

NEELUM JHELUM HYDROPOWER COMPANY (PRIVATE) LIMITED

STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2025

		Dec-25	Jun-25
	Note	---- Rupees in Thousands ----	
ASSETS			
Non Current Assets			
Property, plant and equipment	4	346,908,792	351,759,065
Long term advances	5	767,966	722,965
		347,676,758	352,482,030
Current Assets			
Trade debts	6	19,011,846	19,731,846
Advances	7	7,633	3,840
Short term investments	8	14,232,380	4,876,660
Refund due from the Government		-	-
Interest accrued on bank deposits		798,374	73,767
Other receivables	9	6,234	5,894
Bank balances	10	29,957,572	45,013,712
		64,014,039	69,705,719
Total Assets		<u>411,690,797</u>	<u>422,187,749</u>
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized share capital:			
12,500,000,000 (2024: 12,500,000,000) ordinary shares of Rs. 10 each		<u>125,000,000</u>	<u>125,000,000</u>
Issued, subscribed and paid up capital	11	41,663,462	41,663,462
Share deposit money	12	79,305,971	79,305,971
Revenue reserve - accumulated loss		(99,825,298)	(85,369,162)
Shareholders' Equity		21,144,135	35,600,271
Non Current Liabilities			
Retention money payable	13	8,910,495	8,987,952
Current Liabilities			
Current portion of long term financing	14	167,614,986	167,614,986
Current portion of diminishing musharaka financing	15	5,250,000	10,500,000
Trade and other payables	16	51,150,988	46,884,082
Payable to WAPDA	17	9,000,000	9,000,000
Accrued mark-up on long term financing	18	147,774,117	142,832,662
Accrued mark-up on diminishing musharaka financing	19	5,087	7,030
Taxation - net	20	840,989	760,766
		381,636,167	377,599,526
Total Equity and Liabilities		<u>411,690,797</u>	<u>422,187,749</u>
Contingencies and Commitments	21	-	-

The annexed notes from 1 to 31 form an integral part of these financial statements.

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFICER

NEELUM JHELUM HYDROPOWER COMPANY (PRIVATE) LIMITED

STATEMENT OF PROFIT OR LOSS FOR THE PERIOD ENDED DECEMBER 31, 2025

		Dec-25	Dec-24
	Note	---- Rupees in Thousands ----	
Revenue	22	-	7,889,342
Operating costs	23	(5,786,763)	(6,038,374)
Gross (Loss) / Profit		(5,786,763)	1,850,968
Administrative expenses	24	(186,348)	(143,925)
Reversal for impairment loss		-	1,275,000
Other expenses	25	(4,401,012)	-
Finance cost	26	(5,582,819)	(8,136,928)
		(10,170,179)	(7,005,853)
Operating Loss		(15,956,942)	(5,154,885)
Other income	27	2,460,337	4,705,491
Loss before Levy and Taxation		(13,496,605)	(449,394)
Levy / final taxation		-	-
Loss before Taxation		(13,496,605)	(449,394)
Taxation	28	(959,531)	(1,835,141)
Net Loss for the Year		(14,456,136)	(2,284,535)

The annexed notes from 1 to 31 form an integral part of these financial statements.

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFI

NEELUM JHELUM HYDROPOWER COMPANY (PRIVATE) LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED DECEMBER 31, 2025

	Dec-25	Dec-24
	---- Rupees in Thousands ----	
Net Loss for the Year	(14,456,136)	(2,284,535)
<i>Other comprehensive income</i>		
<i>Items that will not be re-classified subsequently to profit or loss</i>	-	-
<i>Items that may be re-classified subsequently to profit or loss</i>	-	-
Other comprehensive income for the year	-	-
Total Comprehensive Loss for the Year	<u>(14,456,136)</u>	<u>(2,284,535)</u>

The annexed notes from 1 to 31 form an integral part of these financial statements.

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFICER

NEELUM JHELUM HYDROPOWER COMPANY (PRIVATE) LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED DECEMBER 31, 2025

	Issued, Subscribed and Paid up Capital	Share Deposit Money	Revenue Reserve Accumulated Loss	Total Shareholders' Equity
	---- Rupees in Thousands ----			
Balance as at June 30, 2024	41,663,462	79,305,971	(55,956,731)	65,012,702
Net loss for the year	-	-	(2,284,535)	(2,284,535)
Other comprehensive income for the year	-	-	-	-
Total comprehensive loss for the year	-	-	(2,284,535)	(2,284,535)
Balance as at December 31, 2024	<u>41,663,462</u>	<u>79,305,971</u>	<u>(58,241,266)</u>	<u>62,728,167</u>
Balance as at June 30, 2025	41,663,462	79,305,971	(85,369,162)	35,600,271
Net loss for the year	-	-	(14,456,136)	(14,456,136)
Other comprehensive income for the year	-	-	-	-
Total comprehensive loss for the year	-	-	(14,456,136)	(14,456,136)
Balance as at December 31, 2025	<u>41,663,462</u>	<u>79,305,971</u>	<u>(99,825,298)</u>	<u>48,272,031</u>

The annexed notes from 1 to 31 form an integral part of these financial statements.

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFICER

NEELUM JHELUM HYDROPOWER COMPANY (PRIVATE) LIMITED

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED DECEMBER 31, 2025

		Dec-25	Dec-24
	Note	---- Rupees in Thousands ----	
Loss before lavy and taxation		(13,496,605)	(449,394)
Adjustments for:			
- Delayed payment charges (FRL)	25	4,401,012	-
- Finance cost	26	5,582,819	8,136,928
- (Reversal) / provision for impairment loss		-	(1,275,000)
- Depreciation	26 & 27	4,764,257	4,772,429
- Interest income	27	(2,460,331)	(4,555,206)
- Currency translation exposure		(141,668)	(10,392)
		12,146,089	7,068,759
Operating profit before working capital changes		(1,350,516)	6,619,365
(Increase) / decrease in current assets			
- Trade debts - considered good		720,000	11,110,658
- Advances, deposits, prepayments		(3,793)	674,418
- Other receivables		(340)	(98)
Increase / (decrease) in current liabilities			
- Trade and other payables		4,925,632	112,698
		5,641,499	11,897,676
Increase in non - current assets			
- Long term advances	5	(45,001)	(1,179,626)
Decrease / (increase) in non - current liabilities			
- Retention money payable	13	(77,457)	10,725
		4,168,525	17,348,140
Cash Generated from Operations		4,168,525	17,348,140
- Interest income received		1,735,724	3,227,580
- Finance cost paid		(643,307)	(16,666)
- Income tax paid		(879,308)	(1,244,484)
		213,109	1,966,430
Net Cash Generated from Operating Activities		4,381,634	19,314,570
CASH FLOWS FROM INVESTING ACTIVITIES			
- Payment for acquisition of property, plant and equipment	5	(4,193,547)	(42,369)
- Proceeds from disposal of property, plant and equipment		-	-
- Investment in T-Bills - net	8	(9,355,720)	(41,331,167)
Net Cash Used in Investing Activities		(13,549,267)	(41,373,536)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment against Sukuk rentals		(638,507)	(2,216,684)
Repayment against long term diminishing musharka	15	(5,250,000)	(5,250,000)
Net Cash Used in Financing Activities	33	(5,888,507)	(7,466,684)
Net Increase in Cash and Cash Equivalents		(15,056,140)	(29,525,650)
Cash and cash equivalents at the beginning of year	11	45,013,712	35,949,367
Cash and Cash Equivalents at the End of the Year	10	29,957,572	6,423,717

The annexed notes from 1 to 31 form an integral part of these financial statements.

