is responsible for adoption of corporate governance practices by the company.	Non-mandatory provisions of the Regulations are partially complied. The company is deliberating on full compliance with all the provisions of the Regulations.	10(1)
2	Role of the Board and its members to address Sustainability Risks and Opportunities The board is responsible for governance and oversight of sustainability risks and opportunities within the company by setting the company's sustainability strategies, priorities and targets to create long term corporate value.	Securities and Exchange Commission of Pakistan (SECP) introduced new regulation 10A in the Regulations on 12 June 2024. The implications of this amendment are currently under review by the management. Compliance, where applicable, will be ensured in due course.	10(A)
3	Directors' Training It is encouraged that by June 30, 2022, all directors on the Board have acquired the prescribed certification under any director training program offered by institutions, local or foreign, that meet the criteria specified by the Commission and approved by it.	4 out of 7 directors of the company have acquired Directors' Training Program certification. One director is exempt from Directors' Training Program. The company has planned to arrange Directors' Training Program certification for remaining two directors.	19(1)
4	Directors' Training Companies are encouraged to arrange training for at least one female executive every year under the Directors' Training Program from year July 2020.	The company has planned to arrange Directors' Training Program certification for female executives over the next few years.	19(3)
5	Directors' Training Companies are encouraged to arrange training for at least one head of department every year under the Directors' Training Program from July 2022.	The company has planned to arrange Directors' Training Program certification for at least one head of department annually over the next few years.	19(3)
6	Nomination Committee The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	Currently, the Board has not constituted a separate nomination committee and the functions are being performed by the human resource and remuneration committee.	29
7	Risk Management Committee The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	Currently, the Board has not constituted a risk management committee and a senior officer of the Company performs the requisite functions and apprise the Board accordingly.	30

20. The two elected independent directors have requisite competencies, skills, knowledge and experience to discharge and execute their duties competently, as per applicable laws and regulations. As they fulfill the necessary requirements as per applicable laws and regulations, hence, appointment of a third independent director is not warranted.



Mian Hassan Mansha

Chairman

Lahore:

March 31, 2026

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Lalpir Power Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Lalpir Power Limited (the Company) for the year ended 31 December 2025 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 31 December 2025.



RIAZ AHMAD & COMPANY

Chartered Accountants

Lahore

Date: 01 April 2026

UDIN: CR202510158OC18okXNZ

FINANCIAL STATEMENTS

For the Year Ended December 31, 2025



INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LALPIR POWER LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the annexed financial statements of Lalpir Power Limited (the Company), which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at 31 December 2025 and of the loss and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the *Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to note 1.2 in these financial statements, which describes the matter relating to early termination of Power Purchase Agreement with the Power Purchaser and early termination of Implementation Agreement and the Guarantee by the Government of Pakistan. As stated in note 1.2 to these financial statements, these events or conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on

these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Following are the Key audit matter:

Sr. No.	Key audit matter	How the matter was addressed in our audit
<p>1.</p>	<p>Contingencies</p> <p>As disclosed in note 8.1 to the accompanying financial statements, the Company has contingent liabilities in respect of various matters, which are pending adjudication before respective authorities and courts of law.</p> <p>Contingencies require management to make judgments and estimates in relation to the interpretation of laws, statutory rules and regulations, and the probability of outcome and financial impact, if any, on the Company for disclosure and recognition and measurement of any provisions that may be required against such contingencies in accordance with applicable financial reporting standards.</p> <p>Due to significance of amounts involved, uncertainties with respect to the outcome of matters and use of significant management judgments and estimates to assess the same including related financial impacts, we considered this as a key audit matter.</p> <p>For further information on contingencies, refer to the following:</p> <ul style="list-style-type: none"> - Material accounting policy information, Contingent liabilities [note 2.1(c) and note 2.14 to the financial statements]. - Contingencies (note 8.1) to the financial statements. 	<p>Our audit procedures among others included obtaining an understanding of the process and controls on this area relevant to our audit. Further, we have:</p> <ul style="list-style-type: none"> • Obtained and reviewed detail of the pending matters and discussed the same with the Company's management; • Reviewed the correspondence of the Company with the relevant authorities, tax and legal advisors, including judgments or orders passed by the competent authorities in relation to the issues involved or matters which have similarities with the issues involved; • Obtained and reviewed confirmations from the Company's external tax and legal advisors for their views on the probable outcome of the pending tax cases and other contingencies; • Involved internal tax professionals to assess reasonability of management's conclusions on such pending matters; • Reviewed and evaluated the adequacy of disclosures made in respect of such contingencies in accordance with the requirements of the financial reporting standards as applicable in Pakistan.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery,

intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been

drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Mubashar Mehmood.



RIAZ AHMAD & COMPANY

Chartered Accountants

Lahore

Date: 01 April 2026

UDIN: AR202510158c4NuBksUH

STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

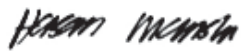
	Note	2025 (Rupees in thousand)	2024
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 500,000,000 (2024: 500,000,000) ordinary shares of Rupees 10 each		5,000,000	5,000,000
Issued, subscribed and paid-up share capital	4	2,798,387	3,798,387
Capital reserve		-	107,004
Revenue reserve - un-appropriated profit		8,743,981	10,926,184
Total equity		11,542,368	14,831,575
LIABILITIES			
NON-CURRENT LIABILITY			
Employee benefit - gratuity	5	12,072	18,823
CURRENT LIABILITIES			
Trade and other payables	6	166,077	178,848
Accrued mark-up / profit		-	39,045
Unclaimed dividend		11,059	11,665
		177,136	229,558
Total liabilities		189,208	248,381
CONTINGENCIES AND COMMITMENTS			
TOTAL EQUITY AND LIABILITIES	8	11,731,576	15,079,956

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



CHIEF EXECUTIVE

	Note	2025 (Rupees in thousand)	2024
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	9	1,884,214	2,972,235
Long term investment	10	-	-
Long term loans to employees	11	1,439	14,615
Long term security deposits		2,326	1,850
		<u>1,887,979</u>	<u>2,988,700</u>
CURRENT ASSETS			
Stores, spare parts and other consumables	12	459,214	667,278
Fuel stock	13	-	526,558
Loans, advances and short term prepayments	14	1,255	36,817
Other receivables	15	154,775	828,800
Accrued interest		106	2,513
Taxation and levy - net	7	29,425	254,897
Short term investments	16	9,177,750	9,087,720
Cash and bank balances	17	21,072	686,673
		<u>9,843,597</u>	<u>12,091,256</u>
TOTAL ASSETS		<u><u>11,731,576</u></u>	<u><u>15,079,956</u></u>



DIRECTOR



CHIEF FINANCIAL OFFICER

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2025

	Note	2025 (Rupees in thousand)	2024
REVENUE FROM CONTRACT WITH CUSTOMER	18	-	14,239,415
COST OF SALES	19	-	(10,691,409)
GROSS PROFIT		-	3,548,006
PLANT MAINTENANCE AND PRESERVATION COSTS	20	(1,742,833)	(435,643)
ADMINISTRATIVE EXPENSES	21	(94,338)	(235,854)
OTHER EXPENSES	22	(164,096)	(1,361,649)
OTHER INCOME	23	1,458,029	186,116
(LOSS) / PROFIT FROM OPERATIONS		(543,238)	1,700,976
FINANCE COST	24	(224)	(1,193,647)
(LOSS) / PROFIT BEFORE LEVY AND TAXATION		(543,462)	507,329
LEVY	25	(3,624)	(22,084)
(LOSS) / PROFIT BEFORE TAXATION		(547,086)	485,245
TAXATION	26	(268,735)	(20,455)
(LOSS) / PROFIT AFTER TAXATION		(815,821)	464,790
OTHER COMPREHENSIVE (LOSS) / INCOME:			
ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS:			
REMEASUREMENTS OF DEFINED BENEFIT PLAN		(2,646)	46,675
ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS		-	-
		(2,646)	46,675
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE YEAR		(818,467)	511,465
(LOSS) / EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)	27	(2.19)	1.22

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	SHARE CAPITAL	RESERVES		TOTAL EQUITY
		Capital	Revenue	
		Retained payments reserve	Un-appropriated profit	
(- - - - - Rupees in thousand - - - - -)				
Balance as at 31 December 2023	3,798,387	107,004	11,934,073	15,839,464
Transaction with owners:				
First interim dividend for the quarter ended 31 March 2024 @ Rupees 2.00 per share	-	-	(759,677)	(759,677)
Second interim dividend for the half year ended 30 June 2024 @ Rupees 2.00 per share	-	-	(759,677)	(759,677)
	-	-	(1,519,354)	(1,519,354)
Profit for the year	-	-	464,790	464,790
Other comprehensive income for the year	-	-	46,675	46,675
Total comprehensive income for the year	-	-	511,465	511,465
Balance as at 31 December 2024	3,798,387	107,004	10,926,184	14,831,575
Transactions with owners - buy-back of ordinary shares	(1,000,000)	-	(1,470,740)	(2,470,740)
Loss for the year	-	-	(815,821)	(815,821)
Other comprehensive loss for the year	-	-	(2,646)	(2,646)
Total comprehensive loss for the year	-	-	(818,467)	(818,467)
Extinguishment of retained payments reserve pursuant to termination of PPA	-	(107,004)	107,004	-
Balance as at 31 December 2025	2,798,387	-	8,743,981	11,542,368

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

STATEMENT OF CASH FLOWS

for the year ended 31 December 2025

	Note	2025 (Rupees in thousand)	2024
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	28	499,039	16,499,362
Finance cost paid		(39,269)	(1,318,114)
Gratuity paid	5.2	(22,500)	-
Income tax and levy paid		(44,670)	(17,269)
Net increase in long term security deposits		(476)	-
Net decrease / (increase) in long term loans to employees		13,176	(1,208)
Net cash generated from operating activities		405,300	15,162,771
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on operating fixed assets		-	(38,554)
Proceeds from disposal of operating fixed assets		413,192	5,736
Short term investments made		(45,350,163)	(11,714,850)
Proceeds from disposal of short term investments		46,322,476	3,611,602
Profit on bank deposits received		7,900	26,206
Interest received		389	-
Dividend received		6,651	-
Net cash from / (used in) investing activities		1,400,445	(8,109,860)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(606)	(1,518,688)
Payment for ordinary shares bought back		(2,470,740)	-
Net cash used in financing activities		(2,471,346)	(1,518,688)
Net (decrease) / increase in cash and cash equivalents		(665,601)	5,534,223
Cash and cash equivalents at beginning of the year		686,673	(4,847,550)
Cash and cash equivalents at end of the year	17	21,072	686,673

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 December 2025

1. THE COMPANY AND ITS OPERATIONS

1.1 Lalpir Power Limited (“the Company”) was incorporated in Pakistan on 08 May 1994 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 362 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 06 November 1997. As per the terms of PPA amendment agreement dated 20 April 2021, the agreement year that ended on 25 March 2021 was extended by 248 days to 28 October 2021.

1.2 Impact on going concern assumption

The PPA of the Company was initially for a term of 30 years and was scheduled to expire on 28 November 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 01 October 2024. 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 01 October 2024. Certain terms in relation to termination of these Agreements have been agreed among the parties. These terms have been formally approved and the Agreements stands terminated with effect from 01 October 2024.

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.

The Board of Directors of the Company in their meeting held on 18 December 2025 has approved the Company’s acquisition, through nomination by Nishat Hotels and Properties Limited, of up to 4.41% of the paid-up ordinary share capital of Rafhan Maize Products Company Limited (“the acquiree company”), as part of a broader acquisition with its affiliates to acquire a total of up to 75.10% of paid-up ordinary share capital of the acquiree company through share purchase agreements and 3.23% of paid-up ordinary share capital of the acquiree company through public offer under the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017. Subsequent to the reporting period, on 26 March 2026, Nishat Hotels and Properties Limited, D. G. Khan Cement Company Limited, Nishat Mills Limited, Nishat Power Limited, Nishat Chunian Power Limited, Lalpir Power Limited, Pakgen Power Limited, Mrs. Naz Mansha, Mr. Raza Mansha, Mr. Umer Mansha and Mr. Hassan Mansha (the Acquirers) have, through Manager to the Offer, made Public Announcement of Public Offer to acquire 298,759 ordinary shares (3.23% of the issued and paid-up ordinary shares capital) and control of Rafhan Maize Products Company Limited at a price of PKR 9,800 per share under the Securities Act, 2015 and the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017. Further, the Board of Directors of the Company in their meeting held on 31 March 2026, subsequent to the reporting period, has approved a viable alternate business plan. Key features of the viable

alternate business plan are as follows:

- The name of the Company shall be changed from “Lalpir Power Limited” to “Lalpir Limited”;
- The principal line of business shall be changed to carry on the business of buying, selling, holding or otherwise acquiring or investing the capital of the Company in any sort of financial instruments. Accordingly, Memorandum of Association of the Company shall be altered to reflect change in principal line of business of the Company;
- Plant and machinery and sizeable part of buildings of the Company shall be disposed of for the purposes of viable alternate business plan;
- Existing land and remaining building of the Company located at Mehmood Kot, Muzaffargarh, Punjab shall be held as an investment property;
- Similarly, stores, spare parts and other consumables shall be disposed of for the purposes of viable alternate business plan.

The viable alternate business plan approved by the board of directors of the Company is being put before the shareholders of the Company for their approval in forthcoming Annual General Meeting of shareholders of the Company to be held on 27 April 2026. The Company has Rupees 9,198.822 million surplus funds available as on 31 December 2025 which are invested in mutual funds and cash and banks to generate sufficient income to support the operations 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 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 financial statements.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated:

2.1 Basis of preparation

a) Statement of compliance

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

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of, directives and notifications issued under the Companies Act, 2017.

Where provisions of, directives and notifications issued under the Companies Act, 2017 differ from the IFRS Accounting Standards, the provisions of, directives and notifications issued under the Companies Act, 2017 have been followed.

b) Accounting convention

These financial statements have been prepared under the historical cost convention except as otherwise stated in the respective accounting policies.

c) Critical accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires the 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. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgments were exercised in application of accounting policies are as follows:

Income tax and levy

In making the estimates for income tax and levy currently payable by the Company, the management takes into account the applicable tax laws and the decisions by appellate authorities on certain issues in the past.

Useful lives, pattern of economic benefits and impairment

Estimates with respect to residual values and useful lives and pattern of flow of economic benefits are based on the analysis of the management of the Company. Further, the Company reviews the value of the assets for possible impairments on an annual basis. If such indication exists assets recoverable amount is estimated in order to determine the extent of impairment loss, if any. Any change in the estimates in the future might affect the carrying amount of respective item of fixed assets, with a corresponding effect on the depreciation charge and impairment.

Stores, spare parts and other consumables

Write down of items of stores, spare parts and other consumables is made on the basis of management's estimate of net realizable value and ageing analysis prepared on an item-by-item basis.

Contingencies

The Company reviews the status of all pending litigations and claims against the Company. Based on the judgment and the advice of the legal advisors for the estimated financial outcome, appropriate disclosure or provision is made. The actual outcome of these litigations and claims can have an effect on the carrying amounts of the liabilities recognized at the statement of financial position date.

Provisions

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognised provision is recognised in the statement of profit or loss and other comprehensive income unless the provision was originally recognised as part of cost of an asset.

Employees' retirement benefit

The cost of defined benefit retirement plan is determined using actuarial valuation. The actuarial valuation is based on the assumptions as mentioned in note 5.11 to these financial statements.

Classification of investments

The management of the Company determines the appropriate classification of its investments at the time of purchase or increase in holding and classifies its investments in accordance with IFRS 9 "Financial Instruments".

