



**CONDENSED INTERIM FINANCIAL
STATEMENTS**

(UN-AUDITED)

**FOR THE THREE-MONTH AND SIX-MONTH
PERIOD ENDED DECEMBER 31, 2024**

ALTERN ENERGY LIMITED

ALTERN ENERGY LIMITED
COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Faisal Dawood	Chairman
Mrs. Mehreen Dawood	Director
Mr. Farooq Nazir	Director
Mr. Salih Merghani	Director
Mr. Shah Muhammad Chaudhry	Director
Mrs. Aliya Saeeda Khan	Independent Director
Mr. Syed Rizwan Ali Shah	Independent Director
Mr. Umer Shehzad Sheikh	Chief Executive (Deemed Director)

AUDIT COMMITTEE

Mr. Syed Rizwan Ali Shah	Independent Director - Chairman
Mr. Farooq Nazir	
Mr. Shah Muhammad Chaudhry	

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Farooq Nazir	Chairman
Mr. Shah Muhammad Chaudhry	
Mr. Syed Rizwan Ali Shah	

CHIEF FINANCIAL OFFICER

Mrs. Noor Shuja

COMPANY SECRETARY

Mr. Salman Ali

HEAD INTERNAL AUDIT

Mrs. Rabia Shoaib

EXTERNAL AUDITORS

M/s. Grant Thornton Anjum Rahman Chartered Accountants

BANKERS

MCB Bank Limited
The Bank of Punjab
Habib Bank Limited
Habib Metropolitan Bank Limited

REGISTERED OFFICE

DESCON HEADQUARTERS, 18-km Ferozpur Road, Lahore.

REGISTRAR SHARES

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

ALTERN ENERGY LIMITED

DIRECTORS' REVIEW

We, the undersigned, on behalf of the Board of Directors of Altern Energy Limited ('the Company') present the un-audited consolidated and unconsolidated condensed interim financial statements of the Company for the six-month period ended December 31, 2024.

GENERAL

The principal activities of the Company continue to be sale of electricity, ownership, operation, and maintenance of a 32 Mega Watts gas-fired thermal power plant located near Fateh Jang, District Attock, Punjab. The electricity produced is sold to its sole customer Central Power Purchasing Agency (Guarantee) Limited ('CPPA') through the transmission network of National Transmission and Dispatch Company ('NTDC').

The Company owns 100% shares of Power Management Company (Private) Limited ('PMCL') (a special purpose vehicle) which in turn holds 59.98% shares of Rousch (Pakistan) Power Limited ('RPPL') which is an unlisted public company.

FINANCE

Revenue for the period under review was nil due to no dispatch to the off-taker because of reduced dispatch demand from National Power Control Centre ('NPCC'). The Company incurred gross loss of Rs. 47 million as compared to gross loss of Rs. 45 million in corresponding period of 2023. The Company posted net profit of Rs. 2,105 million resulting in earnings per share ('EPS') of Rs. 5.79, as compared to net profit of Rs. 3,419 million and earnings per share of Rs. 9.41 in corresponding period of 2023. Net profit for the current and corresponding period included dividend income amounting to Rs. 2,147 million (2023: Rs. 3,429 million) from the subsidiary, PMCL.

Your Company's consolidated loss attributable to the equity holders of Altern Energy Limited for the period under review was Rs. 4,483 million resulting in loss per share of Rs. 12.34 per share, as compared to consolidated earnings of Rs. 1,404 million and EPS of Rs. 3.86 in the corresponding period of the last year.

As a result of no/low generation revenue during the past few years, the major income to support the operations of the Company has been dividend from its subsidiary, Rousch (Pakistan) Power Limited ('RPPL'). As mentioned in the ensuing paragraphs, RPPL has handed over the complex to the Government of Pakistan a result of a Negotiated Settlement Agreement ('NSA'). Now, RPPL no longer owns the complex and is unable to generate and sell electricity to CPPA. The Condensed interim Financial Statements have been prepared on a going concern basis, as RPPL has received its outstanding receivables, which shall be sufficient to provide future dividends to support the Company's viability as a going concern.

OPERATIONS AND MAINTENANCE

During the period under review, the plant did not dispatch electric power to the off-taker similar to no dispatch during the corresponding period of the previous financial year, on account of reduced dispatch demand from NPCC and unviability of RLNG. During the past few years, the Company has witnessed no dispatch demand from NPCC due to its plant being low on economic dispatch merit order of CPPA. The new power generation plants added into the national grid during the last few years are more efficient, and hence, rank above your plant in CPPA's economic dispatch merit order.

During the period under review, all other scheduled and preventive maintenance activities were conducted in accordance with the Original Equipment Manufacturer ('OEM')'s recommendations. We are pleased to report that all the engines and their auxiliary equipment are in sound mechanical condition and are available for smooth and reliable operations.

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

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

SUBSIDIARY'S REVIEW

During the period under review, your Company's subsidiary Rousch (Pakistan) Power Limited (RPPL) posted turnover of Rs. 7,970 million (corresponding period in 2023: Rs. 4,758 million) with cost of sales of Rs. 4,101 million (2023: Rs. 1,693 million). Net loss of RPPL for the period was Rs. 8,056 million (loss per share of Rs. 9.34), as compared to net profit of Rs. 3,249 million (earnings per share Rs. 3.77) in the corresponding period of 2023. Net loss during the period was primarily attributable to the Company's write off of its fixed assets due to handing over of plant as explained below.

RPPL signed a Negotiated Settlement Agreement ('NSA') with the Government of Pakistan on November 13, 2024, for early termination of its PPA,IA and the Guarantee from the Government of Pakistan ('the Agreements'), which were scheduled to expire in 2032. As per the terms of the NSA, RPPL has been paid its due receivables by CPPA, and its Complex has been handed over to the Government on December 31, 2024 under the terms of their Power Purchase Agreement and the Implementation Agreement.

CORPORATE GOVERNANCE

Composition of the Board of Directors

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

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

Committees of the Board

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

Audit Committee

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

Syed Rizwan Ali Shah	(Independent Director) – Chairman
Mr. Farooq Nazir	(Non-executive Director)
Mr. Shah Muhammad Chaudhary	(Non-executive Director)

Human Resource & Remuneration Committee

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

Mr. Farooq Nazir	(Non-executive Director) – Chairman
Mr. Shah Muhammad Chaudhary	(Non-executive Director)
Syed Rizwan Ali Shah	(Independent Director)

Internal Audit and Control

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

DIRECTORS' REMUNERATION

The remuneration of Board members is fixed by the Board itself. A formal directors' remuneration policy approved by the Board is in place. The policy states procedure for remuneration to Directors in accordance with requirements of the Act and the Regulations. As per the Policy, only the Independent Directors are paid for the meeting participation. The nominee directors are not entitled to receive Board / Committee meetings fee or any other remuneration.

RISK MANAGEMENT

There has been no change in the risk management profile and risk policies of the Company as disclosed in Note 32 of the last annual financial statements of the Company for the year ended June 30, 2024.

RELATED PARTY TRANSACTIONS

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

CORPORATE SOCIAL RESPONSIBILITY

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

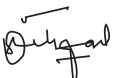
FUTURE OUTLOOK

In the absence of sustained dispatch demand from the off-taker, the Company has been relying on dividend inflows from its subsidiary, RPPL. Subsequent to termination of RPPL's PPA and IA, the returns generated by RPPL from its available cash and subsequent distribution of dividend will be sufficient to enable the Company to continue as a Going Concern. Your Board is well aware of the challenges being faced by the Company and is trying to define strategies to minimise the costs and to reduce expected loss to the shareholders in future.

ACKNOWLEDGEMENT

The Board remains grateful to its employees and management for their continued perseverance and hard work and for placing their confidence and trust to steer the Company in these challenging times.

For and on behalf of the Board



Umer Shehzad Sheikh
Chief Executive



Shah Muhammad Chaudhry
Director

Date: February 11, 2025
Place: Lahore.

ڈائریکٹرز کی جائزہ رپورٹ

ہم، زیر دستخطی، آلٹرن ایٹو لیڈ (کمپنی) کے بورڈ آف ڈائریکٹرز کی جانب سے، 31 دسمبر 2024 کو خدمت ہونے والی ششماہی کے لئے کمپنی کے غیر نظر ثانی شدہ کنسولیدیشنڈ اور غیر کنسولیدیشنڈ کنڈینسڈ عبوری مالی گوشوارے پیش کرتے ہیں۔

عمومی

کمپنی کی اہم ترین سرگرمیوں میں 32 میگا واٹ کے گیس ترپل پاور پلانٹ واقع نزوح جنگ ضلع، پنجاب کی ملکیت، آپریشن، دیکھ بھال اور بجلی کی فروخت ہے۔ پیدا شدہ بجلی اپنے واحد صارف سنٹرل پاور پراجیکٹ ایجنسی (گائری) لیڈ (CPPA) کو پیش کرنا، انڈیا ڈیپٹیج کمپنی (NTDC) کے ٹرانسمیشن نیٹ ورک کے ذریعے فروخت کی جاتی ہے۔

کمپنی پاور مینجمنٹ کمپنی (پرائیویٹ) لیڈ (PMCL) (خصوصی مقصد و بیجیل) کے 100 فیصد حصص کی مالک ہے، جو بدلے میں Rousch (پاکستان) پاور لیڈ (RPPL) جو کہ غیر لیڈ پبلک کمپنی ہے 59.98 فیصد حصص رکھتی ہے۔

