



KOHINOOR
ENERGY LIMITED

ANNUAL REPORT 2026



POWERING A BRIGHTER TOMORROW

CORPORATE INFORMATION

Board of Directors

Mr. M. Naseem Saigol
Chairman / Non-Executive
Mr. Muhammad Zeid Yousuf Saigol
Chief Executive Officer
Mr. Muhammad Murad Saigol
Executive
Syed Manzar Hassan
Non-Executive
Mr. Muhammad Omer Farooq
Non-Executive
Mr. Faisal Riaz
Independent
Ms. Rahma Butt
Independent

Company Secretary

Javed Manzoor

Audit Committee

Mr. Faisal Riaz
Chairman
Syed Manzar Hassan
Mr. Muhammad Omer Farooq

HR & Remuneration Committee

Mr. Faisal Riaz
Chairman
Mr. Muhammad Zeid Yousuf Saigol
Syed Manzar Hassan

Management

Mr. Muhammad Zeid Yousuf Saigol
Chief Executive Officer
Mr. Muhammad Ashraf
Chief Operating Officer/
Chief Financial Officer

Auditors

A. F. Ferguson & Co.
Chartered Accountants

Legal Advisor

LMA | Ebrahim Hosain

Sharia Advisor

Mufti Abbad Usmani

Bankers

Bank Alfalah Limited
Askari Bank Limited
AL Baraka Bank (Pakistan) Limited
Habib Bank Limited
MCB Bank Limited
Faysal Bank Limited
National Bank of Pakistan
Dubai Islamic Bank Pakistan Limited

Registered Office

301, 3RD Floor, Green Trust Tower,
Blue Area Islamabad, Pakistan.
Tel : +92-51-2813021-2
Fax : +92-51-2813023

Project/Head Office

Post Office Raja Jang, Near Tablighi Ijtima,
Raiwind Bypass, Lahore, Pakistan.
Tel : +92-42-35392317
Fax : +92-42-35393415-7

Shares Registrar

M/S. Corplink (Pvt.) Ltd.
Wings Arcade, 1-K, Commercial, Model Town,
Lahore, Pakistan.
Tel : +92-42-35839182, 35887262, 35916719
Fax : +92-42-35869037

Lahore Office

PEL Factory, 14-KM Ferozepur Road,
Lahore, Postcode 54760, Pakistan.
Tel : +92-42-35920117-8

Company Registration No.

0032461 of 1993-94

Company NTN

0656788-6

Website

www.kel.com.pk

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 33RD Annual General Meeting of shareholders of Kohinoor Energy Limited will be held on October 28, 2026 (Wednesday) at 10:00 at Islamabad Club, Main Murree Road, Islamabad to transact the following business:

1. To confirm minutes of the Annual General Meeting held on October 27, 2025.
2. To receive and adopt the Annual Audited Accounts of the Company for the financial year ended June 30, 2026 alongwith Directors' and Auditors' Reports thereon.
3. To appoint Auditors to hold office till the conclusion of the next Annual General Meeting and to fix their remuneration.
4. Any other business with the permission of the Chair

By order of the Board

Lahore:
October 02, 2026

(Javed Manzoor)
Company Secretary

Notes:

1. The share transfer books of the Company will remain closed from October 21, 2026 to October 28, 2026 (both days inclusive). Transfers received at our Share Registrar Office M/S CORPLINK (PVT) LIMITED situated at Wings Arcade, 1-K, Commercial, Model Town, Lahore upto the close of business hours on October 20, 2026 will be treated in time for determination of entitlement to attend and vote at the meeting.
2. A member eligible to attend and vote at this meeting may appoint his / her proxy to attend and vote instead of him/her. Proxies in order to be effective must reach the Company's Head office situated at Near Tablighi Ijtima, Raiwind Bypass, Lahore, not less than 48 hours before the time for holding the AGM. A member shall not be entitled to appoint more than one proxy. Proxies of the Members through CDC shall be accompanied with attested copies of their CNIC. In case of corporate entity, the Board's Resolution/power of attorney with specimen signature shall be furnished along with proxy form to the Company. The members through CDC are requested to bring original CNIC, A/C No. and Participant ID to produce at the time of attending the meeting. Shareholders are requested to immediately notify their change in address, if any to share registrar.
3. As per Section 72 of the Companies Act, 2017, the shareholders having physical shares are requested to convert the shares into book-entry (CDC).
4. The Company's Annual Report 2026 can be accessed and downloaded from KEL's website using the following link or scanning the QR Code.

<https://kel.com.pk/ANNUAL%20REPORT%202026.pdf>



5. Participation in the AGM through Video link Facility

The SECP through its Circular No. 4 dated 15 February 2021 and Circular No. 6 dated 03 March 2021 has directed listed companies to arrange participation of shareholders in Annual General Meeting through Video Link Facility in addition to allowing physical attendance by the members. The members who are willing to attend and participate in the AGM can do so through video-link via smartphones, computers, tablets, etc. To attend the AGM through video-link, members are requested to get their following particulars registered by sending an email or WhatsApp at the number/address given below, at least 48 hours before the time of the AGM, and download at <https://kel.com.pk/page-investor-information>.

Name	Folio/CDS Account No.	CNIC No	Cell phone	Email

Signature of Member

WhatsApp	0341-0780786	Email	j.manzoor@kelcom.pk
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Upon receipt of requests, the video-link login credentials will be shared with the interested shareholders on their email addresses or WhatsApp messages. The members can send their comments/suggestions related to the agenda items of the meeting through the above-mentioned means.

6. Prohibition of Distribution of Gifts

No gifts will be distributed at the Annual General Meeting as prohibited under Section 185 of the Companies Act, 2017.

اطلاع برائے سالانہ اجلاس عام

1- سالانہ اجلاس عام منعقدہ 27 اکتوبر 2025 کی کاروائی کی توثیق
2- کمپنی کے سالانہ آڈٹ شدہ حسابات برائے 30 جون 2026 کو ختم ہونے والے مالی سال اور ڈائریکٹرز آڈیٹرز کی رپورٹس کی وصولی اور قبولیت

4۔ چیئر مین کی اجازت سے دیگر امور کی انجام دہی

بحکم بورڈ

جاوید منظور (کمپنی سیکرٹری)

2۔ اس میننگ میں شرکت کرنے اور وہ دینے کا اہل ممبر اپنا پر کسی مقرر کر سکتا ہے۔ سٹپ، دستخط اور تصدیق شدہ پراکسیز کمپنی کے ہیڈ آفس کوہ نور انرجی لمیٹڈ واقع نزد تبلیغی اجتماع، رانیٹوہ ہائی پاس، لاہور پر میننگ کے وقت سے اڑتالیس گھنٹے قبل تک موصول ہونا لازم ہیں، ورنہ قابل قبول نہ ہو گی۔ سینٹرل ڈیپازٹری آف ٹاؤنٹ ہولڈرز کیلئے قومی شناختی کارڈ یا فائدہ حاصل کرنے والے مالک کے پاسپورٹ کی تصدیق شدہ کاپی بمعہ پراکسی فارم فراہم کرنا ضروری ہے۔ کارپوریٹ شخصیت کی صورت میں بورڈ آف ڈائریکٹرز کی قرارداد/مختار نامہ اور دستخط کا نمونہ (بجرا اسکے کہ پبلک فراہم نہ کی گئی ہو) بمعہ کمپنی کے پراکسی فارم جمع کرائے جائیں گے۔ پراکسی میننگ کے وقت اپنا اصل شناختی کارڈ یا اصل پاسپورٹ بمعہ آؤٹ نمبر برائے شناخت فراہم کرے گا۔

4- کمپنی کی سالانہ رپورٹ 2026 کمپنی کی ویب سائٹ سے دیئے گئے لنک یا QR کوڈ کے ذریعے ڈاؤن لوڈ کی جاسکتی ہے



Name	Folio/ CDC A/C	CNIC	MobileNo.	Email

Member Signature

Email

6۔ تحائف کی تقسیم پر ممانعت

سالانہ اجلاس عام میں کوئی تحائف تقسیم نہیں کئے جائیں گے جیسا کہ کمپنیز ایکٹ 2017 کے سیکشن 185 میں ممانعت کی گئی ہے

Chairman's Review

On behalf of the Board of Directors, I am pleased to present the 33rd Annual Report of Kohinoor Energy Limited, together with the Audited Financial Statements for the year ended June 30, 2026.

Despite a challenging business environment, the Company maintained safe, reliable, and efficient operations throughout the year. The dedication and professionalism of our management, engineers, professionals, and skilled employees have been instrumental in maintaining operational performance. After 29 years of operations, the Company continues to benefit from its experience, technical capabilities, and established infrastructure.

During the financial year 2025–2026, the Company recorded a profit after tax of Rs. 743 million, with earnings per share (EPS) of Rs. 4.39, compared with Rs. 724 million and EPS of Rs. 4.27 in the preceding year.

The Board comprises seven directors, including two Executive Directors, three Non-Executive Directors, and two Independent Directors. This provides an appropriate balance of executive knowledge, experience, and independent judgment, supporting effective oversight and sound decision-making.

The Board is supported by the Audit Committee and the Human Resource and Remuneration Committee. These committees assist the Board in fulfilling its governance responsibilities, including oversight of financial reporting, internal controls, audit, risk management, human resources, and remuneration matters.

The Board also recognizes the importance of regular evaluation of its effectiveness. The performance of the Board, its committees, and individual directors is assessed with regard to their responsibilities, participation, effectiveness, and contribution to the Company. The evaluation process supports continuous improvement in Board effectiveness and governance practices.

With the continued guidance of an experienced Board and the commitment of our management and employees, the Company remains focused on operational excellence, sound governance, and sustainable value creation for its shareholders.

I sincerely appreciate the continued trust and support of our shareholders and stakeholders, and acknowledge the dedication of our management and employees towards the Company's continued success.

Lahore
October 02, 2026



M. Naseem Saigol
Chairman

چیئر مین جائزہ

بورڈ آف ڈائریکٹرز کی جانب سے مجھے کوہ نور انرجی لمیٹڈ کی 33 ویں سالانہ رپورٹ 30 جون 2026 کو ختم ہونے والے سال کے آڈٹ شدہ مالیاتی گوشواروں ساتھ پیش کرتے ہوئے خوشی محسوس ہو رہی ہے

کاروباری ماحول میں درپیش چیلنجز کے باوجود، کمپنی نے پورے سال محفوظ، قابل اعتماد اور موثر آپریشنز کو برقرار رکھا۔ ہماری انتظامیہ، انجینئرز، ماہرین اور ہنرمند ملازمین کی لگن اور پیشہ ورانہ مہارت نے آپریشنل کارکردگی کو برقرار رکھنے میں کلیدی کردار ادا کیا۔ 29 سالہ آپریشنز کے بعد بھی کمپنی اپنے تجربے، تکنیکی صلاحیتوں اور مستحکم بنیادی ڈھانچے سے مسلسل فائدہ اٹھا رہی ہے۔

رواں مالی سال 2025.26 کے دوران کمپنی نے بعد از ٹیکس 743 ملین روپے منافع کمایا اور فی شیئر آمدنی 4.39 رہی جبکہ اسکے مقابلے میں پچھلے سال کمپنی کا بعد از ٹیکس منافع 724 ملین تھا جبکہ فی شیئر آمدنی 4.27 روپے تھی۔

بورڈ سٹ ڈائریکٹرز پر مشتمل ہے، جن میں دو ایگزیکٹو ڈائریکٹرز، تین نان ایگزیکٹو ڈائریکٹرز اور دو آزاد ڈائریکٹرز شامل ہیں۔ یہ تشکیل انتظامی معلومات، تجربے اور آزادانہ رائے کے درمیان ایک مناسب توازن فراہم کرتی ہے، جو موثر نگرانی اور دانشمندانہ فیصلہ سازی میں معاون ہے۔

بورڈ کو آڈٹ کمیٹی اور ہیومن ریسورس اینڈ ریسورس کمیشن کی کمیٹی کی معاونت حاصل ہے۔ یہ کمیٹیاں بورڈ کو کارپوریٹ گورننس سے متعلق اپنی ذمہ داریاں پوری کرنے میں معاونت فراہم کرتی ہیں، جن میں مالیاتی رپورٹنگ، اندرونی کنٹرولز، آڈٹ، رسک مینجمنٹ، انسانی وسائل اور معاونتوں سے متعلق امور کی نگرانی شامل ہے۔

بورڈ اپنی کارکردگی کے باقاعدہ جائزے کی اہمیت کو بھی تسلیم کرتا ہے۔ بورڈ، اس کی کمیٹیوں اور انفرادی ڈائریکٹرز کی کارکردگی کا جائزہ ان کی ذمہ داریوں، شرکت، موثریت اور کمپنی میں ان کی خدمات و کردار کو مد نظر رکھتے ہوئے لیا جاتا ہے۔ جائزے کا یہ عمل بورڈ کی موثریت اور کارپوریٹ گورننس کے طریقہ کار میں مسلسل بہتری کو فروغ دیتا ہے۔

ایک تجربہ کار بورڈ کی مسلسل رہنمائی اور ہماری انتظامیہ و ملازمین کے عزم کے ساتھ، کمپنی آپریشنل عہدگی، مضبوط کارپوریٹ گورننس اور اپنے شیئر ہولڈرز کے لیے پائیدار قدر کے حصول پر توجہ مرکوز کیے ہوئے ہے۔

میں اپنے شیئر ہولڈرز اور دیگر اسٹیک ہولڈرز کے مسلسل اعتماد اور تعاون کو تہہ دل سے سراہتا ہوں، اور کمپنی کی مسلسل کامیابی کے لیے ہماری انتظامیہ اور ملازمین کی لگن اور محنت کا اعتراف کرتا ہوں۔



ایم نسیم سہگل
چیئر مین

لاہور

02 اکتوبر 2026

DIRECTORS' REPORT

The Board of Directors is pleased to present the Annual Report and the audited financial statements of the Company for the year ended June 30, 2026.

Principal Activities

The Company owns, operates, and maintains a furnace oil-fired power plant with a net capacity of 124 MW and a gross capacity of 131.44 MW.

Financial Results

During FY 2025-26, the Company's sales were Rs. 6.36 billion, compared with Rs. 4.33 billion last year. The higher sales were mainly due to higher electricity dispatch. The Company earned a net profit after tax of Rs. 743 million, with EPS of Rs. 4.39, compared with a net profit of Rs. 724 million and EPS of Rs. 4.27 in FY 2024-25.

	(Rupees in Thousand)	
	2026	2025
Profit before taxation and levy	744,738	735,116
Tax and Levy	(1,320)	(10,765)
Profit for the year	743,418	724,351
Other comprehensive income / (loss)	-	-
Total comprehensive income for the year	743,418	724,351
Un-appropriated profit brought forward	2,369,996	2,831,855
Available for appropriations	3,113,414	3,556,206
	-	(1,186,210)
Un-appropriated profit carried forward	3,113,414	2,369,996
Earnings per share Rupees	4.39	4.27

Sales tax remain under litigation; management and legal advisors expect favorable outcomes, Please see full detail in note 10 to these financial statements of the Company. The precise detail is as follows:

The ACIR disallowed input sales tax on capacity purchase price, raising a demand of Rs. 505.41m. The CIR(A) partly upheld the order but reduced demand beyond the limitation period. The ATIR maintained the CIR(A)'s order, after which the Company appealed to Lahore High Court. On Oct 31, 2016, the Court decided in Company's favor. The tax department appealed to the Supreme Court, where the case remains pending. Management, supported by legal advisors, believes the demand is not sustainable; no provision has been recorded.

DCIR raised a demand of Rs. 184.13m relating to inadmissible input tax and alleged sales suppression. CIR(A) deleted Rs. 152.95m and remanded Rs. 31.18m for re-adjudication. The Tax Department challenged the deletion of the CPP-related demand before ATIR. Subsequent to year-end, ATIR Lahore, vide order dated July 6, 2026, dismissed the appeal. The Tribunal upheld the CIR(A)'s order and confirmed the deletion of the demand. Accordingly, the matter was decided in favour of the Company. Management expects a favorable outcome; no provision has been made.

CIR raised a demand of Rs. 231.57m for inadmissible input tax and under-declaration of supplies. CIR(A) dismissed the Company's initial appeal on jurisdictional grounds. ATIR later remanded the case for decision on merits. CIR(A) then set aside the assessment for re-verification. A protective appeal was also filed but withdrawn after High Court review. On June 27, 2025, the IRO upheld the original demand. The Company has filed an appeal before CIR(A), pending adjudication. Management considers the demand contestable; hence, no provision has been recorded. During the year ATIR, vide order dated January 29, 2026, annulled the entire sales tax demand of Rs. 231.57 million. The Company's appeal was allowed in full and the previous orders were set aside. Based on the favorable decision and legal advice, management considers that no liability exists. Accordingly, no provision has been recognized.

An impugned RLNG tariff adjustments of Rs. 4.8 million for April 2015 to June 2022 and Rs. 1.6 million for July 2022 to March 2025 were included by SNGPL. The Company has challenged the said adjustments before the Lahore High Court, where the matters are pending adjudication. Pursuant to the Court's directions, the first instalments have been deposited by the Company and PDCs have been furnished to SNGPL for the remaining monthly instalments.

Management, based on legal advice, considers that the Company has strong grounds to defend the disputed claims. Accordingly, no provision has been recognized in the unconsolidated financial statements.

During FY 2025–26, the Board of Directors did not recommend any cash dividend or issuance of bonus shares to the shareholders. The Company intends to retain its earnings to strengthen its financial position, support future business investment, and enhance long-term value for its shareholders.

Operations

Electricity dispatch during the year was 109,073 MWh, compared with 76,156MWh last year. The capacity factor was 10.04%, compared with 7.01% in the previous year.

The plant also passed the Annual Dependable Capacity Test at 128.37 MW, which is above the contractual capacity of 124 MW. This shows that the plant continues to perform well despite being more than 29 years old.

Risk Management

The Company has policies in place to manage financial and business risks, including foreign exchange, interest rate, credit, and liquidity risks. These risks are regularly reviewed, and appropriate controls are updated when required.

Operational Risks

The Quality & EHS Department manages the Company's operational risk framework.

The Company has proper procedures and emergency plans in place to ensure safe and smooth plant operations. These procedures are based on international standards.

Financial Risks

Details of the Company's financial risk management are given in Note 34 to the unconsolidated financial statements.

Credit Rating

PACRA has maintained the Company's credit ratings at "AA" for long-term and "A1+" for short-term. These ratings reflect the Company's strong operations, good governance, and secure cash flows.

Statements in Compliance with the CCG

The Company confirms that:

- The financial statements give a true and fair view of the Company's financial position and performance.
- Proper books and accounting records have been maintained.
- IFRS has been consistently followed in preparing the financial statements.
- An effective internal control system is in place.
- Key operating and financial information for the last six years is included in the Annual Report.
- Board of Directors and the Audit Committee met five times each and HR & Remuneration Committee met once.

Board Composition and Attendance

Name of Director		Category	Attendance		
			BoD	AC	HR
Mr. M. Naseem Saigol	Male	Non-Executive	4		
Mr. Muhammad Zeid Yousuf Saigol	"	Executive	5		1
Mr. Muhammad Murad Saigol	"	Executive	5		
Syed Manzar Hassan	"	Non-Executive	5	5	1
Mr. Muhammad Omer Farooq	"	Non-Executive	5	5	
Mr. Faisal Riaz - Chairman (Both Audit and HR Committees)	"	Independent	5		1
Ms. Sadaf Kashif - Outgoing Director	Female	Independent/Female	5	5	
Ms. Rahma Butt	Female	Independent/Female			

- No shares were traded by directors, executives, or their spouses.

- The Employees Provident Fund is operational and registered.
- The Audit Committee consists of three non-executive directors and is chaired by an independent director.

Directors' Remuneration

The Company does not pay remuneration to non-executive directors, including independent directors, except for meeting fees or additional remuneration for any member of the Board for performing additional service like holding the office of the Chairman of the Board etc. Details of the remuneration paid to executive and non-executive directors are provided in Note 31 to the unconsolidated financial statements.

Corporate Social Responsibility (CSR)

Kohinoor Energy Limited ("KEL") is firmly committed to fulfilling its responsibilities as a responsible corporate citizen of Pakistan and to making a meaningful contribution to the communities in which it operates. Through its Corporate Social Responsibility (CSR) initiatives, KEL seeks to create a positive and sustainable social impact, with particular emphasis on healthcare and education. During the period under review, KEL's key CSR initiatives included:

- Healthcare: Free medical services were provided to 4,617 patients at a cost of Rs. 5.24 million.
- Education: Support was provided to 32 students at a cost of Rs. 1.94 million.

Environment

The Company continues to focus on energy efficiency, reducing emissions, and proper use of natural resources. The Company has environmental systems and procedures to ensure compliance with applicable environmental requirements. The Company also focuses on workplace safety, saving resources, and sustainable operations. Emissions from diesel generators and wastewater are tested regularly to ensure compliance with the National Environmental Quality Standards (NEQS).

Internal Control System

The Company has policies and procedures to ensure smooth operations, protect its assets, maintain accurate records, prevent fraud, and prepare financial information on time.

Auditors

M/s A.F. Ferguson & Co., Chartered Accountants, retire at the forthcoming Annual General Meeting and, being eligible, have offered themselves for reappointment. The Audit Committee and the Board of Directors have recommended their reappointment for approval by the shareholders at the forthcoming AGM.

Pattern of Shareholding

The shareholding pattern of the Company as of June 30, 2026 is attached to the Annual Report.

Acknowledgement

The Board of Directors appreciates the continued support of the shareholders, CPPA, PPIB, financial institutions, business partners, and other stakeholders. The Board also appreciates the hard work and dedication of the Company's employees in maintaining reliable plant operations during the year.

For and on behalf of the Board

Lahore
October 02, 2026


Muhammad Zeid Yousuf Saigol
Chief Executive officer


Syed Manzar Hassan
Director

ڈائریکٹر رپورٹ

بورڈ آف ڈائریکٹر ز کو یہ پیش کرتے ہوئے خوشی محسوس ہو رہی ہے کہ کمپنی کی 30 جون 2026 کو ختم ہونے والے سال کی سالانہ رپورٹ اور آڈٹ شدہ مالیاتی گوشوارے پیش کیے جا رہے ہیں۔

بنیادی سرگرمیاں

کمپنی فرنس آئل سے چلنے والے پاور پلانٹ کی مالک ہے اور اسے چلاتی اور برقرار رکھتی ہے۔ پاور پلانٹ کی خالص پیداواری صلاحیت 124 میگاواٹ جبکہ مجموعی پیداواری صلاحیت 131.44 میگاواٹ ہے۔

مالیاتی نتائج

مالی سال 2025-26 کے دوران کمپنی کی فروخت 6.36 ارب روپے رہی، جبکہ گزشتہ سال یہ 4.33 ارب روپے تھی۔ فروخت میں اضافہ بنیادی طور پر بجلی کی زیادہ ڈیمینڈ کے باعث ہوا۔ کمپنی نے ٹیکس کی ادائیگی کے بعد 743 ملین روپے کا خالص منافع حاصل کیا اور فی حصص آمدنی 4.39 روپے رہی۔ اس کے مقابلے میں مالی سال 2024-25 میں کمپنی کا خالص منافع 724 ملین روپے اور فی حصص آمدنی 4.27 روپے تھی۔

	(Rupees in Thousand)	
	2026	2025
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	-	(1,186,210)
Un-appropriated profit carried forward	3,113,414	2,369,996
Earnings per share Rupees	4.39	4.27

Sales tax remain under litigation; management and legal advisors expect favorable outcomes, Please see full detail in note 10 to these financial statements of the Company. The precise detail is as follows:

The ACIR disallowed input sales tax on capacity purchase price, raising a demand of Rs. 505.41m. The CIR(A) partly upheld the order but reduced demand beyond the limitation period. The ATIR maintained the CIR(A)'s order, after which the Company appealed to Lahore High Court. On Oct 31, 2016, the Court decided in Company's favor. The tax department appealed to the Supreme Court, where the case remains pending. Management, supported by legal advisors, believes the demand is not sustainable; no provision has been recorded.

DCIR raised a demand of Rs. 184.13m relating to inadmissible input tax and alleged sales suppression. CIR(A) deleted Rs. 152.95m and remanded Rs. 31.18m for re-adjudication. The Tax Department challenged the deletion of the CPP-related demand before ATIR. Subsequent to year-end, ATIR Lahore, vide order dated July 6, 2026, dismissed the appeal. The Tribunal upheld the CIR(A)'s order and confirmed the deletion of the demand. Accordingly, the matter was decided in favor of the Company. Management expects a favorable outcome; no provision has been made.

CIR raised a demand of Rs. 231.57m for inadmissible input tax and under-declaration of supplies. CIR(A) dismissed the Company's initial appeal on jurisdictional grounds. ATIR later remanded the case for decision on merits. CIR(A) then set aside the assessment for re-verification. A protective appeal was also filed but withdrawn after High Court review. On June 27, 2025, the IRO upheld the original demand. The Company has filed an appeal before CIR(A), pending adjudication. Management considers the demand contestable; hence, no provision has been recorded. During the year ATIR, vide order dated January 29, 2026, annulled the entire sales tax demand of Rs. 231.57 million. The Company's appeal was allowed in full and the previous orders were set aside. Based on the favorable decision and legal advice, management considers that no liability exists. Accordingly, no provision has been recognized.

An impugned RLNG tariff adjustments of Rs. 4.8 million for April 2015 to June 2022 and Rs. 1.6 million for July 2022 to March 2025 were included by SNGPL. The Company has challenged the said adjustments before the Lahore High Court, where the matters are pending adjudication. Pursuant to the Court's directions, the first installments have been deposited by the Company and PDCs have been furnished to SNGPL for the remaining monthly installments.

Management, based on legal advice, considers that the Company has strong grounds to defend the disputed claims. Accordingly, no provision has been recognized in the unconsolidated financial statements.