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFICER

1 THE COMPANY AND ITS ACTIVITIES

1.1 Neelum Jhelum Hydropower Company (Private) Limited (the "Company") was incorporated on November 18, 2004 as a private limited company under the Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017).

- The Company's main objective is the development and operation of Neelum Jhelum Hydropower Project for generation and sale of electricity.
- The Company is the wholly owned subsidiary of Pakistan Water and Power Development Authority (WAPDA).
- The total budget of the project is Rs. 506,809 million as per the fourth revised Project Cost (PC-1). The overall physical progress of the project as at 31 Dec, 2025 is 99.994%.

Registered Office:

- The registered office of the Company is located at Mega Project Complex, Rawal Rest House, Kashmir Chowk, Islamabad.

Head Office:

- The head office is located at C-3 Site of NJHPC Colony Chattar Kalas, Muzaffarabad, Azad Jammu and Kashmir (AJ&K).

Power Plant:

1.2 - The power station of the Company is located in Azad Kashmir, 22 km (14 miles) south of Muzaffarabad.

In 2008, vide office order No. 7705-07MFH/ADMN/FIN dated April 22, 2008, the Company took over certain properties, assets and rights from WAPDA on March 01, 2008 as agreed between the two parties under the Business Transfer Agreement (BTA), amounting the Rs 1.154 million. Company will issue shares to WAPDA against this amount as per note 12.

1.3 The Company's current liabilities exceed its current assets by Rs. 312,500 million (2025: Rs. 307,894 million) mainly due to classification of long term financing as current liabilities owing to default in payments of principal and interest amounts to Government of Pakistan (GoP) (refer to note 14.11). The main reason of non payment is non finalization of Reference Tariff, for which Company has submitted a petition to National Electricity Power Regulatory Authority (NEPRA), via Central Power Purchaser Agency (Guarantee) Limited, for notification of Final Reference Tariff, which was not heard due to pending, issue of third-party validation which is to be conducted by a consultant engaged through Planning Commission, Government of Pakistan. Resultantly, the Company was not able to sign long-term Power Purchase Agreement (PPA) with its customer, i.e. Central Power Purchaser Agency (Guarantee) Limited (CPPA(G)). Hence, company is unable to invoice its complete tariff and its recovery.

1.4 Disruption of operations

On April 04, 2024, the plant experienced a gradual reduction in production due to a decrease in water pressure. While this situation was managed through continued efforts, a further decrease in pressure led to a complete shutdown of the plant on May 01, 2024, for system safety. Inspections following dewatering operations revealed collapses in both the Left Headrace Tunnel (LHRT) and the Right Headrace Tunnel (RHRT) at Lot C2. Approximately 300 meters of the LHRT and 510 meters of the RHRT were blocked by rocks and mud, with additional minor damage observed in both twin tunnels and the single tunnel. Further, a significant portion of the inward in both the right and left head race tunnels were found to be in a deteriorated condition.

1.5 Repair of HRT Works

For the inspection of Headrace Tunnel dewatering process of HRT was started on 2nd May 2024 and completed on 06.08.2024. Also dewatering of TRT remained in progress during the month and upto 30.09.2024 the water level was 575.88 masl. In addition to above, Silt / Debris removal work from Adit A4, RHRT & LHRT is in progress since 11.07.2024 and approx-24,000 Cumcs Debris have been removed to date i.e. 30.09.2024.

2.1 Statement of Compliance

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

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

2.2 STATEMENT OF COMPLIANCE

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

- International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as are notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017; and
- The State-Owned Enterprises (Governance and Operations) Act, 2023.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS or IFAS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.4 The Company had already availed relaxations granted by SECP, via various S.R.O's, from application of IFRIC - 12 "Service Concession Arrangements", IAS 21 "Effect of changes in foreign exchange rates" to the extent of requirements in respect of accounting principles of capitalization of exchange difference, IAS-39.

2.5 The disclosures in these condensed interim financial statements do not include the information reported for full annual financial statements and should therefore be read in conjunction with the financial statements of the Company for the quarterly period ended December 31, 2025. Comparative condensed interim statement of financial position is extracted from annual financial statements as at June 30, 2025 whereas comparative condensed interim statement of profit or loss, condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows are extracted from un-audited condensed interim financial statements of the Company for the three month period ended December 31, 2024

2.6 These condensed interim financial statements are un-audited and are being submitted to the members as required under Section 237 of the Companies Act, 2017 and in compliance with Corporate Governance Rule for Public Sector Company 2013.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies, significant judgements made in the application of accounting policies, key sources of estimations, the methods of computation adopted in preparation of these condensed interim financial statements and financial risk management policy are the same as those applied in preparation of financial statements of the Company for the Quarter ended December 30, 2025.

Note 4

Property, Plant and Equipment

	Dec-25	Jun-25
	---- Rupees in Thousands ----	
Operating fixed assets	4.1	345,814,011
Stores held for capitalization / Advances to suppliers	4.3	1,094,008
		<u>346,908,792</u>
		<u>351,759,065</u>