فنانس

زیر جائزہ مدت کے دوران پیشمل کا پورٹ فولیو سنٹر (NPCC) سے کم ترپیل طلب کی وجہ سے خریدار کو ترپیل نہ ہونے کے باعث کمپنی کی آمدنی صفر تھی۔ کمپنی کو 2023 کی اسی مدت میں 45 ملین روپے کے مجموعی نقصان کے مقابلے 47 ملین روپے کا مجموعی نقصان ہوا۔ کمپنی کو 2023 کی اسی مدت میں خالص منافع 3,419 ملین روپے اور فی شیئر آمدنی 9.41 روپے کے مقابلے موجودہ مدت میں خالص منافع 1,105 ملین روپے اور فی شیئر آمدنی (EPS) 5.79 روپے ہوئیے۔ موجودہ اور گزشتہ اسی مدت کے خالص منافع میں ذیلی کمپنی PMCL سے 2,147 ملین روپے (2023-2023 3,429 ملین روپے) ڈیویڈنڈ آمدنی کی رقم شامل ہے۔

آپ کی کمپنی کا کنسولیدیشنڈ نقصان آلٹرن ایٹو لیڈ کے ایجوٹی بیلنڈرز سے منسوب ہے جو کہ زیر جائزہ مدت کے لئے 4,483 ملین روپے جس کے نتیجے میں فی شیئر نقصان 12.34 روپے فی شیئر جبکہ گزشتہ سال کی اسی مدت میں 1,404 ملین روپے کنسولیدیشنڈ آمدنی اور فی شیئر آمدنی (EPS) 3.86 روپے فی شیئر تھی۔

گزشتہ چند سالوں کے دوران صفر تک پیداواری آمدنی کے نتیجے میں کمپنی کے آپریشنز کو سہارا دینے کے لیے سب سے اہم آمدنی اس کے ذیلی ادارہ Rousch (پاکستان) پاور لیڈ (RPPL) سے حاصل ہونے والی آمدنی رہی ہے۔ جیسا کہ آئندہ پیرا گراف میں ذکر کیا گیا ہے، RPPL نے اس کمپلیکس کو مذکورہ تصفیہ معاہدے (NSA) کے نتیجے میں حکومت پاکستان کے حوالے کر دیا ہے۔ اب RPPL اس کمپلیکس کا مالک نہیں رہا ہے اور بجلی پیدا کرنے اور CPPA کو فروخت کرنے سے قاصر ہے۔ کنڈینسڈ عبوری مالیاتی گوشواروں کو جاری تشویش کی بنیاد پر تیار کیا گیا ہے، کیونکہ RPPL کو اس کی بقا و دوامیوں موصول ہو گئی ہیں، جو جاری تشویش کے طور پر کمپنی کے قابل عمل ہونے کو سہارا دینے کے لئے مستقبل میں منافع فراہم کرنے کے لئے کافی ہوں گی۔

آپریٹنگ اور میٹریٹنس

زیر جائزہ مدت کے دوران، NPCC سے کم ترپیل طلب اور RLNG کی عدم دستیابی کی وجہ سے، پلانٹ نے گزشتہ مالی سال کی اسی مدت کی طرح خریدار کو بجلی کی کوئی ترپیل نہیں کی۔ کمپنی اپنے پلانٹ کی CPPA کے اقتصادی ڈیپٹیج میریٹ آؤٹ پر کم ہونے کی وجہ سے گزشتہ چند سالوں میں خریدار سے کم ترپیل طلب کا سامنا کر رہی ہے۔ گزشتہ چند سالوں کے دوران عمل گروڈ میں اضافہ کردہ نئے پاور جنریشن پلانٹ CPPA-G کے اقتصادی ڈیپٹیج میریٹ آؤٹ کے لحاظ سے آپ کے پلانٹ سے زیادہ سستے بالا درجے کے ہیں۔

زیر جائزہ مدت کے دوران، تمام دیگر مترہ اور حفاظتی میٹریٹنس سرگرمیاں اصل ایکویمنٹ میٹریٹنس پراجیکٹرز (OEM) - غاشات کے مطابق سرانجام دی گئیں۔ ہم بخوشی بیان کرتے ہیں کہ تمام انجن اور ان کے معاون آلات ہموار اور قابل بحور سے آپریٹنگ کے لئے مستحکم ٹیکنیکل حالت میں ہیں۔

معیار، ماحول، صحت اور حفاظت (QEHs)

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

ماتحت ادارے کا جائزہ

زیر جائزہ مدت کے دوران، کمپنی کے ذیلی ادارہ Rousch (پاکستان) پاور لیڈ (RPPL) نے 7,970 ملین روپے (2023 کی اسی مدت میں 4,758 ملین روپے) اور فروخت کی لاگت 4,101 ملین روپے (2023 کی اسی مدت میں 1,693 ملین روپے) درج کی۔ موجودہ مدت کے لئے RPPL کا خالص نقصان 8,056 ملین روپے (9.34 روپے فی شیئر نقصان) جبکہ 2023 کی اسی مدت میں 3,249 ملین روپے کا خالص منافع (3.77 روپے فی حصص آمدنی) تھی۔ اس مدت کے دوران خالص نقصان بنیادی طور پر پلانٹ کی حواگی کی وجہ سے کمپنی کے اپنے فکسڈ اثاثوں کو معاف کرنے کی وجہ سے ہوا جیسا کہ ذیل میں بیان کیا گیا ہے۔

RPPL 13 نومبر 2024 کو حکومت پاکستان کے ساتھ مذکورہ تصفیہ معاہدے (NSA) پر دستخط کیے، جس کے تحت اس کے IAOPPA اور حکومت پاکستان کی جانب سے گائری (معاہدے) کو قبول

ازد مت ختم کیا گیا تھا، جو کہ 2032 میں ختم ہونے والے تھے۔ NSA کی شرائط کے مطابق RPPL کو CPPA کی جانب سے واجب الادا رقم ادا کر دی گئی ہے اور اس کا پمپلیس 31 دسمبر 2024 کو ان کے پاس پرچر ایگریمنٹ اور عملدرآمد معاہدے کی شرائط کے تحت حکومت کے حوالے کر دیا گیا ہے۔

کارپوریٹ گورننس

بورڈ آف ڈائریکٹرز کی ترتیب

ڈائریکٹرز کی کل تعداد چیف ایگزیکٹو (ڈیپٹی ڈائریکٹر) سمیت آٹھ (8) ارکان پر مشتمل جس کی ترتیب درج ذیل کے مطابق ہے:

نمبر شمار	کیٹگری	نام
1	نان ایگزیکٹو ڈائریکٹر	فیصل داؤد (چیئر مین)
2	نان ایگزیکٹو ڈائریکٹر	فاروق نذیر
3	نان ایگزیکٹو ڈائریکٹر	محترمہ مہرین داؤد
4	نان ایگزیکٹو ڈائریکٹر	صالح عرفانی
5	نان ایگزیکٹو ڈائریکٹر	شاہد محمد چوہدری
6	غیر جانبدار ڈائریکٹر	محترمہ عالیہ سعیدہ خان
7	غیر جانبدار ڈائریکٹر	سید رضوان علی شاہ
8	چیف ایگزیکٹو (ڈیپٹی ڈائریکٹر)	عمر شہزاد شیخ

بورڈ کی کمیٹیاں

بورڈ نے دو کمیٹیاں قائم کی ہیں جن کی صدارت آزاد اور نان ایگزیکٹو ڈائریکٹر کرتے ہیں۔ یہ کمیٹیاں درج ذیل ہیں۔

بورڈ کی آڈٹ کمیٹی

آڈٹ کمیٹی مندرجہ ذیل تین (3) ارکان پر مشتمل ہے:

سید رضوان علی شاہ	(غیر جانبدار ڈائریکٹر) چیئر مین
فاروق نذیر	(نان ایگزیکٹو ڈائریکٹر)
شاہد محمد چوہدری	(نان ایگزیکٹو ڈائریکٹر)

ہیومن ریسورس اینڈ ریمیزیشن کمیٹی

ہیومن ریسورس اینڈ ریمیزیشن کمیٹی درج ذیل تین (3) ارکان پر مشتمل ہے:

فاروق نذیر	(نان ایگزیکٹو ڈائریکٹر) چیئر مین
شاہد محمد چوہدری	(نان ایگزیکٹو ڈائریکٹر)
سید رضوان علی شاہ	(غیر جانبدار ڈائریکٹر)

اندرونی آڈٹ اور کنٹرول

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

ڈائریکٹرز کا مشاہرہ

بورڈ ارکان کا مشاہرہ خود بورڈ مقرر کرتا ہے۔ ڈائریکٹرز کے مشاہرہ کی رسی پالیسی بورڈ نے منظور کی ہے۔ پالیسی ایکٹ اور ریگولیشنز کے تقاضوں کے مطابق ڈائریکٹرز کے مشاہرہ کا طریقہ کار کی وضاحت کرتی ہے۔ پالیسی کے مطابق، نامزد ڈائریکٹرز بورڈ کمیٹی کے اجلاسوں کی فیس یا کوئی دیگر مشاہرہ وصول کرنے کے اہل نہیں ہیں۔ صرف اجلاس میں شرکت کی فیس غیر جانبدار ڈائریکٹرز کو ادا کی جاتی ہے۔

رسک منجمنٹ

کمپنی کی رسک منجمنٹ پروفائل اور رسک نیچر پالیسیوں میں کوئی تبدیلی نہیں کی گئی ہے جیسا کہ 30 جون 2024 کو ختم ہونے والے سال کے لئے کمپنی کے گزشتہ سالانہ مالیاتی گوشواروں کے نوٹ 32 میں انکشاف کیا گیا ہے۔