مالی سال 2025-26 کے دوران، بورڈ آف ڈائریکٹرز نے حصص یافتگان کے لیے کسی نقد منافع یا بونس حصص کے اجراء کی سفارش نہیں کی۔ کمپنی کا ارادہ ہے کہ اپنے منافع کو کمپنی کی مالی حیثیت کو مزید مستحکم کرنے، مستقبل میں کاروباری سرمایہ کاری کے لیے معاونت فراہم کرنے اور اپنے حصص یافتگان کے لیے طویل مدتی قدر میں اضافے کے لیے کمپنی میں برقرار رکھا جائے۔

آپریشنز

سال کے دوران بجلی کی ڈسپینچ 109,073 میگاواٹ گھنٹے رہی، جبکہ گزشتہ سال یہ 76,156 میگاواٹ گھنٹے تھی۔ کمپنی سیٹی فیکٹر 10.04 فیصد رہا، جبکہ گزشتہ سال یہ 7.01 فیصد تھا۔

پلانٹ نے 128.37 میگاواٹ کی سالانہ قابل اعتماد پیداواری صلاحیت کا ٹیسٹ بھی کامیابی سے پاس کیا، جو 124 میگاواٹ کی معاہداتی صلاحیت سے زیادہ ہے۔ یہ امر ظاہر کرتا ہے کہ 29 سال سے زائد پرانے ہونے کے باوجود پلانٹ مسلسل اچھی کارکردگی کا مظاہرہ کر رہا ہے۔

رہنما

کمپنی نے مالیاتی اور کاروباری خطرات کے انتظام کے لیے پالیسیاں وضع کر رکھی ہیں۔ ان خطرات میں زرمبادلہ، شرح سود، کریڈٹ اور لیکویڈیٹی کے خطرات شامل ہیں۔ ان خطرات کا باقاعدگی سے جائزہ لیا جاتا ہے اور ضرورت پڑنے پر مناسب کنٹرولز کو اپ ڈیٹ کیا جاتا ہے۔

آپریٹل خطرات

کوالٹی اینڈ EHS ڈیپارٹمنٹ کمپنی کے آپریٹل رسک فریم ورک کا انتظام کرتا ہے۔ محفوظ اور ہموار پلانٹ آپریشنز کو یقینی بنانے کے لیے کمپنی نے مناسب طریقہ کار اور ہنگامی منصوبہ وضع کر رکھے ہیں۔ یہ طریقہ کار بین الاقوامی معیارات کی بنیاد پر مرتب کیے گئے ہیں۔

مالیاتی خطرات

کمپنی کے مالیاتی خطرات کے انتظام کی تفصیلات غیر مجموعی مالیاتی گوشواروں کے نوٹ نمبر 34 میں دی گئی ہیں۔

کریڈٹ ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی نے (PACRA) نے کمپنی کی ریٹنگ "AA" (طویل المدت) اور "A1+" (قلیل المدت) برقرار رکھی۔ یہ ریٹنگ کمپنی کے مضبوط آپریشنز، اچھی کارپوریٹ گورنس اور محفوظ فلو کی عکاسی کرتی ہیں۔

کوڈ آف کارپوریٹ گورنس کی تعمیل میں اسٹیٹمنٹس

کمپنی اس امر کی تصدیق کرتی ہے کہ:

- مالیاتی گوشوارے کمپنی کی مالیاتی پوزیشن اور کارکردگی کی درست اور منصفانہ تصویر پیش کرتے ہیں۔
- مناسب کتب اور اکاؤنٹنگ ریکارڈز برقرار رکھے گئے ہیں۔
- مالیاتی گوشوارے تیار کرتے وقت IFRS کے تقاضوں پر مستقل طور پر عمل کیا گیا ہے۔
- موثر اندرونی کنٹرول کا نظام موجود ہے۔
- گزشتہ چھ سال کی اہم آپریٹل اور مالیاتی معلومات سالانہ رپورٹ میں شامل کی گئی ہیں۔
- بورڈ آف ڈائریکٹرز اور آڈٹ کمیٹی کے پانچ، پانچ اجلاس منعقد ہوئے، جبکہ ایچ آر اینڈ ریسورسز کمیٹی کا ایک اجلاس منعقد ہوا۔

Name of Director		Category	Attendance		
			BoD	AC	HR
Mr. M. Naseem Saigol	Male	Non-Executive	4		
Mr. Muhammad Zeid Yousuf Saigol	"	Executive	5		1
Mr. Muhammad Murad Saigol	"	Executive	5		
Syed Manzar Hassan	"	Non-Executive	5	5	1
Mr. Muhammad Omer Farooq	"	Non-Executive	5	5	
Mr. Faisal Riaz - Chairman (Both Audit and HR Committees)	"	Independent	5		1
Ms. Sadaf Kashif - Outgoing Director	Female	Independent/Female	5	5	
Ms. Rahma Butt	Female	Independent/Female			

- ڈائریکٹرز، ایگزیکٹو یا ان کے شریک حیات کی جانب سے کمپنی کے حصص کی کوئی خرید و فروخت نہیں کی گئی۔

- ایکسپلائز پر اوڈینٹ فنڈ فعال ہے اور رجسٹرڈ ہے۔

- آڈٹ کمیٹی تین نان ایگزیکٹو ڈائریکٹرز پر مشتمل ہے اور اس کی سربراہی ایک آزاد ڈائریکٹر کرتا ہے۔

ڈائریکٹرز کے معاوضے

کمپنی نان ایگزیکٹو ڈائریکٹرز، بشمول آزاد ڈائریکٹرز، کو کوئی معاوضہ ادا نہیں کرتی، سوائے اجلاس کی فیس یا بورڈ کے کسی رکن کو اضافی خدمات انجام دینے، مثلاً بورڈ کے چیئرمین کا عہدہ سنبھالنے وغیرہ کے لیے اضافی معاوضے کے۔ ایگزیکٹو اور نان ایگزیکٹو ڈائریکٹرز کو ادا کیے گئے معاوضے کی تفصیلات غیر مجموعی مالیاتی گوشواروں کے نوٹ نمبر 31 میں فراہم کی گئی ہیں۔

کارپوریٹ سماجی ذمہ داری (CSR)

کوہ نور انرجی لمیٹڈ ("KEL") پاکستان کے ایک ذمہ دار کارپوریٹ شہری کی حیثیت سے اپنی ذمہ داریاں پوری کرنے اور ان کی پیمائش میں بامعنی کردار ادا کرنے کے لیے پُر عزم ہے جہاں کمپنی اپنے آپریشنز انجام دیتی ہے۔

اپنے کارپوریٹ سماجی ذمہ داری (CSR) کے اقدامات کے ذریعے KEL مثبت اور پائیدار سماجی اثرات پیدا کرنے کی کوشش کرتی ہے، جس میں بالخصوص صحت اور تعلیم پر توجہ مرکوز کی جاتی ہے۔ زیر جائزہ مدت کے دوران KEL کے اہم CSR اقدامات درج ذیل رہے:

- صحت: 4,617 مریضوں کو مفت طبی سہولیات فراہم کی گئیں، جن پر 5.24 ملین روپے لاگت آئی۔
- تعلیم: 32 طلبہ کو معاونت فراہم کی گئی، جس پر 1.94 ملین روپے لاگت آئی۔

ماحولیات

کمپنی توانائی کی کارکردگی بہتر بنانے، اخراج میں کمی لانے اور قدرتی وسائل کے مناسب استعمال پر مسلسل توجہ دے رہی ہے۔ کمپنی نے قابل اطلاق ماحولیاتی تقاضوں کی تعمیل کو یقینی بنانے کے لیے ماحولیاتی نظام اور طریقہ کار وضع کر رکھے ہیں۔ کمپنی کام کی جگہ پر حفاظت، وسائل کی بچت اور پائیدار آپریشنز پر بھی توجہ مرکوز کرتی ہے۔ ماحولیاتی معیار کی تعمیل کو یقینی بنانے کے لیے ڈیزل جنریٹرز کے اخراج اور گندے پانی کی باقاعدگی سے جانچ کی جاتی ہے تاکہ قومی ماحولیاتی معیار (NEQS) کی تعمیل یقینی بنائی جاسکے۔

اندرونی کنٹرول کا نظام

کمپنی نے ہموار آپریشنز کو یقینی بنانے، اپنے اثاثوں کے تحفظ، درست ریکارڈز برقرار رکھنے، دھوکہ دہی کی روک تھام اور مالیاتی معلومات بروقت تیار کرنے کے لیے پالیسیاں اور طریقہ کار وضع کر رکھے ہیں۔

آڈیٹرز

ایم ایس فرگوسن، چارٹرڈ اکاؤنٹنٹس، آئندہ سالانہ جنرل میٹنگ میں ریٹائر ہو رہے ہیں اور اہل ہونے کی وجہ سے انہوں نے دوبارہ تقرری کے لیے خود کو پیش کیا ہے۔ آڈٹ کمیٹی اور بورڈ آف ڈائریکٹرز نے آئندہ سالانہ جنرل میٹنگ میں شیئر ہولڈرز کی منظوری کے لیے ان کی دوبارہ تقرری کی سفارش کی ہے۔

حصص کی ملکیت کا خاکہ

30 جون 2026 کو کمپنی کے حصص کی ملکیت کا خاکہ سالانہ رپورٹ کے ساتھ منسلک ہے۔

اظہار تشکر

بورڈ آف ڈائریکٹرز کمپنی کے شیئر ہولڈرز، PPiB، CPPA، مالیاتی اداروں، کاروباری شراکت داروں اور دیگر اسٹیک ہولڈرز کی مسلسل معاونت کو قدر کی نگاہ سے دیکھتا ہے۔ بورڈ کمپنی کے ملازمین کی محنت اور لگن کو بھی سراہتا ہے، جنہوں نے سال کے دوران پلانٹ کے قابل اعتماد آپریشنز کو برقرار رکھنے میں اہم کردار ادا کیا۔

For and on behalf of the Board

سید منظر حسن

لاہور

02 اکتوبر 2026

ڈائریکٹر

محمد زید یوسف سہیل

چیف ایگزیکٹو

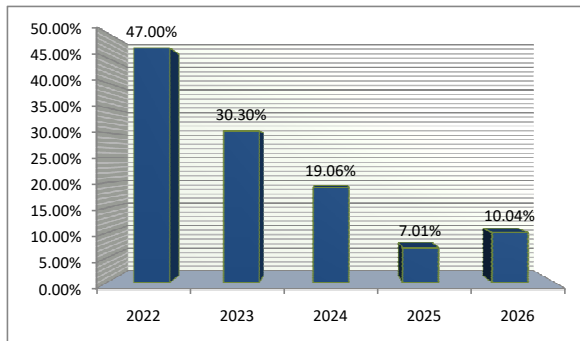
چیف ایگزیکٹو

FINANCIAL DATA

	2025-2026	2024-2025	2023-2024	2022-2023	2021-2022	2020-2021
DISPATCH LEVEL (%)	10.04%	7.01%	19.06%	30.30%	47.49%	31.04%
DISPATCH (MWH)	109,073	76,156	207,615	329,160	515,812	337,122
REVENUE (Rs. 000)						
ENERGY FEE	4,783,641	2,354,937	7,218,642	10,131,116	12,731,175	4,635,701
CAPACITY FEE	1,467,962	1,787,670	2,446,893	1,966,432	1,631,827	1,752,832
INTEREST ON DELAYED PAYMENT	103,450	186,204	344,358	485,589	175,308	363,797
TOTAL REVENUE	6,355,053	4,328,811	10,009,893	12,583,137	14,538,310	6,752,330
COST OF SALES	5,196,489	2,983,165	7,711,987	10,194,769	12,562,948	4,983,277
GROSS PROFIT	1,158,564	1,345,646	2,297,906	2,388,368	1,975,362	1,769,053
PROFITABILITY (Rs. 000)						
PROFIT/(LOSS) BEFORE TAX & LEVY	744,738	735,116	1,603,266	1,575,006	1,509,580	1,202,984
PROVISION FOR INCOME TAX	1,320	10,765	2,768	1,539	2,200	3,563
PROFIT/(LOSS) AFTER TAX	743,418	724,351	1,600,498	1,573,467	1,507,380	1,199,421
OTHER COMPREHENSIVE INCOME / (LOSS)	-	-	-	-	-	25,273
FINANCIAL POSITION (Rs. 000)						
NON CURRENT ASSETS	2,293,592	2,535,394	2,385,366	2,365,972	2,693,734	2,845,589
CURRENT ASSETS	4,893,400	2,850,216	5,346,386	4,768,597	6,916,673	7,367,352
LESS CURRENT LIABILITIES	2,378,992	1,321,028	3,205,311	1,751,477	4,699,301	4,111,682
NET WORKING CAPITAL	2,514,408	1,529,188	2,141,075	3,017,120	2,217,372	3,255,670
CAPITAL EMPLOYED	4,808,000	4,064,582	4,526,441	5,383,092	4,911,106	6,101,259
LESS LONG TERM LOANS						28,560
SHARE HOLDERS EQUITY	4,808,000	4,064,582	4,526,441	5,383,092	4,911,106	6,072,699
REPRESENTED BY (Rs. 000)						
SHARE CAPITAL	1,694,586	1,694,586	1,694,586	1,694,586	1,694,586	1,694,586
SHARE PREMIUM						
BONUS SHARES						
UNAPPROPRIATED PROFIT BEFORE APPROPRIATION	3,113,414	3,556,206	5,289,004	4,789,987	5,885,493	6,072,699
APPROPRIATION / DIVIDENDS	-	1,186,210	2,457,149	1,101,481	2,668,973	1,694,586
EFFECT OF RETROSPECTIVE CHANGE IN ACCOUNTING POLICY						
UNAPPROPRIATED PROFIT BROUGHT FORWARD	3,113,414	2,369,996	2,831,855	3,688,506	3,216,520	4,378,113
	4,808,000	4,064,582	4,526,441	5,383,092	4,911,106	6,072,699
SHARE PRICES AS ON JUNE 30,	16.47	16.63	40.71	30.75	38.30	36.00
EARNING PER SHARE	4.39	4.27	9.44	9.29	8.90	7.08
RATIOS:						
RETURN ON ASSETS	10.34%	13.45%	20.70%	22.05%	15.68%	11.74%
PRICE EARNING RATIO	3.75	3.89	4.31	3.31	4.30	5.08
BREAK UP VALUE PER SHARE OF Rs. 10 EACH	28.37	23.99	26.71	31.77	28.98	35.84
CURRENT RATIO	2.06	2.16	1.67	2.72	1.47	1.79
NET PROFIT/(LOSS) TO SALES (%AGE)	11.70%	16.73%	15.99%	12.50%	10.37%	17.76%
DPS	-	7.00	14.50	6.50	15.75	10.00

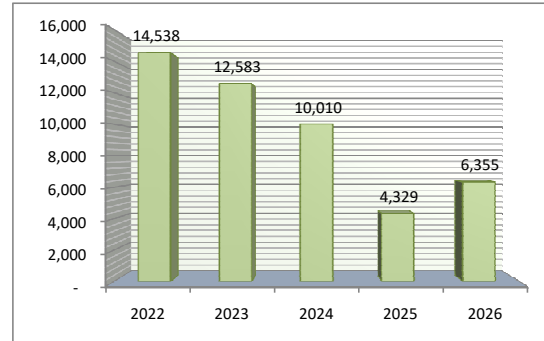
PERFORMANCE OVERVIEW

DESPATCH PERCENTAGE



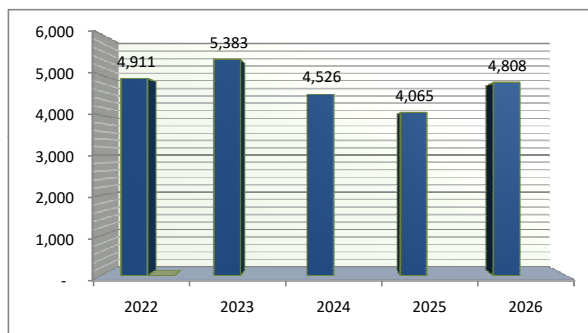
TURNOVER

(Rupees in Million)



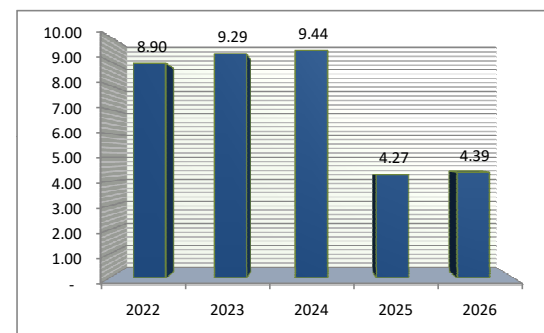
Share Holder Equity

(Rupees in Million)



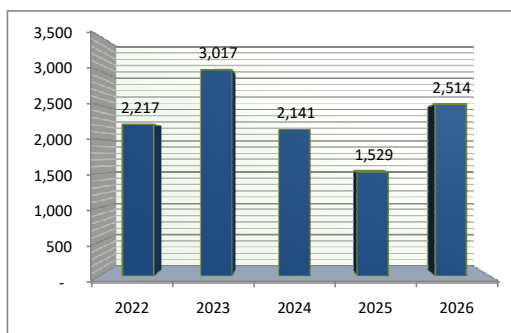
Earning Per Share

(Rupees)



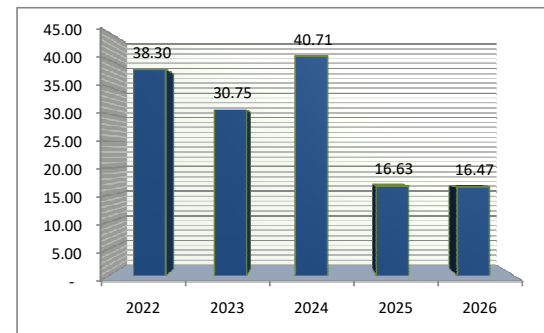
Working Capital Analysis

(Rupees in Million)



Share Price

(Rupees)



GENDER PAY GAP STATEMENT

UNDER CIRCULAR NO. 10 OF 2024 OF SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Name of Company : Kohinoor Energy Limited

Year ending : June 30, 2026

Following is the gender pay gap calculated for the year ended 30 June, 2026:

- (i) Mean Gender pay gap: 3.81%
- (ii) Median Gender pay gap: -21.52%
- (iii) Any other data/details as deemed relevant: The Company offers its employees equitable compensation based on their individual profile and performance without any discrimination with respect to their gender.

For and on behalf of the Board of Directors of the Company



Lahore:
October 02, 2026

Muhammad Zeid Yousuf Saigol
Chief Executive/Director

**STATEMENT OF COMPLIANCE WITH LISTED COMPANIES
(CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019**

Name of Company: **Kohinoor Energy Limited**

Year ending: **June 30, 2026**

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

1. The total number of directors are **7** as per the following:

- a. Male: 6
- b. Female: 1*

2. The composition of Board is as follows:

Category	Names
Independent Directors	Mr. Faisal Riaz Casual Vacancy (Female Director)*
Non-Executive Directors	Mr. M. Naseem Saigol Syed Manzar Hassan Mr. Muhammad Omer Farooq
Executive Directors	Mr. Muhammad Zeid Yousuf Saigol Mr. Muhammad Murad Saigol
Female Director	Casual Vacancy* (Ms. Rahma Butt appointed on 09-Sep-2026)

*Best practices of corporate governance entail having an optimal number and mix of board members with adequate skills and experience. From July 1, 2025, until June 15, 2026, the Board of Directors of the Company were seven (7) (i.e., 6 male directors and 1 female director), accordingly, the Company adequately met the requirement of minimum independent directors and the fraction (2.33) for independent directors has not been rounded up. On June 16, 2026, one casual vacancy of female director occurred on the resignation of Ms Sadaf Kashif and the Board of Directors of the Company reduced to six (6) (i.e., 6 male directors). Subsequent to the year end, casual vacancy has been filled within the regulatory time frame and Ms Rahma Butt has been appointed as an Independent Director / Female Director with effect from September 9, 2026.

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

9. Following Directors have attended Directors' Training Program till June 30, 2026.

- | | |
|------------------------------------|------------|
| 1) Mr. Muhammad Omer Farooq | (Director) |
| 2) Mr. Faisal Riaz | (Director) |
| 3) Ms. Sadaf Kashif | (Director) |
| 4) Syed Manzar Hassan | (Director) |
| 5) Mr. Muhammad Zeid Yousuf Saigol | (Director) |
| 6) Mr. Muhammad Murad Saigol | (Director) |

10. The board has approved appointment of chief financial officer, company secretary and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;

11. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the board;

12. The Board has formed committees comprising of members given below:

Audit Committee

- | | |
|--------------------------|------------|
| Mr. Faisal Riaz | (Chairman) |
| Syed Manzar Hassan | (Member) |
| Mr. Muhammad Omer Farooq | (Member) |

HR and Remuneration Committee

- | | |
|---------------------------------|------------|
| Mr. Faisal Riaz | (Chairman) |
| Mr. Muhammad Zeid Yousuf Saigol | (Member) |
| Syed Manzar Hassan | (Member) |

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;

14. The frequency of meetings (quarterly/half yearly/ yearly) of the committees were as per following:

- a) Audit Committee: Five meetings held during the financial year 2025-2026
- b) HR and Remuneration Committee: One meeting held during the financial year 2025-2026

15. The Board has set up an effective internal audit function which is considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company;

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with;

19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

S. No.	Requirement	Explanation for Non-Compliance	Regulation Number
1	Responsibilities of the Board and its members Adoption of the corporate governance practices	All mandatory requirements of Code are complied with whereas, non-mandatory provisions of the CCG Regulations are partially complied.	10(1)
2	Responsibilities of the Board and its members The Board shall ensure that complete record of particulars of the policy relating to environmental, social and governance (ESG) including but not limited to health and safety aspects in business strategies that promote sustainability, corporate social responsibility initiatives and other philanthropic activities, donations, contributions to charities and other matters of social welfare.	The board will take appropriate measures to prepare the policy relating to environmental, social and governance (ESG) in due course of time.	10(4)
3	Responsibilities of the Board and its members The chairman of the Board is encouraged to take necessary steps for recording the entire proceedings of the general meeting(s) by audio and visual which shall be archived and made available to the Commission and PSX when required.	The Board will take necessary steps to record and archive the proceedings of the general meeting(s) in due course of time.	10(7)
4	Responsibilities of the Board and its members Board is responsible for governance and oversight of sustainability risks and opportunities. Additionally, they are encouraged to ensure that policies to promote diversity, equity and inclusion (DE&I) are in place.	The board will take appropriate measures to proactively understand and address the principal as well as emerging sustainability risks and opportunities relevant to the company and its business. Further, the Board will ensure that policies relating to diversity, equity and inclusion (DE&I) are formulated and implemented in due course.	10A
5	Director's Training Companies are encouraged to arrange training for at least one head of department every year under the Directors' Training Program from July 2022.	The Company has planned to arrange Directors' Training Program certification for head of department over the next few years.	19(3)
6	Director's Training Companies are encouraged to arrange training for at least one female executive every year under the Directors' Training Program from July 2020.	The Company has planned to arrange Directors' Training Program certification for female executives over the next few years.	19(3)
7	Nomination Committee The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	Currently, the board has not constituted a separate Nomination Committee, and the functions are being performed by the Human Resource & Compensation Committee.	29(1)
8	Risk Management Committee The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the Board.	Currently, the board has not constituted a separate Risk Management Committee, and the Company's Audit Committee performs the requisite functions and apprises the board accordingly.	30(1)
9	Directors' report The Directors' Report shall include the following: (ii) composition including the following,- - Independent directors; - Non-executive directors; - Executive directors; and - Female director. (iv) the remuneration policy of non-executive directors including independent directors, as approved by the Board, which shall also include disclosing the significant features and elements thereof.	The composition of the board has not been disclosed in the director's report, however the same has been included in the statement of compliance. Further, the Company has not disclosed the remuneration policy of non-executive directors in the director's report.	34(2) - (ii) & (iv)
10	Qualification of company secretary No person shall be appointed as the company secretary unless he holds the qualification as specified under the relevant Regulations by the Commission.	The Company Secretary was appointed on October 22, 2025. At the time of appointment, the qualification requirements prescribed under the relevant Regulations of the Commission were not fully met. However, the requisite qualifications were subsequently obtained, and the appointment became compliant with the applicable requirements on August 13, 2026, subsequent to the year-end.	24
11	Disclosure of significant policies on website The company may post key elements of its significant policies, brief synopsis of reference of the Board Committees on its website and key elements of the directors' remuneration policy.	The requirement to disclose significant policies on the website is non-mandatory in regulation No. 35(1), and thus the Company has uploaded limited information in this respect on its website. Further, the Company is considering placing key elements of directors' remuneration policy and synopsis of terms of reference on its website.	35

For and on behalf of the Board

Lahore
October 02, 2026

Muhammad Zeid Yousuf Saigol
Chief Executive officer

Syed Manzar Hassan
Director



A.F. FERGUSON & CO.

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF KOHINOOR ENERGY LIMITED

REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Kohinoor Energy Limited (the Company) for the year ended June 30, 2026 in accordance with the requirements of regulation 36 of the Regulations.

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

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

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

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2026.

A. F. Ferguson & Co.
Chartered Accountants
Lahore

Date: October 6, 2026
UDIN: CR202610884XOktJgfly

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, 308-Upper Mall, Shahrah-e-Quaid-e-Azam, P.O. Box 39, Lahore-54000, Pakistan
Tel: +92 (42) 35199343-50/Fax: +92 (42) 35199351

Unconsolidated Financial Statements
As at June 30, 2026



A.F.FERGUSON & CO.

INDEPENDENT AUDITOR'S REPORT

To the members of Kohinoor Energy Limited

Report on the Audit of the Unconsolidated Financial Statements

Opinion

We have audited the annexed unconsolidated financial statements of Kohinoor Energy Limited (the Company), which comprise the unconsolidated statement of financial position as at June 30, 2026, and the unconsolidated statement of profit or loss and other comprehensive income, the unconsolidated statement of changes in equity, the unconsolidated statement of cash flows for the year then ended, and notes to the unconsolidated financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the unconsolidated statement of financial position, the unconsolidated statement of profit or loss and other comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2026 and of the profit and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matter

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

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A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, 308-Upper Mall, Shahrah-e-Quaid-e-Azam, P.O. Box 39, Lahore-54000, Pakistan
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Following is the Key audit matter:

S. No.	Key audit matter	How the matter was addressed in our audit
(i)	Receivables from Central Power Purchasing Agency (Guarantee) Limited (CPPA-G) (Refer notes 4.12, 4.19, 17, 18 and 34.1 (b) to the unconsolidated financial statements) The Company under the Power Purchase Agreement (PPA) sells available capacity and electrical output to CPPA-G. As at June 30, 2026 the Company has following receivables from CPPA-G: - Trade debts amounting to Rs. 2,541,428 thousand which include overdue debts of Rs. 1,594,332 thousand; and - Reimbursable costs amounting to Rs. 174,010 thousand. Due to delays in recovery, the Company has financed its operations through short-term financing arrangements. In view of the delays in settlement of receivables, potential impairment indicators, and the consequential impact of delay in settlement on liquidity and operations of the Company, we have considered this to be an area of higher assessed risk and a key audit matter.	Our audit procedures, amongst others included the following: - assessed whether revenue and related receivables have been recognized in accordance with the applicable accounting policies of the Company; - checked the invoices raised by the Company during the year were in accordance with the PPA; - obtained confirmation of receivable balance from CPPA-G; - checked receipts from CPPA-G with bank statements; - checked Implementation Agreement and assessed whether receivables are secured against guarantee from the Government of Pakistan and whether any impairment is required to be recognized thereagainst; - assessed the availability of finance with the Company to fund its business operations through committed credit lines obtained from various financial institutions; and - assessed adequacy of the related disclosures in the unconsolidated financial statements in accordance with the applicable accounting and reporting standards.

Information Other than the Unconsolidated and Consolidated Financial Statements and Auditor's Reports Thereon

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

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

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

Responsibilities of Management and Board of Directors for the Unconsolidated Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Unconsolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the unconsolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the unconsolidated financial statements, including the disclosures, and whether the unconsolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

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

- (a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- (b) the unconsolidated statement of financial position, the unconsolidated statement of profit or loss and other comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- (c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

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- (d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Ahsan Nadeem.

A handwritten signature in black ink, appearing to read 'A. F. Ferguson & Co.' with a stylized flourish at the end.

A. F. Ferguson & Co.
Chartered Accountants
Lahore

Date: October 6, 2026
UDIN: AR202610884XUYNcTWV4

KOHINOOR ENERGY LIMITED
UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	2026 (Rupees in thousand)	2025 (Rupees in thousand)		Note	2026 (Rupees in thousand)	2025 (Rupees in thousand)
EQUITY AND LIABILITIES				ASSETS			
SHARE CAPITAL AND RESERVES				NON-CURRENT ASSETS			
Authorized share capital				Property, plant and equipment	11	2,292,862	2,531,727
170,000,000 (June 30, 2025: 170,000,000) ordinary shares of Rs. 10 each		<u>1,700,000</u>	<u>1,700,000</u>	Intangible assets	12	586	1,092
Issued, subscribed and paid up capital				Long term loans and deposits	13	144	1,575
169,458,614 (June 30, 2025: 169,458,614) ordinary shares of Rs. 10 each	5	1,694,586	1,694,586	Investment in subsidiary	14	-	1,000
Un-appropriated profit		<u>3,113,414</u>	<u>2,369,996</u>			<u>2,293,592</u>	<u>2,535,394</u>
		<u>4,808,000</u>	<u>4,064,582</u>				
NON-CURRENT LIABILITIES				CURRENT ASSETS			
				Stores, spares and loose tools	15	363,646	444,302
CURRENT LIABILITIES				Stock in trade	16	547,998	366,053
Employee benefits	6	11,926	11,907	Trade debts - net	17	2,541,428	1,208,562
Short term finances - secured	7	2,047,362	1,050,502	Loans, advances, deposits, prepayments and other receivables	18	938,692	538,442
Trade and other payables	8	245,708	184,195	Short term investments	19	500,151	216,294
Accrued finance cost	9	33,329	31,442	Cash and bank balances	20	1,485	76,563
Unclaimed dividend		17,366	18,586			<u>4,893,400</u>	<u>2,850,216</u>
Provision for taxation - net		<u>23,301</u>	<u>24,396</u>				
		<u>2,378,992</u>	<u>1,321,028</u>				
CONTINGENCIES AND COMMITMENTS	10					<u>7,186,992</u>	<u>5,385,610</u>
		<u>7,186,992</u>	<u>5,385,610</u>				

The annexed notes 1 to 41 form an integral part of these unconsolidated financial statements.