4.1 Operating fixed assets

Period Ended December 31, 2025

	Freehold Land	Operation Buildings and Civil Works Structure	Power Generation Plant Assets	Transmission and Transformation Equipment	Dams and Reservoir Assets	Tunnels, Weir, Head / Tail Race	General Plant Assets	Other Physical Asset	Vehicles	Office Equipment	Furniture and Fittings	Total
----- Rupees in Thousands -----												
Cost												
Balance as at July 01, 2025	4,850,386	49,451,808	32,446,506	37,729,797	68,022,108	187,977,771	26,889,518	7,670,026	123,522	23,394	13,806	415,198,642
Additions	1,000	-	-	-	-	-	46,303	-	-	7,576	-	54,879
Transferred from CWIP	-	(15,718)	(14,093)	(16,387)	(21,604)	(59,749)	(11,679)	(2,438)	-	-	-	(141,668)
Balance at December 31, 2025	<u>4,851,386</u>	<u>49,436,090</u>	<u>32,432,413</u>	<u>37,713,410</u>	<u>68,000,504</u>	<u>187,918,022</u>	<u>26,924,142</u>	<u>7,667,588</u>	<u>123,522</u>	<u>30,970</u>	<u>13,806</u>	<u>415,111,853</u>
Accumulated depreciation												
Balance as at July 01, 2025	-	6,811,026	8,712,469	7,242,698	9,367,815	25,891,499	5,354,072	1,052,529	69,644	19,124	12,709	64,533,585
Depreciation charged during the year	-	495,823	659,279	571,503	682,027	1,884,724	390,528	76,940	2,755	605	73	4,764,257
Balance at December 31, 2025	<u>-</u>	<u>7,306,849</u>	<u>9,371,748</u>	<u>7,814,201</u>	<u>10,049,842</u>	<u>27,776,223</u>	<u>5,744,600</u>	<u>1,129,469</u>	<u>72,399</u>	<u>19,729</u>	<u>12,782</u>	<u>69,297,842</u>
Balance at December 31, 2025	<u>4,851,386</u>	<u>42,129,241</u>	<u>23,060,665</u>	<u>29,899,209</u>	<u>57,950,662</u>	<u>160,141,799</u>	<u>21,179,542</u>	<u>6,538,119</u>	<u>51,123</u>	<u>11,241</u>	<u>1,024</u>	<u>345,814,011</u>

Year Ended June 30, 2025

	Freehold Land	Operation Buildings and Civil Works Structure	Power Generation Plant Assets	Transmission and Transformation Equipment	Dams and Reservoir Assets	Tunnels, Weir, Head / Tail Race	General Plant Assets	Other Physical Asset	Vehicles	Office Equipment	Furniture and Fittings	Total
----- Rupees in Thousands -----												
Cost												
Balance as at July 01, 2024	4,813,865	49,425,476	32,429,229	37,709,707	67,985,888	187,877,678	26,871,399	7,637,044	110,283	22,664	13,806	414,897,039
Additions	36,521	-	-	-	-	-	3,803	28,913	13,239	730	-	83,206
Transferred from CWIP	-	26,332	17,277	20,090	36,220	100,093	14,316	4,069	-	-	-	218,397
Balance as at June 30, 2025	<u>4,850,386</u>	<u>49,451,808</u>	<u>32,446,506</u>	<u>37,729,797</u>	<u>68,022,108</u>	<u>187,977,771</u>	<u>26,889,518</u>	<u>7,670,026</u>	<u>123,522</u>	<u>23,394</u>	<u>13,806</u>	<u>415,198,642</u>
Accumulated depreciation												
Balance as at July 01, 2024	-	5,819,992	7,394,871	6,100,453	8,004,604	22,124,379	4,543,830	899,366	65,940	17,957	12,564	54,983,956
Depreciation charged during the year	-	991,034	1,317,598	1,142,245	1,363,211	3,767,120	810,242	153,163	3,704	1,167	145	9,549,629
Balance at June 30, 2025	<u>-</u>	<u>6,811,026</u>	<u>8,712,469</u>	<u>7,242,698</u>	<u>9,367,815</u>	<u>25,891,499</u>	<u>5,354,072</u>	<u>1,052,529</u>	<u>69,644</u>	<u>19,124</u>	<u>12,709</u>	<u>64,533,585</u>
Balance as at June 30, 2025	<u>4,850,386</u>	<u>42,640,782</u>	<u>23,734,037</u>	<u>30,487,099</u>	<u>58,654,293</u>	<u>162,086,272</u>	<u>21,535,446</u>	<u>6,617,497</u>	<u>53,878</u>	<u>4,270</u>	<u>1,097</u>	<u>350,665,057</u>
Rate of depreciation - %	-	2%	3% to 4%	2% to 5%	2%	2%	3% to 5%	2%	3% to 20%	10% to 25%	10%	

4.1.1 Depreciation rates have been rounded off to the nearest whole numbers to simplify financial calculations and particularly to deal with large number of assets with varying depreciation rates. It eliminates the need for handling fractional percentages making financial statements more comprehensible.

Note 4, Property, Plant and Equipment - Continued...

4.1.2 The Company holds the possession of the land, as "Kaasht-kar" in "Jama Bandi" records of Tehsildar of Azad Jammu and Kashmir Government. The legal title of the land, however, is in the name of Government of Azad Jammu and Kashmir, as per the provisions of Jammu and Kashmir Alienation of Land Act, 1995.

		Dec-25	Jun-25
	Note	---- Rupees in Thousands ----	
4.1.3 Depreciation charge for the year has been allocated as follows:			
Operating cost	23	4,746,514	9,549,432
Administrative expenses	24	1,473	197
		4,747,987	9,549,629

4.1.4 Particulars of immovable property (land and building) of the Company are as follow:

Location	Usage of immovable property	Total Area (Square feet)
C-1	Dam Site	8,352,629 (2025: 8,352,629)
C-2	Manage operations through access tunnels	4,427,000 (2025: 4,427,000)
C-3	Power house, office and colony	7,154,729 (2025: 7,154,729)

4.1.5 The Property, plant and equipment include Musharka assets amounting to Rs. 133,000 million (2025: Rs. 133,000 million) sold to investment agent, M/s Pak Brunei Investment Company at an aggregate price of Rs. 100,000 million (2025: Rs. 100,000 million) under diminishing Musharka arrangements. Under the agreement, the Company will buy back its share of Musharka assets over a period of ten years. However, the Company continues to retain the legal title of these Musharka assets.

4.1.6 Operating fixed assets include fully depreciated assets amounting to Rs. 94.70 million (2025: Rs. 94.70 million).

4.2 The Company has availed relaxations granted by the Securities and Exchange Commission of Pakistan (SECP), through various S.R.Os, from the application of IFRIC 12 "Service Concession Arrangements" and IAS 21 "The Effects of Changes in Foreign Exchange Rates", to the extent of capitalization of exchange differences.

In accordance with these relaxations, the exchange differences arising from retention money payable and other foreign currency payables are netted off against the exchange differences arising on foreign currency bank balances. The net impact is transferred to Capital Work in Progress (CWIP) and apportioned to operating fixed assets excluding land, vehicles, office equipment and furniture and fitting proportionately. During the period ended December 31, 2025, a net exchange loss aggregating to Rs. 74.903 million (2025: Rs. 218.397 million) was transferred to CWIP and subsequently capitalized into operating fixed assets.

