Khulna Power Company Ltd.

The First Power Generation Compay In Private Sector of Bangladesh.

Registered Office
United House, Madani Avenue
United City, Dhaka 1212, Bangladesh.

Tel : +88-02 9666 700 900 Ext. 4006
Email : kpcl@khulnapower.com
Web : www.khulnapower.com

মুদ্রণে: প্রতিভাস প্রিন্টিং হাউস
মোবাইল: ০১৯৬২৫৫৮৩৩

Annual Report 2024-2025

Khulna Power Company Ltd.

Annual Report 2024-2025



Khulna Power Company Ltd.

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Company Directory

Chairman
Mohammad Khairul Anam Chowdhury

Managing Director
Al Mamun M. Atiqul Islam

Director
Khandaker Zahin Ahsan
Md. Moinul Islam Khan
Md. Shoharab Ali Khan, FCMA
Khandker Sayeedul Islam
Md. Mojibul Islam Patoary
Hasan Mahmood Raja (resigned w.e.f. 30-4-2025)
Moinuddin Hasan Rashid (Director up to 30-4-2025)
Khandaker Moinul Ahsan (Director up to 30-4-2025)
Akhter Mahmud (Director up to 30-4-2025)
Kutubuddin Akhter Rashid (Director up to 30-4-2025)
Khondaker Zayed Ahsan (Director up to 30-4-2025)
Mohammad Latif Khan (resigned w.e.f. 29-9-2025)
Jafer Ummeed Khan (resigned w.e.f. 29-9-2025)
Muhammad Farid Khan (resigned w.e.f. 29-9-2025)
Mohammed Faisal Karim Khan (resigned w.e.f. 29-9-2025)
Azeeza Aziz Khan, ACCA (resigned w.e.f. 29-9-2025)
A.N.M. Tariqur Rashid (resigned w.e.f. 29-9-2025)
Engr. Md. Mozammel Hossain (resigned w.e.f. 29-9-2025)

Independent Director
Badrul Haque Khan, FCA
Zareen Rahman, Barrister-at-Law
Syed Fazlul Haque, FCA (resigned w.e.f. 16-3-2025)
Junayed Ahmed Chowdhury, Barrister-at-Law (resigned w.e.f. 18-3-2025)
Malik Talha Ismail Bari (resigned w.e.f. 27-4-2025)

Audit Committee
Zareen Rahman, Barrister-at-Law, Chairman
Khandaker Zahin Ahsan, Member
Md. Shoharab Ali Khan, FCMA, Member

Nomination & Remuneration Committee (NRC)
Zareen Rahman, Barrister-at-Law, Chairman
Khandaker Zahin Ahsan, Member
Khandker Sayeedul Islam, Member

Chief Financial Officer
Md. Mamun Sarwar

Company Secretary
Md. Mozammel Hossain

Head of Internal Audit & Compliance
Mashiul Azam

Statutory Auditors
S. F. Ahmed & Co., Chartered Accountants
House # 51 (3 Floor), Road # 9. Block # F
Banani, Dhaka 1213, Bangladesh.

Professional accountant for certification on Corporate Governance Code Compliance
Ahmmed Hoq Siddiqui & Co.
Chartered Accountants.

Main Bankers
Brac Bank PLC
Standard Chartered Bank
Bank Alfalah Limited

Power Plants

(Details in page no. 06)

1. **KPCL 110MW Barge Mounted Plant (KPCL-1)**
   The power plant had been re-exported after successful 20 years of operation.
   Goalpara, Khalishpur, Daulatpur, Khulna-9202
   Phone: +88-041 763556-8
   Fax: +88-041 760227

2. **KPC Unit II 115MW Plant (KPCL-II)**
   (Asset held for sale)
   Goalpara, Khalishpur, Daulatpur, Khulna-9202
   Phone: +88-041 763556-8
   Fax: +88-041 760227

3. **KPC 40MW Noapara Plant (KPCL-III)**
   (Asset held for sale)
   Noapara, Avaynagar, Jashore
   Phone: +88-04222 72354

4. **United Payra Power Ltd. (UPPL)**
   (KPCL Holds 35% Shares in UPPL)
   Patuakhali

Registered Office
United House, Madani Avenue
United City, Dhaka 1212, Bangladesh

Tel : +880 9666 700 900 Ext. 4006
Email : kpcl@khulnapower.com
Web : www.khulnapower.com



Photo caption: KPCL land at Labonchara, Khulna.

Company Overview

When Khulna Power Company Ltd. (KPCL) was incorporated on October 15, 1997, it marked the beginning of a new era for Bangladesh's energy industry and for KPCL's pioneering journey in private power generation. As the first independent Power Producer (IPP) established under the Private Sector Power Generation Policy of Bangladesh, KPCL represented a bold step into uncharted territory.

At that time, Bangladesh lacked the infrastructure to transport a full-scale power plant by road. Undeterred, the visionary teams behind the project led by United Group and Summit Group, along with international partners, Coastal Power (USA), El Paso Corporation (USA) and Wärtsilä Corporation (Finland) turned challenge into innovation. They introduced a barge-mounted power plant, the first of its kind in the country. To counter tidal influences, a special lagoon was constructed, a remarkable feat of engineering that set a new standard for adaptive infrastructure.

KPCL began full commercial operations on October 13, 1998. From the very first day, it delivered reliable and uninterrupted electricity to the national grid powering industries and homes. In 2008 and 2009, United Group and Summit Group acquired full ownership when El Paso and Wärtsilä divested their shares.

Because of its exceptional operation and maintenance (O&M), KPCL, ran at full capacity for more than 20 years. The legacy of KPCL continued when the plant was later sold to Excelerate Global Operations LLC of USA and relocated to Albania, a EU countray beside Adiatric Sea, where it remains operational today, a true testament to its world-class O&M standards.

After the sale, transporting the massive barge-mounted power plant to Albania was itself a major logistical challenge. Moving such a large and complex facility required precise coordination and technical expertise, once again proving the ingenuity and determination that defined the KPCL project from the very beginning. The success of KPCL laid the foundation for United Group's continued growth in the energy sector.

More than just a project, Khulna Power Company Ltd. stands as a symbol of United Group's vision, innovation, and ability to turn challenges into opportunities, lighting the way for Bangladesh's private power generation journey.



KPC Unit II 115 MW Plant, Khulna (KPCL-II)
(Asset held for sale)

KPC Unit II 115 MW Plant (Formerly 'Khulna Power Company Unit II Ltd.') was formed on 22nd June 2010 for setting up of 115 MW power plant under a Electricity Supply Contract with Bangladesh Power Development Board (BPDB) signed on 23rd June 2010 for supplying electricity on rental basis initially for 5 years. The Contract for supply of electricity/PPA had been extended for another 5 years with effect from 01st June 2016. Later on, amended Contract had been executed on 28th April 2022 for another 2 years on 'No Electricity No Payment without any guaranteed off-take' basis with a provision for extension of terms. After expiry of first 2 years term of NENP contract, the plant resumed operation on 09th May 2024 as per directives of Power Division and instruction of Bangladesh Power Development Board (BPDB) thereby after renegotiation with the Government's concerned authorities. However, operation of the plant had been shut down in August 2024 as per the Government's decision. The plant achieved Commercial Operation Date (COD) on 01st June 2011 and is located at Khalishpur, Khulna.

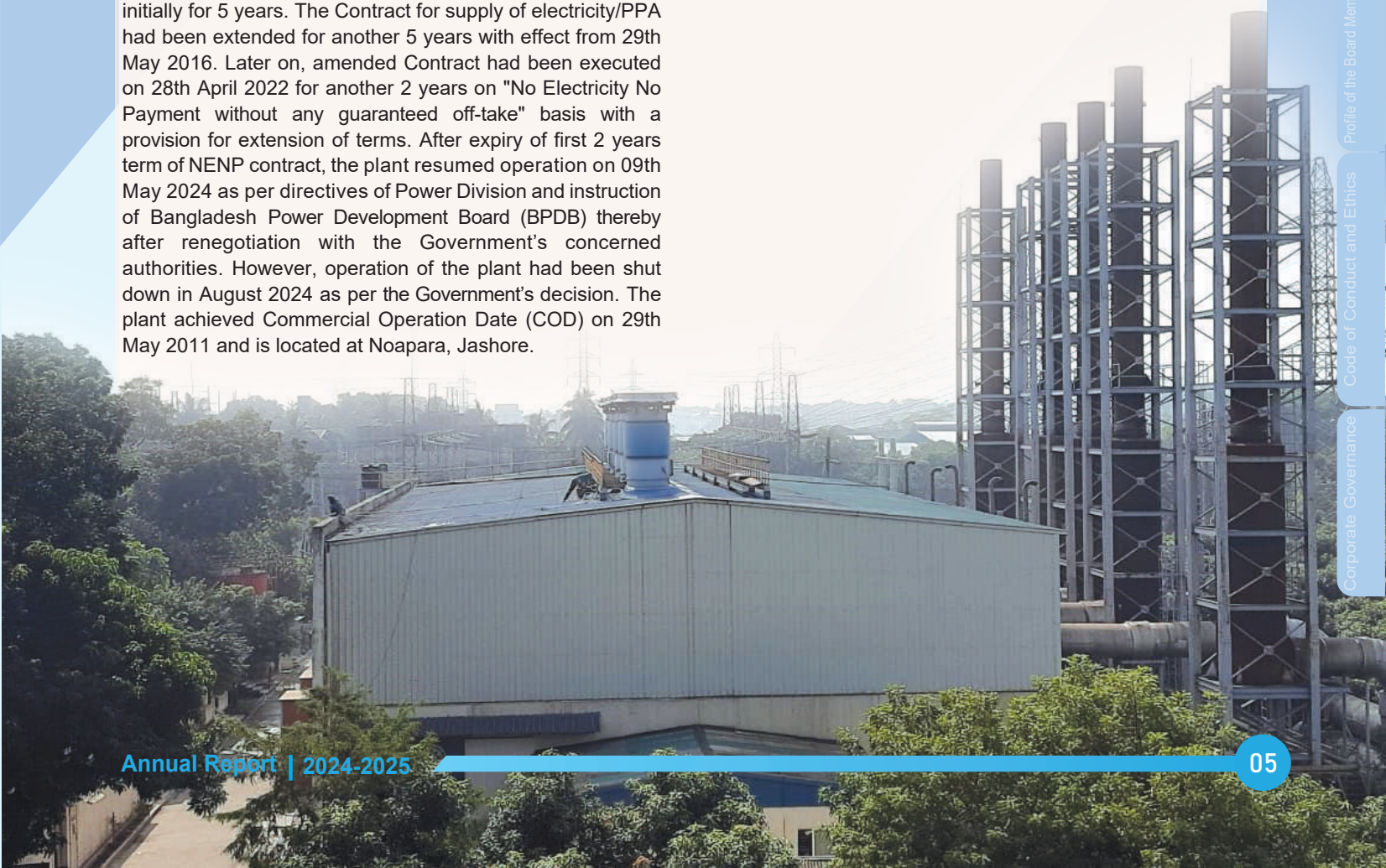
KPC 40 MW Noapara Plant, Jashore (KPCL III)
(Asset held for sale)

KPC 40 MW Noapara Plant (Formerly "Khanjahan Ali Power Company Ltd.") was formed on 22nd June 2010 for setting up of 40 MW power plant under a Electricity Supply Contract with Bangladesh Power Development Board (BPDB) signed on 25th July 2010 for supplying electricity on rental basis initially for 5 years. The Contract for supply of electricity/PPA had been extended for another 5 years with effect from 29th May 2016. Later on, amended Contract had been executed on 28th April 2022 for another 2 years on "No Electricity No Payment without any guaranteed off-take" basis with a provision for extension of terms. After expiry of first 2 years term of NENP contract, the plant resumed operation on 09th May 2024 as per directives of Power Division and instruction of Bangladesh Power Development Board (BPDB) thereby after renegotiation with the Government's concerned authorities. However, operation of the plant had been shut down in August 2024 as per the Government's decision. The plant achieved Commercial Operation Date (COD) on 29th May 2011 and is located at Noapara, Jashore.

Amalgamation of Khanjahan Ali Power Company Ltd. & Khulan Power Company Unit II Ltd. with Khulna Power Company Ltd. (KPCL)

Khanjahan Ali Power Company Ltd. and Khulna Power Company Unit il Ltd. ("Transferor Companies") and Khulna Power Company Ltd. ("Transferee Company") were under common management since incorporation. In order to enable effective management, shareholders of the Transferee Company and the Transferor Companies proposed to restructure, amongst others, assets by way of amalgamation to create an opportunity for better management of the assets.

Thereby on our submission and process, on 22th March 2015, the high court division of Honorable Supreme Court of Bangladesh issued an order giving effect to our scheme of amalgamation under company matter no. 322 of 2014. The high court ordered that under the amalgamation scheme, the entire undertaking of Khulna Power Company Unit II Ltd. and Khanjahan All Power Company Ltd. (the transferor companies) as going concerns will be transferred to and vested in the Khulna Power Company Ltd. (the transferee company) with an effective date of 30th September 2014.



1. KPCL 110MW Barge Mounted Plant (KPCL-I)

(Re-exported after successful 20 years of operation.)

The plant was comissioned in 1998 as the first IPP of the country in private sector. The plant was in operation till 12th October 2018.

- **Location:**
  Goalpara, Khalishpur, Khulna
- **Capacity:**
  110 MW Barge mounted power plant
- **Commercial Operation Date (COD):**
  13th October 1998
- **Description of Barges:**
  Two floating barges named Tiger I and Tiger III. Nine generating units are mounted on one barge and ten on the other. The barges shipped as deck cargo on submersible dry tow ship, are moored in a closed basin. Each barge is approximately 91 metres long and 24 metres wide.
- **Generating Plant:**
  19 X Wärtsilä 18V32 DG Sets
- **Fuel used:**
  Runs on Heavy Fuel Oil (HFO), however, having duel fired capability and can be converted into natural gas operation.
- **Project Cost:**
  USD 96.07 million

Disposal of KPCL 110MW Barge Mounted Plant:

The historic 110MW Barge-Mounted Power Plant (Tiger-I and Tiger-III) was sold/re-exported in July 2022 to Albania, an European country under an agreement with Excelerate Global Operations LLC of USA.

2. KPC Unit II 115MW Plant (KPCL-II)

(Asset held for sale)

- **Location:**
  Goalpara, Khalishpur, Khulna
- **Capacity:**
  Land based 115 MW power plant
- **Commercial Operation Date (COD):**
  1st June 2011
- **Generating Plant:**
  7 X Wärtsilä 18V46 DG Sets
- **Fuel used:**
  Heavy Fuel Oil (HFO)
- **Project Cost:**
  USD 75 million

3. KPC 40MW Noapara Plant (KPCL-III)

(Asset held for sale)

- **Location:**
  Noapara, Jashore
- **Capacity:**
  Land based 40 MW power plant
- **Commercial Operation Date (COD):**
  29th May 2011
- **Generating Plant:**
  5 X Wärtsilä 20V32 DG Sets
- **Fuel used:**
  Heavy Fuel Oil (HFO)
- **Project cost:**
  USD 25 million

4. United Payra Power Ltd. (UPPL)

(KPCL Holds 35% Shares in UPPL)

United Payra Power Ltd. is a 150 MW (net) HFO fired Modular power plant project constructed at Khalishakhali, Patuakhali. This power plant employs high efficiency, state-of-the-art engines, environment-friendly facility. The company signed the Power Purchase Agreement with Bangladesh Power Development Board on 21 August 2019. It attained commercial operation status on 18 January 2021 under the guidance of Bangladesh Power Development Board.

- **Capacity:**
  Land based 150 MW (net) power plant
- **Fuel used:**
  Heavy Fuel Oil (HFO)
- **Number of Generator:**
  8 units each of capacity 18.321 MW
  1 unit of capacity 9.78 MW
- **Genset Model:**
  Wärtsilä Finland OY 18V46
  Wärtsilä Finland OY 20V32

Shareholders of the Company

Shareholders	No. of Shares	% of Shareholding
United Mymensingh Power Ltd.	140,216,401	35.282%
Summit Power Limited	70,108,200	17.641%
Summit Corporation Limited	67,732,419	17.043%
14 individual sponsor shareholders	94,108	0.0237%
General Public investors	119,262,051	30.0103%
Total :	**397,413,179**	**100%**

Profile of the major shareholders are given below:

United Mymensingh Power Ltd.

United Mymensingh Power Ltd. (UMPL) is an Independent Power Producer (IPP) with a 200 MW HFO Fired Combined Cycle Modular Power Plant located at Chor Jotharthopur, 3 No. Laxmirchor, Jamalpur Sadar, Jamalpur.

The Company was recognized as "The Best Power Producer 2018 (Private Sector)" on 6th September 2018 at Power & Energy Week 2018 by the Government of Bangladesh, through Ministry of Power, Energy & Mineral Resources as recognition of this tremendous achievement of the fastest implementation of a 200 MW HFO Fired Power Plant at a remote location in Jamalpur without any river access and more than 200 km away from Dhaka.

After Khulna Power Co. Ltd. and United Ashuganj Energy Ltd., this is the third Independent Power Producer (IPP) and overall, the 9th operational power plant under the banner of United Group, the pioneers of IPP/ private sector power generation in Bangladesh.

It signed the Power Purchase Agreement with Bangladesh Power Development Board (BPDB) as the off taker and has a project term of 15 years. The facility was commissioned within a record time frame of 6.5 months, by Neptune Commercial Ltd. (another concem of United Group) acting as the EPC Contractor.

UMPL uses a reciprocating engine-based technolog housing 21 nos. of Wartsila 20V32E engines, 21 nos. of Waste Heat Recovery Boilers and 2 Nos. of Steam Turbine Generators. The total installed capacity of the plant is 218 MW out of which 13.2 MW is generated from Steam Turbine and does not require any additional fuel.

Overview of United Group

United Power Generation & Distribution Company Ltd. [UPGDL), formerly known as Malancha Holdings Limited (MHL), is the country's first Commercially Independent Power Producer established under the Policy Guidelines for the Enhancement of Private Participation in the Power Sector, 2008. UPGDCL was incorporated on 15th January 2007 as a private limited company and on 22nd December 2010 was converted to a public limited company.

UPGDCL was born out of the necessity for uninterrupted quality power supply to the industries housed within the Export Processing Zones (EPZ)s of Bangladesh.

Initially operating a 41 MW unit in DEPZ and a 44 MW unit in CEPZ. UPGDCL allows its clients to concentrate only on their core business rather than worrying about their energy requirements.

Since UPGDCL's power plants came into operation, both EPZs have experienced exponential growth in investment, export earnings and employment. Both these projects were funded from World Bank's IPFF fund. To cater to this ever increasing demand. the Company has expanded its generation capacity up to 160 MW, UPGDCL DEPZ 86 MW and UPGDCL CEPZ 72 MW, and installed steam generation capacity of 20 TPH.

UPGDCL's list of clientele, in addition to Bangladesh Export Processing Zones Authority, includes government bodies namely Bangladesh Power Development Board, Rural Electrification Board, Bangladesh Atomic Energy Commission and several private large power consumers.

Summit Power Limited

SPL owns 15 (fifteen) power plants in different locations across the country, having a total installed capacity of 976 MW, consisting of 81 gen-sets ranging from 1 MW to 17.76 MW, out of which 7 power plants, having a total capacity of 243 MW, were not fully operative during the year. SPL plants are equipped with world class engines manufactured by renowned companies such as Wärtsilä – Finland, Caterpillar USA, and GE Jenbacher, Austria. As per Private Sector Power Generation Policy of Bangladesh, Summit sells electricity to the Bangladesh Power Development Board BPDB) and Bangladesh Rural Electrification Board (BREB).

Summit Corporation Limited

Summit Corporation Limited (SCL) is the holding company of all power assets of Summit Group. It is the largest independent power producer (IPP) of Bangladesh. Having established in 1985, SCL sponsored the first 110 MW barge-mounted power plant in 1997 and since then has actively implemented many more power plants. Currently Summit owns 20 operational power plants in the country with an aggregated installed capacity of 2,255 MW, comprising 17 percent of Bangladesh's total installed capacity in the private sector and 7 percent of the nation's total installed capacity.

27th Annual General Meeting Notice

Notice is hereby given that the 27th Annual General Meeting of the Shareholders of Khulna Power Company Ltd. (KPCL) will be held on Sunday the 28th day of December, 2025 at 11:00 a.m. (Bangladesh Time) in Hybrid System (attendance facility both physically and online) at the Conference Hall of United International University (UIU), Madani Avenue, United City, Dhaka-1212 and using digital platform through the link https://kpcl.bdvirtualagm.com to transact the following businesses:

Ordinary Business:

1. To receive and adopt the Directors' Report and the Audited Financial Statements for the year ended 30th June 2025 together with the Auditors' Report thereon.
2. To approve dividend for the financial year ended 30th June 2025 as recommended by the Board of Directors.
3. To elect/re-elect/confirm Directors.
4. To appoint statutory Auditors for the financial year 2025-2026 and to fix their remuneration.
5. To appoint Corporate Governance Compliance Auditor for the year 2025-2026 and to fix their remuneration.

Special Business:

1. To confirn the Asset Purchase Agreements for sale/re-export of KPC Unit II 115MW plant, Khulna and KPC 40MW Noapara plant, Jashore.

   The following ordinary resolutions are proposed for consideration of the honorable shareholders in this 27th AGM and if deemed appropriate, to be approved with or without modification:

   "**Resolved** that the Asset Purchase Agreement for sale/re-export of KPC Unit II 115MW plant, Khulna, executed between Khulna Power Company Ltd. (KPCL) and Aksa Enerji Uretim A.S., Turkey be and is hereby approved. Book value of the asset is BDT 3,094,073,556 and sale value as per agreement is USD14,550,000.

   Resolved further that the Asset Purchase Agreement for sale/re-export of KPC 40MW Noapara plant, Jashore, executed between Khulna Power Company Ltd. (KPCL) and Sabson Energy FZCO, Dubai be and is hereby approved. Book value of the asset is BDT 1,297,227,871 and sale value as per agreement is USD 6,700,000."

By order of the Board of Directors

Dhaka, 04th December 2025

(Md. Mozammel Hossain)
Company Secretary

Notes:

1. Shareholders whose names appeared at the record date i.e. 18th November 2025 in the Share Register of the Company or in the Depository Register on that date will be eligible to attend and vote in the 27th Annual General Meeting and only the General Public Shareholders to receive dividend as approved in the AGM.
2. Pursuant to the Bangladesh Securities and Exchange Commission's guideline, the AGM will be in Hybrid System (attendance facility both physically and online).
3. A Member entitled to participate and vote at this Hybrid System Annual General Meeting may appoint a Proxy to participate and vote on his/her behalf. The proxy form, duly filled in, signed and stamped at BDT 20 must be sent through email to share.kpcl@khulnapower.com or to the registered office of the Company not less than 48 hours before commencement of Annual General Meeting.
4. The members will be able to submit their question/comments and vote electronically 24 hours before commencement of the AGM and during the AGM. For logging into the system, the Members need to put their 16 digit Beneficial Owner Identification number (BOID) and other credential as proof of their identity by visiting the link https://kpcl.bdvirtualagm.com.
5. Pursuant to the Bangladesh Securities and Exchange Commission (BSEC) Notification No: BSEC/CMRRCD/ 2006-158/208/Admin/ 81 dated 20th June, 2018, soft copy of the Annual Report has been sent to the e-mail address of the Honorable Shareholders available in their respective Beneficial Owner (BO) accounts maintained with the depository. The soft copy of the Annual Report 2024-2025 is also available in the Investor Relation section of the Company's website at: http://www.khulnapower.com.
6. The concerned Brokerage Houses/DPs/TREC holders are requested to provide us with a statement with details of their margin loan holders entitled to Cash Dividend for the year ended 30th June 2025 with the details (Shareholders name, BO ID Number, client-wise shareholding position, gross dividend receivable, applicable tax rate and net dividend receivable) on or before 24th December 2025. The concerned Brokerage Houses/DPs/TREC holders are also requested to provide us with their Bank Account Name & Number, Routing Number etc.

Snapshots of the 26th AGM

The 26th Annual General Meeting (AGM) of Khulna Power Company Ltd. was held on Sunday, 29th day of December 2024 at 11:00 a.m. (BST). The AGM was held in Hybrid System (attendance facility both physically and online).



Photo caption: Chairman and Directors with Managing Director, CFO and CS on the AGM stage.



Photo caption: Shareholders and other attendees at the AGM.



Photo caption: Shareholders and other attendees at the AGM.



Respected Shareholders of Khulna Power Company Ltd.,

Assalamu Alaikum,

It is an immense pleasure for me to be part of you, the pioneers of a journey to contribute enlightening Bangladesh building the first privately owned power generation plant (KPCL 110MW Barge Mounted Power Plant in Khulna) of the country in 1998.

On behalf of the Board of Directors of Khulna Power Company Ltd., I am pleased to welcome you to the 27th Annual General Meeting of your Company.

When we are preparing for this AGM, Bangladesh power generation sector is going through various challenges and alteration. Overall policy and business environment of the country is going through various reforms and re-modeling. Our economy is passing a transitional period with many uncertainties for the investors. We KPCL, being a part of the industry is also being impacted with the policy reforms and situations.

Dear shareholders, after contract expiry and re-export of KPCL 110MW plant in 2022, we were operating two HFO power plants namely- KPC Unit-II 115MW Plant in Khulna and KPC 40MW Noapara Plant in Jashore. These plants were operated successfully from June 2011 to August 2024 under Contract for supply of electricity/PPA on rental basis and amended Contract under "No electricity No Payment without any guaranteed off-take" basis. Operation of the plants had been shut down in August 2024 following expiry of the Contracts and as per the Government's decision.

Pursuant to the contractual obligation and the related Statutory Regulatory Order (SRO) governing the re-export/ sale of the above plants upon contract expiry, two Asset Purchase Agreements (Sale Agreement) have been executed. These agreements were made between Khulna Power Company Ltd. (KPCL) and Aksa Enerji Uretim A.S., Turkey for sale of KPC Unit-II 115MW Plant and Sabson Energy FZCO, Dubai for sale of KPC 40MW Noapara Plant.

As you are aware, KPCL holds a 35% shares of the 150 MW United Payra Power Ltd., an associated investment within the United Group. This investment is expected to continue generating steady returns for the Company over the next ten years.

Dear respected shareholders, we have always prioritized the interests of our general public shareholders. During challenging periods when the Company was unable to achieve the expected profits, we endeavored to provide meaningful dividends to our public shareholders, even waving the portion of the sponsor shareholders' dividends. Continuing this commitment, the Board of Directors of Khulna Power Company Ltd. has recommended dividend of 5% Cash (Taka 0.50 per share on each share of Tk. 10.00) exclusively for the general public shareholders for the year ended 30th June 2025. We trust that you will appreciate this gesture.