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Chief Financial Officer

Chief Executive Officer

Director

KOHINOOR ENERGY LIMITED**UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026**

	Note	2026 (Rupees in thousand)	2025
Revenue from contract with customer	21	6,355,053	4,328,811
Cost of sales	22	<u>(5,196,489)</u>	<u>(2,983,165)</u>
Gross profit		1,158,564	1,345,646
Administrative expenses	23	(311,858)	(268,114)
Other expenses	24	(1,349)	(41,075)
Other income	25	<u>4,553</u>	<u>41,791</u>
Operating profit		849,910	1,078,248
Finance costs	26	<u>(105,172)</u>	<u>(343,132)</u>
Profit before levy and taxation		744,738	735,116
Levy	27	(863)	(8,465)
Profit before taxation		<u>743,875</u>	<u>726,651</u>
Taxation	28	<u>(457)</u>	<u>(2,300)</u>
Profit for the year		<u>743,418</u>	<u>724,351</u>
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
Total other comprehensive income		-	-
Total comprehensive income for the year		<u><u>743,418</u></u>	<u><u>724,351</u></u>
Earnings per share - basic and diluted - (in rupees)	37	<u><u>4.39</u></u>	<u><u>4.27</u></u>

The annexed notes 1 to 41 form an integral part of these unconsolidated financial statements.

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Chief Financial Officer


Chief Executive Officer


Director

KOHINOOR ENERGY LIMITED**UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2026**

	Share Capital	Un-appropriated Profit (Rupees in thousand)	Total
Balance as at July 1, 2024	1,694,586	2,831,855	4,526,441
Transactions with owners in their capacity as owners:			
Interim dividend for the year ended June 30, 2025 at the rate of Rs. 7.00 per share	-	(1,186,210)	(1,186,210)
	-	(1,186,210)	(1,186,210)
Profit for the year	-	724,351	724,351
Other comprehensive income	-	-	-
Total comprehensive Income for the year	-	724,351	724,351
Balance as at June 30, 2025	1,694,586	2,369,996	4,064,582
Profit for the year	-	743,418	743,418
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	743,418	743,418
Balance as at June 30, 2026	1,694,586	3,113,414	4,808,000

The annexed notes 1 to 41 form an integral part of these unconsolidated financial statements.

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Chief Financial Officer


Chief Executive Officer

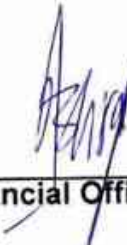

Director

KOHINOOR ENERGY LIMITED
UNCONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026

		2026	2025
	Note	(Rupees in thousand)	
Cash flows from operating activities			
Cash (used in) / generated from operations	29	(662,362)	2,663,494
Employee benefits paid	6	(17,476)	(24,942)
Finance costs paid		(103,285)	(377,318)
Income tax paid		(1,552)	(7,767)
Net cash (used in) / generated from operating activities		(784,675)	2,253,467
Cash flows from investing activities			
Payment for acquisition of property, plant and equipment		(12,160)	(377,367)
Proceeds from disposal of property, plant and equipment		685	21,680
Profit on bank deposits received		1,577	7,932
Dividend income received		2,976	33,859
Purchase of short term investments		-	(1,775,394)
Proceeds from disposal of short term investments		218,406	1,559,114
Loan to employees - net		2,624	(1,431)
Investment in subsidiary		-	(1,000)
Net cash generated from / (used in) investing activities		214,108	(532,607)
Cash flows from financing activities			
Dividend paid		(1,220)	(1,185,454)
Net cash used in financing activities		(1,220)	(1,185,454)
Net (decrease) / increase in cash and cash equivalents		(571,787)	535,406
Cash and cash equivalents at the beginning of the year		(973,939)	(1,509,345)
Cash and cash equivalents at the end of the year	30	(1,545,726)	(973,939)

The annexed notes 1 to 41 form an integral part of these unconsolidated financial statements.

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Chief Financial Officer


Chief Executive Officer


Director

KOHINOOR ENERGY LIMITED

NOTES TO THE UNCONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

1 Legal status and nature of business

Kohinoor Energy Limited (the 'Company') was incorporated in Pakistan on April 26, 1994 as a public limited company under the repealed Companies Ordinance, 1984 (the Ordinance) repealed with the enactment of the Companies Act, 2017 on May 30, 2017. The Company is listed on the Pakistan Stock Exchange. The principal activities of the Company are to own, operate and maintain a power plant of 124 MW capacity in Lahore and to sell the electricity produced therefrom to a sole customer, the Water and Power Development Authority (WAPDA) under a Power Purchase Agreement (PPA), for a term of 30 years which commenced from June 19, 1997. Subsequently, WAPDA has irrevocably transferred all of its rights, obligations and liabilities under the PPA to Central Power Purchasing Agency Guarantee Limited (CPPA-G) (Power Purchaser) thereunder via Novation Agreement and Amendment Agreement to the Implementation Agreement which became effective on February 11, 2021 after approval from the relevant authorities. The Power Purchase Agreement (PPA) has been extended for a period of one hundred and sixty one (161) days from June 20, 2027 to November 27, 2027, based on the Amendment Agreement signed on February 19, 2025 between the CPPA-G and the Company.

The address of the registered office of the Company is 301, 3rd Floor, Green Trust Tower, Blue Area, Islamabad and the Company's power plant has been set up at Post Office Raja Jang, Near Tablighi Ijtima, Raiwind Bypass, Lahore.

A subsidiary company was incorporated in 2024 under the name of KEL Power Solutions (Private) Limited ("KPSL"). The principal activity of KPSL shall be generation, purchase, import, transformation, conversion, distribution, supply, export and installation of solar power plants, provision of related services, supply of solar panels, and establishment of distribution networks and related accessories. The Company has been incorporated under section 16 of the Companies Act, 2017 (XIX of 2017) on May 13, 2024. The address of the registered office of the Company is near Tablighi Ijtima, Raiwind Bypass, Lahore.

1.1 Amendment Agreement

In the prior year, the Company entered into negotiations with the National Task Force on Implementation of Structural Reforms (Power Sector) to amend the Power Purchase Agreement (PPA). On February 19, 2025, the Amendment Agreement was signed between the CPPA-G and the Company whereby both parties agreed to implement a 'Hybrid Take-and-Pay Model'. The Amendment Agreement has been effective from November 01, 2024.

As part of the Amendment Agreement, the Variable Operations and Maintenance ("O&M") component of the Energy Purchase Price ("EPP") shall be indexed as per the existing PPA, except for the future variation in PKR/USD, which shall be allowed only to the extent of 70% of the actual variation in PKR/USD.

The current indexed tariff of the 50% Escalable Component of Capacity Purchase Price ("CPP") has been discounted by 30% and shall be indexed semi-annually at the rate of 2.47% or the half yearly variation in the National Consumer Price Index ("NCPI"), whichever is lower. The company will be entitled to only 35% of the remaining 50% of the Escalable Component (Fixed) tariff as part of CPP. From the Effective Date, in case the Despatched and Delivered Net Electrical Output (the "NEO") of

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the Company exceeds thirty-five percent (35%) of the Dependable Capacity in terms of kWh, the Company will be entitled to receive the remaining 50% Escalable Component (Fixed) calculated on the actual NEO exceeding thirty-five percent (35%) of the Dependable Capacity in terms of kWh.

As per the Amendment Agreement, it was mutually agreed to waive off any claims of markup on Delayed Payments up until October 31, 2024, including the interest on any claim upto October 31, 2024. Accordingly, certain amounts were written off and included in other expenses in the prior year. Furthermore, the revised rate for future markup on delayed payment under the amendment is 3-month KIBOR + 1% (prevailing on the due date on invoice).

Pursuant to the terms of these Agreements, the Company was entitled to receive Rs. 2,710 million within ninety (90) days of the Effective Date, as full and final settlement of past payables, which was fully received in accordance with the agreement.

As per the Amendment Agreement, in order to resolve the issue of disputed liquidated damages (LDs) imposed by the Power Purchaser, the PPA term has been extended by one hundred and sixty-one (161) days, without any claim for Capacity Payment during this extended period.

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The amended Power Purchase Agreement ("PPA") is due to expire on November 27, 2027, approximately seventeen months after the reporting date. The Company has formally submitted a request for extension of the PPA to the Power Purchaser and other relevant regulatory bodies, which remains under consideration. Management's assessment regarding the sustainability of the Company's operations beyond the expiry of the existing PPA is supported by the plant's strategic location, operational flexibility, short synchronisation time, competitive capacity cost and ability to provide support to the transmission network serving Lahore and adjoining industrial load centres.

The continued operational relevance of the plant is further supported by its recent dispatch levels. The plant achieved dispatch factors of 53.25%, 3.94% and 14.13% during April, May and June 2026, respectively. Subsequent to the reporting date, dispatch factors of 25.37% and 40.19% were recorded during July 2026, and August 2026 respectively. These dispatch levels demonstrate that the plant continues to be called upon when system demand, fuel availability and other prevailing circumstances require dependable furnace-oil-based generation.

In addition, the Competitive Trading Bilateral Contract Market ("CTBCM") has progressed following the commencement of the Competitive Market Operations Date on January 22, 2026. The regulatory framework now provides for bilateral supply arrangements with eligible Bulk Power Consumers, including the approved wheeling auction process and framework for the application of Use of System Charges. Given the Company's proximity to Sundar Industrial Estate and other major industrial consumption centres around Lahore, management is evaluating potential bilateral supply arrangements. The viability of individual arrangements will depend upon, among other matters, the applicable Use of System Charges, allocation of wheeling capacity, fuel costs, contractual terms and negotiations with prospective consumers.

The Company is also evaluating the technical conversion of its generating units into dual-purpose assets capable of conventional power generation as well as standalone synchronous-condenser operation. The proposed configuration would enable the Company to provide reactive power, voltage regulation, system strength and other grid-stability services without operating the engine. Technical discussions and a site assessment have been undertaken with the plant's equipment supplier, and the Company continues to engage with the relevant stakeholders involved in developing the framework for ancillary services. If successfully implemented and supported by an appropriate regulatory and commercial framework, this arrangement may provide an additional revenue stream while preserving the plant's existing generation capability.

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As part of its diversification strategy, the Company has also entered into a memorandum of understanding for the establishment of a lithium-ion battery-pack assembly business in Pakistan. The proposed venture is intended to address demand for residential, commercial, industrial and utility-scale energy-storage solutions and is supported by a feasibility study.

The successful implementation of the above plans is dependent upon matters including the approval of the PPA extension, completion of the relevant regulatory and commercial arrangements, availability of wheeling capacity, successful technical conversion of the plant, agreement of commercially viable terms with prospective customers and implementation of the diversification initiatives.

Notwithstanding, as elaborated above, the Company has sound financial position and as per the Management's forecasts, the Company has sufficient liquidity and reserves to meet the operational expenditures and discharge its liabilities beyond the expiry of PPA.

Management continues to monitor the progress of these matters and based on the Company's sound financial position, existing PPA term, recent plant dispatch, continuing system requirements and the alternatives being actively pursued, expects that the Company will be able to continue its operations and meet its obligations as they fall due. Accordingly, these financial statements have been prepared on a going concern basis and consequently, do not require adjustment relating to the realisation of its assets and liquidation of liabilities.

2 Basis of preparation

2.1 Statement of compliance

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

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

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

- 2.2 These financial statements represent the separate financial statements of Kohinoor Energy Limited, in which investment in the subsidiary company, namely KEL Power Solutions (Private) Limited (KPSL) has been accounted for at cost less accumulated impairment losses, if any. The consolidated financial statements of the Group are being issued separately.

2.3 Initial application of standards, amendments or an interpretation to existing standards

The following amendments to existing standards have been published that are applicable to the Company's unconsolidated financial statements covering annual periods, beginning on or after the following dates as detailed below:

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2.3.1 Standards, amendments to published standards and interpretations that are effective in the current year

Certain standards, amendments and interpretations to IFRS are effective for accounting periods beginning on July 1, 2025 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) and are, therefore, not detailed in these unconsolidated financial statements.

2.3.2 Exemption from applicability of certain standards

- a) Securities and Exchange Commission of Pakistan (SECP) through SRO 986(I)/2019 dated September 2, 2019 has granted exemption from the requirements of IFRS 16 'Leases' to all companies to the extent of their power purchase agreements executed before January 1, 2019. Therefore, the standard will not have any impact on the Company's unconsolidated financial statements to the extent of its PPA. For the remaining leases, the Company has assessed that the application of this standard does not have any material impact on these unconsolidated financial statements.

Under IFRS 16, the consideration required to be made by the lessee for the right to use the asset is to be accounted for as a finance lease. The Company's power plant's control due to purchase of total output by CPPA-G appears to fall under the scope of finance lease under IFRS 16. Consequently, if the Company were to follow IFRS 16 with respect to its power purchase agreement, the effect on the unconsolidated financial statements would be as follows:

	2026	2025
	(Rupees in thousand)	
De-recognition of property, plant and equipment	(1,804,302)	(1,969,145)
Recognition of lease debtor	331,648	340,932
Decrease in un-appropriated profit at the		
beginning of the year	(1,628,216)	(1,640,764)
Increase in profit for the year	155,562	12,568
Decrease in un-appropriated profit at the end of the year	(1,472,654)	(1,628,216)

- b) The Securities and Exchange Commission of Pakistan (SECP) through S.R.O. 229(I)/2019 dated February 14, 2019 notified that the standard IFRS 9, Financial Instruments, would be effective for reporting period/year ending on or after June 30, 2019. However, SECP through S.R.O. 985(I)/2019 dated September 30, 2019 granted exemption from applying the expected credit loss (ECL) based impairment model to financial assets due from the Government till June 30, 2021, which was further extended till June 30, 2022 vide S.R.O. 1177(I)/2021 dated September 13, 2021. The extension was subsequently granted till December 31, 2024 vide S.R.O. 67(I)/2023 dated January 20, 2023, further extended till December 31, 2025 vide S.R.O. 1784(I)/2024 dated November 4, 2024, and has now been further extended till December 31, 2026 vide S.R.O. 25(I)/2026 dated January 6, 2026. Accordingly, the Company has not followed the requirements of IFRS 9 with respect to application of Expected Credit Losses in respect of trade debts and other receivables due from CPPA-G. The Company is in the process of assessing the impact of this amendment on the Company's unconsolidated financial statements.

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2.3.3 Standards, amendments and interpretations to existing standards that are not yet effective and/or 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 1, 2026, but are considered not to be relevant to the Company's operations and are, therefore, not detailed in these unconsolidated financial statements, except for the following:

a) Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments

The amendments clarify the timing for recognizing and derecognizing certain financial assets and liabilities, introduce an exception for some financial liabilities settled via electronic cash transfers, provide additional guidance for assessing if a financial asset meets the Solely Payment of Principal and Interest ('SPPI') criterion, require new disclosures for instruments with cash flow changes linked to Environmental, Social and Governance ('ESG') targets, and update disclosures for equity instruments designated at FVOCI.

The Company is in the process of assessing the impact of this amendment on the Company's financial statements.

The above mentioned amendments are effective for accounting periods beginning on or after 01 January 2027.

b) Amendment to IAS 21 – Translation to a Hyperinflationary Presentation Currency

This amendment focuses on the translation procedures applied when an entity's presentation currency is that of a hyperinflationary economy. They clarify the requirements for translating the results and financial position of an entity with a functional currency of a non-hyperinflationary economy, as well as those of a foreign operation whose functional currency is non-hyperinflationary, into a hyperinflationary presentation currency. The amendment is intended to enhance the usefulness of the resulting information in a cost effective manner, reduce diversity in practice, and provide a clearer and more consistent basis for reporting in a hyperinflationary currency, in response to stakeholder feedback.

This amendment is not expected to have a material impact on the Company's financial statements when it becomes effective.

The above mentioned standard is effective for accounting periods beginning on or after 01 January 2027.

c) IFRS 18 Presentation and Disclosure in Financial Statements

The new standard on presentation and disclosure in financial statements, IFRS 18, focuses on updates to the statement of profit or loss. It introduces key concepts such as the structure of the statement of profit or loss, required disclosures for certain profit or loss performance measures reported outside the financial statements (management-defined performance measures), and enhanced principles on aggregation and disaggregation applicable to the primary financial statements and notes.

The Company is in the process of assessing the impact of this amendment on the Company's financial statements.

The above mentioned standard is effective for accounting periods beginning on or after 01 January 2027.

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d) **Annual improvements to International Financial Reporting Standards – Volume 11 (effective for annual period beginning on or after July 1, 2026)**

Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:

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

The Company is in the process of assessing the impact of this amendment on the Company's financial statements.

2.4 **Basis of measurement**

These unconsolidated financial statements have been prepared under the historical cost convention unless specified otherwise.

3 **Significant accounting judgements, estimates and assumptions**

The Company's material accounting policy information is stated in note 4. Not all of these material accounting policies require the management to make difficult, subjective or complex judgments or estimates. The following is intended to provide an understanding of the policies the management considers significant because of their complexity, judgment of estimation involved in their application and their impact on these unconsolidated financial statements. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. These judgments involve assumptions or estimates in respect of future events and the actual results may differ from these estimates. The areas involving a higher degree of judgments or complexity or areas where assumptions and estimates are significant to the unconsolidated financial statements are as follows:

- Useful lives and residual values of property, plant and equipment - note 4.3
- Provision for obsolescence of stores and spares - note 4.6
- Impairment of trade debts - note 4.12
- Contingent liabilities - note 4.17

4 **Material accounting policy information**

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

4.1 **Taxation**

Levy

In accordance with the Income Tax Ordinance, 2001, computation of final taxes is not based on taxable income. Therefore, as per IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the Institute of Chartered Accountants of Pakistan, these fall within the scope of IFRIC 21 / IAS 37 and accordingly have been classified as levy in these unconsolidated financial statements, except for taxes on normal business income which is specifically within the scope of IAS 12 and hence it continues to be categorized as current income tax.

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Income tax

Income tax comprises current and deferred tax. Income tax is recognized in the statement of profit or loss except to the extent that relates to items recognized directly in equity or other comprehensive income, in which case it is recognized directly in equity or other comprehensive income.

Current income tax

The profits and gains of the Company derived from electric power generation are exempt from tax subject to the conditions and limitations provided for in terms of clause 132 of Part I of the Second Schedule to the Income Tax Ordinance, 2001. However, full provision is made in the profit and loss account on income from sources not covered under the above clause at current rates of taxation after taking into account, tax credits and rebates available, if any.

Deferred tax

Deferred tax has not been provided for in these unconsolidated financial statements as the Company's management believes that the temporary differences will not reverse in the foreseeable future due to the fact that the profits and gains of the Company derived from electric power generation are exempt from tax subject to the conditions and limitations provided for in terms of clause 132 of Part I of the Second Schedule to the Income Tax Ordinance, 2001.

4.2 Employee benefits

a) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating annual leaves that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

b) Post employment benefit - Defined contribution plan (Provident Fund)

There is an approved defined contributory provident fund for all employees. Equal monthly contributions are made both by the Company and employees to the fund at the rate of 10 percent of the basic salary subject to completion of minimum qualifying period of service as determined under the rules of the fund.

4.3 Property, plant and equipment

4.3.1 Operating fixed assets

Operating fixed assets except freehold land are stated at cost less accumulated depreciation and any identified impairment loss. Freehold land is stated at cost less any identified impairment loss. Cost in relation to certain plant and machinery comprises historical cost, exchange differences capitalized in previous years and borrowing costs mentioned in note 4.15.

Depreciation on all operating fixed assets is charged to profit or loss on the straight line method so as to write off the cost of an asset over its estimated useful life at the annual rates mentioned in note 11.1 after taking into account their residual values.

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The Company reviews the useful lives and residual values of property, plant and equipment on regular basis. Any change in estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the depreciation charge and impairment.

Depreciation on additions to operating fixed assets is charged from the month in which the asset is available for use, while no depreciation is charged for the month in which the asset is disposed off.

The net exchange difference relating to an asset which was capitalized in line with the exemption granted by Securities and Exchange Commission of Pakistan, is being amortised in equal installments over its remaining useful life.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 4.5).

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

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense.

4.3.2 Capital work-in-progress

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

4.3.3 Major spare parts and standby equipment

Major spare parts and standby equipment qualify as property, plant and equipment when an entity expects to use them for more than one year. Transfers are made to relevant operating fixed assets category as and when such items are available for use.

4.4 Intangible assets

Expenditure incurred to acquire intangible assets is stated at cost less accumulated amortisation and any identified impairment loss. Intangible assets are amortised using the straight line method over its estimated useful life at the annual rates mentioned in note 12.

Amortisation on additions to intangible assets is charged from the month in which an asset is available for use while no amortisation is charged for the month in which the asset is disposed off.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 4.5).

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4.5 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

4.6 Stores, spares and loose tools

Stores, spares and loose tools are valued principally at weighted average cost except for items in transit which are stated at invoice value plus other charges paid thereon till the unconsolidated statement of financial position date while items considered obsolete are carried at nil value.

The Company reviews stores and spares inventory based on technical evaluations conducted by its in-house technical team. A provision for obsolescence, where required, is recognized on an item-by-item basis using management's best estimate of the usability of items, considering their ageing and expected consumption up to the expiry of the PPA term.

4.7 Stock in trade

Inventories, except for that in transit, are valued principally at lower of cost and net realizable value. Cost is determined using First in First Out method for furnace oil while weighted average method is used for the remaining items. Inventories in transit are stated at cost comprising invoice value plus other charges paid thereon.

Net realizable value is determined on the basis of estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale. If the expected net realizable value is lower than the carrying amount, a write-down is recognized for the amount by which the carrying amount exceeds its net realizable value.

4.8 Financial assets

4.8.1 Classification

The Company classifies its financial assets other than investments in equity instruments of subsidiary and associate in the following measurement categories:

- those to be measured subsequently at fair value [either through other comprehensive income ('OCI') or through profit or loss], and
- those to be measured at amortised cost.

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

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For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

4.8.2 Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on trade date, being the date on which the Company commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

4.8.3 Measurement

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

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

Debt instruments

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

i) Amortised cost

Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss. Impairment losses are presented as separate line item in the statement of profit or loss.

As at reporting date, the financial instruments classified by the company at amortised cost are disclosed in note 34.4.

ii) Fair Value through Other Comprehensive Income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in other income using the effective interest rate method. Impairment expenses are presented as separate line item in the statement of profit or loss.

As at the reporting date, the Company has not classified any financial instruments under FVOCI.

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iii) Fair Value through Profit or Loss (FVPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognized in profit or loss in the period in which it arises.

The Company classified the investments relating to Mutual Funds at fair value through profit or loss since these were held for trading. These have been sold during the year as mentioned in note 19.

Equity instruments

The Company subsequently measures all equity investments except for investments in equity instruments of subsidiary and associate at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognized in profit or loss as other income when the Company's right to receive payments is established.

As at the reporting date, the financial instruments classified by the Company at FVPL is nil.

Changes in the fair value of financial assets at FVPL are recognized in the statement of profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

4.8.4 Impairment of financial assets other than those due from the Government of Pakistan and investment in equity instruments

The Company assesses on a forward-looking basis, the expected credit losses ('ECL') associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company applies general 3-stage approach for loans, deposits and other receivables and bank balances i.e. to measure ECL through loss allowance at an amount equal to 12-month ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition.

Following are the financial assets that are subject to the ECL model:

- Long term loans;
- Loans, advances, deposits and other receivables;
- Short term investments; and
- Bank balances

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information (adjusted for factors that are specific to the counterparty, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate). As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date. Loss allowances are forward looking, based on 12 month expected credit losses where there has not been a significant increase in credit risk rating, otherwise allowances are based on lifetime expected losses.

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Expected credit losses are a probability weighted estimate of credit losses. The probability is determined by the risk of default which is applied to the cash flow estimates. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. In the absence of a change in credit rating, allowances are recognized when there is reduction in the net present value of expected cash flows. On a significant increase in credit risk, allowances are recognized without a change in the expected cash flows, although typically expected cash flows do also change; and expected credit losses are rebased from 12 month to lifetime expectations.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the instrument as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information.

The following indicators are considered while assessing credit risk:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;
- actual or expected significant changes in the operating results of the counterparty;
- significant increase in credit risk on other financial instruments of the same counterparty; and
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees, if applicable.

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collaterals held by the Company).

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for that financial asset because of financial difficulties.

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Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments;
- Past-due status;
- Nature, size and industry of borrowers; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

The Company recognizes an impairment gain or loss in the statement of profit or loss for financial assets with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVOCI, for which the loss allowance is recognized in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of counterparty's sources of income or assets to generate sufficient future cash flows to repay the amount. The Company may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains.

4.9 Financial liabilities

Financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortised cost are initially measured at fair value less transaction costs. Financial liabilities at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed on profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender or substantially different terms, or the terms of an existing liability are substantially modified, such an exchange and modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognized in profit or loss.

4.10 Investments in equity instruments of subsidiaries and associates

Investments in subsidiaries and associates where the Company has significant influence are measured at cost in the Company's separate financial statements in accordance with IAS-27 'Separate financial statements'. Cost in relation to investments made in foreign currency is determined by translating the consideration paid in foreign currency into Pakistani rupees at exchange rate prevailing on the date of transaction. At subsequent reporting dates, the Company reviews the carrying amount of the investment and its recoverability to determine whether there is an indication that such investment has suffered an impairment loss. If any such indication exists, the carrying amount of the investment is adjusted to the extent of impairment loss. Impairment losses are recognized as an expense in the unconsolidated statement of profit or loss. Acquisitions or disposals of investments under common control as part of reorganization of the group are accounted for under predecessor value method.

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4.11 Offsetting of financial assets and financial liabilities

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

4.12 Financial assets due from the Government of Pakistan

Financial assets due from the Government of Pakistan includes trade debts and other receivables due from CPPA-G under the PPA that also includes accrued amounts. The Company follows relevant requirements of IAS 39 in respect of impairment of these financial assets due to the exemption available in respect of expected credit loss requirements of IFRS 9 till December 31, 2026 as stated in note 2.3.2 (b).

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

The Company assesses at the end of each reporting period whether there is objective evidence that the financial asset is impaired. The financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. Evidence of impairment may include indications that the debtor is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization, and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognized in the statement of profit or loss. When the financial asset is uncollectible, it is written off against the provision for Impairment and is only written off when there are no reasonable expectations of recovery and management has no intention to pursue collection efforts. Subsequent recoveries of amounts previously written off are credited to the statement of profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognized in the statement of profit or loss.

4.13 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of unconsolidated statement of cash flow, cash and cash equivalents comprise cash in hand, cheques in hand, demand deposits, deposits in bank, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value and finances under mark-up arrangements. In the statement of financial position, finances under mark-up arrangements are included in current liabilities.

4.14 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the profit or loss over the period of the borrowings using the effective interest method. Finance costs are accounted for on an accrual basis and are reported under accrued finance costs to the extent of the amount remaining unpaid.

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Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

4.15 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in statement of profit or loss in the period in which they are incurred.

4.16 Provisions

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

4.17 Contingent liabilities

Contingent liability is disclosed when:

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company; or
- there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.
- Management determines the need to disclose contingent liabilities by assessing the probability of an outflow of economic resources, relying on case facts, historical precedents, and by consulting independent legal counsel.

4.18 Segment reporting

Operating segments are reported in a manner consistent with the internal reports issued to the chief operating decision-maker. The Chief Executive Officer has been identified as the 'chief operating decision-maker', who is responsible for allocating resources and assessing performance of the operating segments. Currently, the Company is functioning as a single operating segment.

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4.19 Trade debts

Trade debts are amounts due from CPPA-G in the ordinary course of business. They are generally due for settlement as referred to in note 4.20 and therefore are all classified as current. Trade debts are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value. The Company holds the trade debts with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less provision for impairment.

4.20 Revenue recognition

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

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

- Capacity Purchase Price revenue is recognized over time, based on the capacity made available to CPPA-G, at rates as specified under the PPA with CPPA-G, as amended from time to time; and
- Energy Purchase Price revenue is recognized at a 'point in time', as and when the Net Electrical Output (NEO) are delivered to CPPA-G.

Capacity and Energy revenue is recognized based on the rates determined under the mechanism laid down in the PPA with CPPA-G as amended from time to time.

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

Invoices are generally raised on a monthly basis and are due after 25 days from the date of submission by the Company to CPPA-G.