متعلقہ پارٹی لین دین

متعلقہ فریقوں کے ساتھ تمام لین دین قابل رسائی بنیاد پر کاروبار کے عام معمول میں کیے جاتے ہیں۔ مزید، ایکٹ اور ضوابط کے تقاضوں کے مطابق، بورڈ آف ڈائریکٹرز نے متعلقہ فریق کے لین دین کے لیے پالیسی منظور کی ہے۔ کمپنی نے اس رپورٹ کے ساتھ منسلک مالی حسابات میں متعلقہ فریق کے لین دین کا تفصیلی ذکر کیا گیا ہے۔

کارپوریٹ سماجی ذمہ داری

کمپنی باہمی مفاد کے لئے کمیونٹی اور ماحولیات کی طرف ذمہ داری کا مظاہرہ کرنے کے لئے پرعزم ہے۔ کمپنی اپنی کاروباری سرگرمیوں میں ایک اچھا شہری ہونے اور اپنے عمل اور معاشرہ کی سماجی بہبود میں اپنی ذمہ داریوں کو پورا کرنے کی اہمیت کو تسلیم کرتی ہے۔ شجرکاری کے ذریعے مقامی کمیونٹی کے ماحول کو محفوظ بنانے کو خاص اہمیت دی گئی ہے۔ اس کے علاوہ، مقامی کمیونٹی ہمارے پلانٹ پر ارد گردی کمیونٹی سے زیادہ سے زیادہ عمل کو ردگار دینے کی ہماری حکمت عملی سے مستفید ہوتی ہے۔

مستقبل کا نقطہ نظر

خریداری جانب سے مسلسل ترسیل طلب کی عدم موجودگی میں کمپنی اپنے ذیلی ادارہ RPPL سے منافع کی آمدنی پر انحصار کر رہی ہے۔ RPPL کے IA اور IPA کے خاتمے کے بعد، RPPL کے ذریعے دستیاب نقد رقم سے حاصل ہونے والے منافع اور اس کے بعد ڈیویڈنڈ کی تقسیم کمپنی کو جاری رہنے کے قابل بنانے کے لئے کافی ہوگی۔ آپ کا بورڈ کمپنی کو درپیش مشکلات سے بخوبی واقف ہے اور اخراجات کو کم سے کم کرنے اور مستقبل میں شیئرز ہولڈرز کے متوقع نقصان کو کم کرنے کے لئے حکمت عملی واضح کرنے کی کوشش کر رہا ہے۔

اظہار تشکر

بورڈ اپنے ملازمین اور انتظامیہ کا ان کی مسلسل استقامت اور سخت محنت اور اس مشکل وقت میں کمپنی کو چلانے کے لئے یقین اور اعتماد کئے پر ان کا مشکور ہے۔

منجمنٹ بورڈ

محمد شہزاد شیخ
چیف ایگزیکٹو

شاہ محمد چوہدری
ڈائریکٹر

تاریخ: 11 فروری 2025ء

مقام: لاہور

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Board of Directors of Altern Energy Limited

Report on review of unconsolidated condensed interim financial statements

**Grant Thornton Anjum
Rahman**
135-Ferozpur Road,
Lahore 54600,
Pakistan.

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Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of **Altern Energy Limited** (the Company) as at **December 31, 2024** and the related unconsolidated condensed interim statement of profit or loss and other comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim statement of cash flows and notes to the unconsolidated condensed interim financial statements for the six-month period then ended (here-in-after referred to as the "unconsolidated interim financial statements"). Management is responsible for the preparation and fair presentation of these unconsolidated interim financial information in accordance with approved accounting and reporting standards as applicable in Pakistan for unconsolidated interim financial reporting. Our responsibility is to express a conclusion on these unconsolidated interim financial statements based on our review. The figures of the unconsolidated condensed interim financial statements of profit or loss and unconsolidated condensed interim statement of comprehensive income for the three-month period ended December 31, 2023 and December 31, 2024 have not been reviewed, as we are required to review only the cumulative figures for the six-month period ended December 31, 2024.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

GRM



Grant Thornton

Emphasis of Matter

Without qualifying our conclusion, we draw attention to note 1.4 to the accompanying unconsolidated interim financial information, which describes the pending matter related to License Proposed Modification (LPM) with NEPRA and income from investment in the subsidiary.

The engagement partner on the review resulting in this independent auditor's review report is **Imran Afzal**.

Grant Thornton Arzaini Rahman
Chartered Accountants

Place: Lahore

Dated: February 17, 2025

UDIN: RR202410212czUijm4Z3

ALTERN ENERGY LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

	Note	Un-Audited December 31, 2024	Audited June 30, 2024
		(Rupees in thousand)	
EQUITY AND LIABILITIES			
EQUITY			
Share Capital and Reserves			
Authorized share capital 400,000,000 (June 30, 2024: 400,000,000) ordinary shares of Rs 10 each		4,000,000	4,000,000
Issued, subscribed and paid-up share capital 363,380,000 (June 30, 2024: 363,380,000) ordinary shares of Rs 10 each		3,633,800	3,633,800
Capital reserve: Share premium		41,660	41,660
Revenue reserve: Un-appropriated profit		34,722	73,828
		3,710,182	3,749,288
LIABILITIES			
<u>Non-current liabilities</u>			
Employee benefit obligations		10,043	9,554
<u>Current liabilities</u>			
Trade and other payables		12,543	22,304
Dividend payable		-	88,306
Unclaimed dividends		4,496	6,264
Provision for taxation		11,269	11,293
		28,308	128,167
TOTAL EQUITY AND LIABILITIES		3,748,533	3,887,009

CONTINGENCIES AND COMMITMENTS

10

The annexed notes 1 to 20 form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive


Chief Financial Officer


Director

		Un-Audited December 31, 2024	Audited June 30, 2024
	Note	(Rupees in thousand)	
ASSETS			
<u>Non-current assets</u>			
Property, plant and equipment	5	343,527	352,356
Intangible assets	6	199	298
Long-term investment	7	3,204,510	3,204,510
Long-term security deposits		175	175
		3,548,411	3,557,339
<u>Current assets</u>			
Stores and spares		40,284	39,892
Trade debts - secured	8	-	8,533
Loans, advances, prepayments and other receivables		89,531	83,041
Short-term investment	9	59,111	187,823
Bank balances		11,196	10,381
		200,122	329,670
TOTAL ASSETS		3,748,533	3,887,009


Chief Executive


Chief Financial Officer


Director

ALTERN ENERGY LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE THREE-MONTH AND SIX-MONTH PERIOD ENDED DECEMBER 31, 2024

	Note	Three-month period ended		Six-month period ended	
		December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
(Rupees in thousand)					
Revenue		-	-	-	-
Direct cost	11	(23,057)	(21,481)	(47,165)	(44,463)
Gross loss		(23,057)	(21,481)	(47,165)	(44,463)
Administrative expenses	12	(11,292)	(11,466)	(19,698)	(20,062)
Other income	13	27,127	1,757,964	2,181,760	3,499,220
Finance cost		(990)	(2,580)	(2,060)	(3,547)
(Loss) / profit before income tax and final tax		(8,212)	1,722,437	2,112,837	3,431,148
Taxation - final tax		(6,097)	(3,727)	(7,998)	(12,435)
(Loss) / profit before income tax for the period		(14,309)	1,718,710	2,104,839	3,418,713
Taxation - income tax		-	(4,683)	(3)	(2)
(Loss) / profit after taxation		(14,309)	1,714,027	2,104,836	3,418,711
(Loss) / Earnings per share - basic and diluted	(Rupees)	(0.04)	4.72	5.79	9.41

The annexed notes 1 to 20 form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive


Chief Financial Officer


Director

ALTERN ENERGY LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE THREE-MONTH AND SIX-MONTH PERIOD ENDED DECEMBER 31, 2024

	Three-month period ended		Six-month period ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
(Loss) / profit for the period	(14,309)	1,714,027	2,104,836	3,418,711
Other comprehensive income:				
<i>Items that will not be reclassified subsequently to profit or loss</i>	-	-	-	-
<i>Items that may be reclassified subsequently to profit or loss</i>	-	-	-	-
Total comprehensive (loss) / income for the period	(14,309)	1,714,027	2,104,836	3,418,711

The annexed notes 1 to 20 form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive


Chief Financial Officer


Director

ALTERN ENERGY LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX-MONTH PERIOD ENDED DECEMBER 31, 2024

	Share capital	Capital reserve	Revenue reserve	Total
		Share premium	Un-appropriated profit	
(Rupees in thousand)				
Balance as on July 1, 2023 - (audited)	3,633,800	41,660	261,597	3,937,057
Profit for the period	-	-	3,418,711	3,418,711
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	3,418,711	3,418,711
Total contributions by and distributions to owners of the Company recognized directly in equity:				
First interim cash dividend @ Rs. 4.70 per ordinary share	-	-	(1,707,886)	(1,707,886)
Second interim cash dividend @ Rs. 4.75 per ordinary share	-	-	(1,726,055)	(1,726,055)
Balance as on December 31, 2023 - (un-audited)	<u>3,633,800</u>	<u>41,660</u>	<u>246,367</u>	<u>3,921,827</u>
Balance as on July 1, 2024 - (audited)	3,633,800	41,660	73,828	3,749,288
Profit for the period	-	-	2,104,836	2,104,836
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	2,104,836	2,104,836
Total contributions by and distributions to owners of the Company recognized directly in equity:				
Interim cash dividend for the year ending June 30, 2025 @ Rs. 5.90 per ordinary share	-	-	(2,143,942)	(2,143,942)
Balance as on December 31, 2024 - (un-audited)	<u>3,633,800</u>	<u>41,660</u>	<u>34,722</u>	<u>3,710,182</u>

The annexed notes 1 to 20 form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive


Chief Financial Officer


Director

ALTERN ENERGY LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE SIX-MONTH PERIOD ENDED DECEMBER 31, 2024

		December 31, 2024	December 31, 2023
	Note	(Rupees in thousand)	
Cash flows from operating activities			
Cash used in operations	14	(62,433)	(28,346)
Finance cost paid		(2,060)	(2,070)
Employee benefit obligations paid		(1,076)	-
Income tax paid		(8,023)	(11,391)
Net cash used in operating activities		(73,592)	(41,807)
Cash flows from investing activities			
Payments for property, plant and equipment	5.1	(1,688)	(1,940)
Profit on short-term investment received		34,368	58,056
Dividends received from PMCL (wholly owned subsidiary)		2,147,022	3,428,826
Profit on bank deposits received		9	12,338
Net cash generated from investing activities		2,179,711	3,497,280
Cash flows from financing activities			
Dividends paid		(2,234,016)	(2,877,444)
Repayment of short-term borrowings		-	(1,165)
Net cash used in financing activities		(2,234,016)	(2,878,609)
Net (decrease) / increase in cash and cash equivalents		(127,897)	576,864
Cash and cash equivalents at the beginning of the period		198,204	217,443
Cash and cash equivalents at the end of the period	15	70,307	794,307

The annexed notes 1 to 20 form an integral part of these condensed interim unconsolidated financial statements.