Note 5

Long Term Advances

		Dec-25	Jun-25
	Note	---- Rupees in Thousands ----	
Advances against capital expenditure - unsecured	5.1	767,966	722,965

5.1 Advances against capital expenditure - unsecured

Balance as at July 01, 2025	Addition	Transfer to Operating Fixed Assets	Balance as at Dec 31, 2025
Note ----- Rupees in Thousands -----			

Advances:

PD Central Material testing Laboratory WAPDA		3,187	-	-	3,187
Electricity Department AJK		1,719	-	-	1,719
Chief Resident Representative	5.1	-	44,851	-	44,851
GM/PD Tarbela Dam	5.2	1,014	-	-	1,014
Executive Engineer PP&H Department	5.3	716,820	-	-	716,820
Chief Engineer Central Design Office Lahore		225	150	-	375
		722,965	-	-	767,966
		722,965	45,001	-	767,966

	Balance as at July 01, 2024	Addition	Transfer to Operating Fixed Assets	Balance as at June 30, 2025
Note	----- Rupees in Thousands -----			
Advances:				
PD Central Material				
testing Laboratory WAPDA	3,187	-	-	3,187
Electricity Department AJK	1,719	-	-	1,719
Chief Resident Representative 5.1	191,903	-	(191,903)	-
GM/PD Tarbela Dam 5.2	1,014	-	-	1,014
Executive Engineer				
PP&H Department 5.3	300,000	416,820	-	716,820
Chief Engineer Central				
Design Office Lahore	225	-	-	225
	498,048	416,820	(191,903)	722,965
	531,567	416,820	(225,422)	722,965

5.1 This advance was provided to Chief Resident Representative Karachi (CRRK) WAPDA against the clearance of machinery imported by the contractor (refer to Note 5.1).

5.2 This represents advances provided to the General Manager and Project Director, Tarbela Dam, for the reaming of drain holes in the drainage gallery at the Neelum Jhelum Hydropower Powerhouse Complex, similar to the work performed in 2022.

5.3 This represents advances provided to the Chief Engineer, Physical Planning & Housing (PP&H) Department, Government of Azad Jammu & Kashmir, Muzaffarabad, for the construction of an intake weir and installation of a flow metering system at Makri, Muzaffarabad.

Note 6

Trade Debts

	Dec-25	Jun-25
Note	---- Rupees in Thousands ----	
Sale of electricity - considered good	348,063	1,068,063
Delayed payment charges:		
- considered good	18,663,783	18,663,783
- considered doubtful	7,316,664	7,316,664
	26,328,510	27,048,510
Less: Provision against delayed payments charges 6.1	(7,316,664)	(7,316,664)
	19,011,846	19,731,846
6.1 Provision against delayed payments charges		
Opening balance	7,316,664	8,641,664
Add: Impairment allowance for the year - net	-	-
	7,316,664	8,641,664
Less: Reversal of credit loss allowance	-	(1,325,000)
Closing balance	7,316,664	7,316,664
6.2 Trade debts include amount due from related parties as under:		

Name of Related Party	Gross Amount Due	Past due Amount	Provision for impairment allowance	Reversal of Provision for impairment allowance	Amount Written Off	Net Amount Due	Maximum Amount Standing at Any Time During The Year
----- Rupees in Thousands -----							
CPPA(G)	26,328,510	-	7,316,664	-	-	19,011,846	26,328,510

Aging of outstanding balances due from related parties as at June 30, 2025 is as under:

	Dec-25	Jun-25
	---- Rupees in Thousands ----	
Not past due	-	-
Past due 0-30 days	-	-
Past due 31-120 days		1,030,675
Past due over 120 days	27,048,510	26,017,835
Total trade debts	27,048,510	27,048,510
Less: Provision against delayed payment charges	7,316,664	7,316,664
	19,731,846	19,731,846

Note 6, Trade Debts - Continued...

- 6.3** The Company's trade debts represent amounts receivable from CPPA(G) (a company controlled by the Government of Pakistan) against the sale of electricity and late payment surcharge. Through SRO 1177(I), issued by SECP on September 20, 2021, companies holding financial assets due from the Government of Pakistan in respect of circular debt were granted exemption from applying the expected credit loss (ECL) model under IFRS 9 (Financial Instruments) up to June 30, 2022. This exemption was subsequently extended by SECP through SRO 67(I)/2023 dated January 20, 2023, until December 31, 2024. Furthermore, as per SECP's press release dated November 11, 2024, the exemption has now been extended for financial years ending on or before December 31, 2025.
- 6.4** Late payment surcharge is receivable from CPPA(G), a related party. To prudently manage the credit risk associated with this balance, the Company has recognized a provision for expected credit loss. This reflects a cautious approach, acknowledging the uncertainty of recovery in light of CPPA(G)'s historical payment pattern with respect to late payment surcharge.

Note 7

Advances

	Dec-25	Jun-25
	---- Rupees in Thousands ----	
Unsecured - considered good		
Advance to employees against expenses - unsecured	7,633	3,840
Advance against purchase of assets	-	-
	<u>7,633</u>	<u>3,840</u>

Note 8

Short Term Investments

	Dec-25	Jun-25
	---- Rupees in Thousands ----	
At amortized cost		
Treasury bills	8.1 <u>14,232,380</u>	<u>4,876,660</u>

- 8.1** The Company made several investments in Treasury Bills (T-Bills) issued by the State Bank of Pakistan during the period. The total amount invested was Rs. 1,500 million through both competitive and non-competitive bidding, with yields ranging from 10.989% to 12.799% over periods of three to six months.

Note 9

Other Receivables

	Dec-25	Jun-25
	---- Rupees in Thousands ----	
Unsecured - Considered good		
Due from related party:		
Project Director Surface Water Hydrology Project - WAPDA	9.1 <u>1,750</u>	<u>1,750</u>
WAPDA Welfare Fund	<u>2,122</u>	<u>1,782</u>
	3,872	3,532
Others:		
Sukuk CDC security deposit	<u>300</u>	<u>300</u>
Security deposit for fuel cards	<u>1,410</u>	<u>1,410</u>
Miscellaneous advances	<u>652</u>	<u>652</u>
	<u>2,362</u>	<u>2,362</u>
	<u>6,234</u>	<u>5,894</u>

9.1 Aging analysis of due from related party:

Past due 0 - 365 days	748	531
365 - 730 days	375	295
730 - 1095 days	210	167
above 1095 days	<u>2,539</u>	<u>2,539</u>
	<u>3,872</u>	<u>3,532</u>

- 9.2** The maximum amount due from above receivables at the end of any month during the year was Rs. 3.872 million (2025: Rs. 3.532 million).

Note 10

Bank Balances

	Dec-25	Jun-25
	---- Rupees in Thousands ----	
Local currency		
- Mark-up based deposits and saving accounts - conventional banks	10.1 <u>27,868,845</u>	<u>42,872,630</u>
- Profit based deposits and saving accounts - shariah compliant banks	10.1 <u>98,804</u>	<u>143,222</u>
	27,967,649	43,015,852
Foreign currency - current accounts [USD 7,103,744 (Jun-2025: USD 7,040,580)]	11.2 <u>1,989,923</u>	<u>1,997,860</u>
	11.3 <u>29,957,572</u>	<u>45,013,712</u>

- 10.1** Saving accounts yield interest / profit at floating rates based on daily bank deposit rates ranging from 10.50% to 11.50% (2025: 10.50% to 11.50%) per annum.