I express sincere gratitude to our employees, Board of Directors, our valued shareholders, partners, and regulators, for their continued trust and support. Together, we will strive to ensure reliable, affordable, and sustainable power for Bangladesh's future.

We pray that Allah (SWT) guides us toward a brighter future together in the years ahead, Insha' Allah. Ameen.



Mr. Md. Khairul Anam Chowdhury
Chairman
Khulna Power Company Ltd.

Report of the Directors to the Shareholders

For the year ended 30th June 2025

The Board of Directors of Khulna Power Company Ltd. (KPCL) welcomes you all in the 27th Annual General Meeting of the Company. We are pleased to submit before you the operational activities and audited financial statements of the Company for the financial year ended 30th June 2025.

This report has been prepared in compliance with Section 184 of the Companies Act 1994, Corporate Governance Code 2018 and Securities and Exchange Rules, 2020 of the Bangladesh Securities and Exchange Commission.

Global Economic Outlook

The global economy in 2024–2025 continues to experience a period of moderated growth, shaped by persistent inflationary pressures, high interest rates, geopolitical tensions, and energy market volatility. Although major economies are expected to grow at a slower pace, global economic activity remains resilient but uneven across regions.

Central banks in advanced economies have maintained a cautious stance as inflation, while easing, remains above long-term targets. Higher borrowing costs and tighter financial conditions have contributed to subdued global investment and trade, especially in developing countries. At the same time, geopolitical conflicts and supply-chain disruptions continue to exert upward pressure on commodity prices, particularly energy and key industrial materials.

Industry Scenario and Future Outlook of Power Sector in Bangladesh

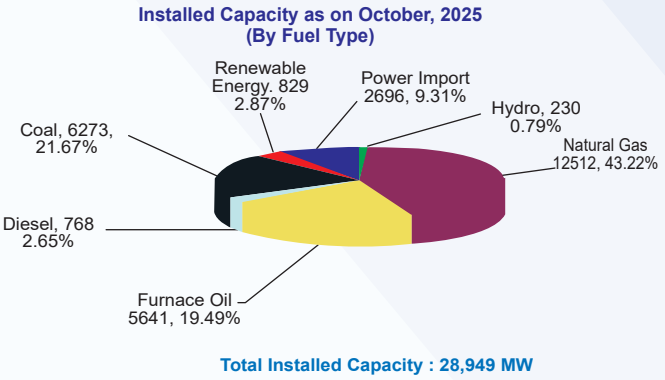
Electricity is crucial to economic growth, sustainable infrastructure development as well as poverty reduction and security of any country. Future economic growth crucially depends on the long-term availability of uninterrupted and quality electricity supply. The recent global energy crisis due to geopolitical tensions, such as the ongoing Russia-Ukraine war, Israil's invasion at Gaza and Lebanon and Israil and Iran conflict at Middle-East, coupled with currency devaluation, may affect energy security and hamper Bangladesh's development process.

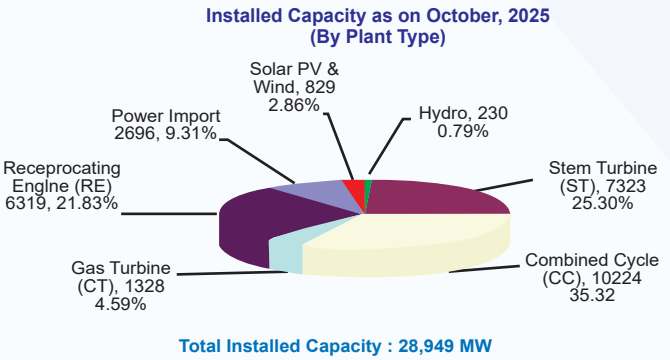
The government of Bangladesh has developed a comprehensive power-generating strategy to ensure the power sector's sustainable expansion and the general development of the national economy.

As an import-dependent economy for energy and industrial raw materials, Bangladesh remains exposed to global price fluctuations and supply-chain risks. Elevated fuel prices, high global inflation, and a strong US dollar have contributed to external pressure on the country's energy sector. The government continues to undertake reforms aimed at ensuring energy security, optimizing generation costs, and improving financial sustainability in the power value chain.

Despite these challenges, Bangladesh's medium-term economic outlook remains positive, supported by infrastructure development, manufacturing growth, and increasing energy demand. The transition toward diversified energy sources-including LNG, renewables, and efficient thermal generation remains central to ensuring long-term reliability and affordability.

The following pie charts show power generation installed capacity by fuel type and by plant type:





Source: Bangladesh Power Development Board

Key Operating Data for the previous 5 years

Khulna Power Company Ltd. (KPCL) is the first power generation company in private sector of the country. Established under the Private Sector Power Generation Policy of Bangladesh 1996 (Revised in November 2004), was in operation for the last 27 years. Initially KPCL started its journey to empower Bangladesh with its 110 MW barge-mounted power plant. In 2011 KPCL added another two efficient power plants- KPC Unit II 115MW plant, Khulna and KPC 40MW Noapara Plant, Jashore.

Operation of KPC 110 MW barge-mounted power plant had been shutdown on 18th October 2018 following expiry of its Power Purchase Agreement (PPA). This historic power plant (Tiger-I and Tiger-III) was re-exported in July 2022 to Albania, a European country under an agreement with Excelerate Global Operations LLC of USA.

KPC Unit II 115 MW plant and KPC 40 MW Noapara plant were operated successfully from June 2011 to August 2024 under Contract for supply of electricity/PPA on rental basis and amended Contract under "No electricity No Payment without any guaranteed off-take" basis. Operation of these two plants had been shut down in August 2024 following expiry of the Contracts and as per the Government's decision. Pursuant to the contractual obligation and related Statutory Regulatory Order (SRO) governing the re-export/sale of the above plants upon contract expry, two Asset Purchase Agreements (Sale Agreement) have been executed between Khulna Power Company Ltd. (KPCL) and Aksa Enerji Uretim A.S., Turkey and Sabson Energy FZCO, Dubai.

Key operating data for the previous 5 years:

Name	Licensed Capacity MW	Installed Capacity MW	Generation (As demanded by BPDB)									
			Jul'2024-Jun'2025		Jul'2023-Jun'2024		Jul'2022-Jun'2023		Jul'2021-Jun'2022		Jul'2020-Jun'2021	
			Plant Factor	Generation	Plant Factor	Generation (MWh)	Plant Factor	Generation (MWh)	Plant Factor	Generation (MWh)	Plant Factor	Generation (MWh)
KPCL I	110	114	-	-	-	-	-	-	-	-	-	
KPCL II	115	119	**3.40%	**33,089	11%	113,830	20%	203,356	*37%	*109,817	47%	443,804
KPCL III	40	44	**1.80%	**6,265	10%	33,162	15%	52,895	*32%	*30,702	29%	96,575
Total	**265**	**277**		**39,354**		**146,992**		**256,251**		**140,519**		**540,379**

*24th March 2022 to 30th June 2022.
** 1st July 2024 to 16th August 2024

KPCL two power plants added 39.36GWh of electricity to the national grid during the financial year 2024-2025. Volume generated during the year under report was 73% lower than last year mainly due to shutdown of plants electricity production after 16th August 2024. Since inception, our plants were operated and maintained by Wartsila Bangladesh Ltd., a 100% subsidiary of Wartsila OY, Finland, the manufacturer and supplier of spare parts for the power plants. From January 2014 until their shutdown in August 2024, the Company itself operated and maintained the plants.

Khulna Power Company Ltd. had always used brand new highly efficient engines and other auxiliaries of best international standard. The aim was to spend bare minimum fuel for generation of electricity and save costly fuel of the country. KPCL had always followed Integrated Management System (IMS) to maintain all of its power plants, which includes-ISO 9001:2015- Quality Management System (QMS), ISO 14001:2015- Environmental Management System (EMS), BS OHSAS 45001:2018 - Occupational Health & Safety (OH&S).

After introduction of IMS, Bureau Veritas (a global leader in Testing, Inspection and Certification with innovative solutions that go beyond simple compliance with regulations and standards, reducing risk, improving performance and promoting sustainable development) audited the management system of the company. KPCL successfully passed the inspections, thus received the certificate of accreditation for all three standards e.g. ISO 9001:2015, ISO 14001:2015 & BS OHSAS 45001:2018.

Financial Summary

	2024-2025 (July'24-June'25)	2023-2024 (July'23-June'24)	2022-2023 (July'22-June'23)	2021-2022 (July'21-June'22)	2020-2021 (July'20-June'21	2019-2020 (July'19-June'20
Operating data (Taka in million)						
Revenue	822.21	2,969.83	5,059.27	2,498.46	6,318.47	5,216.29
Cost of Sales	986.41	2,931.11	4,755.00	2,709.00	5,254.00	3,693.83
Gross Profit	(164.20)	38.72	304.26	(209.53)	1,065.00	1,522.47
General & Admin. Expenses	26.89	31.48	38.41	34.90	686.00	85.17
Finance Income	18.58	10.08	17.09	3.25	4.02	111.49
Finance Expenses	57.50	152.30	132.25	44.09	98.30	169.10
Net Profit	114.84	57.99	-664.52	13.06	345.33	1,349.47
Financial Position/Balance Sheet data (Taka in million)						
Share Capital	3,974.13	3,974.13	3,974.13	3,974.13	3,974.13	3,974.13
Shareholders' Equity	7,561.97	7,288.23	7,627.66	8,633.97	8,770.00	9,775.86
Total Debt (Non-current Liabilities)	51.81	58.51	61.20	65.44	60.41	61.12
Current Assets	2,144.89	2,799.26	4,525.55	3,321.00	2,455.13	3,693.03
Asset held for sale	3,017.14	-	-	2,372.94	2,173.28	2,173.28
Current Liabilities	329.35	1,113.56	2,691.72	3,043.78	1,918.10	2,224.75
Total Assets	7,943.13	8,460.31	10,380.57	11,743.00	10,748.49	12,061.73
Total Liabilities	381.16	1,172.06	2,752.92	3,109.22	1,978.51	2,285.87
Financial Ratios						
Gross Profit Ratio (%)	-19.97%	1.30%	6.01%	-8.39%	16.86%	29.19%
Net Profit Ratio (%)	13.97%	1.95%	-13.13%	0.52%	5.47%	25.87%
Return on Assets (%)	1.45%	0.69%	-6.40%	0.11%	3.21%	11.19%
Other Data						
Earnings Per Share (Tk)	0.29	0.15	-1.67	0.03	0.87	3.50
Cash Dividend (%)	*5%	*10%	*10%	**10% & 8%	*12.5	34%
Total Number of Ordinary Shares Outstanding	397,431,179	397,431,179	397,431,179	397,431,179	397,431,179	397,431,179
Total Number of Free Float Shares	119,262,051	119,262,051	119,262,051	119,262,051	119,262,051	119,262,051
Comparative Cash Flows Statement:						
Net Cash Generated from Operating Activities	614,652,683.00	1,229,882,599.00	(1,748,044,279.00)	799,818,277.00	2,665,675,997.00	2,793,628,404.00
Net Cash Generated from Investing Activities	171,801,257.00	203,553,673.00	1,403,565,974.00	209,114,012.00	(28,127,807.00)	(1,243,340,574.00)
Net Cash Used in Financing Activities	(913,733,699.00)	(1,863,115,492.00)	881,031,847.00	(1,037,626,694.00)	(2,594,659,835.00)	(2,654,968,164.00)

*Only for the General Public Shareholders. **10% for General Public Shareholders and 8% for the Sponsors.

During the period under report net cash generated from operating activities is positive but lower than the earlier reporting period which is approximately 50%. The reason behind this decline is the slow and delayed bill settlement by Bangladesh Power Development Board (BPDB). At the same time, electricity supply to BPDB did not cover the whole financial year more precisely we supplied only in July 2024 and in part of August 2024 for non-renewal of PPA futher. Net cash generated from investing also reduced as compared with preceeding year due to lower share of dividend income from United Payra Power Ltd., its associate company. Simultaneouly financing activities showed negative result owing to repayment of significant amount of inter-company borrowing.

Financial results and performance of the Company

Key financial results compared with last year is detailed below:

Particulars	For the year ended 30 June 2025 (In Million Taka)	For the year ended 30 June 2024 (In Million Taka)
Revenue	822.21	2,969.82
Cost of sales	(986.41)	(2,931.11)
Gross profit	**(164.20)**	**38.71**
General and administrative expenses	(26.89)	(31.48)
Operating profit/(loss)	**(191.09)**	**7.23**
Share of profit from associate	325.49	219.65
Other Income	30.15	5.29
Finance expense	(38.91)	(142.22)
Foreign exchange loss	-	(29.37)
Profit before tax	**125.64**	**60.58**
Income tax expense	(10.79)	(2.59)
Profit/(loss) for the year	**114.85**	**57.99**
Other comprehensive income	-	-
Total comprehensive income	**114.85**	**57.99**

Revenue earned during the year under report was 72% lower than last year mainly due to shut down of plants electricity production after 16th August 2024.

Cost of sales for the year decreased by 66.35% from the previous year because of lower revenue generation.

Other Income for the year under report inreased to Tk. 30.15 million from Tk. 5.29 million. This is because of an insurance claim receivable confirmation from insurer against machinery breakdown and disposal of assets.

Company earned a net profit of Tk. 114.85 million in this year against Tk. 57.99 million of previous year mainly as a result of higher share of profit from associate company and lower finance cost.



Profit appropriation

The Directors takes pleasue in reporting the financial results of the Compny for the year ended on 30th June 2025 and recommended the appropriation as mentioned below:

Particulars	Amount (In Million Taka)
Profit for the financial year ended 30th June 2025	114.85
Profit brought forward	3,314.10
	3,428.95
Dividend waived by the sponsor's	278.15
Dividend paid for the year ended 30th June 2024	(119.26)
Profit available for appropriation	3,587.84

Appropriations:	
Proposed Cash Dividend for the year 2024-2025 @5% only for the General Public Shareholders	59.63
Retained Earnings after proposed Dividend	3,528.21

Extra-ordinary gain or loss

As per IAS 1: Presentation of Financial Statements, no item of nicome and expenses are to be presented as extra-ordinary gain or loss in the financial statements. Accordingly, no extra-ordinary gain or loss has been recognized in the financial statements.

Related Party Transaction

All transactions with related parties have been made in the normal course of business. Details of related parties and related party transactions have been disclosed following the compliance requirements under IAS 24: "Related party disclosures" in the notes-2.17 to the Financial Statements.

Utilization of proceeds from public issues, rights issues and/or through any other instrument

Not applicable



Annexure-A

CEO & CFO's Certification to the Board

27th October 2025

The Board of Directors
Khulna Power Company Ltd.
"United House," Madani Avenue
United City, Dhaka-1212.

Subject: Certification on Financial Statements for the year ended 30th June 2025.

Dear Sirs,

Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 Dated 03rd June 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

(1) The Financial Statements of Khulna Power Company Ltd. for the year ended 30th June 2025 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS) as applicable in the Bangladesh and any departure there from has been adequately disclosed;

(2) The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;

(3) The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;

(4) To ensure above, the Company has taken proper and adequate care ininstallinga system of internal control and maintenance of accounting records;

(5) Our internal auditors have conducted periodic audits, where applicable, to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and

(6) The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:-

i) We have reviewed the financial statements for the financial year ended 30th June, 2025 and that to the best of our knowledge and belief:

   a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   b) these statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.

ii) There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Yours faithfully,

Md. Mamun Sarwar
Chief Financial Officer

Al Mamun M. Atiqul Islam
Managing Director

Annexure-B

Shareholding Pattern

as at 30th June 2025

Name of Shareholders	No. of Shares	% of Shareholding
A) Sponsors:		
1. United Mymensingh Power Ltd. (incorporated in Bangladesh)	140,216,401	35.282%
2. Summit Power Limited (incorporated in Bangladesh)	70,108,200	17.641%
3. Summit Corporation Limited (incorporated in Bangladesh)	67,732,419	17.043%
4. Hasan Mahmood Raja, Sponsor	6,722	0.002%
5. Moinuddin Hasan Rashid, Sponsor	6,722	0.002%
6. Akhter Mahmud, Sponsor	6,722	0.002%
7. Khandaker Moinul Ahsan, Sponsor	6,722	0.002%
8. Muhammed Aziz Khan, Sponsor	6,722	0.002%
9. Anjuman Aziz Khan, Sponsor	6,722	0.002%
10. Muhammad Latif Khan, Sponsor	6,722	0.002%
11. Muhammad Farid Khan, Sponsor	6,722	0.002%
12. Jafer Ummeed Khan, Sponsor	6,722	0.002%
13. Ayesha Aziz Khan, Sponsor	6,722	0.002%
14. Adeeba Aziz Khan, Sponsor	6,722	0.002%
15. Ahmed Ismail Hossain, Sponsor	6,722	0.002%
16. Faridur Rahman Khan, Sponsor	6,722	0.002%
17. Abul Kalam Azad, Sponsor	6,722	0.002%
Sub total (A):	**278,151,128**	**69.990%**
B) General Investors	**119,262,051**	**30.010%**
C) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor Children.	-	-
D) Executives	-	-
Total (A+B+C+D):	**397,413,179**	**100%**

10% and above shareholding:

Name of Shareholders	No. of Shares	% of Shareholding
1. United Mymensingh Power Ltd.	140,216,401	35.2823%
2. Summit Power Limited	70,108,200	17.6411%
3. Summit Corporation Limited	67,732,419	17.0433%

Significant variance between quarterly financial statements

1st Quarter ended 30th September 2024

Particulars	July-September 2024	July-September 2023	Difference %
Revenue	822,211,791	1,826,521,669	(55%)
Earnings Per Share (Taka)	0.04	0.16	(75%)
Gross Profit Margin (In %)	(5.35%)	6.44%	(183%)
Other Income (Taka)	19,041,321	-	-
Foreign Exchange Gain(Loss) Taka	-	(30,515,045)	(100%)
Finance Income (Taka)	1,491,945	5,713,397	(73.88%)
Finance Cost (Taka)	21,574,318	53,530,337	59.70%

Revenue

Revenue decreased by 55% because the plants were not in operation during the full quarter of July to September 2024.

Earnings Per Share (EPS)

During the period July-September 2024 EPS decreased mainly due to lower revenue earning for not complete periodic operation of plants.

Gross Profit Margin

Company showed negative GP Margin of (5.35%) from its operation in the July-September 2024. In this quarter company earned lower revenue but corresponding fixed operational cost was incurred.

Other Income

The other income includes an insurance claim receivable confirmation from insurer against machinery breakdown.

Foreign Exchange gain/(loss)

During this quarter, no UPAS L/C was established to import HFO and HFO was procured from local source. As a result, no foreign currency transactions took place.

Finance Income

During the period July-September 2024 finance income (interest of FDR/SND) dropped due to having no investment in financial instrument in this quarter.

Finance Cost

Finance Cost was lower during this period as compared with the corresponding period due to settlement of L/C liability.

2nd Quarter ended 31st December 2024

Particulars	October - December 2024	October - December 2023	Difference %
Revenue	-	365,017,738	(100%)
Earnings Per Share (Taka)	0.04	(0.12)	(133 %)
Gross Profit Margin (In %)	-	(17.17%)	(100%)
Foreign Exchange Gain(Loss) Taka	-	1,193,036	(100%)
Finance Cost (Taka)	16,589,999	45,805,489	116.86%
Income Tax Expense (Taka)	909,900	-	(100%)

Revenue
During this quarter no revenue was earned because PPA of KPC 115MW plant and KPC 40MW Noapara plant was not extended further.

Earnings Per Share (EPS)
During the period October-December 2024, despite having no revenue earning, the EPS shows positive because the share of profit from associate is included in its earning.

Gross Profit Margin
During the period October-December 2024 gross profit is nil due to the fact that the Company had no revenue earning owing to expiry of PPA.

Foreign Exchange Gain/(loss)
Due to having no involvement of UPAS L/C and foreign currency transaction as well.

Finance Cost
Finance cost declined in this period compared to earlier corresponding period due to settlement of short term loan.

Income Tax Expense
During the period October-December 2024 income tax expenses incurred from the adjustment deferred tax resulting from gratuity payment.



3rd Quarter ended 31st March 2025

Particulars	January-March 2025	January-March 2024	Difference %
Revenue	-	130,044,978	(100%)
Earnings Per Share (Taka)	0.05	(0.10)	150%
Gross Profit Margin (In %)	-	(63.4%)	(100 %)
Foreign Exchange Gain(Loss) Taka	-	(55,775)	(100 %)
Finance Income (Taka)	4,901,215	866,883	465%
Finance Cost (Taka)	9,800,000	30,633,915	68%

Revenue
During this quarter no revenue was earned because PPA of KPC 115MW plant and KPC 40MW Noapara plant was not extended further.

Earnings Per Share (EPS)
During the period January-March 2025, despite having no revenue earning, the EPS shows positive because the share of profit from associate and finance income are included in its earning.

Gross Profit Margin
During the period January-March 2025 gross profit is nil due to the fact that the Company had no revenue earning owing to expiry of PPA.

Foreign Exchange Gain/(loss)
Due to having no involvement of UPAS L/C and foreign currency transaction as well.

Finance Income
During this quarter finance income improved due to investment made in FDR.

Finance Cost
Finance cost declined in this period compared to earlier corresponding period due to settlement of short term loan.

Dividend for the year 2024-2025

Your Board recommends 5% Cash Dividend only for the General Public Shareholders for the financial year ended 30th June 2025, subject to approval by the shareholders at the 27th Annual General Meeting.

Business Risk & Uncertainties

Investment in equity shares involves various levels of risk. Consequently, the return of investment is dependent on the functioning of the risk factors, KPCL operates in an industry which is exposed to a number of internal and external risk factors over which our company has little or no control. The occurrence of the risk factors as delineated hereunder can have significant bearing on the operational and financial performance of the Company. Therefore, it is imperative thoroughly understand the risk profile of the Company along with management's perception of the risks so that you are aware that your company is in safe hands.

Financial risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by it, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is mainly attributable to trade and other receivables. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

The Company's receivables arise from a Government entity, viz, Bangladesh Power Development Board (BPDB) to whom the Company's sales are made under the conditions of the Contract for supply of electricity on 'No Electricity No Payment' basis.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of the Company's management is to manage and control market risk exposures within acceptable parameters, while optimising the return.



Currency risk

The Company is exposed to currency risk on revenue and certain expenses such as procurement of heavy fuel oil, spare parts and purchase of capital items. Majority of the Company's foreign currency transactions are denominated in United States Dollar (USD) and Euro (EUR) and related to revenue and procurement of heavy fuel oil and spare parts.

Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. Loans and borrowings are affected by fluctuations in interest rates as the rate is of SOFR plus variable rate ranging from 2.50% to 3.25%.

Details financial risk management has been disclosed in the notes 2.18 to the financial statements.

Capital risk management

KPCL's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Operational Risk

Operational risk is measured against the ability of the Company's power projects to generate and distribute stipulated electricity to its off-taker. Limitation of technology used, fuel supply arrangement, operation and maintenance (O&M) arrangement, expiry of PPA/ contract for supply of electricity, political or force majeure in the form of natural disasters like floods, cyclone, tsunami and earthquake may hamper normal performance of power generation. However, severe natural calamities which are unpredictable and unforeseen have the potential to disrupt normal operations of KPCL. The management of your company believes that prudent rehabilitation schemes and quality maintenance will lessen the damages caused by such natural disasters. Most importantly, all the above risks are covered under the insurance agreement with Pragati Insurance Limited and Meghma Insurance Company Limited to compensate for all potential damages caused in such situations.

The Company is operated by a team of highly motivated and trained engineers who were employed for the last twenty seven years under Wärtsilä and KPCL.

Heavy Fuel Oil (HFO) was used as basic raw material for the operation of the two units of KPCL power plants. Lastly Bangladesh Petroleum Corporation (BPC) supplied HFO to the Company.



Directors' Election & Re-Appointment

Mr. Mohammad Khairul Anam Chowdhury has been elected as the Chairman of the Company in place of Mr. Hasan Mahmood Raja (nominated Director of United Mymensingh Power Ltd.), who resigned from the Board with effect from 30-04-2025.

In exercise of power vested in the Article 20(c) of the Articles of Association, the Board appointed Mr. Khandaker Zahin Ahsan, Mr. Md. Moinul Islam Khan, Mr. Md. Shoharab Ali Khan, Mr. Khandker Sayeedul Islam and Mr. Md. Mojibul Islam Patoary as nominated Director of United Mymensingh Power Ltd. in place of Mr. Khandaker Moinul Ahsan, Mr. Akhter Mahmud, Mr. Moinuddin Hasan Rashid, Mr. Kutubuddin Akhter Rashid and Mr. Khondaker Zayed Ahsan in its meeting held on 30th April 2025. The Board also appointed Ms. Zareen Rahman, Barrister-at-Law as Independent Director of the Board with effect from 27th October 2025.

As per article 20(c) and 23(b) of the Articles of Association, Mr. Khandaker Zahin Ahsan, Mr. Moinul Islam Khan, Mr. Md. Shoharab Ali Khan, Mr. Khandker Sayeedul Islam and Mr. Md. Mojibul Islam Patoary shall retire in the 27th Annual General Meeting (AGM) and being eligible, offered themselves for re-election.

Mr. Mohammad Latif Khan and Engr. Md. Mozammel Hossain, nominated directors of Summit Power Ltd. (Sponsor shareholder) and Mr. Muhammad Farid Khan, Mr. Jafer Ummeed Khan, Mr. Mohammed Faisal Karim Khan, Ms. Azeeza Aziz Khan and A. N. M. Tariqur Rashid, nominated directors of Summit Corporation Limited (Sponsor shareholder) resigned from the Board of Directors of KPCL with effect from 29-9-2025.

Directors Meeting & Attendance

The Board of Directors of the Company comprises nine (9) members. Names and profiles have been provided in detail under the heading Profile of the Directors of this Annual Report. A statement for each of their involvement in other corporate bodies has also been provided in Annexure-C in page no. 27 of this report.

The meetings of the Board of Directors are presided over by the Chairman. Written notice of the Board meeting mentioning agenda along with working papers are circulated ahead of the meeting; minutes are correctly recorded, signed by the chairman and circulated.

Five (5) Board Meetings took place during the financial year ended 30th June 2025. The attendance of the Directors are as follows:

Sl.	Name of Director	Attendance
1	Mr. Hasan Mahmood Raja	5
2	Mr. Moinuddin Hasan Rashid	5
3	Mr. Akhter Mahmud	5
4	Mr. Khandaker Moinul Ahsan	5
5	Mr. Kutubuddin Akhter Rashid	5
6	Mr. Khondaker Zayed Ahsan	4
7	Mr. Mohammad Khairul Anam Chowdhury	5
8	Mr. Mohammad Latif Khan	4
9	Mr. Mohammed Faisal Karim Khan	4
10	Mr. Muhammad Farid Khan	-
11	Mr. Jafer Ummeed Khan	3
12	Mr. Syed Fazlul Haque, FCA	3
13	Ms. Azeeza Aziz Khan, ACCA	3
14	Mr. A. N. M. Tariqur Rashid	-
15	Mr. Malik Talha Ismail Bari	3
16	Engr. Md. Mozammel Hossaim	4
17	Mr. Badrul Haque Khan, FCA	2
18	Mr. Junayed Ahmed Chowdhury, Barrister-at-Law	2
19	Mr. Al Mamun M. Atiqul Islam	5

The Directors who could not attend the meetings were granted leave of absence.





