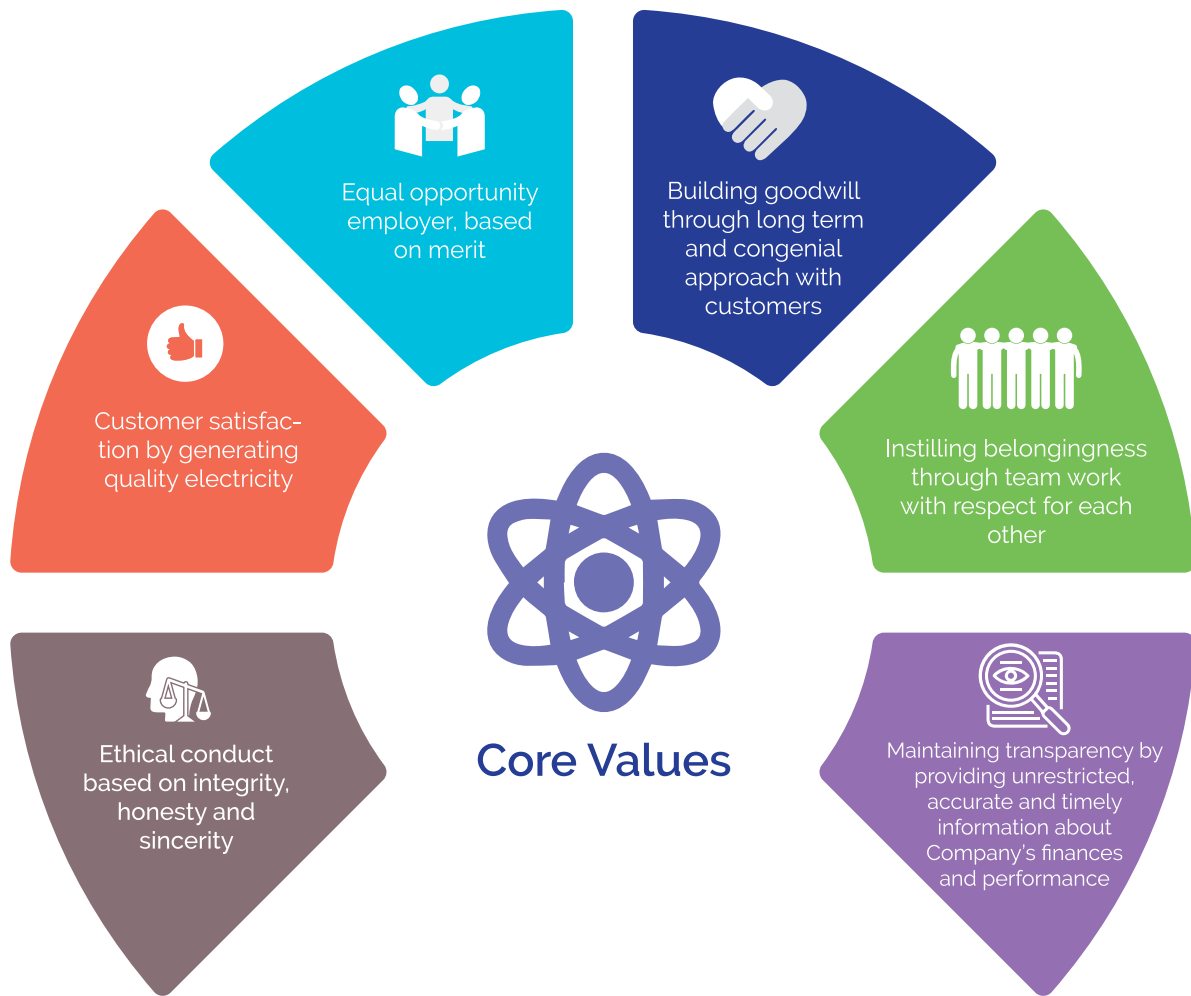


SUMMIT POWER LIMITED

ANNUAL REPORT 2021-22





Top-left photo: To accelerate adoption of renewable power generation in Bangladesh and support its Paris Agreement goals a MOU relating to a Carbon Neutral Roadmap was signed between Summit and JERA Asia. Nicholas Padgalskas, Chief Financial Officer (CFO) of Summit Power International and Toshiro Kudama, CEO of JERA Asia, are seen at the signing ceremony in the presence of senior officials of the Government of Japan at the Asian Green Growth Partnership Ministerial (AGGPM) Meeting in Tokyo.



Top-Right photo: Summit is awaiting approval of the central government to acquire about 23.5% of the ONGC Tripura Power Company (OTPC), marking the first Bangladeshi-owned company to be investing in a power plant abroad.



Bottom-Right photo: The Nation's longest mural "Srom o Sristi" situated at Hamiduzzaman Sculpture Park, Summit Gazipur Power Plant 464 MW which was inaugurated by the Honourable Advisor to the Prime Minister of Bangladesh on Energy, Power and Mineral Resources Dr. Tawfiq-e-Elahi Chowdhury, BB.

DECLARATION OF INTEGRATED REPORTING

Welcome!

Our heartiest welcome to our stakeholders to our Annual Report for the year 2021-22. We ensure that the printed version of the Integrated Annual Report is forwarded to the regulators well before holding the Annual General Meeting. As we promote a less paper usage environment friendly policy, the soft copy of the report is available for all at our website: www.summitpowerinternational.com/SPL.

Scope and Boundary

This Annual Report covers the operations and activities of Summit Power Limited (SPL) for the financial year 2021-22. The report unfolds a range of comprehensive financial and non-financial information to enable our stakeholders to make informed decisions by analysing the Company's past performance and future opportunities.

Reporting Approach

In compiling this report, we have considered information included in previous reports, legislative reporting requirements and the International Integrated Reporting Council's (IIRC's) Framework, International Accounting Standards Board (IASB) and BSEC listings requirements. Rahman Rahman Huq, Chartered Accountants, has audited our consolidated annual financial statements as on and for the year ended on 30th June 2022 and provided an unmodified opinion thereon.

SPL considers the six capitals in developing the content of this report as per Integrated Reporting Framework (IR Framework).

Integrated Reporting

- Integrated Reporting Framework issued by the International Integrated Reporting Council (IIRC)

Regulations

- The Companies Act, 1994
- Securities and Exchange Ordinance, 1969
- BSEC's Laws, Orders, Notifications, Directives, Guidelines etc.
- Other relevant laws and regulations of the land

Financial Reporting

- International Financial Reporting Standards
- International Accounting Standards
- Corporate Governance Code issued by BSEC in 2018
- Financial Reporting Act, 2015

Assurance

The assurance package of SPL is obtained from the management, as well as from internal and external assurance providers. SPL's assurance package is used to assess the effectiveness of controls and mitigate the risks. These assessments are used to maintain a continual improvement system. Following table shows the assurance package of SPL:

Area of Assurance	Assurance Provider(s)
Consolidated and separate financial statements	Rahman Rahman Huq, Chartered Accountants (Member firm of KPMG International) A. Qasem & Co., Chartered Accountants (Member firm of ECOVIS International) Mak & Co., Chartered Accountants (Member Firm of Santa Fe Associates International, USA)
Corporate governance compliance	Mak & Co., Chartered Accountants (Member Firm of Santa Fe Associates International, USA)
Integrated Management System (IMS)	Bureau Veritas Bangladesh
Provident fund	Mak & Co., Chartered Accountants (Member Firm of Santa Fe Associates International, USA)
Gratuity fund	Gratuity scheme of the Company was approved by NBR in FY 2021-22; any auditor is yet to be appointed.
Employee insurance	Pragati Life Insurance Ltd.
Credit rating	Credit Rating Information & Services Limited (CRISL)

Board Approval

The Audit Committee assisted the Board for the integrity and completeness of this report. The Board has reviewed the Annual Report and is satisfied that it is a fair and accurate representation of the Company's performance and future prospects.

Request for Feedback

We would appreciate the valuable views, comments, questions and opinions from our stakeholders on the Integrated Annual Report 2021-22 at spl.investorrelations@summit-centre.com

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NOTICE AND MESSAGE FROM THE CHAIRMAN

- 1.1 Notice of the 25th Annual General Meeting (AGM)
- 1.2 24th Annual General Meeting (AGM)
- 1.3 Message from the Chairman

1.1 NOTICE OF THE 25TH ANNUAL GENERAL MEETING (AGM)



SUMMIT POWER LIMITED

Summit Centre, 18 Kawran Bazar C/A, Dhaka-1215
www.summitpowerinternational.com/SPL

Notice is hereby given that the 25th Annual General Meeting (AGM) of the Shareholders of Summit Power Limited (SPL) will be held on Monday, 31st October 2022 at 11.30 AM (Bangladesh Standard Time). The AGM will be held virtually by using digital platform through the following link <https://summitpower.bdvirtualagm.com> to transact the following businesses:

Ordinary Business:

1. To receive and adopt the Directors' Report and the Audited Financial Statements for the year ended on 30 June 2022 together with the Auditor's Report thereon;
2. To approve dividend for the year ended on 30 June 2022 as recommended by the Board of Directors;
3. To elect Directors in place of those retiring under Article 23(a) of the Company's Articles of Association;
4. To appoint Statutory Auditor for the year ending on 30 June 2023 and to fix their remuneration;
5. To appoint a Professional Accountant/Secretary for certification on compliance of the Corporate Governance Code for the year ending on 30 June 2023 and to fix remuneration thereon.

Special Business:

1. Approval of advance payment and bearing of additional cost arising out of foreign exchange fluctuation due to HFO supply by Summit Oil & Shipping Co. Ltd. (SOSCL)

The recent global and Bangladesh macro-economic environment coupled with the breakout of the war between Russia and Ukraine have resulted in rapid devaluation of BDT against US Dollar. In this situation, the value of HFO invoiced and/or received in a given month, for instance, calculated as per Table C of Schedule 6 of the Power Purchase Agreements (PPAs) of the subsidiaries of Summit Power Limited (SPL) is significantly lower than the price to be paid by the nominated fuel supplier, Summit Oil & Shipping Co. Ltd. (SOSCL), for settling the letters of credit for the HFO supplied to the project/subsidiary companies of SPL i.e. Summit Barisal Power Limited (SBPL), Summit Narayanganj Power Unit II Limited (SNPUILL), Ace Alliance Power Limited (AAPL) and Summit Gazipur II Power Limited (SGIIPL). This problem is compounded by the delay in payment by BPDB beyond the allowable 30-Day credit period, and has put tremendous strain on the working capital credit line of SOSCL and its ability to make payments to the LC issuing bank. It is also pertinent to mention that due to the breakout of the war of Russia and Ukraine, the price of HFO has increased significantly in the international market, requiring an increase in US Dollars for payment to HFO suppliers.

In the prevailing volatile foreign exchange situation coupled with delayed settlement of monthly fuel bills by Bangladesh Power Development Board (BPDB), SOSCL is facing an acute fund shortage, and at times is not able to settle outstanding LCs as well as open new LC obligations for import of fuel for HFO based power plants of SPL's subsidiaries. SOSCL has informed SPL of its fund shortage and financial difficulty. SOSCL requires financial support from either the project sponsors i.e. Summit Corporation Limited and Summit Power Limited or the project companies, for its working capital requirement in order to settle LCs and ensure the continued import of HFO.

While the management of SPL has taken up the matter with the Power Division under the Ministry of Power, Energy and Mineral Resources (MoPE&MR) and BPDB, to receive the true-up on HFO bills for the Sonali Bank exchange rate difference between the Bill of Lading date and payment date, and to receive faster release of outstanding receivables, the additional costs of financial support to SOSCL, including as a result of foreign exchange fluctuation, are likely to impair projected earnings of SPL.

If accommodating SOSCL's requirement, SPL, as a publicly listed enterprise with existence of minority equity holders, needs to comply with the requirement of BSEC Notifications No. BSEC/CMRRC/2009-193/10/Admin/118 dated 22nd March 2021 and SEC/CMMRCD/2006-159/ Admin/02-10 dated 10th September 2006. With this in view, the following ordinary resolutions will be placed for consideration of honourable shareholders in the 25th AGM and for approval, if deemed appropriate, with or without modification:

"Resolved that Summit Power Limited (SPL) along with Co-Sponsor Company, Summit Corporation Limited (SCL), intends to enter into an agreement with Summit Oil & Shipping Co. Ltd. (SOSCL) to provide the necessary advances (BDT fund) to SOSCL to settle outstanding LCs, and new LCs which are to be opened and subsequently settled, including the additional cost due to foreign exchange fluctuation, in order to ensure that all the project companies i.e. Summit Barisal Power Limited, Summit Narayanganj Power Unit II Limited, Ace Alliance Power Limited and Summit Gazipur II Power Limited, can continue their operation smoothly and continuously in accordance with the obligations of the Project Companies under their respective Power Purchase Agreements (PPAs);

Resolved further that the advances will be provided in proportion to the equity shareholding of the sponsor companies (SPL and SCL) in the respective Project Companies either by taking necessary loans from local banks or financial institutions or utilising SPL's own source of cash."

2. Consideration and approval of related party transactions between Summit Power Limited and its subsidiaries as disclosed in the Notes 13, 30 and 45(b) of Company's Audited Financial Statements for the year ended on 30th June 2022 in compliance with the requirement of BSEC Notifications No. BSEC/CMRRCD/2009-193/10/Admin/118 dated 22nd March 2021 and SEC/CMRRCD/2006-159/Admin/02-10 dated 10th September 2006.

"Resolved that Summit Power Limited (SPL), as holding company be and is allowed to carry out related party transactions with its subsidiaries as disclosed in the Notes 13, 30 and 45(b) of Company's Audited Financial Statements for the year ended on 30th June 2022."

3. Consideration and approval of issuance of Corporate Guarantee(s) in favor of banks, namely, The City Bank Limited, Mutual Trust Bank Limited, Brac Bank Limited and Bank Asia Limited on behalf of SPL's Subsidiary Companies, namely, Summit Barisal Power Limited, Ace Alliance Power Limited and Summit Narayanganj Power Unit II Limited, pursuant to the BSEC Order No. SEC/CMRRCD/2006-159/Admin/02-10 dated 10th September 2006.

"Resolved that pursuant to the BSEC Order No. SEC/CMRRCD/2006-159/Admin/02-10 dated 10th September 2006 and sub-clause 25 of Clause III of the Objective Clause of the Memorandum of Association of the Company, the proposal of issuing of Corporate Guarantee(s) in favour of Banks for and on behalf of Subsidiary Companies of Summit Power Limited as and when required be and is hereby approved;

Resolved further that the Board of Directors of the Company be and is hereby authorised to issue such as Corporate Guarantee(s) in favour of Banks for and on behalf of the Subsidiary Companies of Summit Power Limited."

By order of the Board of Directors

Dhaka, 06 October 2022



Swapon Kumar Pal, FCA
Company Secretary

Notes:

- The Members whose names appeared on the Members/Depository Register as on the "Record Date" i.e. 06th October 2022 are eligible to participate in the 25th Annual General Meeting (AGM) and receive dividend.
- Pursuant to the Bangladesh Securities and Exchange Commission's Order No. SEC/SRMIC/94-231/91 dated 31 March 2021, the AGM will be a virtual meeting of the Members, which will be conducted via live webcast by using a digital platform.
- The Members will be able to submit their questions/comments and vote electronically 24 hours before commencement of the AGM and during the AGM. For logging in to the system, the Members need to put their 16-digit Beneficial Owner (BO) ID number and other credentials as proof of their identity by visiting the link <https://summitpower.bdvirtualagm.com>
- We encourage the Members to log in to the system prior to the meeting start time of 11:30 am Bangladesh Standard Time (BST) on 31st October 2022. Please allow ample time to login and establish your connectivity. The webcast will start at 11:30 am (BST). Please contact +8801716530922 for any technical difficulties in accessing the virtual meeting.
- A Member entitled to attend and vote at the AGM may appoint a Proxy to attend and vote in his/her stead. The "Proxy Form", duly filled, signed and stamped at BDT 20 must be sent through email to SPL Share Office at spl.investorrelations@summit-centre.com no later than 48 hours before commencement of the AGM.
- Pursuant to the Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018, the soft copy of the Annual Report 2021-22 is to be sent to the email addresses of the Members available in their Beneficial Owner (BO) accounts maintained with the Depository. The soft copy of the Annual Report 2021-22 is also available on the Investor Relations section of the Company's website at: <http://summitpowerinternational.com/spl>
- The concerned Brokerage House are requested to provide us with a statement with the details (shareholder name, BO ID number, client-wise shareholding position, gross dividend receivable, applicable tax rate and net dividend receivable) of their margin loan holders who holds Summit Power Limited's Shares, as on the "Record Date", along with the name of the contact person in this connection, to the Company's Corporate Office (Summit Centre, 9th Floor, 18 Kawran Bazar C/A, Dhaka 1215) and/or through email to SPL Share Office at spl.investorrelations@summit-centre.com on or before 07th November 2022, Monday.

1.2 24TH ANNUAL GENERAL MEETING (AGM)

The 24th Annual General Meeting (AGM) of Summit Power Limited was held on Sunday, 05th December 2021 at 11.30 a.m. The AGM was held virtually by using a digital platform. Summit Power Limited approved 35% cash dividend in this AGM. The Company has been consistent in giving out dividends since its enlistment in 2005.



Board of Directors and Invitees at Virtual Annual General Meeting of Summit Power Limited (SPL).

1.3 MESSAGE FROM THE CHAIRMAN

‘Pioneering the Future’

Dear Owners of Summit Power Limited,

Greetings and As-Salam-u-Alaikum. We are pleased to welcome you to the 25th Annual General Meeting of Summit Power Limited (SPL).

Since Bangladesh’s independence, as a nation we have overcome many hurdles, broken many biases and mediocre perceptions and have dared to build national infrastructures. For instance, when I was growing up it was still most common to have hurricane lamps, to be burning kerosene for light in the villages, while very few in the cities had the privilege of electricity at homes and offices. Now, most homes have access to electricity – and this has happened in one lifetime. Those younger than me have also lived through diesel-run generators and wholesale IPS at homes, in hospitals, working in factories and offices in summer afternoons or thinking of online freelance work being so farfetched with punishing load-shedding. Looking back, it has been one of the nation’s, and I have to say your Company’s, greatest accomplishments, to develop guaranteed power generation capacity for Bangladesh. This has enabled the nation to ‘decide’ not to turn on an extra light or duration of load-shedding ‘by choice’.



One can plan, but there was neither any way to predict a worldwide pandemic nor its reaction, which was then followed by the war of Ukraine-Russia. It has led to a world where energy has been weaponized and global inflation has been set in motion. Almost every country of the world is experiencing unprecedented macroeconomic shocks from COVID, followed by war. Economies are shattered with inflation, lack of energy, recession, fear, distrust, displacement of population, loss of income, high interest rates, depreciation of currencies. Homelessness and poverty is being faced by citizens even in developed countries. I am in awe of the resilience of Bangladeshi people, and how well the government has handled these perils. We have come out in the best of shape relative to almost all countries of the world, both in response to the pandemic and the unprecedented energy crises. We have given vaccines and established economic policies to ensure life, livelihood and stability.

However, this global shock in energy supply has given rise to misalignment between Bangladesh's power generation capacity and the capacity under-utilization. While there is no perfect system, it is a work-in-progress to ensure progression of society, while decreasing any misalignment.

We envision Bangladesh's economy to grow in the next fifty years with our young population raring to work and with infrastructures being implemented. We are bound to surpass almost all countries as our young population has access to infrastructure. Summit will continue to invest in developing infrastructure. We have created a high-powered

Investment Committee in SPL to actively look into new infrastructure projects.

Last year we were recognised as the winner of the inbound investment and infrastructure category at the 2nd HSBC Business Excellence Awards. I am certain this is the beginning and we will go to much higher heights, indeed, to reach many more 'Summits'.

Sincerely always at your service,



Muhammed Aziz Khan
Founder Chairman

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COMPANY OVERVIEW

- 2.1 Profile of the Company
- 2.2 Profile of Our Directors
- 2.3 Our Directors in Other Boards
- 2.4 Senior Executives of the Company
- 2.5 Managers of the Company
- 2.6 Performance Review of Our Plants by Various Segmentation
- 2.7 Honourable Customers and Regulators
- 2.8 Corporate Directory
- 2.9 Pattern of Shareholding
- 2.10 Accolades and Memorable Events

2.1 PROFILE OF THE COMPANY

Summit Power Limited (SPL) in the Power Sector of Bangladesh

Today SPL owns and operates 15 (fifteen) power plants in different locations across the country having a total installed capacity of 976 MW consisting of 81 gen-sets ranging from 1 MW to 17.76 MW. SPL plants are equipped with world class engines manufactured by renowned companies such as Wärtsilä – Finland, Caterpillar USA, and GE Jenbacher, Austria. As per Private Sector Power Generation Policy of Bangladesh, Summit sells electricity to the Bangladesh Power Development Board (BPDB) and Bangladesh Rural Electrification Board (BREB).

The Company follows the best practice of Integrated Management System (IMS) for its regular business operation and has been certified by ISO 9001: 2015 - Quality Management System (QMS), ISO 14001: 2015 - Environmental Management System (EMS) and ISO 45001: 2018 Occupational Health and Safety Management System (OHSMS). The Company has sourced its debt financing both from local reputed banks/financial institution including Infrastructure Development Company Limited (IDCOL), Standard Chartered Bank, Dutch Bangla Bank Limited, Brac Bank Limited, The City Bank Limited, Bank Asia Limited, Eastern Bank Limited, IPDC Finance Limited, Bangladesh Commerce Bank Limited, NRB Bank Limited, Bangladesh Infrastructure Finance Fund Limited (BIFFL), Meghna Bank Limited, Dhaka Bank Limited etc. and foreign banks/financial institutions like Clifford Capital Pte Ltd, Islamic Corporation for the Development of the Private Sector (ICD), The OPEC Fund for International Development (OFID), Deutsche Investitions- und Entwicklungsgesellschaft mbH (DEG), Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (FMO). All the power plants are constructed within a contractual period of time by the direct supervision of OEM and local contractors. And, the power plants are being operated by Bangladeshi in-house experienced employees with a major engineering background.

This fast-growing Company has set a mission to expand the Company with a power generation capacity to the tune of a modest 20% of the electricity requirement in Bangladesh. Due to its management's dedication, integrity and leadership, the Company has been awarded locally and internationally i.e. – Best Private Power Generation Company in recognition of fastest implemented power plant in the country, Best Fast Track Power Project Award by Asian Power Awards, Silver Award at Asian Power Awards 2018 in Indonesia, International Star for Leadership in Quality Award by Business Initiative Directions (BID), Best Presented Accounts and Corporate Governance Disclosures Awards by SAFA, ICAB National Award for Best Published Accounts and Reports in Manufacturing Sector, ICMA Best Corporate Award in Power Sector, ICSB National Award for Corporate Governance Excellence in General Manufacturing. The Company has also been assigned the long term rating 'AAA' by Credit Rating Information and Services Limited (CRISL) five times in a row.

Build, Own and Operate (BOO) by SPL

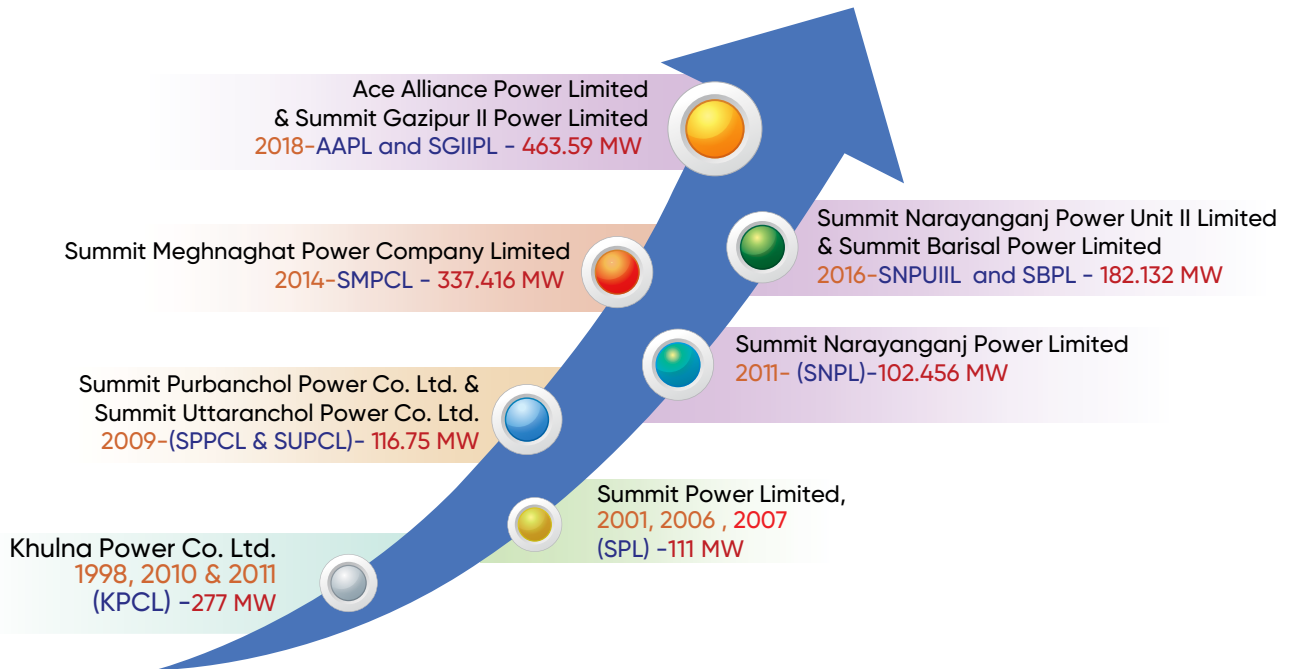
Name of the Company	Name of Plants	Installed Capacity	Ownership of SPL
Summit Power Limited	Ashulia Power Plants (Unit I & II)	46.91 MW	Fully owned
	Madhabdi Power Plants (Unit I & II)	38.18 MW	
	Chandina Power Plants (Unit I & II)	25.93 MW	
	Jangalia Power Plant Rupganj Power Plant	34.92 MW 34.92 MW	
Summit Narayanganj Power Unit II Limited	Maona Power Plant Ullapara Power Plant	34.92 MW 11.99 MW	49% owned subsidiary
	Narayanganj Power Plant Unit I	102.456 MW	
Summit Narayanganj Power Unit II Limited	Narayanganj Power Plant Unit II	62.612 MW	49% owned subsidiary
Summit Barisal Power Limited	Barisal Power Plant	119.532 MW	49% owned subsidiary
Ace Alliance Power Limited	Ace Alliance Power Plant	156.22 MW	64 % owned subsidiary
Summit Gazipur II Power Limited	Gazipur II Power Plant	307.37 MW	20% owned subsidiary
	Total	975.96 MW	

Ownership by Equity Investment

Name of the Company	Name of Project	Installed Capacity	Ownership of SPL
Khulna Power Company Limited	KPCL-II and KPCL-III	163 MW	17.64% owned investment
Summit Meghnaghat Power Company Limited	Summit Meghnaghat Power Plant Unit-I	337.416 MW	30% owned equity investment
	Total	500.416 MW	

That means total generation capacity has now been 1,476.376 MW in which Summit Power Limited has direct/indirect association and it is around 5.74% of the total capacity of the country with 25,700 MW (Source: www.bpdb.gov.bd).

Growth of Summit Power Limited



2.2 PROFILE OF OUR DIRECTORS



MUHAMMED AZIZ KHAN
Chairman

Mr. Muhammed Aziz Khan is the founder and Chairman of Summit Power International Limited and Summit Holdings Ltd. Summit Group is the largest infrastructure conglomerate in Bangladesh and employs over 6,000 people. The Group has investments in the energy sector, ports, logistics, and information technology.

Under the leadership of Muhammed Aziz Khan, Summit set up the first Independent Power Plant in Bangladesh in 1998, Khulna Power Company Limited (KPCL). Summit and associated companies own and operate a total of 20 power plants in operation or under development with a total capacity of 3,000 megawatts (MW). Further it operates Floating Storage and Regasification Unit (FSRU) and LNG import terminal with a capacity of 500 mmcf/d in Moheshkhal, Cox's Bazar. Summit has also set up Bangladesh's first private off-dock port facility, Summit Alliance Ports Limited which handles about 25% of Bangladesh's export volume and about 7% of the country's import volume. Summit Communications Limited is the first company to lay a Bangladesh-wide fibre-optic transmission network. Summit Communication Limited's fibre optic cables cover the entirety of Bangladesh, with over 47,000 kilometres of laid fibre. The company also connects Bangladesh to India through terrestrial fibre optics and SEA-ME-WE-4 and SEA-ME-WE5 to Singapore and Europe. The company is in the process of laying its own submarine cable between Bangladesh and Singapore.

Summit Power Limited (SPL), Summit Alliance Ports Limited (SAPL) and Khulna Power Company Ltd (KPCL)

are subsidiaries of Summit Group and are currently listed in the Dhaka and Chittagong Stock Exchanges.

In 2016, Summit entered into a partnership with IFC of the World Bank Group and co-investors and formed Summit Power International Limited, with its registered head office in Singapore. Besides, Summit also entered into an agreement with General Electric of USA (GE) for development of gas-to-power projects in the South Asian Region. An MOU was also signed with Wärtsilä of Finland, for cooperation in the Bangladesh, Indonesian market and South Asia. Presently JERA, GE, Mitsubishi and Taiyo Insurance are equity holders of Summit.

Muhammed Aziz Khan was born in 1955. He has an MBA from the Institute of Business Administration (IBA), University of Dhaka. Mr. Khan is the Chairman of Siraj Khaleda Trust, Anjuman & Aziz Charitable Trust (AACT), Member of the Board of Trustees of Asian University of Women (AUW) and the Founding President of the Prothom Alo Trust, where he continues to serve as a Trustee Member. He was also the founding President of Bangladesh Scouts Foundation, former President of Bangladesh Association of Publicly Listed Companies (BAPLC), and Bangladesh Energy Companies' Association (BECA).

Muhammed Aziz Khan is the Honorary Consul General of Finland to Bangladesh. He is married to Anjuman Aziz Khan and has three daughters, Ayesha, Adeeba and Azeeza.



MD. LATIF KHAN
Vice-Chairman

Mr. Latif Khan was born 1958 in Dhaka. He pursued a BA in Public Administration at Dhaka University, and subsequently left for higher studies in the U.S. in 1981. There, he worked for over 15 years in the financial sector. As a stockbroker and a financial analyst at Prudential Insurance of America where he received numerous sales achievement awards. He also worked as a Financial Officer at Wells Fargo Bank in California.

He returned to Bangladesh in 1997 and thereof joined Summit Group as the Managing Director of Summit Shipping Limited (subsequently renamed as Summit Oil & Shipping Co. Ltd.).

He has been elected Vice-Chairman of Summit Power Limited (SPL) since 2009. He is the former President of Bangladesh Independent Power Producers' Association (BIPPA) for two consecutive terms (2015-2019). He is also a member of Board of Governors of Bangladesh Power Management Institute (BPMI) since 2017.



ANJUMAN AZIZ KHAN
Director

Mrs. Anjuman Aziz Khan, wife of Mr. Muhammed Aziz Khan has 26 years of business experience in Summit. Mrs. Khan is a member of Siraj Khaleda Trust- a social wing of Summit Group, which is setting up 200 beds for medical services on charitable basis in Dhaka Cantonment. She enthusiastically takes part and contributes to social activities such as Assistance of Blind Children (ABC) and women's entrepreneurship development.



JAFER UMMEED KHAN

Director

Mr. Jafer Ummeed Khan is the Director of Summit Power Limited. After completing his studies in the United Kingdom, he joined Summit Group in 1987. He spearheaded the development and expansion of Summit Group, particularly of Summit Industrial & Mercantile Corporation (Pvt.) Limited (subsequently renamed as Summit Corporation Limited) and later of Summit Power Limited. He is also a Non-Executive Director in several of our Group's subsidiaries, including Summit Meghnaghat Power Company Limited, Summit Bibiyana Power Company Limited and Summit Barisal Power Limited, Summit Gazipur II Power Limited and Ace Alliance Power Limited. Because of his contribution in the Power Sector, Mr. Jafer Ummeed Khan was also unanimously elected as the Vice-President of Bangladesh Energy Companies Association (BECA). He is looking to add LNG trading to the portfolio of SOSCL.



MD. FARID KHAN

Director

Mr. Md. Farid Khan was born in July 1960 and completed his Bachelors in Business from Dhaka University. He started his business career in 1980, working side by side with his brother Mr. Muhammed Aziz Khan, Founder Chairman of Summit Group trading plastic compounds, fertilizer and other commodities. He played an integral role in establishing and developing Summit Industrial and Mercantile (Pvt.) Limited in 1985.

His key entrepreneurial skill and expertise focuses in the establishment and development of new and innovative projects. He was solely instrumental in setting up the Liquefied Petroleum Gas ("LPG") project and storage tank terminal at Mongla under Khulna district. As Summit implemented the first Independent Power project (IPP) in Bangladesh, Mr. Khan took charge of Summit Power Limited as it's Vice Chairman in 2007 and established it's foundation. SPL is now publicly listed in the Dhaka and Chittagong stock exchanges and generates 976 MW of electricity for Bangladesh.

In 2010, Mr. Khan he shifted his focus into attaining hi technology prospects that would digitalize Bangladesh and swift global connectivity. He took responsibility of Summit Communications Limited as it's Vice Chairman to strengthen Summit's role as a catalyst for the introduction of new and pioneering businesses in Bangladesh. Under his guidance, SComm spearheaded into that market by constructing an innovative and efficient optical fiber network architecture nationally. Currently he serves as the Chairman of SComm which is the largest fiber optic operator in Bangladesh with over 45,000km of fiber and over 1500 towers. The only end to end telecom infrastructure operator in Bangladesh.

Besides his interest in promoting hi technology business, Mr. Khan as Vice Chairman is directly involved with Summit Group in it's entirety, strategizing and mapping out future prospects especially in areas of infrastructure development and economic potential.



AYESHA AZIZ KHAN

Director Finance

Ms. Ayesha Aziz Khan is the Managing Director & CEO of Summit Power International and holds the position of Director in several companies of Summit Group. Ayesha Khan has extensive experience in the power sector specifically in financial management and structuring for power generation companies, infrastructure finance and structured finance. In her career, she has spearheaded the financial close of more than USD 1 billion for multiple power projects, which includes - Summit Bibiyana II Power Company Limited, Summit Narayanganj Power Limited, Summit Power Limited and Summit Meghnaghat Power Company Limited.

She is a valuable member of SAARC Chamber of Commerce and Industry, Federation of Bangladesh Chamber of Commerce & Industry and has been a member of Prime Minister's business delegation to India and USA from Bangladesh. She is a member of Singapore Institute of Directors.

Ayesha Khan completed her graduation in Economics and Business from the University College London, London, United Kingdom and Masters in Business Administration from Columbia University, New York, USA.



FAISAL KARIM KHAN

Director

Mr. Faisal Karim Khan is the Director of Summit Power International and Additional Managing Director of Summit Corporation Limited. He is also a member of the Board of Directors of all subsidiary companies under Summit Group. He was instrumental in the development of over 1,600 MW and a LNG FSRU project in the past decade.

Mr. Khan served as the Chairman of Bangladesh's National Standing Committee for National Energy Strategy for Private Sector Development and also as the Co-Convener of National Standing Committee for Energy & Power Sector at Dhaka Chamber of Commerce & Industries (DCCI). He was also elected as a Director of Bangladesh-China Chamber of Commerce and Bangladesh Independent Power Producers Association (BIPPA). He currently serves as a Member of the Executive Committee of Bangladesh Association of Publicly Listed Company (BAPLC).

Mr. Khan holds a Bachelor of Mechanical Engineering Degree from University College London (UCL), UK and a Master of Business Administration Degree from London Business School (LBS), UK.



AZEEZA AZIZ KHAN ACCA

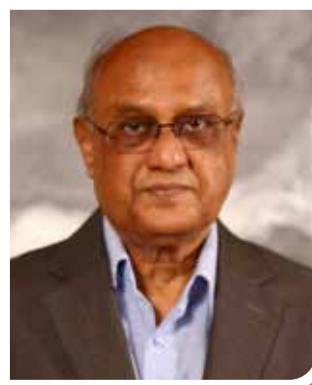
Director

Ms. Azeeza Aziz Khan is a qualified Chartered Accountant with a Bachelor's degree in Economics and Business from University College London. Upon graduation Ms Khan worked briefly in private equity and wealth management at Bank of America-Merrill Lynch before moving back to Bangladesh to join Summit group as a Director.

Ms. Khan spent her initial years gaining a deeper understanding about Summit's core business, with a strong focus on finance and internal audit controls, in line with her educational background. In order to better serve as a Director of Summit Group, she has taken on and completed project finance training at IDCOL and Leadership, Innovation and Strategy (LIS) program from General Electric in Kuala Lumpur Malaysia.

Since 2011, she has also been a key contributor to the establishment of Summit's CSR charter and driver of the group's CSR activities and currently sits on the distinguished board of SEID Trust, non-government voluntary development organization working for social inclusion and promoting rights of underprivileged children with disabilities including intellectual and multiple disabilities as well as autism since 2003.

She currently works with the audit committee and CSR committee at Summit which ensures the group adherence to corporate governance and best practices. Her long term goal at Summit is to ensure that as an organisation it has a strategic road map for the near, medium and long term and to spearhead it's business development.



SYED FAZLUL HAQUE, FCA

Director

A Chartered Accountant by profession, Mr. Syed Fazlul Haque started his career as a partner of A. Qasem & Co, Chartered Accountants, in 1971. In 1975, he moved to an executive career by joining Biman, Bangladesh Airlines, as its Controller of Accounts and since then his long, varied career has included increasingly higher positions in different local and multinational organizations. Mr. Haque served in Padma Oil Co. Ltd. for 12 years and left the Company as its CEO in 1993 to join Glaxo Bangladesh (subsequently renamed as GlaxoSmithKline Bangladesh) as Finance Director. In Glaxo, he was promoted to Managing Director of the Company in 1997 and continued in the position until his retirement in 2002. On 1st January 2005, Mr. Haque joined Summit Group with a specific assignment in Summit Alliance Port Limited (SAPL) as its Head of Finance and Corporate Affairs. Discontinued the assignment of SAPL, Mr. Haque has been continuing with Summit Group as Advisor effective from April 2019. During the tenure of his long career, Mr. Syed Fazlul Haque served as a Committee member of the Metropolitan Chamber of Commerce & Industries, Foreign Chamber of Commerce & Industries, and Bangladesh Employers Federation.



HELAL UDDIN AHMED

Director

Mr. Helal Uddin Ahmed completed his Masters from Dhaka University in 1978. After completion of his education, he started his career as a businessman. Mr. Ahmed formed SAN Engineers in 1982 and engaged with the business of Bangladesh Chemical Industries Corporation (BCIC) for supplying various chemicals items such as Liquid Chloride Caustic Soda, Hydrogen Peroxide Soda Ash, PVC compound etc. Mr. Ahmed is the Director of Savar Refractories Ltd. which is a public limited Company and largest producer of refractories materials in Bangladesh. He is the founder member of Kabi Nazrul Islam University at Trishal, Mymensingh.



MD. ARIF AL ISLAM

Director

Mr. Md. Arif Al Islam is an entrepreneur and corporate leader with a track record of leading diversified investments and large organisations. He is the founder and MD & CEO of Summit Communications Ltd. Over a period of last seven years, he has successfully given birth to Summit Communications Ltd as the largest fiber optic operator of the country with over 47,000 Km network on which all the Telecom operators, Internet Service Providers, Cable tv Operators and Government is riding as their primary transmission infrastructure. The company is also the leading Internet Gateway Operator and International Terrestrial cable operator having a bandwidth usage of over 110 Gbps. Mr. Islam has started his career in public practice in UK and is an FCCA. He held the position of Senior Manager in KPMG. Later he led the largest cellphone company of the country, GrameenPhone, a subsidiary of Telenor, as Deputy CEO and CFO. Over a ten year career in GrameenPhone, he played an instrumental role in building GrameenPhone from a medium sized company to be the largest corporate house in Bangladesh. During his time in GrameenPhone, he also led the role of business planning and setting company strategies over a period of eight years consistently which has contributed immensely in the success of the company. He is known as a successful corporate leader in the business community having good relationship with the banking, financial sector and also with the regulators.



NICHOLAS PADGALSKAS

Director

Mr. Nicholas Padgalskas joined Summit Power International (SPI), an ultimate parent Company of Summit Power Limited, in March 2021 as the Chief Financial Officer (CFO).

Prior to joining Summit, he was an Executive Director in ABN AMRO's Asia-Pacific Energy team in Singapore from 2016 to 2021, and previously worked at Citigroup from 2007 to 2016 in the Energy Investment Banking division where he was based in the New York, Hong Kong and Singapore offices. While at Citigroup and ABN AMRO, Nicholas led numerous transactions across mergers & acquisitions, capital markets and financing in the energy sector. Before joining Citigroup, he spent five years in the U.S. military.

Nicholas has an MBA from the Sloan School of Management, a Master of Science in Mechanical Engineering from the Massachusetts Institute of Technology (MIT) and a Bachelor of Science in Mechanical Engineering from the United States Military Academy at West Point.



FARUQ AHMAD SIDDIQI

Independent Director

Mr. Faruq Ahmad Siddiqi has been serving as Independent Director of the Company since 31 January 2017. He is also now an Independent Director of Mutual Trust Bank Limited. Mr. Faruq Ahmad Siddiqi accomplished his graduate and masters in English from University of Dhaka. He Joined in Public Service in 1969. He served Bangladesh Securities and Exchange Commission from 2006 to 2009 as Chairman. Mr. Siddiqi also served Posts & Telecommunication, Education and Commerce Ministries of the People's Republic of Bangladesh as Secretary. He served the National Board of Revenue as Member, Jamuna Multipurpose Authority as Director (Accounts & Finance) from 1997 to 1999 and RAJUK as Member (Finance) from 1990 to 1992. After his retirement, he served as Advisor of Southeast Bank Capital Services Limited from 2010 to 2012 and Board Member of IIFDC Securities Limited from 2012 to 2014. Mr. Siddiqi was also an Independent Director of Apex Tanneries Ltd, Runner Automobiles Ltd. & its subsidiary Runner Motors Ltd, Alarafa Islamic Bank Ltd. He is also a participant of TV talk shows and freelance contributor to newspapers on economy, taxation and capital market related subjects.



ANISUDDIN AHMED KHAN

Independent Director

Mr. Anisuddin Ahmed Khan (Anis A. Khan) is a distinguished banker and financial professional of Bangladesh. In addition to his involvement with Summit and a number of its group of companies, he serves as Vice Chairman of Aspen Capital Solutions LLC, New York, USA. He is a Director of ACI Limited, ACI Motors Limited and Central Counterparty Bangladesh Limited (CCBL). He is an Independent Director of Trust Bank Limited and Summit Alliance Port Limited (SAPL). In addition, he serves as Independent Director of Ananta Apparels Limited and Director of W&W Grains. He is an Advisor to the Board of Tyser Risk Management Bangladesh Limited (TRMBL), a subsidiary of Tysers UK. He is a member of the Global Advisory Board of 360tf Trade, an international fintech company operating in the trade finance space. Mr. Khan is a guest faculty at the Institute of Business Administration, University of Dhaka and also serves as an Adjunct Professor at the School of Business & Entrepreneurship of Independent University Bangladesh (IUB).

A Fellow of the Institute of Bankers Bangladesh (IBB), he has had 40 years of experience and training in banking and related fields. Mr. Khan, after serving Standard Chartered Bank (SCB) and its predecessor banks for 21 years, went on to head IDLC Finance Limited, the country's largest (non-banking) financial institution as its CEO & Managing Director. Later he joined Mutual Trust Bank Limited (MTB) in 2009 as the Managing Director & CEO and retired in 2019 having reached the statutory retirement age. He serves as Chairman of Valor of Bangladesh, Director of MCCI Dhaka, Trustee Board Member of the British Business Group in Bangladesh and Senior Vice President of the Bangladesh Cancer Aid Trust (BANCAT).

Mr. Khan has LL.B. (Honors) and LL.M. (First Class First) degrees, a Diploma in French (First Class) from the University of Dhaka and a Post Graduate Diploma in Personnel Management. He also qualified in the BCS (1982) Examination conducted by the Bangladesh Public Service Commission. He has attended training courses on leadership, corporate governance and strategic management at the University of Cambridge, UK, INSEAD, France, University of California, Berkeley, USA and at the London School of Economics, UK.



JUNAYED AHMED CHOWDHURY

Independent Director

Mr. Junayed Ahmed Chowdhury is an Advocate of the Supreme Court of Bangladesh, a Barrister of the Honourable Society of Lincoln's Inn, London, and holds an LL.M from the University of Chicago Law School, specialising in corporate and international tax laws. He is the Managing Partner of Vertex Chambers, which is recognised as one of the leading corporate law firms of Bangladesh. Mr. Chowdhury is recognised as a leading practitioner in the field of Corporate and Finance laws, Taxation, Litigation and ADR. He is the author of the leading practitioners textbook "Corporate Tax Law and Practice" (published by Mullick Brothers (first edition: 2015) and University Press Limited (second edition: 2021), which has been catalogued by the British Library, the Lincoln's Inn Library, and the University of Chicago D'Angelo Law Library. Mr. Chowdhury is also a contributor author for the Bangladesh Chapter to the leading book on secured transaction law titled "Secured transactions law in Asia- principles, perspectives and reform" which is published in 2021 by Bloomsbury Publishing, UK and edited by Professor Louise Gullifer (University of Cambridge) and Professor Dora Neo (National University of Singapore). He also holds the license to practise foreign law as a Registered Foreign Lawyer under the Law Society of New South Wales, Australia.



LT GEN ENGR ABDUL WADUD (RETD)
Managing Director

Lt. Gen. Engr. Abdul Wadud (Retd) joined with Summit Group in 2013 and has been the Managing Director of Summit Power Limited since then. Prior to joining the Group, he was the Principal Staff Officer of the Prime Minister's Office (Armed Forces Division) from 2009 to 2012, and held several appointments within the Bangladesh Armed Forces since 1975. In addition, he is also an Executive Director in several of Group's subsidiaries. General Wadud holds a Ph.D. in Management from the Preston University, USA, a Master of Science in International Resource Planning and Management from the Naval Postgraduate School in USA, and a Bachelor of Science in Civil Engineering from the Bangladesh University of Engineering & Technology (BUET), Dhaka.

2.3 OUR DIRECTORS IN OTHER BOARDS

	Summit Power International Limited	Summit Gazipur II Power Limited	Ace Alliance Power Limited	Summit Chittagong Power Limited	Summit Narayanganj Power Unit II Limited	Summit Barisal Power Limited	Summit Corporation Limited	Summit Holdings Limited	Summit Oil & Shipping Co. Ltd.	Khulna Power Co. Ltd.	Summit Alliance Port Ltd.	Summit Communications Limited	Cosmopolitan Finance Limited	Summit Bibiyana Power Company Limited	Summit Meghnaghat Power Company Limited	Summit Meghnaghat II Power Company Limited	Summit LNG Terminal Co. (Pvt.) Ltd.	Summit Assets Limited	Summit Technopolis Limited	Summit Towers Limited	Cosmopolitan Communications Ltd	Cosmopolitan Equities Limited	Grands' Garden Ltd	Summit Nikunja Limited
Mr. Muhammed Aziz Khan	X	X	X	X	X	X	X	X	X		X	X	X	X	X	X	X	X	X	X				
Mr. Md. Latif Khan	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X				X
Mrs. Anjuman Aziz Khan				X	X	X	X	X	X		X		X					X	X		X		X	
Mr. Jafer Ummeed Khan		X	X	X	X	X	X	X	X	X		X	X	X	X		X	X	X					X
Mr. Md. Farid Khan		X	X	X	X	X	X	X	X	X		X	X	X	X		X	X	X	X		X		
Ms. Ayesha Aziz Khan	X	X	X	X	X	X	X	X	X		X		X	X	X	X	X	X	X	X	X		X	
Mr. Faisal Karim Khan	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X				X
Ms. Azeeza Aziz Khan	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X		X	X	X	X	X	X	
Mr. Syed Fazlul Haque FCA		X	X		X	X			X	X	X	X	X		X									
Mr. Helal Uddin Ahmed											X													
Mr. Md. Arif Al Islam					X	X						X	X							X				
Mr. Nicholas Padgalskas																								
Mr. Faruq Ahmad Siddiqi		X				X																		
Mr. Anisuddin Ahmed Khan			X		X						X													
Mr. Junayed Ahmed Chowdhury																								
Lt. Gen. Engr. Abdul Wadud (Retd.)		X	X	X	X	X	X			X				X	X						X			

2.4 SENIOR EXECUTIVES OF THE COMPANY



ENGR. MD. MOZAMMEL HOSSAIN

Managing Director
Summit Gazipur II Power Limited
Ace Alliance Power Limited and
Summit Chittagong Power Limited

Engr. Md. Mozammel Hossain is the Managing Director of Summit Gazipur II Power Limited and Ace Alliance Power Limited since inception of these two companies. Mr. Hossain started his professional career in Bangladesh Power Development Board (BPDB) in 1976 and worked mostly in power generation and transmission projects in different positions. In 2001, he had switched over to Power Grid Company of Bangladesh Ltd. (PGCB) as Deputy General Manager and elevated up to the position of Director, Technical. In 2011, he took voluntary retirement from PGCB and joined Summit Group. He had obtained various trainings in foreign countries as well as in local institutes and has visited a number of countries. Mr. Hossain obtained Power Development Board Merit Award for the Year in 1982 and Annual Performance Recognition Award of Asian Development Bank in 2008. Under his leadership the 300 MW of Summit Gazipur II Power Limited was implemented in a record period of 9 months and received award for the fastest implemented project from Asian Power. Also this project got the prize from Honourable Prime Minister of Bangladesh for fastest implementation. Another 149 MW Power Plant of Ace Alliance Power Limited was also implemented within the stipulated time under his leadership.

Engr. Md. Solaiman Patwary started his career as Junior Engineer in ocean-going ship in 1979 after completing Marine Academy Cadetship and workshop training at Chittagong. He has 21 years of experience in foreign flag vessels as Junior Engineer, 5th engineer, 4th engineer, 3rd engineer, 2nd engineer and Chief Engineer (12 years as Chief Engineer) in many types of ships with many types of Engines and Machineries. He obtained certificate of competency Class 2 Engineer (Motor) from Singapore and Class I Marine Engineering degree from England. He joined Summit Power Limited in 2000 at the initial stage of the Company. He has great contribution in the success of the Company in terms of Operation & Maintenance. He visited all parts of the world and attended various trainings, workshops and seminars both at home and abroad. Due to his retirement age, he had to leave the Company from 1st January 2022.



ENGR. MD. SOLAIMAN PATWARY

Senior General Manager
(Operation & Maintenance)



ENGR. A. K. M. ASADUL ALAM SIDDIQUE

Senior General Manager
(O & M, SC & Dev, HR & Admin)

Engr. A. K. M. Asadul Alam Siddique completed his graduation in Naval Architecture & Marine Engineering from BUET in 1987. He is a life fellow of The Institution of Engineers, Bangladesh. He completed his class II and class I Marine Engineering from U.K. in 1993 and 1996 respectively. Prior joining to Summit in 2003, Mr. Siddique has accumulated 16 years of experience in different organisations at home and abroad. He started his career as Naval Architect with the 'Ship Designer & Consultant' in 1987. After that he joined in Bangladesh Shipping Corporation as Cadet Engineer and continued to serve in ocean-going vessel of BSC and foreign Companies up to Chief Engineer. He also received an MBA degree in Finance and Banking.

As Summit's Financial Controller & Company Secretary, Mr. Pal is responsible for financial reporting, treasury management, budgeting, project financing and compliance with statutory and regulatory bodies. He has over 17 years of professional experience in finance, accounts, audit and secretarial field. Mr. Pal is a qualified Chartered Accountant under The Institute of Chartered Accountants of Bangladesh (ICAB) and completed his article-ship on Chartered Accountancy from Rahman Rahman Huq (the member firm of KPMG International in Bangladesh). He received his MBA and BBA degrees in Accounting & Information Systems (AIS) from University of Dhaka. He joined Summit in September 2009. Before promoting to the current position, Mr. Pal initially worked as Manager - Internal Audit, Assistant General Manager - Internal Audit and then Deputy Financial Controller in Summit Power Limited and its subsidiaries. During his rich career, he had attended different trainings, seminars and officially visited many countries e.g. Singapore, Indonesia, England, Italy and Finland.



SWAPON KUMAR PAL FCA

Financial Controller &
Company Secretary



ENGR. MD. NAZMUL HASAN

General Manager (O & M,
Procurement, Inventory,
Commercial & Training)

A Marine Engineer Mr. Md. Nazmul Hasan obtained his Marine Engineering (Class I) from Singapore in 1996. He also received his Bachelor degree in Maritime Studies and an MBA degree. He started his career in Bangladesh Shipping Corporation (BSC) in 1992 and got 15 years of professional experience as 5th Engineer to Chief Engineer in oceangoing ships of BSC and other foreign companies. He also worked as Deputy General Manager of the Ship Repair Department of BSC.

He joined Summit Power Limited in 2008 as Plant Manager of Rupgonj Power Plant. He had transferred to Head Office in 2012 and now he is responsible for Procurement, Inventory, Commercial and Training Departments of the Company. He is also working as General Manager (O & M) of Ashulia, Madhabdi and Chandina Plants.

Mr. Tofayel Ahmed is a finance and accounts professional with vast experience in cross functional, multicultural and fast paced environment. He also served as Assistant General Manager, Finance & Accounts since he joined Summit in 2017. Mr. Ahmed is responsible for financial reporting, budgeting, management of working capital & fixed asset and guiding the improvement of Enterprise Resource Planning (ERP) system. He played a key role in implementation of ERP system in Summit. Prior to join Summit, Mr. Ahmed worked in Marico Bangladesh Limited in different capacities within finance & accounts function. Mr. Ahmed is a Fellow Member of the Institute of Chartered Accountants of Bangladesh (ICAB). He completed his article-ship on Chartered Accountancy from Rahman Rahman Huq (KPMG in Bangladesh) and obtained BBA and MBA degrees in Accounting & Information Systems (AIS) from University of Dhaka.



TOFAYEL AHMED FCA

Deputy General Manager
Finance & Accounts

**ENGR. S. M. ALI AHSAN**

General Manager (O&M) –
In Charge &
Plant In – Charge of 450 MW
Summit Gazipur II Power Limited
& Ace Alliance Power Limited

Engr. S M Ali Ahsan completed his graduation in Mechanical engineering Department from Khulna University of Engineering & Technology (KUET) in 1999. He obtained his MBA degree major in Finance from Jahangir Nagar University and PGDM (Post Graduate Diploma in Management) from Bangladesh Open University. He is a life fellow member of The Institution of Engineers, (IEB). He has 22 years of experience in Operation & Maintenance, Project Implementation, Testing & Commissioning of Power Plants in SPL.

He started his career at Summit's Ashulia power plant in November of 2000. Since then, he has proceeded to become the General Manager (O&M) - In Charge for Summit Power Limited. During this time, he is closely involved in numerous projects and has also attended several programs and seminars in home & abroad, representing Summit Power Limited internationally.

Engr. Hafiz Al Atick is working as Deputy General Manager (GM In Charge) of Rupganj, Jangaliay, Maona and Ullapara Power Plants. He obtained degree in Electrical & Electronics Engineering (EEE) from Khulna University of Engineering and Technology (KUET). Mr. Atick started his professional career in a reputed pharmaceutical company in 2003. In 2004, he joined in Summit Power Limited he is involved in project development works, erection and commissioning of gas based 14.5 MW and 34.92 MW plants designed by Wärtsilä engines in Chandina and Ashulia. He performed project development works, erection and commissioning of 102 MW and 55MW Heavy Fuel Oil (HFO) based power plant in Narayanganj including electrical design powered by 18V46GD engine. Completed planning, development, erection and commissioning of Electrical and Mechanical system along with preparation of technical BOQ and procurement of the auxiliary equipment and machineries for the projects. The experiences of Mr. Atick, also covers the area of Operation, schedule and un-scheduled maintenance of various gas and HFO-based power plants and electrical design of MV, HV and LV systems of power plant. Recently, he has deployed for development works of new and ongoing IC engine based projects of the company.

**ENGR. MD. HAFIZ AL ATICK**

Deputy General Manager
(General Manager In-Charge)
Development, O&M and
Head of Electrical

Mr. Rahmat E Rabbi has obtained his M. Com with major in Accounting from University of Rajshahi and CMA (Inter) from ICMAB. Presently he is serving as an Assistant General Manager, Finance and Accounts and Corporate Taxes at Summit Power Limited. He joined at Summit in 2008 and before joining Summit, Mr. Rabbi had 16 years of experience in different sectors such as pharmaceuticals, cosmetics manufacturing and USAID funded health projects in finance management. Mr. Rabbi attended various trainings, workshops and seminars at both home and abroad.



RAHMAT E RABBI

Assistant General Manager
Finance and Accounts, and
Corporate Taxes



MEER MD. MOHOSHIN

Assistant General Manager
Insurance and Administration

Mr. Meer Md. Mohoshin has completed his MBA and BBA with major in Management from the University of Chittagong. He is responsible for securing insurances for all of the power plants and administrative works in head office of SPL. He has vast hands-on experience on administration and insurance affairs for 22 years in different local businesses as well as in MNCs such as Banglalink, Akij, Partex and the City Group. He participated in many trainings at home and abroad relating to General Insurances including England, Switzerland, etc. He is a Corporate Badminton Champion. In 2019, he became a Champion in a tournament arranged by the Bangladesh High Commission in Singapore.

2.5 MANAGERS OF THE COMPANY



Engr. Bishwajit Saha

Plant Manager
Madhabdi Power Plant
Unit I & II

Engr. Bishwajit Saha has about 26 years of professional experience in Erection, Commissioning and Operation & Maintenance of Power Plants. Since 1998, he has been serving at Ashulia, Maona and Madhabdi Power Plants of SPL. He completed his B.Sc. Engineering (EEE) and has in-depth training on G3616 LB Gas Engine Control System and Power Plant (Gas) Electrification from Caterpillar Training Academy and Wärtsilä Training Academy.



Engr. Mohammed Shameem

Plant Manager
Chandina Power Plant
Unit I & II

Engr. Mohammed Shameem has about 36 years of professional experience in instrumentation, commissioning, operation and maintenance of power plants and Information Communication Technology (ICT) both in Government and private sectors. He has been serving SPL since 2008 at Jangalia and Chandina Power Plants. Earlier, he served Bangladesh Rural Electrification Board (BREB) as an Assistant Engineer for more than 21 years. He completed his B.Sc. Engineering (EEE). He visited for work and training in India, Sri-Lanka, Malaysia, Indonesia and Singapore.



Engr. Md. Anisur Rahman

Plant Manager
Jangalia Power Plant

Engr. Md. Anisur Rahman is a Mechanical Engineer and has about 26 years of professional experience in operation and maintenance of power plants. He has been serving SPL since 2005 at Madhabdi, Ashulia and Jangalia power plants. He completed his MBA in Finance and B.Sc. in Mechanical Engineering. He achieved Certificate of Competency Class-3 from Marine Department, Hong Kong. He has extensive training on power plant operation and maintenance from Wärtsilä Training Academy, Finland and Personal Safety & Social Responsibility from the National Maritime Academy, Singapore.



Engr. Md. Abu Hanif

Plant Manager
Maona Power Plant

Engr. Md. Abu Hanif has been part of the team to install and commission Summit's different power plants since his joining SPL in 2007. Prior to it, he worked at Apollo Ispat Complex Ltd and Abul Khair Steel Products Ltd. His training portfolio is enriched with various trainings like – Power Plant Management and Basic Wärtsilä Engines Automation and Control System conducted by Wärtsilä Training Academy, Finland. He completed his MBA from University of Information Technology and Science, and B.Sc. in Electrical and Electronic Engineering from Chittagong University of Engineering and Technology (CUET).



Engr. Md. Anwarul Iqbal Sheikh

Plant Manager
Rupganj Power Plant

Engr. Md. Anwarul Iqbal Sheikh completed his graduation in Electrical & Electronic Engineering (EEE) from Khulna University of Engineering & Technology (KUET) in 2004. He joined SPL in 2007 and has implemented 33MW Maona Power Plant. He has 18 years of experience in the field of Engineering, Operation & Maintenance, Project Management and Administration in Chandina, Maona, Ullapara and Rupganj Power plants of SPL. He started his career as Assistant Engineer at Bangladesh Rural Electrification Board (BREB). He had training on Power Plant Electrification, Speed Measurement Control & Excitation Control System and Customized Power Plant Management from Wartsila Training Academy Finland & India.



Engr. Santosh Barai

Plant Manager
Ashulia Power Plant Unit I & II

Engr. Santosh Barai completed his graduation in Electrical and Electronic Engineering (EEE) from Khulna University of Engineering and Technology (KUET) in 2006. Later he completed his M.Sc. in Computer Science and Engineering from the Jahangirnagar University in 2021. He has 16 years of experience in the field of Operation and Maintenance, Project Management and Administration in Ullapara, Chandina and Rupganj power plants of SPL. He started his career as Production and Maintenance Engineer at Crescent Chemical Limited (a sister concern of Oponin Group). He is a member of The Institution of Engineers, Bangladesh (IEB).



Engr. Md. Faridul Islam
Plant Manager
Narayanganj Power Plant Unit I

Engr. Md. Faridul Islam completed his graduation in Electrical & Electronic Engineering (EEE) from Khulna University of Engineering and Technology (KUET). He has 20 years' experience in operation, maintenance and administration of Power Plant in Summit, Shipyard and Textile sector. He started his career in Summit as a Maintenance Engineer (E&I) and has been working in SPL since 2009. He was involved in the 102 MW Summit Narayanganj Power Limited restoration work. Prior to joining Summit, Mr. Islam worked in Khulna Shipyard Limited and Textile sector in Bangladesh. He participated in various technical and management training in his service tenure in Summit in Bangladesh and abroad.



Engr. Mohammad Omar Sharif
Plant Manager
Gazipur II Power Plant

Engr. Mohammad Omar Sharif completed his graduation in Electrical & Electronic Engineering (EEE) from Dhaka University of Engineering & Technology (DUET) in 2008. He obtained his MBA with major in Human & Resource from Comilla University. He has 14 year experience in operation, maintenance, project implementation, commissioning and administration of power plants. He was involved in the implementation of 120 MW Barisal Power Plant and fast track project of 307 MW Gazipur II Power Plant. He had participated in various technical and management trainings at home and abroad in his service tenure in Summit.



Engr. Asif Ahammad
Plant Manager
Narayanganj Power Plant Unit II

Engr. Asif Ahammad, has 15 years of experience. He completed his Bachelor of Science (BSc) in Electrical and Electronic Engineering (EEE) from Khulna University of Engineering and Technology (KUET) and Master of Business Administration (MBA) in Finance and Banking from Jahangirnagar University. After working with Winne Electro-Trade Ltd., Mr. Ahammad joined with Summit in 2008. He visited India and China as official tour of the Company.



Engr. Md. Shamsul Arefin
Plant Manager
Ace Alliance Power Plant

Engr. Md. Shamsul Arefin completed his graduation in Electrical Engineering (EEE) from the Ahsanullah University of Science and Technology (AUST) in 2007. He has almost 15 years of experience in operation, maintenance, project procurement, project implementation and administration of power plants in SPL. He started his career at Madhabdi Power Plants in the year of 2008. Later, he worked as Maintenance Engineer in different plants. He was part of the team responsible for implementation and commissioning of 149 MW Summit Ace Alliance Power Plant. He was also an active member for the implementation and commissioning of Summit Barisal Power Plant in 2016.



Engr. Md. Abubakar Siddique
Plant Manager
Gazipur II Power Plant

Engr. Md. Abubakar Siddique completed his graduation in Electrical and Electronic Engineering (EEE) from Khulna University of Engineering and Technology (KUET) in 2008. He has 14 years' experience in operation, maintenance, project implementation, commissioning and administration of power plants in Summit. He started his career at Chandina Power Plant and has been working in SPL since 2008. He was involved in the 63 MW Narayanganj Power Plant Unit II development and fast-track project of 307 MW Gazipur II Power Plant for its implementation and successfully commissioning in a record period of nine months. He has participated in various technical and management trainings in his service tenure in Summit in Bangladesh and abroad.



Engr. Md. Arifur Rahman Chowdhury
Plant Manager
Ullapara Power Plant

Engr. Md. Arifur Rahman Chowdhury has about 14 years of professional experience in operation and maintenance of power plants. Since 2009 he has served at Maona, Rupganj and Ullapara Power of Summit. He completed his B.Sc. Engineering (EEE) from Khulna University of Engineering and Technology (KUET) and has in-depth training on Advanced PLC (SIEMENS S7-200 & S7-300 PLC) and Microcontroller and its application.



Engr. Fakir Mahadi Hasan

Plant Manager
Barisal Power Plant

Engr. Fakir Mahadi Hasan has about 17 years of professional experience in erection, commissioning, operation and maintenance of power plant with a very good academic record. He completed his B.Sc. Mechanical Engineering from Khulna University of Engineering and Technology (KUET). Before joining SPL, he worked in Wärtsilä Bangladesh Limited and Khulna Power Company Limited. He has in-depth training in W36 Power Plant and Turbocharge operation and maintenance.



Md. Shahidul Islam Khan

Manager - HR &
Administration

Mr. Md. Shahidul Islam Khan has about 31 years of professional experience in banking, oil & gas and in power generation sectors in the department of investment, foreign exchange and HR & Administration. Since 1992, he has served in The City Bank Limited, Al-Baraka Bank Limited, Kuwait Bahrain Money Exchange Co. (Kuwait), Cairn Energy PLC, Shell Bangladesh Exploration and Development B.V. Mr. Khan is serving SPL for more than 20 years. He completed his M.Sc. and MBA (HRM). He has training on Energy Meter Testing and Calibration from India.



Md. Abu Naser

Manager, Development

Mr. Naser has 21 years of experience and diverse knowledge in the power sector and in-depth understanding of documentation works related to projects. He started his career with Scholastica in 1995. He completed his B.S.S. (Hons.), MSS in Economics in University of Dhaka and completed MBA with a major in Management Information System (MIS) in 2001 and obtained LL.B degree. He is Advocate in the Dhaka Bar Association. He has taken training in Project Financial Modeling related to the Power Sector from IDCOL. He holds a Diploma in Computer Science and a Postgraduate Diploma in HRM. He is a Life Member of Economics Association of Bangladesh. He received training from China, Thailand and India.



Seekander Nabi-Noor Ahmed

Manager - Procurement,
Inventory & Commercial

Mr. Seekander Nabi-Noor Ahmed has almost 13 years of experience in Supply Chain Management. For almost 6 years, he is working at SPL in procurement, inventory and commercial department. Prior to joining Summit, he worked at OTOBI Limited and CEAT Bangladesh Limited. After joining with Summit as a key user of inventory module of Microsoft Dynamic NAV, ERP implementation project, his responsibilities later extended to inventory management, commercial department works and procurement. He has a B.Sc. in Mechanical Engineering from BUET and an MBA with major in finance from Ahsanullah University of Science and Technology (AUST). He has training experience on Production Process, SCM, TQM and ISO.



Mr. Faruk Ahmmad

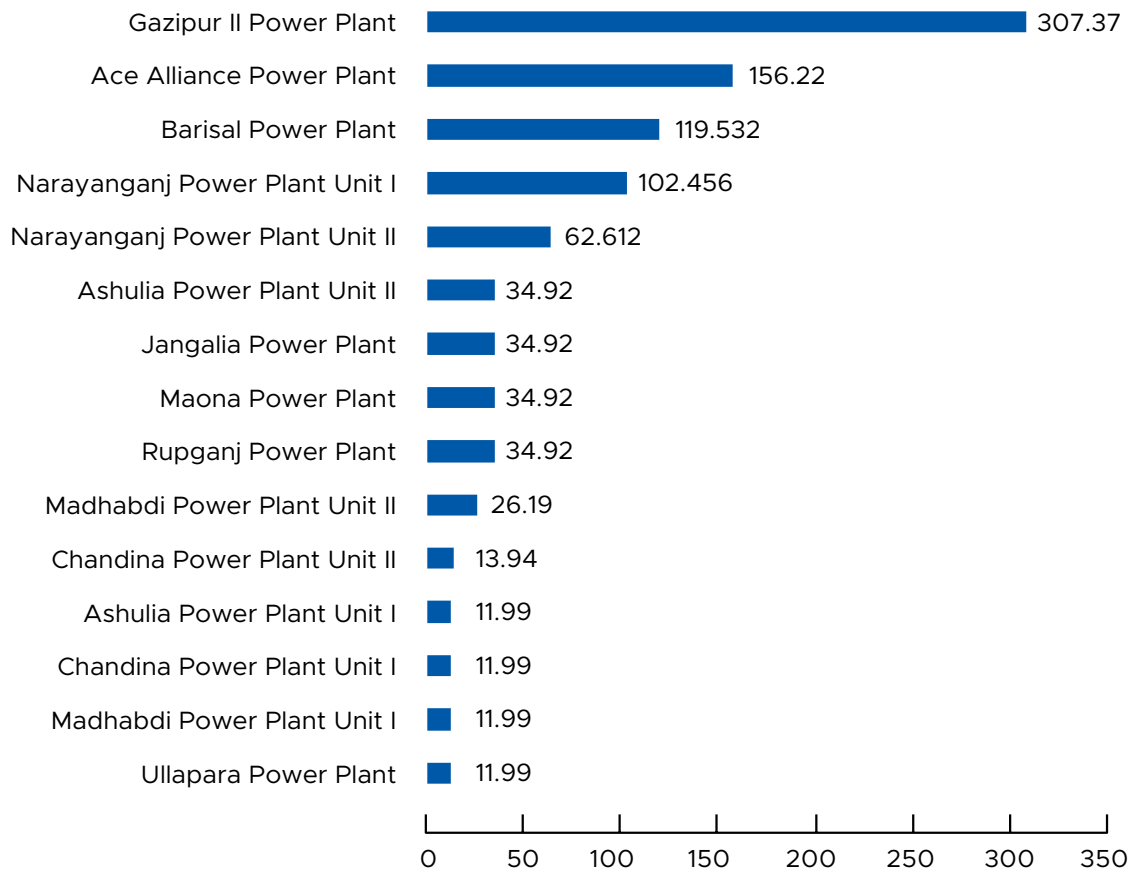
Manager
Finance and Accounts

Mr. Faruk Ahmmad obtained his M.B.A with a major in Accounting from University of Rajshah in 1996. Presently, he is serving as Manager, Finance and Accounts at Summit Power Limited. He joined Summit in 2004 and before joining with Summit, Mr. Faruk Ahmad had 5 years of experience in different multinational companies. Mr. Faruk Ahmad attended various trainings, workshops and seminars at both home and abroad. Mr. Faruk Ahmad is doing his professional degree from ICMAB.

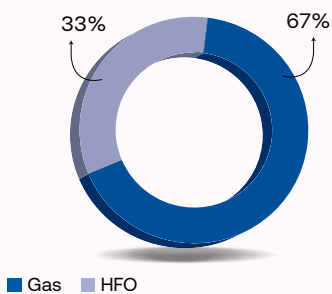
Mr. Ahmmad is co-ordinating treasury management, bill payment processing and managing other corporate affairs.

