

Ref: KAPCO/2025/PSX/L-015  
September 26, 2025

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

**DISCLOSURE OF MATERIAL INFORMATION**


Dear Sirs,

Pursuant to Section 96 of the Securities Act, 2015 read with the Rule Book of the Pakistan Stock Exchange, we write to disclose that the Kot Addu Power Company Limited (the "**Company**") submitted an Addendum to the Tariff Petition dated February 12, 2025 before the National Electric Power Regulatory Authority ("**NEPRA**"). NEPRA has approved final generation tariff for 495 MW (gas/RLNG) and 478 MW (LSFO) for Energy Block I and Block II under Rule 4(7) under NEPRA Tariff (Standards and Procedure) Rules, 1998, through its tariff determination dated September 23, 2025, the terms and conditions of the final tariff are attached herewith as **Annex A**. The tariff approved will supersede the interim tariff granted vide order dated April 9, 2025 (disclosed to PSX on April 10 vide Post-ID: 250865) and all payments shall be adjusted accordingly.

The Company will accordingly proceed with obtaining internal corporate approvals.

You are requested to disseminate the information to the Members of the Exchange accordingly.

Yours faithfully,  
for Kot Addu Power Company Limited

  
A. Anthony Rath  
Company Secretary

Enclosure: As stated

Copy to:

- Executive Director/HOD, Offsite – II Department, Supervision Division, SECP, Islamabad

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**Power Project**  
Kot Addu Power Complex  
Kot Addu, District Muzaffargarh  
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**Registered Office**  
Office No. 309, 3<sup>rd</sup> Floor  
Evacuee Trust Complex  
Agha Khan Road, F 5/1  
Islamabad, Pakistan

The Final Generation Tariff shall be as under:

Components	Block	Gas/RLNG	LSFO
Energy Purchase Price (Rs./kWh):			
Fuel Cost components	I	28.0173	29.3071
	II	30.5644	31.7398
V O&M	I	0.9431	1.0841
	II		
Capacity Purchase Price (Rs./kW/h):			
Fixed O&M	I, II	0.5419	0.5612
Cost of Working Capital	I, II	0.1090	0.1129
ROE	I, II	0.2721	0.2818
Insurance		0.0587	0.0608
Total CPP		0.9818	1.0167
Total CPP @ 87.2% (Rs/KWh)		1.1259	1.1659
Total Tariff (Rs/KWh)	I	30.0863	31.5572
	II	32.6333	33.9899

#### **Heat Rate Test (One Time Adjustment ).**

- I. The energy charge part of tariff relating to fuel cost component shall be subject to heat rate test lower of benchmark or actual
- II. Operation on simple/open cycle is being allowed

#### **Indexations/Adjustments**

- I. The Fuel Cost Component

The fuel cost component shall be adjusted on account of fuel price variations. The reference HHV RLNG price is 3442.78/MMBtu and reference LSFO price is Rs.150,817.50/Ton. The inventory cost of LSFO stock procured under outgoing/ expired PPA shall be considered as lower of actual average price or market price or merit order price if applicable



II. Fixed / Variable O&M

The Fixed and Variable O&M components shall be indexed on quaterely basis up to the 5% or average annual NCPI value whichever shall be lower

III. Cost of Working Capital

The Cost of Working Capital shall be indexed on quarterly basis on account of 3-Months KIBOR and actual LSFO inventory

IV. Insurance

The insurance component shall be adjusted as per actual insurance cost of 495 MW subject to maximum insurance limit of 0.9% of EPC cost

V. ROE Component

KAPCO will be entitled to receive 25% of ROE as fixed payment based on availability. KAPCO will also be entitled to receive ROE on actual NEO exceeding 25%.

VI. Income Tax, WWF and WPPF has been allowed as pass through items

VII. 50% of aggregate savings in fuel, Variable and Fixed O&M shall be shared with Power Purchaser annually

VIII. In line with approved IGCEP and PAP, NEPRA has decided to allow tariff for 495 MW (gas/RLNG) and 478 MW (LSFO) till September 2025 which shall be subject to extension on the basis of approved IGCEP/PAP. The maximum term of tariff shall be three (3) years in line with the Tripartite Power Purchse Agreement signed between the Company, the Central Power Purchaing Agency (Guranatee) Limited and National Grid Company of Pakistan Limited dated June 3, 2025.