Inventories

Inventory write-down is made based on the current market conditions, historical experience and selling goods of similar nature. It could change significantly as a result of changes in market conditions. A review is made on each reporting date on inventories for excess inventories, obsolescence and declines in net realisable value and an allowance is recorded against the inventory balances for any such declines.

d) **Amendments to published approved accounting standards that are effective in current year and are relevant to the Company**

Following amendments to published approved accounting standards are mandatory for the Company's accounting periods beginning on or after 01 January 2025:

- Lack of Exchangeability (Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates'). The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

The above-mentioned amendments to approved accounting standards did not have any impact on the amounts recognised in prior period and are not expected to significantly affect the current or future periods.

e) **Amendments to published approved accounting standards that are effective in current year but not relevant to the Company**

There are amendments to published standards that are mandatory for accounting periods beginning on or after 01 January 2025 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

f) **Standards, amendments to published approved accounting standards that are not yet effective but relevant to the Company**

Following standards, amendments and improvements to published approved accounting standards are mandatory for the Company's accounting periods beginning on or after 01 January 2026 or later periods:

IFRS 18 'Presentation and Disclosure in Financial Statements' (effective for annual periods beginning on or after 01 January 2027) with a focus on updates to the statement of profit or loss. The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The key new concepts introduced in IFRS 18 relate to: the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and enhanced

principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'.

Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures' (deferred indefinitely) to clarify the treatment of the sale or contribution of assets from an investor to its associates or joint venture, as follows: require full recognition in the investor's financial statements of gains and losses arising on the sale or contribution of assets that constitute a business (as defined in IFRS 3 'Business Combinations'); require the partial recognition of gains and losses where the assets do not constitute a business, i.e. a gain or loss is recognized only to the extent of the unrelated investors' interests in that associate or joint venture. These requirements apply regardless of the legal form of the transaction, e.g. whether the sale or contribution of assets occur by an investor transferring shares in a subsidiary that holds the assets (resulting in loss of control of the subsidiary), or by the direct sale of the assets themselves.

IFRS S1 'General Requirements for Disclosure of Sustainability-related Financial Information'. IFRS S1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

IFRS S2 'Climate-related Disclosures'. IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

The implementation of IFRS S1 and IFRS S2 will be phased as per the SECP's order dated 31 December 2024, with different effective dates based on annual turnover, number of employees, and total assets (Criteria). Phase I will apply to listed companies meeting specific Criteria for annual reporting periods beginning on or after 1 July 2025. Phase II will apply to other listed companies meeting specific Criteria for annual reporting periods beginning on or after 1 July 2026. Phase III will cover non-listed public interest companies and remaining listed companies for annual reporting periods beginning on or after 1 July 2027.

Amendment to IFRS 7 — 'Financial Instruments: Disclosures' and IFRS 9 — 'Financial Instruments – Classification and Measurement of Financial Instruments' (effective for annual reporting periods beginning on or after 01 January 2026). These amendments clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; clarify and add further guidance for assessing whether a financial asset meets the SPPI criterion; add new disclosures for certain instruments with contractual terms that can change cash flows; and make updates to the disclosures for equity instruments designated at FVTOCI.

Amendment to IFRS 7 — 'Financial Instruments: Disclosures' and IFRS 9 — 'Financial Instruments – Contracts Referencing Nature-dependent Electricity' (effective for annual reporting periods beginning on or after 01 January 2026). These amendments change the 'own use' and hedge accounting requirements of IFRS 9 and include targeted disclosure requirements to IFRS 7.

Disclosures about Uncertainties in the Financial Statements (Illustrative Examples). Illustrative examples are not an integral part of standards and, therefore, do not have an effective date.

The International Accounting Standards Board (IASB) has published 'Annual Improvements to IFRS Accounting Standards — Volume 11'. The amendments are effective for annual reporting periods beginning on or after 01 January 2026. It contains amendments to following five standards as result of the IASB's annual improvements

project:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash flows.

The above standards, amendments and improvements are likely to have no significant impact on the financial statements.

g) Standards, amendments and improvements to published approved accounting standards that are not yet effective and not considered relevant to the Company

There are other standards, amendments and improvements to published approved standards that are mandatory for accounting periods beginning on or after 01 January 2026 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

2.2 Fixed assets

2.2.1 Operating fixed assets

Operating fixed assets, except freehold land are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Freehold land is stated at cost less impairment loss, if any. Residual values and estimated useful lives are reviewed at each reporting date, with the effect of changes in estimate accounted for on prospective basis.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are included in the statement of profit or loss and other comprehensive income during the period in which they are incurred.

Depreciation is charged to income applying the straight line method whereby cost of an asset less its residual value is written off over its estimated useful life at the rates given in note 9.1. Depreciation on additions is charged for the full month in which the asset is available for use and on deletion up to the month immediately preceding the deletion.

An item of operating fixed assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense.

2.2.2 Capital work-in-progress

Capital work-in-progress is stated at cost less identified impairment losses, if any. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work-in-progress. These are transferred to operating fixed assets as and when these are available for use.

2.3 Investments and other financial assets

a) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

b) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other income / (other expenses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss and other comprehensive income.

Fair value through other comprehensive income (FVTOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at

FVTOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment losses (and reversal of impairment losses), interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in other income / (other expenses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other income / (other expenses) and impairment losses are presented as separate line item in the statement of profit or loss and other comprehensive income.

Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. A gain or loss on a debt instrument that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other income / (other expenses) in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments at fair value for financial instruments quoted in an active market, the fair value corresponds to a market price (level 1). For financial instruments that are not quoted in an active market, the fair value is determined using valuation techniques including reference to recent arm's length market transactions or transactions involving financial instruments which are substantially the same (level 2). Fair value is determined using valuation techniques that incorporate significant inputs not based on observable market data (level 3).

Fair value through other comprehensive income (FVTOCI)

Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Fair value through profit or loss (FVTPL)

Changes in the fair value of equity investments at fair value through profit or loss are recognised in other income / (other expenses) in the statement of profit or loss and other comprehensive income as applicable.

Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

2.4 Financial liabilities – Classification and measurement

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit or loss and other comprehensive income. Any gain or loss on de-recognition is also included in profit or loss.

2.5 Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For receivables other than those due from the Government of Pakistan, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2.6 De-recognition of financial assets and financial liabilities

a) Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognized financial assets that is created or retained by the Company is recognized as a separate asset or liability.

b) Financial liabilities

The Company derecognizes a financial liability (or a part of financial liability) from its statement of financial position when the obligation specified in the contract is discharged or cancelled or expires.

2.7 Offsetting of financial instruments

Financial assets and financial liabilities are set off and the net amount is reported in the financial statements when there is a legal enforceable right to set off and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

2.8 Investment in associate - (with significant influence)

Associate is an entity over which the Company has significant influence but not control or joint control. Investment in associate is accounted for using the equity method of accounting, after initially being recognized at cost.

Under the equity method of accounting, the investment is initially recognized at cost and adjusted thereafter to recognize the Company's share of the post-acquisition profits or losses of the investee in profit or loss, and the Company's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associate is recognized as a reduction in the carrying amount of the investment.

When the Company's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Company does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Company and its associate are eliminated to the extent of the Company's interest in this entity. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investee have been changed where necessary to ensure consistency with the policies adopted by the Company.

Investment in equity method accounted for associate is tested for impairment in accordance with the provision of IAS 36 'Impairment of Assets'.

2.9 Foreign currency translation

These financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency. Transactions in foreign currency are converted in Pak Rupees at the rates of exchange prevailing on the date of transaction. Monetary assets and liabilities in foreign currencies at the reporting date are translated into Pak Rupees at the rate of exchange prevailing on that date. Net exchange differences are recognized as income or expense in the period in which they arise.

2.10 Employee benefits

2.10.1 Defined contribution plan

The Company operates a contributory provident fund scheme covering all regular employees. Equal monthly contributions are made by the Company and employees to the fund at the rate of 10% of basic salary of employees.

2.10.2 Defined benefit plan

The Company operates a funded gratuity scheme for all of its employees who have completed the qualifying period as defined under the scheme. As per gratuity scheme, employees of the Company are entitled to gratuity equivalent to last drawn salary multiplied by the numbers of year of service up to the date of leaving the Company. The liability recognised in respect of defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuary using the projected unit credit method. The charge for the year is based on actuarial valuation. The latest actuarial valuation was carried out as at 31 December 2025 using projected unit credit method. The amount arising as a result of remeasurements are recognised immediately, with a charge or credit to other comprehensive income in the periods in which they occur. Past-service costs are recognised immediately in profit or loss.

2.11 Inventories

Inventories, except in transit are stated at lower of cost and net realizable value. Cost is determined as follows:

2.11.1 Fuel stock

Cost is determined on the basis of first-in-first-out method.

2.11.2 Stores, spare parts and other consumables

Cost is determined on the basis of average cost method, less allowance for obsolete and slow moving items. Cost in relation to items in transit comprises of invoice value and other charges incurred thereon up to the reporting date.

Net realizable value signifies the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. Provision for obsolete and slow moving items is made based on management's estimate.

2.12 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

2.13 Contingent assets

Contingent assets are disclosed when the Company has a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized until their realization becomes certain.

2.14 Contingent liabilities

Contingent liability is disclosed when the Company has a possible obligation as a result of past events whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent liabilities are not recognized, only disclosed, unless the possibility of a future outflow of resources is considered remote. In the event that the outflow of resources associated with a contingent liability is assessed as probable, and if the size of the outflow can be reliably estimated, a provision is recognized in the financial statements.

2.15 Taxation

2.15.1 Current

Income (profit and gains) of the Company derived from electric power generation are exempt from income tax under Clause (132) of Part I of the Second Schedule to the Income Tax Ordinance, 2001. The Company is also exempt from minimum tax under clause (11A) of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 for the period it continues to be entitled to exemption under clause (132) of Part I of the Second Schedule to the Income Tax Ordinance, 2001. Full provision for current tax and levy is made in the statement of profit or loss and other comprehensive income on income from sources not covered under the above clauses at current rates of taxation after taking into account, tax credits and rebates available, if any. Except for the tax (final tax) deducted by subsidiaries, associates or joint arrangements on distribution of dividend to the Company, final taxes levied under the Income Tax Ordinance, 2001 and any excess over the amount designated as provision for current tax are charged as levy in statement of profit or loss and other comprehensive income. Tax (final tax) deducted by subsidiaries, associates or joint arrangements on distribution of dividend to the Company is charged as current tax in the statement of profit or loss and other comprehensive income. The charge for current tax and levy also includes adjustments, where considered necessary, to provision for tax and levy made in previous years arising from assessments framed during the year for such years.

2.15.2 Deferred

Deferred tax is accounted for using the liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity, respectively.

Deferred tax has not been provided in these financial statements as the management believes that the temporary differences will not reverse in the foreseeable future as in a recent judgement involving an Independent Power Producer, the Appellate Tribunal Inland Revenue (ATIR) has held that exemption under Clause (132) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 covers the income from sales of unused raw materials, spare parts and fixed assets etc. Hence, the Company's income (from sale of unused furnace and lube oil, spare parts and fixed assets etc.) will remain exempt under the aforesaid Clause (132) even after the termination of PPA.

2.16 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, balance with banks in current, saving and deposit accounts, other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in values and short-term borrowings under mark-up arrangements.

2.17 Borrowings

Financing and borrowings are recognized initially at fair value and are subsequently stated at amortized cost. Any difference between the proceeds and the redemption value is recognized in the statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest method.

2.18 Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed in the statement of profit or loss and other comprehensive income in the period in which they arise.

2.19 Financial assets due from the Government of Pakistan

Financial assets due from the Government of Pakistan include trade debts and other receivables due from CPPA-G under the PPA that also includes accrued amounts. SECP through SRO 25(I)/2026 dated 06 January 2026 has notified that, in respect of companies holding financial assets due from the Government of Pakistan, the requirements contained in IFRS 9 with respect to application of Expected Credit Losses method shall not be applicable till financial year ending on or before 31 December 2026 and that such companies shall follow relevant requirements of IAS 39 in respect of above referred financial assets during the exemption period. Accordingly, the same continue to be reported as per the following accounting policy:

A provision for impairment is established when there is objective evidence that the Company will not be able to collect all the amount due according to the original terms of the receivable.

The Company assesses at the end of each reporting period whether there is objective evidence that the financial asset is impaired. The financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. Evidence of impairment may include indications that the debtor is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicates that there is a

measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the profit or loss. When the financial asset is uncollectible, it is written off against the provision. Subsequent recoveries of amounts previously written off are credited to the profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

2.20 Trade debts and other receivables

Trade debts were amounts due from CPPA-G in the ordinary course of business. They were generally due for settlement as referred to in note 2.24 and therefore were all classified as current. Trade debts were recognised initially at the amount of consideration that was unconditional unless they contained significant financing components, when they were recognised at fair value. The Company held the trade debts with the objective to collect the contractual cash flows and therefore measured them subsequently at amortised cost using the effective interest method, less provision for impairment.

After the termination of PPA, accounting policy for trade debts and other receivables is as follows:

Trade debts are initially recognized at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables generally do not include amounts over due by 365 days.

The Company has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

2.21 Trade and other payables

Liabilities for trade and other amounts payable are initially recognized at fair value, which is normally the transaction cost and subsequently measured at amortized cost using the effective interest method.

2.22 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment at each statement of financial position date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount for which assets carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. Reversals of the impairment losses are restricted to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if impairment losses had not been recognized. An impairment loss or reversal of impairment loss is recognized in profit or loss.

2.23 Revenue recognition

Revenue shall be recognized when (or as) the Company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset and thus has the ability to direct the use and obtain the benefits from the good or service.

Sale of electricity

Revenue from sale of electricity to CPPA-G, the sole customer of the Company, is recorded on the following basis:

- Capacity Purchase Price revenue is recognized over time, based on the capacity made available to CPPA-G; and
- Energy Purchase Price revenue is recognized at a 'point in time' based on the Net Electrical Output (NEO) delivered to CPPA-G.

Capacity Purchase Price revenue and Energy Purchase Price revenue is recognized based on the rates specified under the mechanism laid down in Power Purchase Agreement (PPA).

Invoices are generally raised on a monthly basis and are due after 25 days from acknowledgement by CPPA-G.

Interest

Delayed payment markup on amounts due under the PPA is accrued on a time proportion basis by reference to the amount outstanding and the applicable rate of return under the PPA.

Rent

Rent revenue from investment properties is recognised on a straight-line basis over the lease term. Lease incentives granted are recognised as part of the rental revenue. Contingent rentals are recognised as income in the period when earned.

Dividend

Dividend on equity investments is recognized when right to receive the dividend is established.

2.24 Dividend and other appropriations

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's financial statements in the period in which the dividends are declared and other appropriations are recognized in the period in which these are approved by the Board of Directors.

2.25 Share capital

Ordinary shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax.

Own shares purchased for cancellation

When shares recognized as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognized as a deduction from equity.

3. SUMMARY OF OTHER ACCOUNTING POLICIES

3.1 Right-of-use assets

A right-of-use asset is recognized at the commencement date of a lease. The right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment losses (if any). Cost comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is shorter. Where the Company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is charged over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

The Company has elected not to recognize a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are charged to income as incurred.

3.2 Lease liabilities

A lease liability is recognized at the commencement date of a lease. The lease liability is initially recognized at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are re-measured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is re-measured, an adjustment is made to the corresponding right-of-use asset, or to statement of profit or loss and other comprehensive income if the carrying amount of the right-of-use asset is fully written down.

3.3 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency. Figures are rounded off to the nearest thousand of Pak Rupees.

3.4 Earnings per share

The Company presents earnings per share (EPS) data for its ordinary shares. EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

3.5 Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of fixed assets are included in non-current liabilities as deferred income and are credited to profit or loss over the expected lives of the related assets.

3.6 Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of carrying amount and fair value less costs to sell.

3.7 Investment properties

Land and buildings held for capital appreciation or to earn rental income are classified as investment properties. Investment properties except land, are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Land is stated at cost less accumulated impairment loss, if any. Depreciation on buildings is charged to statement of profit or loss and other comprehensive income applying the straight line method so as to write off the cost of buildings over their estimated useful lives.

4. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

2025 (Number of shares)	2024		2025 (Rupees in thousand)	2024
242,458,215	342,458,215	Ordinary shares of Rupees 10 each fully paid-up in cash (Note 4.1)	2,424,582	3,424,582
2,849,724	2,849,724	Ordinary shares of Rupees 10 each issued as fully paid-up for consideration other than cash (Note 4.3)	28,497	28,497
34,530,793	34,530,793	Ordinary shares of Rupees 10 each issued as fully paid-up bonus shares	345,308	345,308
<u>279,838,732</u>	<u>379,838,732</u>		<u>2,798,387</u>	<u>3,798,387</u>

4.1 Movement during the year:

2025 (Number of shares)		2024		2025 (Rupees in thousand)		2024	
342,458,215	342,458,215	At 01 January		3,424,582	3,424,582		
(100,000,000)	-	Buy-back of ordinary shares of Rupees 10 each (Note 4.1.1)		(1,000,000)	-		
<u>242,458,215</u>	<u>342,458,215</u>			<u>2,424,582</u>	<u>3,424,582</u>		

4.1.1 The Company has bought back 100,000,000 ordinary shares for the purpose of cancellation from 04 December 2025 to 08 December 2025 at market price prevailing at the date of purchase. The purchase was made pursuant to the approvals of Board of Directors and the shareholders of the Company in their meetings held on 16 October 2025 and 20 November 2025 respectively, where the Company was allowed to purchase/buy back its issued ordinary shares up to the maximum of 100,000,000 ordinary shares, through Pakistan Stock Exchange Limited, at spot/current share price prevailing during the period from 28 November 2025 to 15 May 2026. These shares were cancelled on 26 December 2025.

4.2 Ordinary shares of the Company held by the associated companies:

	2025 (Number of shares)	2024
Nishat Mills Limited	109,882,555	109,882,555
Adamjee Insurance Company Limited	27,348,388	27,348,388
Security General Insurance Company Limited	15,641,326	10,595,835
Nishat (Aziz Avenue) Hotels and Properties Limited	365,500	365,500
Nishat Real Estates Development Company (Private) Limited	12,000	12,000
	<u>153,249,769</u>	<u>148,204,278</u>

4.3 These were issued against project development expenses.

4.4 Capital risk management

The Company's objective when managing capital is to safeguard the Company's ability to remain as a going concern and continue to provide returns for shareholders and benefits for other stakeholders. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders keeping in view its cash flow requirements. The Company monitors capital using a gearing ratio, which is net debt divided by the total capital plus net debt. The Company is currently ungeared.

5 EMPLOYEE BENEFIT - GRATUITY

The latest actuarial valuation of the defined benefit plan as at 31 December 2025 was carried out using the Projected Unit Credit Method. Details of the plan as per the actuarial valuation are as follows:

	2025 (Rupees in thousand)	2024
5.1 Statement of financial position reconciliation:		
Present value of defined benefit obligation (Note 5.2)	13,379	159,509
Fair value of plan assets (Note 5.3)	(1,307)	(140,686)
	12,072	18,823
5.2 Movement in present value of defined benefit obligation:		
Present value of obligation at the beginning of the year	159,509	218,142
Interest cost	9,944	29,333
Current service cost	23,806	20,079
Benefits paid	(167,924)	(57,790)
Curtailment / settlement gain	(12,320)	-
Transferred to gratuity fund of Pakgen Power Limited - associated company	-	(24,129)
Remeasurement	364	(26,126)
Present value of obligation at the end of the year	13,379	159,509
5.3 Movement in fair value of plan assets:		
Fair value of plan assets at the beginning of the year	140,686	178,818
Interest income	8,327	23,238
Contributions	22,500	-
Benefits paid	(167,924)	(57,790)
Transferred to gratuity fund of Pakgen Power Limited - associated company	-	(24,129)
Remeasurement	(2,282)	20,549
Fair value of plan assets at the end of the year	1,307	140,686
5.4 Actual return on plan assets	6,045	43,787
5.5 Plan assets consist of the followings:		
Units of mutual funds	-	139,336
Cash at banks	1,307	1,350
	1,307	140,686

	2025 (Rupees in thousand)	2024
5.6 Net movement in liability:		
Opening liability	18,823	39,324
Charge for the year (Note 5.7)	13,103	26,174
Remeasurements recognized in other comprehensive income (Note 5.8)	2,646	(46,675)
Contributions	(22,500)	-
Closing liability	<u>12,072</u>	<u>18,823</u>
5.7 Charge for the year recognized in profit or loss:		
Current service cost	23,806	20,079
Interest cost - net	1,617	6,095
Curtailement / settlement gain	(12,320)	-
	<u>13,103</u>	<u>26,174</u>
5.8 Remeasurements recognised in other comprehensive income:		
Remeasurement loss / (gain) on defined benefit obligation	364	(26,126)
Remeasurement loss / (gain) on fair value of plan assets	2,282	(20,549)
	<u>2,646</u>	<u>(46,675)</u>

5.9 Plan assets held in the trust are governed by local regulations which mainly includes the Trusts Act, the Income Tax Rules, 2002 and Rules under the Trust Deed of the plan. The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the plan obligations. The Company has not changed the processes used to manage its risks from previous periods. The Company does not use derivatives to manage its risk. Investments are diversified, such that the failure of any single investment would not have a material impact on the overall level of assets. Responsibility for governance of the plan, including investment decisions and contribution schedules, lies with the Board of Trustees.

5.10 Amounts for the current and previous four years:

	2025	2024	2023	2022	2021
	(- - - - - Rupees in thousand - - - - -)				
Present value of defined benefit obligation	13,379	159,509	218,142	171,253	154,787
Fair value of plan assets	(1,307)	(140,686)	(178,818)	(146,046)	(128,250)
Deficit	<u>12,072</u>	<u>18,823</u>	<u>39,324</u>	<u>25,207</u>	<u>26,537</u>
Remeasurement (gain) / loss on defined benefit obligation	364	(26,126)	12,967	(6,300)	1,002
Remeasurement gain / (loss) on fair value of plan assets	<u>(2,282)</u>	<u>20,549</u>	<u>11,595</u>	<u>2,727</u>	<u>(3,854)</u>

5.11 Principal actuarial assumptions used:

	2025 (% per annum)	2024
Discount rate	11.00	12.25
Expected rate of increase in salary	14.00	10.00
Expected rate of return on plan assets	11.00	12.25

5.12 Mortality was assumed to be based on SLIC 2001-05 ultimate mortality rates, rated down by one year.

5.13 The expected charge to statement of profit or loss and other comprehensive income of the Company for defined benefit plan obligation for the next year is Rupees 2.283 million.

5.14 The Company's contribution to defined benefit plan in year 2026 is expected to be Rupees 0.918 million. There are no minimum funding requirements to the defined benefit plan. The actuary conducts separate valuations for calculating contribution rates and the Company contributes to the gratuity fund according to the actuary's advice. Expense of the defined benefit plan is calculated by the actuary.

5.15 The weighted average duration of the defined benefit plan is 2.19 years.

5.16 Sensitivity analysis for actuarial assumptions:

The sensitivity of the defined benefit obligation as at reporting date to changes in the weighted principal assumptions is:

	Impact on defined benefit plan		
	Changes in assumption (%)	Increase in assumption (Rupees in thousand)	Decrease in assumption
Discount rate	1	13,090	13,676
Future salary increases	1	13,729	13,034

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

5.17 The expected return on plan assets is based on the market expectations and depends upon the asset portfolio of the plan, at the beginning of the period, for returns over the entire life of related obligation. The expected return on plan assets was determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on term deposits are based on gross redemption yields as at the reporting date.

5.18 Expected maturity profile of undiscounted defined benefit obligation:

Less than a year	Between 1 - 2 years	Between 3 - 5 years	Between 6 - 10 years	Over 10 Years	Total
(----- Rupees in thousand -----)					
319	334	16,603	-	-	17,256

6. TRADE AND OTHER PAYABLES

	2025 (Rupees in thousand)	2024
Creditors	27,387	30,675
Accrued liabilities	26,280	26,329
Contract liabilities - unsecured	20,147	-
Payable under Employee's Voluntary Severance Scheme (VSS)	-	69,364
Workers' profit participation fund payable (Note 6.1)	-	25,816
Workers' welfare fund payable (Note 6.2)	21,564	10,197
Income tax deducted at source	632	10,742
Payables to related parties (Note 6.3)	67,751	1,243
Others	2,316	4,482
	166,077	178,848

6.1 Workers' profit participation fund payable

Opening balance	25,816	228,888
Add: Allocation for the year (Note 22.2)	-	25,816
Less: Payments made to the fund during the year	(25,816)	(228,888)
Closing balance	-	25,816

6.2 Workers' welfare fund payable

Opening balance	10,197	257,606
Add: Allocation for the year (Note 22.3)	21,564	10,197
Less: Payments made to the fund during the year	(10,197)	(257,606)
Closing balance	21,564	10,197

6.3 Payables to related parties

These are in the ordinary course of business and interest free:

Hyundai Nishat Motor (Private) Limited	524	524
Security General Insurance Company Limited	38	65
Adamjee Insurance Company Limited	1,093	654
Nishat Hotels and Properties Limited	32	-
Pakgen Power Limited	66,064	-
	67,751	1,243

	2025 (Rupees in thousand)	2024
7 TAXATION AND LEVY - NET		
Taxation - net		
Advance income tax	(299,213)	(297,435)
Provision for taxation	268,735	20,454
	<u>(30,478)</u>	<u>(276,981)</u>
Levy - net		
Prepaid levy	(2,572)	-
Levy payable	3,625	22,084
	1,053	22,084
	<u>(29,425)</u>	<u>(254,897)</u>

8 CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

- i) Up to the year ended 31 December 2002, the Company had recorded and paid to the Federal Treasury contributions on its annual profit as per the provisions of the Companies Profits (Workers Participation) Act, 1968 (the Act).

Based on legal advice, the Company filed a petition on 15 April 2004 in the Honorable Lahore High Court challenging the application of the Act to the Company on the grounds that since inception the Company has not employed any person who falls within the definition of the term "Worker" as per the provisions of the Act. The Company asserts that it had erroneously deposited in the past certain sums with Federal Treasury as contributions of Workers' Profit Participation Fund (WPPF) and Workers' Welfare Fund (WWF), although it was not obligated to make such payments. The petition was filed subsequent to the Company's receipt of the Federal Board of Revenue's Income Tax / Wealth Tax Circle's letter dated 30 March 2004 directing the Company to allocate five percent of its net profit towards the WPPF and deposit the un-utilized amount of the WPPF in the Federal Treasury. The petition was filed against the Labour, Manpower and Overseas Pakistani Division of Ministry of Labour, Manpower and Overseas Pakistanis which was later dismissed for non-prosecution.

Consequent to the amendments that were made in the Act through the Finance Act, 2006, the Company was required to pay 5% of its profits to WPPF from the financial year 2006. The Company established a workers' profit participation fund to comply with the requirements of the Companies Profit (Workers Participation) Act, 1968.

The management, based on legal advice, is confident that there is no likelihood to assert that the scheme shall be applicable to the Company during the aforementioned period and the Company shall not be required to make any payments under the provision of the Act. Consequently, no provision has been recognized in these financial statements.

ii) Deputy Commissioner Inland Revenue (DCIR) issued order dated 17 January 2013 to the Company in which sales tax refund claims amounting to Rupees 910.122 million for the tax periods from November 2008 to July 2012 were rejected by apportioning input sales tax between capacity invoices and energy invoices and allowed input sales tax allocated to energy invoices only. Against aforesaid order, the Company filed appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] on 21 June 2013, which was decided in favour of the Company. On 16 September 2013, against the order of CIR(A), tax department filed appeal before the Appellate Tribunal Inland Revenue (ATIR). ATIR decided the case in favour of tax department on 04 May 2015 and vacated the order passed by CIR(A). Against the decision of ATIR, the Company filed reference application in the Honourable Lahore High Court (the Court) on 25 May 2015, which has been decided in favour of the Company by the Court. However, tax department filed petition for leave to appeal before Supreme Court of Pakistan on 04 February 2017 which is pending adjudication. Further, DCIR issued show cause notice to the Company for the tax periods from August 2009 to December 2012 declaring refund claims amounting to Rupees 1,971.516 million being inadmissible on aforesaid grounds. The Company challenged the notice before the Court on 10 October 2014 along with reply of the show cause notice to DCIR. The Court decided the case in favour of the Company. However on 04 February 2017, tax department filed petition for leave to appeal before the Honorable Supreme Court of Pakistan as well as review application before the Court which are pending adjudication.

Further, on 25 May 2021, DCIR issued a show cause notice under section 11(2) of the Sales Tax Act, 1990 for the tax periods from July 2016 to March 2021 regarding the disallowance of input sales tax amounting to Rupees 632.049 million on similar grounds as explained above. On 03 June 2021, the Company challenged the jurisdiction of DCIR by filing the writ petition before the Honorable Lahore High Court, Lahore (the Court). The Court vide order dated 02 August 2021 directed the Company to comply with the notice. On 03 August 2021, DCIR passed an assessment order against the Company by disallowing the input sales tax amounting to Rupees 632.049 million along with the default surcharge and penalty without providing any opportunity of being heard. Being aggrieved with the order of DCIR, the Company preferred an appeal before CIR(A) on 15 August 2021. On 10 November 2021, CIR(A) annulled the order passed by DCIR and directed to allow reasonable time to the Company of being heard. Against the order of CIR(A), the Company filed an appeal before ATIR on 16 December 2021, which is pending for hearing.

On 08 April 2021, Assistant Commissioner Inland Revenue (ACIR) issued a show cause notice under section 11(2) of the Sales Tax Act, 1990 for the tax periods from January 2017 to December 2017 regarding the disallowance of input sales tax amounting to Rupees 699.763 million alongwith default surcharge and penalty on similar grounds as explained above. On 19 June 2021, ACIR passed a detailed order whereby the recoverability of sales tax claimed against capacity purchase price amounting to Rupees 699.763 million alongwith default surcharge and penalty was connected with the outcome of decision of Honourable Supreme Court in the same matter as explained above. Moreover, ACIR also raised a demand of Rupees 4.612 million on account of inadmissible claim of input sales tax and sales tax on sale of residue of extracts from furnace oil. Against the order of ACIR, the Company preferred an appeal before CIR(A) on 19 July 2021. On 10 March 2022, CIR(A) passed an order whereby partial relief was provided to the Company. Being aggrieved with the order of CIR(A), the Company filed an appeal before ATIR on 07 April 2022. The tax department also filed an appeal before ATIR on 27 May 2022 against the order of CIR(A) which is pending adjudication. On 13 June 2022, ATIR passed an order and remanded back the case to assessing officer for fresh consideration. Being aggrieved by the order of ATIR, on 28 December 2022, the tax department filed reference in Honourable Lahore High Court, Lahore which is in process of hearing. On 06 November 2023, the assessing officer has started proceedings afresh. The Company is in the process of preparing appropriate response on the subject matter.

On 29 November 2025, DCIR passed an order under section 11 of the Sales Tax Act, 1990 creating a demand of Rupees 722.846 million alongwith default surcharge and penalty relating to disallowance of input sales tax on capacity purchase price. Moreover, DCIR has also raised a demand of Rupees 7.669 million on account of inadmissible claim of input sales tax on various issues. Against the order of DCIR, the Company preferred an appeal before ATIR on 04 December 2025. On 22 December 2025, ATIR has decided the matter in favor of the Company and deleted the subject demand alongwith default surcharge and penalty.

