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ANNEXURE-A

Kot Addu Power Company Limited (the "**Company**") wishes to announce that on March 29, 2018 it has commenced arbitration proceedings in Singapore against the Pakistan Water and Power Development Authority ("**WAPDA**") and Central Power Purchasing Agency Guarantee Limited ("**CPPA-G**") under the arbitration rules of the International Chamber of Commerce. Additionally, the Government of Pakistan has also been made a party to the arbitration as it has issued a Guarantee in favour of the Company and has entered in the Facilitation Agreement with the Company.

The arbitration has been commenced pursuant to the Power Purchase Agreement dated June 27, 1996 (as amended) ("**PPA**") between the Company and WAPDA. CPPA-G has been named as a respondent in its capacity as the current market operator and power purchaser implementing and administrating the PPA signed between WAPDA and the Company.

The Company has commenced arbitration to, inter alia, nullify the liquidated damages of PKR 27,727,118,565 wrongfully imposed by WAPDA/CPPA-G; and to enforce its right to claim PKR 2,446,520,553 comprising the Company's net losses not otherwise covered by late payment interest.

The Company will make further announcements in compliance with its obligations under the Listing Regulations of the Pakistan Stock Exchange.



A. Anthony Rath
(Company Secretary)



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