

## **FFBL Power Company Limited**

### **Directors' Review Report**

The Board of Directors is pleased to present operational and financial overview of FFBL Power Company Limited (FPCL) along with the un-audited financial statements of the Company for the nine months ended September 30, 2020.

#### **Principal Activity**

FPCL was incorporated as a public limited company on June 27, 2014. The principal activity of the Company is to build, own and operate a coal-based power generation facility at Port Qasim Karachi with a gross capacity of 118 MW. The Company commenced its Commercial Operation on May 19, 2017.

#### **Financial Results**

During the nine months ended September 30, 2020, FPCL have recorded revenue amounting to PKR 12,486 Million (2019: 12,438 Million) against cost of sales of PKR 7,395 Million (2019: 7,420 Million). Profit for the nine months period amounted PKR 3,062 Million as against profit of PKR 2,720 Million posted during the nine months ended September 30, 2019. Earnings per share (EPS) were at PKR 3.57 (2019: PKR 3.17).

The principal loan repayment under the Long-Term Finance Facilities amounting to PKR 1,381 Million have been paid during the nine months ended September 30, 2020 with-out any default. Outstanding Long Term Finance Facilities as at September 30, 2020 amounted to PKR 16,246 Million.

#### **Operational Results**

During the nine months ended September 30, 2020, FPCL delivered 111,383 MWh (2019: 111,226 MWh) of electricity to Fauji Fertilizer Bin Qasim Limited and 320,196 MWh (2019: 318,220 MWh) to K-Electric Limited. The Company also delivered 1,074,796 Metric Tons (2019: 1,105,262 MT) of Steam to Fauji Fertilizer Bin Qasim Limited.

#### **Future Outlook**

The demand for electricity has always been on the rise and the Government of Pakistan has been actively pursuing various power projects to bridge demand and supply, the gap is however expected to exist in the near future as power requirements are growing. More projects are being built to run on coal and RLNG, however these are not likely to affect Company's rank in merit order.

#### **Impact of COVID-19**

Management has assessed the accounting implications of the developments on these financial statements and concluded that there is no significant accounting impact of the effects of COVID-19 on its financial statements.

#### **Internal Control System**

Adequate internal controls are in place and no lapse was reported by the management.

### **Board of Directors**

The Board exercises the power conferred to it by the Companies Act, 2017 and the Memorandum and Articles of Association of the Company, through Board meetings, which are held every quarter in a year for reviewing and approving the adoption of Company's Financial Statements, Formulating Strategies, Providing Guidance to the Company's Management and Monitoring their performance.

Following is the list of the Directors of the Company who served on the Board:

Mr. Waqar Ahmed Malik	Appointed: Apr 09, 2020	
Lt Gen Tariq Khan, HI (M), (Retd)		
Mr. Sarfaraz Ahmed Rehman	Appointed: Jun 10, 2020	
Mr. Qamar Haris Manzoor	Appointed: Jun 10, 2020	
Mr. Muhammad Munir Malik	Appointed: Aug 03, 2020	
Mr. Imran Moid	Appointed: Sep 07, 2020	
Mr. Khurram Shahzad	Appointed: Jun 11, 2020	
Dr. Nadeem Inayat	Appointed: Apr 22, 2020	
Mr. Masoom Hussain	Appointed: Jan 13, 2020	
Maj Gen Abid Rafique (Retd)	Appointed: Jan 01, 2020	Resigned: Jun 10, 2020
Mr. Tassawor Ishaque	Appointed: Jun 10, 2020	Resigned: Aug 03, 2020
Lt Gen Syed Tariq Nadeem Gilani, HI (M), (Retd)		Resigned: Mar 27, 2020
Lt Gen Javed Iqbal, HI (M), (Retd)		Resigned: Jun 10, 2020
Maj Gen Tahir Ashraf Khan, HI (M), (Retd)		Resigned: Jan 01, 2020
Brig Hamad Qadir (Retd)		Resigned: Jun 10, 2020
Brig Asif Ali (Retd)		Resigned: Jun 11, 2020
Col Dr. Muhammad Rashid Hussain (Retd)		Resigned: Apr 22, 2020
Syed Aamir Ahsan		Resigned: Jan 13, 2020
Mr. Rehan Laiq		Resigned: Sep 07, 2020

**Pattern of Shareholding**

<u>Categories</u>	<u>No of Shares</u>	<u>%</u>
Directors & CEO	9	
Fauji Fertilizer Bin Qasim Limited (FFBL)	644,062,491	75%
Fauji Foundation (FF)	214,687,500	25%

**Acknowledgements**

The Board acknowledges and appreciates with thanks the continued efforts and contributions of all stakeholders in smooth operations of the Company and expects the same to continue in the future.

For and on behalf of the Board

  
Waqar Ahmed Malik  
(Chairman)

  
Sarfaraz Ahmed Rehman  
(Chief Executive Officer & Managing Director)

Islamabad

October 27, 2020