

Notice of the 33rd Annual General Meeting

Notice is hereby given that the 33rd Annual General Meeting of the Company will be held on **Monday, September 30, 2024** at **10:00 am** at Marriott Hotel, Abdullah Haroon Road, Karachi - to transact the following business:

Members are encouraged to attend the AGM through a video conference facility managed by the Company (please see the notes section for details).

A. ORDINARY BUSINESS

- i. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the year ended June 30, 2024, together with the Directors' and Auditor's Reports thereon and Chairman's Review Report.

As required under section 223(6) of the Companies Act, 2017 (the "Act"), Financial Statements of the Company have been uploaded on the website of the Company which can be downloaded from the following link and/or QR enabled code.



<https://hubpower.com/investors/>

2. To declare and approve, as recommended by the Directors, the payment of final cash dividend at the rate of PKR 8.5 per share i.e. 85% for the year ended June 30, 2024. This is in addition to interim cash dividends of PKR 11.5 per share i.e. 115%.
3. To appoint Auditors for the year ending June 30, 2025 and fix their remuneration. The Members are hereby notified that the Board Audit Committee and the Board of Directors have recommended the name of retiring Auditors M/s. A.F. Ferguson & Co., for re-appointment as Auditors of the Company.
4. To elect 7 directors as fixed by the Board in accordance with section 159(1) of the Companies Act, 2017 for the period of three years commencing from October 5, 2024. The names of the retiring directors are as follows: Mr. M. Habibullah Khan, Mr. Aly Khan, Ms. Aleeya Khan, Mr. Manzoor Ahmed, Mr. Saad Iqbal, Mr. Shafiuddin Ghani Khan and Syed Bakhtiyar Kazmi.

B. SPECIAL BUSINESS

To consider and if thought appropriate, to pass with or without modification, the following resolutions as special resolutions:

Various Investments in Sindh Engro Coal Mining Company Limited

"RESOLVED THAT further to the resolutions passed in the meetings of the Board of Directors of the Company held on January 16, 2024 and February 14, 2024, in terms of which, the Company was authorized to make various investments in Sindh Engro Coal Mining Company Limited ("**SECMC**"), approval of the Shareholders is accorded and the Company is authorized in terms of Section 199 of the Companies Act, 2017 (the "**Companies Act**"), to make additional investment of the funds of the Company, by acquiring (directly or through its nominees) up to approximately 152,992,331 (one hundred fifty two million nine hundred ninety two thousand three hundred thirty one) ordinary shares of SECMC or part thereof, its associated company (as defined in the Companies Act), equivalent to up to approximately 9.5% of the issued and paid up ordinary share capital of SECMC, from Habib Bank Limited (the "**Proposed Seller**") at a price per share of approximately PKR 35.3, subject to a maximum investment amount of PKR 5,400,629,249/- (the "**Proposed Investment**"). The approval for the Proposed Investment shall be valid for the Term as defined in the GoS Implementation Agreement dated November 19, 2015, pertaining to SECMC.

FURTHER RESOLVED THAT approval of the Shareholders is accorded and the Company is authorised in terms of Section 199 of the Companies Act, in addition to the Proposed Investment, to take on the obligations of the Proposed Seller and such other obligations as may be required by lenders of SECMC (“Lenders Sponsor Support”), including:

- (a) making authorized investments in SECMC, from time to time, not exceeding approximately USD 2.2 million (in equivalent Pakistan rupees, in respect of the various phases) by way of subscription of shares at the rate of PKR 14.82 per share, (the “Assumed Seller Equity Obligation”);
- (b) for making the equity investment in SECMC, the Company is hereby authorized to arrange and provide standby letter of credit to cover the equity investment of the Assumed Seller Equity Obligation (in respect of the various phases) in its capacity as a project sponsor to the satisfaction of the lenders of the SECMC;
- (c) providing sponsor support for provision of standby letter of credit to cover Subsequent PSRA LC for an amount up to, and not exceeding approximately USD 7.2 million (or a higher amount, if necessary in respect of the various phases) either by way of subscription for shares at the rate of Rs. 14.82 per share or by treating such amount as subordinated debt, on terms and conditions to be agreed in writing between the Company and the other Shareholders / Shareholder Affiliates (as the case may be) of SECMC (in accordance with the Amended and Restated Sponsor Support Agreement pertaining to SECMC), and the lenders;
- (d) for providing sponsor support to cover cost overruns and funding shortfall of upto USD 1.1 million (in respect of the various phases) as may be requested by SECMC or the lenders and provide funding either by way of subscription of SECMC shares at the rate of Rs. 14.82 per share or by way of subordinated loan, on terms and conditions to be agreed in writing between the Company, SECMC and the lenders;
- (e) to provide such standby letters of credit (SBLC) and/or guarantees to cover for equity investment, cost overruns, funding shortfalls, cash calls and payment service reserve shortfall, including but not limited to providing such supports to the Proposed Seller in relation to its obligations to the lenders of SECMC, on such terms and conditions as may be deemed fit and appropriate by the Authorized Representatives (or any of them) but in any event in compliance with the provisions of the applicable laws not exceeding approximately USD 10.5 million (or a higher amount, if necessary in respect of the various phases) either by way of subscription at the rate of Rs. 14.82 per share or by treating such amount as subordinated debt, on terms and condition as agreed between the Company, SECMC and the lenders.

The approval for the Lenders Sponsor Support shall be valid until the Senior Discharge Date as defined in the Intercreditor Agreement dated December 21, 2015, as amended from time to time, relating to SECMC.

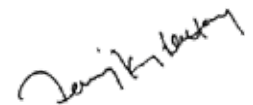
FURTHER RESOLVED THAT for the purposes of the Proposed Investment and the Lenders Sponsor Support, the Chief Executive Officer, Chief Financial Officer and Company Secretary of the Company (each, an “**Authorized Representative**”) or any of their delegates, be and are hereby singly and / or jointly authorized to negotiate and finalize the terms of the Proposed Investment and the Lender Sponsor Support with the Proposed Seller (including through its authorized representatives) or the lenders of SECMC or any other persons / authorities necessary, and to negotiate, finalize, issue and execute, for and on behalf of the Company, share transfer deeds, and amendments to the shareholders agreement of SECMC, and any other agreements, documents, amendments, restatements, novations or supplementals to any instruments / agreements (as may be deemed expedient, incidental, necessary or appropriate by the Authorized Representatives, or any of them) with SECMC and / or its shareholders / sponsors and / or its lenders on such terms as may be deemed fit and appropriate by the relevant Authorized Representative and from time to time execute or issue (as the case may be) any and all amendments or variations, communications, certificates, notices, acknowledgements or other documents pertaining or pursuant to such agreements.

FURTHER RESOLVED THAT the Authorized Representatives, jointly and / or severally are authorized to take all necessary actions for the purposes of the Proposed Investment and the Lenders Sponsor Support, and to do all acts, deeds and things, take any or all necessary actions to complete all legal formalities as may be expedient, necessary, incidental or appropriate for the purpose of implementing the aforesaid resolutions and Proposed Investment and the Lenders Sponsor Support including but not limited to executing the aforesaid instruments, filing the necessary forms, and making, issuing and finalizing the necessary applications, requisitions and liaise with the relevant competent and regulatory authorities for the purposes of implementing the Proposed Investment and the Lenders Sponsor Support and any incidental and necessary matter thereto.”