2.6 PERFORMANCE REVIEW OF OUR PLANTS BY VARIOUS SEGMENTATION

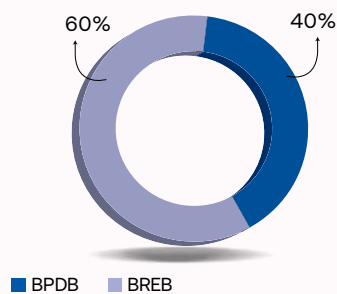
Power Plant by Installed Capacity (MW)



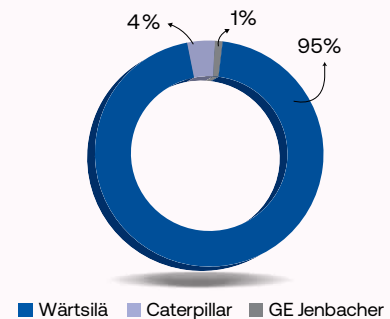
Number of Power Plant by Fuel Type



Number of Power Plants by Customer



Technology-Capacity of Plants (%)



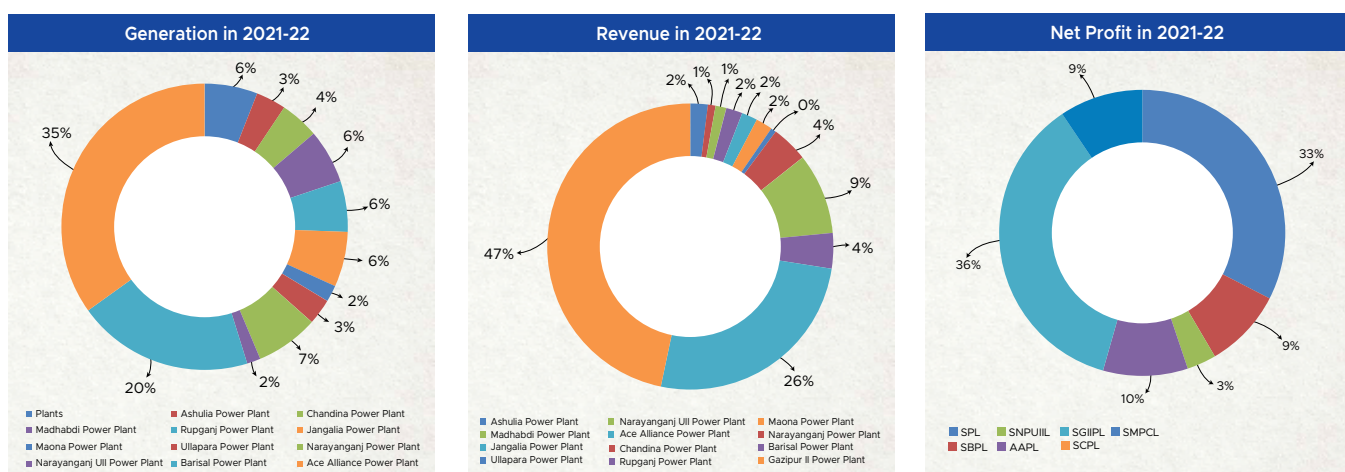
Power Plant Details

Power Plants	Location	Installed Capacity (MW)	Fuel Type	Brand	Customer
Gazipur II Power Plant	Gazipur	307.37	HFO	Wärtsilä	BPDB
Ace Alliance Power Plant	Gazipur	156.22	HFO	Wärtsilä	BPDB
Barisal Power Plant	Barisal	119.532	HFO	Wärtsilä	BPDB
Narayanganj Power Plant Unit I	Narayanganj	102.456	HFO	Wärtsilä	BPDB
Narayanganj Power Plant Unit II	Narayanganj	62.612	HFO	Wärtsilä	BPDB
Ashulia Power Plant Unit II	Savar	34.92	Gas	Wärtsilä	BREB
Jangalia Power Plant	Comilla	34.92	Gas	Wärtsilä	BPDB
Maona Power Plant	Gazipur	34.92	Gas	Wärtsilä	BREB
Rupganj Power Plant	Narayanganj	34.92	Gas	Wärtsilä	BREB
Madhabdi Power Plant Unit II	Narsingdi	26.19	Gas	Wärtsilä	BREB
Chandina Power Plant Unit II	Comilla	13.94	Gas	Wärtsilä	BREB
Ashulia Power Plant Unit I	Savar	11.99	Gas	Caterpillar	BREB
Chandina Power Plant Unit I	Comilla	11.99	Gas	Caterpillar	BREB
Madhabdi Power Plant Unit I	Narsingdi	11.99	Gas	Caterpillar	BREB
Ullapara Power Plant	Sirajganj	11.99	Gas	GE Jenbacher	BREB

The Commercial Operation Date (COD) and Tenure of the Power Purchase Agreements (PPAs) including other details are available in Note - 1.2 to the Audited Financial Statements.

Energy Sold (Mwh)

Plants	2021-22	2020-21	2019-20	2018-19	2017-18
Ashulia Power Plants (Unit I & II)	243,213	277,912	258,605	270,876	271,261
Chandina Power Plants (Unit I & II)	137,840	156,218	142,760	145,673	156,848
Madhabdi Power Plants (Unit I & II)	178,956	212,754	203,208	217,342	230,473
Rupganj Power Plant	248,037	262,059	253,247	248,683	254,223
Jangalia Power Plant	232,730	258,258	208,182	184,660	210,430
Maona Power Plant	253,300	242,700	255,481	250,189	250,152
Ullapara Power Plant	75,747	74,934	72,690	70,662	66,311
Narayanganj Power Plant Unit I	118,485	353,336	223,124	204,835	315,072
Narayanganj Power Plant Unit II	288,604	259,502	96,813	195,646	298,586
Barisal Power Plant	62,792	218,609	191,397	360,597	531,945
Ace Alliance Power Plant	809,133	791,750	403,952	431,046	-
Gazipur II Power Plant	1,421,077	1,280,253	365,298	671,643	198,398
Total	4,069,915	4,388,284	2,674,757	3,251,852	2,783,699



Plant Wise Financial Performance FY 2021-22

Name of the Company	Name of Plants	Generation (MWH)	Revenue (In million BDT)	Operating Profit (In million BDT)	Net Profit (In million BDT)	Capital Employed (In million BDT)
Summit Power Limited	Ashulia Power Plant (Unit I & II)	243,213	1,047	2,066	2,192	2,369
	Chandina Power Plant (Unit I & II)	137,840	463			1,351
	Madhabdi Power Plant (Unit I & II)	178,956	650			1,777
	Rugganj Power Plant	248,037	983			1,676
	Jangalia Power Plant	232,730	946			1,697
	Maona Power Plant	253,300	1,005			1,656
	Ullapara Power Plant	75,747	320			699
	Narayanganj Power Plant Unit I	118,485	2,207			5,496
Summit Narayanganj Power Unit II Limited	Narayanganj Power Plant Unit II	288,604	4,873	865	604	3,332
Summit Barisal Power Limited	Barisal Power Plant	62,792	2,127	390	223	6,149
Ace Alliance Power Limited	Ace Alliance Power Plant	809,133	13,733	1,132	643	8,210
Summit Gazipur II Power Limited	Gazipur II Power Plant	1,421,077	24,833	3,275	2,435	16,771
Common Assets	All Companies	-	-	-	-	3,839
Summit Meghnaghat Power Company Limited	Summit Meghnaghat Power Plant Unit-I	N/A	N/A	-	634	-
	Total	4,069,915	53,185	7,729	6,730	55,023

The analysis of the Company performance has been elaborated in the 'Highlights of Financial Performance' section in the Directors' Report. Observing the plant-wise financial performance as shown above, the percentage of revenue of all gas-based power plants is 10% in comparison to HFO-based power plants with 90%, excluding where HFO is accounted as fully pass-through item. Moreover, the percentage of net profit of all gas-based power plants is 37% compared to 63% from HFO-based power plants, again when excluding HFO as fully pass-through item.

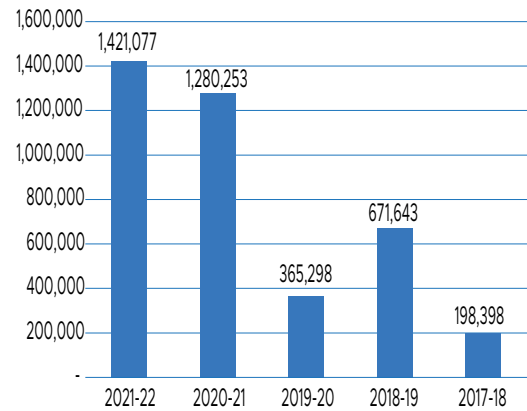
GAZIPUR II POWER PLANT



Installed Capacity (MW)
307.37MW

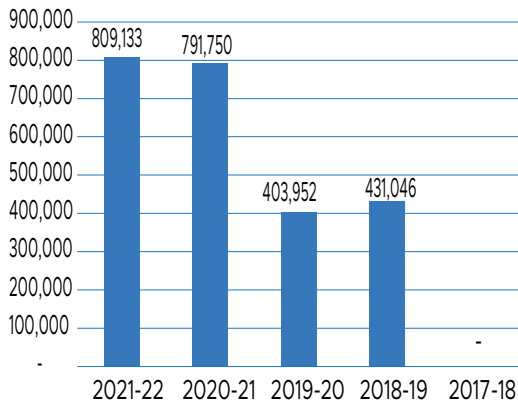
Engine Type: Wärtsilä, 18V46 X 18

Energy Sold (MWH)



ACE ALLIANCE POWER PLANT

Energy Sold (MWH)

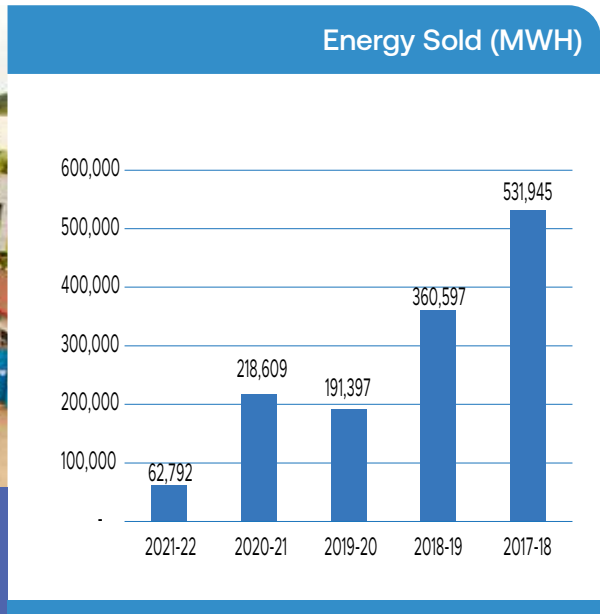


Installed Capacity (MW)
156.22MW

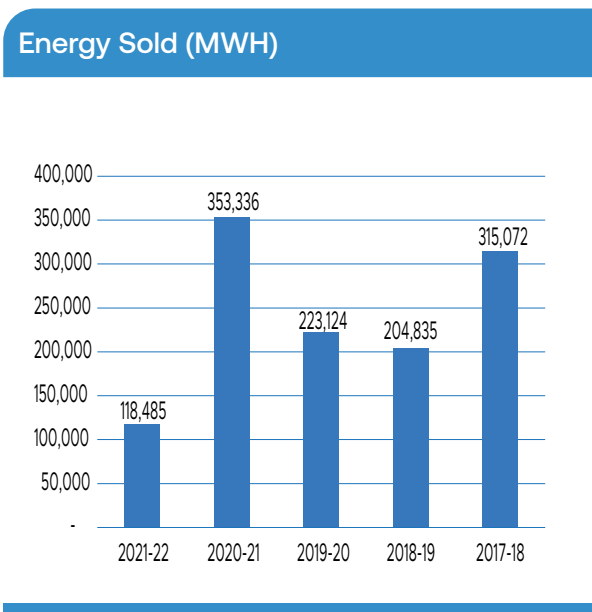
Engine Type: Wärtsilä 18V50 X 8

Engine Type: Wärtsilä 20V32 X 1

BARISAL POWER PLANT



NARAYANGANJ POWER PLANT UNIT I



NARAYANGANJ POWER PLANT UNIT II

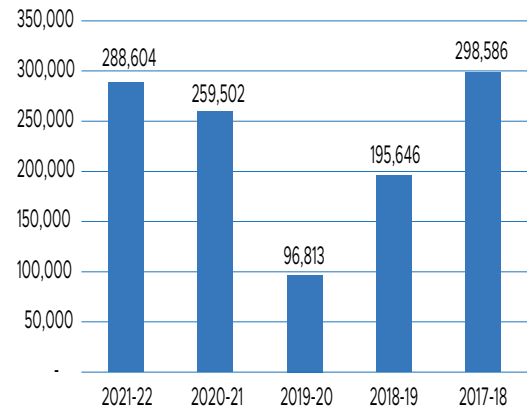


Engine Type: Wärtsilä 18V46 X 3
Engine Type: Wärtsilä 12V46 X 1

Installed Capacity (MW)

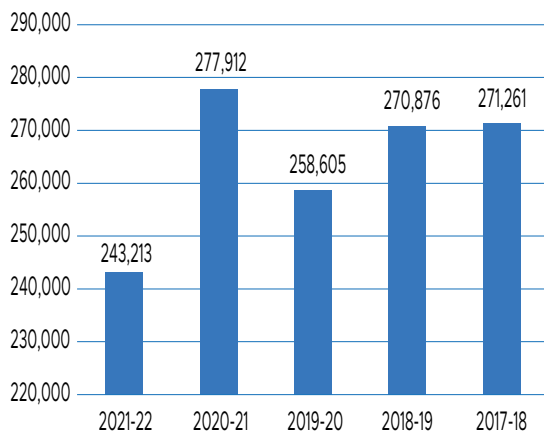
62.612 MW

Energy Sold (MWH)



ASHULIA POWER PLANT UNIT I & II

Energy Sold (MWH)



Installed Capacity (MW)

46.91 MW

Engine Type: Caterpillar G3616 X 4
Engine Type: Wärtsilä 20V34SG X 4

MADHABDI POWER PLANT UNIT I & II

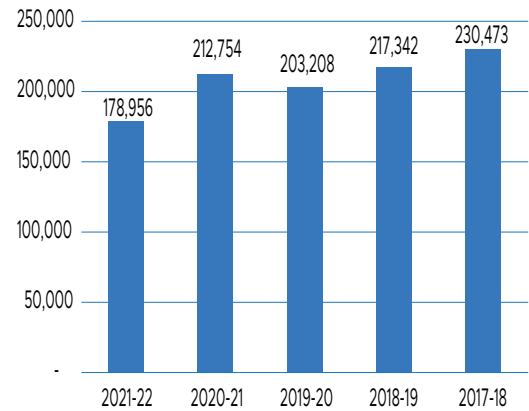


Engine Type: Caterpillar G3616 X 4
 Engine Type: Wärtsilä 20V34SG X 3

Installed Capacity (MW)

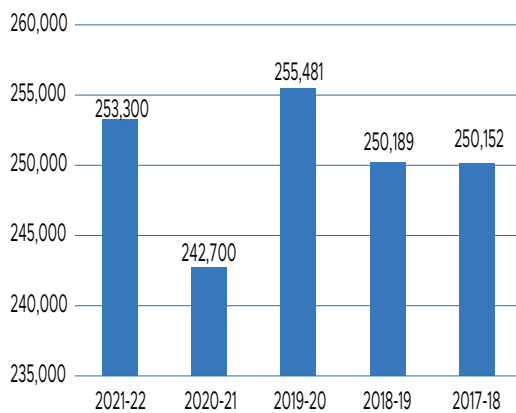
38.18 MW

Energy Sold (MWH)



MAONA POWER PLANT

Energy Sold (MWH)



Installed Capacity (MW)

34.92 MW

Engine Type: Wärtsilä 20V34SG X 4

RUPGANJ POWER PLANT

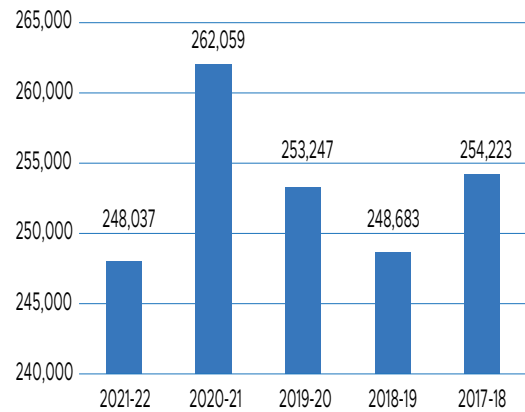


Installed Capacity (MW)

34.92 MW

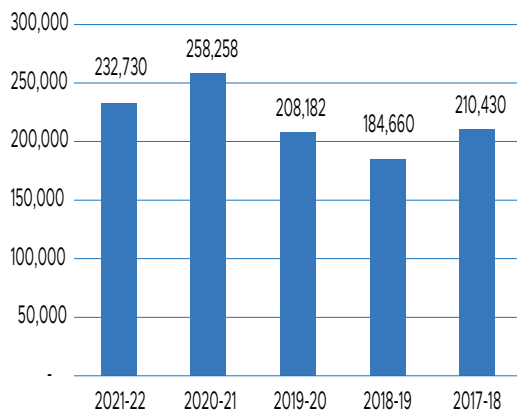
Engine Type: Wärtsilä 20V34SG X 4

Energy Sold (MWH)



JANGALIA POWER PLANT

Energy Sold (MWH)



Installed Capacity (MW)

34.92 MW

Engine Type: Wärtsilä 20V34SG X 4

CHANDINA POWER PLANT UNIT I & II

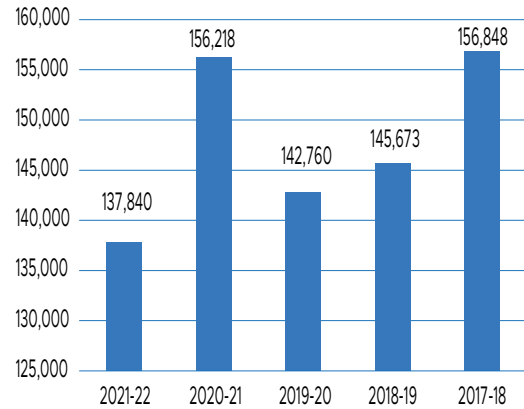


Engine Type: Caterpillar G3616 X 4
 Engine Type: Wärtsilä 16V34SG X 2

Installed Capacity (MW)

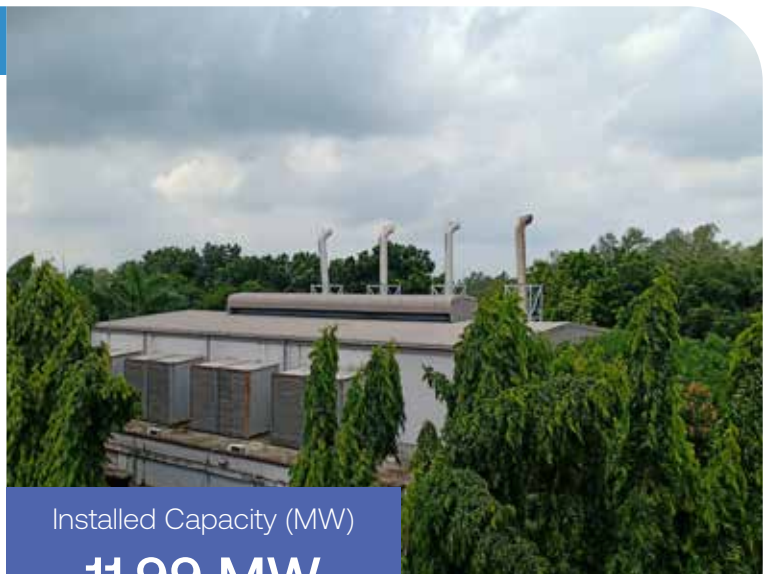
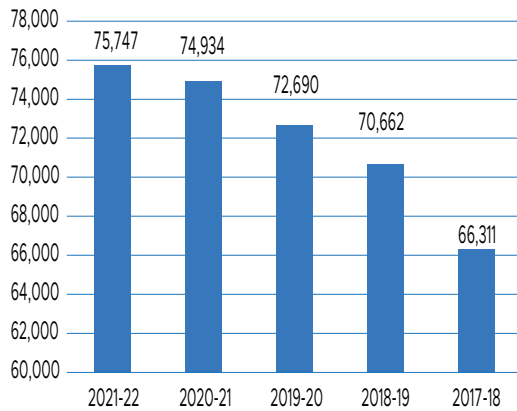
25.93 MW

Energy Sold (MWH)



ULLAPARA POWER PLANT

Energy Sold (MWH)



Installed Capacity (MW)

11.99 MW

Engine Type: GE JGS620NL X 4

2.7 HONOURABLE CUSTOMERS AND REGULATORS

As per the Private Sector Power Generation Policy of Bangladesh, the Power Cell as the agent of Government of Bangladesh assigns which organisation would be the power purchaser from IPP at the time of issuance of Request for Proposal (REP). The Power Purchase Agreement (PPA) is signed with the bid winner to ensure transparency between the buyer and seller of the produced electricity. In case of Summit Power Limited, our buyers or off-takers are either BPDB or BREB.

THE CUSTOMERS



Bangladesh Power Development Board (BPDB) is responsible for planning and developing the nation's power infrastructure and for operating much of its power generation facilities as well as distribution of electricity mainly in urban areas except Dhaka and West Zone of the country. The BPDB is under the Power Division of the Ministry of Power, Energy and Mineral Resources, Government of Bangladesh. (www.bpdb.gov.bd)



Bangladesh Rural Electrification Board (BREB) has been providing service to rural consumers of the country since its inception for improving agricultural production and enhancing socio-economic development in rural areas. Today there are 80 numbers of operating rural electric cooperatives called Palli Bidyuit Samity (PBS), which provide service to approximately 2,99,56,097 consumers. BREB has constructed more than 5,37,026 kms of line. (www.reb.gov.bd)

THE REGULATORS

The power sector of Bangladesh has been undergoing a process of significant institutional change. As part of the ongoing program of power sector reform, a regulatory body, the Bangladesh Energy Regulatory Commission (BERC) has been created. Other regulators of Summit Power Limited include the Department of Environment (DoE), Bangladesh Securities and Exchange Commission (BSEC), Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE), Bangladesh Bank (BB), National Board of Revenue (NBR) and Bangladesh Investment Development Authority (BIDA), Office of Chief Controller of Imports & Exports (CCIE), Office of Registrar of Joint Stock Companies and Firms (RJSC) and Financial Reporting Council (FRC).



The Bangladesh Energy Regulatory Commission (BERC) was established through a legislative Act of the Government of Bangladesh. The Commission's missions includes - enforcement of fiscal discipline of the energy sector, introduction of performance targets and incentive-based regulation, introduction of uniform operational standards and quality of supply, transparency in tariff determination and economic efficiency, increased opportunities for development of competitive markets, increased opportunities for efficiency, economic growth and public involvement into the energy sector. (www.berc.org.bd)



Bangladesh Bank (BB), the Central Bank of Bangladesh, is an apex regulatory body for the country's monetary and financial system. Bangladesh Bank performs all the core functions of a typical monetary and financial sector regulator and a number of other non-core functions. Its main objective is to maintain price stability and support broad based inclusive economic growth. (www.bb.org.bd)



Bangladesh Investment Development Authority (BIDA) is the principal private investment promotion and facilitation agency of Bangladesh. The act mandated BIDA for providing diversified promotional and facilitating services with a view to accelerating industrial development of the country. (www.bida.gov.bd)



স্বাধীনতা সিকিউরিটিজ প্যারামেটার সার্ভিস

The Bangladesh Securities and Exchange Commission (BSEC) was established on 8th June, 1993 as the regulator of the country's capital market under the provision of Bangladesh Securities and Exchange Commission Act 1993. The purpose of the Commission is to protect the interest of investors in securities, develop the securities market and make rules for matters connected therewith or ancillary thereto. The Commission consists of the Chairman and four Commissioners who are appointed for full time by the Government. The Chairman acts as the Chief Executive of the Commission. The Commission is a statutory body and attached to the Ministry of Finance. BSEC is an 'A' category member of International Organisation of Securities Commissions (IOSCO) since 22 December 2013. (www.sec.gov.bd)



Dhaka Stock Exchange (DSE) is one of the two stock exchanges of Bangladesh. DSE contributes to country's economic growth through creation of wealth, facilitating access to capital and penetrating untapped market and ensuring corporate governance to enhance confidence of investors, regulators, issuers and intermediaries. (www.dsebd.org)



Chittagong Stock Exchange (CSE) is the country's second stock exchange located in Chattogram. CSE Commenced operation in 1995. (www.cse.com.bd)



Department of Environment (DOE's) mission is to help secure, clean and healthy environment for the benefit of present and future generations. Through the fair and consistent application of environmental rules and regulations, through guiding, training, and promoting awareness of environmental issues and through sustainable action on critical environmental problems that demonstrate practical solutions, and that galvanise public support and involvement. (www.doe.gov.bd)



National Board of Revenue (NBR) is the central authority for tax administration in Bangladesh. It is under the Internal Resource Division of Ministry of Finance. NBR is the authority for tax policies and tax laws in Bangladesh. (www.nbr.gov.bd)



Office of Registrar of Joint Stock Companies and Firms is the sole authority which facilitates formation of companies and keeps track of all ownership related issues as prescribed by the laws in Bangladesh. The Registrar is the authority of the Office of the Registrar of Joint Stock Companies and Firms, Bangladesh. RJSC accords registration and ensures lawful administration of the entities under the provisions of applicable act – (i) Companies and Trade Organisations: The Companies Act, 1994 (ii) Societies: Societies Registration Act, 1860, (iii) Partnership Firms: Partnership Act, 1932.



Office of Chief Controller of Imports and Exports is a government regulatory department of Bangladesh concerning export and import and is located in Dhaka, Bangladesh. The department issues export and import certifications and advises the government on trade and tariff. (www.app.roc.gov.bd)



Financial Reporting Council: The Bangladesh Parliament enacted Financial Reporting ACT (FRA), 2015 on September 9, 2015. FRA requires the establishment of the Financial Reporting Council (FRC) – an independent oversight body to bring trust, credit worthiness, transparency and accountability in the audited reports and accounting as financial reporting of the publicly listed companies. The main purpose of the FRC will be to regulate the financial reporting process followed by the public interest entities. It will also regulate auditing profession of the country. The FRC is a 12-members body, comprising of representatives from the government, the Bangladesh Bank, the BSEC, the FBCCI, the academia, and the professional accounting bodies. (www.frcbd.org)

2.8 CORPORATE DIRECTORY

BOARD OF DIRECTORS

Mr. Muhammed Aziz Khan
Chairman

Mr. Md. Latif Khan
Vice-chairman

Mrs. Anjuman Aziz Khan
Director

Mr. Jafer Ummeed Khan
Director

Mr. Md. Farid Khan
Director

Ms. Ayesha Aziz Khan
Director Finance

Mr. Faisal Karim Khan
Director

Ms. Azeeza Aziz Khan ACCA
Director

Mr. Syed Fazlul Haque FCA
Director

Mr. Helal Uddin Ahmed
Director

Mr. Md. Arif Al Islam
Director

Mr. Nicholas Padgalskas
Director

Mr. Faruq Ahmad Siddiqi
Independent Director

Mr. Anisuddin Ahmed Khan
Independent Director

Mr. Junayed Ahmed Chowdhury
Independent Director

Lt Gen Engr Abdul Wadud (Retd)
Managing Director

COMPANY SECRETARIAT

Mr. Swapon Kumar Pal FCA
Financial Controller & Company Secretary

Mr. Tofayel Ahmed FCA
Deputy General Manager (Finance & Accounts)

Mr. Rahmat-e-Rabbi
*Assistant General Manager
(Finance & Accounts, and Corporate Taxes)*

AUDIT COMMITTEE

Mr. Faruq Ahmad Siddiqi, *Chairman*

Mr. Faisal Karim Khan, *Member*

Ms. Azeeza Aziz Khan ACCA, *Member*

Mr. Syed Fazlul Haque FCA, *Member*

NOMINATION AND REMUNERATION COMMITTEE

Mr. Anisuddin Ahmed Khan, *Chairman*

Mr. Jafer Ummeed Khan, *Member*

Mr. Md. Farid Khan, *Member*

REGISTERED OFFICE

Summit Centre, 18, Kawran Bazar C/A, Dhaka-1215, Bangladesh
Phone: [+8802] 55012255-59, Fax: 55012260
Email: spl.investorrelations@summit-centre.com
Web: www.summitpowerinternational.com/SPL

STATUTORY AUDITORS

Rahman Rahman Huq, Chartered Accountants
(Member firm of KPMG International)
A. Qasem & Co., Chartered Accountants
(Member firm of ECOVIS International)
Mak & Co., Chartered Accountants
(Member Firm of Santa Fe Associates International, USA.)

CORPORATE GOVERNANCE AUDITORS

Mak & Co., Chartered Accountants
(Member Firm of Santa Fe Associates International, USA.)

LEGAL ADVISOR

Mr. Mahmood Jabbar Khan
Barristers & Advocates

GROUP COMPANIES OF SPL

Summit Barisal Power Limited (SBPL)
Summit Narayanganj Power Unit II Limited (SNPUILL)
Summit Gazipur II Power Limited (SGIPL)
Ace Alliance Power Limited (AAPL)
Summit Chittagong Power Limited (SCPL)

FIFTEEN POWER PLANTS OF SPL

Ashulia Power Plant Unit I
Ashulia Power Plant Unit II
Chandina Power Plant Unit I
Chandina Power Plant Unit II
Madhabdi Power Plant Unit I
Madhabdi Power Plant Unit II
Rupganj Power Plant
Jangalia Power Plant
Maona Power Plant
Ullapara Power Plant
Narayanganj Power Plant Unit I
Narayanganj Power Plant Unit II
Barisal Power Plant
Ace Alliance Power Plant
Gazipur II Power Plant

FINANCERS AND MAIN BANKERS

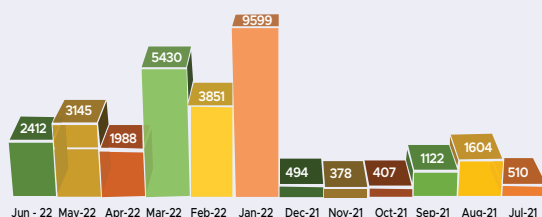
Sumitomo Mitsui Banking Corporation (SMBC)
Clifford Capital Pte Ltd
Islamic Corporation for the Development of the Private Sector (ICD)
The OPEC Fund for International Development (OFID)
Deutsche Investitions- und Entwicklungsgesellschaft mbH (DEG)
Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (FMO)
Infrastructure Development Company Limited (IDCOL)
Standard Chartered Bank
Dutch Bangla Bank Limited
Brac Bank Limited
The City Bank Limited
Bank Asia Limited
Eastern Bank Limited
IPDC Finance Limited
Bangladesh Commerce Bank Limited
NRB Bank Limited
Bangladesh Infrastructure Finance Fund Limited (BIFFL)
Meghna Bank Limited
Dhaka Bank Limited

2.9 PATTERN OF SHAREHOLDING

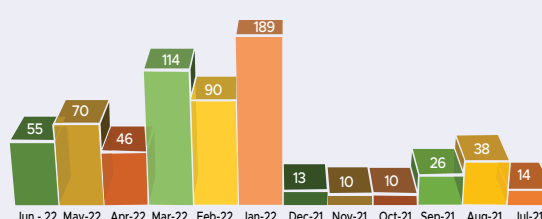
A. The Pattern of Shareholding as on 30 June 2022 of Sponsors and Directors/Top Executives

Category/ Name of Shareholder	No of Shareholder	No of Shares Held
Sponsors:		
Summit Corporation Limited	1	674,792,926
Euro Hub Investments Limited	1	38,940,126
Mr. Muhammed Aziz khan	1	57
Mr. Md. Latif Khan	1	57
Mr. Jafer Ummeed Khan	1	42
Mr. Md. Farid Khan	1	52
Ms. Ayesha Aziz Khan	1	57
Mrs. Anjuman Aziz Khan	1	-
Mr. Faisal Karim Khan	1	-
Ms. Azeeza Aziz Khan ACCA	1	-
Lt Gen Engr Abdul Wadud (Retd)	1	1,500
Advocate Imtiaz Mahmood	1	5,262
Mr. Mainul Abedin	1	10,943
Mr. A.N.M Tariqur Rashid	1	8,736
Mr. Azharul Haque FCA	1	299,020
Mr. Helal Uddin ahmed	1	37,200
Mr. Syed Fazlul Haque FCA	1	1,732
Mr. Anisuddin Ahmed Khan	1	-
Mr. Faruq Ahmad Siddiqi	1	-
Mr. Md. Arif Al Islam	1	36
Mr. Junayed Ahmed Chowdhury	1	-
Dr. Mirza Khairuzzaman	1	500
Directors, CEO, Company Secretary, CFO	Nil	Nil
Head of Internal Audit and their spouses	Nil	Nil
Executives (Top 5 persons other than CEO,CFO,CS,HIA)	Nil	Nil
Shareholders holding 10% or more voting rights:		
Summit Corporation Limited	1	674,792,926

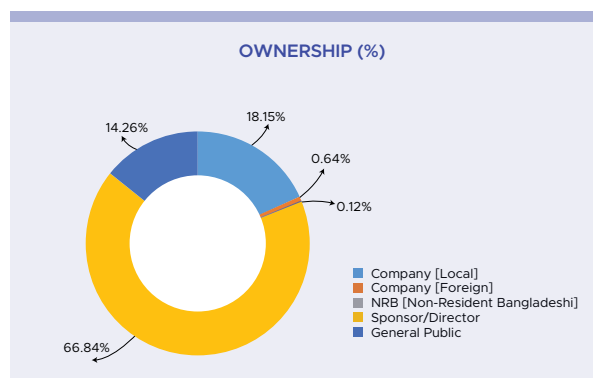
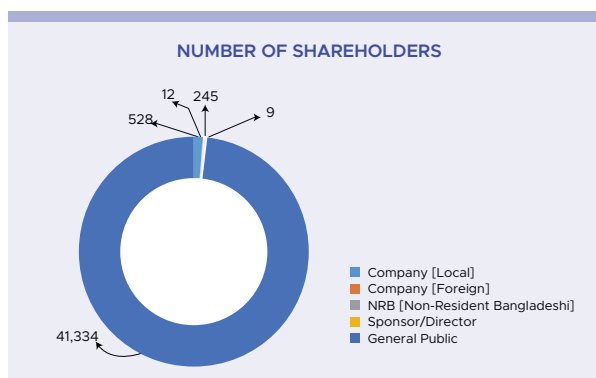
Value of Share (of SPL) Traded
(in million Tk.)



Number of Shares Traded
(in million)



B. Total Shareholding Pattern



C. Top Twenty Shareholders of the Company

Sl. No.	Name	Shares	(%)
1	Summit Corporation Limited	674,792,926	63.19%
2	Euro Hub Investments Ltd.	38,940,126	3.65%
3	Investment Corporation of Bangladesh	17,360,981	1.63%
4	ICB Bond	14,197,516	1.33%
5	ICB Unit Fund	12,928,047	1.21%
6	Agrani Bank Ltd	9,305,240	0.87%
7	Pubali Bank Limited	6,766,700	0.63%
8	Mondol Fabrics Ltd	6,471,831	0.61%
9	ICB AMCL Unit Fund	6,121,603	0.57%
10	Bangladesh Fund	5,900,000	0.55%
11	Pubali Bank Securities Limited	5,684,716	0.53%
12	Abdul Momin Mondol	5,289,983	0.50%
13	Janata Bank	4,284,287	0.40%
14	Abdul Alim Mondol	4,265,328	0.40%
15	Mondol Intimates Ltd.	3,654,336	0.34%
16	DbI Securities Ltd.	3,400,399	0.32%
17	Abil	3,125,000	0.29%
18	Agrani Equity & Investment Limited	2,954,291	0.28%
19	Knitex Dresses Ltd.	2,917,888	0.27%
20	Key Individual	2,737,276	0.26%
Total		831,098,474	77.83%

2.10 ACCOLADES AND MEMORABLE EVENTS

ACCOLADES

“I recognise with humility and certainty that it must have been difficult amongst so many global leaders to choose one, and I am honoured that you have chosen me. Thank you very much. I can assure you that this will greatly encourage and enthuse me to continue working relentlessly, as is the motto of the Priyadarshni Academy.” remarked Muhammed Aziz Khan at his acceptance speech.



Photo caption: Muhammed Aziz Khan the Founder Chairman of Summit Group, receiving Priyadarshni Academy’s ‘Global Award, also know as Asia’s Nobel Price, for Outstanding Contributions to Bangladesh’s Infrastructure’ from Suresh Prabhu, the former Federal Minister of India. In addition, Dr Niranjan Hiranandani, Chairman and Dr R A Mashelkar, Chairman - Global Awards Advisory Committee of Priyadarshni Academy are also seen in the photo.

MEMORABLE EVENTS



Power Utility of the Year - Bangladesh at the Asian Power Awards 2021

Photo caption: At the annual event of Asian Power Awards, also known as the “Oscar of the Power Industry”, Summit Power International (SPI) was awarded the “Power Utility of the Year - Bangladesh” in recognition of the leading power utility provider in Bangladesh. Nicholas Padgalaskas, CFO of SPI received the award.



“Had a great meeting with Mr Gautam Adani, infrastructure builder of India - Adani Group while we (Summit) are hoping to build Bangladesh’s infrastructure” remarked Muhammed Aziz Khan at 20th Forbes Global CEO Conference in Singapore.



Photo caption: Summit Power secured 'First Position' in all three ICSB, ICMAB and ICAB Awards for the first time.



Muhammed Aziz Khan, Chairman, Summit Group of Companies arrives in Summit Centre in TOYOTA iQ, world’s smallest four-seat passenger concept car, as an expression to #savefuel.



Photo caption: Summit Power Limited (SPL) initiated the Summit Testing & Calibration Laboratory (STCL) which has received the accreditation certificates from Bangladesh Accreditation Board (BAB) under the Ministry of Industries. This is a milestone, as SPL is the first IPP to receive national level accreditation of its labs. Located in Narayanganj, the labs were developed to test and calibrate power plant’s instruments as per international standards and awarded accreditation certificate in the latest standard of ISO/IEC, 17025:2017.

The Honorable Minister of Industries Nurul Majid Mahmud Humayun, MP remarked, “The government of Bangladesh encourages institutional capacity building of industries. We are pleased that in this regard Summit’s testing and calibration labs have taken the initiative to fulfill the requirements and is the first IPP to claim Bangladesh Accreditation Board’s certifications.”



Muhammed Aziz Khan, Chairman, Summit Group, Nicholas Padgalaskas, CFO and Darren Chua, GM-Business Development, Summit Power International met with Mitsubishi’s senior management including Hiroshi Nakanishi, Country Rep of Mitsubishi Corp Singapore and Gen Kunihiro, Chairman & CEO of Diamond Gas International (DGI), Takashi Noma, President & COO, DGI, Myungho Lee, GM & Country Representative Mitsubishi Corp Bangladesh and other senior officials at the ‘Mitsubishi House’ on possible joint ventures.



We were pleased to welcome Satoshi Onoda, President of JERA Co., Inc. along with senior leadership Naoki Tsutsumi, Executive Officer, Ryuhei Hori, Chief Officer, Toshiro Kudama, CEO – JERA Asia, Deepesh Nanda, CEO, GE Power Gas Power South Asia among other distinguished guests at Summit Power International.



Muhammed Aziz Khan, Chairman of Summit Group and Sumant Sinha, Chairman and MD of ReNew Power discussed possible strategic partnership to bring cross-border renewable energy from India into Bangladesh to meet (Bangladesh's) energy mix target by 2025, in presence of Toshiro Kudama, CEO, JERA Asia – the equity investor of both Summit Power International and ReNew Power. In addition, senior officials Md Abul Kalam Azad, Advisor, Summit Group, Low Kian Min, Chief Development Officer, JERA Asia, Mayank Bansal, Chief Commercial Officer, ReNew Power and Darren Chua, CFA, CAIA, General Manager – Business Development, Summit Power International.



Muhammed Aziz Khan, Chairman, Summit Group welcomed the delegation from our longstanding partner Wärtsilä Corporation - Håkan Agnevall, President & CEO (centre left) and Frederic Carron, Vice President, Middle East, Asia, Energy Business (right) along with Darren Chua, GM – Business Development, Summit Power International (left) to discuss the future of distributed power generation in Bangladesh, increase efficiency of Wärtsilä Corporation engines and decrease carbon emission with the ambition to achieve 10% of renewable power mix by 2025.

3

ENVIRONMENT, SUSTAINABILITY AND GOVERNANCE (ESG)

- | | |
|--|---|
| 3.1 Directors' Report to the Shareholders | 3.12 Statement on Risk Management and Internal Control |
| 3.2 Communications with Shareholders | 3.13 Compliance Report on IAS and IFRS |
| 3.3 Management System | 3.14 Statement of Corporate Governance |
| 3.4 Management Review and Responsibilities | 3.15 Status of Compliance with the Corporate Governance Code (CGC) |
| 3.5 Management Discussion and Analysis | 3.16 Corporate Social Responsibility (CSR) |
| 3.6 Certificate on Corporate Governance | 3.17 Environment and Sustainability Report |
| 3.7 Code of Conduct and Ethics | 3.18 Integrated Reporting |
| 3.8 Various Systems, Policies, Manuals and Charters | |
| 3.9 Various Committees and their Major Activities | |
| 3.10 Audit Committee Report | |
| 3.11 Nomination and Remuneration Committee Report | |

3.1 DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Owners of Summit Power Limited,

It is our pleasure and privilege to present the Directors' Report along with the Auditor's Report and audited financial statements of Summit Power Limited (SPL) for the year ended 30th June 2022.

EXPLORING NEW HORIZONS

Energy, thus electricity has emerged as a major concern in today's world, owing to the Russia-Ukraine war and the global COVID-19 pandemic. Countries are forced to rethinking their strategy regarding energy consumption and its uninterrupted supply chain network. This realisation has ushered in the advent of energy as a 'geopolitical pivot' in both bilateral and multilateral realms. The energy crisis in different ways is leading the global and regional economies to newer forms of economic downturns.

As the war continues, people in Europe have witnessed 700% increase in their electricity bills forcing them to consider restarting its coal and nuclear power plants. Developed countries are providing hundreds of billions of Dollars as subsidy to its private sector energy and power companies to avoid a catastrophic breakdown of their electricity sector.

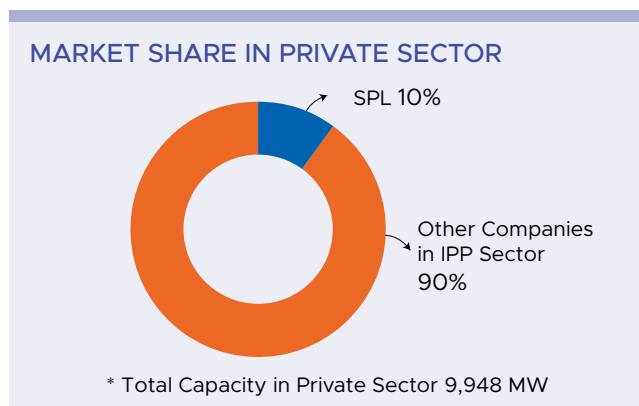
The Government of Bangladesh has prudently decided to take austerity measures to reduce the consumption of electricity during these turbulent times. We, at Summit, think about long-term sustainability, both in terms of Bangladesh and the world by exploring commercial viability of establishing renewable power plants. We are carefully assessing the techno-commercial viability of renewables in Bangladesh.

In April 2022, a MOU relating to a Carbon Neutral Roadmap was signed between Summit Power International and JERA Asia, in the presence of senior officials of the Government of Japan at the Asian Green Growth Partnership Ministerial (AGGPM) Meeting in Tokyo.

SUMMIT POWER - THE LARGEST IPP IN BANGLADESH

Summit Power Limited (SPL) along with its subsidiaries is the leading independent power producer (IPP) of Bangladesh and a publicly listed 'AAA' rated Company (DSE/CSE: SUMITPOWER). SPL's associated companies within Summit Group have approximately 3 GW of electricity in operation and under construction within the Indian subcontinent and operates a 500 mmcf Floating Storage and Regasification Unit (FSRU) LNG terminal under Summit LNG Terminal Co. (Pvt.) Ltd. ("SLNG") in Moheshkhali, Cox's Bazar, Bangladesh. Summit Power Limited has been consistent in issuing dividends since its enlistment in both the Dhaka and Chittagong Stock Exchanges in 2005. Summit has received five consecutive

best power plant awards from the government of Bangladesh since 2013.



Presently, your Company, SPL, has an installed capacity of 976 MW. SPL, along with its associate companies is the largest private sector power generation company in Bangladesh. In the Independent Power Producer (IPP) sector, SPL serves 10% of the market through 15 power plants.

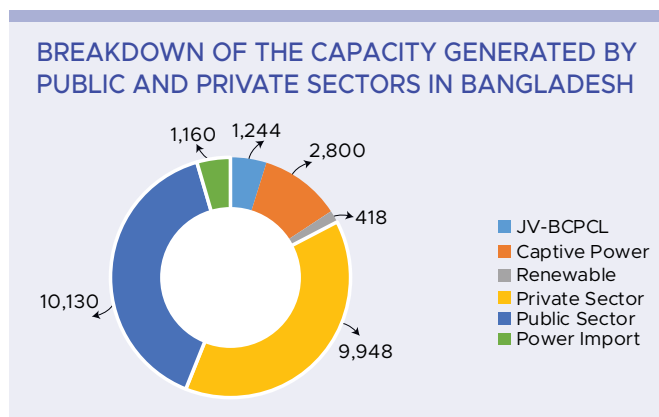
INDUSTRY SCENARIO AND FUTURE OUTLOOK OF POWER SECTOR IN BANGLADESH

Due to the global energy crisis, Bangladesh is experiencing rising prices of imported primary fuel. With extraordinarily high spot price of LNG, liquid fuel power plants are playing a critical role in Bangladesh, operating at high utilization as the cost to generate electricity from a liquid fuel plant is cheaper than the marginal cost of electricity generated from LNG.

The high price of HFO and the additional Customs Duty has burdened Bangladesh Power Development Board to make timely payment of invoices for generation of electricity. The Company is experiencing cashflow mismatch due to these delays and is also suffering losses while converting Taka to US Dollars for loan repayment and imports due to the mismatch between Bangladesh Bank and Commercial Bank rates.

Electrical generation capacity has increased from about 5 gigawatts in 2009 to around 25.7 gigawatts in 2022, and the government announced in March 2022 that 100% of the population had access to electricity. The fuel mix of Bangladesh's power plants is primarily based on natural gas and HFO. The Government of Bangladesh took the prudent decision to reduce dependence on depleting domestic natural gas reserves and commence the use of imported LNG. Until 2021 the Ministry of Power, Energy, and Mineral Resources was reportedly considering plans to shift Bangladesh's fuel mix towards coal – including by generating as much as 50% of total electricity using coal-based power plants by 2030. However, in a major development, the Government of Bangladesh scrapped

plans to build 10 coal-fired power plants in June 2021. In June 2022, Japan cancelled funding for the second phase of a coal-fired power plant in Matarbari. In addition, the government is framing a new Power System Master Plan (PSMP) where the use of coal will likely get a lesser priority because of environmental concerns.



Source: BPDB Website

Graph: The total installed capacity of the country is 25,700 MW, distributed in various sectors as shown in the graph above.

The Government of Bangladesh is considering measures to decrease reliance on imported energy. There are also opportunities for offshore gas exploration in the 26 offshore blocks in the Bay of Bengal, including 11 shallow and 15 deep sea blocks.

Summit being the pioneering power company in Bangladesh is also developing the following projects:

For cross-border transmission with India and Nepal, a MoU was signed between Summit Power International (SPI), the parent Company of SPL, and ReNew India in 2021 for developing hybrid renewable power in India and they also submitted a possible Hydro-Power Project as per invitations of Nepal's Ministry of Energy, Water Resources and Irrigation.

In Bangladesh, Summit has also submitted EOI to the Power Division & Energy Division to develop a 40-50 MW floating solar plant in the Barapukuria Coal Mine Lakes. A MoU was also signed between Summit Corporation Limited and COP Frontier this year to jointly conduct a pre-feasibility study to develop a near-shore or an offshore Wind Power Project with capacity 500 MW in the coastal area of Bangladesh. Friendship, an NGO in Bangladesh and Summit is jointly developing a solar village micro-grid project of 54KW in the hard-to-reach Kabilpur char in Uria union under Fulchari Upazilla of Gaibandha district under the CSR program.

Taking advantage of the group's reputation and its management expertise, an Investment Committee has been formed in this FY with Anisuddin Ahmed Khan (Independent Director) as the Chair while Faisal

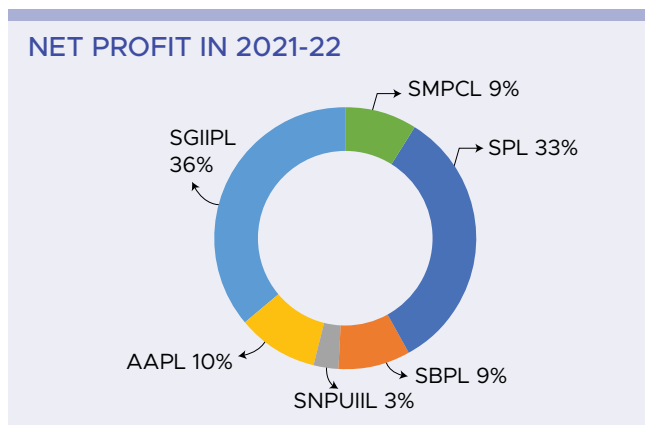
Karim Khan, Director of Summit Group, SPL, Nicholas Padgalskas, CFO of Summit Power International, Director of SPL, Lt Gen Engr Abdul Wadud (Rtd), Managing Director of SPL, Engineer Mozammel Hossain, Managing Director of AAPL & SGIPL and Syed A K Rahat Jaman Sohel, Executive Director (Finance), SCL as the members of the committee. The objective is to assess new business opportunities and investment utilising the internal cash resources along with banking credit facilities, management expertise and goodwill for taking forward businesses of the Company to a greater height.

HIGHLIGHTS OF FINANCIAL PERFORMANCE

The consolidated revenue of SPL has increased by 34.1% over the last year due to higher fuel (HFO) component revenue, a fully pass-through item, while consolidated gross profit decreased by 12.5%. A consolidated net profit after income tax stood at BDT 6,730 million with a reduction of 20.2% from last year. Several reasons behind the reduction are: three power plants were in shutdown conditions during most of the financial year due to the completion of previous Power Purchase Agreements (PPAs) and major pre-scheduled maintenance works. Also, the tariff in new PPAs has decreased under the 'No Electricity, No Payment' model. In addition, current global scenarios have resulted in higher prices of fuel, lubricants, spare parts, delay in receiving payment and USD-BDT exchange rate. Especially for securing fuel supply, SPL requires a much larger working capital.

Particulars	For the year ended		Change	
	30 June 2022 (in million BDT)	30 June 2021 (in million BDT)	In million BDT	In %
Revenue	53,185	39,661	13,524	34.10
Cost of sales	(44,811)	(30,087)	(14,724)	48.94
Gross profit	8,374	9,574	(1,200)	(12.53)
Other income	28	254	(226)	(88.98)
General and administrative expenses	(674)	(478)	(196)	41.00
Operating profit	7,728	9,350	(1,622)	(17.35)
Finance costs, net	(1,547)	(1,424)	(123)	8.64
Share of profit of equity-accounted investee	634	563	71	12.61
Net profit before income tax	6,815	8,489	(1,674)	(19.72)
Income tax	(85)	(60)	(25)	41.67
Net profit after income tax	6,730	8,429	(1,699)	(20.16)

Table: A summary of the current and corresponding year's consolidated financial performance in million BDT.



Pie Chart: The contribution of SPL along with its subsidiaries and associate companies to its net profit after tax has been shown in the pie chart.

The brief of the financial statements and Directors' reports of all subsidiaries have been presented in the "**Brief Disclosures of Subsidiaries**" of the Annual Report.

The net profit attributable to the owners of the Company, however, has amounted to BDT 29,328 million over the last six years from where it has declared an accumulated cash dividend worth BDT 19,756 million up-to and for the year ended on 30th June 2022 i.e. 67.4% of the profit earned through operation has been declared as cash dividend. Additional operating and financial data, and analytical reviews have been presented in the "Financial Highlights", "Business Review" and "Financial Review" sections of the Annual Report. Also, a discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin has been elaborated in the "Financial Review" section.

SPL and its subsidiaries operate fifteen power plants of its own, another two plants with co-ownership (17.64%) of Khulna Power Company Limited (KPCL) and 30% of Summit Meghnaghat Power Company Limited (SMPCL). The Company has earned a dividend worth BDT 1,945.24 million from KPCL and also recorded profit sharing from SMPCL of BDT 4,365.3 million since their acquisition.

FOREIGN INVESTMENT

SPL and its subsidiaries are financed by renowned institutional investors and financiers such as Clifford Capital Pte. Ltd, Sumitomo Mitsui Banking Corporation (SMBC), Infrastructure Development Company Limited (IDCOL), Islamic Corporation for the Development of the Private Sector (ICD) and the OPEC Fund for International Development (OFID).

DECLARATION OF DIVIDEND AND PROFIT APPROPRIATION

Dividend

The Board of Directors of the Company recommended a cash dividend amounting to BDT 2,135,754,478 being 20% of the paid-up capital i.e. BDT 2.00 per share for the year ended 30th June 2022 at its board meeting held on 14th September 2022. The dividend is subject to approval of the shareholders in the 25th Annual General Meeting (AGM) scheduled to be held on 31st October 2022.

During the FY 2021-22, the net profit attributable to owners of the Company amounted to BDT 4,129 million. Company's financial situation for the year ended 30th June 2022 for appropriation is as follows:

Particulars of Profit Appropriation	Amounts in Million BDT	
Net profit attributable to owners of Company for the year	4,129	
Profit brought forward	14,670	
Profit available for appropriation		18,799
Appropriations:		
Proposed final cash dividend	2,136	
Total appropriation for the year		(2,136)
Transferred to retained earnings		16,663

Unclaimed Dividend

According to BSEC Directive No BSEC/CMRRC/2021-386/03 dated 14th January 2021, SPL has transferred BDT 23,382,925 to the Capital Market Stabilization Fund (CMSF) for and up-to the financial year ended on 30th June 2018 and the rest of the amounts payable to shareholders has been published through the 'Investor Relations' section of the Company website. A summary of the unclaimed dividend has also been presented in the Annual Report under section 'Other Disclosures'.

OUR CONCERNS

Payment for HFO in USD

For a substantial period of time the exchange rate between USD and BDT had remained within an expected range. The Russia-Ukraine war created a double jeopardy with unprecedented energy price hike and the exchange rate whooping out so-much-so that Bangladesh Bank had to roll out new policy to stabilise the market.

Formation of Energy Shock Package

The delay in payment from off-taker of IPPs means we all require a much larger working capital and increased financial cost. In Europe to combat the energy shock

they have created packages both for households and businesses. Similarly, Bangladesh may consider formation of such a fund.

CORPORATE GOVERNANCE

The Company has adopted the 'Code of Conduct and Ethics' and 'Corporate Governance Code (CGC)' in 2011 and Code of Conduct of Chairperson, Board of Directors and Chief Executive Officer/Managing Director in 2021 as disclosed in the website. The formation of the Audit Committee, Nomination and Remuneration Committee (NRC) and other committees have been made available in the "Various Committees and their Major Activities" section of the Annual Report. The formation and activities of the Audit Committee, Nomination and Remuneration Committee are also disclosed in the "Report of Audit Committee" and "Report of NRC" sections of the Annual Report. The practice of good corporate governance of the Company has been presented in the "Statement of Corporate Governance" section of the Annual Report in detail.

Directors' Election & Re-Appointment

As per Article 23(a) of the Articles of Association, Jafer Ummeed Khan, Syed Fazlul Haque FCA, Helal Uddin Ahmed and Md Arif Al Islam shall retire in the 25th Annual General Meeting (AGM) by rotation. Being eligible they offer themselves for re-election.

Your board in its meeting held on 27th April 2022 appointed CFO of Summit Power International Nicholas Padgalskas as a Director of the Board. He will also retire in the 25th Annual General Meeting and, being eligible, offer himself for re-election.

Junayed Ahmed Chowdhury, Independent Director, shall also retire in the 25th Annual General Meeting. He has completed his first term of three years tenure and will be eligible for continuing his service for another term of 3 years as per Clause no 1.2(e) of BSEC notification no BSEC/CMRRCD/2006-158/207/Admin/80. Hence, your Board in its Meeting held on 14th September 2022 re-appointed Junayed Ahmed Chowdhury as an Independent Director of the Board. He will also retire in the 25th Annual General Meeting and, being eligible, offer himself for re-election.

During the financial year ended on 30th June 2022, the Board of Directors held five meetings. A summary of the Board attendance and their activities are disclosed in the "Statement of Corporate Governance" section of the Annual Report.

Directors' Remuneration and Other Benefits

Remuneration, performance and other related perquisites/benefits of Executive Directors are reviewed annually and approved by the Board after having recommendation of NRC as disclosed in Note 34.1 to the financial statements. Non-Executive Directors including Independent Directors are paid only attendance fee per

meeting. The Board meeting attendance fees in-total for all directors have also been disclosed in the same note.

HUMAN RESOURCE MANAGEMENT

SPL considers a strategic approach to the effective and efficient management of employees such that they help its business gain a competitive advantage. SPL exerts effort to maximize employee performance in service to achieve ultimate business objectives. At Summit, the employment is garnished with various benefits, i.e. annual leave allowance, bonus, insurance, provident fund, gratuity etc. A Remuneration Committee under the board awards yearly increments and other remuneration related matters.

SPL adopts a prudent recruitment policy to ensure quality human resources and invest in them to bring the best out of them. Some internship and factory visit opportunities are also offered by the Company. A detailed succession planning is considered every year to ensure a good working environment and enhancement of knowledge and skill of the employees. A yearly performance appraisal is carried out for rewarding or Training Needs Analysis (TNA). After various internal and external training, the employees are honoured with job enrichment as per revised job description. Being an international Company, SPL thrives to maintain a corporate culture, which facilitates employee rights, gender equality, safety, self-management, good-leadership, knowledge-based-work and diversity.

CORPORATE SOCIAL RESPONSIBILITY (CSR) AND SUSTAINABILITY REPORTING

The three sections on the 'Corporate Social Responsibility (CSR)', 'Environment and Sustainability Report', and 'Integrated Reporting' elaborate on these topics.

CORPORATE AND FINANCIAL REPORTING

As per the rule, your Company has followed the International Financial Reporting Standards (IFRSs)/ International Accounting Standards (IASs). This has been complied with, to fairly present the financial position and performance. While preparing the financial statements, the following points were considered:

- Selection of suitable accounting policies and then applying them consistently;
- Making judgments and estimates that are reasonable and prudent;
- Ensuring that the financial statements have been prepared in accordance with IFRS/IAS;
- Preparing the financial statements on a going concern basis unless it is appropriate to presume that the Company will not continue in business.

Proper accounting records have been kept so that at any given point, the financial position of the Company can be reflected with reasonable accuracy, ensuring its financial

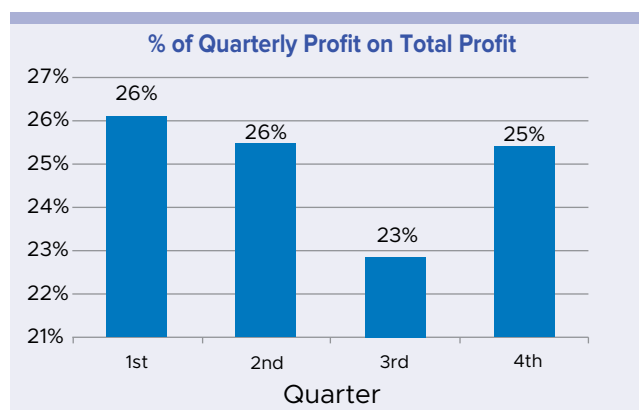
statements comply with Companies Act 1994, Securities & Exchange Rules 2020 and other required regulatory authorities. In compliance with the requirements of the BSEC Notification No. BSEC/CMRRCD/2006-158/207/ Admin/80 dated 3 June 2018 and BSEC's Notification dated 20th June 2018, the Directors are also pleased to make the following declarations in their report:

- Financial statements prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;
- Proper books of account of the Company have been maintained;
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgement;
- International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed;
- The system of internal control is sound in design and has been effectively implemented and monitored as described in the 'Statement of Corporate Governance';
- Minority shareholders have been protected from abusive actions in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;
- From inception, the financial performance of the Company has been continuing to grow as seen in the 'Financial Highlights' section;
- Significant deviations from the last year's operating results of the Company has been highlighted and the reasons thereof have been well explained in the 'Financial Review';
- Key operating and financial data of at least preceding 5 (five) years have been summarised;
- No bonus or stock dividend has been declared as interim dividend during the year;
- Significant plans and decisions, such as corporate restructuring, business expansion and discontinuation of operations as appropriate, future prospects, risks and uncertainties surrounding the Company has been outlined under the related titles of the Annual Report;
- A statement of 'Management Discussion and Analysis' has been presented in this Report;
- Directors' profiles have been included in the Annual Report as per BSEC Guidelines;
- 'Declaration by MD and Director Finance' to the Board has been disclosed in the Annual Report;
- The present shareholding structure of the Company is shown in the 'Pattern of Shareholding' section.

OTHER DISCLOSURES

A. Significant Variance between Quarterly and Annual Financial Statements

No significant variations have occurred between quarterly and final financial results of the Company during the year under report, except for the 3rd quarter. In the 3rd quarter, profit decreased due to the shutdown of Madhabdi Power Plant (Unit II) and Chandina Power Plant (Unit II), because of expiry of the Power Purchase Agreements (PPA) with off-taker from 16th December 2021 and 15th November 2021 respectively and carrying out major maintenances in different plants. However, the said Power Plants have resumed its operations as disclosed in Note 1.4 to the financial statements.



Quarter	Consolidated Net Profit in Million BDT
1st	1,760
2nd	1,717
3rd	1,541
4th	1,712
Total	6,730

Bar chart: Percentage of profit in each quarter.

B. Risk Assessment and System of Internal Control

The Board is committed and acknowledges its responsibility to oversee the system of risk management and internal controls within the Company including reviewing its adequacy, integrity and effectiveness in conjunction with the establishment of an appropriate control environment and framework to safeguard shareholders' investments and the Company's assets. The Company has exposures to credit, liquidity and market risks from its use of the financial instruments along with other operational risks. All of these risks and their mitigations are disclosed in the Note 40 to the financial statements and in the 'Statement of Risk Management and Internal Control' section.

C. Related Party Transaction

The related party transactions were carried out by the Company on a commercial basis in the normal course of business including making advances to Summit Oil & Shipping Co. Ltd. (SOSCL) against supply of fuel (HFO) to power plants of SPL's subsidiaries during the year which have been disclosed in the Note 45 to the financial statements. While detailed disclosures have been made in financial statements, the management is in the process of formalising arrangements/approvals required from shareholders to comply with prevailing laws/regulations of the country in allowing loan/advance to related parties. The Board of Directors has taken a resolution on the related party transaction with SOSCL that is to be presented in the 25th AGM for shareholders' approval.

D. Extra-Ordinary Gain or Loss

As per IAS 1, no extra-ordinary gain or loss has been recognised in the financial statements.

E. Utilisation of Proceeds from Public Issues, Rights Issues and/or through any Other Instrument

Initial Public Offering (IPO) of SPL was made in 2005 and the fund raised thereby has already been utilised as reported to the regulators. Fund raised through issuance of Rights Shares in 2008 has also been utilised and reported accordingly to the regulators. No further issue of any instrument was made during the year.

F. Going Concern

While approving the financial statements, the Directors have made appropriate enquiries and analysed significant operating and indicative financials and non-financials which enabled them to understand the ability of the Company to continue its operations for a foreseeable future. The Directors are convinced and have a reasonable expectation that the Company has adequate resources and legal instruments to continue its operations without interruptions. Therefore, the Company adopted the going concern basis in preparing these financial statements. Operational status of all of the power plants, however, have been stated in the Notes 1.2 to 1.4 to the financial statement section of the Annual Report.

G. Management Declaration

Trade Receivables with Bangladesh Rural Electrification Board (BREB)

The trade receivables amounting to BDT 6,829,985,331 as of 30th June 2022 pertaining to the three Expansion Power Plants have yet not been settled by BREB. In order to resolve the matter, the Company went for arbitration in Bangladesh Energy Regulatory Commission (BERC) and a verdict was given in favour of the Company. After this, BREB submitted a writ petition in the High Court Division

of the Supreme Court of Bangladesh on 8th September 2016. On 17th August 2017, the Honourable High Court Division of Supreme Court of Bangladesh was pleased to pass a judgement discharging the rule issued in the writ petitions. BREB then submitted civil petitions to the Appellate Division of the Supreme Court of Bangladesh against the judgement of the High Court Division. The case was partly heard on 10 August 2022. The next date for hearing has been fixed on 25 October 2022. The detailed disclosure in this regard has also been stated in the Note 11.1 to the financial statements.

STATUS OF COMPLIANCE

In accordance with the requirement stipulated in condition no-7.00 of the Bangladesh Securities and Exchange Commission (BSEC) notification no-BSEC/CMRRC/2006-158/207/Admin/80 dated 3rd June 2018 issued under section 2CC of the Ordinance 1969, the Corporate Governance Compliance Report is shown in the 'Status of Compliance with the Corporate Governance Code (CGC)' section of the Annual Report. While preparing its financial statements, SPL has complied all the applicable standards of IFRS/IAS as disclosed in the 'Compliance Report on IFRS/IAS' section of the Annual Report.

MINORITY INTEREST

The Company thinks that good Corporate Governance encompasses open and credulous collaboration between all stakeholders involved in the Company, including the shareholders of the Company. The Board of Directors is committed to ensuring the highest standards of governance designed to protect the interests of all stakeholders, including the rights of its minority shareholders while promoting integrity, transparency and accountability. The Board of Directors shall always act in a manner that will be in the best interest of the Company.

APPOINTMENT OF COMPLIANCE AUDIT

A Certificate from MAK & Co., Chartered Accountants, confirming compliance of conditions of Corporate Governance Code as stipulated under condition 7(i) is also available in the 'Certificate on Corporate Governance' section. Pursuant to code 9.2 of the Codes of Corporate Governance issued by BSEC, shareholders at the 24th Annual General Meeting (AGM) had appointed MAK & Co., Chartered Accountants, as the Compliance Auditor of the Company for the year ended on 30 June 2022. The Compliance Auditor is eligible for re-appointment. As recommended by the Board of Directors, the matter of appointment of MAK & Co., Chartered Accountants, as Compliance Auditor of the Company for the year ending on 30th June 2023 would be placed before the shareholders at the 25th AGM of the Company for approval.

STATUTORY AUDITOR

Pursuant to BSEC Order No. BSEC/CMRRCD/2006-158/208/Admin 81/dated 20th June 2018, the present auditors, Rahman Rahman Huq, Chartered Accountants, has completed its first year of appointment for audit and therefore, they will be eligible for re-appointment in the ensuing 25th AGM. Your Board therefore, in its meeting held on 14th September 2022, resolved to recommend Rahman Rahman Huq, Chartered Accountants, for appointment as the Statutory Auditors of the Company for the year 2022-23 subject to approval of the shareholders in the forthcoming Annual General Meeting.

CONTRIBUTION TO THE NATIONAL EXCHEQUER AND THE ECONOMY

The total contribution to the national exchequer by Summit Power Limited in this financial year was BDT 462,856,993. The breakdown is available in the 'Contribution to The National Exchequer and The Economy' section.

OUR GRATITUDE

We would like to record our sincere thanks to all shareholders for their continued confidence in us, and our employees for a devoted contribution to SPL's success over the years. We gratefully recognise the lenders from home and abroad for the trust and honor vested in our company and express our special thanks for a sustainable better future.

Best regards to all the shareholders. May you all have a healthy, peaceful and progressive life.



Muhammed Aziz Khan
Founder Chairman
Dhaka, 14th September 2022

3.2 COMMUNICATIONS WITH SHAREHOLDERS

This year Summit received significant International media coverage in newspapers such as The Straits Times, Bloomberg and Nikkei to name a few.

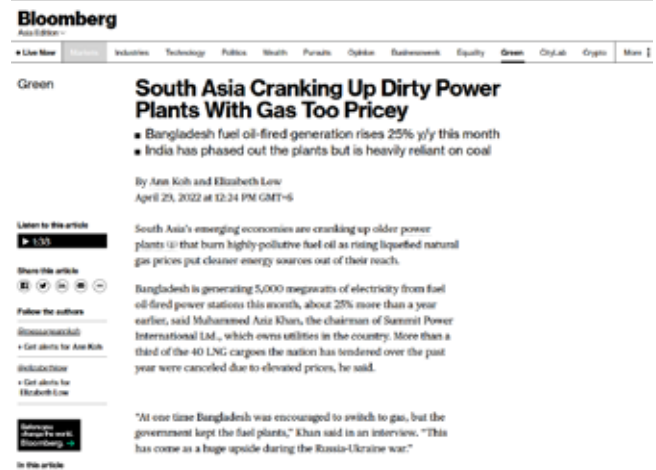
International Media



(Above): The Straits Times, a Singapore based international news agency, interviewed the Chairman on the alternatives of the power production. Muhammed Aziz Khan said, “Electricity consumption cannot be reduced, so we need to find mechanisms for ample, clean power. And that requires regional and global support. Summit must be a part of that.”



(Above): Muhammed Aziz Khan Founder Chairman of Summit Group and Sushul Purohit, President, Wärtsilä Energy & EVP Wärtsilä, shared optimism about moving towards a greener world and LNG.

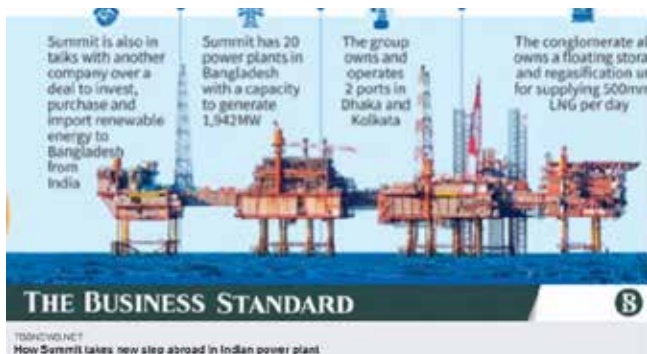


(Above): “At one time Bangladesh was encouraged to switch to gas, but the government kept the fuel plants,” Aziz Khan said in an interview to Bloomberg News, an international news agency.



(Above): The world's largest financial newspaper Nikkei published about Summit-JERA collaboration to formulate decarbonization roadmap.

National Media



(Above): The Business Standard, a leading national newspaper featured Summit, the first Bangladeshi company to acquire 23.5% of OTC, a foreign power venture.



(Above): Aziz Khan shared his observation with EkattorTV on how Bangladesh is the least indebted country in the world during the Russia-Ukraine crisis. He even remarked on how Bangladesh is learning to navigate in changing terms of relationship among the super powers such as the US, Russia, Europe, China and India.



(Above): Prothom Alo published a feature on Muhammed Aziz Khan, Chairman of Summit Group, his journey on how he changed the shape of Bangladesh's infrastructure.



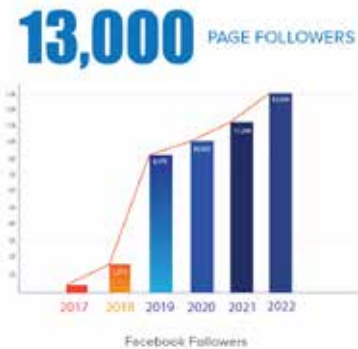
(Above): Aziz Khan was interviewed by Bonik Barta where he shared his success, failure and challenges and expressed his confidence in ensuring renewable energy. He also conveyed Summit's interest in bringing hydropower, solar power and wind power to Bangladesh.



(Above): Summit, ACCA and The Financial Express Bangladesh arranged a roundtable on International Women's Day discussing research findings from King's College London.

Social Media

Social media has reduced the period of time that it once took to reach individual investors, shareholders which has resulted in revolutionary changes in corporate communication. The official Facebook page of SPL is the same as the Summit Power International's page. There was 16% growth of the followers and the total organic 'reach' of the posts were 700,000. Financial results, key indicators, compliance report, financial, non-financial data, shareholding information along with the price sensitive information (PSI) were published.



