



CAD/PSX/23-08-006
24 August 2023

Executive Director/HOD
Offsite-II Department
Supervision Division
Securities & Exchange Commission of Pakistan
63, NIC Building, Jinnah Avenue, Blue Area
Islamabad

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

Subject: **Disclosure of Material Information**

Dear Sir,

In accordance with Section 96 and Section 131 of the Securities Act, 2015 and Clause 5.6.1(a) of the Rule Book of Pakistan Stock Exchange Limited, we hereby convey the following:

This is further to our earlier disclosure dated August 21, 2023 in relation to the proceedings before the Grand Court of the Cayman Islands between the shareholders of KES Power Limited ("KESP"), the majority shareholder in K-Electric Limited ("K-Electric"). We are setting out an updated disclosure in relation to the aforesaid proceedings herein below.

*On 21 October 2022, Al Jomaih Power Limited and Denham Investments Limited (the "**Original Shareholders**") commenced proceedings against IGCF SPV 21 Limited ("**SPV 21**") and others before the High Court of Sindh at Karachi, Pakistan (the "**Pakistan Proceedings**"). In those proceedings, the Original Shareholders alleged that SPV 21 and others had taken steps that were in breach of the Shareholders' Agreement dated 15 October 2008 (as amended from time to time). The High Court of Sindh granted an ad-interim order preventing any changes to the Board of K-Electric.*

In response to the Pakistan Proceedings, SPV 21 commenced proceedings in the Grand Court of the Cayman Islands asserting inter alia that the jurisdiction clause contained in the Shareholders Agreement dated 15 October 2008 required any dispute between the Original Shareholders and SPV 21 to be determined by the Grand Court of the Cayman Islands or an English Court.

The Cayman Islands Court Order has held that any dispute between the Original Shareholders and SPV 21 should be determined by a court in the Cayman Islands or England rather than the High Court of Sindh, Karachi. However, the Grand Court has stayed its order pending a further hearing which the Company has been informed is listed for 10 October 2023.

The Company has been further informed that there is no change to the status of the proceedings commenced in the High Court of Sindh at Karachi, Pakistan on 21 October 2022 or to the ad-interim order of that same court dated 21 October 2022 until at least 10 October 2023 (i.e., the date of the next hearing in the Cayman Islands).

The Company has also been informed that the proceedings before the Grand Court of the Cayman Islands were only concerned with the jurisdiction in which the underlying dispute



should be heard. They did not address the merits of the claims between the Original Shareholders and SPV 21.

For reference, the Grand Court of the Cayman Islands order dated 16th August 2023 is provided below (i.e. the "**Cayman Islands Court Order**"):

Quote

1. *The Other Shareholders shall (whether by themselves or their agents) forthwith terminate or otherwise discontinue the proceedings commenced by them in the High Court of Sindh at Karachi, Pakistan by the Suit for Declaration and Permanent Injunction issued on 21 October 2022 (the "**Pakistan Proceedings**") against (i) the Applicant, (ii) Alvarez and Marsal, (iii) KES Power Limited and (iv) K-Electric Limited without any cost to the Applicant. For the avoidance of doubt, the Other Shareholders shall forthwith take steps to cause the order of the High Court of Sindh at Karachi, Pakistan in the Pakistan Proceedings dated 21 October 2022 to be set aside.*
2. *The Other Shareholders shall not (whether by themselves or their agents) commence or pursue, or procure or assist the commencement or pursuit of, any proceedings in connection with any dispute or disagreement under, arising out of, or relating to the Shareholder Agreement dated 15 October 2008 (as specifically amended by the Second Deed of Amendment to the Subscription Agreement and Shareholder Agreement relating to KES Power Ltd dated 5 January 2021) (the "**SHA**"), in any court or tribunal other than in either the Grand Court of the Cayman Islands or an English court.*
3. *The Other Shareholders may continue the Pakistan Proceedings against (i) the Government of Pakistan through the Secretary, Privatisation Commission, Ministry of Privatisation and Investment (ii) the Government of Pakistan through the Secretary, Ministry of Energy, Power Division (iii) National Electric Power Regulatory Authority and (iv) the Securities and Exchange Commission of Pakistan as defendants to the Pakistan Proceedings if and to the extent that the Other Shareholders only apply for and pursue relief that requires those defendants to the Pakistan Proceedings to exercise their duties, rights or powers in relation to K-Electric Limited or KES Power Limited in a manner that does not prevent the Applicant from exercising, or interfere with the exercise (whether before or after the date of this order) by the Applicant of, its rights under the SHA as a KES Power Limited shareholder.*
4. *Save as specifically provided for by paragraph 3 of this order, the Other Shareholders are finally enjoined and restrained (whether by themselves or their agents) from continuing, pursuing, or taking any further steps in the Pakistan Proceedings.*
5. *The following additional issues shall be the subject of a further oral hearing before the Honourable Court to be heard as soon as practicable, subject to the availability of the Court:*
 - i. *The Applicant's entitlement, if any, against the Other Shareholders for damages for breach of contract, the basis for assessing any such damages and the amount of any such damages;*
 - ii. *The Applicant's claim for costs against the Other Shareholders and the basis of assessment of any such costs;*



