



**KOHINOOR**  
**ENERGY LIMITED**

KEL/COR/STOK/2021/02  
February 02, 2021

**FAX NO. 021-111-573-329**

The General Manager  
Pakistan Stock Exchange Limited  
Stock Exchange Building/Road,  
Karachi

**Subject: Disclosure of Material Information**

Dear Sir,

In accordance with the applicable provisions of the Securities Act, 2015 and Rule Book of Pakistan Stock Exchange Limited, we are pleased to convey the following information;

“Kohinoor Energy Limited (“the Company”) and the Central Power Purchasing Agency (Guarantee) Limited (“the Power Purchaser”) have initialed “Master Agreement” and “PPA Amendment Agreement” on February 02, 2021. The formal signing of these agreements is subject to approvals of the Board of Directors of the Company, other stakeholders and regulatory approvals.

The terms of the Master Agreement are, inter alia:

- a) The Power Purchaser shall assist and support the Company in Tax issues with Federal Board of Revenue for early and positive resolution of all ongoing cases including apportionment of input tax on Capacity Purchase Price invoice, minimum tax on Capacity Purchase Price invoice, and taxability of late payment charges etc.

The terms of the PPA Amendment Agreement are, inter alia:

- a) The Company will submit its invoices with Tariff Discount i.e. on the basis of the applicable Capacity Purchase Price and Variable O&M reduced by 11% and;
- b) USD exchange rate and US CPI indexations shall apply on (i) reduced variable O&M and (ii) 50% of the reduced Escalable Component of the Capacity Purchase Price.
- c) The USD exchange rate on 50% of the reduced Escalable Component of the Capacity Purchase Price shall not:
  - i) be less than the National Bank of Pakistan’s TT/OD selling PKR/USD exchange rate prevailing on the date of the signing of this Amendment;
  - ii) exceed the exchange rate of PKR 168.60/USD 1 (the rate prevailing on the 12-08-2020, the date as referred in the MoU).

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**SAY NO TO CORRUPTION**

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**Head Office & Plant:** Near Tablighi Ijtama, Raiwind Bypass, Postcode: 55140 Lahore, Pakistan Tel: +92-42-35392317- 8 Fax: +92-42-35393415- 7

**Registered Office:** 301, 3<sup>rd</sup> Floor, Green Trust Tower, Blue Area, Islamabad, Pakistan Tel: +92-51-2813021-2 Fax: +92-51-2813023 E-mail: info@kel.com.pk Web: www.kel.com.pk



**KOHINOOR**  
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Provided that, when the exchange rate reaches PKR 168.60/USD 1 (for invoicing purpose under this Amendment), the same shall be locked for 50% of the reduced Escalable Component of the Capacity Purchase Price for the remainder of the Term of the PPA. Further provided that the US CPI indexation on 50% of the reduced Escalable Component of the Capacity Purchase Price shall be the rate applicable for the Month of August 2020. Moreover, when the exchange rate reaches PKR 168.60/USD 1, then the USD exchange rate for indexations shall be as per the National Bank of Pakistan's TT/OD selling PKR/USD exchange rate on the remaining 50% of the reduced Escalable Component of the Capacity Purchase Price.

- d) The Power Purchaser shall ensure that payment of all invoices will be made in order of its Due Date. As long as the Power Purchaser follows this principle in relation to past and future payments, the Company in consideration of the same, hereby agrees to forego and waive all of its claims of late payment interest on late payment interest invoices and withdraws all such invoices.

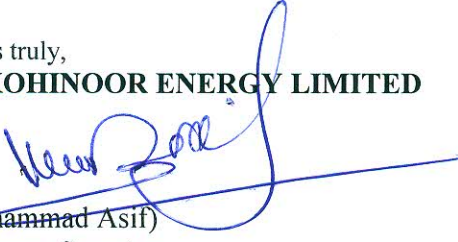
The Parties have amicably and in good faith agreed to settle the outstanding dispute pending in arbitration.

The Parties agree that the requirement for "Company Letter of Credit" and "WAPDA Letter of Credit" under Section 9.4(f) is hereby deleted in its entirety.

- e) In the event of any default by the Power Purchaser under this Amendment, the Company shall suspend giving Tariff Discount from the date of default; provided however, if such default is not cured within a period of seventy Days, this Amendment shall terminate automatically with no rights and obligations of either party arising out of the termination of this Amendment."

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Yours truly,  
for **KOHINOOR ENERGY LIMITED**

  
(Muhammad Asif)  
Company Secretary

**CC: The Director/HOD**  
**Surveillance, Supervision and Enforcement Department**  
**Securities and Exchange Commission of Pakistan**  
**7<sup>th</sup> Floor, NIC Building, 63-Jinnah Avenue,**  
**Islamabad.**

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