Photo caption: Board meeting in progress.

Directors' Responsibilities/ Reporting Framework

The law required that the financial statements of the company should be prepared in accordance to the prescribed format given by International Financial Reporting Standard (IFRS) as adopted by ICAB and Bangladesh Financial Reporting Standards (BFRS). This has been completely followed to fairly present the financial position and performance of the company. While preparing the financial statement, the following points were considered:

- Selection of suitable accounting policies and then applying them consistently,
- Making judgment and estimates that are reasonable and prudent;
- Ensuring that the financial statements have been prepared in accordance with Bangladesh Financial Reporting Standards (BFRS);
- Preparing the financial statements on going corncern basis unless it is appropriate to presume that the company will not continue in business;

Proper accounting records have been kept so that at any given point the financial position of the company is reflected with reasonable accuracy, which will enable them to ensure that its financial statements comply with Companies Act 1994 and other required regulatory authorities;

In compliance with the requirements of the BSEC's Notification dated 3rd June 2018, the Directors are also pleased to make the following declarations in their report

a) The financial statements prepared by the management of your Company fairly presents its state of affairs, the result of its operations, cash flows and changes in equity;

b) Proper books of accounts of your Company have been maintained;

c) Appropriate accounting policies have been consistently applied in preparation of the financial statements; and that the accounting estimates are based on reasonable and prudent judgment;

d) International Accounting Standards and International Financial Reporting Standards as applicable in Bangladesh, have been followed in preparation of the financial statements and any discrepancies have been adequately disclosed;

e) The system of internal control is well structured and has been effectively implemented and monitored;

f) There are no significant doubts upon your Company's ability to continue as an ongoing concern basis;

g) Significant deviations from last year in operating results of the Company are highlighted and the reasons have been explained in financial results and profit appropriation;

h) Key financial and operating data has been summarized for the preceding five years;

i) Risks and uncertainties surrounding the Company has been outlined under the relevant captions of this report;

j) The number of Board meetings held during the year and attendance of each director has been disclosed;

k) The pattern of shareholding has been reported in Annexure-B, page no. 18 of this report to disclose the aggregate number of shares;

l) No bonus share or stock dividend has been declared as interim dividend.

m) CEO & CFO's certification to the Board has been provided in Annexure-A, page no. 17 of this report.

Remuneration of Directors

Remuneration, performance and other related perquisites/ benefits of Managing Director reviewed annually and approved by the Board of Directors. Non Executive Directors including Independent Directors are paid attendance fee per meeting. Related fees have been disclosed in the notes-2.18 of the financial statements ended 30th June 2025.

Qualified Opinion of the Statutory Auditors:

The Statutory Auditors have expressed a qualified opinion noting that the Contracts for Supply of Electricity between the Company and Bangladesh Power Development Board (BPDB) have expired with no possibility of renewal. This situation has created significant uncertainty regarding the Company's ability to continue as a going concern. In addition, the auditors observed that the carrying value of property, plant and equipment (excluding land) may be impaired due to suspension of operations.

Going Concern / Sustainability

KPC Unit II 115MW plant, Khulna and KPC 40MW Noapara plant, Jashore were operated successfully from June 2011 to August 2024 under Contract for supply of electricity/PPA on rental basis and amended Contract under "No electricity No Payment without any guaranteed off-take" basis. Operation of these two plants had been shut down in August 2024 following expiry of the Contracts and as per the Government's decision. Pursuant to the contractual obligation and related Statutory Regulatory Order (SRO) governing the re-export/sale of the above plants aftar contract expiry, two Asset Purchase Agreements (Sale Agreement) have been executed between Khulna Power Company Ltd. (KPCL) and Aksa Enerji Uretim A.S., Turkey and Sabson Energy FZCO, Dubai.

However, the Company has 35% shareholding interest in United Payra Power Ltd. (150 MW plant) having an agreement with Bangladesh Power Development Board (BPDB) for a period of fifteen (15) years effective from the date of commercial operation on 18th January 2021. KPCL booked share of profit from associate company amounting to Tk. 325,494,419 for the year ended 30th June 2025 and generated net profit after tax of Tk. 114,845,650. Moreover, in the first quarter ended 30th September 2025 (FY: 2025-2026), KPCL earned Tk. 97,374,174 as net profit after tax.

As a result, while approving financial statements the Directors have made appropriate enquires and analised significant operating and indicative financials which enabled them to understand that the company has adequate resources and legal instruments to continue as a going concern. Therefore, the Company adopted the going concern basis in preparing the financial statements.

Statutory Auditors

M/s. S. F. Ahmed & Co., Chartered Accountants was appointed as the auditors of the Company in the 26th Annual General Meeting (AGM). They have carried out the audit for the year ended 30th June 2025 and the auditors of the Company will retire in the 27th AGM. Being eligible under section 212 of the Companies Act, 1994 they have expressed their willingness for re-appointment for the financial year 2025-2026. Our Board therefore, in its meeting held on 27th October 2025, resolved to recommend 'M/s. S. F. Ahmed & Co., Chartered Accountants' for appointment as Statutory Auditors of the Company for the year ending on 30th June 2026 subject to approval of the Shareholders in the forthcoming AGM.

Corporate Governance

KPCL believes that enriched corporate governance contrinbutes to the long term success of a Company and creates trust and engagement between the company and its stakeholders. Accordingly, the Board of Directors and Management strive to maintain full compliance with the laws, rules and regulations that govern our business and to uphold the highest standards. KPCL follows an Integrated Management System (IMS) to maintain all of its power plants, which includes - ISO 9001:2015 - Quality Management System (QMS), ISO 14001:2015 - Environmental Management System (EMS), BS OHSAS 54001:2018 - Occupational Health & Safety (OH&S). A separate chapter on corporate governance has also been reported in page no. 62.

Status of Compliance

In accordance with the requirement stipulated in condition no-9.00 of the Securities & Exchange Commission's notification no-BSEC/CMRRCD/ 2006-158/207/Admin/80 dated 03th June 2018 issued under section 2CC of the Securities and Exchange Ordinance 1969, the status of compliance of Corporate Governance Code is shown in Annexure-D page no. 28 of this report.

A Certificate from 'Ahmmed Hoq Siddiqui & Co. Chartered Accountants' confirming compliance of conditions of Corporate Governance Code as stipulated under condition 1(5)(xxvii) is also annexed to this report as Annexure-E in page no. 29 of this report.

The Institute of Chartered Accountants of Bangladesh (ICAB) is the sole authority for adoption of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), While preparing the financial statements, Khulna Power Company Ltd. complies all the applicable IAS and IFRS as adopted by ICAB.

Annexure-D

Our Directors serving on other Board

Company >>	Director Name	Mohammad Khairul Anam Chowdhury	Khandaker Zahin Ahsan	Md. Moinul Islam Khan	Md. Shoharab Ali Khan	Khandker Sayeedul Islam	Md. Mojibul Islam Patoary	Badrul Haque Khan, FCA	Zareen Rahman, Barrister-at-Law	Al Mamun M. Atiqul Islam
United Ashuganj Energy Ltd.		-	-	✓	-	✓	-	-	-	-
Leviathan Global BD Ltd.		-	-	✓	-	-	-	-	-	-
United Payra Power Ltd.		-	✓	✓	✓	✓	-	-	-	✓
United City Twin Tower Developers Ltd.		-	✓	-	-	-	-	-	-	-
United International University		-	✓	-	-	-	-	-	-	-
Unimart Limited		-	✓	-	-	-	-	-	-	-
United Securities Ltd.		-	✓	-	-	-	-	-	-	-
United Pharma & Healthcare Ltd.		-	✓	-	-	-	-	-	-	-
Gunze United Limited		-	-	-	-	✓	-	-	-	-
United Professional Services Ltd.		-	✓	-	-	-	-	-	-	-
IPCO Developments (Bangladesh) Ltd.		-	✓	-	-	-	-	-	-	-
IPCO Hotels Ltd.		-	✓	-	-	-	-	-	-	-
United Insurance Company Ltd.		-	✓	-	-	-	-	-	-	-
Indulge Food & Beverage Ltd.		-	-	-	-	✓	-	-	-	-
UNIMART Limited.		-	-	-	-	✓	-	-	-	-
Nitol Insurance Co. Ltd.		-	-	-	✓	-	-	-	-	-

AHS

Ahmmed Hoq Siddiqui & Co. | Chartered Accountants

Report to shareholders of khulna Power Company Ltd (KPCL) on Compliance with

The Corporate Governance Code
[As required under code 1(5)(xxvii) of the BSEC code of corporate governance]

We have examined the compliance status to the Corporate Governance Code by Khulna Power Company Ltd for the year-end on June 30, 2025. This code relates to the gazette notification No: BSEC/CMRRCD/2006-158/207/Admin/80, Dated 3rd June 2018, of the Bangladesh Securities and Exchange Commission (BSEC).

Such compliance with the Corporate Governance Code is the responsibility of the company. Our examination was limited to the procedures and implementation thereof as adopted by the management to ensure compliance with the conditions of the Corporate Governance Code.

This is scrutiny, verification, and an independent audit of compliance with the conditions of the Corporate Governance Code and the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) so far; those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations that we have required, and after due scrutiny and verification thereof, we report that in our opinion, subject to the remarks and observations reported in the connected compliance statement.

a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the commission.

b) The Company has complied with the provision of the relevant Bangladesh Secretarial Standard (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this code.

c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws, and other relevant laws; and

d) The governance of the company is satisfactory.

This report, however, does not endorse the quality of content in the company's 2024-2025 annual report.

Place: Dhaka
Dated: December 10, 2025

Ahmmed Hoq Siddiqui & Co
Chartered Accountants

Muhammad Mahmudul Hoq, FCA
Partner

301 MAR Garden, House 145, Road 3, Block A, Niketon, Gulshan, Dhaka. Cell: +88 01864 439 044, +88 01864 435 200
www.ahscabd.com

Annexure-C

Status of Compliance with the Corporate Governance Code (CGC)

For the financial year ended on 30th June 2025

Status of compliance with the conditions imposed by the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated 03 June, 2018 with amendments issued under section 2CC of the Securities and Exchange Ordinance, 1969:

(Report under Condition No. 9.00)

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1	**Board of Directors.-**			
1(1)	**Size of the Board of Directors**			
	The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not to be less than 5 (five) and more than 20 (twenty).	√	–	The Board is comprised of 9 Directors including Managing Director.
1(2)	**Independent Directors**			
1(2)(a)	At least two or one fifth (1/5) of the total number of directors in the company's board shall be independent directors; any fraction shall be considered to the next integer or whole number for calculating number of independent director(s). Provided that the Board shall appoint at least 1 (one) female independent director in the Banrd of Directors of the company;	√		2 out of 9 directors are appointed as Independent Director including a Female Independent Director.
1(2)(b)(i)	Who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	√	–	
1(2)(b)(ii)	Who is not a sponsor of the company and is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company:	√	–	
1(2)(b)(iii)	Who has not been an executive of the company in immediately preceding 2(two) financial years;	√	–	
1(2)(b)(iv)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	√	–	
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director, or officer of any stock exchange;	√	–	
1(2)(b)(vi)	Who is not a shareholder, director excepting independent direct or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	√	–	
1(2)(b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	√	–	
1(2)(b)(viii)	Who is not an independent director in more than 5 (five) listed companies;	√	–	
1(2)(b)(ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Bank Financial Institution (NBFI);	√	–	

Condition No.	Title	Compliance Status (appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude.	√	–	
1(2)(c)	The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	√	–	
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90(ninety) days.	√		
1(2)(e)	The tenure of office of an independent director shall be for a period of 3(three) years, which may be extended for 1(one) term only.	√	–	
1(3)	**Qualification of Independent Director.-**			
1(3)(a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to business;	√	–	
1(3)(b)	**Independent Director shall have following qualifications:**			
1(3)(b)(i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid -up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or	–	–	N/A
1(3)(b)(ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid up capital of Tk. 100.00 million or of a listed company; or	√	–	
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or law; or	√	–	
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or	√	–	
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	–	–	N/A
1(3)(c)	The independent director(s) shall have at least 10(ten) years of experiences in any field mentioned in clause (b);	–	–	N/A
1(3)(d)	In special cases, the above qualifications or experiences may be relaxed subject to prior approval of the Commission.	–	–	No such deviation occurred.
1(4)	**Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer.-**			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and /or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	√	–	

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√	–	
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√	–	
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/ or Chief Executive officer;	√	–	
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√	–	No such event arose during the year.
1(5)	**The Directors' Report to the Shareholders**			
1(5)(i)	An industry outlook and possible future developments in the industry;	√	–	
1(5)(ii)	The Segment-wise or product-wise performance;	√	–	
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√	–	
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	√	–	
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications(gain or loss);	√	–	No such issue arose.
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√	–	
1(5)(vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or through any others instruments;	–	–	N/A
1(5)(viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO). Rights Share Offer, Direct Listing, etc.;	–	–	N/A
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial Performance and Annual Financial Statements;	√	–	
1(5)(x)	A statement of remuneration paid to the directors including independent directors;	√	–	
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√	–	
1(5)(xii)	A statement that proper books of account of the issuer company have been maintained;	√	–	
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	√	–	
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	√	–	

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored;	√	–	
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√	–	
1(5)(xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√	–	
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	√	–	
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	√	–	
1(5)(xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year;	–	–	The Board of Directors has recommended 5% Cash Dividend only all the General Public Sharehoders for the year ended 30th June 2025.
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	–	–	**N/A**
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	√	–	
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:-			
1(5)(xxiii)(a)	Parent or Subsidiary or Associated Companies and other related parties (name -wise details);	–	–	**N/A**
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance their spouses and minor children (name- wise details);	√	–	
1(5)(xxiii)(c)	Executives; and	√	–	
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details).	√	–	
1(5)(xxiv)	In case of the appointment or reappointment of a director, a disclosure on the following information to the shareholders:-			
1(5)(xxiv)(a)	a brief resume of the director	√	–	
1(5)(xxiv) (b) 1(5)(xxiv) (c)	nature of his/her expertise in specific functional areas; names of companies in which the person also holds the directorship and the membership of committees of the Board;	√ √	– –	
1(5)(xxv)	Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in financial statements, among others, focusing on:			

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
1(5)(xxv)(a)	accounting policies and estimation for preparation of financial statements;	√	–	
1(5)(xxv)(b)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	√	–	
1(5)(xxv)(c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	√	–	
1(5)(xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√	–	
1(5)(xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	√	–	
1(5)(xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	√	–	
1(5)(xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	√	–	
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per **Annexure-A**; and	√	–	
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this code as required under condition No. 9 shall be disclosed as per **Annexure-B** and **Annexure-C**.	√	–	
1(6)	**Meetings of the Board of Directors**			
	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√	–	
1(7)	**Code of Conduct for the Chairperson, other Board members and Chief Executive Officer**			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC), at condition No.6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;	√	–	
1(7)(b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	√	–	
2	**Governance of Board of Directors of Subsidiary Company:-**	**KPCL doesn't have any subsidiary Company**		
2(a)	Provisions relating to the composition of the Board of the holding company shall be made applicable to the composition of the Board of the subsidiary company;	–	–	
2(b)	At least 1 (one) independent director of the Board of the holding company shall be a director on the Board of the subsidiary company;	–	–	
2(c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company;	–	–	

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
2(d)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also;	–	–	
2(e)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	–	–	
3.	**Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO) Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):-**			
3(1)	**Appointment**			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	√	–	
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	√	–	
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time. Provided that CFO or CS of any listed company may be appointed for the same position in any other listed or non-listed company under the same group for reduction of cost or for technical expertise, with prior approval of the Commission:	√	–	
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√	–	
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	√	–	
3(2)	**Requirement to attend Board of Director's Meetings**			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board: Provided that the CS, CFO and/or the HIAC shall not attend such part of a meeting of the Board which involves consideration of an agenda item relating to their personal matters.	√	–	
3(3)	**Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer(CFO)**			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:	√	–	
3(3)(a)(i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	√	–	
3(3)(a)(ii)	these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws;	√	–	
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its member;	√	–	
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√	–	Disclosed in the Annual Report.

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
4.	**Board of Director's Committee.- For ensuring good governance in the company, the Board shall have at least following sub-committees:**			
4(i)	Audit Committee; and	√	_	
4(ii)	Nomination and Remuneration Committee	√	_	
5.	**Audit Committee.-**			
5(1)	**Responsibility to the Board of Directors.**			
5(1)(a)	The company shall have an Audit Committee as a sub-committee of the Board;	√	_	
5(1)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	√	_	
5(1)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√	_	
5(2)	**Constitution of the Audit Committee**			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	√	_	
5(2)(b)	The Board shall appoint members of the audit committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1(one) independent director;	√	_	
5(2)(c)	All members of the audit committee should be "financially literate" and at least I (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√	_	
5(2)(d)	When the term of service of any Committee members expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	√	_	
5(2)(e)	The company secretary shall act as the secretary of the Committee.	√	_	
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√	_	
5(3)	**Chairperson of the Audit Committee**			
5(3)(a)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an Independent director;	√	_	
5(3)(b)	In the absence of the Chairperson of the audit committee, remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No.5(4)(b) and the reason of absence of the regular chairperson shall be duly recorded in the minutes.	√	_	
5(3)(c)	Chairperson of the Audit Committee shall remin present in the Annual General Meeting (AGM): Provided that in absence of Chairperson of the Audit Committee, any other member from the Audit Committee shall be selected to be present in the annual general meeting (AGM) and reason for absence of the Chairperson of the Audit Committee shall be recorded in the minutes of the AGM.	√	_	
5(4)	**Meeting of the Audit Committee**			

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year: Provided that any emergency meeting in addition to regular meeting may be convened at the request of any one of the members of the Committee;	√	–	
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√	–	
5(5)	**Role of Audit Committee :-**			
	The Audit Committee shall:-			
5(5)(a)	Oversee the financial reporting process;	√	–	
5(5)(b)	monitor choice of accounting policies and principles;	√	–	
5(5)(c)	monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	√	–	
5(5)(d)	oversee hiring and performance of external auditors.	√	–	
5(5)(e)	hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√	–	
5(5)(f)	review along with the management, the annual financial statements before submission to the board for approval;	√	–	
5.5(g)	review along with the management, the quarterly and half yearly financial statements before submission to the Board for approval;	√	–	
5.5(h)	review the adequacy of internal audit function;	√	–	
5(5)(i)	review the Management's Discussion and Analysis before disclosing in the Annual Report;	√	–	
5(5)(j)	review statement of all related party transactions submitted by the management;	√	–	
5(5)(k)	review Management Letters or Letter of Internal Control weakness issued by statutory auditors.	√	–	
5(5)(l)	oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	√	–	
5(5)(m)	oversee whether the proceeds raised through Initial public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purpose stated in relevant offer document or prospectus approved by the Commission:	–	–	N/A
5(6)	**Reporting of the Audit Committee**			
5(6)(a)	**Reporting to the Board of Directors**			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board.	√	–	
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board on the following findings, if any:-	–	–	
5(6)(a)(ii)(a)	report on conflicts of interests;	–	–	No such reportable incidence arose.

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
5(6)(a)(ii)(b)	suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	–	–	No such reportable incidence arose.
5(6)(a)(ii)(c)	suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations;	–	–	No such reportable incidence arose.
5(6)(a)(ii)(d)	any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	–	–	No such reportable incidence arose.
5(6)(b)	**Reporting to the Authorities:-**			
	If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.	–	–	No such reportable incidence arose.
5(7)	**Reporting to the Shareholders and General Investors** Report on activities carried out by the Audit Committee, including any report made to the Board under condition 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.	–	–	No such reportable incidence arose.
6.	**Nomination and remuneration Committee(NRC).-**			
6(1)	**Responsibility to the Board of Directors**			
6(1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	√	–	
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	–	–	
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).	√	–	
6(2)	**Constitution of the NRC**			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	√	–	
6(2)(b)	All member of the Committee shall be non-executive directors;	√	–	
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	√	–	
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	√	–	
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	–	–	No such Incidence arose.

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion form such external expert and/or member(s) of staff shall be required or valuable for the Committee;	–	–	No such occurrence happen during the year.
6(2)(g)	The company secretary shall act as the secretary of the Committee;	√	–	
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	–	–	No such case arose after formation of NRC.
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.	–	–	No such case arose after formation of NRC.
6(3)	**Chairperson of the NRC**			
6(3)(a)	The Board shall select 1(one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	√	–	
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	–	–	No such case arose after formation of NRC.
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:	√	–	
6(4)	**Meeting of the NRC**			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	√	–	
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	–	–	No such case arose after formation of NRC.
	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members			
6(4)(c)	of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	–	–	No such case arose after formation of NRC.
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	√	–	
6(5)	**Role of the NRC**			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	–	–	No such case arose after formation of NRC.
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:	–	–	No such case arose after formation of NRC.
6(5)(b)(i)	formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	–	–	No such case arose after formation of NRC.
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;	–	–	No such case arose after formation of NRC.

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and remuneration to directors, top level executive involves a balance	–	–	No such case arose after formation of NRC.
6(5)(b)(i)(c)	betw een fixed and incentive pay reflecting short and long-term performance objectives appropriate to the w orking of the company and its goals;	–	–	No such case arose after formation of NRC.
6(5)(b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	–	–	No such case arose after formation of NRC.
6(5)(b)(iii)	identifying persons w ho are qualified to become directors and w ho may be appointed in top level executive position in accordance w ith the criteria laid dow n, and recommend their appointment and removal to the Board;	–	–	No such case arose after formation of NRC.
6(5)(b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;	–	–	No such case arose after formation of NRC.
6(5)(b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;	–	–	No such case arose after formation of NRC.
6(5)(b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;	–	–	No such case arose after formation of NRC.
6(5)(c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	√	–	
7.	**External or Statutory Auditors**			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the follow ing services of the company, namely :--			
7(1) (i)	appraisal or valuation services or fairness opinions;	√	–	
7 (1) (ii)	financial information system design and implementation;	√	–	
7 (1) (iii)	book-keeping or other services related to the accounting records or financial statements;	√	–	
7 (1) (iv)	broker –dealer services;	√	–	
7 (1) (v)	actuarial services;	√	–	
7 (1) (vi)	internal audit services or special audit services;	√	–	
7 (1) (vii)	any services that the Audit Committee determines.	√	–	
7 (1) (viii)	Audit or certification services on compliance of corporate governance as required under condition No.9(1);	√	–	
7 (1) (ix)	any other service that creates conflict of interest	√	–	
7(2)	No Partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company; his or her family members also shall not hold any shares in the said company:	√	–	
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' meeting (Annual General meeting or Extraordinary General Meeting) to answ er the queries of the shareholders.	√	–	

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not Complied	
8.	**Maintaining a website by the Company.-**			
8(1)	The Company shall have an official website linked with the website of the stock exchange.	√	–	
8(2)	The company shall keep the website functional from the date of listing.	√	–	
8(3)	The company shall make available the detailed disclosures on its website as required under the regulations of the concerned stock exchange(s)	√	–	
9.	***Reporting and Compliance of Corporate Governance.-***			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	√	–	Required certification has been obtained from "Ahmmed Hoq Siddiqui & Co." Chartered Accountants for the year ended 30th June 2025.
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the Shareholders in the annual general meeting.	√	–	
9(3)	The directors of the company shall state, in accordance with the **Annexure-C** attached, in the directors' report whether the company has complied with these conditions or not.	√	–	

Acknowledgement

The Directors would like to give special thanks to the members of the public who have placed their confidence on the Company by purchasing shares and supporting the activities of the Company.

The Board also recognizes and appreciates the critical support provided by the families of the employees, which enables them to focus on their daily work in KPCL.

The trust and confidence that our valued customers, BPDB & PGCB have placed upon KPCL are our main driving forces. We accept this trust in all humility and shall continue to strive to live up to the expectations. The Board expresses its heartfelt appreciation and gratitude to BPDB, the Power Division, MPEMR, Government of Bangladesh as well as Bangladesh Petroleum Corporation (BPC), Jamuna Oil Company Limited, Padma Oil Company Limited, Chittagong Port Authority, National Board of Revenue, Board of Investment (BIDA), Department of Environment (DoE), Bangladesh Inland Water Transport Authority (BIWTA), the Deputy Commissioner, the Superintendent of Police, the local administration of Khulna and Noapara and the people of the locality for extending their support towards the Company. The Board also extends its best wishes to Wartsila Bangladesh Limited (Spare parts supplier), contractors and consultants who helped us running the power plants.

The Board would also like to express their humble gratitude to all the stakeholders including the investors, suppliers, banks, insurance companies, service providers, Bangladesh Securities & Exchange Commission, Registrar of Joint Stock Companies & Firms, Dhaka Stock Exchange PLC, Chittagong Stock Exchange PLC, The Central Depository Bangladesh Limited and various Government Authorities.

With best wishes,

On behalf of the Board.



Mohammad Khairul Anam Chowdhury
Chairman

Audit Committee

The Board has constituted an Audit Committee as per the BSEC directives. As required, the report of the Audit Committee is included in this Annual Report. The Committee comprises 3 (Three) members of the Board who met four times (4 times) during the financial year ended 30th June 2025. The Committee members' attendance record is provided below:

Name	Status	Attendance	Remarks
Ms. Zareen Rahman, Barrister-at-Law	Independent Director- Chairman	-	Appointed on 27-10-2025
Mr. Khandaker Zahin Ahsan	Non-Executive Director- Member	1	Appointed on 29-9-2025
Mr. Md. Shoharab Ali Khan, FCMA	Non-Executive Director- Member	1	Appointed on 29-9-2025
Kutubuddin Akhter Rashid	Non-Executive Director- Member	4	Member up to 30-04-2025
Badrul Haque Khan, FCA	Non-Executive Director- Member	2	
Syed Fazlul Haque, FCA	Independent Director	3	Resigned on16-3-2025
Azeeza Aziz Khan, ACCA	Non-Executive Director- Member	3	Resigned with effet from 29-9-2025
Md. Mozammel Hossain	Secretary	4	

The Company's Managing Director and Chief Financial Officer were invited to audit committee meetings at the discretion of the Committee.



Photo caption: Audit Committee meeting in progress.

Report of Audit Committee

The Audit Committee, responsible to the Board of Directors of Khulna Power Company Ltd. (KPCL), was appointed by the Board of Directors of the Company and is constituted as per the internal control framework of the company policy as well as conditions set by the Bangladesh Securities and Exchange Commission (BSEC) vide its notification on Corporate Governance Code. The present committee comprises of 3 (three) members of whom one is Independent Director and two non-executive Directors. The company secretary functions as the secretary of the committee as well. Meetings of the committee are attended by Managing Director and CFO. Engagement partner of External Audit is also invited, as necessary. All members of the committee are financially literate and able to interpret financial statements and assess the adequacy of the internal control process.