FURTHER RESOLVED THAT further to the resolutions passed by the Board of Directors of the Company on October 3, 2019 and the resolutions passed by the Shareholders of the Company on October 24, 2019 for making equity investment in SECMC and arranging and providing a standby letter of credit (“**SBLC**”) to cover for the equity investment of USD 20 million (in respect of the various phases) in its capacity as a project sponsor to the satisfaction of the lenders of SECMC, following approval of the Board of Directors of the Company on February 14, 2024, approval of the Shareholders is accorded and the Company is authorised under Section 199 of the Companies Act, and the regulations made thereunder, to (i) reduce the amount of the SBLC to approximately (up to) USD 4 Million; and (ii) extend the tenor of the SBLC and the corresponding Facility under which the said SBLC has been obtained till the earlier of Project Completion Date of SECMC, or June, 2026, or such period until the liabilities / obligations of the Sponsors remain undischarged, whichever is later.

FURTHER RESOLVED THAT the Company be and is hereby authorized to enter into, execute and deliver any amendments, supplements, novations and modifications (by whatsoever name called) to the Original Facility Agreement to be entered into between the Company and the banks/financial institutions (set out in the Original SBLC Facility Agreement) for the purposes of the aforementioned resolution.”

By Order of the Board



Faiza Kapadia Raffay
Company Secretary

Date: September 5, 2024
Place: Karachi

NOTES:

1. Prohibition of grant of gifts to Shareholders

The Securities and Exchange Commission of Pakistan (the “SECP”), through its Circular 2 of 2018, dated February 9, 2018, has strictly prohibited companies from providing gifts or incentives, in lieu of gifts (tokens/coupons/lunches/takeaway/packages) in any form or manner, to shareholders at or in connection with general meetings. Under Section 185 of the Act, any violation of this directive is considered an offense, and companies failing to comply may face penalties.

2. Participation in the AGM proceeding via video conferencing facility

Members are encouraged to attend the AGM proceedings via video-conferencing facility, which shall be made available by the Company.

All Shareholders/Members interested in attending the AGM, either physically or through video-conferencing facility are requested to register their Name, Folio Number, Cell Number, CNIC / Passport number at notice@hubpower.com confirmation email for physical meeting or video link and login credentials will be shared with only those Shareholders whose registration are received at least 48 hours before the time of AGM.

3. Electronic dividend mandate

- i. Under Section 242 of the Companies Act, 2017, it is mandatory for all listed companies to pay cash dividend to its Shareholders through electronic mode directly into the bank account designated by the entitled Shareholders.
- ii. The Share Transfer Books of the Company will remain closed from Monday, September 23, 2024 to Monday, September 30, 2024 (both days included) and the final dividend will be paid to the shareholders whose names appear in the Register of Members on Friday, September 20, 2024.
- iii. A member entitled to attend and vote at the meeting may appoint a proxy in writing to attend the meeting and vote on the member's behalf. A Proxy need not be a member of the Company.
- iv. Duly completed forms of proxy must be submitted with the Company Secretary at the Head Office of the Company no later than 48 hours before the time appointed for the meeting.
- v. Shareholders (Non-CDC) are requested to promptly notify the Company's Registrar of any change in their addresses and submit, if applicable to them, the Non-deduction of Zakat Form CZ-50 with the Registrar of the Company M/s. Famco Share Registration Services (Pvt.) Limited, 8-F, Next to Hotel Faran, Nursery, Block 6, PECHS, Shakra-e-Faisal, Karachi. All the Shareholders holding their shares through the CDC are requested to please update their addresses and Zakat status with their Participants. This will assist in the prompt receipt of Dividend.
- vi. Non-resident shareholders shall submit declaration of undertaking with copy of valid passport under definition contained in Section 82 of the Income Tax Ordinance, 2001 for determination of residential status for the purposes of deduction of tax on dividend to the Share Registrar of the Company. M/s. Famco Share Registration Services (Pvt.) Limited, at 8-F, Next to Hotel Faran, Nursery, Block 6, PECHS, Shakra-e-Faisal, Karachi or email at info.shares@famcosrs.com at the latest by September 20, 2024. The copy of declaration can be downloaded at [share registrar website](https://famcosrs.com/share-registration-service/)<https://famcosrs.com/share-registration-service/>
- vii. In case the shareholder is an individual dividend would be paid only if the member has submitted copies of valid CNIC.

4. For Attending the Meeting

- i. In case of individuals, the Account Holders of Sub-account Holders and / or the persons whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate their identity by showing original Computerized National Identity Card (CNIC) or original passport at the time of attending the Meeting.
- ii. In case of a corporate entity, the Board of Directors resolution / Power of Attorney with specimen signature of the nominee shall be produced (if it has not been provided earlier) at the time of attending the Meeting.

5. For Appointing Proxies

- i. In case of individuals, the Account Holders of Sub-account Holders and / or the persons whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit their proxy forms as per the above mentioned requirements.
- ii. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be stated on the form.
- iii. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be provided with the proxy form.
- iv. In case of a corporate entity, the Board of Directors resolution / Power of Attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

6. Consent for Video Conference Facility

In compliance with Section 134(1)(b) of the Companies Act, 2017, if the Company receive consent from members holding aggregate 10% or more shareholding residing at geographical location to participate in the meeting through video link facility at least 10 days prior to the date of general meeting, the Company will arrange video link facility in that city. To avail this facility, please provide following information and submit to registered address of the Company.

The Company will intimate members regarding venue of video conference facility at least 5 days before the date of the general meeting along with complete information necessary to enable them to access the facility.

I/We, _____ of _____ being a member of The Hub Power Company Limited, holder of _____ Ordinary Shares as per Register Folio No. _____ hereby opt for video conference facility at _____

Signature of member

Statement of Material Facts Under Section 166(3) of the Companies ACT, 2017

Agenda Item 4

This Statement sets out the material facts pertaining to the Ordinary Business as described in the Notice of AGM of the Company.

The term of office of the current directors of the Company will expire on October 5, 2024, in accordance with Section 159(1) of the Act, the Board of Directors have fixed the number of Directors to be elected at the AGM at seven (07) to hold the office of director for a period of three (3) years commencing from the date of the AGM.

Independent Director shall be selected in accordance with the provisions of the Act, the Listed Companies (Code of Corporate Governance) Regulations, 2019 and the Companies (Manner and Selection of Independent Director) Regulations, 2018.

Accordingly, in compliance with the provisions of Regulation 7A of the Listed Companies (Code of Corporate Governance) Regulations, 2019, Election of Directors will be held separately for the following three categories:

S. No.	Categories	No. of Seats
1.	Female Director	01
2.	Independent Directors	03
3.	Other Directors	03

In order to safeguard the interest of the minority shareholders, any member can send his/her nomination for contesting the election in any of above-mentioned categories.

Any person who seeks to contest the election of the office of director, whether they are a retiring director or otherwise, shall submit the following documents to the Company Secretary at the Registered Office address 9th Floor Ocean Tower, Block-9, Main Clifton Road, Karachi, not later than fourteen (14) days before the date of AGM, the following documents:

1. Notice of his/her intention to offer himself/herself for the election of director as per Section 159(3) of the Act, and consent to act as a director on Form 9 as prescribed under the Act, and the Companies Regulation, 2024.
2. Any person contesting the election of directors must be a Member of the Company at the time of filling his/her consent unless such person is representing a Member which is not a natural person.
3. A signed declaration confirming that:
 - a. He/she is aware of his/her duties and power under the Act, the Listed Companies (Code of Corporate Governance) Regulations, 2019 the Rule Book of Pakistan Stock Exchange Limited, Memorandum and Articles of Association of the Company and other relevant laws and regulations.
 - b. He/she is not ineligible to become a director of a listed company under the provisions of the Act, the Listed Companies (Code of Corporate Governance) Regulations, 2019 and other applicable laws/regulations.

4. A detailed profile along with his/her office address for placement on the Company's website as required under SRO1196(1)/2019 dated October 03, 2019.
5. Details of other directorships held.
6. Copy of valid CNIC or Passport (in case of a foreign national) along with NTN and Folio Number/CDC Account or Sub Account number.
7. The following additional documents are required to be submitted by the candidates intending to contest the election as an independent director:
 - a. Declaration of independence under Regulation 6(3) of the Listed Companies (Code of Corporate Governance) Regulations, 2019.
 - b. Undertaking on non-judicial stamp paper that he/she meets the requirements of Regulations 4(1) of the Companies (Manner and Selection of Independent Directors) Regulations, 2018.

All the notices received for the category of independent Director, shall be subject to due diligence by the Companies as prescribed under Section 166 of the Act and 7A of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

The final list of candidates contesting the election will be circulated not later than Seven (7) days before the date of AGM in terms of Section 159(4) of the Act. The website of the Company will be updated with the required information and Directors' profile.

STATEMENT PURSUANT TO SECTION 134(3) OF THE COMPANIES ACT, 2017

Pursuant to Section 134(3) of the Companies Act, 2017, this Statement sets forth the material facts concerning the special business listed hereinabove, to be transacted at the Annual General Meeting ("AGM") of the Company to be held on September 30, 2024.

Section B1-A: Investment in Sindh Engro Coal Mining Company Limited ("SECMC") – Acquisition of Shares from Habib Bank Limited (the "Proposed Seller")

The Company, along with Thal Limited ("**Thal**") and Engro Energy Limited ("**Engro**") (collectively, the "**Proposed Purchasers**"), being the existing shareholders of SECMC, are desirous of acquiring up to 152,992,331 (one hundred fifty two million nine hundred ninety two thousand three hundred thirty one) additional ordinary shares of SECMC (or part thereof, as detailed below) (the "**Sale Shares**"), having face value of PKR 10/- from the Proposed Seller, at a price of approximately PKR 35.3/- per share (the "**Proposed Transaction**").

By way of background, the Company had on February 16, 2024, entered into a Share Purchase Agreement with the Proposed Seller to purchase the entire Sale Shares (the "**Original SPA**"), however, after discussions between the parties, the Company, along with Thal and Engro, are in the process of negotiating a new draft share purchase agreement with the Proposed Seller which will outline the revised key terms and conditions of the Proposed Transaction and include Thal and Engro as proposed purchasers (the "**Agreement**"). Accordingly, once the Proposed Transaction is consummated, the original SPA will be terminated. The salient features of the Agreement are envisaged to be as follows:

- a) The Proposed Purchasers shall purchase the Sale Shares in such proportion that each of them shall, at the conclusion of the Proposed Transaction, hold equivalent shareholding in SECMC, of approximately 13.8% each;

- b) In the event that any of the Proposed Purchasers is unable to fulfil certain conditions precedent, the remaining Proposed Purchasers may then purchase their portion of the Sale Shares as well, so as to hold equal shareholding in SECMC;
- c) Accordingly, approval is being sought from the Shareholders to purchase up to the entire amount of the Sale Shares, in which case, the maximum shareholding that HUBCO may acquire would be the entire 9.5% Sale Shares intended to be sold by the Proposed Seller, resulting in HUBCO holding a maximum of 17.5% shareholding in SECMC.

The Proposed Transaction was approved in the meetings of the Board of Directors held on January 16, 2024, and February 14, 2024, subject to shareholder approval.

The Company presently holds approximately 128,835,648 ordinary shares of SECMC, equivalent to approximately 8% of the issued and paid-up ordinary share capital of the Company. This investment was approved in the shareholders meeting held on October 5, 2015, followed by additional investments in SECMC approved on October 24, 2019. The Company entered into a Master Shareholders Agreement with the other shareholders of SECMC, on August 17, 2015 (as amended from time to time) (the “**SECMC Shareholders Agreement**”), which governs the relationship inter se the shareholders of SECMC.

In terms of directorship, pursuant to the SECMC Shareholders Agreement, the Company has appointed Mr. Muhammad Kamran Kamal as its nominee director on the Board of SECMC. Following consummation of the Proposed Transaction, the Company shall be entitled to appoint an additional director to the Board of SECMC.

The Company and Mr. Muhammad Kamran Kamal, its nominee director in SECMC, have no interest in the investment except for the value of the shares they hold/would hold in SECMC.

Information pursuant to the Companies (Investment in Associated Companies or Associated Undertakings) Regulations 2017 (the “**Regulations**”).

(a) Disclosures required under Regulation 3(a):

Information Required	Information Provided							
Name of the “associated company”	Sindh Engro Coal Mining Company Limited							
Basis of relationship;	<p>The Company holds approximately 8% of the issued and paid up ordinary share capital of SECMC.</p> <p>Mr. Muhammad Kamran Kamal, Chief Executive Officer and Director of the Company, is also a director on the Board of Directors of SECMC.</p>							
Earnings per share for the last three years;	<table border="1" data-bbox="597 1686 1453 1860"> <tbody> <tr> <td data-bbox="597 1686 1027 1749">2023</td> <td data-bbox="1036 1686 1453 1749">PKR 18.11</td> </tr> <tr> <td data-bbox="597 1759 1027 1801">2022</td> <td data-bbox="1036 1759 1453 1801">PKR 4.90</td> </tr> <tr> <td data-bbox="597 1812 1027 1854">2021</td> <td data-bbox="1036 1812 1453 1854">PKR 6.84</td> </tr> </tbody> </table>		2023	PKR 18.11	2022	PKR 4.90	2021	PKR 6.84
2023	PKR 18.11							
2022	PKR 4.90							
2021	PKR 6.84							

Break-up value per share, based on latest audited financial statements;	PKR 51/- per share as per latest audited accounts														
Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements	<table border="1"> <thead> <tr> <th></th> <th>PKR in '000</th> </tr> </thead> <tbody> <tr> <td>Total Assets</td> <td>232,904,866</td> </tr> <tr> <td>Equity</td> <td>81,490,651</td> </tr> <tr> <td>Long term loan</td> <td>82,124,503</td> </tr> <tr> <td>Current Liabilities</td> <td>78,255,667</td> </tr> <tr> <td>Turnover</td> <td>109,407,088</td> </tr> <tr> <td>Profit for the year</td> <td>29,160,750</td> </tr> </tbody> </table>		PKR in '000	Total Assets	232,904,866	Equity	81,490,651	Long term loan	82,124,503	Current Liabilities	78,255,667	Turnover	109,407,088	Profit for the year	29,160,750
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Turnover	109,407,088														
Profit for the year	29,160,750														
In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely,-	N/A														
<p>(I) Description of the project and its history since conceptualization;</p> <p>(II) Starting date and expected date of completion of work;</p> <p>(III) Time by which such project shall become commercially operational;</p> <p>(IV) Expected time by which the project shall start paying return on investment; and</p> <p>(V) Funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts;</p>															
Maximum amount of investment to be made;	Up to PKR 5,400,629,249/-														
Purpose and benefits likely to accrue to the investing company and its members from such investment and period of investment	<p>The proposed investment would increase the stake of the Company in the development and expansion of a coal mine of 7.6 million tons per annum.</p> <p>The investment augments the Company's existing investment in SECMC, which has a tariff based on a 20% return on equity.</p>														

