

# NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the Fifty-second Annual General Meeting of the Members of the Company will be held on Monday, October 22, 2018 at 09:30 AM at the Institute of Chartered Accountants of Pakistan (ICAP) Auditorium, Clifton, Karachi to transact the following business:

## A. ORDINARY BUSINESS

1. To receive and adopt the Audited Accounts for the year ended June 30, 2018 together with the Reports of the Directors' and Auditors' Report and Chairman's review Report thereon.
2. To approve a final cash dividend of 170% (i.e. Rs. 8.50 per share) for the year 2017-18 as recommended by the Board of Directors. This is in addition to the Interim Dividend, of 100% i.e. Rs 5.00 per share already paid. The total dividend for 2017-18 will thus amount to 270% i.e. Rs 13.50 per share.
3. To appoint Auditors for the year 2018-19 and to fix their remuneration. The present auditors – Messrs EY Ford Rhodes, Chartered Accountants, being eligible offer themselves for reappointment.

## B. SPECIAL BUSINESS

4. To consider, and if thought fit, pass the following as an Ordinary Resolution, with or without modification, to obtain consent from the members for the transmission of Annual Audited Accounts of the Company in electronic form:

“RESOLVED that the consent and approval of the members of the Company be and is hereby accorded for transmission of annual reports including annual audited accounts, auditor's report and directors' report, notices of annual general meetings and other information contained therein of the Company to the members for future years through CD/DVD/USB instead of transmitting the same in hard copies

FURTHER RESOLVED that the Chief Executive Officer or the Company Secretary of the Company be and is hereby authorized to do all acts, deeds and things, take or cause to be taken all necessary actions to comply with all legal formalities and requirements and file necessary documents as may be necessary or incidental for the purposes of implementing this resolution.”

5. To consider, and if thought fit, pass the following resolutions as Special Resolution, with or without modification, to obtain consent from the Members for investment by the Company in its associated company, Sindh Engro Coal Mining Company Limited (SECMC):

RESOLVED as and by way of Special Resolution THAT the approval of the members of the Company be and is hereby accorded in terms of Section 199 of the Companies Act, 2017 for the Company to invest an amount not exceeding the Pak Rupees equivalent of US Dollar 13.66 million in the Company's associated company, Sindh Engro Coal Mining Company Limited (SECMC) to satisfy its aggregate equity commitment under the Amended and Restated Sponsor Support Agreement and the Company is authorized to make good such commitment by subscribing the appropriate number of ordinary shares in SECMC and to arrange Standby Letter(s) of Credit in an amount not exceeding US Dollar 12.28 million in favour of the lenders of SECMC, as required by the Amended and Restated Sponsor Support Agreement to be executed between inter alia the Company and the lenders of SECMC, and to create security on the assets of the Company as may be required by the relevant lenders that will issue the requisite Standby Letter(s) of Credit and THAT CEO and any Director of the Compa-

ny be and are hereby jointly authorized to take all actions and to execute, sign and deliver all such agreements and documents required for and in connection with and in relation to and for the purposes of the aforesaid.

RESOLVED as and by way of Special Resolution THAT that the approval of the members of the Company be and is hereby accorded in terms of Section 199 of the Companies Act, 2017 for the Company to extend a loan in an amount not exceeding the Pak Rupees equivalent of US Dollars 6.31 million to the Company's associated company, Sindh Engro Coal Mining Company Limited (SECMC) or to invest such amount in SECMC for the purpose of satisfying and funding shortfall / cost overrun obligation (pursuant to the Amended and Restated Sponsor Support Agreement), including but not limited to making payments of any amounts whatsoever to the lenders of SECMC (the “Cost Overrun Obligation”) and if required by the lenders of SECMC, to arrange a Standby Letter of Credit in an amount not exceeding US Dollars 6.31 million in favour of the lenders of SECMC, securing the Cost Overrun Obligation, and to create security on the assets of the Company as may be required by the relevant lenders that will issue the Standby Letter of Credit and THAT CEO and any Director of the Company be and are hereby jointly authorized to take all actions and to execute, sign and deliver all such agreements and documents required for and in connection with and in relation to and for the purposes of the aforesaid.

RESOLVED as and by way of Special Resolution THAT the approval of the members of the Company be and is hereby accorded in terms of Section 199 of the Companies Act, 2017 for the Company to extend a loan in an amount not exceeding the Pak Rupees equivalent of US Dollars 8.02 million to the Company's associated company, Sindh Engro Coal Mining Company Limited (SECMC) subject to fluctuations in applicable interest rates and exchange rate or to invest such amount in SECMC by subscribing to the shares of SECMC, for the purpose of satisfying its commitment to fund the Payment Service Reserve Account (PSRA) for Company's agreed percentage of 11.9% of the Initial PSRA Shortfall Amount (as defined in the Amended and Restated Sponsor Support Agreement), including but not limited to making payments of any amounts whatsoever to the lenders of SECMC and if required by the lenders of SECMC, to arrange one or multiple Standby Letters of Credit in favour of the lenders of SECMC in an amount not exceeding Pak Rupees equivalent of US Dollars 8.02 million for the purpose of providing debt service reserve support and to create security on the assets of the Company as may be required by the relevant lenders that will issue the requisite letter(s) of credit and THAT CEO and any Director of the Company be and are hereby jointly authorized to take all actions and to execute, sign and deliver all such agreements and documents required for and in connection with and in relation to and for the purposes of the aforesaid.

RESOLVED as and by way of Special Resolution THAT the approval of the members of the Company be and is hereby accorded in terms of Section 199 of the Companies Act, 2017 to assign the Company's rights in respect of any investment made in the Company's associated company, Sindh Engro Coal Mining Company Limited (SECMC) by way of loan (which loan is to be treated as subordinated debt to the lenders of SECMC) in favour of the lenders of SECMC.