Note 11, Bank Balances - Continued..

11.1.1 Bank deposits of Rs. 98.73 million (2025: Rs. 143.15 million) are under lien against Diminishing Musharka Sukuk certificates issued under Musharka agreement with M/s Pak Brunei Investment Company Limited. These funds are restricted and cannot be utilized for general business operations.

11.2 Exchange gain / (loss) of Rs. 141.668 million (2025: Rs. 36.73 million) has been taken to capital work in progress (refer to Note 4.2).

11.3 The above figure of bank balances reconcile to the amount of cash and cash equivalents shown in the statement of cash flows.

Note 11

Issued, Subscribed and Paid up Capital

Dec-25	Jun-25		Dec-25	Jun-25
Number of Shares		Note	---- Rupees in Thousands ----	
		Ordinary shares of Rs. 10 each fully paid in cash		
<u>4,166,346,230</u>	<u>4,166,346,230</u>	11.1	<u>41,663,462</u>	<u>41,663,462</u>

11.1 This represents shares held by WAPDA and its nominees. All shares rank equally with regards to the Company's residual assets.

11.2 The company intends to issue shares to the Government of Pakistan through the Ministry of Water Resources (MoWR). This issuance will be in exchange for the Neelum Jhelum surcharge amount.

11.3 Shares held by related parties are as follows:

	Dec-25	Jun-25	Dec-25	Jun-25
	(Percentage)		(Number of Shares)	
WAPDA	<u>99.99%</u>	<u>99.99%</u>	<u>4,166,346,230</u>	<u>4,166,346,230</u>

11.4 Movement in number of shares issued

Opening balance	4,166,346,230	4,166,346,230
Issuance of further shares / (shares cancelled) during the year	-	-
Closing balance	<u>4,166,346,230</u>	<u>4,166,346,230</u>

11.5 All ordinary shares rank equally with regard to residual assets of the Company. Ordinary shareholders are entitled to receive all distributions including dividends and other entitlements in the form of bonus and right shares as and when declared by the Company. Voting and other rights are in proportion to the shareholding.

Note 12

Share Deposit Money

		Dec-25	Jun-25
	Note	---- Rupees in Thousands ----	
Neelum Jhelum surcharge	12.1	74,005,961	74,005,961
Assets acquired	12.2	1,154,462	1,154,462
Equity from WAPDA	12.3	<u>4,145,548</u>	<u>4,145,548</u>
		<u>79,305,971</u>	<u>79,305,971</u>

12.1 This represents equity contributions of the Government of Pakistan, which were collected in the form of Neelum Jhelum Surcharge, from electricity consumers of distribution companies (DISCOs) operating in Pakistan, levied through S.R.O(I)/2008 dated January 4, 2008.

The Company has received Rs. 75,417 million till June 30, 2021, from amounts collected by these DISCOs. As per Office Memorandum F.No.5/29/2016-17 of Ministry of Energy (Power Division) dated July 2, 2018, the Economic Coordination Committee of the Cabinet in their decision no. EC-71/13/2018 dated May 31, 2018 decided that the Neelum Jhelum Surcharge will be rescinded at the achievement of Commercial Operation Date (CoD) of the whole project.

As per office memorandum PF No.5/29-NJS/2020-21 Ministry of Energy (Power Division) dated March 24, 2021, the Economic Coordination Committee of the Cabinet in their decision no. ECC-53/6/2021 dated February 19, 2021 decided that Neelum Jhelum Surcharge collected by DISCOs after December 28, 2018, the taking over date of all units of the Company, may be returned to the customers. This date of taking over of all units is considered as CoD and the Company has recorded amount received in excess of surcharge billed up to December 28, 2018 as liability (refer to note 16.3).

12.2 These represent asset acquired from WAPDA under the Business Transfer Agreement.

12.3 This represents equity investment of WAPDA in the Company.

Note 13

Retention Money Payable

	Dec-25	Jun-25
	---- Rupees in Thousands ----	
Retention money payable	8,910,495	8,866,059

13.1 This represents retention money payable to the contractor for civil works, amounting to 5% of the value of the interim payment certificate, with 2.5% applicable to the Tail Race Tunnel work; 50% retention money has been released on issuance of completion certificate by the Company, and the remaining will be released on expiry of defect liability period which is one year from the date of issuance of completion certificate.

13.2 This amount comprise Rs. 2,412 million, USD 22.88 million and EUR 0.23 million payable to contractors. The exchange gain / (loss) amounting to Rs. 76.136 million (2025: Rs. 125.372 million) is taken to capital work in progress (Note 4.2).

Note 14

Current Portion of Long Term Financing

	Note	Dec-25	Jun-25
		---- Rupees in Thousands ----	
Foreign Relent Loans (FRL) in Local Currency:			
- Islamic Development Bank- I (IDB)		12,867,871	12,867,871
- Islamic Development Bank- II (IDB)		16,880,118	16,880,118
- Saudi Fund for Development- I (SFD)		7,986,975	7,986,975
- Saudi Fund for Development- II (SFD)		8,018,124	8,018,124
- OPEC Fund for International Development - I		2,666,603	2,666,603
- OPEC Fund for International Development - II		4,932,216	4,932,216
- Kuwait Fund for Arab Economic Development - I & II (KFD)		7,454,055	7,454,055
- EXIM Bank China I		45,700,340	45,700,340
- EXIM Bank China II		41,961,982	41,961,982
	14.1	148,468,284	148,468,284
From related parties (Unsecured):			
- Cash Development Loan-1 (CDL-1)		4,495,363	4,495,363
- Cash Development Loan-2 (CDL-2)		1,400,823	1,400,823
- Cash Development Loan-3 (CDL-3)		13,250,516	13,250,516
	14.2	19,146,702	19,146,702
		<u>167,614,986</u>	<u>167,614,986</u>

14.1 These loans are relent to the Company by the Government of Pakistan (GoP) for Neelum Jhelum Hydropower Project under subsidiary loan agreements (SLA) on following term and conditions:

	Date of Agreement	Markup			Redemption Including Grace Period (Year)
		Intrest Rate	ERF	Total	
Islamic Development Bank- I (IDB)	June 03, 2009	8.20%	6.80%	15%	20
Islamic Development Bank- II (IDB)	June 30, 2011	8.20%	6.80%	15%	20
Saudi Fund for Development- I (SFD)	February 02, 2011	8.20%	6.80%	15%	20
Saudi Fund for Development- II (SFD)	November 18, 2011	8.20%	6.80%	15%	20
OPEC Fund for International Development- I	March 23, 2010	8.20%	6.80%	15%	20
OPEC Fund for International Development- Kuwait Fund for Arab Economic	October 1, 2013	8.20%	6.80%	15%	20
EXIM Bank China I	January 30, 2012	8.20%	6.80%	15%	26
EXIM Bank China I	October 29, 2018	8.20%	6.80%	15%	15
EXIM Bank China II	September 29, 2016	6.90%	5.10%	12%	12.5

Note 14, Current Portion of Long Term Financing - Continued...

