

## Power Generation & Distribution Companies

### HUBC: FY25 Management Call Takeaways

- The Hub Power Company Limited (HUBC) held a corporate briefing session to discuss the FY25 financial results and provide key insights on the future outlook for the Company.
- HUBC reported consolidated earnings of PKR 46.1bn (EPS PKR 35.56), down by 34%/y. Profitability declined by 42%/y to PKR 11.8bn (EPS PKR 9.07) during 4QFY25. Decline in earnings during FY25 was mainly attributable to termination of base plant. The Company announced cash dividend of PKR 10.0/share along with the result bringing total cash payout for FY25 to PKR 15.0/share.
- Under the BYD brand, Mega Motors has launched Atto3, Seal and Shark 6 models. Since Feb-25, a total of 2,000 units have been sold and demand is expected to remain healthy going forward.
- HUBC through its wholly owned subsidiary, Hub Power Holding Limited, has partnered with Lucky Cement Limited, Kohat Cement Limited and Metro Ventures to form a consortium for the proposed acquisition of PIA.

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#### Key highlights from Corporate Briefing

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- The Company's total consolidated capacity stands at 2,289MW along with 7.6mton per annum of mining operations and growing EV footprint through Mega Motor Company and Hub Power Green Energy. The Management highlighted that HUBC is transitioning from a power utility company to a diversified conglomerate.
- Under the BYD brand, Mega Motors has launched Atto3, Seal and Shark 6 models. Since Feb-25, a total of 2,000 units have been sold and demand is expected to remain healthy going forward.

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- The CKD assembly plant is under construction and under Phase 1 the capacity will be at 25,000 units per annum which will be expanded to 50,000 units. Project cost is estimated at US\$ 150mn with 60:40 debt equity ratio. The financial close is expected to be completed within a few month as indicative term sheets with local and foreign lenders has been signed. Pakistan is the only market globally where BYD is setting up an assembly plant without equity partnership. Project is expected to start operations in 2026.
- Hubco Green Energy has been tasked with setting up EV charging stations across Pakistan, targeting coverage along the Karachi-Peshawar Motorway at 150-200km interval in partnership with PSO, PARCO, Gunvor and APL.
- The Management stated that CPHGC, TEL and TNPTL are expected to remain in the top 15 of the merit order list. Thar coal plants have significantly better availability and estimated to provide US\$ 290mn savings annually. Project completion of TEL and TNPTL is expected during 2HCY25 with discussion ongoing with sponsors to finalize timelines. Delays in true up tariff adjustment is facing delays which is an industry wide issue and could take some time.
- HUBC noted that overdue cycle of CPPA-G receivables has improved to 1-2 months from 3-4 months and overdue amounts as at Aug-25 stand at PKR 53bn (CPHGC), PKR 12bn (TEL) and PKR 11bn (TNPTL).
- HUBC through its wholly owned subsidiary, Hub Power Holding Limited, has partnered with Lucky Cement Limited, Kohat Cement Limited and Metro Ventures to form a consortium for the proposed acquisition of PIA.
- The Company has deferred the sell-off of its base plant for now to avail better price in future as currently a number of power plants with terminated contracts are up for sale.
- HUBC is currently evaluating Aluminium Smelting facility with Chinese Investors, however, given scale of operations which would be in excess of Pakistan's total demand, the exports opportunities need to be assessed.

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