RESOLVED as and by way of Special Resolution THAT the approval of the members of the Company be and is hereby accorded in terms of Section 199 of the Companies Act, 2017, to make such other investments in the Company's associated company, Sindh Engro Coal Mining Company Limited (SECMC) of the nature, for the period, of the amount and on the terms and conditions specified in the Amended and Restated Sponsor Support Agreement and any other related agreement or instrument as approved by the Board and THAT CEO and any Director of the Company be and are hereby jointly authorized to take all actions and to execute, sign and deliver all such agreements and documents required for and in connection with and in relation to and for the purposes of the aforesaid.

## STATEMENT UNDER SECTION 134(3)(B) OF THE COMPANIES ACT, 2017 REGARDING THE SPECIAL BUSINESS:

This statement sets out the material facts concerning the special business, given in agenda item No.4 & 5 of the notice, intended to be transacted at the Annual General Meeting of Thal Limited to be held on October 22, 2018.

#### Item # 4 of the Notice

The directors of the Company have recommended the resolution which will give the members the option to receive annual balance sheet, profit & loss account, auditor's report and directors' report etc. ("annual audited accounts") through CD/D-VD/USB at their registered address and to bring about and implement the Securities and Exchange Commission of Pakistan's directive communicated through Notification # SRO 470(1)12016 dated 31 st May 2016.

The Directors are not interested, directly or indirectly, in the above business except to the extent of their investment as has been detailed in the pattern of shareholding annexed to the Directors' Report.

#### Item # 5 of the Notice

The Government of Sindh ('GOS') and Engro Powergen Limited ('Engro') entered into a joint venture agreement dated September 8, 2009 to inter alia form a joint venture company to carry out a feasibility study of a coal mining project in Thar ("Detailed Mining Feasibility Study") and if deemed appropriate to develop the coal mining project in Block 2, District Tharparkar in Sindh ("Mining Project"). Sindh Engro Coal Mining Company Limited (SECMC) was subsequently incorporated for this purpose with Engro subscribing to 60% of its initial share capital and the GOS, 40% of its initial share capital. On March 8, 2013 the Economic Coordination Committee of the Federal Cabinet of the Government of Pakistan approved the issuance of a Sovereign Guarantee for the debt of SECMC provided that the GOS owns at least 51% of the issued and paid up capital of SECMC. Notwithstanding the same, the GOS has agreed with Engro that subject to (unless otherwise agreed by the GOS) Engro (directly or through its Affiliates) retaining shareholding of not less than 26% of the paid up capital of SECMC, the management control of SECMC shall remain with Engro and its Affiliates.

In light of the foregoing, the GOS and Engro amended and restated the terms of the joint venture agreement dated September 8, 2009 and entered into an amended and restated joint venture agreement dated January 24, 2014 (the "JVA").

SECMC is currently setting up a 3.8 Mt/annum mine in Thar Block II (the "Initial Project"). The Initial Project is currently progressing ahead of schedule and is expected to achieve Commercial Operations in June 2019. The Company and the lenders of SECMC have already executed a Sponsor Support Agreement dated February 26, 2016, in respect of the Company's sponsor support obligations towards SECMC and its lenders for the Initial Project.

SECMC is planning to expand the capacity of mine to 7.6 Mt/annum (the "Expansion Project") to cater to the two additional 330 MW IPPs being set up by ThalNova Power Thar (Pvt.) Limited and Thar Energy Limited (TEL). SECMC has achieved the following important milestones required for Financial Close of the Expansion Project:

- EPC contract signed
- Tariff for Phase II filed with Thar Coal and Energy Board (TCEB)
- Coal Supply Agreements signed with Phase II IPPs
- Funding Plan has been finalized and agreed with Lenders

Engro, Thal, HBL, Hubco and a wholly owned subsidiary of CMEC entered into a Master Shareholders Agreement on August 17, 2015 whereby, Thal has agreed to invest the Pak Rupees equivalent of US Dollars 24.3 million (equivalent Pak Rupees 1,649 million already invested) at or soon after Financial Close or at such later time or times as required by the Financing Agreements at a share price of Pak Rupees 14.82 per share. The Company has already obtained its board approval in the Company's Board Meeting held on 15th December 2015 for making an investment in SECMC of an amount not exceeding the Pak Rupee equivalent of US Dollars 24.3 Million by way of subscription of shares at the rate of Pak Rupee 14.82 per share, of which an amount equal to Pak Rupees 1,649 million (approx. US Dollar 15.26 million) has been invested in SECMC. The board of the Company has also approved the provision of a standby letter of credit to cover for the equity investment of US Dollars 15.6 Million which shall be reduced as equity is injected. Due to expansion of SECMC Mine to 7.6 Mt/a, Thal is

required to provide additional equity of Pak Rupees equivalent of US Dollars 4.62 million making a total equity commitment of Pak Rupees equivalent of US Dollars 28.92 million. Thal is also required to provide a standby letter of credit to cover for the equity investment of US Dollars 3.23 million for the expansion of the mine. As such, approval of the members of Thal is required to invest an amount not exceeding the Pak Rupee equivalent of US Dollars 13.66 million and to provide standby letter(s) of credit to cover for the equity investment of US Dollars 12.28 million.