Currently, our LinkedIn page has 16,754 followers and last year there was about 5,000 increase in followers which was a 43% growth.

SPL Website

In the SPL's consolidated-site within the Summit Power International's website (i.e. <https://summitpowerinternational.com/SPL>). All the financial results, key performance indicators, compliance report along with other important financial and non-financial data and shareholding information were updated. This year there was a steep increase in the number of website visitors in the SPL website. It was visited by over hundred thousand 'unique visitors', mostly from the USA, Bangladesh, Canada and Singapore. This year the total number of page views is 374,003 (increased by 24.50%) and total number of user is 114,284 (increased by 46%). Bounce rate has decreased by nearly 17% which means people are spending more on our website finding relevant content. Many national and international websites referred to our website and referral increased by a whopping 29.4% this year.

Print and Online Newspapers

All the price sensitive information (PSI), notices and financial disclosures are published in both English and Bangla national dailies as well as on nationally registered online news portals.

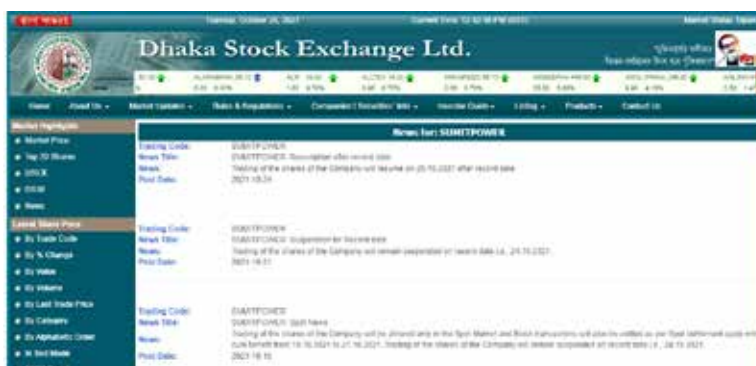
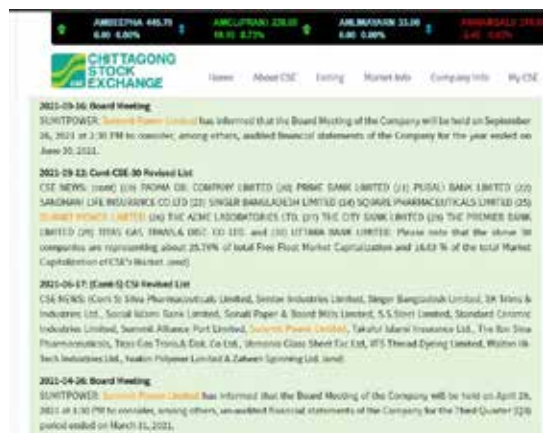
The collage displays various financial disclosures and news items. Key elements include:

- Newspaper clippings from 'FE Stock & Corporate' and 'অর্থসূচক' reporting on EBL's net profit growth, Merandile Bank's expansion, and Jute Spinners' stock price increase.
- Screenshots of the Summit Power Limited website showing Price Sensitive Information (PSI) regarding the 25th AGM, including recommended dividends, record dates, and AGM details.
- A screenshot of the Summit Power International LinkedIn page showing a post about the 24th AGM.

Photo Caption: Financial results such as Price Sensitive Information (PSI) and any other issues are published in English and Bangla dailies as well as online portals.

Regulators' Websites

Notices such as the record date and notice of Annual General Meeting are reported to the DSE and CSE, so the updated information can be found on the regulator's website.



Direct Communications

From our dedicated email address spl.investorrelations@summit-centre.com we email the important notices and price sensitive information to over four thousands shareholders on their preferred email addresses. We always send email communication via this email address to avoid fraud. During this year, about 350 investor queries were responded with solutions.

3.3 MANAGEMENT SYSTEM

Overview of the Management System

Summit Power Limited is driven by its vision, mission, objective and core values. To materialize the Company’s mission, it implements an Integrated Management System (IMS) that combines all the objectives, policies and procedures into one system. The system is guided by the Board of Directors, maintained by an experienced management team and monitored by internal and external audit teams under the broad guidelines of Corporate Governance. On the other hand, the management should maintain a standard system, which is verified by international bodies – regulators, sponsors, lenders and standards.

Vision

To provide quality and uninterrupted electricity to the vast majority of rural Bangladesh for their personal, social and economic development.

Mission

“Empowering Bangladesh”

To expand the Company into a power generation capacity to tune about 20% of the electricity requirement of Bangladesh and maintain that level.

Objectives

- Generate and provide uninterrupted, reasonably priced electricity to our customers
- Efficient utilisation of capital, machines, materials and human resources
- Continuous improvement of customer satisfaction and resource management

Core Values

- Ethical conduct based on integrity, honesty and sincerity
- Customer satisfaction by generating quality electricity
- Equal opportunity employer, based on merit
- Building goodwill through long term and congenial approach with customers
- Instilling belongingness through team work with respect for each other
- Maintaining transparency by providing unrestricted, accurate and timely information about Company's finances and performance

Corporate Structure

SPL is directly guided by its Board of Directors and in many cases by its parent companies. SPL is a subsidiary Company of Summit Corporation Limited (SCL), which is a subsidiary of Summit Power International Limited, based in Singapore.

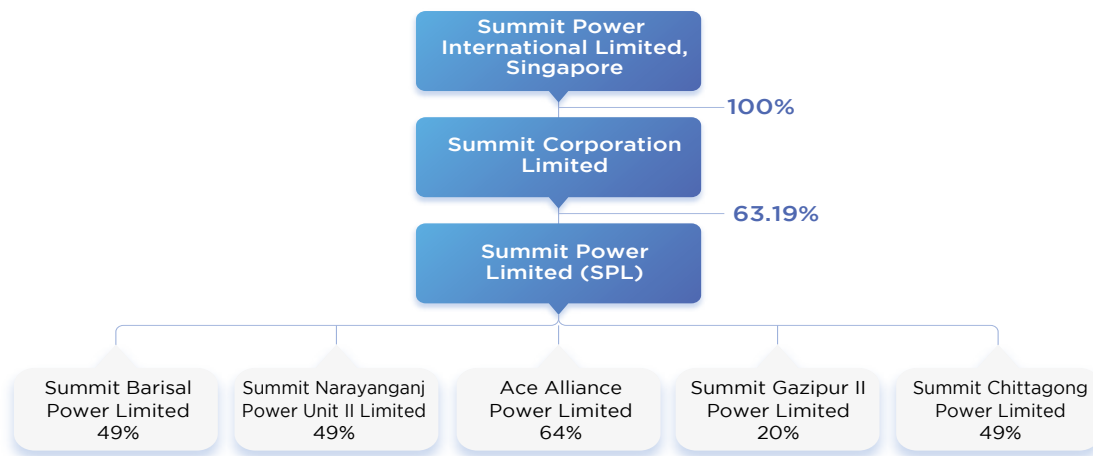


Chart: The Corporate holding structure of the Summit Power Limited is shown graphically.

Corporate Management

Summit has a qualified management team led by a very experienced and highly reputed Managing Director. The management has two Senior General Managers to lead Operation and Maintenance team and Standard, Compliance, Human Resource and Administration team, one General Manager to lead Procurement, Inventory Commercial and Training, two Deputy General Managers to lead Electrical & Instrumentation and Project Development team and Operation and Maintenance team, and Financial Controller & Company Secretary and Deputy General Manager to lead Finance, Accounts and Secretarial team. All the teams are under one Integrated Management System (IMS). The system has a very specific Standard Operating Procedure for each job. The management is well aware about Corporate Governance and Compliance.

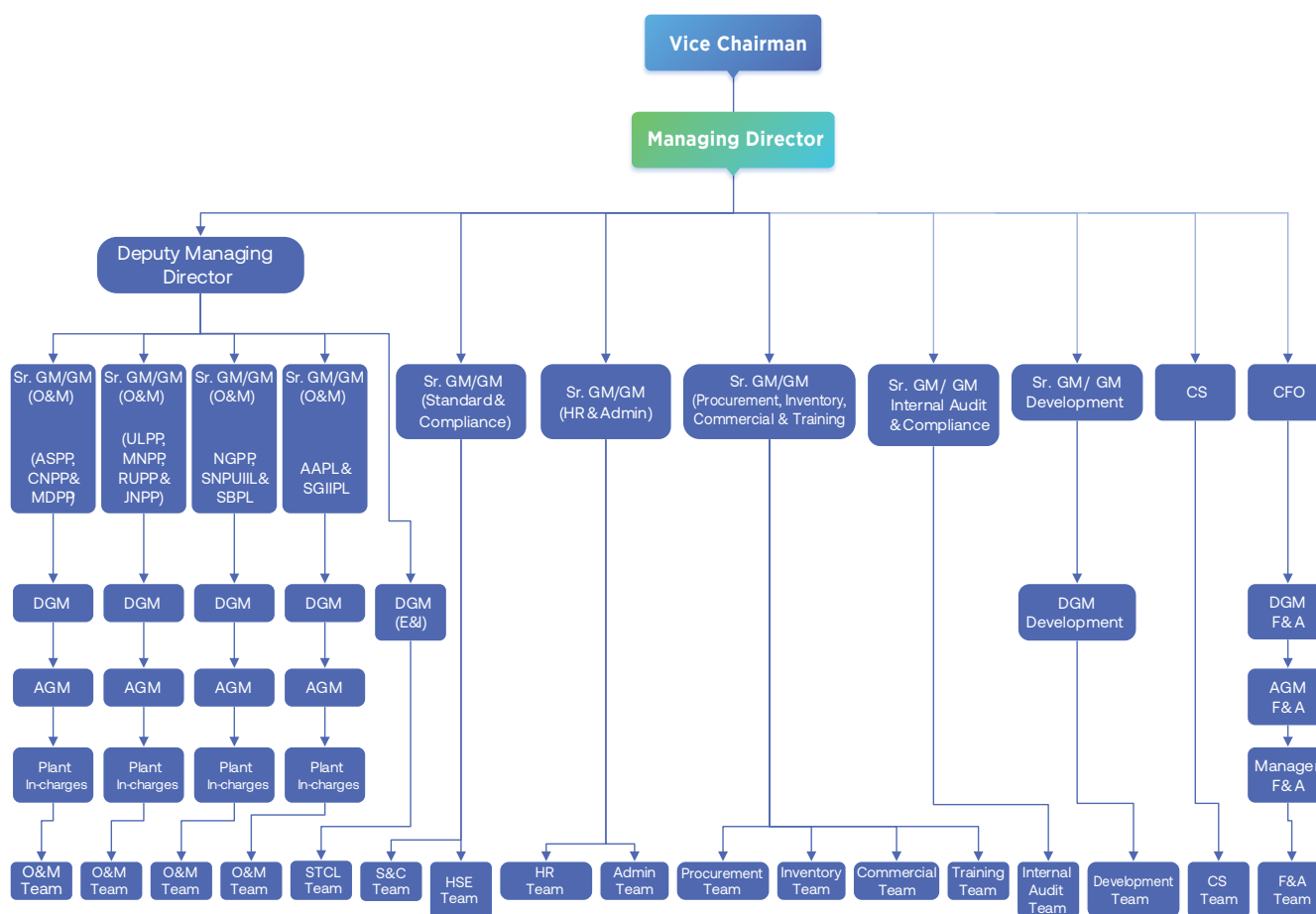


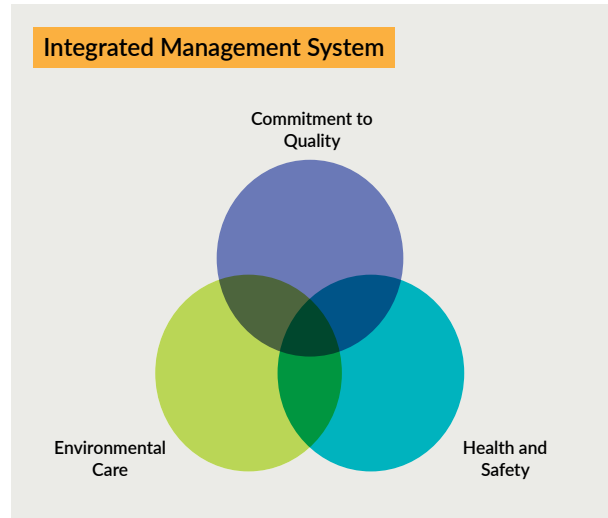
Chart: The Management Organogram of Summit Power Limited.

Internal Control System and the Committees to the Board

The internal control system of SPL is rich in various dimensions. Summit Corporation Limited (SCL) has a common Internal Audit team under the Internal Audit Policy of Summit Power International Limited, which monitors SPL along with the parent and other subsidiary companies of the group. SPL has different committees, namely Audit Committee and Nomination and Remuneration Committee to monitor the implementation of Board's guidelines and ensure the smooth operation of the Board. The Company has a well set of policies and manuals as disclosed in 'Various Systems, Policies Manuals and Charters' section of the Annual Report along with IMS to ensure the smooth operation of the power plants and other logistic and administrative functions in corporate office.

Integrated Management System (IMS)

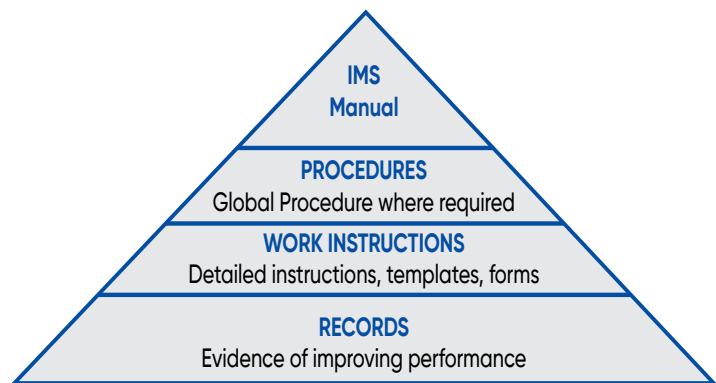
IMS includes SPL’s Quality, Environmental and Occupational Health and Safety and Social policies and describes how it is implemented and sustained throughout the organisation to achieve under long term mission and vision. The system’s core elements are described with references to the key organisational procedures. The purpose of SPL’s integrated Quality Management System, Environmental Management System and Occupational Health and Safety Management System is to ensure SPL’s products and processes are carried out in an environmentally responsible and protective manner and safe and healthy work environment. SPL generates power and supplies to meet the local requirements of BPDB and BREB. For the purposes of the IMS, the requirements of ISO 9001: 2015, ISO 14001: 2015 and ISO 45001: 2018 applies to all operations at SPL’s locations. These operations include sales, procurement, generation of power and related services both in corporate and plant offices. Conforming with the requirements of ISO 9001: 2015, ISO 14001: 2015 and ISO 45001: 2018, SPL is committed to continually improving the effectiveness of the Integrated Management System.



SPL has adopted the ISO 9001: 2015 standard as a key tool in its commitment to continuously improving Quality and Customer Satisfaction. SPL has identified the key business processes necessary to ensure customer satisfaction and continuous improvement following the framework of the IMS. These processes are managed globally where necessary to ensure customer satisfaction, process effectiveness, and operational efficiency. The IMS ensures customer and market focus by providing a framework for managing the development, manufacture, and support of quality products that exceed customer, market, and other applicable external requirements.

SPL takes its obligation to responsibly manage its environmental impacts seriously and has adopted the ISO 14001:2015 standard as the foundation of Environmental Care System. The requirements of the IMS for Environmental Care apply to all SPL processes in the power plant and offices in and to all operations conducted within the physical bounds of these activities.

SPL is dedicated to safe guard its employees and people living around through the implementation of responsible OHS practices. A description of the interactions among people, procedures, tools, materials, equipment, facilities, and the health & safety is identified and all the management and staff members are made aware of their roles in the process. Conducting business in a safe and healthy manner is the responsibility of all the SPL management. It is the responsibility of management at each site to ensure that adequate resources are in place to ensure conformance to the Health and Safety Policy and proper implementation of the OH&S System.



The SPL Integrated Management system consists of several documents that are required by the Standard. The key business processes, policies and procedures and work instructions under the broad guidelines of Corporate Governance in-built in the IMS manual along with other policies and manual which are integral to achieve strategic goals and objects are well described in other sections of the annual report.

Value Chain System of the Company

SPL's value chain system is the "set of activities through which it creates its product and delivers to its customers. By examining the activities via the value chain system, management is able to gain a greater understanding of how these factors influence a firm's cost structure and value delivery. SPL's five primary components of the value chain and four supporting components are summarized as follows.



The Primary Components are as follows:

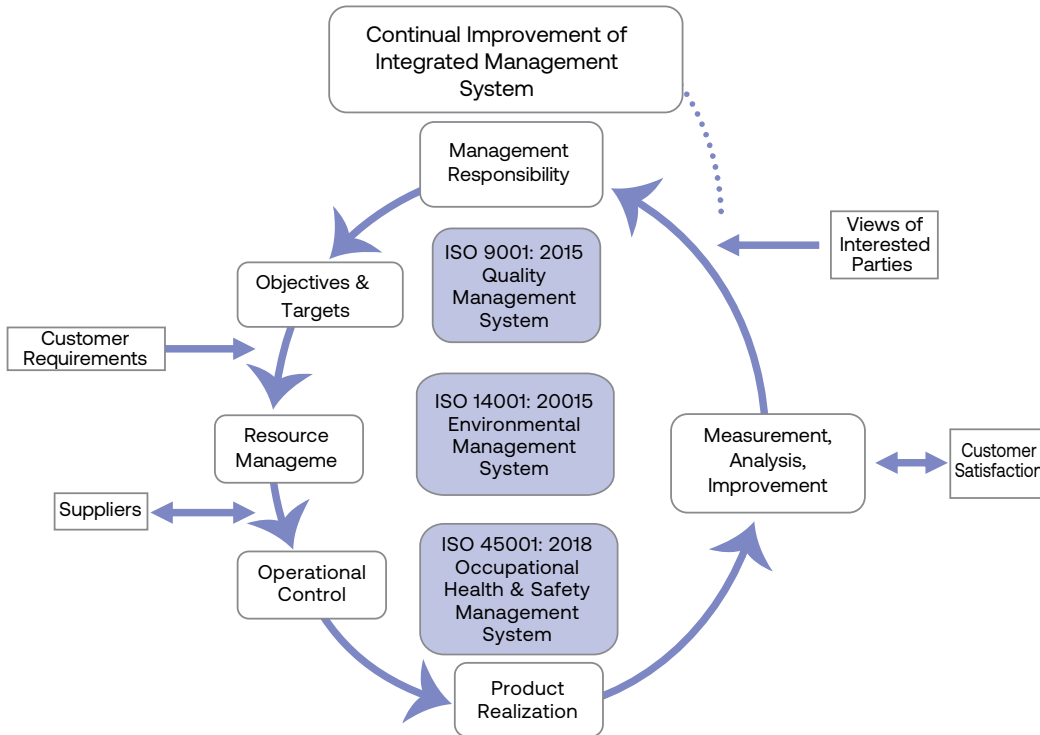
- Inbound logistics include getting needed materials and other inputs into the Company from suppliers such as the sets of plant and machineries, gas/HFO as fuel for generating electricity, spare parts for power plants maintenances, lubricant oils and chemicals and LFO. Supplies of the materials are ensured by a set of long term contracts with local and foreign suppliers/vendors.
- Operations involve turning inputs into products or services by availing all the materials/inputs in place to operate the gen-sets to produce electricity with the help of other logistic supports involving the expertise of experienced manpower.
- Outbound logistics involve the arrangement for delivering the electricity output to valued customers like BPDB and BREB at a bulk quantity;
- Marketing and sales include customer engagement, pricing, promotion, transaction via long term Power Purchase Agreements (PPAs) along with Implementation Agreement for dealing with electricity output and raising invoices for electricity sales and receivable collection.
- Services include support service, maintenance, customer support and other logistic support to continue the whole production and delivery system always active.

The Secondary Components are the following:

- Company infrastructure organises functions that support the whole Company, including general management, planning, information system and finance;
- Human resource management deals with recruiting, hiring, training, and development of required manpower.
- Technology / research and development deal with business expansion like having new power plant and process design for doing activities efficiently; and
- Procurement ensures sourcing and purchasing of all sorts of materials and inputs.

Management Responsibility and Commitment to Continual Improvement

Management demonstrates their commitment to the development and implementation of the Integrated Management System in SPL. For continual improvement of the Company, SPL measures and monitors performance of the Integrated Management System through internal audits, PIC meetings and Management Review Meetings (MRM).



Seven-Step Problem Solving Process

SPL has implemented a Seven-Step methodology to ensure a consistent, rigorous approach to problem solving throughout the Company. The Seven-Step Problem Solving Process is outlined in the graphic below:

	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
	Problem	Data	Cause	Solutions	Validation	Deployment	Debrief
Action	Define the problem and goal	Collect and analyses data	Determine the root cause(s)	Identify and implement the solutions	Validate the impact of the solution on the problem	Make the solution permanent	Learn from the problem and the problem-solving experience
Output	Problem statement Goal statement	Qualification of the problem Containment Plan	Verify root cause(s)	Solutions of test plans Implementation of plan	Validation of results	Fully deployed solution Revised procedures and standards	Lessons learned from the problem and project submitted corrective actions

3.4 MANAGEMENT REVIEW AND RESPONSIBILITIES

The Management of Summit Power Limited (SPL) formulates and implements operational and tactical plans to align the organisation as per strategic objectives and policies provided by the Board taking into consideration of Integrated Management System (IMS). In Summit, the Management is in full control of the Company's affairs and is also accountable to the Board. The Management firmly believes that the success of the Company is achieved through fair practice of the corporate governance framework.

In discharging its responsibilities, which are aligned with the defined policies and objectives set by the Board of Directors, the Management fulfills certain key functions including:

- Implementing and providing feedback about - the corporate strategy, major plans of action, risk policy, annual budgets and business plans and performance reviews & objectives.
- Exercising Integrated Management System (IMS) fully as the standards state in all operational stages of the Company.
- Assisting the Board to ensure the integrity of the Company's accounting and financial reporting systems, in particular, systems for risk management, financial and operational control and compliance with the law and relevant standards.
- Assisting the Board by adherence to the implementation of the reviews and recommendations suggested by the Committees to the Board including AC, NRC and other Committees.
- Assisting the Board to review the Company's financial statements and oversee its compliance with applicable audit, accounting and reporting requirements.
- Assisting the Board to monitor and implement the effectiveness of the approved strategic plans by adopting relevant tactical and operating plans.
- Ensuring fulfilment of management responsibilities and authorization in compliance with the internal control system.
- Building a culture of compliance by ensuring that the organisation adhere to high ethical standards and conducts its business and operates in compliance with applicable laws, regulations and best practices for good corporate governance through a compliance taskforce.
- Practicing Company's values as set by the Board.
- Monitoring and providing feedback about the practices of corporate governance of the Company to the Board.

The management builds the confidence of the Board by ensuring that the activities of the Company are always conducted with adherence to high ethical standards and in the best interest of the shareholders and other stakeholders while optimising the wealth of the Company.

3.5 MANAGEMENT DISCUSSION AND ANALYSIS

Dear Shareholders,

As per condition no. 1 (5) (xxv) of the Corporate Governance Code 2018 issued by Bangladesh Securities and Exchange Commission, the Management Discussion and Analysis are as follows:

(a) Accounting policies and estimation:

We have applied accounting policies consistently to all periods presented while preparing the financial statements. We have applied International Financial Reporting Standards (IFRSs)/International Accounting Standards (IAS) to transactions, other events or conditions to their full extent as applicable. The applicable significant accounting policies and estimation are well elaborated in Note 49 to the financial statements. In the absence of applicable IFRSs/IASs to any particular transactions, other events or conditions, we have used our best judgement in developing and applying an accounting policy that results in information that is relevant to the economic decision-making needs of users and is reliable. The accounting policies and estimation are consistently applied to all subsidiaries along with the Company as disclosed in Note 49 with a specific mention in 49(A).

(b) Changes in accounting policies and estimation:

We usually change an accounting policy only when the change is required by an IFRS/IAS or results in the financial statements providing more reliable and relevant information about the effect of transactions, other events or conditions on the financial position, financial performance or cash flows. The accounting policies applied are, however, consistent with those applied in the previous financial year.

(c) Comparative analysis of financial performance and financial position as well as cash flows for the current year with immediate preceding four years, explaining the reasons thereof:

We have presented comprehensive financial highlights for all the relevant periods containing financial performance, financial position, cash flows and important financial ratio in the 'Financial Highlights 2021-22' and 'Financial Review 2021-22' sections of this annual report.

As the financial highlights are presented, the detailed comparative analysis thereon are as follows:

- Revenue has increased over the years since 30 June 2018 by 188% and on average by 37.6% each year and stood at BDT 53,185 million for the year ended on 30 June 2022 even though few plants were shutdown partially in this financial year due to higher HFO price.
- Net profit attributable to owners of the Company has also increased over the years since 30 June 2018 by 19.4% and on average by 4.8% each year till last year ended on 30 June 2021 and after that in FY2021-22 decreased by 26.3% due to shutdown of few power plants partially in FY2021-22, lower dividend income from investment and higher finance expenses; net profit attributable to owners of the Company stood at BDT 4,129 million for the year ended on 30 June 2022.
- Total assets of the Company have also increased over the years since 30 June 2018 by 60.2% and on average by 12.0% each year and stood at BDT 103,091 million as on 30 June 2022.
- Shareholders' equity has also increased over the years since 30 June 2018 by 14.3% and on average by 2.9% each year and stood at BDT 38,148 million as on 30 June 2022.
- After maintaining last year's 35% cash dividend, cash and cash equivalent stood at BDT 3,187 million (separate accounts) which helped management to declare cash dividend @ 20% this year as well, after taking into consideration of dividend income from subsidiaries and associates.
- Earnings per share (EPS) has also increased over the years since 30 June 2018 by 19.3% and on average by 4.8% each year till last year ended on 30 June 2021 and after that in the current year it has decreased by 26.3% and stood at BDT 3.87 per share for the year ended on 30 June 2022 due to the above reasons for change in net profit attributable to owners of the Company.
- Net asset value (NAV) per share has also increased over the years since 30 June 2018 by 14.3% and on average by 2.9% each year and stood at BDT 35.72 per share as on 30 June 2022.

In summary, the recent performance of the Company has established SPL as the leading Company in the industry and boosted its reputation. Thus, it has resulted awards as best performer and long term rating of "AAA" by the Credit Rating Information & Service Limited (CRISL) consecutively for last five years in a row.

(d) Comparative analysis of financial performance and financial position as well as cash flows with peer and industry scenario:

As presented in the financial highlights, the comparative analysis of financial performance, financial position and cash flows with other relevant financial ratio and other industry performance parameters are described as follows:

Listed Company	SPL		Baraka (Ann.)		Doreen		KPCL (Ann.)		Shahjibazar (Ann.)		Industry Average	
	FY 22	FY 21	FY 22	FY 21	FY 22	FY 21	FY 22	FY 21	FY 22	FY 21	FY 22	FY 21
EPS (BDT)	3.87	5.25	7.40	2.96	10.99	8.09	-	0.87	11.91	6.53	8.54	4.74
P/E (times)	9.30	8.40	9.68	9.02	8.40	8.02	-	42.53	15.29	11.24	10.67	15.84
NAV (BDT)	35.72	34.45	22.89	20.91	51.08	48.41	-	22	39.59	38.05	37.32	32.76
Dividend %	20	35	Not published yet	10	Not published yet	12	-	12.50	Not published yet	32	25.00	20.30
NOCFPS (BDT)	5.91	8.53	7.40	3.44	6.05	6.46	-	6.71	5.31	13.13	6.17	7.65
No of Shares MN	1,067	1,067	235	235	161	144	-	397	179	172	635.50	403
Net Profit	4,129	5,605	-	697	-	1,168	-	346	-	1,127	4,129	1,973
Market Cap Mn Bdt	36,414	47,093	5,250	6,287	11,319	9,371	-	14,704	15,540	12,665	17,131	18,024

* Till the date of publication of the Annual report of SPL, nine months data were available for Baraka Power and Shahjibazar Power which have been annualized as applicable.

(e) Financial and economic scenario of the country and the world:

The financial and economic scenario of the country and the world are as discussed in 'Message from the Chairman' and 'Directors' Report' sections of the annual report.

(f) Risks and concerns related to the financial statements:

The risks and concerns related to the financial statements are discussed in the 'Directors' Report'. All identified risks and their mitigations were disclosed in the Note 40 to the financial statements and in the 'Statement of Risk Management and Internal Control' sections.

(g) Future plan for Company's operation, performance and financial position:

The future plan for Company's operation, performance and financial position are as discussed in 'Message from the Chairman' and 'Directors' Report' sections of the annual report.

Lt Gen Engr Abdul Wadud (Retd)
Managing Director

3.6 CERTIFICATE ON CORPORATE GOVERNANCE

Mak & Co.

Chartered Accountants

Certificate on Compliance on the Corporate Governance Code
[Issued under condition # 1(5) (xxvii) of Corporate Governance Code of BSEC vide
Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June, 2018]

We have examined the compliance status to the Corporate Governance Code by “Summit Power Limited” for the year ended on 30 June 2022. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

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

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission except as specify in compliance status checklist;
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The Governance of the company is satisfactory.

Dated, Dhaka:
2 October, 2022



Mohammad Ali Kawsar, FCA
Partner
Mak & Co.
Chartered Accountants



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3.7 CODE OF CONDUCT AND ETHICS

The Code of Conduct and Ethics applies to the Directors, Management and all employees of Summit Power Limited (SPL) and each subsidiary and associate of SPL. Aligning with the Company vision, mission, objectives, strategy and corporate governance, this code of conduct and ethics are practiced. These codes have a great influence in the sustainable development, implementation and practice of Integrated Management System (IMS). This code of conduct of directors of SPL and embodies their commitment to pursue the highest standards of ethical conduct to manage the affairs of the company. This Code of Conduct has been framed to provide guidance to manage the affairs of the Company in an ethical manner and intended to describe areas of ethical risk, provide guidance to directors and employees and help foster a culture of honesty and accountability. This Code of Conduct attempts to set forth the guiding principles on which the Company, its Board of Directors and employees shall operate and conduct themselves with multitudinous stakeholders including employees, customers, suppliers, government and regulatory agencies, media and anyone else with whom it is connected.

A. OBJECTIVE

Summit Corporation Limited is the major sponsor of SPL and therefore all the standards of Code of Conduct and Ethics are being followed in SPL in the course of carrying its business stem from its sponsor. Summit holds the values with which it conducts business in high esteem. It has and will continue to uphold the highest level of business ethics and personal integrity. Following suit, SPL's Code of Business Conduct and Ethics serves to:

- (1) Emphasise the Group's commitment to ethics and compliance with the laws;
- (2) Set forth basic standards of ethical and legal behavior;
- (3) Provide reporting mechanisms for known or suspected ethical or legal violations; and
- (4) Help prevent and detect wrongdoings.

Given the variety and complexity of ethical questions that may arise in the course of SPL's business, this Code of Business Conduct and Ethics serves only as a guide. Confronted with ethically ambiguous situations, all should remember the SPL's commitment to the highest ethical standards and seek advice from supervisors, managers or other appropriate personnel to ensure that all actions they take on behalf of SPL honor this commitment.

B. ETHICAL STANDARDS

Conflicts of Interest

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

Conflicts of interest may not always be clear-cut, so if anyone has a dilemma, he/she should consult with his/ her supervisor or manager or, the Chief Financial Officer or chief legal counsel of SPL. Any officer who becomes aware of a conflict or potential conflict should bring it to the attention of a supervisor, manager or other appropriate personnel or consult the procedures described in Section E of this Code.

All Directors and Executive officers of the Group, and the Chief Executive Officers or Managing Director and Chief Financial Officers shall disclose any material transaction or relationship that reasonably could be expected to give rise to such a conflict to the Chairman of the Group.

Corporate Opportunities

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

Fair Dealing

Officers shall behave honestly and ethically at all times and with all people. They shall act in good faith, with due care, and shall engage only in fair and open competition, by treating ethically competitors, suppliers, customers, and colleagues. No officer should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair practice. The

purpose of business entertainment and gifts in a commercial setting is to create good will and sound working relationships, not to gain unfair advantage with customers. No gift or entertainment should ever be offered or accepted unless it is consistent with customary business practices, cannot be construed as a bribe or payoff and does not violate any laws or regulations. Officers should discuss with their supervisors, managers or other appropriate personnel regarding any gifts or proposed gifts which they think may be inappropriate.

Insider Trading

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

Confidentiality

Officers must maintain the confidentiality of confidential information entrusted to them. Confidential information includes all non-public information whose disclosure might be used by competitors or harmful to the SPL or its customers. It also includes information that suppliers and customers have entrusted to the SPL. The obligation to preserve confidential information continues even after employment ends.

Discrimination and Harassment

Discrimination means any distinction, exclusion or preference limiting equality or opportunity which may be based on color, sex, religion, political opinion, age, national, social or ethnic origins, or any other considerations in this matter. All officers are instructed and expected to avoid engaging in any sort of discriminatory practice.

Protection and Proper Use of SPL Assets

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

The obligation of officers to protect SPL's assets, also include protecting its proprietary information. Proprietary information includes trade secrets, trademarks, engineering and manufacturing ideas, designs, databases, records, salary information

and any unpublished financial data and reports. Unauthorized use or distribution of this information would violate SPL policy. It could also be illegal and result in civil or criminal penalties.

Health and Safety of Officers

Each officer is responsible for maintaining a safe and healthy work environment and is obligated to report any kind of accidents, injuries, unsafe conditions, procedures, or behaviors etc. Any sort of violence or threatening behavior on the part of an officer will not be tolerated. Officers are prohibited to report to work under the influence of illegal drugs or alcohol.

Compliance with Laws, Rules and Regulations

Obedying the law, both in letter and in spirit, is the foundation on which SPL's ethical standards are built. In conducting the business of SPL, the officers shall comply with applicable governmental laws, rules and regulations set by the Government of Bangladesh.

Timely and Truthful Public Disclosure

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

Significant Accounting Deficiencies

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

C. WAIVERS

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

D. VIOLATIONS OF ETHICAL STANDARDS

Reporting Known or Suspected Violations:

The SPL's Directors, CEO/MD, Senior Financial Officers and Chief Legal officer shall promptly report any known or suspected violations of this Code to the Chairman. All other officers should talk to supervisors, managers or other appropriate personnel about known or suspected illegal or unethical behaviour.

Accountability for Violations

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

E. COMPLIANCE PROCEDURES

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

Make sure you have all the facts. In order to reach the right solutions, we must be as informed as possible.

Clarify your responsibility and role. In most situations, there is shared responsibility. Are your colleagues informed? It may help to get others involved and discuss the problem.

Discuss the problem with your manager. This is the basic guidance for all situations. In many cases, your superior will be more knowledgeable about the questions, and he or she will appreciate being consulted as part of the decision making process.

You may report ethical violations in confidence without fear of retaliation. If your situation requires that your identity be kept secret, your anonymity will be protected to the maximum extent consistent with SPL's legal obligations. The SPL in all circumstances prohibits retaliation of any kind against those who report ethical violations in good faith.

Ask first, act later. If you are unsure of what to do in any situation, seek guidance before you act.

3.8 VARIOUS SYSTEMS, POLICIES MANUALS AND CHARTERS

The philosophy of corporate governance of the Company is aimed at conduct of Company/top management to ensure that no decision is being taken at the cost of the interest of the community, country as a whole to any stakeholder. It refers to the meeting obligations to all the stakeholders and is guided by strong emphasis on transparency, accountability and integrity. Various Systems, Policies, Manuals and Charters are set and practiced to achieve objective of good Corporate Governance.

INTEGRATED MANAGEMENT SYSTEM

The management of the Company is very dynamic and working proactively in a challenging environment and is committed to act as a leading organisation in the field of power generation through its exceptional customer service and technical competence. Thus, the Company has established an Integrated Management System incorporating the requirements of ISO 9001: 2015, ISO 14001: 2015 and OHSAS 18001: 2007. The purpose of Company's integrated Quality Management System, Environmental Management System and Occupational Health and Safety Management System is to ensure its products and process are carried out in an environmentally responsible and protective manner and safe and healthy work environment.

Integrated Management System (IMS) is based on the following principles:

- Innovation in all aspects of business as the right and obligation of every employee;
- Individual responsibility for the quality of generation and supply, health, safety, environmental impact, and continuous improvement of work performed;
- Understanding of the Quality, Environmental and Health & Safety Policies as a guide for decision making;
- Conformance with the requirements of ISO 9001: 2015, ISO 14001: 2015 and ISO 4501: 2018, the Company is committed to continually improving the effectiveness of the Integrated Management System.

Quality Policies

As an extension of organisational principles, the Company commits themselves to the following Quality Policies:

- Establishing a Quality Management System (QMS) as per ISO 9001:2015 and maintain it with commitment for continual improvement of the QMS.
- Consider quality as an integral part of any activity, not being dissociated or delegated.

- Apply quality management as a dynamic, evolutionary practice, with permanent feedback and improve the performance in the areas of Energy Export, Fuel Consumption per MWH of Energy Export, Engine Running Time (Generation Period), Availability Factor, Heat Rate per Day, Shut Down (Mechanical), Shut Down (Electrical), Shut Down (Sub-Station), Shut Down (Less Energy Demand), No. of Voltage Fluctuation (Beyond Range), No. of Frequency Fluctuation (Beyond Range).
- Commit the entire Company, suppliers and business partners to the highest quality standards of services provided to the customer, while complying fully with the legal requirement of the generation and supply of electricity.
- Provide education and training programs for the employees in issues related to quality, extensible to suppliers and business partners.
- Evaluate and recognise the quality of the work performed by the employees, individually or collectively, as well as by suppliers or business partners.
- This policy is communicated to all the employees within all relevant levels of the organisation, and communicate to them.
- Reviewed from time to time for its continuing sustainability.

Environmental Policies

Summit Power Limited (SPL), is very much aware of its social responsibility and sensitive to the global environment protection efforts, and considers its mission to contribute to the sustainable development of the country. Continuous improvement, waste minimisation, pollution prevention, as well as the commitment of the employees will be the basis for the implementation of this policy.

Therefore, SPL commits to:

- Practice environmental management as a dynamic, evolutionary process, and with continuous feedback process.
- Seek full compliance with legislation, applicable standards, and other requirements, resulting from agreements signed by the organisation, and wherever possible, overcome them.
- Minimise any significant adverse environmental impacts of new developments using integrated environmental management procedures and planning.
- Provide the sites with adequate facilities, aiming

at environmental protection and associated employee workplace environment.

- Implement generation techniques and use of resources that judiciously minimise the generation of waste that is hazardous to the environment.
- Encourage the adoption of these principles by suppliers, partners and service providers.
- Disseminate this policy by educating and training employees, and encourage them to conduct their activities in an environmentally responsible manner.

Occupational Health and Safety Policies

Summit Power Limited (SPL) strongly believes that the achievement of organisational success must be accompanied by a resolute commitment towards the health and safety of all its employees. SPL commits itself to the following ISO 45001:2018 Occupational Health and Safety Management System (OHSMS), Policy:

Therefore, SPL commits to the following Occupational Health Protection and Safety Policy:

- Ensure a healthy and safe work environment to employees and provide resources for awareness, preliminary risk evaluation, training and monitoring of health and accident risks.
- Ensure consistency of SPL's health and safety procedures with the relevant legislative requirements, other requirements to which SPL subscribes and introduce necessary additional requirements to make certain of a safe and healthy workplace.
- Incorporate occupational health and safety considerations in the planning stage of product and process design.
- Continually strive to eliminate any foreseeable hazards, which may result in property damage, accidents, or personal injury/illness.
- Continually improve in OHS management and OHS performance.
- Be prepared for emergencies and act promptly to eliminate their resulting incidents/accidents.

Social Policies

Summit Power Limited (SPL), aware of their social responsibility, sensitive to the socio-economic wellbeing of the society, and according to the SPL, considers their mission to contribute to the sustainable development of the country. Continuous improvement, grievance mechanism, stakeholder engagement as well as the commitment of the employees will be the basis for the implementation of this policy.

Therefore, SPL commits to:

- Practice social management as a dynamic, evolutionary process, and with permanent feedback at all phases of SPL project.
- Seek full compliance with legislation, applicable standards, (including IFC Performance Standard) and other requirements, resulting from agreements signed by the organisation and wherever possible, overcome them.
- Avoid or minimise any significant adverse social impacts of new developments, routine and nonroutine activities using integrated social management procedures and planning.
- Implement grievance mechanism to resolve grievance arises from the interested parties (community e.g.).
- Implement emergency response plan integrated with community of all sites.
- Implement generation techniques and use of resources that judiciously minimise the negative impact of the society.
- Encourage the adoption of these principles by suppliers, partners and service providers.
- Disseminate this policy by educating and training employees, and encourage them to conduct their activities in a socially responsible manner.
- Communicate to all interested parties.

A periodic review ensures the suitability of this policy, relevancy and appropriateness to the SPL objectives, as well as to their activities and services.

ANTI BRIBERY AND CORRUPTION AND WHISTLE BLOWER POLICIES

This document sets out the long-standing policy of Summit Power Limited (SPL) and its subsidiaries on combating bribery and corruption. The policy consists of two Principles and a series of Practical Procedures to give effect to those Principles. The objective of the Policy is to clearly set out the Company's Zero Tolerance approach to bribery and corruption. The Principles are that Summit Power Limited (SPL) and its subsidiaries will not pay and will not accept bribes, either directly or via third parties, in any circumstances. Breaches or attempted breaches of the Principle by an employee will be regarded as an act of gross misconduct. Ms. Ayesha Aziz Khan, Director Finance or any one from senior management, in discharging this role, he/she will report to the Board of Directors of the Company of any material findings. Summit Power Limited (SPL) and its subsidiaries will communicate its Principles and Practical Procedures and its approach to their implementation to its employees and will publish this policy on its website. Employees are required to report any knowledge or suspicions of the offering, request for, receipt or payment of a bribe.

A failure to do so may amount to gross misconduct. No employee will suffer demotion, penalty or other adverse consequence for refusing to pay or accept a bribe even if such a refusal may result in Summit Power Limited (SPL) and its subsidiaries losing business or failing to win a deal.

ACCOUNTING AND FINANCE MANUAL

Summit Power International (“SPI”) group’s power business including Summit Power Limited depends on its ability to safeguard and manage effectively and efficiently all funds entrusted to it. Central to this goal is a sound structure of financial management and control to maintain both integrity and confidence. The Accounting and Finance Manual describes the financial procedures for ensuring accountability on effective and efficient use of funds. The procedures are aimed to give Management (including the Board of Directors) accurate, complete and timely financial information. The implementation of this Manual is essential for the successful delivery of Summit Power Limited’s services as we conduct our activities morally, ethically, and in the spirit of public accountability and transparency, and in conformity with applicable laws and regulations and practices common with responsible organisations. This Manual has been designed to suit specifically the accounting and financial management practices at Summit Power International, including Summit Power Limited and the general principles and essential features are applicable to all resources no matter their source. As circumstances and requirements change, this Manual shall be updated as necessary. It provides a working document to guide all finance and accounting staff on the procedures to be followed so that there is consistency throughout the group.

HUMAN RESOURCES MANUAL

Human Resources Manual Policy document is designed to acquaint a member of the employees with Summit Corporation Limited Including Summit Power Limited and provide with information about working conditions, employee benefits, and some of the policies affecting one’s employment. It describes the responsibilities of an employee and outlines the programs developed by Summit Corporation Limited Including Summit Power Limited to benefit employees. One of the of the Policy objectives is to provide a work environment that is conducive to both personal and professional growth. This HR Manual shall apply to all probationary and permanent/full time/regular employees and in special cases contractual appointments of the Company excluding Third Party Service staff.

DIVIDEND DISTRIBUTION POLICY

The objective of this Dividend Distribution Policy is to ensure the right balance between the quantum

of dividend paid and profit retained keeping in mind the need to address future needs, to meet working capital requirements and to reduce debt from its books of accounts of the Company. In addition, this Policy will also ensure that the distribution of dividend is implemented pursuant to the applicable legislation in the interests of the shareholders and the Company and will also address the management of unclaimed dividends. The Policy serves as a guideline only for the Board. The decision of the Board with respect to the amount of dividend recommended by it for any given period will be final and shall not be open to challenge on the basis of the Policy. This Dividend Policy sets out the principles applicable to the declaration and distribution of dividend to be made by the Company in accordance with its Articles of Association and DSE Regulations 2015, BSEC Notification on Financial Reporting and Disclosure dated 20 June 2018, the Companies Act, 1994 and other applicable laws. This Policy has been prepared pursuant to the Directive dated 14th January 2021 bearing reference No. BSEC/CMRRCD/2021-386/03 issued by the Bangladesh Securities and Exchange Commission (BSEC).

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy has been verbalized to comply the Corporate Governance Code dated 3 June 2018 circulated by Bangladesh Securities and Exchange Commission (BSEC) in conjunction with the Companies Act 1994, Summit Power International Remuneration and Nomination Committee Charter, Code of Conduct Chairperson, Board of Director and Chief Executive Officer dated 27 April 2021 of the Company and other regulatory requirements. This Policy provides directions and guidelines to Nomination and Remuneration Committee (NRC) to determine attributes and qualifications for appointment as well as determine remuneration package for the Board Members and Top Level Executives and/or Key Management Personnel of the Company, as it is designated to consider by the Board, to ensure that and Top Level Executives and/or Key Management Personnel are provided with appropriate remuneration and incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company. The Company also recognises that a distinct Board Members and Top Level Executives/Key Management Personnel with vast experience and expertise, outlined in the Policy will help attain its strategic objectives proficiently. This Policy shall be applicable and binding on the Board Members and Top Level Executives/Key Management Personnel and to the some extent for identifying the Company’s needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria and developing, recommending and reviewing

annually the Company's human resources and training policies.

TERMS OF REFERENCE OF THE NRC

The objective of the Terms of Reference of the NRC is to determine the scope of work, and guide the operations of the Nomination and Remuneration Committee (NRC), in consonance with those encapsulated in the Corporate Governance Code.

PERSONAL DATA PROTECTION POLICY

The Personal Data Protection Policy is strictly for Summit Power International Limited (the "Company" or "SPI") and, where appropriate, its operating subsidiaries' (collectively referred to as "SPI Group") internal use. The purpose of this policy is to set out SPI's procedures on protection of personal data of individuals under the company's custody. It contains important information about how and why SPI collects, uses and discloses personal data of individuals. This policy takes into consideration the Personal Data Protection ACT 2012 of Singapore ("PDPA, or "Act") and all applicable PDPA advisory guidelines. In this regard, Personal data refers to data, whether true or not, about an individual who can be identified from that data, or from that data and other information to which the organisation has or is likely to have access. This includes unique identifiers (e.g. NRIC number, passport number, fingerprint), as well as any set of data (e.g. name, age, address, telephone number, occupation, etc) which when taken together would be able to identify the individual.

PROCUREMENT POLICY

The Procurement Policy is applicable to whole Integrated Management System of Summit Power Limited and its subsidiaries. The purpose of the Policy is to ensure that the purchased product conforms to specific requirements as stated in the IMS.

AUDIT COMMITTEE CHARTER

The principal objective of establishing Audit Committee, a sub-committee of the Board of Director, is to create efficiency in the operations and to add value to the organisation. The Audit Committee is appointed by the Board of Directors (Board) to assist the Board in discharging its oversight responsibilities by reviewing: (a) the financial reporting process to ensure transparency and integrity of financial information; (b) correctness, accuracy and sufficiency of any announcement relating to the financial performance of the company; (c) adequacy and effectiveness of the Company's - internal financial control and risk management system, internal audit function (resources, performance and scope of work), external audit function (qualification, independence,

engagement and fees), process to manage compliance (legal, regulatory and company policies) risks; and (d) methods and procedures for the review of all related party transactions (RPTs), etc.

ANTI-DISCRIMINATION POLICY

Summit Power Limited is an equal opportunity employer. All staffs are treated on their merits, without regard to their ethnicity, age, gender, marital status or any other factor not applicable to the position. Staffs are valued accordingly to how well they perform their duties, their ability and enthusiasm to maintain our standards or service. This organisation does not tolerate any form of discrimination. We believe all staff has the right to work in an environment free of discrimination and harassment. Discrimination undermines proper working relationships and may cause low morale, absenteeism and resignations. Therefore, managers and supervisors must ensure that all staff and even third party employees who participate in our service are treated equitably and are not subject to unfair discrimination. They must also ensure that people, who make complaints or witnesses are not victimized in any way.

CORPORATE COMMUNICATIONS POLICY

The main purpose of this Corporate Communications Policy is to establish guidelines for presenting the power concerns of Summit Group including Summit Power Limited to current and potential stakeholders, both internally and externally. Furthermore, the policy is aimed at increasing the level of understanding, amongst all concerned, of how communication on behalf of the company should take place.

INFORMATION SYSTEM POLICY

Information systems play a critical role in Summit Corporation Limited's business activities, including in the business activities of SCL's subsidiaries. SCL is substantially reliant on information systems to deliver its services, it is of paramount importance to ensure the availability of its information systems and the confidentiality and integrity of the data contained therein. The trust that the stakeholders have in SCL is a competitive advantage, which must be nurtured and grown. This policy defines the guiding principles and other requirements necessary for the secure and reliable operation of the SCL information systems infrastructure. This policy also defines "baseline" control measures, which everyone at SCL and its subsidiaries is expected to be familiar with and to consistently follow. These security measures are the minimum required to prevent a variety of different problems including fraud and embezzlement, industrial espionage, sabotage, errors and omissions, as well as system unavailability. This document also defines the

minimum controls necessary to prevent legal problems such as allegations of negligence, breach of fiduciary duty, or privacy violation.

FINANCE CODE OF CONDUCT POLICY

Summit Power International Limited (“SPI” or “the Company” and together with its subsidiaries, “the Group”) has adopted a separate Finance Code of Conduct specific to all accounting and finance officers of the Group. The term “accounting and finance officer” includes: all employees and staff in the accounting and finance departments within the Group. The individuals mentioned above are also expected to abide by the Group’s Code of Conduct policy that is distributed to all employees of the Group so that everyone has a clear understanding of the roles and responsibilities as an accounting and/or finance officer of the Group.

CORPORATE TREASURY POLICY

The treasury policies and procedures establish guidelines for Company activities relating to bank accounts, short-term investment of surplus funds, financing, foreign exchange exposure management. Adherence to these policies and procedures will ensure that Company’s cash, investments and other cash related assets are adequately controlled and safeguarded and that Company’s foreign exchange and other exposures are effectively managed.

CODE OF CONDUCT AND ETHICS

The Code of Conduct and Ethics applies to the Directors, Management and all employees of Summit Power Limited (SPL) and each subsidiary and associate of SPL. Aligning with the Company vision, mission, objectives, strategy and corporate governance, this code of conduct and ethics are practiced. These codes have a great influence in the sustainable development, implementation and practice of Integrated Management System (IMS). This code of conduct of directors of SPL and embodies their commitment to pursue the highest standards of ethical conduct to manage the affairs of the Company. This Code of Conduct has been framed to provide guidance to manage the affairs of the Company in an ethical manner and intended to describe areas of ethical risk, provide guidance to directors and employees and help foster a culture of honesty and accountability. This Code of Conduct attempts to set forth the guiding principles on which the Company, its Board of Directors and employees shall operate and conduct themselves with multitudinous stakeholders including employees, customers, suppliers, government and regulatory agencies, media and anyone else with whom it is connected.

STATEMENT OF CORPORATE GOVERNANCE

Summit perceives corporate governance as a system, which involves the alignment of interests among all the stakeholders. Governance is a mechanism of distribution of rights and responsibilities among different participants in the corporation (such as the board of directors, managers, shareholders, creditors, auditors, regulators, and other stakeholders) for monitoring the actions, policies and decisions of corporations under the lime light of social, environmental, regulatory and commercial environment. The philosophy of corporate governance of the Company is aimed at conduct of Company/top management to ensure that no decision is being taken at the cost of the interest of the community, country as a whole to any stakeholder. It refers to the meeting obligations to all the stakeholders and is guided by strong emphasis on transparency, accountability and integrity. It provides the Company with strategic guidance about - how the policies, objectives and manual are set, practiced and achieved, how risk is monitored and assessed, and how the performance is maximized not at the cost of the future/long term sustainability. It also questions about the consistency with the rule of law and clearly articulate the division of responsibilities among different supervisory, regulatory and implementation authorities.

COMPLIANCE TASKFORCE CHARTER

The Compliance Taskforce is established to advise, inform, and partner with Group Compliance for ensuring that the Company continues to conduct its operations and activities ethically with the highest level of integrity and in compliance with all legal and regulatory requirements. The taskforce also oversees the development, maintenance and monitoring of globally, legally sound, practical and sustainable programs intended to satisfy the Company’s legal compliance obligations and to foster a culture of compliance with laws, regulations, industry standards and Company policies. This purpose will be accomplished through the fulfilment of duties and responsibilities of each member at the operational level, is an integral part of the commitment to compliance.

3.9 VARIOUS COMMITTEES AND THEIR MAJOR ACTIVITIES

Various Committees and their Major Activities

Summit Power Limited under the Broad Corporate Governance guidelines, as part of its management system, has the following various committees assisting the Board and management to conduct business and manage the affairs of the Company.

Audit Committee

Mr. Faruq Ahmad Siddiqi - *Chairman*
Mr. Faisal Karim Khan - *Member*
Ms. Azeeza Aziz Khan ACCA - *Member*
Mr. Syed Fazlul Haque FCA - *Member*

Nomination and Remuneration Committee (NRC)

Mr. Anisuddin Ahmed Khan - *Chairman*
Mr. Jafer Ummeed Khan - *Member*
Mr. Md. Farid Khan - *Member*

Executive Committee

Mr. Md. Latif Khan, Vice Chairman - *Chairman*
Ms. Ayesha Aziz Khan, Director Finance - *Member*
Mr. Faisal Karim Khan, Director Operation - *Member*
Lt Gen Engr Abdul Wadud (Retd), Managing Director - *Member*
Engr. Md. Mozammel Hossain, Deputy Managing Director - *Member*
Mr. Swapon Kumar Pal FCA, Financial Controller & Company Secretary - *Secretary*

Purchase Committee

Mr. Md. Latif Khan, Vice Chairman - *Chairman*
Mr. Faisal Karim Khan, Director Operation - *Member*
Lt Gen Engr Abdul Wadud (Retd), Managing Director - *Member*
Engr. Md. Mozammel Hossain, Deputy Managing Director - *Member*
Mr. Swapon Kumar Pal FCA, Financial Controller & Company Secretary - *Secretary*
Engr. Md. Nazmul Hasan, General Manager (Procurement, Inventory & Training) - *Member*

Technical Committee

Lt Gen Engr Abdul Wadud (Retd), Managing Director - *Chairman*
Engr. Md. Mozammel Hossain, Deputy Managing Director - *Member*
Engr. A. K. M. Asadul Alam Siddique, Senior General Manager (O&M, HR & Admin) - *Member*
Engr. Md. Nazmul Hasan, General Manager (Procurement, Inventory & Training) - *Member*

Operation & Maintenance Committee

Mr. Faisal Karim Khan, Director Operation - *Chairman*
Lt Gen Engr Abdul Wadud (Retd), Managing Director - *Member*
Engr. Md. Mozammel Hossain, Deputy Managing Director - *Member*
Engr. A. K. M. Asadul Alam Siddique, Senior General Manager (O&M, HR & Admin) - *Member*

Engr. Md. Nazmul Hasan, General Manager (Procurement, Inventory & Training) - *Member*
Plant In-Charges - *Members*

Corporate Social Responsibility (CSR) Committee

Mr. Muhammed Aziz Khan - *Chairman*
Ms. Ayesha Aziz Khan - *Member*
Mr. Faisal Karim Khan - *Member*
Ms. Azeeza Aziz Khan ACCA - *Member*
Ms. Mohsena Hassan - *Member*

Evaluation Committee

Lt Gen Engr Abdul Wadud (Retd), Managing Director - *Chairman*
Engr. Md. Mozammel Hossain, Deputy Managing Director - *Member*
Engr. A. K. M. Asadul Alam Siddique, Senior General Manager (O&M, HR & Admin) - *Member*
Mr. Swapon Kumar Pal FCA, Financial Controller & Company Secretary - *Secretary*
Engr. Md. Nazmul Hasan, General Manager (Procurement, Inventory & Training) - *Member*

COVID Medical Response Team (CMRT)

Lt Gen Engr Abdul Wadud (Retd), Managing Director - *Chief Coordinator*
Mr S.M. Noor Uddin - *Member*
Mr Nazmul Haider - *Member*
Mr Syed Rahat Jaman Sohel - *Member*
Mr Asif Ahmad - *Member*
Col Jawadul Islam (Retd) - *Member*

Management Review Committee in requirement with IMS

Lt Gen Engr Abdul Wadud (Retd), Managing Director - *Chairman*
Engr. Md. Mozammel Hossain, Deputy Managing Director - *Member*
Engr. A. K. M. Asadul Alam Siddique, Senior General Manager (O&M, HR & Admin) - *Member*
Mr. Swapon Kumar Pal FCA, Financial Controller & Company Secretary
Engr. Md. Nazmul Hasan, General Manager (Procurement, Inventory & Training) - *Member*
Engr. Ali Ahsan, Deputy General Manager (O&M) - *Member*
Engr. Hafiz Al Atick, Deputy General Manager (O&M) - *Member*
Plant In-Charges - *Members*

Group Compliance/ Risk Management Taskforce

Representatives from Summit Power International Ltd.
Representatives from Summit Corporation Limited
Representatives from Summit Power Limited
Representatives from Turbine Division

Investment Committee

Mr. Anisuddin Ahmed Khan (Independent Director), *Chairman*

Mr. Faisal Karim Khan, Director, *Member*

Mr. Nicholas Padgalskas, Director, *Member*

Lt Gen Engr Abdul Wadud (Rtd), Managing Director, *Member*

Engineer Mozammel Hossain, Managing Director of AAPL & SGIPL, *Member*

Mr. Syed A K Rahat Jaman Sohel, Executive Director (Finance), SCL, *Member*

Mr. Swapon Kumar Pal FCA, *Member Secretary*

Major Activities and Decisions:

- Audit Committee has recommended the set of quarterly unaudited financial statements for the quarter ended on 30 September 2021, 31 December 2021, 31 March 2022 and yearly financial statements for the year ended on 30 June 2022.
- Audit Committee has also reviewed the observations and recommendation thereon on different internal control system and business process brought by internal audit and recommended to the board, as appropriate.
- A report of Audit Committee to the shareholders of the Company has also been presented in the Annual Report.
- Nomination and Remuneration Committee (NRC) has reviewed Company's financial and operational performance and recommended the yearly salary increment of Directors and Top Level Executives to the board.
- NRC has also recommended for approval of the ToR of NRC and the Code of Conduct of Chairperson, Board of Director and Chief Executive Officer/MD to the board.
- A report of NRC to the shareholders of the Company has also been presented in the Annual Report.
- The contracts for purchase of lubricant oils and spare parts have been reviewed and approved by the different committees of the Company.
- The budget of FY 2022-23 majorly including purchase and consumption of lubricant oil and spare parts, O&M expenses, yearly salary increment have been reviewed and recommended the same to the board for their approval by the various committees of the Company.
- Management Review Committee (MRC) has met quarterly to discuss all kind of ongoing plant technical & operational and other logistic/administrative matters for having a better resolutions and to follow-up any progress on the actions that already have been taken.
- Following IMS guidelines and procedures, MRC also has discussed the observations and recommendations brought by ISO audit teams.
- MRC also checks the implementation of IMS policies and achievement against targets in the areas of quality management, environment management, health & safety and social policy.
- Evaluation Committee of the Company centrally has evaluated the yearly performance of individual employee and determined the yearly salary increment including promotions, incentives etc.
- CMRT has fully coordinated COVID 19 management for all directors and employees including their family members whenever needed and including promotional agreement with COVID specialized hospital in Bangladesh.
- Group Compliance Taskforce has met to discuss about compliance related matters involving risk assessment based on review of current processes and policies and their compliance in the areas of operations, finance, secretarial and others regulatory matters.
- The members of the taskforce are to provide status updates and evidences of compliance and recommendations for any improvement in case of any non-compliance including following through on closure of any non-compliances in a timely manner.
- Corporate Social Responsibility (CSR) Committee centrally coordinates the Summit Corporation Limited's CSR activities including Summit Power Limited within the yearly operating budget.
- Taking advantage of the group's reputation and its management expertise, an Investment Committee has been formed in this FY to assess new business opportunities and investment utilising the internal cash resources along with banking credit facilities, management expertise and goodwill for taking forward businesses of the Company to a greater height.

3.10 AUDIT COMMITTEE REPORT

The Audit Committee, appointed by and responsible to the Board of Directors of Summit Power Limited (SPL), is constituted as per the internal control framework of the Company Policy and conditions set by the Bangladesh Securities and Exchange Commission (BSEC). The present committee comprises of 4 (four) members of whom one is Independent Director. The Company secretary functions as the secretary of the Committee as well. Meetings of the committee are attended by Managing Director, Deputy Managing Director, Head of Internal Audit, as necessary, by invitation. All members of the committee are financially literate and able to interpret financial statements and assess the adequacy of the internal control process.

The present Committee members, nominated by the Board, are:

Committee Members	Board Members	Position	Attendance
Mr. Faruq Ahmad Siddiqi	Independent Director	Chairman	4/4
Mr. Syed Fazlul Haque FCA	Non-Executive Director	Member	4/4
Mr. Faisal Karim Khan	Non-Executive Director	Member	4/4
Ms. Azeeza Aziz Khan ACCA	Non-Executive Director	Member	4/4

A total of 4 (four) meetings, including the meeting dated 6th September 2022, were held since the last reporting with Audit Committee Report: 2020-21 dated 21st September 2021.

Role of the Committee

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

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

the regulatory and financial reporting requirements.

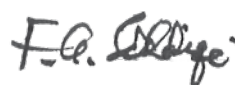
Activities of the Committee on Company's affairs for the year under report

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

- Reviewing of the quarterly and half yearly financial statements of the Company and recommended to the Board for adoption and circulation as per the requirement of Bangladesh Securities and Exchange Commission (BSEC).
- Assessing of the report of the external auditors on critical accounting policies, significant judgments and practices used by the company in preparation of financial statements.
- Recommending Rahman Rahman Huq, Chartered Accountants, to the Board for appointment as the statutory auditor of the Company for the next financial year ending on 30 June 2023.
- Reviewing of the effectiveness of internal financial control system and the internal audit procedures.
- Appraising of the recurrent related party transactions during the year under report to ensure that transactions were carried out on arm's length basis, not prejudicial to the interest of the Company or its minority shareholders and were in compliance with applicable prevailing laws and regulations for the purpose.
- Reviewing of the external auditors' findings arising from audit, particularly comments and responses of the management.
- Reviewing of the matters of compliance as per requirements of the Bangladesh Securities and Exchange Commission (BSEC) to remain compliant, as appropriate.

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

On behalf of the Committee



Faruq Ahmad Siddiqi
Chairman, Audit Committee

3.11 NOMINATION AND REMUNERATION COMMITTEE REPORT

The Nomination and Remuneration Committee, appointed by and responsible to the Board of Directors of Summit Power Limited (SPL), is constituted as per the conditions set by the Bangladesh Securities and Exchange Commission (BSEC) and formed on 07 October 2020. The present committee comprises of 3 (three) members of whom one is an Independent Director and the others are non-executive Directors. The Company Secretary functions as the Secretary of the Committee.

The present Committee members, nominated by the Board, are:

Committee Members	Board Members	Position	Attendance	NRC Member since
Mr. Anisuddin Ahmed Khan	Independent Director	Chairman	3/3	28 January 2021
Mr. Jafer Ummeed Khan	Non-Executive Director	Member	Do	07 October 2020
Mr. Md. Farid Khan	Non-Executive Director	Member	Do	07 October 2020

Role of the Committee

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

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

- To be independent and responsible or accountable to the Board and to the shareholders;
- To assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executives, as well as a policy for formal process of considering remuneration of directors and top-level executives;
- To recommend to the Board regarding the level and composition of remuneration whether these are reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;
- To recommend to the Board regarding the relationship of remuneration to performance that is clear and meets appropriate performance benchmarks;
- To recommend to the Board regarding remuneration to directors, top level executives that involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
- To recommend a policy on Board's diversity taking into consideration age, gender, experience, education and nationality;
- To identify persons who are qualified to become Directors and Top Level Executives and recommend their appointment and removal;
- To formulate the criteria for evaluation of performance of Independent Directors and the Board;

- Identify the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;
- To recommend and review annually the Company's human resources and training policies;
- To recommend the Code of Conduct for the Chairperson of the Board, other Board Members and Chief Executive Officer (CEO)/MD of the Company.

Major Activities of the NRC during the Reporting Period to Date were as Follows

- To recommend the proposal of possible extension of employment contracts of Managing Director, SPL and Managing Director of Summit Gazipur II Power Limited and Ace Alliance Power Limited.
- To review and recommend yearly salary increment for Directors and Top Level Executives taking into consideration the operational and financial performance of FY 2021-22 and budgetary performance target of FY 2022-23;
- To appraise and endorse the Nomination and Remuneration Policy of the Company.

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

On behalf of the Committee



Anisuddin Ahmed Khan
Chairman, NRC Committee

3.12 STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

1. Overview

The Board is committed and acknowledges its responsibility to oversee the system of risk management and internal controls within the Company including reviewing its adequacy, integrity and effectiveness in conjunction with the establishment of an appropriate control environment and framework to safeguard shareholders' investments and the Company's assets.

2 Board Responsibilities

The Board of Directors ("the Board") recognises the importance of maintaining a good system of risk management and internal controls to safeguard shareholders' investment and the Company's assets. The Board acknowledges its overall responsibility for reviewing the adequacy and integrity of the Company's system of risk management and internal control, identifying principal risks and establishing an appropriate control environment and framework to manage risks and evaluating the Company's operational effectiveness and efficiency. The Board recognises that due to inherent limitations, such systems are designed to manage rather than to eliminate the risk of business failure. As such, these systems could only provide reasonable but not absolute assurance against material misstatements or losses and the effectiveness of an internal control system may vary over time. The Board provides strategic guidance to the management to identify risks faced by the Company, and thus formulates, implements and monitors appropriate internal initiatives to mitigate and control risks. The system of internal control covers financial, operational and compliance controls and risk management procedures.

3. System of Risk Management

The Board acknowledged that all areas of the Company's activities involve some degree of risks and recognises that effective risk management is part of good business management practice for the successful achievement of the Company's business objectives. Operationally, the respective Directors of the Companies including subsidiaries and Top Level Executives/Key Management Personnel are responsible for managing the risks of their departments specially including operations and maintenance of power plants, procurements, finance and accounts, treasury management, corporate affairs and general logistic and administration under the comprehensive guideline of Integrated Management System (IMS)

and periodic management meetings are held to address significant issues faced by the Company so as to ensure significant risks are closely monitored and appropriately addressed. Significant risks are highlighted to the Board on an exception basis. The abovementioned practices/initiatives serves as the on-going process used to identify, evaluate and manage significant risks that affect the achievement of the Company's business objectives. A summary of risks and their mitigations are described in point number 5.

4. System of Internal Control

The key measures implemented in the Company are as follows :-

- a. A well-defined organisation structure with distinct lines of accountability that sets out the authority delegated to the Board, Committees to the Board and Management Committees/teams;
- b. A management reporting system to facilitate the collection, processing, monitoring and dissemination of critical information for management review and decision;
- c. Performance reports such as quarterly financial review and plants operational performance review, business development and other corporate matters are regularly provided to the Directors for discussion and deliberations at Board of Directors meeting;
- d. Review of quarterly and annual financial results by the Audit Committee;
- e. Review, in the Quarterly Management Review Meeting (MRM), of the operational and financial performance and compliances in terms of customer feedback, process performance, changes internal and external factors affecting the IMS, evaluations of compliance with legal requirements, communication(s) with external parties, including complaints, evaluation that objectives and targets have been met, status of non-conformities and preventive and corrective actions taken against identified risks, evaluation of environmental and OH&S performance, evaluation of the needs and expectations of interested parties, including compliance obligations and finally evaluation of risks and opportunities for continual improvement and recommendations for improvements thereon.
- f. Regular and occasional meetings by the management team to discuss and review reports and business developments and to resolve key operations, financial and managements issues;
- g. Review the adequacy and effectiveness of the system of internal control, with the assistance of the internal audit function; and

h. Direct involvement of the Executive Directors in running the business and operations of the Companies including subsidiaries and they are responsible to report to the Board on significant changes which may affect the operations of the Company on regular and period basis (quarterly board meetings).

5. Summary of Risks and their Mitigations

Risks Type	Risk Exposures	Risks Mitigation Measures
Credit risk: Trade and Other Receivables	Trade receivables may not be collected or long delay in collection	<ul style="list-style-type: none"> • Effective defined terms in the PPAs and IA including off-taker SBLC and Government sovereign guarantee; • Advances and deposits are made to vendors within binding contractual terms.
Credit risk: Cash and Cash Equivalent	Cash and cash equivalent in the Banks may not be fully secured	Bank deposits are made with good credit ratings banks with short period of time and they are regularly monitored.
Liquidity Risk: Meeting Financial Liabilities on Times	Trade payables and other short term loan or credit obligations may not be settled on time	<ul style="list-style-type: none"> • Effective defined terms in the PPAs and IA always foster the monthly revenue bill collection; • Cash generation via monthly revenue are sufficient to pay all short terms dues in times; • Maintaining a flexibility between inter-company transactions to meet any financial needs of any group companies; • Maintain a set of credit lines with banks for availing any kind of financial needs, if any.
Market Risk: Currency Risk and CPI Fluctuations	The Company may face fluctuation in currency conversion into USD or BDT or vice-versa while settling foreign currency depended liabilities and while raising and collecting USD based revenue component	<ul style="list-style-type: none"> • Majorly of the revenue components and larger PPAs of the Company are USD and both in local and US CPI dependent. So, variabilities in operating costs including spare parts, lube oil, salaries & allowances and other plant and HO operational costs/expenses are majorly compensated by currency and CPI variabilities that the Company receives via revenue.
Market Risk: Interest Rate Risk	Interest expenses of loan and borrowings may increase	The Company has entered into interest rate SWAP agreements to cover variability in LIBOR for foreign currency loan and interest on local loans are mostly stable.
Capital Management Risk	The Company may face going concern issue and falls of short of capital	The Company always maintain a good balance between providing dividend or return on capital and retained earnings or provision of bank borrowings for continuing operation and its growth expansion.
Industry Risks	Excessive competition between a larger group of companies may obstruct the growth of the Company	A wide range of industrialization, including country-wide 100 economic zones that are developing, as described in the Directors' Report section, requires more and more electricity generation. The Company is working for further expansion to add more MW capacity.
Technology-Related Risks	Technology for generating electricity may change	The Company is well aware of any technological change in supply chain of electricity generation industry. Hence, the Company is more interest to develop its project in clean energy sources, as feasible.
Potential or Existing Government Regulations	The Government might take any policy that may adversely affect profitability and operation of the Company.	Govt. is encouraging Private Sectors to invest in power sector for reducing scarcity of electricity in line with Vision 2041 where the country is projecting to need 60,000 MW.
Non-renewal of Contracts and BERC Licenses	Existing contracts of electricity supply (PPAs) may not be renewed further	It is true that there a gap between electricity supply and its demand. Some of the expired PPAs with BREB and BPDB have already been renewed for a period of five/two years and another three PPAs are in the process of renewal with BREB and the others, when its terms will expire, will also be renewed as we hope.
Operations Risks	Operational risk covers the ability of the Company to achieve the performance as envisaged.	The Company has long term fuel supply arrangements, operation and maintenance (O&M) arrangement and a pool of experience manpower, a well set of policies and procedures under IMS and other Corporate Governance Guidelines and a good track record of operational performance with customers.