Chief Executive


Chief Financial Officer


Director

ALTERN ENERGY LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
(UN-AUDITED)
FOR THE THREE-MONTH AND SIX-MONTH PERIOD ENDED DECEMBER 31, 2024

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Altern Energy Limited (the 'Company') was incorporated in Pakistan as a public company limited by shares under the Companies Ordinance, 1984 (now the Companies Act, 2017 and hereinafter referred to as the 'Act') on January 17, 1995. It is a subsidiary of DEL Power (Private) Limited (the Holding Company'). The Ultimate Parent of the Company is DEL Processing (Private) Limited. The Company's ordinary shares are listed on the Pakistan Stock Exchange. The registered office of the Company is situated at Descon Headquarters, 18 km, Ferozepur Road, Lahore and the Company's thermal power plant is located near Fateh Jang, District Attock, Punjab.
- 1.2** The principal activity of the Company is to build, own, operate and maintain a gas fired power plant having gross capacity of 32 Mega Watts (June 30, 2024: 32 Mega Watts). The Company achieved Commercial Operations Date ('COD') on June 6, 2001. The Company has a Power Purchase Agreement ('PPA') with its sole customer, Central Power Purchasing Agency (Guarantee) Limited ('CPPA') for thirty years which commenced from the COD. The Company also holds direct and indirect investments in other companies engaged in power generation as detailed in note 7 to these condensed interim unconsolidated financial statements.
- 1.3** The Company's Gas Supply Agreement ('GSA') with Sui Northern Gas Pipelines Limited ('SNGPL') expired on June 30, 2013. Thereafter, the Company signed a Supplemental Deed dated March 17, 2014 with SNGPL, whereby SNGPL agreed to supply gas to the Company on as-and-when available basis till the expiry of PPA on June 5, 2031. The Ministry of Petroleum and Natural Resources (now Ministry of Energy, Petroleum Division), empowered for Re-liquefied Natural Gas ('RLNG') allocation by the Economic Coordination Committee ('ECC') of the Federal Cabinet, issued an allocation of 6 MMSCFD of RLNG to the Company on April 28, 2017 and advised the Company and SNGPL to negotiate a new GSA. While the long term GSA is yet to be negotiated, in July 2019, the ECC of the Cabinet approved the summary of interim tri-partite GSA. Currently, the Company, SNGPL and CPPA are in the process of executing an interim GSA for supply of RLNG. Under the interim GSA, RLNG is being supplied on as-and-when available basis till the execution of a long term GSA between the parties.
- 1.4** The Company's Generation License issued by the National Electric Power Regulatory Authority ('NEPRA') expired on September 21, 2021, and the Company applied for its renewal/extension from NEPRA, in line with the term of its PPA and Implementation Agreement ('IA'). On April 01, 2024, NEPRA granted the renewal of the Generation License to the Company for another term of ten (10) years from the date of expiry. Now, the term of the Generation License is extended till June 05, 2031, making it consistent with the terms of the PPA and the IA. As directed by NEPRA in its Determination, on May 10, 2024 the Company applied for the Licensee Proposed Modification ('LPM') with NEPRA to match the installed capacity in the Generation License with the capacity mentioned in the PPA and the IA, which is still in process.

Furthermore, although the power generation operations are in losses for many years, the Company's viability is unaffected as the main source of income is the dividend income that it earns on its long term investment in subsidiary stated in note 7 of these condensed interim unconsolidated financial statements.

- 1.5** The Company received a recommendation from Islamabad Electric Supply Company ('IESCO') with respect to the upgradation of 66 kV switchyard of the Company in order to synchronize the existing network with the IESCO system. This will allow the Company to fully transmit the generated power. National Transmission and Despatch Company Limited ('NTDC') has upgraded one transmission line of Jand-Bassaal network from 66 kV to 132 kV. Resultantly, the Company can only transmit electricity generated by its complex through transmission network of Fateh Jang 66 kV grid station of IESCO. Whenever NTDC upgrades the Fateh Jang grid station in future, the Company will be required to upgrade its own 66 kV switchyard to 132 kV.

- 1.6** During the period under review, the subsidiary Company Rousch (Pakistan) Power Limited ('RPPL') received a proposal from the Task Force formed by the Government of Pakistan for power sector reforms, for termination of PPA, IA, and the GoP Guarantee (the agreement). On November 11, 2024 upon approval from the shareholders of RPPL, RPPL signed a Negotiated Settlement Agreement ('NSA') for termination of these agreements. According to the NSA, RPPL has received outstanding receivables from CPPA, and handed over the complex to the Government as at December 31, 2024.

The power generation operations of the Company are in losses for the past few years and dividend income from RPPL is serving as the primary source of income to sustain the Company's operations.

2. BASIS OF PREPERATION

2.1 Statement of compliance

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

- i)** International Accounting Standard ('IAS') 34, Interim Financial Reporting, issued by the International Accounting Standards Board ('IASB') as notified under the Companies Act, 2017; and
- ii)** Provisions of and directives issued under the Companies Act, 2017.

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

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

2.2 Going concern assumption

As a result of no/low generation revenue during the past few years, the major income to support the operations of the Company has been dividend from RPPL. As mentioned in Note 1.6, RPPL has handed over the complex to the Government of Pakistan's designated entity, National Power Parks Management Company Limited ('NPPMCL'). As a result of the NSA, RPPL no longer owns the complex and is unable to generate and sell electricity to CPPA. These Condensed interim Financial Statements have been prepared on a going concern basis, as RPPL has received its outstanding receivables, which are sufficient to provide future dividends to support the Company's viability as a going concern

- 2.3** These condensed interim unconsolidated financial statements do not include all of the information required for annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended June 30, 2024. Selected explanatory notes are included to explain events and transactions that are significant to and understanding of the changes in the Company's financial position and performance since the last annual financial statements.

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

3. MATERIAL ACCOUNTING POLICY INFORMATION

- 3.1** The accounting policies and the methods of computation adopted in the preparation of these condensed interim unconsolidated financial statements are the same as those applied in the preparation of preceding annual published financial statements of the Company for the year ended June 30, 2024.

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

Certain standards, amendments and interpretations to International Financial Reporting Standards (IFRS) are effective for accounting period beginning on July 1, 2024, 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 condensed interim unconsolidated financial statements.

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

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after July 01, 2024 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim unconsolidated financial statements.

4. ACCOUNTING ESTIMATES

The preparation of these condensed interim unconsolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing these condensed interim unconsolidated financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements of the Company for the year ended June 30, 2024.

		Un-Audited December 31, 2024	Audited June 30, 2024
		(Rupees in thousand)	
5	PROPERTY, PLANT AND EQUIPMENT		
	Operating fixed assets	340,837	349,664
	Major spare parts and stand-by equipment	2,690	2,692
		<u>343,527</u>	<u>352,356</u>
5.1	Operating fixed assets		
	Net book value at the beginning of the period / year	349,664	365,366
	Additions during the period / year	1,688	4,449
	Depreciation charged for the period / year	(10,515)	(20,151)
	Net book value at the end of the period / year	<u>340,837</u>	<u>349,664</u>

6. INTANGIBLE ASSETS

This includes ERP system that has been implemented by Descon Corporation (Private) Limited, a related party on the basis of common directorship.

Net book value at the beginning of the period / year	298	783
Amortisation charged for the period / year	(99)	(485)
Net book value at the end of the period / year	<u>199</u>	<u>298</u>

7. LONG-TERM INVESTMENT

Subsidiary - Unquoted:

Power Management Company (Private) Limited ('PMCL'); 320,451,000 (June 30, 2024: 320,451,000) fully paid ordinary shares of Rs 10 each [Equity held 100% (June 30, 2024: 100%)] - Cost	7.1	<u>3,204,510</u>	<u>3,204,510</u>
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- 7.1 The Company directly holds 100% shares in its wholly owned subsidiary, PMCL. PMCL is a private company limited by shares incorporated in Pakistan to invest, manage, operate, run, own and build power projects. The investment in PMCL is accounted for using cost method in the condensed interim unconsolidated financial statements of the Company. PMCL, in turn, directly holds 59.98% (June 30, 2024: 59.98%) shares in Rousch (Pakistan) Power Limited ('RPPL'). RPPL is an unlisted public company limited by shares incorporated in Pakistan to generate and supply electricity. As stated in Note 1.6, RPPL received a proposal from the Task Force formed by the Government of Pakistan for power sector reforms, for termination of PPA, IA, and the GoP Guarantee (the agreement) that was approved by the shareholders of RPPL and concluded by signing Negotiated Settlement agreement ('NSA'), whereby RPPL handed over its Complex to the Government of Pakistan's designated entity, National Power Parks Management Company Limited ('NPPMCL'). As a result of the NSA, RPPL no longer owns the Complex and is unable to generate and sell electricity to CPPA.