14.2 Cash Development Loan (CDL)

Loan	Date of Agreement	Rate of Interest	Limit	Loan Utilized	Redemption period
--- Rupees in Thousands ---					
CDL-1 (2006-07)	May 06, 2007	11.78%	5,270,027	5,270,027	25 years
CDL-2 (2012-13)	March 15, 2013	10.65%	1,500,000	1,500,000	25 years
CDL-3 (2013-14)	March 15, 2013	11.79%	14,000,000	14,000,000	25 years

These represent loans from Government of Pakistan (GoP) issued to WAPDA, for Neelum Jhelum Hydropower Project and allocated to the Company.

14.3 The Company did not repay the installment of Foreign Relent Loans (FRL) and Cash Development Loans (CDL) as per agreed repayment schedules. Due to the fact that the Company is not receiving the entire amount invoiced to CPPA(G), Rs. 19,011 million (2025: Rs. 25,134 million) which are still receivable from CPPA(G), the Company is unable to pay aforementioned loans on its due dates, because of shortage of funds. The Company does not have an unconditional right to defer the settlement of these loans for at least twelve months after the reporting date. As a result, installment not paid by the Company on its due dates of these loans, the management has classified the Principal of FRLs and CDLs amounting to Rs. 148,468 million (2025: Rs. 148,468 million) and Rs. 19,147 million (2025: Rs. 19,147 million), respectively, as current liabilities. Late payment charges on overdue amount of Foreign Relent Loans (FRL) have been disclosed in note 25. Additional interest has, however, not been charged, on the amounts from the date when they are due.

14.4 Loans un-utilized limits - US Dollars (\$)

The utilized Foreign Relent Loans balance converted to US dollars are provided as follows:

	Total Limit	Utilized upto July 01, 2025	Utilized during the Year	Utilized upto Dec 31, 2025	Un-utilized Limit as at Dec 31, 2025	Un-utilized Limit as at Dec 31, 2025
----- USD in Thousands -----						
IDB-I	137,640	137,640	-	137,640	-	-
IDB-II	220,000	173,510	-	173,510	46,490	46,490
SFD-I	81,000	79,905	-	79,905	1,095	1,095
SFD-II	100,000	76,338	-	76,338	23,662	23,662
OFID-I	31,100	31,100	-	31,100	-	-
OFID-II	50,000	44,898	-	44,898	5,102	5,102
KFD-I	42,000	42,000	-	42,000	-	-
KFD-II	32,000	32,000	-	32,000	-	-
EXIM Bank China-I	448,000	448,000	-	448,000	-	-
EXIM Bank China-II	576,000	366,800	-	366,800	209,200	209,200
	<u>1,717,740</u>	<u>1,432,191</u>	<u>-</u>	<u>1,432,191</u>	<u>285,549</u>	<u>285,549</u>

Note 15

Current Portion of Diminishing Musharka Financing

	Dec-25	Jun-25
	---- Rupees in Thousands ----	
Diminishing Musharka Sukuk Certificates - Secured	10,500,000	21,000,000
Less: Payments made during the year	<u>(5,250,000)</u>	<u>(10,500,000)</u>
	5,250,000	10,500,000
Less: Current portion of Diminishing Musharka Sukuk	<u>(5,250,000)</u>	<u>(21,000,000)</u>
	<u>-</u>	<u>(10,500,000)</u>

- 15.1** During the year ended June 30, 2016 the Company entered into a Diminishing Musharka arrangement with an investment agent, M/s Pak Brunei Investment Company as co-owner of Musharka assets. Under the agreement the Company sold the Musharka assets of Rs. 133,000 million as referred in note 4.1.5 to the investment agent at a price of Rs. 100,000 million. As per the agreement, the Company is required to buy back its share of Musharka assets over the term of the agreement. The Company issued 1,000,000 Sukuk certificates of Rs. 100,000 per certificate to the investment agent against these Musharka assets.
- 15.2** The Sukuk certificates carry profit at the rate of 6 months KIBOR plus a spread of 1.75% with semi annual rental payments. The Company will be entitled to a rebate of 0.62% in case the installments (rental + principal) are made within 30 days of due date. The tenure of Sukuk certificates are 10 years including 2 years grace period and repayment is to be made in 8 years which will commence from fifth instalment of each tranche.
- 15.3** These certificates have been issued to generate funds for the construction of the project under the Islamic mode of financing. Under this Musharka arrangement, the Company has sold the beneficial ownership of certain assets mainly relating to the reservoir, power station and power generating plant, to the investment agent (for the benefit of Sukuk holders) although legal title remains with the Company. The Sukuk certificates have been issued under Section 66 "Issue of securities and redeemable capital not based on interest" of the Companies Act, 2017. The Sukuk certificates are unlisted and have been inducted into the Central Depository System of the Central Depository Company of Pakistan. As per the financing document, the Company is required to comply with financial covenants which include current ratio, minimum interest coverage ratio and debt to equity ratio. The Company did not comply with these financial covenants as of the reporting date, mainly owing to classification of long term financing as current liabilities (refer to Note 14.3) and non-finalization of final tariff.

Note 16

Trade and Other Payables

	Note	Dec-25	Jun-25
		---- Rupees in Thousands ----	
Payable to the contractor	16.1	7,456,073	7,547,326
Late payment surcharge on foreign relent loans	16.2	41,746,900	37,345,888
Neelum Jhelum Surcharge payable	16.3	1,492,450	1,492,450
Employee benefits payable		285,946	265,452
Payable to the consultant		124,279	180,000
Withholding income tax payable		5,252	7,806
Rent payable against leasehold land	16.4	-	11,127
Other payables		40,088	34,033
		<u>51,150,988</u>	<u>46,884,082</u>

- 16.1** This mainly includes invoices by contractors against civil works and Electrical, Mechanical, and Hydraulic (EMH) works that are yet to be approved by Neelum Jhelum Consultants (NJC). Net exchange gain / (loss) of Rs. (141.668) million (2025: Rs. 129.754 million) arisen during the year has been capitalized to capital work in progress (refer to Note 4.2).
- 16.2** This represents the late fee charges on due installments (principal and interest) of foreign relent loans. As per the subsidiary loan agreements and sanction letters of foreign relent loans, the Company has to pay 1% of the amount due in the first year of default, 2% in the second year of default, 3% in the third year of default and so on.
- 16.3** As discussed in note 12.1, this amount represents excess amount of Neelum Jhelum Surcharge received by the Company. The Company has not recognized this amount as share deposit money, as it is probable that this amount will be repaid to the Ministry of Energy for utilization elsewhere. An amount of Rs. 7,137 million is payable to DISCOs on account of surcharge billed and collected for the period after December 28, 2018, whereas an amount of Rs. 5,645 million is receivable from DISCOs on account of amount billed till December 28, 2018. The Company expects to make a net settlement to the Ministry of Energy or its departments when instructed.
- 16.4** This represents the amount payable to various land owners, recorded as an accrual for operating lease of land measuring 178 kanals, situated at the HFO Plant (C2 site), contractor camps and company site offices.