4.21 Finance income

Finance income comprises interest income on funds invested (financial assets), dividend income, gain on disposal of financial assets and changes in fair value of investments. Interest income is recognized as it accrues in profit or loss, using effective interest method. Dividend income is recognized in profit or loss on the date that the Company's right to receive payment is established.

4.22 Foreign currency transactions and translation

a) Functional and presentation currency

Items included in the unconsolidated financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The unconsolidated financial statements are presented in Pakistani rupees, which is the Company's functional and presentation currency.

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b) **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognized in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognized in other comprehensive income.

4.23 Dividend and appropriations to reserves

Dividend and other appropriations to reserves are recognized in the unconsolidated financial statements in the period in which these are approved.

4.24 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Trade and other payables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method. Exchange gains and losses arising on translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

4.25 Share capital

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

4.26 Rounding off amounts

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

5 Issued, subscribed and paid up capital

2026 (Number of shares)	2025		Note	2026 (Rupees)	2025
130,352,780	130,352,780	Ordinary shares of Rs 10/- each fully paid in cash		1,303,527,800	1,303,527,800
39,105,834	39,105,834	Ordinary shares of Rs 10/- each fully paid up as bonus shares	5.3	391,058,340	391,058,340
<u>169,458,614</u>	<u>169,458,614</u>			<u>1,694,586,140</u>	<u>1,694,586,140</u>

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- 5.1 There has been no movement in the ordinary share capital of the Company.
- 5.2 All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.
- 5.3 The Company issued bonus shares to its existing shareholders at the rate of 30 shares of Rs. 10 each for every 100 shares held as on December 21, 2000.

	Note	2026 (Rupees in thousand)	2025
6 Employee benefits			
Accumulated compensated absences	- note 6.1	11,926	11,907
6.1 Movement in accumulating compensated absences is as follows:			
Opening balance		11,907	10,838
Provision for the year		17,495	26,011
		29,402	36,849
Less: Payments made during the year		(17,476)	(24,942)
Closing balance		11,926	11,907

7 Short term finances - secured

Short term borrowings under mark-up and Shariah arrangements obtained as under:

	Note	2026 (Rupees in thousand)	2025
Under mark up arrangements - secured	- note 7.1	1,497,362	449,302
Under arrangements permissible			
under Shariah - secured	- note 7.2	550,000	601,200
		2,047,362	1,050,502
Accrued mark up on short term finances - secured			
Under mark up arrangements		29,749	12,975
Under arrangements permissible under Shariah		3,580	18,467
		33,329	31,442
		2,080,691	1,081,944
Less: accrued mark up on short term finances			
- secured disclosed separately	- note 9	(33,329)	(31,442)
		2,047,362	1,050,502

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7.1 Markup Arrangements

Short term finances available from commercial banks under mark up arrangements amount to Rs. 3,000 million (2025: Rs. 3,000 million). The rates of mark up for finances under mark up arrangement ranged from 11.13% to 13.28% per annum (2025: 12.33% to 21.88% per annum). Various sub facilities comprising money market loans and letters of guarantee have also been utilized during the year. The security and other agreements, negotiable instruments and documents to be executed by the Company in favor of the bank shall be in the form and substance satisfactory to the bank. The Company shall execute or cause to be executed all such instruments, deeds or documents, which the bank may in its sole discretion require. Out of the aggregate running finances availed by the Company, Rs. 4,001 million are secured by joint pari passu charge on current assets.

7.2 Arrangements permissible under shariah

Short term finances available from Islamic banks under Islamic arrangements amount to Rs. 1,400 million (2025: Rs. 2,150 million). The rates of mark up for finances under arrangements permissible under shariah ranged from 10.99% to 12.47% per annum (2025: 11.61% to 22.59% per annum) on the balances outstanding. Out of the aggregate running finances availed by the Company, Rs. 1,867 million are secured by joint pari passu charge on current assets.

7.3 Of the aggregate facility of Rs. 650 million (2025: Rs. 1,475 million) for opening letters of credit and Rs. 7 million (2025: Rs. 7 million) for guarantees, the amount utilized as at June 30, 2026 was nil (2025: Rs. 6.68 million) and Rs. 6.68 million (2025: Rs. 6.68 million) respectively.

		2026	2025	
8	Trade and other payables	Note	(Rupees in thousand)	
	Trade creditors		36,742	17,366
	Accrued liabilities		117,047	103,741
	Withholding tax payable		8,584	4,645
	Workers' Profit Participation Fund	- note 8.1	37,237	36,756
	Workers' Welfare Fund	- note 8.2 & 8.3	29,972	15,077
	Security deposits payable	- note 8.4	218	198
	Sales tax payable		393	-
	Other payables		15,515	6,412
			245,708	184,195

8.1 Movement in Workers' Profit Participation Fund

Opening balance		36,756	80,163
Provision for the year	- note 18.2	37,237	36,756
		<u>73,993</u>	<u>116,919</u>
Less: Payments made during the year		<u>(36,756)</u>	<u>(80,163)</u>
Closing balance		<u>37,237</u>	<u>36,756</u>

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8.2	Movement in Workers' Welfare Fund	Note	2026 (Rupees in thousand)	2025
	Opening balance		15,077	138,927
	Provision for the year	- note 18.3	14,895	14,702
			<u>29,972</u>	<u>153,629</u>
	Less: Payments made during the year		-	(138,552)
	Closing balance		<u>29,972</u>	<u>15,077</u>

8.3 This represents provision recognized as per 'The Punjab Workers' Welfare Fund Act 2019'. Under the Act, the Company is liable to pay to Workers' Welfare Fund, a sum equal to two percent of its total income, which is higher of, profit before taxation or provision for taxation as per accounts or the declared income as per the return of income.

8.4 This represents advances and security deposits which are repayable on demand or on the cancellation of agreement. These are utilized for the purpose of the business in accordance with the terms of section 217 of the Companies Act, 2017.

9	Accrued finance cost	2026 (Rupees in thousand)	2025
	Mark up on short term finances under mark up arrangements	29,749	12,975
	Profit on short term arrangements permissible under Sharia	3,580	18,467
		<u>33,329</u>	<u>31,442</u>

10 Contingencies and commitments

10.1 Contingencies

- (i) A sales tax demand of Rs. 505.41 million was raised against the Company through order dated August 29, 2014 by the Assistant Commissioner Inland Revenue ('ACIR') by disallowing input sales tax for the tax periods from August, 2009 to June, 2013. Such amount was disallowed on the grounds that the revenue derived by the Company on account of 'capacity purchase price' was against a non-taxable supply and thus, the entire amount of input sales tax claimed by the Company was required to be apportioned with only the input sales tax attributable to other revenue stream i.e. 'energy purchase price' admissible to the Company. Against the aforesaid order, the Company preferred an appeal before the Commissioner Inland Revenue (Appeals) ('CIR(A)') who vide its order dated November 6, 2014, upheld the ACIR's order on the issue regarding apportionment of input sales tax with the caveat that tax demand pertaining to period of show cause notice beyond the limitation of five years cannot be sustained and reduced from the tax demand. Subsequently, the Company preferred an appeal before the Appellate Tribunal Inland Revenue ('ATIR'). Additionally, the Company had filed an application with the Lahore High Court seeking a stay in recovery of tax arrears, default surcharge and penalty.

The Lahore High Court, in its order dated December 31, 2014, stayed the recovery of the tax demand along with default surcharge and penalty till adjudication by the ATIR, subject to deposit of Rs. 10 million with the Tax Department which the Company duly submitted on January 7, 2015. The ATIR vide its order dated May 4, 2015, upheld the CIR(A)'s order on the issue regarding apportionment of input sales tax. Thereafter, the Company filed an appeal against the decision of ATIR in the Lahore High Court.

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The Lahore High Court vide its judgment dated October 31, 2016 has decided the case in favor of the Company. Subsequently, the tax department being aggrieved, filed a leave for appeal before the Supreme Court of Pakistan. The petition came up for hearing before the Apex Court on March 4, 2021, and leave for appeal was granted to the department. The latest hearing of the case, scheduled for September 25, 2025, was adjourned by the Supreme Court. The management is of the view that there are meritorious grounds available to defend the foregoing demands in the Supreme Court of Pakistan. Consequently, no provision for such demand has been made in these unconsolidated financial statements.

- (ii) A sales tax demand of Rs. 184.13 million was raised against the Company through order dated August 27, 2019 by the Deputy Commissioner Inland Revenue ('DCIR') on account of inadmissible input tax related to 'capacity purchase price', sales tax default on account of suppression of sales related to tax periods from July 2015 to June 2016, and inadmissible input tax claimed by the Company. Against the aforesaid order, the Company preferred an appeal before the Commissioner Inland Revenue (Appeals) ('CIR(A)') on September 16, 2019.

Out of Rs. 184.13 million, CIR(A) through order dated July 08, 2021 deleted the demand of Rs. 152.95 million raised on account of inadmissible input tax related to 'capacity purchase price' ('CPP'), whereas the remaining demand of Rs. 31.18 million raised related to sales tax default on account of suppression of sales for the tax periods from July 2015 to June 2016 and inadmissible input tax claimed by the Company were remanded back to the DCIR.

The Tax Department challenged the deletion of the CPP-related demand before the Appellate Tribunal Inland Revenue (ATIR). Subsequent to the year end, the Appellate Tribunal Inland Revenue, Lahore Bench, vide its order dated July 6, 2026, dismissed the Tax Department's appeal and upheld the order of the CIR(A), confirming that CPP is not an exempt supply and keeping the demand deletion intact.

The management, based on the favorable decision by the ATIR and legal advice, is of the view that there are strong meritorious grounds available to defend the remaining remanded matter. Consequently, no provision for such demand has been made in these unconsolidated financial statements.

- (iii) The Commissioner Inland Revenue raised a demand of Rs. 231.57 million through assessment order dated April 16, 2019, on account of inadmissible input tax claims and under-declaration of supplies made to CPPA relating to the period July 2014 to June 2017.

Initially, an appeal was filed before the Commissioner Inland Revenue (Appeals) (CIR(A)), which was dismissed on May 11, 2020, on jurisdictional grounds. Subsequently, on June 12, 2020, the Company filed an appeal before the Appellate Tribunal Inland Revenue (ATIR), which, through its order dated November 24, 2022, directed the CIR(A) to decide the appeal on merits. The CIR(A) decided the appeal on October 27, 2023, setting aside the original assessment for re-verification.

Alongside, a protective appeal filed before the ATIR on May 21, 2019 was decided on May 24, 2024, remanding the case back to the Inland Revenue Officer (IRO) without considering the earlier ATIR order dated November 24, 2022. This decision was challenged by the Company before the Hon'ble High Court, which was heard on September 24, 2024. The High Court set aside the ATIR's order dated May 24, 2024, and the protective appeal filed by the Company was withdrawn.

Following the High Court's decision, the IRO passed the re-assessment order dated June 27, 2025, upholding the original assessment and thereby maintaining the demand against the Company. Being aggrieved, the Company filed an appeal before the CIR(A) on July 15, 2025.

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During the year, the Appellate Tribunal Inland Revenue, Lahore Bench, vide its order dated January 29, 2026, annulled the entire demand of Rs. 231.57 million, holding that the input tax disallowances and alleged suppression of sales were not sustainable. Consequently, the orders of the DCIR, CIR(A), and IRO were set aside, and the Company's appeal was allowed in full.

Based on the favorable decision of the ATIR and legal advice, the management is of the view that no liability exists in respect of the aforesaid matter. Accordingly, no provision has been made in these unconsolidated financial statements.

- (iv) An impugned RLNG tariff adjustment amounting to approximately Rs. 4.8 million, relating to the period from April 2015 to June 2022, and an additional adjustment amounting to approximately Rs. 1.6 million, relating to the period from July 2022 to March 2025, were included by SNGPL. Against the aforesaid adjustments, the Company preferred applications before the Lahore High Court, which are currently pending adjudication.

Pursuant to the directions of the Lahore High Court, the Company has deposited the first installments against the disputed amounts and has deposited Post-Dated Cheques (PDCs) with SNGPL for the remaining monthly installments. The said PDCs shall remain subject to the final outcome of the proceedings pending before the Lahore High Court.

The management, based on the facts and circumstances of the case and legal advice, is of the view that there are strong meritorious grounds available to defend the aforesaid matters and that they are likely to be decided in favour of the Company. Consequently, no provision for such adjustments has been made in these unconsolidated financial statements.

- (v) The Company has issued a guarantee in favor of Sui Northern Gas Pipelines Limited (SNGPL) on account of payment of dues against gas sales etc., amounting to Rs. 6.68 million (2025: Rs. 6.68 million).

10.2 Commitments

- (i) Letters of credit / bank contracts other than capital expenditure as at end of current year are nil (2025: Rs. 6.68 million).
- (ii) Letters of credit / bank contracts for capital expenditure as at end of current year are nil (2025: nil).

11	Property, plant and equipment	Note	2026	2025
			(Rupees in thousand)	
	Operating fixed assets	- note 11.1	2,029,916	2,203,075
	Major spare parts and standby equipment	- note 11.2	262,946	328,652
			<u>2,292,862</u>	<u>2,531,727</u>

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11.1 Property, plant and equipment

	Freehold land	Buildings on freehold land	Plant and machinery	Office appliances and equipment	Laboratory equipment	Electric appliances and equipment	Computers	Furniture and fixtures	Vehicles	Total
(Rupees in thousand)										
Net carrying value basis (NBV)										
Year ended June 30, 2026										
Opening balance	93,209	63,213	1,963,456	235	7	8,111	823	18	74,003	2,203,075
Additions (at cost)	-	-	66,624	-	-	-	2,065	-	9,177	77,866
Disposals (at NBV)	-	-	-	-	-	-	(349)	-	(685)	(1,034)
Depreciation charge	-	-	(231,469)	(89)	-	(1,247)	(922)	-	(16,264)	(249,991)
Closing balance	93,209	63,213	1,798,611	146	7	6,864	1,617	18	66,231	2,029,916
Gross carrying value basis										
As at June 30, 2026										
Cost	93,209	625,457	9,709,418	5,607	5,561	38,750	52,665	7,884	114,323	10,652,894
Accumulated depreciation	-	(562,244)	(7,910,807)	(5,461)	(5,554)	(31,886)	(51,068)	(7,866)	(48,092)	(8,622,978)
Net book value (NBV)	93,209	63,213	1,798,611	146	7	6,864	1,617	18	66,231	2,029,916
Depreciation rate per annum	-	3% - 9%	4% - 67%	10%	10%	10%	33%	10%	20%	
Net carrying value basis (NBV)										
Year ended June 30, 2025										
Opening balance	93,209	63,213	1,984,877	267	62	3,932	2,101	18	87,768	2,235,447
Additions (at cost)	-	-	165,092	70	-	5,398	340	-	25,017	195,917
Disposals (at NBV)	-	-	-	-	-	-	(408)	-	(22,162)	(22,570)
Depreciation charge	-	-	(186,513)	(102)	(55)	(1,219)	(1,210)	-	(16,620)	(205,719)
Closing balance	93,209	63,213	1,963,456	235	7	8,111	823	18	74,003	2,203,075
As at June 30, 2025										
Cost	93,209	625,457	9,642,794	5,607	5,561	38,750	52,529	7,884	108,571	10,580,362
Accumulated depreciation	-	(562,244)	(7,679,338)	(5,372)	(5,554)	(30,639)	(51,706)	(7,866)	(34,566)	(8,377,287)
Net book value (NBV)	93,209	63,213	1,963,456	235	7	8,111	823	18	74,003	2,203,075
Depreciation rate per annum	-	3% - 9%	3% - 41%	10%	10%	10%	33%	10%	20%	

11.1.1 The cost of fully depreciated assets which are still in use as at June 30, 2026 is Rs. 1,081.11 million (2025: Rs. 1,034.61 million).

11.1.2 Immovable fixed assets of the Company are situated at Head Office, Post Office Raja Jang, near Tablighi Ijtima, Raiwind Bypass, Lahore, Pakistan. Freehold land represents 256 kanal of land situated at Post Office Raja Jang, near Tablighi Ijtima, Raiwind Bypass, Lahore out of which approximately 19 kanal represent covered area.

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

	Note	2026 (Rupees in thousand)	2025 (Rupees in thousand)
Cost of sales	22	237,235	192,787
Administrative expenses	23	12,756	12,932
		<u>249,991</u>	<u>205,719</u>

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11.1.4 Disposal of property, plant and equipment

The details of property, plant and equipment disposed of during the year having individual book value exceeding Rs. 500,000 or more are as follows:

		2026 (Rupees in thousand)				
Assets with book value greater than Rs. 0.5 Million		Cost	Accumulated depreciation	Book value	Sale proceeds	Gain / (loss)
Particulars of assets	Particulars of Buyer					Mode of disposal
Vehicle	Employees Mr. Abdul Rauf Irfan	3,425	2,740	685	685	-
		<u>3,425</u>	<u>2,740</u>	<u>685</u>	<u>685</u>	<u>-</u>
Other assets with book value less than Rs. 0.5 Million						
Various	-	1,909	1,560	349	-	(349)
		<u>5,334</u>	<u>4,300</u>	<u>1,034</u>	<u>685</u>	<u>(349)</u>
		2025 (Rupees in thousand)				
Assets with book value greater than Rs. 0.5 Million		Cost	Accumulated depreciation	Book value	Sale proceeds	Gain / (loss)
Particulars of assets	Particulars of Buyer					Mode of disposal
Vehicle	Employees Mr. Muhammad Yahya Khan	3,253	2,602	651	651	-
Vehicle	Mr. Usman Saeed	3,426	2,330	1,096	1,096	-
Vehicle	Mr. Imran Afzal	2,273	970	1,303	1,303	-
Vehicle	Mr. Aman Ul Qaiser	1,421	550	871	871	-
Vehicle	Mr. Waqas Ahmad Bhatti	1,637	568	1,069	1,069	-
Vehicle	Mr. Sheraz ul Haq	4,140	773	3,367	3,367	-
Vehicle	Syed Ghazanfar Ali Zaidi	4,050	1,728	2,322	2,322	-
Vehicle	Ms. Fakhra Rasheed	1,232	591	641	641	-
Vehicle	Mr. Arif Malik	2,674	428	2,246	2,246	-
Vehicle	Mr. Muhammad Ahmad	2,775	74	2,701	2,701	-
Vehicle	Mr. Muhammad Ashraf	3,842	1,230	2,612	3,000	388
Vehicle	Third Party Mr. Syed Abbas Bukhari	10,432	8,346	2,086	1,000	(1,086)
		<u>41,155</u>	<u>20,190</u>	<u>20,965</u>	<u>20,267</u>	<u>(698)</u>
Other assets with book value less than Rs. 0.5 Million						
Various	-	7,126	5,521	1,605	1,413	(192)
		<u>48,281</u>	<u>25,711</u>	<u>22,570</u>	<u>21,680</u>	<u>(890)</u>

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- 11.2 This amount represents the mechanical store items including coupling flexible set and pieces of piston crown coated which are held for capitalization.

12 Intangible assets

	Computer software	Others	Total
	(Rupees in thousand)		
Net carrying value basis			
Year ended June 30, 2026			
Opening net book value (NBV)	977	115	1,092
Amortisation charge	(450)	(56)	(506)
Closing net book value (NBV)	527	59	586
Gross carrying value basis			
As at June 30, 2026			
Cost	22,117	1,000	23,117
Accumulated amortisation	(21,590)	(941)	(22,531)
Net book value (NBV)	527	59	586
Amortisation rate per annum	6.09% - 8.57%	5.45%	
Net carrying value basis			
Year ended June 30, 2025			
Opening net book value (NBV)	1,407	167	1,574
Amortisation charge	(430)	(52)	(482)
Closing net book value (NBV)	977	115	1,092
Gross carrying value basis			
As at June 30, 2025			
Cost	22,117	1,000	23,117
Accumulated amortisation	(21,140)	(885)	(22,025)
Net book value (NBV)	977	115	1,092
Amortisation rate per annum	6.09% - 8.57%	5.45%	

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			2026	2025
	Note		(Rupees in thousand)	
12.1	The amortisation charge for the year has been allocated as follows:			
	Administrative expenses	- note 23	506	482
12.2	The cost of fully amortised assets which are still in use as at June 30, 2026 is Rs. 16.50 million (2025: Rs. 16.50 million).			
			2026	2025
			(Rupees in thousand)	
13	Long term loans and deposits			
	Loans to employees - considered good			
	- Executives	- note 13.1	1,352	3,975
	Less : Current maturity		(1,352)	(2,544)
			-	1,431
	Security Deposits			
		- note 13.2	144	144
			144	1,575
13.1	This amount pertains to an interest free personal loan to the Chief Financial Officer which will be adjusted against his upcoming salary and bonuses for the period. These loans have not been carried at amortised cost as the effect of discounting is not considered material.			
13.1.1	The maximum amount outstanding at the end of any month from executives aggregated Rs. 3.98 million (2025: Rs. 6.00 million).			
13.2	Security deposits include the amount paid to Central Depository Company. These loans have not been carried at amortised cost as the effect of discounting is not considered material.			
			2026	2025
			(Rupees in thousand)	
14	Investment in subsidiary			
	Investment in KEL Power Solutions (Private) Limited			
		- note 14.1	-	1,000
14.1	Balance as at July 1			
	Impairment loss during the year		1,000	1,000
			(1,000)	-
	Balance as at June 30		-	1,000

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- 14.2 A subsidiary company was incorporated in 2024 under the name of KEL Power Solutions (Private) Limited ("KPSL"). The principal activity of KPSL is the generation, purchase, import, transformation, conversion, distribution, supply, export and installation of solar power plants, provision of related services, supply of solar panels, and establishment of distribution networks and related accessories. The Company has been incorporated under section 16 of the Companies Act, 2017 (XIX of 2017) on May 13, 2024. The address of the registered office of the Company is near Tablighi Ijtima, Raiwind Bypass, Lahore.

During the year, management assessed the recoverable amount of its investment in KPSL. Based on the assessment performed, the recoverable amount was determined to be lower than the carrying amount of the investment. Consequently, an impairment loss amounting to Rs. 1 million (2025: Nil) was recognized in the statement of profit or loss and the carrying amount of the investment has been reduced accordingly.

			2026	2025
			(Rupees in thousand)	
15	Stores, spares and loose tools	Note		
	Stores		7,021	8,099
	Spares		428,283	463,421
	Loose tools		1,395	1,424
			<u>436,699</u>	<u>472,944</u>
	Provision for obsolete stores and spares	- note 15.1	(73,053)	(28,642)
			<u>363,646</u>	<u>444,302</u>

15.1 Provision for obsolete stores and spares

	Opening balance	28,642	28,642
	Provision made during the year	44,411	-
	Closing balance	<u>73,053</u>	<u>28,642</u>

- 15.2 Stores and spares include items which may result in fixed capital expenditure but are not distinguishable.

			2026	2025
			(Rupees in thousand)	
16	Stock in trade	Note		
	Furnace oil		540,516	354,941
	Diesel		2,271	2,680
	Lubricating oil		5,211	8,432
			<u>547,998</u>	<u>366,053</u>

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		2026	2025
		(Rupees in thousand)	
17	Trade debts - net		
	Note		
	Trade receivables from CPPA-G - secured		
	- Considered good	2,541,428	1,208,562
	- Considered doubtful	-	-
	- note 17.1	2,541,428	1,208,562
	Provision for doubtful debts	-	-
		2,541,428	1,208,562

- 17.1 This includes an overdue amount of Rs. 1,594 million (2025: Rs. 598.11 million) receivable from CPPA-G (formerly WAPDA). The trade debts are secured by a guarantee from the Government of Pakistan (GoP) under the Implementation Agreement. These are in the normal course of business and are interest free, however, a penal mark up at the rate of 3 months KIBOR plus 1% per annum (2025: 3 months KIBOR plus 1% per annum) is charged in case the amounts are not paid within due dates, the base rate being the State Bank of Pakistan's reverse repo rate. The penal mark up rate charged during the year was 11.51% to 13.34% (2025: 12.13% to 20.52%) per annum. These include unbilled receivables aggregating to Rs. 786.75 million (2025: Rs. 454.22 million).

Aging analysis of trade debts is given in note 34.1(b)(i).

		2026	2025
		(Rupees in thousand)	
18	Loans, advances, deposits, prepayments and other receivables		
	Current portion of long term loans to employees - note 13	1,352	2,544
	Advances - considered good		
	- To employees - note 18.1	901	1,313
	- To suppliers	734,274	387,978
	Prepayments	996	834
	Claims recoverable from CPPA-G for pass through items:		
	- Workers' Profit Participation Fund - note 18.2	37,237	36,756
	- Workers' Welfare Fund - note 18.3	29,972	15,077
	- Private Power and Infrastructure Board (PPIB) fee - note 18.5	106,801	85,673
	Sales tax receivable	-	5,215
	Sales tax recoverable - note 18.6	23,969	-
	Receivable from KEL Power Solutions (Private) Limited	118	-
	Margin against letter of guarantee	3,020	3,020
	Other receivables - considered good	32	32
	Receivable from KEL Provident Fund - note 18.7	20	-
		938,692	538,442

- 18.1 Included in advances to employees are amounts due from executives of Rs. 0.04 million (2025: Rs. 0.06 million).

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			2026	2025
			(Rupees in thousand)	
	Note			
18.2	Movement in Workers' Profit Participation Fund is as follows:			
		Opening balance	36,756	80,163
	- note 8.1	Provision for the year	37,237	36,756
			<u>73,993</u>	<u>116,919</u>
		Receipts during the year	(36,756)	(80,163)
	- note 18.4	Closing balance	<u>37,237</u>	<u>36,756</u>
18.3	Movement in Workers' Welfare Fund is as follows:			
		Opening balance	15,077	138,927
	- note 8.2	Provision for the year	14,895	14,702
			<u>29,972</u>	<u>153,629</u>
		Receipts during the year	-	(138,552)
	- note 18.4	Closing balance	<u>29,972</u>	<u>15,077</u>
18.4	Under section 14.2(a) of Part III of Schedule 6 to the Power Purchase Agreement (PPA) with CPPA-G, payments to Workers' Profit Participation Fund and Workers' Welfare Fund are recoverable from CPPA-G as pass through items.			
18.5	The Company made adequate provision for Private Power and Infrastructure Board (PPIB) fees applicable on IPPs and respective non-payment surcharges at the prescribed rates in prior years. National Electric Power Regulatory Authority (NEPRA) in its meeting held on July 7, 2025, issued a decision declaring that the PPIB fee to be a pass-through item for Independent Power Producers (IPPs), recoverable from the Central Power Purchasing Agency (CPPA).			
18.6	This pertains to an amount withdrawn by the tax authorities in respect of a case that was subsequently decided in favour of the Company. Accordingly, the amount has been recognized as sales tax recoverable.			
18.7	This represents receivable from, Kohinoor Energy Limited Employees Provident Fund, on account of income tax paid by the Company to FBR on its behalf.			

			2026	2025
			(Rupees in thousand)	
	Note			
19	Short term investments			
	Fair value through profit or loss			
	- note 19.1	NBP Islamic Daily Dividend Fund	<u>-</u>	<u>216,294</u>
	Amortised Cost			
	- note 19.2 & 19.3	Term Deposit Receipts	<u>500,151</u>	<u>-</u>

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		2026	2025
19.1	Movement in investments	Note	(Rupees in thousand)
	Opening fair value as at July 1		216,294 14
	Investments during the year		- 1,750,000
	Redemptions during the year		(218,406) (1,559,114)
	Dividend reinvestment - net of tax		2,112 25,394
	Closing Fair Value as at June 30		- 216,294

	2026		2025	
	Number of Units	Fair value	Number of Units	Fair value
Investments				
NBP Islamic Daily Dividend Fund	-	-	21,629,394	216,293,938

19.2		2026		
	Rate of Interest	Principal	Accrued Interest	Amortised Cost
TDR	11.00%	500,000	151	500,151

19.3 These carry effective markup rate of 11.00% per annum (2025: Nil). These instruments have maturity falling in July 2026.

		2026	2025
	Note	(Rupees in thousand)	
20	Cash and bank balances		
	Cash at banks		
	Current accounts	333	766
	Saving accounts and term deposits		
	- Under interest / mark up arrangements	8	50,219
	- Retention account - Onshore	178	24,461
	- Under arrangements permissible under Shariah	32	205
		218	74,885
		551	75,651
	Cash in hand	934	912
		1,485	76,563

20.1 The balance in savings bank accounts bear mark up at rates ranging from 7.50% to 9.75% per annum (2025: 5.01% to 19.00% per annum) and balance in accounts under arrangements permissible under Shariah bear profit at the rates ranging from 2.29% to 9.50% per annum (2025: 2.78% to 20.50%).