Note	Un-Audited December 31, 2024 (Rupees in thousand)	Audited June 30, 2024
8 Trade debts - secured		
Considered good	-	8,533
Considered doubtful	1,137	-
	1,137	8,533
Provision for impairment	(1,137)	-
	-	8,533

- 8.1 In response to letter AEL/CORP/1426, CPPA has not acknowledged the trade debts receivable from CPPA-G, amounting to Rs. 1,137,306, due to an incorrect calculation of interest markup by the Company. The management still intends to follow up the doubtful receivable.

9. SHORT-TERM INVESTMENT

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

10. CONTINGENCIES AND COMMITMENTS

There are no material changes in contingencies and commitments as disclosed in the notes to the financial statements for the year ended June 30, 2024, except for the following:

Note	Un-Audited December 31, 2024 (Rupees in thousand)	Audited June 30, 2024
10.1		
In respect of tax year 2019, the Additional Commissioner Inland Revenue ('ACIR') passed an Order under section 122(5) of the Income Tax Ordinance, 2001, creating income tax demand amounting to Rs. 30.99 million which mainly relates to chargeability of Super Tax under section 4(b) of the Income Tax Ordinance, 2001. Aggrieved with the said Order, the Company has filed an appeal before the Commissioner Inland Revenue ('Appeals') [CIR (A)], where the relief was not granted. Aggrieved with the Order of CIR(A), the Company preferred an Appeal before the Appellate Tribunal Inland Revenue (ATIR). On August 24, 2024, the ATIR has passed an Order thereby deciding the case in favour of the Company.	30,990	30,990

	Un-audited		Un-audited	
	Three-month period ended		Six-month period ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	(Rupees in thousand)		(Rupees in thousand)	
11 DIRECT COST				
RLNG cost	116	116	228	222
Salaries, benefits and other allowances	509	298	858	652
Depreciation on operating fixed assets	4,958	4,934	9,915	9,868
Stores and spares consumed	344	565	1,404	2,471
Purchase of energy	1,162	1,168	2,843	3,129
Lube oil consumed	50	248	50	671
Operation and maintenance costs	10,753	9,351	21,507	18,702
Security	3,133	3,169	5,986	5,585
Insurance	979	882	1,957	1,562
Travelling and conveyance	101	107	213	283
Licensing fee	913	624	2,095	1,266
Miscellaneous	39	19	109	52
	<u>23,057</u>	<u>21,481</u>	<u>47,165</u>	<u>44,463</u>
12 ADMINISTRATIVE EXPENSES				
Salaries, benefits and other allowances	3,871	3,156	7,408	6,164
Directors' meeting fee	250	625	375	875
Information technology and ERP related cost	259	389	509	814
Traveling and conveyance	475	782	1,246	1,556
Utilities	446	379	898	834
Postage and telephone	252	184	509	349
Printing, stationery and advertisement	521	1,983	556	2,239
Auditors' remuneration	448	407	448	407
Legal and professional	2,130	2,524	3,977	4,764
Fee and subscription	907	600	1,388	1,188
Entertainment	57	87	114	167
Amortisation on intangible assets	48	121	99	242
Depreciation on operating fixed assets	314	68	600	140
Rent, rates and taxes	176	161	421	323
Provision for doubtful debts	1,137	-	1,137	-
Miscellaneous	1	-	13	-
	<u>11,292</u>	<u>11,466</u>	<u>19,698</u>	<u>20,062</u>
13 OTHER INCOME				
Profit on bank deposits	-	12,331	9	12,338
Income on short term investment	26,766	31,220	34,368	58,056
Liabilities written back	361	-	361	-
Dividend income from PMCL (wholly owned subsidiary)	-	1,714,413	2,147,022	3,428,826
	<u>27,127</u>	<u>1,757,964</u>	<u>2,181,760</u>	<u>3,499,220</u>

		Un-audited	
		Six-month period ended	
		December 31, 2024	December 31, 2023
		(Rupees in thousand)	
14	CASH USED IN OPERATIONS		
	Profit before taxation	2,112,837	3,431,148
	Adjustment for non-cash charges and other items:		
	-Depreciation on operating fixed assets	10,515	10,008
	-Dividend income from PMCL (wholly owned subsidiary)	(2,147,022)	(3,428,826)
	-Amortisation on intangible assets	99	242
	-Provision for employee benefit obligations	1,565	1,171
	-Provision for doubtful debts	1,137	-
	-Liabilities written back	(361)	-
	-Profit on short-term investment	(34,368)	(58,056)
	-Profit on bank deposits	(9)	(12,338)
	-Finance cost	2,060	3,547
		(2,166,384)	(3,484,252)
	Loss before working capital changes	(53,547)	(53,104)
	Effect on cashflows due to working capital changes:		
	Decrease / (Increase) in current assets:		
	Stores and spares	(392)	607
	Loans, advances, prepayments, and other receivables	(6,490)	(9,410)
	Trade debts - secured	7,396	30,000
		514	21,197
	Increase / (Decrease) in current liabilities:		
	Trade & other payables	(9,400)	3,561
	Cash used in operations	(62,433)	(28,346)
15	CASH AND CASH EQUIVALENTS		
	Bank balances	11,196	578,235
	Short-term investment	59,111	216,072
		70,307	794,307

16 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

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

Relationship with the Company	Nature of transaction	Un-Audited	Un-Audited
		December 31, 2024	December 31, 2023
		(Rupees in thousand)	
i) Holding company			
DEL Power (Private) Limited	Dividends paid	1,247,243	1,847,875

		Un-Audited December 31, 2024	Audited June 30, 2024
		(Rupees in thousand)	
Relationship with the Company	Nature of transaction		
ii) Subsidiary companies			
Power Management Company Limited	Dividends received	2,147,022	3,428,826
Rousch (Pakistan) Power Limited	Common cost charged to the Company	432	527
iii) Entities on the basis of common directorship			
Descon Engineering Limited	Common costs charged to the Company	3,158	2,712
Descon Power Solutions (Private) Limited	Operation and maintenance contractor's fee	21,507	18,702
	Common costs charged to the Company	521	469
Descon Corporation (Private) Limited	ERP implementation fee and running costs	509	814
	Common costs charged to the Company	-	382
	Building rent	354	323
Group company			
Descon Holdings (Private) Limited	Dividends paid	177	284
iv) Other related party			
Crescent Steel and Allied Products Limited	Dividends paid	357,916	530,277
v) Key management personnel			
	Short-term employee benefits	4,520	3,553
	Director's meeting fee	375	875

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

	Un-Audited December 31, 2024	Audited June 30, 2024
(Rupees in thousand)		
Period end balances are as follows:		
Payable to related parties		
Subsidiaries:		
Rousch (Pakistan) Power Limited	102	201
Other related parties:		
Descon Engineering Limited	517	1,853
Descon Corporation (Private) Limited	118	715
Inspectest (Private) Limited	-	258
Descon Power Solutions (Private) Limited	4,276	5,259
	<u>5,013</u>	<u>8,286</u>

17 FINANCIAL RISK MANAGEMENT

17.1 Financial risk factors

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

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

These condensed interim unconsolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at June 30, 2024.

There have been no changes in the risk management department or in any risk management policies since the year ended June 30, 2024.

17.2 Fair value estimation

a) Fair value hierarchy

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

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

- The fair value of financial instruments traded in active markets (such as publicly traded equity securities) is based on quoted (unadjusted) market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in Level 1.
- The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to determine fair value of an instrument are observable, the instrument is included in Level 2.
- If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity instruments.

To provide an indication about the reliability of the inputs used in determining fair value, the Company classifies its financial instruments into the three levels prescribed above. The following table presents the Company's financial assets measured and recognised at fair value at December 31, 2024 and June 30, 2024 on a recurring basis:

	Level 1	Level 2	Level 3	Total
	(Rupees in thousand)			
As at December 31, 2024				
<i>Recurring fair value measurements</i>				
Assets				
Short-term investment - mutual fund	59,111	-	-	59,111
As at June 30, 2024				
<i>Recurring fair value measurements</i>				
Assets				
Short-term investment - mutual fund	187,823	-	-	187,823

There were no transfers between Levels 1 and 2 & Levels 2 and 3 during the period and there were no changes in valuation techniques during the period. The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

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

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

18 CORRESPONDING FIGURES

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

19 ROUNDING OF AMOUNTS

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

20 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim unconsolidated financial statements were authorized for issue on February 11, 2025 by the Board of Directors of the Company.


 Chief Executive


 Chief Financial Officer


 Director

**CONDENSED INTERIM
CONSOLIDATED
FINANCIAL STATEMENTS**

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

EQUITY AND LIABILITIES	Note	Un-Audited December 31, 2024 (Rupees in thousand)	Audited June 30, 2024
SHARE CAPITAL AND RESERVES			
Authorized share capital			
400,000,000 (June 30, 2024: 400,000,000) ordinary shares of Rs 10 each		4,000,000	4,000,000
Issued, subscribed and paid up share capital			
363,380,000 (June 30, 2024: 363,380,000) ordinary shares of Rs 10 each		3,633,800	3,633,800
Capital reserve: Share premium		41,660	41,660
Revenue reserve: Un-appropriated profits		6,292,358	12,918,847
Attributable to owners of the Parent Company		9,967,818	16,594,307
Non-controlling interests		6,423,696	11,200,008
Total equity		16,391,514	27,794,315
NON-CURRENT LIABILITIES			
Employees' benefit obligations		16,485	15,836
Deferred taxation		487,780	1,024,431
		504,265	1,040,267
CURRENT LIABILITIES			
Trade and other payables		721,886	554,289
Accrued markup on short term borrowings - secured		-	822
Unclaimed dividends		4,496	6,264
Dividends Payable		14,992	2,756,986
Provision for taxation		76,402	17,691
		817,776	3,336,052
CONTINGENCIES AND COMMITMENTS			
	5		
		17,713,555	32,170,634

The annexed notes 1 to 21 form an integral part of these condensed interim consolidated financial statements.