On 31 December 2025, DCIR passed an order under section 11 of the Sales Tax Act, 1990 creating a demand of Rupees 634.315 million alongwith default surcharge and penalty relating to disallowance of input sales tax on capacity purchase price. Moreover, DCIR also raised a demand of Rupees 0.904 million on account of inadmissible claim of input sales tax on various issues. Against the order of DCIR, the Company preferred an appeal before ATIR on 13 January 2026, subsequent to the reporting period. On 30 January 2026, subsequent to the reporting period, ATIR has decided the matter in favor of the Company and deleted the subject demand alongwith default surcharge and penalty.

Based on the advice of legal counsel, the management is of the view that there are meritorious grounds available to defend these cases. Further, during the year ended 31 December 2024, the Company has signed Negotiated Settlement Agreement with the Power Purchaser wherein it has been agreed that in case the appeals regarding apportionment of input sales tax imposed on the capacity purchase price, pending before the Apex courts are 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. Consequently, no provision for these cases has been made in these financial statements.

- iii) DCIR through an assessment order dated 11 August 2015 rejected the deferred sales tax refund claims of different tax periods amounting to Rupees 81.850 million on the grounds that the Company has failed to prove admissibility of refund claims in the light of objection raised by Sales Tax Automated Refund Repository (STARR). On 18 October 2017, the Company filed an appeal before CIR(A) whereby CIR(A) has granted relief to the Company and directed the department to allow Company's refund claim after proper verification of underlying documents and refund should be curtailed if the Company failed to provide the proof. The management is of the view that there are meritorious grounds available to prove the genuineness of the refund claims. Consequently, no provision has been made in these financial statements.
- iv) The Company filed application to Federal Board of Revenue ("the Board"), to condone the time limits to correct the wrongly carried forward input sales tax relating to tax period February 2013 amounting to Rupees 61.461 million. It was also prayed that the Board should call for a report on factual merits of the Company's application. On 30 January 2025, the Company has received Refund Payment Order (RPO) amounting to Rupees 54.638 million under section 66 of the Sales Tax Act, 1990. However, remaining amount of Rupees 6.823 million has been adjusted against income tax demand relating to tax year 2022 as explained in note 8.1(v) to these financial statements.
- v) On 25 November 2024, Additional Commissioner Inland Revenue (ACIR) passed an order under sections 122(1) and 122(5) of the Income Tax Ordinance, 2001 for tax year 2022 and raised a demand of Rupees 6.823 million on account of tax on profit on debt, scrap sales and gain on disposal of fixed assets. Being aggrieved with the order of ACIR, the Company filed an appeal before learned CIR(A) on 17 December 2024 which has not yet been taken up for adjudication. However, on 30 January 2025, the department has recovered income tax demand of Rupees 6.823 million against the sales tax Refund

Payment Order (RPO) as explained in note 8.1(iv) to these financial statements. Based on tax advisor's opinion, the management is confident that the matter will be decided in favour of the Company. Therefore, no provision has been made in these financial statements.

- vi)** The Company identified certain sales tax invoices relating to tax periods from July 2010 to September 2017 where the Company duly discharged the liabilities by making payments to suppliers whereas input sales tax aggregating to Rupees 95.166 million was not adjusted against the output sales tax for the respective tax periods. The Company filed application to Federal Board of Revenue ("the Board") to condone the time limits regarding the above explained matter. In response to the Company's application, the Board called for a report on factual merits of the Company's application. DCIR, in accordance with the directions of the Board, issued letters to the Company to submit relevant documentary evidence in order to prepare the report for the Board. On 22 April 2019, the Company duly complied with those letters by submitting all the necessary / relevant data. On 30 June 2024, Commissioner Inland Revenue submitted report on factual merits of the Company's application and recommended that condonation in respect of input sales tax amounting to Rupees 86.114 million be allowed to the Company. On 22 July 2024, the Board has condoned the time limit to adjust the aforementioned input sales tax amounting to Rupees 86.114 million. However, provision for doubtful sales tax recoverable amounting to Rupees 4.729 million has been duly incorporated in these financial statements. The Company is continuously following up with the Board and is in the process of submitting evidences relating to remaining amount to authorities for expeditious disposal of the case. Based on the advise of the tax advisor, the management expects favorable outcome of the matter. Hence, no provision against the remaining amount has been made in these financial statements.
- vii)** The tax authorities have completed assessment proceedings under section 122(5A) of the Income Tax Ordinance, 2001 for the tax years 2009 to 2014 creating a demand of Rupees 971.329 million on account of interest on delayed payments by CPPA-G not been offered for tax. As per tax authorities, interest on delayed payments falls under the head income from other sources and is not exempt from tax as the same is not covered under Clause 132, Part I of the Second Schedule to the Income Tax Ordinance, 2001. On 05 January 2015, 11 February 2015, 16 February 2015 and 18 February 2016, the Company filed appeals against foregoing assessment proceedings before CIR(A), which were decided in favour of the Company. Against the orders of CIR(A) on 31 March 2015, 19 May 2015 and 28 July 2016, the tax authorities filed appeals before the ATIR. Through its orders dated 27 June 2022, ATIR dismissed tax authorities' appeal for tax years 2009, 2010, 2012 and 2013. Being aggrieved with the order of ATIR, the tax authorities filed four references in Honourable Lahore High Court, Lahore for the aforesaid tax years on 05 October 2022 which are in process of hearing. Further, ATIR through its orders dated 26 July 2023 and 05 January 2024 also dismissed tax authorities' appeal for tax year 2011 and tax year 2014. Based on tax advisor's opinion, the management is confident that the matter will be decided in favour of the Company and accordingly no provision has been made in these financial statements.
- viii)** On 28 September 2018, the Company has challenged, before Honourable Lahore High Court, Lahore, the vires of clauses (h) and (i) to sub-section (1) of section 8 of the Sales Tax Act, 1990 whereby claim of input sales tax in respect of building materials has been disallowed. The Honourable Lahore High Court, Lahore on 24 October 2019 has passed order against the Company and the Company being aggrieved with the order preferred Intra Court Appeal before the Honourable Lahore High Court, Lahore on 26 November 2019. The Company has claimed input sales tax amounting to Rupees 4.453 million paid on such goods in its respective monthly sales tax returns. On 29 January 2020, the Honourable Lahore High Court, Lahore has modified its earlier order dated 24 October 2019 and remanded back the case to assessing / adjudicating officer to interpret clauses (h) and (i) to sub-section (1) of section 8 of the Sales Tax Act, 1990 on case to case basis. The management has strong grounds to believe that the

case will be decided in favor of the Company. Therefore, no provision has been made in these financial statements.

- ix)** During the year ended 31 December 2019, DCIR passed an order under section 11 of the Sales Tax Act, 1990 raising a demand on account of sales tax aggregating to Rupees 228.138 million against the Company. On 28 August 2019, the Company filed an appeal before the CIR(A) against the order of DCIR. On 12 September 2019, CIR(A) disposed-off the appeal whereby all the matters were decided in favor of the Company except the disallowance of input sales tax on certain purchases aggregating to Rupees 8.336 million. Further, CIR(A) connected the decision regarding the adjustment of input sales tax in respect of building materials amounting to Rupees 7.982 million with the outcome of the appeal filed in Honourable Lahore High Court, Lahore as disclosed in note 8.1(viii) of these financial statements. Being aggrieved with the order of CIR(A), the Company preferred an appeal before the ATIR on 08 October 2019 challenging the disallowance of input sales tax. On 22 April 2021, ATIR remanded back the case to assessing officer for fresh consideration and to decide the case related to adjustment of input sales tax in respect of building materials in light with the judgment passed by Honourable Lahore High Court, Lahore after providing reasonable opportunity of being heard to the Company. The tax department has filed two sales tax references in Honourable Lahore High Court, Lahore on 22 December 2021, against the order of ATIR which are in process of hearing. Based on the tax advisor's opinion, the management is of the view that there are meritorious grounds available to defend the disallowance of input sales tax. Consequently, no provision for such disallowance has been made in these financial statements.
- x)** On 04 February 2020, DCIR passed an order under section 11 of the Sales Tax Act, 1990 whereby input sales tax on various furnace oil invoices was disallowed and sales tax refund amounting to Rupees 58.489 million was rejected. Being aggrieved with the order of DCIR, the Company filed appeal before CIR(A) on 20 February 2020. On 28 April 2020, CIR(A) remanded back the case to assessing officer for fresh consideration. DCIR reinitiated the remanded back proceedings and passed an order on 04 June 2020 whereby partial relief to the Company was granted and sales tax refund of Rupees 34.507 million was rejected. Being aggrieved with the remanded back proceedings of DCIR, the Company filed an appeal before CIR(A) on 11 June 2020. On 02 June 2021, CIR(A) passed an order whereby the decision of DCIR regarding rejection of sales tax refund of Rupees 34.507 million was upheld. Being aggrieved with the order of CIR(A), the Company filed an appeal before ATIR on 13 July 2021. On 28 April 2025, ATIR has decided the appeal in favour of the Company. On 26 May 2025, the Company has received Refund Payment Order (RPO) of full amount under section 11 of the Sales Tax Act, 1990.
- xi)** On 26 January 2021, DCIR passed an order under sections 122(1) and 122(5) of the Income Tax Ordinance, 2001 for tax year 2018 and raised a demand of Rupees 10.680 million on account of tax on profit on debt. The Company applied for rectification under section 221 of the Income Tax Ordinance, 2001 on 29 January 2021. Consequently, on 24 August 2021, DCIR issued a rectification order whereby refund has been reduced to Rupees 6.308 million. Being aggrieved by the rectification order, the Company filed an appeal before CIR(A) on 11 February 2021 which is pending for hearing. Based on tax advisor's opinion, the management is confident that the matter will be decided in favour of the Company and accordingly no provision against the demand has been made in these financial statements.
- xii)** On 18 July 2023, DCIR passed an assessment order under section 11 of the Sales Tax Act, 1990 whereby input sales tax amounting Rupees 63.658 million on certain goods and services was disallowed. Being aggrieved by the order of DCIR, the Company filed an appeal before CIR(A) on 15 August 2023. On 24 October 2023, CIR(A) passed an order whereby partial relief was provided to the Company. Being aggrieved by the order of CIR(A), the Company filed an appeal before ATIR on 15 November 2023 which is pending adjudication. Based on the tax advisor's opinion, the management is

of the view that there are meritorious grounds available to defend the disallowance of input sales tax. Consequently, no provision for such disallowance has been made in these financial statements.

- xiii)** On 01 April 2018, amended assessment orders were issued by the Additional Commissioner Inland Revenue (ACIR) under section 122(5A) of the Income Tax Ordinance, 2001 for tax years 2015, 2016 and 2017 whereby taxable income for the tax years under reference was recomputed to increase by Rupees 57.335 million on account of interest income, income from property, minimum tax on capacity sales, scrap sales, gain on sale of fixed assets and confrontation of tax credit under repealed section 65B of the Income Tax Ordinance, 2001. Against the aforesaid orders, the Company preferred appeals before CIR(A) on 12 April 2021.

On 02 July 2021, CIR(A) passed the orders whereby the orders of ACIR were upheld in respect of all the matters except for the taxation of gain on sale of fixed assets which was remanded back to ACIR for consideration in view of the judgments of ATIR / Honorable Superior Courts. Being aggrieved with the orders of CIR(A), the Company preferred appeal before the ATIR on 10 August 2021 which is pending adjudication. Based on the opinion of tax advisor, the management has strong grounds to believe that the case will be decided in favor of the Company. Therefore, no provision has been made in these financial statements.

- xiv)** 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 a 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 filed appeal before Supreme Court of Pakistan on 16 August 2025. However, as a matter of prudence, the management has fully provided for an amount of Rupees 20.751 million relating to canal water charges in line with the decision of the Honorable Lahore High Court, Lahore in these 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 vide a new petition if it receives any enhanced bill for water charges. Therefore, provision for enhanced water charges has not been made in these financial statements.

- xv)** On 31 January 2022, ACIR passed an order under section 11(2) of the Sales Tax Act, 1990 for the tax period September 2013 raising a demand of Rupees 6.143 million on account of inadmissible input sales tax on various goods and services claimed alongwith default surcharge and penalty against the Company. Against the order of ACIR, the Company preferred an appeal before CIR(A) on 25 February 2022. On 03 March 2022, CIR(A) remanded back the case to ACIR with the instructions to provide reasonable opportunity of being heard to the Company and decide the case on merit. On 27 June 2023, DCIR passed order in accordance with the directives of CIR(A) and reasserted the demand amounting to Rs. 6.143 million. Being aggrieved by the order of DCIR, the Company filed an appeal before CIR (A) on 26 September 2023. On 25 October 2023, CIR(A) remanded back the case to assessing officer for a fresh consideration. Being aggrieved by the order of CIR(A), the Company filed an appeal before ATIR on 16 November 2023 which is pending for hearing. Based on the tax advisor's opinion, the management is of the view that there are meritorious grounds available to defend the disallowance of

input sales tax. Consequently, no provision for such disallowance has been made in these financial statements.

- xvi)** On 16 October 2023, Additional Commissioner (Enforcement) [AC(Enforcement)] issued show cause notices to the Company under section 52 of the Punjab Sales Tax on Services Act 2012 for tax years 2021 and 2022 requiring the Company to substantiate its compliance with the various withholding provisions under the law with respect to certain expenses. On 28 November 2023, AC(Enforcement) passed an ex-parte order whereby a demand of Rupees 42.857 million along with the default surcharge of Rupees 2.143 million was adjudged against the Company. On 22 January 2024, the Company filed appeals before Commissioner (Appeals), Punjab Revenue Authority, Lahore against the order passed by AC(Enforcement). On 21 October 2024, the Commissioner (Appeals) remanded back the case to assessing officer for fresh consideration. However, remand back proceedings have not been initiated yet. Based on the tax advisor's opinion, the management has strong grounds to believe that remand back proceedings will be decided in favor of the Company. Therefore, no provision has been made in these financial statements.
- xvii)** On 16 August 2024, DCIR passed an order under section 11 of the Sales Tax Act, 1990 for tax periods from August 2022 to June 2023 whereby sales tax demand of Rupees 10.969 million has been raised on account of inadmissible input sales tax on various goods and services along with default surcharge and penalty against the Company. Being aggrieved with the order of DCIR, the Company filed an appeal before ATIR on 23 September 2024. On 06 January 2025 ATIR deleted the disallowance of input sales tax amounting to Rupees 7.138 million however input tax amounting to Rupees 3.617 million along with the default surcharge was remanded back to the assessing officer for fresh consideration. Based on tax advisor's opinion, there exists reasonable grounds to defend the Company's stance. Hence, no provision has been made in these financial statements.
- xviii)** Guarantees of Rupees 15.67 million (2024: Rupees 15.67 million) are given by the banks of the Company to Director, Excise and Taxation, Karachi against disputed amount of infrastructure cess.