- iii. *The Applicant's application for a payment on account of costs by the Other Shareholders and the amount of any such payment; and*
- iv. *The Respondents' application for a stay pending the determination of their appeal of this Order (the applications envisaged in sub-paragraphs (i) to (iv) are collectively referred to as the "**Applications**").*
6. *Paragraphs 1 to 4 inclusive of this order shall be stayed pending the hearing listed pursuant to paragraph 5 of this order or further order of the Court.*
7. *The time by which a party must file its Notice of Appeal in respect of this Order is extended to 14 days from the date on which a final order is made in respect of the Applications referred to in paragraph 5 above, pursuant to section 24(a) of the Court of Appeal Act (2023 Revision).*

Unquote

Copy of the order received by K-Electric Limited from IGCF is attached.

A disclosure form as required pursuant to SRO 143(I)/2012 dated December 05, 2012, read with Section 96 and 131 of the Securities Act, 2015 is enclosed as Annexure A.

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

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Rizwan Pesnani', is written over a circular blue stamp or watermark.

Rizwan Pesnani
Chief Risk Officer & Company Secretary

Encl.: As above



DISCLOSURE FORM
IN TERMS OF SECTION 96 AND 131 OF THE SECURITIES ACT, 2015

Name of Company: K-Electric Limited (**KE**)

Date of Report: 24 August 2023

Name of Company as specified in its Memorandum: K-Electric Limited

Company's registered office: KE House, 39/B, Sunset Boulevard, Phase II (Ext), Defence Housing Authority, Karachi

Contact information: Rizwan Pesnani, Chief Risk Officer & Company Secretary, K-Electric Limited

Disclosure of price sensitive/inside information by listed company

In accordance with Section 96 and Section 131 of the Securities Act, 2015 and Clause 5.6.2 of the Rule Book of Pakistan Stock Exchange Limited, we hereby convey the following:

This is further to our earlier disclosure dated August 21, 2023 in relation to the proceedings before the Grand Court of the Cayman Islands between the shareholders of KES Power Limited ("KESP"), the majority shareholder in K-Electric Limited ("K-Electric"). We are setting out an updated disclosure in relation to the aforesaid proceedings herein below.

*On 21 October 2022, Al Jomaih Power Limited and Denham Investments Limited (the "**Original Shareholders**") commenced proceedings against IGCF SPV 21 Limited ("**SPV 21**") and others before the High Court of Sindh at Karachi, Pakistan (the "**Pakistan Proceedings**"). In those proceedings, the Original Shareholders alleged that SPV 21 and others had taken steps that were in breach of the Shareholders' Agreement dated 15 October 2008 (as amended from time to time). The High Court of Sindh granted an ad-interim order preventing any changes to the Board of K-Electric.*

In response to the Pakistan Proceedings, SPV 21 commenced proceedings in the Grand Court of the Cayman Islands asserting inter alia that the jurisdiction clause contained in the Shareholders Agreement dated 15 October 2008 required any dispute between the Original Shareholders and SPV 21 to be determined by the Grand Court of the Cayman Islands or an English Court.

The Cayman Islands Court Order has held that any dispute between the Original Shareholders and SPV 21 should be determined by a court in the Cayman Islands or England rather than the High Court of Sindh, Karachi. However, the Grand Court has stayed its order pending a further hearing which the Company has been informed is listed for 10 October 2023.

The Company has been further informed that there is no change to the status of the proceedings commenced in the High Court of Sindh at Karachi, Pakistan on 21 October 2022 or to the ad-interim order of that same court dated 21 October 2022 until at least 10 October 2023 (i.e., the date of the next hearing in the Cayman Islands).



The Company has also been informed that the proceedings before the Grand Court of the Cayman Islands were only concerned with the jurisdiction in which the underlying dispute should be heard. They did not address the merits of the claims between the Original Shareholders and SPV 21.