Chief Executive


Chief Financial Officer


Director

AS AT DECEMBER 31, 2024

ASSETS	Note	Un-Audited December 31, 2024 (Rupees in thousand)	Audited June 30, 2024
NON-CURRENT ASSETS			
Property, plant and equipment	6	362,139	10,478,373
Intangible assets	7	199	9,784
Long term security deposits		377	608
Long term loan to employees - secured		1,314	1,988
		364,029	10,490,753
CURRENT ASSETS			
Store, spares & loose tools		40,498	736,184
Inventory of fuel oil		-	441,988
Trade debts - secured	8	-	14,229,704
Loans, advances, prepayments and other receivables		1,723,336	2,285,925
Short term investments	9	15,101,402	3,434,002
Bank balances		484,290	552,078
		17,349,526	21,679,881
		17,713,555	32,170,634


Chief Executive


Chief Financial Officer


Director

ALTERN ENERGY LIMITED AND ITS SUBSIDIARIES
CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE THREE-MONTH AND SIX-MONTH PERIOD ENDED DECEMBER 31, 2024

	Note	Three-month period ended		Six-month period ended	
		December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
		(Rupees in thousand)		(Rupees in thousand)	
Revenue	10	2,841,376	3,024,467	7,970,077	4,757,805
Direct costs	11	(1,235,644)	(905,087)	(4,148,612)	(1,737,116)
Gross profit		1,605,732	2,119,380	3,821,465	3,020,689
Administrative expenses	12	(157,085)	(70,783)	(235,726)	(141,665)
Other expenses	13	(11,985,914)	20,717	(12,000,447)	(1,106)
Other income	14	215,636	292,191	511,097	523,318
Finance cost		(30,736)	(14,391)	(76,560)	(26,867)
(Loss) / profit before income tax and final tax		(10,352,367)	2,347,114	(7,980,171)	3,374,369
Taxation - final tax		8,714	(360,173)	(214,266)	(670,414)
(Loss) / profit before income tax for the period		(10,343,653)	1,986,941	(8,194,437)	2,703,955
Taxation - income tax		433,696	-	488,083	-
(Loss) /profit for the period		(9,909,957)	1,986,941	(7,706,354)	2,703,955
Attributable to:					
Equity holders of the Parent Company		(5,758,568)	1,078,025	(4,482,547)	1,403,840
Non-controlling interest		(4,151,389)	908,916	(3,223,807)	1,300,115
		(9,909,957)	1,986,941	(7,706,354)	2,703,955
(Loss) /earnings per share attributable to equity holders of the Parent Company during the period - basic and diluted	Rupees	(15.85)	2.97	(12.34)	3.86

The annexed notes 1 to 21 form an integral part of these condensed interim consolidated financial statements.


Chief Executive


Chief Financial Officer


Director

ALTERN ENERGY LIMITED AND ITS SUBSIDIARIES
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE THREE-MONTH AND SIX-MONTH PERIOD ENDED DECEMBER 31, 2024

	Three-month period ended		Six-month period ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	(Rupees in thousand)		(Rupees in thousand)	
(Loss) /profit for the period	(9,909,957)	1,986,941	(7,706,354)	2,703,955
Other comprehensive income:				
<i>Items that may be reclassified subsequently to profit or loss</i>	-	-	-	-
<i>Items that will not be reclassified subsequently to profit or loss</i>	-	-	-	-
	-	-	-	-
Total comprehensive (loss) /income for the period	(9,909,957)	1,986,941	(7,706,354)	2,703,955
Attributable to:				
Equity holders of the Parent Company	(5,758,568)	1,078,025	(4,482,547)	1,403,840
Non-controlling interest	(4,151,389)	908,916	(3,223,807)	1,300,115
	(9,909,957)	1,986,941	(7,706,354)	2,703,955

The annexed notes 1 to 21 form an integral part of these condensed interim consolidated financial statements.


Chief Executive


Chief Financial Officer


Director

ALTERN ENERGY LIMITED AND ITS SUBSIDIARIES
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE THREE-MONTH AND SIX-MONTH PERIOD ENDED DECEMBER 31, 2024

	<u>Attributable to equity holders of Parent Company</u>				
	<u>Share capital</u>	<u>Share premium</u>	<u>Un-appropriated profit</u>	<u>Non-controlling Interests</u>	<u>Total</u>
	<u>(Rupees in thousand)</u>				
Balance as on July 1, 2023 (Audited)	3,633,800	41,660	14,355,636	12,426,921	30,458,017
Profit for the period	-	-	1,403,840	1,300,115	2,703,955
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	1,403,840	1,300,115	2,703,955
Transactions with owners in their capacity as owners:					
1st Interim cash dividend @ Rs 4.70 per ordinary share by Parent Company	-	-	(1,707,886)	-	(1,707,886)
2nd Interim cash dividend @ Rs 4.75 per ordinary share by Parent Company	-	-	(1,726,055)	-	(1,726,055)
1st interim cash dividend paid to non-controlling interest by Rousch	-	-	-	(1,380,004)	(1,380,004)
2nd interim cash dividend paid to non-controlling interest by Rousch	-	-	-	(1,380,004)	(1,380,004)
Balance as on December 31, 2023 (Un-audited)	3,633,800	41,660	12,325,535	10,967,027	26,968,022
Balance as on July 01, 2024 (Audited)	3,633,800	41,660	12,918,847	11,200,008	27,794,315
Profit for the period	-	-	(4,482,547)	(3,223,807)	(7,706,354)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	(4,482,547)	(3,223,807)	(7,706,354)
Transactions with owners in their capacity as owners:					
1st Interim cash dividend @ Rs 5.90 per ordinary share by Parent Company	-	-	(2,143,942)	-	(2,143,942)
Final cash dividend paid to non-controlling interest by Rousch	-	-	-	(1,552,505)	(1,552,505)
Balance as on December 31, 2024 (Un-Audited)	3,633,800	41,660	6,292,358	6,423,696	16,391,514

The annexed notes 1 to 21 form an integral part of these condensed interim consolidated financial statements.


Chief Executive


Chief Financial Officer


Director

ALTERN ENERGY LIMITED AND ITS SUBSIDIARIES
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE SIX-MONTH PERIOD ENDED DECEMBER 31, 2024

	Note	Un-Audited December 31, 2024 (Rupees in thousand)	Un-Audited December 31, 2023 (Rupees in thousand)
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	15	17,933,967	4,882,799
Long term deposits - net		-	(1,295)
Finance cost paid		(77,382)	(61,353)
Income tax and final tax paid		(277,343)	(465,806)
Employee benefit obligations paid		(4,593)	(3,312)
		(359,318)	(531,766)
Net cash inflow from operating activities		17,574,649	4,351,033
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant and equipment and intangible assets		(37,255)	(5,539)
Profit on short term investment received		487,527	268,010
Profit on bank deposits received		14,885	243,109
Proceeds from disposal of operating fixed assets		15	7,471
Net cash inflow from investing activities		465,172	513,051
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(6,440,209)	(3,502,830)
Proceeds from short term finance		-	(1,165)
Net cash outflow from financing activities		(6,440,209)	(3,503,995)
Net increase in cash and cash equivalents		11,599,612	1,360,089
Cash and cash equivalents at the beginning of the period		3,986,080	3,196,998
Cash and cash equivalents at the end of the period	16	15,585,692	4,557,087

The annexed notes 1 to 21 form an integral part of these condensed interim consolidated financial statements.


Chief Executive


Chief Financial Officer


Director

ALTERN ENERGY LIMITED AND ITS SUBSIDIARIES
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL
STATEMENTS (UN-AUDITED)
FOR THE THREE-MONTH AND SIX-MONTH PERIOD ENDED DECEMBER 31, 2024

1. THE GROUP AND ITS OPERATIONS

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

1.1	The Group is structured as follows:	Un-Audited December 31, 2024	Audited June 30, 2024
	Parent company:		
	- Altern Energy Limited, the Parent Company (hereinafter referred to as AEL)		
	Subsidiary companies:		
	- PMCL	100.00%	100.00%
	- RPPL	59.98%	59.98%

1.2 AEL - the Parent Company

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

1.2.2 The principal activity of AEL is to generate and supply electricity to its sole customer, Central Power Purchasing Agency (Guarantee) Limited ('CPPA') from its gas fired power plant having gross capacity of 32 Mega Watts (June 30, 2024: 32 Mega Watts). AEL achieved Commercial Operations Date ('COD') on June 6, 2001. AEL has a Power Purchase Agreement ('PPA') with CPPA for thirty years which commenced from the COD.