8.2 Commitments

	2025 (Rupees in thousand)	2024
Commitments in respect of other than capital expenditure	-	13,588
9 FIXED ASSETS		
Operating fixed assets	1,884,214	2,972,235

9.1 Reconciliation of carrying amounts of operating fixed assets at the beginning and at the end of the year is as follows:

Description	Freehold land	Buildings on freehold land	Improvements on leasehold property	Plant and machinery	Furniture and fittings	Vehicles	Office equipment	Electric equipment and appliances	Telephone installations	Clinical equipment	Total
----- Rupees in thousand -----											
At 31 December 2023											
Cost	10,399	1,259,791	41,342	15,500,082	24,937	66,848	94,351	92,182	1,857	1,453	17,093,242
Accumulated depreciation	-	(996,432)	(41,342)	(11,828,102)	(22,545)	(53,660)	(81,613)	(85,141)	(1,854)	(1,430)	(13,112,119)
Net book value	10,399	263,359	-	3,671,980	2,392	13,188	12,738	7,041	3	23	3,981,123
Year ended 31 December 2024											
Opening net book value	10,399	263,359	-	3,671,980	2,392	13,188	12,738	7,041	3	23	3,981,123
Additions	-	-	-	177	544	30,413	5,816	1,777	-	-	38,727
Disposals:											
Cost	-	-	-	-	-	(3,688)	(2,422)	(616)	-	-	(6,726)
Accumulated depreciation	-	-	-	-	-	3,688	2,162	205	-	-	6,055
	-	-	-	-	-	-	(260)	(411)	-	-	(671)
Written off:											
Cost	-	-	-	(11,788)	-	(2,086)	(927)	(5,620)	-	(625)	(21,046)
Accumulated depreciation	-	-	-	11,788	-	2,086	927	5,616	-	625	21,042
	-	-	-	-	-	-	-	(4)	-	-	(4)
Depreciation charge	-	(65,886)	-	(963,253)	(615)	(9,008)	(6,098)	(2,073)	(1)	(6)	(1,046,940)
Closing net book value	10,399	197,473	-	2,708,904	2,321	34,593	12,196	6,330	2	17	2,972,235
At 31 December 2024											
Cost	10,399	1,259,791	41,342	15,488,471	25,481	91,487	96,818	87,723	1,857	828	17,104,197
Accumulated depreciation	-	(1,062,318)	(41,342)	(12,779,567)	(23,160)	(56,894)	(84,622)	(81,393)	(1,855)	(811)	(14,131,962)
Net book value	10,399	197,473	-	2,708,904	2,321	34,593	12,196	6,330	2	17	2,972,235
Year ended 31 December 2025											
Opening net book value	10,399	197,473	-	2,708,904	2,321	34,593	12,196	6,330	2	17	2,972,235
Disposals:											
Cost	-	-	-	(405,127)	(307)	(5,825)	(5,146)	(2,816)	-	-	(419,221)
Accumulated depreciation	-	-	-	335,650	227	5,292	4,067	2,757	-	-	347,993
	-	-	-	(69,477)	(80)	(533)	(1,079)	(59)	-	-	(71,228)
Written off:											
Cost	-	-	-	-	(36)	-	-	-	-	-	(36)
Accumulated depreciation	-	-	-	-	36	-	-	-	-	-	36
	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge	-	(65,886)	-	(932,220)	(667)	(10,143)	(5,619)	(2,249)	(1)	(6)	(1,016,791)
Closing net book value	10,399	131,587	-	1,707,207	1,574	23,917	5,498	4,022	1	11	1,884,216
At 31 December 2025											
Cost	10,399	1,259,791	41,342	15,083,344	25,138	85,662	91,672	84,907	1,857	828	16,684,940
Accumulated depreciation	-	(1,128,204)	(41,342)	(13,376,137)	(23,564)	(61,745)	(86,174)	(80,885)	(1,856)	(817)	(14,800,724)
Net book value	10,399	131,587	-	1,707,207	1,574	23,917	5,498	4,022	1	11	1,884,216
Annual rate of depreciation (%)		3.33-20	10	4.45-33.3	10-25	20-24.03	10-33.3	10-33.3	10-20	10	

9.1.1 Detail of operating fixed assets, exceeding the book value of Rupees 500,000, disposed of during the year is as follows:

Description	Quantities (Nos)	Cost	Accumulated depreciation	Net book value	Sale proceeds	Gain / (loss)	Mode of disposal	Particulars of purchaser
----- Rupees in thousand -----								
Vehicles								
Suzuki Cultus	1	2,130	1,598	532	532	-	Company policy	Mr. Shahid Suleman, Ex Employee
Plant and machinery *								
Denim Water Distribution Trasnformers	1	11,995	10,743	1,252	5,824	4,572	Negotiation	Rafique Textile Corporation, Faisalabad
Amonia Feed System	1	7,795	7,125	670	749	79	Negotiation	Saif Ur Rehman Traders, Lahore
HFO Tank 1	1	23,247	20,415	2,832	111,063	108,231	Negotiation	M/s Venus Industries, Faisalabad
HFO Tank 2	1	23,247	20,415	2,832	111,063	108,231	Negotiation	M/s Venus Industries, Faisalabad
Transformer	1	327,714	270,467	57,247	159,123	101,876	Negotiation	Rafique Textile Corporation, Faisalabad
Scaffold Material	1	8,176	3,543	4,633	7,685	3,052	Negotiation	Star Yumnah Engineering & Outsourcing Private Limited, Multan
Aggregate of other items of operating fixed assets with individual book values not exceeding Rupees 500,000		14,917	13,687	1,230	17,153	15,923		
		<u>419,221</u>	<u>347,993</u>	<u>71,228</u>	<u>413,192</u>	<u>341,964</u>		

*Items of plant and machinery were sold as scrap during the year.

9.1.2 The depreciation charge for the year has been allocated as follows:

	2025 (Rupees in thousand)	2024
Cost of sales (Note 19)	-	772,273
Plant preservation and maintenance cost (Note 20)	998,107	256,866
Administrative expenses (Note 21)	18,684	17,801
	<u>1,016,791</u>	<u>1,046,940</u>

9.1.3 Operating fixed assets include fixed assets costing Rupees 1,560.340 million (2024: Rupees 1,213.009 million) which are fully depreciated but still in the use of the Company.

9.1.4 Particulars of immovable properties are as follows:

Description	Address	Area of land	Covered area of buildings
		Acres	Square feet
Complex	Mehmood Kot, District Muzzaffargarh	169.19	942,646

	2025 (Rupees in thousand)	2024
10 LONG TERM INVESTMENT		
Associated company - under equity method		
Nishat Energy Limited - unquoted 250,000 (2024: 250,000) fully paid ordinary shares of Rupees 10 each Equity held 25% (2024: 25%) at cost	2,500	2,500
Share of reserve		
Opening balance	(1,658)	(1,658)
Less: Share of loss	-	-
Closing balance	(1,658)	(1,658)
Less: Impairment loss	(842)	(842)
Carrying amount	-	-
10.1 Summary of financial information of associated company as per un-audited financial statements for the year:		
Non-current assets	-	-
Current assets	48	47
Total assets	48	47
Liabilities	525	450
Net assets	(477)	(403)
Loss for the year (Note 10.2)	(74)	(75)

10.2 Nishat Energy Limited (NEL) is a public limited company incorporated in Pakistan. The registered office of NEL is situated at 1-B, Aziz Avenue, Canal Bank, Gulberg V, Lahore. The principal activity of NEL was to build, own, operate and maintain coal power station. NEL had submitted an upfront tariff petition which was pending for receipt of Purchase Acquisition Request from Central Power Purchasing Agency (Guarantee) Limited (CPPA-G). On 14 October 2016, existing upfront tariff for power generation on imported / local coal expired and National Electric Power Regulatory Authority (NEPRA) has decided not to extend the existing upfront tariff beyond 14 October 2016. In view of the aforesaid reasons, NEL is not considered a going concern. Therefore, investment of the Company in NEL has been fully impaired in these financial statements.

10.3 NEL is an unlisted company therefore, no quoted market price is available for its shares.

10.4 There are no contingent liabilities relating to the Company's interest in NEL.

10.5 Provision for taxation is Nil in the financial statements of NEL.

	2025 (Rupees in thousand)	2024
11 LONG TERM LOANS TO EMPLOYEES		
Considered good:		
Executives (Note 11.1)	1,392	30,353
Other employees	705	2,457
	<u>2,097</u>	<u>32,810</u>
Current portion shown under current assets (Note 14)		
Executives	(429)	(17,750)
Other employees	(229)	(445)
	<u>(658)</u>	<u>(18,195)</u>
	<u>1,439</u>	<u>14,615</u>
11.1 Reconciliation of carrying amount of loans to executives:		
Opening balance	30,353	18,416
Add: Transfer of loan from 'other employees'	-	330
Add: Disbursements	-	37,715
	<u>30,353</u>	<u>56,461</u>
Less: Repayments	(28,961)	(26,108)
Closing balance	<u>1,392</u>	<u>30,353</u>

11.1.1 Maximum aggregate balance due from executives at the end of any month during the year was Rupees 29.974 million (2024: Rupees 37.244 million).

11.2 Loans given to employees are in accordance with the Company's policy. These loans are interest free and are repayable in equal monthly instalments within a maximum period of four years. These loans are provided for purchase of vehicles and are secured against those vehicles.

11.3 Fair value adjustment in accordance with the requirements of IFRS 9 'Financial Instruments' arising in respect of employees' loans is not considered material and hence not recognized.

	2025 (Rupees in thousand)	2024
12 STORES, SPARE PARTS AND OTHER CONSUMABLES		
Stores, spare parts and other consumables (Note 12.1)	597,785	906,216
Less: Write down of stores, spare parts and other consumables to net realizable value (NRV) (Note 22)	(138,571)	(238,938)
	<u>459,214</u>	<u>667,278</u>

- 12.1** These include stores in transit of Rupees Nil (2024: Rupees 14.013 million). Stores and spares include items which may result in fixed capital expenditure but are not distinguishable.

	2025 (Rupees in thousand)	2024
13 FUEL STOCK		
Furnace oil	-	490,093
Diesel	-	36,465
	<u>-</u>	<u>526,558</u>

- 13.1** Fuel stock of Rupees Nil (2024: Rupees 561.842 million) is being carried at net realizable value.

	2025 (Rupees in thousand)	2024
14 LOANS, ADVANCES AND SHORT TERM PREPAYMENTS		
Current maturity of long term loans to employees (Note 11)	658	18,195
Advances - considered good:		
- to employees for expenses	96	129
- to employees against salary	100	190
- to suppliers - unsecured	181	27
Advances against letters of credit	-	656
Short term prepayments	220	17,380
Short term security deposits	-	240
	<u>1,255</u>	<u>36,817</u>

15 OTHER RECEIVABLES

Recoverable from CPPA-G as pass through item:

Workers' profit participation fund (Note 15.1)	-	19,362
Workers' welfare fund (Note 15.2)	-	7,648
Receivable from Nishat Hotels and Properties Limited - associated company (Note 15.3)	-	349
Receivable from provident fund trust	-	481
Sales tax recoverable (Note 15.4)	154,775	800,960
	<u>154,775</u>	<u>828,800</u>

15.1 Workers' profit participation fund

Opening balance	19,362	364,257
Add: Allocation for the year (Note 22.2)	-	19,362
Less: Amount received during the year	(19,362)	(364,257)
Closing balance	<u>-</u>	<u>19,362</u>

	2025 (Rupees in thousand)	2024
15.2 Workers' welfare fund		
Considered good (Note 15.2.1)	-	7,648
Considered doubtful	13,216	13,216
Less: Provision for doubtful receivable	-	(13,216)
Less: Written off against provision for doubtful receivable	(13,216)	-
	-	-
	-	7,648
15.2.1 Considered good		
Opening balance	7,648	257,606
Add: Allocation for the year (Note 22.3)	-	7,648
Less: Amount received during the year	(7,648)	(257,606)
Closing balance	-	7,648
15.3 This balance was unsecured, interest free and in the ordinary course of business.		
15.4 Sales tax recoverable		
Considered good	154,775	800,960
Considered doubtful	147,852	147,852
Less: Provision against doubtful sales tax recoverable	(147,852)	(147,852)
	-	-
	154,775	800,960
16 SHORT TERM INVESTMENTS		
Equity instruments:		
At fair value through profit or loss (FVTPL):		
Quoted - related party:		
MCB Cash Management Optimizer 936,129 (2024: 81,631,169) units	99,723	9,000,738
MCB Pakistan Sovereign fund 58,670,712 (2024: Nil) units	3,233,589	-
MCB Government Securities Plan 1 43,989,969 (2024: Nil) units	4,455,439	-
MCB Pakistan Fixed Return Plan 25 9,939,250 (2024: Nil) units	993,925	-
	8,782,676	9,000,738
Add: Unrealized gain on remeasurement of investments at fair value through profit or loss - net	395,074	86,982
	9,177,750	9,087,720

- 16.1** The fair value of funds is based on the Net Asset Value (NAV) being the current bid price at reporting date as quoted by the Asset Management Company.

	2025 (Rupees in thousand)	2024
17 CASH AND BANK BALANCES		
Cash in hand	525	588
Cash with banks on:		
Saving accounts (Note 17.1)	19,847	53,427
Current accounts	700	632,658
	20,547	686,085
	21,072	686,673

- 17.1** Saving accounts carry profit at the rates ranging from 3.85% to 11.50% (2024: 4.80% to 20.50%) per annum.

- 17.2** Included in cash with banks are Rupees 20.414 million (2024: Rupees 686.026 million) with MCB Bank Limited - related party.

	2025 (Rupees in thousand)	2024
18 REVENUE FROM CONTRACT WITH CUSTOMER		
Energy purchase price	-	8,998,566
Less: Sales tax	-	(1,372,663)
	-	7,625,903
Capacity purchase price	-	6,613,512
	-	14,239,415
19 COST OF SALES		
Fuel cost (Note 19.1)	-	7,855,257
Operation and maintenance costs (Note 19.2)	-	598,356
Insurance	-	1,464,791
Depreciation (Note 9.1.2)	-	772,273
Liquidated damages to CPPA-G	-	732
	-	10,691,409

	2025 (Rupees in thousand)	2024
19.1 Fuel cost		
Opening stock	526,558	2,467,534
Add: Purchased during the year	-	8,071,717
Less: Provision for net realizable value (NRV) against furnace oil (Note 22)	-	(389,303)
	<u>526,558</u>	<u>10,149,948</u>
Less: Fuel stock sold during the year (Note 23.1)	(525,018)	(1,766,714)
Less: Fuel - in house consumed (Note 20)	(1,540)	(1,419)
Closing stock	-	(526,558)
	<u>-</u>	<u>7,855,257</u>
19.2 Operation and maintenance costs		
Salaries, wages and other benefits (Note 19.2.1)	-	256,420
Repair and maintenance	-	83,548
Fee and subscription	-	13,733
Stores and spare parts consumed	-	89,189
Electricity consumed in-house	-	155,466
	<u>-</u>	<u>598,356</u>

19.2.1 Salaries, wages and other benefits include provident fund contribution and provision for gratuity of Rupees Nil (2024: Rupees 16.439 million) and Rupees Nil (2024: Rupees 17.142 million) respectively.

	2025 (Rupees in thousand)	2024
20 PLANT MAINTENANCE AND PRESERVATION COSTS		
Salaries, wages and other benefits (Note 20.1)	110,919	77,933
Employee's Voluntary Severance Scheme (VSS) (Note 20.2)	55,061	88,445
Fuel - in house consumed (Note 19.1)	1,540	1,419
Electricity consumed in-house	63,541	-
Repair and maintenance	97,137	805
Stores and spare parts consumed	2,212	10,175
Fee and subscription	8,060	-
Insurance	385,505	-
Depreciation (Note 9.1.2)	998,107	256,866
Other	20,751	-
	<u>1,742,833</u>	<u>435,643</u>

20.1 Salaries, wages and other benefits include provident fund contribution and provision for gratuity of Rupees 4.380 million (2024: Rupees 4.238) and Rupees 6.375 million (2024: Rupees 5.714 million) respectively.

20.2 The Company has entered into 'Negotiated Settlement Agreement' (the Agreement) for early termination of PPA with effect from 01 October 2024. Therefore, to align manpower with expected future requirements, Employee's Voluntary Severance Scheme (VSS) was announced and offered to all employees of the Company during the year ended 31 December 2024. 16 employees availed the VSS during the year ended 31 December 2025 and accordingly, related expense has been accounted for in these financial statements.

	2025 (Rupees in thousand)	2024
21 ADMINISTRATIVE EXPENSES		
Salaries and other benefits (Note 21.1)	35,019	114,844
Employee's Voluntary Severance Scheme (VSS) (Note 20.2)	3,884	-
Travelling, conveyance and entertainment	220	14,711
Office rent (Note 21.2)	510	8,908
Communication and utilities	857	1,390
Insurance	4,028	8,373
Repair and maintenance	2,037	17,607
Printing and stationery	1,801	4,630
Advertisement and publicity	488	395
Legal and professional	23,531	36,844
Depreciation (Note 9.1.2)	18,684	17,801
Community welfare	905	3,188
Miscellaneous	2,374	7,163
	94,338	235,854

21.1 Salaries and other benefits include provident fund contribution and provision for gratuity of Rupees 0.804 million (2024: Rupees 4.864 million) and Rupees 6.728 million (2024: Rupees 3.318 million) respectively.