6. Internal Audit Function

The Company has internal audit function under the direct supervision of the Audit Committee through the Company's Group Corporate Structure to review the adequacy and integrity of the internal control systems of the Companies containing all subsidiaries. The functions of the internal audit involve as follows :-

- a. To perform audit work in accordance with the pre-approved internal audit plan;
- b. To carry out review on the system of internal controls of the Companies;
- c. To review the effectiveness and adequacy of the existing control policies and procedures;
- d. To provide recommendations, if any, for the improvement of the control policies and procedures;
- e. To review and comment on the implementation status of the recommendation by the internal audit function.

The internal audit function reports directly to the Audit Committee and is independent of the management. The internal audit reports are submitted to the Audit Committee who would review and deliberate on the findings before making the necessary recommendations to the Board to strengthen its system of internal control and policies.

7. Compliance Taskforce Committee

In reference to the Group Compliance Taskforce Charter, the Compliance Taskforce Committee has met to discuss about compliance related matters involving risk assessment based on review of current processes and policies and their compliance

in the areas of operations, finance, secretarial and others regulatory matters. The members of the taskforce are to provide status updates and evidences of compliance and recommendations for any improvement in case of any non-compliance including following through on closure of any non-compliances in a timely manner. This purpose will be accomplished through the fulfilment of duties and responsibilities of each member at the operational level, is an integral part of the commitment to compliance.

8. Conclusion

The Board is committed towards operating a sound system of internal control and effective risk management practices throughout the Companies comprising subsidiaries and is of the view that they are adequate to safeguard shareholders' investments and the Company's assets. There were no material losses incurred during the financial period as a result of weaknesses in internal control that would require a separate disclosure in the annual report. The Board will, when necessary, take the necessary steps to further enhance the Company's system of risk management and internal control to adapt to the ever changing and challenging business environment.

This Statement was made in accordance with a resolution of the Board dated 14 September 2022.

Lt Gen Engr Abdul Wadud (Retd)
Managing Director

3.13 COMPLIANCE REPORT ON IAS AND IFRS

Sl. No.	Title	Remarks
IAS 01	Presentation of Financial Statements	Applied
IAS 02	Inventories	Applied
IAS 07	Statement of Cash Flows	Applied
IAS 08	Accounting Policies, Changes in Accounting Estimates and Errors	Applied
IAS 10	Events after the Reporting Period	Applied
IAS 12	Income Taxes	Applied
IAS 16	Property, Plant & Equipment	Applied
IAS 19	Employee Benefits	Applied
IAS 20	Accounting of Government Grants and Disclosure of Government Assistance	N/A
IAS 21	The Effects of Changes in Foreign Exchange Rates	Applied
IAS 23	Borrowing Costs	Applied
IAS 24	Related Party Disclosures	Applied
IAS 26	Accounting and Reporting by Retirement Benefit Plans	N/A
IAS 27	Separate Financial Statements	Applied
IAS 28	Investments in Associates	Applied
IAS 29	Financial Reporting in Hyperinflationary Economics	N/A
IAS 32	Financial Instruments: Presentation	Applied
IAS 33	Earnings per Share	Applied
IAS 34	Interim Financial Reporting	Applied
IAS 36	Impairment of Assets	Applied
IAS 37	Provisions, Contingent Liabilities and Contingent Assets	Applied
IAS 38	Intangible Assets	Applied
IAS 40	Investment Property	N/A
IAS 41	Agriculture	N/A
IFRS 1	First-time adoption of International financial Reporting Standards	Applied
IFRS 2	Share-based Payment	N/A
IFRS 3	Business Combinations	Applied
IFRS 4	Insurance Contracts	N/A
IFRS 5	Non-current Assets Held for Sale and Discontinued Operations	N/A
IFRS 6	Exploration for and Evaluation of Mineral Resources	N/A
IFRS 7	Financial Instruments: Disclosures	Applied
IFRS 8	Operating Segments	N/A
IFRS 9	Financial Instruments	Applied
IFRS 10	Consolidated Financial Statements	Applied
IFRS 11	Joint Arrangements	N/A
IFRS 12	Disclosure of Interests in other Entities	Applied
IFRS 13	Fair Value Measurement	Applied
IFRS 14	Regulatory Deferral Accounts	N/A
IFRS 15	Revenue from Contracts with Customers	Applied
IFRS 16	Leases	Applied

3.14 STATEMENT OF CORPORATE GOVERNANCE

Summit perceives corporate governance as a system, which involves the alignment of interests among all the stakeholders. Summit's philosophy of corporate governance of the Company is aimed at the conduct of Company/top management to ensure that no decision is being taken at the cost of the interest of the community, country as a whole or for any stakeholder. It refers to the meeting obligations to all the stakeholders and is guided by strong emphasis on transparency, accountability and integrity.

GUIDING PRINCIPLES OF CORPORATE GOVERNANCE

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

- That the Board is appropriate in size and members are committed to their respective duties and responsibilities;
- That Codes of Corporate Governance as notified by the Bangladesh Securities and Exchange Commission under reference BSEC/CMRRCD/2006-158/207/Admin/80, dated 3rd June 2018 and BSEC/CMRRCD/2006-158/208/Admin/81, dated 20th June 2018;
- That the Company is operated by a well-defined management structure including IMS;
- That timely flow of information to the Board and its Committees are ensured to enable them discharge their functions effectively;
- That a sound system of 'Risk Management' and internal control is in place;
- That corporate governance practice is based the Companies Act 1994 along with the amendment of the Companies Act in 2020 and other applicable corporate regulations of Bangladesh and the Memorandum and Articles of Association of the Company;
- That the Company has a sound asset management policy, which assures that proper records are maintained in case of capital expenditures of the Company and that no unauthorised use or disposal of any asset occurs;
- That timely and balanced disclosure of all material information concerning the Company is made to all stakeholders;
- That all transactions of the Company are transparent and accountability for the transactions is well established;
- That all regulatory and statutory rules and regulations are complied with;
- That meeting the needs of the current generation will be without compromising the ability of future generation to meet their needs;
- That always there should consider a holistic (social, economic and environmental) approach for decision making, venture exploring and problem-solving;
- That the corporate governance is to be practiced following the guiding various systems, policies, manuals and charters as defined in the 'Various Systems, Policies, Manuals and Charters' section of the Annual Report;
- That the 'Statement of Risk Management' and 'Internal Control' of the Company is followed in management of governance exercise;
- That the delegation of authorities of the Company as defined is exercised prudently; and
- That both the local and global industry best practices are well implemented.

THE RESPONSIBILITIES OF THE BOARD

To ensure effective maintenance of corporate governance, the Board of Summit Power Limited (SPL) formulates strategic objectives and policies for the Company, provides leadership and supervises management actions in implementing those objectives of the Company. In Summit, the Board of Directors fully control the Company's affairs and are also accountable to the shareholders. The Board firmly believes that the success of the Company depends largely on the prevalence of a credible corporate governance practice.

In discharging its responsibilities, the Board fulfills certain key functions:

- To be informed and act ethically and in good faith, with due diligence and care, in the best interest of the Company and the shareholders;
- To review and guide corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring and implementing of corporate performance;
- To ensure the integrity of the Company's account & financial reporting systems, in particular, systems for risk management, financial and operational control and compliance with the law and relevant standards
- To review Company's financial statements and oversee its compliance with applicable audit, accounting and reporting requirements. In doing so, the Company:
 - Applies suitable accounting policies;
 - Makes prudent judgments and estimates where needed;
 - Ensures all applicable accounting standards have been followed, all material departures have been disclosed and explained in the notes to the financial statements;

- Makes sure the accounting records present the financial position of the Company accurately;
- Prepares the financial statements on a going concern basis.
- Ensures the integrity of the corporations accounting and financial reporting systems, including their independent audit;
- To monitor implementation and effectiveness of the approved strategic and operating plans;
- To oversee major acquisitions and divestitures and establish Company's value;
- To oversee the corporate governance of the Company;
- To select, compensate, monitor and replace key executives and oversee succession planning;
- To ensure a formal and transparent board member nomination and election process;
- To ensure appropriate systems of internal control are established;
- To appropriately fix and disclose the mandate, composition and working procedures of the committees to the board as established; and
- To align top level executives' and directors' remuneration with the longer-term interests of the Company and its shareholders as recommended by NRC.

The Company's policy is to maintain optimum combination of Directors. The Managing Director of the Company is a non- shareholder ex-officio Director and the Board has appointed three Independent Directors as per the BSEC's requirement. The short introduction of the Directors has been described in this Annual Report. The Board ensures that the activities of the Company are always conducted with adherence to high ethical standards and in the best interest of the shareholders.

BOARD MEETINGS, PROCEDURES AND ACTIVITIES

I. Procedures of the board meeting:

The procedures of the board meetings are mentioned below:

- a. **Selection of Agenda:** The Chairman of the Board, in consultation with Managing Director sets the agenda for Board meetings with the understanding that the Board is responsible for providing suggestions for agenda items that are aligned with the advisory and monitoring functions of the Board. Any member of the Board may request that an item be included on the agenda.
- b. **Board Materials:** Board materials related to agenda items are provided to Board members

sufficiently in advance of Board meetings to allow the Directors to prepare for discussion of the items at the meeting.

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

II. Attendance of the board meeting and their activities:

Five meetings were held majorly via virtual platform during the financial year ended 30 June 2022. A summary of the Board Members' attendance and their activities are disclosed as follows:

a. Attendance of the board meeting:

Sl.#	Name of Directors	Attendance
1	Mr. Muhammed Aziz Khan	5
2	Mr. Md. Latif Khan	5
3	Mrs. Anjuman Aziz Khan	3
4	Mr. Jafer Ummeed Khan	5
5	Mr. Md. Farid Khan	5
6	Ms. Ayesha Aziz Khan	5
7	Mr. Faisal Karim Khan	5
8	Ms. Azeeza Aziz Khan ACCA	5
9	Mr. Syed Fazlul Haque FCA	5
10	Mr. Helal Uddin Ahmed	2
11	Mr. Md. Arif Al Islam	3
12	Mr. Nicholas Padgalskas	2
13	Mr. Faruq Ahmad Siddiqi	5
14	Mr. Anisuddin Ahmed Khan	5
15	Mr. Junayed Ahmed Chowdhury	3
16	Lt. Gen. Engr. Abdul Wadud (Retd.)	5

b. **Major activities of the Board:** The major decisions considered by the Board during the financial year, in addition to the regular business agenda, are as follows:

- Approval of the Financial Statement and Directors' Report
- Dividend Declaration for the financial year ended on 30th June 2022;
- Approval of annual operating and capital budget, including Directors' and employees' yearly performance appraisal and salary increment, for the year ending on 30th June 2023;
- Recommendation for appointment of External and Corporate Governance Auditors along with

- their remuneration;
- Review of yearly operating performance and providing suggestions for improvement of operational performance further;
- Conducting 24th Annual General Meeting of the Company;
- Approval of quarterly unaudited financial statements for the quarters ended on 30 September 2021, 31st December 2021 and 31st March 2022, taking into consideration of Audit Committee reviews and recommendations on financial statements;
- Review of quarterly operational and financial performance as presented by the managements and providing suggestions for further improvement in the areas of various business processes;
- Review and approval of related party transactions particularly with fuel supplier, Summit Oil and Shipping Co Ltd (SOSCL);
- Review and approval of sanction of credit facilities (in the form of funded and non-funded) to facilitate working capital support for related party transactions and supply of spare parts from foreign vendors;
- Approval of re-appointment of the Independent Director of the Company.

THE RESPONSIBILITIES OF THE COMMITTEES TO THE BOARD

The current formation of the Audit Committee and Nomination and Remuneration Committee, their activities and attendance are disclosed in the Report of Audit Committee 2021-22 and Report of NRC 2021-22 sections of the Annual Report.

THE RESPONSIBILITIES OF THE MANAGEMENT

To ensure effective maintenance of corporate governance, the Management of Summit Power Limited (SPL) formulates and implements a tactical plan to align the organisation as per strategic objectives and policies provided by the Board. In Summit, the Management is in full control of the Company's affairs and is also accountable to the Board. The Management firmly believes that the success of the Company is achieved through fair practice of the corporate governance framework.

In discharging its responsibilities aligned with the defined policies and objectives of the board of directors, the Management fulfills certain key functions:

- To implement and provide feedback about the corporate strategy, major plans of action, risk policy, annual budgets and business plans and performance objectives;
- To assist the Board to ensure the integrity of the Company's accounting & financial reporting systems, in particular, systems for risk management, financial

and operational control and compliance with the law and relevant standards;

- To assist the Board to review the Company's financial statements and oversee its compliance with applicable audit, accounting and reporting requirement;
- To assist the Board to monitor and implement the effectiveness of the approved strategic plans by adopting relevant tactical and operating plans; and
- To monitor and provide feedback about the corporate governance of the Company to the Board;

The Management builds the confidence of the Board by ensuring that the activities of the Company are always conducted with adherence to high ethical standards and in the best interest of the shareholders and other stakeholders while optimizing the wealth of the Company.

INTERNAL CONTROL FRAMEWORK

Our understanding about internal control aligns with the Committee of Sponsoring Organisation (COSO) Internal Control Integrated Framework, a widely used framework of internal control, which is broadly defined as a process, carried out by an entity's board of directors, management, and other personnel. It is designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting, and compliance.

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

Everyone in an organisation has responsibility for internal control to some extent and all personnel should be responsible to ensure a healthy internal control system. The roles and responsibilities of the major entities are as follows

Board Of Directors

The Board of Directors provides governance, guidance and oversight to the management. Our board members are objective, capable and inquisitive. They also have knowledge of the entity's activities and environment, and commit the time necessary to fulfill their board responsibilities.

Management

The top manager of the organisation has overall responsibility for designing and implementing effective internal control to ensure the requirement of the board. The top management is also liable for the issues that affect integrity and ethics and other factors of a positive control environment. In our Company, the top

management fulfills this duty by providing leadership and direction to senior managers and reviewing the way they're controlling the business. Senior managers, assign responsibility for establishment of more specific internal control policies and procedures to personnel responsible for the unit's functions.

Auditors

The internal auditors and external auditors of the organisation also measure the effectiveness of internal control and report them accordingly. They assess whether the controls are properly designed, implemented and working effectively, and make recommendations on how to improve internal control. They may also review information technology controls, which relate to the IT systems of the organisation. There are laws and regulations on internal control related to financial reporting in a number of jurisdictions. To provide reasonable assurance that internal controls involved in the financial reporting process are effective, they are tested by the external auditor (the organisation's public accountants), who are required to opine on the internal controls of the Company and the reliability of its financial reporting.

Audit Committee

Summit Power Limited has a very well defined audit committee, similar to other committees. The roles and the responsibilities of the audit committee are as follows:

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

Internal Audit:

The Company has a dedicated Internal Audit Team, accountable for reviewing the activities of management related to internal controls over financial reporting and business operational functions. The team is

adequately resourced and empowered to deliver its responsibilities under the Group Internal Audit Charter and Policies. The team can work independently to ensure risks and internal control deficiencies are identified, reported and mitigated timely.

Remuneration Committee

The roles and the responsibilities of the remuneration committee of our Company are as follows:

- To approve and oversee administration of the 'Company's Compensation Policy';
- To review and approve specific compensation matters for the key executives;
- To review, as appropriate, any changes to compensation matters for the officers listed above with the Board;
- To review and monitor all human-resource related performance and compliance activities and reports, including the performance management system;
- To ensure that benefit-related performance measures are properly used by the management of the organisation; and
- To review and discuss with management the types of information to be disclosed and the types of presentations to be made financial and investment related issues;

Operating Staff

The Company perceives that all staff members are responsible for reporting problems of operations, monitoring and improving their performance, and monitoring non-compliance with the corporate policies and various professional codes, or violations of policies, standards, practices and procedures. Their particular responsibilities are documented in their individual personnel files. In performance management activities they take part in all compliance and performance data collection and processing activities as they are part of various organisational units and may also be responsible for various compliance and operational-related activities of the organisation. Staff and junior managers are also involved in evaluating the controls within the organisational unit using a control self-assessment.

Financial Reporting Process

All financial statements are made in accordance with IFRS and IAS applicable in Bangladesh, the Companies Act 1994, the Securities and Exchange Rules 2020, and other applicable financial legislations. It is from the financial reports of enterprise resource planning (ERP) – Microsoft Navision System - that the financial data is captured. The financial statements are reviewed by the Director Finance, Managing Director and Audit Committee on a regular basis/quarterly and annual basis. Upon submission to the Group in the form of

management accounts, these financial statements are then viewed by the Group (i.e. Summit Power International Limited) Accounting and Finance Team of Summit Power International, based in Singapore on a regular monthly and quarterly basis. External auditors examine the financial statements in accordance with International Auditing Standards (ISAs) and in line with the Company's internal control system. Finally, the financial statements (both audited and unaudited ones) are placed before the Board for their review and approval.

Operational Process and its Performance Review

Following the qualities, environment and health, safety & social policies under Integrated Management System, the operations of all power plants are conducted by the management. The system of performance review and for their continual improvement are also in-built in the IMS.

Delegation of Authority

Responsibility or authority is assigned through the delegation of authority framework. The delegation of authority framework for the Company is continuously reviewed and updated as circumstances change to ensure relevance and applicability.

Company Secretary

To ensure effective accumulation and timely flow of information that is required by the Board and to maintain necessary liaison with internal organisations as well as external agencies, the Board has appointed a Company Secretary. The Corporate Governance Code issued by the Bangladesh Securities and Exchange Commission (BSEC) also requires a listed Company to appoint a Company Secretary. In pursuance of the same, the Board of Directors has appointed the Company Secretary and defined his roles and responsibilities as follows, among others:

- To perform as the bridge between the Board, Management and Shareholders on strategic and statutory decisions and directions;
- To be responsible for ensuring that appropriate Board procedures are followed and advises the Board on Corporate Governance matters; and
- To act as the Disclosure Officer of the Company and monitors the compliance of the acts, rules, regulations, notifications, guidelines, orders/directives, etc. issued by BSEC including Stock Exchanges applicable to the conduct of the business activities of the Company so as to protect the interests of the investors and other stakeholders.

Bangladesh Secretarial Standards (BSS)

The Company conducts its Board meetings, records the minutes of the meetings, as well as maintains the required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS)

as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB).

Investor Relations

The Investor Relations function aims to provide relevant and necessary information to the investors and shareholders and capital markets in order to enable them to make an informed judgement about the fair value of the Company's shares. The relevant stakeholders are kept informed about the Company's financial results, regulatory landscape, growth opportunities and strategic ambitions. The Investor Relations under the guidance of Company Secretary & Managing Director closely work the Public Relations and Media Department of Summit Corporation Limited for providing relevant information to stakeholders including shareholders. The details of communications with shareholders are well disclosed in the 'Communications with Shareholders' section of the Annual Report.

SUBSIDIARY COMPANIES

Summit Power Limited has five subsidiary Companies and in accordance with the corporate governance guidelines set by BSEC, the Company ensured that –

The conditions stating how the Board of Directors should be composed including the requirement to appoint independent directors is fulfilled.

- The independent directors of the Company are also appointed as such in the subsidiary Companies;
- Activities and transactions of the subsidiary Companies are also reviewed at the Board meetings of the Company;
- Minutes of the Board meetings of the subsidiaries are reviewed by the Board of the Company as well;
- Audit Committee of the Company assessed the financial statements of the subsidiary Companies as well; and
- Any conflicts of interest that may have arisen during intercompany transactions were mitigated.

3.15 STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)

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

(Report under Condition No. 9.00)

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
1.	Board of Directors			
1(1)	The total number of members of a Company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	√	-	The SPL Board is comprised of 16 Directors including Managing Director.
1(2)	Independent Directors			
1(2)(a)	At least one fifth (1/5) of the total number of directors in the Company's board of director shall be independent directors.	√	-	There are three (03) Independent Directors in the SPL Board and another one is in the process of appointment.
1(2)(b)	'Independent director' means a director			
1(2)(b)(i)	Who either does not hold any share in the Company or holds less than one percent (1%) shares of the total paid-up shares of the Company;	√	-	-
1(2)(b)(ii)	Who is not a sponsor of the Company or is not connected with the Company's any sponsor or director or nominated director or share holder of the Company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the Company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the Company;	√	-	-
1(2)(b)(iii)	Who has not been an executive of the Company in immediately preceding 2 (two) financial years;	√	-	-
1(2)(b)(iv)	Who does not have any other relation ship, whether pecuniary or otherwise, with the Company or its subsidiary or associated companies;	√	-	-
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange;	√	-	-
1(2)(b)(vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	√	-	-
1(2)(b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned Company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	√	-	-
1(2)(b)(viii)	Who is not Independent Director in more than 5 (five) listed companies;	√	-	-

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
1(2)(b)(ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a Bank or a Non-Bank Financial Institution (NBF);	√	-	-
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude;	√	-	-
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	√	-	-
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days;	√	-	-
1(2)(e)	The tenure of office of an Independent Director shall be for a period of 3 (three) years which may be extended for 1 (one) term only.	√	-	-
1(3)	Qualification of Independent Director			
1(3)(a)	Independent director shall be a Knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	√	-	-
1(3)(b)	Independent Director shall have following Qualification.			
1(3)(b)(i)	Business leader who is or was a promoter or director of an unlisted Company having minimum paid-up capital of BDT 100.00 million or any listed Company or a member of any national or international chamber of commerce or business association;	√	-	-
1(3)(b)(ii)	Corporate leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted Company having minimum paid-up capital of BDT 100.00 million or of a listed Company;	√	-	-
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law;	√	-	-
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law or not;	√	-	-
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	√	-	-
1(3)(c)	The Independent Director(s) shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√	-	-

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
1(3)(d)	In special cases, the above qualification or experiences may be relaxed subject to prior approval of the commission.	√	-	-
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the Company shall be filled by different individuals;	√	-	-
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed Company shall not hold the same position in another listed Company;	√	-	-
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the Company;	√	-	-
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	√	-	-
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√	-	-
1(5)	Directors' Report to Shareholders			
1(5)(i)	An industry outlook and possible future developments in the industry;	√	-	-
1(5)(ii)	The segment-wise or product-wise performance;	√	-	-
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√	-	-
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	√	-	-
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	√	-	-
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√	-	-
1(5)(vii)	A statement of utilisation of proceeds raised through public issues, rights issues and/or any other instruments;	-	-	N/A
1(5)(viii)	An explanation if the financial results deteriorate after the Company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;	-	-	N/A
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	√	-	-
1(5)(x)	A statement of remuneration paid to the directors including Independent Directors;	√	-	-

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√	-	-
1(5)(xii)	A statement that proper books of account of the issuer Company have been maintained;	√	-	-
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	√	-	-
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	√	-	-
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored	√	-	-
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√	-	-
1(5)(xvii)	A statement that there is no significant doubt upon the issuer Company's ability to continue as a going concern, if the issuer Company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√	-	-
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer Company shall be highlighted and the reasons thereof shall be explained;	√	-	-
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	√	-	-
1(5)(xx)	An explanation on the reasons if the issuer Company has not declared dividend (cash or stock) for the year;	-	-	N/A
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	√	-	-
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	√	-	-
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:			
1(5)(xxiii)(a)	Parent or subsidiary or associated companies and other related parties (name wise details);	√	-	-
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);	√	-	-
1(5)(xxiii)(c)	Executives; and	√	-	-
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the Company (name-wise details);	√	-	-
1(5)(xxiv)	In case of appointment/re-appointment of a Director the Company shall disclose the following information to the Shareholders:			

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
1(5)(xxiv)(a)	A brief resume of the Director;	√	-	-
1(5)(xxiv)(b)	Nature of his/her expertise in specific functional areas;	√	-	-
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board;	√	-	-
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the Company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	√	-	-
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	-	-	N/A
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	√	-	-
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√	-	-
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	√	-	-
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the Company; and	√	-	-
1(5)(xxv)(g)	Future plan or projection or forecast for Company's operation, performance and financial position, with justification there of, i.e., actual position shall be explained to the shareholders in the next AGM;	√	-	-
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	√	-	-
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	√	-	-
1(6)	Meetings of the Board of Directors			
	The Company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√	-	-
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the Company;	√	-	-

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
1.7.(b)	The code of conduct as determined by the NRC shall be posted on the website of the Company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	√	-	-
2	Governance of Board of Directors of Subsidiary Company			
2(a)	Provisions relating to the composition of the Board of Directors of the holding Company shall be made applicable to the composition of the Board of Directors of the subsidiary Company;	√	-	-
2(b)	At least 1 (one) independent director on the Board of Directors of the holding Company shall be a director on the Board of Directors of the subsidiary Company.	√	-	-
2(c)	The minutes of the Board meeting of the subsidiary Company shall be placed for review at the following Board meeting of the holding Company.	√	-	-
2(d)	The Minutes of the respective Board meeting of the holding Company shall state that they have reviewed the affairs of the Subsidiary Company also.	√	-	-
2(e)	The Audit Committee of the holding Company shall also review the Financial Statements, in particular the investments made by the Subsidiary Company.	√	-	-
3.0	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)			
3(1)	Appointment			
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	√	-	Ms. Ayesha Aziz Khan is Director Finance (CFO)
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	√	-	-
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed Company shall not hold any executive position in any other Company at the same time;	√	-	-
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√	-	-
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	√	-	-
3(2)	Requirement to attend Board of Directors' Meetings			
	The MD or CEO, CS, CFO and HIAC of the Company shall attend the meetings of the Board.	√	-	-
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:			
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	√	-	-
3(3)(a)(ii)	These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws;	√	-	-
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's Board or its members;	√	-	-
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√	-	-
4	Board of Directors' Committee			
	For ensuring good governance in the Company, the Board shall have at least following sub-committees:			
4(i)	Audit Committee;	√	-	-
4(ii)	Nomination and Remuneration Committee.	√	-	-
5	Audit Committee			
5(i)	Responsibility to the Board of Directors.			
5(i)(a)	The Company shall have an Audit Committee as a sub-committee of the Board;	√	-	-
5(i)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business;	√	-	-
5(i)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√	-	-
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	√	-	-
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the Company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	√	-	-
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√	-	-

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	√	-	-
5(2)(e)	The Company secretary shall act as the secretary of the Committee;	√	-	-
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√	-	-
5(3)	Chairperson of the Audit Committee			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√	-	-
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	√	-	-
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM).	√	-	-
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year;	√	-	-
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√	-	-
5(5)	Role of Audit Committee			
	The audit committee shall:			
5(5)(a)	Oversee the financial reporting process;	√	-	-
5(5)(b)	Monitor choice of accounting policies and principles;	√	-	-
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	√	-	-
5(5)(d)	Oversee hiring and performance of external auditors;	√	-	-
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√	-	-

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
5(5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval;	√	-	-
5(5)(g)	Review along with the management, the quarterly and half-yearly Financial Statements before submission to the Board for approval;	√	-	-
5(5)(h)	Review the adequacy of internal audit function;	√	-	-
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	√	-	-
5(5)(j)	Review statement of all related party transactions submitted by the management;	√	-	-
5(5)(k)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors;	√	-	-
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;	√	-	-
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission;	-	-	N/A
5(6)	Reporting of the Audit Committee			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board of Directors.	√	-	-
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:-			
5(6)(a)(ii)(a)	Report on conflicts of interests;			
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	-	-	No such reportable incidence arose
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations;	-	-	No such reportable incidence arose
5(6)(a)(ii)(d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	-	-	No such reportable incidence arose
5(6)(b)	Reporting to the Authorities: If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, which ever is earlier.	-	-	No such reportable incidence arose
5(7)	Reporting to the Shareholders and General Investors:- Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer Company.	√	-	-

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
6	Nomination and Remuneration Committee (NRC)			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The Company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	√	-	-
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	√	-	-
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the are as stated at the condition No. 6(5)(b).	√	-	-
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	√	-	-
6(2)(b)	All members of the Committee shall be non-executive directors;	√	-	-
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	√	-	-
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	√	-	-
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	√	-	-
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	√	-	-
6(2)(g)	The Company secretary shall act as the secretary of the Committee;	√	-	-
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	√	-	-
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the Company.	√	-	-
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	√	-	-
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	√	-	-

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders	√	-	-
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	√	-	-
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	√	-	-
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	√	-	-
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	√	-	-
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	√	-	-
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	√	-	-
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the Company successfully;	√	-	-
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	√	-	-
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;	√	-	-
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	√	-	-
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	√	-	-
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	√	-	-
6(5)(b)(v)	Identifying the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	√	-	-
6(5)(b)(vi)	Developing, recommending and reviewing annually the Company's human resources and training policies;	√	-	-

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
6(5)(c)	The Company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	√	-	-
7	External or Statutory Auditors			
7(1)	The issuer Company shall not engage its external or statutory auditors to perform the following services of the Company, namely:-			
7(1)(i)	Appraisal or valuation services or fairness opinions;	√	-	-
7(1)(ii)	Financial information systems design and implementation;	√	-	-
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	√	-	-
7(1)(iv)	Broker-dealer services;	√	-	-
7(1)(v)	Actuarial services;	√	-	-
7(1)(vi)	Internal audit services or special audit services;	√	-	-
7(1)(vii)	Any service that the Audit Committee determines;	√	-	-
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	√	-	-
7(1)(ix)	Any other service that creates conflict of interest.	√	-	-
7(2)	No partner or employees of the external audit firms shall possess any share of the Company they audit at least during the tenure of their audit assignment of that Company; his or her family members also shall not hold any shares in the said Company:	√	-	-
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√	-	-
8	Maintaining a website by the Company			
8(1)	The Company shall have an official website linked with the website of the stock exchange;	√	-	-
8(2)	The Company shall keep the website functional from the date of listing;	√	-	-
8(3)	The Company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√	-	-
9	Reporting and Compliance of Corporate Governance			
9(1)	The Company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report;	√	-	-
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting;	√	-	-
9(3)	The directors of the Company shall state in accordance with the Annexure-C attached, in the directors' report whether the Company has complied with these conditions or not.	√	-	-

3.16 CORPORATE SOCIAL RESPONSIBILITY (CSR)

Health

icddr,b



Dr Tahmeed Ahmed, Executive Director, icddr,b explaining Muhammed Aziz Khan, Founder Chairman of Summit Group along with his wife Anjuman Aziz Khan and daughter Azeeza Aziz Khan ACCA about providing treatment to a historical record-high number of patients in icddr,b Hospital since its inception in the 1960s.

Muhammed Aziz Khan generously pledged to donate USD 0.5 million from Summit Corporation and personally, along with his wife a matching funds from the Anjuman & Aziz Charitable Trust (AACT), a total of USD 1 Million to icddr,b Hospital endowment fund, making it the largest private donation pledge ever to icddr,b from a Bangladeshi. He remarked, "It is a privilege and honour for me and my family to be able to support the humanitarian works that icddr,b does. We are humbled to support its research which saved hundreds of millions of children. Dr Tahmeed Ahmed, Dr Firdausi Qadri and all, make Bangladesh proud. We support and celebrate Bangladesh's independence by supporting one of the finest institutions of the world."

Sheikh Hasina National Institute of Burn and Plastic Surgery



Latif Khan, Vice-Chairman of Summit Group handed over the cheque to Dr Samanta Lal Sen, nation's renowned plastic surgeon and National Coordinator of Sheikh Hasina National Institute of Burn and Plastic Surgery for burn awareness campaign.

Education

Alo'r Pathshala



For the past 12 years, Summit Group and Prothom Alo Trust have been working together to educate students located in remote areas of Bangladesh. An agreement was signed to continue the full financial assistance to all six schools of 'Alo'r Pathshala' with 1,300 students. The pass rate among the students of 'Alo'r Pathshala' at Junior School Certificate (JSC) examinations have consistently been hundred percent and early marriage among girls students and dropouts have drastically been reduced. During the pandemic, while the schools were closed and weathered neglect. Summit has provided additional funds for repair and maintenance of all the school buildings.

Jaago Foundation:

Summit Corporation and Beximco Holdings, two of the country's largest conglomerates, awarded a matching grant of BDT 45 million per annum for three years to JAAGO Foundation, enabling them to educate 4,000 students across Bangladesh. JAAGO, utilises their UNESCO-award winning teaching model using ICT to ensure education over telephone calls, short messaging service and video conferencing system. This is even more important while the education institutions are closed due to the pandemic. Once the education institutions open, the grant will be used to run the digital schools.

SEID Trust:



Dilara Sattar Mitu, Executive Director of SEID Trust along with Members of Trustee Board met with Muhammed Aziz Khan, Chairman of Summit Group. Summit has been supporting SEID to operate a community school for neurologically disabled children from poor families in Kamrangir Chor, an urban slum since 2009.

Arts and Culture

Migrant Workers' Welfare Fund, HOME in Singapore



In an effort to fundraise for the Migrant Workers' Welfare Fund, HOME in Singapore, Summit with the Tagore Society Singapore organised a charity concert performed by Shama Rahman, a global ambassador of Rabindra Sangeet. His Excellency Kasiviswanathan Shanmugam, Honourable Minister of Home Affairs and Law, Singapore graced the occasion as the Chief Guest. All the proceedings were given to HOME to assist low-wage migrant workers in Singapore, who suffer abuse and exploitation such as unpaid salaries, excessive working hours, work injuries, physical and psychological abuse.

Sports

Summit Open and Summit Cup Golf Tournament



Due to the pandemic, Summit had postponed 2020's Golf Tournament. This year Bangladesh's leading professional golfers Mohammad Sayum and Siddikur Rahman became the champion and runner-up, respectively of the 11th Summit Open Golf Tournament 2021. Lt Col (Retd) Muhammad Faruk Khan MP, Presidium Member, Bangladesh Awami League and Maj Gen Md Zahirul Islam, ndc, psc, Vice-President, Kurmitola Golf Club (KGC) and Farid Khan, Vice-Chairman of Summit Group of Companies handed over the trophies and prize money.

Friendship-Summit Solar Village Project



Summit with Friendship, an award-winning international social purpose organisation with focus on climate change adaptation, has committed a joint development of 'Friendship-Summit Solar Village Project' (54KW), in the hard-to-reach Kabilpur char area of Gaibandha district. When functional in February 2023, it will be generating 54 Kilowatt (KW) benefiting 205 ultra-poor households, a local market consisting of 26 shops, four primary schools, one Madrasa and Friendship's Legal Information Booth, which are presently off-grid. Summit pledged fund including 61 decimal land lease, solar panel installation, related logistics and maintenance in Kabilpur char area till 2026.

Community Relations



Honourable State Minister of the Ministry of Cultural Affairs K M Khalid, MP inaugurated the Mritshilpi Soddhmelan & Sommanona 2021 at Zila Shilpakala Academy where Summit had sponsored the event including awards to notable potters, children art competition, Nakshi Pitha mold design exhibition and documentary film.

Celebrating World Environment Day'2022



Md Amin Ul Ahsan, Barisal Divisional Commissioner and Fakir Mahadi Hasan, Plant Manager, Summit Barisal Power Ltd led the World Environment Day 2022 parade.

Blanket distribution



Like every year, Summit had resumed blanket distribution drive after pandemic restrictions at plant level to help the underprivileged people during the winter.

3.17 ENVIRONMENT AND SUSTAINABILITY REPORT

Sustainability Governance

Our environmental, social, and governance (ESG) management approach helps us to live up to this commitment. To ensure long-term business resilience, we seek to minimize negative environmental and social impacts, by actively managing our operations and engaging with our stakeholders. The Summit Power Limited's Management bears overall responsibility for SPL's sustainability management. They oversee how we meet our sustainability expectations and integrate them into our strategy, our governance, and especially our operations.



Photo caption: The sculpture titled 'Rhythm' is seen in the scenic Hamiduzzaman Khan Sculpture Park.

The Environment, Health, Safety and Social (EHSS) and Sustainability function is responsible for developing and coordinating our sustainability activities. It also involves all levels of the organisation in this effort, including employees, whose active involvement is essential for us to achieve a robust sustainability culture. Under the guidance of EHSS & Sustainability, our business units have a responsibility to implement 'Annual EHSS & Sustainability Improvement Plans' to help us meet our overall objectives for these areas.

Key Figures of Plants Operation

Particulars	Unit	2021-22
HFO consumption	Metric Tons	564,308
Natural gas consumption	Cubic Meter	371,849,861
Quantity of hazardous waste generated (sludge, lube oil & oily rags etc.)	Metric Tons	3,260
Water consumption	Cubic Meter	169,711
Quantity of waste water treated	Cubic Meter	1,208
Severe environmental incidents	Nos	Nil
Fatalities	Nos	Nil
Total lost time accidents (including vehicular)	Hr	Nil
Total amount spent on community development	BDT (in Million)	17

EHSS Identity and Policy Statement

Our amended EHSS & Sustainability Policy Statement, which defines our ambitions and priorities for EHSS and Sustainability, was signed by all members of the Management in November 2018-19. This statement provides the framework for developing Group-wide Sustainability Strategic Plans (SSPs) and defines our specific EHSS and Sustainability commitments. EHSS is a core part of our SPL identity – we care about people and the environment. The Policy Statement articulates our new EHSS identity, which is encapsulated in four declarations:

- “We only work safely”
- “We look after people’s health”
- “We act with responsibility to reduce our environmental impact”
- “We protect our people and our assets”

Internationally Recognised Certifications Received by The Power Plants of Summit Power Limited are:

SL. No.	Plant Name	ISO 9001:2015	ISO 14001:2015	ISO 45001:2018	Social Policy
1	Ashulia Power Plant	√	√	√	√
2	Madhabdi Power Plant	√	√	√	√
3	Chandina Power Plant	√	√	√	√
4	Maona Power Plant	√	√	√	√
5	Rupganj Power Plant	√	√	√	√
6	Jangalia Power Plant	√	√	√	√
7	Ullapara Power Plant	√	√	√	√
8	Narayanganj Power Plant Unit I	√	√	√	√
9	Narayanganj Power Plant Unit II	√	√	√	√
10	Summit Barisal Power Plant	√	√	√	√
11	Ace Alliance Power Plant	√	√	√	√
12	Summit Gazipur II Power Plant	√	√	√	√

Our Material Topics

At SPL we define specific topics, based on our 'Materiality Assessment 2021-22'. The Materiality Assessment analyzes the significance of our economic, environmental, and social impacts and of their influence on our stakeholders' assessments of, and decisions regarding, our company. We consider a combination of internal and external factors to assess whether a topic is material from the perspective of employees, senior managers, third parties, government and non-governmental organisations, industry partners, as well as current and potential institutional investors.

Summit Power Limited Sustainability Strategic Plans















Our Sustainability Strategic Plans (SSPs) describe how sustainability supports our business strategy and put in place commitments for our ESG topics and the selected UN Sustainable Development Goals (SDGs). Our SSP is built around a set of long-term commitments that reflect core elements of our corporate culture and business strategy. The SSP provides the framework for medium-term target-setting, annual progress reviews, and specific action plans.

UN Sustainable Development Goals

SPL supports the SDGs. To guide our actions, we aligned our material topics with relevant SDGs and used this as the basis for developing strategic commitments. The 17 SDGs were endorsed by the United Nations in September 2015. They encompass fundamental improvements in the living conditions of all people today and in future generations as well as the protection of the environment. We covered most of the SDGs in materiality assessment during 2021-22 based on the nature of our business and its strategic development.



Environment and Sustainability Commitments:

Material Topics	Subtopics	Relevant SDGs	Summit Power Limited Commitments
Secure and reliable energy supply	<ul style="list-style-type: none"> Power supply Business adaption and resilience 	   	<ul style="list-style-type: none"> Foster established and flexible generation solutions to enable a secure transition toward sustainable energy. Ensure uninterrupted power supply to support rapid industrialization. Secure and reliable energy supply
Climate change	<ul style="list-style-type: none"> Policy and regulatory environment Greenhouse-gas emissions from our operations Physical impacts of climate change Waste magement Green plantation and maintaining water bodies (pond) 	    	<ul style="list-style-type: none"> Promote lower-carbon fuels like gas and LNG as operating fuel. Promote less carbon-intensive power generation technology. Monitor and optimize CO2 intensity of Bangladesh Generation portfolio Liquid and solid waste management Reduced water usage Closed circuit cooling water system (water recycling and reused) for power generation using reduced water. WTP, ETP and fuel treatment plant Green plantation in all power plants Maintenance of biodiversity; Proper treatment of waste and effluent before discharging to the environment
Our people	<ul style="list-style-type: none"> Health and safety Diversity Workforce restructuring New employees Health care during pendamic 	  	<ul style="list-style-type: none"> Protect labor rights and ensure a safe, healthy, and secure work environment for all employees and contractors and promote the same standards in our joint ventures and partnerships. To have zero tolerance of discrimination on the basis of gender, ethnic background, or any other diversity factor. Ensure equal opportunities and foster diversity in leadership positions. Employee training and development Cultivation of productive workplace Corporate agreement with BSH for Covid health care of all employees Distribution of mask and PPE Community doctors for plant level employees Health care assistance in HO for all employees with emergency first aid box Maintenance of occupational health and safety
Business integrity	<ul style="list-style-type: none"> Compliance and governance Human rights along the value chain Transparent trading Transparency in advocacy groups 	 	<ul style="list-style-type: none"> Have zero tolerance of forced labor, child labor, modern slavery, and human trafficking. Continue to strengthen our compliance culture and protect the business from corruption risks. Foster the development of effective, accountable, and transparent institutions at all levels


<p>Resource efficiency</p>	<ul style="list-style-type: none"> • Flexible and efficient power plants • Energy savings • Resource consumption • By-products • Waste management • Water management • Ensuring education to communities • Usage of daylight 		<ul style="list-style-type: none"> • Promote waste reduction, land, water pollution prevention, and environmentally responsible disposal. • Work with our contractors, suppliers, and industrial customers to adopt a life-cycle approach to protect the environment, use resources efficiently. • Adoption of building structure ensuring maximum usage of daylight
<p>Local acceptance</p>	<ul style="list-style-type: none"> • Stakeholder engagement • Air emissions • Biodiversity • Employee engagement • Food safety for communities • Accommodation of local communities 		<ul style="list-style-type: none"> • Actively engage with our stakeholders to ensure transparency and ongoing dialogue regarding our activities. • Minimize the impact on communities affected by our operations • Relief to distressed people during Covid-19 pandemic • Development of factory away from city area • Migration of workers from the city to the factory site • Good accommodation for employees in factory • Jaago Foundation, SEID and Shurer Dhara - education of under privileged and/or children into main stream development societies.



Photo caption: Hosted by Summit's Gazipur Power Plant team Muhammed Aziz Khan, Vice Chairmen Latif Khan and Jafer Ummeed Khan, sculptors Hamiduzzaman Khan and Ivy Zaman visited the orchard and lake in the power plant premises.

3.18 INTEGRATED REPORTING

The Values that the Company has created for its Stakeholders



Power Generation Company

1st Bangladeshi Power Generation Company in Bangladesh in Private Sector incorporated in 2000



Foreign Loan Received

USD 338.18 Million to date 30th June 2022



No of Shareholders

FY 2022: 42,128
FY 2021: 40,926
FY 2020: 34,943



Contribution to the Industry

Contribution to Private Sector Power Generation about 10% and SPL produces 976 MW out of total capacity of 25,700 MW



Electricity Generation

FY 2022: 4,069,915 MWh
FY 2021: 4,388,284MWh
FY 2020: 2,674,757 MWh



Credit Rating

Five times in a row long term rating “AAA” by CRISL



CSR for Education

Summit and Beximco jointly have awarded BDT 135 million matching grant to JAAGO Foundation for three years enabling them to educate 4,000 students across Bangladesh



World Record

The 300 MW of Summit Gazipur II Power Limited was implemented in a record period of 9 months and received award for the fastest implemented project from Asian Power



CSR for Community Development

FY 2022: BDT 16.90 Million
FY 2021: BDT 14.62 Million
FY 2020: BDT 27.40 Million



Contribution to National Exchequer

FY 2022: BDT 463 Million
FY 2021: BDT 378 Million
FY 2020: BDT 350 Million



Our Customers:

We have invested since incorporation BDT 55,023 Million in Property, Plant and Equipment; We cover 1.5 Million customers of total customers of 40 Millions (30 June 2021) of BPDB/BREB;



Dividend Both in BDT and Rate in %

FY 2022: BDT 2,136 Million and 20%
FY 2021: BDT 3,738 Million and 35%
FY 2020: BDT 3,738 Million and 35%



Human Capital Inputs and Outputs

No of employees - FY 22: 554
Employees Cost (in Million BDT) - FY 22: 585



Employee Training

FY 2022: 1,235 Man Hours of 229 Trainings
FY 2021: 1,122 Man Hours of 154 Trainings
FY 2020: 865 Man Hours of 109 Trainings

The Integrated Reporting that the Company Belongs

1. Overview

SPL's integrated report is a concise communication about how our Company's strategy, governance, performance and prospects, in the context of its external environment, lead to the creation, preservation or erosion of value in the short, medium and long term. Our approach to integrated reporting explains mainly to owners and shareholders of the Company, providing of financial capital, how the Company creates value over time, and also benefits all stakeholders interested in the Company's ability to create value over time, including employees, customers, suppliers, business partners, local communities, legislators, regulators and policy-makers, etc. Thus, SPL's integrated reporting enhances accountability and stewardship for the broad base of capitals (financial, manufactured, intellectual, human, social and relationship, and natural), promote understanding of their interdependencies, emphasizes the connectivity of information & the capitals and finally encourage the importance of integrated thinking within the Company.

2. How The Company creates value for stakeholders including Owners

Integrated reporting framework presents following process through which value is created, preserved or eroded:

A. Content Elements: The Company's integrated report includes some content elements that are fundamentally linked to each other and are not mutually exclusive, and sustainably work in the process of value creation to all stakeholders including owners of the Company.

- a. **Organisational Overview:** Integrated report identifies the Company's purpose, mission and vision, culture, ethics and values, ownership and operating structure, principal activities and markets, competitive landscape and market positioning, position within the value chain. The details are discussed in the 'Profile of the Company' and 'Our Management System' sections.

External environment: Integrated report identifies the Company's significant factors affecting the external environment include aspects of the legal, commercial, social, environmental and political context that affect the Company's ability to create value in the short, medium or long term. The details are discussed in the 'PASTEL Analyses' section.

- b. **Governance:** Those charged with governance are responsible for creating an appropriate oversight structure to support the ability of the Company to create value in the short, medium and long term. The details are discussed in the 'Statement of Corporate Governance' section.
- c. **Business model:** This is the Company's system of transforming various capitals as inputs through its business activities into outputs (products, services, by-products and waste) and outcomes in terms of effects on the capitals that aims to fulfil the organisation's strategic purposes and create value over the short, medium and long term. The details are discussed in the 'Management System' section.
- d. **Risks and opportunities:** What are the specific risks and opportunities that affect the Company's ability to create value over the short, medium and long term, and how is the Company dealing with them? The details are discussed in the 'Profile of the Company' and 'Statement of Risk Management and Internal Control' sections.
- e. **Strategy and resource allocation:** The resource allocation plans the Company has to implement its strategy and how it will measure achievements and target outcomes for the short, medium and long term.
- f. **Performance evaluation:** To what extent has the Company has achieved its strategic objectives for the period and what are its outcomes in terms of effects on the capitals which are evaluated by various committees as disclosed in Company's 'Various Committees and their activities' section.
- g. **Outlook:** The challenges and uncertainties that the Company is likely to encounter in pursuing its strategy, and what are the potential implications for its business model and future performance are disclosed in the 'Directors' Report' and 'Statement of Risk Management and Internal Control' sections.
- B. Components of capitals as inputs converting into outputs and outcomes in terms of effects on the capitals aiming creating value:** All organisations depend on various forms of capital for their success. The capitals are stocks of value that are increased, decreased or transformed through the activities and outputs of the organisation.

3. Overall Value Creation Process of the Company

Components of Capital as Inputs	Business Model, Governance and Other Affective Factors	Outcomes Effecting on Capitals
<p>Financial capital:</p> <ul style="list-style-type: none"> Debt – BDT 27,736 million Equity - BDT 18,865 million Retained surplus through operations & investments BDT 32,750 million Increased net revenue from contracts with customer 		<p>Financial capital:</p> <ul style="list-style-type: none"> Dividend on equity BDT 2,136 million Dividend on pref. equity BDT 188 million Interest on debt BDT 1,204 million NAVPS BDT 35.72 EPS BDT 3.87 NOCFPS BDT 5.91 No of shareholders 42,128 Detailed disclosures relating to outcomes of financial capital are disclosed in 'Financial Highlights' Section
<p>Manufactured capital:</p> <p>Manufactured physical objects –</p> <ul style="list-style-type: none"> Property, Plant & Equipment Infrastructure Country-wide 15 power plants Good network or established fuel supply system Critically examines different components of factory equipment Upgradation of factory, machines and process Integrated work system development 	<ul style="list-style-type: none"> The process of production of goods or the provision of services Integrated Management System PESTEL analysis 	<p>Manufactured capital:</p> <ul style="list-style-type: none"> Meeting 10% of electricity need of Bangladesh in private sector IPP Reduction in cost of operation Improved equipment retention and process efficiency Manufacturing practices that reduce waste and enhance efficiency Enhanced safety in manufacturing process. Uninterrupted supply of electricity to BPDB & BREB Higher level satisfaction of customers Country-wied power plants set-up
<p>Intellectual capital:</p> <p>Organisational, knowledge-based intangibles including:</p> <ul style="list-style-type: none"> Intellectual property Licenses for power plant operations Organisational capital - tacit knowledge, systems, procedures for power plant operation Long-term electricity supply contracts with BPDB & BREB under sovereign guarantee Good relations and understanding with customers, suppliers and government agencies ERP system Long spare parts supply and maintenance contracts with word renewed Wartsila Long term fuel supply agreement for gas and HFO supply 	<ul style="list-style-type: none"> Employee diversity and equal opportunity Building better employment process Value chain system Business strategies Strategic objectives Challenges and uncertainties Company Policies, manuals and charters 	<p>Intellectual capital:</p> <ul style="list-style-type: none"> Uninterrupted supply of electricity to BPDB & BREB Higher level satisfaction of customers Less maintenance hours required for power plant operation Efficient management system requiring less costs of operation Assurance and confidence on value chain system for core raw materials Educating and encouraging further dependency on cloud sharing and technical adaptations Reduction of work report and decision making times by eliminating inconsistency Data and streamlining information sharing processes.
<p>Human capital</p> <p>Competencies, capabilities and experience, and their motivations to innovate including:</p> <ul style="list-style-type: none"> Risk management approach Ability to understand, develop and implement the Company's strategy Loyalties and motivations for improving processes, goods and services, including their ability to lead, manage and collaborate Training and skill development program Succession planning and management Hiring dedicated and talented employees Encouraged employees with all effective and value added trainings; Enhanced mental and physical wellbeing of employees during COVID-19. 	<ul style="list-style-type: none"> All Regulations surrounding the Company 	<p>Human capital</p> <ul style="list-style-type: none"> Employee training Employee promotion Employee performance appraisal Employee medical welfare Employee group insurance Employee yearly recreational activities Training & leadership development Remuneration & benefits COVID 19 medical & treatment support to employees Ensuring good working condition Employee grievance handling Improved Health benefits, safety and security during pandemic Detailed Disclosure is presented in 'Human Resource Accounting' section

Components of Capital as Inputs	Business Model, Governance and Other Affective Factors	Outcomes Effecting on Capitals
<p>Social and relationship capital</p> <p>The institutions and the relationships within and between communities, groups of stakeholders and other networks including:</p> <ul style="list-style-type: none"> • Ability to share information to enhance individual and collective well-being • Shared norms, and common values and behaviors • Key stakeholder relationships, and the trust and willingness to engage that the Company has developed and strives to build and protect with external stakeholders • Intangibles associated with the brand and reputation that an organisation has developed • Environmental initiatives 	<ul style="list-style-type: none"> • Corporate Governance • Functioning of various Committees including AC, NRC and MRM 	<p>Social and relationship capital</p> <ul style="list-style-type: none"> • Community service during the COVID situation • Clean environment, and help to combat global warming • Sustainable Energy • Various trainings • Plantation • Donations and subscriptions to the greater society • Community development service • Details disclosures are available in 'Environment and Sustainability Report' and 'Corporate Social Responsibility (CSR)' sections
<p>Natural capital</p> <p>All renewable and non-renewable environmental resources and processes that provide goods or services that support the past, current or future prosperity of an organisation including:</p> <ul style="list-style-type: none"> • Air, water, land, minerals and forests • Biodiversity and eco-system health • Managing carbon emission; • ETP and WTP • Daylight inclusion at workplace etc. • Using of energy savings engine auxiliaries • Waste management 	<ul style="list-style-type: none"> • Internal control environment and its audit and review 	<p>Natural capital</p> <ul style="list-style-type: none"> • Decrease in water usage • Increase of waste management via ETP and WTP • Green plantation in power plants • Existence of free water bodies (ponds) in power plants • Producing bio-logical produces like fish and fruits • Installation of energy savings electronic necessities including LED bulbs • Control air pollution and dust emission • Carbon emission • Details disclosures are available in Environment and Social initiatives/activities sections • Details disclosures are available in 'Environment and Sustainability Report' and 'Corporate Social Responsibility (CSR)' sections

4. Stakeholder Engagement Framework into the Integrated Reporting

The Company's integrated report also provides insight into the nature and quality of the organisation's relationships with its key stakeholders, including how and to what extent the Company understands, takes into account and responds to their legitimate needs and interests. This is important to understand the relationships with key stakeholders because, as part of integrated reporting, value is not created by or within the Company alone, but is created through relationships with others which are essential in building trust and resilience, by disclosing how key stakeholders' legitimate needs and interests are understood, taken into account and responded to through decisions, actions and performance, as well as ongoing communication. Stakeholder engagement in the process of value creation is as follows:

Stakeholders	Importance of Stakeholders	What Matters to Them	How we Engage with Them
Customers	<ul style="list-style-type: none"> BPDB and BREB are the lone buyers of electricity we produce Final revenue source Main source of sustainability of the business 	<ul style="list-style-type: none"> Uninterrupted supply of electricity Sourcing of raw materials specially fuel (HFO)/(Gas) Strong Coordination between the parties 	<ul style="list-style-type: none"> Maintaining quality liaison with NLDC Having integrated system between NLDC and power plants Long term supply contracts and fair dealings
Employees	<ul style="list-style-type: none"> Competent employees to attain objectives Our image holder and contributor to profit 	<ul style="list-style-type: none"> Job security Transparent recruitment process Periodic salary review in view of adjusting the cost of living Healthy working environment Training & development Career growth 	<ul style="list-style-type: none"> Adjusted salary package Training and other facilities Yearly performance Reviews and appraisal In-house awareness Campaign
Shareholders and investors	<ul style="list-style-type: none"> Invest for the betterment and growth of the company Accountable to them as they seek return on their investment 	<ul style="list-style-type: none"> Return on investment Sustainability and going concern issues Effective corporate governance Strategic objectives met Social and environmental contribution 	<ul style="list-style-type: none"> Annual General Meeting Annual Report Regular repayment of debt and declaration of dividend Financial statements in quarterly, half yearly and yearly Declaration of PSI Regular communication Going concern and growth prospect
Government and regulators	<ul style="list-style-type: none"> Control and develop policy Provide license and certificates Applicable rules and regulations including BSEC, BIDA, BB, BEREC, Power & Energy Division 	<ul style="list-style-type: none"> Legislative compliance Corporate governance Environmental and social credentials Timely reporting and payment of Govt. taxes & duties Pricing Product quality 	<ul style="list-style-type: none"> Discussion, seminar and dialogue Contribution to national exchequer Conform to relevant laws and regulations and reporting to Government and regulatory bodies Regular communication Factory visit
Suppliers /business partners	<ul style="list-style-type: none"> Supply production materials and operational facilities On time delivery Quality of supplied products/ service After sales service facility 	<ul style="list-style-type: none"> Fair and smooth transaction Sustainable growth of the company Fair payment Sourcing of raw materials specially fuel (HFO)/(Gas) 	<ul style="list-style-type: none"> Regular interaction Supplier visit and audit Timely payment to Vendors Long term supply contracts and fair dealings
Communities	<ul style="list-style-type: none"> Sustainable business operation Social and environmental contribution 	<ul style="list-style-type: none"> Ethical stance Social value creation Creation of employment opportunity Environmental preservation Health and safety measures 	<ul style="list-style-type: none"> CSR initiatives Social awareness Campaign Social media Social and environmental initiatives
Competitors	<ul style="list-style-type: none"> Influence strategic decisions and planning Directly impact the ability to succeed 	<ul style="list-style-type: none"> Financial performance Business trends Value creation for long run Competitive advantage 	<ul style="list-style-type: none"> Membership of various trade bodies including BIPPA Competitors' intelligence Research and project development team

4

FINANCIAL ANALYSIS

- 4.1 Declaration by MD and Director Finance
- 4.2 Key Financial Highlights
- 4.3 Financial Highlights
- 4.4 Financial Review
- 4.5 Horizontal and Vertical Analysis
- 4.6 Shareholders' Information and Share Performance
- 4.7 Business Review
- 4.8 Value Added Statement
- 4.9 Economic Value Added Statement
- 4.10 Contribution to the National Exchequer and Economy
- 4.11 Human Resource Accounting

4.1 DECLARATION BY MD AND DIRECTOR FINANCE

14 September 2022

The Board of Directors
Summit Power Limited
Summit Centre
18 Kawran Bazar C/A
Dhaka - 1215

Subject: Declaration on Financial Statements for the year ended on 30th June 2022

Dear Sir(s) and Madam(s),

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

1. The Financial Statements of Summit Power Limited for the year ended on 30th June 2022 have been prepared in compliance with International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6. The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- i. We have reviewed the financial statements for the year ended on 30th June 2022 and that to the best of our knowledge and belief:
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
 - b. These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii. There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's Board of Directors or its members.

Sincerely yours,

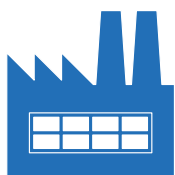


Ayesha Aziz Khan
Director Finance



Lt Gen Engr Abdul Wadud (Retd)
Managing Director

4.2 KEY FINANCIAL HIGHLIGHTS



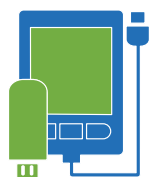
BDT 53,185 million
Total Revenue of the Year



BDT 103,091 million
Total Assets



BDT 49,908 million
Total Shareholders' Equity



1.44 Times
Current Ratio



BDT 53,183 Million
Total Liabilities



106.56%
Total Debt Equity Ratio



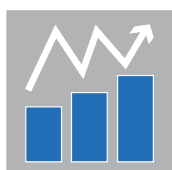
BDT 9,774 million
EBITDA for the Year



BDT 3,161 million
Net Changes in Cash and Cash
Equivalents



BDT 2.00
Dividend Per Share



BDT 6,730 million
Net Profit of the Year



BDT 18,849 million
Retained Earnings



BDT 10,679 million
Share Capital

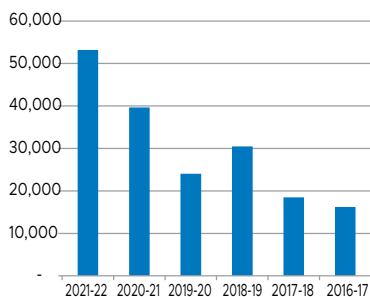


BDT 3.87
EPS for the Year

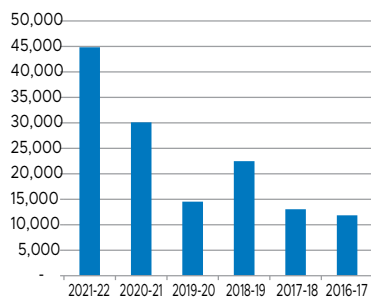
4.3 FINANCIAL HIGHLIGHTS

Particulars	30 June 2022	30 June 2021	30 June 2020	30 June 2019	30 June 2018
Operating Data (Taka in million)					
Turnover	53,185	39,661	24,031	30,472	18,468
Cost of Sales	44,811	30,087	14,555	22,478	13,063
Gross Profit	8,374	9,573	9,475	7,994	5,405
General & Admin Expenses	674	478	507	568	461
Operating Profit	7,729	9,350	9,261	7,662	5,284
Interest & Financial Charges	1,806	1,620	1,764	1,525	537
Net Profit of the Company	6,730	8,429	8,484	7,283	5,274
Net Profit Attributable to Owners	4,129	5,605	5,525	5,105	4,696
Balance Sheet Data (Taka in million)					
Paid up Capital	10,679	10,679	10,679	10,679	10,679
Shareholders' Equity	38,148	36,785	33,637	34,596	33,378
Non-current Liabilities	19,036	19,836	22,465	12,372	6,430
Current Assets	49,061	28,551	18,482	19,851	15,181
Current Liabilities	34,147	12,532	6,070	15,917	21,016
Total Assets	103,091	79,036	69,338	70,136	64,346
Total Liabilities	53,183	32,368	28,534	28,289	27,446
Financial Ratios					
Gross Profit Ratio (%)	15.75%	24.14%	39.43%	26.23%	29.27%
Net Profit Ratio (%)	12.65%	21.25%	35.30%	23.90%	28.56%
Return on Total Assets (%)	7.39%	11.36%	12.17%	10.83%	8.20%
Total Debt Equity Ratio (%)	106.56%	69.36%	69.93%	67.60%	74.38%
Return on Equity (%)	11.02%	15.92%	16.20%	15.02%	14.07%
Price Earnings Ratio (Times)	9.69	8.40	6.79	8.72	9.70
Current Ratio (Times)	1.44	2.28	3.04	1.25	0.72
Other data					
Earnings Per Share (Taka)	3.87	5.25	5.17	4.78	4.40
Dividend (%)	C-20	C-35	C-35	C-35	C-30
Total No of Shares Outstanding	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239
Weighted Average no of Shares Outstanding	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239
Total no of Sponsors Shares Under Lock in	723,754,740	723,754,740	723,754,740	723,754,740	723,754,740
Total no of Free Float Shares	344,122,499	353,780,725	353,780,725	344,122,499	344,122,499
Return on Capital Employed (ROCE in %)	11.77	14.89	15.12	15.51	13.25
EBITDA (Taka in millions)	9,774	11,269	11,188	9,537	6,457
Capacity Utilisation (%)	50%	54%	33%	40%	59%
Licensed Capacity (MW)	931	931	931	931	782
Installed Capacity (MW)	976	976	976	976	820
Electricity Sold (MWH)	4,069,915	4,388,284	2,674,757	3,251,410	2,712,015
No. of Permanent Employee	554	581	593	571	443
No. of Power Plant	15	15	15	15	14

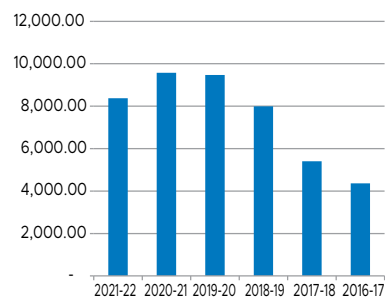
TURNOVER



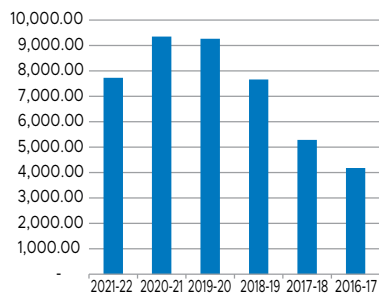
COST OF SALES



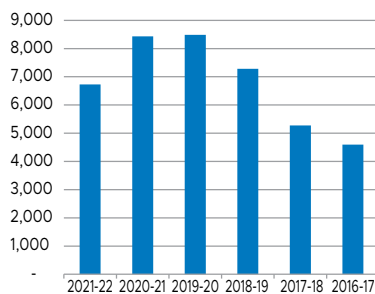
GROSS PROFIT



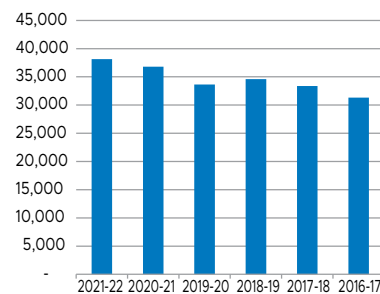
OPERATING PROFIT



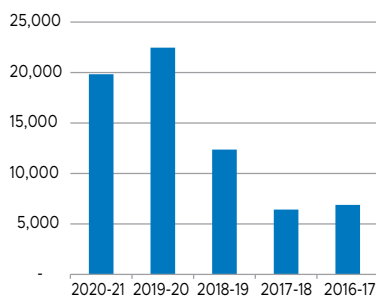
NET PROFIT



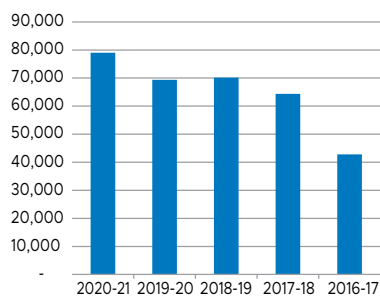
SHAREHOLDER'S EQUITY



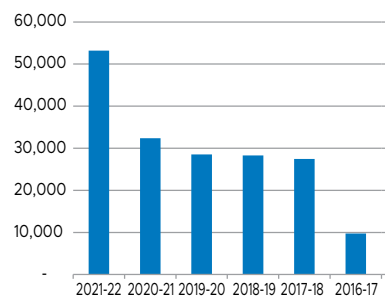
NON-CURRENT LIABILITIES



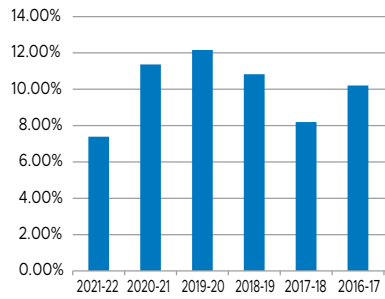
TOTAL ASSETS



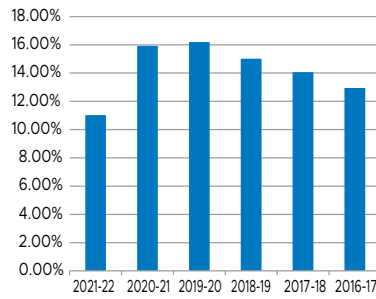
TOTAL LIABILITIES



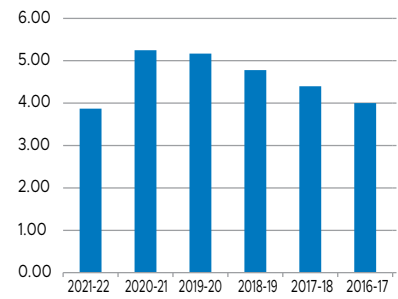
RETURN ON TOTAL ASSETS (%)



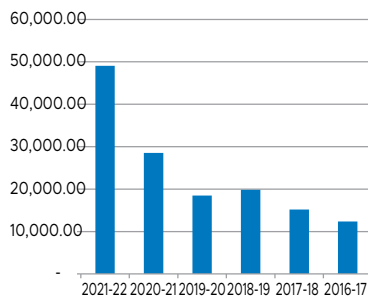
RETURN ON EQUITY (%)



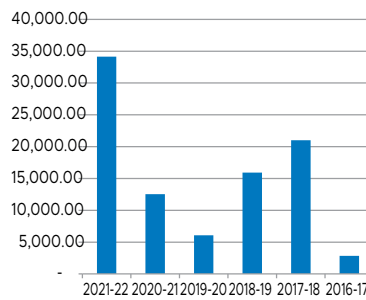
EARNING PER SHARE (TAKA)



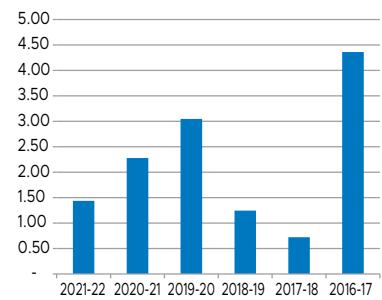
CURRENT ASSETS



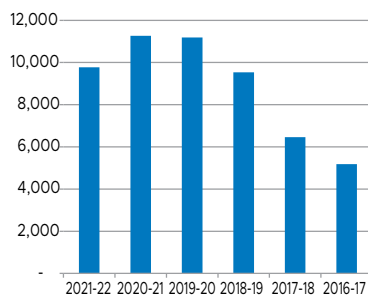
CURRENT LIABILITIES



CURRENT RATIO (TIMES)



EBITDA TAKA



4.4 FINANCIAL REVIEW

In all parameters of financial performance, Summit Power Limited together its subsidiaries, Summit Barisal Power Limited (SBPL), Summit Narayananj Power Unit II Limited (SNPUIL), Summit Gazipur II Power Limited (SGIPL) and Ace Alliance Power Limited (AAPL) managed to maintain its operational efficiency over the years through proper planning and prompt initiatives. However, the parameters have tended to decrease this year mainly because of few power plants being shut-down, lower dividend income, higher finance costs on short term local bank loans for extending working capital supports to SOSCL for bearing taxes & duties on imported HFO and higher foreign exchange loss, net of true-up bills provision on electricity revenue.

Revenue

- Consolidated revenue has increased by 34% (BDT 13,525 million) in 2021-22 relative to the revenue in previous year. The higher revenue was basically due to higher fuel (HFO) component revenue of subsidiaries of the Company on account of price increase in the international market coupled with higher USD-BDT exchange rate. As a pass-through item, it has however no impact on bottom line profitability.
- 7.25% reduction in generation of electricity and/or 4% reduction in plant factor in 2021-22 were, however, mainly because of shut-down of 102 MW Narayananj Power Plant Unit-1 for 10 months, Madhabdi Power Plant Unit-2 for 1.5 months and Chandina Power Plant Unit-2 for 2.5 months during the period under report. The renewal of Summit Narayananj Power Plant Unit 1 has been extended on a new tariff structure “No Electricity, No Payment”. The same is also applicable for other two renewals as well namely, Madhabdi Power Plant Unit 2 and Chandina Power Plant Unit 2 for which tariff negotiation is in process now.

Cost of Sales

- Consolidated cost of sales in 2021-22 also increased by 49% over last year.
- The increase in cost of sales has been mainly due to higher fuel (HFO) costs resulting from price hike in the global fuel market and inclusion of corresponding duties and taxes while importing of HFO over last year. As a pass-through item, it has however no impact on bottom line profitability. Other Operation & Maintenance (O&M) costs such as general consumables have increased due to carrying out of pre-scheduled major maintenance; lubricant oil consumption has increased due to price hike in the international market.

Gross Profit Margin

- Consolidated gross profit margin has decreased by BDT 1,199 million over last year;
- Consolidated gross profit margin has decreased due to shut-down of Narayananj Power Plant Unit-1, Chandina Power Plant Unit-2 and Madhabdi Power Plant Unit-2 for the periods mentioned earlier because of expiry of PPAs. The said power plants however have resumed operation on a “No Electricity No Payment” basis which results in less operational profit than earlier. And, the aforesaid higher O&M costs have also caused comparatively lower gross profit margin in the current year.

Operating Profit

- The consolidated operating profit decreased by 17% this year;
- Consolidated operating profit margin has decreased due to shut-down of Narayananj Power Plant Unit 1 for 10 months, Madhabdi Power Plant Unit 2 for 1.5 months and Chandina Power Plant Unit 2 for 2.5 months during the period under report because of expiry of PPAs. The said power plants however have resumed operation on a “No Electricity No Payment” basis which results in less operational profit than earlier. And, higher O&M costs have caused comparatively lower operating profit margin.

Net Profit Margin

- Net profit has decreased by 20% (by BDT 1,699 million) over last year;
- In addition to the reasons stated above, the net profit margin has also decreased due to higher interest costs on short term loan for bearing taxes & duties on HFO and higher foreign exchange loss (which has partially offset by lower interest cost due to gradual reduction of project loan base and provisional true-up bills) and no dividend income from investment in KPCL.

Earnings Per Share (EPS)

- The EPS figure has decreased by 26% (BDT 1.38) over last year;
- The decrease was mainly on account of lower profitability by SPL and its subsidiaries for the aforesaid reasons.

Property, Plant and Equipment

- The property, plant and equipment, net of depreciation, increased by 5% over last year because of carrying out major maintenance and addition of critical & capital spare parts and the effect of foreign exchange movement.