1.2.3 AEL's Gas Supply Agreement ('GSA') with Sui Northern Gas Pipelines Limited ('SNGPL') expired on June 30, 2013. Thereafter, AEL signed a Supplemental Deed dated March 17, 2014 with SNGPL, whereby SNGPL agreed to supply gas to AEL on as-and-when available basis till the expiry of the PPA on June 5, 2031. The Ministry of Petroleum and Natural Resources (now Ministry of Energy, Petroleum Division), empowered for Re-liquefied Natural Gas ('RLNG') allocation by the Economic Coordination Committee ('ECC') of the Federal Cabinet, issued an allocation of 6 MMSCFD of RLNG to AEL on April 28, 2017 and advised AEL and SNGPL to negotiate a new GSA. While the long term GSA is yet to be negotiated, in July 2019, the ECC of the Cabinet approved the summary of interim tri-partite GSA. Currently, AEL, SNGPL and CPPA are in the process of executing an interim GSA for supply of RLNG. Under the interim GSA, RLNG is being supplied on as-and-when available basis till the execution of a long term GSA between the parties.

1.2.4 AEL's Generation License issued by the National Electric Power Regulatory Authority ('NEPRA') expired on September 21, 2021, and it applied for its renewal/extension from NEPRA, in line with the term of its PPA and Implementation Agreement ('IA'). On April 01, 2024, NEPRA granted the renewal of the Generation License to AEL for another term of ten (10) years from the date of expiry. Now, the term of the Generation License is extended till June 05, 2031, making it consistent with the terms of the PPA and the IA. As directed by NEPRA in its Determination, on May 10, 2024 AEL applied for the Licensee Proposed Modification ('LPM') with NEPRA to match the installed capacity in the Generation License with the capacity mentioned in the PPA and the IA, which is still in process.

1.2.5 AEL received a recommendation from Islamabad Electric Supply Company ('IESCO') with respect to the upgradation of its 66 KV switchyard of AEL in order to synchronize the existing network with the IESCO system. This will allow AEL to fully transmit the generated power. National Transmission and Despatch Company Limited ('NTDC') has upgraded one transmission line of Jand-Bassaal network from 66 KV to 132 KV. Resultantly, AEL can only transmit electricity generated by its complex through transmission network of Fateh Jang 66 KV grid station of IESCO. Whenever NTDC upgrades the Fateh Jang grid station in future, AEL will be required to upgrade its own 66 KV switchyard to 132 KV.

1.3 PMCL

PMCL was incorporated in Pakistan as a private company limited by shares under the Companies Ordinance, 1984 (now the Act) on February 24, 2006. PMCL is a wholly owned subsidiary of AEL. The principal objective of PMCL is to invest, manage, operate, run, own and build power projects. PMCL directly holds 59.98% shares in RPPL as detailed in note 1.4 to these condensed interim consolidated financial statements.

1.4 RPPL

1.4.1 Rousch (Pakistan) Power Limited ('RPPL') is a public company limited by shares, incorporated in Pakistan on August 4, 1994 under the Companies Act, 2017. RPPL is a subsidiary of PMCL, which is a wholly owned subsidiary of AEL. The principal activities of RPPL were to generate and supply electricity to CPPA from its combined cycle thermal power plant (the 'Complex') having a gross (ISO) capacity of 450 Mega Watts, located near Sidhnai Barrage, Abdul Hakim, District Khanewal, Punjab province, Pakistan. The registered office of RPPL is situated at 403-C, 4th Floor, Evacuee Trust Complex, Sector F-5/1, Islamabad.

1.4.2 During the period under review, RPPL received a proposal from the Government of Pakistan for Termination of the Power Purchase Agreement ('PPA'), Implementation Agreement ('IA') and the Guarantee from the Government of Pakistan ("the Agreements"). On November 11, 2024, upon approval from the Shareholders of the RPPL, the company signed a Negotiated Settlement Agreement ('NSA') for Termination of the Agreements. The salient features of the NSA are as follows:

- ➡ The RPPL shall receive the outstanding receivables from CPPA by December 31, 2024.
- ➡ The RPPL shall hand over the Complex to the Government of Pakistan or its designated entity by December 31, 2024.

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

Although RPPL's PPA and IA with the Government have been terminated, the company has sufficient funds available to meet its ongoing obligations. Therefore, RPPL shall remain as a Going Concern.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

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

- i) International Accounting Standard ('IAS') 34, Interim Financial Reporting, issued by the International Accounting Standards Board ('IASB') as notified under the Act, and
- ii) Provisions of and directives issued under the Act.

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

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

These condensed interim consolidated financial statements do not include all of the information required for the annual consolidated financial statements and should be read in conjunction with the annual consolidated financial statements as at and for the year ended June 30, 2024. Selected explanatory notes are included to explain events and transactions that are significant to and understanding of the changes in the Group's financial position and performance since the last audited financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

- 3.1 The accounting policies and the methods of computation adopted in the preparation of these condensed interim consolidated financial statements are the same as those applied in the preparation of preceding annual published financial statements of the Group for the year ended June 30, 2024, except for the adoption of new and amended standards as set out below.

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

Certain standards, amendments and interpretations to International Financial Reporting Standards ('IFRS') are effective for accounting period beginning on July 1, 2024, 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 condensed interim consolidated financial statements.

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

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Group's accounting periods beginning on or after July 01, 2024 but are considered not to be relevant or to have any significant effect on the Group's operations and are, therefore, not detailed in these condensed interim consolidated financial statements.

4. ACCOUNTING ESTIMATES

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

In preparing these condensed interim consolidated financial statements, the significant judgements made by management in applying Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements of Group for the year ended June 30, 2024.

5. CONTINGENCIES & COMMITMENTS

There is no significant change in the status of contingencies and commitments from the preceding annual financial statements of the Group for the year ended June 30, 2024, except for the following:

5.1 Contingencies

- (a) In respect of tax year 2019, the Additional Commissioner Inland Revenue ('ACIR') passed an Order under section 122(5) of the Income Tax Ordinance, 2001, creating income tax demand amounting to Rs. 30.99 million which mainly relates to chargeability of Super Tax under section 4(b) of the Income Tax Ordinance, 2001. Aggrieved with the said Order, the Group has filed an appeal before the Commissioner Inland Revenue ('Appeals') [CIR (A)], where the relief was not granted. Aggrieved with the Order of CIR(A), the Group preferred an Appeal before the Appellate Tribunal Inland Revenue (ATIR). On August 24, 2024, the ATIR has passed an Order thereby deciding the case in favour of the Group.

- b) The tax authorities amended the assessments for the tax years 2012, 2013, 2015 and 2016 in the same manner as for tax year 2014, thereby subjecting bank interest income and supplemental charges to tax and disallowing set-off against depreciation losses. An aggregate tax demand of Rs 1,382 million was raised for these years. The Group filed an appeal against the above demand with CIR(A). In appeal, the CIR(A) through order dated May 18, 2018 for tax years 2013 and 2015, accepted the Group's claim of exemption on supplemental charges but upheld disallowance of set-off against unabsorbed tax depreciation. Both the Group and the tax authorities filed appeals to the ATIR on July 18, 2018 and July 19, 2018 respectively on this matter. The ATIR upheld CIR(A)'s position on this matter through order dated March 2, 2021. The taxation officer giving appeal effect to the ATIR orders dated April 27, 2021, worked out tax liability of Rs 292.07 million on interest income and raised tax demand (net of tax paid) amounting to Rs 82.5 million.

Aggrieved with the decision of the ATIR, the Group filed an Appeal before the Islamabad High Court on May 4, 2021 and obtained stay against recovery of tax demand raised through appeal effect orders. On September 24, 2024, the Islamabad High Court decided the matter of set off of business losses against Income from other sources for the tax years 2012, 2013, 2014 and 2015 in favor of the Group.

- c) National Bank of Pakistan has issued standby letter of credit for Rs. 4,981 million (June 30, 2024 : Rs 4,981 million) in favor of SNGPL as a security to cover gas supply for which payments are made in arrears.

5.2 Commitments - Nil

6 PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets
Major spare parts and stand-by equipment

	Un-Audited December 31, 2024 (Rupees in thousand)	Audited June 30, 2024 (Rupees in thousand)
	359,449	10,475,681
	2,690	2,692
	<u>362,139</u>	<u>10,478,373</u>

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

8 TRADE DEBTS - SECURED

Considered good
Considered doubtful

Provision for impairment

Note

8.1
8.2

	Un-Audited December 31, 2024 (Rupees in thousand)	Audited June 30, 2024 (Rupees in thousand)
	-	14,229,704
	1,137	952,557
	<u>1,137</u>	<u>15,182,261</u>
	(1,137)	(952,557)
	<u>-</u>	<u>14,229,704</u>

- 8.1 As per the terms of the NSA, the Group has written off receivables amounting to Rs. 1,180 million following the receipt of payments agreed under the agreement, as mentioned in note 1.4.2.

- 8.2 In response to letter AEL/CORP/1426, CPPA has not acknowledged the trade debts receivable amounting to Rs. 1.137 million, due to an alleged incorrect calculation of interest markup by the Group. The management still intends to follow up the doubtful receivable.