Note 17

Payable to WAPDA

		Dec-25	Jun-25
	Note	---- Rupees in Thousands ----	
Payable to WAPDA (Power)	18.1	<u>9,000,000</u>	<u>9,000,000</u>

17.1 This represents amount payable to WAPDA (Power) on account of principal and interest payments in respect of various foreign relent and local loans on behalf of the Company, vide letter GMF(P)/MFHQ/Loans/NJHPC/38-39 and GMF(P)/MFHQ/Loans/NJHPC/40-41. The Company is in the process of finalizing the terms and conditions for the repayment of this amount. The amount is considered payable on demand and does not carry any interest until terms and conditions are finalized.

Note 18

Accrued Mark-up on Long Term Financing

		Dec-25	Jun-25
	Note	---- Rupees in Thousands ----	
Mark-up accrued on long term financing			
Foreign relent loans	18.1	136,331,610	132,376,416
Cash development loans	18.2	<u>11,442,507</u>	<u>10,456,246</u>
		<u>147,774,117</u>	<u>142,832,662</u>
18.1 Foreign relent loans			
Payable to Government of Pakistan			
- Balance as at July 01,		88,313,664	85,409,970
- Interest accrued during the year		2,595,707	6,358,537
- Less: Payments made		-	(3,454,843)
		90,909,371	88,313,664
Loan through WAPDA			
- Balance as at July 01,		44,062,752	41,104,223
- Interest accrued during the year		1,359,487	3,411,157
- Less: Payments made		-	(452,628)
	18.3	<u>45,422,239</u>	<u>44,062,752</u>
		<u>136,331,610</u>	<u>132,376,416</u>
18.2 Cash development loans			
Loan through WAPDA			
- Balance as at July 01,		10,456,246	8,404,359
- Interest accrued during the year		986,261	2,051,887
- Less: Payments made		-	-
	18.3	<u>11,442,507</u>	<u>10,456,246</u>
		<u>147,774,117</u>	<u>142,832,662</u>

18.3 These Loans were processed through WAPDA for the Company and now re-payments are made directly to the Ministry of Finance (MoF).

Note 19

Accrued Mark-up on Diminishing Musharka Financing

	Dec-25	Jun-25
	---- Rupees in Thousands ----	
Opening balance	7,030	24,408
Mark-up accrued during the year	636,564	3,262,001
Less: Payment made	<u>(638,507)</u>	<u>(3,279,379)</u>
Closing balance	<u>5,087</u>	<u>7,030</u>

Note 20

Taxation - net

		Dec-25	Jun-25
	Note	---- Rupees in Thousands ----	
Opening balance		760,766	214,419
Add:			
Prior period tax adjustment		-	-
Provision for the year	29	<u>959,531</u>	<u>2,729,419</u>
		1,720,297	2,943,838
Less: Tax paid during the year / advance tax		<u>(879,308)</u>	<u>(2,183,072)</u>
Closing balance		<u>840,989</u>	<u>760,766</u>

Note 21

Contingencies and Commitments

- 21.1** Neelum Jhelum Consultants (NJC) had issued a letter to Neelum Jhelum Hydropower Company wherein they have apprised the notice sent to NJC by AJK-IRD for application of Sales Tax @ 15% on services rendered by NJC. Further, NJC has claimed that if they are to be registered with AJK-IRD, the burden of the estimated Sales Tax of Rs 1,476 Million from Tax Year 2016 to 2022 will ultimately be borne by the Company. NJC has sent a formal claim of Sales Tax on Services on July 21, 2023, on the mere assumption that the Company will bear the burden of this Sales Tax. The Company has approached the tax Consultants for a legal opinion on this matter. However, the Tax consultants in their initial opinion have concluded that this would not be passed on to NJHPC due to the non-registration of NJC in AJK-IRD. The management of the Company and NJC are in discussion to resolve this matter amicably.
- 21.2** During the year 2023, the Company lodged an insurance claim with M/s National Insurance Company Limited (NICL) for costs related to the repair of tunnel damage and business interruption losses that occurred during the year. The Management lodged a claim amounting to Rs. 43,620 million, but M/s National Insurance Company Limited (NICL) accept the claim of Rs. 7,456 million and it is under negotiation and is yet to be finalized.
- 21.3** As confirmed by the legal consultant, a case titled Mr. Muhammad Feroze Vs NJHPC (Appeal No. 377 (R) CS/2021) is pending before the Federal Service Tribunal, Islamabad. The case pertains to the claim for leave encashment amounting to Rs. 125,000 in respect of 76 days leave salary. During the year, the petitioner Mr. Muhammad Feroze, expired, and his legal heir (wife) is in the process of becoming a party to the proceedings. As of June 30, 2025, the case remains undecided. In connection with this matter, legal fees amounting to Rs. 21,000/- have been agreed with the Advocate, of which Rs. 10,500 has already been paid and the balance of Rs. 10,500 remains payable. Since the outcome of the case is uncertain and presently sub-judice, no provision has been recognized in these financial statements.
- 21.4 Commitment**
There are no material commitment at the reporting date (2025: Nil.)

Note 22

Revenue		06 months Dec-25	06 months Dec-24	03 months Dec-25	03 months Dec-24
	Note	---- Rupees in Thousands ----			
Sale of electricity		-	-	-	-
Late payment surcharge		-	7,889,342	-	3,698,865
	22.3	<u>-</u>	<u>7,889,342</u>	<u>-</u>	<u>3,698,865</u>

22.1 The Company's revenue from the sale of electricity has been discontinued since May 1, 2024, due to the collapse of the Head Race Tunnel (HRT). As a result, operations were interrupted since then. The estimated revenue loss from this incident for the year is Rs. 19,241 million (2025: Rs. 37,120 million).

