

The background image shows an industrial power plant facility. Two prominent tall smokestacks with red and white horizontal bands are visible, with a plume of white smoke rising from the taller one. To the left, there is a complex of pipes and metal structures. To the right, a large cylindrical storage tank with a green and yellow camouflage pattern is visible. The foreground features a metal railing and some green vegetation. The sky is a clear, pale blue.

PAKGEN POWER LIMITED

Corporate Briefing Session

on Annual Audited Accounts for the Financial Year ended December 2021

Company Brief

- ❑ Located at Mehmood Kot, Muzaffargarh Punjab
- ❑ Gross capacity: 365 MW
- ❑ Net/ Dependable Capacity: 350 MW
- ❑ Technology: Oil-Fired Steam Turbine
- ❑ Established under the “Power Policy 1994”
- ❑ Incorporated in year 1995
- ❑ Commissioning Date: February 1, 1998
- ❑ Shares listed in year 2011



Statement of Financial Position As at December 31, 2021

	2021	2020		2021	2020
	(Rupees in thousand)			(Rupees in thousand)	
EQUITY AND LIABILITIES			ASSETS		
SHARE CAPITAL AND RESERVES			NON-CURRENT ASSETS		
Authorised share capital 400,000,000 (2020: 400,000,000) ordinary shares of Rupees 10 each	4,000,000	4,000,000	Fixed assets	5,268,482	5,943,119
Issued, subscribed and paid-up share capital	3,720,816	3,720,816	Long term investment	-	-
Capital reserve	116,959	116,959	Long term loans to employees	23,299	9,023
Revenue reserve - un-appropriated profit	18,726,612	18,796,628	Long term security deposit	300	300
Total equity	22,564,387	22,634,403	Employee benefit - gratuity	-	5,400
				5,292,081	5,957,842
LIABILITIES			CURRENT ASSETS		
NON-CURRENT LIABILITIES			Stores, spare parts and other consumables	737,817	807,648
Long term financing	-	48,986	Fuel stock	3,056,712	1,262,026
Employee benefit - gratuity	2,267	-	Trade debts	6,852,294	18,913,240
Deferred income - Government grant	-	957	Short term investment	-	11,416
	2,267	49,943	Loans, advances and short term prepayments	47,301	234,899
CURRENT LIABILITIES			Loan to associated company	350,000	350,000
Trade and other payables	2,978,920	740,426	Other receivables	440,921	652,673
Accrued mark-up / profit	20,042	128,271	Advance income tax	249,321	237,931
Short term borrowings	7,336	5,870,818	Accrued interest	7,175	2,496
Current portion of non-current liabilities	49,943	49,326	Sales tax recoverable	1,626,330	1,031,743
Unclaimed dividend	8,019	12,087	Cash and bank balances	6,970,962	23,360
	3,064,260	6,800,928		20,338,833	23,527,432
Total liabilities	3,066,527	6,850,871			
TOTAL EQUITY AND LIABILITIES	25,630,914	29,485,274	TOTAL ASSETS	25,630,914	29,485,274

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	(Rupees in thousand)	
REVENUE FROM CONTRACT WITH CUSTOMER	19,900,766	10,645,671
COST OF SALES	(18,236,639)	(5,078,317)
GROSS PROFIT	1,664,127	5,567,354
ADMINISTRATIVE EXPENSES	(228,689)	(213,148)
OTHER EXPENSES	(136,274)	(2,961)
OTHER INCOME	75,267	66,946
PROFIT FROM OPERATIONS	1,374,431	5,418,191
FINANCE COST	(325,087)	(1,006,909)
PROFIT BEFORE TAXATION	1,049,344	4,411,282
TAXATION	-	-
PROFIT AFTER TAXATION	1,049,344	4,411,282
OTHER COMPREHENSIVE (LOSS) / INCOME:		
ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS:		
REMEASUREMENTS OF DEFINED BENEFIT PLAN	(3,114)	6,243
ITEMS THAT MAY BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS	-	-
	(3,114)	6,243
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	1,046,230	4,417,525
EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)	2.82	11.86

Financial Highlights



Financial Highlights

- The major reason of decrease in profit is non-issuance of Capacity Purchase Price invoices amounting to Rs.2.429 billion started from 05-05-21 to 07-10-21, pursuant to PPA Amendment Agreement with CPPA-G.