In the event of any cost overrun in the development of the Initial Project after Financial Close, the Sponsors (namely, GOS, Engro, Thal, Hubco, HBL, and CMEC), pursuant to the Sponsor Support Agreement, agree to provide funding for the purposes of cost overrun to SECMC as requested by SECMC or the Inter creditor Agent, if at any time prior to the Project Completion Date, there is funding shortfall. Each Sponsor is obligated to pay the cost overrun amount in cash, by way of subscription of SECMC shares or at the option of the Sponsors collectively, by way of a subordinated debt to SECMC. The obligation of the Company under the Sponsor Support Agreement is a contractual obligation to make available, if required, a monetary amount in Pak Rupees equivalent to US Dollars 5.03 million. The obligation of the Company to provide cost overrun support shall be released in full, upon the Project Completion Date. The aforementioned approval was taken at the Board Meeting held on 15th December 2015. Due to expansion of SECMC Mine to 7.6 Mt/a, Thal is required to provide additional Cost Overrun support of Pak Rupees equivalent of US Dollars 1.28 million making a total contractual commitment of Pak Rupees equivalent of US Dollars 6.31 million. As such, approval of the members is required to invest an amount not exceeding the Pak Rupee equivalent of US Dollars 6.31 million by way of cost overrun support.

As for Debt Service Reserve Account ('DSRA') on the Initial DSRA Test Date, being the date falling one month prior to the First Repayment Date, if there is an Initial DSRA Shortfall, each Sponsor shall procure and issue a DSRA Letter of Credit (LC) in proportion to its shareholding of Ordinary shares in SECMC. The DSRA Shortfall is the amount of one repayment instalment less the amount available in the DSRA and can therefore be up to the amount of one repayment instalment of all the finances obtained by SECMC. That amount can also vary, depending on the then prevailing LIBOR / KIBOR rate, so the estimation is that, Thal's share will not exceed US Dollars 6.8 Million, though it can be slightly higher or lower. Due to expansion of SECMC Mine to 7.6 Mt/a, Thal is required to provide additional DSRA support of Pak Rupees equivalent of US Dollars 1.22 million making a total contractual commitment of Pak Rupees equivalent of US Dollars 8.02 million.

Upon a demand being made for payment under the DSRA 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 favour of SECMC in an amount equal to such portion of the DSRA LC that is called upon, for which approval was obtained at the Board Meeting held on 15th December 2015.

The Initial Project is expected to achieve commercial operations in June 2019. The Expansion Project is anticipated to reach completion and achieve commercial operations by December 2021. The expected return is 20% in IRR terms. The Initial Project is expected to generate returns one year after successful commencement of commercial operations. The Expansion Project is expected to generate returns one year after successful commencement of commercial operations.

To secure SECMC's debt, the Company will also pledge its shares in SECMC with the lenders of SECMC.

The aforementioned enhanced sponsor obligations due to expansion of the SECMC Mine to 7.6 Mt/a are reflected in an Amended and Restated Sponsor Support Agreement, which seeks to amend and restate that Sponsor Support Agreement already executed between the Company and the lenders of SECMC and which has been approved by the Thal Board of Directors in the meeting held on 7th August 2018 and the Company now plans to enter into.

In compliance of the requirements of the Companies (Investment in Associated Companies and Associated Undertakings) Regulations, 2017 (the "Regulations") the information appearing in the following tables is required to be annexed with the notice of the EGM for approval of the investment for the purpose of Section 199 of the Companies Act, 2017.

C. **STATEMENT UNDER REGULATION 4(2) OF THE COMPANIES (INVESTMENTS IN ASSOCIATED COMPANIES OR ASSOCIATED UNDERTAKINGS) REGULATION 2017**

In the extraordinary general meeting held on March 22, 2018, the members of the Company had approved investment in ThalNova Power Thar (Private) Limited ("ThalNova"), to enable the Company to fulfil its sponsor support obligations towards the lenders of ThalNova. The lenders are financing the development and construction of a 330MW coal-fired power project being established by ThalNova (the "ThalNova Project"). The investment approved by the members (in the extraordinary general meeting held on March 22, 2018) to be made directly in ThalNova has not yet been made. The ThalNova Project has experienced delay in achieving financial close versus earlier envisaged target date of July 2018 primarily because of slow progress from Chinese financial institutions which are providing foreign currency loans to the Project Company. The Project Company is in advance stage of negotiation for financing documents with local and Chinese lenders and is putting all efforts to finalize and close these documents at the earliest.

By Order of the Board



Umair Riaz Siddiqi  
Company Secretary

Karachi.  
Dated: September 13, 2018

**NOTES:**

- (i) The Share Transfer Books of the Company will remain closed from October 15, 2018 to October 22, 2018 (both days inclusive) and the final dividend will be paid to the Members whose names will appear in the Register of Members on, October 13, 2018. Members (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 Share Registrar of the Company M/S. FAMCO Associates (Private) Ltd., 8-F, Next to Hotel Faran, Nursery, Block-6, PECHS, Sharea Faisal Karachi. Tel:0092-21-34380101-5,0092-21-34384621-3 (Ext-103) Fax: 0092-21-34380106. All the Members holding the shares through the CDC are requested to please update their addresses and Zakat status with their Participants.
  - (ii) A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend and vote for him / her. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the time of holding the meeting. A proxy must be a member of the Company.
  - (iii) **CDC Accounts Holders** will further have to follow the guidelines as laid down in Circular 1 dated the January 26, 2000 issued by the Securities & Exchange Commission of Pakistan.
- A. For Attending the Meeting**
- (a) In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration detail is uploaded as per the Regulations, shall authenticate their identity by showing his/ her original National Identity Card ("CNIC") or original passport at the time of attending the meeting.
  - (b) In case of corporate entity, Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless provided earlier) at the time of the meeting.
- B. For Appointing Proxies**
- (a) In case of individuals, the account holder or sub-account holder is and / or the person whose securities are in group account and their registration detail is uploaded as per the CDC Regulations, shall submit the proxy form as per the above requirement.
  - (b) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
  - (c) Attested copies of the CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.
  - (d) The proxy shall produce his/her original CNIC or original passport at the time of the meeting.
  - (e) In case of corporate entities, board of directors' resolution/power of attorney with specimen signature of the nominee shall be submitted (unless provided earlier) along with the proxy form to Company.
- (iv) **CNIC / NTN Number on Dividend Warrant (Mandatory)**  
As has already been notified from time to time, the Securities and Exchange Commission of Pakistan (SECP) vide Notification S.RO. 275(1)/2016 dated March 31, 2016 read with Notification S.RO. 19(1)/2014 dated January 10, 2014 and Notification S.RO. 831 (1 )/2012 dated July 5, 2012 required that the Dividend Warrant(s) should also bear the Computerized National Identity Card (CNIC) Number of the registered shareholder or the authorized person, except in case of minor(s) and corporate shareholder(s).
- Henceforth, issuance of dividend warrant(s) will be subject to submission of CNIC (individuals) / NTN (corporate entities) by shareholders.
- (v) **Withholding Tax on Dividend (Mandatory)**  
Pursuant to the provisions of the Finance Act 2017 effective July 1, 2017, the rates of deduction of income tax from dividend payments under the Income Tax Ordinance have been revised as follows:

