

Ref: KAPCO/2021/K-3/L-002
February 16, 2021

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The General Manager
Pakistan Stock Exchange
Stock Exchange Building
Karachi

SUBJECT: DISCLOSURE OF MATERIAL INFORMATION

Dear Sir,

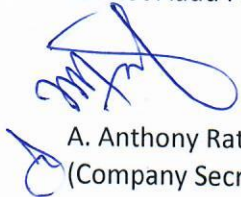
In accordance with Section 96 of the Securities Act, 2015 ("**Act**") and Clause 5.6.1(a) of PSX Regulations ("**Regulation**"), and further to the earlier notice sent to PSX dated February 1, 2021, we inform you that the Kot Addu Power Company Limited ("**Company**"), and the Pakistan Water and Power Development Authority ("**WAPDA**") have executed the Master Agreement and the Third Amendment to the Power Purchase Agreement (together, the "**Agreements**"). The terms and conditions of the Agreements remain materially and substantially the same as earlier intimated in our disclosure of February 1, 2021.

The Company, WAPDA and the Central Power Purchasing Agency (Guarantee) Limited ("**CPPA-G**") have also entered into a Novation Agreement to transfer the rights, obligations and liabilities of WAPDA under the Power Purchase Agreement (as amended by the Third PPA Amendment Agreement) in favour of CPPA-G. CPPA-G is the Market Operator, inter alia, facilitating the power market transition from the current single buyer to competitive market. The Power Purchase Agreements of IPPs are with/have been novated to CPPA-G. Hence, the Company's PPA is also being novated to CPPA-G.

The Agreements and the Novation Agreement require shareholders' approval in general meeting to become effective.

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)

Copy to:

Director/HOD
Surveillance, Supervision and Enforcement Department
Securities and Exchange Commission of Pakistan
NIC Building, 63-Jinnah Avenue
Blue Area, Islamabad



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