21.2 This represents rent expense relating to low value lease.

	2025 (Rupees in thousand)	2024
22 OTHER EXPENSES		
Auditor's remuneration (Note 22.1)	3,924	3,872
Workers' profit participation fund (Note 22.2)	-	6,454
Workers' welfare fund (Note 22.3)	21,564	2,549
Advances to suppliers written off	-	31,468
Sales tax written off	-	2,375
Trade debts written off	-	537,727
Fixed assets written off	-	4
Donations (Note 22.4 and Note 22.5)	37	1,107
Provision against doubtful sales tax recoverable	-	147,852
Write down of stores, spare parts and other consumables to net realizable value (NRV) (Note 12)	138,571	238,938
Provision for net realizable value (NRV) against furnace oil (Note 19.1)	-	389,303
	164,096	1,361,649

	2025 (Rupees in thousand)	2024
22.1 Auditor's remuneration		
Statutory audit	2,902	2,902
Half yearly review	719	688
Other certifications	157	151
Out-of-pocket expenses	146	131
	3,924	3,872
22.2 Workers' profit participation fund		
Allocation for workers' profit participation fund (Note 6.1)	-	25,816
Allocation to workers' profit participation fund recoverable from CPPA-G (Note 15.1)	-	(19,362)
	-	6,454
22.3 Workers' welfare fund		
Allocation for workers' welfare fund (Note 6.2)	21,564	10,197
Allocation to workers' welfare fund recoverable from CPPA-G (Note 15.2.1)	-	(7,648)
	21,564	2,549
22.4 These include Rupees Nil (2024: Rupees 0.8 million) paid to Care Foundation.		
22.5 There is no interest of any director or his / her spouse in donee's fund.		
23 OTHER INCOME		
Income from financial assets:		
Interest income:		
Profit on saving bank accounts	5,493	28,700
Profit on term deposit receipts	389	-
Gain on disposal of Pakistan Investment Bond	-	2,022
Unrealized gain on remeasurement of investments at fair value through profit or loss - net	395,074	86,982
Dividend income	8,868	-
Gain on disposal of investment at fair value through profit or loss - net	667,269	45,473
Income from non-financial assets:		
Gain on sale of operating fixed assets sold as scrap	329,610	5,061
Gain on sale of operating fixed assets	12,354	-
Scrap sales	13,306	16,878
Gain on sale of fuel stock (Note 23.1)	24,574	-
Other:		
Rental income	1,092	1,000
	1,458,029	186,116

	2025 (Rupees in thousand)	2024
23.1 Gain on sale of fuel stock		
Sales - net (Note 23.1.1)	549,592	1,766,714
Less: Fuel stock sold carried at NRV (Note 19.1)	(525,018)	(1,766,714)
	<u>24,574</u>	<u>-</u>

23.1.1 These are net of sales tax amounting to Rupees 93.756 million (2024: Rupees 318.009 million).

	2025 (Rupees in thousand)	2024
24 FINANCE COST		
Mark-up / profit on short term borrowings	-	1,185,814
Bank charges and commission	224	7,833
	<u>224</u>	<u>1,193,647</u>
25 LEVY		
Final taxes	3,458	-
Minimum tax differential	166	22,084
	<u>3,624</u>	<u>22,084</u>
26 TAXATION		
Current tax	268,735	20,455
26.1 Relationship between tax expense and accounting profit:		
(Loss) / profit before levy and taxation	(543,462)	507,329
Tax at the applicable rate of 29% (2024: 29%)	-	147,125
Effect of capital gain taxed at lower rate	159,351	19,868
Effect of super tax	106,932	-
Effect of expenses and income that are not considered in determining taxable liability	2,452	(146,538)
Effect of minimum tax	3,624	22,084
Current income tax liability and levy as per applicable tax laws	<u>272,359</u>	<u>42,539</u>
Levy (Note 25)	(3,624)	(22,084)
Current tax (Note 26)	(268,735)	(20,455)
	<u>-</u>	<u>-</u>

	2025	2024
27 (LOSS) / EARNINGS PER SHARE - BASIC AND DILUTED		
There is no dilutive effect on the basic (loss) / earnings per share which is based on:		
(Loss) / profit attributable to ordinary shareholders (Rupees in thousand)	(815,821)	464,790
Weighted average number of shares (Number) (Note 27.1)	372,469,443	379,838,732
(Loss) / earnings per share - Basic and diluted (Rupees)	(2.19)	1.22
27.1 Weighted average number of shares (Number)		
Outstanding number of shares before buy back	379,838,732	379,838,732
Less: Impact of own shares purchase and cancelled	(7,369,289)	-
	372,469,443	379,838,732

28 CASH GENERATED FROM OPERATIONS

	2025 (Rupees in thousand)	2024
(Loss) / profit before levy and taxation	(543,462)	507,329
Adjustments for non-cash charges and other items:		
Depreciation on operating fixed assets (Note 9.1.2)	1,016,791	1,046,940
Provision for gratuity (Note 5.7)	13,103	26,174
Gain on sale of operating fixed assets sold as scrap (Note 23)	(329,610)	(5,061)
Gain on sale of operating fixed assets (Note 23)	(12,354)	-
Fixed assets written off (Note 22)	-	4
Unrealized gain on remeasurement of investments at fair value through profit or loss - net (Note 23)	(395,074)	(86,982)
Gain on disposal of investment at fair value through profit or loss - net (Note 23)	(667,269)	(45,473)
Profit on saving bank accounts (Note 23)	(5,493)	(28,700)
Profit on term deposit receipts (Note 23)	(389)	-
Dividend income (Note 23)	(8,868)	-
Finance cost (Note 24)	224	1,193,647
Workers' profit participation fund (Note 22)	-	6,454
Workers' welfare fund (Note 22)	21,564	2,549
Gain on disposal of Pakistan Investment Bond (Note 23)	-	(2,022)
Advances to suppliers written off (Note 22)	-	31,468
Sales tax written off (Note 22)	-	2,375
Trade debts written off (Note 22)	-	537,727
Employees' Voluntary Severance Scheme	58,945	88,445
Provision against doubtful sales tax recoverable (Note 22)	-	147,852
Write down of stores, spare parts and other consumables to net realizable value (NRV) (Note 22)	138,571	238,938
Provision for net realizable value (NRV) against furnace oil (Note 22)	-	389,303
Working capital changes (Note 28.1)	1,212,360	12,448,395
	499,039	16,499,362
28.1 Working capital changes		
(Increase) / decrease in current assets:		
Stores, spare parts and other consumables	69,493	(97,898)
Fuel stock	526,558	1,551,673
Trade debts	-	9,732,784
Loans, advances and short term prepayments	35,562	(2,587)
Other receivables	674,025	1,909,156
	1,305,638	13,093,128
Decrease in trade and other payables	(93,278)	(644,733)
	1,212,360	12,448,395

Adjustments for non-cash charges and other items:

	2025 (Rupees in thousand)	2024
(Loss) / profit before levy and taxation	(543,462)	507,329
Adjustments for non-cash charges and other items:		
Depreciation on operating fixed assets (Note 9.1.2)	1,016,791	1,046,940
Provision for gratuity (Note 5.7)	13,103	26,174
Gain on sale of operating fixed assets sold as scrap (Note 23)	(329,610)	(5,061)
Gain on sale of operating fixed assets (Note 23)	(12,354)	-
Fixed assets written off (Note 22)	-	4
Unrealized gain on remeasurement of investments at fair value through profit or loss - net (Note 23)	(395,074)	(86,982)
Gain on disposal of investment at fair value through profit or loss - net (Note 23)	(667,269)	(45,473)
Profit on saving bank accounts (Note 23)	(5,493)	(28,700)
Profit on term deposit receipts (Note 23)	(389)	-
Dividend income (Note 23)	(8,868)	-
Finance cost (Note 24)	224	1,193,647
Workers' profit participation fund (Note 22)	-	6,454
Workers' welfare fund (Note 22)	21,564	2,549
Gain on disposal of Pakistan Investment Bond (Note 23)	-	(2,022)
Advances to suppliers written off (Note 22)	-	31,468
Sales tax written off (Note 22)	-	2,375
Trade debts written off (Note 22)	-	537,727
Employees' Voluntary Severance Scheme	58,945	88,445
Provision against doubtful sales tax recoverable (Note 22)	-	147,852
Write down of stores, spare parts and other consumables to net realizable value (NRV) (Note 22)	138,571	238,938
Provision for net realizable value (NRV) against furnace oil (Note 22)	-	389,303
Working capital changes (Note 28.1)	1,212,360	12,448,395
	499,039	16,499,362

28.1 Working capital changes

(Increase) / decrease in current assets:

Stores, spare parts and other consumables	69,493	(97,898)
Fuel stock	526,558	1,551,673
Trade debts	-	9,732,784
Loans, advances and short term prepayments	35,562	(2,587)
Other receivables	674,025	1,909,156
	1,305,638	13,093,128
Decrease in trade and other payables	(93,278)	(644,733)
	1,212,360	12,448,395

28.2 Reconciliation of movement of liabilities to cash flows arising from financing activities:

Liabilities from financing activities
Unclaimed dividend
(Rupees in thousands)

Balance as at 01 January 2024	10,999
Dividends declared	1,519,354
Dividends paid	(1,518,688)
Balance as at 31 December 2024	11,665
Dividend paid	(606)
Balance as at 31 December 2025	11,059

29 TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise of associated companies, other related parties, key management personnel and staff retirement benefit plans. The Company in the normal course of business carries out transactions with various related parties. Detail of significant transactions with related parties other than those which have been specifically disclosed elsewhere in these financial statements, except for remuneration to key management personnel as disclosed in note 30, are as follows:

Associated companies	Nature of transaction	2025 (Rupees in thousand)	2024
Nishat Mills Limited	Dividend	-	439,530
	Sale of furnace oil	594,388	2,039,706
	Sale of vehicle	1,564	-
	Sale of stores, spare parts and other consumables	233	-
Security General Insurance Company Limited	Dividend	-	47,326
	Insurance premium paid	381,922	1,698,374
	Insurance claims received	78	32
Nishat Hotels and Properties Limited	Boarding and lodging services	708	1,660
	Sale of furnace oil	20,232	45,015
Nishat (Aziz Avenue) Hotels and Properties Limited	Dividend	-	1,462
Nishat Real Estates Development Company (Private) Limited	Dividend	-	48
Hyundai Nishat Motor (Private) Limited	Purchase of vehicles	-	30,186
	Services received	-	872
	Sale of furniture and fixtures	168	-
MCB Bank Limited	Profit on bank deposits received	5,133	26,654
Adamjee Insurance Company Limited	Dividend	-	109,394
	Insurance premium paid	3,512	6,785
	Insurance claims received	172	1,060
Adamjee Life Assurance Company Limited	Insurance premium paid	619	2,011
NexGen Auto (Private) Limited	Sale of furniture and fixtures	1,340	-
Pakistan Aviators and Aviation (Private) Limited	Sale of electric equipment and appliances	12	-
D.G. Khan Cement Company Limited Nishat Chunian Power Limited	Sale of stores, spare parts and other consumables	4,636	-
	Sale of stores, spare parts and other consumables	628	-
	Sale of diesel	2,422	-

Associated companies	Nature of transaction	2025 (Rupees in thousand)	2024
Nishat Power Limited	Sale of stores, spare parts and other consumables	1,171	-
	Sale of diesel	2,422	-
Pakgen Power Limited	Reimbursement of expenses	19,056	-
	Sharing of electricity expense	66,064	-
Mr. Muhammad Azam	Dividend	-	2
Mr. Hassan Mansha	Dividend	-	103,975
Mr. Inayat Ullah Niazi	Dividend	-	2
Mr. Mehmood Akhtar	Dividend	-	2
Mr. Amir Mehmood *	Dividend	-	2
Other related parties			
MCB Investment Management Limited	Short term investments made	45,340,163	11,714,850
	Short term investments disposed	46,312,476	2,759,584
	Dividend	8,868	-
Mrs. Hajra Arham	Dividend	-	2
Mr. Zaheer Ahmed Ghanghro	Dividend	-	20
Staff retirement benefit plans			
Provident Fund Trust	Contributions	5,184	25,541
Gratuity Fund Trust	Contributions	22,500	-

*Ceased to be the director of the Company with effect from 29 December 2025.

29.1 Following are the related parties with whom the Company had entered into transactions or have arrangements / agreements in place:

Name of the related party	Basis of relationship	Transaction entered or agreement and / or arrangement in place during the financial year	Percentage of share-holding held by the Company
Nishat Mills Limited	Common Directorship	Yes	None
Security General Insurance Company Limited	Common Directorship	Yes	None
Nishat Hospitality (Private) Limited	Common Directorship	No	None
D.G. Khan Cement Company Limited	Common Directorship	Yes	None
Pakgen Power Limited	Common Directorship	Yes	None
Pakistan Aviators and Aviation (Private) Limited	Common Directorship	Yes	None
Nishat Hotels and Properties Limited	Common Directorship	Yes	None
Nishat (Aziz Avenue) Hotels and Properties Limited	Common Directorship	No	None
Nishat Power Limited	Common Directorship	Yes	None
Nishat (Raiwind) Hotels and Properties Limited	Common Directorship	No	None
Nishat Developers (Private) Limited	Common Directorship	No	None
Nishat Dairy (Private) Limited	Common Directorship	No	None
Nishat Agriculture Farming (Private) Limited	Common Directorship	No	None
Nishat Real Estate Development Company (Private) Limited	Common Directorship	No	None
Nishat Commodities (Private) Limited	Common Directorship	No	None
Nishat Energy Limited	Shareholding	No	25%
Nishat Packaging Limited (Formerly Nishat Paper Products Company Limited)	Common Directorship	No	None
Adamjee Insurance Company Limited	Group Company	Yes	None
MCB Investment Management Limited	Group Company	Yes	None
Emporium Properties (Private) Limited	Group Company	No	None
Nishat Linen (Private) Limited	Group Company	No	None
MCB Bank Limited	Group Company	Yes	None
MCB Islamic Bank Limited	Group Company	No	None
Adamjee Life Assurance Company Limited	Group Company	Yes	None
Hyundai Nishat Motor (Private) Limited	Common Directorship	Yes	None
Nishat Agrotech Farms (Private) Limited	Group Company	No	None
Nishat Sutas Dairy Limited	Group Company	No	None
Golf View Land (Private) Limited	Group Company	No	None
Halmore Power Generation Company Limited	Common Directorship	No	None
Halmore Properties (Private) Limited Limited	Common Directorship	No	None
Halmore Seasons (Private) Limited	Common Directorship	No	None
Kohinoor Mills Limited	Common Directorship	No	None
NexGen Auto (Private) Limited	Common Directorship	Yes	None
Nishat Chunian Power Limited	Common Directorship	Yes	None
OILCO Petroleum (Private) Limited	Common Directorship	No	None
Nishat USA, Inc	Subsidiary of Nishat Mills Limited	No	None
Nishat Linen Trading LLC	Subsidiary of Nishat Mills Limited	No	None
China Guangzhou Nishat Global Company Limited	Subsidiary of Nishat Mills Limited	No	None
Nishat UK (Private) Limited	Subsidiary of Nishat Mills Limited	No	None
Wernerfelt A/S	Subsidiary of Nishat Mills Limited	No	None
Wernerfelt Sverige AB	Subsidiary of Nishat Mills Limited	No	None
Quaid e Azam Thermal Power (Private) Limited	Common Directorship	No	None
Provident Fund Trust	Post-employment benefit plan	Yes	None
Gratuity Fund Trust	Post-employment benefit plan	Yes	None
Mr. Muhammad Azam	Director	Yes	None
Mr. Hassan Mansha	Director	Yes	None
Mr. Inayat Ullah Niazi	Director	Yes	None
Mr. Mehmood Akhtar	Director	Yes	None
Mr. Farrukh Ifzal	Director	No	None
Mrs. Hajra Arham	Director	Yes	None
Mr. Zahir Ahmed Ghanghro	Director	Yes	None

30 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

Aggregate amounts charged in these financial statements for the year in respect of remuneration, including all benefits to the chief executive, directors and executives of the Company are as follows:

	2025		2024	
	Chief Executive	Executives	Chief Executive	Executives
	----- (Rupees In Thousand) -----			
Managerial remuneration	-	64,826	9,495	241,317
Medical expenses	-	6,483	950	24,132
Bonus	-	1,435	2,507	19,351
Retirement benefits	-	11,417	950	39,714
Employee's Voluntary Severance Scheme (VSS)	-	53,435	-	77,422
	-	137,596	13,902	401,936
Number of persons	1	17	1	58

30.1 The Company provides to chief executive and certain executives with free use of the Company maintained cars.

30.2 Meeting fee of Rupees 0.805 million (2024: Rupees 0.980 million) was paid to non-executive directors of the Company during the year.