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21	Revenue	2026 (Rupees in thousand)	2025
	Energy Purchase Price	5,644,696	2,778,826
	Less: Sales tax	(861,055)	(423,889)
		<u>4,783,641</u>	<u>2,354,937</u>
	Capacity Purchase Price	1,467,962	1,787,670
	Delayed payment mark-up	103,450	186,204
		<u>6,355,053</u>	<u>4,328,811</u>

21.1 This represents revenue from contract with sole customer of the Company i.e. CPPA-G.

22	Cost of sales	Note	2026 (Rupees in thousand)	2025
	Raw material consumed		4,380,158	2,140,696
	Salaries, wages and benefits	- note 22.1	249,273	265,107
	Stores and spares consumed		84,709	84,813
	Depreciation on operating fixed assets	- note 11.1.3	237,235	192,787
	Fee and subscription		7,105	6,835
	Insurance		83,388	139,876
	Travelling, conveyance and entertainment		27,957	27,725
	Repairs and maintenance		7,422	7,139
	Legal and professional charges		286	626
	Communication charges		3,437	2,376
	Electricity consumed in-house		52,336	67,009
	Environmental expenses		664	451
	Liquidated damages		-	15,818
	Contracted services		14,512	27,180
	Miscellaneous		3,407	4,727
	Impairment on store, spare and loose tools		44,600	-
			<u>5,196,489</u>	<u>2,983,165</u>

22.1 Salaries, wages and other benefits include Rs. 11.56 million (2025: Rs. 21.53 million) in respect of provision for accumulated compensated absences and Rs. 10.69 million (2025: Rs. 10.90 million) in respect of provision for defined contribution provident fund.

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		2026	2025
23	Administrative expenses	Note	(Rupees in thousand)
	Salaries, wages and benefits	- note 23.1	185,188
	Communication charges		2,444
	Depreciation on operating fixed assets	- note 11.1.3	12,756
	Amortisation on intangible assets	- note 12.1	506
	Insurance		3,116
	Travelling, conveyance and entertainment		34,391
	Repairs and maintenance		1,965
	Legal and professional charges	- note 23.2	14,182
	Community welfare expenses		7,131
	Rents, rates and taxes		1,753
	Fee and subscription		2,902
	Security expenses		8,732
	Environmental expenses		13,762
	Contracted services		15,389
	Donation	- note 23.4	2,400
	Miscellaneous		5,241
			<u>311,858</u>
			<u>268,114</u>

23.1 Salaries, wages and other benefits include Rs. 5.93 million (2025: Rs. 5.75 million) in respect of provision for accumulated compensated absences and Rs. 2.92 million (2025: Rs. 3.79 million) in respect of provision for defined contribution provident fund.

		2026	2025
23.2	Legal and professional charges include the following:	(Rupees in thousand)	
	In respect of auditors' services for:		
	- Statutory audit of unconsolidated financial statements	2,943	2,675
	- Statutory audit of consolidated financial statements	275	250
	- Half yearly review and certifications	729	1,131
	- Out of pocket expenses	565	535
		<u>4,512</u>	<u>4,591</u>

23.3	Employees of the Company		
	Total number of employees as at June 30, 2026	<u>96</u>	<u>101</u>
	Average number of employees	<u>99</u>	<u>114</u>

23.4 During the year ended June 30, 2026, an amount of Rs. 2.40 million (2025: Rs. 2.30 million) was donated to Khursheed Begum Eye Hospital. None of the directors and their spouses had any interest in any of the donees during the year.

		2026	2025
24	Other expenses	Note	(Rupees in thousand)
	Loss on sale of fixed assets	- note 24.1	349
	Bad debt written off		-
	Impairment loss on subsidiary	- note 24.2	1,000
			<u>1,349</u>
			<u>41,075</u>

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24.1 This represents the loss arising on the disposal of vehicles and computers which are a part of Company's Property, Plant and Equipment.

24.2 This represents impairment loss recognized on the Company's investment in KPSL, as disclosed in note 14.2 of these financial statements.

			2026	2025
			(Rupees in thousand)	
25	Other income	Note		
	Income on bank deposits	- note 25.1	1,577	7,932
	Income from mutual fund	- note 25.2	2,976	33,859
			<u>4,553</u>	<u>41,791</u>
25.1	Income on bank deposits			
	Income on bank deposits under mark up arrangements		1,521	6,217
	Income on bank deposits under arrangements permissible under Shariah		56	1,715
			<u>1,577</u>	<u>7,932</u>
25.2	Income from mutual fund			
	Dividend Income		2,976	33,859
			<u>2,976</u>	<u>33,859</u>
26	Finance costs			
	Mark up on short term finances - secured		100,883	341,637
	Bank guarantee and commission		78	80
	Others		4,211	1,415
			<u>105,172</u>	<u>343,132</u>
27	Levy			
	Levy - final tax	- note 27.1	863	8,465

27.1 This represents final taxes paid under sections 5 of Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21 and IAS 37.

			2026	2025
			(Rupees in thousand)	
28	Taxation	Note		
	Taxation	- note 28.1	<u>457</u>	<u>2,300</u>
28.1	Current taxation			
	- For the year		457	2,300
	- Prior year		-	-
			<u>457</u>	<u>2,300</u>

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		2026	2025
		(Rupees in thousand)	
28.2	Tax charge reconciliation		
	Profit before taxation	743,875	726,651
	Tax at applicable rate of 29% (2025: 29%)	215,724	210,729
	Tax effect of exempt income referred to in note 4.1	(215,267)	(208,429)
	Tax charge	457	2,300

28.3 This represents tax liability of the Company calculated under the relevant provisions of the Income Tax Ordinance, 2001.

		2026	2025
		(Rupees in thousand)	
29	Cash generated from operations		
	Profit before taxation	743,875	726,651
	Adjustment for non-cash charges and other items:		
	- Depreciation on property, plant and equipment	- note 11.1.3	249,991
	- Amortisation on intangible assets	- note 12.1	506
	- Loss on disposal of property, plant and equipment	- note 11.1.4	349
	- Income on bank deposits	- note 25.1	(1,577)
	- Dividend Income	- note 25.2	(2,976)
	- Impairment on investment in subsidiary	- note 24	1,000
	- Impairment on stores, spares and loose tools	- note 22	44,600
	- Charge for employee retirement and other benefits		17,495
	- Finance costs on borrowings		105,172
	Profit before working capital changes	1,158,435	1,261,094
	Decrease / (increase) in current assets		
	- Stock in trade	(181,945)	203,362
	- Stores, spares and loose tools	36,056	(40,515)
	- Trade debts	(1,332,866)	1,644,815
	- Loans, advances, deposits, prepayments and other receivables	(403,555)	14,559
		(1,882,310)	1,822,221
	(Decrease) / Increase in current liabilities		
	- Trade and other payables	61,513	(419,821)
		(1,820,797)	1,402,400
		(662,362)	2,663,494
30	Cash and cash equivalents		
	Cash and bank balances	- note 20	1,485
	Short term finances - secured	- note 7	(2,047,362)
	Short term investments	- note 19	500,151
		(1,545,726)	(973,939)

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31 Remuneration of Chief Executive, Directors and Executives

31.1 The aggregate amount charged in the financial statements for the year for remuneration, including certain benefits, to the chief executive, directors and executives of the Company is as follows:

	Chief Executive		Directors		Executives	
	2026	2025	2026	2025	2026	2025
(Rupees in thousand)						
Short term employee benefits						
Meeting fee	Note 31.3		-	-	30	-
Managerial remuneration	17,861	16,237	45,321	41,201	96,726	81,867
Housing	8,037	7,307	20,395	18,540	43,527	36,840
Utilities	1,786	1,624	4,532	4,120	9,673	8,187
Medical allowance and reimbursement	-	-	-	-	3,575	2,396
Bonus	6,292	4,719	5,112	3,834	31,031	24,534
Club expenses	262	253	303	261	480	498
Leave encashment	2,307	2,097	5,854	1,704	10,678	10,440
Others	4,058	3,689	-	-	7,088	6,482
	40,603	35,926	81,547	69,660	202,778	171,244
Post employment benefits						
Contribution to provident fund	-	-	-	-	9,666	8,187
	40,603	35,926	81,547	69,660	212,444	179,431
Number of persons						
	1	1	2	2	43	37

31.2 Certain executives are provided with Company maintained vehicles.

31.3 Fees represent the amounts paid to non-executive director for attending meetings of the Board and its sub-committees.

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32 Transactions with related parties

The related parties comprise associated undertakings, other related companies, key management personnel and post retirement benefit plan. The Company 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, if any, and remuneration of key management personnel is disclosed in note 31. Other significant transactions with related parties are as follows:

		2026	2025
		(Rupees in thousand)	
Relation with undertaking	Nature of transaction		
Associated companies	Purchase of services	71	227
Associated persons	Dividend paid	-	692,124
Key management personnel	Dividend paid	-	44,373
Subsidiary	Receivable from KEL Power Solutions (Private) Limited	118	-
Subsidiary	Impairment on investment in subsidiary	1,000	-
Subsidiary	Subscription money paid	-	1,000
Kohinoor Energy Limited Employees Provident Fund	Contributions paid on behalf of employee and employer	27,212	29,376

32.1 The names of related parties with whom the Company has entered into transactions or had agreements / arrangements in place during the year and whose names have not been disclosed elsewhere in these unconsolidated financial statements are as follows:

Name of the related party	Basis of relationship	Percentage of shareholding
Red Communication Arts (Private) Limited	Common directorship	-
KEL Power Solutions (Private) Limited	Wholly owned subsidiary	99.996%

All transactions with related parties are carried out on mutually agreed terms and conditions.

32.2 There was no related party incorporated outside the Pakistan with whom the Company had entered into transactions.

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		2026	2025
33	Capacity and production	MWh	MWh
	Installed capacity - based on 8,760 hours (2025: 8,760 hour	1,086,240	1,086,240
	Actual energy delivered	109,073	76,156
	Efficiency	10.04%	7.01%

Under utilization of available capacity is due to less demand by CPPA-G.

34 Financial risk management

34.1 Financial risk factors

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

The Company's overall risk management procedures to minimize the potential adverse effects of financial market on the Company's performance are as follows:

a) Market risk

i) Currency risk

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

The Company is not exposed to currency risk since there are no asset or liability denominated in foreign currency at the reporting date.

ii) Other price risk

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

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iii) **Interest rate risk**

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

The Company has no significant long-term interest-bearing assets and liabilities. The Company's interest rate risk arises from trade debts and short term borrowings. Borrowings obtained at variable rates expose the Company to cash flow interest rate risk. Similarly, trade debts on which the rate of interest on delayed payments is linked with State Bank of Pakistan reverse repo rate exposes the Company to cashflow interest rate risk.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments

		2026	2025
		(Rupees in thousand)	
Floating rate instruments			
Financial assets			
Bank balances	- note 20.1	218	74,885
Trade debts - overdue		1,594,332	598,112
Short term investments		500,151	216,294
Financial liabilities			
Short term finances - secured	- note 7	(2,047,362)	(1,050,502)
Net exposure		47,339	(161,211)

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the statement of financial position date would not affect profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

If interest rates on finances under mark up arrangements, at the year end date, fluctuate by 1% higher / lower with all other variables held constant, profit before tax would have been Rs. 20.47 million (2025: Rs. 10.51 million) lower / higher, mainly as a result of higher / lower interest expense on floating rate finances.

If interest rates on bank balances - savings accounts, at the year end date, fluctuate by 1% higher / lower with all other variables held constant, profit before tax would have been Rs. 0.002 million (2025: Rs. 0.75 million) higher / lower, mainly as a result of higher / lower interest rate expense on floating rate.

If interest rates on delayed payments on trade debts, at the year end date, fluctuate by 1% higher / lower with all other variables held constant, profit before tax would have been Rs. 15.94 million (2025: Rs. 5.98 million) higher / lower, mainly as a result of higher / lower interest income on floating rate.

If interest rates on short term investments, at the year end date, fluctuate by 1% higher / lower with all other variables held constant, profit before tax would have been Rs. 5.00 million (2025: Rs. 2.16 million) higher / lower, mainly as a result of higher / lower interest income on floating rate.

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b) **Credit risk**

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk mainly arises from deposits with banks, trade and other receivables.

The management assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. The utilization of these credit limits is regularly monitored. For banks and financial institutions, only independently rated parties with a strong credit rating are accepted.

i) **Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2026	2025
	(Rupees in thousand)	
Long term loans and deposits	144	1,575
Trade debts	2,541,428	1,208,562
Loans, advances, deposits, and other receivables	177,200	143,102
Bank balances	551	75,651
Short term investments	500,151	216,294
	<u>3,219,474</u>	<u>1,645,184</u>

The credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings. The Company believes that it is not exposed to major concentration of credit risk and the risk attributable to trade debts and Workers' Welfare Fund, Workers' Profit Participation Fund and PPIB fee receivable from Power Purchaser is mitigated by guarantee from the Government of Pakistan under the Implementation Agreement. Age analysis of trade receivable balances is as follows:

As of June 30, age analysis of trade debts

	2026	2025
	(Rupees in thousand)	
- Neither past due nor impaired	947,096	610,450
- Past due 0 - 180 days	1,594,332	598,112
- Past due 181 - 365 days	-	-
- 1 - 2 years	-	-
- More than 2 years	-	-
	<u>1,594,332</u>	<u>598,112</u>
	<u>2,541,428</u>	<u>1,208,562</u>

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b) **Credit risk**

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk mainly arises from deposits with banks, trade and other receivables.

The management assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. The utilization of these credit limits is regularly monitored. For banks and financial institutions, only independently rated parties with a strong credit rating are accepted.

i) **Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2026	2025
	(Rupees in thousand)	
Long term loans and deposits	144	1,575
Trade debts	2,541,428	1,208,562
Loans, advances, deposits, and other receivables	177,200	143,102
Bank balances	551	75,651
Short term investments	500,151	216,294
	<u>3,219,474</u>	<u>1,645,184</u>

The credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings. The Company believes that it is not exposed to major concentration of credit risk and the risk attributable to trade debts and Workers' Welfare Fund, Workers' Profit Participation Fund and PPIB fee receivable from Power Purchaser is mitigated by guarantee from the Government of Pakistan under the Implementation Agreement. Age analysis of trade receivable balances is as follows:

As of June 30, age analysis of trade debts

	2026	2025
	(Rupees in thousand)	
- Neither past due nor impaired	947,096	610,450
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- Past due 181 - 365 days	-	-
- 1 - 2 years	-	-
- More than 2 years	-	-
	<u>1,594,332</u>	<u>598,112</u>
	<u>2,541,428</u>	<u>1,208,562</u>

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ii) **Credit quality of major financial assets**

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

	Short Term	Long Term	Rating Agency	2026 (Rupees in thousand)	2025
Trade debts					
CPPA-G	-----	Not available	-----	2,541,428	1,208,562
Other receivables					
CPPA-G	-----	Not available	-----	174,010	137,506
Cash at bank					
Bank Alfalah Limited	A1+	AAA	PACRA	500,151	-
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	VIS	-	-
Askari Bank Limited	A1+	AA+	PACRA	103	75,040
Habib Bank Limited	A1+	AAA	VIS	9	9
Al Baraka Bank (Pakistan) Limited	A1	AA-	VIS	14	114
United Bank Limited	A1+	AAA	VIS	1	1
National Bank of Pakistan	A1+	AAA	PACRA	7	77
Faysal Bank Limited	A1+	AA+	PACRA	290	235
Bank Islami Pakistan Limited	A1	AA-	PACRA	9	3
Dubai Islamic Bank Pakistan Limited	A1+	AA	VIS	113	121
MCB Bank Limited	A1+	AAA	PACRA	5	-
Meezan Bank Limited	A1+	AAA	VIS	-	51
				<u>3,216,140</u>	<u>1,421,719</u>

After giving due consideration to the strong financial standing of the banks and Government guarantee in case of CPPA-G, management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly, the credit risk is minimal.

c) **Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the Company's businesses, the Company manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities.

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Management monitors the forecasts of the Company's cash and cash equivalents (note 30) on the basis of expected cash flow. This is generally carried out in accordance with practice and limits set by the Company. The Company's liquidity management policy involves projecting cash flows in each quarter and considering the level of liquid assets necessary to meet its liabilities, monitoring reporting date liquidity ratios against internal and external regulatory requirements, and maintaining debt financing plans.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date.

	Contractual Cashflows				Carrying amount
	Less than one year	One to five years	More than five years	Total contractual cashflows	
	(Rupees in thousand)				
Short term finances - secured	2,047,362	-	-	2,047,362	2,047,362
Trade and other payables	62,721	-	-	62,721	62,721
Accrued finance cost	33,329	-	-	33,329	33,329
Unclaimed dividend	17,366	-	-	17,366	17,366
	<u>2,160,778</u>	<u>-</u>	<u>-</u>	<u>2,160,778</u>	<u>2,160,778</u>

The following are the contractual maturities of financial liabilities as at June 30, 2025.

	Contractual Cashflows				Carrying Amount
	Less than one year	One to five years	More than five years	Total contractual cashflows	
	(Rupees in thousand)				
Short term finances - secured	1,050,502	-	-	1,050,502	1,050,502
Trade and other payables	42,044	-	-	42,044	127,717
Accrued finance cost	31,442	-	-	31,442	31,442
Unclaimed dividend	18,586	-	-	18,586	18,586
	<u>1,142,574</u>	<u>-</u>	<u>-</u>	<u>1,142,574</u>	<u>1,228,247</u>

34.2 Fair values of financial assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at measurement date. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms. The carrying values of all financial assets and liabilities reflected in these unconsolidated financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

Specific valuation techniques used to value financial instruments include:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

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- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following is categorization of assets which are disclosed at fair value as at June 30, 2026:

	Level 1	Level 2	Level 3	Total
	(Rupees in thousand)			
Assets:				
Short term investments	-	-	-	-

The following is categorization of assets which are disclosed at fair value as at June 30, 2025:

	Level 1	Level 2	Level 3	Total
	(Rupees in thousand)			
Assets:				
Short term investments	-	216,294	-	216,294

34.3 Fair value estimation

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

34.4 Financial instruments by categories

	Amortised cost	
	2026	2025
	(Rupees in thousand)	
Financial assets as per statement of financial position		
Long term loans and deposits	144	1,575
Trade debts	2,541,428	1,208,562
Loans, advances, deposits and other receivables	177,200	143,102
Bank balances	551	75,651
Short term investments	500,151	-
	3,219,474	1,428,890
	Fair value	
	2026	2025
Short term investments	-	216,294
	-	216,294

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Financial liabilities as per statement of financial position	Amortised cost	
	2026	2025
	(Rupees in thousand)	
Short term finances - secured	2,047,362	1,050,502
Trade and other payables	62,721	42,044
Accrued finance cost	33,329	31,442
Unclaimed dividend	17,366	18,586
	<u>2,160,778</u>	<u>1,142,574</u>

34.5 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares.

Consistent with others in the industry and the requirements of the lenders, the Company monitors the capital structure on the basis of gearing ratio. This ratio is calculated as net debt divided by total equity (as shown in unconsolidated statement of financial position). Net debt is calculated as non-current borrowings in these unconsolidated financial statements less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the unconsolidated statement of financial position.

The gearing ratio has not been presented as the company has no non - current borrowings.

35 Reconciliation of liabilities arising from financing activities

	July 1, 2025	Accruals / Dividend Declared	Payments	June 30, 2026
Unclaimed dividend	18,586	-	(1,220)	17,366

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	July 1, 2024	Accruals / Dividend Declared	Payments	June 30, 2025
Unclaimed dividend	17,830	1,186,210	(1,185,454)	18,586

36 Disclosure relating to Provident Fund

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

37 Earnings per share

37.1	Basic earnings per share		2026	2025
	Net profit for the year	Rupees in thousand	743,418	724,351
	Weighted average number of ordinary shares	Number in thousand	169,459	169,459
	Earnings per share	Rupees	4.39	4.27

37.2 Diluted earnings per share

A diluted earnings per share has not been presented as the Company does not have any convertible instruments in issue as at June 30, 2026 and June 30, 2025 which would have any effect on the earnings per share if the option to convert is exercised.

38 Corresponding figures

Corresponding figures have been re-arranged, wherever necessary, for the purposes of better presentation. During the year, no major rearrangements or reclassifications were made.

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39 Disclosure requirement for companies not engaged in Shariah non-permissible business activities

Following information has been disclosed as required under Part 1 Clause VII of the Fourth Schedule to the Companies Act, 2017 as amended via S.R.O. 1278(I)/2024 dated August 15, 2024

Description	Explanation	Note	2026 (Rupees in thousand)	2025 (Rupees in thousand)
Unconsolidated Statement of Financial Position - Liability Side				
Financing (long-term, short-term, or lease financing) obtained as per Islamic mode	Short term financing obtained from Islamic Institutions	7	550,000	601,200
Interest or mark-up accrued on any conventional loan or advance	Accrued finance cost on conventional loans	9	29,749	12,975
Unconsolidated Statement of Financial Position - Asset Side				
Long-term and short-term Shariah compliant Investments	Investment in NBP Islamic Daily Dividend Fund	19	-	216,294
Shariah-compliant bank deposits, bank balances, and TDRs	Investment made under shariah permissible arrangement TDR	20	436	282
Unconsolidated Statement of Profit or Loss and Other Comprehensive Income				
Revenue earned from a Shariah-compliant business segment during the year	Revenue earned from EPP and CPP as per contract with customer	21	6,251,603	4,142,607
Break-up of late payments or liquidated damages	Delay payment surcharge on payments over credit term	21	103,450	166,204
Gain or loss or dividend earned on Shariah compliant investments or share of profit from Shariah-compliant associates during the year	Dividend Income earned on investment in Mutual Fund	25	2,976	33,859
Profit earned from Shariah-compliant bank deposits, bank balances, or TDRs during the year	Interest income earned on investment made under shariah permissible	25.1	56	1,715
Exchange gain earned from actual currency	Not Applicable		-	-
Exchange gain earned using conventional derivative financial instruments	Not Applicable		-	-
Profit paid on Islamic mode of financing during the year	Finance cost paid on short term financing obtained from Islamic Institutions	26	41,988	180,278
Total Interest earned on any conventional loan or advance	Income on bank deposits under mark-up arrangements	25.1	1,521	6,217
Sources and detailed breakup of other income, including breakup of other or miscellaneous portions of other income into Shariah-compliant and non-compliant income:				
Profit on Term Deposit Receipts (TDRs)	Earned from non-Shariah compliant transactions	25.1	151	-
Profit on saving accounts	Earned from non-Shariah compliant transactions		1,370	6,217
Dividend income	Earned from Shariah compliant transactions		2,976	33,859
Profit on Term Deposit Receipts (TDRs)	Earned from Shariah compliant transactions	25.1	52	338
Profit on saving accounts	Earned from Shariah compliant transactions		4	1,377
Sale of scrap	Earned from Shariah compliant transactions		7,950	5,447

39.1 Relationship with Shariah Compliant Institutions:

The Company has an Islamic relationship with the following institutions

- Faysal Bank Limited;
- Al Baraka Bank Pakistan Limited
- Habb Bank Limited
- Dubai Islamic Bank Pakistan Limited; and
- BankIslami Pakistan Limited

Furthermore, the Company does not engage any Takaful operator for coverage; all relevant policies are secured through conventional insurance.

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Date of authorization for issue

These unconsolidated financial statements were authorized for issue on October 02, 2026 by the Board of Directors of the Company.

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Events after the reporting date

There are no other significant events that have occurred subsequent to the reporting date, other than those mentioned elsewhere in these unconsolidated financial statements.

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Chief Financial Officer



Chief Executive Officer



Director

Consolidated Financial Statements
As at June 30, 2026



A.F.FERGUSON & CO.

INDEPENDENT AUDITOR'S REPORT

To the members of Kohinoor Energy Limited

Opinion

We have audited the annexed consolidated financial statements of Kohinoor Energy Limited and its subsidiary (the Group), which comprise the consolidated statement of financial position as at June 30, 2026, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at June 30, 2026, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

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

Key Audit Matter

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

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A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, 308-Upper Mall, Shahrah-e-Quaid-e-Azam, P.O. Box 39, Lahore-54000, Pakistan
Tel: +92 (42) 35199343-50/Fax: +92 (42) 35199351



Following is the Key audit matter:

S. No.	Key audit matter	How the matter was addressed in our audit
(i)	Receivables from Central Power Purchasing Agency (Guarantee) Limited (CPPA-G) (Refer notes 4.11, 4.18, 16, 17 and 33.1 (b) to the consolidated financial statements) The Company under the Power Purchase Agreement (PPA) sells available capacity and electrical output to CPPA-G. As at June 30, 2026 the Company has following receivables from CPPA-G: - Trade debts amounting to Rs. 2,541,428 thousand which include overdue debts of Rs. 1,594,332 thousand; and - Reimbursable costs amounting to Rs. 173,991 thousand. Due to delays in recovery, the Company has financed its operations through short-term financing arrangements. In view of the delays in settlement of receivables, potential impairment indicators, and the consequential impact of delay in settlement on liquidity and operations of the Company, we have considered this to be an area of higher assessed risk and a key audit matter.	Our audit procedures, amongst others included the following: - assessed whether revenue and related receivables have been recognized in accordance with the applicable accounting policies of the Company; - checked the invoices raised by the Company during the year were in accordance with the PPA; - obtained confirmation of receivable balance from CPPA-G; - checked receipts from CPPA-G with bank statements; - checked Implementation Agreement and assessed whether receivables are secured against guarantee from the Government of Pakistan and whether any impairment is required to be recognized thereagainst; - assessed the availability of finance with the Company to fund its business operations through committed credit lines obtained from various financial institutions; and - assessed adequacy of the related disclosures in the consolidated financial statements in accordance with the applicable accounting and reporting standards.

Information Other than the Unconsolidated and Consolidated Financial Statements and Auditor's Reports Thereon

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the

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consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Board of Directors for the Consolidated Financial Statements

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

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

The Board of Directors is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's

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A.F. FERGUSON & CO.

report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Ahsan Nadeem.

A. F. Ferguson & Co.
Chartered Accountants
Lahore

Date: October 6, 2026

UDIN: AR202610884GunmlLoK7

KOHINOOR ENERGY LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	2026 (Rupees in thousand)	2025 (Rupees in thousand)		Note	2026 (Rupees in thousand)	2025 (Rupees in thousand)
EQUITY AND LIABILITIES				ASSETS			
SHARE CAPITAL AND RESERVES				NON-CURRENT ASSETS			
Authorized share capital				Property, plant and equipment	11	2,292,862	2,531,727
170,000,000 (June 30, 2025: 170,000,000) ordinary				Intangible assets	12	586	1,092
shares of Rs. 10 each		<u>1,700,000</u>	<u>1,700,000</u>	Long term loans and deposits	13	<u>144</u>	<u>1,575</u>
						<u>2,293,592</u>	<u>2,534,394</u>
Issued, subscribed and paid up capital							
169,458,614 (June 30, 2025: 169,458,614) ordinary							
shares of Rs. 10 each	5	1,694,586	1,694,586				
Un-appropriated profit		<u>3,113,145</u>	<u>2,369,505</u>				
		<u>4,807,731</u>	<u>4,064,091</u>				
NON-CURRENT LIABILITIES							
CURRENT LIABILITIES				CURRENT ASSETS			
Employee benefits	6	11,926	11,907	Stores, spares and loose tools	14	363,646	444,302
Short term finances - secured	7	2,047,362	1,050,502	Stock in trade	15	547,998	366,053
Trade and other payables	8	245,885	184,164	Trade debts - net	16	2,541,428	1,208,562
Accrued finance cost	9	33,329	31,442	Loans, advances, deposits, prepayments			
Unclaimed dividend		17,366	18,586	and other receivables	17	938,555	538,408
Provision for taxation - net		<u>23,256</u>	<u>24,355</u>	Short term investments	18	500,151	216,294
		<u>2,379,124</u>	<u>1,320,956</u>	Cash and bank balances	19	<u>1,485</u>	<u>77,034</u>
						<u>4,893,263</u>	<u>2,850,653</u>
CONTINGENCIES AND COMMITMENTS	10						
		<u>7,186,855</u>	<u>5,385,047</u>			<u>7,186,855</u>	<u>5,385,047</u>

The annexed notes 1 to 40 form an integral part of these consolidated financial statements.