(a) For filers of income tax returns	15%
(b) For non-filers of income tax returns	20%

Shareholders who are filers, are advised to make sure that their names are entered into latest Active Tax Payers List (ATL) provided on the website of FBR at the time of dividend payment, otherwise they shall be treated as non-filers and tax on their cash dividend will be deducted at the rate of 20% instead of 15%.

(vi) **Withholding Tax on Dividend in case of Joint Account Holders**

(a) According to clarification received from Federal Board of Revenue (FBR), with-holding tax will be determined separately on 'Filer/Non-Filer' status of Principal shareholder as well as joint-holder(s) based on their shareholding proportions, in case of joint accounts.

(b) In this regard all shareholders who hold shares jointly are requested to provide shareholding proportions of Principal shareholder and Joint-holder(s) in respect of shares held by them to our Share Registrar, in writing as follows:

Company Name	Folio/CDS Account No.	Total Shares	Principal Shareholder		Joint Shareholder(s)	
			Name & CNIC No.	Shareholding Proportion (No.of Shares)	Name & CNIC No.	Shareholding Proportion (No.of Shares)

(c) The required information must reach our Share Registrar within 10 days of this notice, otherwise it will be assumed that the shares are equally held by Principal Shareholder and Joint Holder(s).

(d) As per FBR Circulars C. No.1 (29) WHT/2006 dated 30 June 2010 and C. No.1 (43) DG (WHT)/2008-Vol. II -66417-R dated 12 May 2015, the valid exemption certificate is mandatory to claim exemption of withholding tax U/S 150 of the Income Tax Ordinance, 2001 (tax on dividend amount) where the statutory exemption under clause 47B of Part -IV of Second Schedule is available. The shareholders who fall in the category mentioned in above clause and want to avail exemption U/S 150 of the Ordinance, must provide valid Tax Exemption Certificate to our Share Registrar before book closure otherwise tax will be deducted on dividend as per applicable rates.

(e) For any query/problem/information, the investors may contact the Company Secretary at phone: 021-34312030 and email address tl@hoh.net and/or FAMCO Associates (Pvt.) Ltd. at phone 021-34380101-5 and email address: info.shares@famco.com.pk

(f) The corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the company or FAMCO Associates (Pvt.) Ltd. The shareholders while sending NTN or NTN certificates, as the case may be, must quote company name and their respective folio numbers

(vii) **Distribution of Annual Report Through Email (Optional)**

Pursuant to the provision of section 223(6) of the (companies Act 2017), the Companies are permitted to circulate their annual financial statements, alongwith the Auditor's report, director review report etc. ("Annual Report") and the notice of Annual General Meeting ("Notice") to its shareholders by email. Shareholders of the Company who wish to receive the Company's Annual Report and Notice of Annual General Meeting by E-mail are requested to provide the complete Electronic Communication Consent Form (available at the Company's Website) to the Company's Share Registrar, FAMCO Associates (Private) Limited.

(viii) **Payment of Cash Dividend Electronically (Mandatory)**

In accordance with the provision of Section 242 of the Companies Act, 2017, it is mandatory for a listed company to pay cash dividend to its shareholder only through electronic mode directly into their bank account designated by the entitled shareholders instead of issuing physical dividend warrants.

SECP has advised in their Circular No. 18 of 2017 dated August 01, 2017 to all listed companies to ensure that with effect from November 01, 2017 (as also provided in the Companies (Distribution of Dividends) Regulations, 2017 (as amended from time to time) cash dividends shall be paid through electronic mode only. Therefore, shareholders are requested to provide the details of their bank mandate specifying: (a) title of account (b) account number (c) IBAN number (d) bank name and (e) branch name, code and address to the Company or Share Registrar. Those shareholders who hold shares with participants / Central Depository Company of Pakistan (CDC) are advised to provide the same to their concerned participant / CDC.

Please note that as per Section 243(3) of the Companies Act, 2017, listed companies are entitled to withhold payment of dividend, if necessary information is not provided by shareholders.

For the convenience of shareholders e-Dividend Mandate Form is available on Company's website <http://www.thallimited.com>.

(ix) **Unclaimed / Unpaid Shares and Dividends**

In accordance with the provisions of Section 244 of the Companies Act, 2017, any shares issued or dividend declared by the Company, which remain unclaimed or unpaid for a period of three years from the date it is due and payable, the Company shall give ninety days notices to the shareholders to file claim, if no claim is made before the Company by the shareholders, the Company shall proceed to deposit the unclaimed or unpaid Shares / Dividends with the Federal Government in compliance with the Section 244 of the Companies Act, 2017.

