



The Hub Power Company Limited

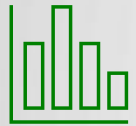
Analysts Briefing
August 2022



Agenda



Status Update on Investment Projects



Operational and Financial Highlights



Future Growth

Investment Projects

Thar Energy Limited

On August 3rd, 2022 TEL successfully achieved synchronization with the National Grid

Expected COD: September 2022



ThalNova Power Thar (Pvt.) Limited

On August 23rd, 2022 TN successfully achieved back energization with the National Grid

Expected COD end of December 2022



Investment Projects



Sindh Engro Coal Mining Company (SECMC)

- Smooth operations continued at the 3.8 Mt/a mine at Thar Block II
- Construction for expansion of mine to 7.6 Mt/a (phase – II) is underway, with 94% over burden removal completed
- Phase – II is undergoing Tests of Completion and COD is expected in September 2022



ENI Pakistan Acquisition – Prime International Oil & Gas

- HPHL in a 50:50 joint venture with ENI's local employees acquired all upstream operations and renewable energy assets of ENI in Pakistan
- NOC from FBR and approval from Competition Commission of Pakistan have been received with regulatory approvals for transfer of ownership expected to be completed by Q4 2022
- Results of ENI operations will be accounted for in HUBCO's books post transfer of ownership

Key CPHGC Updates

China Power Hub Operating Company (CPHOC)

- On 1st February 2022, CPHOC, a joint venture between CPIME and HPHL (51% and 49% respectively), took over the Operations and Maintenance of CPHGC under a six-year O&M agreement

Insurance Claim – Transformer Damage

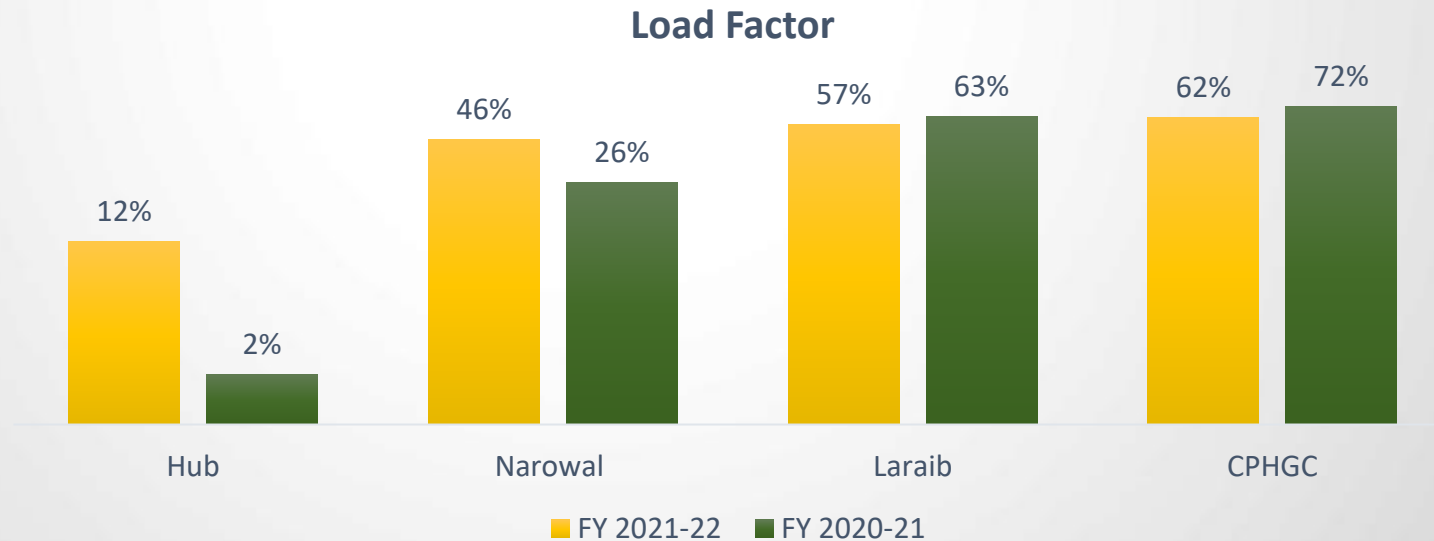
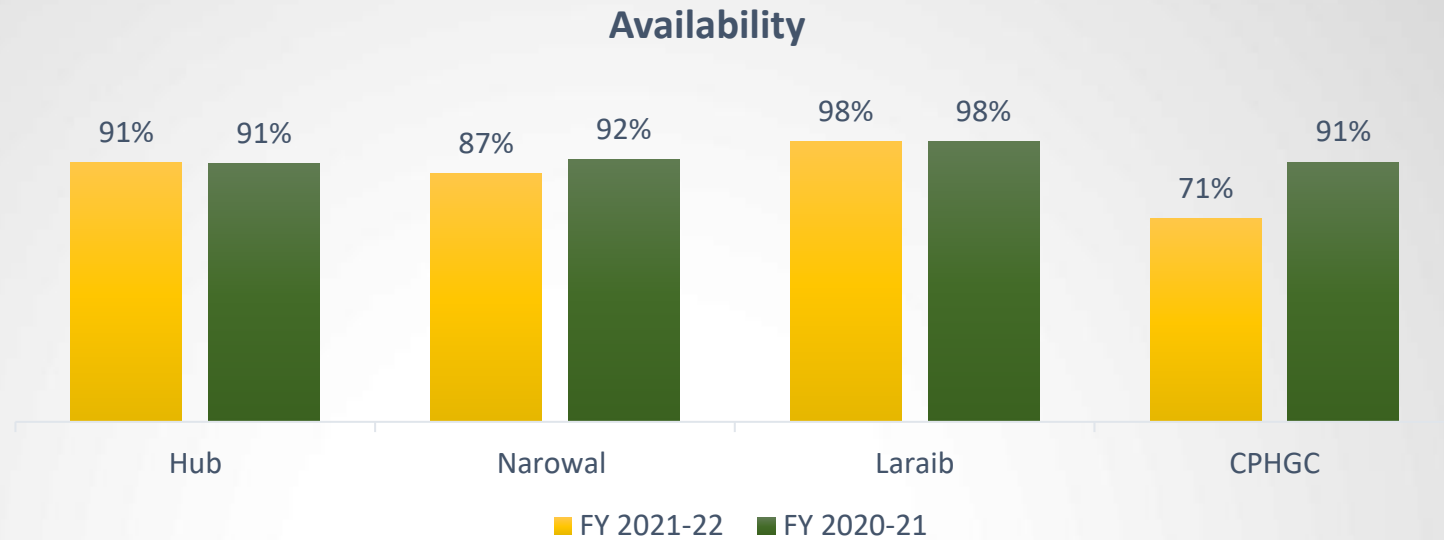
- Unit-1 successfully returned to service on January 6, 2022
- The insurance company has principally agreed on the claim, has disbursed an advance amount of USD 27 million and expected to receive additional amount in next few months