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Chief Financial Officer

Chief Executive Officer

Director

KOHINOOR ENERGY LIMITED**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026**

	Note	2026 (Rupees in thousand)	2025
Revenue from contract with customer	20	6,355,053	4,328,811
Cost of sales	21	<u>(5,196,489)</u>	<u>(2,983,165)</u>
Gross profit		1,158,564	1,345,646
Administrative expenses	22	(312,661)	(268,871)
Other expenses	23	(349)	(41,075)
Other income	24	<u>4,578</u>	<u>42,058</u>
Operating profit		850,132	1,077,758
Finance costs	25	<u>(105,172)</u>	<u>(343,133)</u>
Profit before levy and taxation		744,960	734,625
Levy	26	(863)	(8,465)
Profit before taxation		<u>744,097</u>	<u>726,160</u>
Taxation	27	(457)	(2,300)
Profit for the year		<u>743,640</u>	<u>723,860</u>
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss		-	-
Total other comprehensive income		-	-
Total comprehensive income for the year		<u>743,640</u>	<u>723,860</u>
Earnings per share - basic and diluted - (in rupees)	36	<u>4.39</u>	<u>4.27</u>

The annexed notes 1 to 40 form an integral part of these consolidated financial statements.

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Chief Financial Officer


Chief Executive Officer


Director

KOHINOOR ENERGY LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2026

	Share Capital	Un-appropriated Profit	Total
	(Rupees in thousand)		
Balance as at July 1, 2024	1,694,586	2,831,855	4,526,441
Transactions with owners in their capacity as owners:			
Interim dividend for the year ended June 30, 2025 at the rate of Rs. 7.00 per share	-	(1,186,210)	(1,186,210)
	-	(1,186,210)	(1,186,210)
Profit for the year	-	723,860	723,860
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	723,860	723,860
Balance as at June 30, 2025	1,694,586	2,369,505	4,064,091
Profit for the year	-	743,640	743,640
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	743,640	743,640
Balance as at June 30, 2026	1,694,586	3,113,145	4,807,731

The annexed notes 1 to 40 form an integral part of these consolidated financial statements.

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 Chief Financial Officer


 Chief Executive Officer


 Director

KOHINOOR ENERGY LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2026

		2026	2025
	Note	(Rupees in thousand)	
Cash flows from operating activities			
Cash (used in) / generated from operations	28	(662,854)	2,661,740
Employee benefits paid	6.1	(17,476)	(24,942)
Finance costs paid		(103,285)	(377,319)
Income tax paid		(1,556)	(7,807)
Net cash (used in) / generated from operating activities		(785,171)	2,251,672
Cash flows from investing activities			
Payment for acquisition of property, plant and equipment		(12,160)	(377,368)
Proceeds from disposal of property, plant and equipment		685	21,680
Profit on bank deposits received		1,602	8,199
Dividend income received		2,976	33,859
Purchase of short term investments		-	(1,775,394)
Proceeds from disposal of short term investments		218,406	1,559,114
Loan to employees - net		2,624	(431)
Net cash generated from / (used in) investing activities		214,133	(530,341)
Cash flows from financing activities			
Dividend paid		(1,220)	(1,185,454)
Net cash used in financing activities		(1,220)	(1,185,454)
Net (decrease) / increase in cash and cash equivalents		(572,258)	535,877
Cash and cash equivalents at the beginning of the year		(973,468)	(1,509,345)
Cash and cash equivalents at the end of the year	29	(1,545,726)	(973,468)

The annexed notes 1 to 40 form an integral part of these consolidated financial statements.

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Chief Financial Officer


Chief Executive Officer


Director

KOHINOOR ENERGY LIMITED
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 Legal status and nature of business

1.1 Holding company:

Kohinoor Energy Limited (KEL)

Kohinoor Energy Limited (the 'Company') was incorporated in Pakistan on April 26, 1994 as a public limited company under the repealed Companies Ordinance, 1984 (the Ordinance) repealed with the enactment of the Companies Act, 2017 on May 30, 2017. The Company is listed on the Pakistan Stock Exchange. The principal activities of the Company are to own, operate and maintain a power plant of 124 MW capacity in Lahore and to sell the electricity produced therefrom to a sole customer, the Water and Power Development Authority (WAPDA) under a Power Purchase Agreement (PPA), for a term of 30 years which commenced from June 19, 1997. Subsequently, WAPDA has irrevocably transferred all of its rights, obligations and liabilities under the PPA to Central Power Purchasing Agency Guarantee Limited (CPPA-G) (Power Purchaser) thereunder via Novation Agreement and Amendment Agreement to the Implementation Agreement which became effective on February 11, 2021 after approval from the relevant authorities. The Power Purchase Agreement (PPA) has been extended for a period of one hundred and sixty one (161) days from June 20, 2027 to November 27, 2027, based on the Amendment Agreement signed on February 19, 2025 between the CPPA-G and the Company.

The address of the registered office of the Company is 301, 3rd Floor, Green Trust Tower, Blue Area, Islamabad and the Company's power plant has been set up at Post Office Raja Jang, Near Tablighi Ijima, Raiwind Bypass, Lahore.

Subsidiary company:

KEL Power Solutions (Private) Limited (KPSL)

A subsidiary company was incorporated in 2024 under the name of KEL Power Solutions (Private) Limited ("KPSL"). The principal activity of KPSL shall be generation, purchase, import, transformation, conversion, distribution, supply, export and installation of solar power plants, provision of related services, supply of solar panels, and establishment of distribution networks and related accessories. The Company has been incorporated under section 16 of the Companies Act, 2017 (XIX of 2017) on May 13, 2024. The address of the registered office of the Company is near Tablighi Ijima, Raiwind Bypass, Lahore.

1.2 Amendment Agreement

In the prior year, the Holding Company entered into negotiations with the National Task Force on Implementation of Structural Reforms (Power Sector) to amend the Power Purchase Agreement (PPA). On February 19, 2025, the Amendment Agreement was signed between the CPPA-G and the Holding Company whereby both parties agreed to implement a 'Hybrid Take-and-Pay Model'. The Amendment Agreement has been effective from November 01, 2024.

As part of the Amendment Agreement, the Variable Operations and Maintenance ("O&M") component of the Energy Purchase Price ("EPP") shall be indexed as per the existing PPA, except for the future variation in PKR/USD, which shall be allowed only to the extent of 70% of the actual variation in PKR/USD.

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The current indexed tariff of the 50% Escalable Component of Capacity Purchase Price ("CPP") has been discounted by 30% and shall be indexed semi-annually at the rate of 2.47% or the half yearly variation in the National Consumer Price Index ("NCPI"), whichever is lower. The Holding Company will be entitled to only 35% of the remaining 50% of the Escalable Component (Fixed) tariff as part of CPP. From the Effective Date, in case the Despatched and Delivered Net Electrical Output (the "NEO") of the Holding Company exceeds thirty-five percent (35%) of the Dependable Capacity in terms of kWh, the Holding Company will be entitled to receive the remaining 50% Escalable Component (Fixed) calculated on the actual NEO exceeding thirty-five percent (35%) of the Dependable Capacity in terms of kWh.

As per the Amendment Agreement, it was mutually agreed to waive off any claims of markup on Delayed Payments up until October 31, 2024, including the interest on any claim upto October 31, 2024. Accordingly, certain amounts were written off and included in other expenses in the prior year. Furthermore, the revised rate for future markup on delayed payment under the amendment is 3-month KIBOR + 1% (prevailing on the due date on invoice).

Pursuant to the terms of these Agreements, the Holding Company was entitled to receive Rs. 2,710 million within ninety (90) days of the Effective Date, as full and final settlement of past payables, which was fully received in accordance with the agreement.

As per the Amendment Agreement, in order to resolve the issue of disputed liquidated damages (LDs) imposed by the Power Purchaser, the PPA term has been extended by one hundred and sixty-one (161) days, without any claim for Capacity Payment during this extended period.

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The amended Power Purchase Agreement ("PPA") is due to expire on November 27, 2027, approximately seventeen months after the reporting date. The Holding Company has formally submitted a request for extension of the PPA to the Power Purchaser and other relevant regulatory bodies, which remains under consideration. Management's assessment regarding the sustainability of the Holding Company's operations beyond the expiry of the existing PPA is supported by the plant's strategic location, operational flexibility, short synchronisation time, competitive capacity cost and ability to provide support to the transmission network serving Lahore and adjoining industrial load centres.

The continued operational relevance of the plant is further supported by its recent dispatch levels. The plant achieved dispatch factors of 53.25%, 3.94% and 14.13% during April, May and June 2026, respectively. Subsequent to the reporting date, dispatch factors of 25.37% and 40.19% were recorded during July 2026, and August 2026 respectively. These dispatch levels demonstrate that the plant continues to be called upon when system demand, fuel availability and other prevailing circumstances require dependable furnace-oil-based generation.

In addition, the Competitive Trading Bilateral Contract Market ("CTBCM") has progressed following the commencement of the Competitive Market Operations Date on January 22, 2026. The regulatory framework now provides for bilateral supply arrangements with eligible Bulk Power Consumers, including the approved wheeling auction process and framework for the application of Use of System Charges. Given the Holding Company's proximity to Sundar Industrial Estate and other major industrial consumption centres around Lahore, management is evaluating potential bilateral supply arrangements. The viability of individual arrangements will depend upon, among other matters, the applicable Use of System Charges, allocation of wheeling capacity, fuel costs, contractual terms and negotiations with prospective consumers.

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The Holding Company is also evaluating the technical conversion of its generating units into dual-purpose assets capable of conventional power generation as well as standalone synchronous-condenser operation. The proposed configuration would enable the Company to provide reactive power, voltage regulation, system strength and other grid-stability services without operating the engine. Technical discussions and a site assessment have been undertaken with the plant's equipment supplier, and the Company continues to engage with the relevant stakeholders involved in developing the framework for ancillary services. If successfully implemented and supported by an appropriate regulatory and commercial framework, this arrangement may provide an additional revenue stream while preserving the plant's existing generation capability.

As part of its diversification strategy, the Holding Company has also entered into a memorandum of understanding for the establishment of a lithium-ion battery-pack assembly business in Pakistan. The proposed venture is intended to address demand for residential, commercial, industrial and utility-scale energy-storage solutions and is supported by a feasibility study.

The successful implementation of the above plans is dependent upon matters including the approval of the PPA extension, completion of the relevant regulatory and commercial arrangements, availability of wheeling capacity, successful technical conversion of the plant, agreement of commercially viable terms with prospective customers and implementation of the diversification initiatives.

Notwithstanding, as elaborated above, the Holding Company has sound financial position and as per the Management's forecasts, the Holding Company has sufficient liquidity and reserves to meet the operational expenditures and discharge its liabilities beyond the expiry of PPA.

Management continues to monitor the progress of these matters and based on the Holding Company's sound financial position, existing PPA term, recent plant dispatch, continuing system requirements and the alternatives being actively pursued, expects that the Holding Company will be able to continue its operations and meet its obligations as they fall due. Accordingly, these financial statements have been prepared on a going concern basis and consequently, do not require adjustment relating to the realisation of its assets and liquidation of liabilities.

2 Basis of preparation

2.1 Statement of compliance

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

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

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

2.2 Initial application of standards, amendments or an interpretation to existing standards

The following amendments to existing standards have been published that are applicable to the Group's consolidated financial statements covering annual periods, beginning on or after the following dates as detailed below:

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2.2.1 Standards, amendments to published standards and interpretations that are effective in the current year

Certain standards, amendments and interpretations to IFRS are effective for accounting periods beginning on July 1, 2025 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) and are, therefore, not detailed in these consolidated financial statements.

2.2.2 Exemption from applicability of certain standards

- a) Securities and Exchange Commission of Pakistan ('SECP') through SRO 986(I)/2019 dated September 2, 2019 has granted exemption from the requirements of IFRS 16 'Leases' to all companies to the extent of their power purchase agreements executed before January 1, 2019. Therefore, the standard will not have any impact on the Group's consolidated financial statements to the extent of its PPA. For the remaining leases, the Group has assessed that the application of this standard does not have any material impact on these consolidated financial statements.

Under IFRS 16, the consideration required to be made by the lessee for the right to use the asset is to be accounted for as a finance lease. The Group's power plant's control due to purchase of total output by CPPA-G appears to fall under the scope of finance lease under IFRS 16. Consequently, if the Group were to follow IFRS 16 with respect to its power purchase agreement, the effect on the consolidated financial statements would be as follows:

	2026	2025
	(Rupees in thousand)	
De-recognition of property, plant and equipment	(1,804,302)	(1,969,148)
Recognition of lease debtor	331,648	340,932
Decrease in un-appropriated profit at the beginning of the	(1,628,216)	(1,640,784)
Increase in profit for the year	155,562	12,568
Decrease in un-appropriated profit at the end of the year	(1,472,654)	(1,628,216)

- b) The Securities and Exchange Commission of Pakistan (SECP) through S.R.O. 229(I)/2019 dated February 14, 2019 notified that the standard IFRS 9, Financial Instruments, would be effective for reporting period/year ending on or after June 30, 2019. However, SECP through S.R.O. 985(I)/2019 dated September 30, 2019 granted exemption from applying the expected credit loss (ECL) based impairment model to financial assets due from the Government till June 30, 2021, which was further extended till June 30, 2022 vide S.R.O. 1177(I)/2021 dated September 13, 2021. The extension was subsequently granted till December 31, 2024 vide S.R.O. 67(I)/2023 dated January 20, 2023, further extended till December 31, 2025 vide S.R.O. 1784(I)/2024 dated November 4, 2024, and has now been further extended till December 31, 2026 vide S.R.O. 25(I)/2026 dated January 6, 2026. Accordingly, the Group has not followed the requirements of IFRS 9 with respect to application of Expected Credit Losses in respect of trade debts and other receivables due from CPPA-G. The Group is in the process of assessing the impact of this amendment on the Group's consolidated financial statements.

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2.2.3 Standards, amendments and interpretations to existing standards that are not yet effective and/or 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 1, 2026, but are considered not to be relevant to the Group's operations and are, therefore, not detailed in these consolidated financial statements, except for the following:

a) Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments

The amendments clarify the timing for recognizing and derecognizing certain financial assets and liabilities, introduce an exception for some financial liabilities settled via electronic cash transfers, provide additional guidance for assessing if a financial asset meets the Solely Payment of Principal and Interest ('SPPI') criterion, require new disclosures for instruments with cash flow changes linked to Environmental, Social and Governance ('ESG') targets, and update disclosures for equity instruments designated at FVOCI.

The Group is in the process of assessing the impact of this amendment on the Group's financial statements.

The above mentioned amendments are effective for accounting periods beginning on or after 01 January 2027.

b) Amendment to IAS 21 – Translation to a Hyperinflationary Presentation Currency

This amendment focuses on the translation procedures applied when an entity's presentation currency is that of a hyperinflationary economy. They clarify the requirements for translating the results and financial position of an entity with a functional currency of a non-hyperinflationary economy, as well as those of a foreign operation whose functional currency is non-hyperinflationary, into a hyperinflationary presentation currency. The amendment is intended to enhance the usefulness of the resulting information in a cost effective manner, reduce diversity in practice, and provide a clearer and more consistent basis for reporting in a hyperinflationary currency, in response to stakeholder feedback.

This amendment is not expected to have a material impact on the Group's financial statements when it becomes effective.

The above mentioned standard is effective for accounting periods beginning on or after 01 January 2027.

c) IFRS 18 Presentation and Disclosure in Financial Statements

The new standard on presentation and disclosure in financial statements, IFRS 18, focuses on updates to the statement of profit or loss. It introduces key concepts such as the structure of the statement of profit or loss, required disclosures for certain profit or loss performance measures reported outside the financial statements (management-defined performance measures), and enhanced principles on aggregation and disaggregation applicable to the primary financial statements and notes.

The Group is in the process of assessing the impact of this amendment on the Group's financial statements.

The above mentioned standard is effective for accounting periods beginning on or after 01 January 2027.

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d) **Annual improvements to International Financial Reporting Standards – Volume 11**
(effective for annual period beginning on or after July 1, 2026)

Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:

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

The Group is in the process of assessing the impact of this amendment on the Group's financial statements.

2.3 **Basis of measurement**

These consolidated financial statements have been prepared under the historical cost convention unless specified otherwise.

3 **Significant accounting judgements, estimates and assumptions**

The Group's material accounting policy information is stated in note 4. Not all of these material accounting policies require the management to make difficult, subjective or complex judgments or estimates. The following is intended to provide an understanding of the policies the management considers significant because of their complexity, judgment of estimation involved in their application and their impact on these consolidated financial statements. Estimates and judgments are continually evaluated and are based on historical experience, including expectations of future events that are believed to be reasonable under the circumstances. These judgments involve assumptions or estimates in respect of future events and the actual results may differ from these estimates. The areas involving a higher degree of judgments or complexity or areas where assumptions and estimates are significant to the consolidated financial statements are as follows:

- Useful lives and residual values of property, plant and equipment - note 4.3
- Provision for obsolescence of stores and spares - note 4.6
- Impairment of trade debts - note 4.11
- Contingent liabilities - note 4.16

4 **Material accounting policy information**

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

4.1 **Taxation**

Levy

In accordance with the Income Tax Ordinance, 2001, computation of final taxes is not based on taxable income. Therefore, as per IAS 12 Application Guidance on Accounting for Minimum Taxes and Final Taxes issued by the Institute of Chartered Accountants of Pakistan, these fall within the scope of IFRIC 21 / IAS 37 and accordingly have been classified as levy in these consolidated financial statements, except for taxes on normal business income which is specifically within the scope of IAS 12 and hence it continues to be categorized as current income tax.

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Income tax

Income tax comprises current and deferred tax. Income tax is recognized in the statement of profit or loss except to the extent that relates to items recognized directly in equity or other comprehensive income, in which case it is recognized directly in equity or other comprehensive income.

Current income tax

The profits and gains of the Group derived from electric power generation are exempt from tax subject to the conditions and limitations provided for in terms of clause 132 of Part I of the Second Schedule to the Income Tax Ordinance, 2001. However, full provision is made in the profit and loss account on income from sources not covered under the above clause at current rates of taxation after taking into account, tax credits and rebates available, if any.

Deferred tax

Deferred tax has not been provided for in these consolidated financial statements as the Group's management believes that the temporary differences will not reverse in the foreseeable future due to the fact that the profits and gains of the Group derived from electric power generation are exempt from tax subject to the conditions and limitations provided for in terms of clause 132 of Part I of the Second Schedule to the Income Tax Ordinance, 2001.

4.2 Employee benefits

a) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating annual leaves that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

b) Post employment benefit - Defined contribution plan (Provident Fund)

There is an approved defined contributory provident fund for all employees. Equal monthly contributions are made both by the Group and employees to the fund at the rate of 10 percent of the basic salary subject to completion of minimum qualifying period of service as determined under the rules of the fund.

4.3 Property, plant and equipment

4.3.1 Operating fixed assets

Operating fixed assets except freehold land are stated at cost less accumulated depreciation and any identified impairment loss. Freehold land is stated at cost less any identified impairment loss. Cost in relation to certain plant and machinery comprises historical cost, exchange differences capitalized in previous years and borrowing costs mentioned in note 4.14.

Depreciation on all operating fixed assets is charged to profit or loss on the straight line method so as to write off the cost of an asset over its estimated useful life at the annual rates mentioned in note 11.1 after taking into account their residual values.

The Group reviews the useful lives and residual values of property, plant and equipment on regular basis. Any change in estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with a corresponding effect on the depreciation charge and impairment.

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Depreciation on additions to operating fixed assets is charged from the month in which the asset is available for use, while no depreciation is charged for the month in which the asset is disposed off.

The net exchange difference relating to an asset which was capitalized in line with the exemption granted by Securities and Exchange Commission of Pakistan, is being amortised in equal installments over its remaining useful life.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 4.5).

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

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense.

4.3.2 Capital work-in-progress

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

4.3.3 Major spare parts and standby equipment

Major spare parts and standby equipment qualify as property, plant and equipment when an entity expects to use them for more than one year. Transfers are made to relevant operating fixed assets category as and when such items are available for use.

4.4 Intangible assets

Expenditure incurred to acquire intangible assets is stated at cost less accumulated amortisation and any identified impairment loss. Intangible assets are amortised using the straight line method over its estimated useful life at the annual rates mentioned in note 12.

Amortisation on additions to intangible assets is charged from the month in which an asset is available for use while no amortisation is charged for the month in which the asset is disposed off.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 4.5).

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4.5 Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

4.6 Stores, spares and loose tools

Stores, spares and loose tools are valued principally at weighted average cost except for items in transit which are stated at invoice value plus other charges paid thereon till the consolidated statement of financial position date while items considered obsolete are carried at nil value.

The Group reviews stores and spares inventory based on technical evaluations conducted by its in-house technical team. A provision for obsolescence, where required, is recognized on an item-by-item basis using management's best estimate of the usability of items, considering their ageing and expected consumption up to the expiry of the PPA term.

4.7 Stock in trade

Inventories, except for that in transit, are valued principally at lower of cost and net realizable value. Cost is determined using First in First Out method for furnace oil while weighted average method is used for the remaining items. Inventories in transit are stated at cost comprising invoice value plus other charges paid thereon.

Net realizable value is determined on the basis of estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale. If the expected net realizable value is lower than the carrying amount, a write-down is recognized for the amount by which the carrying amount exceeds its net realizable value.

4.8 Financial assets

4.8.1 Classification

The Group classifies its financial assets other than investments in equity instruments of subsidiary and associate in the following measurement categories:

- those to be measured subsequently at fair value [either through other comprehensive income ('OCI') or through profit or loss], and
- those to be measured at amortised cost.

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

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For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

4.8.2 Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on trade date, being the date on which the Group commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

4.8.3 Measurement

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

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

Debt instruments

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

i) Amortised cost

Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss. Impairment losses are presented as separate line item in the statement of profit or loss.

As at reporting date, the financial instruments classified by the Group at amortised cost are disclosed in note 33.4.

ii) Fair Value through Other Comprehensive Income (FVOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in other income using the effective interest rate method. Impairment expenses are presented as separate line item in the statement of profit or loss.

As at the reporting date, the Group has not classified any financial instruments under FVOCI.

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iii) **Fair Value through Profit or Loss (FVPL)**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognized in profit or loss in the period in which it arises.

The Group classified the investments relating to Mutual Funds at fair value through profit or loss since these were held for trading. These have been sold during the year as mentioned in note 18.

Equity instruments

The Group subsequently measures all equity investments except for investments in equity instruments of subsidiary and associate at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognized in profit or loss as other income when the Group's right to receive payments is established.

As at the reporting date, the financial instruments classified by the Group at FVPL is nil.

Changes in the fair value of financial assets at FVPL are recognized in the statement of profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

4.8.4 Impairment of financial assets other than those due from the Government of Pakistan and investment in equity instruments

The Group assesses on a forward-looking basis, the expected credit losses ('ECL') associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Group applies general 3-stage approach for loans, deposits and other receivables and bank balances i.e. to measure ECL through loss allowance at an amount equal to 12-month ECL if credit risk on a financial instrument or a group of financial instruments has not increased significantly since initial recognition.

Following are the financial assets that are subject to the ECL model:

- Long term loans;
- Loans, advances, deposits and other receivables;
- Short term investments; and
- Bank balances

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information (adjusted for factors that are specific to the counterparty, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate). As for the exposure at default for financial assets, this is represented by the assets' gross carrying amount at the reporting date. Loss allowances are forward looking, based on 12 month expected credit losses where there has not been a significant increase in credit risk rating, otherwise allowances are based on lifetime expected losses.

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Expected credit losses are a probability weighted estimate of credit losses. The probability is determined by the risk of default which is applied to the cash flow estimates. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. In the absence of a change in credit rating, allowances are recognized when there is reduction in the net present value of expected cash flows. On a significant increase in credit risk, allowances are recognized without a change in the expected cash flows, although typically expected cash flows do also change; and expected credit losses are rebased from 12 month to lifetime expectations.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the instrument as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportable forward-looking information.

The following indicators are considered while assessing credit risk:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;
- actual or expected significant changes in the operating results of the counterparty;
- significant increase in credit risk on other financial instruments of the same counterparty; and
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees, if applicable.

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for that financial asset because of financial difficulties.

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Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments;
- Past-due status;
- Nature, size and industry of borrowers; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

The Group recognizes an impairment gain or loss in the statement of profit or loss for financial assets with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVOCI, for which the loss allowance is recognized in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

The Group writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of counterparty's sources of income or assets to generate sufficient future cash flows to repay the amount. The Group may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains.

4.9 Financial liabilities

Financial liabilities are recognized at the time when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities at amortised cost are initially measured at fair value less transaction costs. Financial liabilities at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed on profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender or substantially different terms, or the terms of an existing liability are substantially modified, such an exchange and modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognized in profit or loss.

4.10 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated financial statements only when there is a legally enforceable right to set off the recognized amount and the Group intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

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4.11

Financial assets due from the Government of Pakistan

Financial assets due from the Government of Pakistan includes trade debts and other receivables due from CPPA-G under the PPA that also includes accrued amounts. The Group follows relevant requirements of IAS 39 in respect of impairment of these financial assets due to the exemption available in respect of expected credit loss requirements of IFRS 9 till December 31, 2026 as stated in note 2.2.2 (b).

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

The Group assesses at the end of each reporting period whether there is objective evidence that the financial asset is impaired. The financial asset is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. Evidence of impairment may include indications that the debtor is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization, and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognized in the statement of profit or loss. When the financial asset is uncollectible, it is written off against the provision for impairment and is only written off when there are no reasonable expectations of recovery and management has no intention to pursue collection efforts. Subsequent recoveries of amounts previously written off are credited to the statement of profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the reversal of the previously recognized impairment loss is recognized in the statement of profit or loss.

4.12

Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of consolidated statement of cash flow, cash and cash equivalents comprise cash in hand, cheques in hand, demand deposits, deposits in bank, other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value and finances under mark-up arrangements. In the statement of financial position, finances under mark-up arrangements are included in current liabilities.

4.13

Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the profit or loss over the period of the borrowings using the effective interest method. Finance costs are accounted for on an accrual basis and are reported under accrued finance costs to the extent of the amount remaining unpaid.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

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Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

4.14 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in statement of profit or loss in the period in which they are incurred.

4.15 Provisions

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

4.16 Contingent liabilities

Contingent liability is disclosed when:

- there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group; or
- there is present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

4.17 Segment reporting

Operating segments are reported in a manner consistent with the internal reports issued to the chief operating decision-maker. The Chief Executive Officer has been identified as the 'chief operating decision-maker', who is responsible for allocating resources and assessing performance of the operating segments. Currently, the Group is functioning as a single operating segment.

4.18 Trade debts

Trade debts are amounts due from CPPA-G in the ordinary course of business. They are generally due for settlement as referred to in note 4.19 and therefore are all classified as current. Trade debts are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognized at fair value. The Group holds the trade debts with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less provision for impairment.

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4.19 Revenue recognition

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

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

- Capacity Purchase Price revenue is recognized over time, based on the capacity made available to CPPA-G, at rates as specified under the PPA with CPPA-G, as amended from time to time; and
- Energy Purchase Price revenue is recognized at a 'point in time', as and when the Net Electrical Output (NEO) are delivered to CPPA-G.

Capacity and Energy revenue is recognized based on the rates determined under the mechanism laid down in the PPA with CPPA-G as amended from time to time.

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

Invoices are generally raised on a monthly basis and are due after 25 days from the date of submission by the Group to CPPA-G.

4.20 Finance income

Finance income comprises interest income on funds invested (financial assets), dividend income, gain on disposal of financial assets and changes in fair value of investments. Interest income is recognized as it accrues in profit or loss, using effective interest method. Dividend income is recognized in profit or loss on the date that the Group's right to receive payment is established.

4.21 Foreign currency transactions and translation

a) Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates (the functional currency). The consolidated financial statements are presented in Pakistani rupees, which is the Group's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognized in profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).

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Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognized in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognized in other comprehensive income.

4.22 Dividend and appropriations to reserves

Dividend and other appropriations to reserves are recognized in the consolidated financial statements in the period in which these are approved.

