

THE HUB POWER COMPANY LIMITED
NOTICE OF THE EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the Extraordinary General Meeting of The Hub Power Company Limited (the “**Company**”) will be held on May 25, 2017 at 11.00 am at PC Hotel, Karachi to transact the following business:

SPECIAL BUSINESS:

1. Divestment of 40% shareholding in Thar Energy Limited (“TEL”)

To consider and approve the divestment of up to 40% shareholding of TEL to potential equity partners, and if deemed fit to pass with or without modification the following resolutions:

“RESOLVED THAT pursuant to Section 196 (3) of the Companies Ordinance, 1984, the consent of the members is hereby accorded for the divestment of up to 40% shareholding in TEL.

FURTHER RESOLVED THAT the Board be and hereby is empowered to agree upon modification in these resolutions that may be directed/ be required by the SECP or any other regulatory body without the need of any further members’ approvals and consents.”

2. Investment in Thar Energy Limited (‘TEL’)

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

“RESOLVED THAT, the approval of the members of the Company be and is hereby accorded in terms of Section 208 for making “investments” in Thar Energy Limited (‘TEL’) for an amount not exceeding USD 75 million (in equivalent Pakistan Rupees) by way of a subscription of shares at the rate of Rs. 10 per share plus premium, if any, finalized by the Board of TEL.”

3. Investment in China Power Hub Generation Company (Private) Limited

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

“RESOLVED THAT, the approval of the members of the Company be and is hereby accorded in terms of Section 208 for making “investments” in China Power Hub Generation Company (Pvt.) Limited (‘CPHGC’) (directly or through HPHL) for an amount not exceeding USD 237.5 Million (in equivalent Pakistan Rupees) by way of a subscription of shares at the rate of Rs. 10 per share.”

4. Completion Guarantee/ Standby Letter of Credit:

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

“RESOLVED THAT the approval of the members of the Company be and is hereby accorded in terms of Section 208 of the Companies Ordinance 1984 to provide a guarantee (in the form of standby letter of credit) to the lenders of CPHGC for an aggregate amount

of USD 150 million to guarantee an investment in the form of equity or subordinated debt (either directly or through HPHL) to (a) satisfy the funding shortfall, if any, in CPHGC to achieve completion of the Project to the satisfaction of the lenders; and (b) repay all principal, interest, fees or any other amounts that may fall due by CPHGC under the finance documents to the finance parties.”

The Statements pursuant to Section 160 (b) of the Companies Ordinance, 1984, in respect of the special business transacted at the Meeting are annexed hereto.

Date
April 27, 2017

Shamsul Islam
Company Secretary

Notes:

The Share Transfer Books of the Company will remain closed from Friday May 19, 2017 to Thursday May 25, 2017 (both days included).

- (i) A member entitled to attend and vote at the 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.
- (ii) Duly completed forms of proxy must be deposited with the Company Secretary at the Head Office of the Company not later than 48 hours before the time appointed for the meeting.
- (iii) Members can also avail video conference facility at Lahore and Islamabad. In this regard, please fill the following form and submit to registered address of the Company 10 days before holding of the Extraordinary General Meeting.

If the Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through video conference at least 10 days prior to the date of meeting, the Company will arrange video conference facility in the city subject to the availability of the same.

The Company will intimate members regarding venue of video conference facility at least 5 days before the date of the Extraordinary 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

CDC account holders will further have to follow the undermentioned guidelines as laid down in Circular issued by the Securities and Exchange Commission of Pakistan.

A For attending the Meeting:

- (i) In case of individuals, the account holders or sub account holders whose registration details are uploaded as per the Regulations, shall authenticate his/her 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 (unless it has been provided earlier) at the time of the meeting.

B For appointing Proxies

- (i) In case of individuals, the account holder or sub-account holders whose registration details are uploaded as per the Regulations shall submit the proxy form as per the above requirement.
- (ii) Attested copies of valid CNIC or the passport of the beneficial owners and the Proxy shall be furnished with the Proxy Form.
- (iii) The proxy shall produce his original valid CNIC or original passport at the time of the meeting.
- (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.
- (v) Proxy form must be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the forms.

**STATEMENT PURSUANT TO SECTION 160(b) OF THE COMPANIES
ORDINANCE, 1984**

Pursuant to Section 160(b) of the Companies Ordinance, 1984, this Statement sets forth the material facts concerning the special business listed hereinabove, to be transacted at the Extraordinary General Meeting of the Company to be held on May 25, 2017.

1. Divestment from Thar Energy Limited ('TEL')

TEL was incorporated in Pakistan on May 17, 2016 as a wholly owned subsidiary of the Company under the Companies Ordinance 1984. The principal activities of TEL are to develop, own, operate and maintain a 330 MW mine-mouth coal fired power plant to be established at Thar Block II, Thar Coal Mine, Sindh ("**Project**").

TEL has received commitment from Sindh Engro Coal Mining Company Limited ("**SECMC**") for mining of coal in Thar Block II for supply of 1.9 million ton per annum of Thar Lignite coal for sustainable operations of the Thar Plant.

Pursuant to the proposal submitted by TEL on April 05, 2016 for setting up 330 MW mine-mouth Coal Power Plant, Private Power & Infrastructure Board ("**PPIB**") issued Letter of Support on December 9, 2016 and accordingly TEL initialed the Implementation Agreement with PPIB on January 25, 2017. TEL, has also initialed the Power Purchase Agreement with CPPA-G and Coal Supply Agreement with SECMC. The Water Use Agreement has been executed by the Company and the Energy Department of Government of Sindh (GOS) while it is awaiting execution by the Irrigation Department of GOS.

Fauji Fertilizer Company Limited and China Machinery Engineering Corporation have expressed an interest in investing in TEL. Approval is being sought from shareholders for the divestment of 40% shareholding of TEL.

The proposed divestment is to bring in strategic partners for the construction, development and operation of a 330 MW coal fired power plant and other requisite facilities. Once the abovementioned Project is commercially operational, its contribution in electricity generation will help alleviate the energy crisis prevalent in the Country. The Company considers the proposed transfer to be in the best interests of its shareholders as the project risk will be shared amongst the strategic investors, thereby reducing the financing, construction and operations risks taken by the Company and would also reduce the equity investment required by the Company.

2. Investment in Thar Energy Limited ('TEL')

TEL was incorporated in Pakistan on May 17, 2016 as a wholly owned subsidiary of the Company under the Companies Ordinance 1984. The principal activities of TEL are to develop, own, operate and maintain a 330 MW mine-mouth coal fired power plant to be established at Thar Block II, Thar Coal Mine, Sindh.

TEL has received commitment from Sindh Engro Coal Mining Company Limited and Energy Board of Government of Sindh for mining of coal in Thar Block II for supply of 1.9 million ton per annum of Thar Lignite coal for sustainable operations of the Thar Plant.

Pursuant to the proposal submitted by TEL on April 05, 2016 for setting up 330 MW mine-mouth Coal Power Plant, Private Power & Infrastructure Board (PPIB) issued Letter of Support on December 9, 2016 and accordingly TEL initialed the Implementation Agreement with PPIB on January 25, 2017. TEL has also initialed the Power Purchase Agreement with CPPA-G and Coal Supply Agreement with its coal supplier, SECMC. Furthermore, the Water Use Agreement has been executed by the Company and the Energy Department of Government of Sindh (GOS) while it is awaiting execution by the Irrigation Department of GOS.

Information pursuant Section 3 (a) – Companies (Investment in Associated Companies Associated Undertakings) Regulation 2012

In the form of equity

Information Required	Information Provided
Name of the “associated company” along with criteria based on which the associated relationship is established	Thar Energy Limited (TEL) Mr. Khalid Mansoor, CEO, and Mr. Iqbal Alimohamed, Director of the Company, are also on the Board of TEL.
Maximum amount of investment	Where the Board of TEL decides that TEL requires additional funding, the Board shall raise funds by issuance of further shares to the shareholders in proportion to the percentage of Shares owned by them at such time. The Company may invest an amount not exceeding USD 75 million (in equivalent Pakistan Rupees) in cash
Purpose, benefits and period of investment	Develop a 330 MW coal based power plant. Investment in TEL is anticipated to generate an IRR of 20% in US\$ terms. The investment shall be completed once the Project achieves commercial operations which is expected by June 2020.
Maximum price at which securities will be acquired	Rs. 10/share or such other rate as may be decided by the board of directors of TEL
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 TEL
Number of securities and percentage thereof held before and after the proposed investment	The Company has already been allotted 30 Million shares and has undertaken to invest total of USD 75 million equivalent

	in PKR. The number of securities would be determined based on the conversion on the date of subscription as stated above.
In case of investment in listed securities, average of the proceeding twelve weekly average price of the security intended to be acquired	N/A
In case of investment in unlisted securities, fair market value of such securities determined in terms of section 6(I) of the Regulations	Rs. 10/share being par value or such other price as may be decided by the Board of TEL. Fair market value concept does not apply, being an under construction new project
Break-up value of securities intended to be acquired on the basis of the latest audited financial statements	Rs. 9.33 per share as of December 2016
Earnings per share of the “associated company” for the last three years	TEL was incorporated in May 2016 and therefore has no earnings till date
Sources of fund from which securities will be acquired	Long term debt to be raised by the Company
Where the securities are intended to be acquired using borrowed funds: I. justification for investment through borrowings; and II. detail of guarantees and assets pledged for obtaining such funds	I. The return from the investment would be greater than the mark-up that would be payable on the borrowing. II. Pari passu charge on all fixed assets of the Company
Salient features of the agreement(s), if any, entered into with its associated company with regards to the proposed investment	N/A
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. Khalid Mansoor, is the CEO and Director of TEL and holds 1 qualifying share as nominee of the Company. Mr. Iqbal Alimohamed is a Director of TEL and holds 1 qualifying share as nominee of the Company.
Any other important details necessary for the members to understand the transaction;	None

And in case of investment in securities of a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above, the following further information, is required, namely:- 1. description of the project and its history since conceptualization 2. starting and expected dated of completion of work; 3. time by which such project shall become commercially operational; and 4. expected time by which the project shall start paying return on investment;	1. Please see preamble above for project description 2. Work has commenced on the Project and the Project is expected to achieve commercial operations around June 2020 3. The Project is expected to achieve commercial operations around June 2020 4. the Project is expected to start paying return on investment after the project completion date and subject to lenders' approval.
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The Directors of the Company have carried out the necessary due diligence for the purposes of this investment in TEL and is available with the Company for review.

3. Investment in China Power Hub Generation Company (Pvt.) Ltd

The Company through its wholly-owned subsidiary, Hub Power Holdings Limited (“**HPHL**”) and its Chinese partner, China Power International Holding Limited (“**CPIH**”), through its wholly owned subsidiary China Power International (Pakistan) Investment Limited (“**CPIPL**”), has formed a Joint Venture Company, China Power Hub Generation Company (Private) Limited (“**CPHGC**”) in September, 2015. The principal activities of CPHGC are to develop, own, operate and maintain a 2x660 MW coal fired power plant each within one facility along with a jetty and ancillary facilities at the Hub Plant Site in the province of Balochistan, Pakistan (‘Project’). HPHL currently owns 26% shares in CPHGC and has issued the notices as per the Amended and Restated Shareholders Agreement dated March 9, 2016 to exercise the Call Option to increase its equity stake to 47.5%, of which 1.5% would be transferred to Government of Balochistan free of cost. As a condition precedent to the availability of finance facilities for the development of the Project, the lenders of CPHGC require the Company to enter into a sponsor support agreement to undertake that in the event HPHL fails to pay any amount when due in connection with its equity commitment the Company shall immediately, on demand, pay that amount as if it were the principal debtor and primary obligor and not merely as a surety and a deed of completion guarantee and pursuant thereto provide a guarantee/standby letter credit for an aggregate amount of US\$150 million or equivalent PKR (the “**Approved Limit**”) to guarantee an investment in the form of equity or subordinated debt (either directly or through HPHL) to (a) satisfy the funding shortfall, if any, in CPHGC to achieve completion of the Project to the satisfaction of the lenders; and (b) repay all principal, interest, fees or any other amounts that may fall due by CPHGC under the finance documents to the finance parties.

Accordingly, approval is being sought from the members of the Company for equity investment in CPHGC, if required, for an amount not exceeding US\$237.5 million:

Information pursuant to Section 3(a) - Companies (Investment in Associated Companies Associated or Associated Undertakings

Investment if in the form of Equity

Information Required	Information Provided
Name of the “associated company” along with criteria based on which the associated relationship is established	China Power Hub Generation Company (Private) Limited (CPHGC) Mr. Khalid Mansoor (CEO) of the Company is also on the Board of CPHGC. The Company through its wholly owned subsidiary (“HPL”) owns 26% shares in the JV Company and as said in the preamble HPL has exercised its Call Option under the Amended and Restated Shareholder Agreement to increase its equity stake to 47.5%. The change in equity stake could take place at any time after the Financial Close of the Project and by the Commercial Operations Date (COD).
Purpose, benefits and period of investment	To construct, own, and operate 1,320 MW imported coal based facility along with a jetty and ancillary facilities at the Site in the province of Balochistan Pakistan (‘Project’). In terms of commercial operation of the Project, the commissioning of the facility is anticipated by August 2019. In terms of the benefits to the Company, the Project is being set under the 2015 Power Policy which offers a return of 27% in ROE terms over the life of the Project, following the COD.
Maximum amount of investment	US\$ 237.5 million
Maximum price at which securities will be acquired	Rs. 10/share
Maximum number of securities to be acquired	The maximum number of securities would depend on the amount of equity required and the conversion rate at the time of the call divided by par value.

	Maximum value of securities would be the equivalent of US\$ 237.5 Million
Number of securities and percentage thereof held before and after the proposed investment	Currently the Company holds no shares in CPHGC. The number of securities would depend on the amount of the equity required and the US\$ conversion rate at the time of their issuance.
In case of investment in listed securities, average of the proceeding twelve weekly average price of the security intended to be acquired	N/A
In case of investment in unlisted securities, fair market value of such securities determined in terms of section 6(I) of the Regulations	Regulation 6(1) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations 2012 provides that in case of investment in unlisted equity securities of an associated company or undertaking, the fair value for such securities shall be determined based on the generally accepted valuation techniques and latest financial statements of the associated company. CPHGC is not currently an operational company therefore, the determination of fair value of its shares, provided for in the Regulation cannot be made at this time. Rs. 10 per share is the par value of the share and the latest offer price of CPHGCs' shares. The Company and CPIH, if required shall subscribe to shares of CPHGC at Rs. 10 per share.
Break-up value of securities intended to be acquired on the basis of the latest audited financial statements.	Rs. 7.39 per share as of December, 2016
Earnings per share of the "associated company" for the last three years	N/A as CPHGC was incorporated on 3 September, 2015 and is still not operational.
Sources of fund from which securities will be acquired	Long term debt

Where the securities are intended to be acquired using borrowed funds: I. justification for investment through borrowings; and II. detail of guarantees and assets pledged for obtaining such funds	I. The return from the investment would be greater than the mark-up that would be payable on the borrowing. II. Pari passu charge on all fixed assets of the Company
Salient features of the agreement(s), if any, entered into with its associated company with regards to the proposed investment	No agreement has been entered into with CPHGC with regards to the proposed investment.
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. Khalid Mansoor, CEO of the Company, holds 1 qualifying share in CPHGC as nominee of the Company.
Any other important details necessary for the members to understand the transaction;	A sponsor support agreement to be entered into between the Company, HPHL, CPHGC, CPIH, CPIPL, CPHGC's Lenders, and other sponsors of CPHGC and a completion guarantee between the Company, HPHL, CPHGC, CPIH, CPIPL and CPHGC's Lenders on terms to be agreed with the lenders.
And in case of investment in securities of a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above, the following further information, is required, namely:- 1. description of the project and its history since conceptualization 2. starting and expected dated of completion of work; 3. time by which such project shall become commercially operational; and 4. expected time by which the project shall start paying return on investment;	1. Description of the Project is set out above 2. Work has commenced at Site and the project is expected to achieve commercial operations by August 2019. 3. The project is expected to achieve commercial operations by August 2019. 4. The project shall start paying return on investment after it has achieved project completion date as required by the lenders expected by September 2020.

The Directors of the Company have carried out the necessary due diligence for the purposes of this investment in CPHGC and is available with the Company for review.

4. Completion Guarantee and Standby Letter of Credit

The Company through its wholly-owned subsidiary, Hub Power Holdings Limited (“**HPHL**”) and its Chinese partner, China Power International Holding Limited (“**CPIH**”), through its wholly owned subsidiary China Power International (Pakistan) Investment Limited (“**CPIPL**”), has formed a Joint Venture Company, China Power Hub Generation Company (Private) Limited (“**CPHGC**”) in September, 2015. The principal activities of CPHGC are to develop, own, operate and maintain a 2x660 MW coal fired power plant each within one facility along with a jetty and ancillary facilities at the Hub Plant Site in the province of Balochistan Pakistan (‘Project’). HPHL currently owns 26% shares in CPHGC and has issued the notices as per the Shareholders Agreement dated March 9, 2016 to exercise the Call Option to increase its equity stake to 47.5%, of which 1.5% would be transferred to Government of Balochistan free of cost. As a condition precedent to making finance facilities available to CPHGC for the development of 2 x 660MW (gross) coal-fired power plant and related facilities in Hub, Balochistan Province, Pakistan, the Company is required by the lenders of CPHGC to enter into a deed of completion guarantee and pursuant thereto provide a guarantee/standby letter credit for an aggregate amount of US\$150 million or equivalent PKR (the “**Approved Limit**”) to guarantee an investment in the form of equity or subordinated debt (either directly or through HPHL) to (a) satisfy the funding shortfall, if any, in CPHGC to achieve completion of the Project to the satisfaction of the lenders; and (b) repay all principal, interest, fees or any other amounts that may fall due by CPHGC under the finance documents to the finance parties.

Accordingly, approval is being sought from the members of the Company for providing a guarantee to the lenders of CPHGC for an amount not exceeding US\$150 million.

If the guarantee is called it would be booked by CPHGC either as equity or loan subject to CPHGC Board and Lenders approval.

Information pursuant to Section 3(a) - Companies (Investment in Associated Companies Associated or Associated Undertakings)

Completion Guarantee if in the form of Equity

Information Required	Information Provided
Name of the “associated company” along with criteria based on which the associated relationship is established	China Power Hub Generation Company (Private) Limited (CPHGC) Mr. Khalid Mansoor (CEO) of the Company, is also on the board of CPHGC. The Company through its wholly owned subsidiary (“HPHL”) owns 26% shares in the JV Company and as said in the preamble HPHL has exercised its Call Option under the Amended and Restated Shareholder Agreement to increase its equity stake to 47.5%. The change in equity stake could take place at any time after the Financial