Current Assets

- The current assets raised by 72% this year compared to the previous year on account of increase in trade receivables (higher HFO revenue component) and advance payments made to supplier of HFO which is fully backed by short term loans from local banks.

Total Assets

- The value of total assets of the Company has increased by 30% over last year;
- The increase in value of total assets by BDT 24,055 million has been attributed mainly by higher trade receivables in terms of higher fuel component revenue, increase in advance made to supplier of HFO which is fully backed by short term loans from local banks, recognition of other asset through IFRS based straight-line provisional revenue over PPA contractual terms and positive currency conversion effect of USD/BDT exchange rate in property plant and equipment (PPE) over the last year.

Equity Attributable to Owners of the Company

- Shareholders' Equity increased by 4% during the year by an amount of BDT 1,363 million;
- The increase has happened mainly due to addition of current-year net profit (retained earnings), increase in fair value of hedge reserve on account of LIBOR based SWAP instrument and currency translation reserve.

Long Term Liabilities

- The long-term liabilities have decreased by 4% because of payments of quarterly installments of long-term foreign currency loan, payment of yearly installments of redeemable preference shares and favorable hedge reserve liabilities of LIBOR based SWAP instrument.

Total Liabilities

- The value of total liabilities of the Company has also increased by 64% over last year;
- The increase in value of total liabilities by BDT 20,815 million have mainly arisen due to increase of trade payables for HFO supply (higher price than last year) and increase of short-term bank loans for arranging advance to fuel (HFO) supplier for bearing of duties and taxes.

Return on Total Assets

- The return on total assets is 7.39% against 11.36% of last year;
- The ratio has decreased because of a higher assets base and lower consolidated profitability over the last year due to the aforesaid reasons.

Return on Equity

- The return on equity is 11.02% against 15.92% of last year;
- The ratio has decreased because of a higher equity base and lower consolidated profitability over the last year due to the aforesaid reasons.

4.5 HORIZONTAL AND VERTICAL ANALYSIS

A. Horizontal Analysis

Particulars	FY 2022 Change [22 vs 21]	FY 2021 Change [21 vs 20]	FY 2020 Change [20 vs 19]	FY 2019 Change [19 vs 18]	FY 2018 Change [18 vs 17]
FINANCIAL PERFORMANCE					
Turnover	34.1%	65.0%	-21.1%	65.0%	13.9%
Gross profit	-12.5%	1.0%	18.5%	47.9%	23.8%
Operating profit	-17.3%	1.0%	20.9%	45.0%	26.5%
Profit before tax	-19.7%	-0.8%	16.2%	38.7%	15.6%
Net profit after tax	-20.2%	-0.6%	16.5%	38.1%	14.8%
Earnings before interest, tax & depreciation	-13.3%	0.7%	17.3%	47.7%	24.6%
Earnings per share*	-26.3%	1.5%	8.2%	8.6%	10.0%
FINANCIAL POSITION					
Paid up capital	0.0%	0.0%	0.0%	0.0%	0.0%
Shareholders' equity	3.7%	9.4%	-2.8%	3.6%	6.6%
Non-controlling interest	19.0%	37.9%	-1.2%	105.9%	100.6%
Total equity	6.9%	14.4%	-2.5%	13.4%	11.6%
Total non-current liabilities	-4.0%	-11.7%	81.6%	92.4%	-6.8%
Total current liabilities	172.5%	106.5%	-61.9%	-24.3%	640.5%
Total non-current assets	7.0%	-0.7%	1.1%	2.3%	61.5%
Property, plant & equipment	5.1%	-3.1%	-1.0%	2.8%	83.1%
Total current assets	71.8%	54.5%	-6.9%	30.8%	22.7%
Total assets	30.4%	14.0%	-1.1%	9.0%	50.3%
Net current assets/(liabilities)	-6.9%	29.1%	215.5%	-167.4%	-161.2%

* Earning per share has been shown as a percentage of book value per share

B. Vertical Analysis

Particulars	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018
FINANCIAL PERFORMANCE					
Net sales revenue	100.00%	100.00%	100.00%	100.00%	100.00%
Gross profit	15.75%	24.14%	39.43%	26.23%	29.27%
Operating profit	14.53%	23.57%	38.54%	25.15%	28.61%
Profit before tax	12.81%	21.41%	35.61%	24.16%	28.74%
Net Profit after tax	12.65%	21.25%	35.30%	23.90%	28.56%
Earnings before interest, tax & depreciation	18.38%	28.41%	46.56%	31.30%	34.96%
Earnings per share	38.70%	52.50%	51.70%	47.80%	44.00%
FINANCIAL POSITION					
Paid up capital	10.36%	13.51%	15.40%	15.23%	16.60%
Shareholders' equity	37.00%	46.54%	48.51%	49.33%	51.87%
Non-controlling interest	11.41%	12.50%	10.34%	10.34%	5.47%
Total equity	48.41%	59.05%	58.85%	59.67%	57.35%
Total non-current liabilities	18.46%	25.10%	32.40%	17.64%	9.99%
Total current liabilities	33.12%	15.86%	8.75%	22.69%	32.66%
Total non-current assets	52.41%	63.88%	73.35%	71.70%	76.41%
Property, plant & equipment	39.27%	48.74%	57.32%	57.25%	60.69%
Total current assets	47.59%	36.12%	26.65%	28.30%	23.59%
Total assets	100.00%	100.00%	100.00%	100.00%	100.00%
Net current assets	14.47%	20.27%	17.90%	5.61%	-9.07%

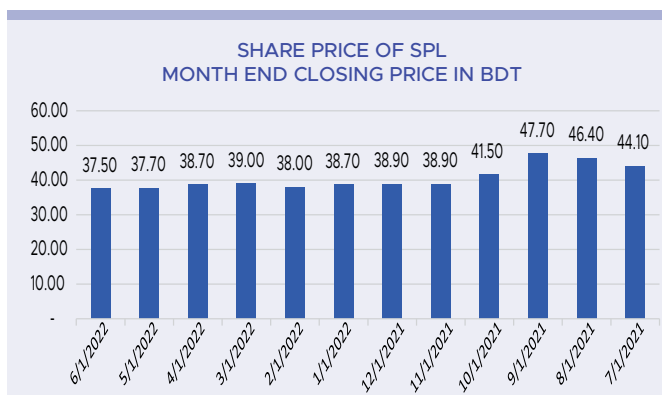
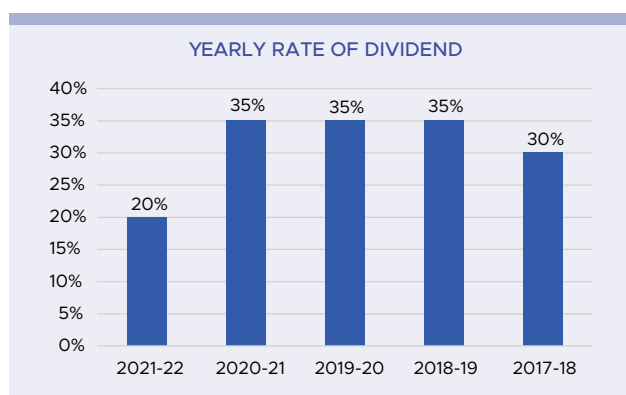
4.6 SHAREHOLDERS' INFORMATION AND SHARE PERFORMANCE

A. Share Trading Details

Particulars	DSE	CSE
Trading Code B. Share Performance	SUMITPOWER	SUMITPOWER
Market Category	A	A
Business Segment	Fuel & Power	Energy
Company ID	15306	20004
Listing Year	2005	2005
Electronic Share	Yes	Yes

B. Share Performance

Particulars	30-Jun-22	30-Jun-21
Share Price (Closing Price) BDT/per Share	37.5	44.1
Number of Shareholders	42,128	40,926
Shares Outstanding (no)	1,067,877,239	1,067,877,239
Market Capitalization – DSE (BDT million)	40,045.40	47,093.38
Net Asset Value per Share (NAVPS) BDT	35.72	34.45
Net Operating Cash Flow per Share (NOCFPS) BDT	5.91	8.53
EPS (BDT)	3.87	5.25
Dividend (% , Cash)	20%	35%
Payout Ratio (%)	52%	67%
Weighted Average Number of Shares Outstanding	1,067,877,239	1,067,877,239
Dividend Declared (BDT)	2,135,754,478	3,737,570,337
Net Income Attributable to Owners (BDT)	4,129,184,823	5,605,236,376
Total Free Float Securities	353,780,725	353,780,725
% of Free Float Securities in Respect of Total Securities	33.13%	33.13%



4.7 BUSINESS REVIEW

Summit Power Limited (SPL) and its subsidiaries at present operates 15 power plants having total Installed Generation Capacity is 976 MW. It has also 17.64% equity participation in Khulna Power Company Limited (KPCL) (163 MW) and 30% in Summit Meghnaghat Power Company Limited (SMPCL) (337.416 MW). All these power plants were made available to the extent required as per the Power Purchase Agreements (PPAs), indicating excellent operational performance of the Company. As a result Summit Power Limited of its own has delivered approximately 4,070 million Kwh to the National Grid in the current financial year.

SPL has always used brand new highly efficient engines/turbines and other auxiliaries of the best international standard. The aim is to spend bare minimum fuel for generation of electricity and save costly fuel for the country. The new and quality machine allows SPL to maintain its guaranteed contractual availability and Heat Rate (fuel consumption for generation of each unit of electricity) ensuring efficient use of fuel and gas. A typical review of the performance is given below:

- The operational capacity of power plants in-total stood at 976 MW this year as same to last year;
- All the power plants of the Company have performed quite better in terms of energy supply in 2021-22;
- All the plants achieved the targeted availability factor in terms of PPA;
- The overall gas consumption was reasonably within targeted specification;
- Operating profit of Summit Power Limited (separate accounts) of its own has decreased over last year due to shut-down of three power plants almost throughout the year because of their PPAs expiry and resumption of operations of those at “No Electricity No Payment” terms;
- Operating profit earned from Summit Barisal Power Limited has increased; whereas from Summit Narayanganj Power Unit II Limited, Ace Alliance Power Limited and Summit Gazipur II Power Limited have decreased over last year due to higher operational expenses because of pre-scheduled major maintenance, higher lube oil price;
- Consolidated finance expenses net of finance income have increased because of higher interest costs incurred on foreign loan taken for subsidiaries, particularly for Summit Gazipur II Power Plant, interest on local short term loan in the form of working capital for bearing reimbursable duties & taxes on import of HFO and overall higher foreign exchange loss arising out of BDT devaluation;
- Profit sharing from SMPCL has increased by 12.5% (by BDT 70 million) over last year;
- There was no dividend income from KPCL in FY2021-22 as KPCL has declared dividend only for general shareholders;
- Like operating profit, the consolidated net profit of the Company has decreased for the reasons stated above.
- Considering the net profit attributable to shareholders, the consolidated earnings per share (EPS) stood this year at BDT 3.87 against BDT 5.25 of last year;
- Availability of cash and cash equivalents after mitigating all the operational and development cash requirements has assisted management to declare 20% cash dividend for this year.

4.8 VALUE ADDED STATEMENT

A Value added statement (VAS) is regarded as part of social responsibility accounting. A value added statement shows the wealth or value created and is attributed to all stakeholders rather than just the shareholders. The value added statement (VAS) reports on the income earned by a large group of stakeholders, all the providers of capital plus employees and the government.

Value addition	2021-22	2020-21
	Taka	Taka
Revenue	53,185,419,598	39,660,594,317
Other income including interest income and foreign exchange gain/(loss)	310,329,145	457,420,810
Cost of sales, excluding depreciation	(42,824,740,098)	(28,224,042,242)
Share of profit from associate company	633,774,334	563,367,152
Other operating expenses, excluding depreciation & amortization	(614,427,843)	(422,137,479)
Total value added	10,690,355,136	12,035,202,558
Distribution of added value:		
To employees as salaries and allowances	626,446,404	579,204,165
To directors as salaries and allowances	114,998,926	99,555,652
To banks and other lenders	1,806,271,384	1,620,238,482
To shareholders	2,135,754,478	3,737,570,337
	4,683,471,192	6,036,568,636
Retained for reinvestment & future growth:		
Depreciation and amortization	2,045,546,519	1,919,082,894
Retained profit	3,961,337,425	4,079,551,028
	6,006,883,944	5,998,633,922
	10,690,355,136	12,035,202,558

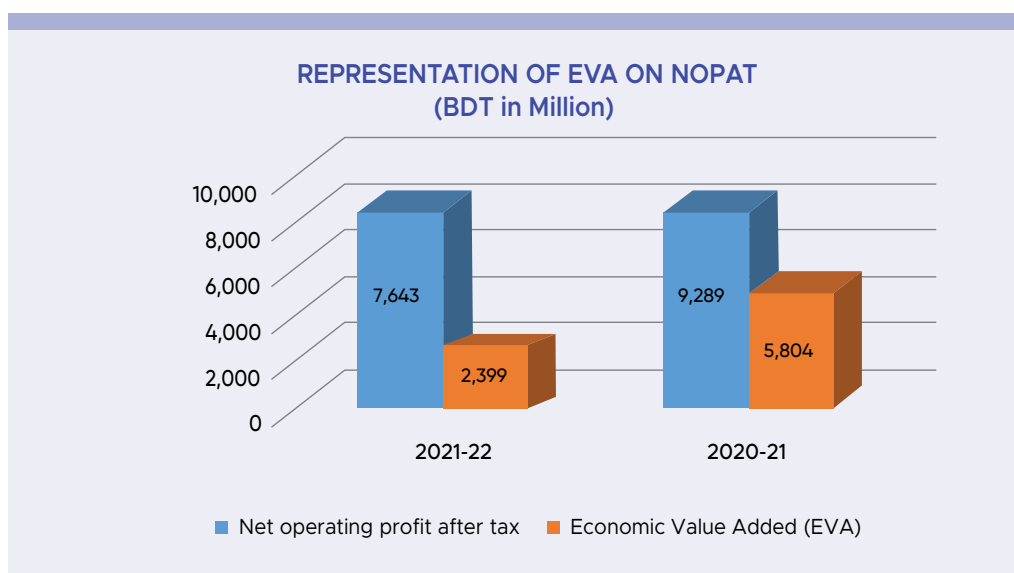
4.9 ECONOMIC VALUE ADDED STATEMENT

Economic Value Added (EVA) is a measure of a company's financial performance based on the residual wealth calculated by deducting cost of capital from its operating profit (adjusted for taxes on a cash basis). The formula for calculating EVA is as follows:

$$\text{EVA} = \text{Net Operating Profit after Taxes (NOPAT)} - (\text{Capital} \times \text{Cost of Capital})$$

Value addition	30 June 2022	30 June 2021
	Taka	Taka
Net operating profit after tax	7,643,228,443	9,289,378,783
Average shareholders' equity	48,287,835,957	43,735,842,979
Cost of capital*	10.86%	7.97%
Cost of average shareholders' equity	5,244,058,985	3,485,746,685
Economic Value Added (EVA)	2,399,169,458	5,803,632,098

*Cost of capital is based on interest of 5 years Government Treasury Bond plus a standard risk premium.



4.10 CONTRIBUTION TO THE NATIONAL EXCHEQUER AND ECONOMY

Electricity is one of the main driving forces of the economy and it has a diversified use and multiplier effect on the economy. Significantly in the development of industrialization, electricity as fuel has no alternative. This year your the Company added 4,070 million units (Kwh) of electricity to the national grid. This addition has contributed notably in enhancing industrial productions and providing more job opportunities throughout the country. As a shareholder you can be proud of your Company's contribution to Bangladesh as it continues to contribute to the national economy in the current year also.

Your Company/group has received exemption from all such taxes from the Government of Bangladesh under the 'Private Sector Power Generation Policy' for a period of 15 years from the start of its commercial operation. However, after expiry of initial 15 years of operation, five power plants (70.8 MW capacity in-total) are now under the purview of the corporate income tax bracket as disclosed in the Note 49 (I) to the financial statements.

The Company has contributed a significant amount to the national exchequer in the form of different duties, taxes and VAT while importing spare parts for the power plants' maintenance work and at different operation level activities coupled with corporate income tax for taxable units. The details of such contribution to the Nation Exchequer and the Economy are as follows:

Forms of Contribution	Amount	
	30 June 2022	30 June 2021
Salary taxes	43,859,034	35,423,622
Corporate income tax, port charges, duties & taxes on spare parts and AIT on interest from bank deposits	63,465,538	88,164,034
AIT of suppliers	51,125,544	40,556,298
AIT on gas bills	45,723,013	49,099,843
AIT on dividend on preference shares	52,314,713	45,220,000
VAT of suppliers	109,420,715	35,477,420
VAT on lubricant oil	96,948,436	81,678,673
Total	462,856,993	375,619,890

4.11 HUMAN RESOURCE ACCOUNTING

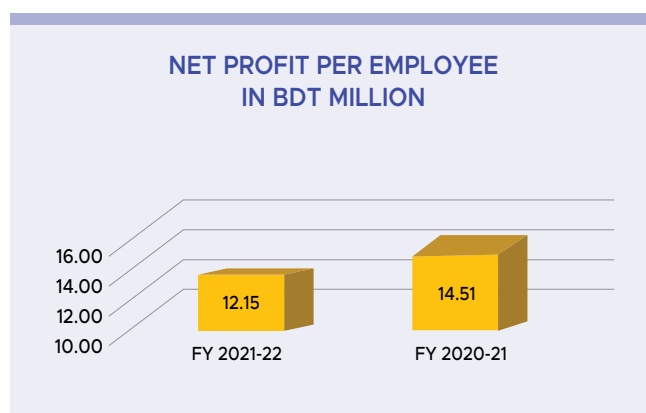
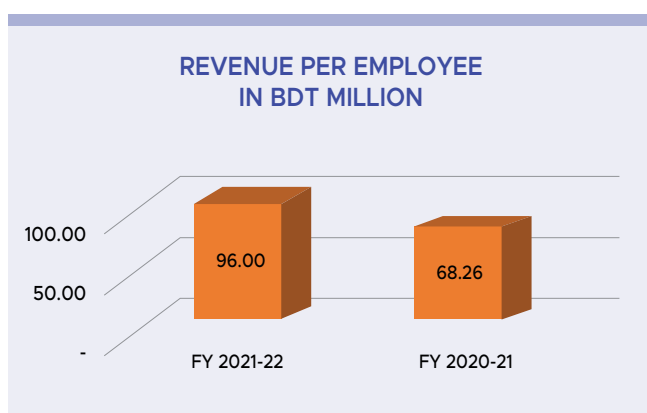
In the present world Human Resource has been considered as one of the most important capital for the business. SPL informs its stakeholders about the development and changes occurring over time with regards to the human resources of the business, and value of such resources to the organization. SPL uses the Lev and Schwartz model to assess the value of human resources. As per this model, the human resource of a company is the summation of all the net present value (NPV) of all future expenditure on employees. The total value of human capital has been calculated BDT 1,002 million for the financial year 2021-22 and BDT 956 million for the financial year 2020-21.

Amount in BDT Million

Particulars	FY 2021-2022	FY 2020-2021
Number of Employee	554	581
Revenue	53,185	39,661
Net Profit after tax	6,730	8,429
Value of Human Resource (VHR)*	1,002	956
Revenue/Value of HR	53.06	41.51
Net Profit/Value of HR	6.71	8.82

* VHR is the all future salaries & allowances payable to employees as per The Lev and Schwartz Model.

Particulars	FY 2021-2022	FY 2020-2021
Revenue per employee	96.00	68.26
Net Profit per employee	12.15	14.51



Other Information Relating to Human Capital

Human Capital output/outcomes:		
Employee Trainings	FY 2022	FY 2021
No of permanent employees	554	581
No. of trainings organized	229	154
Total training hours	1,235	1,122

Category	No of employees	
	FY 2022	
		%
Key management personnel	3	0.5%
Senior management	5	0.9%
Mid-level employees	365	47.8%
Junior level employees	281	50.7%
Total	554	100.0%

Employment location	No of employees	
	FY 2022	
		%
Dhaka District	115	20.8%
Gazipur District	197	35.6%
Narayanganj District	114	20.6%
Comilla District	53	9.6%
Barisal District	52	9.4%
Rajshahi District	23	4.2%
Total	554	100.0%

Employee age distribution	No of employees	
	FY 2022	
		%
Up-to 30 years	185	33.4%
Up-to 40 years	233	42.1%
Up-to 50 years	108	19.5%
Up-to 65 years	28	5.1%
Total	554	100.0%

Employee educational qualification	No of employees	
	FY 2022	
		%
Undergraduate	50	9.0%
Graduate	179	32.3%
Post graduate	325	58.7%
Total	554	100.0%

5

CORPORATE INFORMATION AND OTHER DISCLOSURES

- 5.1 Milestones
- 5.2 Other Disclosures
 - 5.2.1 Quarterly Business Highlights
 - 5.2.2 Declaration of Status of Unclaimed Dividend
 - 5.2.3 PESTEL Analysis
- 5.3 Annual Report Review Checklist

5.1 MILESTONES

1997 – 2004

March 30, 1997

Incorporation of the Company

February 10, 2000

Signing of Project Agreements with BREB & GOB

February 08, 2001

Commercial operation at Savar

April 01, 2001

Commercial operation at Narshingdi

June 02, 2001

Commercial operation at Comilla

June 07, 2004

Conversion from private to public limited Company

2005

January 13, 2005

Appointment of Issue Manager

March 29, 2005

Credit Rating by CRISL

June 19, 2005

Agreement with CDBL

June 25, 2005

Approval of Prospectus from Securities & Exchange Commission

June 28, 2005

Signing of Project Agreements for expansion at Madhabdi and Comilla with REB

June 28, 2005

Publication of Prospectus

August 27, 2005

Subscription opens for public

October 03, 2005

Allotment of IPO shares

October 23, 2005

Listing with Chittagong Stock Exchange Limited

November 10, 2005

Listing with Dhaka Stock Exchange Limited

November 15, 2005

First Trading in Stock Exchanges

2006

March 20, 2006

Signing of Project Agreements for expansion at Ashulia, Savar with REB & GOB

November 15, 2006

Commercial operation at Comilla expansion project

December 16, 2006

Commercial operation at Madhabdi expansion project

2007

August 15, 2007

Incorporation of Summit Purbanchal Power Company Limited (99% subsidiary of Summit Power Limited)

August 15, 2007

Incorporation of Summit Uttaranchol Power Company Limited (99% subsidiary of Summit Power Limited)

September 29, 2007

Increase the Authorized Share Capital of the Company (SPL) through EGM for issuance of Rights Share at the ratio of 5:4

October 11, 2007

Signing of Project Agreements with BREB, BPDB & GOB to implement total 110MW power plants (04 nos) through its two Subsidiary Companies.

December 04, 2007

Commercial Operation at Ashulia expansion project

2008

January 29, 2008

Approval for issuance of Rights Share

March 09, 2008

Subscription opens for Rights Share

April 21, 2008

Allotment of Rights Share

July 27, 2008

Signing of Syndicated Term Loan Facility of BDT 395.50 crore for setting up 110 MWh Power Plants of Summit's Subsidiaries.

2009

March 2, 2009

Commercial operation at Ullapara, Sirajgonj

May 11, 2009

Commercial operation at Maona, Gazipur

June 9, 2009

Commercial operation at Rupganj, Narayanganj

June 24, 2009

Commercial operation at Jangalia, Comilla

2010

May 4, 2010

Incorporation of Summit Narayanganj Power Limited (55% subsidiary of Summit Power Limited)

June 23, 2010

Signing of Project Agreement with BPDB to implement Summit Narayanganj 102MW power plant Project.

2011

April 1, 2011

Commercial Operation of 102 MW Dual Fuel Power Plant of Summit Narayanganj Power Limited at Madanganj, Narayanganj

September 28, 2011

Asian Power Awards 2011- Best Fast Track Project in Asia for Construction of SNPL in 270 Days

October 4, 2011

11th ICAB National Awards for Best Published Accounts and Reports 2010 (Manufacturing): 2nd Position

November 29, 2011

Best Presented Accounts and Corporate Governance Disclosures Awards 2010 by South Asian Federation of Accounts (SAFA): Merit

September 13, 2011

SNPL has achieved financial close by receiving a foreign currency term loan of USD 45 million from DEG - Deutsche Investitionsund Entwicklungsgesellschaft mbH and FMO - Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V.

December 28, 2011

Summit Power Limited was awarded the "Best Corporate Award" in the power Companies' category in 2012 for its efforts to establish corporate governance by the Institute of Cost and Management Accountants of Bangladesh (ICMAB).

2012

January 12, 2012

Summit Power Limited was awarded the "Best Corporate Award" in the power Companies' category in 2012 for its efforts to establish corporate governance by the Institute of Cost and Management Accountants of Bangladesh (ICMAB).

June 25, 2012

The Company received "International Star for Leadership in Quality Award" in Paris in Gold Category for its outstanding business achievements, for perseverance and leadership in excellence, and quality in accordance with the QC 100 Criteria from Business Initiative Directions (BID), an organisation whose primary objective is oriented towards sharing quality culture in leading Companies worldwide.

October 8, 2012

Summit Narayanganj Power Limited (SNPL) received the certificates of ISO 9001: 2000 - Quality Management System (QMS), ISO 14001: 2004 - Environmental Management System (EMS), BS OHSAS 18001: 2007 - Occupational Health & Safety (OH&S) for successful implementation of Integrated Management System (IMS).

October 11, 2012

Bangladesh Securities and Exchange Commission (BSEC) gave its consent for raising of capital through Initial Public Offer (IPO) and issuance of prospectus by Summit Purbanchol Power Company Limited.

December 26, 2012

Summit Power Limited (SPL) received the certificates of ISO 9001: 2000 - Quality Management System (QMS), ISO 14001: 2004 - Environmental Management System (EMS), BS OHSAS 18001: 2007 - Occupational Health & Safety (OH&S) for successful implementation of Integrated Management System (IMS).

2013

November 12, 2013

Best Power Generation Company Award 2013 in Private Sector Power Generation Summit Purbanchol Power Company Limited, a subsidiary of Summit Power Limited has received the "Best Power Generation Company" award in private sector power generation in a grand ceremony organised to celebrate the milestone achievement of 10,000 MW of electricity generation in Bangladesh.

December 24, 2013

13th ICAB National Award for Best Presented Annual Reports 2012 On the occasion of 13th ICAB National Award for Best Presented Annual Reports 2012, Summit Power Limited (SPL) received ICAB National Award, Certificate of Merit for 'Best Published Accounts and Reports 2012' under Non-Financial Sector Category - IV: Manufacturing

2014

April 28, 2014

ICMAB Best Corporate Award 2013 Summit Power Limited received the "ICMAB Best Corporate Award 2013", First Position in the power Companies' category for its efforts to establish corporate governance by the Institute of Cost and Management Accountants of Bangladesh (ICMAB)

July 1, 2014

Summit has established a Testing and Calibration Laboratory to keep the equipment, oils and chemicals in a required status, thus minimize any possible unexpected accident/breakdown of plants.

December 2, 2014

Summit Power Limited acquired 30% shares of another group Company named, Summit Meghnaghat Power Company Limited (SMPCL), which is a dual fuel (Natural Gas/liquid Fuel Oil) fired combined cycle power plant located at Meghnaghat, Narayanganj with net capacity of 335 MW on gas and 305 MW on HFO.

December 4, 2014

The Company received 2nd prize in the category of General Manufacturing Sector of 1st ICSB National Award 2013 of Institute of Chartered Secretaries of Bangladesh (ICSB) for Corporate Governance Excellence.

December 11, 2014

Summit Meghnaghat Power Company Limited (SMPCL), a new associate Company of Summit Power Limited received the "Best Power Generation Project Award 2014" in Private Sector Power Generation by the Government of the country.

2015

January 20, 2015

In the category of Power Generation, Summit Power Limited and its subsidiary Company Summit Purbanchol Power Company Limited attained the "ICMAB Best Corporate Award 2014", first and the second positions respectively for its efforts to establish corporate governance.

February 18, 2015

Global CSR Excellence & Leadership Award Summit Power Limited (SPL) won the prestigious "Global CSR Excellence & Leadership Award" presented by the World CSR Congress in Mumbai, India.

November 10, 2015

The Company received ICSB National Award 2014 in General Manufacturing Sector by Institute of Chartered Secretaries of Bangladesh (ICSB) for Corporate Governance Excellence.

December 10, 2015

On the occasion of 15th ICAB National Award for Best Presented Annual Report 2014, Summit Power Limited received ICAB National Award, 3rd prize for "Best Published Accounts and Reports 2014 under Manufacturing Sector.

2016

January 20, 2016

SPL received SAFA Best Presented Annual Reports Awards for its excellence in quality Annual Report 2014 by South Asian Federation of Accounts (SAFA)

26 October 2016

On the occasion of "ICMAB Best Corporate Award 2015" in the power generation category, Summit Power Limited ranked first for its efforts to establish corporate governance.

November 29, 2016

On the occasion of 16th ICAB National Award for Best Presented Annual Report 2015, Summit Power Limited received ICAB National Award, merit for Best Published Accounts and Reports 2015 under Manufacturing Sector.

December 10, 2016

Summit Barisal Power Limited (SBPL), a new subsidiary Company of Summit Power Limited received the "Best Power Generation Project Award 2016" in Private Sector Power Generation by the Government of the country. Again this the 4th time in a row for Summit Group to receive this prestigious award.

December 24, 2016

The Company received the ICSB National Award 2015, 3rd position in General Manufacturing Sector by Institute of Chartered Secretaries of Bangladesh (ICSB) for Corporate Governance Excellence.

December 29, 2016

Summit Barisal Power Limited (SBPL) and Summit Narayanganj Power Unit II Limited (SNPL II) – two subsidiaries of the Company, achieved financial close by receiving a foreign currency term loan of USD 50 million and USD 27.64 million respectively.

2017

March 05, 2017

Credit Rating Information and Services Limited (CRISL) has assigned the Long Term Rating “AAA” and Short Term Rating “ST-1” to the Summit Power Limited.

April 11, 2017

SPL Signed Project Agreement with BPDB to implement a 149 MW power plant at Kodda, Gazipur. The plant is supposed to be commissioned by March 2018 and would provide uninterrupted electricity to Gazipur region and to Kaliakor Hi-Tech Park.

December 22, 2017

The 8th Summit Open and the 22st Summit Cup Golf Tournament 2017 was held successfully at Kurmitola Golf Club.

2018

January 29, 2018

The Institute of Cost and Management Accountants of Bangladesh (ICMAB) has awarded Summit Power Limited the first prize in the ICMAB Best Corporate Award 2016 under the power generation and distribution category. This is the fifth time in a row that Summit Power Limited has received this recognition from the ICMAB.

February 7, 2018

Summit's deal of syndicated loans worth USD 79.67 million for Summit Barisal Power and Summit Narayanganj Power for 12 years and 10.5 years was awarded the Best Bangladesh Deal by FinanceAsia Achievement Awards 2017.

March 6, 2018

In the Board Meeting held on 6th March 2018, the Board of Directors approved and eventually transferred 70,237,499 number of ordinary shares of the Company from Summit Holdings Limited (SHL) to Summit Corporation Limited (SCL).

May 10, 2018

After successful testing and

commissioning, the 300 MW HFO based power of Summit Gazipur II Power Limited has started its commercial operation within schedule (nine months from the date of Lol) on 10th May 2018.

May 24, 2018

Summit Power Limited (SPL) received the prestigious long term AAA and short term ST-1 credit ratings from CRISL.

July 12, 2018

After successful testing and commissioning, the 149 MW HFO based power of Ace Alliance Power Limited has started its commercial operation within schedule on 12th July 2018.

August 05, 2018

Honourable Prime Minister Sheikh Hasina inaugurated the Summit Gazipur II Power Limited via video conference from her official residence Gonobhaban. The 300 MW power plant was completed in record nine month time.

September 6, 2018

Summit Power Limited received the Best Private Power Generation Company award for the Best Private Power Generation Company (300 MW Summit Gazipur II Power Limited) in recognition of fastest implemented power plant in the country from the Honorable Prime Minister Sheikh Hasina.

September 20, 2018:

Summit Gazipur II Power Limited (20% owned associate of SPL) won Best Fast Track Power Project Award, silver in a ceremony held in Jakarta, Indonesia. The award is considered as Oscars of the Power Industry.

October 01, 2018

Summit Group and Eastern Bank Limited (EBL) have closed an Interest Rate SWAP derivative deal worth 71.25 million US dollars for two power plants of the group—Summit Barisal Power Limited (120 MW) and Summit Narayanganj Power Unit II

Limited (62 MW). This transaction is first of its kind executed by a private commercial bank in Bangladesh.

November 01, 2018

Honourable Prime Minister Sheikh Hasina inaugurated Summit's 149 MW dual-fuel (Gas/HFO) based power plant Ace Alliance Power Limited. The plant is currently supplying power in the national grid at 132 KV through PGCB's Kodda grid sub-stations and located in Kodda, Gazipur about 30 km away from Dhaka city.

November 9, 2018

A Subscription Closing Ceremony held for Redeemable Preference Shares worth BDT 1,000 Million (USD 12.50 Million) for two associate companies - Summit Barisal Power Limited & Summit Narayanganj Power Unit II Limited.

November 11, 2018

Summit Power Limited awarded the gold award at ICSB National Award for Corporate Governance Excellence in the Fuel and Power Companies Category. This is the fourth time that Summit Power Limited has received this recognition from the ICSB.

December 19, 2018

Summit Ace Alliance Power Limited (AAPL) achieved financial close by receiving a foreign currency term loan of USD 68.6 million from IDCOL, ICD and OFID.

December 08, 2018

Summit Power Limited secured the first position at the ICMAB Best Corporate Award 2017 under the power generation category. This is the sixth time in a row that Summit Power Limited has received this recognition from the ICMAB for corporate governance. Summit Power has been consistently ICMAB award winner since 2012.

2019

March 19, 2019

A subscription closing ceremony to raise capital through issuance of Preference Shares worth BDT 805 Million for Ace Alliance Power Limited.

April 07, 2019

Summit Ace Alliance Power Limited (AAPL) and BRAC Bank signed an Interest Rate Swap (IRS) deal. Under the agreement, BRAC Bank provided hedging for AAPL's exposure in LIBOR against their borrowing of USD 68.60 million for 10.3 years. This deal is one-of-a-kind as it is the highest tenor Interest Rate Derivative for any private commercial bank in the industry.

June 17, 2019

The technology group Wärtsilä signed two major Maintenance management and operational advisory agreements with Summit Group, the largest independent power producer (IPP) in Bangladesh and long standing partner. The seven-year agreements represent the biggest ever signed service deals, in terms of MW generation, in the Bangladesh energy sector. The orders were booked by Wärtsilä in Q2, 2019.

September 27, 2019

Summit Power received Wärtsilä's Valued Customer Recognition Award 2019 from Tomas Häyry, Mayor, City of Vaasa, Finland for execution of 450 MW fast track power project complex in Gazipur in record time.

November 20, 2019

Summit Power received long term AAA (pronounced as triple A) and short term 'ST-1' credit rating by Credit Rating Information & Services Limited (CRISL). This is the third consecutive year Summit Power maintained long term AAA credit ratings.

December 17, 2019

Summit Power Limited has secured the first position at the ICMAB Best Corporate Award 2018 under the power generation category. This is the seventh time in a row that Summit Power Limited has received this recognition from the ICMAB for corporate governance. Summit Power has been consistently ICMAB award winner since 2012.

December 22, 2019

Summit Power Limited was awarded the Bronze Award at ICSB National Award 2018 under the Fuel & Power Companies Category by Institute of Chartered Secretaries of Bangladesh (ICSB).

2020

April 27, 2020

Summit Gazipur II received USD 140 Million in Project Financing from international commercial financial institutions Clifford Capital Pte. Ltd. of Singapore and Japan's second largest bank Sumitomo Mitsui Banking Corporation. Amidst of COVID-19 pandemic, receiving long-tenor low cost project finance from commercial lenders is a testament of Summit and Bangladesh's goodwill in the international community.

November 16, 2020

Muhammed Aziz Khan, Founding Chairman of Summit Group of Companies has been hailed as one of Asia's Outstanding Leaders at the ACES Awards 2020. He was recognised by the Jury Panel for his outstanding leadership and was 1 of only 7 winners representing Singapore at this year's ACES Awards.

2021

January 23, 2021

Summit Power Limited (SPL) has been awarded the 7th ICSB National Award for Corporate Governance Excellence 2019. The Managing Director of Summit Power Limited (SPL) Lt Gen Abdul Wadud (Rtd) received the award from the Honorable Minister for Commerce Tipu Munshi, MP. This is the sixth time that Summit Power Limited has received this recognition from the ICSB.

February 25, 2021

Summit Power Limited (SPL) has secured the first position at the ICMAB Best Corporate Award 2019 in the power generation category. This is the eight times in a row that Summit Power Limited has received this recognition from the ICMAB for excellence in corporate governance since 2012.

September 12, 2021

Summit Testing & Calibration Laboratory (STCL) of Summit Power Limited (SPL) has received the accreditation certificates from Bangladesh Accreditation Board (BAB) under the Ministry of Industries, the first IPP's testing and calibration lab to claim BAB certifications in Bangladesh.

December 30, 2021

Summit Power secured "First Position" in all three ICSB, ICMAB and ICAB Awards for the first time.

2022

February 3, 2022

Summit Power International received the Power Utility of the Year - Bangladesh in recognition as the top power utility provider in Bangladesh at the Asian Power Awards 2021.

March 16, 2022

Summit Corporation Limited was awarded the Leader in "Inbound Investment & Infrastructure" category at the 2nd HSBC Business Excellence Awards, Bangladesh.

5.2 OTHER DISCLOSURES

5.2.1 Quarterly Business Highlights

Amount in BDT Million

Particulars	1st quarter ended on 30 September 2021	Half year ended on 31 December 2021	Nine months ended on 31 March 2022	Year ended on 30 June 2022
Revenue	11,132	20,285	33,202	53,185
Cost of sales	(9,084)	(16,214)	(27,187)	(44,811)
Gross profit	2,048	4,071	6,015	8,374
Other income, net	4	19	26	28
General and admin expenses	(123)	(244)	(365)	(674)
Operating profit	1,929	3,847	5,677	7,728
Finance costs, net	(349)	(714)	(1,134)	(1,547)
Share of profit of SMPCL	193	380	525	634
Net profit before income tax	1,773	3,512	5,067	6,815
Income tax	(12)	(35)	(41)	(85)
Net profit after income tax	1,760	3,478	5,026	6,730

Operating performance for the 1st quarter ended on 30 September 2021

In the first quarter ended on 30 September 2021, revenue from electricity generation decreased by 10% over the same period of last year mainly due to shut-down of Narayanganj Power Plant Unit-1 because of expiry of PPA. Keeping all other components of operating performance almost constant, the net profit after tax has decreased by BDT 350 million. Thus, the net profit after tax has stood at BDT 1,760 million.

Operating performance for the half year ended on 31 December 2021

In the half year ended on 31 December 2021, revenue from electricity generation decreased by 11% over the same period of last year mainly due to shut-down of Narayanganj Power Plant Unit-1 and Chandina Power Plant Unit-2 because of expiry of PPAs. Thus, along-with a reduction of dividend income from KPCL, operating profit, including other income, decreased by BDT 1,108 million over the same period of last year. However, decrease in operating profit had been partially offset by increase in finance income and share of profit from equity-accounted investee. Thus, the net profit after tax decreased by BDT 998 million and stood at BDT 3,478 million. The reasons behind profit decrease are, among others, higher finance expense on short term local bank loans because of loans driven advances made to HFO-supplier, SOSCL for bearing import tax and duties and higher foreign exchange loss.

Operating performance for the nine months ended on 31 March 2022

In the nine months ended on 31 March 2022, revenue from electricity generation decreased by 11% over the same period of last year mainly due to shut-down of Narayanganj Power Plant Unit 1, Madhabdi Power Plant Unit-2 and Chandina Power Plant Unit-2 because of expiry of PPAs. O&M costs on account of major maintenance, depreciation and higher lubricant oil price have also adversely affected operating profit of the Company over the same period of last. However, decrease in operating profit had been offset against increase in share of profit from equity-accounted investee. Thus, the net profit after tax decreased by BDT 1,626 million and stood at BDT 5,026 million. The reasons behind profit decrease are, among others, higher finance expense on short term local bank loans because of loans driven advances made to HFO-supplier, SOSCL for bearing import tax and duties and higher foreign exchange loss.

Operating performance for the year ended on 30 June 2022

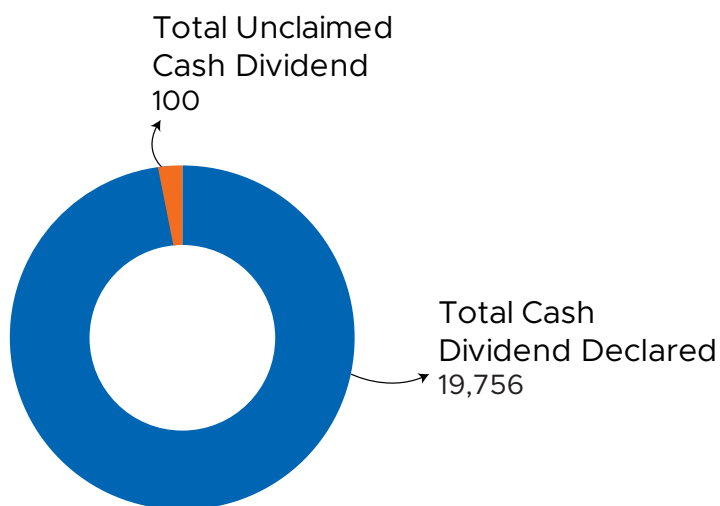
The average quarterly net profit after tax for the nine months ended on 31 March 2022 was BDT 1,675 million. The net profit after tax of the 4th quarter ended on 30 June 2022 was however BDT 1,704 million. In the 4th quarter, Narayanganj Power Plant Unit 1, Madhabdi Power Plant Unit 2 and Chandina Power Plant Unit 2 were in operation and thus revenue from electricity generation increased. However, provision for bad debt & impairment loss, higher finance costs and foreign exchange loss, net of true-up provision on electricity revenue, caused a decrease in net operating profit in the 4th quarter as well. Thus, the net profit after tax for the year ended has stood at BDT 6,730 million against BDT 8,429 million last year.

5.2.2 Declaration of Status of Unclaimed Dividend

As on 30 June 2022, the amount of unclaimed dividend stood at BDT 100,009,164 as detailed below. As per BSEC directive no. BSEC/CMRRCD/2021-386/03, dated 14 January 2021 and BSEC CMSF rule 2021, the Company had initially deposited to the Capital Market Stabilization Fund (CMSF) BDT 15,813,458 relating to financial year 2014 to 2017 and have again deposited BDT 7,569,467 relating to FY2017-18 (ended on 30 June 2018). The details of Unclaimed Dividend has also been published in the Company website.

Year	Unpaid dividend Taka
2018-19	18,605,312
2019-20-Interim	2,901,536
2019-20-Final	11,877,912
2020-21	66,624,404
Total unpaid dividend	100,009,164

Status of Unclaimed Cash Dividend FY 2019-22 (BDT Million)



5.2.3 PESTEL Analysis

SPL periodically identifies the macro (external) forces it faces and considers initiatives accordingly.



POLITICAL ANALYSIS

1. Ensuring power and energy security, requires continuous increase in power generation demand
2. Mechanization of the agricultural process of the Country may create more demand for electricity.
3. Development of energy mix to reduce dependency on un-reliable sources has diverse effect in the sector
4. Soon after scaling-up production and administration of vaccines the world would deep dive into the energy crisis fired up from the Russia-Ukraine war

ECONOMIC ANALYSIS

1. Implementation of more mega projects will require more electricity demand
2. Increasing market player in this sector may result good competition as Companies will look for further excellence
3. Transition of Bangladesh from Least Developed Country (LDC) to Developing Country (Developing Market Economy) will spike the energy and electricity demand.

SOCIAL ANALYSIS

1. Increased dependency on Internet and online based services increases dependency on electricity
2. Maintenance of social distancing due to Covid-19 causing more online based entertainment
3. Limited supply of gas for household instigating electricity based cooking system
4. Power plant requires more educated employees in contrast to labours, thus power plant jobs are socially considered as more respectable jobs.

TECHNOLOGICAL ANALYSIS

1. Increased implementation of digital technology requires more power consumption
2. Tremor of pandemic causing more use of remote distance communication technology
3. Dependency on increased online services/ servers requires uninterrupted (Load shedding) power supply

ENVIRONMENTAL ANALYSIS

1. More electricity consumption as alternative of firewood, charcoal, chips, sheets, pellets, sawdust and gas helps environmental conservation
2. Promoting hybrid and electric vehicle less carbon emission and fossil fuel burning
3. Increasing demand of renewable source of electricity appreciates good environment friend practices

LEGAL ANALYSIS

1. Due to size and nature, power companies are subject to abide by law and regulation under close monitoring system
2. Initially our Power Plants fall under Tax Holiday, eventually Government enjoys good National Exchequers from the power companies
3. Power Companies attracts more educated employees, consequently need to ensure good working environment and laws.

5.3 ANNUAL REPORT REVIEW CHECKLIST

Particulars	Section (Page No.)
Corporate Objectives, Values & Structure Clarity and presentation	
Vision and Mission	3.3(62)
Overall strategic objectives	3.3(62)
Core values and code of conduct/ethical principles	3.3(62), 3.7(71)
Profile of the Company	2.1 (11)
Director's profiles and their representation on Board of other companies & Organisation Chart	2.2(13), 2.3(22)
Management Report / Commentary and analysis including Director's Report / Chairman's Review/CEO's Review etc.	
A general review of the performance of the company	3.1(51, 52), 3.5(68), 3.18(112), 4.2(119)
Description of the performance of the various activities / products / segments of the company and its group companies during the period under review. (Weightage to be given for pictorial / graphical / tabular presentations used for this purpose)	2.6(33)
A brief summary of the Business and other Risks facing the organisation and steps taken to effectively manage such risks	2.1(11), 3.1(51), 3.12(83)
A general review of the future prospects/outlook.	1.3(8), 2.1(11), 3.1(51, 52)
Information on how the company contributed to its responsibilities towards the staff (including health & safety)	3.1(51), 3.7(71), 3.8(74), 3.17(107), 3.18(112, 116)
Information on company's contribution to the national exchequer & to the economy	3.1(51), 3.18(112), 4.10(131)
Sustainability Reporting	
Social Responsibility Initiatives (CSR)	3.9(79), 3.16(104), 3.18(112)
Environment related Initiatives	3.17(107)
Environmental & Social Obligations	3.17(107)
Integrated Reporting	Page 1, 3.18(112)
Appropriateness of Disclosure of Accounting policies and General Disclosure	
Disclosure of adequate and properly worded accounting policies relevant to assets, liabilities, Income and expenditure in line with best reporting standards.	3.5(68)
Any Specific accounting policies	3.5(68)
Impairment of Assets	3.5(68)
Changes in accounting policies/Changes in accounting estimates	3.5(68)
Accounting policy on subsidiaries(if there is no any subsidiary, full marks should be granted)	3.5(68)
Segment Information	
Comprehensive segment related information bifurcating Segment revenue, segment results and segment capital employed	2.6(33)

Particulars	Section (Page No.)
Availability of information regarding different segments and units of the entity as well as non-segmental entities/units	2.6(33)
Segment analysis of Segment Revenue	2.6(33)
Segment analysis of Segment Results	2.6(33)
Segment analysis of Turnover	2.6(33)
Segment analysis of Operating profit	2.6(33)
Segment analysis of Carrying amount of Net Segment assets	2.6(33)
Financial Statements (Including Formats)	
Disclosures of all contingencies and commitments	6.1(149)
Comprehensive related party disclosures	3.1(51), 6.1(149)
Disclosures of Remuneration & Facilities provided to Directors & CEO	6.1(149)
Statement of Financial Position / Balance Sheet and relevant schedules	6.1(149)
Income Statement / Profit and Loss Account and relevant schedules	6.1(149)
Statement of Changes in Equity / Reserves & Surplus Schedule	6.1(149)
Disclosure of Types of Share Capital	6.1(149), 6.1(149)
Statement of Cash Flow	6.1(149)
Consolidated Financial Statement (CFS)- if applicable	6.1(149)
Extent of compliance with the core IAS/IFRS or equivalent National Standards	3.1(51), 3.13(86)
Disclosures / Contents of Notes to Accounts	6.1(149)
Information about Corporate Governance	
Board Of Directors, Chairman And CEO	2.2(13), 2.8(44)
Audit Committee (Composition, role, meetings, attendance, etc) Internal Control & Risk Management	3.10(81), 3.12(83)
Ethics And Compliance	3.7(71), 3.8(74)
Remuneration and other Committees of Board	3.9(79), 3.11(82)
Human Capital	3.18(112, 114), 4.11(118, 133)
Communication To Shareholders & Stakeholders - Information available on website	1.1(5), 1.2(7), 3.2(58)
Communication To Shareholders & Stakeholders - Other information	2.7(42), 3.18(112, 116)
Management Review And Responsibility	3.3(62), 3.4(67), 3.14(87)
Disclosure by Board of Directors or Audit Committee on evaluation of quarterly reports	3.10(81), 3.14(87), 5.2.1(141)
Any other investor friendly information	2.10(47), 3.8(74), 4.6(127)

Particulars	Section (Page No.)
Risk Management & Control Environment	
Description of the Risk Management Framework	3.1(51), 3.12(83)
Risk Mitigation Methodology	3.12(83)
Disclosure of Risk Reporting	3.12(83)
Stakeholders Information	
Distribution of shareholding (Number of shares as well as category wise, e.g Promoter group, FII etc)	2.9(45), 6.1(149)
Shares held by Directors/Executives and relatives of Directors/Executives	2.9(45)
Redressal of investors complaints	3.2(58)
Graphical/ Pictorial Data	
Earnings per Share	4.3(120)
Net Assets	4.3(120)
Stock Performance	4.2(119), 4.3(120, 122), 4.6(127)
Shareholders' Funds	4.2(119), 6.1(149)
Return on Shareholders Fund	4.2(119), 4.3(120)
Horizontal/Vertical Analysis including following	
<i>Operating Performance (Income Statement)</i>	
Total Revenue	4.5(125, 126)
Operating profit	4.5(125, 126)
Profit Before Tax	4.5(125, 126)
Profit after Tax	4.5(125, 126)
EPS	4.5(125, 126)
<i>Statement of Financial Position (Balance Sheet)</i>	
Shareholders Fund	4.5(125, 126)
Property Plant & Equipment	4.5(125, 126)
Net Current Assets	4.5(125, 126)
Long Term Liabilities/Current Liabilities	4.5(125, 126)
Profitability/Dividends/ Performance and Liquidity Ratios	
Gross Profit Ratio	4.3(120), 4.4(123)
Earning before Interest, Depreciation and Tax	4.3(120), 4.4(123)
Price earning ratio	4.3(120), 4.4(123)
Current Ratios	4.3(120), 4.4(123)
Return on Capital Employed	4.3(120), 4.4(123)

Particulars	Section (Page No.)
Debt Equity Ratio	4.3(120), 4.4(123)
Statement of Value Added and Its Distribution	
Government as Taxes	4.8(129)
Shareholders as dividend	4.8(129)
Employees as bonus/remuneration	4.8(129)
Retained by the entity	4.8(129)
Market share information of the Company's product/services	3.1(51)
Economic value added	4.9(130)
Presentation of Financial Statements	
Quality of the Report/ Layout of Contents	Complied as required
Cover and printing including the theme on the cover page	
Appropriateness and effectiveness of photographs and their relevance	
Effectiveness of Charts and Graphs	
Clarity, simplicity and lucidity in presentation of Financial Statements	
Timeliness in issuing Financial Statements and holding AGMs	
3 months time to produce the Annual Report and hold AGM are considered reasonable for full marks	AGM Date 31st October 2022
Delay after the initial period of 3 months - deduction of 2 marks is to be made for each month	
If the period is over 6 months – no marks shall be awarded	
Additional Disclosures	
Human Resource Accounting	4.11(132)
Various Systems, Policies, Manuals and Charters	3.8(74)
Quarterly Business Highlights	5.2.1(141)
Declaration of Status of Unclaimed Dividend	5.2.2(142)
PESTEL Analysis	5.2.3(143)
Milestones	5.1(135)

6

AUDITOR'S REPORT AND AUDITED FINANCIAL STATEMENTS AND BRIEF DISCLOSURES OF SUBSIDIARIES

6.1 SPL's Independent Auditor's Report and Audited Financial Statements

6.2 Brief Disclosures of Subsidiaries

- 6.2.1** Summit Barisal Power Limited (SBPL)
 - 6.2.2** Summit Narayanganj Power Unit II Limited (SNPUIL)
 - 6.2.3** Summit Gazipur II Power Limited (SGIPL)
 - 6.2.4** Ace Alliance Power Limited (AAPL)
 - 6.2.5** Summit Chittagong Power Limited (SCPL)
- ### **6.3** Proxy Form

6.1 SPL'S INDEPENDENT AUDITOR'S REPORT AND AUDITED FINANCIAL STATEMENTS

Independent Auditor's Report

To the Shareholders of Summit Power Limited

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of Summit Power Limited and its subsidiaries ("the Group") as well as the separate financial statements of Summit Power Limited (the "Company"), which comprise the consolidated and separate statement of financial position as at 30 June 2022, and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory information. The financial statements of three subsidiaries as disclosed in Note 49 to these financial statements were not audited by us.

In our opinion, the consolidated financial statements of the Group and the separate financial statements of the Company give true and fair view of the financial position of the Group as well as the Company as at 30 June 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants'

Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with 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

We draw attention to Note 11.1 to the financial statements where the management has explained that the receivables from Bangladesh Rural Electrification Board (BREB) amounting to BDT 6,829,985,331 is recoverable based on the outcome of writ petition filed with the High Court Division of the Honorable Supreme Court of Bangladesh. Our opinion is not modified in respect of the above 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.

Independent Auditor's Report (continued)

1. Recoverability of outstanding receivables

See Note 11 to the financial statements.

The key audit matter	How the matter was addressed in our audit
<p>As of 30 June 2022, the Group had power generation invoices outstanding with Bangladesh Power Development Board (BPDB) and BREB totalling BDT 34,178,142,521 after provision, BDT 8,572,264,294 of this has been collected thereafter. The outstanding amount includes the BDT 6,829,985,331 referred to in the emphasis of matter above.</p> <p>To assess the recoverability of such amounts involves judgement and estimation. The recoverability of these outstanding receivables is hence regarded as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> - Review of PPA terms, including undertakings given to the Company therein. - Vouching of subsequent revenue collection. - Discussions with management regarding their communications with BPDB and BREB regarding settlement of remaining invoices. - Review of management's assessment as to recoverability, including the need for any impairment provision.

2. Renewal of Power Purchase Agreements (PPAs)

See Note 1.4 to the financial statements.

The key audit matter	How the matter was addressed in our audit
<p>The PPAs for Chandina Power Plant (Unit-2) and Madhabdi Power Plant (Unit-2) expired in late 2021 and operations at these plants had been suspended from then.</p> <p>The Company applied for renewal of both PPAs. In February 2022 BREB consented to resuming the operations.</p> <p>Furthermore, the PPA for Ashulia Power Plant (Unit-2) is due to expire on 6 December 2022. The Company has applied for renewal of this PPA also.</p> <p>The above three renewal applications are under consideration as at audit report date.</p> <p>The likelihood of PPA renewals and the terms thereof are significant factors in estimating the recoverable value of these plants and the determination of such factors is inherently subjective. This renders PPA renewals as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> - Review of underlying PPAs and renewal applications. - Review of managements projection of recoverable amounts, including assessing reasonableness of underlying assumptions on PPA renewal and its terms and performing sensitivity analysis thereon. - Discussions with the management as to progress on renewals. - Assessing the adequacy of related disclosures.

Other information

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon. Of the components of the Annual Report, we obtained the Directors' Report and the Statement of Corporate Governance prior to the date of this auditor's report.

The remaining components of the Annual Report is expected to be made available to us after that date.

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.

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

When we read the remaining components of the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Other matter

The financial statements of the Company for the year ended 30 June 2021 were audited by another auditor who expressed an unmodified opinion on those financial statements on 26 September 2021.

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

Management is responsible for the preparation of the consolidated financial statements of the Group and the separate financial statements of the Company that give a true and fair view in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and 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 Group and the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism 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

Independent Auditor's Report (continued)

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 consolidated and 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 statements of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts and returns; and
- d) the expenditure incurred was for the purposes of the Company's business.

The engagement partner on the audit resulting in this independent auditor's report is Adeeb H. Khan.



Adeeb H. Khan, Senior Partner, Enrolment number: 652
Rahman Rahman Huq, Chartered Accountants
Firm Registration Number: N/A

Dhaka, 14 September 2022

DVC: 2209180652AS975374

STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

Figures in BDT

Particulars	Notes	Consolidated		Separate	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
Assets					
Property, plant and equipment	3	40,479,276,928	38,521,233,880	9,788,382,662	10,408,732,555
Intangible assets	4	39,591,019	43,445,939	7,627,435	8,909,887
Investment in subsidiaries	5	-	-	2,550,702,270	2,550,702,270
Investment in associates	6	7,779,172,337	6,770,011,468	3,801,772,452	3,801,772,452
Other asset	8	3,815,504,840	2,545,425,549	-	-
Other investments	9	1,916,242,906	2,604,649,165	1,916,242,906	2,604,649,165
Non-current assets		54,029,788,030	50,484,766,001	18,064,727,725	19,374,766,329
Inventories	10	661,132,942	637,307,604	341,056,924	333,578,815
Trade receivables	11	34,178,142,521	15,829,121,153	10,069,277,696	8,416,967,524
Other receivables	12	110,239,352	101,426,714	99,877,524	46,996,107
Intercompany receivables	13	-	-	638,991,646	705,466,172
Advances, deposits and prepayments	14	8,108,039,207	2,818,737,500	7,872,178,391	2,621,174,199
Cash and cash equivalents	15	6,003,326,699	9,164,503,454	3,187,116,402	4,025,769,905
Current assets		49,060,880,721	28,551,096,425	22,208,498,583	16,149,952,722
Total assets		103,090,668,751	79,035,862,426	40,273,226,308	35,524,719,051
Equity					
Share capital	16	10,678,772,390	10,678,772,390	10,678,772,390	10,678,772,390
Share premium	17	6,479,097,639	6,479,097,639	6,479,097,639	6,479,097,639
Revaluation reserve	18	831,084,651	859,348,728	831,084,651	859,348,728
Fair value reserve	19	(1,717,918,745)	(1,029,512,486)	(1,717,918,745)	(1,029,512,486)
Capital reserve	20	1,668,093,205	1,668,093,205	1,668,093,205	1,668,093,205
Hedging reserve	21	71,783,143	(385,340,743)	-	-
Currency translation reserve	22	1,287,947,365	81,259,995	-	-
Retained earnings		18,849,156,293	18,433,124,337	11,788,442,968	12,244,853,819
Equity attributable to owners of the Company		38,148,015,941	36,784,843,065	29,727,572,108	30,900,653,295
Non-controlling interest	23	11,759,912,278	9,882,900,630	-	-
Total equity		49,907,928,219	46,667,743,695	29,727,572,108	30,900,653,295
Liabilities					
Redeemable preference shares	24	1,325,828,102	1,562,329,944	-	-
Loans and borrowings	25	17,605,471,955	17,259,897,754	-	-
Deferred liabilities	26	61,014,481	1,001,635,545	358,140,626	337,811,728
Deferred tax liabilities	7	43,355,128	12,403,887	43,355,128	30,602,020
Non-current liabilities		19,035,669,666	19,836,267,130	401,495,754	368,413,748
Unclaimed dividend	27	100,009,164	174,788,370	100,009,164	174,788,370
Redeemable preference shares	24	381,304,520	452,820,697	-	-
Loans and borrowings	25	10,130,792,663	4,358,864,784	7,774,301,408	2,599,780,786
Trade payables	28	22,765,503,540	6,926,788,859	2,089,065,871	1,233,543,703
Other payables and accruals	29	515,311,939	464,282,281	180,151,396	97,459,927
Intercompany payables	30	254,149,040	154,306,610	630,607	150,079,222
Current liabilities		34,147,070,866	12,531,851,601	10,144,158,446	4,255,652,008
Total liabilities		53,182,740,532	32,368,118,731	10,545,654,200	4,624,065,756
Total equity and liabilities		103,090,668,751	79,035,862,426	40,273,226,308	35,524,719,051

The notes on pages 158 to 212 are an integral part of these financial statements.


Managing Director


Director


Company Secretary

As per our report of same date.

Date, 14 September 2022


Auditor

Adeeb H. Khan, Senior Partner, Enrolment number: 652
Rahman Rahman Huq, Chartered Accountants, KPMG in Bangladesh
Firm Registration Number: N/A
Dhaka, 14 September 2022
DVC: 2209180652AS975374

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2022

Figures in BDT

Particulars	Notes	Consolidated		Separate	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
Revenue	31	53,185,419,598	39,660,594,317	7,619,669,136	9,837,537,741
Cost of sales	32	(44,811,034,337)	(30,087,381,437)	(5,131,698,200)	(6,207,247,494)
Gross profit		8,374,385,261	9,573,212,880	2,487,970,936	3,630,290,247
Other income	33	27,930,505	254,458,342	1,075,444,959	688,861,497
General and administrative expenses	34	(673,680,123)	(477,881,178)	(436,868,746)	(263,566,968)
Operating profit		7,728,635,643	9,349,790,044	3,126,547,149	4,055,584,776
Net finance income/(cost)	35	(1,546,957,363)	(1,423,567,457)	160,875,409	89,881,794
Share of profit of equity-accounted investee	6	633,774,334	563,367,152	-	-
Profit before tax		6,815,452,614	8,489,589,739	3,287,422,558	4,145,466,570
Income tax expenses	36	(85,407,200)	(60,411,261)	(35,406,797)	(42,296,563)
Profit after income tax		6,730,045,414	8,429,178,478	3,252,015,761	4,103,170,007
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Actuarial gain/(loss) on gratuity valuation, net of tax	37	(357,776)	(11,807,074)	10,022,000	(8,671,475)
Other investments – net change in fair value	9	(688,406,259)	(578,757,631)	(688,406,259)	(578,757,631)
		(688,764,035)	(590,564,705)	(678,384,259)	(587,429,106)
Items that may be reclassified subsequently to profit or loss					
Change in fair value of financial derivative instruments	21	949,117,329	423,863,046	-	-
Foreign currency translation impact	22	2,262,309,420	2,968,110	-	-
		3,211,426,749	426,831,156	-	-
Other comprehensive income		2,522,662,714	(163,733,549)	(678,384,259)	(587,429,106)
Total comprehensive income		9,252,708,128	8,265,444,929	2,573,631,502	3,515,740,901
Profit attributable to:					
Owners of the company		4,129,184,823	5,605,236,376	3,252,015,761	4,103,170,007
Non-controlling interests	23	2,600,860,591	2,823,942,102	-	-
		6,730,045,414	8,429,178,478	3,252,015,761	4,103,170,007
Other comprehensive income attributable to:					
Owners of the Company		980,700,743	(333,132,962)	(678,384,259)	(587,429,106)
Non-controlling interests	23	1,541,961,971	169,399,413	-	-
		2,522,662,714	(163,733,549)	(678,384,259)	(587,429,106)
Total comprehensive income attributable to:					
Owners of the company		5,109,885,566	5,272,103,414	2,573,631,502	3,515,740,901
Non-controlling interests		4,142,822,562	2,993,341,515	-	-
Total comprehensive income		9,252,708,128	8,265,444,929	2,573,631,502	3,515,740,901
Earnings per share					
Basic earnings per share (face value BDT 10)	38	3.87	5.25	3.05	3.84

The notes on pages 158 to 212 are an integral part of these financial statements.



Managing Director



Director



Company Secretary

As per our report of same date.



Auditor

Date, 14 September 2022

Adeeb H. Khan, Senior Partner, Enrolment number: 652
 Rahman Rahman Huq, Chartered Accountants, KPMG in Bangladesh
 Firm Registration Number: N/A
 Dhaka, 14 September 2022
 DVC: 2209180652AS975374

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2022

Figures in BDT

Particulars	Attributable to owners of the Company									Non-controlling interests	Total equity
	Share capital	Share premium	Revaluation reserve	Fair value reserve	Capital reserve	Hedging reserve	Currency translation reserve	Retained earnings	Total		
Balance at 1 July 2020	10,678,772,390	6,479,097,639	867,156,989	(450,754,855)	1,668,093,205	(638,824,028)	80,251,948	14,953,387,378	33,637,180,666	7,166,761,596	40,803,942,262
Total comprehensive income											
Profit	-	-	-	-	-	-	-	5,605,236,376	5,605,236,376	2,823,942,102	8,429,178,478
Other comprehensive income	-	-	-	(578,757,631)	-	253,483,285	1,008,047	(8,866,663)	(333,132,962)	169,399,413	(163,733,549)
Total comprehensive income	-	-	-	(578,757,631)	-	253,483,285	1,008,047	5,596,369,713	5,272,103,414	2,993,341,515	8,265,444,929
Transaction with owners of the Company											
Cash dividend	-	-	-	-	-	-	-	(2,135,754,478)	(2,135,754,478)	(277,202,481)	(2,412,956,959)
Total transactions with owners of the Company	-	-	-	-	-	-	-	(2,135,754,478)	(2,135,754,478)	(277,202,481)	(2,412,956,959)
Transactions recognised directly in equity											
Transfer from revaluation reserve to retained earnings	-	-	(19,121,724)	-	-	-	-	19,121,724	-	-	-
Deferred tax on revaluation of property, plant and equipment	-	-	11,313,463	-	-	-	-	-	11,313,463	-	11,313,463
Total transactions recognised directly in equity	-	-	(7,808,261)	-	-	-	-	19,121,724	11,313,463	-	11,313,463
Balance at 30 June 2021	10,678,772,390	6,479,097,639	859,348,728	(1,029,512,486)	1,668,093,205	(385,340,743)	81,259,995	18,433,124,337	36,784,843,065	9,882,900,630	46,667,743,695
Balance at 1 July 2021	10,678,772,390	6,479,097,639	859,348,728	(1,029,512,486)	1,668,093,205	(385,340,743)	81,259,995	18,433,124,337	36,784,843,065	9,882,900,630	46,667,743,695
Total comprehensive income											
Profit	-	-	-	-	-	-	-	4,129,184,823	4,129,184,823	2,600,860,591	6,730,045,414
Other comprehensive income	-	-	-	(688,406,259)	-	457,123,886	1,206,687,370	5,295,745	980,700,742	1,541,961,972	2,522,662,714
Total comprehensive income	-	-	-	(688,406,259)	-	457,123,886	1,206,687,370	4,134,480,568	5,109,885,565	4,142,822,563	9,252,708,128
Transaction with owners of the Company											
Cash dividend	-	-	-	-	-	-	-	(3,737,570,336)	(3,737,570,336)	(2,265,810,915)	(6,003,381,251)
Total transactions with owners of the Company	-	-	-	-	-	-	-	(3,737,570,336)	(3,737,570,336)	(2,265,810,915)	(6,003,381,251)
Transactions recognised directly in equity											
Transfer from revaluation reserve to retained earnings	-	-	(19,121,724)	-	-	-	-	19,121,724	-	-	-
Deferred tax on revaluation of property, plant and equipment	-	-	(9,142,353)	-	-	-	-	-	(9,142,353)	-	(9,142,353)
Total transactions recognised directly in equity	-	-	(28,264,077)	-	-	-	-	19,121,724	(9,142,353)	-	(9,142,353)
Balance at 30 June 2022	10,678,772,390	6,479,097,639	831,084,651	(1,717,918,745)	1,668,093,205	71,783,143	1,287,947,365	18,849,156,293	38,148,015,941	11,759,912,278	49,907,928,219

The notes on pages 158 to 212 are an integral part of these financial statements.

SEPARATE STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2022

Figures in BDT

Particulars	Share capital	Share premium	Revaluation reserve	Fair value reserve	Capital reserve	Retained earnings	Total equity
Balance at 1 July 2020	10,678,772,390	6,479,097,639	867,156,989	(450,754,855)	1,668,093,205	10,266,988,041	29,509,353,409
Total comprehensive income							
Profit	-	-	-	-	-	4,103,170,007	4,103,170,007
Other comprehensive income	-	-	-	(578,757,631)	-	(8,671,475)	(587,429,106)
Total comprehensive income	-	-	-	(578,757,631)	-	4,094,498,532	3,515,740,901
Transaction with owners of the company							
Cash dividend	-	-	-	-	-	(2,135,754,478)	(2,135,754,478)
Total transactions with owners of the company	-	-	-	-	-	(2,135,754,478)	(2,135,754,478)
Transactions recognised directly in equity							
Transfer from revaluation reserve to retained earnings	-	-	(19,121,724)	-	-	19,121,724	-
Deferred tax on revaluation of property, plant and equipment	-	-	11,313,463	-	-	-	11,313,463
Total transactions recognised directly in equity	-	-	(7,808,261)	-	-	19,121,724	11,313,463
Balance at 30 June 2021	10,678,772,390	6,479,097,639	859,348,728	(1,029,512,486)	1,668,093,205	12,244,853,819	30,900,653,295
Balance at 1 July 2021	10,678,772,390	6,479,097,639	859,348,728	(1,029,512,486)	1,668,093,205	12,244,853,819	30,900,653,295
Total comprehensive income							
Profit	-	-	-	-	-	3,252,015,761	3,252,015,761
Other comprehensive income	-	-	-	(688,406,259)	-	10,022,000	(678,384,259)
Total comprehensive income	-	-	-	(688,406,259)	-	3,262,037,761	2,573,631,502
Transaction with owners of the company							
Cash dividend	-	-	-	-	-	(3,737,570,336)	(3,737,570,336)
Total transactions with owners of the company	-	-	-	-	-	(3,737,570,336)	(3,737,570,336)
Transactions recognised directly in equity							
Transfer from revaluation reserve to retained earnings	-	-	(19,121,724)	-	-	19,121,724	-
Deferred tax on revaluation of property, plant and equipment	-	-	(9,142,353)	-	-	-	(9,142,353)
Total transactions recognised directly in equity	-	-	(28,264,077)	-	-	19,121,724	(9,142,353)
Balance at 30 June 2022	10,678,772,390	6,479,097,639	831,084,651	(1,717,918,745)	1,668,093,205	11,788,442,968	29,727,572,108

The notes on pages 158 to 212 are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

For the year ended 30 June 2022

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Cash flows from operating activities				
Receipts from customers	34,561,985,831	34,196,489,139	5,986,247,109	8,691,630,458
Payment to employees, suppliers and service-providers	(28,211,130,476)	(25,012,137,642)	(3,897,382,904)	(5,202,515,906)
Receipts from other sources	28,620,280	12,164,822	11,714,361	2,925,690
Income tax paid	(64,734,480)	(88,165,104)	(33,700,523)	(62,132,255)
Net cash from operating activities	6,314,741,155	9,108,351,215	2,066,878,043	3,429,907,987
Cash flows from investing activities				
Interest received	331,318,711	151,273,040	173,983,360	91,931,719
Dividend received	211,021,901	418,367,880	1,060,382,030	684,699,675
Acquisition of property, plant and equipment	(1,272,755,449)	(718,750,039)	(251,977,052)	(323,160,134)
Disposal of property, plant and equipment	3,566,150	1,392,111	3,566,150	1,300,220
(Payment of)/Receipt from financial support	(5,161,312,124)	(2,132,307,429)	(5,094,837,599)	(2,509,050,972)
Net cash from/(used in) investing activities	(5,888,160,811)	(2,280,024,437)	(4,108,883,111)	(2,054,279,492)
Cash flows from financing activities				
Interest paid	(1,673,077,498)	(1,482,852,100)	(8,809,532)	(1,842,500)
Proceeds from loans and borrowings	13,705,704,340	4,874,195,089	12,823,472,811	4,874,195,089
Repayment of loans and borrowings	(9,527,603,266)	(4,044,578,794)	(7,648,952,189)	(2,274,414,303)
Proceeds from issue of redeemable preference shares	1,722,626,660	-	-	-
Repayment of redeemable preference shares	(2,027,500,000)	(357,500,000)	-	-
Transaction cost	(24,942,564)	(31,097,368)	-	-
Proceeds from/(Repayment to) financial support	103,761,451	150,306,758	(150,009,983)	148,141,874
Dividends paid	(6,078,160,457)	(2,514,198,396)	(3,812,349,542)	(2,236,995,915)
Net cash from/(used in) financing activities	(3,799,191,334)	(3,405,724,811)	1,203,351,565	509,084,245
Net changes in cash and cash equivalents	(3,372,610,990)	3,422,601,967	(838,653,503)	1,884,712,740
Effects of currency translation	211,434,235	14,000,991	-	-
Opening cash and cash equivalents	9,164,503,454	5,727,900,496	4,025,769,905	2,141,057,165
Closing cash and cash equivalents	6,003,326,699	9,164,503,454	3,187,116,402	4,025,769,905

The notes on pages 158 to 212 are an integral part of these financial statements.

