Flash Note

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Power Generation & Distribution Companies

The Hub Power Generation Company Limited (HUBC)

TEL and TNPTL Achieve Project Completion

Project Completion Date (PCD) announced for TEL and TNPTL: The Hub Power Generation Company Limited (HUBC) in its notice through PSX has announced that their 2x330MW coal power plants, Thar Energy Limited (TEL) and ThalNova Power Thar Limited (TNPTL) have achieved PCD on 31-Oct-2025 in accordance with their project financing documents.

PCD for TEL and TNPTL paves way for dividend declaration: To recall, HUBC holds 60% stake in TEL along with Fauji Fertilizer Limited (FFC) holding 40% stake. For TNPTL, HUBC indirectly holds 38.3% stake through its wholly owned subsidiary Hub Power Holding Limited (HPHL) while Thal Limited (THAL) holds 26% stake. Both plants are recognized as priority projects under China-Pakistan Economic Corridor (CPEC). PCD announcement will enable these plants to declare dividends in which are expected to be announced semi-annually in December and May each year, depending on availability of sufficient cash flows. This is likely to benefit HUBC, FFC and THAL. To note, TEL and TNPTL achieved Commercial Operations (COD) on 01-Oct-2022 and 17-Feb-2023 respectively against target COD of Mar-2021.

HUBC to receive dividend from TEL and TNPTL: We expect HUBC to receive dividend of PKR 5/ share and PKR 6/share for FY26 and FY27 respectively from TEL and dividend of PKR 3.2/share and PKR 3.8/share from for FY26 and FY27 from TNPTL. As a result, we expect HUBC’s total dividend payout to stand at PKR 17/share and PKR 19/share for FY26 and FY27 respectively.

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