<p>Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,-</p> <p>(I) justification for investment through borrowings;</p> <p>(II) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and</p> <p>(III) cost benefit analysis;</p>	<p>This investment will be funded through the Company's own funds.</p>
<p>Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment</p>	<p>The Company has not entered into any agreement with SECMC, its associated company, in relation to the Proposed Transaction.</p> <p>However, as stated in the preamble above, the Company, Thal and Engro are in the process of negotiating the Agreement, which will detail the terms of the Proposed Transaction. Certain salient features of the same have been detailed above, and include inter alia the following:</p> <p>(i) Fulfilment of various conditions precedent by the Company, including obtaining the approval of the shareholders of the Company for the Proposed Transaction, obtaining clearance for the Proposed Transaction from the Competition Commission of Pakistan, procuring the issuance of a Sponsor Equity Contribution SBLC to Habib Bank Limited, as the intercreditor agent, which SBLC shall become effective on the Closing Date under the Agreement, sponsor support agreement and share pledge agreement related obligations etc;</p> <p>(ii) Various Closing actions to be taken by all parties; and</p> <p>(iii) Representations and warranties given by all parties.</p>
<p>Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration;</p>	<p>Mr. Muhammad Kamran Kamal is a CEO of the Company and also holds directorship and a qualifying share in SECMC.</p>
<p>In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs;</p>	<p>The Proposed Transaction is intended to increase the shareholding of the Company in SECMC from approximately 8% to a maximum of approximately 17.5% of the issued and paid up ordinary share capital of SECMC (minimum being approximately 13.8%), for which approval of the Board of Directors of the Company was given on January 16, 2024.</p>

	<p>The initial approval of the Shareholders of the Company was accorded on October 5, 2015, for an amount equivalent to USD 20 million, following which, the Company was allotted 128,835,648 ordinary shares of SECMC, having face value of PKR 10/- each, equivalent to approximately 8% of the issued and paid-up ordinary share capital of SECMC. The Company has issued an equity SBLC currently outstanding at USD 1.752 million and shall be released on PCD of phase II.</p> <p>The benefits to the company include increasing the stake of the Company in the development and expansion of a coal mine of 7.6 million tons per annum.</p> <p>The investment augments the Company's existing investment in SECMC, which has a tariff based on a 20% return on equity.</p> <p>No impairment conditions exist on the investment; accordingly, no charge/write offs have been made till date.</p>
Any other important details necessary for the members to understand the transaction;	N/A

(b) Disclosures required under Regulation 3(b):

Maximum price at which securities will be acquired	Approximately PKR 35.3/- per share or such other rate as may be agreed between the parties.
In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof	N/A
Maximum number of securities to be acquired	Up to 152,992,331 ordinary shares having face value of PKR 10/- each (or part thereof)
Number of securities and percentage thereof held before and after the proposed investment	<p>Present holding: 128,835,648 ordinary shares, equivalent to approximately 8% of the issued and paid up ordinary share capital of SECMC</p> <p>Maximum Holding after Proposed Investment: Up to 281,827,979 ordinary shares, equivalent to approximately 17.5% of the issued and paid up ordinary share capital of SECMC</p>
Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities; and	N/A

Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities;	The fair value of the Sale Shares is approximately PKR 36.3 per share, as per the valuation conducted by the Company.
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(c) Disclosures required under Regulation 3(c): N/A

Section B1 - B: Investment in Sindh Engro Coal Mining Company Limited (“SECMC”) – Issuance of Sponsor Equity Contribution SBLC in respect of additional shares to be acquired from Habib Bank Limited (the “Proposed Seller”)

As detailed in Section B1 above, pursuant to Agreement, the Company will be required to procure the issuance of a Sponsor Equity Contribution SBLC in the amount of up to USD 2.2 million (“**Equity SBLC**”) to be provided to Habib Bank Limited (as the intercreditor agent), in accordance with Clause 5.1(b) of the Amended and Restated Sponsor Support Agreement originally dated February 26, 2016 as amended and restated from time to time (“**Sponsor Support Agreement**”) entered into between various parties including inter alia the Proposed Seller and the Company, which Equity SBLC shall become effective on the Closing Date as per the Agreement.

Information pursuant to the Companies (Investment in Associated Companies or Associated Undertakings) Regulations 2017 (the “**Regulations**”).

(a) Disclosures required under Regulation 3(a):

Information Required	Information Provided														
Name of the “associated company”	Sindh Engro Coal Mining Company Limited														
Basis of relationship;	The Company holds approximately 8% of the issued and paid up ordinary share capital of SECMC. Mr. Muhammad Kamran Kamal, Chief Executive Officer and Director of the Company, is also a director on the Board of Directors of SECMC.														
Earnings per share for the last three years;	<table border="1"> <tr> <td>2023</td> <td>PKR 18.11</td> </tr> <tr> <td>2022</td> <td>PKR 4.90</td> </tr> <tr> <td>2021</td> <td>PKR 6.84</td> </tr> </table>	2023	PKR 18.11	2022	PKR 4.90	2021	PKR 6.84								
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2021	PKR 6.84														
Break-up value per share, based on latest audited financial statements;	PKR 51/- per share as per latest audited accounts														
Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements	<table border="1"> <thead> <tr> <th></th> <th>PKR in ‘000</th> </tr> </thead> <tbody> <tr> <td>Total Assets</td> <td>232,904,866</td> </tr> <tr> <td>Equity</td> <td>81,490,651</td> </tr> <tr> <td>Long term loan</td> <td>82,124,503</td> </tr> <tr> <td>Current Liabilities</td> <td>78,255,667</td> </tr> <tr> <td>Turnover</td> <td>109,407,088</td> </tr> <tr> <td>Profit for the year</td> <td>29,160,750</td> </tr> </tbody> </table>		PKR in ‘000	Total Assets	232,904,866	Equity	81,490,651	Long term loan	82,124,503	Current Liabilities	78,255,667	Turnover	109,407,088	Profit for the year	29,160,750
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<p>In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely,-</p> <p>(I) Description of the project and its history since conceptualization;</p> <p>(II) Starting date and expected date of completion of work;</p> <p>(III) Time by which such project shall become commercially operational;</p> <p>(IV) Expected time by which the project shall start paying return on investment; and</p> <p>(V) Funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts;</p>	<p>N/A</p>
<p>Maximum amount of investment to be made;</p>	<p>USD 2.2 million</p>
<p>Purpose and benefits likely to accrue to the investing company and its members from such investment and period of investment</p>	<p>The proposed investment would increase the stake of the Company in the development and expansion of a coal mine of 7.6 million tons per annum.</p> <p>The investment augments the Company's existing investment in SECMC, which has a tariff based on a 20% return on equity.</p>
<p>Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,-</p> <p>(I) justification for investment through borrowings;</p> <p>(II) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and</p> <p>(III) cost benefit analysis;</p>	<p>(i) The company will earn a higher return on its investment than the cost of borrowing while also increasing the assets of the Company by setting up SECMC's project.</p> <p>(ii) Charge on all present and future assets of the company</p> <p>(iii) The investment augments the Company's existing investment in SECMC, which has a tariff based on a 20% return on equity.</p>

