

PAKGEN POWER LIMITED



SECY/KSE/

August 23, 2016

1. The General Manager
Pakistan Stock Exchange Ltd
Stock Exchange Building
Stock Exchange Road, Karachi.

PUCAR / TCS

2. The Executive Director
Monitoring & Enforcement Division
Securities & Exchange Commission of Pakistan
8th Floor, NIC Building, Jinnah Avenue,
Blue Area, ISLAMABAD.

Fax No. (051) 9100454, 9100471 / TCS

SUB: FINANCIAL RESULTS FOR THE HALF YEAR
ENDED JUNE 30, 2016 (UN-AUDITED)

Dear Sir,

We have to inform you that the Board of Directors of **Pakgen Power Limited** in their meeting held on Tuesday the 23rd of August, 2016, at 11:30 A. M. at 1-B, Aziz Avenue Canal Bank, Gulberg-V, Lahore, recommended the following:

i) **CASH DIVIDEND**

Interim Cash Dividend @ **Re.1.00 per share i.e. 10%** for the half year ended June 30, 2016.

ii) **BONUS SHARES**

NIL

iii) **RIGHT SHARES**

NIL

iv) **ANY OTHER ENTITLEMENT**

NIL

v) **ANY OTHER PRICE-SENSITIVE INFORMATION**

NIL

Contd.P/2

HEAD OFFICE

: 1-B, AZIZ AVENUE, CANAL BANK, GULBERG V, LAHORE. TEL: +92-42-35717090-96, 35717159-63, FAX: 92-42-35717239, WEBSITE: www.pakgenpower.com, E-MAIL: pakgen@lalpir.com

REGISTERED OFFICE

: NISHAT HOUSE, 53/A, LAWRENCE ROAD, LAHORE. TEL: 111-113-333 FAX: +92-42 36367414

POWER STATIONS

: LALPIR THERMAL POWER STATIONS, P.O. BOX NO. 89, MUZAFFARGARH. PC-34200, PAKISTAN. TEL: 92-66-2300030, FAX: 92-66-2300260, www.pakgenpower.com

PAKGEN POWER LIMITED



(2)

The profit and loss account of the Company are as follows: -

	Half Year Ended		Quarter Ended	
	30 June 2016 (Rupees in thousand)	30 June 2015 (Rupees in thousand)	30 June 2016 (Rupees in thousand)	30 June 2015 (Rupees in thousand)
REVENUE	7,367,627	4,401,442	4,426,107	1,081,998
COST OF SALES	(6,874,634)	(4,471,646)	(3,866,363)	(1,731,626)
GROSS PROFIT / (LOSS)	492,993	(70,204)	559,744	(649,628)
ADMINISTRATIVE EXPENSES	(93,849)	(75,993)	(45,365)	(39,779)
OTHER EXPENSES	(1,039)	(147,715)	(546)	(147,147)
OTHER INCOME	1,306	5,896	728	1,681
PROFIT / (LOSS) FROM OPERATIONS	399,411	(288,016)	514,561	(834,873)
FINANCE COST	(300,715)	(166,393)	(167,615)	(69,908)
SHARE OF LOSS FROM ASSOCIATED COMPANY	(74)	(1,091)	(74)	(1,091)
PROFIT / (LOSS) BEFORE TAXATION	98,622	(455,500)	346,872	(905,872)
TAXATION	-	-	-	-
PROFIT / (LOSS) AFTER TAXATION	98,622	(455,500)	346,872	(905,872)
OTHER COMPREHENSIVE INCOME	-	-	-	-
TOTAL COMPREHENSIVE INCOME / (LOSS)- -FOR THE PERIOD	98,622	(455,500)	346,872	(905,872)
EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED (RUPEES)	0.27	(1.22)	0.94	(2.43)

Contd.P/3

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(3)

The External Auditors emphasize the following in their report:-

“Emphasis of matter

We draw attention to Note 6.1.2 to the condensed interim financial information which describes the uncertainty regarding outcome of claims lodged by Water and Power Development Authority (WAPDA), which have been disputed by the Company. Our conclusion is not qualified in respect of this matter.”

Note 6.1.1 to the Condensed Interim Financial Statements for the half year ended June 30, 2016, reproduced as under:-

WAPDA has raised invoices for liquidated damages to the Company from 11th to 18th (up to April 2016) agreement year (after taking into account forced outage allowance stipulated under the terms of Power Purchase Agreement) on account of short supply of electricity by the Company, which was due to cash constraints of the Company as a result of default by WAPDA in making timely payments. Liquidated damages invoiced to the Company amounts to Rupees 6,403.218 million (31 December 2015: Rupees 5,657 million). Out of these the Company has accepted and paid Rupees 220 million (31 December 2015: Rupees 220 million) excluding liquidated damages (Rupees 3,943.528 million) invoiced on account of forced outage event during the financial year ended 31 December 2015. The Company disputes and rejects balance claims on account of liquidated damages that are raised by WAPDA on the premise that its failure to dispatch electricity was due to WAPDA's non-payment of dues on timely basis to the Company and consequential inability of the Company to make timely payments to its fuel supplier that resulted in inadequate level of electricity production owing to shortage of fuel. Against these the Company has raised invoice dispute notices to WAPDA. The Company has appointed mediation expert under the mechanism given in the PPA. Further, according to legal advice available with the Company, there are adequate grounds to defend any claim by WAPDA for such liquidated damages since these conditions were imposed on the Company due to circumstances beyond its control. The ultimate outcome of the matter cannot presently be determined, and consequently, no provision for such liquidated damages has been made in this condensed interim financial information.