Note 23

Operating costs

		Dec-25	Dec-24	Dec-25	Dec-24
	Note	---- Rupees in Thousands ----			
Salaries, wages and other benefits		417,607	419,292	202,966	191,671
Employee benefits	23.1	37,301	32,831	28,975	8,657
Security expenses	23.2	120,423	132,910	59,764	66,345
Purchase of electricity		-	239	-	00
Rent, rates and taxes		1,276	60	101	30
Vehicle running expenses		19,975	24,307	10,793	13,458
Travelling expenses		2,538	2,906	1,195	1,279
Legal and professional fees		146	601	146	447
Insurance		227,170	208,432	113,585	59,151
Utilities		140,398	146,493	71,685	60,667
Repairs and maintenance:				-	
- Tail Race Tunnel		(683)	66,346	(683)	95,974
- Power house		12,698	29,851	3,672	1,298
- Head Race Tunnels		46,033	185,018	4,523	44,646
- Colony & Office		3,686	6,093	825	4,241
- Others		4,973	196	4,864	125
Dams inspection and monitoring costs		1,728	5,780	-	4,780
Communication charges		2,421	2,852	1,428	1,846
Printing and stationery		899	758	498	390
Advertisement and periodicals		771	160	-	160
Depreciation	4.1.3	4,746,514	4,772,549	2,374	2,386,275
Bank and other charges		14	16	5	10
Miscellaneous expenses		875	685	336	307
		<u>5,786,763</u>	<u>6,038,374</u>	<u>506</u>	<u>2,941,756</u>

23.1 This includes Rs. 8.10 million (2025: Rs. 2.28 million) related to pension for staff deputed by WAPDA to the Company. The pension for these deputed employees is payable to them by WAPDA.

23.2 This represents expenses incurred by the Company for security personnel services provided by the Azad Jammu and Kashmir (AJK) Police Department. The Company engages the services of the AJK Police Department to provide security personnel at its premises and facilities located in Azad Jammu and Kashmir.

Note 24

Administrative Expenses

		06 months Dec-25	06 months Dec-24	03 months Dec-25	03 months Dec-24
	Note	---- Rupees in Thousands ----			
Salaries, wages and other benefits		119,370	108,571	59,145	52,768
Employee benefits	24.1	19,263	5,953	15,118	1,182
Legal and professional fees		24,188	4,138	9,404	1,056
Fees and subscription		3,100	6,700	1,900	2,200
Travelling expenses		1,799	2,848	961	1,373
Vehicle running expenses		6,086	5,490	3,167	3,183
Utilities		587	595	334	352
Repairs and maintenance		508	254	187	28
Communication charges		474	400	260	223
Printing and stationery		586	329	293	115
Corporate Social Responsibility (CSR)		7,554	-	-	-
Advertisement and periodicals		176	7,077	174	6,682
Auditors' remuneration	24.2	713	701	713	351
Depreciation	5.1.3	1,473	99	737	49
Bank and other charges		60	20	44	17
Miscellaneous expenses		411	750	135	179
		<u>186,348</u>	<u>143,925</u>	<u>92,587</u>	<u>69,758</u>

24.1 This includes Rs. 10.05 million (2025: Rs. 16.706 million) related to pension for staff deputed by WAPDA to the Company. The pension for these deputed employees is payable to them by WAPDA.

24.2 Auditors' remuneration

Statutory audit	650	618	325	309
Code of corporate governance compliance report	50	50	25	25
Out of pocket expenses	13	33	7	17
	<u>713</u>	<u>701</u>	<u>357</u>	<u>351</u>

Note 25

Other Expenses

		Dec-25	Dec-24	Dec-25	Dec-24
	Note	---- Rupees in Thousands ----			
Delayed payment charges (FRL)	17.2	<u>4,401,012</u>	<u>-</u>	<u>2,396,223</u>	<u>-</u>

Note 26

Finance Cost

		Dec-25	Dec-24	Dec-25	Dec-24
		---- Rupees in Thousands ----			
Finance cost		4,941,456	5,910,790	2,470,728	2,955,395
Mark-up on shariah compliant Musharka instruments		641,363	2,226,138	301,544	1,103,361
		<u>5,582,819</u>	<u>8,136,928</u>	<u>2,772,272</u>	<u>4,058,756</u>

Note 27

Other Income

		Dec-25	Dec-24	Dec-25	Dec-24
		---- Rupees in Thousands ----			
Interest income on investment in T-Bills		1,251,042	1,668,833	-	1,668,833
Interest income on bank accounts		1,209,289	2,886,373	846,439	1,180,103
Sale of scrap		-	149,880	-	-
Others		6	405	6	378
		<u>2,460,337</u>	<u>4,705,491</u>	<u>846,445</u>	<u>2,849,314</u>

Note 28

Taxation

		Dec-25	Dec-24	Dec-25	Dec-24
	Note	---- Rupees in Thousands ----			
Current tax					
- Charge for the current year	21	<u>959,531</u>	<u>1,835,141</u>	<u>330,114</u>	<u>1,111,232</u>
		<u>959,531</u>	<u>1,835,141</u>	<u>330,114</u>	<u>1,111,232</u>

28.1 The Company's income from sale of electricity is exempt from normal tax under Clause 132 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, in Pakistan and Azad Jammu and Kashmir. Income subject to exemption under the aforementioned clause is also exempt from minimum tax on turnover under sub-clause 5 clause 11 A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001, in Pakistan and Azad Jammu and Kashmir. The provision for taxation represents income tax charged on the Company's interest income on bank accounts.

28.2 The current tax expense for the year is calculated using corporation tax rate of 29% (2025: 29%) and super tax at 10% (2025: 10%).

Note 29

Remuneration of Chief Executive Officer, Directors and Executives

	Managing Director / Chief Executive Officer/ Executive Director		Non Executive Directors / Independent Director		Executives		Total	
	Dec-25	Dec-24	Dec-25	Dec-24	Dec-25	Dec-24	Dec-25	Dec-24
	---- Rupees in Thousands ----		---- Rupees in Thousands ----		---- Rupees in Thousands ----		---- Rupees in Thousands ----	
Managerial remuneration	7,000	6,278	-	-	158,162	143,403	165,162	149,681
Meeting fee	600	1,200	2,500	5,500	-	-	3,100	6,700
	<u>7,600</u>	<u>7,478</u>	<u>2,500</u>	<u>5,500</u>	<u>158,162</u>	<u>143,403</u>	<u>168,262</u>	<u>156,381</u>
Number of persons	<u>1</u>	<u>1</u>	<u>7</u>	<u>7</u>	<u>82</u>	<u>89</u>	<u>90</u>	<u>97</u>

29.1 An Executive is defined as an employee, other than the Chief Executive Officer and directors, whose basic salary exceeds Rs. 1.2 million in a financial year.

29.2 In addition to above, Chief Executive Officer and four others Executives also provided with Company's maintained vehicles.

Note 30

Number of Employees

	Dec-25	Jun-25
	Number	Number
Total number of employees - as of reporting date	<u>480</u>	<u>522</u>
Average number of employees during the period	<u>501</u>	<u>519</u>

Note 31

Date of Authorization for Issuance

These financial statements were approved and authorized by the Board of Directors of the Company for issuance on _____.

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFICER