United Power Generation & Distribution Company Ltd.

Auditor's Report and Financial Statements

For the year ended 30 June 2026

S. F. AHMED & CO.
Chartered Accountants

HLB WE ARE AN INDEPENDENT MEMBER OF THE GLOBAL ADVISORY AND ACCOUNTING NETWORK

House # 51 (2nd & 3rd Floors), Road # 09, Block # F, Banani, Dhaka-1213.

United Power Generation & Distribution Company Ltd.

Auditor's Report and Financial Statements

For the year ended 30 June 2026

S. F. AHMED & CO.
Chartered Accountants | since 1958
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Independent Auditor's Report
To
The Shareholders of United Power Generation & Distribution Company Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of United Power Generation & Distribution Company Ltd. (the "Company" or "UPGDCL"), which comprise the statement of financial position as at 30 June 2026 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company as at 30 June 2026, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

1. We draw attention to Note 47.2 to the financial statements, which describes the contingent liability arising from the ongoing dispute between the Company and its gas suppliers, Titas Gas Transmission & Distribution Company PLC (TGTDPLC) and Karnaphuli Gas Distribution Company Limited (KGDCL), regarding the applicable gas tariff rates. As at 30 June 2026, TGTDPLC and KGDCL had outstanding claim of BDT 6,388,710,741.63 and BDT 5,525,187,718.58, respectively. Against these disputed claims, the Company has recognized a provision of BDT 3,936,699,997 for gas charges at captive power producer rates relating to gas consumed to generate electricity supplied to customers other than the national grid and the Bangladesh Export Processing Zones Authority (BEPZA).

   As disclosed in the aforesaid note, the Company challenged the relevant decision of the Energy and Mineral Resources Division (EMRD) through writ petitions before the High Court Division of the Supreme Court of Bangladesh and subsequent review proceedings before the Appellate Division, which were discharged. Despite subsequent decisions of EMRD and continued discussions with the relevant authorities, the dispute remains unresolved. EMRD has constituted a committee to examine and resolve the dispute concerning the claimed gas bills and applicable tariff rates. The ultimate outcome of the matter and its financial implications, including any additional liability that may arise, remain uncertain pending resolution by the relevant authorities.

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2. We draw attention to Note 41 to the financial statements, which describes significant related party transactions arising from centralized treasury arrangements. These arrangements have been implemented to address funding requirements resulting from delays in receiving payments from customers, particularly BPDB, and the need to maintain adequate fuel stocks for power generation. Our opinion is not modified in respect of this matter.

3. We draw attention to Note 56(I) to the financial statements, which describes management's treatment of dividends received from subsidiaries out of their tax-exempt profits as exempt from income tax, based on the opinions of legal counsel and the judgment of the Appellate Division of the Honorable Supreme Court of Bangladesh. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context 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.

Description of key audit matters	How the matters were addressed in our audit
Revenue recognition and receivables	
Revenue recognition and the assessment of the recoverability of trade receivables were considered a key audit matter due to the significance of revenue generated from electricity sales and the degree of judgment involved in determining the amounts to be recognized and the recoverability of billed revenue. Revenue from the sale of electricity is recognized based on meter readings, subject to the terms and conditions of the relevant Power Purchase Agreements (PPAs) and Power Supply Agreements (PSAs). The electrical energy supplied during the relevant period is verified by the customer or the relevant government authority through physical inspection of meters and/or examination of meter-generated reports. Monthly energy supplied is evidenced by the approval of professional engineers representing the Company and the respective customers. The meters are periodically calibrated and certified by independent professional engineers. Revenue arising from capacity payments, fuel supply, true-up adjustments and other contractual entitlements is recognized in accordance with the relevant contractual provisions and supporting documentation. The determination of revenue amounts, resolution of billing discrepancies and assessment of the recoverability of outstanding receivables require management to exercise judgment, particularly where invoices remain subject to customer verification, reconciliation or settlement.	Our audit procedures included, among others, the following: • Evaluated the appropriateness of the Company's revenue recognition policies against the requirements of the applicable financial reporting framework and relevant industry practices. • Examined the relevant PPAs and PSAs and independently recalculated selected revenue invoices to assess whether the amounts charged were consistent with the contractual terms. • Evaluated the design and implementation of relevant internal controls over revenue recognition and performed tests of operating effectiveness, where applicable. • Assessed the basis and assumptions used in calculating accrued revenue, including the accuracy and appropriateness of the underlying data and supporting documentation. • Examined subsequent receipts against outstanding receivables to assess the recoverability of amounts due from customers. • Discussed with management the status of communications and negotiations with customers and relevant authorities, including BEPZA, BPDB and BREB, concerning the verification, reconciliation and settlement of outstanding invoices. • Evaluated management's assessment of the recoverability of outstanding receivables and the adequacy of impairment provisions, taking into account the available supporting evidence, subsequent collections and the status of unresolved billing matters.

Description of key audit matters	How the matters were addressed in our audit
Given the significance of revenue to the financial statements and the judgment involved in evaluating outstanding billed and accrued revenue, including the adequacy of any impairment provision, we considered this area to be a key audit matter. See notes 56(E) and 27 to the financial statements.	
Cost of Sales and Measurement of Related Payables.	
The Company's cost of sales for the year ended 30 June 2026 amounted to BDT 18,339,343,181 (2025: BDT 21,067,855,212), representing approximately 68% of revenue. Fuel and energy costs accounted for BDT 14,383,836,000, comprising natural gas consumed by the DEPZ, CEPZ and Sylhet 28 MW plants and heavy fuel oil (HFO) consumed by the Anwara 300 MW and Jamalpur 115 MW plants. Other significant components of cost of sales include depreciation, spare parts, lubricants and operation and maintenance (O&M) charges payable to United Engineering and Power Service Ltd. (UEPSL), a related party, under the relevant O&M agreements. As at 30 June 2026, trade payables amounted to BDT 6,534,428,452, including outstanding gas bills of BDT 4,440,134,172 and HFO purchase liabilities of BDT 2,094,294,279. In addition, accrued expenses amounted to BDT 317,378,727. During the year, the Company purchased HFO amounting to BDT 8,419,853,063, of which BDT 4,646,104,079 was purchased from United Energy Trading Pte. Ltd., a related party. The Company also engages in inter-plant HFO transfers through inventory loan arrangements with other power plants. The measurement of fuel and energy costs involves judgment, particularly in determining natural gas costs using metered consumption and the applicable contractual tariff, including the implications of the disputed gas tariff arrangements. HFO costs require appropriate verification of purchase quantities, prices, foreign currency liabilities and consumption, as these costs also affect fuel payment claims submitted to BPDB under the relevant Power Purchase Agreements (PPAs). Furthermore, the completeness and accuracy of supplier liabilities depend on the proper recording of purchases, consumption, accrued expenses and transactions occurring around the reporting date.	Our audit procedures included, among others, the following: • Obtained an understanding of the Company's procurement and purchasing processes for natural gas, HFO, spare parts and lubricants through walkthroughs with relevant store and supply chain personnel, and assessed the design and implementation of key controls over purchases, goods receipts and liability recognition. • Verified, on a sample basis, gas costs against monthly bills issued by Titas Gas Transmission & Distribution Company PLC, Karnaphuli Gas Distribution Company Limited and Jalalabad Gas Transmission and Distribution System Limited, and recalculated the charges using recorded meter consumption and the applicable tariff. • Evaluated the measurement of outstanding gas payables in light of the status of the disputed gas tariff arrangements disclosed in Note 47.2 to the financial statements. • Examined selected HFO purchases against letters of credit, commercial invoices, bills of lading, customs documentation and cargo inspection or survey reports, and assessed the translation of foreign currency payables at the applicable reporting-date exchange rates. • Reconciled fuel consumption with plant generation records and fuel claims submitted to BPDB, and performed analytical procedures comparing fuel costs per unit of electricity generated across plants and with the prior year. • Reviewed HFO inventory movements, including opening balances, purchases, inter-plant transfers, consumption and closing balances, and attended the year-end physical count of fuel and spare parts. • Verified O&M charges against the relevant agreements with UEPSL and supporting invoices, and recalculated depreciation charged to cost of sales on a sample basis. • Obtained supplier balance confirmations, where applicable, and reconciled significant

Description of key audit matters	How the matters were addressed in our audit
Given the materiality of cost of sales and related payables, the significance of fuel procurement and consumption, the extent of related-party transactions, and the judgment involved in measuring gas costs and associated liabilities, we considered this area to be a key audit matter. See notes 8, 22, 24, 25, 28, 41, 56(B) and 56(C) to the financial statements.	supplier balances with the relevant statements of account. • Tested purchase and expense cut-off and searched for unrecorded liabilities by examining subsequent payments, invoices received after the reporting date and other relevant supporting documents. • Evaluated the nature, terms and accounting treatment of related-party purchases and inventory transfers, including the adequacy of the related disclosures in Note 41 to the financial statements. • Assessed the adequacy and appropriateness of the Company's disclosures concerning cost of sales, fuel procurement, related payables and the associated tariff uncertainties.
Additional Claims by Gas Suppliers in Respect of Gas Tariffs	
The Company is involved in ongoing disputes with its gas suppliers, Titas Gas Transmission & Distribution Company Limited PLC and Karnaphuli Gas Distribution Company Limited, concerning additional gas charges arising from the applicable gas tariff for gas-based power plants. The suppliers have outstanding claims of BDT 6,388,710,741.63 and BDT 5,525,187,718.58 in respect of the Company's Dhaka Export Processing Zone (DEPZ) and Chittagong Export Processing Zone (CEPZ) plants, respectively, pursuant to a decision of the Ministry of Power, Energy and Mineral Resources. The Company challenged the relevant decision of the Energy and Mineral Resources Division (EMRD) and the resulting claims by filing separate writ petitions before the High Court Division of the Supreme Court of Bangladesh on 22 May 2019 and 23 June 2019, respectively. The High Court Division declined to interfere with the decision of EMRD. Subsequently, the Company's review petition for leave to appeal and civil review petition before the Appellate Division were both discharged. The applicable gas tariff for the interim period from January 2018 to January 2023 remained unresolved following the judicial proceedings. Although the Company made repeated applications seeking clarification from EMRD regarding the applicable tariff for this period, no specific direction was issued to resolve the matter. In the meantime, the Company continued to pay for gas consumed in generating electricity supplied to other customers at the	Our audit procedures included, among others, the following: • Discussed the material legal proceedings and related developments with the Company's Legal Department. • Examined relevant legal documents, court judgments, review petitions, regulatory decisions and correspondence relating to the disputed gas tariff and the additional claims raised by the gas suppliers. • Obtained an understanding of management's assessment of the disputed claims, including the basis for determining the potential obligation and the rationale for recognizing a partial provision. • Made inquiries of management and critically evaluated its assessment of the potential outcomes of the legal and regulatory proceedings, including the implications of the relevant court decisions and subsequent EMRD office orders. • Obtained and evaluated the legal assessment and opinions of the Company's external legal counsel concerning the status and potential outcome of the disputes. • Assessed the reasonableness of management's estimation of the provision, including the assumptions and supporting evidence used in determining the amount recognized. • Evaluated the adequacy and appropriateness of the disclosures in the financial statements regarding the nature of the disputed claims, the related uncertainties, the provision recognized and the potential financial implications of the outstanding matters.

Description of key audit matters	How the matters were addressed in our audit
captive gas tariff, in accordance with EMRD's decision dated 15 October 2023. On 2 March 2025 and 18 March 2025, EMRD issued two office orders revoking its earlier decision dated 15 October 2023 and instructing Petrobangla and the Bangladesh Energy Regulatory Commission (BERC) to collect payments from the Company at the captive gas tariff, affecting the pricing of gas consumed for electricity supplied to BEPZA during the relevant period. Subsequently, on 6 September 2026, EMRD constituted a nine-member committee, pursuant to a decision of the Honourable Minister of the Ministry of Power, Energy and Mineral Resources, to review and resolve the outstanding gas tariff and related billing issues. In view of the ongoing legal and regulatory developments, the unresolved tariff determination and the uncertainty surrounding the final settlement of the suppliers' claims, management has determined that the potential additional obligation cannot be reliably estimated in its entirety at this stage. Accordingly, management has recognized a partial provision based on its best estimate of the obligation in the accompanying financial statements. Given the materiality of the claims, the complexity of the related legal and regulatory proceedings, the uncertainty surrounding the applicable gas tariff and the significant judgment involved in determining the appropriate provision and related disclosures, we considered this matter to be a key audit matter. See notes 56(F) and 47.2 to the financial statements.	
Accuracy and Completeness of Related Party Transaction Disclosures	
The Company and its subsidiaries enter into various transactions with entities within the Group and other related parties in the ordinary course of their business operations. These transactions may involve significant balances and financial activities that require appropriate identification, measurement and disclosure in accordance with the applicable financial reporting framework. The identification of related parties and the accurate and complete disclosure of related party transactions and outstanding balances require management to maintain appropriate	Our audit procedures included, among others, the following: • Obtained an understanding of the Company's policies, procedures and internal controls for identifying related parties, recording related party transactions and ensuring the completeness and accuracy of the related disclosures in the financial statements. • Evaluated the identification of related parties and obtained an understanding of the nature and business rationale of significant transactions with related parties, including the basis of pricing and the consideration of arm's-length terms, where applicable.

S.F. AHMED & CO.

Description of key audit matters	How the matters were addressed in our audit
records, identify relevant relationships and ensure that all transactions are properly captured and disclosed in the financial statements. Furthermore, as the Company is a listed entity, related party transactions are subject to applicable statutory and regulatory requirements, including relevant disclosure and compliance obligations. Considering the extent of transactions with related parties, the risk of incomplete or inaccurate disclosure, and the regulatory requirements applicable to a listed entity, we considered the accuracy and completeness of related party transaction disclosures to be a key audit matter. See notes 41 to the financial statements.	• Reconciled, on a sample basis, the amounts disclosed in the financial statements with the underlying accounting records, supporting documents and relevant agreements. • Reviewed statutory records, books of account, relevant correspondence and other information obtained during the audit to identify related party relationships, transactions or balances that might not have been appropriately disclosed. • Assessed the completeness, accuracy and adequacy of the related party disclosures against the requirements of the applicable financial reporting framework. • Evaluated compliance with applicable statutory and regulatory requirements governing related party transactions of listed entities.
Taxation, Deferred Tax and Other Regulatory Matters	
The determination of the Company's current and deferred tax liabilities and compliance with applicable tax and other regulatory requirements involve significant judgment, particularly in relation to tax exemptions, the allocation of revenue and expenses among different operational units, the recognition and measurement of deferred tax assets and liabilities, the tax treatment of dividend income and withholding tax obligations. Under the approvals granted by the National Board of Revenue (NBR), the Company's units, other than the existing plants at Dhaka Export Processing Zone (DEPZ) and Chittagong Export Processing Zone (CEPZ), are exempt from income tax on their business income. Accordingly, the determination of taxable income requires appropriate segregation of revenue and related expenses between taxable and tax-exempt operations. The Company maintains separate meters for the existing plants, extension areas and private customers. Revenue and gas costs are allocated based on meter readings and actual gas consumption, while overhead expenses are allocated on a pro rata basis according to the quantity of electricity generated. Income tax is therefore calculated on the profits attributable to the existing plants and on other taxable income of the remaining units. The recognition and measurement of deferred tax also require management to exercise judgment in identifying temporary differences between the carrying amounts of assets and liabilities in the financial statements and their	Our audit procedures included, among others, the following: • Obtained an understanding of the Company's tax positions, relevant internal controls and procedures for allocating revenue, gas costs and overhead expenses between taxable and tax-exempt operations. • Examined the relevant NBR approvals and supporting documentation to assess the eligibility of the respective units for income tax exemptions and evaluated the Company's compliance with the applicable conditions. • Tested, on a sample basis, the allocation of revenue and gas costs with reference to meter readings, actual gas consumption and other supporting records, and assessed the basis used to allocate overhead expenses. • Recalculated selected components of taxable income and the related current income tax expense to assess the accuracy of management's tax computations. • Evaluated management's identification and measurement of temporary differences between the carrying amounts of assets and liabilities and their respective tax bases, and assessed the recognition and measurement of deferred tax assets and liabilities in accordance with the applicable financial reporting framework. • Assessed the tax rates applied in calculating deferred tax balances, including whether the relevant tax exemptions had been appropriately considered and whether the rates used reflected the tax treatment expected to apply when the temporary differences reverse.



Description of key audit matters	How the matters were addressed in our audit
corresponding tax bases. This assessment includes determining the applicability of tax exemptions to the relevant operations, the tax rates expected to apply when temporary differences reverse, and the recoverability of deferred tax assets, where applicable. The complexity of the Company's tax exemption arrangements and the allocation of income between taxable and tax-exempt operations may affect the determination of the appropriate deferred tax balances. Furthermore, based on opinions obtained from legal counsel and the judgment of the Appellate Division of the Supreme Court of Bangladesh, management has adopted the position that dividends received from tax-exempt profits retain their tax-exempt status and, accordingly, withholding tax should not apply to dividends received or paid by the Company. The appropriateness of this tax treatment and the related withholding tax position require careful consideration of the applicable tax legislation, regulatory directives and relevant judicial decisions. The Company has no employees of its own, as all operation and maintenance activities are performed by employees of a separate entity under operation and maintenance (O&M) agreements. Management has therefore concluded that no provision for workers' profit participation fund (WPPF) is required. Considering the significance of the current and deferred tax balances, the judgment involved in determining taxable income and deferred tax amounts, the interpretation of legal and regulatory requirements concerning dividend withholding tax, and the Company's compliance obligations as a listed entity, we considered taxation, deferred tax and other regulatory matters to be a key audit matter. See notes 26, 35, 56(I) and 51 to the financial statements.	• Evaluated management's assessment of the recoverability of deferred tax assets, where recognized, by examining the supporting forecasts of future taxable profits and other relevant evidence. • Reviewed the relevant legal opinions, judicial decisions, correspondence with taxation authorities and other supporting documentation concerning the tax treatment of dividends and the applicability of withholding tax. • Reviewed the Company's statutory records, accounting books and other relevant documents to assess compliance with applicable tax and regulatory requirements. • Examined the O&M agreements to understand the allocation of operational responsibilities and assessed management's basis for concluding that no WPPF provision was required, together with the related financial statement disclosures, including related-party disclosures where applicable. • Assessed the adequacy and appropriateness of the Company's disclosures concerning current tax, deferred tax, tax exemptions, dividend withholding tax and other material tax and regulatory uncertainties.

Other Matters

The financial statements of United Power Generation & Distribution Company Ltd. for the year ended 30 June 2025 were audited by another auditor who expressed an unmodified opinion on those statements on 26 October 2025.

Other Information

Management is responsible for the other information. The other information comprises all the information in the Annual Report other than the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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 identified above when it becomes available 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.

After going through the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the board of directors of the company.

Responsibilities of Management and those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations 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.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 2020, we also report the following:

a) we have obtained all the information and explanations 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 accounts as required by law have been kept by the Company so far as it appeared from our examination of these books;

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

d) the expenditure incurred was for the purposes of the Company's Business.

Firm's Name	:	S. F. Ahmed & Co., Chartered Accountants
Firm's Registration No.	:	10898 E.P, As Partnership Act 1932
Signature	:	S. F. Ahmed & Co.
Engagement Partner Name	:	Md. Enamul Haque Choudhury, FCA, Senior Partner/ Enrollment No. 471
DVC Number	:	2610270471AS195582
Date	:	27 October 2026

United Power Generation & Distribution Company Ltd.
Statement of Financial Position
as at 30 June 2026

	Note	Amount in Taka	
		30 June 2026	30 June 2025
Assets			
Property, plant and equipment	5	22,592,128,725	24,750,350,887
Right of use assets	6	22,232,478	17,432,752
Investment in subsidiaries	7	3,703,409,010	3,703,409,010
Non-current assets		**26,317,770,213**	**28,471,192,649**
Inventories	8	2,949,600,504	3,477,242,430
Trade and other receivables	9	16,700,262,058	11,393,456,708
Receivable from related parties	10	15,587,358,662	22,752,532,047
Advances, deposits and prepayments	11	319,242,231	370,997,236
Investment in marketable securities	12	31,308,158	136,050,401
Cash and cash equivalents	13	907,044,624	1,065,970,281
Current assets		36,494,816,237	39,196,249,103
Total assets		**62,812,586,450**	**67,667,441,752**
Equity			
Share capital	14	5,796,952,700	5,796,952,700
Share premium	15	2,046,000,000	2,046,000,000
Revaluation surplus	16	53,967,000	54,645,780
Retained earnings	17	35,717,529,675	32,001,293,834
Total equity		**43,614,449,375**	**39,898,892,314**
Liabilities			
Security money received	18	2,071,742	2,700,000
Lease liability - non-current portion	19	33,236,149	19,037,817
Deferred tax liability	20	4,067,623	-
Non-current liabilities		**39,375,514**	**21,737,817**
Short term loan	21	5,853,404,830	9,312,593,619
Lease Liability - current portion	19	2,563,913	1,212,082
Trade and other payables	22	6,898,132,634	6,410,215,433
Unclaimed dividend	23	181,445,868	129,050,982
Accrued expenses	24	317,378,727	41,081,096
Payable to related parties	25	5,847,085,238	11,578,112,358
Current tax liabilities	26	58,750,352	274,546,051
Current liabilities		**19,158,761,561**	**27,746,811,621**
Total liabilities		**19,198,137,075**	**27,768,549,438**
Total equity and liabilities		**62,812,586,450**	**67,667,441,752**
Net asset value per share	38	**75.24**	**68.83**

The annexed notes form an integral part of these financial statements.

Company Secretary | **Director** | **Managing Director**

Signed in terms of our annexed report of even date

Dated, Dhaka;
27 October 2026

Md. Enamul Haque Choudhury, FCA
Senior Partner
S. F. Ahmed & Co.
Chartered Accountants
DVC No.: 2610270471AS195582

United Power Generation & Distribution Company Ltd.
Statement of Profit or Loss and Other Comprehensive Income
for the year ended 30 June 2026

	Note	Amount in Taka	
		30 June 2026	30 June 2025
Revenue	27	26,839,875,091	31,333,966,290
Cost of sales	28	(18,339,343,181)	(21,067,855,212)
Gross profit		**8,500,531,910**	**10,266,111,078**
General and administrative expenses	29	(265,599,085)	(50,968,811)
Other income/(expenses)	30	(44,878,564)	(11,167,713)
Dividend from subsidiary company	31	555,061,352	1,295,143,154
Operating profit		**8,745,115,613**	**11,499,117,708**
Foreign exchange gain/(loss)	32	(16,390,661)	(15,083,647)
Finance charge (net)	33	(1,183,338,130)	(462,406,505)
Profit before tax		**7,545,386,822**	**11,021,627,555**
Deferred tax expenses	34	(4,067,624)	-
Current tax expenses	35	(57,742,882)	(274,078,168)
Profit after income tax		**7,483,576,316**	**10,747,549,387**
Other comprehensive income		-	-
Total comprehensive income		**7,483,576,316**	**10,747,549,387**
Earnings per share	37	12.91	18.54

The annexed notes form an integral part of these financial statements.

Company Secretary **Director** **Managing Director**

Signed in terms of our annexed report of even date.

Dated, Dhaka;
27 October 2026

Md. Enamul Haque Choudhury, FCA
Senior Partner
S. F. Ahmed & Co.
Chartered Accountants
DVC No.: 2610270471AS195582

United Power Generation & Distribution Company Ltd.
Statement of Changes in Equity
for the year ended 30 June 2026

	Amount in Taka				Total
	Attributable to the owners of the Company				
	Share capital	Share premium	Retained earnings	Revaluation surplus	
Balance at 01 July 2025	5,796,952,700	2,046,000,000	32,001,293,834	54,645,780	39,898,892,314
Profit for the year	-	-	7,483,576,316	-	7,483,576,316
Dividend paid	-	-	(3,768,019,255)	-	(3,768,019,255)
Depreciation on revalued assets	-	-	678,780	(678,780)	-
Balance at 30 June 2026	**5,796,952,700**	**2,046,000,000**	**35,717,529,675**	**53,967,000**	**43,614,449,375**
Balance at 01 July 2024	5,796,952,700	2,046,000,000	24,731,237,287	55,324,560	32,629,514,547
Profit for the year			10,747,549,387	-	10,747,549,387
Dividend paid			(3,478,171,620)	-	(3,478,171,620)
Depreciation on revalued assets			678,780	(678,780)	-
Balance at 30 June 2025	**5,796,952,700**	**2,046,000,000**	**32,001,293,834**	**54,645,780**	**39,898,892,314**

The annexed notes form an integral part of these financial statements

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United Power Generation & Distribution Company Ltd.
Statement of Cash Flows
for the year ended 30 June 2026

	Amount in Taka	
	30 June 2026	30 June 2025
Cash flows from operating activities		
Cash received from customers	20,877,022,162	24,522,913,120
Cash received from other sources	39,594,780	67,711,181
Cash paid to suppliers and others	(14,322,891,560)	(17,081,824,161)
Tax paid	(240,163,758)	(244,108,761)
Financial charges paid	(1,219,361,741)	(678,897,893)
Realized Foreign exchange gain/(loss)	(8,480,721)	13,705,245
Net cash generated from operating activities	**5,125,719,162**	**6,599,498,731**
Cash flows from investing activities		
Acquisition of property, plant and equipment	(175,263,683)	(341,285,530)
Cash received from the disposal of fixed asset	6,204,048	5,777,037
Cash received/(paid) for related party loan (interest-bearing)	-	4,454,881,221
Received from sale of marketable securities	62,686,804	-
Dividend received from subsidiary company	555,061,352	-
Net cash generated from/(used in) investing activities	**448,688,521**	**4,119,372,728**
Cash flows from financing activities		
Dividend paid	(3,715,624,368)	(3,422,280,816)
Security money paid	(628,258)	(13,000,000)
Lease payment	(2,474,491)	(2,295,542)
Cash received/(paid) for related party loan (Non-interest bearing)	1,434,146,264	(14,562,026,387)
Short term loan received/(paid)	(3,459,188,789)	8,332,617,580
Long term loan received/(paid)	-	(666,935,353)
Net cash generated from/(used in) financing activities	**(5,743,769,641)**	**(10,333,920,519)**
Net increase in cash and cash equivalents	(169,361,957)	384,950,940
Opening cash and cash equivalents	1,065,970,281	681,019,341
Effect of movements in exchange rates on cash held	10,436,300	-
Cash and cash equivalents as at	**907,044,624**	**1,065,970,281**
Net operating cash flow per share	**8.84**	**11.38**

The annexed notes form an integral part of these financial statements.

1 Reporting entity

1.1 Company profile

United Power Generation & Distribution Company Ltd. (UPGDCL) (hereinafter referred to as "the Company"), a public limited company, was incorporated in Bangladesh on 15 January 2007 under the Companies Act (#18) 1994 under registration no. C-65291(2783)/07 with its corporate office at United House, Madani Avenue, United City, Dhaka-1212. The Company was initially registered as a private limited company, formerly known as Malancha Holdings Ltd. (MHL) and subsequently converted into a public limited company on 22 December 2010. The Company is listed with Dhaka Stock Exchange Limited (DSE) and Chattogram Stock Exchange Limited (CSE). The authorised capital of the Company is Tk. 19,100,000,000 divided into 1,910,000,000 ordinary shares of Tk. 10 each and 350,000,000 preference shares of Tk. 10 each.

The natural gas fired power plants of Dhaka EPZ and Chattogram EPZ consist of Wartsila and Rolls Royce engine generators with 30 years expected useful life, which form the major part of the power generation companies.

DEPZ existing power plant came into commercial operation on 26 December 2008 with a capacity of 41 MW at DEPZ premises. The Company increased its capacity from 41 MW to 86 MW as an expansion project and installed 2 heat recovery boilers to produce 8 ton/h of steam for sale to other customers which came into commercial operation on 17 February 2013. At DEPZ, there are four gas fired engines with a capacity of 8.73 MW each, five gas fired engines with a capacity of 9.34 MW each and two gas fired engines with a capacity of 2 MW each for generation of electricity. In 2021, the Company disposed two gas fired MTU engines with a capacity of 2 MW each for generation of electricity. At present total install capacity of DEPZ power plant is 82 MW.

CEPZ existing power plant came into commercial operation on 12 August 2009 with a capacity of 44 MW at CEPZ premises. The Company increased its capacity from 44 MW to 72 MW as an expansion project and installed 3 heat recovery boilers to produce 12 ton/h of steam for sale to other customers which came into commercial operation on 17 February 2013. At CEPZ, there are five gas fired engines with a capacity of 8.73 MW each and three gas fired engines with a capacity of 9.34 MW each.

On 13 November 2018, the Company took 99% of ordinary shares of United Energy Limited (UEL) at face value. On 15 September 2020 the Company took 99% of ordinary shares of United Anwara Power Ltd. (UAnPL) and United Jamalpur Power Ltd.(UJPL) at Net Asset Value per share with effect from 1 July 2020. Pursuant to a Scheme of Amalgamation approved by the High Court Division of the Supreme Court of Bangladesh, these three subsidiary companies have been amalgamated with its parent company United Power Generation and Distribution Company Ltd. (UPGDCL) with effect from 1 July 2023 by acquiring remaining 1% ordinary shares. Profile of these subsidiaries were as follows:

United Energy Ltd.

United Energy Ltd. (UEL) the former name of Shajahanullah Power Generation Company Limited (SPGCL) (currently known as UPGDCL Sylhet 28 MW power plant) was a Public Limited Company in Bangladesh was incorporated vide registration no. C-75168/09 on 04 March 2009 under the Companies Act 1994, having its present corporate office at United House, Madani Avenue, United City, Dhaka 1212. The authorized capital of the company is Tk. 100,000,000 divided into 10,000,000 ordinary shares of Tk. 10 each. The company has developed a power plant of 28 MW capacity in Sylhet in order to produce and supply electricity through BPDB and BREB. The Sylhet power plant came into commercial operation on 21 October 2013. The Company entered into a series of agreements with BREB and BPDB. Initially, the company made an agreement with BREB for three 5 years dated 9 May 2013 and extended the agreement for several times up to 8 May 2027. The company also made another agreement with BPDB for three 3 years dated 20 April 2016 and extended the agreement several times upto 4 November 2026. In 2017-18 UEL acquired 53 MW power plant through Amalgamation of United Ashuganj Power Limited (UAPL) in B. Baria Ashuganj in order to produce and supply electricity through BPDB. In 2017, UEL (UPGDCL_28 MW Sylhet Power Plant) purchased 92.41% of ordinary shares outstanding on 30 June 2017, equivalent to 370,040,901 shares @ Tk. 10/- per share of United Ashuganj Energy Ltd (UAEL) which were held by the sponsor shareholders of UAEL. UAEL is a 195 MW gas-fired power generation company established under a Public-Private Partnership (PPP) located at Ashuganj, Brahmanbaria.

On 22 June 2019, the Contract for Supply of Electricity on Rental Basis between Bangladesh Power Development Board (BPDB) and United Energy Ltd relating to its 53 MW plant expired. Prior to the expiry, on 4 August 2018 the Company filed an application with BPDB for a 5 year extension of the contract. The plant further extended its contract for another five years vide contract No. 10640, executed on 31 March 2022.

United Anwara Power Limited

United Anwara Power Limited (currently known as UPGDCL Anwara 300 MW power plant) incorporated in Bangladesh as private limited company under the companies Act 1994 vide registration no-.C-130232/2016 on 12 April 2016 having its corporate office at United House, Madani Avenue, United City, Dhaka-1212. The company has developed a power plant of capacity of 300 MW HFO based power plant at Anwara, Chittagong in order to produce and supply electricity under an agreement with Bangladesh Power Development Board (BPDB). The authorised share capital of the Company is Tk. 10,000,000,000 (Taka One thousand crore) only divided into 1,000,000,000 (One hundred crore) only ordinary shares of Tk. 10 (Ten) each.

The power plant consist of Wartsila engine generators, Exhaust Gas Boilers from Al-borg and steam Turbines from GE Triveni with 15 years minimum useful life, which form the major equipment for power generation. The power plant came into commercial operation on 22 June 2019 with capacity of 300 MW (net). This HFO based generating set has its own auxiliaries, exhaust Gas silencers and electrical, mechanical & civil construction and erection. The power plant has Fourteen (14) integrated systems named fuel, lubrication oil, compressed air, cooling, charge air, exhaust, water treatment, fire protection, emission control, automation, electrical, station service, DC and high voltage systems. There are seventeen (17) engine generator sets with capacity of 17.06 MW each i.e. total 300 MW capacity (net) including the capacity of Turbines. The plant is a 300 MW IPP HFO fired power plant, located at Anwara, Chattogram for a period of 15 years which came into Commercial Operation on 22 June 2019. The principal activity of the company is to generate electricity to sell such generated electricity to Bangladesh Power Development board (BPDB) under a Power Purchase Agreement (PPA).

United Jamalpur Power Limited

United Jamalpur Power Ltd. (currently known as UPGDCL Jamalpur 115 MW power plant) was a private limited company, that was incorporated in Bangladesh on 02 August 2017 under the Companies Act 1994 under registration no. C-139126/2017 with its corporate office at United House, Madani Avenue, United City, Dhaka-1212, Bangladesh. The authorized share capital of the Company is Tk. 2,500,000,000 (Two Hundred Fifty crore) only divided into 250,000,000 (Twenty Five Crore) ordinary shares of Tk. 10 (Tk. ten) each.

The power plant consists of Wartsila engine generators with 20 years expected useful life, which form the major part of the power generation. The power plant came into commercial operation on 21 February 2019 with capacity of 115 MW. This HFO-based generating sets consists of auxiliaries, exhaust silencer and electrical, mechanical & civil construction and erection. The power plant has Fourteen (14) integrated systems named fuel, lubrication oil, compressed air, cooling, charge air, exhaust, water treatment, fire protection, emission control, automation, electrical, station service, DC and high voltage systems. The company installed 12 Nos Wartsila engine @ 9.78MW each, 12 Nos Heat Recovery Steam Generators and 1 Steam Turbine of Capacity 6.5 MW. UJPL is a 115 MW IPP HFO fired power plant, located at Jamalpur for a period of 15 years which came into commercial operation on 21 February 2019. The principal activity of the company is to generate electricity to sell such generated electricity to Bangladesh Power Development board (BPDB) under a Power Purchase Agreement (PPA).

1.2 Nature of the business

The principal activity of DEPZ power plant and CEPZ power plant is to generate electricity by gas fired power plants, at Dhaka Export Processing Zone (DEPZ) with 82 MW capacity and Chattogram Export Processing Zone (CEPZ) with 72 MW capacity and to sell electricity to the export processing industries located inside DEPZ and CEPZ with the provision of selling surplus power outside the Export Processing Zones (EPZs) after fulfilling their requirement. The Company is also supplying electricity to Dhaka PBS-1 of Bangladesh Rural Electrification Board (BREB), Bangladesh Power Development Board (BPDB), Karnaphuli Export Processing Zone (KEPZ) and other private sector companies.

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The principal activity of Sylhet 28 MW power plant, is to generate electricity, to sell such generated electricity to Bangladesh Rural Electrification Board (BREB) and Bangladesh Power Development Board (BPDB) has been supplying electricity to the national grid of Bangladesh through selling the same to BPDB and BREB under Power Purchase Agreement (PPA) between the Company BREB and BPDB.
Jamalpur 115 MW power plant and Anwara 300MW plant is to generate electricity, to sell such generated electricity to Bangladesh Power Development Board (BPDB) and has been supplying electricity to the national grid of Bangladesh through selling the same to BPDB under Power Purchase Agreement (PPA) between the Company and BPDB.

1.3 Investment in subsidiaries

United Ashuganj Energy Ltd

Being UEL merged with UPGDCL, United Ashuganj Energy Ltd. (UAEL) became a direct subsidiary of UPGDCL. UAEL was incorporated in Bangladesh as a private company limited by shares under the Companies Act 1994 on 30 January 2013. The authorised share capital of UAEL is BDT 9,000,000,000 only divided into 500,000,000 ordinary shares of BDT 10 each and 400,000,000 redeemable preference shares of BDT 10 each.

The principal activity of UAEL is power generation and sale of such power to Bangladesh Power Development Board (BPDB). UAEL is a gas fired power plant with a capacity of 195 MW (net) located at Ashuganj, Brahmanbaria which started its commercial operation on 8 May 2015.

Leviathan Global BD Ltd.

Leviathan Global BD Ltd. (LGBDL), a private limited company, was incorporated in Bangladesh on 23 May 2018 under the Companies Act 1994 under registration no. C-145026/2018 with its corporate office at United House, Madani Avenue, United City, Dhaka-1212, Bangladesh.

Leviathan Global BD Ltd. is constructing 40/50 MW IPP gas-fired power plant having a contract period of 30 years (extendable for further 30 years), built under joint venture with Leviathan Global Corporation, USA and United Enterprises & Co. Ltd. (UECL) respectively. Although LGBDL has procured most of the required equipment for starting the power plant but due to a dispute on power tariff structure with gas supplier Karnaphuli Gas Distribution Company Limited, and resultant unavailability of gas, the commercial production has not yet started.

On 22 June 2019, the Board of Directors of the Company resolved to acquire 75% shares (300,000 shares at face value of Tk. 10 each) of Leviathan Global BD Ltd. (LGBDL) from United Enterprises & Co. Ltd. (UECL). A share transfer agreement was also signed on the same date stating the acquisition to be effective from 1 July 2019. LGBDL is a 40/50 MW IPP gas fired power plant built under joint venture between Leviathan Global Corporation, USA and UECL. The plant is located at KEPZ in Chattogram and will be operated under an agreement with BEPZA with a contract period of 30 years (extendable for a further 30 years) which is under construction.

Details of holding structure in subsidiaries are described in Note 7.

1.4 Amalgamation/Merger

On 5th June 2023, the Honourable High Court Division of the Supreme Court of Bangladesh issued an order giving effect to a Scheme of Amalgamation under Company Matter No. 275 of 2022. The High Court ordered that under the amalgamation scheme, the entire undertaking of United Energy Ltd, United Anwara Power Ltd and United Jamalpur Power Ltd. (the transferor companies) as going concerns will be transferred to and vested in the United Power Generation and Distribution Company (the transferee company).

The High Court Order also includes the following:

It is ordered that that the Scheme of Amalgamation as approved by the respective EGMs of the Transferee Company and the Transferor Companies is sanctioned by this Court. Hence, it is ordered that:

(1). The Transferor Company and the Transferee Companies be amalgamated in terms of the Scheme of Amalgamation. The Scheme of Amalgamation shall form part of this Judgment and Order.

(2). This Judgment and Order shall take effect after filing certified copy of the same with the Registrar of Joint Stock Companies and Firms, Dhaka by the Transferee Company as per Section 228(2) and 229(3) of the Companies Act 1994 and subject to annexing copy of this Judgment and Order to every memorandum of the Transferee Company that may be issued after this Judgment and Order is passed.

(3). All the pending suits and proceedings of the Transferor Companies, if any, hence forth shall be commenced and be continued by or against the Transferee Company as if the same were instituted by or against the Transferee Company.

(4). The whole undertaking, properties and liabilities of the Transferor Company be vested in and transferred to the Transferee Company subject to compliance with the terms and conditions of the Scheme of Amalgamation.

(5) All shares, debenture, policies, license, and other like interest in the Transferor Companies be transferred to and vested in, appropriated and allotted to the Transferee Company in terms of the Scheme of Amalgamation.

(6) All mortgages, charges, undertakings, assurances, obligations, liabilities, if any, of the said Transferor Companies shall be transferred to and vested in, be taken by and be enforceable by or against the Transferee Company in the same manner and to the same extent as if all of these acts, deeds and things have been done by the Transferee Company.

(7) Upon this Amalgamation coming into effect, as per sub-Section (1)(d) of Section 229 of the Companies Act 1994, the Transferor Companies shall stand dissolved without winding up and the Registrar of Joint Stock Companies and Firms is hereby directed not to register any company in the name and style of the aforesaid transferor Companies.

(8) Since, by virtue of this Judgment and Order, all the assets and liabilities of the Transferor Companies have been transferred to and vested in the Transferee Company, so all liabilities of the Transferor Companies (if any) shall become the liabilities of the Transferee Company and if the properties of the Transferor Companies are encumbered, in any manner, the same shall continue and the properties of the Transferor Company shall be transferred to and be vested in the Transferee Company subject to the same encumbrance and charges, if any.

(9) Upon amalgamation, the experiences and qualifications of the Transferor Companies shall be treated as the experiences and qualifications of the amalgamated entity.

(10) Upon amalgamation, the accounts of the companies be finalized and circulated amongst the members of the Transferor Companies and the Transferee Company.

(11) It is further directed that all regulatory bodies and Government Authorities including but not limited to, Registrar of Joint Stock Companies and Firms, the National Board of Revenue, the Bangladesh Securities and Exchange Commission, the Bangladesh Power Development Board, the Bangladesh Export Processing Zones Authority, relevant Sub-Registrars as well as lending institutions, including banks, non-banking financial institutions and leasing companies shall give effect to this Scheme of Amalgamation without any further act, petition or order whatsoever. Registrations, Certificates, Agreements and/or Deeds including Property Deeds shall be deemed to have been transferred from the Transferor Companies to the Transferee Company from the effective Date.

(12) This Judgment and Order shall not affect personal guarantee or similar other obligations, if any, of the directors, shareholders and third-party guarantors of the Transferor Companies.

(13) The Transferee Company shall cause certified copy of this Judgment, and Order to be delivered to the Registrar of Joint Stock Companies and Firms, Dhaka for registration within 14 days as required by sub-Section (3) of Section 229 of the Companies Act 1994, from the date of receiving certified copy. of this Judgment and Order.

(14) The entire costs in respect of the Scheme of the Amalgamation shall be borne by the Company.

Although initially the Appointed Date (i.e. the date based on which the financial position is reflected) has been set on 1 July 2022 but subsequently upon submission by the Company the court has changed this to 1 July 2023. Accordingly, the audited financial statements of transferor companies as on 30 June 2023 have been used to account for the assets and liabilities of transferor companies in the books of the transferee company. Any difference between the consideration paid and interest acquired is recognized directly in equity.

As a result of the amalgamation, United Energy Ltd. (UEL), United Anwara Power Ltd (UAnPL) and United Jamalpur Power Ltd. (UJPL) will not continue as a separate entity, rather the entire undertaking will be transferred to the amalgamated entity at its continuing value. The consideration to be paid to the minority shareholders of these entities have already been fixed based on the net asset value per share as per audited financial statements of the transferor Companies as at 30 June 2023.

2 Basis of accounting

2.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), Companies Act 1994, the Securities and Exchange Rules 2020 and other applicable laws and regulations.

Details of the Company's accounting policies are included in Note 56.

2.2 Date of authorisation

The financial statements were authorised for issue by the Board of Directors on 27 October 2026.

2.2 Reporting period

The current financial year of the Company covers from 1 July 2025 to 30 June 2026 and consistently followed.

3 Functional and presentation currency

These financial statements have been presented in Bangladeshi Taka (Taka/Tk/BDT), which is both the functional and presentation currency of the Company. All financial information presented in Taka have been rounded off to the nearest integer, unless otherwise indicated.

4 Use of estimates and judgments

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may vary from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

4.1 Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties on 30 June 2026 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

Note 1.4	Amalgamation
Note 5 and 56A	Property, plant and equipment
Note 8 and 56B	Inventories
Note 9 and 56C	Trade and other receivables
Note 26 and 56I	Current tax liabilities
Note 45,47 and 56G	Contingent assets and Contingent liabilities

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the assets or liabilities that are not based on observable market data.

The Company on regular basis, reviews the inputs and valuation judgements used in measurement of fair value and recognises transfers between level of the fair value hierarchy at the end of the reporting period during which the changes have occurred.

5 Property, plant and equipment

See accounting policy in Note 56A

Amount in Taka

	Plant and machinery	Gas line	Building and civil construction	Land and development	Office equipment	Furniture and fixture	Motor vehicle	Total
Balance at 1 July 2025	39,053,452,188	534,501,452	2,098,573,040	181,113,905	29,719,681	13,100,229	204,455,318	42,114,915,813
Additions	174,714,670	-	-	-	488,433	60,580	-	175,263,683
Disposals/transfers	(25,369,048)	-	-	-	-	-	-	(25,369,048)
Balance at 30 June 2026	**39,202,797,809**	**534,501,452**	**2,098,573,040**	**181,113,905**	**30,208,114**	**13,160,809**	**204,455,318**	**42,264,810,448**
Balance at 1 July 2024	38,783,476,077	534,501,452	2,098,549,640	181,113,905	28,634,349	12,800,321	200,991,899	41,840,067,643
Additions	333,687,210	-	23,400	-	1,085,332	299,908	6,189,679	341,285,529
Disposals/transfers	(63,711,099)	-	-	-	-	-	(2,726,260)	(66,437,359)
Balance at 30 June 2025	**39,053,452,188**	**534,501,452**	**2,098,573,040**	**181,113,905**	**29,719,681**	**13,100,229**	**204,455,318**	**42,114,915,813**
Accumulated depreciation								
Balance at 1 July 2025	16,126,665,630	188,874,451	803,512,181	78,511,951	20,359,750	10,568,671	136,072,292	17,364,564,926
Depreciation for the year	2,143,022,503	10,112,053	145,281,123	-	2,066,599	570,254	17,766,956	2,318,819,488
Adjustment for disposal/transfers	(10,702,690)	-	-	-	-	-	-	(10,702,690)
Balance at 30 June 2026	**18,258,985,442**	**198,986,504**	**948,793,304**	**78,511,951**	**22,426,349**	**11,138,925**	**153,839,248**	**19,672,681,723**
Balance at 1 July 2024	14,014,089,762	178,766,159	658,238,715	78,511,951	18,316,802	9,627,018	117,290,997	15,074,841,404
Depreciation for the year	2,134,680,984	10,108,292	145,273,466	-	2,042,948	941,653	20,053,549	2,313,100,893
Adjustment for disposals/transfers	(22,105,116)	-	-	-	-	-	(1,272,255)	(23,377,371)
Balance at 30 June 2025	16,126,665,630	188,874,451	803,512,181	78,511,951	20,359,750	10,568,671	136,072,292	17,364,564,926
Carrying amounts								
Balance at 30 June 2026	20,943,812,367	335,514,948	1,149,779,736	102,601,954	7,781,765	2,021,885	50,616,070	22,592,128,725
Balance at 30 June 2025	**22,926,786,558**	**345,627,001**	**1,295,060,859**	**102,601,954**	**9,359,931**	**2,531,558**	**68,383,026**	**24,750,350,887**

a) Allocation of depreciation

	Note	Amount in Taka	
		30 June 2026	30 June 2025
Cost of sales	28	2,295,631,291	2,289,969,883
General and administrative expenses	29	23,188,195	23,131,009
		2,318,819,486	**2,313,100,892**

b) Basis of allocation

i) 99% of total depreciation cost charged to cost of sales. Remaining 1% of total depreciation cost charged to the general and administrative expenses.

	Note	Amount in Taka	
		30 June 2026	30 June 2025
6 Right of use assets			
See accounting policy in Note 56R			
Land lease rent	6.1	18,600,111	17,432,752
Office rent	6.2	3,632,367	-
Balance at		**22,232,478**	**17,432,752**
6.1 Land lease rent			
Cost			
Balance as at 01 July		26,210,102	26,210,102
Addition		3,961,534	-
Disposals		-	-
Balance as at 30 June		**30,171,636**	**26,210,102**
Accumulated depreciation			
Balance as at 01 July		8,777,350	7,314,458
Amortisation during the year		2,794,175	1,462,892
Adjustment for disposal/transfers		-	-
		11,571,525	**8,777,350**
Carrying amount			
Balance as at 30 June		**18,600,111**	**17,432,752**
6.2 Office rent			
Cost			
Balance as at 01 July		-	4,048,617
Addition		4,540,459	-
Disposals		-	-
		4,540,459	**4,048,617**
Accumulated depreciation			
Balance as at 01 July		-	3,036,464
Amortisation during the year		908,092	1,012,153
Adjustment for disposal/transfers		-	-
Balance as at 30 June		**908,092**	**4,048,617**
Carrying amount			
Balance as at 30 June		**3,632,367**	**-**

Amortisation on right of use asset (land) has been charged to cost of sales and amortisation on right of use asset (office rent) has been charged to general and administrative expenses.

	Note	Amount in Taka	
		30 June 2026	30 June 2025
7 Investment in subsidiaries			
Leviathon Global BD Ltd.		3,000,000	3,000,000
United Ashuganj Energy Ltd.		3,700,409,010	3,700,409,010
		3,703,409,010	**3,703,409,010**
(Details in note: 1.3)			
8 Inventories			
See accounting policy in Note 56B			
Spare parts	8.1	2,209,043,831	1,906,715,452
Lube oil and chemicals	8.2	95,521,638	84,420,841
Heavy fuel oil	8.3	436,621,311	533,171,298
Light fuel oil	8.4	575,110	835,321
Materials in transit		207,838,614	952,099,518
		2,949,600,504	**3,477,242,430**
8.1 Spare parts			
Balance as at 01 July		1,906,715,452	1,778,654,466
Purchase during the year		1,038,147,658	857,842,338
Transfer to PPE		(61,723,866)	-
(Transfer)/ received during the year		96,634,590	(143,856)
Consumption during the year		(770,730,004)	(729,637,496)
		2,209,043,831	**1,906,715,452**
8.2 Lube oil and chemicals			
Balance as at 01 July		84,420,841	90,396,257
Purchase during the year		247,995,091	278,549,845
(Transfer)/ received during the year		6,382,873	5,119,767
Consumption during the year		(243,277,167)	(289,645,029)
		95,521,638	**84,420,841**
8.3 Heavy fuel oil			
Balance as at 01 July		533,171,298	2,529,194,145
Purchase during the year		8,419,853,063	8,018,529,935
(Transfer)/ received during the year		(938,300,646)	2,405,989,419
Consumption during the year		(7,578,102,405)	(12,420,542,201)
		436,621,311	**533,171,298**
8.4 Light fuel oil			
Balance as at 01 July		835,321	5,787,063
Purchase during the year		300,750	902,249
(Transfer)/ received during the year		(31,987)	-
Consumption during the year		(528,974)	(5,853,991)
		575,110	**835,321**

	Note	Amount in Taka	
		30 June 2026	30 June 2025

9 Trade and other receivables

See accounting policy in Note 56C

Trade receivables	9.1	17,373,451,567	11,859,353,797
Provision for impaired receivables		(686,159,952)	(475,537,426)
Net Receivables		**16,687,291,614**	**11,383,816,371**
Inventory receivables	9.2	12,970,444	9,640,337
Total trade and other receivables		**16,700,262,058**	**11,393,456,708**

Trade Receivables have been stated at their nominal value. Trade Receivables are accrued in the ordinary course of business. Major portion of receivables from BPDB which is a government entity and the management is continuously corresponding to the paying authority of BPDB to recover the due amount and is confident recover the amount.

The management believes that trade receivables are collectible in full due to historic customer behavior. As per IAS 37: Provisions, Contingent Liabilities and Contingent Assets, provisions are liabilities where a reliable estimate can be made because they are present obligations and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations. The company has decided to make a provision of BDT 210,622,525 as on reporting date against such receivables due to reasonable uncertainty about the recoverability of outstanding receivables over 365 days as of 30 June 2025.

9.1 Trade receivables

BREB	260,117,278	355,020,334
BPDB	16,269,111,094	10,772,232,366
BEPZA	527,948,161	468,865,963
Private customers	316,275,033	263,235,134
	17,373,451,567	**11,859,353,797**

9.2 Other receivables

Wartsila Bangladesh Ltd	5,497,528	4,251,776
Bergen Engine BD (Pvt.) Ltd	1,651,966	2,364,228
ABB Limited	936,609	1,385,592
Weber Power Solution Ltd.	555	109,641
EPV Chittagong Ltd.	333,162	333,162
Rototech Bangladesh Ltd.	92,136	46,068
Precision Energy Ltd	-	885,753
Samuda Power Ltd.	-	264,116
Midland Power Co. Ltd.	2,173,829	-
Baraka Patenga Power Ltd.	187,435	-
KSRM Power Plant Ltd.	29,205	-
Phoenix Insurance Company Ltd.	1,240,810	-
Eastern Insurance Company Ltd.	827,207	-
	12,970,444	**9,640,337**

	Note	Amount in Taka	
		30 June 2026	30 June 2025

10 Receivable from related parties

See accounting policy in Note 56C

United Enterprises & Co. Ltd	15,461,582,914	3,711,017,666
United Ashuganj Energy Ltd.	-	220,815
United Mymensingh Power Ltd (UMPL)	-	19,033,796,977
United Chattogram Power Ltd.	121,850,000	-
United Payra Power Ltd.	2,280,597	3,510,639
United Engineering and Power Services Ltd	710,795	3,051,595
United Lube Oil Ltd	377,392	377,392
United Hospital Ltd.	556,964	556,964
	15,587,358,662	**22,752,532,047**

* Receivable from related party includes inventory loan within the Group companies.
Details in Note 41B

11 Advances, deposits and prepayments

See accounting policy in Note 56M

Advances	11.1	274,319,605	313,740,444
Deposits	11.2	28,507,109	28,507,109
Prepayments	11.3	16,415,517	28,749,683
		319,242,231	**370,997,236**

11.1 Advances

Advance against LC Margin	790,919	5,612,402
Advance income tax	209,185,128	242,559,951
Advance against HFO	15,421,198	15,421,198
Advance against expenses	48,922,360	50,108,026
VAT Current Account	-	38,868
	274,319,605	**313,740,444**

11.2 Deposits

Karnaphuli Gas Distribution Company Ltd.	17,448,825	17,448,825
Bank guarantee margin	5,850,000	5,850,000
BEPZA	2,794,286	2,794,286
Central Depository Bangladesh Ltd.	500,000	500,000
Chattagram Palli Biddut Shamity-1	1,913,998	1,913,998
	28,507,109	**28,507,109**

11.3 Prepayments

Insurance premium	5,037,423	8,371,374
BERC license fees	848,872	459,253
Prepayment against LC Margin	10,529,222	19,919,057
	16,415,517	**28,749,683**

		Note	Amount in Taka	
			30 June 2026	30 June 2025
12	**Investment in marketable securities**			
	See accounting policy in Note 56C			
	Cash available for share purchase		13,642	30,446
	Financial assets classified as fair value through profit and loss	12.1	31,294,515	136,019,955
			31,308,158	**136,050,401**

12.1 Financial assets classified as fair value through profit and loss

Name of the Company	Cost price	No. of shares	Rate per share	Market value at 30 June 2026	Changes in fair value	Market value at 30 June 2025
BEXIMCO	82,238,736	536,550	29.30	15,720,915	(43,353,240)	59,074,155
Shahjalal Islami Bank PLC	18,117,047	865,200	18.00	15,573,600	1,297,800	14,275,800
Square Pharmaceuticals Ltd.	71,664,681	300,000	-	-	-	62,670,000
	172,020,464			**31,294,515**	**(42,055,440)**	**136,019,955**

		Note	Amount in Taka	
			30 June 2026	30 June 2025
13	**Cash and cash equivalents**			
	See accounting policy in Note 56C			
	Cash in hand	13.1	862,999	1,012,999
	Cash at bank	13.2	906,181,625	1,064,957,282
			907,044,624	**1,065,970,281**
13.1	**Cash in hand**			
	Cash in hand		862,999	1,012,999
			862,999	**1,012,999**
13.2	**Cash at bank**			
	Dhaka Bank PLC		699,035,983	349,701,003
	Dutch Bangla Bank PLC.		3,023,367	5,213,502
	Shahjalal Islami Bank PLC.		8,200	8,200
	Eastern Bank PLC.		1,767,922	581,873
	Jamuna Bank PLC.		4,263,757	17,608,991
	Brac Bank PLC.		25,368,550	39,863,482
	The Hongkong and Shanghai Banking Corp. Ltd		79,639,805	302,783,377
	Standard Chartered Bank		29,054,739	18,992,694
	City Bank PLC		10,484,010	10,882,698
	Bank Asia PLC.		41,714,759	5,479,778
	Citibank N.A		-	1,381,688
	United Commercial Bank PLC		2,237,886	2,765
	Mutual Trust Bank PLC		166,932	162,121
	Prime Bank PLC.		6,004,645	309,915,696
	One Bank PLC.		5,657	5,657
	NCC Bank PLC		1,495,883	-
	Community Bank PLC		640,804	-
	Pubali Bank PLC.		1,268,725	2,373,758
			906,181,625	**1,064,957,282**
14	**Share capital**			
	See accounting policy in Note 56N			
	Authorised			
	1,910,000,000 ordinary shares of Tk. 10 each		19,100,000,000	19,100,000,000
	350,000,000 redeemable preference shares of Tk. 10 each		3,500,000,000	3,500,000,000
			22,600,000,000	**22,600,000,000**
	Ordinary shares issued, subscribed and paid up			
	Balance as at 01 July		5,796,952,700	5,796,952,700
	Balance as at 30 June		5,796,952,700	5,796,952,700

14.1 Particulars of shareholding

	No. of shares	Value (Tk.)	Value (Tk.)
United Mymensingh Power Ltd	521,716,902	5,217,169,020	5,217,169,020
Investment Corporation of Bangladesh	16,178,079	161,780,790	161,780,790
General investors	41,800,289	418,002,890	418,002,890
	579,695,270	**5,796,952,700**	**5,796,952,700**

	Note	Amount in Taka	
		30 June 2026	30 June 2025

14.2 Percentage of shareholdings

Name of shareholders		
United Mymensingh Power Ltd	89.998%	89.998%
Investment Corporation of Bangladesh	2.791%	2.791%
General investors	7.211%	7.211%
	100%	**100%**

14.3 Classification of shareholders by holding

Range of holding in number of shares	30 June 2026		30 June 2025	
	No. of shareholders	No. of shares	No. of shareholders	No. of shares
01 to 5000 shares	10,536	5,852,831	10,654	5,774,562
5,001 to 20,000 shares	409	3,967,215	392	3,822,112
20,001 to 50,000 shares	103	3,259,136	98	3,180,683
50,001 to 1,000,000 shares	90	19,034,393	93	18,302,034
1,000,001 to 10,000,000 shares	7	25,864,793	8	26,898,977
over 10,000,000 shares	1	521,716,902	1	521,716,902
	11,146	**579,695,270**	**11,246**	**579,695,270**

15 Share premium

Share premium	2,046,000,000	2,046,000,000
	2,046,000,000	**2,046,000,000**

This represents premium of Tk. 62 per share of 33,000,000 ordinary shares of Tk. 10 each.

16 Revaluation surplus

Revaluation surplus	54,645,780	55,324,560
Depreciation transferred to retained earnings	(678,780)	(678,780)
	53,967,000	**54,645,780**

The valuation of all type of fixed assets of Sylhet 28 MW Power Plant, has been done by M/S Rahman Rahman Huq a member firm of KPMG based on financial statement as on 31 December 2014 using the net assets based method on a going concern basis which required the determination of the market on net assets. The value is estimated by determining the market value of assets and then deducting the market value of liabilities. The going concern assumption assumes that the business will continue to trade and that no realization of assets of occur. Accordingly no allowance for realization costs is required. Where it was possible/partible, valuation of an assets/liability has been done on the basis of "Fair Market Value". The generally accepted definition of "Fair Market Value" is the value as applied between a hypothetical willing vendor and a hypothetical willing prudent buyer in an open market and with access to all relevant information, neither being under any compulsion to buy or sell and both having reasonable knowledge of the relevant facts."

17 Retained earnings

Balance as at 01 July	32,001,293,834	24,731,237,287
Net profit during the year	7,483,576,316	10,747,549,387
	39,484,870,150	**35,478,786,674**
Cash dividend for the year 2023-24	-	(3,478,171,620)
Cash dividend for the year 2024-25	(3,768,019,255)	-
Transfer for revaluation surplus	678,780	678,780
	35,717,529,675	**32,001,293,834**

		Note	Amount in Taka	
			30 June 2026	30 June 2025
18	**Security money received**			
	See accounting policy in Note 56C			
	Lilac Fashion Wear Ltd		231,940	700,000
	Samvar Filling Station		1,839,802	-
	Label Makers Ltd.		-	2,000,000
			2,071,742	**2,700,000**
	Security deposit received comprises of an amount equal to two months minimum charge received from the customer.			
19	**Lease Liability**			
	See accounting policy in Note 56R			
	Land lease rent	19.1	31,964,692	20,249,900
	Office rent	19.2	3,835,370	-
	Balance as at 30 June		**35,800,062**	**20,249,900**
19.1	**Land lease rent**			
	Balance as at 01 July		20,249,900	21,393,374
	Add: Addition during the year		13,484,194	-
	Add: Interest charged during the year		1,829,695	1,230,830
	Less: Payment made during the year		(3,599,097)	(2,374,304)
	Balance as at 30 June		**31,964,692**	**20,249,900**
19.2	**Office rent**			
	Balance as at 01 July		-	1,152,069
	Add: Addition during the year		4,540,459	-
	Add: Interest charged during the year		494,911	47,932
	Less: Payment made during the year		(1,200,000)	(1,200,000)
	Balance as at 30 June		**3,835,370**	-
	Segregation of Land lease liability:			
	Non-current portion		33,236,149	19,037,817
	Current portion		2,563,913	1,212,082
			35,800,061	**20,249,900**
20	**Deferred tax liability**			
	See accounting policy in Note 56I			
	Balance as at 01 July		-	-
	Add: Deferred tax liability		42,053,048	-
	Less: Deferred tax asset		(37,985,424)	-
			4,067,623	-
	Deferred tax liability and deferred tax asset have been netted off as per IAS 12.			
21	**Short term loan**			
	Pubali Bank PLC.		-	500,000,000
	Prime Bank PLC		1,135,574,558	1,103,371,316
	Standard Chartered Bank Ltd.		814,222,222	800,000,000
	HSBC		1,565,844,244	1,154,567,666
	Bank Asia PLC.		1,298,024,508	2,998,909,282
	Brac Bank PLC.		41,079,812	1,739,260,148
	NCC Bank PLC		998,659,486	-
	Dhaka Bank PLC.		-	1,016,485,206
			5,853,404,830	**9,312,593,619**
	Details in Note 21.1			

21.1 Short term loan (STL) facility

Nature of loan	Lender	Combined Limit	Interest	Plant	Tenure	Year of maturity	Repayment terms
STL	HSBC (Group Limit)	BDT 220 Crore (Funded)	13.50%	DEPZ & CEPZ Plant Anwara Plant Jamalpur Plant	1 year	2026	31.12.2026
STL	Prime Bank PLC	BDT 250 Crore (Funded & Non-funded)	13.25%	DEPZ & CEPZ Plant Anwara Plant	9 Months	2026	13.10.2026
STL	Dhaka Bank PLC	BDT 625 crore (Group Limit) STL up to BDT 50 crore	13.50%	DEPZ & CEPZ Plant Anwara Plant, Jamalpur Plant,	Six months	2026	30.09.2026
STL	Brac Bank PLC	BDT 505 crore (including STL Up to BDT 150 crore and BDT 5 crore Overdraft limit)	12.50%	DEPZ & CEPZ Plant Jamalpur Plant Anwara Plant	6 months	2026	27.10.2026
STL	Bank Asia PLC	BDT 247 Crore	13.25%	Jamalpur Plant Anwara Plant	6 months	2026	23.12.2026
STL	The City Bank PLC	BDT 700 Crore	13.50%	DEPZ & CEPZ Plant Anwara Plant Jamalpur Plant (co utilizer with UECL & UMPL)	1 year	2026	31.12.2026
STL	Pubali Bank PLC	BDT 50 Crore	13.50%	Anwara Plant	6 months	2026	31.12.2026
STL	United Commercial Bank Ltd	BDT 100 crore	13.00%	DEPZ & CEPZ Plant	6 months	2026	31.12.2026
STL	NCC Bank PLC	BDT 100 crore	13.00%	DEPZ & CEPZ Plant	6 months	2026	31.12.2026
STL	Standard Chartered Bank	BDT 200 Crore (funded limit)	11.50%	Anwara Plant	4 months	2026	31.12.2026

The STL is secured by:

i. Post dated cheque covering the subject facility.
ii. Usual charge documents.
iii. Corporate guarantee by the corporate guarantor.
iv. Corporate Guarantee from United Enterprises & Co. Ltd. (UECL) supported by Board Resolution.
v. Standard Term Loan Agreement.