30.3 No remuneration was paid to non-executive directors of the Company.

31 PROVIDENT FUND

The investments by the provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder.

32 NUMBER OF EMPLOYEES

	2025	2024
Number of employees as on 31 December	13	51
Average number of employees during the year	30	90

33 FINANCIAL RISK MANAGEMENT

33.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programmed focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Risk management is carried out by the Company's finance department under policies approved by the Board of Directors (the Board). The Company's finance department evaluates and hedges financial risks. The Board provides principles for overall risk management, as well as policies covering specific areas such as currency risk, other price risk, interest rate risk, credit risk, liquidity risk and investment of excess liquidity. All treasury related transactions are carried out within the parameters of these policies.

(a) Market risk

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Company is exposed to currency risk arising from various currency exposures, primarily with respect to the United States Dollar (USD). As on reporting date, the Company's foreign exchange risk exposure is restricted to payables only. The Company's exposure to currency risk was as follows:

	2025	2024
Trade and other payables		
Net exposure - USD	6,594	315
The following significant exchange rates were applicable during the year:		
Rupees per US Dollar		
Average rate	281.51	278.53
Reporting date rate	280.55	278.55

Sensitivity analysis

If the functional currency, at reporting date, had weakened / strengthened by 5% against the USD (2024: 5% against the USD) with all other variables held constant, the impact on loss before levy and taxation for the year would have been Rupees 0.092 million higher / lower (2024: Profit before levy and taxation for the year would have Rupees 0.004 million lower / higher), mainly as a result of exchange losses on translation of foreign exchange denominated financial instruments. Currency risk sensitivity to foreign exchange movements has been calculated on a symmetric basis. The sensitivity analysis is unrepresentative of inherent currency risk as the year end exposure does not reflect the exposure during the year.

(ii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to equity price risk since there are no investments in equity securities traded in the market at the reporting date. The Company is also not exposed to commodity price risk since it does not hold any financial instrument based on commodity prices.

(iii) Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's interest rate risk arises from bank balances in saving accounts. Financial instruments at variable rates expose the Company to cash flow interest rate risk. Financial instruments, if any, at fixed rate expose the Company to fair value interest rate risk.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments was as follows:

	2025 (Rupees in thousand)	2024
Fixed rate instruments	-	-
Floating rate instruments		
Financial assets		
Bank balances - saving accounts	19,847	53,427
Financial liabilities	-	-
Net exposure	<u>19,847</u>	<u>53,427</u>

Cash flow sensitivity analysis for variable rate instruments

If interest rates at the reporting date, fluctuates by 1% higher / lower with all other variables held constant, loss before levy and taxation for the year would have been Rupees 0.198 million lower / higher (2024: Profit before levy and taxation for the year would have Rupees 0.534 million higher / lower), mainly as a result of higher / lower interest income. This analysis is prepared assuming the amounts of assets and liabilities outstanding at reporting dates were outstanding for the whole year.

(b) **Credit risk**

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2025 (Rupees in thousand)	2024
Loans to employees	2,197	33,000
Long term security deposits	2,326	1,850
Other receivables	-	27,359
Accrued interest	106	2,513
Short term investments	9,177,750	9,087,720
Bank balances	20,547	686,085
	<u>9,202,926</u>	<u>9,838,527</u>

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

	Rating			2025 (Rupees in thousand)	2024
	Short Term	Long Term	Agency		
Short term investments					
MCB Cash Management Optimizer	-	AA+(f)	PACRA	100,582	9,087,720
MCB Pakistan Sovereign fund	-	AA-(f)	PACRA	3,403,488	-
MCB Government Securities Plan 1	-	AA(f)	PACRA	4,651,117	-
MCB Pakistan Fixed Return Plan 25		Not available		1,022,563	-
				<u>9,177,750</u>	<u>9,087,720</u>
Banks					
National Bank of Pakistan	A1+	AAA	PACRA	3	2
MCB Bank Limited	A1+	AAA	PACRA	20,414	686,026
Faysal Bank Limited	A1+	AA	PACRA	1	2
BankIslami Pakistan Limited	A1	AA-	PACRA	1	1
Allied Bank Limited	A1+	AAA	PACRA	15	20
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	PACRA	10	10
Habib Bank Limited	A1+	AAA	VIS	15	7
United Bank Limited	A1+	AAA	VIS	3	3
The Bank of Punjab	A1+	AA+	PACRA	10	10
Al Baraka Bank (Pakistan) Limited	A1	AA-	VIS	2	3
Bank Alfalah Limited	A1+	AAA	PACRA	1	-
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	66	-
Meezan Bank Limited	A1+	AAA	VIS	1	-
Askari Bank Limited	A1+	AA+	PACRA	4	-
MCB Islamic Bank Limited	A1	A+	PACRA	1	1
				<u>20,547</u>	<u>686,085</u>
				<u>9,198,297</u>	<u>9,773,805</u>

Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly the credit risk is minimal.

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. As on 31 December 2025, the Company had Rupees Nil (2024: Rupees 4,890 million) available borrowing limits from financial institutions, Rupees 9,177.750 million (2024: Rupees 9,087.720 million) short term investments and Rupees 21.072 million (2024: Rupees 686.673 million) cash and bank balances. Management believes the liquidity risk to be low. Following are the contractual maturities of financial liabilities, including mark-up / profit payments. The amounts disclosed in the table are undiscounted cash flows:

Contractual maturities of financial liabilities as at 31 December 2025:

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 Years	More than 2 Years
 (Rupees in thousand)					
Non-derivative financial liabilities:						
Trade and other payables	123,734	123,734	123,734	-	-	-
Unclaimed dividend	11,059	11,059	11,059	-	-	-
	<u>134,793</u>	<u>134,793</u>	<u>134,793</u>	<u>-</u>	<u>-</u>	<u>-</u>

Contractual maturities of financial liabilities as at 31 December 2024:

	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 Years	More than 2 Years
 (Rupees in thousand)					
Non-derivative financial liabilities:						
Trade and other payables	62,729	62,729	62,729	-	-	-
Accrued mark-up / profit	39,045	39,045	39,045	-	-	-
Unclaimed dividend	11,665	11,665	11,665	-	-	-
	<u>113,439</u>	<u>113,439</u>	<u>113,439</u>	<u>-</u>	<u>-</u>	<u>-</u>

33.2 Offsetting financial assets and financial liabilities

As on reporting date, recognized financial instruments are not subject to off setting as there are no enforceable master netting arrangements and similar agreements.

33.3 Financial instruments by categories

2025		
At amortized cost	At fair value through profit or loss	Total

..... (Rupees in thousand)

Assets as per statement of financial position

Loans to employees	2,197	-	2,197
Long term security deposits	2,326	-	2,326
Short term investments	-	9,177,750	9,177,750
Accrued interest	106	-	106
Cash and bank balances	21,072	-	21,072
	25,701	9,177,750	9,203,451

2024		
At amortized cost	At fair value through profit or loss	Total

..... (Rupees in thousand)

Assets as per statement of financial position

Loans to employees	33,000	-	33,000
Long term security deposits	1,850	-	1,850
Short term investments	-	9,087,720	9,087,720
Accrued interest	2,513	-	2,513
Other receivables	27,359	-	27,359
Cash and bank balances	686,673	-	686,673
	751,395	9,087,720	9,839,115

Liabilities as per statement of financial position

Financial liabilities at amortized cost		
	2025 (Rupees in thousand)	2024
Trade and other payables	123,734	62,729
Accrued mark-up / profit	-	39,045
Unclaimed dividend	11,059	11,665
	134,793	113,439

33.4 Reconciliation of financial assets and financial liabilities to the line items presented in the statement of financial position is as follows:

2025		
Financial assets	Non-financial assets	Assets as per statement of financial position

------(Rupees in thousand)-----

Assets

Long term loans to employees	1,439	-	1,439
Long term security deposits	2,326	-	2,326
Loans, advances and short term prepayments	758	497	1,255
Short term investments	9,177,750	-	9,177,750
Other receivables	-	154,775	154,775
Accrued interest	106	-	106
Cash and bank balances	21,072	-	21,072
	<u>9,203,451</u>	<u>155,272</u>	<u>9,358,723</u>

2025		
Financial liabilities	Non-financial liabilities	Liabilities as per statement of financial position

------(Rupees in thousand)-----

Liabilities

Trade and other payables	123,734	42,343	166,077
Unclaimed dividend	11,059	-	11,059
	<u>134,793</u>	<u>42,343</u>	<u>177,136</u>

2024		
Financial assets	Non-financial assets	Assets as per statement of financial position

------(Rupees in thousand)-----

Assets

Long term loans to employees	14,615	-	14,615
Long term security deposits	1,850	-	1,850
Loans, advances and short term prepayments	18,625	18,192	36,817
Short term investments	9,087,720	-	9,087,720
Other receivables	27,359	801,441	828,800
Accrued interest	2,513	-	2,513
Cash and bank balances	686,673	-	686,673
	<u>9,839,355</u>	<u>819,633</u>	<u>10,658,988</u>

2024		
Financial liabilities	Non-financial liabilities	Liabilities as per statement of financial position

----- (Rupees in thousand) -----

Liabilities

Trade and other payables	62,729	116,119	178,848
Accrued mark-up / profit	39,045	-	39,045
Unclaimed dividend	11,665	-	11,665
	<u>113,439</u>	<u>116,119</u>	<u>229,558</u>

34 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 financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

Recurring fair value measurements at 31 December 2025	Level 1	Level 2	Level 3	Total
---	---------	---------	---------	-------

----- (Rupees in thousand) -----

Financial assets

Financial assets at fair value through profit or loss	9,177,750	-	-	9,177,750
---	-----------	---	---	-----------

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	9,087,720	-	-	9,087,720
---	-----------	---	---	-----------

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 year. 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 techniques used to determine fair values

Specific valuation techniques used to value financial instruments include the use of net assets value (NAV) of Asset Management Company.

	2025 MWH	2024 MWH
35 CAPACITY AND ACTUAL PRODUCTION		
Installed capacity based on Nil (2024: 8,784) hours *	-	3,179,808
Actual energy delivered	-	198,443

*The Board of Directors of the Company in their meeting held on 31 March 2026, subsequent to the reporting period, has proposed the disposal of plant and machinery of the Company for the purposes of viable alternate business plan.

36 UNUTILIZED CREDIT FACILITIES

	Non-funded		Funded	
	2025	2024	2025	2024
	----- (Rupees in thousand) -----			
Total facilities	30,000	1,110,000	-	4,890,000
Utilized at the end of the year	15,670	29,258	-	-
Unutilized at the end of the year	14,330	1,080,742	-	4,890,000

37 SEGMENT INFORMATION

These financial statements have been prepared on the basis of single reportable segment. All non-current assets of the Company as at reporting date are located in Pakistan.

38 DISCLOSURE REQUIREMENT FOR COMPANY NOT ENGAGED IN SHARIAH NON-PERMISSIBLE BUSINESS ACTIVITIES AS ITS CORE BUSINESS ACTIVITIES

Description	2025 (Rupees in thousand)	2024
Financing (long-term, short-term, or lease financing) obtained as per Islamic mode	-	-
Interest or mark-up accrued on any conventional loan or advance	-	39,045
Long-term and short-term Shariah compliant Investments	-	-
Shariah-compliant bank deposits, bank balances, and TDRs	16	16
Revenue earned from a Shariah-compliant business segment	-	14,239,415
Break-up of late payments or liquidated damages	-	-
Gain or loss or dividend earned on Shariah compliant investments or share of profit from Shariah-compliant associates		
Dividend received	5,746	-
Gain on disposal of investment at fair value through profit or loss - net	68,922	-
Profit earned from Shariah-compliant bank deposits, bank balances, or TDRs	-	-
Exchange gain earned from actual currency	-	-
Exchange gains earned using conventional derivative financial instruments	-	-
Profit paid on Islamic mode of financing	-	681,719
Total Interest earned on any conventional loan or advance		
Profit on saving bank accounts (Note 23)	5,493	28,700
Profit on term deposit receipts (Note 23)	389	-
Gain on disposal of Pakistan Investment Bond (Note 23)	-	2,022
Unrealized gain on remeasurement of investments at fair value through profit or loss - net (Note 23)	395,074	86,982
Gain on disposal of investment at fair value through profit or loss - net	598,347	45,473

Source and detailed breakup of other income, including breakup of other or miscellaneous portions of other income into Shariah-compliant and non-compliant income

	2025 (Rupees in thousand)	2024
Shariah-compliant income:		
Rental income (Note 23)	1,092	1,000
Gain on disposal of operating fixed assets (Note 23)	12,354	5,061
Scrap sales (Note 23)	13,306	16,878
Gain on sale of fuel stock - net (Note 23)	24,574	-
Gain on disposal of investment at fair value through profit or loss - net	68,922	-
Dividend income	5,746	-
Non-compliant shariah income		
Profit on saving bank accounts (Note 23)	5,493	28,700
Profit on term deposit receipts (Note 23)	389	-
Gain on disposal of investment at fair value through profit or loss - net	598,347	45,473
Unrealized gain on remeasurement of investments at fair value through profit or loss - net (Note 23)	395,074	86,982
Gain on disposal of Pakistan Investment Bond (Note 23)	-	2,022
Dividend income	3,122	-

Relationship with Shariah-compliant financial institutions, including banks, takaful operators and their windows, etc

Meezan Bank Limited	Bank balance
MCB Islamic Bank Limited	Bank balance
Standard Chartered Bank	Bank balance
Faysal Bank Limited	Bank balance
National Bank of Pakistan - Islamic	Bank balance
BankIslami (Pakistan) Limited	Bank balance
Al-Baraka Bank (Pakistan) Limited	Bank balance

39 CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no other significant rearrangements / reclassifications have been made.

40 DATE OF AUTHORIZATION FOR ISSUE


These financial statements were authorized for issue on March 31, 2026 by the Board of Directors of the Company.

41 GENERAL

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

LALPIR POWER LIMITED



BALLOT PAPER FOR VOTING THROUGH POST

For voting through post for the Special Business at the Annual General Meeting of Lalpir Power Limited to be held on (Monday) April 27, 2026 at 11:30 AM (PST) at Emporium Mall, the Nishat Hotel, Trade and Finance Centre Block, Near Expo Centre, Abdul Haq Road, Johar Town, Lahore.

Designated email address of the Chairman at which the duly filled in ballot paper may be sent: chairman@lalpir.com.