1 Reporting Entity

1.1 Company profile

Summit Power Limited (hereinafter referred to as "the Company"/"SPL") was incorporated in Bangladesh on 30 March 1997 as a private limited company under the Companies Act 1994 under registration no. C 32630(1751)/97 with its registered office at Summit Centre, 18 Kawran Bazar, Dhaka 1215. The Company was subsequently converted into a public limited company on 7 June 2004. During October-November 2005, the Company listed its shares with both Dhaka and Chittagong Stock Exchanges. The Company took majority interest of Summit Purbanchol Power Company Limited ("SPPCL") in 2007, of Summit Uttaranchol Power Company Limited ("SUPCL") in 2007 and of Summit Narayanganj Power Limited ("SNPL") in 2010. SPPCL, SUPCL and SNPL have been amalgamated with their parent company Summit Power Limited with effect from 31 December 2015. The operation of the following companies are directly controlled by the management of Summit Power Limited:

Summit Narayanganj Power Unit II Limited ("SNPL II") was incorporated in Bangladesh on 10 February 2011 as a private limited company under the Companies Act 1994 with its registered office at Summit Centre, 18 Kawran Bazar, Dhaka 1215, Bangladesh as Summit Shantahar Power Limited. On 18 November 2013 the name of Summit Shantahar Power Limited was changed as Summit Narayanganj Power Unit II Limited.

Summit Barisal Power Limited ("SBPL") was incorporated in Bangladesh on 10 February 2011 as a private limited company under the Companies Act 1994 with its registered office at Summit Centre, 18 Kawran Bazar, Dhaka 1215, Bangladesh as Summit Saidpur Power Limited. On 18 November 2013 the name of Summit Saidpur Power Limited was changed as Summit Barisal Power Limited.

Summit Chittagong Power Limited ("SCPL") was incorporated on 27 October 2015 as a private limited company under the Companies Act 1994 with its registered office at Summit Centre, 18 Kawran Bazar, Dhaka-1215, Bangladesh.

Ace Alliance Power Limited ("AAPL") was incorporated on 5 September 2011 as a private limited company under the Companies Act 1994 with its registered office at Summit Centre, 18 Kawran Bazar, Dhaka-1215, Bangladesh. Initially, 64% of its shares were owned by Aitken Spence Plc, Sri Lanka and 36% by Alliance Holdings Limited, Bangladesh. In June 2016, Summit Power Limited took 64% of shares from Aitken Spence Plc, Sri Lanka and Summit Corporation Limited took 36% of shares from Alliance Holdings Limited, Bangladesh.

Summit Gazipur II Power Limited ("SGIIP") was incorporated on 3 July 2017 as a private limited company under the Companies Act 1994 with its registered office at Summit Centre, 18 Kawran Bazar, Dhaka-1215, Bangladesh. 80% of its shares are owned by Summit Corporation Limited ("SCL") and 20% by Summit Power Limited ("SPL").

1.2 Nature of business

The principal activity of the Company/Group is to generate and supply of electricity. Operational details of the Company/ Group are as under:

Name of Company	Name of plant	Location	Plant capacity (MW)	Operation starting date	Period of PPA (Year)
Summit Power Limited	Ashulia Power Plant (Unit-1)	Savar, Dhaka	11	1 Sep 2003	20
	Ashulia Power Plant (Unit-2)	Savar, Dhaka	33.75	4 Dec 2007	15
	Madhabdi Power Plant (Unit-1)	Narsingdi	11	1 Sep 2003	20
	Madhabdi Power Plant (Unit-2)*	Narsingdi	24.3	16 Dec 2006	15
	Chandina Power Plant (Unit-1)	Comilla	11	1 Sep 2003	20
	Chandina Power Plant (Unit-2)*	Comilla	13.5	15 Nov 2006	15
	Rupganj Power Plant	Narayanganj	33	9 Jun 2009	15
	Jangalia Power Plant	Comilla	33	25 Jun 2009	15
	Maona Power Plant	Gazipur	33	12 May 2009	15
	Ullapara Power Plant	Sirajganj	11	3 Mar 2009	15
	Madanganj Power Plant*	Narayanganj	102	1 Apr 2011	12
Summit Narayanganj Power Unit II Limited	Madanganj Power Plant (Unit-2)	Narayanganj	55	29 Feb 2016	15
Summit Barisal Power Limited	Rupatoli Power Plant	Barisal	110	5 Apr 2016	15
Ace Alliance Power Limited	Kodda Power Plant (Unit-1)	Gazipur	149	12 July 2018	15
Summit Gazipur II Power Limited	Kodda Power Plant (Unit-2)	Gazipur	300	10 May 2018	15
Summit Chittagong Power Limited**	-	-	-	-	-

All the above power plants are natural gas based, except Madanganj Power Plant, Rupatoli Power Plant, Madanganj Power Plant (Unit-2), Kodda Power Plant (Unit-1) and Kodda Power Plant (Unit-2), which are based on heavy furnace oil (HFO).

* Details have been explained in Note 1.3 and Note 1.4.

** Development of this power plant is yet to initiate.

1.3 Extension of Power Purchase Agreement and current plant status - Madanganj Power Plant

The Company contracted with Bangladesh Power Development Board ("BPDB") for Power Purchase Agreement ("PPA") on 23 June 2010 to supply electricity from Madanganj power plant for 5 years to 31 March 2016, which was subsequently extended for another 5 years till 31 March 2021. For this plant the Company got another extension for 2 years, effective from 23 March 2022 under the condition of "no-electricity, no-payment" without any guaranteed off-take.

After the operation at this plant had resumed successfully, a failure occurred in the electrical system of MV (Medium Voltage) Room of the power plant on 10 June 2022. Necessary rectification work is ongoing and is expected to be completed within September 2022 and operation of the power plant will resume then. Related loss of BDT 39.6 million (approx.) based on discounted estimated replacement cost has been provided for during the reporting period.

1.4 Extension of Power Purchase Agreements - Chandina Power Plant (Unit-2) and Madhabdi Power Plant (Unit-2)

The Company contracted with Bangladesh Rural Electrification Board ("BREB") for Power Purchase Agreements ("PPAs") on 28 June 2005 to supply electricity from Chandina Power Plant (Unit-2) and Madhabdi Power Plant (Unit-2) for 15 years from 15 November 2006 to 14 November 2021 and from 16 December 2006 to 15 December 2021 respectively. Since then, the operation at the said plants were suspended. However, the off-taker (BREB) of the said plants have given consent to resume the operation and supply of electricity, with effect from 7 February 2022 for both of Chandina Power Plant (Unit 2) and Madhabdi Power Plant (Unit 2). The PPAs of the said plants are in the process of renewal.

2 Basis of preparation

2.1 Statement of compliance

The financial statements (consolidated and separate financial statements) have been prepared in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 2020, relevant guidelines issued by the Bangladesh Securities and Exchange Commission, Financial Reporting Act 2015 and other applicable laws and regulations. The titles and format of these financial statements follow the requirements of IFRSs which are to some extent different from the requirement of the Companies Act 1994. However, such differences are not material and, in the view of management, IFRSs titles and format give better presentation to the shareholders.

2.2 Authorisation for issue

The financial statements were authorised by the Board of Directors on 14 September 2022 for publication.

2.3 Basis of measurement

The financial statements have been prepared on historical cost basis except for certain assets/liabilities as explained in the accompanying notes.

2.4 Functional and presentational currency and level of precision

These financial statements are presented in Bangladesh Taka (Taka/Tk./BDT) which is both functional currency and presentation currency of the Company/Group, except for Summit Barisal Power Limited, Summit Narayanganj Power Unit II Limited, Ace Alliance Power Limited and Summit Gazipur II Power Limited. For these four companies, United States Dollar (USD) is the functional currency and BDT is the presentation currency. All amounts have been rounded to the nearest integer, unless otherwise indicated.

2.5 Reporting period

The financial period of the Company/Group covers one year from 1 July to 30 June and it is followed consistently. Details of the Group's accounting policies are included in Note 49.

2.6 Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Assumptions and estimation uncertainties

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.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the period ended 30 June 2022 is included in the following notes:

Note 3 and 49B	Property, plant and equipment
Note 7 and 49I	Taxation
Note 49K	Other asset
Note 29 and 49F	Other payables and accruals
Note 43	Commitments
Note 44 and 49G	Contingencies

Measurement of fair values

When measuring the fair value of an asset or a liability, the Company uses observable market 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 asset or liability that are not based on observable market data (unobservable inputs).

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 change has occurred.



3 Property, plant and equipment

Consolidated

For the year ended 30 June 2022

Figures in BDT

Particulars	Cost/Revaluation					Rate %	Depreciation					Written down value at 30 June 2022
	Balance at 1 July 2021	Addition/transfer in	Disposal/write-off/transfer out	Effect of exchange rate movement	Balance at 30 June 2022		Balance at 1 July 2021	Addition/transfer in	Disposal/write-off/transfer out	Effect of exchange rate movement	Balance at 30 June 2022	
a) Fixed assets : i) Cost												
Land and land development	1,306,981,953	-	-	96,661,846	1,403,643,799	-	-	-	-	-	-	1,403,643,799
Furniture and fixtures	45,820,570	657,429	(116,205)	2,206,201	48,567,994	10	23,937,100	4,016,081	(85,848)	828,935	28,696,268	19,871,726
Office and electrical equipment	114,080,353	6,100,141	(368,807)	5,492,054	125,303,741	20	77,033,162	14,717,321	(368,807)	3,199,029	94,580,706	30,723,035
Office decoration	30,457,329	-	-	28,409	30,485,738	20	29,548,373	392,360	-	28,351	29,969,084	516,654
Motor vehicles	175,042,465	42,173,135	(14,425,135)	3,770,876	206,561,341	20	137,046,394	28,065,002	(13,516,592)	2,623,739	154,218,543	52,342,798
Maintenance equipment	38,958,658	1,200,583	-	212,327	40,371,568	20	27,898,968	2,786,625	-	182,076	30,867,669	9,503,899
Civil works and others	226,958,927	-	-	3,568	226,962,495	20	219,622,621	4,665,016	-	3,051	224,290,687	2,671,808
Plant and machineries:												
Ashulia Power Plant (Unit-1)	495,427,848	5,656,931	-	-	501,084,779	3.33 - 5	345,133,637	28,819,213	-	-	373,952,850	127,131,929
Ashulia Power Plant (Unit-2)	1,603,860,812	94,537,475	-	-	1,698,398,287	3.33 - 5	786,002,584	89,058,188	-	-	875,060,772	823,337,515
Madhabdi Power Plant (Unit-1)	430,250,943	8,811,680	-	-	439,062,624	3.33 - 5	368,684,612	24,829,631	-	-	393,514,243	45,548,381
Madhabdi Power Plant (Unit-2)	1,091,753,498	13,189,390	(8,059,300)	-	1,096,883,588	3.33 - 5	595,500,627	50,487,330	(4,058,753)	-	641,929,204	454,954,384
Chandina Power Plant (Unit-1)	490,553,361	3,608,566	-	-	494,161,926	3.33 - 5	364,858,588	28,048,383	-	-	392,906,971	101,254,955
Chandina Power Plant (Unit-2)	690,293,545	3,919,390	-	-	694,212,935	3.33 - 5	373,033,206	30,812,038	-	-	403,845,244	290,367,691
Jangalia Power Plant	1,675,612,575	30,693,676	(9,016,717)	-	1,697,289,535	3.33 - 5	721,226,766	88,017,290	(3,829,099)	-	805,414,957	891,874,578
Rupganj Power Plant	1,612,909,297	63,161,915	-	-	1,676,071,212	3.33 - 5	697,502,986	81,548,059	-	-	779,051,044	897,020,168
Maona Power Plant	1,698,590,388	59,304,928	(101,971,257)	-	1,655,924,059	3.33 - 5	713,638,485	86,584,892	(43,581,382)	-	756,641,994	899,282,065
Ullapara Power Plant	672,700,496	26,671,171	-	-	699,371,667	3.33 - 5	304,315,113	37,422,454	-	-	341,737,567	357,634,100
Madanganj Power Plant	5,566,788,631	4,791,736	(75,703,209)	-	5,495,877,159	3.33 - 5	2,161,240,883	211,775,552	(36,119,268)	-	2,336,897,167	3,158,979,992
Rupatoli Power Plant	5,574,885,532	8,878,648	-	565,363,082	6,149,127,262	3.33 - 5	1,061,652,370	213,123,596	-	125,277,871	1,400,053,837	4,749,073,425
Madanganj Power Plant (Unit-2)	2,952,236,249	74,900,810	-	305,214,558	3,332,351,617	3.33 - 5	562,790,604	125,346,302	-	67,441,095	755,578,001	2,576,773,616
Kodda Power Plant (Unit-1)	7,336,197,584	200,704,783	(57,405,904)	730,488,577	8,209,985,040	3.33 - 5	689,759,507	307,471,487	(6,456,431)	87,729,748	1,078,504,311	7,131,480,729
Kodda Power Plant (Unit-2)	14,514,749,888	775,911,857	(18,260,976)	1,498,235,085	16,770,635,854	3.33 - 5	1,473,868,525	555,565,516	(3,131,758)	186,847,993	2,213,150,276	14,557,485,578
Total (i)	48,345,110,902	1,424,874,246	(285,327,510)	3,207,676,583	52,692,334,221		11,734,295,111	2,013,552,333	(111,147,938)	474,161,888	14,110,861,394	38,581,472,827
a) Fixed assets : ii) Revaluation												
Land and land development	569,663,952	-	-	-	569,663,952	-	-	-	-	-	-	569,663,952
Civil works and others	13,002,138	-	-	-	13,002,138	20	13,002,138	-	-	-	-	13,002,138
Plant and machineries:												
Ashulia Power Plant (Unit-1)	166,227,903	-	-	-	166,227,903	3.33 - 5	63,027,474	5,540,880	-	-	68,568,354	97,659,549
Ashulia Power Plant (Unit-2)	3,310,422	-	-	-	3,310,422	3.33 - 5	1,255,221	110,352	-	-	1,365,573	1,944,849
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	-	161,663,341	3.33 - 5	61,296,724	5,388,720	-	-	66,685,444	94,977,897
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	-	79,752,991	3.33 - 5	30,239,418	2,658,420	-	-	32,897,838	46,855,153
Chandina Power Plant (Unit-1)	146,384,742	-	-	-	146,384,742	3.33 - 5	55,503,660	4,879,440	-	-	60,383,100	86,001,642
Chandina Power Plant (Unit-2)	16,317,466	-	-	-	16,317,466	3.33 - 5	6,186,988	543,912	-	-	6,730,900	9,586,566
Total (ii)	1,156,322,955	-	-	-	1,156,322,955		230,511,622	19,121,724	-	-	249,633,346	906,689,609
Total (a=i+ii)	49,501,433,857	1,424,874,246	(285,327,510)	3,207,676,583	53,848,657,176		11,964,806,734	2,032,674,057	(111,147,938)	474,161,888	14,360,494,740	39,488,162,435
b) Spare parts												
Stock in hand	814,950,408	711,642,705	(755,004,349)	107,575,514	879,164,278	3.33 - 50	168,239,164	48,616,235	(44,720,821)	22,661,711	194,796,289	684,367,989
Stock in transit	244,041,935	1,052,936,730	(1,008,805,852)	6,844,804	295,017,617	-	-	-	-	-	-	295,017,617
Total (b)	1,058,992,343	1,764,579,435	(1,763,810,200)	114,420,318	1,174,181,896		168,239,164	48,616,235	(44,720,821)	22,661,711	194,796,289	979,385,607
c) Capital work-in progress												
Capital work in progress	77,681,544	535,567,669	(614,615,513)	1,290,321	(75,979)	-	-	-	-	-	-	(75,979)
Total (c)	77,681,544	535,567,669	(614,615,513)	1,290,321	(75,979)		-	-	-	-	-	(75,979)
Total own assets (a+b+c)	50,638,107,745	3,725,021,349	(2,663,753,223)	3,323,387,222	55,022,763,093		12,133,045,897	2,081,290,292	(155,868,759)	496,823,599	14,555,291,029	40,467,472,064
d) Right-of-use assets												
Leased land	24,906,390	-	-	-	24,906,390	14.46 - 24	8,734,354	4,367,172	-	-	13,101,526	11,804,864
Total (d)	24,906,390	-	-	-	24,906,390		8,734,354	4,367,172	-	-	13,101,526	11,804,864
Total assets (a+b+c+d)	50,663,014,135	3,725,021,349	(2,663,753,223)	3,323,387,222	55,047,669,483		12,141,780,251	2,085,657,464	(155,868,759)	496,823,599	14,568,392,555	40,479,276,928

SUMMIT POWER LIMITED
Notes to the financial statements

Consolidated

For the year ended 30 June 2021

Figures in BDT

Particulars	Cost/Revaluation					Rate %	Depreciation					Written down value at 30 June 2021
	Balance at 1 July 2020	Addition/transfer in	Disposal/write-off/transfer out	Effect of exchange rate movement	Balance at 30 June 2021		Balance at 1 July 2020	Addition/transfer in	Disposal/write-off/transfer out	Effect of exchange rate movement	Balance at 30 June 2021	
a) Fixed assets : i) Cost												
Land and land development	1,306,166,837	758,489	-	56,627	1,306,981,953	-	-	-	-	-	-	1,306,981,953
Furniture and fixtures	41,098,151	4,718,714	-	3,705	45,820,570	10	20,151,584	3,784,100	-	1,417	23,937,100	21,883,469
Office and electrical equipment	94,508,282	20,436,464	(876,827)	12,433	114,080,353	20	63,902,703	13,937,822	(812,739)	5,376	77,033,162	37,047,190
Office decoration	30,386,685	70,628	-	16	30,457,329	20	28,977,551	570,776	-	46	29,548,373	908,956
Motor vehicles	179,090,030	175,697	(4,225,300)	2,038	175,042,465	20	118,520,185	22,747,005	(4,225,300)	4,504	137,046,394	37,996,071
Maintenance equipment	33,967,578	4,990,958	-	122	38,958,658	20	25,728,066	2,170,594	-	308	27,898,968	11,059,690
Civil works and others	225,736,716	1,222,209	-	2	226,958,927	20	211,658,601	7,964,015	-	4	219,622,621	7,336,306
Plant and machineries:												
Ashulia Power Plant (Unit-1)	466,046,778	29,381,070	-	-	495,427,848	3.33 - 10	309,410,852	35,722,785	-	-	345,133,637	150,294,211
Ashulia Power Plant (Unit-2)	1,589,330,191	14,530,621	-	-	1,603,860,812	3.33 - 16.67	700,926,800	85,075,784	-	-	786,002,584	817,858,228
Madhabdi Power Plant (Unit-1)	428,202,086	2,048,857	-	-	430,250,943	3.33 - 10	343,347,499	25,337,113	-	-	368,684,612	61,566,331
Madhabdi Power Plant (Unit-2)	1,066,719,485	25,034,013	-	-	1,091,753,498	3.33 - 16.67	540,349,533	55,151,094	-	-	595,500,627	496,252,871
Chandina Power Plant (Unit-1)	479,131,137	11,422,224	-	-	490,553,361	3.33 - 10	335,379,962	29,478,627	-	-	364,858,588	125,694,772
Chandina Power Plant (Unit-2)	676,137,886	14,155,659	-	-	690,293,545	3.33 - 16.67	333,157,272	39,875,934	-	-	373,033,206	317,260,339
Jangalia Power Plant	1,627,921,427	47,691,148	-	-	1,675,612,575	3.33 - 16.67	627,767,496	93,459,270	-	-	721,226,766	954,385,809
Rupganj Power Plant	1,596,551,955	16,357,342	-	-	1,612,909,297	3.33 - 16.67	623,976,396	73,526,590	-	-	697,502,986	915,406,312
Maona Power Plant	1,546,120,904	152,469,483	-	-	1,698,590,388	3.33 - 16.67	638,098,683	75,539,801	-	-	713,638,485	984,951,903
Ullapara Power Plant	650,051,158	22,649,338	-	-	672,700,496	3.33 - 16.67	267,367,439	36,947,675	-	-	304,315,113	368,385,383
Madanganj Power Plant	5,546,705,452	20,083,179	-	-	5,566,788,631	3.33 - 16.67	1,937,496,613	223,744,270	-	-	2,161,240,883	3,405,547,748
Rupatoli Power Plant	5,566,016,664	8,535,974	-	332,894	5,574,885,532	3.33 - 5	849,075,197	212,405,166	-	172,007	1,061,652,370	4,513,233,162
Madanganj Power Plant (Unit-2)	2,934,441,846	17,611,370	-	183,033	2,952,236,249	3.33 - 5	447,352,266	115,345,741	-	92,597	562,790,604	2,389,445,645
Kodda Power Plant (Unit-1)	6,516,918,882	893,282,928	(74,806,495)	802,269	7,336,197,584	3.33 - 5	443,185,027	253,544,728	(7,127,396)	157,148	689,759,507	6,646,438,077
Kodda Power Plant (Unit-2)	13,337,171,383	1,232,363,632	(56,167,608)	1,382,481	14,514,749,888	3.33 - 5	978,664,849	500,533,904	(5,657,327)	327,099	1,473,868,525	13,040,881,363
Total (i)	45,938,421,514	2,539,989,997	(136,076,230)	2,775,620	48,345,110,902		9,844,494,572	1,906,862,794	(17,822,762)	760,506	11,734,295,111	36,610,815,789
a) Fixed assets : ii) Revaluation												
Land and land development	569,663,952	-	-	-	569,663,952	-	-	-	-	-	-	569,663,952
Civil works and others	13,002,138	-	-	-	13,002,138	20	13,002,138	-	-	-	13,002,138	-
Plant and machineries:												
Ashulia Power Plant (Unit-1)	166,227,903	-	-	-	166,227,903	3.33 - 10	57,486,594	5,540,880	-	-	63,027,474	103,200,429
Ashulia Power Plant (Unit-2)	3,310,422	-	-	-	3,310,422	3.33 - 16.67	1,144,869	110,352	-	-	1,255,221	2,055,201
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	-	161,663,341	3.33 - 10	55,908,004	5,388,720	-	-	61,296,724	100,366,617
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	-	79,752,991	3.33 - 16.67	27,580,998	2,658,420	-	-	30,239,418	49,513,573
Chandina Power Plant (Unit-1)	146,384,742	-	-	-	146,384,742	3.33 - 10	50,624,220	4,879,440	-	-	55,503,660	90,881,082
Chandina Power Plant (Unit-2)	16,317,466	-	-	-	16,317,466	3.33 - 16.67	5,643,076	543,912	-	-	6,186,988	10,130,478
Total (ii)	1,156,322,955	-	-	-	1,156,322,955		211,389,898	19,121,724	-	-	230,511,622	925,811,332
Total (a+i+ii)	47,094,744,469	2,539,989,997	(136,076,230)	2,775,620	49,501,433,857		10,055,884,471	1,925,984,518	(17,822,762)	760,506	11,964,806,734	37,536,627,121
b) Spare parts												
Stock in hand	882,721,147	533,777,888	(601,728,411)	179,784	814,950,408	3.33 - 50	171,256,552	51,271,527	(54,324,988)	36,073	168,239,164	646,711,244
Stock in transit	170,800,087	732,935,073	(659,699,597)	6,372	244,041,935	-	-	-	-	-	-	244,041,935
Total (b)	1,053,521,234	1,266,712,961	(1,261,428,008)	186,156	1,058,992,343		171,256,552	51,271,527	(54,324,988)	36,073	168,239,164	890,753,179
c) Capital work-in progress												
Capital work in progress	1,801,727,148	182,108,608	(1,905,270,909)	(883,303)	77,681,544	-	-	-	-	-	-	77,681,544
Total (c)	1,801,727,148	182,108,608	(1,905,270,909)	(883,303)	77,681,544		-	-	-	-	-	77,681,544
Total own assets (a+b+c)	49,949,992,852	3,988,811,567	(3,302,775,146)	2,078,473	50,638,107,745		10,227,141,022	1,977,256,046	(72,147,750)	796,579	12,133,045,897	38,505,061,844
d) Right-of-use assets												
Leased land	24,906,390	-	-	-	24,906,390	14.46 - 24	4,367,182	4,367,172	-	-	8,734,354	16,172,036
Total (d)	24,906,390	-	-	-	24,906,390		4,367,182	4,367,172	-	-	8,734,354	16,172,036
Total assets (a+b+c+d)	49,974,899,242	3,988,811,567	(3,302,775,146)	2,078,473	50,663,014,135		10,231,508,204	1,981,623,218	(72,147,750)	796,579	12,141,780,251	38,521,233,880

Separate

For the year ended 30 June 2022

Figures in BDT

Particulars	Cost/Revaluation				Rate %	Depreciation				Written down value at 30 June 2022
	Balance at 1 July 2021	Addition/transfer in	Disposal/write-off/transfer out	Balance at 30 June 2022		Balance at 1 July 2021	Addition/transfer in	Disposal/write-off/transfer out	Balance at 30 June 2022	
a) Fixed assets : i) Cost										
Land and land development	352,578,242	-	-	352,578,242	-	-	-	-	-	352,578,242
Furniture and fixtures	24,009,038	625,339	(49,714)	24,584,662	10	17,678,682	1,636,137	(47,733)	19,267,086	5,317,576
Office and electrical equipment	62,538,720	2,835,859	(368,807)	65,005,772	20	52,626,518	5,988,599	(368,807)	58,246,310	6,759,462
Office decoration	30,176,836	-	-	30,176,836	20	29,271,338	388,844	-	29,660,182	516,654
Motor vehicles	141,972,677	34,665,000	(11,977,687)	164,659,990	20	115,208,092	21,365,179	(11,762,087)	124,811,184	39,848,806
Maintenance equipment	36,875,048	1,185,000	-	38,060,048	20	26,307,136	2,536,273	-	28,843,409	9,216,639
Civil works and others	226,923,694	-	-	226,923,694	20	219,598,464	4,657,770	-	224,256,233	2,667,461
Plant and machineries:										
Ashulia Power Plant (Unit-1)	495,427,848	5,656,931	-	501,084,779	3.33 - 5	345,133,635	28,819,213	-	373,952,848	127,131,931
Ashulia Power Plant (Unit-2)	1,603,860,812	94,537,475	-	1,698,398,287	3.33 - 5	786,002,582	89,058,188	-	875,060,770	823,337,517
Madhabdi Power Plant (Unit-1)	430,250,943	8,811,680	-	439,062,624	3.33 - 5	368,684,611	24,829,631	-	393,514,242	45,548,382
Madhabdi Power Plant (Unit-2)	1,091,753,498	13,189,390	(8,059,300)	1,096,883,588	3.33 - 5	595,500,626	50,487,330	(4,058,753)	641,929,203	454,954,385
Chandina Power Plant (Unit-1)	490,553,361	3,608,566	-	494,161,926	3.33 - 5	364,858,588	28,048,383	-	392,906,970	101,254,956
Chandina Power Plant (Unit-2)	690,293,545	3,919,390	-	694,212,935	3.33 - 5	373,033,205	30,812,038	-	403,845,243	290,367,692
Jangalia Power Plant	1,675,612,575	63,161,915	-	1,738,774,490	3.33 - 5	721,226,766	81,548,059	-	802,774,824	935,999,666
Rupganj Power Plant	1,612,909,297	30,693,676	(9,016,717)	1,634,586,257	3.33 - 5	697,502,985	88,017,290	(3,829,099)	781,691,176	852,895,081
Maona Power Plant	1,698,590,388	59,304,928	(101,971,257)	1,655,924,059	3.33 - 5	713,638,484	86,584,892	(43,581,382)	756,641,993	899,282,066
Ullapara Power Plant	672,700,496	26,671,171	-	699,371,667	3.33 - 5	304,315,113	37,422,454	-	341,737,567	357,634,101
Madanganj Power Plant	5,566,788,631	4,791,736	(75,703,209)	5,495,877,159	3.33 - 5	2,161,240,882	211,775,552	(36,119,268)	2,336,897,166	3,158,979,993
Total (i)	16,903,815,649	353,658,058	(207,146,691)	17,050,327,016		7,891,827,708	793,975,829	(99,767,129)	8,586,036,407	8,464,290,608
a) Fixed assets : ii) Revaluation										
Land and land development	569,663,952	-	-	569,663,952	-	-	-	-	-	569,663,952
Civil works and others	13,002,138	-	-	13,002,138	20	13,002,138	-	-	13,002,138	-
Plant and machineries:										
Ashulia Power Plant (Unit-1)	166,227,903	-	-	166,227,903	3.33 - 5	63,027,473	5,540,880	-	68,568,353	97,659,550
Ashulia Power Plant (Unit-2)	3,310,422	-	-	3,310,422	3.33 - 5	1,255,219	110,352	-	1,365,571	1,944,851
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	161,663,341	3.33 - 5	61,296,723	5,388,720	-	66,685,443	94,977,898
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	79,752,991	3.33 - 5	30,239,418	2,658,420	-	32,897,838	46,855,153
Chandina Power Plant (Unit-1)	146,384,742	-	-	146,384,742	3.33 - 5	55,503,659	4,879,440	-	60,383,099	86,001,643
Chandina Power Plant (Unit-2)	16,317,466	-	-	16,317,466	3.33 - 5	6,186,989	543,912	-	6,730,901	9,586,565
Total (ii)	1,156,322,955	-	-	1,156,322,955		230,511,618	19,121,724	-	249,633,342	906,689,613
Total (a=i+ii)	18,060,138,604	353,658,058	(207,146,691)	18,206,649,971		8,122,339,326	813,097,553	(99,767,129)	8,835,669,750	9,370,980,221
b) Spare parts										
Stock in hand	340,156,721	264,986,767	(309,223,758)	295,919,730	3.33 - 50	107,803,871	18,443,840	(25,251,504)	100,996,207	194,923,523
Stock in transit	222,408,391	404,605,179	(416,339,516)	210,674,054	-	-	-	-	-	210,674,054
Total (b)	562,565,112	669,591,946	(725,563,273)	506,593,784		107,803,871	18,443,840	(25,251,504)	100,996,207	405,597,577
Total own assets (a+b)	18,622,703,716	1,023,250,003	(932,709,964)	18,713,243,755		8,230,143,197	831,541,393	(125,018,633)	8,936,665,957	9,776,577,798
c) Right-of-use assets										
Leased land	24,906,390	-	-	24,906,390	14.46 - 24	8,734,354	4,367,172	-	13,101,526	11,804,864
Total (c)	24,906,390	-	-	24,906,390		8,734,354	4,367,172	-	13,101,526	11,804,864
Total assets (a+b+c)	18,647,610,106	1,023,250,003	(932,709,964)	18,738,150,145		8,238,877,551	835,908,565	(125,018,633)	8,949,767,483	9,788,382,662

SUMMIT POWER LIMITED
Notes to the financial statements

Separate

For the year ended 30 June 2021

Figures in BDT

Particulars	Cost/Revaluation				Rate %	Depreciation				Written down value at 30 June 2021
	Balance at 1 July 2020	Addition/transfer in	Disposal/write-off/transfer out	Balance at 30 June 2021		Balance at 1 July 2020	Addition/transfer in	Disposal/write-off/transfer out	Balance at 30 June 2021	
a) Fixed assets : i) Cost										
Land and land development	352,578,242	-	-	352,578,242	-	-	-	-	-	352,578,242
Furniture and fixtures	23,983,109	25,929	-	24,009,038	10	15,932,527	1,746,156	-	17,678,682	6,330,355
Office and electrical equipment	61,212,634	2,202,912	(876,827)	62,538,720	20	47,143,985	6,295,272	(812,739)	52,626,518	9,912,202
Office decoration	30,106,208	70,628	-	30,176,836	20	28,757,778	513,560	-	29,271,338	905,498
Motor vehicles	146,197,977	-	(4,225,300)	141,972,677	20	102,928,810	16,504,582	(4,225,300)	115,208,092	26,764,585
Maintenance equipment	31,884,090	4,990,958	-	36,875,048	20	24,553,788	1,753,348	-	26,307,136	10,567,912
Civil works and others	225,701,485	1,222,209	-	226,923,694	20	211,641,572	7,956,891	-	219,598,464	7,325,230
Plant and machineries:										
Ashulia Power Plant (Unit-1)	466,046,778	29,381,070	-	495,427,848	3.33 - 10	309,410,850	35,722,785	-	345,133,635	150,294,213
Ashulia Power Plant (Unit-2)	1,589,330,191	14,530,621	-	1,603,860,812	3.33 - 16.67	700,926,798	85,075,784	-	786,002,582	817,858,230
Madhabdi Power Plant (Unit-1)	428,202,086	2,048,857	-	430,250,943	3.33 - 10	343,347,498	25,337,113	-	368,684,611	61,566,332
Madhabdi Power Plant (Unit-2)	1,066,719,485	25,034,013	-	1,091,753,498	3.33 - 16.67	540,349,532	55,151,094	-	595,500,626	496,252,872
Chandina Power Plant (Unit-1)	479,131,137	11,422,224	-	490,553,361	3.33 - 10	335,379,961	29,478,627	-	364,858,588	125,694,773
Chandina Power Plant (Unit-2)	676,137,886	14,155,659	-	690,293,545	3.33 - 16.67	333,157,271	39,875,934	-	373,033,205	317,260,340
Jangalia Power Plant	1,627,921,427	47,691,148	-	1,675,612,575	3.33 - 16.67	627,767,495	93,459,270	-	721,226,766	954,385,809
Rupganj Power Plant	1,596,551,955	16,357,342	-	1,612,909,297	3.33 - 16.67	623,976,395	73,526,590	-	697,502,985	915,406,312
Maona Power Plant	1,546,120,904	152,469,483	-	1,698,590,388	3.33 - 16.67	638,098,683	75,539,801	-	713,638,484	984,951,904
Ullapara Power Plant	650,051,158	22,649,338	-	672,700,496	3.33 - 16.67	267,367,438	36,947,675	-	304,315,113	368,385,383
Madanganj Power Plant	5,546,705,452	20,083,179	-	5,566,788,631	3.33 - 16.67	1,937,496,612	223,744,270	-	2,161,240,882	3,405,547,749
Total (i)	16,544,582,205	364,335,570	(5,102,127)	16,903,815,649		7,088,236,994	808,628,752	(5,038,039)	7,891,827,708	9,011,987,941
a) Fixed assets : ii) Revaluation										
Land and land development	569,663,952	-	-	569,663,952	-	-	-	-	-	569,663,952
Civil works and others	13,002,138	-	-	13,002,138	20	13,002,138	-	-	13,002,138	-
Plant and machineries:										
Ashulia Power Plant (Unit-1)	166,227,903	-	-	166,227,903	3.33 - 10	57,486,593	5,540,880	-	63,027,473	103,200,430
Ashulia Power Plant (Unit-2)	3,310,422	-	-	3,310,422	3.33 - 16.67	1,144,867	110,352	-	1,255,219	2,055,203
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	161,663,341	3.33 - 10	55,908,003	5,388,720	-	61,296,723	100,366,618
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	79,752,991	3.33 - 16.67	27,580,998	2,658,420	-	30,239,418	49,513,573
Chandina Power Plant (Unit-1)	146,384,742	-	-	146,384,742	3.33 - 10	50,624,219	4,879,440	-	55,503,659	90,881,083
Chandina Power Plant (Unit-2)	16,317,466	-	-	16,317,466	3.33 - 16.67	5,643,077	543,912	-	6,186,989	10,130,477
Total (ii)	1,156,322,955	-	-	1,156,322,955		211,389,894	19,121,724	-	230,511,618	925,811,337
Total (a=i+ii)	17,700,905,160	364,335,570	(5,102,127)	18,060,138,604		7,299,626,888	827,750,476	(5,038,039)	8,122,339,326	9,937,799,278
b) Spare parts										
Stock in hand	449,184,757	247,491,102	(356,519,138)	340,156,721	3.33 - 50	124,988,150	23,853,281	(41,037,560)	107,803,871	232,352,850
Stock in transit	159,063,213	318,526,608	(255,181,430)	222,408,391	-	-	-	-	-	222,408,391
Total (b)	608,247,969	566,017,710	(611,700,568)	562,565,112		124,988,150	23,853,281	(41,037,560)	107,803,871	454,761,241
Total own assets (a+b)	18,309,153,130	930,353,281	(616,802,694)	18,622,703,716		7,424,615,038	851,603,758	(46,075,599)	8,230,143,197	10,392,560,519
c) Right-of-use assets										
Leased land	24,906,390	-	-	24,906,390	14.46 - 24	4,367,182	4,367,172	-	8,734,354	16,172,036
Total (c)	24,906,390	-	-	24,906,390		4,367,182	4,367,172	-	8,734,354	16,172,036
Total assets (a+b+c)	18,334,059,520	930,353,281	(616,802,694)	18,647,610,106		7,428,982,220	855,970,930	(46,075,599)	8,238,877,551	10,408,732,555

3.1 Allocation of depreciation

Figures in BDT

Particulars	Notes	Consolidated		Separate	
		1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021	1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021
Cost of sales	32	1,986,294,239	1,863,339,195	774,084,260	780,163,561
General and administrative expenses	34	54,642,404	51,174,311	36,572,801	34,769,808
		2,040,936,643	1,914,513,506	810,657,061	814,933,369

4 Intangible assets

Consolidated

For the year ended 30 June 2022

Particulars	Cost/Revaluation				Rate %	Amortisation				Written down value at 30 June 2022		
	Balance at 1 July 2021	Addition/transfer in	(Disposals)/Transfers	Effect of exchange rate movement		Balance at 30 June 2022	Balance at 1 July 2021	Addition/transfer in	(Disposals)/Transfers		Effect of exchange rate movement	Balance at 30 June 2022
Software	18,534,107	-	-	1,193,516	19,727,623	20	6,031,502	3,346,540	-	438,560	9,816,602	9,911,021
Brand	10,000,000	-	-	-	10,000,000	3.33	4,166,666	333,336	-	-	4,500,002	5,499,998
Licence*	27,900,000	-	-	-	27,900,000	3.33	2,790,000	930,000	-	-	3,720,000	24,180,000
Total	56,434,107	-	-	1,193,516	57,627,623		12,988,168	4,609,876	-		18,036,604	39,591,019

For the year ended 30 June 2021

Particulars	Cost/Revaluation				Rate %	Amortisation				Written down value at 30 June 2021		
	Balance at 1 July 2020	Addition/transfer in	(Disposals)/Transfers	Effect of exchange rate movement		Balance at 30 June 2021	Balance at 1 July 2020	Addition/transfer in	(Disposals)/Transfers		Effect of exchange rate movement	Balance at 30 June 2021
Software	18,533,411	-	-	696	18,534,107	20	2,724,094	3,306,052	-	1,356	6,031,502	12,502,605
Brand	10,000,000	-	-	-	10,000,000	3.33	3,833,330	333,336	-	-	4,166,666	5,833,334
License*	27,900,000	-	-	-	27,900,000	3.33	1,860,000	930,000	-	-	2,790,000	25,110,000
Total	56,433,411	-	-	696	56,434,107		8,417,424	4,569,388	-	1,356	12,988,168	43,445,939

* This licence has been acquired due to purchase of 64% shares in Ace Alliance Power Limited.

Separate

For the year ended 30 June 2022

Particulars	Cost/Revaluation				Rate %	Amortisation				Written down value at 30 June 2022
	Balance at 1 July 2021	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2022		Balance at 1 July 2021	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2022	
Software	6,749,763	-	-	6,749,763	20	3,673,210	949,116	-	4,622,326	2,127,437
Brand	10,000,000	-	-	10,000,000	3.33	4,166,666	333,336	-	4,500,002	5,499,998
Total	16,749,763	-	-	16,749,763		7,839,876	1,282,452	-	9,122,328	7,627,435

For the year ended 30 June 2021

Particulars	Cost				Rate %	Amortisation				Written down value at 30 June 2021
	Balance at 1 July 2020	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2021		Balance at 1 July 2020	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2021	
Software	6,749,763	-	-	6,749,763	20	2,724,094	949,116	-	3,673,210	3,076,553
Brand	10,000,000	-	-	10,000,000	3.33	3,833,330	333,336	-	4,166,666	5,833,334
Total	16,749,763	-	-	16,749,763		6,557,424	1,282,452	-	7,839,876	8,909,887

5 Investment in subsidiaries

Figures in BDT

Particulars	Notes	No. of shares	% of holding	Value in BDT
30 June 2022				
Summit Barisal Power Limited	5.1	50,699,516	49.00%	506,995,160
Summit Narayanganj Unit II Power Limited	5.1	27,712,222	49.00%	277,122,220
Summit Chittagong Power Limited	5.1	490,000	49.00%	4,900,000
Ace Alliance Power Limited	5.1	106,258,489	64.00%	1,090,484,890
Summit Gazipur II Power Limited	5.1	67,120,000	20.00%	671,200,000
		252,280,227		2,550,702,270
30 June 2021				
Summit Barisal Power Limited	5.1	50,699,516	49.00%	506,995,160
Summit Narayanganj Unit II Power Limited	5.1	27,712,222	49.00%	277,122,220
Summit Chittagong Power Limited	5.1	490,000	49.00%	4,900,000
Ace Alliance Power Limited	5.1	106,258,489	64.00%	1,090,484,890
Summit Gazipur II Power Limited	5.1	67,120,000	20.00%	671,200,000
		252,280,227		2,550,702,270

- 5.1 Summit Power Limited (SPL) hold 49% shares in each of Summit Barisal Power Limited (SBPL), Summit Narayanganj Power Unit II Limited (SNPUILL), Summit Chittagong Power Limited (SCPL); 64% shares in Ace Alliance Power Limited and 20% shares in Summit Gazipur II Power Limited (SGIPL). IFRS 10: *Consolidated Financial Statements* requires presentation and preparation of consolidated financial statements when an entity controls one or more other entities unless falls within the scope of exceptions. According to control procedures as detailed in paragraph 7 of the said IFRS under reference, SBPL, SNPUILL, SCPL and SGIPL are under the control of SPL because SPL directly manages the activities/ operations of those entities since their commercial operation date (COD) through common corporate management and thus it has the power over these four entities and has established both exposure and rights to significantly affect returns of the investee companies. Therefore SPL is in compliance with IFRS 10 to prepare and present its financial statements in consolidation with that of SBPL, SNPUILL, SCPL and SGIPL.
- 5.2 In accordance with paragraph 10 of IAS 27: *Separate Financial Statements*, investments in subsidiaries have been accounted for at cost. Details of holding structure in subsidiaries are described in Note 49A.i.

6 Investment in associates

Particulars	Notes	% of holding	30 June 2022	30 June 2021
Consolidated				
Summit Meghnaghat Power Company Limited				
Value of investment under equity method	6.1	30%	6,770,011,468	6,386,644,316
Share of profit			633,774,334	563,367,152
Share of other comprehensive income			585,386,535	-
Dividend received			(210,000,000)	(180,000,000)
			7,779,172,337	6,770,011,468
Separate				
Summit Meghnaghat Power Company Limited				
Cost of investment	6.1		3,801,772,452	3,801,772,452
			3,801,772,452	3,801,772,452

- 6.1 Summit Power Limited has acquired 203,971,500 shares @ BDT 18.64 (at fair value), including share premium of BDT 8.64, of Summit Meghnaghat Power Company Limited from Summit Corporation Limited by issuing 106,791,361 shares each @ BDT 35.60 (at fair value), including share premium of BDT 25.60, of its own in 2014.

7 Deferred tax (asset)/ liability

Consolidated

Figures in BDT

Particulars	Consolidated			Separate		
	Carrying amount	Tax base	Taxable/ (deductible) temporary difference	Carrying amount	Tax base	Taxable/ (deductible) temporary difference
30 June 2022						
Property, plant and equipment (Taxable plants)	(1,363,161,965)	(904,045,266)	459,116,699	(1,363,161,965)	(904,045,266)	459,116,699
Provision for gratuity (gross liability)	266,427,239	-	(266,427,239)	266,427,239	-	(266,427,239)
Total temporary difference	(1,096,734,726)	(904,045,266)	192,689,460	(1,096,734,726)	(904,045,266)	192,689,460
Applicable tax rate	22.5%			22.5%		
Deferred tax (asset)/ liability	43,355,128			43,355,128		
30 June 2021						
Property, plant and equipment (Taxable plants)	(648,049,384)	(329,396,097)	318,653,287	(648,049,384)	(329,396,097)	318,653,287
Provision for gratuity	243,304,748	-	(243,304,748)	182,644,308	-	(182,644,308)
Total temporary difference	(404,744,636)	(329,396,097)	75,348,539	(465,405,076)	(329,396,097)	136,008,979
Applicable tax rate	22.5% to 30%			22.5%		
Deferred tax (asset)/ liability	12,403,887			30,602,020		

8 Other asset

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
<i>Impact of straight-lining (IFRS 16)*</i>				
Rupatoli Power Plant	(314,345,884)	(154,030,974)	-	-
Madanganj Power Plant (Unit 2)	(146,761,064)	(68,855,621)	-	-
Kodda Power Plant (Unit 1)	1,566,139,782	877,188,630	-	-
Kodda Power Plant (Unit 2)	2,710,472,006	1,891,123,514	-	-
	3,815,504,840	2,545,425,549	-	-

* With pursuant to IFRS 16 Leases the Group recognises capacity revenue earned from electricity supplied to its customers (i.e. BREB and BPDB) on a straight-line basis over the term of power purchase agreement ("PPA"). The difference between capacity revenue earned during the financial year 2021-22 and the capacity revenue with straight-line impact as per IFRS 16 has been reported as part of "revenue" in statement of profit or loss and other comprehensive income and the cumulative balance of such differential amount has been reported as "other asset" in statement of financial position. Please see Note 49.K for the relevant accounting policies.

9 Other investments

Equity securities at FVOCI

Particulars	No. of shares	Rate per share	Market value at			Change in fair value		Cost price
			30 June 2022	30 June 2021	30 June 2020	1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021	
Khulna Power Company Limited	70,108,200	27.20	1,906,943,040	2,594,003,400	3,175,901,460	(687,060,360)	(581,898,060)	3,625,296,384
People's Leasing and Financial Services Limited	408,160	3.00	1,224,480	1,224,480	1,224,480	-	-	20,500,000
Popular Life First Mutual Fund	1,495,442	5.40	8,075,386	9,421,285	6,280,856	(1,345,899)	3,140,429	10,000,000
	72,011,802		1,916,242,906	2,604,649,165	3,183,406,796	(688,406,259)	(578,757,631)	3,655,796,384

On 28 December 2011, Summit Power Limited (SPL) had acquired 53,955,326 shares of Khulna Power Company Limited (KPCL) at Taka 67 each from Summit Corporation Limited (SCL) amounting to Taka 3,625,296,384 including other transaction costs. Now the SPL's ownership in KPCL 17.64%. Since the percentage of ownership in KPCL is below the threshold limit of 20% to recognise KPCL as an associate, management classified such investment as Available-for-Sale (AFS) financial asset.

10 Inventories

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Consumable-others	573,318,921	562,496,565	296,309,891	305,541,019
Lubricant oil, chemicals and others	87,814,021	74,811,039	44,747,033	28,037,796
Closing Balance	661,132,942	637,307,604	341,056,924	333,578,815

Nature-wise breakdown of inventories

Particulars	Consumable - others				Lubricant oil, chemicals and others			
	Consolidated		Separate		Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Opening Balance	562,496,565	551,271,760	305,541,019	338,694,419	74,811,039	50,295,791	28,037,796	25,110,813
Purchase/transfer	313,195,681	201,622,204	167,119,215	80,787,239	789,398,812	691,998,004	175,347,328	152,803,360
Consumption/transfer	(327,938,608)	(190,435,378)	(176,350,343)	(113,940,639)	(780,483,736)	(667,496,630)	(158,638,090)	(149,876,377)
Exchange rate movement	25,565,283	37,979	-	-	4,087,907	13,874	-	-
Closing Balance	573,318,921	562,496,565	296,309,891	305,541,019	87,814,021	74,811,039	44,747,033	28,037,796

11 Trade receivables

Particulars	Notes	Consolidated		Separate	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
Bangladesh Rural Electrification Board (BREB):					
Ashulia Power Plant (Unit-1)		12,632,447	17,047,755	12,632,447	17,047,755
Ashulia Power Plant (Unit-2)	11.1	3,318,517,429	2,987,595,329	3,318,517,429	2,987,595,329
Madhabdi Power Plant (Unit-1)		14,983,607	17,018,019	14,983,607	17,018,019
Madhabdi Power Plant (Unit-2)	11.1	2,391,924,063	2,209,578,697	2,391,924,063	2,209,578,697
Chandina Power Plant (Unit-1)		17,195,377	14,443,731	17,195,377	14,443,731
Chandina Power Plant (Unit-2)	11.1	1,328,146,436	1,221,946,104	1,328,146,436	1,221,946,104
Rupganj Power Plant		60,820,672	134,755,028	60,820,672	134,755,028
Maona Power Plant		87,547,959	136,367,490	87,547,959	136,367,490
Ullapara Power Plant		28,455,382	37,969,931	28,455,382	37,969,931
Bangladesh Power Development Board (BPDB):					
Jangalia Power Plant		323,686,176	261,248,326	323,686,176	261,248,326
Madanganj Power Plant	11.2	2,801,891,125	1,547,755,517	2,801,891,125	1,547,755,517
Rupatoli Power Plant		1,453,447,235	643,226,400	-	-
Madanganj Power Plant (Unit-2)		2,428,161,229	622,837,195	-	-
Kodda Power Plant (Unit-1)		6,740,678,092	3,064,381,626	-	-
Kodda Power Plant (Unit-2)		13,486,578,269	3,081,708,408	-	-
		34,494,665,498	15,997,879,556	10,385,800,673	8,585,725,927
Less: Provision for doubtful debt		(316,522,977)	(168,758,403)	(316,522,977)	(168,758,403)
		34,178,142,521	15,829,121,153	10,069,277,696	8,416,967,524

Of the above trade receivables balance, the Group and the Company have collected BDT 8,572,264,294 and BDT 385,174,086 respectively, subsequent to the reporting period.

- 11.1** Out of total receivables from BREB, invoices amounting to 6,829,985,331, raised by the Company, pertaining to the three Expansion Power Plants, have yet not been accepted by BREB due to using different unit rate in calculating revenue. As per contracts for supply of electricity and Government's gazette notification, the Company has been raising invoices at the rate of Taka 3.1141 per Kwh from December 2011 to January 2012, for February 2012 at the rate of Taka 3.3741, from March to August 2012 at the rate of Taka 3.6216 per Kwh, from September 2012 to August 2015 at the rate of Taka 4.2316 per Kwh, from September 2015 to February 2020 at the rate of Taka 4.4791 per Kwh and March 2020 onward at the rate of Taka 4.6170 per Kwh due to rise in BST (Bulk Supply Tariff). BREB has been paying at the rate 2.8333 per Kwh. In order to resolve the above matter, the Company went for arbitration in Bangladesh Energy Regulatory Commission (BERC) and a verdict was given in favour of the Company. Later on, due to application by BREB, the verdict was reviewed by BERC and the reviewed verdict was also in favour of the Company. After this, BREB submitted a writ petition in the High Court Division of Supreme Court of Bangladesh on 8 September 2016. On 17 August 2017 the Honourable High Court Division of Supreme Court of Bangladesh was pleased to pass a judgement discharging the rule issued in the writ petitions.

BREB then submitted civil petitions to the Appellate Division of Supreme Court of Bangladesh against the judgement of the High Court Division. The Appellate Division has granted leave to appeal to BREB on 31 October 2018. The formal judgement of granting leave to appeal in favour of BREB was received on 31 January 2019. BREB was directed to submit concise statements within 8 weeks from the date of receipt of the order, and SPL shall then file its concise within 6 weeks thereafter to make all the appeals ready for expeditions hearing.

After submission of concise statements by both parties, the case was heard in the Court of Chamber Judge on 25 July 2019. The Learned Judge has fixed the date of appearance in the full bench list of Appellate Division on 4 March 2020. Consequently, legal counsels of SPL have applied for modification of order of "status quo" given by the Chamber Judge. Followed by representation at the Court of Chamber Judge, the case was sent for hearing to the full bench on 29 October 2019. The case has been listed for hearing in the full court of Appellate Division which appeared in the cause list on 14 January 2020. These appeals last appeared for hearing in the list of the Full Bench of the Honourable Appellate Division on 26 February 2020 on which date the appellant, BREB prayed for an adjournment, which prayer was allowed, and the hearing was adjourned to 7 April 2020. Since 13 March 2020, the Honourable Appellate Division has not been sitting regularly, initially on account of regular spring vacations and then due to the current COVID 19 Pandemic. The Honourable Appellate Division is now functioning in a limited scale virtually hearing leave petitions and interlocutory matters. Regular appeals are not being heard. Prayers have been made on behalf of the Company, the contesting respondent in the appeals for hearing the appeals virtually, before both the Honourable Judge in Chambers and the Full Bench of the Appellate Division. The case was fixed for hearing on 7 September 2021. However, the case was heard on physical presence of the court on 20 April 2022. Based on application of BREB, the case was adjourned until 24 May 2022. Later, the case was partly heard on 10 August 2022. The next date for hearing has been fixed on 25 October 2022.

Meanwhile, the Company has submitted execution case to the District Court which is under process. The management believes that the amount is recoverable and hence no provision has been made in this regard.

- 11.2** In accordance with the clause 26.1 of the previous Power Purchase Agreement (PPA), "Bangladesh Petroleum Corporation (BPC) will be the liquid fuel supplier (HFO) and BPDB will make payment for the fuel". But since the start of the operation of the plant, the quality and quantity of the supplied fuel were not as per given specifications in the PPA. For this reason, the actual fuel consumption was higher per unit of electricity generation. On account of the actual fuel consumption, BPDB started deduction from some of the Company's monthly invoices which amounted to USD 1,968,617 (equivalent to BDT 164,673,475) up to March 2013. The Company made a writ petition to the High Court Division for further non deduction on account of excess fuel consumption amounting to USD 1,742,468. The High Court granted an order of injunction from deducting any money from monthly invoices. On 6 July 2014, the High Court Division of Supreme Court of Bangladesh has extended the order of injunction granted earlier till disposal of the Rule. Subsequently, an application was made on 23 February 2016 to Bangladesh Energy Regulatory Commission (BERC) to take up the matter and commence an arbitration proceedings for full and final settlement of the dispute between the parties as per law after vacating the order of injunction.

A few hearings took place in BERC. On the other hand, BERC instructed BPDB not to deduct the pending amount from the invoices of the power plant for additional period up to 30 September 2020. Subsequently, the arbitration process has been finished. BERC has awarded judgement in favour of BPDB. Being aggrieved with the judgement of BERC, a writ petition was submitted to the honourable High Court Division of the Supreme Court of Bangladesh. The honourable High Court Division has granted a stay-order in favour of non-deduction up to 15 May 2021. Meanwhile, BPDB served notice for complete shutdown of Madanganj Power Plant after expiry of the PPA tenure on 31 March 2021 and also filed a Civil Petition for leave to appeal in order to recover its claim for reported excess fuel consumption. The full bench of Hon'ble Appellate Division of the Supreme Court heard the matter on 18 March 2021 and was pleased to pass an order that the contract between the parties would be deemed to have been extended till all litigations were over. BPDB further applied for leave to appeal which was heard in the full bench of Hon'ble Appellate Division which instead ordered for hearing in the High Court Division.

Hearing of the writ petition in the High Court Division started from 4 November 2021. On verbal advice of the honourable High Court Division, the case was non-prosecuted. Application was made to BERC for review of previous verdict. BERC fixed for admission hearing of the review application on 9 May 2022. Subsequently, the review application was rejected by BERC. Meanwhile, BPDB had deducted the left-over principal amount of USD 1,742,468 (equivalent to BDT 147,764,574) from the invoice of the power plant. Subsequently, a new writ petition was submitted to the honourable High Court Division which was non-prosecuted. However, the Company has made a provision for doubtful debt on the total amount of USD 3,711,085 (equivalent to BDT 312,438,049).

12 Other receivables

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Insurance claims	61,452,302	28,452,333	61,452,302	-
Interest on FDRs	48,787,050	67,694,781	38,425,222	46,996,107
SSS Soil Engineers	-	5,279,600	-	-
	110,239,352	101,426,714	99,877,524	46,996,107

13 Intercompany receivables

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Summit Barisal Power Limited	-	-	57,156,470	138,598,678
Summit Narayanganj Power Unit II Limited	-	-	135,567,468	84,761,876
Ace Alliance Power Limited	-	-	391,868,809	304,112,886
Summit Gazipur II Power Limited	-	-	54,398,900	177,992,732
	-	-	638,991,646	705,466,172

14 Advances, deposits and prepayments

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Advances				
C & F agents	8,078,150	5,701,908	3,009,587	2,974,456
Energypac Engineering Limited	3,520,000	15,962,501	3,520,000	1,000,000
Padma Oil Company Limited	-	165,427	-	-
AEG Engineering Ltd.	29,685	174,000	29,685	174,000
ABB Limited	-	396,000	-	396,000
Bangla Trac Limited	41,237	-	41,237	-
Paiker Bangladesh	1,140,000	665,000	1,140,000	665,000
Pulse Engineering Ltd.	-	937,868	-	937,868
Centre for Management Development (CMD)	350,000	350,000	350,000	350,000
Bureau Veritas (Bangladesh) Private Limited	100,000	210,741	100,000	100,000
Bangladesh Economic Zones Authority (BEZA)	1,320,907	1,320,907	-	-
Jamuna Oil Company Limited	-	1,125,180	-	-
Robi Enterprise	-	320,000	-	320,000
Rancon Motors Limited	125,000	2,500,000	125,000	2,500,000
Sultana Trade International	950,000	-	950,000	-
Maintenance Solutions	920,000	-	920,000	-
Security Automation Technology	40,000	-	40,000	-
Ansar & VDP	810,988	616,998	-	-
Mobil Jamuna Lubricants Bangladesh Limited	49,085	-	49,085	-
Kawran Bazar Ambor Shah Shahi Jame Masjid	83,000	100,000	83,000	100,000
Zahara Trade International (ZTI)	-	180,000	-	180,000
Konecranes And Demag (Bangladesh) Ltd.	-	217,500	-	217,500
Thakral Information Systems Private Limited	392,381	392,381	392,381	392,381
Tax advisor	100,315	455,000	50,000	250,000
Car purchase	280,016	693,371	280,016	693,371
Office work/supplies	8,020,097	8,894,385	3,899,397	3,552,841

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Trazz Bd	-	360,596	-	-
Techno In Time	-	2,200,000	-	2,200,000
Technaf Engineering Pvt. Ltd	-	82,000	-	82,000
Weber Power Solutions Ltd.	-	439,003	-	-
Electrocom Technology	-	1,250,811	-	-
3P Consulting Limited	-	48,030	-	-
Uni Filter Co.	-	164,250	-	-
BRTC, BUET	50,000	50,000	-	-
Walton	119,275	-	119,275	-
M. N. Engineering Works	100,000	-	100,000	-
Bangla Hardware & Mill Store	73,000	-	73,000	-
M/S. Khan Electric	67,500	-	67,500	-
Electro Mart Limited	444,517	-	-	-
Summit Corporation Limited	4,611,187	7,188,893	4,611,187	7,188,893
Summit Holdings Limited	159,843	858,138	159,843	858,138
Summit Oil & Shipping Company Limited	7,685,346,673	2,476,400,430	7,685,346,673	2,476,400,430
Advance income tax	230,030,597	155,305,491	102,179,180	68,478,657
Others	42,399	39,556	7,382	5,054
	7,947,395,852	2,685,766,366	7,807,643,428	2,570,016,589
Less: Provision for doubtful advance	(445,000)	(445,000)	(445,000)	(445,000)
	7,946,950,852	2,685,321,366	7,807,198,428	2,569,571,589
Deposits				
Security deposit (non-interest bearing)	9,613,483	4,869,433	2,072,045	2,042,045
Bank guarantee margin:				
Controller of Import and Export (SJIBL)	1,545,053	1,545,053	1,545,053	1,545,053
Commissioner of Customs, Custom House	29,027,807	8,709,787	22,816,912	8,709,787
Pashchimanchal Gas Co. Ltd.	1,176,954	1,146,135	1,176,954	1,146,135
Bakhrabad Gas System Ltd.	3,837,886	3,719,194	3,837,886	3,719,194
Titas Gas Transmission and Distribution Co. Ltd.	5,666,718	5,469,760	5,666,718	5,469,760
Bangladesh Power Development Board (BPDB)	2,272,046	2,124,244	2,272,046	2,124,244
Bangladesh Rural Electrification Board (BREB)	5,344,401	4,996,735	5,344,401	4,996,735
	48,870,866	27,710,908	42,659,971	27,710,908
	58,484,349	32,580,341	44,732,016	29,752,953
Prepayments				
Annual license fees	2,076,780	2,845,051	535,258	603,790
Microsoft Dynamics (NAV) License Fee	844,015	894,261	168,803	178,786
Standby letter of credit commission	2,424,291	2,051,109	335,274	484,351
Bank guarantee/operation bond commission	6,771,885	7,389,754	2,245,750	3,174,488
Agency fee	18,017,130	18,144,092	-	-
Insurance premium	72,458,310	69,500,997	16,962,862	17,408,242
Others	11,595	10,529	-	-
	102,604,006	100,835,793	20,247,947	21,849,657
	8,108,039,207	2,818,737,500	7,872,178,391	2,621,174,199

Bank guarantee margin had been deposited with various scheduled banks in Bangladesh as security for compliance with the Company's/ Group's operational obligation.

SUMMIT POWER LIMITED
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15 Cash and cash equivalents

Figures in BDT

Particulars	Note	Consolidated		Separate	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
Cash in hand		1,936,035	2,273,473	1,136,035	1,173,473
Cash at banks	15.1	6,001,390,664	9,162,229,981	3,185,980,367	4,024,596,432
		6,003,326,699	9,164,503,454	3,187,116,402	4,025,769,905

15.1 Cash at banks

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Current and short notice deposits				
Bank Asia Limited	181,880,639	226,700,389	178,903,119	222,489,979
BRAC Bank Limited	709,039,764	787,495,339	96,371,254	16,608,431
Commercial Bank of Ceylon PLC	2,015,880	2,021,410	2,015,880	2,021,410
Dhaka Bank Limited	4,032,609	2,001,490	4,032,609	2,001,490
Dutch Bangla Bank Limited	45,254,050	57,535,041	44,686,117	49,342,969
Exim Bank Limited	514,306	906,700	514,306	906,700
One Bank Limited	4,995,136	42,036	4,995,136	42,036
The Premier Bank Limited	939,258,539	184,348,227	939,258,539	184,348,227
Shahjalal Islami Bank Limited	881,260	882,450	881,260	882,450
Sonali Bank Limited	364,014	262,369	364,014	262,369
Southeast Bank Limited	254,045	252,253	254,045	252,253
Standard Chartered Bank	325,961,687	421,155,505	18,066,514	1,699,807
Jamuna Bank Limited	1,242	2,374	1,242	2,374
The City Bank Limited	506,098,727	658,165,910	60,753	13,474,285
Eastern Bank Limited	1,512,742	1,277,164	1,489,701	1,266,632
Mutual Trust Bank Limited	551,001	1,471,263	547,653	1,054,642
Prime Bank Limited	199,892	86,828	199,892	86,828
Mercantile Bank Limited	998,617	-	998,617	-
	2,723,814,150	2,344,606,749	1,293,640,651	496,742,882

SUMMIT POWER LIMITED
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Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Fixed deposits				
Al-Arafah Islami Bank Limited	104,726,738	210,000,000	-	-
AB Bank Limited	171,739,405	250,000,000	171,739,405	250,000,000
Bank Asia Limited	-	175,793,051	-	16,704,851
BRAC Bank Limited	50,000,000	200,000,000	50,000,000	-
First Security Islami Bank Limited	50,812,500	-	50,812,500	-
Exim Bank Limited	356,792,066	562,686,306	356,792,066	562,686,306
Meghna Bank Limited	-	200,000,000	-	200,000,000
Mercantile Bank Limited	322,981,900	50,618,750	100,000,000	50,618,750
Modhumoti Bank Limited	50,000,000	252,156,250	50,000,000	252,156,250
IFIC Bank Limited	206,624,935	451,397,500	206,624,935	451,397,500
NRB Bank Limited	50,750,000	-	50,750,000	-
Mutual Trust Bank Limited	347,146,137	482,881,433	125,000,000	100,956,250
Dhaka Bank Limited	-	101,250,000	-	101,250,000
National Bank Limited	-	100,000,000	-	100,000,000
Eastern Bank Limited	274,516,246	433,276,629	274,516,246	433,276,629
Jamuna Bank Limited	100,000,000	230,562,500	-	-
One Bank Limited	151,500,000	251,250,000	151,500,000	251,250,000
The Premier Bank Limited	191,491,711	456,343,264	103,113,313	356,162,639
Southeast Bank Limited	353,375,000	686,895,935	-	-
Standard Bank Limited	50,710,000	100,000,000	50,710,000	100,000,000
Social Islami Bank Limited	50,000,000	-	50,000,000	-
Trust Bank Limited	-	1,060,136,614	-	301,394,375
The City Bank Limited	343,628,625	562,375,000	50,000,000	-
Lankan Alliance Finance Limited	50,781,251	-	50,781,251	-
	3,277,576,514	6,817,623,232	1,892,339,716	3,527,853,550
	6,001,390,664	9,162,229,981	3,185,980,367	4,024,596,432

16 Share Capital

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Authorised				
300,000,000 Ordinary shares of BDT 10 each	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
400,000,000 Ordinary shares of BDT 10 each	4,000,000,000	4,000,000,000	4,000,000,000	4,000,000,000
500,000,000 Ordinary shares of BDT 10 each	5,000,000,000	5,000,000,000	5,000,000,000	5,000,000,000
30,000,000 Preference shares of BDT 100 each	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
	15,000,000,000	15,000,000,000	15,000,000,000	15,000,000,000

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Issued, subscribed and paid-up				
65,000,000 Ordinary shares of BDT 10 each	650,000,000	650,000,000	650,000,000	650,000,000
6,500,000 Bonus shares of BDT 10 each in 2006	65,000,000	65,000,000	65,000,000	65,000,000
14,300,000 Bonus shares of BDT 10 each in 2007	143,000,000	143,000,000	143,000,000	143,000,000
68,640,000 Right shares of BDT 10 each in 2008	686,400,000	686,400,000	686,400,000	686,400,000
30,888,000 Bonus shares of BDT 10 each in 2008	308,880,000	308,880,000	308,880,000	308,880,000
37,065,600 Bonus shares of BDT 10 each in 2009	370,656,000	370,656,000	370,656,000	370,656,000
55,598,400 Bonus shares of BDT 10 each in 2010	555,984,000	555,984,000	555,984,000	555,984,000
25,361,973 Ordinary shares of BDT 10 each in 2010	253,619,730	253,619,730	253,619,730	253,619,730
91,006,191 Bonus shares of BDT 10 each in 2011	910,061,910	910,061,910	910,061,910	910,061,910
98,590,041 Bonus shares of BDT 10 each in 2012	985,900,410	985,900,410	985,900,410	985,900,410
98,590,041 Bonus shares of BDT 10 each in 2013	985,900,410	985,900,410	985,900,410	985,900,410
88,731,036 Bonus shares of BDT 10 each in 2014	887,310,360	887,310,360	887,310,360	887,310,360
106,791,361 Ordinary shares of BDT 10 each in 2014*	1,067,913,610	1,067,913,610	1,067,913,610	1,067,913,610
39,353,132 Bonus shares of BDT 10 each in 2015	393,531,320	393,531,320	393,531,320	393,531,320
49,584,946 Bonus shares of BDT 10 each in 2016	495,849,460	495,849,460	495,849,460	495,849,460
191,876,518 ordinary shares of BDT 10 each in 2016**	1,918,765,180	1,918,765,180	1,918,765,180	1,918,765,180
	10,678,772,390	10,678,772,390	10,678,772,390	10,678,772,390

* Details are given in the Note 6.1.

** This represents the amount of ordinary share capital issued to non-controlling shareholders of Summit Purbanchol Power Company Limited, Summit Uttaranchol Power Company Limited and Summit Narayanganj Power Limited as compensation for amalgamation with Summit Power Limited. On the basis of the approval of Bangladesh Securities and Exchange Commission for issue of 191,876,518 ordinary shares at BDT 10 each, these shares were issued on 4 October 2016.

16.1 Shareholding position

Name of shareholders	Percentage of shareholdings		Number of shares	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Summit Corporation Limited	63.19%	63.19%	674,792,926	674,792,926
Euro Hub Investments Ltd.	3.65%	3.65%	38,940,126	38,940,126
Institutional investors	18.56%	18.65%	198,233,499	199,165,119
General public	14.60%	14.51%	155,910,688	154,979,068
	100.00%	100.00%	1,067,877,239	1,067,877,239

16.2 Classification of shareholders by holding:

Particulars	No. of holders		Ownership (%)	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Less than 500 shares	20,316	21,889	0.337%	0.372%
500 to 5,000 shares	16,767	14,469	2.691%	2.381%
5,001 to 10,000 shares	2,570	2,375	1.759%	1.634%
10,001 to 20,000 shares	1,200	1,010	1.641%	1.395%
20,001 to 30,000 shares	402	359	0.949%	0.843%
30,001 to 40,000 shares	183	174	0.608%	0.574%
40,001 to 50,000 shares	141	137	0.620%	0.604%
50,001 to 100,000 shares	245	238	1.734%	1.642%
100,001 to 1,000,000 shares	249	216	7.076%	6.535%
Over 1,000,000 shares	55	59	82.585%	84.020%
	42,128	40,926	100.000%	100.000%

17 Share Premium

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Share premium from issue of 2,000,000 shares in 2005	80,000,000	80,000,000	80,000,000	80,000,000
Share premium from issue of 6,864,000 shares in 2008	308,880,000	308,880,000	308,880,000	308,880,000
Share premium from issue of 25,361,973 shares in 2010	2,745,940,817	2,745,940,817	2,745,940,817	2,745,940,817
	3,134,820,817	3,134,820,817	3,134,820,817	3,134,820,817
Issue costs	(234,123,160)	(234,123,160)	(234,123,160)	(234,123,160)
	2,900,697,657	2,900,697,657	2,900,697,657	2,900,697,657
Share premium on dilution of ownership in SPPCL	600,385,917	600,385,917	600,385,917	600,385,917
Share premium on issue of shares to SCL*	2,733,858,842	2,733,858,842	2,733,858,842	2,733,858,842
Transaction costs	(315,777)	(315,777)	(315,777)	(315,777)
	6,234,626,639	6,234,626,639	6,234,626,639	6,234,626,639
Share premium on amalgamation	244,471,000	244,471,000	244,471,000	244,471,000
	6,479,097,639	6,479,097,639	6,479,097,639	6,479,097,639

* Details are given in the Note 6.1.