Operational Highlights

Capacity Utilization (%age)
2021 vs 2020

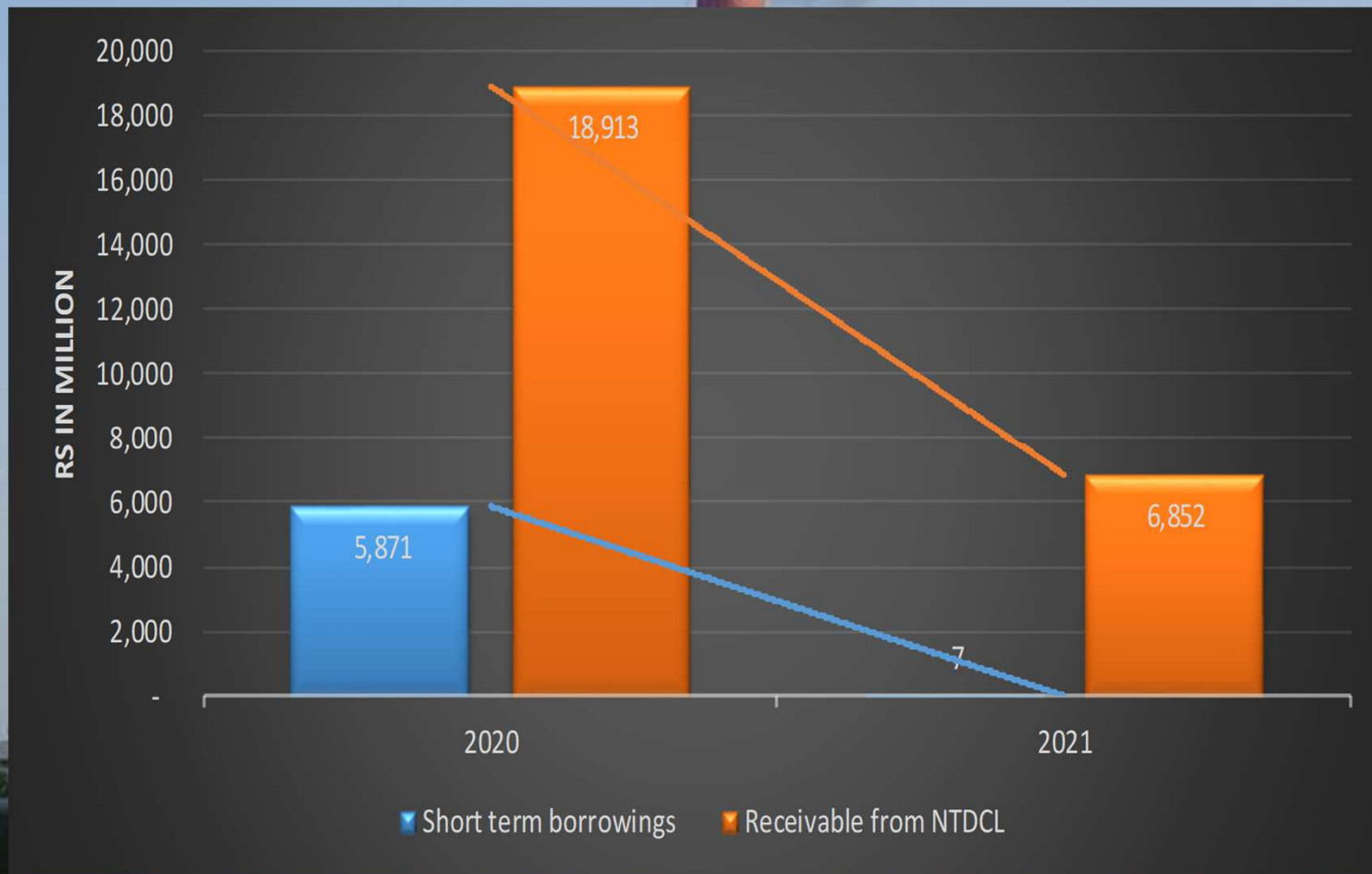


Strategic/Operational Developments



- In response to load demanded by CPPA-G, the Pakgen plant operated at capacity factor of 26.0% with load factor of 71.6% and availability of 99.5% and dispatched 797.729 GWh of electricity. Continuous efforts are being made to improve the plant performance and to ensure its long term integrity and maximum availability for its customer CPPA-G.