<p>Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment</p>	<p>The salient features of the Agreement have been outlined in Section B1 - A above.</p> <p>In addition thereto, the obligation of the Proposed Seller to issue the Equity SBLC, which through the Agreement are envisaged to be contractually agreed to be taken over by the Company in proportion to the Sale Shares acquired by it, stems from Clause 5.1(b) of the Sponsor Support Agreement, which sets out various rights and obligations of the sponsors of SECMC (including inter alia the Company and the Proposed Seller).</p>
<p>Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration;</p>	<p>Mr. Muhammad Kamran Kamal is a CEO of the Company and also holds directorship and a qualifying share in SECMC.</p>
<p>In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs;</p>	<p>The initial approval of the Shareholders of the Company was accorded on October 5, 2015, for an amount equivalent to USD 20 million, following which, the Company subscribed to 128,835,648 ordinary shares of SECMC, having face value of PKR 10/- each, equivalent to approximately 8% of the issued and paid-up ordinary share capital of SECMC. The Company has also made additional investments in SECMC from time to time, including an equity SBLC currently outstanding at USD 1.752 million, which shall be released on PCD of phase II, as required under the Financing Documents of SECMC.</p> <p>The Board of Directors of the Company has, in their meeting held on January 16, 2024, approved the further acquisition of up to approximately 152,992,331 (one hundred fifty two million nine hundred ninety two thousand three hundred thirty one) ordinary shares of SECMC or part thereof, equivalent to up to approximately 9.5% of the issued and paid up ordinary share capital of SECMC, from Habib Bank Limited.</p> <p>The benefits to the company include increasing the stake of the Company in the development and expansion of a coal mine of 7.6 million tons per annum.</p> <p>The investment augments the Company's existing investment in SECMC, which has a tariff based on a 20% return on equity</p> <p>No impairment conditions exist on the investment; accordingly, no charge/write offs have been made till date.</p>
<p>Any other important details necessary for the members to understand the transaction;</p>	<p>N/A</p>

(b) Disclosures required under Regulation 3(b):

Maximum price at which securities will be acquired	Rs. 14.82 Per share
In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof	N/A
Maximum number of securities to be acquired	The number of securities would be determined based on the conversion on the date of subscription.
Number of securities and percentage thereof held before and after the proposed investment	Present holding: 128,835,648 ordinary shares, equivalent to approximately 8% of the issued and paid up ordinary share capital of SECMC Maximum Holding after Proposed Investment: Up to 281,827,979 ordinary shares, equivalent to approximately 17.5% of the issued and paid up ordinary share capital of SECMC. The number of additional securities would depend upon the call made under the commitments specified above.
Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities; and	N/A
Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities;	The fair value of the Sale Shares is approximately PKR 36.3 per share, as per the valuation conducted by the Company.

(c) Disclosures required under Regulation 3(c):

Category-wise amount of investment;	As mentioned in the preamble
Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for Shariah compliant products	To be determine at the time (if called)
Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company	The commission on the guarantee and any other charges would have to be agreed with the bank providing the guarantee.
Particulars of collateral or security to be obtained in relation to the proposed investment	No security will be obtained from the borrowing company, as it will be an equity investment if called.

If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable;	N/A
Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking	N/A

Section B1 - C: Payment Service Reserve Account (PSRA) - in the form of equity or subordinated debt

As detailed in Section B1 - A above, pursuant to the Agreement, the Company shall be required to provide sponsor support for provision of standby letter of credit to cover Subsequent PSRA LC for an amount up to approximately USD 7.2 million (or a higher amount, if necessary in respect of the various phases) either by way of subscription for shares at the rate of Rs. 14.82 per share or by treating such amount as subordinated debt, on terms and conditions to be agreed in writing between the Company and the other Shareholders / Shareholder Affiliates (as the case may be) of SECMC (in accordance with the Sponsor Support Agreement pertaining to SECMC), and the lenders.

This subsequent PSRA LC refers to the LC to be provided after the project completion date of the Project, since the lenders of SECMC have allowed Sponsors to withdraw the cash from the PSRA account provided Sponsors issue "PSRA LC" for the amount of the current PSRA. After the final maturity date of project loan, the SECMC lenders will issue instructions to the Facility Agent to release the PSRA LC. That amount can also vary depending on the then prevailing LIBOR/KIBOR rate so the estimation is that, Hubco's share (taking over the obligations of the Seller proportionate to the Sale Shares to be purchased by HUBCO) will not exceed USD 7.2 million, although it can be slightly higher or lower. Upon a demand being made for payment under the subsequent PSRA LC and receiving such payment, the said amount may be treated as equity or at the option of the Sponsors collectively, subordinated debt advanced in favor of SECMC in an amount equal to such portion of the subsequent PSRA LC that is called upon.

Information pursuant to the Companies (Investment in Associated Companies or Associated Undertakings) Regulations 2017 (the "**Regulations**").

(a) Disclosures required under Regulation 3(a):

Information Required	Information Provided
Name of the "associated company"	Sindh Engro Coal Mining Company Limited
Basis of relationship;	The Company holds approximately 8% of the issued and paid up ordinary share capital of SECMC. Mr. Muhammad Kamran Kamal, Chief Executive Officer and Director of the Company, is also a director on the Board of Directors of SECMC.

Earnings per share for the last three years;	<table border="1"> <tr> <td data-bbox="646 384 1078 447">2023</td> <td data-bbox="1078 384 1511 447">PKR 18.11</td> </tr> <tr> <td data-bbox="646 447 1078 495">2022</td> <td data-bbox="1078 447 1511 495">PKR 4.90</td> </tr> <tr> <td data-bbox="646 495 1078 558">2021</td> <td data-bbox="1078 495 1511 558">PKR 6.84</td> </tr> </table>	2023	PKR 18.11	2022	PKR 4.90	2021	PKR 6.84								
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<p data-bbox="175 1026 597 1171">In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely,-</p> <p data-bbox="175 1203 597 1287">(I) Description of the project and its history since conceptualization;</p> <p data-bbox="175 1318 597 1381">(II) Starting date and expected date of completion of work;</p> <p data-bbox="175 1413 597 1497">(III) Time by which such project shall become commercially operational;</p> <p data-bbox="175 1528 597 1612">(IV) Expected time by which the project shall start paying return on investment; and</p> <p data-bbox="175 1644 597 1812">(V) Funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts;</p>	N/A														
Maximum amount of investment to be made;	USD 7.2 million														

<p>Purpose and benefits likely to accrue to the investing company and its members from such investment and period of investment</p>	<p>The proposed investment would increase the stake of the Company in the development and expansion of a coal mine of 7.6 million tons per annum.</p> <p>The investment augments the Company's existing investment in SECMC, which has a tariff based on a 20% return on equity.</p>
<p>Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,-</p> <p>(I) justification for investment through borrowings;</p> <p>(II) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and</p> <p>(III) cost benefit analysis;</p>	<p>(i) The company will earn a higher return on its investment than the cost of borrowing while also increasing the assets of the Company by setting up SECMC's project.</p> <p>(ii) Charge on all present and future assets of the company</p> <p>(iii) The investment augments the Company's existing investment in SECMC, which has a tariff based on a 20% return on equity.</p>
<p>Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment</p>	<p>The salient features of the Agreement have been outlined in Section B1 - A above.</p>
<p>Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration;</p>	<p>Mr. Muhammad Kamran Kamal is a CEO of the Company and also holds directorship and a qualifying share in SECMC.</p>
<p>In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs;</p>	<p>The initial approval of the Shareholders of the Company was accorded on October 5, 2015, for an amount equivalent to USD 20 million, following which, the Company subscribed to 128,835,648 ordinary shares of SECMC, having face value of PKR 10/- each, equivalent to approximately 8% of the issued and paid-up ordinary share capital of SECMC. The Company has also made additional investments in SECMC from time to time, including an equity SBLC currently outstanding at USD 1.752 million, which shall be released on PCD of phase II, as required under the Financing Documents of SECMC.</p> <p>The Board of Directors of the Company has, in their meeting held on January 16, 2024, approved the further acquisition of up to approximately 152,992,331 (one hundred fifty two million nine hundred ninety two thousand three hundred thirty one) ordinary shares of SECMC or part thereof, equivalent to up to approximately 9.5% of the issued and paid up ordinary share capital of SECMC, from Habib Bank Limited, along with various other investments as agreed in the Agreement.</p> <p>The benefits to the company include increasing the stake of the Company in the development and expansion of a coal mine of 7.6 million tons per annum.</p>