18 Revaluation Reserve

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Opening balance	859,348,728	867,156,989	859,348,728	867,156,989
Gain on revaluation during the year	-	-	-	-
Transfer to retained earnings for depreciation of revalued assets	(19,121,724)	(19,121,724)	(19,121,724)	(19,121,724)
Deferred tax on revaluation of property, plant and equipment	(9,142,353)	11,313,463	(9,142,353)	11,313,463
Closing balance	831,084,651	859,348,728	831,084,651	859,348,728

Initially, the Company carried out revaluation of land in 2008. Subsequently, this revaluation was carried out again in 2013 and 2016.

19 Fair value reserve

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Opening balance	(1,029,512,486)	(450,754,855)	(1,029,512,486)	(450,754,855)
Movement in fair value of other investments	(688,406,259)	(578,757,631)	(688,406,259)	(578,757,631)
Disposal of other investments - equity securities	-	-	-	-
Closing balance	(1,717,918,745)	(1,029,512,486)	(1,717,918,745)	(1,029,512,486)

Please see Note 49.N.

20 Capital reserve

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Balance at reporting date	1,668,093,205	1,668,093,205	1,668,093,205	1,668,093,205

This reserve was created in FY 2015-16 when three of the subsidiaries of SPL namely Summit Purbanchol Power Company Limited ("SP-PCL"), Summit Uttaranchol Power Company Limited ("SUPCL") and Summit Narayanganj Power Limited ("SNPL") were amalgamated with SPL. Through this amalgamation, the net assets from SPPCL, SUPCL and SNPL have been transferred to SPL at their book values as on 31 December 2015. The difference between the total consideration paid to the minority shareholders of the transferor companies and the equity interests of those minority shareholders was recognised in equity as *Capital reserve*.

SUMMIT POWER LIMITED
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21 Hedging reserve

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Opening balance	(385,340,743)	(638,824,028)	-	-
Recognised in other comprehensive income	949,117,329	423,863,046	-	-
Transfer to non-controlling interests	(491,993,443)	(170,379,761)	-	-
Closing balance	71,783,143	(385,340,743)	-	-

Please see Note 49N.

22 Currency translation reserve

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Opening balance	81,259,995	80,251,948	-	-
Recognised in other comprehensive income	2,262,309,420	2,968,110	-	-
Transfer to non-controlling interests	(1,055,622,050)	(1,960,063)	-	-
Closing balance	1,287,947,365	81,259,995	-	-

Please see Note 49M.

23 Non-controlling interests

Particulars	30 June 2022					
	SBPL	SNPUIIL	SCPL	AAPL	SGIPL	Total
NCI percentage	51%	51%	51%	36%	80%	
Non-current assets	4,729,328,857	2,785,607,055	(75,978)	9,013,200,471	17,986,122,280	34,514,182,685
Current assets	2,067,500,076	2,681,998,050	9,743,969	7,489,643,504	15,242,488,185	27,491,373,784
Non-current liabilities	(2,362,583,866)	(1,451,258,691)	-	(4,719,076,466)	(10,101,254,889)	(18,634,173,912)
Current liabilities	(1,551,737,196)	(2,516,359,825)	(142,511)	(7,351,984,029)	(13,221,680,507)	(24,641,904,068)
Net assets	2,882,507,871	1,499,986,589	9,525,480	4,431,783,480	9,905,675,069	18,729,478,489
Net assets attributable to NCI	1,470,079,014	764,993,161	4,857,995	1,595,442,053	7,924,540,055	11,759,912,278
Less: Intra-group elimination	-	-	-	-	-	-
	1,470,079,014	764,993,161	4,857,995	1,595,442,053	7,924,540,055	11,759,912,278
Revenue	2,127,353,640	4,872,545,652	-	13,733,078,308	24,832,772,861	45,565,750,461
Profit	604,359,869	222,659,332	(60,721)	643,085,924	2,434,501,043	3,904,545,447
Other comprehensive income (OCI)	388,147,003	208,505,543	-	858,038,954	1,160,968,938	2,615,660,438
Total Comprehensive Income	992,506,872	431,164,875	(60,721)	1,501,124,878	3,595,469,981	6,520,205,885
Profit allocated to NCI	308,223,533	113,556,259	(30,968)	231,510,933	1,947,600,834	2,600,860,591
OCI allocated to NCI	197,954,971	106,337,827	-	308,894,023	928,775,150	1,541,961,971
Less: Intra-group elimination	-	-	-	-	-	-
						4,142,822,562
Net cash flow from/(used in) operating activities	885,295,716	402,909,969	(150,869)	751,995,070	2,168,329,286	4,208,379,172
Net cash flow from/(used in) investing activities	(1,495,323)	(26,776,293)	255,128	(88,472,845)	(707,469,773)	(823,959,106)
Net cash flow from/(used in) financing activities	(1,127,242,793)	(449,636,664)	-	(1,066,140,134)	(3,292,143,035)	(5,935,162,626)
Net increase/(decrease) in cash and cash equivalents	(243,442,400)	(73,502,988)	104,259	(402,617,909)	(1,831,283,522)	(2,550,742,560)

Figures in BDT

Particulars	30 June 2021					
	SBPL	SNPUJIL	SCPL	AAPL	SGIPL	Total
NCI percentage	51%	51%	51%	36%	80%	
Non-current assets	4,627,535,659	2,692,094,114	(75,978)	7,863,607,126	15,502,390,137	30,685,551,058
Current assets	1,450,706,014	950,963,545	9,717,979	4,169,826,983	6,525,395,354	13,106,609,875
Non-current liabilities	(2,699,658,193)	(1,568,272,918)	-	(5,472,088,248)	(9,746,032,155)	(19,486,051,514)
Current liabilities	(1,074,708,881)	(878,713,028)	(55,800)	(3,472,959,814)	(3,555,228,248)	(8,981,665,771)
Net assets	2,303,874,599	1,196,071,713	9,586,201	3,088,386,047	8,726,525,088	15,324,443,648
Net assets attributable to NCI	1,174,976,046	609,996,574	4,888,963	1,111,818,977	6,981,220,070	9,882,900,630
Less: Intra-group elimination	-	-	-	-	-	-
	1,174,976,046	609,996,574	4,888,963	1,111,818,977	6,981,220,070	9,882,900,630
Revenue	3,049,113,938	2,941,958,658	-	8,778,935,921	15,053,048,059	29,823,056,576
Profit	570,653,962	267,230,691	(76,071)	684,127,047	2,687,967,485	4,209,903,114
Other comprehensive income (OCI)	105,697,746	60,009,322	-	276,140,868	(18,152,379)	423,695,557
Total Comprehensive Income	676,351,708	327,240,013	(76,071)	960,267,915	2,669,815,106	4,633,598,671
Profit allocated to NCI	291,033,521	136,287,652	(38,796)	246,285,737	2,150,373,988	2,823,942,102
OCI allocated to NCI	53,905,850	30,604,754	-	99,410,712	(14,521,903)	169,399,413
Less: Intra-group elimination	-	-	-	-	-	-
						2,993,341,515
Net cash flow from/(used in) operating activities	1,349,491,719	627,562,872	(76,071)	1,005,962,889	2,695,501,819	5,678,443,228
Net cash flow from/(used in) investing activities	10,386,330	(45,775,355)	91,891	(141,585,581)	(159,273,979)	(336,156,694)
Net cash flow from/(used in) financing activities	(1,158,553,835)	(583,581,070)	-	(870,714,327)	(1,191,448,775)	(3,804,298,007)
Net increase/(decrease) in cash and cash equivalents	201,324,215	(1,793,553)	15,820	(6,337,019)	1,344,779,065	1,537,988,528

24 Redeemable preference shares

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Opening balance	2,015,150,641	2,365,539,624	-	-
Addition	1,722,626,660	-	-	-
	3,737,777,301	2,365,539,624	-	-
Repayment	(2,027,500,000)	(357,588,782)	-	-
Transaction cost	(6,547,889)	1,707,166	-	-
Amortisation of transaction cost	4,799,588	5,400,917	-	-
Effect of exchange rate movement	(1,396,378)	91,716	-	-
	1,707,132,622	2,015,150,641	-	-
Non-current	1,325,828,102	1,562,329,944	-	-
Current	381,304,520	452,820,697	-	-
	1,707,132,622	2,015,150,641	-	-

In FY 2017, the cumulative redeemable preference shares were fully issued by Summit Barisal Power Limited ("SBPL") and Summit Narayanganj Power Unit II Limited ("SNPUJIL"), face value of which were BDT 640,000,000 and BDT 360,000,000 respectively. These shares were subscribed and paid up by different banks and financial institutions on 29 June 2017 bearing dividend @ 8.25% per annum payable yearly commencing from June 2018. Cumulative redeemable preference shares were fixed to redeem over 7 years or by 6 instalments payable at the end of each year commencing from June 2019. Later in FY 2022, the outstanding balance of cumulative redeemable preference shares of SBPL and SNPUJIL, face value of which were BDT 340,000,000 and BDT 180,000,000 respectively, had been fully early redeemed through re-issuance of 34,000,000 cumulative redeemable preference shares (face value of BDT 10 each) to Eastern Bank Limited and Prime Bank Limited and of 17,262,666 cumulative

Notes to the financial statements

redeemable preference shares (face value of BDT 10 each) to Prime Bank Limited respectively. All of these shares bear dividend at floating rate of 6.25%-8% per annum and are payable yearly commencing from June 2023 and also are redeemable over 3 years or by 3 instalments till June 2025. These shares do not carry the right to vote. Both Summit Power Limited and Summit Corporation Limited, as sponsor companies, have signed Share Retention Agreement and Corporate Guarantee Agreement with preference shareholders.

In FY 2019, the cumulative redeemable preference shares were issued by Ace Alliance Power Limited ("AAPL"), face value of which was BDT 805,000,000, as fully subscribed and paid up on 11 December 2018 bearing dividend @ 9.5% to 10% per annum payable yearly commencing from December 2019. The cumulative redeemable preference shares were fixed to redeem over 6-7 years or by 5-6 instalments payable at the end of each year commencing from December 2020. Later in FY 2022, the outstanding balance of cumulative redeemable preference shares, face value of which were BDT 530,000,000, had been fully early redeemed through re-issuance of 53,000,000 cumulative redeemable preference shares (face value of BDT 10 each) to Eastern Bank Limited and Prime Bank Limited. All of these shares bear dividend at floating rate of 6.25%-8% per annum and are payable yearly commencing from June 2023 and are also redeemable over 4 years or by 4 instalments till June 2026. These shares do not carry the right to vote. Both Summit Power Limited and Summit Corporation Limited, as sponsor companies, have signed Share Retention Agreement and Corporate Guarantee Agreement with preference shareholders.

In FY 2020, the cumulative redeemable preference shares were issued by Summit Gazipur II Power Limited ("SGIIP"), face value of which was BDT 900,000,000, as fully subscribed and paid up on 30 September 2019 bearing dividend @ 10% per annum payable yearly commencing from September 2020. The cumulative redeemable preference shares were fixed to redeem over 5-7 years or by 5-6 instalments payable at the end of each year commencing from September 2020. Later in FY 2022, the outstanding balance of cumulative redeemable preference shares, face value of which were BDT 680,000,000, had been fully early redeemed through re-issuance of 68,000,000 cumulative redeemable preference shares (face value of BDT 10 each) to Eastern Bank Limited and Prime Bank Limited. All of these shares bear dividend at floating rate of 6.25%-8% per annum and are payable yearly commencing from April 2023 and also are redeemable over 5 years or by 5 instalments till April 2026. These shares do not carry the right to vote. Both Summit Power Limited and Summit Corporation Limited, as sponsor companies, have signed Share Retention Agreement and Corporate Guarantee Agreement with preference shareholders.

25 Loans and borrowings

Figures in BDT

Particulars	Notes	Consolidated		Separate	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
Non-current					
Project loan	25.1	17,605,471,955	17,259,897,754	-	-
		17,605,471,955	17,259,897,754	-	-
Current					
Project loan	25.1	2,356,491,255	1,759,083,998	-	-
Short term loan	25.2	7,774,301,408	2,599,780,786	7,774,301,408	2,599,780,786
		10,130,792,663	4,358,864,784	7,774,301,408	2,599,780,786

25.1 Project loan

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Opening balance	19,018,981,752	20,719,737,376	-	-
Drawdown	882,231,529	-	-	-
	19,901,213,281	20,719,737,376	-	-
Repayment	(1,878,651,115)	(1,770,146,103)	-	-
Transaction cost	(18,394,644)	(31,097,344)	-	-
Amortisation of transaction cost	107,166,486	100,243,660	-	-
Exchange rate fluctuation effect	1,850,629,202	244,163	-	-
	19,961,963,210	19,018,981,752	-	-
Non-current	17,605,471,955	17,259,897,754	-	-
Current	2,356,491,255	1,759,083,998	-	-
	19,961,963,210	19,018,981,752	-	-

IDCOL provided USD 30,000,000 as long term project loan @ 4.25% per annum plus 3 months' LIBOR for a period of 12 years including 1 year grace period, repayable quarterly starting on 15 March 2018, and ICD also provided USD 20,000,000 as long term project loan @ 4.25% per annum plus 3 months' LIBOR for a period of 10.5 years including 6 months grace period, repayable quarterly starting on 15 September 2017 for Summit Barisal Power Limited ("SBPL"). The Group has incurred an amount of BDT 85,409,504 as transaction costs till date, which has been capitalised and is being amortised over the years of loan repayment. Fixed and floating charges have been created on all assets of the borrowing company along with Deed of Mortgage, Share Pledge and Bangladesh/English Law Security Assignment Agreements. Summit

Power Limited, as one of the sponsor companies, has also given sponsor and corporate guarantee on such borrowings to the lenders to pay all money time to time, if there is any due. SBPL is exposed to changes in the USD LIBOR interest rate. To reduce the exposure, SBPL has entered into a 5-year interest rate swap agreement on 12 September 2018, to hedge interest rate exposure on its USD 45,475,000 floating rate borrowing with fixed rate of 3.08%.

IDCOL provided USD 15,000,000 as long term project loan @ 4.25% per annum plus 3 months' LIBOR for a period of 12 years including 1 year grace period, repayable quarterly starting on 15 March 2018, and OFID also provided USD 12,640,000 as long term project loan @ 4.25% per annum plus 3 months' LIBOR for a period of 12 years including 1 year grace period, repayable quarterly starting on 15 March 2018 for Summit Narayanganj Power Unit II Limited ("SNPUILL"). The Group has incurred an amount of BDT 61,878,752 as transaction costs till date, which has been capitalised and is being amortised over the years of loan repayment. Fixed and floating charges have been created on all assets of the borrowing company along with Deed of Mortgage, Share Pledge and Bangladesh/English Law Security Assignment Agreements. Summit Power Limited, as one of the sponsor companies, has also given sponsor and corporate guarantee on such borrowings to the lenders to pay all money time to time, if there is any due. SNPUILL is exposed to changes in the USD LIBOR interest rate. To reduce the exposure, SNPUILL has entered into a 5-year interest rate swap agreement on 12 September 2018, to hedge interest rate exposure on its USD 25,774,300 floating rate borrowing with fixed rate of 3.08%.

IDCOL, ICD and OFID provided USD 24,300,000, USD 24,300,000 and USD 20,000,000 respectively as long term project loan @ 4.25% per annum plus 3 months' LIBOR for a period of 11 years 9 months (including 3 months grace period), repayable quarterly starting on 15 June 2019, for Ace Alliance Power Limited ("AAPL"). The Group had incurred an amount of Taka 120,523,002 as transaction costs till date, which has been capitalised and is being amortised over the years of loan repayment. Fixed and floating charges have been created on all assets of the borrowing company along with Deed of Mortgage, Share Pledge and Bangladesh/English Law Security Assignment Agreements. Summit Power Limited, as one of the sponsor companies, has also given sponsor and corporate guarantee on such borrowings to the lenders to pay all money time to time, if there is any due. The Group is exposed to changes in the USD LIBOR interest rate. To reduce the exposure, the Group entered into a 11-year 6 months interest rate swap agreement on 15 March 2019, to hedge interest rate exposure on its USD 68,600,000 floating rate borrowing with fixed rate of 2.87%.

Clifford and SMBC committed to provide USD 93,415,712 and USD 46,707,856 respectively as long-term project loan for a period of 9 years 9 months, repayable quarterly starting on 15 June 2020, for Summit Gazipur II Power Limited ("SGIIP"). The rates of interest for Clifford and SMBC are 3.95% per annum plus 7 years' UTS rate and 3.95% per annum plus 3 months' LIBOR respectively. Out of committed amount, the Group made drawdown USD 86,597,567 from Clifford and USD 43,298,783 from SMBC in FY 2021. The Group made a subsequent draw-down in FY 2022, USD 6,818,145 from Clifford and USD 3,409,073 from SMBC. The Group has incurred an amount of Taka 408,705,271 as transaction costs till date, which has been capitalised and is being amortised over the years of loan repayment. Fixed and floating charges have been created on all assets of the Company along with Deed of Mortgage, Share Pledge and Bangladesh/English Law Security Assignment Agreements. Summit Corporation Limited, as a sponsor company which is also the parent company of Summit Power Limited, has also given sponsor and corporate guarantee on such borrowings to the lenders to pay all money time to time if there is any due. As the Group is exposed to changes in the USD LIBOR, the Group has entered Interest Rate Swap agreements for USD 40,869,974.48 of SMBC with effect from 15 March 2021 for a period of 8-year 6 months with fixed rate of interest of 1.09% and for USD 3,409,073.00 of SMBC with effect from 14 October 2021 for a period of 8-year 3 months with fixed rate of 1.765% to reduce the Group's interest rate variability exposure.

25.2 Short term loan

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
The City Bank Limited	1,293,344,690	1,246,422,053	1,293,344,690	1,246,422,053
Prime Bank Limited	1,497,229,202	1,353,358,733	1,497,229,202	1,353,358,733
Eastern Bank Limited	1,580,299,784	-	1,580,299,784	-
Dutch-Bangla Bank Limited	1,988,779,453	-	1,988,779,453	-
Standard Chartered Bank	1,414,648,279	-	1,414,648,279	-
	7,774,301,408	2,599,780,786	7,774,301,408	2,599,780,786

26 Deferred liabilities

Particulars	Notes	Consolidated		Separate	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
Gratuity fund	26.1	263,635,082	243,304,748	263,635,082	243,304,748
Liability for assets retirement obligation	26.2	81,858,930	77,525,268	81,858,930	77,525,268
Lease liability	26.3	12,646,614	16,981,712	12,646,614	16,981,712
Derivative financial instrument	26.4	(297,126,145)	663,823,817	-	-
		61,014,481	1,001,635,545	358,140,626	337,811,728

26.1 Gratuity fund

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Opening balance	243,304,748	197,235,284	243,304,748	197,235,284
Service cost				
- Included in profit or loss	42,479,104	33,945,000	28,737,104	23,233,000
- Included in other comprehensive income	(2,240,000)	15,671,000	(6,503,000)	11,189,000
Benefits paid	(19,908,770)	(3,546,536)	(19,908,770)	(3,546,536)
	263,635,082	243,304,748	245,630,082	228,110,748
Transfer from subsidiaries	-	-	18,005,000	15,194,000
Closing balance	263,635,082	243,304,748	263,635,082	243,304,748

26.1.1 Movement in net defined benefit (asset) liability

Consolidated

Particulars	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset)/ liability	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Opening balance	243,304,748	197,235,284	-	-	243,304,748	197,235,284
Included in profit or loss						
Current service cost	21,798,000	21,126,000	-	-	21,798,000	21,126,000
Past service credit	-	-	-	-	-	-
Interest cost (income)	20,681,000	12,819,000	104	-	20,681,104	12,819,000
	42,479,000	33,945,000	104	-	42,479,104	33,945,000
Included in other comprehensive income						
Actuarial (gain)/loss arising from:						
- Demographic assumptions	-	-	-	-	-	-
- Financial assumptions	(502,000)	22,757,000	-	-	(502,000)	22,757,000
- Experience adjustment	(1,738,000)	(7,086,000)	-	-	(1,738,000)	(7,086,000)
Return on plan assets excluding interest income	-	-	-	-	-	-
Effect of movement in exchange rates	-	-	-	-	-	-
	(2,240,000)	15,671,000	-	-	(2,240,000)	15,671,000
Other						
Contributions paid by the employer	-	-	(15,000,500)	-	(15,000,500)	-
Benefits paid -						
From the plant assets	(12,208,239)	-	12,208,239	-	-	-
Directly by the employer	(4,908,270)	(3,546,536)	-	-	(4,908,270)	(3,546,536)
	(17,116,509)	(3,546,536)	(2,792,261)	-	(19,908,770)	(3,546,536)
Closing balance	266,427,239	243,304,748	(2,792,157)	-	263,635,082	243,304,748

Separate

Figures in BDT

Particulars	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset)/ liability	
	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21	FY 2021-22	FY 2020-21
Opening balance	243,304,748	197,235,284	-	-	243,304,748	197,235,284
Included in profit or loss						
Current service cost	13,225,000	13,378,000	-	-	13,225,000	13,378,000
Past service credit	-	-	-	-	-	-
Interest cost (income)	15,512,000	9,855,000	104	-	15,512,104	9,855,000
	28,737,000	23,233,000	104	-	28,737,104	23,233,000
Included in other comprehensive income						
Actuarial (gain)/loss arising from:						
- Demographic assumptions	-	-	-	-	-	-
- Financial assumptions	(326,000)	15,577,000	-	-	(326,000)	15,577,000
- Experience adjustment	(6,177,000)	(4,388,000)	-	-	(6,177,000)	(4,388,000)
Return on plan assets excluding interest income	-	-	-	-	-	-
Effect of movement in exchange rates	-	-	-	-	-	-
	(6,503,000)	11,189,000	-	-	(6,503,000)	11,189,000
Other						
Contributions paid by the employer	-	-	(15,000,500)	-	(15,000,500)	-
Benefits paid -						
From the plant assets	(12,208,239)	-	12,208,239	-	-	-
Directly by the employer	(4,908,270)	(3,546,536)	-	-	(4,908,270)	(3,546,536)
Transfer from subsidiaries	18,005,000	15,194,000	-	-	18,005,000	15,194,000
	888,491	11,647,464	(2,792,261)	-	(1,903,770)	11,647,464
Closing balance	266,427,239	243,304,748	(2,792,157)	-	263,635,082	243,304,748

26.1.2 Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date:

	FY 2021-22	FY 2020-21
Discount rate	8.5%	6.5%
Future salary growth	9.0%	7.0%
Withdrawal Rate	10.0%	10.0%

26.1.3 Sensitivity analysis

Reasonably possible changes in reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	30 June 2022		30 June 2021	
	Increase	Decrease	Increase	Decrease
Consolidated				
Discount rate (1% movement)	(47,658,000)	60,836,000	(42,840,000)	55,219,000
Future salary growth (1% movement)	59,895,000	(47,853,000)	54,350,000	(43,017,000)
Separate				
Discount rate (1% movement)	(31,185,000)	39,233,000	(29,424,000)	37,381,000
Future salary growth (1% movement)	38,634,000	(31,314,000)	36,797,000	(29,547,000)

26.2 Liability for assets retirement obligation

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Opening balance	77,525,268	75,347,719	77,525,268	75,347,719
Addition	4,333,662	2,177,549	4,333,662	2,177,549
Adjustment/payment	-	-	-	-
Closing balance	81,858,930	77,525,268	81,858,930	77,525,268

26.3 Lease liability

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Opening balance	16,981,712	22,360,719	16,981,712	22,360,719
Addition	-	-	-	-
Financial charge	828,402	1,067,993	828,402	1,067,993
Payment	(5,163,500)	(6,447,000)	(5,163,500)	(6,447,000)
Closing balance	12,646,614	16,981,712	12,646,614	16,981,712

26.4 Derivative financial instrument

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
<i>Interest rate swap</i>				
Summit Barisal Power Limited	(604,944)	129,296,798	-	-
Summit Narayanganj Power Unit II Limited	(360,645)	76,524,514	-	-
Ace Alliance Power Limited	(21,530,699)	441,801,067	-	-
Summit Gazipur II Power Limited	(274,629,857)	16,201,438	-	-
	(297,126,145)	663,823,817	-	-

To reduce the variable interest rate exposure, the Group has entered into multiple interest rate swap agreements with different commercial banks (i.e. Eastern Bank Limited for SBPL and SNPUIIL with notional amount of USD 71,249,300; BRAC Bank Limited for AAPL with notional amount of USD 68,600,000; and Sumitomo Mitsui Banking Corporation for SGIIPL with notional amount of USD 44,279,047.48). These financial instruments are valued quarterly.

27 Unclaimed dividends

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Opening balance	174,788,370	276,029,807	174,788,370	276,029,807
Cash dividend declared during the period	6,003,381,251	2,412,956,959	3,737,570,336	2,135,754,478
Cash dividend paid during the period				
To shareholders	(6,054,777,532)	(2,514,198,396)	(3,788,966,617)	(2,236,995,915)
To Capital Market Stabilisation Fund*	(23,382,925)	-	(23,382,925)	-
Closing balance	100,009,164	174,788,370	100,009,164	174,788,370

* These amounts represent dividends that remained unclaimed by/payable to the shareholders as at 30 June 2022. These amounts are deposited in a bank account and are payable on demand. In accordance with BSEC notification no. BSEC/CMRRCD/2021-386/03 dated 14 January 2021 and Bangladesh Securities and Exchange Commission (Capital Market Stabilization Fund) Rules, 2021 (official gazette dated 27 June 2021), listed companies are required to transfer cash or stock dividend and non-refundable public subscription money which remain unclaimed/ undistributed/ un-allotted for a period of 3 years or more from the date of declaration or approval or record date, as the case may be, to a newly established fund named "Capital Market Stabilization Fund". In compliance with the said directives, the Company transferred the principal amount of unclaimed cash dividend till the financial year 2017-18 amounting BDT 23,382,925 to the fund.

SUMMIT POWER LIMITED
Notes to the financial statements

28 Trade payables

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Gas:				
<i>Titas Gas Transmission & Distribution Company Limited</i>				
Ashulia Power Plant (Unit-1)	6,266,121	7,624,600	6,266,121	7,624,600
Ashulia Power Plant (Unit-2)	20,282,351	16,714,433	20,282,351	16,714,433
Madhabdi Power Plant (Unit-1)	7,487,185	7,815,624	7,487,185	7,815,624
Madhabdi Power Plant (Unit-2)	15,229,964	15,611,412	15,229,964	15,611,412
Rupganj Power Plant	16,770,849	29,114,839	16,770,849	29,114,839
Maona Power Plant	29,368,714	28,742,365	29,368,714	28,742,365
<i>Bakhrabad Gas Distribution Company Limited</i>				
Chandina Power Plant (Unit-1)	9,011,645	7,145,702	9,011,645	7,145,702
Chandina Power Plant (Unit-2)	10,061,632	9,091,805	10,061,632	9,091,805
Jangalia Power Plant	29,753,727	28,143,904	29,753,727	28,143,904
<i>Pashchimanchal Gas Company Limited</i>				
Ullapara Power Plant	9,325,083	6,435,004	9,325,083	6,435,004
Heavy furnace oil (HFO):				
<i>Summit Oil & Shipping Company Limited</i>				
Madanganj Power Plant	1,926,935,123	1,035,198,269	1,926,935,123	1,035,198,269
Rupatoli Power Plant	871,485,818	392,850,175	-	-
Madanganj Power Plant (Unit-2)	2,086,156,532	482,809,496	-	-
Kodda Power Plant (Unit-1)	6,088,534,753	2,633,126,168	-	-
Kodda Power Plant (Unit-2)	11,529,682,975	2,174,583,764	-	-
Mobil Jamuna Lubricants Bangladesh Limited	403,826	13,352,440	403,826	13,352,440
ABB Limited	2,817,272	3,774,249	2,737,272	3,774,249
Jamuna Oil Company Limited	-	237,120	-	-
Ranks Petroleum Limited	62,099,077	-	-	-
Wartsila Bangladesh Limited	40,087,131	26,014,523	1,963,390	17,972,447
Energypac Engineering Limited	244,802	608,442	244,802	608,442
Bangla Trac Limited	219,156	2,814,430	219,156	2,814,430
Active Energy Engineering Ltd.	346,500	-	346,500	-
Noor Enterprise	-	57,200	-	57,200
Waterchem Technology	-	1,596,360	-	-
Barkat Business Co. Ltd.	250,000	250,000	250,000	250,000
Jakson International Ltd.	-	370,300	-	370,300
Competent Engineering Company	764,591	636,224	764,591	636,224
Delcot Limited	645,032	765,432	645,032	765,432
Confidence Batteries Limited	-	292,416	-	292,416
Rahimafrooz Batteries Limited	-	76,000	-	76,000
Rahimafrooz Distribution Limited	102,760	102,760	102,760	102,760
Others	1,170,922	833,404	896,149	833,407
	22,765,503,540	6,926,788,859	2,089,065,871	1,233,543,703

SUMMIT POWER LIMITED
Notes to the financial statements

29 OTHER PAYABLES AND ACCRUALS

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Provision for income tax	304,309,072	219,928,057	96,366,264	68,089,222
Liability for withholding tax and VAT	4,856,060	11,651,633	1,201	257,426
Summit Oil & Shipping Company Limited	4,7915,738	22,551,250	8,927,487	-
Cosmopolitan Communications Limited	610,060	262,500	365,811	115,500
Provision for C&F agents	817,230	893,572	817,230	763,457
Resources & Solutions Limited	301,848	593,302	301,848	593,302
Audit and certification fees	2,190,750	2,116,000	862,500	862,500
Security services	2,052,844	2,732,945	1,180,410	1,206,425
Vehicle fuel and maintenance	140,289	229,451	78,590	198,497
Print & publications	124,570	287,900	124,570	287,900
House rent	-	132,778	-	132,778
Liability for earned leave encashment	5,675,785	6,000,089	3,446,308	3,722,399
Capital Market Stabilisation Fund	2,298,593	-	2,298,593	-
Clifford Capital Pte. Ltd.	-	550,577	-	-
Sumitomo Mitsui Banking Corporation (SMBC)	-	645,509	-	-
The OPEC Fund for International Development(OFID)	4,766,469	-	-	-
Nurul Islam Enterprise	-	516,668	-	516,668
Binary Source	-	53,749	-	53,749
Metro Safety Corner	-	3,060,188	-	931,630
Robi Enterprise	-	664,000	-	664,000
The Tyre & Battery Bazar	38,462	-	38,462	-
Green Delta Insurance Company Limited	-	1,943,010	-	-
Interest on project loan	52,994,692	47,902,360	-	-
Interest on short-term bank loan	63,017,257	15,383,139	63,017,257	15,383,139
Dividend on redeemable preference shares	10,388,787	96,292,536	-	-
Provision for bonus to employees	-	4,094,739	-	-
Payable to employees for office work	288,485	38,485	38,485	38,485
Asset purchase	1,719,041	7,340,919	359,811	479,923
Legal and professional fees payable	5,737,462	7,358,370	926,360	2,469,247
Security money retained from vendors	3,289,783	9,708,393	-	-
Others	1,778,662	1,350,162	1,000,209	693,680
	515,311,939	464,282,281	180,151,396	97,459,927

30 Intercompany payables

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Summit Corporation Limited	254,149,040	154,306,610	630,607	150,079,222
	254,149,040	154,306,610	630,607	150,079,222

SUMMIT POWER LIMITED
Notes to the financial statements

31 Revenue

Figures in BDT

Particulars	Consolidated		Separate	
	1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021	1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021
Sales revenue - Electricity				
Ashulia Power Plant (Unit-1)	176,771,450	198,507,185	176,771,450	198,507,185
Ashulia Power Plant (Unit-2)	869,926,955	990,267,576	869,926,955	990,267,576
Madhabdi Power Plant (Unit-1)	191,633,500	202,720,131	191,633,500	202,720,131
Madhabdi Power Plant (Unit-2)	458,123,181	692,920,427	458,123,181	692,920,427
Chandina Power Plant (Unit-1)	201,361,045	202,624,638	201,361,045	202,624,638
Chandina Power Plant (Unit-2)	261,285,997	411,960,816	261,285,997	411,960,816
Rupganj Power Plant	982,998,475	991,035,287	982,998,475	991,035,287
Jangalia Power Plant	945,536,536	985,211,815	945,536,536	985,211,815
Maona Power Plant	1,004,614,731	945,385,060	1,004,614,731	945,385,060
Ullapara Power Plant	320,053,392	307,968,352	320,053,392	307,968,352
Madanganj Power Plant	356,634,445	1,078,179,591	356,634,445	1,078,179,591
Rupatoli Power Plant	1,407,161,846	1,404,572,992	-	-
Madanganj Power Plant (Unit-2)	806,431,378	770,506,536	-	-
Kodda Power Plant (Unit-1)	1,418,429,824	1,549,104,764	-	-
Kodda Power Plant (Unit-2)	3,988,290,297	3,478,425,501	-	-
	13,389,253,052	14,209,390,671	5,768,939,707	7,006,780,878
Sales revenue - HFO				
Madanganj Power Plant	1,850,729,429	2,830,756,863	1,850,729,429	2,830,756,863
Rupatoli Power Plant	853,778,279	1,781,162,273	-	-
Madanganj Power Plant (Unit-2)	4,131,591,558	2,230,471,232	-	-
Kodda Power Plant (Unit-1)	11,760,685,765	6,897,753,432	-	-
Kodda Power Plant (Unit-2)	20,264,944,194	10,661,405,841	-	-
	38,861,729,225	24,401,549,641	1,850,729,429	2,830,756,863
Impact of straight-lining (IFRS 16)				
Rupatoli Power Plant	(133,586,485)	(136,621,327)	-	-
Madanganj Power Plant (Unit-2)	(65,477,284)	(59,019,110)	-	-
Kodda Power Plant (Unit-1)	553,962,719	332,077,725	-	-
Kodda Power Plant (Unit-2)	579,538,371	913,216,717	-	-
	934,437,321	1,049,654,005	-	-
	53,185,419,598	39,660,594,317	7,619,669,136	9,837,537,741

SUMMIT POWER LIMITED
Notes to the financial statements

32 Cost of sales

Figures in BDT

Particulars	Notes	Consolidated		Separate	
		1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021	1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021
Gas consumption:					
Ashulia Power Plant (Unit-1)		82,215,570	89,874,763	82,215,570	89,874,763
Ashulia Power Plant (Unit-2)		224,539,865	262,468,552	224,539,865	262,468,552
Madhabdi Power Plant (Unit-1)		88,538,489	92,202,061	88,538,489	92,202,061
Madhabdi Power Plant (Unit-2)		152,989,788	185,824,241	152,989,788	185,824,241
Chandina Power Plant (Unit-1)		97,954,926	94,216,063	97,954,926	94,216,063
Chandina Power Plant (Unit-2)		85,323,487	104,820,064	85,323,487	104,820,064
Rupganj Power Plant		307,475,351	326,583,797	307,475,351	326,583,797
Jangalia Power Plant		299,050,807	320,476,410	299,050,807	320,476,410
Maona Power Plant		318,034,043	310,355,967	318,034,043	310,355,967
Ullapara Power Plant		96,593,175	95,338,736	96,593,175	95,338,736
HFO consumption:					
Madanganj Power Plant		1,850,729,429	2,830,756,863	1,850,729,429	2,830,756,863
Rupatoli Power Plant		853,778,279	1,781,162,273	-	-
Madanganj Power Plant (Unit-2)		4,131,591,558	2,230,471,232	-	-
Kodda Power Plant (Unit-1)		11,760,685,765	6,897,753,432	-	-
Kodda Power Plant (Unit-2)		20,264,944,194	10,661,405,841	-	-
Tankage handling charge		113,748,769	112,655,989	8,927,488	26,746,454
Depreciation on plant and machineries	3.1	1,986,294,239	1,863,339,195	774,084,260	780,163,561
General consumables		435,027,858	280,365,498	208,444,427	136,837,361
Lubricant oil expense		743,271,344	626,203,159	153,932,305	142,017,191
Testing expense		456,056	1,903,472	209,100	232,457
Diesel consumption		20,607,808	25,321,846	1,914,495	2,475,574
Liquidated damages		-	21,411,175	-	-
Salaries and allowances		501,991,988	458,385,047	264,093,337	256,538,017
Insurance premium		155,552,651	154,239,349	16,989,822	25,212,045
Daily labor charges		25,646,777	31,638,147	12,506,901	17,755,986
Lease land rental		698,295	465,530	698,295	465,530
Security service		27,035,995	25,705,416	10,193,318	11,890,477
BERC license fees		1,949,660	1,685,454	536,582	506,942
Technical assistance fee		5,536,154	6,417,743	-	-
Environmental compliance		6,528,841	8,695,025	2,342,270	1,863,743
Plant maintenance		171,632,276	184,884,038	73,086,689	91,383,936
Employee welfare		610,901	355,059	293,982	240,703
		44,811,034,337	30,087,381,437	5,131,698,200	6,207,247,494

33 Other income, net

Particulars	Consolidated		Separate	
	1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021	1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021
Sale of empty lube oil drums and HFO sludge	22,743,610	14,854,330	11,714,361	2,925,690
Dividend income	1,021,901	238,367,880	1,060,382,030	684,699,675
Gain/(loss) from disposal of assets	4,164,994	1,236,132	3,348,568	1,236,132
	27,930,505	254,458,342	1,075,444,959	688,861,497

SUMMIT POWER LIMITED
Notes to the financial statements

34 General and administrative expenses

Figures in BDT

Particulars	Notes	Consolidated		Separate	
		1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021	1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021
Salaries and allowances		82,586,150	86,880,265	31,478,404	31,314,056
Gratuity		41,868,266	33,938,853	28,737,104	23,233,000
Directors and MD's remuneration		98,098,711	87,327,372	75,389,806	65,603,642
Tax on directors remuneration		16,900,215	12,228,280	16,900,215	12,228,280
Security service and temporary contract worker		60,425,008	38,602,480	27,161,129	19,018,856
Education and training		959,858	900,973	560,442	436,234
Employee welfare		153,266	787,363	137,415	607,610
Board meeting attendance fees		6,858,540	6,904,589	2,765,976	2,951,078
Audit Committee meeting attendance fees		2,019,685	1,860,057	835,552	737,774
Communication		7,754,355	8,223,619	5,160,057	5,344,140
Travelling and conveyance		3,322,047	2,379,035	2,604,691	1,916,350
Vehicle fuel and maintenance		16,249,148	15,783,423	6,046,346	6,496,280
Entertainment		14,592,196	13,157,201	6,493,554	6,460,088
Food and lodging		1,063,620	993,369	483,269	430,951
Printing and stationery		2,744,678	3,028,100	1,068,221	996,265
Office expenses		510,374	172,467	142,603	71,612
General repair and building maintenance		30,649,587	29,378,182	11,439,388	10,504,170
Rent, rates and taxes		6,541,580	4,995,060	2,596,278	2,631,735
Utility expenses		2,477,148	2,551,050	1,095,771	1,456,270
Insurance premium		4,745,876	3,239,581	1,659,142	1,086,781
Advertisement and publicity		3,259,740	3,404,385	1,121,252	1,141,520
Gift and compliments		2,304,920	730,939	746,612	168,627
Donation and subscription		18,159,731	14,627,813	5,927,889	4,482,315
Legal and professional consultancy fees		9,874,880	7,643,744	3,694,233	4,818,240
Uniform and liveries		5,684,796	10,885,499	2,359,187	5,210,764
Audit fee		2,300,037	2,115,301	934,950	862,500
Credit rating fees		785,166	945,049	215,000	215,000
Annual General Meeting expenses		1,431,360	1,046,624	1,345,140	1,046,624
Depreciation	3.1	54,642,404	51,174,311	36,572,801	34,769,808
Amortisation	4	4,609,876	4,569,388	1,282,452	1,282,452
Annual fees		8,795,794	7,587,521	3,518,341	4,405,773
Bad debt expense		147,764,574	-	147,764,574	-
Business development expense		12,879,603	18,311,190	8,589,372	11,412,506
Tender Documents Expense		666,934	216,949	41,579	216,949
Miscellaneous		-	1,291,146	-	8,718
		673,680,123	477,881,178	436,868,746	263,566,968

34.1 Directors and MD's remuneration

Particulars	Consolidated		Separate	
	1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021	1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021
Salaries and allowances	79,512,180	74,430,440	58,945,623	55,283,781
Festival bonus	16,606,531	10,916,932	14,464,183	8,630,184
Utility expenses	1,980,000	1,980,000	1,980,000	1,689,677
	98,098,711	87,327,372	75,389,806	65,603,642
Board meeting attendance fees	6,858,540	6,904,589	2,765,976	2,951,078
	104,957,251	94,231,961	78,155,782	68,554,720

35 Net finance costs

Figures in BDT

Particulars	Consolidated		Separate	
	1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021	1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021
Finance Income				
Interest on FDR	213,124,018	158,415,813	103,981,837	79,947,044
Interest on STD	69,274,622	44,546,655	61,430,638	22,019,635
	282,398,640	202,962,468	165,412,475	101,966,679
Finance expenses				
Interest on -				
Project loan	939,208,000	900,915,931	-	-
Interest rate swap	264,759,334	286,440,049	-	-
Short term loan*	233,435,238	50,486,409	233,435,238	50,486,409
Interest expense reimbursable*	-	-	(224,625,706)	(48,643,909)
Dividend on redeemable preference shares	188,012,218	214,664,891	-	-
Bank charges and others	17,364,531	17,660,031	6,963,453	4,309,654
Bank guarantee commission	7,846,539	9,248,530	1,984,156	3,357,085
Operation and insurance bond commission	506,006	645,849	506,006	645,849
Amortisation of transaction costs	111,966,074	105,644,577	-	-
Amortisation on ARO	4,333,662	2,177,549	4,333,662	2,177,549
Financial charge on lease arrangement	828,402	1,067,993	828,402	1,067,993
Agency fees	38,011,380	31,286,673	-	100,000
	1,806,271,384	1,620,238,482	23,425,211	13,500,630
Foreign exchange gain/(loss)	(23,084,619)	(6,291,443)	18,888,145	1,415,745
Net finance income/(cost)	(1,546,957,363)	(1,423,567,457)	160,875,409	89,881,794

* The Company borrowed short-term loans from local commercial banks on behalf of its subsidiaries and provided the amounts to Summit Oil & Shipping Co. Ltd. (nominated fuel supplier) as advances against the supply of HFO. Amongst the total interest incurred on the Company's short term loans, interest relating to the aforementioned borrowings has been entirely allocated to its subsidiaries as per the terms of the executed Fuel Supply Agreements (FSAs).

36 Income tax expenses

Particulars	Notes	Consolidated		Separate	
		1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021	1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021
Current tax expenses	36.1	65,878,957	64,405,918	28,277,042	44,264,160
Deferred tax expense/(income) recognised in profit	36.2	19,528,243	(3,994,657)	7,129,755	(1,967,597)
		85,407,200	60,411,261	35,406,797	42,296,563

36.1 Current tax expenses

Particulars	Consolidated		Separate	
	1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021	1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021
Income tax expense for current year	65,878,957	64,660,662	28,277,042	30,775,329
Adjustment/ Provision released during the year	-	(254,744)	-	13,488,831
	65,878,957	64,405,918	28,277,042	44,264,160

36.2 Deferred tax expense/(income)

Figures in BDT

Particulars	Notes	Consolidated		Separate	
		1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021	1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021
Deferred tax assets/(liabilities)					
Opening balance		(12,403,887)	(31,576,169)	(30,602,020)	(46,400,605)
Closing balance		(43,355,128)	(12,403,887)	(43,355,128)	(30,602,020)
		30,951,241	(19,172,282)	12,753,108	(15,798,585)
Deferred tax attributable to actuarial (loss) gain recognised directly in equity	37	(2,582,629)	3,861,353	3,519,000	2,517,525
Deferred tax attributable to property, plant and equipment recognised directly in equity		(9,142,353)	11,313,463	(9,142,353)	11,313,463
Effect of exchange rate movement		301,984	2,809	-	-
		19,528,243	(3,994,657)	7,129,755	(1,967,597)

36.3 Tax reconciliation

Particulars	Consolidated		Separate	
	1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021	1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021
Profit before tax	6,815,452,614	8,489,589,739	3,287,422,558	4,145,466,570
Corporate tax rate	22.5% to 30%	22.5% to 30%	22.5%	22.5%
Income tax using the corporate tax rate(s)	1,793,063,343	2,227,280,724	739,670,076	932,729,979
Factors affecting the tax charge for current period:				
Tax exempt income	(14,715,462,832)	(11,102,254,541)	(1,802,173,103)	(2,255,770,225)
Non deductible expenses	13,130,893,941	9,066,413,784	1,090,780,069	1,353,815,575
Adjustment/ Provision released during the year	-	(254,744)	-	13,488,831
Deferred tax expense/ (income)	19,528,242	(3,994,657)	7,129,755	(1,967,597)
Effects of results of equity-accounted investee	(142,615,494)	(126,779,305)	-	-
Total income tax expense	85,407,200	60,411,261	35,406,797	42,296,563

37 Actuarial gain/(loss) on gratuity valuation, net of tax

Particulars	Notes	Consolidated		Separate	
		1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021	1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021
Actuarial gain/(loss) on defined benefit plans	26.1	2,306,863	(15,668,427)	6,503,000	(11,189,000)
Deferred tax income/(expense) for actuarial (loss)/gain on defined benefit plan -					
- For SPL (self)		(519,044)	3,861,353	(1,463,175)	2,517,525
- For other entities within the Group		(2,063,585)	-	4,982,175	-
		(2,582,629)	3,861,353	3,519,000	2,517,525
Actuarial (loss) gain on defined benefit plan of associate, net of tax		(82,010)	-	-	-
		(357,776)	(11,807,074)	10,022,000	(8,671,475)

38 Earnings per share (EPS)

Figures in BDT

Particulars	Consolidated		Separate	
	1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021	1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021
Basic earnings per share				
Profit attributable to the ordinary shareholders (basic)	4,129,184,823	5,605,236,376	3,252,015,761	4,103,170,007
Weighted average no. of shares outstanding (basic)*	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239
Earnings per share (EPS)	3.87	5.25	3.05	3.84

* The weighted average number of ordinary shares outstanding during the year is the number of ordinary shares outstanding at the beginning of the year, adjusted by the number of ordinary shares issued during the year multiplied by a time-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the year. The weighted average number of shares is calculated in case of bonus share by assuming that the shares have always been in issue. This means that they have been issued at the start of the year presented as the comparative figures.

39 Disclosures as per BSEC notification no. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20 June 2018

39.1 Net asset value per share (NAVPS)

Particulars	Consolidated		Separate	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
Net asset value attributable to the ordinary shareholders	38,148,015,941	36,784,843,065	29,727,572,108	30,900,653,295
Weighted average number of shares outstanding (basic)	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239
Net asset value per share (NAVPS)	35.72	34.45	27.84	28.94

39.2 Net operating cash flows per share (NOCFPS)

Particulars	Consolidated		Separate	
	1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021	1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021
Net cash from operating activities	6,314,741,155	9,108,351,215	2,066,878,043	3,429,907,987
Weighted average number of shares outstanding (basic)	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239
Net operating cash flows per share (NOCFPS)	5.91	8.53	1.94	3.21

SUMMIT POWER LIMITED
Notes to the financial statements

39.3 Reconciliation of profit after income tax with net cash from operating activities

Figures in BDT

Particulars	Consolidated		Separate	
	1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021	1 July 2021 to 30 June 2022	1 July 2020 to 30 June 2021
Profit after income tax	6,730,045,414	8,429,178,478	3,252,015,761	4,103,170,007
<i>Adjustments for non-cash transactions:</i>				
Depreciation	2,040,936,643	1,914,513,506	810,657,061	814,933,369
Amortisation	4,609,876	4,569,388	1,282,452	1,282,452
Foreign exchange gain/(loss)	565,367,293	8,543,748	-	-
Income tax expenses	85,407,200	60,411,261	35,406,797	42,296,563
Share of profit of equity-accounted investees	(633,774,334)	(563,367,152)	-	-
	2,062,546,678	1,424,670,751	847,346,310	858,512,384
<i>Adjustments for items reclassified to cash flows from investing and financing activities:</i>				
General and administrative expenses				
General repair and building maintenance (software maintenance charge)	2,796,977	-	561,368	-
Other income				
Dividend income	(1,021,901)	(238,367,880)	(1,060,382,030)	(684,699,675)
Gain/(loss) from disposal of assets	(4,164,994)	(1,236,132)	(3,348,568)	(1,236,132)
Finance income				
Interest on FDRs and STDs	(282,398,640)	(202,962,468)	(165,412,475)	(101,966,679)
Finance expenses				
Interest on loan	1,437,402,572	1,237,842,389	8,809,532	1,842,500
Dividend on redeemable preference shares	188,012,218	214,664,891	-	-
Amortisation of transaction cost	111,966,074	105,644,577	-	-
	1,449,795,329	1,115,585,377	(1,219,772,173)	(786,059,986)
<i>Changes in:</i>				
Other asset	(1,270,079,291)	(1,050,344,870)	-	-
Inventories	(23,825,338)	(35,740,053)	(7,478,109)	30,226,417
Trade receivables	(18,349,021,368)	(4,413,816,129)	(1,652,310,172)	(1,147,323,028)
Other receivables (except interest on FDR and insurance receivables)	5,279,601	(2,695,679)	-	-
Advances, deposits and prepayments (except related party receivables and AIT)	(5,630,357)	26,834,717	(8,357,425)	32,473,005
Deferred liabilities	20,328,898	49,315,006	20,328,898	49,315,005
Less: Actuarial gain/(loss) to gratuity valuation	2,306,863	(15,668,427)	6,503,000	(11,189,000)
Trade payables	15,838,714,681	3,751,219,531	855,522,168	361,824,107
Other payables and accruals (except provision for income tax)	(80,985,475)	(82,022,383)	6,780,308	1,091,330
	(3,862,911,786)	(1,772,918,287)	(779,011,332)	(683,582,163)
Cash generated from operating activities	6,379,475,635	9,196,516,319	2,100,578,566	3,492,040,242
Income tax paid	(64,734,480)	(88,165,104)	(33,700,523)	(62,132,255)
Net cash from operating activities	6,314,741,155	9,108,351,215	2,066,878,043	3,429,907,987

Notes to the financial statements

40 Financial instruments - Fair values and risk management

A. Accounting classifications and fair values

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

Figures in BDT ('000)

Particulars	Notes	Carrying amount							Fair value			
		Fair value - hedging instruments	Mandatorily at FVTPL - others	FVOCI - debt instruments	FVOCI - equity instruments	Financial assets at amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
30 June 2022												
Financial assets measured at fair value												
Other investments	9	-	-	-	1,916,243	-	-	1,916,243	1,916,243	-	-	1,916,243
		-	-	-	1,916,243	-	-	1,916,243	1,916,243	-	-	1,916,243
Financial assets not measured at fair value												
Trade receivables	11	-	-	-	34,178,143	-	34,178,143	-	-	-	-	-
Other receivables	12	-	-	-	110,239	-	110,239	-	-	-	-	-
Deposits	14	-	-	-	58,484	-	58,484	-	-	-	-	-
Cash and cash equivalents (except cash in hand)	15	-	-	-	6,001,391	-	6,001,391	-	-	-	-	-
		-	-	-	40,348,257	-	40,348,257	-	-	-	-	-
Financial liabilities measured at fair value												
Deferred liabilities (Derivative financial instrument)	26	(297,126)	-	-	-	-	(297,126)	-	-	-	-	-
		(297,126)	-	-	-	-	(297,126)	-	-	-	-	-
Financial liabilities not measured at fair value												
Redeemable preference shares	24	-	-	-	-	1,707,133	1,707,133	-	-	-	-	-
Loans and borrowings	25	-	-	-	-	27,736,265	27,736,265	-	-	-	-	-
Deferred liabilities	26	-	-	-	-	358,141	358,141	-	-	-	-	-
Unclaimed dividend	27	-	-	-	-	100,009	100,009	-	-	-	-	-
Trade payables	28	-	-	-	-	22,765,504	22,765,504	-	-	-	-	-
Other payables and accruals	29	-	-	-	-	515,312	515,312	-	-	-	-	-
Intercompany payables	30	-	-	-	-	254,149	254,149	-	-	-	-	-
		-	-	-	-	53,436,512	53,436,512	-	-	-	-	-

Figures in BDT ('000)

Particulars	Notes	Carrying amount							Fair value			
		Fair value - hedging instruments	Mandatorily at FVTPL - others	FVOCI - debt instruments	FVOCI - equity instruments	Financial assets at amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
30 June 2021												
Financial assets measured at fair value												
Other investments	9	-	-	-	2,604,649	-	-	2,604,649	2,604,649	-	-	2,604,649
		-	-	-	2,604,649	-	-	2,604,649	2,604,649	-	-	2,604,649
Financial assets not measured at fair value												
Trade receivables	11	-	-	-	-	15,829,121	-	15,829,121	-	-	-	-
Other receivables	12	-	-	-	-	101,427	-	101,427	-	-	-	-
Deposits	14	-	-	-	-	32,580	-	32,580	-	-	-	-
Cash and cash equivalents (except cash in hand)	15	-	-	-	-	9,162,230	-	9,162,230	-	-	-	-
		-	-	-	-	25,125,358	-	25,125,358	-	-	-	-
Financial liabilities measured at fair value												
Deferred liabilities (Derivative financial instrument)	26	663,824	-	-	-	-	-	663,824	663,824	-	-	663,824
		663,824	-	-	-	-	-	663,824	663,824	-	-	663,824
Financial liabilities not measured at fair value												
Redeemable preference shares	24	-	-	-	-	-	2,015,151	2,015,151	-	-	-	-
Loans and borrowings	25	-	-	-	-	-	21,618,763	21,618,763	-	-	-	-
Deferred liabilities	26	-	-	-	-	-	337,812	337,812	-	-	-	-
Unclaimed dividend	27	-	-	-	-	-	174,788	174,788	-	-	-	-
Trade payables	28	-	-	-	-	-	6,926,789	6,926,789	-	-	-	-
Other payables and accruals	29	-	-	-	-	-	464,282	464,282	-	-	-	-
Intercompany payables	30	-	-	-	-	-	154,307	154,307	-	-	-	-
		-	-	-	-	-	31,691,891	31,691,891	-	-	-	-

The Company/Group has not disclosed the fair values for financial instruments (except for other investments and deferred liabilities-derivative financial instrument) because their carrying amounts are a reasonable approximation of fair values.

B. Financial risk management

The Group has exposures to the following risks from its use of financial instruments:

- i) Credit risk
- ii) Liquidity risk
- iii) Market risk

The Board of Directors has overall responsibility for the establishment and oversight of the Company's/Group'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/Group. The Board is assisted in its oversight role by Audit Committee. Internal Audit, under the purview of Audit Committee, undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

i) Credit risk

Credit risk is the risk of financial loss to the Group/Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's/Company receivable from customers and investment securities. The Group's sales are made to Government entity, viz, Bangladesh Rural Electrification Board (BREB) and Bangladesh Power Development Board (BPDB) under the conditions of the fixed term Power Purchase Agreement (PPA).

Notes to the financial statements

a) Exposure to credit risk

The maximum exposure to credit risk at the reporting date was:

Figures in BDT

Particulars	Notes	30 June 2022	30 June 2021
Trade receivables	11	34,178,142,521	15,829,121,153
Other receivables	12	110,239,352	101,426,714
Deposits	14	58,484,349	32,580,341
Cash and cash equivalents (except cash in hand)	15	6,001,390,664	9,162,229,981
		40,348,256,886	25,125,358,189

b) Ageing of receivables (excluding interest on FDR and net of bad debt provision)

Particulars	30 June 2022	30 June 2021
Not past due	13,685,854,654	5,500,053,648
Past due 0 - 30 days	6,185,957,722	2,937,666,636
Past due 31 - 90 days	6,852,345,573	391,615,566
Past due 91 - 180 days	143,590,797	340,683,073
Past due over 180 days*	7,371,846,077	6,692,834,163
	34,239,594,823	15,862,853,086

* Amongst the outstanding balance over 180 days, BDT 440.67 million (approx.) pertains to service charges on tax and duties and throughput and other government charges relating to HFO purchase that BPDB has been withholding from its settlement of the group's invoices. Management is now in active engagement with BPDB to recover these amounts. The equivalent amounts are included in trade payable for HFO (note 28).

ii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group'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 Group's reputation. Typically, the Group ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash 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. Moreover, the Group seeks to maintain short term lines of credit with scheduled commercial banks to ensure payment of obligations in the event that there is insufficient cash to make the required payment. The requirement is determined in advance through cash flows projections and credit lines facilities with banks are negotiated accordingly.

It may be noted that the Group repaid its liabilities in financial year 2021-22 on due dates. Rest of the financial liabilities are expected to be repaid in due time which are expected to be financed from operational cash flow. The following are the contractual maturities of financial liabilities of the Group:

Figures in BDT

Particulars	Notes	Carrying amount	Contractual cash flows					
			Total	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
30 June 2022								
<i>Non-derivative financial liabilities</i>								
Redeemable preference shares	24	1,707,132,622	1,722,626,660	-	439,375,553	439,375,553	843,875,554	-
Loans and borrowings	25	27,736,264,618	28,158,784,511	8,775,885,833	1,434,925,705	2,544,237,610	8,170,380,282	7,233,355,080
Gratuity fund	26.1	263,635,082	263,635,082	-	-	-	263,635,082	-
Liability for assets retirement obligation	26.2	81,858,930	81,858,930	-	-	20,731,498	61,127,432	-
Lease liability	26.3	12,646,614	13,799,166	2,567,500	2,567,500	4,078,750	4,585,416	-
Unclaimed dividends	27	100,009,164	100,009,164	100,009,164	-	-	-	-
Trade payables	28	22,765,503,540	22,765,503,540	22,765,503,540	-	-	-	-
Other payables and accruals	29	515,311,939	515,311,939	-	515,311,939	-	-	-
Intercompany payables	30	254,149,040	254,149,040	-	254,149,040	-	-	-
		53,436,511,549	53,875,678,032	31,643,966,037	2,646,329,737	3,008,423,411	9,343,603,767	7,233,355,080
<i>Derivative financial liabilities</i>								
Derivative financial instrument	26.4	(297,126,145)	(297,126,145)	-	-	(965,590)	-	(296,160,555)
		(297,126,145)	(297,126,145)	-	-	(965,590)	-	(296,160,555)
		53,139,385,404	53,578,551,887	31,643,966,037	2,646,329,737	3,007,457,821	9,343,603,767	6,937,194,525

Particulars	Notes	Carrying amount	Contractual cash flows					
			Total	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
30 June 2021								
<i>Non-derivative financial liabilities</i>								
Redeemable preference shares	24	2,015,150,641	2,027,500,000	297,500,000	320,000,000	595,000,000	815,000,000	-
Loans and borrowings	25	21,618,762,538	22,089,747,939	3,511,883,885	935,882,197	2,212,435,080	7,210,236,759	8,219,310,018
Gratuity fund	26.1	243,304,748	243,304,748	-	-	-	243,304,748	-
Liability for assets retirement obligation	26.2	77,525,268	77,525,268	-	-	-	-	77,525,268
Lease liability	26.3	16,981,712	18,934,167	2,567,500	2,567,500	5,135,000	8,664,167	-
Unclaimed dividends	27	174,788,370	174,788,370	174,788,370	-	-	-	-
Trade payables	28	6,926,788,859	6,926,788,859	6,926,788,859	-	-	-	-
Other payables and accruals	29	464,282,281	464,282,281	-	464,282,281	-	-	-
Intercompany payables	30	154,306,610	154,306,610	-	154,306,610	-	-	-
		31,691,891,027	32,177,178,242	10,913,528,614	1,877,038,588	2,812,570,080	8,277,205,674	8,296,835,286
<i>Derivative financial liabilities</i>								
Derivative financial instrument	26.4	663,823,817	663,823,817	-	-	-	205,821,312	458,002,505
		663,823,817	663,823,817	-	-	-	205,821,312	458,002,505
		32,355,714,844	32,841,002,059	10,913,528,614	1,877,038,588	2,812,570,080	8,483,026,986	8,754,837,791

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Notes to the financial statements

iii) Market risk

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

a) Currency risk

SPL, the parent company of the Group, is exposed to currency risk on purchases of spare parts and capital machinery that are denominated in a currency other than the functional currency, primarily the United State Dollar (USD) and EURO. For SBPL, SNPUIIL, AAPL and SGIPL, foreign currency transactions are denominated mainly in Bangladesh Taka (BDT) and EURO. The Group has not entered into any type of derivatives instrument in order to hedge foreign currency risk as at 30 June 2022.

i) Exposure to currency risk

The Group's exposure to foreign currency risk arising from foreign currency denominated assets/(liabilities), of the entities whose functional currency is BDT, was as follows:

Figures in BDT

Particulars	Currency	30 June 2022	30 June 2021
Foreign currency denominated assets			
Trade receivables	USD	205,883,506	347,883,773
		205,883,506	347,883,773
Foreign currency denominated liabilities			
		-	-
Net exposure - assets/(liabilities) (A)		205,883,506	347,883,773

The Group's exposure to foreign currency risk arising from foreign currency denominated assets/(liabilities), of the entities whose functional currency is USD, was as follows:

Particulars	Currency	30 June 2022	30 June 2021
Foreign currency denominated assets			
Trade receivables	BDT	24,108,864,825	7,412,153,629
Other receivables	BDT	10,245,097	59,777,986
Deposit	BDT	13,752,333	1,851,786
Cash at bank	BDT	2,151,408,920	4,195,204,359
		26,284,271,175	11,668,987,760
Foreign currency denominated liabilities			
Redeemable preference shares	BDT	1,707,132,622	2,015,150,641
Trade payables	BDT	20,676,437,669	5,693,245,159
Other payables and accruals	BDT	334,530,374	366,766,557
Intercompany payables	BDT	253,518,433	4,227,388
		22,971,619,098	8,079,389,745
Net exposure - assets/(liabilities) (B)		3,312,652,077	3,589,598,015
Total net exposure - assets/(liabilities) (A+B)		3,518,535,583	3,937,481,788

ii) Foreign exchange rate sensitivity analysis for foreign currency expenditures

A reasonably possible change of 3% in foreign currencies at 30 June 2022 and 30 June 2021 would have increased/ (decreased) equity and profit or loss of the Group by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	Profit/(loss)		Equity	
	Strengthening	Weakening	Strengthening	Weakening
30 June 2022				
3% movement	105,556,067	(105,556,067)	105,556,067	(105,556,067)
Exchange rate sensitivity	105,556,067	(105,556,067)	105,556,067	(105,556,067)
30 June 2021				
3% movement	118,124,454	(118,124,454)	118,124,454	(118,124,454)
Exchange rate sensitivity	118,124,454	(118,124,454)	118,124,454	(118,124,454)

The following significant exchange rates are applicable:

	2022		2021	
	Average rate	Closing rate	Average rate	Closing rate
USD	86.2631	93.4491	84.8063	84.8550
EURO	97.3209	98.0418	93.6480	95.1927

b) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. Local loans are not significantly affected by fluctuations in interest rates, as they are secured in fixed rates. Foreign loans and borrowings are affected by fluctuations in floating interest rates. However, such exposures to floating interest rates are adequately mitigated by way of entering interest rate swaps. See Note 26.4.

The interest rate profile of the Group's interest-bearing financial instruments is as follows:

Particulars	Figures in BDT	
	30 June 2022	30 June 2021
Fixed rate instruments		
<i>Financial assets</i>		
Fixed deposit receipts	3,277,576,514	6,817,623,232
<i>Financial liabilities</i>		
Redeemable preference shares	-	(2,015,150,641)
Loans and borrowings	(15,067,547,227)	(2,599,780,786)
	(11,789,970,713)	2,202,691,805
Variable rate instruments		
<i>Financial assets</i>		
	-	-
<i>Financial liabilities</i>		
Redeemable preference shares	(1,707,132,622)	-
Loans and borrowings	(12,668,717,391)	(19,018,981,752)
Effect of interest rate swaps	12,688,511,585	12,406,117,079
	(1,687,338,428)	(6,612,864,673)

Notes to the financial statements

41 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

42 Leases*Leases as lessee*

Non-cancellable lease rentals are payable as follows:

Particulars	30 June 2022	30 June 2021
Within six months	2,567,500	2,567,500
Between six and twelve months	2,567,500	2,567,500
Between one and two years	4,078,750	5,135,000
Between two and five years	4,585,416	8,664,167
	13,799,166	18,934,167

The Group leases land from BREB for a period of 17 years, with an option to renew the lease after that date. Since 1 July 2019, the Group accounts for the transactions regarding leased land in accordance with IFRS 16 Leases.

43 Commitments**43.1 Commitment of capital expenditure**

The Group had no commitments of capital expenditure at 30 June 2022.

43.2 Other commitments

The Group had the following letters of credit (LC) in hand at 30 June 2022.

LC number	Currency Type	Invoice Value	Commitment value (in BDT)
222822012284	EUR	371,527.55	36,425,230
308522011197	EUR	139,711.72	13,697,589
308522011395	EUR	131,887.80	181,545
411011568637	USD	13,800.00	308,195
411011647553	EUR	454,323.35	241,771

44 Contingent liability

Contingent liability represents amounts in relation to issue of construction bond, operation bond, insurance bond and bank guarantee by third parties as listed below:

Figures in BDT

Particulars	Expiry date	Currency	30 June 2022	30 June 2021
Operation Security Deposits				
<i>Bangladesh Rural Electrification Board</i>				
Ashulia Power Plant (Unit-2)	10.12.2022	USD	67,080,000	66,261,000
Madhabdi Power Plant (Unit-2)	06.02.2022	USD	-	47,572,000
Chandina Power Plant (Unit-2)	06.02.2022	USD	-	27,184,000
Rupganj Power Plant	05.08.2023	BDT	39,368,234	39,368,234
Maona Power Plant	05.08.2023	BDT	39,368,234	39,368,234
Ullapara Power Plant	05.08.2023	BDT	13,867,126	13,867,126
<i>Bangladesh Power Development Board</i>				
Jangalia Power Plant	05.08.2023	BDT	39,368,234	39,368,234
Kodda Power Plant (Unit-1)	23.09.2023	BDT	160,000,000	160,000,000
Kodda Power Plant (Unit-2)	09.05.2023	BDT	520,000,000	520,000,000
Bank Guarantee				
<i>Titas Gas Transmission & Distribution Company Limited</i>				
Rupganj Power Plant	24.01.2024	BDT	26,690,849	26,690,849
Rupganj Power Plant	24.01.2024	BDT	3,218,046	3,218,046
Maona Power Plant	24.01.2024	BDT	26,690,849	26,690,849
<i>Bakhrabad Gas Distribution Company Limited</i>				
Jangalia Power Plant	24.01.2024	BDT	24,703,233	24,703,233
Jangalia Power Plant	03.03.2024	BDT	5,205,662	5,205,662
Jangalia Power Plant	24.01.2024	BDT	12,209,644	12,209,644
<i>Pashchimanchal Gas Company Limited</i>				
Ullapara Power Plant	05.01.2024	BDT	8,234,409	8,234,409
<i>Bangladesh Power Development Board</i>				
Rupatoli Power Plant	30.03.2023	BDT	200,000,000	200,000,000
Madanganj Power Plant (Unit-2)	30.03.2023	BDT	115,000,000	115,000,000
Stand-by Letter of Credit				
Rupatoli Power Plant	20.12.2022	USD	322,399,395	307,285,412
Madanganj Power Plant (Unit-2)	30.12.2022	USD	176,402,651	168,001,141
Kodda Power Plant (Unit-1)	30.09.2022	USD	432,101,817	418,335,150
Kodda Power Plant (Unit-1)	04.09.2021	BDT	-	467,370,068

45 Related party transactions

The Group/Company carried out a number of transactions with related parties in the normal course of business on arms length basis. The name of these related parties, nature of transactions and their total value have been set in accordance with the provisions of IAS 24: *Related party disclosures*.

- a) Transactions with key management personnel
Key management personnel compensation:

In accordance with IAS 24: *Related Party Disclosures*, key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly.

SUMMIT POWER LIMITED
Notes to the financial statements

The key management personnel compensation included as part of staff costs are as follows:

Particulars	Transaction value			
	Group		Company	
	FY 2022	FY 2021	FY 2022	FY 2021
Short-term employee benefits				
Directors' remuneration	98,098,711	87,327,372	75,389,806	65,603,642
Tax on directors remuneration	16,900,215	12,228,280	16,900,215	12,228,280
Board meeting attendance fees and expenses	6,858,540	6,904,589	2,765,976	2,951,078
Post-employment benefits (including CPF)				
	-	1,385,856	-	829,848

b) Other related party transactions

Particulars	Nature of transaction	Group				Company			
		Transaction value		Balance outstanding at		Transaction value		Balance outstanding at	
		FY 2022	FY 2021	30 June 2022	30 June 2021	FY 2022	FY 2021	30 June 2022	30 June 2021
Parent									
SCL	Building maintenance	13,838,026	12,442,385	4,611,187	7,188,893	4,958,974	4,234,193	4,611,187	7,188,893
	Financial support	280,496,005	1,446,601,933	(254,149,040)	(154,306,610)	2,210,202	1,440,577,350	(630,607)	(150,079,222)
	Dividend	4,627,586,156	1,626,788,333	-	-	2,361,775,241	1,349,585,852	-	-
Subsidiaries									
SBPL	Financial support	-	-	-	-	114,196,987	220,773,172	57,156,470	138,598,678
	Dividend	-	-	-	-	202,798,064	190,123,185	-	-
SNPUIIL	Financial support	-	-	-	-	180,890,160	158,012,235	135,567,467	84,761,876
	Dividend	-	-	-	-	62,352,500	76,208,610	-	-
SCPL	Financial support	-	-	-	-	34,741	-	-	-
AAPL	Financial support	-	-	-	-	548,638,286	360,539,411	391,868,809	304,112,886
	Dividend	-	-	-	-	100,945,565	-	-	-
SGIPL	Financial support	-	-	-	-	388,138,002	332,544,921	54,398,900	177,992,732
	Dividend	-	-	-	-	483,264,000	-	-	-
Related parties									
SOSCL	HFO purchase	38,861,729,225	24,401,549,641	(22,502,795,201)	(6,718,567,872)	1,850,729,429	2,830,756,863	(1,926,935,123)	(1,035,198,269)
	Tankage handling fee	113,748,769	112,655,989	(47,915,738)	(22,551,250)	8,927,488	26,746,454	(8,927,487)	-
	Financial support	9,642,774,880	7,820,169,262	7,685,346,673	2,476,400,430	9,642,774,880	7,820,169,262	7,685,346,673	2,476,400,430
Summit Holdings Limited	Lease rental	698,295	465,530	159,843	858,138	698,295	465,530	159,843	858,138
Cosmopolitan Communications Limited	Internet service provider	2,355,450	2,142,000	(610,060)	(262,500)	1,463,244	1,386,000	(365,811)	(115,500)
Others									
KPCL	Dividend	-	238,367,880	-	-	-	238,367,880	-	-
SMPCL	Dividend	210,000,000	180,000,000	-	-	210,000,000	180,000,000	-	-

46 Events after reporting date

The Board of Directors of the Company recommended a cash dividend amounting to BDT 2,135,754,478 being 20% of the paid-up capital (i.e. BDT 2 per share) for the year ended 30 June 2022 at its board meeting held on 14 September 2022. The dividend is subject to approval of the shareholders in the annual general meeting scheduled to be held on 31 October 2022.

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.

47 Other disclosures**47.1 Number of employees**

During the year ended 30 June 2022 there were 554 permanent employees in the Group (FY 2021: 581 permanent employees).

47.2 Significant non-cash transactions

The Group had no significant non-cash transaction in FY 2022.

47.3 Going concern

The Company and the Group 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 funds to meet the present requirements of its existing business.

47.4 Impact of Russia - Ukraine war in power sector

The Russian-Ukrainian conflict has brought about global economic uncertainty and volatility, in particular giving rise to energy supply shortages and significant price volatility. In addition, the Bangladesh Taka has undergone rapid devaluation.

Given the above conditions, the Bangladesh Government has for the time being reduced import of liquified natural gas and diesel and is thus focusing on procuring electricity from gas fired plants (by providing them locally sourced natural gas) and HFO fired power plants, such as those of Summit Power Limited and its subsidiaries. Management is closely monitoring these global and local factors and the impact it may have on electricity demand by the off-taker going forward.