	Close of the Project and by the Commercial Operations Date (COD).
Purpose, benefits and period of investment	To construct, own, and operate 1320 MW imported coal based facility along with a jetty and ancillary facilities at the Site in the province of Balochistan Pakistan ('Project'). In terms of commercial operation of the Project, the commissioning of the facility is anticipated by August 2019. In terms of the benefits to the Company, the Project is being set under the 2015 Power Policy which offers a return of 27% in ROE terms over the life of the Project, following the COD.
Maximum amount of investment	US\$ 150 million equivalent
Maximum price at which securities will be acquired	Rs. 10/share
Maximum number of securities to be acquired	The maximum securities would depend on the amount of guarantee called and the conversion rate at the time of the call divided by par value. Maximum securities would equivalent to US\$ 150 Million
Number of securities and percentage thereof held before and after the proposed investment	Currently the Company holds no shares in CPHGC. The number of securities would depend on the amount of the guarantee called and the US\$ conversion rate at the time of their issuance.
In case of investment in listed securities, average of the proceeding twelve weekly average price of the security intended to be acquired	N/A

In case of investment in unlisted securities, fair market value of such securities determined in terms of section 6(I) of the Regulations	Regulation 6(1) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations 2012 provides that in case of investment in unlisted equity securities of an associated company or undertaking, the fair value for such securities shall be determined based on the generally accepted valuation techniques and latest financial statements of the associated company. CPHGC is not currently an operational company therefore, the determination of fair value of its shares, provided for in the Regulation cannot be made at this time. Rs. 10 per share is the par value of the share and the latest offer price of CPHGCs' shares. The Company and CPIH, if required shall subscribe to shares of CPHGC at Rs. 10 per share.
Break-up value of securities intended to be acquired on the basis of the latest audited financial statements.	Rs. 7.39 per share as of December 2016
Earnings per share of the "associated company" for the last three years	N/A as CPHGC was incorporated on 3 September, 2015 and CPHGC is still not operational.
Sources of fund from which securities will be acquired	Long term debt
Where the securities are intended to be acquired using borrowed funds: I. justification for investment through borrowings; and II. detail of guarantees and assets pledged for obtaining such funds	I. The return from the investment would be greater than the mark-up that would be payable on the borrowing. II. Pari passu charge on all fixed assets of the Company
Salient features of the agreement(s), if any, entered into with its associated company with regards to the proposed investment	No agreement has been entered into with CPHGC with regards to the proposed investment.
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. Khalid Mansoor, CEO of the Company holds 1 qualifying share each in CPHGC as nominee of the Company.

Any other important details necessary for the members to understand the transaction;	A sponsor support agreement to be entered between the Company, HPHL, CPHGC, CPIH, CPIPL, CPHGC's Lenders, and other sponsors of CPHGC and a completion guarantee between the Company, HPHL, CPHGC, CPIH, CPIPL and CPHGC's Lenders on terms to be agreed with the lenders.
And in case of investment in securities of a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above, the following further information, is required, namely,- 1. description of the project and its history since conceptualization 2. starting and expected dated of completion of work; 3. time by which such project shall become commercially operational; and 4. expected time by which the project shall start paying return on investment;	1. Description of the Project is set out above 2. Work has commenced at Site and the project is expected to achieve commercial operations by August 2019. 3. The project is expected to achieve commercial operations by August 2019. 4. The project shall start paying return on investment after it has achieved project completion date as required by the lenders expected by September 2020.

Completion Guarantee if in the form of Loan

Information Required	Information Provided
Name of the "associated company" along with criteria based on which the associated relationship is established	China Power Hub Generation Company (Pvt) Limited (the "JV Company") Khalid Mansoor (CEO) of the Company, is also on the board of CPHGC.
Amount of loans or advances	Standby letter of credit of US\$ 150 Million
Purpose of loans or advances and benefits likely to accrue to the investing company and its members from such loans or advances	Lenders of CPHGC require the sponsors to guarantee its performance. Project, once completed would give a ROE of 27% to its shareholders.
In case any loan has already been granted to the said associated company or	N/A

