

SUI NORTHERN GAS PIPELINES LIMITED

GAS HOUSE, 21 KASHMIR ROAD, P.O. BOX 56, LAHORE (PAKISTAN)

CA/PSX/ 3063

Thru: PUCARS / Courier

February 17, 2023

The General Manager,
Pakistan Stock Exchange Limited (PSX),
Stock Exchange Building,
Stock Exchange Road,
KARACHI.

The Executive Director/HOD,
Offsite-II Department, Supervision Division
Securities and Exchange Commission of Pakistan
63, NIC Building, Jinnah Avenue, Blue Area,
ISLAMABAD.

DISSEMINATION OF MATERIAL INFORMATION

Dear Sir,

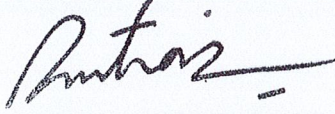
In accordance with Section 96 of the Securities Act, 2015 and Clause 5.6.1(a) of PSX Regulations, we hereby convey the following information:

SNGPL had challenged two arbitration awards rendered in LCIA Arbitration Nos. 194492 and 194493 in the English High Court. These two cases involved disputes under gas sale agreements that SNGPL has with National Power Parks Management Company (Pvt) Limited (“NPPMCL”), a company wholly owned by the Federal Government. SNGPL’s challenge to the Awards has been dismissed. However, the Court has held that part of the Awards manifest a degree of confusion. The Court also decided that the parties were proceeding on a false premise, and in fact both SNGPL and NPPMCL were in agreement about the particular point of interpretation of the relevant gas sale agreements which formed one of the grounds of challenge. SNGPL is consulting its lawyers in respect of this judgement and will decide what action to take to protect its interests going forward.

Regarding the impact of this decision, we re-iterate the position taken in our previous disclosure dated December 15, 2021 that under the terms of the license granted to SNGPL by OGRA read with the decision of ECC of the cabinet dated May 11, 2018 and in line with the tariff regime in vogue including regulatory practices, the Company will take up the matter with the Regulator for determining the impact of the Awards on Revenue Requirements of the Company. Since the relevant Awards relate to Take or Pay transactions which were earlier offered to the Regulator as operating, therefore, reversal of the same is not expected to have any material adverse impact on the profitability of the Company. However, the final outcome of the same will depend on the determination by the Regulator.

Thanks and regards.

Yours sincerely,
SUI NORTHERN GAS PIPELINES LIMITED


(IMTIAZ MEHMOOD)
Company Secretary

Telephones Exch: { +(92-42)9082000
+(92-42)9082006

Telephones: { 042-99201338
042-99201044

Fax: 042-99201369

www.sngpl.com.pk