The committee members, nominated by the Board, are:

Ms. Zareen Rahman, Barrister-at-Law	Independent Director	Chairman
Mr. Khandaker Zahin Ahsan	Non-Executive Director	Member
Mr. Md. Shoharab Ali Khan, FCMA	Non-Executive Director	Member

A total of 04 (Four) of meetings, including meeting dated 27th October 2025, were held since the last reporting on Audit Committee Report: 2023-24 on 24th October 2024.

Role of the Committee

The Audit Committee's authorities, duties and responsibilities flow from the Board's oversight function and the terms of reference are detailed in Committee Charter approved by the Board. The major responsibilities of the Committee, among others, include:

- Review of the quarterly, half-yearly and annual financial statements as well as other financial results of the company and, upon its satisfaction of the review, recommend them to the board for approval.
- Monitoring and reviewing the adequacy and effectiveness of the company's financial reporting process, internal control and risk management system.
- Monitoring and reviewing the arrangements to ensure objectivity and effectiveness of the external and internal audit functions. Examine audit findings and material weaknesses in the system and monitor implementation of audit action plans.
- Recommending to the Board for appointment, re-appointment or removal of external auditors.
- Reviewing and monitoring of the Company's ethical standards and procedures to ensure compliance with the regulatory and financial reporting requirements.

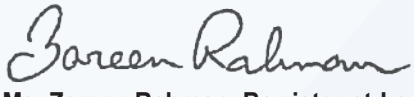
Activities of the Committee on Company's affairs for the year under report

In accordance with Audit Committee Charter, governed by the BSEC notifications on Corporate Governance Code, the committee carried out its duties to work on the areas that were raised for consideration and discussed to evaluate issues related to key events of financial reporting cycles. During the current financial period under report activities of the committee include, among others:

- Reviewed the quarterly and half yearly and annual audited financial statements of the Company and recommended to the Board for adoption and circulation as per the requirement of Bangladesh Securities and Exchange Commission (BSEC).
- Assessed the report of the external auditors on critical accounting policies, significant judgments and practices used by the company in preparation of financial statements.
- M/s. S. F. Ahmed & Co., Chartered Accountants, the retiring Auditor, has completed the first year of the three year tenure as per BSEC Order No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20th June 2018 and has expressed their willingness to continue for the next term. AC therefore, recommended S. F. Ahmed & Co., Chartered Accountants for appointment as Statutory Auditors of the Company for the financial year ending on 30th June 2026.
- Committee reviewed the effectiveness of internal financial control system and the internal audit procedures.
- Reviewed the recurrent related party transactions during the year under report to ensure that transactions were carried out on arm's length basis, not prejudicial to the interest of the company or its minority shareholders and were in compliance with applicable prevailing laws and regulations for the purpose.
- Reviewed the external auditors' findings arising from audit, particularly comments and responses of the management.
- Reviewed the matters of compliance as per requirements of the Bangladesh Securities and Exchange Commission (BSEC) and ensured corrections, as appropriate, to remain compliant.

The committee is of the opinion that adequate controls and procedures are in place to provide reasonable assurance that the company's assets are safeguarded and the financial position of the Company is adequately managed.

On behalf of the Committee



Ms. Zareen Rahman, Barrister-at-Law
Chairman

Nomination & Remuneration Committee (NRC)

The NRC members, nominated by the Board, are:

Ms. Zareen Rahman, Barrister-at-Law	Independent Director	Chairman
Mr. Khandaker Zahin Ahsan	Non-Executive Director	Member
Mr. Khandker Sayeedul Islam	Non-Executive Director	Member

The company secretary functions as the secretary of the committee as well.

Role of the NRC:

(a) NRC shall be independent and responsible or accountable to the Board and to the shareholders;

(b) NRC shall oversee, among others, the following matters and make report with recommendation to the Board:

(i) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:

(a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;

(b) The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;

(ii) Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;

(iii) Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;

(iv) Formulating the criteria for evaluation of perfomance of independent directors and the Board;

(v) Identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and

(vi) Developing, recommending and reviewing annually the company's human resources and training policies.

Report of NRC

The Nomination and Remuneration Committee, appointed by and responsible to the Board of Directors of Khulna Power Company Ltd. (KPCL), is constituted as per the conditions set by the Bangladesh Securities and Exchange Commission(BSEC) and formed on 28thOctober 2020. The present committee comprises of 3 (three) members of whom one is anIndependent Director and the others are non-executive Directors. The Company Secretary functions as the Secretaryof the Committee.

The Committee members, nominated by the Board, are:

Name	Position in Board/Company	NRC Position
Ms. Zareen Rahman, Barrister-at-Law	Independent Director	Chairman
Mr. Khandaker Zahin Ahsan	Non-Executive Director	Member
Mr. Khandker Sayeedul Islam	Non-Executive Director	Member

Role of the Committee

The Committee's authorities, duties and responsibilities flow from the Board's oversight function and the terms of reference are detailed in the Committee Charter approved by the Board.

The major roles and responsibilities of the Committee, among others, include:

- To be independent and responsible or accountable to the Board and to the shareholders;
- To assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executives, as well as apolicy for formal process of considering remuneration of directors and top-level executives;
- To recommend to the Board regarding the level and composition of remuneration whether these are reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;
- To recommend to the Board regarding the relationship of remuneration to performance that is clear and meets appropriate performance benchmarks;
- To recommend to the Board regarding remuneration to directors, top level executives that involves a balance between fixed and incentive pay reflecting-short and long-term performance objectives appropri-ate to the working of the company and its goals;
- Identify the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;
- To recommend and review annually the Company's human resources and training policies;
- To recommend a policy on Board's diversity taking into consideration age, gender, experience, education and nationality;
- To identify persons who are qualified to become Directors and Top Level Executives and recommend their appointment and removal;
- To formulate the criteria for evaluation of performance of Independent Directors and the Board;
- Identify the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;
- To recommend and review annually the Company' s human resources and training policies;
- To recommend the Code of Conduct for the Chairperson of the Board, other Board Members and Chief Executive Officer (CEO)/Managing Director (MD) of the Company.

Major activity of the NRC during the reportingyearwas as follows:

- Recommended appointment of 5 (Five) nominated Directors from United Mymensingh Power Ltd. as Director of the Company.

The Committee is of the opinion that appropriate policies and procedures are in place to form a well-functioning diversified Board, and maintain top level executives with well-balanced remuneration packages between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

On behalf of the Committee.



Ms. Zareen Rahman, Barrister-at-Law
Chairman
Nomination and Remuneration Committee

Terms of Reference (ToR) of NRC

Background
Bangladesh Securities & Exchange Commission (BSEC) has introduced the Corporate Governance Code (CGC) or the Code in the year 2018 vide Notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03rd June, 2018. The Code has been made compulsory for the listed companies.

As per the Clause 6 of the Code, a listed Company shall have a Nomination & Remuneration Committee (NRC), as a sub-committee of the Board, with the precise responsibility mentioned below:

Quote
Clause 6 (1) (b) "The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;"
Unquote

Formation of the NRC of KPCL
In compliance with the Code, the Board of Directors of KPCL resolved to form the Nomination & Remuneration Committee (NRC) of the Company in its 116th meeting held on 28th October 2020.

Constitution of the NRC
KPCL Board constituted the FIRST NRC of the Board comprising the following Non-executive Directors:

Chairperson	Professor Mohammad Musa, Ph.D.
Members	Mr. Mohammad Latif Khan
	Mr. Moinuddin Hasan Rashid

Nomination and Appointment
a. Nomination and appointment to the Committee shall be made by the Board as and when required.

b. Board shall have authority to remove, replace and appoint any member of the Committee.

c. In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the Board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy.

Criteria for Nomination/Appointment to NRC
a. Committee members shall comprise non-executive Directors with at least one nominee being an Independent Director.
b. One of the Independent Director shall Chair the Committee.
c. The Company Secretary shall act as the secretary of the Committee.

Co-Option
a. Committee may appoint or co-opt any external expert and/or member(s) of staff as advisor who shall be non-voting member, if the Committee feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee.

b. Committee may invite any resource person to the meeting for deliberation or explanation on specific issues as may deem necessary.

Quorum
a. The quorum of the meeting shall be constituted in the presence of either two members or two-third of the members of the Committee, whichever is higher, where presence of an independent director is a must. However, in exceptional situation, this might relax.

b. In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes.

Fees
a. No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's meeting attendance fees from the company.

b. Fees for attending a Meeting shall be equivalent to the Board of Directors fees as determined from time to time.

Chairperson of the NRC
The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director.

Chairperson to attend AGM
Chairperson of the NRC shall attend the Annual General Meeting (AGM) to answer the queries of the shareholders. In the absence of Chairperson of the NRC, any other member from the NRC shall be selected to be present in the annual general meeting (AGM) for answering the shareholder's queries and reason for absence of the Chairperson of the NRC shall be recorded in the minutes of the AGM.

Meeting of the NRC
a. NRC shall conduct at least one meeting in a financial Year.

b. Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC.

Meeting proceedings
The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.

Role of the NRC

a. NRC shall be independent and responsible or accountable to the Board and to the shareholders.

b. NRC shall oversee, among others, the following matters and make report with recommendation to the Board:

(i) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:

(a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;

(b) the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

(c) remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;

(ii) devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;

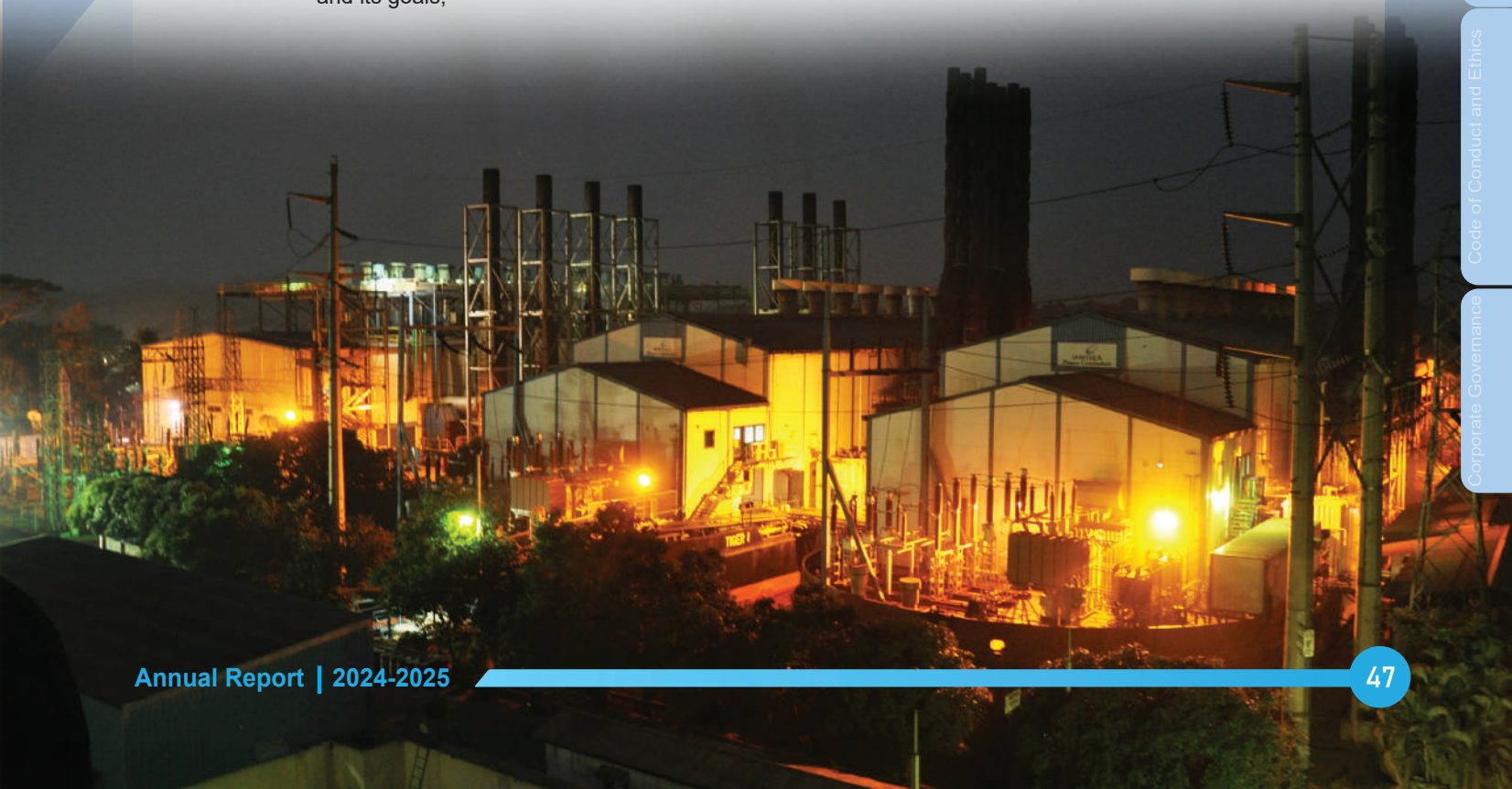
(iii) identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;

(iv) formulating the criteria for evaluation of performance of independent directors and the Board;

(v) identifying the company's needs for employees at different levels and determine their selection, transferor replacement and promotion criteria; and

(vi) developing, recommending and reviewing annually the company's human resources and training policies;

Disclosures by the NRC
Committee shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year, at a glance, in its annual report.



Nomination & Remuneration Policy

1. Overview Preface

This Nomination and Remuneration Policy ("the Policy") has been verbalized to comply with the Corporate Governance Code dated 3rd June 2018, circulated by the Bangladesh Securities and Exchange Commission (BSEC) in conjunction with the Companies Act 1994, Code of Conduct and Ethics dated 29th April 2013 of the Company and other regulatory requirements. This Policy provides directions and guidelines to the Nomination and Remuneration Committee (NRC) to determine attributes and qualifications for appointment as well as determine remuneration package for the Board Members and Top Level Executives and/or Key Management Personnel of the Company, as it is designated to consider by the Board, to ensure that Top Level Executives and/or Key Management Personnel are provided with appropriate remuneration and incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company. The Company also recognizes that distinctive Board Members and Top Level Executives/Key Management Personnel with vast experience and expertise, outlined in the Policy, will help attain its strategic objectives efficiently.

Applicability

This Policy shall be applicable and binding on the Board Members and Top Level Executives/Key Management Personnel and to the same extent for identifying the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria, and developing, recommending and reviewing annually the Company's human resources and training policies;

Effective Date

The Policy shall be effective from 30 October 2022 and onwards.

2. Role of the NRC in relation to Nomination and Remuneration Policy.

The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experience and independence of Board Members and Top Level Executives/Key Management Personnel, as well as a policy for formal process of considering remuneration package of Board Members and Top level executives/Key Management Personnel.

NRC shall oversee, among others, the following matters and submit reports with recommendations to the Board:

a. formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the Board Members and Top Level Executive/Key Management Personnel, considering the following:

   i. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable Directors and Top Level Executives/ Key Management Personnel to run the Company successfully;

   ii. the relationship of remuneration to performance is dear and meets appropriate performance benchmarks; and

   iii. remuneration to Board Members, Top Level Executives/Key Management Personnel involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;

b. devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;

c. identifying persons who are qualified to become Directors and who may be appointed to Top Level Executive positions in accordance with the criteria laid down, and recommend their appointment and removal to the Board;

d. formulating the criteria for evaluation of performance of Independent Directors and the Board;

e. identifying the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and

f. developing, recommending and reviewing annually the Company's human resources and training policies.

3. Nomination, Appointment and Evaluation Criteria of Board Members.

a. The NRC shall keep under review the leadership needs of the organisation, both Executive and Non-Executive Board Members including Independent Directors with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace, and shall make recommendations to the Board regarding plans for succession both for Executive and Non-Executive Directors including Independent Directors.

b. The NRC shall be responsible for identifying and nominating for the approval of the Board, candidates to fill Board vacancies as and when they arise. In the case of an individual recommended to fill a Board vacancy created by an increase in the size of the

Board, the NRC shall also recommend to the Board the class of directors (executive or non-executive or independent director) in which the individual should serve, if appropriate

c. In recommending a candidate for appointment to the Board including independent directors, the NRC shall consider the criteria, objectives and procedures for selecting Board members including factors such as independence, diversity, age, future succession planning, integrity, qualification, skills, expertise, breadth of experience, knowledge about the Company's business and industry, and willingness to devote adequate time and effort to Board responsibilities in the context of the existing composition and needs of the Board and its committees and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment if required.

d. When considering the meaning and tests of independence of an Independent Director, the NRC should be guided by the Corporate Governance Code that an independent Director is one who has no relationship with the Company, its related companies or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of a director's independent business judgment with a view to safeguarding and reinforcing the best interests of the Company.

e. The NRC shall review the appropriateness of continued service on the Board of members whose business or professional affiliations or responsibilities have changed or who contemplate accepting a directorship on another public company board or an appointment to a committee of another public company board.

f. The NRC shall identify Board members qualified to fill vacancies on any committee of the Board (other than the NRC) and recommend that the Board appoint the identified member or members to the relevant committee.

g. The NRC shall ensure that on appointment to the Board, non-executive directors receive a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside board meetings.

h. The NRC shall coordinate the annual evaluation of the structure, organisation, policies, performance and effectiveness of the Board and its committees.

i. The NRC shall make recommendations to the Board regarding plans for succession for both executive and non-executive directors.

j. The Board shall seek approval of the appointment of any director, where applicable, from shareholders at the General Meeting.

k. The NRC shall nominate and recommend for appointment of any director who can direct the Company in implementing the best corporate governance practices.

L The NRC while recommending for appointment of any directors including independent directors, shall ensure compliance with the Companies Act 1994, Corporate Governance Code of BSEC and Memorandum and Articles of Association and Code of Conduct and Ethics dated 29th April 2013 of the Company and other relevant laws, rules and regulations as applicable.

m. The term of holding office of a Director shall be in compliance with the Companies Act 1994, the Corporate Governance Code by BSEC and KPCL Code of Conduct and Ethics.

n. The removable and retirement of office of a Director shall also be in compliance with the Companies Act 1994, the Corporate Governance Code by BSEC and KPCL Code of Conduct and Ethics.

o. The performance appraisals of Executive Directors shall be conducted mainly focusing on performance of duties and responsibilities, professional conduct, strategic thinking and leadership role usually on a yearly basis that shall be evaluated by NRC.

p. The performance evaluation of Non-Executive Directors and independent directors shall be carried out once in a year focusing mainly on the frequency of attendance in the Board and Committee meetings, competence to contribute in the decision making process of the Board and Committee meetings, ability to be involved in a constructive discussion in regards to the business operations towards achieving strategic objectives and relationship and coordination with other Board members.

4. Nomination, Appointment and Evaluation Criteria of Top Level Executives /Key Management Personnel.

a. The NRC shall at least annually (1) review and approve the corporate goals and objectives relevant to the compensation of the Top Level Executives/Key Management Personnel, (2) evaluate the performance of the Top Level Executives/Key Management Personnel in light of these goals and objectives and (3) set the Top Level Executives/Key Management Personnel compensation level based on this evaluation including salary, allowances, bonuses, awards, the incentive opportunity, the long-term incentive opportunity, and any special or supplemental benefits.

b. The NRC shall review and recommend to the Board on the employment contract of the Top Level Executives/ Key Management Personnel.

c. Whiling recommendation for the appointment of Top Level Executives/Key Management Personnel according to the Company's requirement to the Board (as applicable), the NRC, in consultation with the management and in the context of Service Rules and the Code of Conduct and Ethics applies to the Management, shall ascertain the identified individual's integrity, qualification, expertise, experience and the ability to give insight in respective sector/ areas through the Company's internal recruitment process.

d. The NRC while recommending for appointment of Top Level Executives/Key Management Personnel shall ensure the compliance with the Companies Act 1994, Corporate Governance Code of BSEC and Memorandum and Articles of Association, the Code of Conduct and Ethics applies to the Management, Service Rules of the Company and other relevant laws, rules and regulations as applicable.

e. The term of holding office of a Top Level Executives/ Key Management Personnel shall be in compliance with the Companies Act 1994, the Corporate Governance Code and the Company's Service Rules.

f. The removable and retirement of the office of a Top Level Executives/Key Management Personnel shall be in compliance with the Companies Act 1994, the Corporate Governance Code and the Company's Service Rules.

g. The performance evaluation of Top Level Executives/ Key Management Personnel shall be carried out once in a year focusing mainly on the performance in line with achieving yearly operational and financial goals or budgetary numbers and such other criteria set by NRC.

5. Remuneration Criteria of Board Members and Top Level Executives/Key Management Personnel.

a. The components of remuneration package of executive directors include basic pay, allowances, festival bonus and any other perks and benefits as the Committee may consider appropriate. Increments to the existing remuneration structure may be recommended by the Committee to the Board, which shall also be approved by the shareholders in the General Meeting (if applicable).

b. Non-Executive Directors and independent directors shall be remunerated by way of only Board and Committee meeting attendance fees, as per the Memorandum and Articles of Association of the Company in compliance with applicable laws and regulations including any board decisions thereon.

c The remuneration of Top level Executives/Key Management Personnel usually comprise of basic salary plus any allowance, festival bonus, incentive bonus, earned leave encashment, annual increment as recommended by NRC and in line with yearly operating budget, gratuity, provident fund, group life insurance, etc.

d. The NRC shall ensure that there are policy and procedures for claims for expenses, and delegations of approval authorisations to Board Members and Top Level Executives/Key Management Personnel, as appropriate.

e. The NRC shall review and note annually the remuneration trends across the Company, having regard to any major changes in employee benefit structure, and review the ongoing appropriateness and relevance of the remuneration policy adopted by the NRC and the Company.

f. The NRC shall annually review executive compensation trends and policies at peer groups of companies and make relevant modifications to its own policies and practices to take into account market practice.

g. The NRC shall oversee the implementation and administration of the compensation plans for Board Members, Top Level Executives/Key Management Personnel of the Company, including pension, savings, incentive and equity-based plans (if any), and setting the targets for any performance related-pay schemes of the Company; provided that the RNC shall not exercise any of its authority with respect to any of its members.

h. The NRC shall ensure that performance-based compensation efficiently focuses on the long-term success of the Company and is not able to be manipulated through short-term reporting mechanisms.

6. Amendment.

a. Based on the NRC recommendation, the Board will adopt any revision to this Policy.
b. The Board or NRC Committee may decide to review this policy as often as they see fit.
c. In compliance with the applicable Acts, Rules and Regulations, disclosures of this Policy may be made as necessary.

7. Publication.

Pursuant to Bangladesh Securities and Exchange Commission Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03rd June 2018 on Corporate Governance Code, this Policy and any amendments thereto has been published/posted on the website of the Company i.e. www.khulnapower.com.

Dividend Distribution Policy

Khulna Power Company has adopted a Dividend Distribution Policy to ensure the right balance between the quantum of dividend paid and profits retained in the business to meet working capital requirements, capital expenditure to meet expansion and to reduce debt from its books of accounts. The Company's philosophy is to maximize the yearly profit as well as to increase wealth of its owners in the long run. The Policy will also ensure that the distribution of dividend is implemented pursuant to the applicable legislation in the interests of the shareholders and the Company. It will also address and keep the management updated on unclaimed dividends. The policy is served only as a guideline for the Board. The decision of the Board with respect to the amount of dividend recommended by it for any given period will be final and shall not be open to challenge on the basis of policy. Dividend shall be declared at par share basis on the Ordinary shares of the Company. The Company shall distribute all dividends in accordance with this Policy through BEFTN and or any other suitable mode.

The Dividend Policy sets out the principles applicable to the declaration and distribution of dividend to be made by the Company in accordance with its Articles of Association, DSE Regulations 2015, BSEC Notification on Financial Reporting and Disclosure dated 20 June 2018, the Companies Act, 1994 and applicable laws. This Policy has been prepared pursuant to the Directive dated 14th January 2021 bearing reference No. BSEC/CMRRCD/2021-386/03 and reference No. BSEC/CMRRCD /2021-388/07 dated 7th March 2021 issued by the Bangladesh Securities and Exchange Commission ("BSEC").



Company's Dividend History:

Year	Dividend		Remarks
	Stock	Cash	
2009	15.00%	10.00%	
2010	20.00%	-	
2011	25.00%	-	25.00% Stock only for the General Public Shareholders
2012	12.50%	12.50%	
2013	5.00%	25.00%	
2014	-	40.00%	
January 01, 2015 to June 30, 2016	-	75.00%	From January 01, 2015 to June 30, 2016 (18 months)
2016-2017	-	55.00%	
2017-2018	10.00%	30.00%	
2018-2019	-	40.00%	
2019-2020	-	34.00%	
2020-2021	-	12.50%	12.50% Cash Dividend only for the General Public Shareholders.
2021-2022	-	10% and 8%	10% Cash Dividend for the General Public Shareholders and 8% Cash Dividend for the Sponsors.
2022-2023	-	10.00%	10% Cash Dividend only for the General Public Shareholders.
2023-2024	-	10.00%	10% Cash Dividend only for the General Public Shareholders.
2024-2025	-	10.00%	10% Cash Dividend only for the General Public Shareholders.

Unclaimed dividend

As on 30th June 2025

Cash Dividend:

Final cash dividend (31 December 2009)	7,459,271
Final cash dividend (31 December 2012)	1,673,441
Final cash dividend (31 December 2013)	5,829,292
Final cash dividend (30 June 2016)	1,395,349
Final cash dividend (30 June 2018)	2,995,075
Final cash dividend (30 June 2019)	6,220,776
Final cash dividend (30 June 2020)	5,599,809
Final cash dividend (30 June 2021)	2,729,782
Final cash dividend (30 June 2022)	1,884,929
Final cash dividend (30 June 2023)	2,059,806
Final cash dividend (30 June 2024)	3,768,437
	41,615,966

The above amount represents cash dividend for the years 2009, 2012, 2013, 2015-2016, 2017-2018, 2018-2019, 2019-2020, 2020-2021, 2021-2022, 2022-2023 and 2023-2024 that has remained unclaimed by the shareholders, which is deposited in dedicated bank accounts and is payable on demand. Pursuant to the BSEC Directive No. BSEC/ CMRRCD/ 2021-386/03 dated 14 January 2021, a total amount tk. 18,577,183.00 has been deposited to the Capital Market Stabilization fund (CMSF). The details of the concerned Shareholders/ Investors whose dividend amount are subject to transfer to CMSF have already been published on the Investor Relations section of the Company's website: www.khulnapower.com.

Stock Dividend:

Transfer of Suspense Account Bonus Shares to the Capital Market Stabilizer Fund (CMSF).