		Note	Amount in Taka	
			30 June 2026	30 June 2025
22	**Trade and other payables**			
	Trade payables	22.1	6,534,428,452	6,289,978,758
	Other payables	22.2	363,704,183	120,236,675
			6,898,132,635	**6,410,215,433**
22.1	**Trade payables**			
	Gas bill		4,440,134,172	1,945,012,763
	Liabilities for HFO purchase		2,094,294,279	4,344,965,995
			6,534,428,452	**6,289,978,758**
22.2	**Other payables**			
	Share application money		919,597	919,597
	Service charge on gas bill		24,783,425	21,718,657
	Other operating expenses		336,080,478	80,320,654
	TDS payable		11,209	11,209
	VAT Payable		-	45,186
	LC Liability-Dhaka Bank PLC		69,474	14,404,697
	Audit fees		1,840,000	1,840,000
	Bergen Engines Bangladesh Pvt.Ltd.-Inventory payable		-	810,000
	Baraka Patenga Power Limited.-Inventory payable		-	166,675
			363,704,183	**120,236,675**
23	**Unclaimed dividend**			
	Unclaimed cash dividend for the year 2021		5,178,281	5,259,692
	Unclaimed cash dividend for the year 2022		3,238,893	3,320,304
	Unclaimed cash dividend for the year 2023		64,364,157	64,403,652
	Unclaimed cash dividend for the year 2024		55,844,435	56,067,334
	Unclaimed cash dividend for the year 2025		52,820,102	-
			181,445,869	**129,050,982**

Total BDT 17,750,138 of IPO application money and Unclaimed cash dividend has been transferred to Capital Market Stabilization Fund.

Year wise breakup of Unclaimed cash dividend transferred to Capital Market Stabilization Fund.

Year	Particulars	Transfer Date	Transfer Amount
IPO	IPO	26-Aug-21	4,629,240
2013-2014	Unclaimed cash	26-Aug-21	1,420,960
2015	Unclaimed cash	26-Aug-21	1,842,896
2015-2016	Unclaimed cash	26-Aug-21	1,481,725
2016-2017	Unclaimed cash	26-Aug-21	808,519
2017-2018	Unclaimed cash	25-Jun-23	940,441
2018-2019	Unclaimed cash	25-Jun-23	2,729,795
2019-2020	Unclaimed cash	09-Jun-24	3,896,562
Total			**17,750,138**

	Amount in Taka	
	30 June 2026	30 June 2025

24 Accrued expenses

Service charge on gas bill	26,866,016	24,777,501
VAT payable	984,034	1,176,731
Other operating expenses	276,483,898	9,266,413
Utility bill	3,238,871	3,093,726
Security expenses	790,882	809,483
Medical expenses	73,950	73,200
Welfare fund	24,650	24,400
O&M expense	8,916,426	1,859,641
	317,378,727	**41,081,096**

25 Payable to related parties

United Engineering & Power Services Ltd	-	2,340,800
United Ashuganj Energy Ltd	17,961,924	22,514,942
Leviathan Global BD Limited	11,185,862	502
United Enterprises & Co. Ltd	-	10,709,777,314
United Mymensingh Power Ltd	5,817,937,452	839,557,266
Khulna Power Co. Ltd.	-	3,921,534
	5,847,085,238	**11,578,112,358**

The entity transacts with Related Parties, which are created on the basis of common directorship. As per management decision, the entity has taken Loans from its Related Parties, in the form of cash and inventory, which are payable on demand and no interest has been charged. Detailed disclosure on Related Party transactions are shown in Note 41B

26 Current tax liabilities

See accounting policy in Note 56I

Balance as at 01 July	274,546,051	6,598,120
Provision during the year	57,742,882	273,934,835
Claim as per completion of assessment for FY 23-24	-	143,333
Adjustment for completion of assessment for AY 25-26	(241,894,673)	(1,028,616)
Paid during the year	(31,643,908)	(5,101,622)
	58,750,352	**274,546,051**

UPGDCL has received an exemption from all such taxes from the Government of Bangladesh for 15 year's from the commencement of commercial production. Income tax provisions have been made on DEPZ and CEPZ existing plant, being the plant's exemption expired on 26th December 2023 and 12th August 2024, respectively. No provision has been made for income tax on UPGDCL's DEPZ and CEPZ expansion plant's as these plants' tax exemption has not expired on the reporting period.

No provision is required for income tax on the business income of Sylhet 28MW power plant, Anwara 300MW power plant and Jamalpur 115 MW as the companies have received exemption from income from power generation under the private sector power generation policy for a period of 15 years from the start of their commercial operation, vide SRO ref: 211-Ain/Aykor/2013-Income Tax ordinance 1984 dated 1 July 2013 for Sylhet 28MW power plant, and SRO ref: 246-Ain/Aykor/2016-Income Tax ordinance 1984, dated 26 July 2016 for Anwara 300MW power plant and Jamalpur 115 MW. Such exemption of Sylhet power plant, Anwara 300 MW power plant and Jamalpur 115 MW power plant will expire on 2028, 2034, 2034 respectively. However provision has been made on the non-business income.

Amount in Taka

	30 June 2026							30 June 2025
	Total	Total DEPZ and CEPZ Existing Plant	DEPZ Expansion Plant	CEPZ Expansion Plant	Sylhet 28 MW Plant	Anwara 300 MW Plant	Jamalpur 115 MW Plant	Total
27 Revenue								
Electricity supply (Note 27.1)	26,322,314,132	3,813,875,659	2,775,633,752	1,598,878,844	703,806,341	7,246,554,275	10,183,565,262	30,987,832,098
Steam supply (Note 27.2)	517,560,959	303,971,295	55,204,646	158,385,018	-	-	-	346,134,192
	26,839,875,091	**4,117,846,954**	**2,830,838,398**	**1,757,263,862**	**703,806,341**	**7,246,554,275**	**10,183,565,262**	**31,333,966,290**
27.1 Electricity supply								
Bangladesh Power Development Board (BPDB).	18,935,830,696	625,624,487	-	380,535,667	499,551,006	7,246,554,275	10,183,565,262	23,605,275,229
Bangladesh Export Processing Zone Authority.(BEPZA).	5,467,254,435	3,009,285,172	1,267,388,646	1,190,580,617	-	-	-	5,321,600,750
Bangladesh Rural Electrification Board (BREB).	874,146,040	178,966,000	490,924,704	-	204,255,335	-	-	824,037,208
Private customers	1,045,082,961	-	1,017,320,401	27,762,560	-	-	-	1,236,918,911
	26,322,314,132	**3,813,875,659**	**2,775,633,752**	**1,598,878,844**	**703,806,341**	**7,246,554,275**	**10,183,565,262**	30,987,832,098
Break up of revenue from electricity supply								
Capacity payment	8,032,416,748	-	-	-	-	5,503,761,000	2,528,655,748	7,976,902,715
Fuel payment	7,204,385,337	-	-	-	-	28,088,786	7,176,296,551	12,092,844,311
Energy payment	9,976,415,532	3,813,875,659	2,775,633,752	1,598,878,844	703,806,341	962,189,932	122,031,004	10,088,527,028
Supplemental bill	1,086,934,574	-	-	-	-	737,592,935	349,341,639	594,303,095
True-up bill	22,161,941	-	-	-	-	14,921,621	7,240,320	235,254,950
	26,322,314,132	**3,813,875,659**	**2,775,633,752**	**1,598,878,844**	**703,806,341**	**7,246,554,275**	**10,183,565,262**	30,987,832,099
27.2 Steam supply								
Gunze United Ltd	44,216,073	14,358,971	29,857,102	-	-	-	-	34,587,694
Global Labels (Bangladesh) Ltd	15,497,562	5,032,764	10,464,798	-	-	-	-	17,149,773
Croydon-Kowloon Designs Ltd	9,770,524	3,172,934	6,597,590	-	-	-	-	6,455,732
Talisman Ltd	-	-	-	-	-	-	-	8,766,509
Sewtech Fashions Limited	46,100,865	29,346,466	-	16,754,399	-	-	-	18,277,487
Universal Jeans Limited	138,283,148	88,027,019	-	50,256,129	-	-	-	90,763,542
Pacific Jeans Ltd.	73,283,230	46,649,967	-	26,633,263	-	-	-	54,232,905
Pacific Attires Ltd.	155,483,075	98,975,991	-	56,507,084	-	-	-	82,123,154
Label Makers Ltd.	12,269,679	3,984,523	8,285,156	-	-	-	-	766,708
Young International	22,656,802	14,422,660	-	8,234,143	-	-	-	33,010,688
	517,560,959	**303,971,295**	**55,204,646**	**158,385,018**	-	-	-	**346,134,192**

Basis of segregation of revenue:

Revenue of DEPZ and CEPZ power plants has been segregated based on the invoice submitted based on the existing and expansion power plants' feeders.

Amount in Taka

	30 June 2026							30 June 2025
	Total	Total DEPZ and CEPZ Existing Plant	DEPZ Expansion Plant	CEPZ Expansion Plant	Sylhet 28 MW Plant	Anwara 300 MW Plant	Jamalpur 115 MW Plant	Total
28 Cost of sales								
Fuel and energy	14,383,836,000	3,100,474,019	1,956,631,190	1,149,911,443	493,913,333	1,140,511,914	6,542,394,100	17,149,383,384
Spare parts and lube oil	1,013,601,848	226,153,945	122,301,637	82,772,077	48,068,297	146,674,230	387,631,662	1,024,229,488
Depreciation	2,295,631,291	180,058,307	144,853,374	63,026,372	45,729,793	1,300,243,353	561,720,091	2,289,969,883
Minimum load charge	109,683,837	45,110,448	53,511,594	11,061,795	-	-	-	81,221,999
Direct overhead	256,496,126	73,214,377	54,974,712	26,705,083	19,372,080	43,337,407	38,892,466	289,187,092
Repair and maintenance	157,086,500	61,536,350	47,492,370	22,092,305	12,828,826	5,897,783	7,238,866	115,701,359
Entertainment	3,888,873	964,973	672,408	366,298	289,590	841,539	754,064	6,225,588
Utility bill	46,972,384	27,649,568	1,744,910	15,306,515	2,271,391	-		44,964,409
License & Other Fees	2,974,470	-	-	-	-	2,433,978	540,492	261,177
Rent, rates and taxes	1,029,996	-	-	-	-	1,029,996		799,996
Carrying charge	1,407,564	552,840	176,967	267,036	220,820	97,750	92,150	3,033,875
Travelling and conveyance	779,069	321,247	75,252	162,744	32,550	187,276		765,287
Wages	271,370	58,708	68,268	14,773	119,150	-	10,470	308,799
Vehicle running and maintenance	8,439,740	3,058,619	1,242,941	1,404,947	170,747	1,919,082	643,405	7,224,145
Environmental expenses	1,945,516	432,378	288,370	167,675	-	583,280	473,812	1,992,980
Electricity Bill	8,602,460	-	-	-	-	8,602,460	-	4,380,730
Printing and stationery	574,384	152,199	61,101	70,117	10,183	51,285	229,499	1,253,901
Site office expense	3,693,474	1,245,205	1,359,153	337,730	79,920	671,466	-	3,770,907
Telephone, mobile and internet	522,386	69,215	48,618	26,167	72,000	107,180	199,206	472,583
Worker welfare fund	295,030	141,848	99,526	53,657	-	-	-	290,400
Postage and courier	157,065	42,214	13,673	20,347	27,598	20,240	32,994	188,330
Automation and IP expense	84,270	43,073	22,891	18,306	-	-	-	87,260
Insurance premium	26,960,728	5,969,472	3,814,263	2,360,802	2,435,999	7,585,122	4,795,070	25,458,448
Gardening and beautification	193,205	-	-	-	33,232	68,526	91,447	115,221
Amortisation of right of use assets	1,721,117	813,628	610,636	296,853	-	-	-	1,462,892
Safety material	49,925	-	-	-		-	49,925	2,430,476
Medical Fees	885,090	425,543	298,577	160,970	-	-	-	871,200
HFO storage rent	10,867,512	-	-	-	-	5,433,756	5,433,756	10,867,512
HFO cargo inspection cost	36,277	-	-	-	-	6,900	29,377	62,920
BERC License and others	625,989	228,208	245,086	62,995	89,700	-	-	860,547
Computer maintenance	29,685	-	-	-	8,685	-	21,000	12,425
	18,339,343,181	**3,728,716,385**	**2,390,607,517**	**1,376,667,007**	**625,773,894**	**2,666,304,522**	**7,551,273,853**	**21,067,855,212**

28.1 The Company signed agreements for all its operation, maintenance and management (O&M) services with United Engineering and Power Service Ltd (UEPSL). It provides all technical support related to operation and management of the power plants. UEPSL raises invoice for actual cost and a service charge per month.