*For reference, the Grand Court of the Cayman Islands order dated 16th August 2023 is provided below (i.e. the "**Cayman Islands Court Order**"):*

Quote

- 1. The Other Shareholders shall (whether by themselves or their agents) forthwith terminate or otherwise discontinue the proceedings commenced by them in the High Court of Sindh at Karachi, Pakistan by the Suit for Declaration and Permanent Injunction issued on 21 October 2022 (the "**Pakistan Proceedings**") against (i) the Applicant, (ii) Alvarez and Marsal, (iii) KES Power Limited and (iv) K-Electric Limited without any cost to the Applicant. For the avoidance of doubt, the Other Shareholders shall forthwith take steps to cause the order of the High Court of Sindh at Karachi, Pakistan in the Pakistan Proceedings dated 21 October 2022 to be set aside.*
- 2. The Other Shareholders shall not (whether by themselves or their agents) commence or pursue, or procure or assist the commencement or pursuit of, any proceedings in connection with any dispute or disagreement under, arising out of, or relating to the Shareholder Agreement dated 15 October 2008 (as specifically amended by the Second Deed of Amendment to the Subscription Agreement and Shareholder Agreement relating to KES Power Ltd dated 5 January 2021) (the "**SHA**"), in any court or tribunal other than in either the Grand Court of the Cayman Islands or an English court.*
- 3. The Other Shareholders may continue the Pakistan Proceedings against (i) the Government of Pakistan through the Secretary, Privatisation Commission, Ministry of Privatisation and Investment (ii) the Government of Pakistan through the Secretary, Ministry of Energy, Power Division (iii) National Electric Power Regulatory Authority and (iv) the Securities and Exchange Commission of Pakistan as defendants to the Pakistan Proceedings if and to the extent that the Other Shareholders only apply for and pursue relief that requires those defendants to the Pakistan Proceedings to exercise their duties, rights or powers in relation to K-Electric Limited or KES Power Limited in a manner that does not prevent the Applicant from exercising, or interfere with the exercise (whether before or after the date of this order) by the Applicant of, its rights under the SHA as a KES Power Limited shareholder.*
- 4. Save as specifically provided for by paragraph 3 of this order, the Other Shareholders are finally enjoined and restrained (whether by themselves or their agents) from continuing, pursuing, or taking any further steps in the Pakistan Proceedings.*
- 5. The following additional issues shall be the subject of a further oral hearing before the Honourable Court to be heard as soon as practicable, subject to the availability of the Court:*
 - i. The Applicant's entitlement, if any, against the Other Shareholders for damages for breach of contract, the basis for assessing any such damages and the amount of any such damages;*
 - ii. The Applicant's claim for costs against the Other Shareholders and the basis of assessment of any such costs;*



- iii. *The Applicant's application for a payment on account of costs by the Other Shareholders and the amount of any such payment; and*
- iv. *The Respondents' application for a stay pending the determination of their appeal of this Order (the applications envisaged in sub-paragraphs (i) to (iv) are collectively referred to as the "**Applications**").*
6. *Paragraphs 1 to 4 inclusive of this order shall be stayed pending the hearing listed pursuant to paragraph 5 of this order or further order of the Court.*
7. *The time by which a party must file its Notice of Appeal in respect of this Order is extended to 14 days from the date on which a final order is made in respect of the Applications referred to in paragraph 5 above, pursuant to section 24(a) of the Court of Appeal Act (2023 Revision).*

Unquote

Copy of the order received by K-Electric Limited from IGCF is attached.

The Company has duly caused this form/statement to be signed/on its behalf by the undersigned hereto duly authorized.

Sincerely yours,

For and on behalf of
K-Electric Limited

A handwritten signature in blue ink, appearing to read 'Rizwan Pesnani', written over a light blue circular stamp or watermark.

Rizwan Pesnani

Chief Risk Officer & Company Secretary



**IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION**

CAUSE NO: FSD 269 of 2022 (NSJ)

BETWEEN:

IGCF SPV 21 LIMITED

APPLICANT / PLAINTIFF

AND

AL JOMAIH POWER LIMITED AND DENHAM INVESTMENT LTD

RESPONDENTS / DEFENDANTS

ORDER

UPON the Originating Summons issued on 25 January 2023 ("**Summons**").