Pursuant to the Bangladesh Securities and Exchange Commission (BSEC) Directive No. BSEC/CMRRCD/ 2021-386/03 dated 14 January 2021, BSEC Letter No. SEC/SRMIC/165-2020/306 dated 24 November 2021 and Dhaka Stock Exchange Letter No. DSE-Listing/161/2021/8000 dated 02 December 2021, 3,339 numbers of suspense account bonus shares have been transferred to the Capital Market Stabilizer Fund (CMSF).



Mr. Md Khairul Anam Chowdhury

Chairman

Md. Khairul Anam Chowdhury is an industry veteran with more than 25 years of experience in the Bangladesh capital market. The majority portion of Mr. Chowdhury's illustrious career has been dedicated to Lanka Bangla Securities Ltd. (LBSL), the largest stock brokerage in the country, where he played various important roles in different capacities, mastering each and every aspect of the business. Before joining USL, he was the CEO and Director of LBSL for 4 years and before that, he played the role of COO for 5 years. Mr. Chowdhury was a nominated director representing LBSL in the board of Midas Finance Limited. He was an elected board member of the Chittagong Stock Exchange PLC (CSE) for two consecutive terms.



Mr. Khandaker Zahin Ahsan

Director

Mr. Ahsan is the Director of United Securities Ltd., where he advises clients on investment opportunities with a primary focus on blue-chip stocks. He provides insights into market movements and conducts comprehensive analyses based on rigorous research and prevailingeconomic conditions to help clients maximize their returns. In partnership with the board of directors, he actively seeks new investment opportunities and works to expand the firm's dealer portfolio.

Mr. Ahsan completed high school at Indus International School in Bengaluru, earning an International Baccalaureate diploma. He then pursued higher education in the United States, obtaining a Bachelor's degree in Business Administration with a specialization in Entrepreneurship from the esteemed Zicklin School of Business at CUNY Baruch College in New York.

He began his career at Comilla Spinning Mills Ltd., where he gained hands-on experience in the transformation of raw cotton into yarn—a key process in the nation's apparel industry. His involvement in operations, quality control, and sales provided him with a thorough understanding of the sector's essential role in the country's economy.

As United Group transitions responsibilities to the second generation, Mr. Ahsan remains committed to upholding the Group's legacy through sustainable and ethical growth. He emphasizes steady, reliable progress over rapid, unsustainable expansion, ensuring that all business decisions contribute to the nation's broader development while upholding the highest standards of excellence.



Mr. Md. Moinul Islam Khan

Director

Mr. Moinul Islam Khan is the Chief Executive Officer ofUnited Group's Power Division, a position he has held since 2021. With a distinguished career spanning overthree decades in Bangladesh's dynamic power and energy sector, he has consistently demonstrated exceptional leadership and a deep understanding of the industry.

A graduate of the Bangladesh University of Engineering & Technology (BUET) with a Bachelor of Science in Mechanical Engineering, Mr. Khan's professional journey has been enriched by extensive training in leadership, personnel management, organizational development, strategic planning, distribution management and performance management, alongside various technical applications. He is also a certified Lead Auditor in ISO Quality Management Systems.

Mr. Khan's career trajectory began in 1994 at Linde Bangladesh Limited (formerly BOC Bangladesh Limited). Over a 16-year tenure, he excelled in diverse roles, including Operations, Sales, Distribution, Marketing, and Business Development. He played a pivotal role in strategic initiatives such as the implementation of ISO Quality Management Systems & SAP, introduction of cryogenic food freezing and the expansion of the company's product portfolio to include LPG and Auto Fire Suppression Systems (AFFS).

In 2010, Mr. Khan joined Rahimafrooz Energy Services Ltd as Chief Operating Officer, subsequently assuming the role of CEO in 2016. His strategic acumen and operational excellence were instrumental in streamlining the business, divesting non-core assets, and transformingthe company into a thriving EPC (Engineering,Procurement, and Construction) enterprise.

At United Group, Mr. Khan oversees the entire Power Division business unit, which includes project development, EPC, O&M and supply chain activities. He is leading implementation of the Group's largest power project (the 590 MW combined cycle power project at Anwara, Chattogram) and focusing on internal restructuring to further improve operational efficiency. Also, he supervised the successful Amalgamation process of UPGDCL with the 115 MW Jamalpur power plant, the 300 MW Anwara power plant, the 28 MW Sylhet power plant and the 53 MW Ashuganj power plant.

He is currently assuming the role of CEO at UPGDCL, Chairman of the Board at United Payra Power Limited and Director in the boards of UPGDCL, United Ashuganj Energy Limited and Leviathan Global BD Limited.

Mr. Khan's invaluable contributions are marked by his visionary leadership, strategic thinking, and a proven track record of delivering sustainable growth and operational excellence.



Mr. Md. Shoharab Ali Khan, FCMA

Director

Md. Shoharab Ali Khan, FCMA is a distinguished finance and accounting professional with over 30 years of progressive leadership experience across Bangladesh's power, energy, infrastructure, and corporate sectors. A Fellow Member of the Institute of Cost and Management Accountants of Bangladesh (ICMAB), he has established a strong reputation for financial stewardship, corporate governance, and strategic advisory roles in both government-owned and private sector enterprises.

Mr. Khan has served in several senior executive capacities, including Director Finance at Ashuganj Power Station Company Ltd (APSCL), one of the country's key state-owned power generation entities. He also worked as a Financial Management Specialist for more than six years in a major World Bank–funded project, where he contributed to sectoral reforms, fiduciary compliance, and financial systems strengthening.

He spent nearly a decade as the Chief Financial Officer (CFO) of Khulna Power Company Ltd, a prominent listed IPP, where he led corporate finance, strategic planning, regulatory affairs, and investor relations. Currently, he holds the position of Group Chief Accounts Controller at United Group a leading corporate conglomerate, providing oversight of groupwide financial reporting, governance, and internal control frameworks.

Beyond his executive roles, Mr. Khan contributes significantly to the corporate governance landscape of Bangladesh. He serves as an Independent Director on the Board of Nitol Insurance Company Ltd, a listed non-life insurer, where he provides guidance on audit, risk management, and financial strategy. He is also a Director of Payra Power Company Ltd, one of the major power generation companies in the country.

Throughout his career, Mr. Khan has demonstrated a strong commitment to transparency, accountability, and ethical governance, bringing deep sectoral experience in energy, finance, public-sector projects, and capital markets. His leadership is marked by a strategic vision, rigorous financial discipline, and the ability to navigate complex regulatory and operational environments.



Mr. Khandker Sayeedul Islam

Director

Mr. Khandker Sayeedul brings over 25 years of diversified leadership experience across banking, manufacturing, operational management with a strong track record in strategic planning, business transformation, governance, change management and stakeholder management.

He joined United Group in 2024 as Executive Director, overseeing the Group's manufacturing portfolio with a focus on operational excellence, system automation, efficiency enhancement, and fostering a performance-driven culture. He is also in the boards of other United Group companies, including Gunze United Limited, United Ashuganj Energy Ltd., Indulge Food & Beverage Ltd., UNIMART Limited, and United Payra Power Ltd.

Prior to joining United Group, Mr. Islam held senior executive positions, serving as Chief Executive Officer of Comilla Spinning Mills Ltd. and Managing Director of Dhaka Thai Ltd., where he led major organizational transformation initiatives, market expansion, and operational optimization. Earlier, he spent nearly two decades at HSBC Bangladesh in key leadership roles across branch operations, business transformation, customer experience, and operational governance.

Mr. Islam is widely regarded for his transparent and ethical leadership style, strong commitment and the teamwork, and adherence to the organizational values. He holds an MBA in Finance and a Bachelor of Commerce (Hons.), with academic credentials from India and Bangladesh.



Mr. Md. Mojibul Islam Patoary

Director

Mr. Md. Mojibul Islam Patoary completed his post-graduation in Accounting from Comilla Victoria Govt. College under the National University. He has more than 21 years of professional experience in the Finance and Accounts department of which 18 years in the energy and power Sector. He joined United Group in 2006 and has been serving in different roles and responsibilities and has gained exposure in Finance and Accounts. Currently, he is working as Deputy General Manager, Finance and Accounts Department of the Group's power division. He completed his three-year articleship in 2006 from Howladar Yunus and Co., a renowned Chartered Accountancy Firm, and a Correspondent firm with the globally reputed Chartered Accountancy Firm Grant Thornton International Ltd.

He did his Masters of Business Administration (MBA) from United International University, majoring in Finance in 2013. He passed the Income Tax Practitioner (ITP) under the Income Tax ordinance 1984 from the National Board of Revenue (NBR), Bangladesh in 2012 and enlisted as an Income Tax Practitioner of NBR.



Badrul Haque Khan, FCA

Independent Director

Mr. BadrulHaque Khan is a fellow member of the Institute of Chartered Accountants of Bangladesh (ICAB). Mr. Haque started his career as Sr. Management & Audit Personnel with S F Ahmed & Co, Chartered Accountants in 1986. In 1987, he moved to an executive career by joining Under Privileged Children Education Program (UCEP) as its Head Budget & Monitoring and since then his long, varied career included increasingly higher positions in different local and multinational organizations, multilateral body, commercial Bank, Central Bank including private conglomerate. Mr. Haque served in Padma Oil Co Ltd for 11 yearsand left the Company as its Company Secretary in 1998 to join Reckit Benckiser Bangladesh Limited as Director of Finance & Company Secretary and continued in the position till 2002. In 2002 Mr. Haque joined World Bank as Head of Accounts & Admin and left the Bank to join AB Bank Limited as Head of Credit. In AB Bank, he was promoted as Deputy Managing Director (DMD) in 2007 and continued in the position till 2013. He also served in Bangladesh Bank as General Manager (Accounts & Budgeting Department) for the period from 2014 to 2016. Mr. Khan joined United Group as Head of Corporate Strategic Planning & Finance in 2017 and also holds the charge of Company Secretary of United Ashuganj Energy Ltd. and United Power Generation & Distribution Company Ltd. (UPGDCL) and continued in the position until his retirement in May 2022.

Mr. Khan was born 01 January in 1961 at Dhaka. He is an Accounting Graduate having completed his Graduation and post-graduation from the University of Dhaka under the Accounting & Information System (AIS) department.

Mr. Khan also has served the positions of a Nominee Directoron behalf of AB Bank Limited in the Board of Directors of Amana Bank Limited Srilanka, Central Depository of Bangladesh Ltd. (CDBL) and he was the Head of Arab Bangladesh Bank Foundation (ABBF) as Nominee of AB bank Limited. He attended numerous local and foreign training focusing among others on Leadership & Team Building, Development & ethics, Risk Management & Governance, and IFC Training on Corporate Governance.



Ms. Zareen Rahman, Barrister-at-Law

Independent Director

Barrister Zareen Rahman is an Advocate of the Supreme Court of Bangladesh. She has extensive experience in the field of corporate and commercial law, and advises clients on incorporation of companies, commercial licensing and various types of agreements. She has the experience of working as a consultant to various development organization projects where foreign direct investment is involved. She was one of the consultants in the Japanese Economic Zone project with Bangladesh Economic Zones Authority. Currently she is working as a consultant in another JICA funded public-private partnership project which relates to the transportation system of Dhaka with the Dhaka Transport Control Authority. Ms Rahman is enlisted in many government and non-government organizations as panel lawyer and regularly conducts cases, gives legal opinions and participates in arbitration proceedings on behalf of her clients. One of her notable enlistments includes RAJUK (Rajdhani Unnayan Kartripakkha), Biman Bangladesh Airlines, the national flag carrier Airlines and AB Bank PLC in Bangladesh.

Ms Rahman has the privilege to work as an associate to renowned civil litigation lawyer Advocate M Qumrul Haque Siddique. Barrister Rahman started her career as an associate of Barrister Syed Ishtiaq Ahmed and Associates, one of the leading and internationally reputed corporate law chambers in the country. During her early years of practice, she worked as a research assistant to her Senior Barrister Nihad Kabir for drafting the Public Private Partnership Act for the Asian Development Bank. Since her enrolment as an advocate, Ms. Rahman has worked in several major civil litigations representing clients on commercial and company matters, labour law issues and writ matters.

Ms Rahman passed her Secondary and Higher Secondary exams from Viquarunnisa School and College and obtained her LL.B. (Hons) degree from University of London, UK in 2009 and completed her Bar Vocational Course from City University London in the 2009-2010 sessions. She was called to the Bar of England and Wales from the Honourable Society of Lincoln's Inn, London in July 2010. She enrolled as an Advocate of Bangladesh Bar Council in 2012 and in 2015; she became an Advocate of the Supreme Court of Bangladesh. She is a member of the Dhaka Bar Association and Supreme Court Bar Association.



Al Mamun M. Atiqul Islam

Managing Director (Ex-Officio)

A marine engineer by profession Mr. Al Mamun M. Atiqul Islam started his career with Bangladesh Shipping Corporation (BSC) in 1998. Later on, he developed his career in international shipping industries and continues his marine profession for more than 14 years. During the period, he served in various globally renowned organizations like Mediterranean shipping Company (MSC) of Italy, NYK Line of Japan, Thome Ship Management of Singapore etc. He served as Chief Engineer in MSC and Thome Ship Management from 2008 to 2012. Thereafter, he joined with Khulna Power Company Ltd. (KPCL) in the year 2012 and since then continuing his contributions with technical, administrative and management responsibility of the organization assigned to him in different capacities. In his excellent academic background, he obtained his Bachelor of Maritime Science (Engineering) from Bangladesh Marine Academy and achieved his professional degrees of Class-1 & 2 Marine Engineering from Singapore. He also obtained his MBA degree from the Royal Roads University of Canada.

During his professional journey, Mr. Islam has performed many trainings and courses on the field of Engineering, Safety, Inspections, Quality & Standards and Industrial Management. He also attended several seminars and workshops both at home and abroad. He has travelled more than 50 countries at different parts of the world and had experience of leading and working with many different nationalities.

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Chief Financial Officer (CFO)



Mr. Md. Mamun Sarwar

Mr. Md. MamunSarwar holds an M.Com degree from the National University (2004) and an MBA in Accounting Information Systems (AIS) from the School of Business, Bangladesh Open University. In addition to his academic accomplishments, he is pursuing the Chartered Accountancy (CA) course under the Institute of Chartered Accountants of Bangladesh (ICAB), having completed 11 of the required 17 courses. He is also enlisted with the National Board of Revenue (NBR) as an Income Tax Practitioner.

Mr. Sarwar began his professional journey in 2009 as a Finance Coordinator in a DFID-UK funded project. In 2011, he joined BRAC as an Internal Auditor, where he gained substantial experience in audit, compliance, and internal control systems. Since 2012, he has been serving at Khulna Power Company Ltd., contributing to the organization through his expertise in financial management and governance.

Company Secretary



Mr. Md. Mozammel Hossain

Mr. Md. Mozammel Hossain obtained his Graduation and Master's degrees in Accounting from Dhaka City College and Dhaka College in 2000 and 2004, respectively. He completed his chartered accountancy articleship in 2005 at MABS & J Partners (formerly known as Saha Mazumder & Co) Chartered Accountants, an independent member firm of Nexia International, UK. Mr. Hossain is a partly passed chartered accountancy student, completed up to the CA Professional Examination-1.

He has over 18 years of professional experience in finance, accounts, audit, and secretarial functions. Mr. Hossain started his career with Transcom Distribution Company Limited as an Officer - Accounts in 2006 and subsequently served at ACI Logistics Limited and Dada Group.

Before being promoted to his current position as Company Secretary, Mr. Hossain worked as an Accountant, Assistant Manager - Finance & Corporate Affairs, and then Manager – Finance & Corporate Affairs at KPCL. He has also attended various training courses, seminars, and workshops organized by Dhaka and Chittagong Stock Exchange PLC.

General Manager, Plants and Head of Internal Audit & Compliance



Mr. Mashiul Azam

Mr. Mashiul Azam was born on 25 June 1980. He completed his B.S Marine Engineering Degree in 2000. He obtained his professional degrees of Class II & Class I Marine Engineering Certificates from Singapore in 2009 and 2013 respectively. He started his Marine Engineering Career in One hard Ship Management Private Limited Singapore in 2001 and continued till 2002. Then he served various shipping companies. He joined in NYK Ship Management Private Limited, Singapore in 2008 and continued till 2019. He served as Chief Engineer in NYK Ship Management Private Limited, Singapore, from 2014 to 2019. Therefore he joined Khulna Power Company Limited as Manager, Operation & Maintenance in 2019. He has performed in Various professional training courses and seminars from Japan, Korea, Singapore, Philippines & India.

Code of Conduct and Ethics

This Code of Business Conduct and Ethics applies to all Khulna Power Company Ltd. (KPCL) directors, officers and employees. Khulna Power Company Ltd. is referred to herein as the "KPCL" and the directors, officers and employees are referred herein collectively as "Officers".

A. Objective

United Group and Summit Group are the major sponsors of KPCL and therefore all the standards of Code of Conduct and Ethics being followed in KPCL is the course of carrying its business stem from its sponsor, Summit & United Summit & United holds the values with which it conducts business in high esteem. It has and will continue to uphold the highest levels of business ethics and personal integrity. Following suit, KPCL's Code of Business Conduct and Ethics serves to (1) emphasize the Group's commitment to ethics and compliance with the laws (2) sets forth basic standards of ethical and legal behavior, (3) provides reporting mechanisms for known or suspected ethical or legal violations; and (4) helps to prevent and detect wrongdoing. Given the variety and complexity of ethical questions that may arise in the course of KPCL's business, this Code of Business Conduct and Ethics serves only as guide. Confronted with ethically ambiguous situations, all should remember the KPCL's commitment to the highest ethical standards and seek advice from supervisors, managers or other appropriate personnel to ensure that all actions they take on behalf of KPCL honour this commitment

B. Ethical Standards

1. Conflicts of Interest

A conflict of interest exists when a person's private interest interferes in any way with the interests of KPCL. A conflict can arise when one takes actions or has interests that may make it difficult to perform his or her work for KPCL objectively and effectively. Conflicts of interest may also arise when an affiliates, or members of his or her family, receives Improper personal benefits as a result of his or her position at the Group. It is always a conflict of interest for an officer to work simultaneously for a competitor, customer and supplier or for that matter any other establishment against precursory benefit.

Conflicts of interest may not always be clear-cut, so if anyone has a question, he/she should consult with his/her supervisor or manager or chief executive officer or chief financial officer of KPCL. Any officer who becomes aware of a conflict or potential conflict should bring it to the attention of a supervisor, manager or other appropriate personnel or consult the procedures described in Section E of this Code. All directors and executive officers of the KPCL, and the chief executive officer and chief financial officer shall disclose any material transaction or relationship that reasonably could be expected to give rise to such a conflict to the Chairman of the KPCL.

2. Corporate Opportunities

All officers are prohibited from taking for themselves opportunities that are discovered through the use of corporate property, information or position without the consent of the Board of Directors of KPCL No officer may use corporate property, information or position for improper personal gain and no employee may compete with the Group directly or indirectly. Officers owe a duty to the Group to advance its legitimate interests whenever possible.

3. Fair Dealing

Officers shall behave honestly and ethically at all times and with all people. They shall act in good faith, with due care, and shall engage only in fair and open competition, by treating ethically competitors, suppliers, customers, and colleagues. No officer should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair practice. The purpose of business entertainment and gifts in a commercial setting is to create goodwill and sound working relationships, not to gain unfair advantage with customers. No gift or entertainment should ever be offered or accepted unless it is consistent with customary business practices, cannot be construed as a bribe or payoff and does not violate any laws or regulations. Officers should discuss with their supervisors, managers or other appropriate personnel any gifts or proposed gifts which they think may be inappropriate.

4. Insider Trading

Officers who have access to confidential information are not permitted to use or share that information for stock trading purposes or for any other purpose except the conduct of KPCL's business. All non-public information about the KPCL should be considered confidential information.

Officers must maintain the confidentiality of confidential information entrusted to them. Confidential information includes all non-public information that might be of use.

5. Confidentiality

to competitors or harmful to the KPCL or its customers if disclosed. It also includes information that suppliers and customers have entrusted to the KPCL. The obligation to preserve confidential information continues even after employment ends.

6. Protection and Proper Use of KPCL Assets

All should endeavor to protect the KPCL's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the KPCL's profitability. Any suspected incident of fraud or theft should be immediately reported for investigation. The KPCL's equipment should not be used for non-KPCL business, though incidental personal use is permitted.

The obligation of officers to protect the KPCL's assets includes its proprietary information. Proprietary information includes as trade secrets, trademarks, engineering and manufacturing ideas,

designs, databases, records, salary information and any unpublished financial data and reports. Unauthorized use or distribution of this information would violate KPCL policy. It could also be illegal and result in civil or criminal penalties.

7. Compliance with Laws, Rules and Regulations

Obeying the law, both in letter and in spirit, is the foundation on which the KPCL's ethical standards are built. In conducting the business of KPCL, the officers shall comply with applicable governmental laws, rules and regulations at all levels of government in Bangladesh

8. Timely and Truthful Public Disclosure

In reports and documents filed with or submitted to the Securities and Exchange Commission, stock exchanges and other regulators by KPCL, and in other public communications made by KPCL, the officer involved in the preparation of such reports and documents (including those who are involved in the preparation of financial or other reports and the information included in such reports and documents) shall make disclosures that are full, fair, accurate, timely and understandable.

9. Significant Accout ciencies

The CEO and each senior financial officer shall promptly bring to the attention of the board any information he or she may have conceming (a) significant deficiencies in the design or operation of internal control over financial reporting which could adversely affect the KPCL's ability to record, process, summarize and report financial data or (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the KPCL's financial reporting, disclosures or internal control over financial reporting.

C. Waivers

Any waiver of this Code for executive officers or directors may be made only by the KPCL's Board of Directors.

D. Violations of Ethical Standards

1. Reporting Known or Suspected Violations

The KPCL's directors, CEO, chief financial officers, and chief operating officer shall promptly report any known or suspected violations of this Code to the Chairman. All other officers should talk to supervisors, managers or other appropriate personnel about known or suspected illegal or unethical behavior.

2. Accountability for Violations

If the KPCL's Audit Committees or its designee determines that this Code has been violated, either directly, by failure to report a violation, or by withholding information related to a violation, the offending officers may be disciplined for non-compliance with penalties up to and including removal from office or dismissal. Violations of this Code may also constitute violations of law and may result in criminal penalties and civil liabilities for the offending officers and KPCL. All Covered Parties are expected to cooperate in internal investigations of misconduct.

E. Compliance Procedures

All must work together to ensure prompt and consistent action against violations of this Code. In some situations, however, it is difficult to know if a violation has occurred. Because we cannot anticipate every situation that will arise, it is important that we have a way to approach a new question or problem. Steps to keep in mind are as follows -

- Make sure you have all the facts. In order to reach the right solutions, we must be as informed as possible.
- Clarify your responsibility and role. In most situations, there is shared responsibility. Are your colleagues informed? It may help to get others involved and discuss the problem.
- Discuss the problem with your manager. This is the basic guidance for all situations. In many cases, your superior will be more knowledgeable about the questions, and he or she will appreciate being consulted as part of the decision-making process.
- You may report ethical violations in confidence without fear of retaliation. If your situation requires that your identity be kept secret, your anonymity will be protected to the maximum extent consistent with KPCL's legal obligations. The KPCL in all circumstances prohibits retaliation of any kind against those who report ethical violations in good faith.
- Ask first, act later. If you are unsure of what to do in any situation, seek guidance before you act.



Corporate Governance

The corporate governance philosophy of the Company is aimed at assisting the top management in efficient conduct of its affairs as well as in meeting obligations to all the stakeholders and is guided by strong emphasis on transparency, accountability and integrity. It provides the Company with strategic guidance as to how the objectives are set and achieved, how risk is monitored and assessed and how the performance is maximized.

Keeping in view the size, complexity and operations, the governance framework of the Company is based on the following principles:

- That the Board is appropriate in size and members are committed to their respective duties and responsibilities.
- That timely flow of information to the Board and its Committees are ensured to enable them discharge their functions effectively.
- That a sound system of risk management and internal control is in place.
- That timely and balanced disclosure of all material information concerning the Company is made to all Stakeholders.
- That all transactions of the Company are transparent and accountability for the same is well established.
- That all regulatory and statutory rules and regulations are complied with.

The Responsibilities of the Board

To ensure effective maintenance of corporate governance, the Board of Khulna Power Company Ltd. (KPCL) formulates strategic objectives and policies for the company, provides leadership and supervises management actions in implementing those objectives of the company. In KPCL, Board of Directors is in full control of the company's affairs and is also accountable to the shareholders. The Board firmly believes that the success of the company depends largely on the prevalence of a credible corporate governance practice in discharging its responsibilities, the Board fulfills certain key functions, including:

- Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans; setting performance objectives; monitoring implementation and corporate performance.
- Ensuring the integrity of the company's accounting & financial reporting systems, in particular, systems of risk management, financial and operational control and compliance with the law and relevant standards.

reporting requirement.

- Reviewing company's financial statements and oversee its compliance with applicable audit, accounting and
- Monitoring implementation and effectiveness of the approved strategic and operating plans.
- Establish company's value.
- Oversee the corporate governance of the company.

The Board has appointed four Independent Directors as per the Securities and Exchange Commission's requirement. The short introduction of the Directors has been described separately in this Report. The Board ensures that the activities of the Company are always conducted with adherence to high ethical standard and in the best interest of the shareholders.

Board meetings and procedures

Five (5) meetings of the Board of Directors of the Company were held during the financial year ended 30th June 2025. The procedures of the board meeting are mentioned below:

(a) Selection of Agenda: The Chairman of the Board, in consultation with Managing Director sets the agenda for Board meetings with the understanding that the Board is responsible for providing suggestions for agenda items that are aligned with the advisor and monitoring functions of the Board. Any member of the Board may request that an item be included on the agenda.

(b) Board Materials: Board materials related to agenda items are provided to Board members sufficiently in advance of Board meetings to allow the Directors to prepare for discussion of the items at the meeting.

(c) Senior Management in the Board meeting: At the invitation of the Board, members of senior management attended Board meetings or portions thereof for the purpose of participating in discussions.

Internal Control Framework

The Management recognises its responsibilities to present a balanced and understandable assessment of the company's position and prospect. The management has accountability for reviewing and approving the effectiveness of internal controls operated by the company, including financial, operational and compliance controls and risk management.

The company has adequate system of internal control in place. The well defined organization structure, predefined authority levels, documented policy guidelines and an extensive system of internal controls ensure optimal utilisation and protection of resources, reporting of financial transactions and compliance with applicable laws and regulations. The system also ensures that assets are safeguarded against loss from unauthorized use or disposition.



Independent Auditor's Report and Audited Financial Statements

As at and for the year ended 30th June 2025

Independent Auditor's Report
To the Shareholders of Khulna Power Company Ltd.