4.23 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Trade and other payables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method. Exchange gains and losses arising on translation in respect of liabilities in foreign currency are added to the carrying amount of the respective liabilities.

4.24 Share capital

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

4.25 Rounding off amounts

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

5 Issued, subscribed and paid up capital

2026 (Number of shares)	2025		Note	2026 (Rupees)	2025
130,352,780	130,352,780	Ordinary shares of Rs 10/- each fully paid in cash		1,303,527,800	1,303,527,800
39,105,834	39,105,834	Ordinary shares of Rs 10/- each fully paid up as bonus shares	5.3	391,058,340	391,058,340
<u>169,458,614</u>	<u>169,458,614</u>			<u>1,694,586,140</u>	<u>1,694,586,140</u>

5.1 There has been no movement in the ordinary share capital of the Group.

5.2 All ordinary shares rank equally with regard to the Group's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Group.

5.3 The Holding company issued bonus shares to its existing shareholders at the rate of 30 shares of Rs. 10 each for every 100 shares held as on December 21, 2000.

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		2026	2025	
	Note	(Rupees in thousand)		
6	Employee benefits			
	Accumulated compensated absences	- note 6.1	11,926	11,907

6.1 **Movement in accumulating compensated absences is as follows:**

Opening balance	11,907	10,838
Provision for the year	17,495	26,011
	29,402	36,849
Less: Payments made during the year	(17,476)	(24,942)
Closing balance	11,926	11,907

7 **Short term finances - secured**

Short term borrowings under mark-up and Shariah arrangements obtained as under:

		2026	2025
	Note	(Rupees in thousand)	
Under mark up arrangements - secured	- note 7.1	1,497,362	449,302
Under arrangements permissible			
under Shariah - secured	- note 7.2	550,000	601,200
		2,047,362	1,050,502
Accrued mark up on short term finances - secured			
Under mark up arrangements		29,749	12,975
Under arrangements permissible under Shariah		3,580	18,467
		33,329	31,442
		2,080,691	1,081,944
Less: accrued mark up on short term finances - secured disclosed separately	- note 9	(33,329)	(31,442)
		2,047,362	1,050,502

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7.1 Markup Arrangements

Short term finances available from commercial banks under mark up arrangements amount to Rs. 3,000 million (2025: Rs. 3,000 million). The rates of mark up for finances under mark up arrangement ranged from 11.13% to 13.28% per annum (2025: 12.33% to 21.88% per annum). Various sub facilities comprising money market loans and letters of guarantee have also been utilized during the year. The security and other agreements, negotiable instruments and documents to be executed by the Group in favor of the bank shall be in the form and substance satisfactory to the bank. The Group shall execute or cause to be executed all such instruments, deeds or documents, which the bank may in its sole discretion require. Out of the aggregate running finances availed by the Group, Rs. 4,001 million are secured by joint pari passu charge on current assets.

7.2 Arrangements permissible under shariah

Short term finances available from Islamic banks under Islamic arrangements amount to Rs. 1,400 million (2025: Rs. 2,150 million). The rates of mark up for finances under arrangements permissible under shariah ranged from 10.99% to 12.47% per annum (2025: 11.61% to 22.59% per annum) on the balances outstanding. Out of the aggregate running finances availed by the Group, Rs. 1,867 million are secured by joint pari passu charge on current assets.

7.3 Of the aggregate facility of Rs. 650 million (2025: Rs. 1,475 million) for opening letters of credit and Rs. 7 million (2025: Rs. 7 million) for guarantees, the amount utilized as at June 30, 2026 was nil (2025: Rs. 6.68 million) and Rs. 6.68 million (2025: Rs. 6.68 million) respectively.

8	Trade and other payables	Note	2026	2025
			(Rupees in thousand)	
	Trade creditors		36,742	17,366
	Accrued liabilities		117,225	103,741
	Withholding tax payable		8,587	4,648
	Workers' Profit Participation Fund	- note 8.1	37,223	36,731
	Workers' Welfare Fund	- note 8.2 & 8.3	29,967	15,068
	Security deposits payable	- note 8.4	218	198
	Sales tax payable		409	-
	Other payables		15,514	6,412
			<u>245,885</u>	<u>184,164</u>
8.1	Movement in Workers' Profit Participation Fund			
	Opening balance		36,731	80,163
	Provision for the year	- note 17.2	37,248	36,731
			<u>73,979</u>	<u>116,894</u>
	Less: Payments made during the year		<u>(36,756)</u>	<u>(80,163)</u>
	Closing balance		<u>37,223</u>	<u>36,731</u>
8.2	Movement in Workers' Welfare Fund			
	Opening balance		15,068	138,927
	Provision for the year	- note 17.3	14,899	14,693
			<u>29,967</u>	<u>153,620</u>
	Less: Payments made during the year		<u>-</u>	<u>(138,552)</u>
	Closing balance		<u>29,967</u>	<u>15,068</u>

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8.3 This represents provision recognized as per 'The Punjab Workers' Welfare Fund Act 2019'. Under the Act, the Group is liable to pay to Workers' Welfare Fund, a sum equal to two percent of its total income, which is higher of, profit before taxation or provision for taxation as per accounts or the declared income as per the return of income.

8.4 This represents advances and security deposits which are repayable on demand or on the cancellation of agreement. These are utilized for the purpose of the business in accordance with the terms of section 217 of the Companies Act, 2017.

	2026	2025	
	(Rupees in thousand)		
9	Accrued finance cost		
	Mark up on short term finances under mark up		
	arrangements - secured	29,749	12,975
	Profit on short term arrangements permissible		
	under Shariah - secured	3,580	18,467
		<u>33,329</u>	<u>31,442</u>

10 Contingencies and commitments

10.1 Contingencies

- (i) A sales tax demand of Rs. 505.41 million was raised against the Group through order dated August 29, 2014 by the Assistant Commissioner Inland Revenue ('ACIR') by disallowing input sales tax for the tax periods from August, 2009 to June, 2013. Such amount was disallowed on the grounds that the revenue derived by the Group on account of 'capacity purchase price' was against a non-taxable supply and thus, the entire amount of input sales tax claimed by the Group was required to be apportioned with only the input sales tax attributable to other revenue stream i.e. 'energy purchase price' admissible to the Group. Against the aforesaid order, the Group preferred an appeal before the Commissioner Inland Revenue (Appeals) ('CIR(A)') who vide its order dated November 6, 2014, upheld the ACIR's order on the issue regarding apportionment of input sales tax with the caveat that tax demand pertaining to period of show cause notice beyond the limitation of five years cannot be sustained and reduced from the tax demand. Subsequently, the Group preferred an appeal before the Appellate Tribunal Inland Revenue ('ATIR'). Additionally, the Group had filed an application with the Lahore High Court seeking a stay in recovery of tax arrears, default surcharge and penalty.

The Lahore High Court, in its order dated December 31, 2014, stayed the recovery of the tax demand along with default surcharge and penalty till adjudication by the ATIR, subject to deposit of Rs. 10 million with the Tax Department which the Group duly submitted on January 7, 2015. The ATIR vide its order dated May 4, 2015, upheld the CIR(A)'s order on the issue regarding apportionment of input sales tax. Thereafter, the Group filed an appeal against the decision of ATIR in the Lahore High Court.

The Lahore High Court vide its judgment dated October 31, 2016 has decided the case in favor of the Group. Subsequently, the tax department being aggrieved, filed a leave for appeal before the Supreme Court of Pakistan. The petition came up for hearing before the Apex Court on March 4, 2021, and leave for appeal was granted to the department. The latest hearing of the case, scheduled for September 25, 2025, was adjourned by the Supreme Court. The management is of the view that there are meritorious grounds available to defend the foregoing demands in the Supreme Court of Pakistan. Consequently, no provision for such demand has been made in these consolidated financial statements.

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- (ii) A sales tax demand of Rs. 184.13 million was raised against the Group through order dated August 27, 2019 by the Deputy Commissioner Inland Revenue ('DCIR') on account of inadmissible input tax related to 'capacity purchase price', sales tax default on account of suppression of sales related to tax periods from July 2015 to June 2016, and inadmissible input tax claimed by the Group. Against the aforesaid order, the Group preferred an appeal before the Commissioner Inland Revenue (Appeals) ('CIR(A)') on September 16, 2019.

Out of Rs. 184.13 million, CIR(A) through order dated July 08, 2021 deleted the demand of Rs. 152.95 million raised on account of inadmissible input tax related to 'capacity purchase price' ('CPP'), whereas the remaining demand of Rs. 31.18 million raised related to sales tax default on account of suppression of sales for the tax periods from July 2015 to June 2016 and inadmissible input tax claimed by the Group were remanded back to the DCIR.

The Tax Department challenged the deletion of the CPP-related demand before the Appellate Tribunal Inland Revenue (ATIR). Subsequent to the year end, the Appellate Tribunal Inland Revenue, Lahore Bench, vide its order dated July 6, 2026, dismissed the Tax Department's appeal and upheld the order of the CIR(A), confirming that CPP is not an exempt supply and keeping the demand deletion intact.

The management, based on the favorable decision by the ATIR and legal advice, is of the view that there are strong meritorious grounds available to defend the remaining remanded matter. Consequently, no provision for such demand has been made in these consolidated financial statements.

- (iii) The Commissioner Inland Revenue raised a demand of Rs. 231.57 million through assessment order dated April 16, 2019, on account of inadmissible input tax claims and under-declaration of supplies made to CPPA relating to the period July 2014 to June 2017.

Initially, an appeal was filed before the Commissioner Inland Revenue (Appeals) (CIR(A)), which was dismissed on May 11, 2020, on jurisdictional grounds. Subsequently, on June 12, 2020, the Group filed an appeal before the Appellate Tribunal Inland Revenue (ATIR), which, through its order dated November 24, 2022, directed the CIR(A) to decide the appeal on merits. The CIR(A) decided the appeal on October 27, 2023, setting aside the original assessment for re-verification.

Alongside, a protective appeal filed before the ATIR on May 21, 2019 was decided on May 24, 2024, remanding the case back to the Inland Revenue Officer (IRO) without considering the earlier ATIR order dated November 24, 2022. This decision was challenged by the Group before the Hon'ble High Court, which was heard on September 24, 2024. The High Court set aside the ATIR's order dated May 24, 2024, and the protective appeal filed by the Group was withdrawn.

Following the High Court's decision, the IRO passed the re-assessment order dated June 27, 2025, upholding the original assessment and thereby maintaining the demand against the Group. Being aggrieved, the Group filed an appeal before the CIR(A) on July 15, 2025.

During the year, the Appellate Tribunal Inland Revenue, Lahore Bench, vide its order dated January 29, 2026, annulled the entire demand of Rs. 231.57 million, holding that the input tax disallowances and alleged suppression of sales were not sustainable. Consequently, the orders of the DCIR, CIR(A), and IRO were set aside, and the Group's appeal was allowed in full.

Based on the favorable decision of the ATIR and legal advice, the management is of the view that no liability exists in respect of the aforesaid matter. Accordingly, no provision has been made in these consolidated financial statements.

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- (iv) An impugned RLNG tariff adjustment amounting to approximately Rs. 4.8 million, relating to the period from April 2015 to June 2022, and an additional adjustment amounting to approximately Rs. 1.6 million, relating to the period from July 2022 to March 2025, were included by SNGPL. Against the aforesaid adjustments, the Group preferred applications before the Lahore High Court, which are currently pending adjudication.

Pursuant to the directions of the Lahore High Court, the Group has deposited the first installments against the disputed amounts and has deposited Post-Dated Cheques (PDCs) with SNGPL for the remaining monthly installments. The said PDCs shall remain subject to the final outcome of the proceedings pending before the Lahore High Court.

The management, based on the facts and circumstances of the case and legal advice, is of the view that there are strong meritorious grounds available to defend the aforesaid matters and that they are likely to be decided in favour of the Group. Consequently, no provision for such adjustments has been made in these consolidated financial statements.

- (v) The Group has issued a guarantee in favor of Sui Northern Gas Pipelines Limited (SNGPL) on account of payment of dues against gas sales etc., amounting to Rs. 6.68 million (2025: Rs. 6.68 million).

10.2 Commitments

- (i) Letters of credit / bank contracts other than capital expenditure as at end of current year are nil (2025: Rs. 6.68 million).
- (ii) Letters of credit / bank contracts for capital expenditure as at end of current year are nil (2025: nil).

		2026	2025
11	Property, plant and equipment	Note	(Rupees in thousand)
	Operating fixed assets	- note 11.1	2,029,916
	Major spare parts and standby equipment	- note 11.2	262,946
			<u>2,292,862</u>
			<u>2,531,727</u>

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11.1 Property, plant and equipment

	Freehold land	Buildings on freehold land	Plant and machinery	Office appliances and equipment	Laboratory equipment	Electric appliances and equipment	Computers	Furniture and fixtures	Vehicles	Total
(Rupees in thousand)										
Net carrying value basis (NBV)										
Year ended June 30, 2026										
Opening balance	93,209	63,213	1,963,456	235	7	8,111	823	18	74,003	2,203,075
Additions (at cost)	-	-	66,624	-	-	-	2,065	-	9,177	77,865
Disposals (at NBV)	-	-	-	-	-	-	(349)	-	(685)	(1,034)
Depreciation charge	-	-	(231,469)	(89)	-	(1,247)	(922)	-	(16,264)	(249,991)
Closing balance	<u>93,209</u>	<u>63,213</u>	<u>1,798,611</u>	<u>146</u>	<u>7</u>	<u>6,864</u>	<u>1,617</u>	<u>18</u>	<u>66,231</u>	<u>2,029,916</u>
Gross carrying value basis										
As at June 30, 2026										
Cost	93,209	625,457	9,709,418	5,607	5,561	38,750	52,685	7,884	114,323	10,652,894
Accumulated depreciation	-	(562,244)	(7,910,807)	(5,461)	(5,554)	(31,886)	(51,068)	(7,866)	(48,092)	(8,622,978)
Net book value (NBV)	<u>93,209</u>	<u>63,213</u>	<u>1,798,611</u>	<u>146</u>	<u>7</u>	<u>6,864</u>	<u>1,617</u>	<u>18</u>	<u>66,231</u>	<u>2,029,916</u>
Depreciation rate per annum	-	3% - 9%	4% - 67%	10%	10%	10%	33%	10%	20%	
Net carrying value basis (NBV)										
Year ended June 30, 2025										
Opening balance	93,209	63,213	1,984,877	267	62	3,932	2,101	18	87,768	2,235,447
Additions (at cost)	-	-	165,092	70	-	5,398	340	-	25,017	195,917
Disposals (at NBV)	-	-	-	-	-	-	(408)	-	(22,162)	(22,570)
Depreciation charge	-	-	(186,513)	(102)	(55)	(1,219)	(1,210)	-	(16,620)	(205,719)
Closing balance	<u>93,209</u>	<u>63,213</u>	<u>1,963,456</u>	<u>235</u>	<u>7</u>	<u>8,111</u>	<u>823</u>	<u>18</u>	<u>74,003</u>	<u>2,203,075</u>
As at June 30, 2025										
Cost	93,209	625,457	9,642,794	5,607	5,561	38,750	52,529	7,884	108,571	10,580,362
Accumulated depreciation	-	(562,244)	(7,679,338)	(5,372)	(5,554)	(30,639)	(51,706)	(7,866)	(34,566)	(8,377,287)
Net book value (NBV)	<u>93,209</u>	<u>63,213</u>	<u>1,963,456</u>	<u>235</u>	<u>7</u>	<u>8,111</u>	<u>823</u>	<u>18</u>	<u>74,003</u>	<u>2,203,075</u>
Depreciation rate per annum	-	3% - 9%	3% - 41%	10%	10%	10%	33%	10%	20%	

11.1.1 The cost of fully depreciated assets which are still in use as at June 30, 2026 is Rs. 1,081.11 million (2025: Rs. 1,034.61 million).

11.1.2 Immovable fixed assets of the Group are situated at Head Office, Post Office Raja Jang, near Tablighi Jima, Raiwind Bypass, Lahore, Pakistan. Freehold land represents 256 kanal of land situated at Post Office Raja Jang, near Tablighi Jima, Raiwind Bypass, Lahore out of which approximately 19 kanal represent covered area.

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

	Note	2026	2025
		(Rupees in thousand)	
Cost of sales	21	237,235	192,787
Administrative expenses	22	12,756	12,932
		<u>249,991</u>	<u>205,719</u>

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11.1.4 Disposal of property, plant and equipment

The details of property, plant and equipment disposed of during the year having individual book value exceeding Rs. 500,000 or more are as follows.

		2026 (Rupees in thousand)				
Assets with book value greater than Rs. 0.5 Million		Cost	Accumulated depreciation	Book value	Sale proceeds	Gain / (loss)
Particulars of assets	Particulars of Buyer					Mode of disposal
Vehicle	Employees Mr. Abdul Rauf Irfan	3,425	2,740	685	685	-
		3,425	2,740	685	685	-
Other assets with book value less than Rs. 0.5 Million						
Various	-	1,909	1,560	349	-	(349)
		5,334	4,300	1,034	685	(349)
		2025 (Rupees in thousand)				
Assets with book value greater than Rs. 0.5 Million		Cost	Accumulated depreciation	Book value	Sale proceeds	Gain / (loss)
						Mode of disposal
Vehicle	Employees Mr. Muhammad Yahya Khan	3,253	2,602	651	651	-
Vehicle	Mr. Usman Saeed	3,426	2,330	1,096	1,096	-
Vehicle	Mr. Imran Afzal	2,273	970	1,303	1,303	-
Vehicle	Mr. Aman Ul Qaiser	1,421	550	871	871	-
Vehicle	Mr. Waqas Ahmad Bhatti	1,637	568	1,069	1,069	-
Vehicle	Mr. Sheraz ul Haq	4,140	773	3,367	3,367	-
Vehicle	Syed Ghazanfar Ali Zaidi	4,050	1,728	2,322	2,322	-
Vehicle	Ms. Fakhra Rasheed	1,232	591	641	641	-
Vehicle	Mr. Arif Malik	2,674	428	2,246	2,246	-
Vehicle	Mr. Muhammad Ahmad	2,775	74	2,701	2,701	-
Vehicle	Mr. Muhammad Ashraf	3,842	1,230	2,612	3,000	388
Vehicle	Third Party Mr. Syed Abbas Bukhari	10,432	8,346	2,086	1,000	(1,086)
		41,155	20,190	20,965	20,267	(698)
Other assets with book value less than Rs. 0.5 Million						
Various	-	7,126	5,521	1,605	1,413	(192)
		48,281	25,711	22,570	21,680	(890)

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- 11.2 This amount represents the mechanical store items including coupling flexible set and pieces of piston crown coated which are held for capitalization.

12 Intangible assets

	Computer software	Others	Total
	(Rupees in thousand)		
Net carrying value basis			
Year ended June 30, 2026			
Opening net book value (NBV)	977	115	1,092
Amortisation charge	(450)	(56)	(506)
Closing net book value (NBV)	527	59	586
Gross carrying value basis			
As at June 30, 2026			
Cost	22,117	1,000	23,117
Accumulated amortisation	(21,590)	(941)	(22,531)
Net book value (NBV)	527	59	586
Amortisation rate per annum	6.09% - 8.57%	5.45%	
Net carrying value basis			
Year ended June 30, 2025			
Opening net book value (NBV)	1,407	167	1,574
Amortisation charge	(430)	(52)	(482)
Closing net book value (NBV)	977	115	1,092
Gross carrying value basis			
As at June 30, 2025			
Cost	22,117	1,000	23,117
Accumulated amortisation	(21,140)	(885)	(22,025)
Net book value (NBV)	977	115	1,092
Amortisation rate per annum	6.09% - 8.57%	5.45%	

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		2026	2025
	Note	(Rupees in thousand)	
12.1	The amortisation charge for the year has been allocated as follows:		
	Administrative expenses	506	482
	- note 22		

12.2 The cost of fully amortised assets which are still in use as at June 30, 2026 is Rs. 16.50 million (2025: Rs. 16.50 million).

		2026	2025
		(Rupees in thousand)	
13	Long term loans and deposits		
	Loans to employees - considered good		
	- Executives	1,352	3,975
	- note 13.1		
	Less : Current maturity	(1,352)	(2,544)
		-	1,431
	Security Deposits	144	144
	- note 13.2		
		144	1,575

13.1 This amount pertains to an interest free personal loan to the Chief Financial Officer which will be adjusted against his upcoming salary and bonuses for the period. These loans have not been carried at amortised cost as the effect of discounting is not considered material.

13.1.1 The maximum amount outstanding at the end of any month from executives aggregated Rs. 3.98 million (2025: Rs. 6.00 million).

13.2 Security deposits include the amount paid to Central Depository Company. These loans have not been carried at amortised cost as the effect of discounting is not considered material.

		2026	2025
	Note	(Rupees in thousand)	
14	Stores, spares and loose tools		
	Stores	7,021	8,099
	Spares	428,283	463,421
	Loose tools	1,395	1,424
		436,699	472,944
	Provision for obsolete stores and spares	(73,053)	(28,642)
	- note 14.1		
		363,646	444,302

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		2026	2025
		(Rupees in thousand)	
14.1	Provision for obsolete stores and spares		
	Opening balance	28,642	28,642
	Provision made during the year	44,411	-
	Closing balance	73,053	28,642

14.2 Stores and spares include items which may result in fixed capital expenditure but are not distinguish

		2026	2025
		(Rupees in thousand)	
15	Stock in trade		
	Furnace oil	540,516	354,941
	Diesel	2,271	2,680
	Lubricating oil	5,211	8,432
		547,998	366,053

16 Trade debts - net

Trade receivables from CPPA-G - secured			
- Considered good		2,541,428	1,208,562
- Considered doubtful		-	-
	- note 16.1	2,541,428	1,208,562
Provision for doubtful debts		-	-
		2,541,428	1,208,562

16.1 This includes an overdue amount of Rs. 1,594 million (2025: Rs. 598.11 million) receivable from CPPA-G (formerly WAPDA). The trade debts are secured by a guarantee from the Government of Pakistan (GoP) under the Implementation Agreement. These are in the normal course of business and are interest free, however, a penal mark up at the rate of 3-months KIBOR plus 1% per annum (2025: 3-months KIBOR plus 1% per annum) is charged in case the amounts are not paid within due dates, the base rate being the State Bank of Pakistan's reverse repo rate. The penal mark up rate charged during the year was 11.51% to 13.34% (2025: 12.13% to 20.52%) per annum. These include unbilled receivables aggregating to Rs. 786.75 million (2025: Rs. 461.30 million).

Aging analysis of trade debts is given in note 33.1(b)(i).

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		2026	2025
		(Rupees in thousand)	
17	Loans, advances, deposits, prepayments and other receivables		
	Current portion of long term loans to employees	- note 13	1,352
	Advances - considered good		
	- To employees	- note 17.1	901
	- To suppliers		734,274
	Prepayments		996
	Claims recoverable from CPPA-G for pass through items:		
	- Workers' Profit Participation Fund	- note 17.2	37,223
	- Workers' Welfare Fund	- note 17.3	29,967
	- Private Power and Infrastructure Board (PPIB) fee	- note 17.5	106,801
	Sales tax receivable		-
	Sales tax recoverable	- note 17.6	23,969
	Margin against letter of guarantee		3,020
	Other receivables - considered good		32
	Receivable from KEL Provident Fund	- note 17.7	20
			<u>938,555</u>
			<u>538,408</u>

17.1 Included in advances to employees are amounts due from executives of Rs. 0.04 million (2025: Rs. 0.06 million).

		2026	2025
		(Rupees in thousand)	
17.2	Movement in Workers' Profit Participation Fund is as follows:		
	Opening balance		36,731
	Provision for the year	- note 8.1	37,248
			<u>73,979</u>
	Receipts during the year		(36,756)
	Closing balance	- note 17.4	37,223
			<u>36,731</u>
17.3	Movement in Workers' Welfare Fund is as follows:		
	Opening balance		15,068
	Provision for the year	- note 8.2	14,899
			<u>29,967</u>
	Receipts during the year		-
	Closing balance	- note 17.4	29,967
			<u>15,068</u>

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- 17.4 Under section 14.2(a) of Part III of Schedule 6 to the Power Purchase Agreement (PPA) with CPPA-G, payments to Workers' Profit Participation Fund and Workers' Welfare Fund are recoverable from CPPA-G as pass through items.
- 17.5 The Group made adequate provision for Private Power and Infrastructure Board (PPIB) fees applicable on IPPs and respective non-payment surcharges at the prescribed rates in prior years. National Electric Power Regulatory Authority (NEPRA) in its meeting held on July 7, 2025, issued a decision declaring that the PPIB fee to be a pass-through item for Independent Power Producers (IPPs), recoverable from the Central Power Purchasing Agency (CPPA).
- 17.6 This pertains to an amount withdrawn by the tax authorities in respect of a case that was subsequently decided in favour of the Company. Accordingly, the amount has been recognized as sales tax recoverable.
- 17.7 This represents receivable from, Kohinoor Energy Limited Employees Provident Fund, on account of income tax paid by the Group to FBR on its behalf.

		2026	2025
18	Short term investments	(Rupees in thousand)	
	Fair value through profit or loss		
	NBP Islamic Daily Dividend Fund	-	216,294
	Amortised Cost		
	Term Deposit Receipts	500,151	-
18.1	Movement in investments		
	Opening fair value as at July 1	216,294	14
	Investments during the year	-	1,750,000
	Redemptions during the year	(218,406)	(1,559,114)
	Dividend reinvestment - net of tax	2,112	25,394
	Closing Fair Value as at June 30	-	216,294

	2026		2025	
	Number of Units	Fair value	Number of Units	Fair value
Investments				
NBP Islamic Daily Dividend Fund	-	-	21,629,394	216,293,938

18.2		2026		
	Rate of Interest	Principal	Accrued Interest	Amortised Cost
TDR	11.00%	500,000	151	500,151

- 18.3 These carry effective markup rate of 11.00% per annum (2025: Nil). These instruments have maturity falling in July 2026.

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		2026	2025
		(Rupees in thousand)	
19	Cash and bank balances		
	Cash at banks		
	Current accounts	333	766
	Saving accounts and term deposits		
	- Under interest / mark up arrangements - note 19.1	8	50,219
	- Retention account - Onshore	178	24,461
	- Under arrangements permissible under Shariah - note 19.1	32	676
		218	75,356
		551	76,122
	Cash in hand	934	912
		1,485	77,034

19.1 The balance in savings bank accounts bear mark up at rates ranging from 7.50% to 9.75% per annum (2025: 5.01% to 19.00% per annum) and balance in accounts under arrangements permissible under Shariah bear profit at the rates ranging from 2.29% to 9.50% per annum (2025: 2.78% to 20.50%).

		2026	2025
		(Rupees in thousand)	
20	Revenue		
	Energy Purchase Price	5,644,696	2,778,826
	Less: Sales tax	(861,055)	(423,889)
		4,783,641	2,354,937
	Capacity Purchase Price	1,467,962	1,787,670
	Delayed payment mark-up	103,450	186,204
		6,355,053	4,328,811

20.1 This represents revenue from contract with sole customer of the Group i.e. CPPA-G.

		2026	2025
		(Rupees in thousand)	
21	Cost of sales		
	Raw material consumed	4,380,158	2,140,696
	Salaries, wages and benefits - note 21.1	249,273	265,107
	Stores and spares consumed	84,709	84,813
	Depreciation on operating fixed assets - note 11.1.3	237,235	192,787
	Fee and subscription	7,105	6,835
	Insurance	83,388	139,876
	Travelling, conveyance and entertainment	27,957	27,725

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Repairs and maintenance	7,422	7,139
Legal and professional charges	286	626
Communication charges	3,437	2,376
Electricity consumed in-house	52,336	67,009
Environmental expenses	664	451
Liquidated damages	-	15,818
Contracted services	14,512	27,180
Miscellaneous	3,407	4,727
Impairment on store, spare and loose tools	44,600	-
	<u>5,196,489</u>	<u>2,983,165</u>

- 21.1 Salaries, wages and other benefits include Rs. 11.56 million (2025: Rs. 21.53 million) in respect of provision for accumulated compensated absences and Rs. 10.69 million (2025: Rs. 10.90 million) in respect of provision for defined contribution provident fund.