Name of shareholder/joint shareholder(s):	
Registered Address:	
Folio No. / CDC Participant / Investor ID with sub-account No.	
Number of shares held	
CNIC, NICOP/Passport No. (In case of foreigner) <i>(Copy to be attached)</i>	
<u>Additional Information and enclosures</u>	
(In case of representative of body corporates, corporations and Federal Government)	
Name of Authorized Signatory:	
CNIC, NICOP/Passport No. (In case of foreigner) of Authorized Signatory - <i>(Copy to be attached)</i>	

Special Resolutions

4. Special Business:

A) RESOLVED THAT pursuant to the provision of Section 32 of the Companies Act, 2017 and all other applicable provisions, and subject to requisite approval(s), consent of the members of Lalpir Power Limited ("the Company") be and is hereby accorded to alter the Memorandum of Association of the Company by substituting the existing Clause III (Principal Line of Business) with the following:

- (i) The principle line of business of the company shall be to buy, sell, hold or otherwise acquire or invest in any sort of financial instruments, either debt or equity, including but not limited to shares, stocks of companies, debentures, debenture stocks, bonds, mutual fund certificates, modaraba certificates, musharika certificates, sukuk, participation term certificates (PTCs), term finance certificates, unit trust certificates and any other marketable securities and/or certificates of any kind, obligations and securities issued or guaranteed by the Government of Pakistan.
- (ii) Except for the businesses mentioned in sub-clause (iii) hereunder, the company shall engage in all the lawful businesses and shall be authorized to take all necessary steps and actions in connection therewith and ancillary thereto.
- (iii) Notwithstanding anything contained in the foregoing sub-clauses of this clause nothing contained herein shall be construed as empowering the Company to undertake or indulge, directly or indirectly in the business of a Banking Company, Non-banking Finance Company (Asset Management Services, Leasing, Investment Finance Services, Investment Advisory Services, REIT management Services, Housing Finance Services, Private Equity and Venture Capital Fund Management Services, Discounting Services, Pension Fund Scheme Business, Micro Financing), Corporate Restructuring Company, Insurance Business, Modaraba management company, Stock Brokerage business, forex, Clearing House, Securities and Futures Advisor, Commodity Exchange, managing agency, business of providing the services of security guards or any other business subject to license and restricted under any law for the time being in force or as may be specified by the Commission.
- (iv) It is hereby undertaken that the company shall not:
 - (a) engage in any of the business mentioned in sub-clause (iii) above or any unlawful operation;
 - (b) launch multi-level marketing (MLM), Pyramid and Ponzi Schemes, or other related activities/businesses or any lottery business;
 - (c) engage in any of the permissible business unless the requisite approval, permission, consent or licence is obtained from competent authority as may be required under any law for the time being in force.

FURTHER RESOLVED Chief Executive Officer and/or Company Secretary of the Company ("authorized officers") be and are hereby singly / jointly authorized to take all necessary steps, actions, and to do all acts, deeds and things, including but not limited to filing of necessary form and applications with the Securities and Exchange Commission of Pakistan, to give effect to this resolution.

RESOLVED FURTHER THAT any amendments, modifications, additions or deletions as may be required, directed or advised by the SECP shall be deemed to be incorporated in the aforesaid resolutions without the need to obtain fresh approval from the members of the Company, and the aforementioned authorized officers be and are hereby authorized to make and effect such amendments accordingly.

- B) RESOLVED THAT, subject to approval of the** Securities and Exchange Commission of Pakistan (“SECP”) and pursuant to the applicable provisions of the Companies Act, 2017, the consent of the Members of **Lalpir Power Limited (“the Company”)** be and is hereby accorded to change of name of the Company from ‘**Lalpir Power Limited**’ to ‘**Lalpir Limited**’.

RESOLVED FURTHER THAT consequent to the aforesaid change of name the name Lalpir Power Limited, wherever appearing in the Memorandum and Articles of Association of the Company and/or in any other Deed, Document, instrument or record of the Company be and is hereby substituted with the name “Lalpir Limited”.

RESOLVED FURTHER THAT Chief Executive Officer and/or Company Secretary of the Company (“authorized officers”) be and are hereby singly / jointly authorized to do all such acts, deeds and things and to take all necessary steps, including but not limited to making requisite filings and applications with the SECP as may be necessary or expedient for to give effect to this resolution.

- C) RESOLVED THAT** pursuant to the provisions of Section 183(3)(a) of the Companies Act, 2017, the consent of the members of **Lalpir Power Limited (“the Company”)** be and is hereby accorded to the disposal and sale of plant and machinery, sizeable part of buildings, stores, spare parts and other consumables (“the Assets”) of the Company located at power plant site, at Mehmood Kot, Muzaffargarh, Punjab.

RESOLVED FURTHER THAT as part and parcel of the foregoing consent, the Board of Directors be and are hereby authorized and empowered to undertake, finalize and complete the sale of the Assets, on such terms and conditions as it may deem fit and in the best interest of the Company and its shareholders, including securing the best available market price.

FURTHER RESOLVED THAT the Board of Directors be and is hereby authorized to delegate any of its powers in connection with the foregoing to the Chief Executive Officer (CEO) or any other person with full authority to to conduct negotiations, obtaining offers, enter into agreement, execute documents and do all acts, deeds and things necessary or incidental for the purpose of implementing and completing the sale of the Assets and to secure the best available market price for the Assets.

FURTHER RESOLVED THAT the Chief Executive Officer and/or the Company Secretary be and are hereby singly/jointly authorized to take all necessary steps, actions and filings, and to do all acts, deeds and things as may be necessary or expedient to give effect to this resolution.

I/we hereby exercise my/our vote in respect of above mentioned special resolutions through postal ballot by conveying my/our assent or dissent to the said resolutions by placing tick (✓) mark in the appropriate box below:

Sr. No.	Nature and Description of resolutions	I/We assent to the Resolutions (FOR)	I/We dissent to the Resolutions (AGAINST)
1.	Special Resolution as per the Agenda Special Business 4 (A) (as given above)		
3.	Special Resolution as per the Agenda Special Business 4 (B) (as given above)		
3.	Special Resolution as per the Agenda Special Business 4 (C) (as given above)		

Shareholder / Proxy holder Signature/Authorized Signatory
(In case of corporate entity, please affix company stamp)

Place: _____

Date: _____

NOTES:

- Duly filled postal ballots should be sent to the Chairman at Nishat House, 53-A, Lawrence Road, Lahore or through email at: chairman@lalpir.com .
- Copy of CNIC, NICOP/Passport (In case of foreigner) should be enclosed with the postal ballot form.
- Postal Ballot form should reach the Chairman of the Meeting on or before April 26, 2026 up to 5:00 p.m. Any Postal Ballot received after this time/date, will not be considered for voting.
- In case of a representative of a body corporate, corporation or Federal Government, the Ballot Paper form must be accompanied by a copy of the CNIC of an authorized person, an attested copy of Board Resolution / Power of Attorney / Authorization Letter etc., in accordance with Section(s) 138 or 139 of the Companies Act, 2017 as applicable. In the case of foreign body corporate etc., all documents must be attested by the Consul General of Pakistan having jurisdiction over the member.
- Signature on postal ballot should match with signature on CNIC, NICOP/Passport (In case of foreigner).
- Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.

لال نیر پاور لیٹڈ
ڈاک کے ذریعے دستک کے لیے پلٹ پیج

خصوصی قراردادیں

4 خصوصی امور:

مزید قرار پایا ہے کہ نام کی تبدیلی کے نتیجے میں کمپنی کے سمورے بیڈم، آرٹیکلز آف ایسوسی ایشن اور دیگر تمام دستاویزات میں جہاں کہیں بھی پرانا نام درج ہے، اسے نئے نام "لال پیر لمیٹڈ" سے تبدیل کر دیا جائے۔
مزید قرار پایا ہے کہ کمپنی کے چیف ایگزیکٹو آفیسر اور/یا کمپنی سیکرٹری ("مجاز افسران") انفرادی یا مشترکہ طور پر اس قرارداد پر عملدرآمد کے لیے تمام ضروری اقدامات کریں، بشمول لیکن محدود نہیں سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) میں مطلوبہ درخواستیں اور فارمز جمع کروانا۔

C) قرار پایا ہے کہ کمپنیز ایکٹ 2017 کی دفعہ (a) 183(3) کے تحت، لال پیر پاور لمیٹڈ (کمپنی) کے اراکین کمپنی کے پاور پلانٹ (حمود کوٹ، مظفر گڑھ، پنجاب) میں واقع پلانٹ و شینری، عمارتوں کے بڑے حصے، اسٹورز، اسپتیر پارٹس اور دیگر قابل استعمال اشیاء ("اثاثہ جات") کی فروخت اور تصرف کی منظوری دیتے ہیں۔

مزید قرار پایا ہے کہ بورڈ آف ڈائریکٹرز کو اختیار دیا جاتا ہے کہ وہ ان اثاثہ جات کی فروخت کو حتمی شکل دیں اور مکمل کریں، اور ایسی شرائط و ضوابط طے کریں جو کمپنی اور اس کے شیئرز ہولڈرز کے بہترین مفاد میں ہوں، بشمول بہترین مارکیٹ قیمت حاصل کرنا۔

مزید قرار پایا ہے کہ بورڈ آف ڈائریکٹرز کو یہ اختیار دیا جاتا ہے کہ وہ مذکورہ بالا معاملات کے سلسلے میں اپنے اختیارات چیف ایگزیکٹو آفیسر (CEO) یا کسی بھی دیگر شخص کو تفویض کر سکے، اور اسے مکمل اختیار حاصل ہوگا کہ وہ مذاکرات کرے، پیشکشیں حاصل کرے، معاہدے کرے، دستاویزات پر دستخط کرے اور ایسے تمام اقدامات، امور اور کارروائیاں انجام دے جو اثاثہ جات کی فروخت کو موثر طریقے سے مکمل کرنے اور ان کے لیے بہترین ممکنہ مارکیٹ قیمت حاصل کرنے کے لیے ضروری یا متعلقہ ہوں۔

مزید قرار پایا ہے کہ چیف ایگزیکٹو آفیسر اور/یا کمپنی سیکرٹری کو انفرادی یا مشترکہ طور پر یہ اختیار دیا جاتا ہے کہ وہ اس قرارداد کو نافذ کرنے کے لیے تمام ضروری اقدامات، کارروائیاں اور قانونی فائلنگز مکمل کریں، اور ایسے تمام امور سرانجام دیں جو اس قرارداد کو موثر بنانے کے لیے ضروری یا متعلقہ ہوں۔

میں/ہم مندرجہ بالا خصوصی قراردادوں کے سلسلے میں پوسٹ بیلٹ کے ذریعے اپنا/ہمارے ووٹ استعمال کرتے ہیں اور ذیل میں مناسب خانہ میں تک (✓) کا نشان لگا کر درج ذیل قراردادوں پر اپنی رضامندی یا اختلاف رائے دیتا ہوں/دیتے ہیں:

نمبر شمار	قراردادوں کی نوعیت اور تفصیل	میں/ہم قراردادوں پر رضامند ہیں (FOR)	میں/ہم قراردادوں پر کے خلاف ہیں (AGAINST)
1-	ایجنڈا آئٹم نمبر 4(A) کے مطابق خصوصی قرارداد (مذکورہ بالا)		
2-	ایجنڈا آئٹم نمبر 4(B) کے مطابق خصوصی قرارداد (مذکورہ بالا)		
3-	ایجنڈا آئٹم نمبر 4(C) کے مطابق خصوصی قرارداد (مذکورہ بالا)		

شیئرز ہولڈرز/پرائسی ہولڈرز دستخط/مجاز کنندہ کے دستخط:

(بصورت کارپوریٹ ادارہ، براہ مہربانی کمپنی کی مہر ثبت کریں)

مقام:

تاریخ:

نوٹس:

1- صحیح طریقے سے پُر شدہ پوسٹ بیلٹ چیئرمین کو نشا، باؤس A-53، لارنس روڈ، لاہور، یا chairman@lalpir.com پر ای میل بھیجنا چاہیے۔

2- NICOP, CNIC / پاسپورٹ کی کاپی (غیر ملکی کی صورت میں) پوسٹ بیلٹ فارم کے ساتھ منسلک ہونی چاہیے۔

3- پوسٹ بیلٹ فارم 26 اپریل 2026 شام 5:00 بجے یا اس سے پہلے چیئرمین اجلاس تک پہنچ جانے چاہئیں۔ اس تاریخ / وقت کے بعد موصول ہونے والا کوئی بھی پوسٹ بیلٹ ووٹنگ کے لیے قبول نہیں کیا جائے گا۔

4- ہاڈی کارپوریٹ، کارپوریشن یا وفاقی حکومت کے نمائندہ کی صورت میں، قابل اطلاق کمپنیز ایکٹ 2017 کی دفعہ 138 یا 139 کے مطابق بیلٹ ہیجے فارم لازماً مجاز فرد کے CNIC کی کاپی، بورڈ کی قرارداد اختیار نامہ / اہترائزیشن لیٹر وغیرہ کی تصدیق کاپی کے ہمراہ ہونا چاہئے۔ غیر ملکی ہاڈی کارپوریٹ وغیرہ کی صورت میں، تمام دستاویزات رکن کی جوریسٹکشن کے پاکستان کے کنسل جنرل سے تصدیق شدہ ہونے چاہئیں۔

5- پوسٹ بیلٹ پر دستخط NICOP, CNIC / پاسپورٹ (غیر ملکی کی صورت میں) کے دستخط سے مماثل ہونا چاہئے۔

6- ہیکسل، بائیر دستخط شدہ، غلط، کٹ کر لکھا ہوا، پینا ہوا، مسخ شدہ، دوبارہ لکھا ہوا بیلٹ ہیجے مسٹر کر دیا جائے گا۔

FORM OF PROXY

I/We, _____

of _____ CDC A/C NO. / FOLIO NO. _____

being a shareholder of the LALPIR POWER LIMITED (The Company) do hereby appoint.

Mr./Miss/Ms. _____

of _____ CDC A/C NO. / FOLIO NO. _____

and or failing him/her _____ of _____

who is/are also a shareholder of the said Company, as my/our proxy in my/our absence and to vote for me/us at the Annual General Meeting of the Company to be held on April 27, 2026 (Monday) at 11:30 A.M. at Emporium Mall, The Nishat Hotel, Trade and Finance Centre Block, Near Expo Centre, Abdul Haq Road, Johar Town, Lahore, and at any adjournment thereof in the same manner as I/we myself/ourselves would vote if personally present at such meeting.

As witness my/our hands in this day of _____ 2026.

Signature _____

Address _____

CNIC No. _____

Revenue
Stamp
of Rs. 50/-

No. of shares held _____

Witness:-

Name _____

Name _____

Address _____

Address _____

CNIC No. _____

CNIC No. _____

IMPORTANT:

- a. This instrument appointing a proxy, duly completed, must be received at the registered Office of the Company at Nishat House, 53-A, Lawrence Road, Lahore not later than 48 hours before the time of holding the Annual General Meeting. For Appointing Proxies.
- b. Attested copies of the CNIC or the passport of beneficial owners shall be furnished with the proxy form.
- c. The proxy shall produce his original CNIC or original passport at the time of the Meeting.
- d. In case of corporate entity, the Board's resolution / power of attorney with specimen signature shall be furnished along with proxy form to the Company.

AFFIX
CORRECT
POSTAGE

The Company Secretary

LALPIR POWER LIMITED

53 - A, Lawrence Road, Lahore.

UAN: 111 113 333 Fax: 042 - 36367414

نمائندگی کا فارم (پراسی فارم)

اہم نوٹ:

-a

-b

-c

-d

AFFIX
CORRECT
POSTAGE

The Company Secretary

LALPIR POWER LIMITED

53 - A, Lawrence Road, Lahore.

UAN: 111 113 333 Fax: 042 - 36367414



N I S H A T

LALPIR POWER LIMITED

CONTACT US

LALPIR POWER LIMITED

53 - A, Lawrence Road, Lahore. Tel: 042 - 36367812 - 16
Fax: 042 - 36367414 | UAN: 042 - 111-11-33-33