associated undertaking, the complete details thereof.	
Financial position, including main items of balance sheet and profit and loss account of the associated company or associated undertaking on the basis of its latest financial statements.	Position as of 31st December 2016: Total Assets: 9,984,989,447 Total Liabilities: 7,725,581,773 Loss for the Year: 675,247,630
Average borrowing cost of the investing company or in case of absence of borrowing the Karachi Inter Bank Offered Rate for the relevant period.	~7%.
Rate of interest, mark up, profit, fees or commission to be charged	The commission on the guarantee would be around 0.15% per quarter or any other charges as may be agreed with Bank providing the Guarantee. In the even the amount is invested as a loan the Company shall require CPHGC to pay interest at the standard bank rates, to be mutually agreed between the parties
Sources of funds from where loans or advances will be given	Non-funded. However, if called would be funded from self-generated funds or bank borrowing depending on the cashflow of the Company when the Guarantee is called
Where loans or advances are being granted using borrowed funds:- (i) Justification for granting loan or advance out of borrowed funds; (ii) Detail of guarantee/assets pledged for obtaining such funds, if any; and (iii) Repayment schedules of borrowing of the investing company	Presently non-funded. If gets funded it would be provided as stated above. If provided as a loan the rate would be more than the cost of borrowing, if equity return would be a ROE of 27%.
Particulars of collateral security to be obtained against loan to the borrowing company or undertaking, if any.	No security will be obtained from the borrowing company as it will be a subordinated loan from the Company to CPHGC
If the loans or advances carry conversion feature i.e. it is convertible into securities, this fact along with complete detail including conversion formula, circumstances in which the conversion may	N/A

take place and the time when the conversion may be exercisable.	
Repayment schedule and terms of loans or advances to be given to the investee company	Any amount (other than equity investments) paid to CPHGC or its lenders pursuant to the letter of credit shall be marked as a subordinated debt which shall be repayable after the repayment of lenders entire loan.
Salient feature of all agreements entered or to be entered with its associated company or associated undertaking with regards to proposed investment	Sponsor support agreement to be finalized as stated 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.	The Company through HPHL owns 26% shares in the JV Company and pursuant to the SHA has the right to nominate 2 directors on the board of the JV Company. On completion of the call option, as stated above, the Company shall have the right to nominate another member on the Board of CPHGC.
Any other important details necessary for the members to understand the transaction;	N/A
In case of investment in a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above, the following further information is required namely:- i) A description of the project and its history since conceptualization; ii) Starting date and expected date of completion; iii) Time by which such project shall become commercially operational; iv) Expected return on total capital employed in the project; and v) Funds invested or to be invested by the promoters distinguishing between cash and non-cash amounts.	i) Description of the Project is set out above ii) Work has commenced at Site and the project is expected to achieve commercial operations by August 2019. iii) The project is expected to achieve commercial operations by August 2019. iv) The project shall start paying return on investment after it has achieved project completion date as required by the lenders expected by September 2020. v) Not applicable

The Directors of the Company have carried out the necessary due diligence for the purposes of this investment in CPHGC and is available with the Company for review.

PROXY FORM

The Company Secretary,
The Hub Power Company Limited
11th Floor, Ocean Tower, Block 9
Main Clifton Road
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
Extraordinary General Meeting of the Company to be held at PC Hotel, Karachi on May 25,
2017 at 11:00 am and at any adjournment thereof.

Signature on
Revenue Stamp
of Rs.5/-

Signature of Shareholder

Folio / CDC Nos.

Witnesses:

(1) Signature _____

(2) Signature _____

Name _____

Name _____

Address _____

Address _____

CNIC / Passport No. _____

CNIC / Passport No. _____

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 11th Floor, Ocean Tower, Block-9, Main Clifton Road, Karachi-75600 so as to reach no less than 48 hours before the time appointed for holding the Meeting.

- **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.
- (iii) The proxy shall produce his original CNIC or original passport at the time of the meeting.

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.