48 Capacity

Name of plants	Licensed capacity (MW)	Average Plant factor (% on licensed)		Maximum Plant factor (% on licensed)		Energy sold (in MWH)	
		FY 2022	FY 2021	FY 2022	FY 2021	FY 2022	FY 2021
Ashulia Power Plant (Unit-1)	11	62	70	69	78	59,702	67,318
Ashulia Power Plant (Unit-2)	33.75	62	71	70	77	183,511	210,594
Madhabdi Power Plant (Unit-1)	11	67	71	78	78	64,699	68,595
Madhabdi Power Plant (Unit-2)	24.30	54	68	72	76	114,257	144,159
Chandina Power Plant (Unit-1)	11	71	71	80	79	67,958	68,393
Chandina Power Plant (Unit-2)	13.50	59	74	84	82	69,882	87,826
Rupganj Power Plant	33	86	91	97	98	248,037	262,059
Jangalia Power Plant	33	81	89	91	96	232,730	258,258
Maona Power Plant	33	88	84	96	97	253,300	242,700
Ullapara Power Plant	11	79	78	92	86	75,747	74,934
Madanganj Power Plant	102	13	39	10	79	118,485	353,336
Rupatoli Power Plant	110	7	23	28	43	62,792	218,609
Madanganj Power Plant (Unit-2)	55	60	54	88	85	288,604	259,502
Kodda Power Plant (Unit-1)	149	62	61	88	88	809,133	791,750
Kodda Power Plant (Unit-2)	300	54	49	83	82	1,421,077	1,280,253

49 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

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

A	Basis of consolidated and separate financial statements
B	Property, plant and equipment
C	Intangible assets
D	Leased assets
E	Inventories
F	Provisions
G	Contingencies
H	Employee benefits
I	Taxation
J	Revenue
K	Other asset
L	Finance income and expenses
M	Foreign currencies
N	Financial instruments
O	Impairment
P	Earnings per share (EPS)
Q	Share capital
R	Dividend
S	Transaction with related parties
T	Statement of cash flows
U	Comparatives and rearrangement
V	Materiality and aggregation
W	Events after the reporting period

A Basis of consolidated and separate financial statements**i) Subsidiaries**

Subsidiaries are entities controlled by the Group. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

Name of Subsidiaries	% of controlling interest	% of non-controlling interest
Summit Barisal Power Limited	49	51
Summit Narayananj Power Unit II Limited	49	51
Summit Chittagong Power Limited	49	51
Ace Alliance Power Limited	64	36
Summit Gazipur II Power Limited	20	80

Summit Power Limited ("SPL") holds 49% shares in each of Summit Barisal Power Limited ("SBPL"), Summit Narayananj Power Unit II Limited ("SNPUILL") and Summit Chittagong Power Limited ("SCPL") and 20% shares in Summit Gazipur II Power Limited ("SGIPL"). However, according to control procedures outlined in IFRS 10: *Consolidated Financial Statements*, SBPL, SNPUILL, SCPL and SGIPL are under the control of SPL because SPL directly manages the activities/operations of those entities since their commercial operation date (COD) through common corporate management and thus it has the power over these four entities and has established both exposure and rights to significantly affect returns of the investee companies. Therefore, on this ground SPL treats these entities as its subsidiaries and consolidates these entities financial statements to its financial statements. SPL also holds 64% shares in Ace Alliance Power Limited.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

ii) Transactions eliminated on consolidation

The financial statements of the subsidiaries have been consolidated with those of Summit Power Limited in accordance with IFRS 10: *Consolidated Financial Statements*. Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees (that means in any company wherein Summit Power Limited has made investments, if any) are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment. However, on 30 June 2022, the Company has no such investments.

iii) Disclosure of interests in other entities

As a result of IFRS 12: *Disclosure of Interests in Other Entities*, the Group has extended its disclosures about its interests in subsidiaries and equity-accounted investees.

iv) Business combination of subsidiaries with the Group entity

When any of the subsidiaries of Summit Power Limited is amalgamated with the Group entity, this implies that the amalgamating company is ultimately controlled by the same party (i.e. SPL) both before and after the amalgamation. According to IFRS 3: *Business Combinations*, this is a common control transaction where control is not transitory. IFRS is silent in case of common control transaction. Therefore, in such cases, all assets and liabilities from the amalgamating company are transferred to the books of the Group entity applying book value (carry-over basis) accounting instead of fair value under acquisition accounting approach as described in IFRS 3. Any difference between the consideration paid and interest acquired is recognised directly in equity.

B Property, plant and equipment**i) Recognition and measurement**

According to IAS 16: *Property, Plant and Equipment*, items of property, plant and equipment, excluding freehold land, freehold building and leasehold building, 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.

Part of an item of property, plant and equipment having different useful lives, are accounted for as separate items (major components) of property, plant and equipment.

(ii) Subsequent costs

The cost of replacing or upgrading 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 Group/Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit or loss and other comprehensive income as incurred.

iii) Borrowing cost

Finance costs that are directly attributable to the construction of plants are included in the cost of those plants in compliance with IAS 23: *Borrowing Costs*. Capitalisation of borrowing costs ceases upon receipt of independent engineers' report which, in accordance with Power Purchase Agreement, confirms the availability of plants for use.

iv) Revaluation of land and plant and machinery

The Company has revalued the plant and machinery, civil works and land of their own units on various dates. The Group/Company transfers the excess depreciation on revalued assets to retained earnings.

v) Depreciation

Depreciation is recognised in the statement of profit or loss and other comprehensive income on a straight-line basis over the estimated useful lives of each item of property, plant and equipment including leased assets except land and land developments. Land and land developments and capital work-in progress are not depreciated.

Plant and machinery are depreciated from the month in which the asset comes into use or is capitalised other than revalued plant and machinery which are depreciated from the calendar year following the year of revaluation. Other items of property, plant and equipment continue to be depreciated from the month immediately following the month on which the asset comes into use or is capitalised. In case of disposals, depreciation is charged for full month in the month of disposal.

Depreciation of power plant has been charged considering 20 to 30 years useful life and residual value of 2% of original cost, on straight line basis on the ground that management intends to continue with operation after completion of 5 to 15 years as stated in the initial Power Purchase Agreement (PPA). According to PPA, this initial 15-year term can be extended upon mutual agreement between the Group/Company and the Government of Bangladesh. Management has decided to exercise this option unless it would clearly be not in the interest of the Group/Company at that stage.

The estimated useful lives of property, plant and equipment as determined have been shown below:

In Years	2021-22	2020-21
Furniture and fixtures	10	10
Office and electrical equipment	5	5
Office decoration	5	5
Motor vehicles	5	5
Maintenance equipment	5	5
Civil works and others	5	5
Plant and machinery	20 to 30	20 to 30
Spare parts	2 to 30	2 to 30

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

vi) Retirements and disposals

An item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Gains or losses arising from the retirement or disposal of an item of property, plant and equipment 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 under other income in statement of profit or loss and other comprehensive income.

vii) Asset retirement obligations

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

viii) Capital work in progress

Capital work in progress consists of acquisition costs, capital components and related installation cost until the date when the asset is ready to use for its intended purpose. In case of import of components, capital work in progress is recognised when risks and rewards associated with such assets are transferred to the Group/Company.

ix) Spare parts

Spare parts consist of critical and capital spare parts. Critical and capital spare parts are those which are used particularly for scheduled and unscheduled maintenance and overhauling. These are depreciated over their estimated useful lives. When an item of spare parts is used, the cost and accumulated depreciation up to the date of use of that item is transferred to the class of plant and machinery from the class of spare parts - stock in hand.

C Intangible assets

i) Recognition and measurement

Intangible assets that are acquired by the Group/Company and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment loss, if any. Intangible assets are recognised when all the conditions for recognition as per IAS 38: *Intangible Assets* are met. The cost of an intangible asset comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use.

ii) Subsequent costs

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in the statement of profit or loss and other comprehensive income as incurred.

iii) Amortisation

Software and brand are amortised over 5 years and 30 years respectively from the month immediately following the month in which the asset comes into use or is capitalised. In case of disposals, amortisation is charged for full month in the month of disposal. The brand represents a payment made by the Summit Power Limited in 2008 to Summit Corporation Limited to use name and other intellectual properties of Summit Corporation Limited.

D Leased assets**Group/Company as lessor****Power Purchase Agreements**

The Group/Company adopted IFRS 16: *Leases*, which prescribed that the determination of whether an arrangement is or contains a lease shall be based on the substance of the arrangement. It requires an assessment of whether the fulfillment of the arrangement is dependent on the use of specific asset and whether the arrangement conveys a right to use such assets. An arrangement that contains a lease is accounted for as a finance lease or an operating lease.

The operating lease income is recognised over the term of the lease on a straight-line basis.

Group/Company as lessee

The Group/Company adopted IFRS 16: *Leases*, which prescribed the present value of minimum lease payments to be recognised as an asset (Right-of-use asset) and a corresponding lease liability.

i) Recognition and measurement

Leases have been recognised as assets and liabilities in the statement of financial position at amounts equal at the inception of lease to the present value of minimum lease payments. The interest implicit in the lease has been spread equally over the lease term.

ii) Depreciation

Leases give rise to depreciation expense for a depreciable leased asset as well as a finance expense for each reporting period. The depreciation policy for depreciable leased assets is consistent with that for depreciable assets which are owned.

E Inventories

Inventories include consumable-others, lubricant oil, chemicals and general consumables. These are for use in the operation and maintenance of power plants. Inventories are measured at lower of cost and net realisable value less allowance for obsolescence. Cost is calculated on First In First Out (FIFO) basis.

F Provisions

A provision is recognised on the date of statement of financial position if, as a result of past events, the Group/Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits are required to settle the obligation, the provision is reversed.

G Contingencies**i) Contingent liability**

Contingent liability is a possible obligation that arises from past events, the existence of which can be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group/Company.

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, the existence of which can be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group/Company.

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 Employee benefits

The Group/Company maintains both defined benefit plan (gratuity and leave encashment) and defined contribution plan (Contributory Provident Fund) plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective employee benefit policies.

i) Defined benefit plan (gratuity)

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company/Group's net obligation in respect of defined benefit gratuity plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets are deducted. The Group/Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability (asset).

The discount rate is the yield at the reporting date on that have maturity dates approximating the terms of the Group/Company's obligations and that are denominated in the currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group/Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements that apply to any plan in the Group/Company. An economic benefit is available to the Group/Company if it is realisable during the life of the plan, or on settlement of the plan liabilities.

Remeasurements of the net defined benefit liability comprise actuarial gains and losses. The Group/Company recognises them immediately in other comprehensive income and all expenses related to defined benefit plans in employee benefits expense in profit or loss.

When the benefits of a plan are changed, or when a plan is curtailed, the portion of the changed benefit related to past service by employees or the gain or loss on curtailment, is recognised immediately in profit or loss when the plan amendment or curtailment occurs.

The Group/Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs. The gain or loss on settlement is the difference between the present value of the defined benefit obligation being settled as determined on the date of settlement and the settlement price, including any plan assets transferred and any payments made directly by the Group/Company in connection with the settlement.

Summit Power Limited centrally operates Gratuity Fund on behalf of all the subsidiaries under the Group. Subsidiaries transfer the amount of provision to the Company at each reporting date. This fund is recognised by the National Board of Revenue and administered by the Board of Trustee.

ii) Defined benefit plan (leave encashment)

The Group/Company accrues annual leave for each permanent employee, if one does not avail the leave, at 1.5 times of basic salary. The upper limit is 20 days accrual per year per employee.

iii) Defined contribution plan (provident fund)

The Group/Company operates Contributory Provident Fund (CPF) for all its permanent employees, which is a defined contribution plan. The provident fund is administered by the Board of Trustee and is funded by contributions from employees and from the Group/Company at 10% of the basic pay. These contributions are invested separately from the Group's/Company's business. This fund is recognised by National Board of Revenue.

iv) Workers' Profit Participation Fund (WPPF)

According to Bangladesh Labour Act 2006 (amended in 2013) ("the Act") and Bangladesh Labour Rules 2015, any company that fulfills the prescribed criterion of this Act is required to set up a workers' profit participation and welfare fund. With effect from 1 January 2014 management of the Group/Company underwent an internal human resource restructuring exercise. The Group/Company employs only managers and all of their employees are part of the management authority entrusted with managerial responsibilities and all other services are outsourced. As such, the Group/Company does not have any "beneficiary" for the purpose of the Act and therefore no such fund is required to be created. This is supported by opinion obtained by the Group/Company from external legal counsel.

I Taxation

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except items recognised directly in equity or in other comprehensive income.

Notes to the financial statements

Qualifying power generation companies in the Group are given tax exemptions as per SROs for certain years beginning with the month of Commercial Date of Operation ("COD"). The summary of tax exemptions for the power plants operated in the Group are as below:

Entity	Name of the plant/facility	Location	Taxation status	Tax exemption period	Tax applicable period	Expiry of tax exemption period
Summit Power Limited	Ashulia Power Plant (Unit-1)	Savar	Applicable	15 years	5 years	31 Aug 2018
	Madhabdi Power Plant (Unit-1)	Narsingdi	Applicable	15 years	5 years	31 Aug 2018
	Chandina Power Plant (Unit-1)	Comilla	Applicable	15 years	5 years	31 Aug 2018
	Madhabdi Power Plant (Unit-2)	Narsingdi	Applicable	15 years	Under negotiation*	15 Dec 2021
	Chandina Power Plant (Unit-2)	Comilla	Applicable	15 years	Under negotiation*	14 Nov 2021
	Ashulia Power Plant (Unit-2)	Savar	Exempted	15 years	-	3 Dec 2022
	Rupganj Power Plant	Narayanganj	Exempted	15 years	-	24 Jun 2024
	Jangalia Power Plant	Comilla	Exempted	15 years	-	8 Jun 2024
	Maona Power Plant	Gazipur	Exempted	15 years	-	11 May 2024
	Ullapara Power Plant	Sirajganj	Exempted	15 years	-	2 Mar 2024
	Madanganj Power Plant	Narayanganj	Exempted	12 years	-	22 Mar 2024
	Summit Narayanganj Power Unit II Limited	Madanganj Power Plant (Unit-2)	Narayanganj	Exempted	15 years	-
Summit Barisal Power Limited	Barisal Power Plant	Barisal	Exempted	15 years	-	4 Apr 2031
Ace Alliance Power Limited	Kodda Power Plant (Unit-1)	Gazipur	Exempted	15 years	-	11 Jul 2033
Summit Gazipur II Power Limited	Gazipur Power Plant (Unit-2)	Gazipur	Exempted	15 years	-	9 May 2033

* Tax exemption period of 15 years was expired for Madhabdi Power Plant (Unit-2) and Chandina Power Plant (Unit-2) on 15 December 2021 and 14 November 2021 respectively. Therefore, from the financial year 2021-22, current tax provision are being recognised for these plants. Please see Note 1.4.

i) Current tax

Current tax is the expected tax payable on the taxable income for the period, using tax rates at the reporting date, and any adjustment to tax payable in respect of previous periods as per Income Tax Ordinance 1984.

According to SRO No. 211-Ain/Aykor/2013 dated 1 July 2013, as notified in the Official Gazette on the same day and followed by subsequent amendments by further SRO No. 354-Ain/2013 dated 18 November 2013 and SRO No. 246-Ain/2016 dated 26 July 2016, private sector power generation companies whose commercial operation commences on or before 31 December 2019 are exempted from taxes payable under Income Tax Ordinance 1984 on income earned from the business of generation of electricity for a period of 15 years from the date of commercial production.

ii) Deferred tax

Deferred tax is recognised in compliance with IAS 12: *Income Taxes*, providing temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised. 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.

As of 30 June 2022, many of the Group's power plants operated under tax exemption regime (as mentioned in Note 49!). The Group has examined the precedent of tax assessment completed of a power generation company for the year when its tax exemption ended, which shows accounting depreciation charge to be equal to the tax depreciation charge, implying that there were no temporary differences between accounting net book value and tax written down value of property, plant and equipment at that point in time. On this basis, in the preparation of these financial statements, the Group has not considered any deferred tax relating to property, plant and equipment relating to power plants that are still under tax exemption as at the reporting date.

J Revenue

Revenue is recognised in the statement of profit or loss and other comprehensive income, upon supply of electricity, quantum of which is determined by survey of meter reading. Revenue is measured at fair value of consideration received or receivable. Revenue under Power Purchase Agreement (PPA) comprise capacity component and energy component.

Capacity component

Capacity component is computed according to the terms set out in the PPA. Then, it is recognised in "Statement of profit or loss and other comprehensive income" on a straight-line basis over the term of the PPA, where the PPA is considered to be or to contain operating leases as IFRS 16: *Leases* clarifies the basis of computing the fixed element of revenue.

Energy component

Energy component includes Variable O&M and Fuel. These are calculated on the basis of electricity supplied multiplied by the factors as stated in PPA and recognised in "Statement of profit or loss and other comprehensive income".

K Other asset

Other asset comprises the difference between capacity revenue earned from customers (i.e. BREB and BPDB) and capacity revenue recognised in statement of profit or loss and other comprehensive income. The amount is recognised in statement of profit or loss and other comprehensive income on a straight-line basis over the term of the respective PPAs as per IFRS 16: *Leases*.

L Finance income and expenses

Finance income comprises interest income on funds invested. Interest income is recognised on accrual basis.

Finance expenses comprise interest expense on loans, overdraft and finance lease, dividend on redeemable preference shares and all types of bank charges. All borrowing costs are recognised in profit or loss using effective interest method except to the extent that they are capitalised during construction period of the plants in accordance with IAS 23: *Borrowing costs*.

M Foreign currencies**i. Foreign currency transactions and balances**

Transactions in foreign currencies are translated into the functional currency of the Group/Company at the rate ruling on the date of transaction. Foreign currency monetary assets and liabilities at the date of statement of financial position are retranslated to the functional currency using foreign exchange rates prevailing on that date. Non-monetary assets and liabilities in a foreign currency that are measured in terms of historical cost are translated using exchange rate at the date of transaction. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at exchange rates at the date the fair value was determined. Foreign currency differences arising from the settlement or from translation of monetary items are recognised in profit or loss.

ii) Translation of the financial statements into presentation currency (BDT) from the functional currency (USD)

- i. assets and liabilities for each item presented in the statement of financial position are translated using the rate prevailed at the reporting date (except the share capital and share money deposit which has been translated using the exchange rate at the date of transaction as the share capital, share money deposit is statutory figure denominated in BDT).
- ii. income and expenses for each item presented in the statement of profit or loss and other comprehensive income are translated using the average exchange rates during the period.
- iii. each item presented in the statement of cash flows are translated using the average exchange rates, except share capital and share money deposit which are translated using historical exchange rate.
- iv. all resulting exchange differences are recognised in other comprehensive income.

N Financial instruments

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

i Recognition and initial measurement

Trade receivables and debt securities issued are initially 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**a. 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 as 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;
- how the performance of the portfolio is evaluated and reported to the Company's management; the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets – Subsequent measurement and gains and losses

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 other investments – equity securities at FVOCI, trade receivables, other receivables, intercompany receivables, deposits and cash and cash equivalents except cash in hand.

Other investments – Equity securities at FVOCI

Financial assets classified under this class represent investments in equity securities that the Group/Company intends to hold for the long term and strategic purposes. These assets are recognised, classified and measured as per IFRS 9: *Financial Instruments* and presented in the financial statements as per IFRS 7: *Financial Instruments: Disclosures*. Subsequent to initial recognition, they are measured at fair value and changes therein, including impairment losses, are recognised in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognised, the gain or loss accumulated in equity is recognised in other comprehensive income.

Trade receivables

Trade receivables consists of unpaid bills receivable from Bangladesh Rural Electrification Board ("BREB") and Bangladesh Power Development Board ("BPDB"). Trade receivables are recognised initially at original invoice amount and subsequently measured at the remaining amount less allowances for doubtful receivables at the year-end, which is made at the discretion of management.

Other receivables

Other receivables are stated at amounts which are considered realisable.

Deposits

Deposits are measured at payment value.

Cash and cash equivalents

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

b. Financial liability

Financial liabilities are recognised initially on the transaction date at which the Group/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 redeemable preference shares, loans and borrowings, derivative financial instruments, trade payables, other payables and intercompany payables.

Redeemable preference shares

In accordance with IAS 32: *Financial Instruments: Presentation*, the substance of a financial instrument rather than its legal form governs its classification on the entity's financial statements. Accordingly, the redeemable preference shares which, in substance, meet the conditions of a financial liability, have been classified as liabilities in these financial statements. Periodic dividend paid to the holders of such shares are charged to profit or loss as finance expense.

Loans and borrowings

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

Derivative financial instruments and hedge accounting

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Group/Company holds derivative financial instruments to hedge its interest rate risk exposures and designates its derivatives as hedging instruments to hedge the variability in interest rates.

At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income (OCI) and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

Trade and other payables

Trade payables consist of unpaid bills payable to different parties for fuel (gas and HFO), lubricant consumption and plant maintenance services. Other payables consist of payable for general & administrative transactions. The Group/Company recognises a payable 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 benefits.

iii. Offsetting financial asset and financial liability

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group/Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

O Impairment**(i) Recognition**

Financial assets not carried at fair value through profit or loss and receivables are assessed at each reporting date to determine whether there is objective evidence that any particular asset is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

The carrying value of the non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of the asset or its cash generating unit exceeds its recoverable amount. Impairment losses, if any, are recognised in the statement of profit or loss and other comprehensive income.

(ii) Calculation of recoverable amount

The recoverable amount of asset is the greater of its net selling price or its value in use. The latter is determined by discounting the estimated future cash flows to a present value using a discount rate which reflects the current market assessment of the time value of money and risk specific to the asset. For an asset that does not generate significantly independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

(iii) Reversal of impairment

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

P Earnings per share (EPS)

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

Diluted EPS is determined by the adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the affects of all dilutive potential ordinary shares.

Q Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Paid up capital represents total amount contributed by the shareholders and bonus shares, if any, issued by the Company to the ordinary shareholders. Holders of ordinary shares are entitled to receive dividend as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

R Dividend

Final dividend distribution to the Company's/Group's shareholders are recognised as a liability in the financial statements in the period in which the dividend is approved by the Group's/Company's shareholders at the Annual General Meeting, while interim dividend distribution is recognised in the year/period in which the dividend is declared and approved by the Board of Directors.

The Group/Company has not considered any tax provision on its dividend income received from its power generation subsidiaries as these has been paid out from tax exempted power generation businesses. Any distribution received from tax exempted profit will be treated as tax free income on the hands of shareholders. This has been substantiated in the judgment of the Appellate Division of Honourable Supreme Court of Bangladesh in the reported case of Commissioner of Income Taxes vs. Masuda Khatun (1982) 34 DLR (AD) 85 and legal opinions from prominent legal counsels.

In line with the above principle, the Company has not withheld any income tax at source when distributing dividends to its immediate parent company.

S Transaction with related parties

The company carried out a number of transactions with related parties in the course of business and on arms length basis. Transaction with related parties has been appropriately recognized and disclosed in accordance with IAS 24: *Related Party Disclosures*.

T Statement of cash flows

Cash flows from operating activities have been presented under direct method as per IAS 7: *Statement of Cash Flows*.

U Comparatives and rearrangement

Comparative information has been disclosed for all numerical information in the financial statements and narrative and descriptive information when it is relevant to have better understanding of the financial statement for the current period. To facilitate comparison,

Notes to the financial statements

certain relevant balances pertaining to the previous year have been rearranged and reclassified, whenever necessary to conform to the current year's presentation.

V 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.

W Events after the reporting period

Amounts recognised in the financial statements are adjusted for events after the reporting period that provide evidence of conditions that existed at the end of the reporting period. No adjustment is given in the financial statements for events after the reporting period that are indicative of conditions that arose after the reporting period. Material non-adjusting events are disclosed in the financial statements.

50 Standards issued but not yet effective

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

The following new and amended standards are not expected to have a significant impact on the Company's financial statements:

- Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37).
- Deferred Tax related to Assets and Liabilities arising from Single Transaction (Amendments to IAS 12).
- COVID-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16).
- Annual Improvements to IFRS Standards 2018-2020.
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16).
- Reference to the Conceptual Framework (Amendments to IFRS 3).
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1).
- IFRS 17 *Insurance Contracts* and amendments to IFRS 17 *Insurance Contracts*.
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2).
- Definition of Accounting Estimates (Amendments to IAS 8).

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

51 Name of auditors of the Group companies

Name of the company	Status	Name of auditors
Summit Power Limited	Parent	Rahman Rahman Huq
Summit Barisal Power Limited	Subsidiary	A. Qasem & Co.
Summit Narayanganj Power Unit II Limited	Subsidiary	A. Qasem & Co.
Summit Chittagong Power Limited	Subsidiary	Mak & Co.
Ace Alliance Power Limited	Subsidiary	Rahman Rahman Huq
Summit Gazipur II Power Limited	Subsidiary	Rahman Rahman Huq
Summit Meghnaghat Power Company Limited	Associate	Rahman Rahman Huq

6.2.1 SUMMIT BARISAL POWER LIMITED

Directors' & Auditor's Report and
Brief Audited Financial Statements
as at and for the year ended 30 June 2022



Directors' Report on Subsidiary – SBPL

Dear Shareholders,

Assalamu Alaikum,

The Board of Directors of Summit Barisal Power Limited (SBPL) is pleased to submit before you the operational activities and audited financial statements of the Company for the year ended on 30th June 2022.

Operating Result of SBPL

Particulars	FY 2022	FY 2021
Revenue (Tk in Million)	2,127	3,049
Gross Profit (Tk in Million)	907	876
Profit after Income Tax (Tk in Million)	604	571
Total Assets (Tk in Million)	6,797	6,078
Shareholder's Equity (Tk in Million)	2,883	2,304
Total Liabilities (Tk in Million)	3,914	3,774
Net Profit Margin (in %)	28.41	18.72
Return on Assets (in %)	9.39	9.22
Return on Equity (in %)	23.31	26.42
Capacity Utilization (in %)	7	23
Electricity Sold (MWH)	62,792	218,609

Revenue, including a fully pass-through fuel (HFO) component, over last year has decreased by 30% due to less demand of electricity generation from National Load Dispatch Centre (NLDC). Taking into consideration the effect of fuel (HFO) cost, the gross profit has increased by 3.5% due to improved cost efficiency (O&M costs). Net profit has also increased by 5.9% over the last year because of reduction in interest expenses, net of interest income, along with the reasons stated earlier.

In implementing the Integrated Management System, the Company has adopted the Quality Policies, Environmental Policies and Occupational Health and Safety Policies. The Company has received "Best Power Generation Project Award 2016" in Private Sector Generation by the Government.

Business Activities

Summit Barisal Power Limited (SBPL) was incorporated as a Private Limited Company on 10th February 2011 as a private company limited by shares under the Companies Act 1994 with its registered office located at Summit Centre, 18 Kawran Bazar, Dhaka 1215, Bangladesh as Summit Saidpur Power Limited. On 18th November 2013 the name of Summit Saidpur Power Limited was changed to Summit Barisal Power Limited.

Since then Company is operating under the common management of the parent Company, Summit Power Limited. The Company started its commercial operation on 5th April 2016 in Rumatoli, Barisal of its 120 MW installed HFO fired power plant and is supplying generated electricity to the Bangladesh Power Development Board (BPDB) through the National Power Grid.

Auditor

A. Qasem & Co., Chartered Accountants, as statutory auditor of the Company has carried out the audit for the year ended on 30th June 2022.

Proposed Dividend

Your Board has recommended a 25% cash dividend of Tk 10 each on 103,468,400 ordinary shares for the financial year ended on 30th June 2022 for your consideration and approval, subject to clearance of lenders.

Thank you.

On behalf of the Board,

Lt Gen Engr Abdul Wadud (Retd)
Managing Director

Dhaka, 14 September 2022

Independent auditor's report

To the shareholders of Summit Barisal Power Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Summit Barisal Power Limited (the "Company"), which comprise the statement of financial position as at 30 June 2022, 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 the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Company give a true and fair view of the financial position of the Company as at 30 June 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the Companies Act, 1994 and other applicable laws and regulations.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's 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) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

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

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

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

Auditor's 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.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, 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.

Report on other legal and regulatory requirements

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

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns.

A. Qasem & Co.
Chartered Accountants
RJSC Firm Registration No: 2-PC7202



Mohammad Motaleb Hossain, FCA
Partner
Enrolment Number: 0950
DVC: 2209150950AS101419
Dhaka, 14 September 2022

SUMMIT BARISAL POWER LIMITED
STATEMENT OF FINANCIAL POSITION
As at 30 June 2022

Figures in BDT

Particulars	30 June 2022	30 June 2021
Property, plant and equipment	5,041,728,845	4,774,181,626
Intangible assets	1,945,896	2,356,513
Deferred tax asset	-	5,028,494
Other asset	(314,345,884)	(154,030,974)
Non-current assets	4,729,328,857	4,627,535,659
Inventories	87,892,761	71,681,556
Trade receivables	1,453,447,235	643,226,400
Other receivables	1,309,886	689,897
Advances, deposits and prepayments	33,545,143	29,989,577
Cash and cash equivalents	491,305,051	705,118,584
Current assets	2,067,500,076	1,450,706,014
Total assets	6,796,828,933	6,078,241,673
Equity		
Share capital	1,034,684,000	1,034,684,000
Hedging reserve	3,367,434	(128,633,365)
Currency Translation Reserve	268,184,154	10,529,497
Retained earnings	1,576,272,283	1,387,294,467
Total equity	2,882,507,871	2,303,874,599
Liabilities		
Redeemable preference share	224,754,131	237,811,563
Loans and borrowings	2,138,434,679	2,332,549,832
Deferred liabilities	(604,944)	129,296,798
Non-current liabilities	2,362,583,866	2,699,658,193
Redeemable preference share	111,438,110	98,406,165
Loans and borrowings	430,355,408	389,639,990
Trade payables	872,054,323	393,139,343
Other payables and accruals	64,958,208	54,845,483
Intercompany payables	72,931,147	138,677,900
Current liabilities	1,551,737,196	1,074,708,881
Total liabilities	3,914,321,062	3,774,367,074
Total equity and liabilities	6,796,828,933	6,078,241,673

Signed as per our report of same date.

A. Qasem & Co.
Chartered Accountants
Registration No: 2-PC7202



Mohammad Motaleb Hossain, FCA

Partner
Enrolment Number: 0950
DVC: 2209150950AS101419
Dhaka, 14 September 2022



Managing Director



Director



Company Secretary

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2022

Figures in BDT

Particulars	30 June 2022	30 June 2021
Revenue	2,127,353,640	3,049,113,938
Cost of sales	(1,220,594,067)	(2,172,893,812)
Gross profit	906,759,573	876,220,126
Other income	316,700	884,558
General and administrative expenses	(41,576,395)	(41,283,037)
Operating profit	865,499,878	835,821,647
Finance income/(cost), net	(254,203,329)	(271,575,197)
Profit before tax	611,296,549	564,246,450
Income tax expenses	(6,936,680)	6,407,512
Profit after income tax	604,359,869	570,653,962
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Actuarial gain/(loss) on gratuity valuation, net of tax	(1,508,453)	207,081
	(1,508,453)	207,081
Items that may be reclassified subsequently to profit or loss		
Change in fair value of derivative financial instruments	132,000,799	105,235,282
Foreign currency translation impact	257,654,657	255,383
	389,655,456	105,490,665
Other comprehensive income	388,147,003	105,697,746
Total comprehensive income	992,506,872	676,351,708

Signed as per our report of same date.

A. Qasem & Co.Chartered Accountants
Registration No: 2-PC7202


Mohammad Motaleb Hossain, FCA

Partner
Enrolment Number: 0950
DVC: 2209150950AS101419
Dhaka, 14 September 2022


Managing Director



Director



Company Secretary

SUMMIT BARISAL POWER LIMITED
STATEMENT OF CHANGES IN EQUITY
 For the year ended 30 June 2022

Figures in BDT

Particulars	Share capital	Hedging reserve	Currency translation reserve	Retained earnings	Total Equity
Balance at 1 July 2020	1,034,684,000	(233,868,647)	10,274,114	1,204,439,924	2,015,529,391
Comprehensive income					
Profit	-	-	-	570,653,962	570,653,962
Other comprehensive income	-	105,235,282	255,383	207,081	105,697,746
Total comprehensive income	-	105,235,282	255,383	570,861,043	676,351,708
Transaction with owners of the company					
Cash dividend	-	-	-	(388,006,500)	(388,006,500)
Total transactions with owners of the company	-	-	-	(388,006,500)	(388,006,500)
Balance at 30 June 2021	1,034,684,000	(128,633,365)	10,529,497	1,387,294,467	2,303,874,599
Balance at 1 July 2021	1,034,684,000	(128,633,365)	10,529,497	1,387,294,467	2,303,874,599
Comprehensive income					
Profit	-	-	-	604,359,869	604,359,869
Other comprehensive income	-	132,000,799	257,654,657	(1,508,453)	388,147,003
Total comprehensive income	-	132,000,799	257,654,657	602,851,416	992,506,872
Transaction with owners of the company					
Cash dividend	-	-	-	(413,873,600)	(413,873,600)
Total transactions with owners of the company	-	-	-	(413,873,600)	(413,873,600)
Balance at 30 June 2022	1,034,684,000	3,367,434	268,184,154	1,576,272,283	2,882,507,871

SUMMIT BARISAL POWER LIMITED
STATEMENT OF CASH FLOWS
For the year ended 30 June 2022

Figures in BDT

Particulars	30 June 2022	30 June 2021
Cash flows from operating activities		
Receipts from customers	1,549,136,572	3,236,945,686
Payment to employees, suppliers and service-providers	(661,479,017)	(1,887,415,791)
Receipts from other sources	316,700	884,558
Income tax paid	(2,678,539)	(922,734)
Net cash from operating activities	885,295,716	1,349,491,719
Cash flows from investing activities		
Interest received	16,447,131	10,842,964
Acquisition of property, plant and equipment	(17,942,454)	(456,634)
Net cash from/(used in) investing activities	(1,495,323)	10,386,330
Cash flows from financing activities		
Interest paid	(234,273,267)	(262,795,609)
Dividend paid	(413,873,600)	(388,006,500)
Payment of transaction cost	(1,302,732)	-
Repayment of loan and borrowings	(405,436,570)	(398,589,590)
Proceeds from issue of redeemable preference share	340,000,000	-
Repayment of redeemable preference share	(340,000,000)	(100,000,000)
Proceeds from/ (Repayment to) financial support	(72,356,624)	(9,162,136)
Net cash used in financing activities	(1,127,242,793)	(1,158,553,835)
Net changes in cash and cash equivalents	(243,442,400)	201,324,215
Effects of currency translation	29,628,867	5,639,431
Opening cash and cash equivalents	705,118,584	498,154,938
Closing cash and cash equivalents	491,305,051	705,118,584

6.2.2 SUMMIT NARAYANGANJ POWER UNIT II LIMITED

Directors' & Auditor's Report and
Brief Audited Financial Statements
as at and for the year ended 30 June 2022



Directors' Report on Subsidiary – SNPUIIL

Dear Shareholders,

Assalamu Alaikum,

The Board of Directors of Summit Narayanganj Power Unit II Limited (SNPUIIL) is pleased to submit before you the operational activities and audited financial statements of the Company for the year ended on 30th June 2022.

Operating Result of SNPUIIL

Particulars	FY 2022	FY 2021
Revenue (Tk in Million)	4,873	2,942
Gross Profit (Tk in Million)	416	452
Profit after Income Tax (Tk in Million)	223	267
Total Assets (Tk in Million)	5,468	3,643
Shareholder's Equity (Tk in Million)	1,500	1,196
Total Liabilities (Tk in Million)	3,968	2,447
Net Profit Margin (in %)	4.57	9.08
Return on Assets (in %)	4.90	7.53
Return on Equity (in %)	16.54	24.07
Capacity Utilization (in %)	60	54
Electricity Sold (MWH)	288,604	259,502

Revenue, including a fully pass-through fuel (HFO) component, over last year has increased by 66% due to higher demand of electricity generation from National Load Dispatch Centre (NLDC) and also higher HFO price in the international market. In consideration of higher fuel (HFO) cost, the gross profit has decreased by 8% due to increase of O&M costs such as general consumable for doing pre-scheduled major maintenance and higher lubricant oil costs. Net profit has also decreased by 17% over last year because of the higher O&M costs.

Business Activities including its Operating Performance

Summit Narayanganj Power Unit II Limited (SNPUIIL) was incorporated as a Private Limited Company on 10th February 2011 as a Private Company limited by shares under Companies Act 1994 with its registered office located at Summit Centre, 18 Kawran Bazar, Dhaka 1215, Bangladesh as Summit Shantahar Power Limited. On 18th November 2013, the name of Summit Shantahar Power Limited was changed to Summit Narayanganj Power Unit II Limited. Since then Company is operating under the common management

of parent Company, Summit Power Limited. The Company started its commercial operation from 29th February 2016 in Madanganj, Narayanganj (55) MW HFO fired power plant and is supplying electricity generated to the Bangladesh Power Development Board (BPDB) through the National Power Grid.

Auditor

A. Qasem & Co., Chartered Accountants, as statutory auditor of the Company has carried out the audit for the year ended on 30th June 2022.

Proposed Dividend

Your Board has recommended a 15.00% cash dividend of Tk. 10 each on 56,555,555 ordinary shares for the financial year ended on 30th June 2022 for your consideration and approval, subject to clearance of lenders.

Thank you.

On behalf of the Board

Lt Gen Engr Abdul Wadud (Retd)
Managing Director

Dhaka, 14 September 2022

Independent auditor's report

To the shareholders of Summit Narayanganj Power Unit II Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Summit Narayanganj Power Unit II Limited (the "Company"), which comprise the statement of financial position as at 30 June 2022, 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 the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Company give a true and fair view of the financial position of the Company as at 30 June 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the Companies Act, 1994 and other applicable laws and regulations.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the auditor's 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) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis

of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's 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 judgment 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.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, 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.

Report on other legal and regulatory requirements

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

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books;
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns.

A. Qasem & Co.
Chartered Accountants
RJSC Firm Registration No: 2-PC7202



Mohammad Motaleb Hossain, FCA
Partner
Enrolment Number: 0950
DVC: 2209150950AS823882
Dhaka, 14 September 2022

SUMMIT NARAYANGANJ POWER UNIT II LIMITED
STATEMENT OF FINANCIAL POSITION
 As at 30 June 2022

Figures in BDT

Particulars	30 June 2022	30 June 2021
Assets		
Property, plant and equipment	2,930,422,223	2,755,422,222
Intangible assets	1,945,896	2,356,513
Deferred tax asset	-	3,171,000
Other asset	(146,761,064)	(68,855,621)
Non-current assets	2,785,607,055	2,692,094,114
Inventories	43,849,402	61,810,135
Trade receivables	2,428,161,229	622,837,195
Other receivables	-	213,889
Advances, deposits and prepayments	32,979,652	23,730,241
Cash and cash equivalents	177,007,767	242,372,085.00
Current assets	2,681,998,050	950,963,545
Total assets	5,467,605,105	3,643,057,659
Equity		
Share capital	565,555,550	565,555,550
Hedging reserve	1,989,658	(76,137,631)
Currency translation reserve	140,094,016	5,587,820
Retained earnings	792,347,365	701,065,974
Total equity	1,499,986,589	1,196,071,713
Liabilities		
Redeemable preference share	165,782,187	118,850,908
Loans and borrowings	1,285,837,150	1,372,897,496
Deferred liabilities	(360,646)	76,524,514
Non-current liabilities	1,451,258,691	1,568,272,918
Redeemable preference share	4,706,299	59,097,013
Loans and borrowings	226,105,774	204,624,700
Trade payables	2,087,526,701	486,109,465
Other payables and accruals	53,706,515	44,040,752
Intercompany payables	144,314,536	84,841,098
Current liabilities	2,516,359,825	878,713,028
Total liabilities	3,967,618,516	2,446,985,946
Total equity and liabilities	5,467,605,105	3,643,057,659

Signed as per our report of same date.

A. Qasem & Co.
 Chartered Accountants
 Registration No: 2-PC7202



Mohammad Motaleb Hossain, FCA

Partner
 Enrolment Number: 0950
 DVC: 2209150950AS823882
 Dhaka, 14 September 2022



Managing Director



Director



Company Secretary

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2022

Figures in BDT

Particulars	30 June 2022	30 June 2021
Revenue	4,872,545,652	2,941,958,658
Cost of sales	(4,456,090,018)	(2,490,207,886)
Gross profit	416,455,634	451,750,772
Other income	1,117,894	691,465
General and administrative expenses	(27,125,314)	(22,064,528)
Operating profit	390,448,214	430,377,709
Finance income/(cost), net	(164,711,170)	(166,144,671)
Profit before tax	225,737,044	264,233,038
Income tax expenses	(3,077,712)	2,997,653
Profit after income tax	222,659,332	267,230,691
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Actuarial gain/(loss) on gratuity valuation, net of tax	(4,127,942)	(993,429)
	(4,127,942)	(993,429)
Items that may be reclassified subsequently to profit or loss		
Change in fair value of derivative financial instruments	78,127,289	60,855,431
Foreign currency translation impact	134,506,196	147,320
	212,633,485	61,002,751
Other comprehensive income	208,505,543	60,009,322
Total comprehensive income	431,164,875	327,240,013

Signed as per our report of same date.

A. Qasem & Co.

Chartered Accountants
Registration No: 2-PC7202


Mohammad Motalab Hossain, FCA

Partner
Enrolment Number: 0950
DVC: 2209150950AS823882
Dhaka, 14 September 2022


Managing Director



Director



Company Secretary

SUMMIT NARAYANGANJ POWER UNIT II LIMITED
STATEMENT OF CHANGES IN EQUITY
 For the year ended 30 June 2022

Figures in BDT

Particulars	Share capital	Hedging reserve	Currency translation reserve	Retained earnings	Total Equity
Balance at 1 July 2020	565,555,550	(136,993,062)	5,440,500	590,356,488	1,024,359,476
Total comprehensive income					
Profit	-	-	-	267,230,691	267,230,691
Other comprehensive income	-	60,855,431	147,320	(993,429)	60,009,322
Total comprehensive income	-	60,855,431	147,320	266,237,262	327,240,013
Transactions with owners of the Company					
Dividend distribution	-	-	-	(155,527,776)	(155,527,776)
Total transactions with owners of the Company	-	-	-	(155,527,776)	(155,527,776)
Balance at 30 June 2021	565,555,550	(76,137,631)	5,587,820	701,065,974	1,196,071,713
Balance at 1 July 2021	565,555,550	(76,137,631)	5,587,820	701,065,974	1,196,071,713
Total comprehensive income					
Profit	-	-	-	222,659,332	222,659,332
Other comprehensive income	-	78,127,289	134,506,196	(4,127,942)	208,505,543
Total comprehensive income	-	78,127,289	134,506,196	218,531,390	431,164,875
Transactions with owners of the Company					
Dividend distribution	-	-	-	(127,249,999)	(127,249,999)
Total transactions with owners of the Company	-	-	-	(127,249,999)	(127,249,999)
Balance at 30 June 2022	565,555,550	1,989,658	140,094,016	792,347,365	1,499,986,589

STATEMENT OF CASH FLOWS

For the year ended 30 June 2022

Figures in BDT

Particulars	30 June 2022	30 June 2021
Cash flows from operating activities		
Receipts from customers	3,217,827,505	2,697,219,032
Payment to employees, suppliers and service-providers	(2,814,006,473)	(2,067,185,472)
Receipts from other sources	1,117,894	691,465
Income tax paid	(2,028,957)	(3,162,153)
Net cash from operating activities	402,909,969	627,562,872
Cash flows from investing activities		
Interest received	4,583,181	3,239,420
Acquisition of property, plant and equipment	(31,359,474)	(49,014,775)
Net cash from/(used in) investing activities	(26,776,293)	(45,775,355)
Cash flows from financing activities		
Interest paid	(153,757,998)	(153,869,087)
Dividend paid	(127,249,999)	(155,527,776)
Payment of transaction cost	(769,699)	-
Repayment of loan and borrowings	(214,589,382)	(210,962,879)
Proceeds from issue of redeemable preference share	172,626,660	-
Repayment of redeemable preference shares	(180,000,000)	(60,000,000)
Proceeds from/ (Repayment to) financial support	54,103,754	(3,221,328)
Net cash from/(used in) financing activities	(449,636,664)	(583,581,070)
Net changes in cash and cash equivalents	(73,502,988)	(1,793,553)
Effects of currency translation	8,138,670	5,845,857
Opening cash and cash equivalents	242,372,085	238,319,781
Closing cash and cash equivalents	177,007,767	242,372,085

6.2.3 SUMMIT GAZIPUR II POWER LIMITED

Directors' & Auditor's Report and
Brief Audited Financial Statements
as at and for the year ended 30 June 2022



Directors' Report on Subsidiary – SGIPL

Dear Shareholders,

Assalamu Alaikum,

The Board of Directors of Summit Gazipur II Power Limited (SGIPL) is pleased to submit before you the operational activities and audited financial statements of the Company for the year ended on 30th June 2022.

Operating Result of SGIPL

Particulars	FY 2022	FY 2021
Revenue (Tk in Million)	24,833	15,053
Gross Profit (Tk in Million)	3,372	3,383
Profit after Income Tax (Tk in Million)	2,435	2,688
Total Assets (Tk in Million)	33,229	22,028
Shareholder's Equity (Tk in Million)	9,906	8,727
Total Liabilities (Tk in Million)	23,323	13,301
Net Profit Margin (in %)	9.80	17.86
Return on Assets (in %)	8.81	12.00
Return on Equity (in %)	26.13	31.00
Capacity Utilization (in %)	54	49
Electricity Sold (MWH)	1,421,077	1,280,253

Revenue, including a fully pass-through fuel (HFO) component, over last year has increased by 65% due to higher demand of electricity generation from National Load Dispatch Centre (NLDC) and also higher HFO price in the international market. Taking into consideration the effect of fuel (HFO) cost, however, the gross profit has been almost the same as last year due to the incremental variable component of revenue being absorbed by the incremental variable costs. On the other hand, the increased interest expense in the form of long term loan and local bank loan facilitating advance to HFO supplier and foreign exchange loss have resulted in 9% decrease in the net profit after tax in comparison to last year.

Summit Gazipur II Power Limited was awarded the Silver Award at Asian Power Awards 2018 in Indonesia for Fast-Track Power Plant of the year for construction-to-power generation of 300 MW power plant in only nine months.

Business Activities including its Operating Performance

Summit Gazipur II Power Limited (SGIPL) was incorporated as a Private Limited Company on 3rd July 2017 under the Companies Act 1994. The address of the Company's registered office is at Summit Centre, 18 Kawran Bazar, Dhaka 1215. The Company started its commercial operation from

10th May 2018 in Kodda, Gazipur of its 300 MW HFO Fired power plant and is supplying generated electricity to the Bangladesh Power Development Board (BPDB) through the National Power Grid.

Auditor

Rahman Rahman Huq, Chartered Accountants, as statutory auditors of the Company has carried out the audit for the period ended on 30th June 2022.

Proposed Dividend

Your Board has recommended a 40% cash dividend of Tk 10 each on 335,600,000 ordinary shares for the financial year ended on 30th June 2022 for your consideration and approval, subject to clearance of the lenders.

Thank you.

On behalf of the Board



Engr Md Mozammel Hossain
Managing Director
Dhaka, 14 September 2022

Independent auditor's report

to the shareholders of Summit Gazipur II Power Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Summit Gazipur II Power Limited ("the Company"), which comprise the statement of financial position as at 30 June 2022, 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 the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 June 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirement 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

Auditor's 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 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 judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit

procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

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

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.



Adeeb H. Khan, Senior Partner, Enrolment Number: 652
Rahman Rahman Huq, Chartered Accountants
Firm Registration Number: [N/A]
Dhaka, 14 September 2022
DVC: 2209140652AS427455

SUMMIT GAZIPUR II POWER LIMITED
STATEMENT OF FINANCIAL POSITION

Figures in BDT

Particulars	As at 30 June 2022	As at 30 June 2021
Assets		
Property, plant and equipment	15,273,704,378	13,602,760,110
Intangible asset	1,945,896	2,356,513
Deferred tax asset	-	6,150,000
Other asset	2,710,472,006	1,891,123,514
Non-current assets	17,986,122,280	15,502,390,137
Inventories	107,457,439	93,675,637
Trade receivables	13,486,578,269	3,081,708,408
Other receivables	8,935,211	47,503,549
Advances, deposits and prepayments	113,222,841	100,989,346
Cash and cash equivalents	1,526,294,425	3,201,518,414
Current assets	15,242,488,185	6,525,395,354
Total assets	33,228,610,465	22,027,785,491
Equity		
Share capital	3,356,000,000	3,356,000,000
Hedging reserve	253,789,661	(16,192,140)
Currency translation reserve	1,027,520,627	134,031,520
Retained earnings	5,268,364,781	5,252,685,708
Total equity	9,905,675,069	8,726,525,088
Liabilities		
Redeemable preference shares	540,328,405	677,514,791
Loans and borrowings	9,835,556,341	9,052,315,927
Derivative financial instrument	(274,629,857)	16,201,437
Non-current liabilities	10,101,254,889	9,746,032,155
Redeemable preference shares	134,237,972	158,774,094
Loans and borrowings	1,088,041,000	859,711,060
Trade payables	11,582,238,423	2,177,517,238
Other payables and accruals	148,916,202	177,703,402
Intercompany payables	268,246,910	181,522,454
Current liabilities	13,221,680,507	3,555,228,248
Total liabilities	23,322,935,396	13,301,260,403
Total equity and liabilities	33,228,610,465	22,027,785,491



Managing Director



Director



Company Secretary

As per our report of same date.



Auditor

Adeeb H. Khan, Senior Partner, Enrolment Number: 652
Rahman Rahman Huq, Chartered Accountants
KPMG in Bangladesh
Firm Registration Number: [N/A]
DVC: 2209140652AS427455

Dhaka, 14 September 2022

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Figures in BDT

Particulars	For the year ended	
	30 June 2022	30 June 2021
Revenue	24,832,772,861	15,053,048,059
Cost of sales	(21,460,504,051)	(11,670,198,850)
Gross profit	3,372,268,810	3,382,849,209
Other income	5,503,000	4,962,627
General and administrative expenses	(103,225,588)	(92,520,032)
Operating profit	3,274,546,222	3,295,291,804
Finance income/(expense), net	(805,757,964)	(584,218,549)
Profit before tax	2,468,788,258	2,711,073,255
Income tax expense	(34,287,215)	(23,105,770)
Profit after income tax	2,434,501,043	2,687,967,485
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Actuarial gain/(loss) on gratuity valuation, net of tax	(2,501,970)	(3,849,190)
	(2,501,970)	(3,849,190)
Items that may be reclassified subsequently to profit or loss		
Change in fair value of financial derivative instruments	269,981,801	(16,192,140)
Foreign currency translation impact	893,489,107	1,888,951
	1,163,470,908	(14,303,189)
Total other comprehensive income	1,160,968,938	(18,152,379)
Total comprehensive income	3,595,469,981	2,669,815,106



Managing Director




Director



Company Secretary

As per our report of same date.



Auditor

Adeeb H. Khan, Senior Partner, Enrolment Number: 652
Rahman Rahman Huq, Chartered Accountants
KPMG in Bangladesh
Firm Registration Number: [N/A]
DVC: 2209140652AS427455

Dhaka, 14 September 2022

SUMMIT GAZIPUR II POWER LIMITED
STATEMENT OF CHANGES IN EQUITY

Figures in BDT

Particulars	For the year ended 30 June 2022				
	Share capital	Hedging reserve	Currency translation reserve	Retained earnings	Total equity
Balance at 1 July 2020	3,356,000,000	-	132,142,569	2,568,567,413	6,056,709,982
Total comprehensive income					
Profit	-	-	-	2,687,967,485	2,687,967,485
Other comprehensive income	-	(16,192,140)	1,888,951	(3,849,190)	(18,152,379)
Total comprehensive income	-	(16,192,140)	1,888,951	2,684,118,295	2,669,815,106
Transactions with owners of the Company					
Dividend distribution	-	-	-	-	-
Total transactions with owners of the Company	-	-	-	-	-
Balance at 30 June 2021	3,356,000,000	(16,192,140)	134,031,520	5,252,685,708	8,726,525,088
Balance at 1 July 2021	3,356,000,000	(16,192,140)	134,031,520	5,252,685,708	8,726,525,088
Total comprehensive income					
Profit	-	-	-	2,434,501,043	2,434,501,043
Other comprehensive income	-	269,981,801	893,489,107	(2,501,970)	1,160,968,938
Total comprehensive income	-	269,981,801	893,489,107	2,431,999,073	3,595,469,981
Transactions with owners of the Company					
Dividend distribution	-	-	-	(2,416,320,000)	(2,416,320,000)
Total transactions with owners of the Company	-	-	-	(2,416,320,000)	(2,416,320,000)
Balance at 30 June 2022	3,356,000,000	253,789,661	1,027,520,627	5,268,364,781	9,905,675,069

SUMMIT GAZIPUR II POWER LIMITED
STATEMENT OF CASH FLOWS

Figures in BDT

Particulars	For the year ended	
	30 June 2022	30 June 2021
Cash flows from operating activities		
Cash received from customer	14,297,323,412	12,845,966,955
Payment to employees, suppliers and service providers	(12,114,962,261)	(10,142,994,302)
Receipts from other sources	5,208,594	4,967,878
Income taxes paid	(19,240,459)	(12,438,712)
Net cash from operating activities	2,168,329,286	2,695,501,819
Cash flows from investing activities		
Acquisition of property, plant and equipment	(838,739,613)	(193,742,984)
Interest received	131,269,840	34,469,005
Net cash used in investing activities	(707,469,773)	(159,273,979)
Cash flows from financing activities		
Interest and other charges paid	(740,704,961)	(585,288,474)
Dividend distribution	(2,416,320,000)	-
Proceeds from redeemable preference share	680,000,000	-
Proceeds from loans and borrowings	882,231,529	-
Transaction cost	(17,863,200)	(31,097,368)
Repayment of loans and borrowings	(933,154,449)	(695,195,048)
Repayment of redeemable preference share	(840,000,000)	(60,000,000)
Intercompany financing (financial support)	93,668,046	180,132,115
Net cash used in financing activities	(3,292,143,035)	(1,191,448,775)
Net change in cash and cash equivalents	(1,831,283,522)	1,344,779,065
Effects of currency translation	156,059,533	2,372,043
Opening cash and cash equivalents	3,201,518,414	1,854,367,306
Closing cash and cash equivalents	1,526,294,425	3,201,518,414

6.2.4 ACE ALLIANCE POWER LIMITED

Directors' & Auditor's Report and
Brief Audited Financial Statements
as at and for the year ended 30 June 2022



6.2.4 Directors' Report on Subsidiary – AAPL

Dear Shareholders,

Assalamu Alaikum,

The Board of Directors of Ace Alliance Power Limited (AAPL) is pleased to submit before you the operational activities and audited financial statements of the Company for the period ended on 30th June 2022.

Operating Result of AAPL

Particulars	FY 2022	FY 2021
Revenue (Tk in Million)	13,733	8,779
Gross Profit (Tk in MM)	1,191	1,232
Profit after Income Tax (Tk in Million)	643	684
Total Assets (Tk in Million)	16,503	12,033
Shareholder's Equity (Tk in Million)	4,432	3,088
Total Liabilities (Tk in Million)	12,071	8,945
Net Profit Margin (in %)	4.68	7.79
Return on Assets (in %)	4.51	6.00
Return on Equity (in %)	17.10	22.00
Capacity Utilization (in %)	62	61
Electricity Sold (MWH)	809,133	791,750

Revenue, including a fully pass-through fuel (HFO) component, over last year has increased by 56% due to higher demand of electricity generation from National Load Dispatch Centre (NLDC) and also higher HFO price in the international market. After considering the effect of fuel (HFO) cost, the gross profit has decreased by 3% because of the increase of O&M costs such as spare parts for carrying out major maintenance and higher lube oil consumption on account of general price hike. Increased interest expense in the form of local bank loans facilitating advance to HFO supplier along with higher O&M costs have resulted in a 6% decrease in net profit after tax over last year.

In implementing the Integrated Management System, the Company has adopted the Quality Policies, Environmental Policies and Occupational Health and Safety Policies. Ace Alliance Power Limited received Wärtsilä Valued Customer Recognition Award 2019 for excellent performance and cooperation in the execution of Gazipur 149 MW power project.

Business Activities including its Operating Performance

Ace Alliance Power Limited was incorporated as a Private Limited Company on 5th September 2011 under the

Companies Act 1994. The address of the Company's registered office is Summit Centre, 18, Karwan Bazar C/A, Dhaka-1215. The objective of the Company is to build, own and operate a 149 MW dual fuel (HFO/Gas) power plant in Kodda, Gazipur, Bangladesh. On 24th June 2016, Aitken Spence Plc. of Sri Lanka transferred its 6,400 shares to Summit Power Limited ("SPL") and on 29th June 2016, Alliance Holdings Limited transferred its 3,600 shares to Summit Corporation Limited ("SCL"). Since this, the Company is operating under the common management of parent Company, Summit Power Limited. The Company started its commercial operation from 12th July 2018 in Kodda, Gazipur of its 149 MW dual fuel (HFO/gas) power plant and is supplying generated electricity to the Bangladesh Power Development Board (BPDB) through the National Power Grid.

Auditor

Rahman Rahman Huq, Chartered Accountants, as statutory auditors of the Company has carried out the audit for the period ended on 30th June 2022.

Proposed Dividend

Your Board has recommended a 10% cash dividend of Tk 10 each on 166,028,889 ordinary shares for the financial year ended on 30th June 2022 for your consideration and approval, subject to clearance of lenders.

Thank you.

On behalf of the Board



Engr Md. Mozammel Hossain
Managing Director
Dhaka, 14 September 2022

INDEPENDENT AUDITOR'S REPORT

to the shareholders of Ace Alliance Power Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Ace Alliance Power Limited ("the Company"), which comprise the statement of financial position as at 30 June 2022, 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 the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 June 2022, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirement 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

Auditor's 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 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 judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit

procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

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

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.



Adeb H. Khan, Senior Partner, Enrolment Number: 652
Rahman Rahman Huq, Chartered Accountants
Firm Registration Number: [N/A]
Dhaka, 14 September 2022
DVC: 2209140652AS641571

ACE ALLIANCE POWER LIMITED
STATEMENT OF FINANCIAL POSITION

Figures in BDT

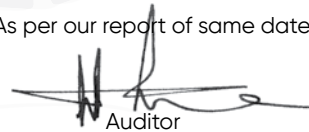
Particulars	As at 30 June 2022	As at 30 June 2021
Assets		
Property, plant and equipment	7,445,114,793	6,980,213,345
Intangible asset	1,945,896	2,356,513
Deferred tax asset	-	3,848,638
Other asset	1,566,139,782	877,188,630
Non-current assets	9,013,200,471	7,863,607,126
Inventories	80,876,416	76,561,461
Trade receivables	6,740,678,092	3,064,381,626
Other receivables	-	6,023,272
Advances, deposits and prepayments	54,782,273	41,328,230
Cash and cash equivalents	613,306,723	981,532,394
Current assets	7,489,643,504	4,169,826,983
Total assets	16,502,843,975	12,033,434,109
Equity		
Share capital	1,660,288,890	1,660,288,890
Hedging reserve	28,750,366	(440,257,074)
Currency translation reserve	463,934,982	72,744,067
Retained earnings	2,278,809,242	1,795,610,164
Total equity	4,431,783,480	3,088,386,047
Liabilities		
Redeemable preference shares	394,963,379	528,152,682
Loans and borrowings	4,345,643,785	4,502,134,499
Derivative financial instrument	(21,530,698)	441,801,067
Non-current liabilities	4,719,076,466	5,472,088,248
Redeemable preference shares	130,922,139	136,543,425
Loans and borrowings	611,989,073	305,108,248
Trade payables	6,134,618,222	2,636,479,113
Other payables and accruals	67,437,107	90,176,920
Intercompany payables	407,017,488	304,652,108
Current liabilities	7,351,984,029	3,472,959,814
Total liabilities	12,071,060,495	8,945,048,062
Total equity and liabilities	16,502,843,975	12,033,434,109


Managing Director


Director


Company Secretary

As per our report of same date.


Auditor

Dhaka, 14 September 2022

Adeeb H. Khan, Senior Partner, Enrolment Number: 652
Rahman Rahman Huq, Chartered Accountants
KPMG in Bangladesh
Firm Registration Number: [N/A]
Dhaka, 14 September 2022
DVC: 2209140652AS641571

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Figures in BDT

Particulars	For the year ended	
	30 June 2022	30 June 2021
Revenue	13,733,078,308	8,778,935,921
Cost of sales	(12,542,292,926)	(7,546,975,844)
Gross profit	1,190,785,382	1,231,960,077
Other income/(expenses), net	4,908,081	5,389,990
General and administrative expenses	(63,485,987)	(57,298,093)
Operating profit	1,132,207,476	1,180,051,974
Finance income/(expense), net	(483,525,018)	(491,510,834)
Profit before tax	648,682,458	688,541,140
Income tax expense	(5,596,534)	(4,414,093)
Profit after income tax	643,085,924	684,127,047
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Actuarial gain/(loss) on gratuity valuation, net of tax	(2,159,401)	1,499,939
	(2,159,401)	1,499,939
Items that may be reclassified subsequently to profit or loss		
Change in fair value of financial derivative instruments	469,007,440	273,964,473
Foreign currency translation impact	391,190,915	676,456
	860,198,355	274,640,929
Total other comprehensive income	858,038,954	276,140,868
Total comprehensive income	1,501,124,878	960,267,915



Managing Director



Director



Company Secretary

As per our report of same date.



Auditor

Adeeb H. Khan, Senior Partner, Enrolment Number: 652
 Rahman Rahman Huq, Chartered Accountants
 KPMG in Bangladesh
 Firm Registration Number: [N/A]
 Dhaka, 14 September 2022
 DVC: 2209140652AS641571

Dhaka, 14 September 2022

ACE ALLIANCE POWER LIMITED
STATEMENT OF CHANGES IN EQUITY

Figures in BDT

Particulars	For the year ended 30 June 2022				
	Share capital	Hedging reserve	Currency translation reserve	Retained earnings	Total equity
Balance at 1 July 2020	1,660,288,890	(714,221,547)	72,067,611	1,109,983,178	2,128,118,132
Total comprehensive income					
Profit	-	-	-	684,127,047	684,127,047
Other comprehensive income	-	273,964,473	676,456	1,499,939	276,140,868
Total comprehensive income	-	273,964,473	676,456	685,626,986	960,267,915
Transactions with owners of the Company					
Dividend distribution	-	-	-	-	-
Total transactions with owners of the Company	-	-	-	-	-
Balance at 30 June 2021	1,660,288,890	(440,257,074)	72,744,067	1,795,610,164	3,088,386,047
Balance at 1 July 2021	1,660,288,890	(440,257,074)	72,744,067	1,795,610,164	3,088,386,047
Total comprehensive income					
Profit	-	-	-	643,085,924	643,085,924
Other comprehensive income	-	469,007,440	391,190,915	(2,159,401)	858,038,954
Total comprehensive income	-	469,007,440	391,190,915	640,926,523	1,501,124,878
Transactions with owners of the Company					
Dividend distribution	-	-	-	(157,727,445)	(157,727,445)
Total transactions with owners of the Company	-	-	-	(157,727,445)	(157,727,445)
Balance at 30 June 2022	1,660,288,890	28,750,366	463,934,982	2,278,809,242	4,431,783,480

ACE ALLIANCE POWER LIMITED
STATEMENT OF CASH FLOWS

Figures in BDT

Particulars	For the year ended	
	30 June 2022	30 June 2021
Cash flows from operating activities		
Receipts from customers	9,659,215,806	6,724,727,008
Payment to employees, suppliers and service providers	(8,910,397,465)	(5,711,950,100)
Income taxes paid	(7,086,002)	(9,509,250)
Receipts from other sources	10,262,731	2,695,231
Net cash generated from operating activities	751,995,070	1,005,962,889
Cash flows from investing activities		
Acquisition of property, plant and equipment	(93,252,916)	(152,375,512)
Interest received and realised foreign exchange gain	4,780,071	10,789,931
Net cash used in investment activities	(88,472,845)	(141,585,581)
Cash flows from financing activities		
Interest and other charges paid	(535,531,740)	(479,056,430)
Dividend distribution	(157,727,445)	-
Proceeds from redeemable preference shares	530,000,000	-
Transaction cost	(5,006,933)	-
Repayment of loans and borrowings	(325,470,676)	(465,416,974)
Repayment of redeemable preference share	(667,500,000)	(137,500,000)
Proceeds from/(repayment to) financial support	95,096,660	211,259,077
Net cash used in financing activities	(1,066,140,134)	(870,714,327)
Net change in cash and cash equivalents	(402,617,909)	(6,337,019)
Effects of currency translation	34,392,238	44,359
Opening cash and cash equivalents	981,532,394	987,825,054
Closing cash and cash equivalents	613,306,723	981,532,394

6.2.5 SUMMIT CHITTAGONG POWER LIMITED

Auditor's Report and Brief Audited Financial Statements

as at and for the year ended 30 June 2022



INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

to the Shareholders of Summit Chittagong Power Limited

Opinion

We have audited the financial statements of **Summit Chittagong Power Limited**, which comprise the Statement of Financial Position (Balance Sheet) as at 30 June 2022, Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of **Summit Chittagong Power Limited** give a true and fair view of the financial position as at 30 June 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standard (IFRS) and comply with other applicable laws and regulations.

Basis for 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS, 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.

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether 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.

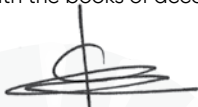
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other Legal and Regulatory Requirements

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

- a) We have obtained all the information and 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 statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Dhaka, Dated:
14 September 2022


Mohammad Ali Kawsar, FCA
Partner, ICAB Enrollment No: 1290
Mak & Co. Chartered Accountants
DVC: 2209151290AS771291

SUMMIT CHITTAGONG POWER LIMITED
STATEMENT OF FINANCIAL POSITION
 As at 30 June 2022

Figures in BDT

Particulars	30 June 2022	30 June 2021
Non-current assets		
Capital work in progress	(75,978)	(75,978)
	(75,978)	(75,978)
Current assets		
Other receivables	116,731	-
Advances, deposits and prepayments	1,330,907	1,525,907
Cash and cash equivalents	8,296,331	8,192,072
	9,743,969	9,717,979
Total assets	9,667,991	9,642,001
Shareholders' equity & liabilities		
Shareholders' equity		
Issued Subscribed & Paid Up Capital:	10,000,000	10,000,000
Retained earnings	(474,520)	(413,799)
	9,525,480	9,586,201
Liabilities		
Current liabilities		
Other liabilities	142,511	55,800
Total Liabilities	142,511	55,800
Total shareholders' equity and liabilities	9,667,991	9,642,001



Managing Director



Director



Company Secretary

Signed in terms of our separate report of even date.

Dhaka, 14 September 2022



Mak & Co.
 Mohammad Ali Kawsar, FCA
 Partner, ICAB Enrollment No: 1290
 Mak & Co. Chartered Accountants
 DVC: 2209151290AS771291

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2022

Figures in BDT

Particulars	30 June 2022	30 June 2021
Revenue		
Service charge	-	-
Other income	-	-
	-	-
Operating expenses		
General & administrative expenses	(323,169)	(76,071)
Operating profit/ (loss)	(323,169)	(76,071)
Finance income/(expense), net	364,709	-
Profit/ (loss) before tax	41,540	(76,071)
Less: Income tax expenses	(102,261)	-
Profit/ (loss) after income tax	(60,721)	(76,071)
Add: Other comprehensive income	-	-
Total Comprehensive Income	(60,721)	(76,071)



Managing Director



Director



Company Secretary

Signed in terms of our separate report of even date.

Dhaka, 14 September 2022



Mak & Co.
 Mohammad Ali Kawsar, FCA
 Partner, ICAB Enrollment No: 1290
 Mak & Co. Chartered Accountants
 DVC: 2209151290AS771291

SUMMIT CHITTAGONG POWER LIMITED
STATEMENT OF CHANGES IN EQUITY
 For the year ended 30 June 2022

Figures in BDT

Particulars	Paid-up Capital	Share Money Deposit	Retained Earnings	Total Equity
Balance as at 1 July 2020	10,000,000	-	(337,728)	9,662,272
Issue of Share	-	-	-	-
Share Money Deposit	-	-	-	-
Profit (Loss) for the Period	-	-	(76,071)	(76,071)
Balance as at 30 June 2021	10,000,000	-	(413,799)	9,586,201
Balance as at 1 July, 2021	10,000,000	-	(413,799)	9,586,201
Issue of Share	-	-	-	-
Share Money Deposit	-	-	-	-
Profit (Loss) for the Period	-	-	(60,721)	(60,721)
Balance as at 30 June, 2022	10,000,000	-	(474,520)	9,525,480

SUMMIT CHITTAGONG POWER LIMITED
STATEMENT OF CASH FLOWS
 For the year ended 30 June 2022

Figures in BDT

Particulars	30 June 2022	30 June 2021
Cash flows from operating activities		
Payments for administrative works	(150,869)	(76,071)
Income taxes paid	-	-
Net cash used in operating activities	(150,869)	(76,071)
Cash flows from investing activities		
Capital work in progress	-	91,891
Interest received	255,128	-
Net cash from investing activities	255,128	91,891
Cash flows from financing activities		
Intercompany financing	-	-
Net cash generated by financing activities	-	-
Net change in cash and cash equivalents	104,259	15,820
Opening cash and cash equivalents	8,192,072	8,176,252
Closing cash and cash equivalents	8,296,331	8,192,072



PROXY FORM

I/We of
..... being a member of Summit Power Limited hereby appoint
Mr./Ms. of
..... another member of the Company, as my proxy to attend and vote for me on my behalf at the 25th Annual General Meeting
of the Company to be held at 11.30 a.m. on 31st October 2022 through digital platform and at any adjournment thereof.

Signed this day of 2022

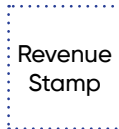
.....
Signature of the Shareholder (s)

.....
Signature of the Proxy

Number of Shares held

BO ID NO.																				
-----------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

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



Signature Verified

.....
Authorised Signature



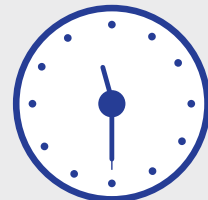
Virtual Meeting Logistics



Date
Monday, 31st October 2022



Live Webcast
<https://summitpower.bdvirtualagm.com>



Time
11:30 AM
(Bangladesh Standard Time)

Footprint



POWER PLANTS



AAPL *Ace Alliance Power Limited*
 SGIIPL *Summit Gazipur II Power Limited*
 MNPP *Maona Power Plant*
 ULPP *Ullapara Power Plant*
 ASPP *Ashulia Power Plant*
 KPCL III *Khulna Power Company Limited Unit III*
 KPCL II *Khulna Power Company Limited Unit II*
 SBPCL *Summit Bibiyana Power Company Limited*

MDPP *Madhabdi Power Plant*
 SMPCL *Summit Meghnaghat Power Company Limited*
 SMIIPCL *Summit Meghnaghat II Power Company Limited*
 RUPP *Rupganj Power Plant*
 SNPL *Summit Narayanganj Power Plant Unit I*
 SNPUIIL *Summit Narayanganj Power Unit II Limited*
 CNPP *Chandina Power Plant*
 JNPP *Jangalia Power Plant*
 SBPL *Summit Barisal Power Limited*



HSBC Business Excellence Award



Asian Power Awards 2021



ICMAB Award



ICSB Award



ICAB Award

Last year Summit while Summit Power Limited has secured 'First Position' in ICAB, ICSB, and ICMAB.



2nd HSBC Business Excellence Awards for 'Inbound Investment & Infrastructure'



Summit Power Limited

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summitpowerintl



summitpowerintl



Summit Power International



Summit Power International