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of Khulna Power Company Ltd. (the Company), which comprise the statement of financial position (balance sheet) as at 30 June 2025, and the statement of profit or loss and other comprehensive income (profit and loss statement), statement of changes in equity, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matters described in the basis for Qualified Opinion section of our report, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 June 2025, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Qualified Opinion

As stated in Note 2.7 to the financial statements, the Power Purchase Agreement (PPA) between the Company and Bangladesh Power Development Board (BPDB) for Unit II & Unit III has expired on 23 March 2024. However, BPDB vide its letter dated 29 April 2024 requested the Company to resume the operations of both the Units under "No Electricity, No Payment basis as per the directives of Power Division, Ministry of Power, Energy & Mineral Resources but the PPA has not been signed yet and also, there is a significant uncertainty relating to supply of electricity in earlier basis due to not signing of PPA. This situation indicates that a material uncertainty exists that may cast significate doubt on the Company's ability to continue as a going concern. This has resulted in the drastical decline in Company's operating profit and an uncertainty to meet the overhead of the Company.

Moreover, the carrying value of property, plant and equipment (PPE) except land might have been impaired due to suspension of operations of the plant from 16 August 2024. Accordingly, the carrying value of PPE except land might have exceeded their recoverable value (higher of fair value less costs of disposal or value in use) that would result in impairment of PPE which was not assessed by the management for its accounting and reporting purposes.

Emphasis of Matters

(1) We draw attention to Note 7 to the financial statements, the Company has reported a deferred tax asset amounting to BDT 896,433. Upon verification, it was noted that the Company calculated deferred tax without considering PPE amounting to BDT 4,094,643,608. Consequently deferred tax was not calculated properly which has an impact on deferred tax balance of BDT 818,928,722. In accordance with IAS 12-Income Taxes, entities are required to recognize deferred tax liabilities and deferred tax assets for all temporary differences between the carrying amounts of assets and liabilities in the financial statements and their respective tax bases.

(2) We draw attention to Note 20 to the financial statements, which describes that the Company has not yet transferred unclaimed or undistributed dividend outstanding for more than three (3) years amounting to BDT 33,902,795 upto 30 June 2021 out of total amounts BDT 41,615,966 to the Capital Market Stabilization Fund (CMSF) as required by the Bangladesh Securities and Exchange Commission (BSEC) Directive No. BSEC/CMRRCD/2021-386/03 dated 14 January 2021 and the BSEC (Capital Market Stabilization Fund) Rules, 2021 issued on 1 June 2021.

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Independent Auditor's Report (continued)

Key Audit Matters

Key audit matters are those issues that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the contest of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the lasts for Cafe section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters for the audit of financial statements are as under:

(a) Carrying value (CV) of Property, plant and equipment (PPE) and its impairment

Key audit areas:

As stated in Note no. 4 to the financial statements, PPE includes the Company's long-term assets, which flow economic benefits to the entities more than one year. PPE is measured at cost less accumulated depreciation except land & land development. The carrying value of PPE represents significant portion of total assets, which in amounting to BDT 1,205,650,165 for the Company at the riporting date. As the Company is under the threat of going concern, the carrying value of PPE except land might have been impaired due to being unable to generate sufficient cash flows to the Company by using PPE.

Therefore, it has been considered as a significant areas of management's judgment and requires special attention.

Audit procedures:

We have tested the design and operating effectiveness of key controls over PPE. Our audit procedures included, among others, considering the impairment risk of the assets.

Following are our audit procedures on the carrying value and, impairment risk of PPE except land:

- Reviewing basis of recognition, measurement and valuation of assets:
- Observing procedures of assets acquisition, depreciation and disposal,
- Checking ownership of the major assets
- Performing due physical asset verification on sample basis at the year-end;
- Checking estimated rates of depreciation being used and assessing its fairness;
- Discussing with the management about the fair value of the assets and assessing independently whether the CV approximates the fair value at the reporting date,
- Evaluating the Company's assumptions in relation to recoverable amounts of the major PPE to identify if there is any requirement of recognition of impairment, and
- Finally, assessing the appropriateness and presentation of disclosures against relevant accounting standards;

Our assessment indicates that the carrying value of PPE except land might have been impaired due to being unable to generates sufficient cash flow to the Company by using PPE as disclosed in the basis for qualified section of our report

Independent Auditor's Report (continued)

(b) Revenue recognition

Key audit areas:

As stated in Note no. 22 to the financial statements, the Company reported total revenue amounting to BDT 822,211,791.

Revenue is recognized when the performance obligation is satisfied by transferring the goods or services to a customer, either at a point in time or over time, Goods or services are "transferred when the customer obtains control of it. It is a matter of concern that revenue may be misstated due to recognition of sales transaction before prefinance obligation being satisfied. Therefore, it is a matter of concern that revenue may be misstated.

Audit procedures:

We have tested the design and operating effectiveness of key controls focusing on the followings:

- Performing analytical procedures to find the reason of decreasing the revenue;
- Understanding the generating process of revenue;
- Assessing the risks involved in revenue generating process;
- Checking the reasonableness of the calculation of revenue as per PPA (schedule-4 and article 15 of second amendment copy);
- Verifying the timing of revenue recognition, critically verifying the recording process of revenue; and
- In overall, assessing the appropriateness and presentation of disclosures against relevant standards.

The procedures above did not identify any issues with regard to revenue recognition.

(c) Related party transactions

Key audit areas:

As stated in note no. 2.17 to the financial statements, we have identified a number of transactions with related party, which have been considered as a key audit area due to the high volume of business transactions at the reporting date.

Audit procedures:

Our substantive procedures in relation to the accuracy and completeness of disclosure comprise the following:

- Understanding and analyzing the nature and reasons for inter-company transactions,
- Studying board minutes for the approval of related party transactions;
- Reviewing independently the financial capabilities of the Company to meet the obligations, and through review of the financial statements of the Company:
- Checking the related party transactions on sample basis; and
- Finally, assessing the appropriateness and presentation of disclosures against relevant accounting standards.

Based on the evidence obtained, we did not identify any indications that balances have not been presentedfairly

Independent Auditor's Report (continued)

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

Responsibilities of management and those charged with governance for the financial

Management is responsible for the preparation and fair presentation of the financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



Independent Auditor's Report (continued)

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

In accordance with the Companies Act, 1994, we also report the following:

(a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;

(b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of these books; and

(c) the statement of financial position (balance sheet) and statement of profit or loss and other comprehensive income (profit and loss statement) dealt with by the report are in agreement with the books of account.

Auditor's Signature

Name of Engagement Partner	:	Md. Moktar Hossain, FCA, Senior Partner
Enrollment No.	:	728
Firm's Name	:	S. F. AHMED & CO., Chartered Accountants
Firm's Reg. No.	:	10898 E.P. under Partnership Act 1932
Document Verification Code (DVC)	:	2510280728AS525398

Dhaka, Bangladesh
Dated, 28 OCT 2025

Khulna Power Company Ltd.

Statement of Financial Position (Balance Sheet)

As at 30 June 2025

	Notes	2025 BDT	2024 BDT
Assets			
Non-current assets			
Property, plant and equipment	4	1,205,650,165	4,232,905,320
Right-of-use assets (ROU)	5	-	3,307,262
Investment in associate	6	1,574,553,743	1,422,886,824
Deferred tax asset	7	896,433	1,939,692
Total non-current assets		**2,781,100,341**	**5,661,039,098**
Current assets			
Inventories	9	396,567,668	492,818,791
Trade and other receivables	10	1,496,237,368	1,727,281,162
Inter-company receivables	11	2,116,212	-
Advances, deposits and prepayments	12	96,051,967	297,966,743
Cash and cash equivalents	13	153,920,551	281,200,311
Total current assets		**2,144,893,766**	**2,799,267,007**
Asset held for sale	8	3,017,139,860	-
Total assets		**7,943,133,967**	**8,460,306,105**
Equity and liabilities			
Equity			
Share capital	14	3,974,131,790	3,974,131,790
Retained earnings	15	3,587,841,539	3,314,106,812
Total equity		**7,561,973,329**	**7,288,238,602**
Liabilities			
Non-current liabilities			
Asset retirement obligation (ARO)	J(i)	45,475,574	45,475,574
Employee benefits	16	6,333,028	13,029,663
Lease liability- non-current portion	17	-	-
Total non-current liabilities		**51,808,602**	**58,505,237**
Current liabilities			
Lease liability- current portion	17	-	3,647,958
Inter-company payables	18	140,000,000	655,000,000
Trade and other payables	19	127,447,074	124,474,848
Unclaimed/undistributed dividend	20	41,615,966	316,439,460
Provision for taxation	21	20,288,996	14,000,000
Total current liabilities		**329,352,036**	**1,113,562,265**
Total liabilities		**381,160,638**	**1,172,067,502**
Total equity and liabilities		**7,943,133,967**	**8,460,306,105**
Net asset value per share	31	**19.03**	**18.34**

These financial statements should be read in conjunction with annexed notes.

For and on behalf of Khulna Power Company Ltd.

Company Secretary | Director | Managing Director

Signed in terms of our report of even date annexed

Dhaka, Bangladesh
Dated, 28 OCT 2025

S. F. AHMED & CO.
Chartered Accountants
DVC:
251028072 8AS525398

Khulna Power Company Ltd.

Statement of Profit or Loss and Other Comprehensive Income (Profit and Loss Statement)

For the year ended 30 June 2025

Statement of Profit or Loss and Other Comprehensive Income (Profit and Loss Statement)
For the year ended 30 June 2025

	Notes	2025 BDT	2024 BDT
Revenue	22	**822,211,791**	**2,969,833,479**
Cost of sales	23	(986,415,535)	(2,931,115,421)
Gross profit/(loss)		**(164,203,744)**	**38,718,058**
General and administrative expenses	24	(26,892,085)	(31,480,883)
Operating profit/(loss)		**(191,095,829)**	**7,237,175**
Share of profit from associate	25	325,494,419	219,654,923
Other income	26	30,154,741	5,291,431
Finance expense	27	(38,916,769)	(142,220,733)
Foreign exchange loss	28	-	(29,377,784)
Profit before tax		**125,636,562**	**60,585,012**
Income tax expense	29	(10,790,912)	(2,592,598)
Profit for the year		**114,845,650**	**57,992,414**
Other comprehensive income		-	-
Total comprehensive income		**114,845,650**	**57,992,414**
Earnings per share	30	**0.29**	**0.15**

These financial statements should be read in conjunction with annexed notes.

For and on behalf of Khulna Power Company Ltd.

Company Secretary | Director | Managing Director

Signed in terms of our report of even date annexed

S. F. AHMED & CO.

Dhaka, Bangladesh
Dated, 28 OCT 2025

S. F. AHMED & CO.
Chartered Accountants
DVC:
2510280728AS525398

Statement of Changes in Equity

For the year ended 30 June 2025

Particulars	Share capital BDT	Retained earnings BDT	Total BDT
Year ended 30 June 2025			
Balance at 1 July 2024	3,974,131,790	3,314,106,812	7,288,238,602
Profit for the year	-	114,845,650	114,845,650
Dividend waived by sponsors	-	278,151,128	278,151,128
Cash dividend paid	-	(119,262,051)	(119,262,051)
Balance as at 30 June 2025	**3,974,131,790**	**3,587,841,539**	**7,561,973,329**
Year ended 30 June 2024			
Balance at 1 July 2023	3,974,131,790	3,653,527,577	7,627,659,367
Profit for the year	-	57,992,414	57,992,414
Cash dividend paid	-	(397,413,179)	(397,413,179)
Balance as at 30 June 2024	**3,974,131,790**	**3,314,106,812**	**7,288,238,602**

For and on behalf of Khulna Power Company Ltd.

Company Secretary | Director | Managing Director

Signed in terms of our report of even date annexed

S. F. AHMED & CO.

Dhaka, Bangladesh
Dated, 28 OCT 2025

Khulna Power Company Ltd.

Statement of Cash Flows

For the year ended 30 June 2025

	2025 BDT	2024 BDT
Cash flows from operating activities		
Cash received from customer (BPDB)	1,055,700,014	4,257,989,798
Cash paid to suppliers and others	(441,845,983)	(2,907,896,569)
Received from/(paid to) other sources	15,221,465	36,733,831
Interest paid	(73,208)	(144,866,975)
Income tax paid	(14,349,604)	(12,077,487)
Net cash from/(used in) operating activities (A)	**614,652,683**	**1,229,882,598**
Cash flows from investing activities		
Payment for property, plant and equipment	(28,777,556)	(48,265,713)
Proceeds from disposal of fixed assets	10,612,222	-
Dividend received from associate	173,827,500	231,770,000
Interest received	16,139,091	20,049,386
Net cash flow/(used in) investing activities (B)	**171,801,257**	**203,553,673**
Cash flows from financing activities		
Loan and borrowings received	-	1,387,106,490
Loan and borrowings (paid)	-	(3,128,698,728)
Inter-company payable (paid)/received	(515,000,000)	-
Payment of lease liability	(4,648,154)	(4,648,154)
Dividend paid to ordinary shareholders	(394,085,545)	(116,875,100)
Net cash from/(used in) financing activities (C)	**(913,733,699)**	**(1,863,115,492)**
Net changes in cash and cash equivalents (A+B+C)	**(127,279,760)**	**(429,679,221)**
Opening cash and cash equivalents	281,200,311	710,879,532
Closing cash and cash equivalents	**153,920,551**	**281,200,311**
Cash and cash equivalents		
Cash in hand	30,539	166,178
Bank balances	153,890,012	281,034,133
	153,920,551	**281,200,311**

For and on behalf of Khulna Power Company Ltd.

Company Secretary | Director | Managing Director

Signed in terms of our report of even date annexed

S. F. AHMED & CO.

Dhaka, Bangladesh
Dated, 28 OCT 2025

Notes to the Financial Statements

for the year ended 30 June 2025

1 Reporting entity

1.1 Company profile

Khulna Power Company Ltd. ("the Company") was incorporated in Bangladesh on 15 October 1997 as a private limited Company under the Companies Act 1994 and thereafter converted into a public limited Company on 19 July 2009. The power plant of the Company came into operations on 13 October 1998 for a period of 15 years for which it was contracted for, and after successful completion of that tenor the period of contract was extension for another 5 years starting from 12 October 2013. The address of the Company's registered office is United House, Madani Avenue, United City, Dhaka 1212, Bangladesh.

On 18 April 2010, the Company was listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited. The authorized capital of the Company is BDT 7,000,000,000 divided into 500,000,000 ordinary shares of BDT 10 each and 2,000,000 redeemable preference shares of BDT 1,000 each. Out of 2,000,000 redeemable preference shares, 1,100,000 shares were issued and fully paid up. These were redeemed on 14 May 2014. In 2010, the Company took majority interest in two companies namely, Khulna Power Company Ltd. (Unit-II) and Khanjahan Ali Power Company Ltd. (Unit-III). Both companies were amalgamated with Khulna Power Company Ltd. with effect from 30 September 2014 pursuant to a Scheme of Amalgamation approved by the Hon'ble High Court Division of Bangladesh Supreme Court on 22 March 2015.

1.2 Nature of business

The principal activity of the Company is generation and selling of electricity to Bangladesh Power Development Board (BPDB). The Company has started its operations with two (2) Units 110 MW (Unit-I) liquid fuel-fired, convertible to dual fuel-fired (liquid gas), barge mounted power plant in Khulna. Since inception it has been supplying electricity to the national grid under a Power Purchase Agreement (PPA) with BPDB.

It has two other Units, Unit-II and Unit-III, which were awarded two separate contracts by BPDB to supply electricity under the Contract for Supply of Electricity on Rental basis. Unit-II and Unit-III have set up 115 MW and 40 MW liquid fuel-fired, rental power plant respectively in Khulna and Jessore for generation of electricity which was thereafter extended for further five years. Unit-II commenced commercial operations from 1 June 2011 and Unit-III from 29 May 2011.

1.3 Amalgamation of Khulna Power Company Unit II Ltd. and Khanjahan Ali Power Company Ltd.

On 22 March 2015, the Hon'ble High Court Division of the Supreme Court of Bangladesh issued an order giving effect to a Scheme of Amalgamation under Company Matter No. 322 of 2014. The High Court ordered that under the amalgamation scheme, the entire undertaking of Khulna Power Company Ltd. (Unit-II) and Khanjahan Ali Power Company Ltd. (Unit-III) (the transferor companies) as going concerns will be transferred to and vested in the Khulna Power Company Ltd. (the transferee Company) with an effective date of 30 September 2014.

Accordingly both subsidiaries, Khulna Power Company Ltd. (Unit-II) and Khanjahan Ali Power Company Ltd. (Unit-III), have been merged with Khulna Power Company Ltd. with the sanction of the Hon'ble High Court Division of the Supreme Court of Bangladesh in terms of an application submitted by both the transferor and transferee companies as per Section 228 read with Section 229 of the Companies Act, 1994. Though the Scheme of Amalgamation became effective from 2 April 2015, the day of the certified copy of the court order was submitted to the Registrar of Joint Stock Companies (RJSC), Dhaka, Bangladesh, and both Khulna Power Company Ltd. (Unit-II) and Khanjahan Ali Power Company Ltd. (Unit-III) ceased to exist since then, for financial reporting purposes the recording of all transactions on an amalgamated basis is effective from 30 September 2014.

Notes to the Financial Statements

for the year ended 30 June 2025

2. Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in compliance with the requirements of the International Financial Reporting Standards (IFRSs) which also cover International Accounting Standards (IASs), the Companies Act 1994, Securities and Exchange Rules 2020 and other applicable laws and regulations.

2.2 Basis of measurement

These financial statements have been prepared on accrual basis of accounting following going concern concept under historical cost convention.

2.3 Functional and presentation currency

These financial statements are presented in Bangladesh Taka (BDT), which is both functional and presentation currency of the company.

2.4 Accrual basis of accounting

The Company prepares its financial statements, except for cash flow information, using the accrual basis of accounting. When the accrual basis of accounting is used, an entity recognizes items as assets, liabilities, equity, income and expenses (the elements of financial statements) when they satisfy the definitions and recognition criteria for those elements in the Framework.

2.5 Reporting period

The financial statements of the Company cover one financial year from 1 July 2024 to 30 June 2025.

2.6 Components of financial statements

According to International Accounting Standard (IAS) - 1, "Presentation of financial statements" the complete set of financial statements includes the following components:

(i) Statement of financial position (balance sheet) as at 30 June 2025;
(ii) Statement of profit or loss and other comprehensive income (profit and loss statement) for the year ended 30 June 2025;
(iii) Statement of changes in equity for the year ended 30 June 2025;
(iv) Statement of cash flows for the year ended 30 June 2025; and
(v) Explanatory notes to financial statements.

2.7 Going concern

During the year, the Company had a net profit of BDT 114,845,650 and positive operating cashflows of BDT 614,652,682. The Power Purchase Agreements (PPA) between the Company (Unit-II & Unit-III) and BPDB were expired on 23 March 2024. However, BPDB vide its letter dated 29 April 2024 has requested the Company to resume the opera ions of both Unit-II & Unit-III under “No Electricity, No Payment" basis as per the directives of Power Division, Ministry of Power, Energy & Mineral Resources but finally the PPA has not been signed.

In addition, the Company has 35% shareholding interest in United Payra Power Limited (150 MW plant) having an agreement with BPDB for a period of fifteen (15) years effective from the date of commercial operation on 18 January 2021. The Company recognized profit from this associate Company amounting to BDT 325,494,419 for the year ended 30 June 2025.

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Notes to the Financial Statements

for the year ended 30 June 2025

2.8 Comparatives

Comparative information have been disclosed and audited amounts in respect of 2024 for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current year's financial statements. To facilitate comparison, certain relevant balances pertaining to the previous year have been rearranged/restated/reclassified whenever considered necessary to conform to current year's presentation.

2.9 Events after the reporting period

In accordance with IAS 10: Events after the reporting period, amounts recognized in the financial statements are adjusted for events after the reporting period that provide additional evidence of conditions that existed at the end of the reporting period. No material events had occurred after the reporting period to the date of issue of these financial statements, which could affect the values stated in the financial statements. Material non-adjusting events are disclosed in the financial statements.

2.10 Accounting polices, estimates, judgement and error

The preparation of the financial statements in accordance with IFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses. Although these estimates are based on management's best knowledge of current events and actions the company may undertake in the future, actual results ultimately may differ from those estimates. Application of the following accounting policies requires certain assumptions and estimates that have the potential for the most significant impact on financial statements of the company.

2.11 Description of associate

United Payra Power Ltd. is a 150 MW Independent Power Producer (IPP), on Build-Own-Operate (BOO) basis power plant having a contract period of 15 years from Commercial operation date. The principal activity of the Company is to generate electricity to sell such generated electricity to Bangladesh Power Development Board (BPDB) and to acquire fuel required for such electricity generation from home and abroad. For this purpose the Company has set up a 150 MW liquid fuel-fired at Kholishakhali, Patuakhali. The Company has been supplying electricity to the national grid of Bangladesh Power Development Board (BPDB) under Power Purchase Agreement (PPA). On 18th January 2021 United Payra Power Ltd. went into commercial operations (COD).

2.12 Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 30 June 2025 is included in the following notes:

Note 4	Property, plant and equipment
Note 9	Inventories
Note 16	Employee benefits
Note 21	Provision for taxation

2.13 Authorization for issue

The financial statements were authorized for issue by the Board of Directors on 27 October 2025.

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2.14 Changes in significant accounting standard

The table below lists the recent changes to International Financial Reporting Standards ("IFRS" or "standards") that are required to be applied by an entity with an annual reporting period beginning on or after 1 January 2020:

- Amendments to References to Conceptual Framework in IFRS Standards;
- Amendments to IAS 1: Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors on Definition of Material;
- Amendments to IFRS 3: Business Combinations on Definition of a Business;
- Amendments to IFRS 9: Financial Instruments, IAS 39: Financial Instruments: Recognition and Measurement (superseded by IFRS 9), IFRS 7: Financial Instruments: Disclosures on Interest Rate Benchmark Reform; and
- Amendment to IFRS 16: Leases on COVID-19-Related Rent Concessions.
- The amendments in standards listed above do not have any or material effect on the Company's financial statements.

2.15 Standards issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 January 2021 and earlier application is permitted ; however, the Company has not early adopted the new or amended standards in preparing these financial statements.

Effective for year beginning 1 January 2021	Amendments to IFRS 9: Financial Instruments, IAS 39: Financial Instruments: Recognition and Measurement (superseded by IFRS 9), IFRS 7: Financial Instruments: Disclosures, IFRS 4: Insurance Contracts (will be superseded by IFRS 17) and IFRS 16: Leases on Interest Rate Benchmark Reform – Phase 2.
Effective for year beginning 1 January 2022	Amendments to IAS 37: Provisions, Contingent Liabilities and Contingent Assets on Onerous Contracts – Cost of Fulfilling a Contract.
	Amendments to IAS 16: Property, Plant and Equipment on Proceeds before Intended Use.
	Amendments to IFRS 3: Business Combinations on Reference to the Conceptual Framework.
Effective for year beginning 1 January 2023	Amendments to IAS 1: Presentation of Financial Statements on Classification of Liabilities as Current or Non-current.
	IFRS 17: Insurance Contracts and amendments to IFRS 17: Insurance Contracts.
Effective date deferred indefinitely/available for optional adoption	Amendments to IFRS 10: Consolidated Financial Statements and IAS 28: Investments in Associates and Joint Ventures on sale or contribution of assets between an investor and its associate or joint venture.

Management does not expect that the adoption of the above new and amended standards and the interpretation to a standard will have a significant impact on the Company's financial statements.

2.16 Segment Reporting

The Company is mainly engaged in the business of generation and selling of electricity to BPDB. Considering the nature of Company's business and operations only one reportable segment in accordance with the requirements of IFRS 8: -'Operating Segment Reporting' prescribed under such there are no reportable geographical segments.



Notes to the Financial Statements

For the year ended 30 June 2025

	2025 BDT	2024 BDT
2.17 Related parties		
(a) Transactions with key management personnel		
Key management personnel compensation comprised the following.		
Transactions		
Fees to directors	789,000	1,850,000
Salaries and benefits	6,076,800	6,116,400
Bonus	554,000	602,000
	7,419,800	**8,568,400**

(b) Other related party transactions

	Transaction values for the year ended 30 June		Receivable/(payable) outstanding as at 30 June	
	2025	**2024**	**2025**	**2024**
Sale of goods and services				
United Anowara Power Ltd	2,002,580	(357,857)	2,002,580	-
United Jamalpur Power Ltd	113,632	-	113,632	-
United Mymensingh Power Ltd	-	(717,600)	-	-
	2,116,212	**(357,857)**	**2,116,212**	**-**
Procurement of goods and services				
Khulna Power Operations & Services Ltd.	15,716,615	48,100,000	1,045,024	1,117,982
United Energy Trading Pte Ltd.	-	(283,221,573)	-	-
United Shipping & Logistic Services Ltd.	-	(16,626,604)	-	-
Summit Asia Pacific Pte Ltd.	-	-	-	(518,095)
Summit Oil & Shipping Co. Ltd.	-	(900,000)	(518,095)	(23,967,707)
United Tank Terminal Ltd.	-	(12,127,500)	-	-
United Lube Oil Ltd.	(8,062,360)	(12,793,066)	-	-
United Mymensingh Power Ltd.	(19,872,222)	(140,000,000)	(25,588,889)	(145,716,667)
Summit Corporation Ltd.	(19,872,222)	(140,000,000)	(165,588,889)	(145,716,667)
United Enterprise & Co. Ltd.	(22,182,638)	(575,000,000)	(68,055,554)	(420,872,917)
	(54,272,827)	**(1,132,568,743)**	**(259,751,427)**	**(736,792,053)**
Investment				
United Payra Power Limited	325,494,419	219,654,923	1,574,553,743	1,422,886,824
	325,494,419	**219,654,923**	**1,574,553,743**	**1,422,886,824**

2.18 Financial risk management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks contemplated by it, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies, procedures and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

2.18.1 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk is mainly attributable to trade and other receivables. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

The Company's receivables arise from a Government entity, viz, Bangladesh Power Development Board (BPDB) to whom the Company's sales are made under the conditions of the power purchase agreement and contract for supply of electricity on rental basis. Sales made to this entity is fully secured by letters of credit issued by local scheduled banks.

(a) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	2025 BDT	2024 BDT
Trade and other receivables	1,496,237,368	1,727,281,162
Deposits	4,273,570	4,579,450
Cash and cash equivalents (except cash in hand)	153,890,012	281,034,133
	1,654,400,951	**2,012,894,745**

(b) Ageing of trade receivables and other receivables

Neither past due nor impaired	-	1,390,794,854
Past due 1-30 days	-	877,234,871
Past due 31-60 days	-	464,384,112
Past due 61-90 days	-	270,170,672
Past due 91-120 days	-	-
Past due above 120 days	1,496,237,368	7,598,199
	1,496,237,368	**3,010,182,708**

(c) Impairment losses

There were no impairment losses to be recognised for such instrument for the year.