		2026	2025
22	Administrative expenses	Note	(Rupees in thousand)
	Salaries, wages and benefits	- note 22.1	185,188
	Communication charges		2,471
	Depreciation on operating fixed assets	- note 11.1.3	12,756
	Amortisation on intangible assets	- note 12.1	506
	Insurance		3,116
	Travelling, conveyance and entertainment		34,391
	Repairs and maintenance		1,965
	Legal and professional charges	- note 22.2	14,876
	Community welfare expenses		7,131
	Rents, rates and taxes		1,753
	Fee and subscription		2,902
	Security expenses		8,732
	Environmental expenses		13,762
	Contracted services		15,389
	Donation	- note 22.4	2,400
	Miscellaneous		5,323
			<u>312,661</u>
			<u>268,871</u>

- 22.1 Salaries, wages and other benefits include Rs. 5.93 million (2025: Rs. 5.75 million) in respect of provision for accumulated compensated absences and Rs. 2.92 million (2025: Rs. 3.79 million) in respect of provision for defined contribution provident fund.

		2026	2025
22.2	Legal and professional charges include the following:		(Rupees in thousand)
	In respect of auditors' services for:		
	- Statutory audit of unconsolidated financial statements	2,943	2,675
	- Statutory audit of consolidated financial statements	275	250
	- Audit remuneration of KPSL financial statements	193	-
	- Half yearly review and certifications	729	1,131
	- Out of pocket expenses	565	535
		<u>4,705</u>	<u>4,591</u>

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		2026	2025
		(Rupees in thousand)	
22.3	Employees of the Group		
	Total number of employees as at June 30, 2026	96	101
	Average number of employees	99	114

22.4 During the year ended June 30, 2026, an amount of Rs. 2.40 million (2025: Rs. 2.30 million) was donated to Khursheed Begum Eye Hospital. None of the directors and their spouses had any interest in any of the donees during the year.

		2026	2025
		(Rupees in thousand)	
23	Other expenses		
	Loss on sale of fixed assets	349	890
	Bad debt written off	-	40,185
		349	41,075

23.1 This represents the loss arising on the disposal of vehicles and computers which are a part of Group's Property, Plant and Equipment.

		2026	2025
		(Rupees in thousand)	
24	Other income		
	Income on bank deposits	1,602	8,199
	Income from mutual fund	2,976	33,859
		4,578	42,058

24.1 **Income on bank deposits**

	Income on bank deposits under mark up arrangements	1,546	6,484
	Income on bank deposits under arrangements permissible	56	1,715
		1,602	8,199

		2026	2025
		(Rupees in thousand)	
24.2	Income from mutual fund		
	Dividend Income	2,976	33,859
		2,976	33,859

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		2026	2025
		(Rupees in thousand)	
25	Finance costs		
	Mark up on short term finances - secured	100,883	341,637
	Bank guarantee and commission	78	80
	Others	4,211	1,416
		<u>105,172</u>	<u>343,133</u>
26	Levy		
	Levy - final tax	- note 26.1	863
		<u>863</u>	<u>8,465</u>
26.1	This represents final taxes paid under sections 5 of Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21 and IAS 37.		
27	Taxation	Note	2026 2025 (Rupees in thousand)
	Taxation	- note 27.1	<u>457</u> <u>2,300</u>
27.1	Current taxation		
	- For the year		457 2,300
	- Prior year		- -
			<u>457</u> <u>2,300</u>
27.2	Tax charge reconciliation		
	Profit before taxation		<u>743,096</u> <u>726,160</u>
	Tax at applicable rate of 29% (2025: 29%)		215,498 210,586
	Tax effect of exempt income referred to in note 4.1		<u>(215,041)</u> <u>(208,209)</u>
	Tax charge		<u>457</u> <u>2,377</u>
27.3	This represents tax liability of the Group calculated under the relevant provisions of the Income Tax Ordinance, 2001.		

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28	Cash generated from operations	Note	2026	2025
			(Rupees in thousand)	
	Profit before taxation		744,097	726,160
	Adjustment for non-cash charges and other items:			
	- Depreciation on property, plant and equipment	- note 11.1.3	249,991	205,719
	- Amortisation on intangible assets	- note 12.1	506	482
	- Loss on disposal of property, plant and equipment	- note 11.1.4	349	890
	- Income on bank deposits	- note 24.1	(1,602)	(8,199)
	- Dividend Income	- note 24.2	(2,976)	(33,859)
	- Impairment on stores, spares and loose tools	- note 21	44,600	-
	- Charge for employee retirement and other benefits	- note 6.1	17,495	26,011
	- Finance costs on borrowings		105,172	343,133
	Profit before working capital changes		1,157,632	1,260,337
	Decrease / (increase) in current assets			
	- Stock in trade		(181,945)	203,362
	- Stores, spares and loose tools		36,056	(40,515)
	- Trade debts		(1,332,866)	1,644,815
	- Loans, advances, deposits, prepayments and other receivables		(403,452)	14,593
			(1,882,207)	1,822,255
	(Decrease) / Increase in current liabilities			
	- Trade and other payables		61,721	(420,852)
			(1,820,486)	1,401,403
			(662,854)	2,661,740
29	Cash and cash equivalents			
	Cash and bank balances	- note 19	1,485	77,034
	Short term finances - secured	- note 7	(2,047,362)	(1,050,502)
	Short term investments	- note 18	500,151	-
			(1,545,726)	(973,468)

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30 Remuneration of Chief Executive, Directors and Executives

30.1 The aggregate amount charged in the financial statements for the year for remuneration, including certain benefits, to the chief executive, directors and executives of the Group is as follows:

		Chief Executive		Directors		Executives	
		2026	2025	2026	2025	2026	2025
		(Rupees in thousand)					
Short term employee benefits							
Meeting fee	Note 30.3	-	-	30	-	-	-
Managerial remuneration		17,861	16,237	45,321	41,201	96,726	81,867
Housing		8,037	7,307	20,395	18,540	43,527	36,840
Utilities		1,786	1,624	4,532	4,120	9,673	8,187
Medical allowance and reimbursement		-	-	-	-	3,575	2,396
Bonus		6,292	4,719	5,112	3,834	31,031	24,534
Club expenses		262	253	303	261	480	498
Leave encashment		2,307	2,097	5,854	1,704	10,678	10,440
Others		4,058	3,689	-	-	7,088	6,482
		40,603	35,926	81,547	69,660	202,778	171,244
Post employment benefits							
Contribution to provident fund		-	-	-	-	9,666	8,187
		40,603	35,926	81,547	69,660	212,444	179,431
Number of persons		1	1	2	2	43	37

30.2 Certain executives are provided with Group maintained vehicles.

30.3 Fees represent the amounts paid to non-executive director for attending meetings of the Board and its sub-committees.

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31 Transactions with related parties

The related parties comprise associated undertakings, other related companies, key management personnel and post retirement benefit plan. 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, if any, and remuneration of key management personnel is disclosed in note 30. Other significant transactions with related parties are as follows:

Relation with undertaking	Nature of transaction	2026	2025
		(Rupees in thousand)	
Associated companies	Purchase of services	71	227
Associated persons	Dividend paid	-	692,124
Key management personnel	Dividend paid	-	44,373
Kohinoor Energy Limited Employees Provident Fund	Contributions paid on behalf of employee and employer	27,212	29,376

31.1 The names of related parties with whom the Group has entered into transactions or had agreements / arrangements in place during the year and whose names have not been disclosed elsewhere in these consolidated financial statements are as follows:

Name of the related party	Basis of relationship	Percentage of shareholding
Red Communication Arts (Private) Limited	Common directorship	-
KEL Power Solutions (Private) Limited	Wholly owned subsidiary	99.996%

All transactions with related parties are carried out on mutually agreed terms and conditions.

31.2 There was no related party incorporated outside the Pakistan with whom the Group had entered into transactions.

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		2026	2025
32	Capacity and production	MWh	MWh
	Installed capacity - based on 8,760 hours (2025: 8,760 hou	1,086,240	1,086,240
	Actual energy delivered	109,073	76,156
	Efficiency	10.04%	7.01%

Under utilization of available capacity is due to less demand by CPPA-G.

33 Financial risk management

33.1 Financial risk factors

The Group is exposed 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 program 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 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.

The Group's overall risk management procedures to minimize the potential adverse effects of financial market on the Group's performance are as follows:

a) Market risk

i) Currency risk

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

The Group is not exposed to currency risk since there are no asset or liability denominated in foreign currency at the reporting date.

ii) Other price risk

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

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iii) Interest rate risk

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

The Group has no significant long-term interest-bearing assets and liabilities. The Group's interest rate risk arises from trade debts and short term borrowings. Borrowings obtained at variable rates expose the Group to cash flow interest rate risk. Similarly, trade debts on which the rate of interest on delayed payments is linked with State Bank of Pakistan reverse repo rate exposes the Group to cashflow interest rate risk.

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

		2026 (Rupees in thousand)	2025
Floating rate instruments			
Financial assets			
Bank balances	- note 19.1	218	75,356
Trade debts - overdue		1,594,332	598,112
Short term investments		500,151	216,294
Financial liabilities			
Short term finances - secured	- note 7	(2,047,362)	(1,050,502)
Net exposure		<u>47,339</u>	<u>(160,740)</u>

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the statement of financial position date would not affect profit or loss of the Group.

Cash flow sensitivity analysis for variable rate instruments

If interest rates on finances under mark up arrangements, at the year end date, fluctuate by 1% higher / lower with all other variables held constant, profit before tax would have been Rs. 20.47 million (2025: Rs. 10.51 million) lower / higher, mainly as a result of higher / lower interest expense on floating rate finances.

If interest rates on bank balances - savings accounts, at the year end date, fluctuate by 1% higher / lower with all other variables held constant, profit before tax would have been Rs. 0.002 million (2025: Rs. 0.75 million) higher / lower, mainly as a result of higher / lower interest rate expense on floating rate.

If interest rates on delayed payments on trade debts, at the year end date, fluctuate by 1% higher / lower with all other variables held constant, profit before tax would have been Rs. 15.94 million (2025: Rs. 5.98 million) higher / lower, mainly as a result of higher / lower interest income on floating rate.

If interest rates on short term investments, at the year end date, fluctuate by 1% higher / lower with all other variables held constant, profit before tax would have been Rs. 5.00 million (2025: Rs. 2.16 million) higher / lower, mainly as a result of higher / lower interest income on floating rate.

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b) **Credit risk**

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk mainly arises from deposits with banks, trade and other receivables.

The management assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. The utilization of these credit limits is regularly monitored. For banks and financial institutions, only independently rated parties with a strong credit rating are accepted.

i) **Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2026	2025
	(Rupees in thousand)	
Long term loans and deposits	144	1,575
Trade debts	2,541,428	1,208,562
Loans, advances, deposits, and other receivables	177,063	143,068
Bank balances	551	76,122
Short term investments	500,151	216,294
	<u>3,219,337</u>	<u>1,645,621</u>

The credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings. The Group believes that it is not exposed to major concentration of credit risk and the risk attributable to trade debts and Workers' Welfare Fund, Workers' Profit Participation Fund and PPIB fee receivable from Power Purchaser is mitigated by guarantee from the Government of Pakistan under the Implementation Agreement. Age analysis of trade receivable balances is as follows:

As of June 30, age analysis of trade debts

	2026	2025
	(Rupees in thousand)	
- Neither past due nor impaired	947,096	610,450
- Past due 0 - 180 days	1,594,332	598,112
- Past due 181 - 365 days	-	-
- 1 - 2 years	-	-
- More than 2 years	-	-
	<u>1,594,332</u>	<u>598,112</u>
	<u>2,541,428</u>	<u>1,208,562</u>

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ii) **Credit quality of major financial assets**

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

	Short Term	Long Term	Rating Agency	2026 (Rupees in thousand)	2025
Trade debts					
CPPA-G	-----	Not available	-----	2,541,428	1,208,562
Other receivables					
CPPA-G	-----	Not available	-----	173,991	137,472
Cash at bank					
Bank Alfalah Limited	A1+	AAA	PACRA	500,151	-
Standard Chartered Bank (Pakistan) Limited	A1+	AAA	VIS	-	-
Askari Bank Limited	A1+	AA+	PACRA	103	75,040
Habib Bank Limited	A1+	AAA	VIS	9	9
Al Baraka Bank (Pakistan) Limited	A1	AA-	VIS	14	114
United Bank Limited	A1+	AAA	VIS	1	1
National Bank of Pakistan	A1+	AAA	PACRA	7	77
Faysal Bank Limited	A1+	AA+	PACRA	290	235
Bank Islami Pakistan Limited	A1	AA-	PACRA	9	3
Dubai Islamic Bank Pakistan Limited	A1+	AA	VIS	113	121
MCB Bank Limited	A1+	AAA	PACRA	5	-
Meezan Bank Limited	A1+	AAA	VIS	-	51
				<u>3,216,121</u>	<u>1,421,685</u>

After giving due consideration to the strong financial standing of the banks and Government guarantee in case of CPPA-G, management does not expect non-performance by these counter parties on their obligations to the Group. Accordingly, the credit risk is minimal.

c) **Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the Group's businesses, the Group manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities.

Management monitors the forecasts of the Group's cash and cash equivalents (note 29) on the basis of expected cash flow. This is generally carried out in accordance with practice and limits set by the Group. The Group's liquidity management policy involves projecting cash flows in each quarter and considering the level of liquid assets necessary to meet its liabilities, monitoring reporting date liquidity ratios against internal and external regulatory requirements, and maintaining debt financing plans.

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The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date.

	Contractual Cashflows				Carrying amount
	Less than one year	One to five years	More than five years	Total contractual cashflows	
	(Rupees in thousand)				
Short term finances - secured	2,047,362	-	-	2,047,362	2,047,362
Trade and other payables	62,898	-	-	62,898	62,898
Accrued finance cost	33,329	-	-	33,329	33,329
Unclaimed dividend	17,366	-	-	17,366	17,366
	<u>2,160,955</u>	<u>-</u>	<u>-</u>	<u>2,160,955</u>	<u>2,160,955</u>

The following are the contractual maturities of financial liabilities as at June 30, 2025.

	Contractual Cashflows				Carrying Amount
	Less than one year	One to five years	More than five years	Total contractual cashflows	
	(Rupees in thousand)				
Short term finances - secured	1,050,502	-	-	1,050,502	1,050,502
Trade and other payables	42,044	-	-	42,044	127,717
Accrued finance cost	31,442	-	-	31,442	31,442
Unclaimed dividend	18,586	-	-	18,586	18,586
	<u>1,142,574</u>	<u>-</u>	<u>-</u>	<u>1,142,574</u>	<u>1,228,247</u>

33.2 Fair values of financial assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at measurement date. Underlying the definition of fair value is the presumption that the Group is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms. The carrying values of all financial assets and liabilities reflected in these consolidated financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

Specific valuation techniques used to value financial instruments include:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

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The following is categorization of assets which are disclosed at fair value as at June 30, 2026:

	Level 1	Level 2	Level 3	Total
	(Rupees in thousand)			
Assets:				
Short term investments	-	-	-	-

The following is categorization of assets which are disclosed at fair value as at June 30, 2025:

	Level 1	Level 2	Level 3	Total
	(Rupees in thousand)			
Assets:				
Short term investments	-	216,294	-	216,294

33.3 Fair value estimation

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

33.4 Financial instruments by categories

	Amortised cost	
	2026	2025
	(Rupees in thousand)	
Financial assets as per statement of financial position		
Long term loans and deposits	144	1,575
Trade debts	2,541,428	1,208,562
Loans, advances, deposits and other receivables	177,063	143,068
Bank balances	551	76,122
Short term investments	500,151	-
	3,219,337	1,429,327
	Fair value	
	2026	2025
Short term investments	-	216,294
	-	216,294
	Amortised cost	
	2026	2025
	(Rupees in thousand)	
Financial liabilities as per statement of financial position		
Short term finances - secured	2,047,362	1,050,502
Trade and other payables	62,898	42,044
Accrued finance cost	33,329	31,442
Unclaimed dividend	17,366	18,586
	2,160,955	1,142,574

33.5 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

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The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders or issue new shares.

Consistent with others in the industry and the requirements of the lenders, the Group monitors the capital structure on the basis of gearing ratio. This ratio is calculated as net debt divided by total equity (as shown in consolidated statement of financial position). Net debt is calculated as non-current borrowings in these consolidated financial statements less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the consolidated statement of financial position.

The gearing ratio has not been presented as the Group has no non-current borrowings.

34 Reconciliation of liabilities arising from financing activities

	July 1, 2025	Accruals / Dividend Declared	Payments	June 30, 2026
Unclaimed dividend	18,586	-	(1,220)	17,366
	July 1, 2024	Accruals / Dividend Declared	Payments	June 30, 2025
Unclaimed dividend	17,830	1,186,210	(1,185,454)	18,586

35 Disclosure relating to Provident Fund

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

36 Earnings per share

36.1	Basic earnings per share		2026	2025
	Net profit for the year	Rupees in thousand	743,640	723,860
	Weighted average number of ordinary shares	Number in thousand	169,459	169,459
	Earnings per share	Rupees	4.39	4.27

36.2 Diluted earnings per share

A diluted earnings per share has not been presented as the Group does not have any convertible instruments in issue as at June 30, 2026 and June 30, 2025 which would have any effect on the earnings per share if the option to convert is exercised.

37 Corresponding figures

Corresponding figures have been re-arranged, wherever necessary, for the purposes of better presentation. During the year, no major rearrangements or reclassifications were made.

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38 Disclosure requirement for group not engaged in Shariah non-permissible business activities

Following information has been disclosed as required under Part 1 Clause VII of the Fourth Schedule to the Companies Act, 2017 as amended via S.R.O 1278(I)/2024 dated August 15, 2024

Description	Explanation	Note	2026 (Rupees in thousand)	2025 (Rupees in thousand)
Consolidated Statement of Financial Position - Liability Side				
Financing (long-term, short-term, or lease financing) obtained as per Islamic mode	Short term financing obtained from Islamic institutions	7	550,000	601,200
Interest or mark-up accrued on any conventional loan or advance	Accrued finance cost on conventional loans	9	29,749	12,975
Consolidated Statement of Financial Position - Asset Side				
Long-term and short-term Shanah compliant investments	Investment in NBP Islamic Daily Dividend Fund	18	-	216,294
Shanah-compliant bank deposits, bank balances, and TDRs	Investment made under shanah permissible arrangement TDR		436	753
Consolidated Statement of Profit or Loss and Other Comprehensive Income				
Revenue earned from a Shanah-compliant business segment during the year	Revenue earned from EPP and CPP as per contract with customer	20	6,251,603	4,142,607
Break-up of late payments or liquidated damages	Delay payment surcharge on payments over credit term	20	103,450	186,204
Gain or loss or dividend earned on Shariah compliant investments or share of profit from Shanah-compliant associates during the year	Dividend Income earned on investment in Mutual Fund	24	2,976	33,859
Profit earned from Shariah-compliant bank deposits, bank balances, or TDRs during the year	Interest income earned on investment made under shanah permissible	24.1	56	1,715
Exchange gain earned from actual currency	Not Applicable		-	-
Exchange gain earned using conventional derivative financial instruments	Not Applicable		-	-
Profit paid on Islamic mode of financing during the year	Finance cost paid on short term financing obtained from Islamic		41,988	180,278
Total interest earned on any conventional loan or advance	Income on bank deposits under mark-up arrangements	24.1	1,546	5,484
Sources and detailed breakup of other income, including breakup of other or miscellaneous portions of other income into Shariah-compliant and non-compliant income:				
Profit on Term Deposit Receipts (TDRs)	Earned from non-Shariah compliant transactions	24.1	151	-
Profit on saving accounts	Earned from non-Shariah compliant transactions		1,370	6,217
Dividend income	Earned from Shariah compliant transactions		2,975	33,859
Profit on Term Deposit Receipts (TDRs)	Earned from Shariah compliant transactions	24.1	52	338
Profit on saving accounts	Earned from Shanah compliant transactions		29	1,911
Sale of scrap	Earned from Shanah compliant transactions		7,950	5,447

38.1 Relationship with Shariah Compliant Institutions:

The Group has an Islamic relationship with the following institutions:

- Faysal Bank Limited,
- Al Baraka Bank Pakistan Limited,
- Habib Bank Limited,
- Dubai Islamic Bank Pakistan Limited, and
- BankIslami Pakistan Limited

Furthermore, the Group does not engage any Takaful operator for coverage, all relevant policies are secured through conventional insurance

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Date of authorization for issue

These consolidated financial statements were authorized for issue on October 02, 2026 by the Board of Directors of the Group.

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Events after the reporting date

There are no other significant events that have occurred subsequent to the reporting date, other than those mentioned elsewhere in these consolidated financial statements.

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Chief Financial Officer



Chief Executive Officer



Director

**THE COMPANIES ACT, 2017
(Section 227(2)(f))
PATTERN OF SHAREHOLDING**

1.1 Name of the Company **KOHINOOR ENERGY LIMITED**

2.1. Pattern of holding of the shares held by the shareholders as at

30-06-2026

-----Shareholdings-----			
2.2 No. of Shareholders	From	To	Total Shares Held
778	1	100	24,009
725	101	500	250,563
496	501	1,000	438,620
1,104	1,001	5,000	3,059,788
369	5,001	10,000	2,870,715
144	10,001	15,000	1,807,132
98	15,001	20,000	1,774,785
63	20,001	25,000	1,471,310
34	25,001	30,000	947,571
21	30,001	35,000	693,783
31	35,001	40,000	1,195,610
20	40,001	45,000	857,488
23	45,001	50,000	1,137,289
14	50,001	55,000	732,119
10	55,001	60,000	585,253
9	60,001	65,000	564,200
9	65,001	70,000	613,947
9	70,001	75,000	653,526
4	75,001	80,000	305,805
7	80,001	85,000	589,125
7	85,001	90,000	619,960
5	90,001	95,000	460,460
11	95,001	100,000	1,087,329
5	100,001	105,000	512,994
4	105,001	110,000	430,436
5	110,001	115,000	560,029
4	115,001	120,000	475,337
2	120,001	125,000	243,587
1	125,001	130,000	125,091
1	130,001	135,000	133,700
1	140,001	145,000	144,440
5	145,001	150,000	739,844
1	150,001	155,000	150,935
2	155,001	160,000	319,500
1	160,001	165,000	165,000
3	165,001	170,000	503,664
2	175,001	180,000	353,851
2	180,001	185,000	362,545
1	190,001	195,000	195,000
4	195,001	200,000	800,000
2	200,001	205,000	405,083
2	205,001	210,000	410,538
1	210,001	215,000	214,000
3	225,001	230,000	683,621
1	230,001	235,000	231,500
1	270,001	275,000	273,431
1	275,001	280,000	279,500
1	295,001	300,000	300,000

1	330,001	335,000	332,000
1	395,001	400,000	400,000
1	405,001	410,000	409,750
1	445,001	450,000	450,000
1	465,001	470,000	466,631
1	495,001	500,000	500,000
1	505,001	510,000	506,000
1	630,001	635,000	630,393
1	650,001	655,000	651,757
1	665,001	670,000	665,600
1	1,495,001	1,500,000	1,500,000
1	2,105,001	2,110,000	2,106,591
1	2,995,001	3,000,000	3,000,000
1	3,385,001	3,390,000	3,389,171
1	5,695,001	5,700,000	5,700,000
1	5,795,001	5,800,000	5,800,000
1	6,255,001	6,260,000	6,256,933
1	6,595,001	6,600,000	6,599,000
1	7,900,001	7,905,000	7,902,999
1	20,855,001	20,860,000	20,856,445
1	23,480,001	23,485,000	23,481,252
1	46,100,001	46,105,000	46,100,079

4,069

169,458,614

2.3 Categories of Shareholders

Shares Held

Percentage

2.3.1 Directors, Chief Executive Officer, and their spouse and minor children	58,563,450	34.5591
2.3.2 Associated Companies, undertakings and related parties. (Parent Company)	46,566,710	27.4797
2.3.3 NIT and ICP	651,757	0.3846
2.3.4 Banks Development Financial Institutions, Non Banking Financial Institutions.	6,611,907	3.9018
2.3.5 Insurance Companies	30,000	0.0177
2.3.6 Modarabas and Mutual Funds	49,000	0.0289
2.3.7 Shareholders holding 10% or more	90,437,776	53.3687
2.3.8 General Public		
a. Local	52,180,111	30.7922
b. Foreign	9,800	0.0058
2.3.9 Others (to be specified)		
- Investment Companies	187	0.0001
- Pension Funds	24,282	0.0143
- Others Companies	578,312	0.3413
- Joint Stock Companies	793,547	0.4683
- Foreign Companies	3,399,551	2.0061

KOHINOOR ENERGY LIMITED
Categories of Shareholding required under Code of Corporate Governance (CCG)
As on June 30, 2026

Sr. No.	Name	No. of Shares Held	Percentage
---------	------	--------------------	------------

Associated Companies, Undertakings and Related Parties (Name Wise):

1	MRS. AMBER HAROON SAIGOL W/O M. AZAM SAIGOL (CDC)	46,100,079	27.2043
2	MR. M. AZAM SAIGOL (CDC)	466,631	0.2754

Mutual Funds (Name Wise Detail)

- -

Directors, CEO and their Spouse and Minor Children (Name Wise):

1	MR. M. NASEEM SAIGOL (CDC)	23,481,252	13.8566
2	MRS. SEHYR SAIGOL W/O MR. M. NASEEM SAIGOL (CDC)	7,902,999	4.6637
3	MR. FAISAL RIAZ	500	0.0003
4	MR. MUHAMMAD MURAD SAIGOL (CDC)	20,856,445	12.3077
5	MR. MUHAMMAD ZEID YOUSUF SAIGOL (CDC)	6,258,433	3.6932
6	MR. MUHAMMAD OMER FAROOQ (CDC)	63,321	0.0374
7	SYED MANZAR HASSAN (CDC)	500	0.0003

Executives:

- -

Public Sector Companies & Corporations:

- -

Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:

6,715,189 3.9627

Shareholders holding five percent or more voting interest in the listed company (Name Wise)

S. No.	Name	Holding	% AGE
1	MRS. AMBER HAROON SAIGOL W/O M. AZAM SAIGOL	46,100,079	27.2043
2	MR. M. NASEEM SAIGOL (CDC)	23,481,252	13.8566
3	MR. MUHAMMAD MURAD SAIGOL (CDC)	20,856,445	12.3077

All trades in the shares of the listed company, carried out by its Directors, CEO, CFO, Company Secretary and their spouses and minor children:

S. No.	NAME	SALE	PURCHASE
		-	-

KOHINOOR ENERGY LIMITED

PROXY FORM

Ledger Folio/CDC A/C No.

Shares Held

I/We _____
of _____ being member(s) of Kohinoor Energy Limited
hereby appoint _____
of _____ or failing him _____
of _____ as my/our Proxy in my/our absence to attend and vote
for me/us and on my/our behalf at the 33RD Annual General Meeting of the Company to be held on
October 28, 2026 (Wednesday) at 10:00 at Islamabad Club, Main Murree Road, Islamabad. and/or
at any adjournment thereof.

As witness my/our hand(s) this _____ day of _____ 2026
signed by _____
in the presence of _____

Signed by the said

Witness:

Name _____

CNIC No. _____

Address _____

Witness:

Name _____

CNIC No. _____

Address _____

**Revenue
Stamps**

Notes

A member entitled to attend and vote at this meeting may appoint a proxy. Proxies, in order to be effective, must be received at Head Office/Shares Department of the Company situated at plant site Near Tablighi Ijtimia, Raiwind Bypass, Lahore not less than forty-eight hours before the time for holding the meeting and must be duly stamped, signed and witnessed.

- For CDC Account Holders/Corporate Entities
In addition to the above, the following requirements be met:
- (i) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be provided with the proxy form.
 - (ii) In case of a corporate entity, the Board of Directors resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) alongwith proxy form to the Company
 - (iii) The proxy shall produce his original CNIC or original passport at the time of attending the meeting.

(iii) کارپوریٹ اینٹی ٹیک کی صورت میں ڈائریکٹرز کی قرارداد یا پورٹ آف انار فی معاہدہ فرد کے دستخط کا نمونہ (اگر پہلے فراہم نہ کئے گئے ہوں) پر کسی فارم کے ہمراہ کمپنی کو پیش کرنے ہوں گے۔

" SAY NO TO CORRUPTION"

Contribution to Social Welfare



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