BOOK CLOSURE NOTICE.

The Share Transfer Books of the Company will remain closed from **24-09-2016 to 02-10-2016** (both days inclusive) for entitlement of **10% Interim Cash Dividend (i.e. Re. 1/- Per Ordinary Share)**. Physical transfers / CDS Transactions IDs received in order up to 1:00 p.m. on 23-09-2016 (Friday) at Share Registrar Office, Central Depository Company of Pakistan, CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahrah-e-Faisal, Karachi, will be considered in time for entitlement of 10% Interim Cash Dividend.

A notice in this respect is also enclosed for circulation amongst the TRE Certificate holders.

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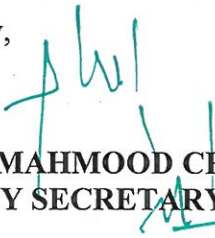
(4)

We will send you requisite copies of printed Accounts for distribution amongst the TRE Certificate Holders of the Exchange.

Disclosure form in compliance with requirement of Section 15-D of the Securities and Exchange Ordinance, 1969, is also attached.

Thanking you,

Yours truly,


KHALID MAHMOOD CHOHAN
COMPANY SECRETARY

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INTIMATION AND BOOK CLOSURE NOTICE FOR THE ENTITLEMENT OF 10% INTERIM CASH DIVIDEND OF PAKGEN POWER LIMITED

The Board of Directors of **Pakgen Power Limited** ("the Company") in their meeting held on August 23, 2016 has declared 10% Interim Cash Dividend (i.e. Re. 1/- (Rupee One Only) per share) for the Half Year ended June 30, 2016 to be paid to all the members whose names will appear on the Company's register of members at the close of business on 23 September 2016. The Share Transfer Books of the Company will remain closed from 24 September 2016 to 30 September 2016 (both days inclusive).

Physical transfers / CDS Transactions IDs received in order up to 1:00 p.m. on 23 September (Friday) at Share Registrar Office, Central Depository Company of Pakistan, CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahrah-e-Faisal, Karachi, will be considered in time for entitlement of said 10% Interim Cash Dividend 2016.

Withholding tax exemption from dividend income, shall only be allowed if copy of valid tax exemption certificates is made available to Share Registrar Office, Central Depository Company of Pakistan, CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahrah-e-Faisal, Karachi, before the closure of books for entitlement.

Zakat will be deducted from the dividends at source under the Zakat & Usher Laws and will be deposited within the prescribed period with the relevant authority. Please submit your Zakat declarations under Zakat and Usher Ordinance, 1980 & Rule 4 of Zakat (Deduction & Refund) Rules, 1981 CZ-50 Form, **in case you want to claim exemption**, with your brokers or the Central Depository Company of Pakistan Limited (in case the shares are held in CDC-Sub Account or CDC Investor Account) and copy of the same to Share Registrar of the Company, Central Depository Company of Pakistan at the address given above. The Shareholders while sending the Zakat Declarations, as the case may be must quote company name and their respective folio / CDC account numbers.

Please notify any change in your address to our Share Registrar, Central Depository Company of Pakistan, immediately.

Lahore
August 23, 2016


KHALID MAHMOOD CHOHAN
COMPANY SECRETARY

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DISCLOSURE FORM INTERMS OF SECTION 15D OF THE SECURITIES AND EXCHANGE ORDINANCE 1969

Name of the Company : Pakgen Power Limited

Date of Report (Date of earliest event reported if applicable) : N/A

Address of Registered Office : Nishat House, 53-A, Lawrence Road, Lahore.

Contact Information : Company Secretary, Nishat House, 53-A Lawrence Road, Lahore.

☒ Disclosure of inside information by listed company in terms of Section 15D(1).

The Board of Directors of **Pakgen Power Limited** in their meeting held on Tuesday the 23rd of August, 2016, at 11:30 A. M. at 1-B, Aziz Avenue Canal Bank, Gulberg-V, Lahore, recommended the following:

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(2)

claims on account of liquidated damages that are raised by WAPDA on the premise that its failure to dispatch electricity was due to WAPDA's non-payment of dues on timely basis to the Company and consequential inability of the Company to make timely payments to its fuel supplier that resulted in inadequate level of electricity production owing to shortage of fuel. Against these the Company has raised invoice dispute notices to WAPDA. The Company has appointed mediation expert under the mechanism given in the PPA. Further, according to legal advice available with the Company, there are adequate grounds to defend any claim by WAPDA for such liquidated damages since these conditions were imposed on the Company due to circumstances beyond its control. The ultimate outcome of the matter cannot presently be determined, and consequently, no provision for such liquidated damages has been made in this condensed interim financial information.

[] Intimation of decision of the listed company to delay disclosure of inside information in terms of Section 15D(2).

N/A

[] Disclosure of inside information by listed company where the listed company or person acting on its behalf disclosed inside information to third party in terms of Section 15D(3).

N/A

[] Disclosure of transaction conducted by person discharging managerial responsibilities within a listed company or person closely associated with them in terms of Section 15D(5).

N/A

Signatures

In case of company, pursuant to the requirements of the Securities & Exchange Ordinance of 1969 (XVII of 1969), the Company has duly caused this form/statement to be signed on its behalf by the undersigned hereunto duly authorized

August 23, 2016


Khalid Mahmood Chohan
Company Secretary

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