Amount in Taka

	30 June 2026							30 June 2025
	Total	Total DEPZ and CEPZ Existing Plant	DEPZ Expansion Plant	CEPZ Expansion Plant	Sylhet 28 MW Plant	Anwara 300 MW Plant	Jamalpur 115 MW Plant	Total
29 General and administrative expenses								
Advertisement	3,363,533	1,582,657	1,209,362	571,514	-	-	-	4,497,117
Depreciation	23,188,195	1,843,819	1,408,925	665,823	461,917	13,133,771	5,673,940	23,131,009
Vehicle running and maintenance	4,280,580	2,014,158	1,539,087	727,334	-	-	-	3,923,933
Bank charge and commission	6,334,019	2,980,371	2,277,403	1,076,244	-	-	-	3,125,971
Office rent	180,000	84,696	64,719	30,585	-	-	-	180,000
Office expenses	876,836	-	-	-	-	192,424	684,412	136,742
Board meeting fees	2,275,000	1,070,465	817,979	386,556	-	-	-	2,031,580
Professional fees	246,258	108,223	82,697	39,080	-	-	16,258	-
Auditor's fee	1,840,000	865,783	661,574	312,643	-	-	-	1,870,000
Entertainment	286,351	129,325	98,822	46,701	11,503	-	-	235,236
Environmental expenses	241,270	-	-	-	241,270	-	-	255,530
Traveling and conveyance	863,156	282,297	215,713	101,941	11,688	79,510	172,007	1,617,855
Postage, telephone and telex	40,837	19,215	14,683	6,939	-	-	-	76,725
Printing and stationery	660,970	311,009	237,652	112,309	-	-	-	814,764
AGM Expense	189,000	88,931	67,955	32,114	-	-	-	-
License, fees and others	1,111,885	327,792	250,477	118,369	13,818	47,444	353,985	1,643,622
BIWTA License fee	222,236	-	-	-	-	-	222,236	-
Overseas travelling	1,515,690	713,184	544,968	257,538	-	-	-	-
RJSC expenses	184,000	86,578	66,157	31,264	-	-	-	47,000
IRC expenses	35,743	-	-	-	35,743	-	-	38,083
CDBL and listing fee	1,200,000	564,641	431,461	203,898	-	-	-	1,306,000
Legal expense	1,292,258	-	-	-	-	1,292,258	-	25,000
Medical Fees	-	-	-	-	-	-	-	1,705
Royalty fees	805,000	-	-	-	-	-	805,000	3,440,000
Software expenses	-	-	-	-	-	-	-	50,000
Website Maintenance	131,400	61,828	47,245	22,327	-	-	-	-
Amortisation of ROU asset- Office rent	908,092	427,288	326,505	154,298	-	-	-	1,012,153
VAT Expense	2,452,977	445,320	762,878	44,779	-	1,200,000	-	1,493,666
Bad debt expense	210,622,525	14,654,704	11,198,160	5,291,973	698,876	51,539,136	127,239,677	-
Training fees	-	-	-	-	-	-	-	15,120
Inspection fee	251,275	118,233	90,346	42,695	-	-	-	-
	265,599,085	**28,780,515**	**22,414,769**	**10,276,926**	**1,474,815**	**67,484,543**	**135,167,515**	**50,968,811**

Amount in Taka

	30 June 2026							30 June 2025
	Total	Total DEPZ and CEPZ Existing Plant	DEPZ Expansion Plant	CEPZ Expansion Plant	Sylhet 28 MW Plant	Anwara 300 MW Plant	Jamalpur 115 MW Plant	Total
30 Other income/(expenses)								
Scrap sale	-	-	-	-	-	-	-	21,681,543
Sale of used lube oil and drums	1,233,213	400,480	832,733	-	-	-	-	866,392
Realised gain/(loss) from marketable securities	1,213,196	570,850	436,206	206,140	-	-	-	-
Loss on disposal of fixed assets	(6,394,293)	-	-	-	-	(6,394,293)	-	(37,282,952)
Unrealised gain/(loss) from marketable securities	(42,055,440)	(19,788,513)	(15,121,079)	(7,145,847)	-	-	-	(1,809,175)
Dividend income from marketable securities	1,124,760	529,238	404,409	191,114	-	-	-	5,376,480
	(44,878,564)	**(18,287,946)**	**(13,447,733)**	**(6,748,594)**	**-**	**(6,394,293)**	**-**	**(11,167,713)**
31 Dividend from subsidiary company								
United Ashuganj Energy Limited	555,061,352	-	-	-	555,061,352	-	-	1,295,143,154
	555,061,352	**-**	**-**	**-**	**555,061,352**	**-**	**-**	**1,295,143,154**
32 Foreign exchange gain/(loss)								
Realised foreign exchange gain/(loss)	(8,480,720)	(229,118)	(175,077)	(82,737)	(1,420,226)	1,610,602	(8,184,163)	13,705,245
Unrealised foreign exchange gain/(loss)	**(7,909,941)**	**(75,011)**	**(57,319)**	**(27,087)**	**-**	**(2,098,116)**	**(5,652,408)**	**(28,788,892)**
	(16,390,661)	**(304,129)**	**(232,396)**	**(109,824)**	**(1,420,226)**	**(487,514)**	**(13,836,571)**	**(15,083,647)**
33 Finance cost (net)								
See accounting policy in Note 56L								
Finance income								
Interest on related party loan	-	-	-	-	-	-	-	184,947,247
Interest income on bank balance and fixed deposits	41,826,783	16,950,333	12,952,329	6,120,950	606,284	4,352,555	844,333	41,981,110
	41,826,783	**16,950,333**	**12,952,329**	**6,120,950**	**606,284**	**4,352,555**	**844,333**	**226,928,357**
Finance expenses								
Interest on short term & Long term loan	1,056,201,717	128,647,763	98,304,151	46,456,106	-	469,073,831	313,719,866	523,953,348
Bank charges and others	11,875,376	-	-	-	1,187,863	6,361,753	4,325,761	12,458,046
Interest on leasehold land	2,324,606	1,093,806	835,815	394,985	-	-	-	1,278,762
Interest on UPAS LC	154,763,213	51,416	39,289	18,567	668,874	10,340,297	143,644,771	151,644,707
	1,225,164,913	**129,792,985**	**99,179,255**	**46,869,658**	**1,856,737**	**485,775,881**	**461,690,398**	**689,334,863**
Net Finance (cost) / income	**(1,183,338,130)**	**(112,842,651)**	**(86,226,926)**	**(40,748,708)**	**(1,250,453)**	**(481,423,326)**	**(460,846,065)**	**(462,406,505)**

Amount in Taka

	30 June 2026							30 June 2025
	Total	Total DEPZ and CEPZ Existing Plant	DEPZ Expansion Plant	CEPZ Expansion Plant	Sylhet 28 MW Plant	Anwara 300 MW Plant	Jamalpur 115 MW Plant	Total
34 Deferred tax expenses								
See accounting policy in Note 56I								
Deferred tax expense	44,619,167	44,619,167	-	-	-	-	-	-
Deferred tax income	(40,551,543)	(40,551,543)	-	-	-	-	-	-
	4,067,624	**4,067,624**	-	-	-	-	-	-
35 Income tax expenses								
Current year tax (See Note: 35.1)	51,971,834	51,505,949	376,503	89,382	-	-	-	273,934,835
Claim paid as per completion of assessment for FY 23-24	-	-	-	-	-	-	-	143,333
Charged on assessment during the year	5,771,048	2,715,474	2,074,987	980,587	-	-	-	-
	57,742,882	**54,221,423**	**2,451,490**	**1,069,969**	-	-	-	**274,078,168**
35.1 Effective tax rate calculation								
Profit before tax	7,541,815,658	227,414,759	316,235,710	322,315,549	628,948,305	4,024,460,077	2,022,441,258	9,737,652,114
Other income	3,571,169	1,500,568	1,673,347	397,254	-	-	-	(11,167,713)
Total income before tax	**7,545,386,827**	**228,915,327**	**317,909,057**	**322,712,803**	**628,948,305**	**4,024,460,077**	**2,022,441,258**	**9,726,484,401**
Total taxable income before tax	**230,985,928**	**228,915,327**	**1,673,347**	**397,254**	-	-	-	**1,217,488,157**
Tax rate	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%	22.5%	22.50%
Income tax expense	**51,971,834**	**51,505,949**	**376,503**	**89,382**	-	-	-	**273,934,835**

Other income includes scrap sales, burn lube oil and dividend from marketable securities (Note: 30)

Amount in Taka

	30 June 2026							30 June 2025
	Total	Total DEPZ and CEPZ Existing Plant	DEPZ Expansion Plant	CEPZ Expansion Plant	Sylhet 28 MW Plant	Anwara 300 MW Plant	Jamalpur 115 MW Plant	Total
36 Plant wise profit or loss and other comprehensive statement								
Revenue	26,839,875,091	4,117,846,954	2,830,838,398	1,757,263,862	703,806,341	7,246,554,275	10,183,565,262	31,333,966,290
Cost of sales	(18,339,343,181)	(3,728,716,384)	(2,390,607,517)	(1,376,667,007)	(625,773,894)	(2,666,304,522)	(7,551,273,853)	(21,067,855,212)
Gross profit	**8,500,531,910**	**389,130,570**	**440,230,881**	**380,596,855**	**78,032,447**	**4,580,249,753**	**2,632,291,409**	**10,266,111,078**
General and administrative expenses	(265,599,085)	(28,780,516)	(22,414,769)	(10,276,926)	(1,474,815)	(67,484,543)	(135,167,515)	(50,968,811)
Other income/(Expenses)	(44,878,564)	(18,287,946)	(13,447,733)	(6,748,594)	-	(6,394,293)	-	(11,167,713)
Dividend from subsidiary company	555,061,352	-			555,061,352	-	-	1,295,143,154
Operating profit	8,745,115,613	342,062,108	404,368,379	363,571,335	631,618,984	4,506,370,917	2,497,123,894	11,499,117,708
Foreign exchange gain/(loss)	(16,390,661)	(304,129)	(232,396)	(109,824)	(1,420,226)	(487,514)	(13,836,571)	(15,083,647)
Net Finance (cost) / income	(1,183,338,130)	(112,842,651)	(86,226,926)	(40,748,708)	(1,250,453)	(481,423,326)	(460,846,065)	(462,406,505)
Profit before tax	**7,545,386,822**	**228,915,327**	**317,909,057**	**322,712,803**	**628,948,305**	**4,024,460,077**	**2,022,441,258**	**11,021,627,555**
Income tax expenses								
Deferred tax expenses	(4,067,624)	(4,067,624)	-	-	-	-		
Current tax expenses	(57,742,882)	(54,221,423)	(2,451,490)	(1,069,969)	-	-	-	(274,078,168)
Profit for the year	**7,483,576,316**	**170,626,280**	**315,457,567**	**321,642,833**	**628,948,305**	**4,024,460,077**	**2,022,441,258**	**10,747,549,387**
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income	**7,483,576,316**	**170,626,280**	**315,457,567**	**321,642,833**	**628,948,305**	**4,024,460,077**	**2,022,441,258**	**10,747,549,387**

		Amount in Taka	
		30 June 2026	30 June 2025
37	**Earnings per share**		
	See accounting policy in Note 56O		
	Profit attributable to the ordinary shareholders	7,483,576,316	10,747,549,387
	Weighted average number of shares outstanding	579,695,270	579,695,270
	Earnings per share	**12.91**	**18.54**
38	**Net asset value per share**		
	Net assets	43,614,449,375	39,898,892,314
	Weighted average number of shares outstanding	579,695,270	579,695,270
	Net asset value per share	**75.24**	**68.83**
39	**Net operating cash flow per share**		
	Net cash generated from operating activities	5,125,719,162	6,599,498,731
	Weighted average number of shares outstanding (Basic)	579,695,270	579,695,270
	Net operating cashflow per share	**8.84**	**11.38**
40	**Reconciliation of net profit with cash flow from operating activities**		
	Profit for the year	7,483,576,316	10,747,549,387
	Adjustment for:		
	Depreciation	2,318,819,486	2,313,100,892
	Trade receivable adjustment through Bond	-	(3,055,335,000)
	Amortisation of right of use assets	2,629,209	2,475,045
	Unrealised (gain)/loss from marketable securities	42,055,440	1,809,175
	Loss on disposal of fixed asset	6,394,293	37,282,952
	Interest on related party loan	-	(184,947,246)
	Provision for impaired receivables	210,622,526	-
	Fuel payment by PDB to supplier	(450,000,000)	-
	Dividend income from subsidiaries	(555,061,352)	(1,295,143,154)
	Deferred Tax expense	4,067,624	-
	Unrealized Foreign Exchange gain/(loss)	159,417	-
	Changes in:		
	Inventories	527,641,926	1,171,724,026
	Trade and other receivables	(5,515,359,861)	(3,754,759,971)
	Advances, deposits and prepayments	51,755,005	657,533,171
	Trade and other payables	937,917,201	(274,228,086)
	Accrued expenses	276,297,631	(35,510,392)
	Provision for tax	(215,795,699)	267,947,931
	Net cash generated from operating activities	**5,125,719,162**	**6,599,498,731**

Amount in Taka	
30 June 2026	30 June 2025

41 Related party transactions

During the year, the Company carried out a number of transactions with related parties. The names of the related parties and nature of these transactions have been set out in accordance with the provisions of IAS 24: Related party disclosures.

A Transactions with key management personnel

i. Loans to directors

During the year, no loan was given to the directors of the Company.

ii. Key management personnel compensation comprised the following:

The key management personnel includes the Group Managing directors.

a) Short-term employee benefit:

Short-term employee benefit includes remuneration, festival bonus and meeting attendance fees.

Directors' remuneration	-	-
Board meeting fees	2,275,000	2,031,580
	2,275,000	**2,031,580**
b) Post employment benefit	-	-
c) Other long-term benefit	-	-
d) Termination benefit	-	-
e) Share-based payment	-	-
	2,275,000	**2,031,580**

B Other related party transactions

United Power Generation & Distribution Company Ltd.

	Transaction value during the year		Receivable/ (Payable) Balance	
	30 June 2026	30 June 2025	30 June 2026	30 Jun 2025
Sale of goods and services:				
Gunze United Ltd.	-	-	4,141,232	2,431,688
Sale during the year	44,216,073	-	-	-
Received during the year	(42,506,529)	-	-	-
United Sulpho Chemical Ltd.	-	-	7,736,334	7,104,266
Sale during the year	3,001,252	-	-	-
Received during the year	(2,369,184)	-	-	-
United Lube Oil Ltd.	-	-	297,983	178,570
Sale during the year	1,942,545	-	-	-
Received during the year	(1,823,132)	-	-	-
Purchase of goods & services:				
United Engineering & Power Service Ltd. (Service)	-	-	(43,105,215)	(33,996,372)
Purchase during the year	(185,129,823)	(133,388,660)	-	-
Paid during the year	176,020,980	113,750,383	-	-
United Tank Terminal Ltd. (Rent)	-	-	120,000	(800,000)
Rent during the year	(920,000)	(720,000)	-	-
Rent Paid during the year	1,840,000	920,000	-	-
United Shipping & Logistics Services Ltd. (Service)	-	-	(2,254,752)	(3,085,427)
Purchase during the year	(33,837,530)	(6,232,082)	-	-
Paid during the year	34,668,205	-	-	-
Oil Carriers Ltd. (Service)	-	-	(1,196,000)	(1,196,000)
Purchase during the year	(14,982,000)	(9,988,000)	-	-
Paid during the year	14,982,000	9,988,000	-	-

	Transaction value during the year		Receivable/ (Payable) Balance	
	30 June 2026	30 June 2025	30 June 2026	30 Jun 2025
Khulna Power Co. Ltd. (Service)	-	-	(2,116,212)	-
Purchase during the year	(2,116,212)	-	-	-
Paid during the year	-	-	-	-
United Lube Oil Ltd. (Goods)	-	-	(38,127,740)	(44,022,608)
Purchase during the year	(160,105,142)	(164,842,500)	-	-
Paid during the year	166,000,010	119,519,007	-	-
United Energy Trading Pte. Ltd. (Goods)	-	-	-	-
Purchase during the year	(4,646,104,079)	(2,403,897,481)	-	-
Paid during the year	4,646,104,079	2,403,897,481	-	-
Loans:				
United Mymensingh Power Ltd.	-	-	(4,531,973,412)	21,251,147,445
Loan received during the year	(29,484,520,857)	(6,716,375,234)	-	-
Loan given/repaid during the year	3,701,400,000	4,906,480,816	-	-
United Enterprises & Co. Ltd.	-	-	15,461,582,914	(6,998,759,648)
Loan received during the year	(1,333,020,000)	(13,416,600,000)	-	-
Loan given/repaid during the year	23,793,362,562	19,397,500,000	-	-
United Chattogram Power Ltd.	-	-	121,850,000	-
Loan received during the year	121,850,000	-	-	-
Loan given/repaid during the year	-	-	-	-
United Ashuganj Energy Ltd.				
Dividend received for FY 24-25	555,061,352	-	-	-
Dividend received for FY 23-24	-	1,295,143,154	-	-
Transfer of inventory:				
United Mymensingh Power Ltd.	1,770,943,696	(16,139,090)	(1,285,964,039)	(3,056,907,735)
United Ashuganj Energy Ltd.	5,766,993	4,276,142	(16,527,135)	(22,294,128)
United Payra Power Plant	(1,230,042)	(228,948)	2,280,597	3,510,639
United Engineering & Power Services Ltd.	-	-	710,795	710,795
Leviathan Global Bangladesh Ltd.	-	-	(502)	(502)
United Hospital Ltd.	-	-	556,964	556,964
Khulna Power Ltd.	3,921,534	-	-	(3,921,534)
United Lube Oil Ltd.	377,392		377,392	-

The Company and its subsidiaries (collectively referred to as the "Group") engage in various related party transactions in the ordinary course of their business operations. Due to significant delays in the collection of receivables from customers, particularly the Bangladesh Power Development Board (BPDB), coupled with the requirement to import and maintain adequate stocks of Heavy Fuel Oil (HFO) to ensure an uninterrupted supply of electricity in line with BPDB's demand, certain entities within UPGDCL and the Group face substantial funding requirements, while other entities may have surplus funds available for investment.

