

PRICE SENSITIVE INFORMATION

This is for information of all concerned that the Board of Directors of Summit Power Limited (SPL) in its meeting held on 14th September 2022 at 4.00 p.m. through in-person and digital platform in pursuant to the Notification No: SEC/SRMIC/94-231/91 dated 31st March 2021 issued by the Bangladesh Securities and Exchange Commission (BSEC), has approved the Audited Financial Statements for the year ended 30th June 2022 for adoption in the next Annual General Meeting (AGM) and took the following decisions:

1. Recommended Dividend : 20% Cash Dividend
2. Record Date : 6th October 2022, Thursday
3. Date & Time of 25th AGM : 31st October 2022, Monday at 11.30 AM
4. Venue of the 25th AGM : Meeting to be arranged through digital platform pursuant to the Notification No: SEC/SRMIC/94-231/91 dated 31st March 2021 issued by BSEC

5. The Key Financial Statistics as per the Audited Financial Statements are as under:

Particulars	As at and for the year ended on			
	30 th June 2022		30 th June 2021	
	Consolidated	Solo	Consolidated	Solo
Net Asset Value Per Share (NAVPS) in BDT	35.72	27.84	34.45	28.94
Earnings Per Share (EPS) in BDT	3.87	3.05	5.25	3.84
Net Operating Cash Flow Per Share (NOCFPS) in BDT	5.91	1.94	8.53	3.21

6. General Disclosure:

No dividend has been declared out of the capital reserve account or the revaluation reserve account or any unrealized gain or out of profit earned prior to the incorporation of the company, if any, or through reducing paid-up capital or through doing anything so that the post dividend retained earnings become negative or a debit balance.

7. Special Business:

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 (SNPUIL), Ace Alliance Power Limited (AAPL) and Summit Gazipur II Power Limited (SGIPL). 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 (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 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/CMMRRC/2006-159/Admin/02-10 dated 10th September 2006. With this in view, the following ordinary resolutions are placed for consideration of honourable shareholders in this 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.”

Notes

- a** Members whose names appear in the Register of Member in CDBL database of Summit Power Limited (SPL) on the record date shall be eligible to attend the 25th Annual General Meeting (AGM) and receive the Cash Dividend.
- b** Members are requested to check and update their BO ID's Bank Account details along with Routing Number to get dividend online through BEFTN system. Also requested to update respective BO Account with 12 digit e-TIN along with other necessary information including contact address before the Record Date.
- c** As per BSEC Notification No SEC/CMRRC/2006-158/208/Admin/81 dated 20th June 2018, the soft copy of the Annual Report 2021-22 will be sent to the email addresses of the members available in their BO accounts maintained with the Depository. Members are requested to update their email address through their respective Depository Participant (DP). The soft copy of the annual report will also be available in the Company website at: www.summitpowerinternational.com/spl.
- d** 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) on or before 07th November 2022, Monday.

By order of the Board of Directors

S/d-

Dhaka, 14th September 2022

(Swapon Kumar Pal, FCA)
Company Secretary