AND UPON the Originating Summons issued on 24 November 2023 (the "**First Summons**") and the costs thereof being reserved pursuant to the Court's order dated 31 January 2023 (the "**Interim Order**")

AND UPON reading the affidavits in the hearing bundle and the exhibits thereto and the Experts' Reports and Joint Memorandum

THIS ORDER was **FILED** by **BEDELL CRISTIN** of Suite 5305, 18 Forum Lane, P.O. Box 1990, Grand Cayman, KY1-1104, Cayman Islands, Attorneys-at-law for the Respondents/Defendants whose address for service is that of their said Attorneys-at-law.

AND UPON hearing Counsel for IGCF SPV 21 Limited (the "**Applicant**") and Counsel for Al Jomaih Power Limited and Denham Investment Ltd. (together the "**Other Shareholders**") at the trial of the Summons on 31 March and 3 April 2023.

IT IS HEREBY ORDERED that:

1. The Other Shareholders shall (whether by themselves or their agents) forthwith terminate or otherwise discontinue the proceedings commenced by them in the High Court of Sindh at Karachi, Pakistan by the Suit for Declaration and Permanent Injunction issued on 21 October 2022 (the "**Pakistan Proceedings**") against (i) the Applicant, (ii) Alvarez and Marsal, (iii) KES Power Limited and (iv) K-Electric Limited without any cost to the Applicant. For the avoidance of doubt, the Other Shareholders shall forthwith take steps to cause the order of the High Court of Sindh at Karachi, Pakistan in the Pakistan Proceedings dated 21 October 2022 to be set aside.
2. The Other Shareholders shall not (whether by themselves or their agents) commence or pursue, or procure or assist the commencement or pursuit of, any proceedings in connection with any dispute or disagreement under, arising out of, or relating to the Shareholder Agreement dated 15 October 2008 (as specifically amended by the Second Deed of Amendment to the Subscription Agreement and Shareholder Agreement relating to KES Power Ltd dated 5 January 2021) (the "**SHA**"), in any court or tribunal other than in either the Grand Court of the Cayman Islands or an English court.
3. The Other Shareholders may continue the Pakistan Proceedings against (i) the Government of Pakistan through the Secretary, Privatisation Commission, Ministry of Privatisation and Investment (ii) the Government of Pakistan through the Secretary, Ministry of Energy, Power Division (iii) National Electric Power Regulatory Authority and (iv) the Securities and Exchange Commission of Pakistan as defendants to the Pakistan Proceedings if and to the extent that the Other Shareholders only apply for and pursue relief that requires those defendants to the Pakistan Proceedings to exercise their duties, rights or powers in relation to K-Electric Limited or KES Power Limited in a manner that does not prevent the Applicant from exercising, or interfere with the exercise (whether before or after the date of this order) by the Applicant of, its rights under the SHA as a KES Power Limited shareholder.

4. Save as specifically provided for by paragraph 3 of this order, the Other Shareholders are finally enjoined and restrained (whether by themselves or their agents) from continuing, pursuing, or taking any further steps in the Pakistan Proceedings.
5. The following additional issues shall be the subject of a further oral hearing before the Honourable Court to be heard as soon as practicable, subject to the availability of the Court:
 - i. The Applicant's entitlement, if any, against the Other Shareholders for damages for breach of contract, the basis for assessing any such damages and the amount of any such damages;
 - ii. The Applicant's claim for costs against the Other Shareholders and the basis of assessment of any such costs;
 - iii. The Applicant's application for a payment on account of costs by the Other Shareholders and the amount of any such payment; and
 - iv. The Respondents' application for a stay pending the determination of their appeal of this Order (the applications envisaged in sub-paragraphs (i) to (iv) are collectively referred to as the "**Applications**").
6. Paragraphs 1 to 4 inclusive of this order shall be stayed pending the hearing listed pursuant to paragraph 5 of this order or further order of the Court.
7. The time by which a party must file its Notice of Appeal in respect of this Order is extended to 14 days from the date on which a final order is made in respect of the Applications referred to in paragraph 5 above, pursuant to section 24(a) of the Court of Appeal Act (2023 Revision).

DATED the 16th day of August 2023

FILED the 16th day of August 2023



THE HONOURABLE MR. JUSTICE SEGAL

JUDGE OF THE GRAND COURT

THIS ORDER was **FILED** by **BEDELL CRISTIN** of Suite 5305, 18 Forum Lane, P.O. Box 1990, Grand Cayman, KY1-1104, Cayman Islands, Attorneys-at-law for the Respondents/Defendants whose address for service is that of their said Attorneys-at-law.