Tariff True up

- On June 30, 2022, NEPRA issued the decision on one time tariff adjustment at COD
- The Company has filed an appeal before the Appellate Tribunal NEPRA on July 29, 2022



Operational Highlights For the Year Ended June 30, 2022



Due to transformer failure in July 2021, Unit-1 of CPHGC became unavailable till January 6, 2022, resulting in lower availability and lower load factor

Financial Snapshot for the Year Ended Jun 30, 2022

PKR Mn	Unconsolidated			Consolidated		
	2021-22	2020-21	▲▼%	2021-22	2020-21	▲▼%
Revenue	62,544	32,292	▲94%	97,158	54,639	▲78%
Gross Profit	23,404	20,395	▲15%	33,103	32,871	▲0.7%
EBITDA	31,171	30,281	▲3%	47,705	51,247	▼7%
Net Profit ⁽¹⁾	21,128	21,434	▼1%	28,472	33,688	▼15%
EPS (PKR) ⁽¹⁾	16.29	16.52	▼1%	21.95	25.97	▼15%

Unconsolidated

- ▲ Exchange rate indexation due to PKR depreciation
- ▼ Lower aggregate dividend from subsidiaries
- ▼ Higher finance cost
- ▼ Impact of super tax

Consolidated

- ▲ Exchange rate indexation due to PKR depreciation
- ▼ Lower share of profit from CPHGC due to transformer failure
- ▼ Higher finance cost
- ▼ Impact of super tax
- ▼ No principal debt servicing revenue in NEL due to complete repayment last year

1) Attributable to owners of Hubco

Revenue and Overdue Balances

PKR Mn	HUBCO	NEL	LEL	CPHGC
Capacity Purchase Price (CPP)	25,537	4,068	6,582	56,851
Energy Purchase Price (EPP)	30,170	21,312	198	84,397
Late Payment Interest	5,109	2,009	445	4,670
Others (Startups & PLAC)	1,728	-	-	-
Revenue for the year ended June 30, 2022	62,544	27,389	7,226	145,917
<u>Current Overdue Balance –Break-up</u>				
Capacity Purchase Price (CPP)	15,127	1,156	3,950	40,764
Energy Purchase Price (EPP)	19,681	8,921	129	22,571
Late Payment Interest	15,097	621	1,192	6,380
Others (Startups & PLAC)	797	-	-	-
Total Overdue Balance - August 26, 2022	50,702	10,698	5,271	69,715
Not Due Balance	4,126	3,092	1,598	-
Total Outstanding Balance - August 26, 2022	54,828	13,790	6,869	69,715
Total Overdue Balance as of June 30, 2022	55,405	3,366	3,648	50,682

HUBCO'S FUTURE GROWTH STRATEGY

Hubco plans to shift its portfolio's focus from fossil fuel-based power generation to renewable energy and diversify into sustainable infrastructure

- Awarded Right of First Refusal (ROFR) from GoS for 35 MIGD wastewater recycling project at S.I.T.E. GoS's Public Private Partnership has initiated international competitive bidding for this project
- Evaluating multiple opportunities in the renewables space, which are expected to be realized post implementation of CTBCM and government's renewable procurement for substitution of fossil-fuel generation



THANK YOU!