To facilitate the efficient management of liquidity and ensure the smooth continuation of business operations, management has established a centralized treasury arrangement in coordination with related parties. Under this arrangement, funds are managed and made available among the relevant entities based on their respective funding requirements, thereby minimizing liquidity constraints and potential disruptions to operations. Consequently, the Group undertakes significant transactions with related parties in connection with these centralized treasury and funding arrangements.

42 Financial instruments - Fair values and risk management

Accounting classifications and fair values

The following table shows the carrying amounts and fair values, where applicable, of financial assets and financial liabilities. 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.

Amount in Taka

30 June 2026	Note	Carrying amount							Fair value			
		Fair value-hedging instruments	Mandatorily at FVTPL – others	FVOCI – debt instrument	FVOCI – equity instruments	Financial assets at amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value												
Investment in marketable securities	12	-	31,308,158	-	-	-	-	31,308,158	31,308,158	-	-	31,308,158
		-	**31,308,158**	-	-	-	-	**31,308,158**	**31,308,158**	-	-	**31,308,158**
Financial assets not measured at fair value												
Trade and other receivables	9	-	-	-	-	16,700,262,058	-	16,700,262,058	-	-	-	-
Receivable from related parties	10	-	-	-	-	15,587,358,662	-	15,587,358,662	-	-	-	-
Cash and cash equivalents	13	-	-	-	-	907,044,624	-	907,044,624	-	-	-	-
		-	-	-	-	**33,194,665,344**	-	**33,194,665,344**	-	-	-	-
Financial liabilities not measured at fair value												
Borrowings	18	-	-	-	-	-	5,853,404,830	5,853,404,830	-	-	-	-
Security money received	18	-	-	-	-	-	2,071,742	2,071,742	-	-	-	-
Trade and other payables	22	-	-	-	-	-	6,898,132,634	6,898,132,634	-	-	-	-
Accrued expenses	24	-	-	-	-	-	317,378,727	317,378,727	-	-	-	-
Payable to related parties	25	-	-	-	-	-	5,847,085,238	5,847,085,238	-	-	-	-
		-	-	-	-	-	18,918,073,171	18,918,073,171	-	-	-	-

30 June 2025	Note	Carrying amount							Fair value			
		hedging instruments	Mandatorily at FVTPL – others	debt instrument	equity instruments	at amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value												
Investment in marketable securities	12	-	136,050,401	-	-	-	-	136,050,401	136,050,401	-	-	136,050,401
		-	**136,050,401**	-	-	-	-	**136,050,401**	**136,050,401**	-	-	**136,050,401**
Financial assets not measured at fair value												
Trade and other receivables	9	-	-	-	-	11,393,456,708	-	11,393,456,708	-	-	-	-
Receivable from related parties	10	-	-	-	-	22,752,532,047	-	22,752,532,047	-	-	-	-
Cash and cash equivalents	13	-	-	-	-	1,065,970,281	-	1,065,970,281	-	-	-	-
		-	-	-	-	**35,211,959,036**	-	**35,211,959,036**	-	-	-	-
Financial liabilities not measured at fair value												
Borrowings	18	-	-	-	-	-	9,312,593,619	9,312,593,619	-	-	-	-
Security money received	18	-	-	-	-	-	2,700,000	2,700,000	-	-	-	-
Trade and other payables	22	-	-	-	-	-	6,410,215,433	6,410,215,433	-	-	-	-
Accrued expenses	24	-	-	-	-	-	41,081,096	41,081,096	-	-	-	-
Payable to related parties	25	-	-	-	-	-	11,578,112,358	11,578,112,358	-	-	-	-
		-	-	-	-	-	**27,344,702,506**	**27,344,702,506**	-	-	-	-

43 Financial risk management

The Company has exposure to the following risks from its use of financial instruments.

A Credit risk
B Liquidity risk
C Market risk

The Board of Directors have overall responsibility for the establishment and oversight of the Company's risk management framework. The Board oversees how management monitors compliance with risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risks faced by the Company. The Board is assisted in its oversight role by the Audit Committee. Internal audit, under the purview of Audit Committee, undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

A Credit risk

Credit risk is the risk of a 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. Management monitors the exposure to credit risk on an ongoing basis. The maximum exposure to credit risk is represented by the carrying amount of financial assets in the statement of financial position.

	Note	Amount in Taka	
		30 June 2026	30 June 2025
i) Exposure to credit risk			
The maximum exposure to credit risk at the reporting date was:			
Trade and other receivables	9	17,386,422,011	11,868,994,134
Receivable from related parties	10	15,587,358,662	22,752,532,047
Investment in marketable securities	12	31,308,158	136,050,401
Cash and cash equivalents (excluding cash in hand)	13	906,181,625	1,064,957,282
		33,911,270,456	**35,822,533,864**
ii) Ageing of trade and other receivables			
Not past due		2,352,394,121	2,218,444,965
Past due 0-30 days		1,438,847,184	1,783,382,081
Past due 31-60 days		1,368,185,890	1,776,782,815
Past due 61-90 days		1,412,518,384	1,925,982,048
Past due 91-120 days		1,610,801,191	1,452,929,240
Past due 121-365 days		7,976,366,048	2,066,289,155
Past due 365+ days		1,227,309,193	645,183,830.28
		17,386,422,011	**11,868,994,134**

B Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due 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 always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Typically, the Company ensures that it has sufficient cash and cash equivalents to meet expected operational expenses, including financial obligations through preparation of the cash flow forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date.

Exposure to liquidity rate 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 2026	Note	Contractual Cash Flows			
		Carrying amount	Total	6 months or less	Over 6 months
Non-derivative financial liabilities					
Short term loan	21	5,853,404,830	5,853,404,830	4,535,617,551	1,317,787,279
Trade and other payables	22	6,898,132,634	6,898,132,634	2,961,432,637	3,936,699,997
Accrued expenses	24	317,378,727	317,378,727	317,378,727	-
Payable to related parties	25	5,847,085,238	5,847,085,238	5,844,743,936	2,341,302
		18,916,001,429	18,916,001,429	13,659,172,851	5,256,828,578
Derivative financial liabilities		-	-	-	-
		18,916,001,429	**18,916,001,429**	**13,659,172,851**	**5,256,828,578**

30 June 2025	Note	Contractual Cash Flows			
		Carrying amount	Total	6 months or less	Over 6 months
Non-derivative financial liabilities					
Short term loan	21	9,312,593,619	9,312,593,619	4,656,296,809	4,656,296,809
Trade and other payables	22	6,410,215,433	6,410,215,433	3,834,763,527	2,575,451,906
Accrued expenses	24	41,081,096	41,081,096	41,081,096	-
Payable to related party	25	11,578,112,358	11,578,112,358	8,221,601,372	3,356,510,986
		27,342,002,506	**27,342,002,506**	**16,753,742,804**	**10,588,259,702**
Derivative financial liabilities		-	-	-	-
		27,342,002,506	**27,342,002,506**	**16,753,742,804**	**10,588,259,702**

C 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 market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

i. Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate. The Company's is exposed to foreign currency risk relating to purchases and other transactions which are denominated in foreign currencies.

Exposure to currency risk

The Company's exposure to foreign currency risk arising from foreign currency denominated assets and liabilities at balance sheet date denominated in US dollar (USD) and British Pound (GBP) are as follows:

	30 June 2026		30 June 2025	
	USD	GBP	USD	GBP
Cash and cash equivalents	2,518,557.60	152.76	2,624,836.48	152.76
Share application money	(10,433.03)	(152.76)	(10,457.67)	(152.76)
HSBC USD A/C	(540,260.86)	-	(1,311,457.47)	-
Dhaka Bank USD A/C	(1,967,863.71)	-	(1,302,921.34)	-
Net exposure	-	-	-	-

ii. Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings and deposits.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as at statement of financial position date is as follows:

	Note	Nominal Amount	
		30 June 2026	30 June 2025
Fixed rate instruments			
Financial assets		-	-
Receivable from related parties	10	15,587,358,662	22,752,532,047
Financial liabilities			
Payable to related parties	25	5,847,085,238	11,578,112,358
Variable rate instruments			
Financial liabilities		-	-
		21,434,443,900	**34,330,644,405**

44 Operational risk

Operational risk constitutes the ability of the Company's power projects to generate and distribute stipulated electricity to its off-takers. Technology used, fuel supply arrangement, operational and maintenance (O&M) arrangement, political or force majeure in the form of natural disaster like floods, cyclone, tsunami and earthquake may hamper normal performance of power generation. The timely and appropriate maintenance of the distribution networks of the plant reduces the chance of major disruptions. However, severe natural calamities which are unpredictable and unforeseen have the potential to disrupt normal operations of the Company. Management believes that prudent rehabilitation schemes and quality maintenance will lessen the damages caused by such natural disasters. Most importantly, all the above risks of the Company are covered under the separate insurance agreements, Jamalpur power plants insured with Pragati Insurance company limited, CEPZ Power Plant with United insurance company limited, Anwara Power plant with Pragati & Green Delta Insurance Company limited and DEPZ and Sylhet power plant with Green Delta insurance company limited, for all the potential damages caused in such situations.

45 Contingent assets

The Company has raised a claim against BEPZA for losses suffered as a result of BEPZA failing to timely provide vacant possession of required land and gas connection and a consequent 234 day delay in the Company commencing commercial operation.
In March 2015 an Arbitration Tribunal (consisting of three arbitrators, one appointed by the Company, other appointed by BEPZA and the chairman of the Tribunal) has been appointed by the both arbitrator. The Tribunal ordered that BEPZA compensate the Company for the following amounts.

Service charge deducted by BEPZA ordered to re	18,733,918	18,733,918
Loss of warranty	17,424,510	17,424,510
Total	**36,158,428**	**36,158,428**

In April 2015, BEPZA took the matter to the Court of District Judge, Dhaka. The final Judgment on 7 March 2022 goes in favor of UPGDCL.

46 Commitments

The Company had the following outstanding letters of credit (LC) as at 30 June 2026 amounting to USD 6,930,765 against which it is committed to purchase of HFO, spare parts, lube oil etc.

47 Contingent liabilities

47.1 Contingent liabilities relating to bank guarantees amounted to:

United Power Generation & Distribution Company Ltd.

Beneficiary	Amount in Taka		
	Expiry date	30 June 2026	30 June 2025
Titas Gas Transmission & Distribution PLC	11-Nov-28	78,790,400	78,790,400
Titas Gas Transmission & Distribution PLC	11-Dec-28	6,628,382	6,628,382
Karnaphuli Gas Distribution Company Ltd.	23-Jan-28	34,897,650	34,897,650
Karnaphuli Gas Distribution Company Ltd.	20-Jun-28	8,647,617	8,647,617
Karnaphuli Gas Distribution Company Ltd.	02-Mar-27	71,724,353	71,724,353
Customs House-Dhaka and Chattogram	Unconditional & Continuous	17,632,152	17,632,152
Jalalabad Gas Transmission and Distribution Systems Ltd.	30-Sep-28	227,531,311	205,512,152
PDB (Operation and Security Deposit) 300MW	17-Dec-26	958,620,000	936,000,000
PDB (Operation and Security Deposit) 115MW	10-Apr-27	442,440,000	280,000,000

47.2 In line with the provisions of its gas supply agreements, the Company has historically been charged for gas consumption at the rate set for Independent Power Producers (IPPs). However, on 02.01.2018, the Energy and Mineral Resources Division of the Ministry of Power, Energy and Mineral Resources (EMRD) resolved in a meeting that the Company's gas-based power plants at Dhaka and Chattogram Export Processing Zones will be charged for gas consumption at revised rate in the following manner ("EMRD's 2018 Decision"):

"a) Gas consumed for generating power supplied to the national grid will be charged at the rate set for IPPs.

b) Gas consumed for generating power supplied to other customers other than national grid will be charged at the rate set for captive power producers."

Pursuant to this decision, despite the Company being an IPP licensee and supplying electricity to BEPZA and surplus electricity to National Grid and other customers, the Company's gas suppliers, Titas Gas Transmission & Distribution Company PLC (TGTDPLC) and Karnaphuli Gas Distribution Company Limited (KGDCL), started charging for gas supply at Captive rate.

Accordingly, Titas Gas Transmission and Distribution Company Limited, vide letter dated 5 May 2019, claimed additional charges amounting to BDT 854,960,450 for the period from January 2018 to February 2019. Similarly, Karnaphuli Gas Distribution Company Limited, vide letter dated 11 June 2019, raised an additional claim of BDT 412,084,421 for the period from May 2018 to March 2019, demanding payment at the captive power plant tariff. However, the Company had duly paid all gas consumption bills at the applicable IPP tariff within the due date, in accordance with the relevant gas supply agreement(s), which remain in full force and effect.

Having been aggrieved, the Company filed two separate writ petitions, dated 22 May 2019 and 23 June 2019 respectively, with the Honorable High Court Division of the Supreme Court of Bangladesh against EMRD's 2018 Decision, and claim from the gas suppliers. As the Judgments from the High Court Division stated that EMRD's 2018 Decision does not call for the interference of the High Court Division, the Company subsequently filed a review petition for leave to appeal and a civil review petition in the Appellate Division of the Supreme Court Division, both of which were discharged subsequently.

While the aforesaid legal process was ongoing, the Company pursued discussions with relevant stakeholders and as a result, EMRD in its meeting dated 15.10.2023 ("EMRD's 2023 Decision") took the following decision:

"a) Gas consumed for generating power supplied to the national grid and BEPZA will be charged at the rate set for IPPs from February 2023 onwards [implementation by Titas Gas and Karnaphuli Gas].

b) Gas consumed for generating power supplied to other customers by the Company will be charged at Captive rate [implementation by Titas Gas and Karnaphuli Gas.

c) Necessary steps to be taken to provide IPP license to UPGDCL's two power plants located in Dhaka and Chattogram EPZ [implementation by Bangladesh Energy Regulatory Commission (BERC)].

No specific decision was taken during that meeting regarding the gas rate to be applicable for the interim period (from January 2018 to January 2023). Upon receiving the judgment on 08.02.2024 from the Honorable Supreme Court regarding the review petition for leave to appeal filed by the Company, EMRD did not provide any directives related to the settlement of the gas rate for the interim period despite repeated applications by the Company. The Company has been paying at Captive rate for gas consumed to supply electricity to other customers pursuant to EMRD's decisions dated 15 October 2023.

On 02.03.2025 and 18.03.2025, EMRD issued office orders ("EMRD's 1st 2025 Decision") revoking EMRD's 2023 Decision, thereby instructing Petrobangla and BERC to collect payments from the Company at Captive rate, affecting price of gas consumed for supplying electricity to BEPZA during this period (February 2023 onwards).

The Company pursued discussion and dialogue with relevant stakeholders regarding EMRD's 2025 Decision and a permanent resolution to the matter, and as a result, during the meeting held on 09.11.2025, EMRD stated that the Company's gas-based power plants at Dhaka Export Processing Zone shall be billed as per the prevailing GSA by Titas Gas ("EMRD's 2nd 2025 Decision").

Meanwhile, Titas Gas and Karnaphuli Gas have outstanding claim as on 30 June 2026 amounting to BDT 6,388,710,741.63 (for the period January 2018 to June 2026) and BDT 5,525,187,718.58 (for the period May 2018 to June 2026), respectively for collecting payment from the Company at Captive rate. Against this additional disputed claim, the Company made a provision of BDT 3,936,699,997 for gas bill at Captive rate for the gas consumed to generate the electricity supplied to other customers.

In continuation of the Company's efforts, on 18.08.2026, EMRD decided through a meeting to form a committee with the objective of resolving the dispute regarding the claimed bill and gas rate between the Company and its gas suppliers. The committee has been formed and the terms of reference for the report have been set through EMRD's office order dated 06.09.2026.

The Company's Management is closely observing the situation and is in discussion with relevant stakeholders, such as BEPZA and EMRD to reach an amicable solution to this additional disputed claim by Titas Gas and Karnaphuli Gas.