In this regard, a Notice dated December 28, 2017 was sent by Registered AD due on the last known addresses of the shareholders to submit their claims within 90 days to the Company. In compliance of Section 244(1)(b) of the Companies Act, 2017 a Final Notice had also been published on March 31, 2018 in two daily newspapers i.e. (i) Business Recorder and (ii) Daily Nawaiwaqt in English and Urdu respectively.

In case no claim is received within the given period from the aforesaid Notice, the Company shall proceed to deposit the unclaimed / unpaid amount with the Federal Government pursuant to the provisions of sub-section (2) of Section 244 of the Companies Act, 2017.

(x) **E-Voting**

Shareholders can exercise their right to demand a poll subject to meeting requirements of Section 143 -145 of Companies Act, 2017 and applicable clauses of Companies (Postal Ballot) Regulations 2018.

(xi) **Video Conference**

Pursuant to SECP Circular No 10 of 2014 dated May 21, 2014, if the Company receives consent from shareholders holding in aggregate 10% or more shareholding residing in a geographical location to participate in the meeting through video conference at least 7 days prior to the date of Annual General Meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city. To avail this facility please provide the following information to the Share Registrar Office of the Company i.e. Messrs. FAMCO Associates (Pvt) Ltd., 8-F, Next to Hotel Faran, Nursery, Block-6, PECHS, Shakra-e-Faisal, Karachi Telephone No. 0092-21-34380101-5, 0092-21-34384621-3 (Ext-103), Fax: 0092-21-34380106 and email info.shares@famco.com.pk.

I/We, of being a shareholder of Thal Limited holder of Ordinary Share(s) as per Register Folio No. \_\_\_\_\_ hereby opt for video conference facility at (Please insert name of the City)

Information pursuant to Section 3 - Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 (the "Regulations")

Equity Investment

Information Required	Information Provided										
Name of associated company or associated undertaking	Sindh Engro Coal Mining Company Limited ("SECMC")										
Basis of relationship with associated undertaking	Thal Limited (the Company), owns 11.9% ordinary shares in SECMC.  Mr. Muhammad Salman Burney, a director on the Board of the Company will be appointed as director on the Board of SECMC between the date of circulation of this notice and the date of the Annual General Meeting, thereby rendering SECMC an associated undertaking of Thal Limited at the time of the Annual General Meeting.										
Earnings per share for the last three years of the associated undertaking	<table border="1"> <thead> <tr> <th>Year</th> <th>Earnings / (Loss) per share in Pak Rupees</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>(0.02)</td> </tr> <tr> <td>2016</td> <td>(0.03)</td> </tr> <tr> <td>2015</td> <td>0.13</td> </tr> </tbody> </table>	Year	Earnings / (Loss) per share in Pak Rupees	2017	(0.02)	2016	(0.03)	2015	0.13		
Year	Earnings / (Loss) per share in Pak Rupees										
2017	(0.02)										
2016	(0.03)										
2015	0.13										
Break-up value per share, based on latest audited financial statements of the associated undertaking	Pak Rupees 14.40										
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>As at June 30, 2018:</th> <th>In Pak Rupees in Millions</th> </tr> </thead> <tbody> <tr> <td>Total Assets</td> <td>50,367</td> </tr> <tr> <td>Total Equity</td> <td>11,895</td> </tr> <tr> <td>Total Liabilities</td> <td>38,472</td> </tr> <tr> <td>Loss after Taxation</td> <td>(16.58)</td> </tr> </tbody> </table>	As at June 30, 2018:	In Pak Rupees in Millions	Total Assets	50,367	Total Equity	11,895	Total Liabilities	38,472	Loss after Taxation	(16.58)
As at June 30, 2018:	In Pak Rupees in Millions										
Total Assets	50,367										
Total Equity	11,895										
Total Liabilities	38,472										
Loss after Taxation	(16.58)										
In the case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information namely: <ul style="list-style-type: none"> <li>Description of the project and its history since conceptualization;</li> <li>Starting date and expected date of completion of work;</li> <li>Time by which such project shall become commercially operational;</li> <li>Expected time by which the project shall start paying return on investment; and</li> <li>Funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts.</li> </ul>	Please see introduction above.										
Maximum amount of investment to be made	Pak Rupees equivalent of US Dollars 13.66 million.										
Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	SECMC has been incorporated to develop Pakistan's first open pit mining project at Thar Coal Block II. ('Project'). As a condition precedent to making finance facilities available to SECMC for the purposes of the Project, the Company is required to provide to the lenders certain forms of security and sponsor support, including equity support (as discussed in the introduction) Investment in SECMC is anticipated to generate a return of 20% in IRR terms.										