	<p>The investment augments the Company's existing investment in SECMC, which has a tariff based a 20% return on equity.</p> <p>No impairment conditions exist on the investment; accordingly, no charge/write offs have been made till date.</p>
Any other important details necessary for the members to understand the transaction;	N/A

(e) Disclosures required under Regulation 3(b):

Maximum price at which securities will be acquired	Rs. 14.82 Per share
In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof	N/A
Maximum number of securities to be acquired	Number of securities would be determined by converting the USD investment amount into PKR on the date of subscription and dividing the same by the rate of the shares as decided by the board of directors of SECMC.
Number of securities and percentage thereof held before and after the proposed investment	<p>Present holding: 128,835,648 ordinary shares, equivalent to approximately 8% of the issued and paid up ordinary share capital of SECMC</p> <p>Maximum Holding after Proposed Investment: Up to 281,827,979 ordinary shares, equivalent to approximately 17.5% of the issued and paid up ordinary share capital of SECMC. The number of additional securities would depend upon the call made under the commitments specified above, whether or not the Company opts to satisfy the call by way of subscription of shares in SECMC.</p>
Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities; and	N/A
Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities;	The fair value of the Sale Shares is approximately PKR 36.3 per share, as per the valuation conducted by the Company.

(f) Disclosures required under Regulation 3(c):

Category-wise amount of investment;	As mentioned in the preamble.
Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for Shariah compliant products	To be determine at the time of investment (if called)
Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company	<p>The commission on the guarantee and any other charge would have to be agreed with the bank providing the Guarantee.</p> <p>In the event any amount is invested as a loan the Company shall require SECMC to pay interest at the standard bank rates, to be mutually agreed between the parties.</p>
Particulars of collateral or security to be obtained in relation to the proposed investment	No security will be obtained from the borrowing company as it will be a subordinated loan from the Company to SECMC.
If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable;	It can be treated as equity or subordinated debt as agreed between the sponsors. If treated as equity, SECMC will issue shares to the relevant sponsors proportionately
Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking	To be finalized with the lenders at the time when (and if) a loan is required to be extended. However, it is expected that the term will be at least as long as the loans/finances to be provided by lenders. Repayment of both the principal and mark-up payable by SECMC will be subordinated to the principal/interest/mark-up and other payments due to the lenders under the terms of their financing documents.

Section B1 - D: Cost Overrun Support

As detailed in Section B1 - A above, pursuant to the Agreement, the Company is envisaged to be required to provide sponsor support by way of a monetary amount equivalent to the Cost Overrun Support Request from SECMC (if required), for an amount up to, and not exceeding approximately USD 1.1 million.

Information pursuant to the Companies (Investment in Associated Companies or Associated Undertakings) Regulations 2017 (the “**Regulations**”).

(g) Disclosures required under Regulation 3(a):

Information Required	Information Provided														
Name of the “associated company”	Sindh Engro Coal Mining Company Limited														
Basis of relationship;	<p>The Company holds approximately 8% of the issued and paid up ordinary share capital of SECMC.</p> <p>Mr. Muhammad Kamran Kamal, Chief Executive Officer and Director of the Company, is also a director on the Board of Directors of SECMC.</p>														
Earnings per share for the last three years;	<table border="1" data-bbox="646 747 1507 919"> <tr> <td data-bbox="646 747 1076 810">2023</td> <td data-bbox="1076 747 1507 810">PKR 18.11</td> </tr> <tr> <td data-bbox="646 810 1076 856">2022</td> <td data-bbox="1076 810 1507 856">PKR 4.90</td> </tr> <tr> <td data-bbox="646 856 1076 919">2021</td> <td data-bbox="1076 856 1507 919">PKR 6.84</td> </tr> </table>	2023	PKR 18.11	2022	PKR 4.90	2021	PKR 6.84								
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<p>In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely,-</p> <p>(I) Description of the project and its history since conceptualization;</p> <p>(II) Starting date and expected date of completion of work;</p> <p>(III) Time by which such project shall become commercially operational;</p> <p>(IV) Expected time by which the project shall start paying return on investment; and</p>	N/A														

(V) Funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts;	N/A
Maximum amount of investment to be made;	USD 1.1 million
Purpose and benefits likely to accrue to the investing company and its members from such investment and period of investment	<p>The proposed investment would increase the stake of the Company in the development and expansion of a coal mine of 7.6 million tons per annum.</p> <p>The investment augments the Company's existing investment in SECMC, which has a tariff based on a 20% return on equity.</p>
<p>Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,-</p> <p>(I) justification for investment through borrowings;</p> <p>(II) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and</p> <p>(III) cost benefit analysis;</p>	<p>(i) The company will earn a higher return on its investment than the cost of borrowing while also increasing the assets of the Company by setting up SECMC's project.</p> <p>(ii) Charge on all present and future assets of the company.</p> <p>(iii) The investment augments the Company's existing investment in SECMC, which has a tariff based a 20% return on equity.</p>
Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment	The salient features of the Agreement have been outlined in Section B1 - A above.
Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration;	Mr. Muhammad Kamran Kamal is a CEO of the Company and also holds directorship and a qualifying share in SECMC.
In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs;	The initial approval of the Shareholders of the Company was accorded on October 5, 2015, for an amount equivalent to USD 20 million, following which, the Company subscribed to 128,835,648 ordinary shares of SECMC, having face value of PKR 10/- each, equivalent to approximately 8% of the issued and paid-up ordinary share capital of SECMC. The Company has also made additional investments in SECMC from time to time, including an equity SBLC currently outstanding at USD 1.752 million, which shall be released on PCD of phase II, as required under the Financing Documents of SECMC.

	<p>The Board of Directors of the Company has, in their meeting held on January 16, 2024, approved the further acquisition of up to approximately 152,992,331 (one hundred fifty two million nine hundred ninety two thousand three hundred thirty one) ordinary shares of SECMC or part thereof, equivalent to up to approximately 9.5% of the issued and paid up ordinary share capital of SECMC, from Habib Bank Limited, along with various other investments as agreed in the Agreement.</p> <p>The benefits to the company include increasing the stake of the Company in the development and expansion of a coal mine of 7.6 million tons per annum.</p> <p>The investment augments the Company's existing investment in SECMC, which has a tariff based on a 20% return on equity.</p> <p>No impairment conditions exist on the investment; accordingly, no charge/write offs have been made till date.</p>
Any other important details necessary for the members to understand the transaction;	N/A

(h) Disclosures required under Regulation 3(b):

Maximum price at which securities will be acquired	Rs. 14.82 Per share
In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof	N/A
Maximum number of securities to be acquired	Number of securities would be determined by converting the USD investment amount into PKR on the date of subscription and dividing the same by the rate of the shares as decided by the board of directors of SECMC.
Number of securities and percentage thereof held before and after the proposed investment	<p>Present holding: 128,835,648 ordinary shares, equivalent to approximately 8% of the issued and paid up ordinary share capital of SECMC</p> <p>Maximum Holding after Proposed Investment: Up to 281,827,979 ordinary shares, equivalent to approximately 17.5% of the issued and paid up ordinary share capital of SECMC The number of additional securities would depend upon the call made under the commitments specified above, whether or not the Company opts to satisfy the call by way of subscription of shares in SECMC.</p>

Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities; and	N/A
Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities;	The fair value of the Sale Shares is approximately PKR 36.3 per share, as per the valuation conducted by the Company.