9 SHORT TERM INVESTMENTS

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

	Note	Un-Audited		Un-Audited	
		Three-month period ended		Six-month period ended	
		December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
		(Rupees in thousand)		(Rupees in thousand)	
10 REVENUE					
Energy purchase price - gross		-	-	2,227,776	-
Sales tax		-	-	(339,830)	-
Energy purchase price - net		-	-	1,887,946	-
Capacity purchase price		2,841,376	2,466,738	5,682,752	3,560,924
Delayed payment markup		-	557,729	399,379	1,196,881
		<u>2,841,376</u>	<u>3,024,467</u>	<u>7,970,077</u>	<u>4,757,805</u>
11 DIRECT COSTS					
RLNG cost		25,366	862	2,013,734	2,032
Operation and maintenance costs	11.1	910,839	210,003	1,213,886	421,604
Depreciation on operating fixed assets		127,039	357,788	497,508	739,698
Stores, spares and loose tools consumed		5,152	98,691	50,099	130,269
Insurance cost		66,668	51,417	128,249	102,630
Purchase of energy		41,206	79,949	152,983	204,496
Salaries, benefits and other allowances	11.2	32,261	10,433	40,817	18,656
Licensing fee & electricity duty		15,593	10,878	28,644	22,351
Colony maintenance		4,537	5,453	8,190	9,443
Communication		975	2,068	2,943	4,155
Vehicle maintenance		555	720	1,227	1,193
Security expenses		3,133	3,169	5,986	5,585
Insurance deductible		-	71,463	-	71,463
Miscellaneous expenses		2,320	2,193	4,346	3,541
		<u>1,235,644</u>	<u>905,087</u>	<u>4,148,612</u>	<u>1,737,116</u>

11.1 This includes cost paid on account of termination of the RPPL's O&M contracts, along with several other agreements with service providers during the period following the NSA.

11.2 This includes severance pay of employees following the NSA.

	Note	Un-Audited		Un-Audited	
		Three-month period ended		Six-month period ended	
		December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
		(Rupees in thousand)		(Rupees in thousand)	
12 ADMINISTRATIVE EXPENSES					
Salaries, benefits and other allowances	12.1	109,323	26,341	139,791	51,425
Directors' meeting fee		250	625	375	875
Information technology and ERP related costs		7,116	6,674	14,224	13,266
Traveling & conveyance		1,350	2,500	11,061	11,587
Utilities		446	379	898	834
Postage and telephone		487	316	992	630
Printing, stationery and advertisement		603	2,954	862	3,289
Auditors' remuneration		448	134	637	602
Rent, rates and taxes		4,430	3,992	9,274	7,891
Legal and professional expenses		24,742	19,135	39,871	36,389
Fees and subscription		907	601	1,388	1,188
Entertainment		250	1,565	872	2,060
Amortization on intangible assets		390	909	5,549	1,863
Depreciation on operating fixed assets		2,031	2,080	3,210	4,428
Vehicle maintenance		425	495	868	844
Insurance		1,724	1,576	3,237	3,250
Provision for doubtful debts		1,137	-	1,137	-
Miscellaneous expenses		1,027	507	1,481	1,244
		<u>157,085</u>	<u>70,783</u>	<u>235,726</u>	<u>141,665</u>

12.1 This includes severance pay of employees following the NSA.

13 OTHER EXPENSES

Donations	13.1	-	3,709	-	3,709
Advances written off		3,447	-	3,447	-
Exchange (gain) / loss		(13,720)	(24,426)	813	(2,603)
Long term security deposits written off		231	-	231	-
Fixed assets and current assets written off	13.2	11,995,956	-	11,995,956	-
		<u>11,985,914</u>	<u>(20,717)</u>	<u>12,000,447</u>	<u>1,106</u>

13.1 This included the following donations exceeding Rs. 500,000:

- National Outreach program of Lahore University of Management Sciences for one scholarship for an undergraduate course amounting to Rs. 1,500,000.
- Supply of computers to Government Vocational Training Institute Abdul Hakim - Rs. 955,000.
- Construction of a classroom for Government Boys & Girls School Abdul Hakim – Rs. 917,500.

13.2 Fixed assets and current assets written off

As mentioned in note 1.4, as per the terms of the Negotiated Settlement Agreement, the Group has handed over the RPPL's Complex to the Government of Pakistan's designated entity. Accordingly, the following assets have been written off:

	9,656,612	-
Property, plant & equipment	1,159,038	-
Stores, spares & loose tools, and fuel stock	1,180,306	-
Trade debts	<u>11,995,956</u>	<u>-</u>

14 OTHER INCOME	Un-Audited		Un-Audited	
	Three-month period ended		Six-month period ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	(Rupees in thousand)		(Rupees in thousand)	
Profit on bank deposit	7,843	59,771	14,885	243,109
Income from short term investment	204,565	230,608	487,527	266,994
Fair value gain on short term investment	-	1,014	-	1,014
Gain on disposal of operating fixed assets	-	-	-	7,449
Scrap sales	-	798	4	4,752
Provisions and unclaimed balances written back	3,228	-	8,681	-
	<u>215,636</u>	<u>292,191</u>	<u>511,097</u>	<u>523,318</u>
			Un-Audited	
			Six-month period ended	
			December 31, 2024	December 31, 2023
			(Rupees in thousand)	
CASH GENERATED FROM OPERATIONS				
15				
Profit before income tax and final tax			(7,980,171)	3,374,369
Adjustment for non cash charges and other items:				
-Depreciation on operating fixed assets			500,718	744,126
-Profit on short term investments			(487,527)	(268,009)
-Property, plant & equipment written off			9,657,930	-
-Stores, spares & fuel inventory written off			1,138,066	-
-Long term security deposits written off			231	-
-Gain on disposal of operating fixed assets			-	(7,449)
-Provision for employee retirement benefits			5,242	4,538
-Liabilities no longer payable written back			(8,681)	-
-Other receivables written off			3,447	-
-Amortization on intangible assets			5,549	1,863
-Exchange loss			813	(2,603)
-Finance cost			76,560	26,867
-Profit on bank deposits			(14,885)	(243,109)
Profit before working capital changes			<u>2,897,292</u>	<u>3,630,593</u>
Effect on cash flow due to working capital changes:				
Decrease / (Increase) in current assets				
-Stores, spares and loose tools			(392)	(17,120)
-Trade debts			14,228,567	2,559,083
-Advances, prepayments and other receivables			633,036	(108,054)
			<u>14,861,211</u>	<u>2,433,909</u>
Decrease in current liabilities				
-Trade and other payables			175,464	(1,181,703)
			<u>15,036,675</u>	<u>1,252,206</u>
Cash generated from operations			<u>17,933,967</u>	<u>4,882,799</u>

Un-Audited
Six-month period ended
December 31, 2024 **December 31, 2023**
(Rupees in thousand)

16 CASH AND CASH EQUIVALENTS

Bank balances	484,290	3,880,791
Short term investments	15,101,402	676,296
	15,585,692	4,557,087

17 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise the holding company, ultimate parent, subsidiaries and associates of holding company and ultimate parent, group companies, related parties on the basis of common directorship, key management personnel of the Group and its holding company and post-employment benefit plans (Gratuity Fund and Provident Fund). Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of AEL, directly or indirectly, including any director (whether executive or otherwise) of AEL. The Group in the normal course of business carries out transactions with various related parties. Significant related party transactions not disclosed elsewhere in these condensed interim consolidated financial statements are as follows:

		Un-Audited	
		December 31, 2024	December 31, 2023
		(Rupees in thousand)	
Relationship with the Group	Nature of transactions	Note	
i) Holding company			
DEL Power (Private) Limited	Dividends paid		1,847,875
ii) Group companies			
Siemens Pakistan Engineering Company Limited	Purchase of long term maintenance services		3,424
	Purchase of goods and services	17.1	20,694
iii) Other related parties			
<i>On the basis of common directorship</i>			
Descon Engineering Limited:	Common costs charged to the Group		12,696
	Purchase of goods and services		-
Descon Power Solutions (Private) Limited:	Operations & maintenance contractor's fee	17.2	371,263
	Purchase of goods and services		-
	Common costs charged to the Group		925
Descon Corporation (Private) Limited:	ERP implementation fee & running costs		36,533
	Common costs charged to the Group		323
iv) Other related parties			
Crescent Steel and Allied Products Limited	Dividend paid		530,277
Descon Holdings (Private) Limited	Dividend paid		284
v) Key Management Personnel			
	Short-term employment benefits	17.3	43,186
	Post employment benefits		6,327
	Director's meeting fee		875

- 17.1** This includes termination cost under the Long Term Maintenance Services Agreement amounting to Rs. 246 million.
- 17.2** This includes termination cost under the O&MAgreement amounting to Rs. 367 million.
- 17.3** This includes severance pay amounting to Rs. 96 million during the period.

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

	Un-Audited December 31, 2024	Audited June 30, 2024
	(Rupees in thousand)	
Period end balances are as follows:		
Payable to related parties		
Descon Engineering Limited (Associated company)	2,473	3,507
Descon Corporation (Private) Limited (Associated company)	10,423	5,921
Descon Power Solutions (Private) Limited (Associated company)	371,769	64,316
Siemens Pakistan Engineering Company Limited (Group company)	10,099	2,050
Inspectest (Private) Limited (Associated company)	-	258
	394,764	76,052

18 FINANCIAL RISK MANAGEMENT

18.1 Financial risk factors

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

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

These condensed interim consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at June 30, 2024.

There have been no changes in the risk management department or in any risk management policies since the year ended June 30, 2024.

18.2 Fair value estimation

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

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

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

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

- If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

To provide an indication about the reliability of the inputs used in determining fair value, the Group classifies its financial instruments into the three levels prescribed above. The following table presents the Group's financial assets measured and recognised at fair value at December 31, 2024 and June 30, 2024 on a recurring basis:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	------(Rupee in thousands)-----			
As at December 31, 2024				
<i>Recurring fair value measurements</i>				

Assets

Short term investments	15,101,402	-	-	15,101,402
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As at June 30, 2024

Recurring fair value measurements

Assets

Short term investments	3,434,002			3,434,002
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There were no transfers between Levels 1 and 2 & Levels 2 and 3 during the year and there were no changes in valuation techniques during the year. The Group's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

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

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

19 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim consolidated financial statements were authorized for issue on February 11, 2025 by the Board of Directors of the Parent company.

20 CORRESPONDING FIGURES

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

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

21. GENERAL

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



Chief Executive



Chief Financial Officer



Director