Notes to the Financial Statements

For the year ended 30 June 2025

2.18.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

30 June 2025

Contractual cash flows

	Carrying amount	2 months or less	2 - 12 months	1-2 years	2-5 years	More than 5 years	Total
	BDT	BDT	BDT	BDT	BDT	BDT	BDT
Trade and other payables	127,447,074	-	120,458,623	-	-	-	120,458,623
Unclaimed/undistributed dividend	41,615,966	316,439,460	-	-	-	-	316,439,460
Provision for taxation	20,288,996	-	14,000,000	-	-	-	14,000,000
Employee benefits	6,333,028	-	-	13,029,663	-	-	13,029,663
Asset retirement obligation	45,475,574	-	-	-	45,475,574	-	45,475,574
	241,160,638	**316,439,460**	**134,458,623**	**13,029,663**	**45,475,574**	**-**	**509,403,320**

30 June 2024

Contractual cash flows

	Carrying amount	2 months or less	2 - 12 months	1-2 years	2-5 years	More than 5 years	Total
	BDT	BDT	BDT	BDT	BDT	BDT	BDT
Inter-company payable	170,000,000	170,000,000	-	-	-	-	170,000,000
Trade and other payables	124,474,848	-	124,474,848	-	-	-	124,474,848
Unclaimed/undistributed dividend	316,439,460	316,439,460	-	-	-	-	316,439,460
Provision for taxation	14,000,000	-	14,000,000	-	-	-	14,000,000
Employee benefits	13,029,663	-	-	-	11,722,104	-	11,722,104
Asset retirement obligation	45,475,574	-	-	-	45,475,574	-	45,475,574
	683,419,545	**486,439,460**	**138,474,848**	**-**	**57,197,678**	**-**	**682,111,986**

Notes to the Financial Statements

For the year ended 30 June 2025

2.18.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of the Company`s management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Currency risk

The Company is exposed to currency risk on revenue and certain expenses such as procurement of heavy fuel oil, spare parts and purchase of capital items. Majority of the Company's foreign currency transactions are denominated in United States Dollar (USD) and Euro (EUR) and related to revenue and procurement of heavy fuel oil and spare parts. The Company maintains USD denominated bank accounts where receipts from BPDB are deposited.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

	30 June 2025		30 June 2024	
	USD	EUR	USD	EUR
Trade and other receivables	12,277,323	-	26,831,080	-
Cash at bank	1,262,990	-	1,864,417	-
Loans and borrowings	-	-	(10,695,187)	-
Net exposure	**13,540,313**	-	**18,000,310**	-

The following exchange rates were applied during the period/year:

	Year end spot rate	
	2025	**2024**
United States Dollar (USD)	121.87	118.00
Euro (EUR)	142.18	129.11

Source: BRAC Bank TT OD rate

Sensitivity analysis

A reasonably possible strengthening (weakening) of foreign currency against BDT at 30 June would have effected the measurement of financial instruments denominated in a foreign currency and increased (decreased) equity and profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

30 June 2025

Effects in BDT	Strengthening profit or (loss)	Weakening profit or (loss)
USD (3 percent movement)	47,932,707	(47,932,707)
EUR (3 percent movement)	-	-
	47,932,707	**(47,932,707)**



30 June 2024

Effects in BDT	Strengthening profit or (loss)	Weakening profit or (loss)
USD (3 percent movement)	58,331,806	(58,331,806)
EUR (3 percent movement)	-	-
	58,331,806	**(58,331,806)**

b) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. Loans and borrowings are affected by fluctuations in interest rates as the rate is of SOFR plus variable rate ranging from 2.50% to 3.25%.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments was:

	30 June 2025 BDT	30 June 2024 BDT
Fixed rate instruments		
Financial liabilities	-	-
	-	-
Variable rate instruments		
Loans and borrowings	-	-
	-	-

Khulna Power Company Ltd.

Notes to the Financial Statements

For the year ended 30 June 2025

c) Accounting classifications and fair values

The following table shows the carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

30 June 2025		Carrying amount							Fair value			
Particulars	Notes	Fair value - hedging instruments	Mandatorily at FVTPL - others	FVOCI - debt instruments	FVOCI - equity instruments	Financial assets at amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT
Financial assets measured at fair value		-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-	-
Financial assets not measured at fair value												
Trade and other receivables	10	-	-	-	-	1,498,231,686	-	1,498,231,686	-	-	-	-
Deposits	12	-	-	-	-	4,273,570	-	4,273,570	-	-	-	-
Cash and cash equivalents	13	-	-	-	-	153,914,404	-	153,914,404	-	-	-	-
		-	-	-	-	**1,656,419,661**	-	**1,656,419,661**	-	-	-	-
Financial liabilities measured at fair value		-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value												
Inter-company payable	18	-	-	-	-	-	140,000,000	140,000,000	-	-	-	-
Trade and other payables	19	-	-	-	-	-	127,447,074	127,447,074	-	-	-	-
Unclaimed/undistributed dividend	20	-	-	-	-	-	41,637,417	41,637,417	-	-	-	-
Provision for taxation	21	-	-	-	-	-	23,859,408	23,859,408	-	-	-	-
		-	-	-	-	-	**332,943,899**	**332,943,899**	-	-	-	-

30 June 2024		Carrying amount							Fair value			
Particulars	Notes	Fair value - hedging instruments	Mandatorily at FVTPL - others	FVOCI - debt instruments	FVOCI - equity instruments	Financial assets at amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT	BDT
Financial assets measured at fair value		-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-	-
Financial assets not measured at fair value												
Trade and other receivables	9	-	-	-	-	1,727,281,162	-	1,727,281,162	-	-	-	-
Deposits	11	-	-	-	-	4,579,450	-	4,579,450	-	-	-	-
Cash and cash equivalents	12	-	-	-	-	281,200,311	-	281,200,311	-	-	-	-
		-	-	-	-	**2,013,060,923**	-	**2,013,060,923**	-	-	-	-
Financial liabilities measured at fair value		-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-	-
Financial liabilities not measured at fair value												
Inter-Company payable	18	-	-	-	-	-	170,000,000	170,000,000	-	-	-	-
Trade and other payables	19	-	-	-	-	-	124,474,848	124,474,848	-	-	-	-
Unclaimed/undistributed dividend	21	-	-	-	-	-	316,439,460	316,439,460	-	-	-	-
Provision for income tax	22	-	-	-	-	-	14,000,000	14,000,000	-	-	-	-
		-	-	-	-	-	**624,914,308**	**624,914,308**	-	-	-	-

Notes to the Financial Statements

For the year ended 30 June 2025

		2025 BDT	2024 BDT

2.19 Contingencies and commitments and subsequent events

2.19.1 Contingencies and commitments

(a) Contingent liabilities relating to bank guarantees amounted to:

Name of the party	Expiry date		
BPDB (for Unit-II)	23-Jul-21	-	254,000,500
BPDB (for Unit-III)	23-Jul-21	-	88,348,000
		-	**342,348,500**

(b) The Company received assessment orders for the assessment years 1999-2000, 2006-2007, 2007-2008 and 2008-2009 where tax authority has claimed BDT 11,544,504. The Company has appealed against these and is confident of satisfactory resolution. Hence, no provision has been made for these claims.

2.19.2 Subsequent events

The board of directors in its meeting held on 27th October 2025 has recommended 5% cash dividend for General investors BDT .50 per share of BDT 10 each aggregating to BDT 59,631,026 for the year ended 30 June 2025.The dividend is subject to final approval by the shareholders at the forthcoming annual general meeting of the Company.

There are no other events identified after the date of the statement of financial position which require adjustment or disclosure in the accompanying financial statements.

2.20 Capacity

Name of plants	Licensed capacity (MW)	Installed capacity (MW)	Plant factor (% on licensed capacity)	Energy generated (MW)	Energy sold (MW)
KPCL-I:					
July 2022 to June 2023	110	114	Average -	-	-
July 2021 to June 2022	110	114	Average -	-	-
KPCL-II:					
July 2024 to June 2025	115	119	Average 3.395	33,089	32,366
July 2023 to June 2024	115	119	Average 11.10	113,830	110,546
July 2022 to June 2023	115	119	Average 19.83	203,356	198,476
KPCL-III:					
July 2024 to June 2025	40	44	Average 1.79	6,265	6,102
July 2023 to June 2024	40	44	Average 9.55	33,162	32,073
July 2022 to June 2023	40	44	Average 14.68	52,895	51,304

2.21 Particulars of employees

During the year ended 30 June 2025 there were three (3) permanent employees of the Company (30 June 2024:10) who received salary of BDT 36,000 or above per year. All permanent employees of unit II & unit III have been outsourced from Khulna Power Operations & Services Ltd. (KPOSL) from 1 July 2016.

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Notes to the Financial Statements

For the year ended 30 June 2025

3. Significant accounting policies

The Company has consistently applied the following accounting policies to all periods presented in these financial statements.

Set out below is an index of the significant accounting policies, the details of which are available on the current and following pages:

A	Revenue
B	Inventories
C	Property, plant and equipment
D	Capital work-in-progress
E	Finance income and finance cost
F	Foreign currency transaction
G	Income tax
H	Financial instruments
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A. Revenue

Revenue is recognized in the statement of profit or loss and other comprehensive income upon supply of electricity to BPDB, quantum of which is determined by survey of meter reading as per Power Purchase Agreement/Contract for Supply of Electricity on "No Electricity, No Payment basis" with BPDB for the Company. Power Purchase Agreement (PPA) comprises non-fuel revenue and fuel revenue.

Non-fuel revenue

Non-fuel revenue includes the constant portion of the variable operation and maintenance (O&M) payment, which is calculated based on the supply of electricity and recognized in accordance with the terms specified in the Power Purchase Agreement (PPA).

Fuel revenue

Fuel revenue includes fuel payments as well as variable operation and maintenance (O&M) payments.

Fuel payment revenue is recognized according to the terms set out in the PPA. Fuel cost related to HFO for generating electricity is a pass-through expense for the Company to BPDB. Payment for the monthly HFO consumption is made directly by BPDB to the Company.

The Company adopted IFRS 15 using the modified retrospective method of adoption. The adoption of the standard did not have any impact on the financial statements of the Company.

B. Inventories

Inventories are measured and stated at cost less allowance for obsolescence. These are for use in the operation and maintenance of power plants. As inventories are for internal use, the value is unlikely to diminish.

C. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset and bringing to the location and condition necessary for it to be capable of operating in the intended manner. The cost of self constructed asset includes the cost of material, direct labor and any other cost directly attributable to bringing the assets to a working condition for their intended use. The costs of obligations for dismantling and removing the item and restoring the site (generally called 'asset retirement obligation') are recognized and measured in accordance with IAS 37: Provisions, Contingent Liabilities and Contingent Assets.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation on power plant has been charged considering 30 years of useful life and residual value at 15% of original cost, on straight line basis on the ground that the management intends to continue with operation after completion of Power Purchase Agreement (PPA) and Contract for Supply of Electricity on Rental Basis. Addition during the period is depreciated for full period irrespective of date of capitalization, while no depreciation is charged in the period of disposal. For initial year of the project, depreciation has been charged from the date of commercial operation in respect of power plant.

The estimated useful lives of property, plant and equipment are as follows:

Asset category	In Years	Rate
Power plant	30	3.33%
Motor vehicles	4	25%
Building and construction	0	10%
Furniture and fixtures	5	20%
Office equipment	5	20%
Office renovation	5	20%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

iv. Retirement and disposals

An asset is derecognized on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses arising from the retirement or disposal of an asset is determined by the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in profit or loss.

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v. Capitalization of borrowing cost

Finance cost that is directly attributable to the construction of power plant is included in the cost of the asset in compliance with IAS 23: Borrowing Costs. Capitalization of borrowing costs ceases upon receipt of commercial operations date (COD) certificate from BPDB which confirms that the plant is ready for intended use.

D. Capital work-in-progress

Property, plant and equipment that is in the process of construction/acquisition/import is accounted for as capital work in progress until construction/acquisition/import is completed and measured at cost. Capital work in progress consists of legal costs incurred for the purchase of land for set-up of factory and warehouse.

E. Finance income and finance cost

The Company's finance income and finance costs include:

- interest income; and
- interest expense

Interest income is recognized on accrual basis.

Interest expenses comprise interest expense on loans, overdraft, bank charges and other finance related costs. All borrowing costs are recognized in the statement of profit or loss and other comprehensive income using effective interest method except to the extent of amounts that are capitalized during construction period of the project in accordance with IAS 23: Borrowing cost.

F. Foreign currency transaction

Transactions in foreign currencies are translated to BDT at exchange rates at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into BDT at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into BDT at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognized in profit or loss or statement of comprehensive income.

G. Income tax

Income tax expenses comprises current and deferred tax. It is recognized in profit and loss except to the extent that relates to an item recognized directly in equity or in other comprehensive income (OCI).

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

As per the enacted tax law, applicable tax rate for the Company is currently 20%.

ii. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purpose and the amounts used for taxation purposes. Deferred tax is not recognized for:



a) Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that effects neither accounting nor taxable profit or loss;
b) Temporary differences related to investment in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and
c) Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

H. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification and subsequent measurement

Financial assets – Policy applicable from 1 July 2019

On initial recognition, a financial asset is classified as measured at: amortized cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both the following conditions and is not designated at FVTPL:

it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both the following conditions and is not designated at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.
All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Business model assessment: Policy applicable from 1 July 2019
The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Company's management; the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets – Subsequent measurement and gains and losses: Policy applicable from 1 July 2019

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Financial assets include cash and cash equivalents, trade receivables, other receivables and deposits.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash at banks and fixed deposits receipt which are held and available for use by the Company without any restriction. For the purposes of statement of cash flow, cash and cash equivalents comprise cash in hand, deposits held at financial institutions and short-term highly liquid investments with maturities of nine months or less from the date of acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Trade receivables

Trade receivables consists of unpaid bills receivable from Bangladesh Power Development Board (BPDB). Trade receivables are recognized initially at original invoice amount and subsequently measured at the remaining amount less allowances for doubtful receivables/bad debt at the year-end.

Other receivables

Other receivables are stated at amounts which are considered realizable.

Deposits

Deposits are measured at payment value.

iii Financial liabilities

Financial liabilities are recognized initially on the transaction date at which the Company becomes a party to the contractual provisions of the liability except the amount payable for letter of credit. The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial liabilities include project loan, trade payables and other current liabilities.

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I. Share capital

Ordinary shares are classified as equity. Paid up capital represents total amount of shareholders' capital that has been paid in full by the ordinary shareholders. Holders of ordinary shares are entitled to receive dividends as declared from time to time.

J. Provisions

A provision is recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the date of statement of financial position. Where the effect of time value of money is material, the amount of provision is measured at the present value of the expenditures expected to be required to settle the obligation.

i. Asset retirement obligations (ARO)

Asset retirement obligations (ARO) are recognized when there is a legal or constructive obligation as a result of past event for dismantling and removing an item of property, plant and equipment and restoring the site on which the item is located and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made. A corresponding amount equivalent to the provision is also recognized as part of the cost of the related property, plant and equipment. The amount recognized is the estimated cost of decommissioning, discounted to its present value. Changes in the estimated timing of decommissioning or decommissioning cost estimates are dealt with prospectively by recording an adjustment to the provision, and a corresponding adjustment to property, plant and equipment. The Company recognizes ARO in respect of project's site based on the present value of expected expenditures required to settle the obligation. The periodic unwinding of the discount is recognized in profit or loss as a finance cost as and when it occurs.

K. Employee benefits

Defined contribution plans (provident fund)

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available. The Company maintains a provident fund (CPF) for all local employees, recognized by the National Board of Revenue, Bangladesh. This is a defined contribution scheme as per IAS 19: Employee Benefits. All permanent employees contribute 10% of their basic salary to the provident fund and the Company also makes equal contribution.

Defined benefit plans (gratuity)

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company operates an unfunded gratuity scheme, which is a defined benefit scheme, a provision in respect of which is made periodically covering all permanent employees by applying period of employment to latest basic salary. No valuation was done to quantify actuarial liabilities as per IAS 19: Employee Benefits.

iii. Earned leave encashment policy

The Company also has a policy of earned leave encashment for head office employees. Under this policy, an employee is allowed twenty one days earned leave for each completed twelve months of continuous service with a maximum accumulation of one hundred and five days.

L. Workers' profit participation fund (WPPF)

The government of Bangladesh has made an amendment to the Labour Act 2006 in July 2016. As per amended section-232 (chha) of the Act, any undertaking carrying on business to earn profit is liable to make provision for WPPF at 5% of the net profit and it also needs to be distributed within 9 months of the statement of financial position/balance sheet date.

Provision of the Chapter-XV of the Labour Act 2006, as amended by Bangladesh Labour Amendment Act 2016 is not wholly applicable to the Company because it does not have any employee who may fall under the category of "Beneficiary" as per the special definitions stipulated in Section-233(1-i) of the Act. All persons working in the Company, by virtue of the nature of work they do and by designation, are part of the 'Management Authority' who are expressly excluded from the scope of the special definition of the term 'Beneficiary' in the Act, rather they come under the purview of the term 'Owner' as stipulated in the special definition in Section-233 (1-ee) of the Act.

M. Impairment

i) Financial assets

Receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Objective evidence that financial assets are impaired can include default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy, etc.

ii) Non-financial assets

An asset is impaired when its carrying amount exceeds its recoverable amount. The Company assesses at each reporting date whether there is any indication that an asset or a Cash Generating Unit (CGU) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or CGU. The recoverable amount of an asset or a CGU is the higher of its fair value less costs to sell and its value in use. Carrying amount of the asset is reduced to its recoverable amount by recognizing an impairment loss if, and only if, the recoverable amount of the asset is less than its carrying amount. Impairment loss is recognized immediately in profit or loss and other comprehensive income, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset shall be treated as a revaluation decrease. As at 30 June 2025, the assessment of indicators of impairment reveals that impairment testing is not required for the Company.

iii) Inventories

Inventories are measured at the lower of cost and net realizable value. These are for use in the operation and maintenance of power plants. As inventories are for internal use, the value is unlikely to diminish.

N. Leases

The Company has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 and IFRIC 4.



Policy applicable from 1 July 2019

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16. This policy is applied to contracts entered into, on or after 1 July 2019.

i. The Company as a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of it relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date.

The right-of-use asset is subsequently depreciated using straight-line method from the commencement date to the end of the lease term, unless the lease transfer ownership of the underlying asset to the Company by the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

ii. The Company as a lessor

At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand alone prices.

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance or an operating lease. To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If an arrangement contains lease and non-lease components, then the Company applies IFRS 15 to allocate the consideration in the contract.

The Company recognizes lease payments received under operating leases as income on a straight line basis over the lease term as part of "rental revenue". As per amended agreement with BPDB on 28.04.2022 there is no rental revenue because the Company has renewed under "No Electricity, No payment basis", that means there is no fixed or rental payment received by the Company.

iii. Right-of-use (ROU) assets

The Company recognizes a right-of-use asset at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liabilities. When a right-of-use asset meets the definition of investment property, it is presented in investment property.

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O. Dividend distribution policy

i. Recommended Dividends are approved by the Company's annual general meeting thereafter a dividend distribution account has been opened with a scheduled bank named "Dividend Distribution Account" and dividend is transferred to the said account. Then divided is transferred to the respective shareholders' account electronically by debiting the above mentioned bank account.

ii. Final dividend distributions to the Company's shareholders are recognised as a liability in the financial statements in the period in which the dividends are approved by the Company's shareholders at the annual general meeting, while interim dividend distributions are recognised in the period in which the dividends are declared and paid.

P. Statement of cash flows

Statement of cash flows have been prepared in accordance with the IAS 7: Statement of cash flows under direct method.

Q. Capital redemption reserve

The redeemable cumulative class 'A' preference shares have been redeemed out of profits and the face value of the shares redeemed have been transferred to the capital redemption reserve account accordingly.

R. Earnings per share (EPS)

The Company represents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is determined by the adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the affects of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for these financial statements as there was no potential dilutive ordinary shares during the year ended 30 June 2025.

S. Contingencies

Contingencies arising from claims, litigation assessments, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can reasonably be measured.

i. Contingent liability

Contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent liability should not be recognised in the financial statements, but may require disclosure. A provision should be recognised in the period in which the recognition criteria of provision have been met.

ii. Contingent asset

Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent asset must not be recognised. Only when the realization of the related economic benefits is virtually certain should recognition take place provided that it can be measured reliably because, at that point, the asset is no longer contingent.

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Notes to the Financial Statements

For the year ended 30 June 2025

		2025 BDT	2024 BDT
4.	**Property, plant and equipment**		
	Cost:		
	Opening balance	7,103,529,003	7,055,263,291
	Add: Addition during the year	28,777,556	48,265,713
		7,132,306,559	7,103,529,004
	Less: Disposal/adjustment during the year	(5,167,967,316)	-
	Closing balance (A)	1,964,339,243	7,103,529,004
	Accumulated depreciation:		
	Opening balance	2,870,623,682	2,644,647,537
	Add: Charge for the year	166,361,004	225,976,147
		3,036,984,686	2,870,623,684
	Less: Adjustment during the year	(2,278,295,608)	-
	Closing balance (B)	758,689,078	2,870,623,684
	Written down value (A-B)	**1,205,650,165**	**4,232,905,320**
	Details are in **Annex A**.		
5.	**Right-of-use (ROU) assets**		
	Cost:		
	Opening balance	24,543,569	24,543,569
	Add: Addition during the year	-	-
		24,543,569	24,543,569
	Less: Adjustment during the year	-	-
	Closing balance (A)	24,543,569	24,543,569
	Accumulated depreciation:		
	Opening balance	21,236,307	16,826,627
	Add: Charge for the year	3,307,262	4,409,680
		24,543,569	21,236,307
	Less: Adjustment for the year	-	-
	Closing balance (B)	24,543,569	21,236,307
	Written down value (A-B)	**-**	**3,307,262**
	Details are in **Annex B**.		
6.	**Investment in associate**		
	Initial Investment	1,158,850,000	1,158,850,000
	Add: Share of previous year's profit	959,346,824	739,691,901
		325,494,419	219,654,923
		2,443,691,243	**2,118,196,824**
	Less: Dividend received:		
	2020-2021	(150,650,500)	(150,650,500)
	2021-2022	(312,889,500)	(312,889,500)
	2022-2023	(231,770,000)	(231,770,000)
	2023-2024	(173,827,500)	-
		1,574,553,743	**1,422,886,824**

	2025 BDT	2024 BDT
Investment in associate - Accounted under equity method:		

	Number of shares	Face value per share (BDT)	Percentage of share holding		
United Payra Power Ltd.	115,885,000	10	35%	1,158,850,000	1,158,850,000
				1,158,850,000	**1,158,850,000**

Khulna Power Company Ltd. acquired 35% shares in United Payra Power Ltd. with effect from 8th January 2020 as an investment.

7. Deferred tax asset

Deferred tax assets and liabilities have been recognized and measured in accordance with the provisions of International Accounting Standard (IAS) 12: Income Taxes. Related deferred tax expense/(income) has been recognized in the statement of profit or loss and other comprehensive income. The components of deferred tax assets and liabilities are given below.

Opening balance as at 1 July 2025	(1,939,692)	(1,691,186)
Add: Deferred tax expense/(income) during the year (note 7.1)	1,043,260	(248,506)
Closing balance as at 30 June 2025	**(896,433)**	**(1,939,692)**

7.1 Deferred tax expense/(income)

	Accounting base	Tax base	Taxable / (deductible) temporary difference
As at 30 June 2025			
Property, plant and equipment (excluding land)	-	-	-
Gratuity provision	10,601,663	6,119,500	(4,482,163)
Net taxable/(deductible) temporary difference	**10,601,663**	**6,119,500**	**(4,482,163)**
Applicable rate			20%
Deferred tax liabilities/(assets) at the end of the year			(896,433)
Less: Deferred tax liabilities/(assets) at the beginning of the year			(1,939,692)
Deferred tax expense/(income) for the year			**1,043,260**
As at 30 June 2024			
Property, plant and equipment (excluding land)	-	-	-
Gratuity provision	9,698,461	-	(9,698,461)
Net taxable/(deductible) temporary difference	**9,698,461**	**-**	**(9,698,461)**
Applicable rate			20%
Deferred tax liabilities/(assets) at the end of the year			(1,939,692)
Less: Deferred tax liabilities/(assets) at the beginning of the year			(1,691,186)
Deferred tax expense/(income) for the year			**(248,506)**

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8. Asset held for sale

Khulna Power Company Ltd. (the Company) operates two power generation units, namely KPCL 115 MW (Unit-II), and KPCL 40 MW (Unit-III), each with distinct Commercial Operation Dates (CODs).The 115 MW power plant has been discontinued its operations from 30 April 2025. Subsequently, the Management of the Company, in a duly convened meeting, resolved to sell the 115 MW power plant. Accordingly, the asset has been classified as held for sale in accordance with the requirements of IFRS 5: Non-Current Assets Held for Sale and Discontinued Operations. In compliance with IFRS 5, depreciation on the related non-current assets has been discontinued.

	2025 BDT	2024 BDT
Cost of non-current asset (power plant)	5,141,081,295	-
Less: Accumulated depreciation	(2,252,087,851)	-
	2,888,993,444	-
Add: Asset ready for sale	128,146,416	-
Opening carrying value	3,017,139,860	-
Less: Asset sold out	-	-
Closing carrying value	**3,017,139,860**	**-**

9. Inventories

Heavy fuel oil (HFO)	176,165,990	254,440,825
Light fuel oil (LFO)	812,953	1,153,461
Lube oil	2,812,667	18,462,033
Chemicals	135,968	164,128
Spare parts	216,640,090	218,598,344
	396,567,668	**492,818,791**

Details are in **Annex C**.

10. Trade and other receivables

Trade receivables (note 10.1)	1,488,538,166	1,722,026,388
Other receivables (note 10.2)	7,699,203	5,254,774
	1,496,237,368	**1,727,281,162**

10.1 Trade receivables

From BPDB

Non-fuel payment (other monthly tariff)	287,862,777	379,308,792
Fuel payment (energy payment)	1,200,675,389	1,342,717,596
	1,488,538,166	**1,722,026,388**

Trade receivables have been decreased by 13.56% mainly due to lower revenue than the last period.
No provision made against receivables.