(i) Disclosures required under Regulation 3(c):

Category-wise amount of investment;	As mentioned in the preamble.
Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for Shariah compliant products	To be determine at the time of investment (if called)
Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company	The commission on the guarantee and any other charge would have to be agreed with the bank providing the Guarantee. In the event any amount is invested as a loan the Company shall require SECMC to pay interest at the standard bank rates, to be mutually agreed between the parties.
Particulars of collateral or security to be obtained in relation to the proposed investment	No security will be obtained from the borrowing company as it will be a subordinated loan from the Company to SECMC.
If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable;	The same can be treated as equity or subordinated debt as agreed between the sponsors. If treated as equity, SECMC will issue shares to the relevant sponsors proportionately
Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking	To be finalized with the lenders at the time when (and if) a loan is required to be extended. However, it is expected that the term will be at least as long as the loans/finances to be provided by lenders. Repayment of both the principal and mark-up payable by SECMC will be subordinated to the principal/interest/mark-up and other payments due to the lenders under the terms of their financing documents.

Section B1 - E: Investment in Sindh Engro Coal Mining Company – Reduction in Amount and Extension in Tenor of Equity Standby Letter of Credit (“Equity SBLC”)

Pursuant to the Sponsor Support Agreement, the Company, as a sponsor of SECMC, has undertaken various obligations, including inter alia to procure the issuance of an Equity SBLC in the amount of USD 20 million (less the PKR 240 million which had been invested till such time), to secure the obligations of the Company in respect of the equity contribution of the Company, as a Sponsor of SECMC.

The shareholders of the Company approved the arranging and providing of an initial Equity SBLC to cover the equity investment of the Company in SECMC, in their meeting held on October 5, 2015. Further to the same, approval of the shareholders was accorded on October 24, 2019, to continue to provide such Equity SBLC, in respect of various phases of the SECMC mining project, which was valid until June 2024. This Equity SBLC was intended to be valid till the Project Completion Date of SECMC, which was previously estimated to occur till June, 2024. However, since the timeline for Project Completion Date of SECMC has been extended, out of abundant caution, revised approval for the Equity SBLC is sought to extend the tenor of the SBLC and the corresponding Facility under which the said SBLC has been obtained till the earlier of Project Completion Date of SECMC, or June, 2026, or such period until the liabilities / obligations of the Sponsors remain undischarged, whichever is later. Furthermore, approval is also sought to reduce the amount of the SBLC to approximately (up to) USD 4 Million. The same has been approved by the Board of Directors of the Company on February 14, 2024.

(a) Disclosures required under Regulation 3(a):

Information Required	Information Provided														
Name of the “associated company”	Sindh Engro Coal Mining Company Limited														
Basis of relationship;	The Company holds approximately 8% of the issued and paid up ordinary share capital of SECMC. Mr. Muhammad Kamran Kamal, Chief Executive Officer and Director of the Company, is also a director on the Board of Directors of SECMC.														
Earnings per share for the last three years;	<table border="1"> <tr> <td>2023</td> <td>PKR 18.11</td> </tr> <tr> <td>2022</td> <td>PKR 4.90</td> </tr> <tr> <td>2021</td> <td>PKR 6.84</td> </tr> </table>	2023	PKR 18.11	2022	PKR 4.90	2021	PKR 6.84								
2023	PKR 18.11														
2022	PKR 4.90														
2021	PKR 6.84														
Break-up value per share, based on latest audited financial statements;	PKR 51/- per share as per latest audited accounts														
Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements	<table border="1"> <thead> <tr> <th></th> <th>PKR in ‘000</th> </tr> </thead> <tbody> <tr> <td>Total Assets</td> <td>232,904,866</td> </tr> <tr> <td>Equity</td> <td>81,490,651</td> </tr> <tr> <td>Long term loan</td> <td>82,124,503</td> </tr> <tr> <td>Current Liabilities</td> <td>78,255,667</td> </tr> <tr> <td>Turnover</td> <td>109,407,088</td> </tr> <tr> <td>Profit for the year</td> <td>29,160,750</td> </tr> </tbody> </table>		PKR in ‘000	Total Assets	232,904,866	Equity	81,490,651	Long term loan	82,124,503	Current Liabilities	78,255,667	Turnover	109,407,088	Profit for the year	29,160,750
	PKR in ‘000														
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Equity	81,490,651														
Long term loan	82,124,503														
Current Liabilities	78,255,667														
Turnover	109,407,088														
Profit for the year	29,160,750														

<p>In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely,-</p> <p>(I) Description of the project and its history since conceptualization;</p> <p>(II) Starting date and expected date of completion of work;</p> <p>(III) Time by which such project shall become commercially operational;</p> <p>(IV) Expected time by which the project shall start paying return on investment; and</p> <p>(V) Funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts;</p>	<p>N/A</p>
<p>Maximum amount of investment to be made;</p>	<p>USD 4 Million or PKR equivalent</p>
<p>Purpose and benefits likely to accrue to the investing company and its members from such investment and period of investment</p>	<p>The proposed investment would increase the stake of the Company in the development and expansion of a coal mine of 7.6 million tons per annum.</p> <p>The investment augments the Company's existing investment in SECMC, which has a tariff based on a 20% return on equity.</p>
<p>Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,-</p> <p>(I) justification for investment through borrowings;</p> <p>(II) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and</p> <p>(III) cost benefit analysis;</p>	<p>(i) The company will earn a higher return on its investment than the cost of borrowing while also increasing the assets of the Company by setting up SECMC's project.</p> <p>(ii) Charge on all present and future assets of the company.</p> <p>(iii) The investment augments the Company's existing investment in SECMC, which has a tariff based on a 20% return on equity.</p>

<p>Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment</p>	<p>The obligation of the Company to issue the Equity SBLC stems from Clause 5.1(b) of the Sponsor Support Agreement, which sets out various rights and obligations of the sponsors of SECMC (including inter alia the Company).</p>
<p>Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration;</p>	<p>Mr. Muhammad Kamran Kamal is a CEO of the Company and also holds directorship and a qualifying share in SECMC.</p>
<p>In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs;</p>	<p>The initial approval of the Shareholders of the Company was accorded on October 5, 2015, for an amount equivalent to USD 20 million, following which, the Company subscribed to 128,835,648 ordinary shares of SECMC, having face value of PKR 10/- each, equivalent to approximately 8% of the issued and paid-up ordinary share capital of SECMC. The Company has also made additional investments in SECMC from time to time, as required under the Financing Documents of SECMC.</p> <p>The Board of Directors of the Company has, in their meeting held on January 16, 2024, approved the further acquisition of up to approximately 152,992,331 (one hundred fifty two million nine hundred ninety two thousand three hundred thirty one) ordinary shares of SECMC, equivalent to approximately 9.5% of the issued and paid up ordinary share capital of SECMC, or part thereof, from Habib Bank Limited, which has been explained in Sections B1 A-D above.</p> <p>The benefits to the company include increasing the stake of the Company in the development and expansion of a coal mine of 7.6 million tons per annum.</p> <p>The investment augments the Company's existing investment in SECMC, which has a tariff based on a 20% return on equity.</p> <p>No impairment conditions exist on the investment; accordingly, no charge/write offs have been made till date.</p>
<p>Any other important details necessary for the members to understand the transaction;</p>	<p>N/A</p>

(b) Disclosures required under Regulation 3(b):

Maximum price at which securities will be acquired	Rs. 14.82 Per share
In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof	N/A
Maximum number of securities to be acquired	Number of securities would be determined by converting the USD investment amount into PKR on the date of subscription and dividing the same by the rate of the shares as decided by the board of directors of SECMC.
Number of securities and percentage thereof held before and after the proposed investment	Present holding: 128,835,648 ordinary shares, equivalent to approximately 8% of the issued and paid up ordinary share capital of SECMC Maximum Holding after Proposed Investment: Up to 281,827,979 ordinary shares, equivalent to approximately 17.5% of the issued and paid up ordinary share capital of SECMC. The number of additional securities would depend upon the call made under the commitments specified above, whether or not the Company opts to satisfy the call by way of subscription of shares in SECMC.
Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities; and	N/A
Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities;	The fair value of the Sale Shares is approximately PKR 36.3 per share, as per the valuation conducted by the Company.