48 Bank facilities

The Company enjoys the following credit facilities from the following financial institutions as at 30 June 2026:

United Power Generation & Distribution Company Ltd.

Amoun in Taka

Name of the bank	Letter of credit - limit	Loan against Trust Receipt - limit	STL - limit	Overdraft - limit	Bank guarantee facilities - limit
Dhaka Bank PLC (Group Limit)	6,250,000,000	-	500,000,000	150,000,000	1,619,380,554
Jamuna bank PLC (Group Limit)	1,000,000,000	250,000,000	-	-	227,531,311
HSBC (Group Limit)	8,000,000,000	-	2,200,000,000	-	-
SCB (Group Limit)	8,570,000,000	-	2,000,000,000	-	-
Pubali Bank PLC (Group Limit)	2,100,000,000	-	500,000,000	-	-
Bank Asia PLC	2,120,000,000	-	350,000,000	-	-
Prime Bank PLC	2,500,000,000	500,000,000	1,000,000,000	-	-
Brac Bank PLC	5,050,000,000	-	1,000,000,000	5,000,000	-
City Bank PLC (Group Limit)	11,450,000,000	-	5,000,000,000	-	-
Eastern Bank PLC (Group Limit)	2,100,000,000	-	2,200,000,000	-	-
NCC Bank PLC	-	-	1,000,000,000	-	-
UCB PLC (Group Limit)	2,000,000,000	-	1,000,000,000	-	-
Community Bank PLC	2,250,000,000	-	-	-	-
Midland Bank PLC	1,200,000,000	-	-	-	-
Total	**54,590,000,000**	**750,000,000**	**16,750,000,000**	**155,000,000**	**1,846,911,865**

49 Expenditure in equivalent foreign currency

Foreign travel for business purpose	1,515,690	-
	1,515,690	-

50 Capacity and production

United Power Generation & Distribution Company Ltd.

Amoun in Taka

Location of plant	30 June 2026			30 June 2025	
	Installed capacity (MWH)	Actual production (MWH)	Capacity utilisation (%)	Actual production (MWH)	Capacity utilisation (%)
Dhaka EPZ	656,000	374,607	57%	361,337	55%
Dhaka EPZ-Existing plant	280,000	121,652	43%	112,066	40%
Dhaka EPZ-Expansion plant	376,000	252,955	67%	249,271	66%
Chattogram EPZ	576,000	471,059	82%	494,461	86%
Chattogram EPZ-Existing plant	352,000	299,862	85%	321,272	91%
Chattogram EPZ-Expansion plant	224,000	171,196	76%	173,189	77%
Sylhet 28MW power plant	224,000	111,696	50%	112,828	50%
Anwara 300 MW power plant	2,400,000	64,203	2.68%	220,765	9%
Jamalpur 115 MW Power plant	920,000	442,592	48%	465,959	51%
Total	**4,776,000**	**1,464,158**	**31%**	**1,655,351**	**35%**

51 Number of employees

The Company has no employees. Operation and maintenance activities are managed by 179 personnel for DEPZ & CEPZ plant, 34 personnel for Sylhet 28 MW & Ashuganj 53 MWplant, 73 personnel for Jamalpur plant and 104 personnel for Anwara plant provided by United Engineering and Power Services Ltd under separate O&M contracts.

52 Comparatives and rearrangement

Previous year's figures have been rearranged, wherever considered necessary to conform to the current period's presentation.

53 Events after the reporting period

Events after the reporting period that provide additional information about the Company's position at the reporting date or those that indicate the going concern assumption is not appropriate are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes when material.

The Board of Directors in its 120th meeting held on 27 October 2026 recommended cash dividend at 60% per share equivalent to Taka 6.00 of Face Value Taka 10.00 per share aggregating Taka 3,478,171,620 for the year ended 30 June 2026. 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.

54 Going concern

The Company has adequate resources to continue in operation for the foreseeable future. For this reason, the management continues to adopt going concern basis in preparing the financial statements. The current resources of the Company provide sufficient fund to meet the present requirements of its existing business.

55 Basis of measurement

The financial statements have been prepared on historical cost basis except inventories which is measured at lower of cost and net realisable value on each reporting date.

56 Material 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 material accounting policies, the details of which are available on the current and following pages:

A Property, plant and equipment
B Inventories
C Financial instruments
D Impairment
E Revenue
F Provisions
G Contingencies
H Foreign currency
I Income tax
J Employee benefits
K Statement of cash flows
L Finance income and finance expenses
M Advances, deposits and prepayments
N Share capital
O Earnings per share
P Dividends
Q Materiality and aggregation
R Leases
S New accounting policy

A Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner.

Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of comprehensive income as incurred.

Depreciation

i) Property, plant and equipment is stated at cost less accumulated depreciation. All property, plant and equipment have been depreciated on straight line method.

ii) In respect of addition to fixed assets, full depreciation is charged in the month of addition irrespective of date of purchase in that month and no depreciation is charged in the month of disposal/retirement. Residual value is estimated to be zero for all assets.

The rates of depreciation vary according to the estimated useful lives of the items of all property, plant and equipment.



Considering the estimated useful life of the assets, the rates of depreciation are as follows:

For DEPZ, CEPZ and Sylhet 28 MW power plant	Amount in Taka	
	30 June 2026	30 June 2025
	%	%
Plant and machinery	3.33 - 8.33	3.33 - 8.33
Gas line	2 - 8.33	2 - 8.33
Building and civil construction	3.33 - 8.33	3.33 - 8.33
Office equipment	10 - 15	10 - 15
Furniture and fixture	10	10
Motor vehicle	10	10

For Anwara 300 MW power plant, Jamalpur 115 MW power Plant	%	%
Plant and machinery	Remaining useful life	Remaining useful life
Building and civil construction	Remaining useful life	Remaining useful life
Office equipment	15%	15%
Furniture and fixture	10%	10%
Motor vehicle	10%	10%

The company operates above power plants for 15 years under PPA with BPDB starting from its Commercial Operation Date (COD). Previously there was an expectation that the duration of PPA could be extended and hence depreciation on plant and machineries and Building and civil construction have been changed @ 5% per annum considering estimated useful life of 20 years.

However, considering the Government policy, overall energy situation, HFO supply and other variables management has decided to change its estimated useful life and adopted a depreciation policy which will calculate depreciation policy on the basis of useful life up to the expiry of PPA. This change has been applied prospectively from 1 July 2023.

Retirements and disposals

An asset is derecognised on disposal or when no future economic benefits are expected from its use and subsequent disposal. Gain or loss arising from the retirement or disposal of an asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised as gain or loss from disposal of asset in the statement of profit or loss and other comprehensive income.

B Inventories

Inventories consisting mainly of spare parts, lube oil and chemicals are valued at lower of cost and net realisable value. Net realisable value is based on estimated selling price in the ordinary course of business less any further costs expected to be incurred to make the sale. Costs of inventories include expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Cost of inventories is determined by using weighted average cost method except heavy fuel oil (HFO).

When inventories are consumed, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

C 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.

S.F. AHMED & CO.

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised 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

On initial recognition, a financial asset is classified as measured at: amortised 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 amortised 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 are measured at amortised 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 amortised 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:

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 realising cash flows through the sale of the assets;

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- 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.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Assessment whether contractual cash flows are Solely Payments of Principal and Interest (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised 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 recognised in profit or loss. Other net gains and losses are recognised 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 recognised 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 recognised in OCI and are never reclassified to profit or loss.

Financial assets include cash and cash equivalents, trade and other receivables and receivable from related parties.

(a) Cash and cash equivalents

Cash and cash equivalents comprise of cash balances and all cash deposits with maturities of three months or less that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

(b) Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

iii. Financial liability

All financial liabilities are recognised initially on the transaction date at which the Company becomes a party to the contractual provisions of the liability.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial liabilities include trade and other payables, related party payables, borrowings, accrued expenses etc.

(a) Trade and other payables

The Company recognises trade and related party payables when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the entity of resources embodying economic benefits.

(b) Loans and borrowings

Principal amounts of the loans and borrowings are stated at their amortised amount. Borrowings repayable after twelve months from reporting date are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from reporting date, unpaid interest and other charges are classified as current liabilities.

(c) Accrued expenses

Accrued expenses represent various operating expenses that are due at the reporting date which are initially measured at fair value.

D Impairment

Financial assets

IFRS 9 requires an assessment of expected credit losses ("ECL") for evaluating whether assets carried at amlortised cost are impaired. The first stage of the evaluation requires an assessment of expected credit losses (ECL), which represent the possibility of default over the next 12 months. When a significant increase in credit risk has occurred, the financial asset is transferred to stage 2 and the ECL will be calculated using the possibility of default over the expected life of the financial instrument. When there is objective evidence that a financial asset is impaired, the financial asset will be transferred to stage 3 and lifetime ECL will be calculated.

Non financial assets

An asset is impaired when its carrying amount exceeds its recoverable amount. The Company assesses yearly whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. The recoverable amount of an asset 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 recognising an impairment loss, if and only the recoverable amount of the asset is less than its carrying amount. Impairment loss is recognised immediately in the statement of comprehensive income.

E Revenue

Revenue is recognized in the statement of comprehensive income upon supply of electricity and steam, quantum of which is determined by survey of meter reading. As per IFRS 15: Revenue from Contracts with Customers is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue measured at the fair value of the consideration received or receivable.

Revenue is recognized, excluding Value Added Tax and other Government levies, on the basis of net units of energy generated and transmitted to the authorized customer's transmission systems and invoiced on a monthly basis upon transmission to the customers. Revenues are valued using rates in effect when services are provided to customers.

Revenue from Power Purchase

Revenue under Power Purchase Agreement (PPA) , comprises capacity revenue and energy revenue. Capacity revenue includes escalable component and non-escalable component. Energy revenue includes fuel payment as well as variable operation and maintenance (O&M) payment. Both the capacity and energy revenue (variable O&M) have a variable portion. These are based on inflation (foreign inflation and local inflation indexation factors) and changes in exchange rate. Such revenue is recognised when these factors are confirmed and supplemental and true-up invoices are subsequently raised. True up arises due to the difference in billing exchange rate and the payment date exchange rate of Sonali Bank Ltd.

Energy revenue for gas based power plants

Fuel payment revenue is recognised according to the terms set out in the PPA. Fuel cost related to natural gas for generating electricity is a pass-through expense for the Company to BPDB. Payment for the monthly gas consumption is made directly by the Company to the gas supplier. The constant portion of variable O&M payment revenue is calculated based on supply of electricity (quantum of which is determined by survey of meter reading) and is recognised according to the terms set out in the PPA.

Revenue from Power Supply

Revenue under Power Purchase Agreement (PPA) comprises with customers for electricity sales generally including one performance obligation. The Company has concluded that revenue from sale of electricity should be recognised at the point in time when electricity is transferred to the customer.

F Provisions

A provision is recognised in the statement of financial position when the Company has a present obligation (legal or constructive) as a result of a past event and 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. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and the risks specific to the liability.

G Contingencies

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

(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 realisation 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.

H Foreign currency

Foreign currency transactions are translated into BDT/Taka at the exchange rates prevailing on the date of transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate prevailing at the reporting date.

Foreign currency denominated non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates prevailing at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the foreign exchange rates ruling at the dates the fair value was determined.

I Income tax

The income tax expense for the current year comprises (i) tax on business income earned by two units of UPGDCL whose tax holiday has expired, and (ii) tax on other income earned by the remaining units of the Company, as disclosed in Note 34. Dividends received from subsidiaries out of their tax-exempt profits have been treated as tax-exempt by management based on the opinions of legal counsel and the judgment of the Appellate Division of the Honorable Supreme Court of Bangladesh.

(i) Current tax

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. UPGDCL has received an exemption from taxes on business income from the Government of Bangladesh for 15 years from the commencement. Income tax provisions have been made on 35MW DEPZ and 44MW CEPZ existing plants, being the plants' exemption expired on 26th December 2023 and 12th August 2024 respectively. No provision is required for income tax on business income of UPGDCL's 47MW DEPZ and 28MW CEPZ expansion plants as the plants' tax exemption has not expired on the reporting date. No provision is also required for income tax on the business income of Sylhet 28MW power plant, Anwara 300MW power plant and Jamalpur 115 MW as the companies have received exemption from income from power generation under the private sector power generation policy for a year of 15 years from the start of their commercial operation, vide SRO ref: 211-Ain/Aykor/2013-Income Tax ordinance 1984 dated 1 July 2013 for Sylhet 28MW power plant, and SRO ref: 246-Ain/Aykor/2016-Income Tax ordinance 1984, dated 26 July 2016 for Anwara 300MW power plant and Jamalpur 115 MW.



Entity	Plant	Tax exemption status	Period	Expiry
UPGDCL	35 MW plant at DEPZ	Expired	15 years	2023
	47 MW plant at DEPZ	Tax exemption on business income	15 years	2028
	44 MW plant at CEPZ	Expired	15 years	2024
	28 MW plant at CEPZ	Tax exemption on business income	15 years	2028
	53 MW plant at Ashuganj	Tax exemption on business income	5 years	2027
	28 MW plant at Sylhet	Tax exemption on business income	15 years	2028
	300 MW plant at Anwara	Tax exemption on business income	15 years	2034
	115 MW plant at Jamalpur	Tax exemption on business income	15 years	2034

(ii) Deferred tax

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

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent 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 realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised 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 data.

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

As of 30 June 2026, the Company's power plant operated under tax exemption regime except DEPZ & CEPZ existing plant, while the other power plants continued to operate under the applicable tax exemption regimes. Which shows accounting depreciation charge is equal to the tax depreciation charge, implying that there were no temporary differences between accounting net book value and tax written-down value of at that point in time. However, the Company has assessed deferred tax implications for the DEPZ and CEPZ existing power plants in accordance with IAS 12, Income Taxes, by comparing the carrying amounts of assets and liabilities with their respective tax bases. Deferred tax assets and liabilities have been recognised, as applicable, in respect of the resulting temporary differences, using the tax rates expected to apply when such differences reverse.

J Employee benefits

Short term and termination benefits

Since operation and maintenance (O&M) activities of the Group are managed by employees of United Engineering and Power Services Limited under an O&M contract. Therefore, no provident fund, gratuity, termination benefit is applicable for the UPGDCL and its subsidiaries.

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Workers profit participation fund (WPPF)

The government of Bangladesh has made an amendment to the Labour Law 2006 in July 2013. 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 date. Operation and maintenance (O&M) activities of the Company are managed by employees of United Engineering and Power Services Limited under an O&M contract. Therefore, the provision of WPPF is not applicable for the Company.

K Statement of cash flows

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

L Finance income and finance expenses

Finance income comprises interest on financial deposits with banks and loans made to related parties. Finance income is recognised on an accrual basis and shown under statement of profit or loss and other comprehensive income. The Company's finance cost includes interest expense which is recognised at amortised cost.

M Advances, deposits and prepayments

Advances are initially measured at cost. After initial recognition advances are carried at cost less deductions, adjustments or charges to other account heads.

Deposits are measured at payment value.

Prepayments are initially measured at cost. After initial recognition prepayments are carried at cost less charges to statement of profit or loss and other comprehensive income.

N Share capital

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction are accounted for in accordance with IAS 12.

O Earnings per share

The Company represents earnings per share (EPS) data for its ordinary shares. 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 period.

P Dividends

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.

Q Materiality and aggregation

Each material class of similar items is presented separately in the financial statements. Items of dissimilar nature or function are presented separately unless they are immaterial.

R Leases

i) The Company as a lessee

The Company recognises 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, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

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.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. Lease payments included in the measurement of the lease liability comprise the following:

i. fixed payments, including in-substance fixed payments;
ii. variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
iii. amounts expected to be payable under a residual value guarantee; and
iv. the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in property, plant and equipment and lease liabilities separately in the statement of financial position.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

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 lease 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 recognises lease payments received under operating leases as income on a straight line basis over the lease term as part of 'capacity revenue'.