FOR THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2026

ALTERN ENERGY LIMITED

CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

(UN-AUDITED)
FOR THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2026

ALTERN ENERGY LIMITED

ALTERN ENERGY LIMITED
COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Faisal Dawood	Chairman
Mrs. Mehreen Dawood	Director
Mr. Farooq Nazir	Director
Mr. Saqib Sajjad	Director
Mr. Syed Rizwan Ali Shah	Director
Mrs. Aliya Saeeda Khan	Independent Director
Mr. Muhammad Saqlain Arshad	Independent Director
Mr. Umer Shehzad Sheikh	Chief Executive (Deemed Director)

AUDIT COMMITTEE

Mrs. Aliya Saeeda Khan	Chairperson
Mr. Farooq Nazir	
Mr. Syed Rizwan Ali Shah	

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Farooq Nazir	Chairman
Mrs. Mehreen Dawood	
Mr. Syed Rizwan Ali Shah	

CHIEF FINANCIAL OFFICER
Mr. Sohail Abid

COMPANY SECRETARY
Mr. Salman Ali

HEAD INTERNAL AUDIT
Mrs. Rabia Shoaib

EXTERNAL AUDITORS
M/s. Grant Thornton Anjum Rahman, Chartered Accountants

BANKERS
MCB Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited

REGISTERED OFFICE
DESCON HEADQUARTERS, 18-km Ferozpur Road, Lahore.

REGISTRAR SHARES
M/s. Corplink (Pvt.) Limited
Wings Arcade, 1-k Commercial Model Town, Lahore.
Tel: (92-42) 35839182 Fax: (92-42) 35869037

ALTERN ENERGY LIMITED
DIRECTORS' REVIEW

We, the undersigned, on behalf of the Board of Directors of Altern Energy Limited ('the Company') present the un-audited consolidated and unconsolidated condensed interim financial statements of the Company for the three-month period ended September 30, 2026.

GENERAL

The principal objective of the Company is to set up an industrial undertaking for electricity generation and to generate and sell electricity to Central Power Purchasing Agency (Guarantee) Limited ("CPPA"), as per the regulatory framework. The Company owns 100% shares of Power Management Company (Private) Limited ('PMCL') (a special purpose vehicle), which in turn holds 67.31% (June 30, 2026: 67.31%) shares of Rousch (Pakistan) Power Limited ('RPPL'). The details have been provided in note 8 to the condensed interim unconsolidated financial statements annexed with this report.

KEY DEVELOPMENTS

- The Company had set up a gas fired power plant having an installed capacity of 32 Mega Watts (June 30, 2026: 32 Mega Watts) near Fateh Jang, Punjab. The Company had entered into a Power Purchase Agreement ("PPA") with its sole customer, CPPA, for thirty years, which commenced from June 6, 2001, ending on June 5, 2031. Given continued operational losses suffered by the Company as a result of no dispatch demand from the off-taker during the past several years, during 2025 the Company after obtaining approval of the Shareholders of the Company, submitted a request to CPPA and Private Power and Infrastructure Board ("PPIB"), for early termination/retirement of : (i) the Power Purchase Agreement ("PPA") entered with CPPA, (ii) the Implementation Agreement entered with the President of Islamic Republic of Pakistan on behalf of the Government of Pakistan ("IA"), and (iii) the Guarantee issued by the Government of Pakistan ("Guarantee"), (the PPA, the IA and the Guarantee are hereinafter collectively referred to as the "Agreements").

- Subsequent to the consent of all the relevant stakeholders, the Federal Cabinet granted its approval for the early termination of the Agreements. Accordingly, on April 30, 2026, the Company's following instruments stand terminated via Termination Agreements:

  i. the Implementation Agreement dated July 19, 1995, executed with the Government of Pakistan,
  ii. the Guarantee issued by the Government of Pakistan.
  iii. the Power Purchase Agreement dated September 18, 1995, executed with CPPA.
  iv. The Gas Supply Agreement dated August 03, 2007 executed with Sui Northern Gas Pipelines Limited.

- Subsequent to the Termination of these agreements, the Company submitted a request for early cancellation of the Generation License No. IPGL/021/2004, dated September 22, 2004, with National Electric Power Regulatory Authority ("NEPRA"). On August 28, 2026, NEPRA has cancelled the Generation License of the Company.

MATERIAL INFORMATION

In view of the foregoing, the power generation equipment installed at the Complex have become surplus to the operational requirements. Accordingly, the shareholders of the Company in their Annual General Meeting held on October 26, 2026 have authorised the Board of Directors to undertake, negotiate, finalize and complete the sale of a sizeable part of plant and machinery along with spare parts and other consumables in order to derive maximum value for the Company.

GOING CONCERN ASSUMPTION

As a result of no generation revenue during the past few years, the major income to support the operations of the Company has been dividends from the subsidiary, RPPL. As mentioned in the ensuing paragraphs, RPPL handed over its power generation complex to the Government in 2024 and can no longer generate and sell electricity. These conditions indicate a material uncertainty on the Company's ability to continue as a going concern. However, these condensed interim financial statements have been prepared on going concern basis due to the following:

- Based on RPPL's cash flow projections, RPPL is expected to generate sufficient returns from its investments to provide the Company with a regular dividend income stream. This income is expected to support the Company in meeting its projected expenditures, including potential tax contingencies.

- Management is implementing a cost-optimisation plan in accordance with the Board of Directors' guidance. The measures include, among others, workforce rationalisation where appropriate and reductions in overheads and other operating expenses.

FINANCE

During the period under review, the Company incurred gross loss of Rs. 11 million as compared to gross loss of Rs. 27 million in corresponding period of 2025. The Company incurred net loss after tax of Rs. 34 million resulting in a loss per share of Rs. 0.09, as compared to net loss of Rs. 41 million and a loss per share of Rs. 0.11 in corresponding period of 2025.

Your Company's consolidated profit attributable to the equity holders of Altern Energy Limited for the period under review is Rs. 10 million resulting in an earnings per share of Rs. 0.03, as compared to consolidated loss of Rs. 82 million and a loss per share of Rs. 0.23 in the corresponding period of the last year.

QUALITY, ENVIRONMENT, HEALTH & SAFETY ('QEHS')

The Company adheres to a set of QEHS Principles implemented to achieve optimal standards of health and safety for its employees. Overall, the health, safety and environment performance of the plant remained satisfactory during the period under review.

SUBSIDIARY REVIEW

During 2024, RPPL was approached by the Government of Pakistan for early retirement /termination of the Power Purchase Agreement ("PPA") entered into with Central Power Purchasing Agency (Guarantee) Limited ("CPPA"), the Implementation Agreement ("IA") entered into with the President of the Islamic republic of Pakistan, and the Guarantee issued by the Islamic Republic of Pakistan ("the Agreements"). Subsequent to approval from all stakeholders, RPPL signed a Negotiated Settlement Agreement ("NSA") for Termination of the Agreements. As per the terms of the NSA, CPPA paid the agreed outstanding receivables to RPPL by December 31, 2024. Accordingly, RPPL handed over the Complex to the Government of Pakistan's designated entity National Power Parks Management Company Limited ("NPPMCL"). Resultantly, RPPL no longer owns the Complex to generate and sell electricity to CPPA.

During the period under review, RPPL reported a net profit of Rs. 111 million (EPS of Rs. 0.13) as compared to net profit of Rs. 76 million (EPS of Rs. 0.09) incurred during the corresponding period of the previous year.

CORPORATE GOVERNANCE

Composition of the Board of Directors

The total numbers of directors are eight including Chief Executive (Deemed Director) as per the following composition:

Male 6
Female 2

The composition of the board is as follows:

Sr. No.	Category	Names
1	Non-Executive Directors	Mr. Faisal Dawood (Chairman)
2		Mr. Farooq Nazir
3		Mrs. Mehreen Dawood
4		Mr. Syed Rizwan Ali Shah
5		Mr. Saqib Sajjad
6	Independent Directors	Mrs. Aliya Saeeda Khan
7		Mr. Muhammad Saqlain Arshad
8	Chief Executive (Deemed Director)	Mr. Umer Shehzad Sheikh

Committees of the Board

The Board has established two committees which are chaired by Independent or Non-executive Directors. These committees are as follows:

Audit Committee

The Audit Committee comprises of three (3) members as follows:

Mrs. Aliya Saeeda Khan	(Independent Director – Chairperson)
Mr. Farooq Nazir	(Non-Executive Director)
Mr. Syed Rizwan Ali Shah	(Non-Executive Director)

Human Resource & Remuneration Committee

The Human Resource & Remuneration Committee comprises of three (3) members as follows:

Mr. Farooq Nazir	(Non-Executive Director – Chairman)
Mrs. Mehreen Dawood	(Non-Executive Director)
Mr. Syed Rizwan Ali Shah	(Non-Executive Director)

Internal Audit and Control

The Board of Directors has set up an independent audit function headed by a qualified person reporting to the Audit Committee. The scope of the internal audit function within the Company is clearly defined by the Audit Committee which involves regular review of internal financial controls.

RISK MANAGEMENT

There has been no change in the risk management profile and risk policies of the Company as disclosed in Note 33 of the annual audited financial statements of the Company for the year ended June 30, 2026.

RELATED PARTY TRANSACTIONS

The transactions with related parties are conducted in ordinary course of business on an arm's length basis. In accordance with the requirements of the Act and the Regulations, the Board of Directors have approved a policy for related party transactions. The Company has made appropriate disclosure of the related party transactions in the condensed interim financial statements annexed with this report.

DIRECTORS' REMUNERATION

The remuneration of Board members is fixed by the Board itself. A formal directors' remuneration policy approved by the Board is in place. The policy states procedure for remuneration to Directors in accordance with requirements of the Companies Act 2017 ('the Act'), and the Listed Companies Code of Corporate Governance Regulations, 2019 ('the Regulations').

CORPORATE SOCIAL RESPONSIBILITY

The Company is committed to act responsibly towards the community and environment for mutual benefit. The Company recognizes the importance of being a good corporate citizen in steering its business as well as delivering its obligations in social welfare of its staff and community in general. Particular attention is given to protect the environment of the local community by planting trees. Additionally, local community benefits from the strategy of employing more staff at our plant site from surrounding areas.

FUTURE OUTLOOK

During the previous years, as a result of the negotiations between public and private sector IPPs and the Government of Pakistan, tariffs of various IPPs were reduced and the Agreements of some IPPs were terminated. Your company's subsidiary, RPPL, was one of the IPPs whose Agreements were terminated as a result of negotiations with the Task Force, and its complex was handed over to NPPMCL in 2024. Resultantly, RPPL will no longer be able to generate operational revenue in the future.

Altern had been facing serious liquidity challenges due to its PPA being on a take-and-pay arrangement, facing difficulties in meeting its fixed costs due to zero dispatch from the off-taker during the last many years. During 2025, upon approval from the shareholders, the Company submitted a request for early termination / retirement of its Agreements with the Government. In April 2026, the Company signed termination Agreements whereby the PPA, the IA, the Gop Guarantee and the GSA have been terminated. Subsequent to termination of the Agreements, the Company submitted a request for cancellation of the generation license with NEPRA. In August 2026, NEPRA has granted the cancellation of the generation license. Consequently, the Company can no longer generate and sell electricity to CPPA.