(j) Disclosures required under Regulation 3(c):

Category-wise amount of investment;	As mentioned in the preamble.
Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for Shariah compliant products	To be determine at the time (if called)
Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company	The commission on the guarantee and any other charges would have to be agreed with the bank providing the guarantee.

Particulars of collateral or security to be obtained in relation to the proposed investment	No security will be obtained from the borrowing company, as it will be an equity investment if called.
If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable;	N/A
Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking	N/A

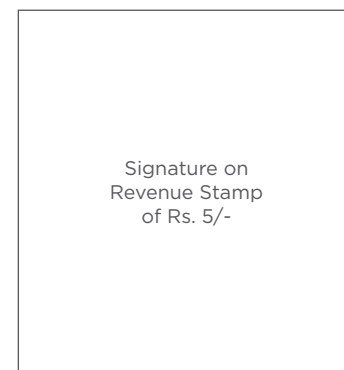
Proxy Form

The Company Secretary
The Hub Power Company Limited
9th Floor, Ocean Tower, Block 9,
Main Clifton Road P.O. Box No. 13841,
Karachi

I/We _____ of _____ being a member of THE HUB POWER COMPANY LIMITED and holder of _____ Ordinary Shares as per the Share Register Folio No. _____ and/or CDC Participant ID No. _____ and Account / Sub-Account No. _____ hereby appoint _____ of _____ or failing him/her _____ as my/our proxy for me & on my/ our behalf at the 33rd annual General Meeting of the Company to be held on Monday, September 30, 2024 at 10:00 am at Marriott karachi.

Witnesses:

(1) Signature _____	(2) Signature _____
Name _____	Name _____
Address _____	Address _____
_____	_____
_____	_____
CNIC / Passport No. _____	CNIC / Passport No. _____



Signature of Shareholder
Folio / CDC No's.

Notes:

- A member entitled to attend the meeting may appoint a proxy in writing to attend the meeting on the member's behalf. A Proxy need not be a member of the Company.
- If a member is unable to attend the meeting, they may complete and sign this form and send it to the Company Secretary, The Hub Power Company Limited, Head Office at 9th Floor, Ocean Tower, Block-9, Main Clifton Road, Karachi-75600 so as to reach no less than 48 hours before the time of the meeting, excluding holidays i.e Wednesday, September 25, 2024
- **For CDC Account Holders/Corporate Entities**
In addition to the above, the following requirements have to be met:
 - (i) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be stated on the form.
 - (ii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be provided with the proxy form.

In case of a corporate entity, the Board of Directors resolution/power of attorney with specimen signature to be submitted (unless it has been provided earlier) along with proxy form to the Company.

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The Company Secretary
The Hub Power Company Limited
9th Floor, Ocean Tower, Block 9,
Main Clifton Road P.O. Box No. 13841,
Karachi - 75600

تشکیل نیابت داری فارم

محترمہ / جناب کمپنی سیکریٹری

دی حب پاور کمپنی لمیٹڈ

9 فلور، اوشین ٹاور، بلاک 9، مین کلفٹن روڈ، کراچی

میں / ہم _____
ساکن _____ بحیثیت دی حب پاور کمپنی لمیٹڈ کے رکن و حامل
عام حصص بمطابق شیئرز رجسٹرڈ فولیو نمبر _____ اور ایسی ڈی سی کے شراکتی آئی ڈی نمبر _____
اور ذیلی کھاتہ نمبر _____ محترم / محترمہ _____
ساکن _____ یا ان کے دستیاب نہ ہونے کی صورت میں دیگر محترم / محترمہ _____
ساکن _____ کو یہاں اپنے لیے اور اپنی جانب سے مورخہ 30 ستمبر، 2024ء بوقت 10:00 بجے صبح بروز پیر، بمقام میریٹ ہوٹل،
کراچی منعقد ہونے والے 33 ویں سالانہ اجلاس عام میں رائے دہندگی کے لیے اپنا / اپنی نمائندہ مقرر کرتا / کرتی ہوں۔

گواہ:

ریونیونٹ چسپاں کریں۔

دستخط

(دستخط کمپنی میں پہلے سے موجود)

نمونہ کے مطابق ہونے چاہیے)

(1) دستخط _____
نام _____
پتہ _____
سی این آئی سی یا پاسپورٹ نمبر _____
(2) دستخط _____
نام _____
پتہ _____
سی این آئی سی یا پاسپورٹ نمبر _____

نوٹس:

- ایسا رکن جو اجلاس میں شرکت کرنے کا / کی اہل ہے، وہ اجلاس میں شرکت کے لیے، تحریری طور پر اپنا / اپنی نمائندہ مقرر کر سکتا / سکتی ہے۔ نمائندے کے لیے کمپنی کا رکن ہونا ضروری نہیں۔
- اگر کوئی رکن اجلاس میں شرکت کے قابل نہیں ہے، وہ اس فارم پر دستخط کر کے کمپنی سیکریٹری، دی حب پاور کمپنی لمیٹڈ واقع 9 فلور، اوشین ٹاور، بلاک 9، مین کلفٹن روڈ، کراچی - 75600 کو اس طرح بھیج سکتا / سکتی ہے کہ یہ اجلاس شروع ہونے سے 48 گھنٹے قبل، تعطیلات کے علاوہ یعنی بروز بدھ مورخہ 25 ستمبر، 2024 تک پہنچ جائے۔

سی ڈی سی کے کھاتے دار / کارپوریٹ ادارے

(i) مذکورہ بالا کے علاوہ، درج ذیل تقاضے بھی پورے ہونا چاہئیں:

(ii) نیابت داری کے فارم پر دو افراد کی جانب سے بطور گواہ تصدیق ہونا چاہیے اور ان کے نام اپنے اور سی این آئی سی نمبرز بھی فارم پر درج ہونے چاہیے۔

نیابت داری کے فارم کے ہمراہ سینٹیفیکل اونرز کے سی این آئی سی یا پاسپورٹ کی تصدیق شدہ نقل بھی منسلک ہونا چاہیے۔

کارپوریٹ رکن ہونے کی صورت میں، کمپنی کے پاس نیابت داری کے فارم کے ہمراہ بورڈ آف ڈائریکٹرز کی منظور کردہ قرار داد / مختار نامہ، مع نمائندے کے دستخط کا نمونہ بھی (اگر پہلے فراہم نہیں کیا گیا ہے) فراہم کرنا چاہیے۔

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The Company Secretary
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Karachi - 75600