10.2 Other receivables

Income tax authority (AIT for appeal purpose)	4,018,887	4,018,887
Interest accrued on FDR	3,075,416	630,987
Others	604,900	604,900
	7,699,203	**5,254,774**

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Notes to the Financial Statements

For the year ended 30 June 2025

	2025 BDT	2024 BDT
11. Inter-company receivables		
United Anwara Power Ltd.	2,002,580	-
United Jamalpur Power Ltd.	113,632	-
	2,116,212	**-**
12. Advances, deposits and prepayments		
Advances (note 12.1)	91,486,317	272,941,515
Deposits (note 12.2)	4,273,570	4,579,450
Prepayments (note 12.3)	292,080	20,445,778
	96,051,967	**297,966,743**
12.1 Advances		
Advance income tax (note 12.1.1)	76,943,700	66,052,751
Others	5,878,062	22,741,994
Loan to employees	5,862,039	703,967
Bangladesh Inland Water Transport Authority	1,500,000	1,500,000
Khulna Power Operations & Services Ltd.	1,045,024	1,117,982
Anowara Enterprise	257,493	468,430
Jamuna Oil Co. Ltd.	-	83,000,000
Meghna Petroleum Co. Ltd.	-	91,060,047
Wartsila Bangladesh Ltd.	-	46,344
Power Genesis and Contruction Ltd.	-	6,000,000
Alif International Agency	-	250,000
	91,486,317	**272,941,515**
12.1.1 Advance income tax		
Opening balance	66,052,751	55,298,997
Add: Addition during the year	14,349,604	12,077,487
	80,402,356	67,376,484
Less: Adjustment during the year	(3,458,656)	(1,323,733)
Closing balance	**76,943,700**	**66,052,751**
12.2 Deposits		
Security deposit for leasehold land to BPDB	3,416,564	3,416,564
Central Depository Bangladesh Ltd.	500,000	500,000
C&F license	250,000	250,000
Grameenphone Ltd.	64,006	64,006
Others	27,000	24,000
Bangladesh Telecommunications Company Limited	16,000	16,000
Office rent	-	258,880
LPG auto gas station	-	50,000
	4,273,570	**4,579,450**
12.3 Prepayments		
Insurance premium	292,080	16,299,825
Prepaid expense for leasehold land to BPDB	-	4,145,953
	292,080	**20,445,778**

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Notes to the Financial Statements

For the year ended 30 June 2025

13. Cash and bank balances

Cash in hand	30,539	166,178
Bank balances (note 13.1)	153,890,012	281,034,133
	153,920,551	**281,200,311**

13.1 Bank Balances

Current deposit (CD) account (A)

Bank Alfalah Limited	22,837,695	3,129,823
BRAC Bank PLC.	12,552,101	464,070
Export Import Bank of Bangladesh PLC.	1,429,924	5,514,496
Standard Chartered Bank	589,399	155,083,519
Jamuna Bank PLC.	121,672	508,056
Bengal Commercial Bank PLC.	99,711	105,156,903
Sonali Bank PLC.	19,940	21,025
	37,650,442	**269,877,892**

Special notice deposit (SND) account (B)

Bank Alfalah Limited	8,059,451	4,274,779
Bengal Commercial Bank PLC.	4,125,602	4,526,389
Southeast Bank PLC.	1,228,106	1,038,846
Prime Bank PLC.	875,177	873,768
Dutch-Bangla Bank PLC.	262,910	255,210
Trust Bank PLC.	159,401	158,479
City Bank PLC.	28,923	28,770
	14,739,570	**11,156,241**

Fixed deposit receipt (FDR) account (C)

Export Import Bank of Bangladesh PLC.	55,000,000	-
Bengal Commercial Bank PLC.	26,500,000	-
Bank Alfalah Limited	20,000,000	-
	101,500,000	**-**

Total (A+B+C)	**153,890,012**	**281,034,133**

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Notes to the Financial Statements

For the year ended 30 June 2025

		2025 BDT	2024 BDT
14.	**Share capital**		
	Authorised share capital:		
	500,000,000 ordinary shares of BDT 10 each	5,000,000,000	5,000,000,000
	2,000,000 redeemable preference shares of BDT 1,000 each	2,000,000,000	2,000,000,000
		7,000,000,000	**7,000,000,000**
	Issued, subscribed and paid-up share capital:		
	208,593,000 ordinary shares of BDT 10 each	2,085,930,000	2,085,930,000
	31,288,950 ordinary shares of BDT 10 each issued as bonus shares in 2010	312,889,500	312,889,500
	47,976,390 ordinary shares of BDT 10 each issued as bonus shares in 2011	479,763,900	479,763,900
	17,991,150 ordinary shares of BDT 10 each issued as bonus shares in 2012	179,911,500	179,911,500
	38,231,186 ordinary shares of BDT 10 each issued as bonus shares in 2013	382,311,860	382,311,860
	17,204,033 ordinary shares of BDT 10 each issued as bonus shares in 2014	172,040,330	172,040,330
	36,128,470 ordinary shares of BDT 10 each issued as bonus shares in 2017-18	361,284,700	361,284,700
		3,974,131,790	**3,974,131,790**

Details of shareholding position of the company for the year 30 June 2025:

Shareholder	**Number of shares**	**Percentage of holding**		
United Mymensingh Power Ltd.	140,216,401	35.28%	1,402,164,010	1,402,164,010
Summit Corporation Limited	67,732,419	17.04%	677,324,190	677,324,190
Summit Power Limited	70,108,200	17.64%	701,082,000	701,082,000
General investors	119,262,051	30.01%	1,192,620,510	1,192,620,510
Other sponsors	94,108	0.02%	941,080	941,080
	397,413,179	**100%**	**3,974,131,790**	**3,974,131,790**

Range of holding in number of shares of the company for the year 30 June 2025:

Shareholder's range	**Number of shareholders**	**Percentage of holding**		
Less than 5,000 shares	18,866	84.7643%	17,687,170	19,260,284
5,000 to 10,000 shares	1,872	8.4108%	13,083,070	13,079,517
10,001 to 25,000 shares	933	4.1919%	14,922,467	14,490,783
25,001 to 50,000 shares	328	1.4737%	11,515,030	10,498,719
50,001 to 100,000 shares	161	0.7234%	11,569,360	9,164,811
100,001 to 250,000 shares	59	0.2651%	9,601,291	10,831,610
250,001 to 500,000 shares	17	0.0764%	5,875,741	5,061,237
500,001 to 2,500,000 shares	14	0.0629%	13,650,642	15,787,490
2,500,001 to 5,000,000 shares	1	0.0045%	4,622,812	4,622,812
Over 5,000,000 shares	6	0.0270%	294,885,596	294,615,916
	22,257	**100%**	**397,413,179**	**397,413,179**

15.	**Retained earnings**		
	Opening balance	3,314,106,812	3,653,527,577
	Add: Profit for the year	114,845,650	57,992,414
		3,428,952,462	3,711,519,991
	Add: Dividend waived by sponsors*	278,151,128	-
		3,707,103,590	3,711,519,991
	Less: Cash dividend paid	(119,262,051)	(397,413,179)
	Closing balance	**3,587,841,539**	**3,314,106,812**

* The Board of Directors, in its meeting held on 27 October 2024, recommended a cash dividend of 10% for the financial year ended 30 June 2023 as the Company is in liquidity crunch due to delayed payment of BPDB, which was approved at the 26th Annual General Meeting held on 29 December 2024. The sponsor shareholder's entitlement of the Company waived their right to receive the declared cash dividend for the betterment of the Company's financial health as well as greater benefit of the General Public Shareholders so that they can continue disburse decent dividend for the coming year within the present situation.

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Notes to the Financial Statements

For the year ended 30 June 2025

	2025 BDT	2024 BDT
16. Employee benefits		
Staff gratuity (note 16.1)	4,482,163	9,698,461
Earned leave encashment (note 16.2)	1,850,864	3,331,202
	6,333,028	**13,029,663**
16.1 Staff gratuity		
Opening balance	9,698,461	8,455,930
Add: Addition during the year	903,202	1,242,531
	10,601,663	9,698,461
Less: Adjustment during the year	(6,119,500)	-
Closing balance	**4,482,163**	**9,698,461**
16.2. Earned leave encashment		
Opening balance	3,331,202	3,331,202
Add: Addition during the year	354,421	-
	3,685,623	3,331,202
Less: Adjustment during the year	(1,834,759)	-
Closing balance	**1,850,864**	**3,331,202**
17. Lease liabilities		
Opening balance	3,647,958	8,145,541
Add: Interest expense	73,207	550,577
	3,721,165	8,696,118
Less: Instalment paid during the year	(3,721,165)	(5,048,160)
Closing balance	**-**	**3,647,958**
Current and non-current classification of lease liabilities:		
Non-current portion	-	-
Current portion	-	3,647,958
	-	**3,647,958**
18. Inter-company payables		
Summit Corporation Ltd.	140,000,000	140,000,000
United Enterprise & Co. Ltd.	-	375,000,000
United Mymensingh Power Ltd.	-	140,000,000
	140,000,000	**655,000,000**

Khulna Power Company Ltd. Borrowed money from United Enterprise & Co. Ltd., United Mymensingh Power Ltd. and Summit Corporation Ltd. as short term basis @14% p.a to meet up deficit of working capital.

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Notes to the Financial Statements

For the year ended 30 June 2025

19. Trade and other payables

Trade payables (note 19.1)	684,561	46,638,361
Liability for expenses (note 19.2)	7,529,182	16,030,236
Interest payable on loan (note 19.3)	119,233,332	61,806,251
	127,447,074	**124,474,848**

19.1 Trade payables

Summit Oil & Shipping Co. Ltd. (Fuel carrying)	518,095	518,095
Meghna Insurance Company Ltd.	83,326	83,326
Others	83,140	1,059,349
United Lube Oil Ltd.	-	23,967,707
Wartsila Bangladesh Ltd.	-	10,773,909
Wartsila Ships Repairing and Maintenance LLC.	-	9,984,830
Mobil Jamuna Lubricants Limited	-	210,936
Fuel/spare costs	-	40,209
	684,561	**46,638,361**

19.2 Liability for expenses

Withholding tax and VAT	1,053,405	3,314,348
Bangladesh Inland Water Transport Authority	4,313,432	-
Others	713,649	9,279,338
Audit fee	400,000	675,000
Employees' provident fund	397,400	-
Employee related expenses	389,747	2,377,235
Falcon Securities Ltd.	261,548	326,718
Telephone, fax and email	-	57,597
	7,529,182	**16,030,236**

19.3 Interest payable on loan

United Enterprise & Co.Ltd.	68,055,554	50,372,917
Summit Corporation Ltd.	25,588,889	5,716,667
United Mymensingh Power Ltd.	25,588,889	5,716,667
	119,233,332	**61,806,251**

20. Unclaimed/undistributed dividend

Final cash dividend (31 December 2009)	7,459,271	7,459,271
Final cash dividend (31 December 2012)	1,673,441	1,673,441
Final cash dividend (31 December 2013)	5,829,292	5,829,292
Final cash dividend (30 June 2016)	1,395,349	1,395,349
Final cash dividend (30 June 2018)	2,995,075	2,995,075
Final cash dividend (30 June 2019)	6,220,776	6,220,776
Final cash dividend (30 June 2020)	5,599,809	5,608,467
Final cash dividend (30 June 2021)	2,729,782	2,735,035
Final cash dividend (30 June 2022)	1,884,929	1,889,132
Final cash dividend (30 June 2023)	2,059,806	280,633,622
Final cash dividend (30 June 2024)	3,768,437	-
	41,615,966	**316,439,460**

The above amount represents cash dividend for the years 2009, 2012, 2013, 2015-2016, 2017-2018, 2018-2019, 2019-2020, 2020-2021, 2021-2022, 2022-2023 and 2023-2024 that has remained unclaimed by the shareholders, which is deposited in dedicated bank accounts and is payable on demand.

21. Provision for taxation

Opening balance	14,000,000	15,000,000
Add: Addition during the year	9,747,652	4,000,000
	23,747,652	19,000,000
Less: Adjustment during the year	(3,458,656)	(5,000,000)
Closing balance	**20,288,996**	**14,000,000**

The tax provision includes the following:

Financial year		
2024-2025	9,747,652	-
2023-2024	4,000,000	4,000,000
2022-2023	10,000,000	10,000,000
	23,747,652	**14,000,000**

KPCL-I was allowed tax exemption for a period of 15 years with effect from commencement of commercial production, vide SRO no. 114-Law/99 dated 26 May 1999 and amended time to time issued by Government of Bangladesh, under private sector power generation policy. This expired on 12 October 2013. Though after successful completion of the tenor the Company (KPCL-I) has been granted an extension for a further five-year term, no tax exemption facility has been given. Therefore, due income tax provision for the accounting year/period has been made in the accounts on the net profit of this unit (KPCL-I).

However, no provision is made for income tax for other two units (KPCL-II and KPCL-III), amalgamated with KPCL-I, as BPDB is responsible for payment of income taxes, other taxes, VAT, duties, levies and all other charges imposed inside Bangladesh on any payments made by BPDB to the Company from the start of its commercial operation.

22. Revenue

Revenue from BPDB:

Non-fuel payment (other monthly tariff)	152,934,982	540,020,346
Fuel payment (energy payment)	669,276,809	2,429,813,133
	822,211,791	**2,969,833,479**

Plant wise Revenue:

KPCL-II (115 MW)	691,149,301	2,282,856,225
KPCL-III (40 MW)	131,062,490	686,977,254
	822,211,791	**2,969,833,479**

Revenue decreased by 72% mainly due to shut down of plants electricity production after 3 August 2024 and also lower of plant load factor during this year.

The actual revenue billed by the Company is BDT 822,211,791. No deferred revenue recognised during this reporting period due to the Company's implementation of IFRS 16 for capacity payment element of revenue is straight-lined over the period of latest expired PPA. In the current period PPA has been renewed under "No Electricity, No Payment" basis. So IFRS 16 is not applicable.

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Notes to the Financial Statements

For the year ended 30 June 2025

		2025 BDT	2024 BDT
23.	**Cost of sales**		
	Consumption of heavy fuel oil (HFO) and related expenses	749,591,401	2,472,851,907
	Depreciation on property,plant and equipment	166,143,286	225,381,157
	Other operation and maintenance costs	28,422,434	61,864,431
	Consumption of lube oil	18,094,427	50,669,249
	Operating insurance premium	14,930,200	16,423,220
	BPDB's land lease fee	4,145,951	8,119,159
	Manned security services at plant site	3,817,246	4,321,464
	Consumption of light fuel oil (LFO)	1,270,590	8,820,240
	Consumption of spare parts	-	82,664,594
		986,415,535	**2,931,115,421**

Cost of sale decreased by 66% mainly due to shut down of plants electricty production.

24.	**General and administrative expenses**		
	Salary and allowances	12,308,764	12,412,249
	Office repair and maintenance	2,233,883	1,025,341
	Renewal, subscription and membership fee	1,401,890	1,549,915
	Depreciation on right-of-use (ROU) assets	3,307,262	4,409,680
	Vehicle fuel and maintenance	981,364	690,490
	Gratuity expense	903,202	1,242,531
	Director's fee and board meeting expenses	789,000	2,145,000
	Bank charges and commission	631,697	1,291,268
	Employer's contribution to provident fund	428,200	520,000
	General meeting (AGM/EGM) expenses	414,098	678,850
	Audit fee	400,000	675,000
	Legal and other professional fees	383,578	327,179
	Telephone, fax and e-mail	348,264	428,147
	Leave encashment expense	354,421	-
	Advertisement, publicity, press and seminar	270,871	375,647
	Leave fare assistance expense	258,783	282,881
	Business promotion, gift and donation	250,000	454,757
	Printing, postage and stationeries	220,443	610,404
	Depreciation on property, plant and equipment	217,718	594,989
	Insurance premium expense	209,138	422,092
	Travel and conveyance	193,017	241,021
	VAT expense	147,000	858,474
	Entertainment	102,928	144,162
	Miscellaneous and incidental expenses	64,843	21,160
	Computer consumable and maintenance	58,200	55,100
	Newspapers, books and periodicals	13,520	16,996
	Training expenses	-	7,550
		26,892,085	**31,480,883**

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Notes to the Financial Statements

For the year ended 30 June 2025

25. Share of profit from associate

Profit of associate company during the year	929,984,055	627,585,493
Percentage of share holding	35%	35%
Share of profit	**325,494,419**	**219,654,923**

26. Other income

Insurance claim against damage of machinery	19,062,519	-
Gain from disposal of assets	10,612,222	-
Sale proceeds of sludge, used lube oil and empty lube oil drums	400,000	3,834,700
Miscellaneous income	80,000	-
Commission received from life Insurance	-	1,456,731
	30,154,741	**5,291,431**

27. Finance expense

Finance income (note 27.1)	18,583,520	10,080,373
Finance costs (note 27.2)	(57,500,289)	(152,301,106)
	(38,916,769)	**(142,220,733)**

27.1 Finance income

Interest received from FDR	13,176,281	-
Interest received from SND	5,407,238	10,080,373
	18,583,520	**10,080,373**

27.2 Finance cost

Interest on inter-company loan	57,427,082	150,013,437
Interest expense - lease	73,207	2,287,669
	57,500,289	**152,301,106**

Finance cost decreased mainly due to having no involvment of working capital facility during the period.

28. Foreign exchange loss

Working capital loan and interest for acceptance of HFO L/Cs	-	29,377,784
	-	**29,377,784**

29. Income tax expense

Current tax (note 29.1)	9,747,652	4,000,000
Deferred tax (income)/expense	1,043,260	(248,506)
Additional tax (income)/expense	-	(1,158,896)
	10,790,912	**2,592,598**

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Notes to the Financial Statements

For the year ended 30 June 2025

29.1 Current tax

Revenue	822,211,791	2,969,833,479
Finance income	18,583,520	10,080,373
Total gross receipts	840,795,311	2,979,913,852
Minimum income tax @ 1% of gross receipts (A) *	-	-
Profit before tax	125,636,562	60,585,012
Tax applied on profit *	-	-
Tax on other income:		
Profit of associate company for the year **	-	-
Finance income	18,583,520	10,080,373
Other income	30,154,741	5,291,431
	48,738,260	15,371,804
20% on other income (B)	9,747,652	3,458,656
Income tax deducted at source (C)	4,111,353	4,000,000
Higher of (A), (B) and (C)	**9,747,652**	**4,000,000**

* Tax applied on the profit of the Company of private power generation is excempted for 15 years as per the clause (o) of sub-section (4) of section 44 of SRO no 188-law/income tax/2009- Income tax Ordinance 1984 (XXXVI of 1984).

** Tax applied on the profit of associate company named United Payra Power Ltd. (electricity power generation company) is also excempted for 15 years as per the clause (o) of sub-section (4) of section 44 of SRO no 188-law/income tax/2009- Income tax Ordinance 1984 (XXXVI of 1984).

30. Earnings per share

Earnings per share (EPS) is calculated in accordance with the IAS 33: Earnings Per Share. The composition of EPS is given below:

Profit attributable to the ordinary shareholders (basic)	114,845,650	57,992,414
Number of shares outstanding	397,413,179	397,413,179
Earnings per share (EPS)	**0.29**	**0.15**

No diluted earnings per share is required to be calculated for the year as there was no scope for dilution during the year.

31. Net Asset Value per share

Net assets (note 31.1)	7,561,973,329	7,288,238,602
Number of shares outstanding	397,413,179	397,413,179
	19.03	**18.34**

31.1 Net assets

Total assets	7,943,133,967	8,460,306,105
Less: Total liabilities	(381,160,638)	(1,172,067,502)
	7,561,973,329	**7,288,238,602**

32. Net operating cash flow per share

Net cash generated from operating activities	614,652,683	1,229,882,598
Number of shares outstanding	397,413,179	397,413,179
Net operating cash flow per share	**1.55**	**3.09**

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Notes to the Financial Statements

For the year ended 30 June 2025

33. Reconciliation of net profit with cash flow from operating activities

Profit for the year	114,845,650	57,992,414
Adjustment for:		
Depreciation on property, plant and equipment	166,361,004	225,976,147
Depreciation on right-of-use assets	3,307,262	4,409,680
Finance income	(18,583,520)	(10,080,373)
Finance cost	57,500,289	152,301,106
Other income	(30,154,741)	(5,291,431)
Interest paid	(73,208)	(144,866,975)
Foreign exchange (gain)/loss	-	29,377,784
Gain/(loss) from disposal of assets	(10,612,222)	-
Leave fare assistance	258,783	282,881
Gratuity expense	903,202	1,242,531
Earned leave expense	354,421	-
Income tax expense	10,790,912	2,592,598
HFO consumption	148,254,991	
Share of profit from associate	(325,494,419)	(219,654,923)
Changes in:		
Inventories	(31,895,293)	154,795,533
Asset ready for sale	128,146,416	-
Trade and other receivables	201,297,669	1,330,974,882
Advances, deposits and prepayments	212,805,725	(178,411,754)
Advance income tax	(10,890,949)	(10,753,754)
Trade and other payables	2,972,226	(146,122,745)
Provision for taxation	5,859,411	(1,000,000)
Lease liability - current portion	(3,647,958)	(560,984)
Employee benefits	6,696,636	(1,242,531)
	629,002,287	**1,241,960,086**
Income tax paid	(14,349,604)	(12,077,487)
Net cash from/(used in) operating activities	**614,652,683**	**1,229,882,599**

34. Others

34.1 Figures in these notes and in the annexed financial statements have been rounded off to the nearest BDT.

34.2 These notes form an integral part of the annexed financial statements and accordingly are to be read in conjunction therewith.

34.3 Figures relating to the previous year included in this report have been rearranged, wherever considered necessary, to make them comparable with those of the current year, however. bearing any impact on the operating result and value of assets and liabilities.

For and on behalf of Khulna Power Company Ltd.

Company Secretary | Director | Managing Director

Signed in terms of our report of even date annexed

S. F. AHMED & CO.

Dhaka, Bangladesh
Dated, 28 OCT 2025

Khulna Power Company Ltd.

Details of property, plant and equipment (PPE)

Annex A

As at June 2025

Asset category	Cost				Rate (%)	Accumulated depreciation				Written down value at 30 June 2025
	Opening balance at 1 July 2024	Addition during the year	Disposal/ Adjustment during the year	Closing balance at 30 June 2025		Up to 1 July 2024	Charge for the year	Adjustment during the year	Up to 30 June 2025	
	BDT	BDT	BDT	BDT		BDT	BDT	BDT	BDT	BDT
Land	35,674,749	12,274,919	-	47,949,668	-	-	-	-	-	47,949,668
Power plant	7,012,790,386	16,129,637	5,141,081,295	1,887,838,728	3.33	2,816,261,817	166,143,286	2,252,087,851	730,317,252	1,157,521,476
Motor vehicles	28,112,637	-	22,152,634	5,960,003	25	28,038,629	30,836	22,109,463	5,960,003	-
Building and construction	10,215,381	-	43	10,215,338	10	10,215,359	-	21	10,215,338	-
Furniture and fixtures	1,636,707	-	-	1,636,707	20	1,636,654	-	-	1,636,654	53
Office equipment	12,921,985	373,000	2,977,304	10,317,681	20	12,294,080	186,882	2,342,233	10,138,729	178,952
Office renovation	2,177,158	-	1,756,040	421,118	20	2,177,143	-	1,756,040	421,103	15
Total 2025	**7,103,529,003**	**28,777,556**	**5,167,967,316**	**1,964,339,243**		**2,870,623,682**	**166,361,004**	**2,278,295,608**	**758,689,078**	**1,205,650,164**
Total 2024	**7,055,263,291**	**48,265,713**	**-**	**7,103,529,004**		**2,644,647,537**	**225,976,147**	**-**	**2,870,623,684**	**4,232,905,320**

	2025 BDT	2024 BDT
Allocation of depreciation		
Cost of sales	166,143,286	225,381,157
General and administrative expense	217,718	594,990
	166,361,004	**225,976,147**

S. F. AHMED & CO.

Khulna Power Company Ltd.

Details of Right-of-use (ROU) assets

As at June 2025

Annex B

Particulars	Cost					Accumulated depreciation				
	Opening balance at 1 July 2023	Addition during the year	Adjustment during the year	Closing balance at 30 June 2024	Rate (%)	Up to 1 July 2023	Charge for the year	Adjustment during the year	Up to 30 June 2024	Written down value at 30 June 2024
	BDT	BDT	BDT	BDT		BDT	BDT	BDT	BDT	BDT
Office building	24,543,569	-	-	24,543,569	*	21,236,307	3,307,262	-	24,543,569	-
Total 2025	**24,543,569**	**-**	**-**	**24,543,569**		**21,236,307**	**3,307,262**	**-**	**24,543,569**	**-**
Total 2024	**24,543,569**	**-**	**-**	**24,543,569**		**16,826,627**	**4,409,680**	**-**	**21,236,307**	**3,307,262**

S. F. AHMED & CO.

Khulna Power Company Ltd.

Details of Right-of-use (ROU) assets

As at June 2025

Annex C

Particulars	Heavy fuel oil (HFO)		Light fuel oil (LFO)		Lube oil		Chemicals	Spare parts
	Quantity (MT)	Amount (BDT)		Amount (BDT)	Quantity (Ltr)	Amount (BDT)	Amount (BDT)	Amount (BDT)
Balance at 1 July 2024	**2,907**	**254,440,825**	**13,716**	**1,153,461**	**47,624**	**18,462,033**	**164,128**	**218,598,344**
Addition during the period	8,994	800,253,547	9,000	926,188	18,500	8,098,073	168,960	15,370,057
Consumption/loss during the period	(9,970)	(878,528,382)	(14,870)	(1,266,696)	(54,337)	(23,747,439)	(197,120)	(17,328,311)
Balance as at 30 June 2025	**1,931**	**176,165,990**	**7,846**	**812,953**	**11,787**	**2,812,667**	**135,968**	**216,640,090**
Balance at 1 July 2023	**4,760**	**384,202,019**	**29,333**	**2,413,205**	**45,687**	**20,809,836**	**158,484**	**233,954,965**
Addition during the period	29,976	2,456,440,276	75,692	8,105,788	135,904	51,290,703	887,918	91,108,665
Consumption/loss during the period	(31,829)	(2,586,201,470)	(91,309)	(9,365,532)	(133,967)	(53,638,506)	(882,274)	(106,465,286)
Balance as at 30 June 2024	**2,907**	**254,440,825**	**13,716**	**1,153,461**	**47,624**	**18,462,033**	**164,128**	**218,598,344**

** Spare parts inventory comprises for the amount of BDT 180 Mln(appr.) as safety parts which is slow moving items and consumable items.

S. F. AHMED & CO.

KHULNA POWER COMPANY LTD.

"United House" Madani Avenue, United City, Dhaka-1212.

PROXY FORM

I/We.....of.....

.....being a member of Khulna Power Company Ltd.

(KPCL) hereby appoint Mr./Ms. .....

of.....

as my proxy to attend and vote for me on my behalf at the 27th Annual General Meeting of the Company to be held at 11:00 a.m. (BST) on Sunday, the 28th December 2025 in Hybrid System (attendance facility both physically and online).

Signed this ..... day of ..... 2025.

_____ _____

Signature of the Shareholder (s) Signature of the Proxy

Number of Shares held ..... BO ID No. (Proxy) .....

BO ID No. (Shareholder).....

Note: A member entitled to attend and vote at the General Meeting may appoint a proxy to attend and vote in his/her stead. The proxy form, duly stamped, must be deposited at the Registered Office of the Company not later than 48 hours before the time appointed for the meeting.

Revenue Stamp

Signature Verified

_____

Authorised Signature