Upon recommendation from the Board of Directors, the shareholders of the Company have approved the disposal of a sizeable part of the plant and machinery including spares parts of the Company since these have become surplus to the operational requirements in view of the termination of Agreements. Once this process is completed, your Board will evaluate future course of action. In the meanwhile, the Company remains a going concern supported by the future dividend income from RPPL.

ACKNOWLEDGEMENT

The Board remains grateful to its employees and stakeholders for their continued support and commitment and for placing their confidence and trust to steer the Company in these challenging times.

For and on behalf of the Board

Umer Shehzad Sheikh
Chief Executive
Date: October 26, 2026
Place: Lahore.

Farooq Nazir
Director

ڈائریکٹرز کی جائزہ رپورٹ

ہم زیر دستخط، آلٹرن انرجی لمیٹڈ (کمپنی) کے بورڈ آف ڈائریکٹرز کی جانب سے، 30 ستمبر، 2026 کو ختم ہونے والی تین ماہ کی مدت کے لیے کمپنی کے غیر آڈٹ شدہ کنسولیڈیٹڈ اوران کنسولیڈیٹڈ عبوری مالیاتی بیانات پیش کرتے ہیں۔

جنرل:

کمپنی کا بنیادی مقصد ریگولیٹری فریم ورک کے مطابق بجلی کی پیداوار کے لیے ایک صنعتی ادارہ قائم کرنا اور سینٹرل پاور پرچیزنگ ایجنسی (گارنٹی) لمیٹڈ (''CPPA'') کو بجلی پیدا کرنا اور فروخت کرنا ہے۔ کمپنی، پاور مینجمنٹ کمپنی (پرائیویٹ) لمیٹڈ (''PMCL'') (ایک خاص مقصد والی گاڑی) کے 100% حصص کی مالک ہے، جس کے نتیجے میں روش (پاکستان) پاور لمیٹڈ (''RPPL'') کے 67.31% (30 جون، 2026: 67.31%) حصص ہیں۔

تفصیلات نوٹ نمبر 8 میں اس رپورٹ کے ساتھ منسلک جامع عبوری غیر مستحکم مالیاتی بیانات میں فراہم کی گئی ہیں۔

اہم پیشرفت:

- کمپنی نے فتح جنگ، پنجاب کے قریب 32 میگا واٹس (30 جون 2026: 32 میگا واٹس) کی نصب صلاحیت کے ساتھ گیس سے چلنے والا پاور پلانٹ قائم کیا تھا۔ کمپنی نے اپنے واحد گاہک CPPA کے ساتھ تیس سالوں کے لیے پاور پرچیز ایگریمنٹ (''PPA'') کیا تھا، جو 6 جون، 2001 سے شروع ہوا اور 5 جون، 2031 کو ختم ہونا تھا۔ گزشتہ کئی سالوں کے دوران آف ٹیکر کی جانب سے ڈسپیچ ڈیمانڈ نہ ہونے کے نتیجے میں کمپنی کو مسلسل آپریشنل نقصانات کا سامنا کرنا پڑا، 2025 کے دوران کمپنی کے شیئر ہولڈرز کی منظوری حاصل کرنے کے بعد، کمپنی نے PPIB اور CPPA کو جلد معاہدوں کو ختم کرنے درخواست جمع کرائی۔

i۔ پاور پرچیز ایگریمنٹ (''PPA'')، CPPA کے ساتھ داخل ہوا۔
ii۔ حکومت پاکستان (''IA'') کی جانب سے اسلامی جمہوریہ پاکستان کے صدر کے ساتھ عمل درآمد کا معاہدہ، اور
iii۔ حکومت پاکستان کی طرف سے جاری کردہ گارنٹی (''Guarantee'')، (PPA، IA اور گارنٹی کو بعد میں اجتماعی طور پر ''معاہدے'' کہا جاتا ہے)۔

- تمام متعلقہ اسٹیک ہولڈرز کی رضامندی کے بعد، وفاقی کابینہ نے معاہدوں کو جلد ختم کرنے کی منظوری دے دی۔ اس کے مطابق، 30 اپریل، 2026 کو، کمپنی کے مندرجہ ذیل آلات ختم ہونے کے معاہدے کے ذریعے ختم ہو گئے ہیں۔

i۔ 19 جولائی، 1995 کا معاہدہ، حکومت پاکستان کے ساتھ عمل میں آیا،
ii۔ حکومت پاکستان کی طرف سے جاری کردہ گارنٹی
iii۔ پاور پرچیز ایگریمنٹ مورخہ 18 ستمبر 1995، CPPA کے ساتھ عمل میں آیا،
iv۔ گیس سپلائی کا معاہدہ مورخہ 03 اگست، 2007 کو سوئی ناردرن گیس پائپ لائنز لمیٹڈ کے ساتھ عمل میں آیا۔

- ان معاہدوں کے خاتمے کے بعد، کمپنی نے نیشنل الیکٹرک پاور ریگولیٹری اتھارٹی (''NEPRA'') کے ساتھ 22 ستمبر، 2004 کو جنریشن لائسنس نمبر IPGL/021/2004 کی جلد منسوخی کی درخواست جمع کرائی۔ 28 اگست، 2026 کو NEPRA نے کمپنی کا جنریشن لائسنس منسوخ کر دیا ہے۔

اہم معلومات:

مذکورہ بالا کے پیش نظر کمپلیکس میں نصب بجلی پیدا کرنے کا سامان آپریشنل ضروریات سے زائد ہو گیا ہے۔ اسی لیے کمپنی کے شیئر ہولڈرز نے 26 اکتوبر، 2026 کو منعقدہ اپنی سالانہ جنرل میٹنگ میں بورڈ آف ڈائریکٹرز کو اسپیئر پارٹس اور دیگر استعمال کی اشیاء کے ساتھ پلانٹ اور مشینری کے ایک بڑے حصے کی فروخت شروع کرنے، حتمی شکل دینے اور مکمل کرنے کا اختیار دے دیا ہے۔

گوئنگ کنسرن مفروضہ:

پچھلے کچھ سالوں کے دوران کوئی جنریشن ریونیو نہ ہونے کے نتیجے میں، کمپنی کے آپریشنز کو سپورٹ کرنے کے لیے بڑی آمدنی ذیلی ادارے RPPL سے منافع رہی ہے۔ جیسا کہ آنے والے پیراگراف میں ذکر کیا گیا ہے، RPPL نے 2024 میں اپنا پاور جنریشن کمپلیکس حکومت کے حوالے کر دیا اور اب وہ بجلی پیدا اور فروخت نہیں کر سکتا۔ یہ حالات کمپنی کے آپریشنز جاری رکھنے کی صلاحیت پر غیر یقینی صورتحال کی نشاندہی کرتے ہیں۔ تاہم، یہ عبوری مالیاتی بیانات کمپنی کے مستقل چلتے رہنے کی بنیاد پر تیار کیے گئے ہیں۔

- RPPL کے کیش فلو کے تخمینوں کی بنیاد پر، توقع کی جاتی ہے کہ وہ کمپنی کو مستقل ڈیویڈنڈ آمدنی کا سلسلہ فراہم کرنے کے لیے اپنی سرمایہ کاری سے کافی منافع پیدا کرے گا۔ توقع ہے کہ یہ آمدنی کمپنی کو اس کے متوقع اخراجات بشمول ممکنہ ٹیکس ہنگامی حالات کو پورا کرنے میں مدد دے گی۔
- مینجمنٹ بورڈ آف ڈائریکٹرز کی رہنمائی کے مطابق کم اخراجات کے منصوبے کو نافذ کر رہی ہے۔ ان اقدامات میں، دوسروں کے علاوہ جہاں مناسب ہو افرادی قوت کی معقولیت اور اوور ہیڈز اور دیگر آپریٹنگ اخراجات میں کمی شامل ہے۔

فنانس:

زیر جائزہ مدت کے دوران، کمپنی کو 2025 کی اسی مدت میں 27 ملین روپے کے مجموعی نقصان کے مقابلے میں 11 ملین روپے کا مجموعی نقصان ہوا۔ کمپنی کو ٹیکس کے بعد 34 ملین روپے کا خالص نقصان اٹھانا پڑا جس کے نتیجے میں فی حصص 0.09 روپے کا نقصان ہوا جبکہ 2025 کی اسی مدت میں 41 ملین روپے کا خالص نقصان اور 0.11 روپے کا فی حصص کا نقصان ہوا۔

زیر جائزہ مدت کے لیے آلٹرن انرجی لمیٹڈ کے ایکویٹی ہولڈرز سے منسوب آپ کی کمپنی کا مجموعی منافع 10 ملین روپے ہے جس کے نتیجے میں فی حصص آمدنی 0.03 روپے ہے جبکہ پچھلے سال کی اسی مدت میں 82 ملین روپے کے مجموعی نقصان کے ساتھ فی حصص 0.23 روپے تھا۔

معیار، ماحولیات، صحت اور حفاظت (''QEHS''):

کمپنی اپنے ملازمین کے لیے صحت اور حفاظت کے بہترین معیارات حاصل کرنے کے لیے لاگو کیے گئے QEHS اصولوں کے ایک سیٹ پر عمل پیرا ہے۔ مجموعی طور پر، زیر جائزہ مدت کے دوران پلانٹ کی صحت، حفاظت اور ماحولیات کی کارکردگی تسلی بخش رہی۔

ذیلی جائزہ:

2024 کے دوران، RPPL سے حکومت پاکستان نے (CPPA) کے ساتھ طے پانے والے پاور پرچیزنگ ایگریمنٹ (''PPA'') کی جلد ریٹائرمنٹ/ختم کرنے کے لیے رابطہ کیا، نفاذ کا معاہدہ (IA) کے ساتھ کیا گیا۔ اسلامی جمہوریہ پاکستان کے صدر اور اسلامی جمہوریہ پاکستان کی طرف سے جاری کردہ گارنٹی (معاہدے) تمام اسٹیک ہولڈرز کی منظوری کے بعد، RPPL نے معاہدوں کے خاتمے کے لیے ایک مذاکراتی تصفیے کے معاہدے (''NSA'') پر دستخط کیے۔ NSA کی شرائط کے مطابق، CPPA نے 31 دسمبر، 2024 تک RPPL کو متفقہ بقایا وصولیوں کی ادائیگی کی۔ اسی مناسبت سے، RPPL نے کمپلیکس کو حکومت پاکستان کے نامزد ادارے نیشنل پاور پارکس مینجمنٹ کمپنی لمیٹڈ (''NPPMCL'') کے حوالے کر دیا۔ نتیجتاً، RPPL اب CPPA کو بجلی پیدا کرنے اور فروخت کرنے کے لیے کمپلیکس کا مالک نہیں ہے۔

زیر جائزہ مدت کے دوران، RPPL نے 111 ملین روپے (آمدنی فی حصص، 0.13 روپے) کا خالص منافع رپورٹ کیا جبکہ پچھلے سال کی اسی مدت کے دوران 76 ملین روپے کے خالص منافع کے ساتھ آمدنی فی حصص 0.09 روپے ہوئی۔

کارپوریٹ گورننس

بورڈ آف ڈائریکٹرز کی تشکیل:

بورڈ آف ڈائریکٹر کی کل تعداد 8 ہے، جن میں چیف ایگزیکٹیو (ڈیمڈ ڈائریکٹر) شامل ہیں، جن میں مندرجہ ذیل تشکیل ہے۔

مرد	6
خاتون	2

نمبر شمار	کیٹگری	نام
1	نان ایگزیکٹو ڈائریکٹر	جناب فیصل داؤد (چیئرمین)
2	نان ایگزیکٹو ڈائریکٹر	جناب فاروق نذیر
3	نان ایگزیکٹو ڈائریکٹر	مسز مہرین داؤد
4	نان ایگزیکٹو ڈائریکٹر	جناب سید رضوان علی شاہ
5	نان ایگزیکٹو ڈائریکٹر	جناب ثاقب سجاد
6	آزاد ڈائریکٹر	محترمہ عالیہ سعیدہ خان
7	آزاد ڈائریکٹر	جناب محمد ثقلین ارشد
8	چیف ایگزیکٹو	عمر شہزاد شیخ (ڈیمڈ ڈائریکٹر)

بورڈ کی کمیٹیاں:

بورڈ نے دو کمیٹیاں قائم کی ہیں جن کی صدارت آزاد یا غیر ایگزیکٹو ڈائریکٹرز کرتے ہیں، یہ کمیٹیاں درج ذیل ہیں:۔

آڈٹ کمیٹی:

آڈٹ کمیٹی تین ارکان پر مشتمل ہیں

محترمہ عالیہ سعیدہ خان	آزاد ڈائریکٹر (چیئرپرسن)
جناب فاروق نذیر	نان ایگزیکٹو ڈائریکٹر
جناب سید رضوان علی شاہ	نان ایگزیکٹو ڈائریکٹر

انسانی وسائل اور معاوضہ کمیٹی (HRRC):

HRRC تین ارکان پر مشتمل ہیں:

جناب فاروق نذیر	(نان ایگزیکٹو ڈائریکٹر) (چیئرمین)
مسز مہرین داؤد	نان ایگزیکٹو ڈائریکٹر
جناب سید رضوان علی شاہ	نان ایگزیکٹو ڈائریکٹر

اندرونی آڈٹ اور کنٹرول:

بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی کو رپورٹ کرنے والے ایک اہل شخص کی سربراہی میں ایک آزاد آڈٹ فنکشن قائم کیا ہے۔ کمپنی کے اندر اندرونی وٹ فنکشن کے دائرہ کار کو آڈٹ کمیٹی واضح طور پر بیان کرتی ہے، جس میں اندرونی مالیاتی کنٹرولز کا باقاعدہ جائزہ شامل ہوتا ہے۔

رسک مینجمنٹ:

کمپنی کے رسک مینجمنٹ پروفائل اور رسک پالیسیوں میں کوئی تبدیلی نہیں کی گئی ہے جیسا کہ 30 جون 2026 کو ختم ہونے والے سال کے لیے کمپنی کے سالانہ آڈٹ شدہ مالیاتی بیانات کے نوٹ 33 میں ظاہر کیا گیا ہے۔

متعلقہ پارٹی لین دین:

متعلقہ فریقوں کے ساتھ لین دین ایک بازو کی لمبائی کی بنیاد پر کاروبار کے عام کورس میں کئے جاتے ہیں۔ ایکٹ اور ضوابط کے تقاضوں کے مطابق، بورڈ آف ڈائریکٹرز نے متعلقہ فریق کے لین دین کے لیے ایک پالیسی کی منظوری دی ہے۔ کمپنی نے اس رپورٹ کے ساتھ منسلک مالی بیانات میں متعلقہ فریق کے لین دین کی مناسب تفصیل بیان کی ہے۔

ڈائریکٹرز کا معاوضہ:

بورڈ ممبران کا معاوضہ بورڈ خود طے کرتا ہے۔ بورڈ کی طرف سے منظور شدہ ایک باضابطہ ڈائریکٹرز معاوضے کی پالیسی موجود ہے۔ پالیسی کمپنیز ایکٹ 2017 (ایکٹ) اور کارپوریٹ گورننس ریگولیشنز کے لسٹڈ کمپنیز کوڈ، 2019 (ضوابط) کے تقاضوں کے مطابق ڈائریکٹرز کو معاوضے کے طریقہ کار کو بیان کرتی ہے۔

کارپوریٹ سماجی ذمہ داری:

کمپنی باہمی فائدے کے لیے کمیونٹی اور ماحولیات کے لیے ذمہ داری سے کام کرنے کے لیے پرعزم ہے۔ کمپنی اپنے کاروبار کو چلانے کے ساتھ ساتھ اپنے عملے اور کمیونٹی کی عمومی طور پر سماجی بہبود میں اپنی ذمہ داریوں کو پورا کرنے میں ایک اچھا کارپوریٹ شہری ہونے کی اہمیت کو تسلیم کرتی ہے۔ درخت لگا کر مقامی کمیونٹی کے ماحول کے تحفظ پر خصوصی توجہ دی جاتی ہے۔ مزید برآں، مقامی کمیونٹی آس پاس کے علاقوں سے ہمارے پلانٹ سائٹ پر مزید عملے کو ملازمت دینے کی حکمت عملی سے فائدہ اٹھاتی ہے۔

مستقبل کا نقطہ نظر

پچھلے سالوں کے دوران سرکاری اور نجی شعبے کے آئی پی پیز اور حکومت پاکستان کے درمیان مذاکرات کے نتیجے میں مختلف آئی پی پیز کے ٹیرف میں کمی آئی اور کچھ آئی پی پیز کے معاہدے ختم کر دیے گئے۔ آپ کی کمپنی کی ذیلی کمپنی، RPPL، آئی پی پیز میں سے ایک تھی جس کے معاہدے ٹاسک فورس کے ساتھ مذاکرات کے نتیجے میں ختم کر دیئے گئے تھے، اور اس کے کمپلیکس کو 2024 میں NPPMCL کے حوالے کر دیا گیا تھا، نتیجتاً، RPPL مستقبل میں آپریشنل ریونیو پیدا کرنے کے قابل نہیں رہا۔

ALTERN کو لیکویڈیٹی کے سنگین چیلنجوں کا سامنا تھا کیونکہ اس کی پی پی ٹیک اینڈ پے کے انتظامات پر تھی، پچھلے کئی سالوں کے دوران آف ٹیکر سے صفر ڈسپیچ کی وجہ سے اسے اپنے مقررہ اخراجات کو پورا کرنے میں مشکلات کا سامنا تھا۔ سال 2025 کے دوران، شیئر ہولڈرز کی منظوری پر، کمپنی نے حکومت کے ساتھ اپنے معاہدوں کو جلد ختم کرنے/ریٹائرمنٹ کی درخواست جمع کرائی۔ اپریل، 2026 میں کمپنی نے برطرفی کے معاہدوں پر دستخط کیے، جس کے تحت PPA، IA، GoP گارنٹی اور GSA کو ختم کر دیا گیا ہے۔ معاہدے کے خاتمے کے بعد، کمپنی نے NEPRA کے ساتھ جنریشن لائسنس کی منسوخی کی درخواست جمع کرائی۔ 28 اگست 2026 میں، NEPRA نے جنریشن لائسنس کی منسوخی کی منظوری دے دی ہے۔ نتیجتاً، کمپنی اب CPPA کو بجلی پیدا اور فروخت نہیں کر سکتی۔

بورڈ آف ڈائریکٹرز کی سفارش پر، کمپنی کے شیئر ہولڈرز نے پلانٹ کے ایک بڑے حصے اور مشینری بشمول کمپنی کے اسپیئرز پارٹس کو فروخت کرنے کی منظوری دے دی ہے کیونکہ یہ معاہدوں کے خاتمے کے پیش نظر آپریشنل ضروریات کے لیے سرپلس ہو گئے ہیں۔ ایک بار جب یہ عمل مکمل ہو جائے گا، آپ کا بورڈ مستقبل کے عمل کا جائزہ لے گا۔ اس دوران، کمپنی RPPL سے ڈیویڈنڈ کی آمدنی سے تعاون سے چلتی رہے گی۔

اعتراف:

بورڈ اپنے ملازمین اور اسٹیک ہولڈرز کی مسلسل حمایت اور عزم اور ان مشکل وقتوں میں کمپنی کو چلانے کے لیے ان کا اعتماد اور اعتماد رکھنے کے لیے ان کا شکر گزار ہے۔

بورڈ کی جانب سے

عمر شہزاد شیخ
چیف ایگزیکیوٹیو

فاروق نذیر
ڈائریکٹرز

تاریخ: 26 اکتوبر، 2026

مقام: لاہور

EQUITY AND LIABILITIES	Note	Un-Audited September 30, 2026	Audited June 30, 2026
		(Rupees in thousand)	
SHARE CAPITAL AND RESERVES			
Authorized share capital			
400,000,000 (June 30, 2026: 400,000,000) ordinary shares of Rs. 10 each		4,000,000	4,000,000
Issued, subscribed and paid up share capital			
363,380,000 (June 30, 2026: 363,380,000) ordinary shares of Rs. 10 each		3,633,800	3,633,800
Capital reserve: Share premium		41,660	41,660
Revenue reserve: Accumulated loss		(69,889)	(35,394)
		3,605,571	3,640,066
NON-CURRENT LIABILITIES			
Employee benefit obligations		17,916	16,893
CURRENT LIABILITIES			
Trade and other payables		17,695	8,366
Unclaimed dividends		4,099	4,099
Provision for taxation - net		9,001	8,553
		30,795	21,018
CONTINGENCIES AND COMMITMENTS	5		
		3,654,282	3,677,977

The annexed notes 1 to 23 form an integral part of these condensed interim unconsolidated financial statements.

Chief Executive | Chief Financial Officer | Director

AS AT SEPTEMBER 30, 2026

ASSETS	Note	Un-Audited September 30, 2026	Audited June 30, 2026
		(Rupees in thousand)	
NON-CURRENT ASSETS			
Property, plant and equipment	6	20,292	21,308
Intangible assets	7	21	30
Long term investment	8	3,204,510	3,204,510
Long term security deposits		175	175
		3,224,998	3,226,023
CURRENT ASSETS			
Stores and spares		11,250	11,250
Trade debts - secured	9	-	-
Loans, advances, prepayments and other receivables		49,807	48,678
Short term investments	10	73,135	102,127
Bank balances		5,758	565
		139,950	162,620
Non-current assets held for sale	11	289,334	289,334
		3,654,282	3,677,977

Chief Executive | Chief Financial Officer | Director

	Note	September 30, 2026	September 30, 2025
		(Rupees in thousand)	
Revenue	12	-	34,225
Direct costs	13	(11,181)	(61,375)
Gross Loss		(11,181)	(27,150)
Administrative expenses	14	(25,126)	(13,608)
Other income	15	2,441	2,239
Finance cost		(4)	(2,464)
Loss before income tax and final tax		(33,871)	(40,982)
Taxation - final tax		(521)	(314)
Loss before income tax for the period		(34,392)	(41,296)
Taxation - income tax		(103)	(133)
Loss for the period		(34,495)	(41,430)
Loss per share - basic and diluted - Rupees		(0.09)	(0.11)

The annexed notes 1 to 23 form an integral part of these condensed interim unconsolidated financial statements.

Chief Executive **Chief Financial Officer** **Director**

	September 30, 2026	September 30, 2025
	(Rupees in thousand)	
Loss for the period	(34,495)	(41,430)
Other comprehensive income / (loss):		
Items that will not be reclassified subsequently to profit or loss	-	-
Items that may be reclassified subsequently to profit or loss	-	-
	-	-
Total comprehensive loss for the period	(34,495)	(41,430)

The annexed notes 1 to 23 form an integral part of these condensed interim unconsolidated financial statements.

Chief Executive **Chief Financial Officer** **Director**

	Capital reserve		Revenue reserve	
	Share capital	Share premium	Un-appropriated profit	Total
	(Rupees in thousand)			
Balance as on July 01, 2025 (Audited)	**3,633,800**	**41,660**	**192,002**	**3,867,462**
Loss for the period	-	-	(41,430)	(41,430)
Other comprehensive income / (loss) for the period	-	-	-	-
Total comprehensive loss for the period	-	-	(41,430)	(41,430)
Total contributions by and distributions to owners of the Company recognized directly in equity:				
Balance as on September 30, 2025 (Un-audited)	**3,633,800**	**41,660**	**150,572**	**3,826,032**
Balance as on July 01, 2026 (Audited)	**3,633,800**	**41,660**	**(35,394)**	**3,640,066**
Loss for the period	-	-	(34,495)	(34,495)
Other comprehensive income / (loss) for the period	-	-	-	-
Total comprehensive loss for the period	-	-	(34,495)	(34,495)
Total contributions by and distributions to owners of the Company recognized directly in equity:	-	-	-	-
Balance as on September 30, 2026 (Un-audited)	**3,633,800**	**41,660**	**(69,889)**	**3,605,571**

The annexed notes 1 to 23 form an integral part of these condensed interim unconsolidated financial statements.

Chief Executive **Chief Financial Officer** **Director**

	Note	September 30, 2026	September 30, 2025
		(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in operations	16	(26,058)	(53,593)
Finance costs paid		(4)	(2,464)
Income tax and final tax paid		(177)	(92)
		(181)	(2,556)
Net cash outflow from operating activities		(26,239)	(56,149)
CASH FLOWS FROM INVESTING ACTIVITIES			
Profit on short term investments received		2,085	1,780
Profit on bank deposits received		356	10
Net cash inflow from investing activities		2,441	1,790
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		-	(571,044)
Net cash outflow from financing activities		-	(571,044)
Net decrease in cash and cash equivalents		(23,798)	(625,403)
Cash and cash equivalents at beginning of the period		102,691	815,641
Cash and cash equivalents at the end of the period	17	78,893	190,238

The annexed notes 1 to 23 form an integral part of these condensed interim unconsolidated financial statements.

Chief Executive **Chief Financial Officer** **Director**

1. LEGAL STATUS & NATURE OF BUSINESS

1.1 Altern Energy Limited (the 'Company') was incorporated in Pakistan as a public company limited by shares under the Companies Ordinance, 1984 (now the Companies Act, 2017 and hereinafter referred to as the 'Act') on January 17, 1995. It is a subsidiary of DEL Power (Private) Limited ('the Holding Company'). The Ultimate Parent of the Company is DEL Processing (Private) Limited. The Company's ordinary shares are listed on the Pakistan Stock Exchange. The registered office of the Company is situated at Descon Headquarters, 18 km, Ferozepur Road, Lahore and the Company's thermal power plant is located near Fateh Jang, District Attock, Punjab. The Company also holds direct and indirect investments in other companies as detailed in Note 8 to these condensed interim unconsolidated financial statements.

1.2 The principal objective of the Company is to set up an industrial undertaking and to generate and sell electricity to WAPDA under Agreement with the Government of Pakistan. For this purpose, the Company had set up a gas fired power plant having an installed capacity of 32 Mega Watts (June 30, 2026: 32 Mega Watts) to generate and sell electricity to the Government under the Regulatory framework. The Company achieved Commercial Operations Date ('COD') on June 6, 2001. The Company entered into a Power Purchase Agreement ('PPA') with its sole customer, Central Power Purchasing Agency (Guarantee) Limited ('CPPA') for thirty years which commenced from the COD.

1.3 In view of continued operational losses suffered by the Company as a result of no dispatch demand from the off-taker during the past several years, during the previous year on April 17, 2025, the shareholders of the Company, on recommendation of the Board of directors, decided to and authorised the Company to submit an application for early termination / retirement of: (i) the PPA entered into with CPPA, (ii) the Implementation Agreement ('IA') entered into with the President of Islamic Republic of Pakistan on behalf of the Government of Pakistan, and (iii) the Guarantee issued by the Government of Pakistan ('Guarantee'), (the PPA, IA and the Guarantee are hereinafter collectively referred to as the 'Agreements'). On May 09, 2025, the Company submitted a formal request to CPPA for early retirement of the Agreements.

1.4 Subsequent to consent of all relevant stakeholders, the Federal Cabinet granted its approval for early termination of the Agreements. Accordingly, on April 30, 2026, the Company executed an instrument titled "Termination Agreement" ('TA'), with the Islamic Republic of Pakistan ('GOP') and CPPA. Pursuant to the TA, the following instruments stand terminated:

a) Implementation Agreement dated July 19, 1995, executed with the GOP,
b) Guarantee issued by the Government of Pakistan, and;
c) Power Purchase Agreement dated September 18, 1995, executed with CPPA.

The Company also signed a Termination Agreement on April 30, 2026, with Sui Northern Gas Pipelines Limited ('SNGPL'). Pursuant thereto, the Gas Supply Agreement, executed between the Company and SNGPL, stands terminated.

1.5 Subsequent to the Termination of Agreements as described in 1.3 & 1.4 above, the Company had submitted a request for early cancellation of the Generation License with National Electric Power Regulatory Authority ('NEPRA'). On August 28, 2026, NEPRA vide its letter NEPRA/DG(Lic)/LAG-21/8074, has granted the cancellation of the Generation License.

1.6 As the power generation equipments have become surplus to the requirements in view of the TA, the shareholders of the Company in the Annual General Meeting held on October 26, 2026 have authorised the Board of Directors to take necessary steps to dispose off power generation equipments along with spare parts inventory.

1.7 During 2024, the Company's subsidiary, Rousch (Pakistan) Power Limited ('RPPL') was approached by the Government of Pakistan for Termination of its PPA entered into with CPPA, the IA entered into with the President of the Islamic republic of Pakistan, and the Guarantee issued by the Islamic Republic Of Pakistan ('the Agreements'). On November 11, 2024, RPPL signed a Negotiated Settlement Agreement ('NSA') for Termination of the Agreements. As per terms of the NSA, CPPA paid the agreed outstanding receivables to RPPL by December 31, 2024, and RPPL handed over the Complex to the Government of Pakistan's designated entity National Power Parks Management Company Limited.

These conditions indicate a material uncertainty on the Company's ability to continue as a going concern as it may be unable to realize its assets and discharge its liabilities in the normal course of business. However, these condensed interim unconsolidated financial statements have been prepared on going concern basis due to the followings:

• Based on RPPL's cash flow projections, RPPL is expected to generate sufficient returns from its investments to provide the Company with a regular dividend income stream. This income is expected to support the Company in meeting its projected expenditures, including potential tax contingencies, and;

• Management has implemented a cost-optimization plan in accordance with the Board of Directors' guidance. The measures include, among others, workforce rationalization where appropriate and reductions in overheads and other operating expenses.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

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

i) International Accounting Standard ('lAS') 34, Interim Financial Reporting, issued by the International Accounting Standards Board ('IASB') as notified under the Companies Act, 2017 ('the Act'); and

ii) Provisions of and directives issued under the Act.

Where the provisions of and directives issued under the Act differ from the IFRS, the provisions of and directives issued under the Act have been followed.

These condensed interim unconsolidated financial statements are un-audited and are being submitted to the members as required by section 237 of the Act.

2.2 These condensed interim unconsolidated financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended June 30, 2026. Selected explanatory notes are included to explain events and transactions that are significant to and understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The Company is required to issue condensed interim consolidated financial statements along with its condensed interim separate financial statements in accordance with the requirements of accounting and reporting standards as applicable in Pakistan. Condensed interim consolidated financial statements are prepared separately.

3. MATERIAL ACCOUNTING POLICIES

3.1 The accounting policies and the methods of computation adopted in the preparation of these condensed interim unconsolidated financial statements are the same as those applied in the preparation of preceding annual published financial statements of the Company for the year ended June 30, 2026.

3.2 Standards, amendments to published standards and interpretations that are effective in the current period

The following standards, amendments and interpretations to International Financial Reporting Standards ('IFRS') are effective for accounting period beginning on July 1, 2026, but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events):

IFRS S1 'General Requirements for Disclosure of Sustainability-related Financial Information' 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' 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 having specific Criteria for annual reporting periods beginning on or after 1 July 2025. Phase II will apply to other listed companies having 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.

IFRS 17 'Insurance Contracts' establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts and, including the June 2020 and December 2021 amendments, is effective from 1 January 2027.

IFRS 18 'Presentation and Disclosure in Financial Statements' replaces IAS 1 and introduces revised requirements for the presentation and disclosure of financial statements. It is effective for annual reporting periods beginning on or after 1 January 2027.

IFRS 19 'Subsidiaries without Public Accountability Disclosures' permits eligible subsidiaries without public accountability to apply reduced disclosure requirements and is effective for annual reporting periods beginning on or after 1 January 2027.

3.3 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after July 01, 2026 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim unconsolidated financial statements.

4. ACCOUNTING ESTIMATES

The preparation of these condensed interim unconsolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing these condensed interim unconsolidated financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements of the Company for the year ended June 30, 2026.

5. CONTINGENCIES AND COMMITMENTS

5.1 Contingencies

There are no material changes in contingencies and commitments as disclosed in the note 20 to the annual audited financial statements for the year ended June 30, 2026.

5.2 Commitments - Nil

	Note	Un-Audited September 30, 2026	Audited June 30, 2026
		(Rupees in thousand)	
6 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	6.1	20,292	21,308
		20,292	21,308

6.1 Operating fixed assets

Net book value at the beginning of the period / year	21,308	332,338
Additions during the period / year		592
Disposals / transferred during the period/year - at book value	-	(289,334)
Depreciation charged during the period / year	(1,016)	(22,288)
Net book value at the end of the period / year	20,292	21,308

7 INTANGIBLE ASSETS

This represents ERP systems that have been implemented by Descon Corporation (Private) Limited, a related party on the basis of common directorship, under a Service Level Agreement with the Company.

Net book value at the beginning of the period / year	30	106
Amortisation charged during the period / year	(9)	(76)
Net book value at the end of the period / year	21	30

8 LONG TERM INVESTMENT

Subsidiary - Unquoted:			
Power Management Company (Private) Limited ('PMCL'):			
320,451,000 (June 30, 2026: 320,451,000) fully paid ordinary shares of Rs 10 each [Equity held 100% (June 30, 2026: 100%)] - Cost	8.1	3,204,510	3,204,510

8.1 The Company directly holds 100% shares in its wholly owned subsidiary, PMCL. PMCL is a private company limited by shares incorporated in Pakistan to invest, manage, operate, run, own and build power projects. The investment in PMCL is accounted for using cost method in the unconsolidated financial statements of the Company. PMCL, in turn, directly holds 67.31% (June 30, 2026: 67.31%) shares in Rousch (Pakistan) Power Limited ('RPPL'). RPPL is an unlisted public Company limited by shares incorporated in Pakistan.

The principal objective of RPPL is establishing, operating and managing the power plant and to sell electric power. RPPL had been engaged in the sale of electricity and ownership, operation, and maintenance of a 450 Megawatt gas based combined cycle thermal power plant to CPPA. As disclosed in Note 1.7, RPPL's Agreements have been terminated, and it had handed over the Complex to NPPMCL in 2024 after receiving its receivables from CPPA. Currently, RPPL no longer owns the power plant. However, RPPL has sufficient funds to meet its ongoing obligations.

9 TRADE DEBTS - SECURED	Note	Un-Audited September 30, 2026	Audited June 30, 2026
Considered good		-	-
Considered doubtful		-	40,386
		-	40,386
Impairment of receivables	9.1	-	(40,386)
		-	-

9.1 During the previous year, the Company raised an invoice to CPPA on account of RLNG Tariff Differential Cost following finalization of RLNG rates by Oil and Gas Regulatory Authority ('OGRA'). As disclosed in note 1.4, the Company executed a Termination Agreement ('TA') with the relevant counterparties. Pursuant to the terms of the TA, the Company had forgone its claim amounting to Rs. 40 million pertaining to RLNG Tariff Differential Cost. Therefore, this receivable was impaired fully.

10 SHORT TERM INVESTMENTS

This represents investment in units of mutual funds of NBP Fund Management Limited that are classified as fair value through profit or loss.

11 NON-CURRENT ASSETS HELD FOR SALE

Operating fixed assets	11.1	286,642	286,642
Major spare parts and standby equipment		2,692	2,692
		289,334	289,334

11.1 As mentioned in note 1.3, during the previous year the Company initiated early termination of its Power Purchase Agreement, Implementation Agreement and Gas Supply Agreement, which were subsequently terminated. During the current year, NEPRA has also granted the cancellation of the generation license. Following termination of these agreements, the Company has initiated process of disposal of its property, plant and equipment and is currently in the process of identifying a potential buyer.

12 REVENUE

Energy purchase price - gross	-	40,386
Sales tax	-	(6,161)
Energy purchase price - net	-	34,225

Revenue for the corresponding period of the previous year represented EPP invoice raised to CPPA on account of RLNG Tariff Differential invoice raised by SNGPL for the period from October 2017 to June 2020, following finalization of RLNG rates by OGRA.

		Note	Un-Audited September 30, 2026	Un-Audited September 30, 2025
			(Rupees in thousand)	
13	**DIRECT COSTS**			
	RLNG cost	13.1	-	37,486
	Depreciation on operating fixed assets		729	5,273
	Stores and spares consumed		33	151
	Repairs and maintenance		-	241
	Purchase of energy		1,232	1,318
	Operation and maintenance		4,500	11,291
	Security		3,419	3,173
	Salaries, benefits and other allowances		354	423
	Insurance		796	941
	Travelling & conveyance		58	216
	Licensing fee		-	850
	Miscellaneous		61	11
			11,181	61,375

13.1 RLNG cost recognized during the corresponding period of 2025 relates payment made to SNGPL following finalization of RLNG rates by OGRA.

14	**ADMINISTRATIVE EXPENSES**			
	Salaries, benefits and other allowances		3,764	4,133
	Directors' meeting fee		875	313
	Information technology and ERP related costs		978	628
	Traveling and conveyance		1,841	996
	Utilities		544	717
	Postage and telephone		119	457
	Printing, stationery and advertisement		38	69
	Auditors' remuneration		120	107
	Legal and professional		15,788	4,998
	Fee and subscription		616	671
	Entertainment		72	34
	Amortization on intangible assets		9	21
	Depreciation on operating fixed assets		285	287
	Rent, rates and taxes		77	177
			25,126	13,608
15	**OTHER INCOME**			
	Profit on bank deposits		356	10
	Profit on short term investment		2,085	1,780
	Scrap sales		-	450
			2,441	2,239

		Un-Audited	
		September 30, 2026	September 30, 2025
		(Rupees in thousand)	
16	**CASH USED IN OPERATIONS**		
	Loss before income tax and final tax	(33,871)	(40,982)
	Adjustment for non cash charges and other items:		
	-Depreciation on operating fixed assets	1,014	5,560
	-Amortization of intangible assets	9	21
	-Provision for employee retirement obligations	1,023	461
	-Profit on short term investments	(2,085)	(1,780)
	-Profit on bank deposits	(356)	(10)
	-Finance cost	4	2,464
		(391)	6,716
	Loss before working capital changes	(34,262)	(34,266)
	Effect on cashflow due to working capital changes:		
	Decrease / (Increase) in current assets		
	Stores and spares	-	151
	Loans, advances, prepayments, and other receivables	(1,107)	307
	Trade debts	-	(40,386)
		(1,107)	(39,928)
	(Decrease) / Increase in current liabilities		
	Trade & other payables	9,311	20,601
	Cash used in operations	(26,058)	(53,593)
17	**CASH AND CASH EQUIVALENTS**		
	Bank balances	5,758	142,511
	Short term investments	73,135	47,727
		78,893	190,238

18 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

'The related parties include the Holding Company and subsidiaries of the Holding Company, group companies, related parties on the basis of common directorship and key management personnel of the Company and its Holding Company. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company. The Company in the normal course of business carries out transactions with various related parties. Significant transactions and balances with related parties are as follows:

Relationship with the Company	Nature of transaction	Un-Audited September 30, 2026	September 30, 2025
		(Rupees in thousand)	
i) Subsidiary company			
Rousch (Pakistan) Power Limited	Common cost charged to the Company	332	223
	Common cost charged by the Company	2,100	-
ii) Entities on the basis of common directorship			
Descon Engineering Limited	Common cost charged to the Company	1,607	1,136
Descon Power Solutions (Private) Limited	Operation & maintenance contractor's fee	4,500	11,291
	Common cost charged to the Company	253	329
Descon Corporation (Private) Limited	ERP implementation fee and running cost	819	588
	Building rent	77	177
iii) Key management personnel			
	Short term employee benefits	2,741	2,244
	Post employment benefits	1,023	398
	Director's meeting fee	875	313

All transactions with related parties have been carried out on mutually agreed terms and conditions and in compliance with applicable laws and regulations.

There are no transactions with key management personnel other than under the terms of employment.

Period end balances are as follows:	Un-Audited September 30, 2026	Audited June 30, 2026
	(Rupees in thousand)	
Payable to related parties		
Subsidiaries:		
Rousch (Pakistan) Power Limited	-	158
Other related parties:		
Descon Engineering Limited	1,985	378
Descon Corporation (Private) Limited	25	59
Descon Power Solutions (Private) Limited	1,829	2,058
	3,839	2,653

19 FINANCIAL RISK MANAGEMENT

19.1 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 programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

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

These condensed interim unconsolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at June 30, 2026.

There have been no changes in the risk management department or in any risk management policies since the year ended June 30, 2026.

19.2 Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The different levels for fair value estimation used by the Company have been defined as follows:

- The fair value of financial instruments traded in active markets (such as publicly traded equity securities) is based on quoted (unadjusted) 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.

- 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 maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to determine fair value of an instrument are observable, the instrument is included in Level 2.

- 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 instruments.

The following table presents the Company's financial assets measured and recognised at fair value at September 30, 2026 and June 30, 2026 on a recurring basis:

	Level 1	Level 2	Level 3	Total
	(Rupees in thousand)			
As at September 30, 2026				
Recurring fair value measurements				
Assets				
Short term investments	73,135	-	-	73,135
Liabilities	-	-	-	-
As at June 30, 2026				
Recurring fair value measurements				
Assets				
Short term investments	551	-	-	551
Liabilities	-	-	-	-

There were no transfers between Levels 1 and 2 & Levels 2 and 3 during the period and there were no changes in valuation techniques during the period. The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. Changes in level 2 and 3 fair values are analyzed at the end of each reporting period by the Chief Financial Officer and the investment advisor.

The fair values of investments in units of mutual funds are determined based on their net asset values as published at the close of each business day.

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

20 DISCLOSURE REQUIREMENTS FOR THE COMPANY NOT ENGAGED IN SHARIAH NON-PERMISSIBLE BUSINESS ACTIVITIES AS ITS CORE BUSINESS

		Un-Audited September 30, 2026	Audited June 30, 2026
		(Rupees in thousand)	
20.1	**Disclosure in relation to condensed interim statement of financial position - Liability side:**		
	Financing (Long Term, Short term or lease financing) obtained as per Islamic Mode	-	-
	Interest or markup accrued on any conventional loan or advance	-	-
20.2	**Disclosure in relation to condensed interim statement of financial position - Assets side:**		
	Short Term shariah compliant investment	-	-
	Shariah compliant bank balances	-	-
	Shariah compliant bank deposits and TDRs	-	-
20.3	**Disclosure in relation to condensed interim statement of comprehensive income:**		
	Revenue earned from Shariah compliant business	-	34,225
	Breakup of late payments or liquidated damages	-	-
	Gain and Dividend earned on Shariah Compliant Investment	-	3
	Profit earned from Shariah Compliant bank balances	-	-
	Exchange gain earned from actual currency	-	-
	Exchange gain earned using conventional derivative financial instruments	-	-
	Profit paid on Islamic mode of financing	-	-
	Total Interest earned on any conventional loan or advance	-	-
	Profit on short term investments	-	-
20.4	**Source and detailed breakup of other income, including breakup of other or miscellaneous portions of other income into shariah-compliant and non-compliant income**		
	Shariah Compliant:		
	Profit on short term investments	-	3
	Sale of scrap	-	767
	Liabilities written back	-	-
	Non Shariah Compliant:		
	Return on bank deposits	356	7,168
	Profit on short term investments	2,085	4,528

21 CORRESPONDING FIGURES

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

Corresponding figures have been re-arranged wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison. However, no significant re-arrangements have been made.

22 ROUNDING OF AMOUNTS

All amounts disclosed in the condensed interim unconsolidated financial statements and notes have been rounded off to the nearest thousand Rupees unless otherwise stated.

23 DATE OF AUTHORIZATION OF ISSUE

These condensed interim unconsolidated financial statements were authorized for issue on October 26, 2026 by the Board of Directors of the Company.

Chief Executive	Chief Financial Officer	Director

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

ALTERN ENERGY LIMITED AND ITS SUBSIDIARIES
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

EQUITY AND LIABILITIES	Note	Un-Audited September 30, 2026	Audited June 30, 2026
		(Rupees in thousand)	
SHARE CAPITAL AND RESERVES			
Authorized share capital			
400,000,000 (June 30, 2026: 400,000,000) ordinary shares of Rs 10 each		4,000,000	4,000,000
Issued, subscribed and paid up share capital			
363,380,000 (June 30, 2026: 363,380,000) ordinary shares of Rs 10 each		3,633,800	3,633,800
Capital reserve: Share premium		41,660	41,660
Revenue reserve: Un-appropriated profits		2,280,193	2,269,811
Attributable to owners of the Parent Company		5,955,653	5,945,271
Non-controlling interests		3,050,126	3,013,883
Total equity		9,005,779	8,959,154
NON-CURRENT LIABILITIES			
Long term loan - unsecured	5	429,000	429,000
Employees' benefit obligations		20,976	19,663
Deferred taxation		65,619	54,424
		515,595	503,087
CURRENT LIABILITIES			
Trade and other payables		89,980	134,484
Current portion of long term loan - unsecured	5	143,000	143,000
Interest accrued on long term loan - unsecured	6	29,131	10,692
Unclaimed dividends		4,099	4,099
Dividend Payable		23,883	23,883
Provision for taxation		8,999	-
		299,092	316,158
CONTINGENCIES AND COMMITMENTS	7		
		9,820,466	9,778,399

The annexed notes 1 to 28 form an integral part of these condensed interim consolidated financial statements.

Chief Executive **Chief Financial Officer** **Director**

AS AT SEPTEMBER 30, 2026

ASSETS	Note	Un-Audited September 30, 2026	Audited June 30, 2026
		(Rupees in thousand)	
NON-CURRENT ASSETS			
Property, plant and equipment	8	25,475	26,805
Intangible assets	9	21	30
Long term security deposits		275	275
		25,771	27,110
CURRENT ASSETS			
Store, spares & loose tools		11,250	11,250
Trade debts	10	-	-
Loans, advances, prepayments and other receivables	11	1,723,118	1,756,501
Short term investments	12	7,718,308	7,606,642
Bank balances		52,685	87,562
		9,505,361	9,461,955
Non-current assets held for sale	13	289,334	289,334
		9,820,466	9,778,399

Chief Executive | Chief Financial Officer | Director

ALTERN ENERGY LIMITED AND ITS SUBSIDIARIES
CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2026

	Note	September 30, 2026	September 30, 2025
		(Rupees in thousand)	
Revenue	14	-	454,357
Direct costs	15	(11,181)	(505,513)
Gross loss		(11,181)	(51,156)
Administrative expenses	16	(56,619)	(43,219)
Other expenses	17	-	(1,279)
Other income	18	193,614	201,942
Finance cost	19	(19,226)	(4,971)
Profit before income tax and final tax		106,588	101,317
Taxation - final tax	20	(46,136)	(41,324)
Profit before income tax for the period		60,452	59,993
Taxation - income tax	20	(13,826)	(115,398)
Profit / (loss) for the period		46,626	(55,405)
Attributable to:			
Equity holders of the Parent Company		10,383	(81,895)
Non-controlling interest		36,243	26,490
		46,626	(55,405)
Earnings / loss per share attributable to equity holders of the Parent Company during the period - basic and diluted			
	Rupees	0.03	(0.23)

The annexed notes 1 to 28 form an integral part of these condensed interim consolidated financial statements.

Chief Executive **Chief Financial Officer** **Director**

ALTERN ENERGY LIMITED AND ITS SUBSIDIARIES
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(UN-AUDITED)
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2026

	September 30, 2026	September 30, 2025
	(Rupees in thousand)	
Profit / (loss) for the period	46,626	(55,405)
Other comprehensive income / (loss):		
Items that may be reclassified subsequently to profit or loss	-	-
Items that will not be reclassified subsequently to profit or loss	-	-
	-	-
Total comprehensive income / (loss) for the period	46,626	(55,405)
Attributable to:		
Equity holders of the Parent Company	10,383	(81,895)
Non-controlling interest	36,243	26,490
	46,626	(55,405)

The annexed notes 1 to 28 form an integral part of these condensed interim consolidated financial statements.

Chief Executive **Chief Financial Officer** **Director**

ALTERN ENERGY LIMITED AND ITS SUBSIDIARIES
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2026

	Note	Attributable to equity holders of Parent Company					
		Share capital	Share premium	Un-appropriated profit	Transaction with non-controlling interest reserve	Non-controlling Interests	Total
		(Rupees in thousand)					
Balance as on July 1, 2025 (Audited)		3,633,800	41,660	2,691,960	-	3,529,938	9,897,358
Loss for the period		-	-	(81,895)	-	26,490	(55,405)
Other comprehensive income / (loss) for the period		-	-	-	-	-	-
Total comprehensive (loss) / income for the period		-	-	(81,895)	-	26,490	(55,405)
Effect of changes in shareholding within the Group							
Decrease in non-controlling interest	1.1.1	-	-	-	-	(648,020)	(648,020)
Effect of change in ownership		-	-	-	648,020	-	648,020
Balance as on September 30, 2025 (Un-Audited)		3,633,800	41,660	2,610,064	648,020	2,908,408	9,841,953
Balance as on July 01, 2026 (Audited)		3,633,800	41,660	1,621,296	648,514	3,013,883	8,959,153
Profit for the period		-	-	10,383	-	36,243	46,626
Other comprehensive income for the period		-	-		-		-
Total comprehensive income for the period		-	-	10,383	-	36,243	46,626
Balance as on September 30, 2026 (Un-Audited)		**3,633,800**	**41,660**	**1,631,679**	**648,514**	**3,050,126**	**9,005,779**

The annexed notes 1 to 28 form an integral part of these condensed interim consolidated financial statements.

Chief Executive **Chief Financial Officer** **Director**

ALTERN ENERGY LIMITED AND ITS SUBSIDIARIES
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2026

	Note	September 30, 2026	September 30, 2025
		(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in operations	21	(113,065)	(560,264)
Finance cost paid		(787)	(4,972)
Income tax and final tax paid		(1,273)	(4,106)
		(2,060)	(9,078)
Net cash outflow from operating activities		(115,125)	(569,342)
CASH FLOWS FROM INVESTING ACTIVITIES			
Profit on short term investment received		2,121	165,816
Profit on bank deposits received		189,793	5,505
Net cash inflow from investing activities		191,914	171,321
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		-	(571,044)
Net cash outflow from financing activities		-	(571,044)
Net increase /(decrease) in cash and cash equivalents		76,789	(969,065)
Cash and cash equivalents at the beginning of the period		7,694,204	9,107,388
Cash and cash equivalents at the end of the period	22	7,770,993	8,138,323

The annexed notes 1 to 28 form an integral part of these condensed interim consolidated financial statements.

Chief Executive **Chief Financial Officer** **Director**

1. THE GROUP AND ITS OPERATIONS

Altern Energy Limited ('the Parent company') and its subsidiaries, Power Management company (Private) Limited and Rousch (Pakistan) Power Limited (together, 'the Group') are engaged in power generation activities. The registered office of AEL and PMCL is situated at Descon Headquarters, 18 km Ferozepur Road, Lahore. The registered office of RPPL is situated at 403-C, 4th Floor, Evacuee Trust Complex, Sector F-5/1, Islamabad.

1.1 The Group is structured as follows:

	(Effective holding percentage)	
	Un-audited September 30, 2026	Audited June 30, 2026
Parent company:		
- Altern Energy Limited, the Parent Company (hereinafter referred to as AEL)		
Subsidiary companies:		
- PMCL (Power Management company (Private) Limited)	100.00%	100.00%
- RPPL (Rousch (Pakistan) Power Limited)	67.31%	67.31%

1.1.1 During the year 2024, a Put Option Agreement was executed between Siemens Project Ventures GmbH, ESB International Luxembourg S.A. ('ESBI'), Power Management Company (Pvt) Limited ('PMCL'), and Rousch (Pakistan) Power Limited ('RPPL'). Pursuant to this agreement, ESBI exercised its Put Option, requiring PMCL to purchase and acquire all ESBI-held shares in RPPL at a Put Option Price of USD 1.

In July 2025, the transfer of all ESBI shares was completed. Resultantly, the equity holders of the Parent Company hold 67.31% (June 30, 2026: 67.31%) shares in RPPL, whereas non-controlling shareholders hold 32.69% (June 30, 2026: 32.69%) shares in RPPL.

1.2 AEL (the Parent Company)

1.2.1 AEL was incorporated in Pakistan as a public company limited by shares under the Companies Ordinance, 1984 (now, the Companies Act, 2017) on January 17, 1995. AEL's ordinary shares are listed on the Pakistan Stock Exchange Limited.

1.2.2 The principal objective of AEL is to set up an industrial undertaking and to generate and sell electricity to WAPDA under Agreement with the Government of Pakistan. For this purpose, the company had set up a gas fired power plant having an installed capacity of 32 Mega Watts (June 30, 2026: 32 Mega Watts) to generate and sell electricity to the Government under the Regulatory framework. The company achieved Commercial Operations Date ('COD') on June 6, 2001. AEL entered into a Power Purchase Agreement ('PPA') with its sole customer, Central Power Purchasing Agency (Guarantee) Limited ('CPPA') for thirty years which commenced from the COD.

1.2.3 In view of continued operational losses suffered by the company as a result of no dispatch demand from the off-taker during the past several years, during the previous year on April 17, 2025, the shareholders of the company, on recommendation of the Board of directors, decided to and authorised the company to submit an application for early termination / retirement of: (i) the PPA entered into with CPPA, (ii) the Implementation Agreement ('IA') entered into with the President of Islamic Republic of Pakistan on behalf of the Government of Pakistan, and (iii) the Guarantee issued by the Government of Pakistan ('Guarantee'), (the PPA, IA and the Guarantee are hereinafter collectively referred to as the 'Agreements'). On May 09, 2025, the company submitted a formal request to CPPA for early retirement of the Agreements.

Subsequent to consent of all relevant stakeholders, the Federal Cabinet granted its approval for early termination of the Agreements. Accordingly, on April 30, 2026, AEL executed an instrument titled "Termination Agreement" ('TA'), with the Islamic Republic of Pakistan ('GOP') and CPPA. Pursuant to the TA, the following instruments stand terminated:

a) Implementation Agreement dated July 19, 1995, executed with the GOP,
b) Guarantee issued by the GOP, and;
c) Power Purchase Agreement dated September 18, 1995, executed with CPPA.

1.2.4 AEL also signed a Termination Agreement on April 30, 2026, with Sui Northern Gas Pipelines Limited ('SNGPL'). Pursuant thereto, the Gas Supply Agreement, executed between the company and SNGPL, stands terminated.

1.2.5 Subsequent to the Termination of Agreements as described in 1.2.3 & 1.2.4 above, AEL had submitted a request for early cancellation of the Generation License with National Electric Power Regulatory Authority ('NEPRA'). On August 28, 2026, NEPRA vide its letter NEPRA/DG(Lic)/LAG-21/8074, has granted the cancellation of the Generation License.

1.2.6 As the power generation equipments of AEL have become surplus to the requirements in view of the Termination Agreement, the shareholders of AEL in the Annual General Meeting held on October 26, 2026 have authorised the Board of Directors to take necessary steps to dispose off power generation equipments along with spare parts inventory.

1.3 PMCL

PMCL was incorporated in Pakistan as a private company limited by shares under the Companies Ordinance, 1984 (now the Act) on February 24, 2006. PMCL is a wholly owned subsidiary of AEL. The principal objective of PMCL is to invest, manage, operate, run, own and build power projects. PMCL directly holds 67.31% shares (June 30, 2026: 67.31%) in RPPL as detailed in note 1.4 to these condensed interim consolidated financial statements.

1.4 RPPL

1.4.1 RPPL is a public company limited by shares, incorporated in Pakistan on August 4, 1994 under the Companies Act, 2017. The principal objective of RPPL is establishing, operating and managing the power generating project and selling electricity.

1.4.2 RPPL had a PPA with its sole customer, CPPA, for thirty years which commenced from the COD and was scheduled to expire in May 2031. During the year 2024, RPPL was approached by the Government of Pakistan for earlier Termination of the PPA, the IA entered into with the President of the Islamic republic of Pakistan, and the Guarantee issued by the Islamic Republic of Pakistan ("the Agreements"). On November 11, 2024, upon approval from its Shareholders, RPPL signed a Negotiated Settlement Agreement (NSA') for Termination of the Agreements. The salient features of such NSA were as follows:

➡ RPPL shall receive outstanding receivables from CPPA by December 31, 2024; and
➡ RPPL shall hand over the Complex (fixed assets, stores, spares and loose tools & Fuel inventory) to the Government of Pakistan or its designated entity by December 31, 2024.

As per terms of the NSA, CPPA paid agreed outstanding receivables to the RPPL before December 31, 2024, and the RPPL handed over the Complex to the Government of Pakistan's designated entity National Power Parks Management Company Limited ('NPPMCL'). As a result of execution of the NSA, RPPL no longer owns the Complex to generate and sell electricity.

Although RPPL's PPA and IA with the Government have been terminated, it has sufficient funds available to meet its ongoing obligations. Therefore, RPPL will continue to be a Going Concern.

1.5 The above conditions indicate a material uncertainty on the Group's ability to continue as a Going Concern as it may be unable to realize its assets and discharge its liabilities in the normal course of business. However, these condensed interim consolidated financial statements have been prepared on a Going Concern basis due to the followings:

Based on RPPL's cash flow projections, RPPL is expected to generate sufficient returns from its investments to provide the Group with a regular dividend income stream. This income is expected to support the Group in meeting its projected expenditures, including potential tax contingencies.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

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

i) International Accounting Standard ('lAS') 34, Interim Financial Reporting, issued by the International Accounting Standards Board ('IASB') as notified under the Companies Act 2017 ('the Act'), and

ii) Provisions of and directives issued under the Act.

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

2.2 These condensed interim consolidated financial statements are un-audited and are being submitted to the members as required by section 237 of the Act.

These condensed interim consolidated financial statements do not include all of the information required for the annual consolidated financial statements and should be read in conjunction with the annual consolidated financial statements as at and for the year ended June 30, 2026. Selected explanatory notes are included to explain events and transactions that are significant to and understanding of the changes in the Group's financial position and performance since the last audited financial statements.

3 MATERIAL ACCOUNTING POLICIES

3.1 The accounting policies and the methods of computation adopted in the preparation of these condensed interim consolidated financial statements are the same as those applied in the preparation of preceding annual published financial statements of the Group for the year ended June 30, 2026, except for the adoption of new and amended standards as set out below.

3.2 Standards, amendments to published standards and interpretations that are effective in the current period

The following standards, amendments and interpretations to International Financial Reporting Standards ('IFRS') are effective for accounting period beginning on July 1, 2026, but are considered not to be relevant or to have any significant effect on the Group's operations (although they may affect the accounting for future transactions and events):

IFRS S1 'General Requirements for Disclosure of Sustainability-related Financial Information' 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' 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 having specific Criteria for annual reporting periods beginning on or after 1 July 2025. Phase II will apply to other listed companies having 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.

IFRS 17 'Insurance Contracts' establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts and, including the June 2020 and December 2021 amendments, is effective from 1 January 2027.

IFRS 18 'Presentation and Disclosure in Financial Statements' replaces IAS 1 and introduces revised requirements for the presentation and disclosure of financial statements. It is effective for annual reporting periods beginning on or after 1 January 2027.

IFRS 19 'Subsidiaries without Public Accountability Disclosures' permits eligible subsidiaries without public accountability to apply reduced disclosure requirements and is effective for annual reporting periods beginning on or after 1 January 2027.

3.3 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Group's accounting periods beginning on or after July 01, 2026 but are considered not to be relevant or to have any significant effect on the Group's operations and are, therefore, not detailed in these condensed interim consolidated financial statements.

4. ACCOUNTING ESTIMATES

The preparation of these condensed interim consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed interim consolidated financial statements, the significant judgements made by management in applying Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements of Group for the year ended June 30, 2026.

	Note	Un-Audited September 30, 2026	Audited June 30, 2026
5 LONG TERM LOAN - UNSECURED		(Rupees in thousand)	
Principal amount	5.1	572,000	572,000
Current portion of long term loan - unsecured	5.2	(143,000)	(143,000)
		429,000	429,000

5.1 This represents funds received from DEL Power (Private) Limited, a related party, as a part of a long-term loan facility. The term of the facility is five (5) years and would be expired in next 5 years. The facility is unsecured and it carries mark-up @ three months' Kibor plus 100 basis points.

5.2 As per the agreement, repayment of loan amount including interest accrued thereon, will have precedence over any payment(s) by PMCL to its shareholders as dividend.

		Note	Un-Audited September 30, 2026	Audited June 30, 2026
6	INTEREST ACCRUED ON LONG TERM LOAN - UNSECURED		(Rupees in thousand)	
	Interest accrued on long term loan - unsecured	6.1	29,131	10,692

6.1 This represents interest accrued on the long term loan payable to DEL Power (Pvt) Limited, a related party (Ultimate Parent Company).

7 CONTINGENCIES & COMMITMENTS

There is no significant change in the status of contingencies and commitments from the preceding annual financial statements of the Group for the year ended June 30, 2026, except for the following:

7.1 Contingencies

(a) In June and July 2025, the tax authorities issued orders under section 122(5A) of the Income Tax Ordinance, 2001, regarding the applicability of section 113 to CPP revenue, raising aggregate tax demands of Rs. 15,604 million for tax years 2019 to 2024.

The Group challenged these orders before the Commissioner Inland Revenue Appeal ('CIR(A)'), who initially after granting a stay against recovery, decided the matter against the Group by treating CPP as 'income from other sources'. Consequently, the Group filed appeals before the Appellate Tribunal Inland Revenue ('ATIR').

Following the CIR(A)'s decision, the tax authorities issued recovery notices under sections 138(1) and 140 of the Income Tax Ordinance, 2001 dated 16 March 2026. Aggrieved by the recovery proceedings, the Group filed writ petition/ appeal before the Honorable Islamabad High Court and the ATIR. The Honorable Islamabad High Court granted a stay against the recovery orders vide order dated 01 April 2026.

On May 18, 2026, the ATIR decided the matter in favour of the Group and held that CPP receipts fall within the exemption available under clause 132 of Part I of the Second Schedule to the Income Tax Ordinance, 2001.

During the period under review, the tax authorities have filed an Appeal before the Islamabad High Court against the decision of the ATIR, and the matter is pending adjudication.

Based on the advice of the Group's tax advisor, the management believes that there are meritorious grounds to defend the Group's stance on this matter. Consequently, no provision has been made in these condensed interim consolidated financial statements. 15,604,000 -

		Un-Audited September 30, 2026	Audited June 30, 2026
		(Rupees in thousand)	
(b)	In November 2012, the tax authorities raised a demand of Rs 2,026 million on account of input sales tax along with default surcharge and penalty alleging non-apportionment of input tax to revenue representing Capacity Purchase Price for the period July 2007 to June 2011. The demand was upheld through order of the ATIR dated December 13, 2013. Aggrieved, the Group filed an Appeal before the Islamabad High Court, which decided the matter of apportionment of input tax in the Group's favour and deleted the demand raised by the tax authorities. During the period under review, the tax authorities have filed an Appeal before the Islamabad High Court against the decision of the ATIR, and the matter is pending adjudication. Furthermore, in October 2013, the tax authorities issued show cause notice for sales tax demand of Rs 675 million along with default surcharge and penalty on the same matter for the period July 2011 to June 2012. On petition filed by the Group, the Islamabad High Court directed the assessing officer to decide the case of the Group in line with the expected judgment of the Islamabad High Court on the same matter. Similar demands aggregating to Rs 1,384 million along with default surcharge and penalty for the periods July 2012 to June 2014 were remanded back to the Taxation officer by the CIR(A) with the same directions through orders in appeal dated August 17, 2015 and May 09, 2016 respectively. Based on the advice of the Group's tax advisor, the management believes that there are meritorious grounds to defend the Group's stance on this matter. Consequently, no provision has been made in these condensed interim consolidated financial statements.	4,214,590	4,214,590
(c)	The tax authorities raised income tax demands of Rs. 69.8 million, Rs. 86 million and Rs. 97 million under Section 205 of the Income Tax Ordinance, 2001 for Tax Years 2018, Tax Years 2022 & 2024 respectively. The tax demands pertain to default surcharge on delayed payment of super tax under section 4B and 4C by the Group. The tax authorities claim that Super Tax was payable alongwith income tax returns of the respective tax years. However, the Group is of the view that Default Surcharge can't be levied during the period of stay against recovery of tax as per the relevant laws and facts. The Group had filed an appeal before the ATIR against the tax demand. Subsequent to the reporting period, on October 15, 2026, the ATIR has decided the matter in favour of the Group and has directed the tax authorities to initate re-assessment proceedings on the basis of payment delays excluding the non-applicable days as per Law. The Group has not made any provisions against the said tax demands as the management is confident that the ultimate outcome of the Appeal would be in favour of the Group, inter alia on the basis of the advice of the tax consultant and the relevant laws and facts.	-	251,904

(d) Allied Bank Limited has issued standby letter of credit ('SBLC') for Rs. 220 million (June 30, 2026 : Rs 1,200 million) in favor of SNGPL as a security to cover gas supply for which payments are made in arrears.

(e) Habib Metropolitan Bank Limited has issued a bank guarantee of Rs. 64.13 million (June 30, 2026: Nil) in favor of the Deputy Registrar of Lahore High Court, against a demand of Rs. 192.3 million relating to the Water Supply Case.

		Note	Un-Audited September 30, 2026	Audited June 30, 2026
			(Rupees in thousand)	
7.2	**Commitments - Nil**			
8	**PROPERTY, PLANT AND EQUIPMENT**			
	Operating fixed assets	8.1	25,475	26,805
			25,475	26,805
8.1	Net book value at the beginning of the period / year		26,805	338,722
	Additions during the period / year		-	1,016
	Disposals / transferred during the period/year - at book value		-	(289,334)
	Depreciation charged during the period / year		(1,330)	(23,599)
	Net book value at the end of the period / year		25,475	26,805

9 INTANGIBLE ASSETS

This represents upgradation of ERP system that has been implemented by Descon Corporation (Private) Limited, a related party on the basis of common directorship, under a Service Level Agreement with the Group.

10	**TRADE DEBTS**			
	Considered good		-	-
	Considered doubtful		-	40,386
			-	40,386
	Impairment of receivables	10.1	-	(40,386)
			-	-

10.1 During the previous year, the Parent Company raised an invoice to CPPA on account of RLNG Tariff Differential Cost following finalization of RLNG rates by Oil and Gas Regulatory Authority ('OGRA'). As disclosed in note 1.2.3, the Parent Company executed a Termination Agreement ('TA') with the relevant counterparties. Pursuant to the terms of the TA, the Parent Company had forgone its claim amounting to Rs. 40 million pertaining to RLNG Tariff Differential Cost. Therefore, this receivable was impaired fully.

11	**LOANS, ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES**			
	Sales tax receviables		1,306,751	1,268,385
	Workers' welfare fund receivable		111,240	111,240
	Workers' profit participation fund receivable		35,960	34,364
	Income tax receivable		264,971	303,475
	Others		4,196	39,037
			1,723,118	1,756,501
12	**SHORT TERM INVESTMENTS**			
	Term Deposit Receipts ('TDRs') - at amortized cost	12.1	298,350	1,421,576
	Mutual funds - at fair value through profit and loss	12.2	7,419,958	6,185,066
			7,718,308	7,606,642

12.1 This represents investments in TDR maintained with Allied Bank Limited and Habib Metropolitan Bank Limited, amounting to Rs. 231 million and Rs. 67 million, respectively (June 30, 2026: Rs. 1,320 million).

12.2 This represents investment in units of mutual funds of NBP Fund Management Limited that is classified as fair value through profit or loss.

	Un-Audited September 30, 2026	Audited June 30, 2026
13 NON-CURRENT ASSETS HELD FOR SALE	(Rupees in thousand)	
Operating fixed assets	286,642	286,642
Major stores and standby equipment	2,692	2,692
	289,334	289,334

13.1 As mentioned in note 1.2.3, during the previous year the Parent Company initiated early termination of its Power Purchase Agreement, Implementation Agreement and Gas Supply Agreement, which were subsequently terminated. During the current year, NEPRA has also granted the cancellation of the generation license. Following termination of these agreements, the Parent Company has initiated process of disposal of its property, plant and equipment and is currently in the process of identifying a potential buyer.

	Note	Un-Audited September 30, 2026	September 30, 2025
14 REVENUE		(Rupees in thousand)	
Energy purchase price - gross		-	536,142
Sales tax		-	(81,784)
Energy purchase price - net	14.1	-	454,357

14.1 Revenue for the previous period of 2025 relates to EPP invoices raised to CPPA following the finalization of RLNG rates by OGRA.

15 DIRECT COSTS			
RLNG cost	15.1	-	481,624
Operation and maintenance		4,500	11,291
Depreciation on operating fixed assets		729	5,273
Stores, spares and loose tools consumed		33	392
Insurance		796	941
Purchase of energy		1,232	1,318
Salaries, benefits and other allowances		354	423
Licensing fee		-	850
Security expenses		3,419	3,173
Miscellaneous		118	228
		11,181	505,513

15.1 RLNG cost for the previous period of 2025 relates to the payments made to SNGPL following the finalization of RLNG rates by OGRA.

		Un-Audited	
		September 30, 2026	September 30, 2025
		(Rupees in thousand)	
16	**ADMINISTRATIVE EXPENSES**		
	Salaries, benefits and other allowances	10,034	19,827
	Directors' meeting fee	875	313
	Information technology and ERP related costs	4,361	4,998
	Traveling & conveyance	3,159	1,563
	Utilities	544	717
	Postage and telephone	215	547
	Printing, stationery and advertisement	76	82
	Auditors' remuneration	494	304
	Rent, rates and taxes	3,675	3,486
	Legal and professional expenses	31,438	8,946
	Fees and subscription	617	670
	Entertainment	308	314
	Amortization on intangible assets	9	21
	Depreciation on operating fixed assets	599	597
	Vehicle maintenance	-	315
	Insurance	19	3
	Professional tax	100	100
	Miscellaneous	96	416
		56,619	43,219
17	**OTHER EXPENSES**		
	Exchange loss	-	1,279
		-	1,279
18	**OTHER INCOME**		
	Profit on bank deposit	9,070	35,676
	Income from short term investment	184,544	165,816
	Scrap sales	-	450
		193,614	201,942
19	**FINANCE COST**		
	Bank charges	404	1,664
	Lenders fee and charges	-	8
	Interest on long term loan - related party	18,439	-
	Bank guarantee commission	383	3,299
		19,226	4,971
20	**TAXATION**		
	Final tax	(46,136)	(41,324)
	Income tax		
	Current - for the period	(2,631)	(10,476)
	Deferred	(11,195)	(104,922)
		(59,962)	(156,722)

		Un-Audited	
		September 30, 2026	September 30, 2025
21	**CASH USED IN OPERATIONS**	(Rupees in thousand)	
	Profit before income tax and final tax	106,588	101,317
	Adjustment for non cash charges and other items:		
	-Depreciation on operating fixed assets	1,328	5,870
	-Profit on short term investments	(184,544)	(165,816)
	-Provision for employee retirement benefits	1,312	1,423
	-Amortization on intangible assets	9	21
	-Exchange (gain) / loss	-	1,279
	-Finance cost	787	4,971
	-Profit on bank deposits	(9,070)	(35,677)
	Loss before working capital changes	(65,151)	(86,612)
	Effect on cash flow due to working capital changes:		
	Decrease / (Increase) in current assets		
	-Stores, spares and loose tools	-	151
	-Trade debts	-	(536,142)
	-Advances, prepayments and other receivables	(3,229)	65,400
		(3,229)	(470,591)
	Decrease in current liabilities		
	-Trade and other payables	(44,685)	(3,061)
		(47,914)	(473,652)
	Cash used in operations	(113,065)	(560,264)
22	**CASH AND CASH EQUIVALENTS**		
	Bank balances	52,685	157,378
	Short term investments	7,419,958	7,980,945
	Term deposit receipts	298,350	-
		7,770,993	8,138,323

23 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise the holding company of AEL, ultimate parent, subsidiaries and associates of holding company and ultimate parent, group companies, related parties on the basis of common directorship, key management personnel of the Group and its holding company and post-employment benefit plans (Gratuity Fund and Provident Fund). Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group. The Group in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under receivables and payables. Related party transactions have been disclosed in respective notes in these consolidated financial statements other than the following:

Relationship with the Group	Nature of transactions	Un-Audited September 30, 2026 (Rupees in thousand)	Un-Audited September 30, 2025 (Rupees in thousand)
i) Other related parties			
On the basis of common directorship			
Descon Engineering Limited:	Common costs charged to the Group	5,687	4,580
Descon Power Solutions (Private) Limited:	Operations & maintenance contractor's fee	4,500	11,291
	Common costs charged to the Group	262	339
Descon Corporation (Private) Limited:	ERP implementation fee & running costs	12,133	7,915
	Common costs charged to the Group	77	177
ii) Key Management Personnel			
	Short-term employment benefits	8,689	17,495
	Director's meeting fee	875	313

All transactions with related parties have been carried out on mutually agreed terms and conditions. There are no transactions with key management personnel other than under the terms of employment.

Period end balances are as follows:	Un-Audited September 30, 2026 (Rupees in thousand)	Audited June 30, 2026 (Rupees in thousand)
Payable to related parties		
Descon Engineering Limited (Associated company)	3,345	2,650
Descon Corporation (Private) Limited (Associated company)	4,069	302
Descon Power Solutions (Private) Limited (Associated company)	1,829	2,058
	9,243	5,010
Receivable from related parties		
Descon Power Solutions (Private) Limited (Associated company)	89	99
	89	99

24 FINANCIAL RISK MANAGEMENT

24.1 Financial risk factors

The Group'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 Group's overall risk management Programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

Risk management is carried out by the Group's finance department under policies approved by the Board of Directors ('BOD'). The Group's finance department evaluates and hedges financial risks based on principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity, provided by the BOD. All treasury related transactions are carried out within the parameters of these policies.

These condensed interim consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at June 30, 2026.

There have been no changes in the risk management department or in any risk management policies since the year ended June 30, 2026.

24.2 Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The different levels for fair value estimation used by the Group have been defined as follows:

- The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. These instruments are included in level 1.

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

- 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.

To provide an indication about the reliability of the inputs used in determining fair value, the Group classifies its financial instruments into the three levels prescribed above. The following table presents the Group's financial assets measured and recognised at fair value at September 30, 2026 and June 30, 2026 on a recurring basis:

	Level 1	Level 2	Level 3	Total
	----------(Rupee in thousands)----------			
As at September 30, 2026				
Recurring fair value measurements				
Assets				
Short term investments	7,419,958		-	7,419,958
As at June 30, 2026				
Recurring fair value measurements				
Assets				
Short term investments	6,185,066			6,185,066

There were no transfers between Levels 1 and 2 & Levels 2 and 3 during the period and there were no changes in valuation techniques during the period. The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. Changes in level 2 and 3 fair values are analyzed at the end of each reporting period during the annual valuation discussion between the Chief Financial Officer and the investment advisor.

The fair values of investments in units of mutual funds are determined based on their net asset values as published at the close of each business day.

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

25 DISCLOSURE REQUIREMENTS FOR COMPANY NOT ENGAGED IN SHARIAH NON-PERMISSIBLE BUSINESS ACTIVITIES AS ITS CORE BUSINESS

	Un-Audited September 30, 2026	Audited June 30, 2026
	(Rupees in thousand)	
Disclosure in relation to consolidated statement of financial position - Liability side:		
Financing (Long Term, Short term or lease financing) obtained as per Islamic mode	-	-
Interest or markup accrued on any conventional loan or advance		10,692
Disclosure in relation to consolidated statement of financial position - Assets side:		
Short Term shariah compliant investment	-	-
Shariah compliant bank balances	-	-
Shariah compliant bank deposits and TDRs	-	-
Disclosure in relation to consolidated statement of financial position - Assets side:		
Revenue earned from Shariah compliant business		503,248
Breakup of late payments or liquidated damages	-	-
Gain and Dividend earned on Shariah Compliant Investment	-	3
Profit earned from Shariah Compliant bank balances	-	-
Exchange gain earned from actual currency	-	-
Exchange gain earned using conventional derivative financial instruments	-	-
Profit paid on Islamic mode of financing	-	-
Total Interest earned on any conventional loan or advance	-	-
Profit on short term investments	-	-
Source and detailed breakup of other income, including breakup of other or miscellaneous portions of ther income into shariah-compliant and non-compliant income		
Shariah Compliant:		
Profit on short term investments	-	3
Sale of scrap	-	767
Liabilities written back	-	13,278
Non Shariah Compliant:		
Return on bank deposits	9,070	121,623
Profit on short term investments	184,544	663,309

26 CORRESPONDING FIGURES

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

Corresponding figures have been re-arranged and reclassified, wherever necessary, for the purposes of comparison. However, no significant reclassifications have been made.

27 ROUNDING OF AMOUNTS

All amounts disclosed in these condensed interim consolidated financial statements and notes have been rounded off to the nearest thousand Rupees unless otherwise stated.

28 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim consolidated financial statements were authorized for issue on October 26, 2026 by the Board of Directors of the Parent Company.

Chief Executive **Chief Financial Officer** **Director**

NOTE

NOTE