Challenges



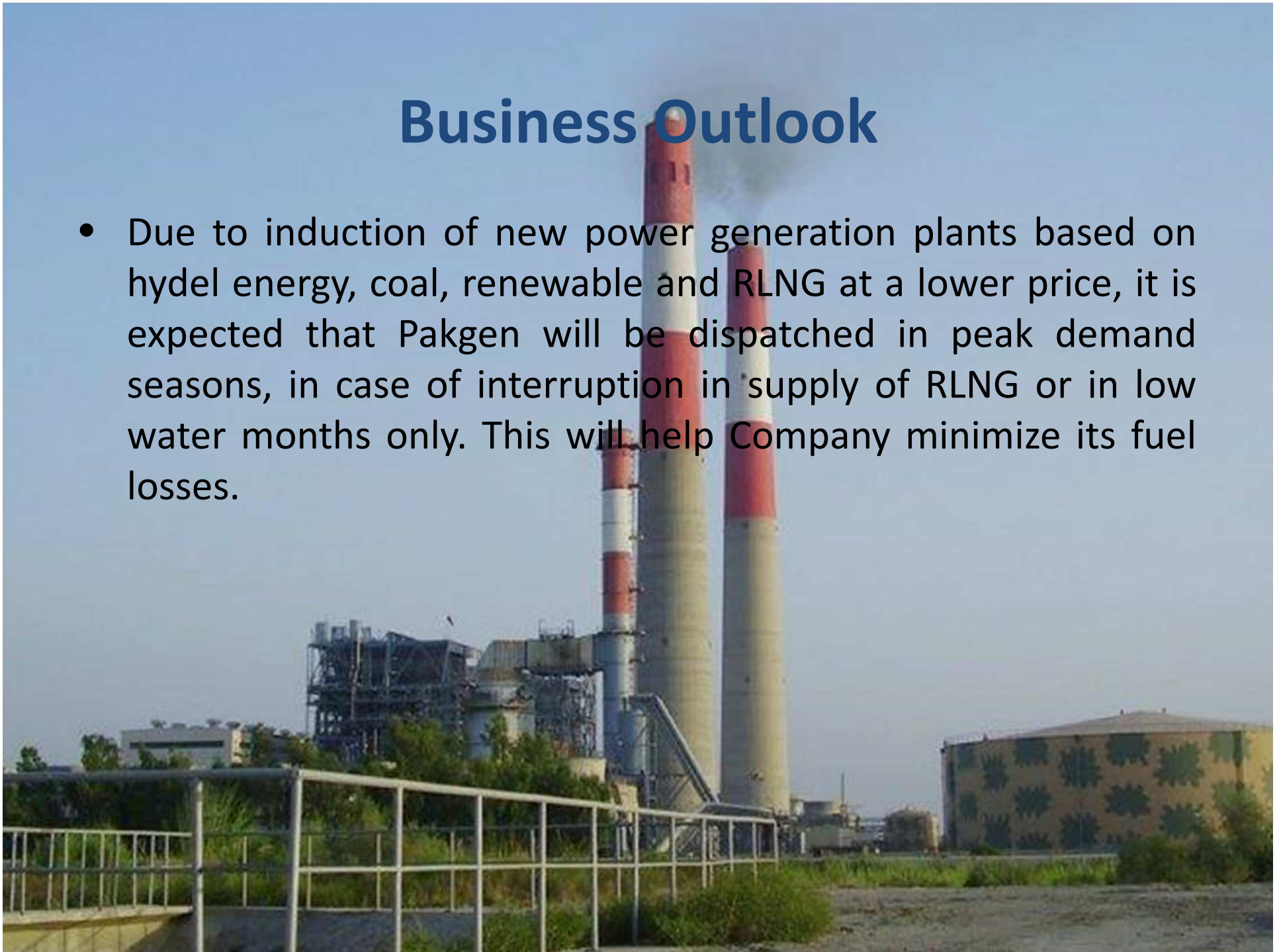
Challenges

Although the Company received a significant amount of Rs.34.815 billion on account of overdue receivables from CPPA-G during the current year including the two installments totaling Rs.16.337 billion, under the settlement agreement, however, our sole customer, CPPA-G remains unable to meet its obligations in accordance with the Power Purchase Agreement (PPA) which are secured under a sovereign guarantee of Government of Pakistan. As on 31 December 2021, an amount of Rupees 6.852 billion was outstanding against CPPA-G. We feel the overdue receivables may surmount once again, in future, if CPPA-G continues to default in making payments of overdue invoices on timely basis, due to the circular debt problem plaguing power sector of the country



Business Outlook

- Due to induction of new power generation plants based on hydel energy, coal, renewable and RLNG at a lower price, it is expected that Pakgen will be dispatched in peak demand seasons, in case of interruption in supply of RLNG or in low water months only. This will help Company minimize its fuel losses.



A photograph of an industrial facility, likely a power plant or refinery, featuring several tall, red and white striped smokestacks. The sky is clear and blue. In the foreground, there is a metal railing and some greenery. The text "Questions and Answers" is overlaid in the center in a blue font.

Questions and Answers

A photograph of an industrial facility, likely a power plant or refinery, featuring several tall, cylindrical smokestacks with red and white horizontal stripes. The stacks are emitting a plume of white smoke. In the foreground, there is a metal railing and some green vegetation. The background shows various industrial structures and a large, tan-colored building with a patterned facade. The sky is clear and blue.

Thank You