Information Required	Information Provided
Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds: <ul style="list-style-type: none"> <li>Justification for investment through borrowings;</li> <li>Detail of collateral, guarantees provided and assets pledged for obtaining such funds; and</li> <li>Cost benefit analysis.</li> </ul>	Self-generated funds and borrowings in respect of any funding shortfall (if required): <ol style="list-style-type: none"> <li>Investment via borrowing shall enhance the return of investor due to lower cost of debt versus cost of equity. Borrowing shall also be used where there is funding shortfall from self-generated cash</li> <li>Mortgage over land and building and hypothecation over plant and machinery of the Company.</li> <li>Investment in SECMC is anticipated to generate a return of 20% in IRR terms</li> </ol>
Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment.	The investment is proposed to be made pursuant to a sponsor support agreement, executed between inter alia SECMC, the Company and the lenders of SECMC. Please see introduction above for salient features of agreement.
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	Thal Limited (the Company), owns 11.9% of the ordinary share capital in SECMC.  Mr. Muhammad Salman Burney, a director on the Board of the Company will be appointed as director on the Board of SECMC between the date of circulation of this notice and the date of the Annual General Meeting, thereby rendering SECMC an associated undertaking of Thal Limited at the time of the Annual General Meeting.  He shall hold 1 qualifying share.  Interest of the shareholders is restricted to the extent of their shareholding
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.	Please see introduction above.
Any other important details necessary for members to understand the transaction	NIL
Maximum price at which securities will be acquired	Pak Rupees 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	Pak Rupees 14.82 per share being latest offer price.
Maximum number of securities to be acquired	Number of securities would be determined by converting the value of support requested into Pak Rupees on the date of subscription and dividing the same by Pak Rupees 14.82.
Number of securities and percentage thereof held before and after the proposed investment	At present the Company holds 111,254,177 shares in SECMC that represents approximately 11.9% of the ordinary share capital of SECMC.  The Company has undertaken to invest Pak Rupees equivalent of US Dollars 13.66 million in SECMC. The number of securities would be determined based on the conversion on the date of subscription.  The Company's percentage ownership of SECMC's ordinary shares is to be approximately 11.9%.

Information Required	Information Provided
Current and preceding twelve weeks weighted average market price where investment is proposed to be made in listed securities	N/A
And fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities.	Pak Rupees 14.82 per share being latest offer price.

#### Cost overrun support – in the form of equity

Information Required	Information Provided										
Name of associated company or associated undertaking	Sindh Engro Coal Mining Company Limited ("SECMC")										
Basis of relationship with associated undertaking	Thal Limited (the Company), owns 11.9% of the ordinary share capital in SECMC.  Mr. Muhammad Salman Burney, a director on the Board of the Company will be appointed as director on the Board of SECMC between the date of circulation of this notice and the date of the Annual General Meeting, thereby rendering SECMC an associated undertaking of Thal Limited at the time of the Annual General Meeting.										
Earnings per share for the last three years of the associated undertaking	<table border="1"> <thead> <tr> <th>Year</th> <th>Earnings / (Loss) per share in Pak Rupees</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>(0.02)</td> </tr> <tr> <td>2016</td> <td>(0.03)</td> </tr> <tr> <td>2015</td> <td>0.13</td> </tr> </tbody> </table>	Year	Earnings / (Loss) per share in Pak Rupees	2017	(0.02)	2016	(0.03)	2015	0.13		
Year	Earnings / (Loss) per share in Pak Rupees										
2017	(0.02)										
2016	(0.03)										
2015	0.13										
Break-up value per share, based on latest audited financial statements of the associated undertaking	Pak Rupees 14.40										
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>As at June 30, 2018:</th> <th>In Pak Rupees in Millions</th> </tr> </thead> <tbody> <tr> <td>Total Assets</td> <td>50,367</td> </tr> <tr> <td>Total Equity</td> <td>11,895</td> </tr> <tr> <td>Total Liabilities</td> <td>38,472</td> </tr> <tr> <td>Loss after Taxation</td> <td>(16.58)</td> </tr> </tbody> </table>	As at June 30, 2018:	In Pak Rupees in Millions	Total Assets	50,367	Total Equity	11,895	Total Liabilities	38,472	Loss after Taxation	(16.58)
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Total Assets	50,367										
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Total Liabilities	38,472										
Loss after Taxation	(16.58)										
In the case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information namely:	Please see introduction above.										
<ul style="list-style-type: none"> <li>• Description of the project and its history since conceptualization;</li> <li>• Starting date and expected date of completion of work;</li> <li>• Time by which such project shall become commercially operational;</li> <li>• Expected time by which the project shall start paying return on investment; and</li> <li>• Funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts.</li> </ul>											
Maximum amount of investment to be made	Pak Rupees equivalent of US Dollars 6.31 million.										
Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	SECMC has been incorporated to develop Pakistan's first open pit mining project at Thar Coal Block II. ('Project'). As a condition precedent to making finance facilities available to SECMC for the purposes of the Project, the Company is required to provide to the lenders certain forms of security and sponsor support, including cost overrun support (as discussed in the introduction) Investment in SECMC is anticipated to generate a return of 20% in IRR terms.										

Information Required	Information Provided
Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds:	Self-generated funds and borrowings in respect of any funding shortfall (if required):
<ul style="list-style-type: none"> <li>• Justification for investment through borrowings;</li> <li>• Detail of collateral, guarantees provided and assets pledged for obtaining such funds; and</li> <li>• Cost benefit analysis.</li> </ul>	<ol style="list-style-type: none"> <li>Investment via borrowing shall enhance the return of investor due to lower cost of debt versus cost of equity. Borrowing shall also be used where there is funding shortfall from self-generated cash</li> <li>Mortgage over land and building and hypothecation over plant and machinery of the Company.</li> <li>Investment in SECMC is anticipated to generate a return of 20% in IRR terms</li> </ol>
Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment.	The investment is proposed to be made pursuant to a sponsor support agreement, executed between inter alia SECMC, the Company and the lenders of SECMC. Please see introduction above for salient features of agreement.
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	Thal Limited (the Company), owns 11.9% of the ordinary share capital in SECMC.  Mr. Muhammad Salman Burney, a director on the Board of the Company will be appointed as director on the Board of SECMC between the date of circulation of this notice and the date of the Annual General Meeting, thereby rendering SECMC an associated undertaking of Thal Limited at the time of the Annual General Meeting.  He shall hold 1 qualifying share.  Interest of the shareholders is restricted to the extent of their shareholding
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.	Please see introduction above.
Any other important details necessary for members to understand the transaction	NIL
Maximum price at which securities will be acquired	Pak Rupees 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	Pak Rupees 14.82 per share being latest offer price.
Maximum number of securities to be acquired	Number of securities would be determined by converting the value of cost overrun support requested into Pak Rupees on the date of subscription and dividing the same by Pak Rupees 14.82.
Number of securities and percentage thereof held before and after the proposed investment	At present the Company holds 111,254,177 shares in SECMC which represents approximately 11.9% of the ordinary share capital of SECMC.  The Company has undertaken to invest Pak Rupees equivalent of US Dollars 6.31 million in SECMC. The number of securities would be determined based on the conversion on the date of subscription.  The Company's percentage ownership of SECMC's ordinary shares is to be approximately 11.9%.

Information Required	Information Provided
Current and preceding twelve weeks weighted average market price where investment is proposed to be made in listed securities	N/A
And fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities.	Pak Rupees 14.82 per share being latest offer price.

#### Cost overrun support – in the form of subordinated debt

Information Required	Information Provided										
Name of associated company or associated undertaking	Sindh Engro Coal Mining Company Limited (“SECMC”)										
Basis of relationship with associated undertaking	Thal Limited (the Company), owns 11.9% of the ordinary share capital in SECMC.  Mr. Muhammad Salman Burney, a director on the Board of the Company will be appointed as director on the Board of SECMC between the date of circulation of this notice and the date of the Annual General Meeting, thereby rendering SECMC an associated undertaking of Thal Limited at the time of the Annual General Meeting.										
Earnings per share for the last three years of associated undertaking	<table border="1"> <thead> <tr> <th>Year</th> <th>Earnings / (Loss) per share in Pak Rupees</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>(0.02)</td> </tr> <tr> <td>2016</td> <td>(0.03)</td> </tr> <tr> <td>2015</td> <td>0.13</td> </tr> </tbody> </table>	Year	Earnings / (Loss) per share in Pak Rupees	2017	(0.02)	2016	(0.03)	2015	0.13		
Year	Earnings / (Loss) per share in Pak Rupees										
2017	(0.02)										
2016	(0.03)										
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Break-up value per share, based on latest audited financial statements of the associated undertaking	Pak Rupees 14.40										
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>As at June 30, 2018:</th> <th>In Pak Rupees in Millions</th> </tr> </thead> <tbody> <tr> <td>Total Assets</td> <td>50,367</td> </tr> <tr> <td>Total Equity</td> <td>11,895</td> </tr> <tr> <td>Total Liabilities</td> <td>38,472</td> </tr> <tr> <td>Loss after Taxation</td> <td>(16.58)</td> </tr> </tbody> </table>	As at June 30, 2018:	In Pak Rupees in Millions	Total Assets	50,367	Total Equity	11,895	Total Liabilities	38,472	Loss after Taxation	(16.58)
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In the case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information namely: <ul style="list-style-type: none"> <li>• Description of the project and its history since conceptualization;</li> <li>• Starting date and expected date of completion of work;</li> <li>• Time by which such project shall become commercially operational;</li> <li>• Expected time by which the project shall start paying return on investment; and</li> <li>• Funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts.</li> </ul>	Please see introduction above.										
Maximum amount of investment to be made	Pak Rupees equivalent of US Dollars 6.31 million.										

Information Required	Information Provided
Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	SECMC has been incorporated to develop Pakistan’s first open pit mining project at Thar Coal Block II. (“Project”). As a condition precedent to making finance facilities available to SECMC for the purposes of the Project, the Company is required to provide to the lenders certain forms of security and sponsor support, including cost overrun support (as discussed in the introduction) Investment in SECMC is anticipated to generate a return of 20% in IRR terms.
Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds: <ul style="list-style-type: none"> <li>• Justification for investment through borrowings;</li> <li>• Detail of collateral, guarantees provided and assets pledged for obtaining such funds; and</li> <li>• Cost benefit analysis.</li> </ul>	Self-generated funds and borrowings in respect of any funding shortfall (if required): <ol style="list-style-type: none"> <li>Investment via borrowing shall enhance the return of investor due to lower cost of debt versus cost of equity. Borrowing shall also be used where there is funding shortfall from self-generated cash</li> <li>Mortgage over land and building and hypothecation over plant and machinery of the Company.</li> <li>Investment in SECMC is anticipated to generate a return of 20% in IRR terms</li> </ol>
Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment	The investment is proposed to be made pursuant to a sponsor support agreement, executed between inter alia SECMC, the Company and the lenders of SECMC. Please see introduction above for salient features of agreement.
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	Thal Limited (the Company), owns 11.9% of the ordinary share capital in SECMC.  Mr. Muhammad Salman Burney, a director on the Board of the Company will be appointed as director on the Board of SECMC between the date of circulation of this notice and the date of the Annual General Meeting, thereby rendering SECMC an associated undertaking of Thal Limited at the time of the Annual General Meeting.  He shall hold 1 qualifying share.  Interest of the shareholders is restricted to the extent of their shareholding.
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	Please see introduction above.
Any other important details necessary for members to understand the transaction	NIL
Category-wise amount of investment	Pak Rupees equivalent of US Dollars 6.31 million to be extended as a loan.
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 and rate of return for unfunded facilities, as the case maybe, for the relevant period.	3 month KIBOR plus 0.75%
Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company	Higher than the mark-up payable by the Company on its borrowing of like or similar maturities at the time of disbursement.

Information Required	Information Provided
Particulars of collateral or security to be obtained in relation to the proposed investment	None. The loan will be treated as debt subordinated to that of the lenders of SECMC.
If the investment carried 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	NIL
Repayment schedule and terms conditions of loans or advances to be given to the associated company or associated undertaking.	To be finalized with lenders of SECMC 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 the lenders which is 14 years from the date of effectiveness of their loan agreements. Repayment of both the principal and markup payable by SECMC will be subordinated to the principle/interest/mark-up and other payments due to the lenders of SECMC under the terms of their financing documents.

**DSRA – if demand for payment under DSRA is in the form of equity**

Information Required	Information Provided										
Name of associated company or associated undertaking	Sindh Engro Coal Mining Company Limited (“SECMC”)										
Basis of relationship with associated undertaking	Thal Limited (the Company), owns 11.9% of the ordinary share capital in SECMC.  Mr. Muhammad Salman Burney, a director on the Board of the Company will be appointed as director on the Board of SECMC between the date of circulation of this notice and the date of the Annual General Meeting, thereby rendering SECMC an associated undertaking of Thal Limited at the time of the Annual General Meeting.										
Earnings per share for the last three years of the associated undertaking	<table border="1"> <thead> <tr> <th>Year</th> <th>Earnings / (Loss) per share in Pak Rupees</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>(0.02)</td> </tr> <tr> <td>2016</td> <td>(0.03)</td> </tr> <tr> <td>2015</td> <td>0.13</td> </tr> </tbody> </table>	Year	Earnings / (Loss) per share in Pak Rupees	2017	(0.02)	2016	(0.03)	2015	0.13		
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Break-up value per share, based on latest audited financial statements of the associated undertaking	Pak Rupees 14.40										
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>As at June 30, 2018:</th> <th>In Pak Rupees in Millions</th> </tr> </thead> <tbody> <tr> <td>Total Assets</td> <td>50,367</td> </tr> <tr> <td>Total Equity</td> <td>11,895</td> </tr> <tr> <td>Total Liabilities</td> <td>38,472</td> </tr> <tr> <td>Loss after Taxation</td> <td>(16.58)</td> </tr> </tbody> </table>	As at June 30, 2018:	In Pak Rupees in Millions	Total Assets	50,367	Total Equity	11,895	Total Liabilities	38,472	Loss after Taxation	(16.58)
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In the case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information namely: <ul style="list-style-type: none"> <li>Description of the project and its history since conceptualization;</li> <li>Starting date and expected date of completion of work;</li> <li>Time by which such project shall become commercially operational;</li> <li>Expected time by which the project shall start paying return on investment; and</li> <li>Funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts.</li> </ul>	Please see introduction above.										

Information Required	Information Provided
Maximum amount of investment to be made	Pak Rupees equivalent of US Dollars 8.02 million (subject to fluctuation in applicable interest rates and exchange rate).
Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	SECMC has been incorporated to develop Pakistan’s first open pit mining project at Thar Coal Block II. (“Project”). As a condition precedent to making finance facilities available to SECMC for the purposes of the Project, the Company is required to provide to the lenders certain forms of security and sponsor support, including debt service reserve support (as discussed in the introduction) Investment in SECMC is anticipated to generate a return of 20% in IRR terms.
Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds: <ul style="list-style-type: none"> <li>Justification for investment through borrowings;</li> <li>Detail of collateral, guarantees provided and assets pledged for obtaining such funds; and</li> <li>Cost benefit analysis.</li> </ul>	Self-generated funds and borrowings in respect of any funding shortfall (if required): <ol style="list-style-type: none"> <li>Investment via borrowing shall enhance the return of investor due to lower cost of debt versus cost of equity. Borrowing shall also be used where there is funding shortfall from self-generated cash</li> <li>Mortgage over land and building and hypothecation over plant and machinery of the Company.</li> <li>Investment in SECMC is anticipated to generate a return of 20% in IRR terms</li> </ol>
Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment.	The investment is proposed to be made pursuant to a sponsor support agreement, executed between inter alia SECMC, the Company and the lenders of SECMC. Please see introduction above for salient features of agreement.
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	Thal Limited (the Company), owns 11.9% of the ordinary share capital in SECMC.  Mr. Muhammad Salman Burney, a director on the Board of the Company will be appointed as director on the Board of SECMC between the date of circulation of this notice and the date of the Annual General Meeting, thereby rendering SECMC an associated undertaking of Thal Limited at the time of the Annual General Meeting. He shall hold 1 qualifying share.  Interest of the shareholders is restricted to the extent of their shareholding
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.	Please see introduction above.
Any other important details necessary for members to understand the transaction	NIL
Maximum price at which securities will be acquired	Pak Rupees 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	Pak Rupees 14.82 per share being latest offer price.



Information Required	Information Provided
Maximum number of securities to be acquired	Number of securities would be determined by converting the value of debt service support requested into Pak Rupees on the date of subscription and dividing the same by Pak Rupees 14.82.
Number of securities and percentage thereof held before and after the proposed investment	At present the Company holds 111,254,177 shares in SECMC that approximates 11.9% of the ordinary share capital. The Company has undertaken to invest Pak Rupees equivalent of US Dollars 8.02 million in SECMC. The number of securities would be determined based on the conversion on the date of subscription.  The Company's percentage ownership of SECMC's ordinary shares is to be approximately 11.9%.
Current and preceding twelve weeks weighted average market price where investment is proposed to be made in listed securities	N/A
And fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities.	Pak Rupees 14.82 per share being latest offer price.

**DSRA – if demand for payment under DSRA is deemed subordinated debt**

Information Required	Information Provided										
Name of associated company or associated undertaking	Sindh Engro Coal Mining Company Limited ("SECMC")										
Basis of relationship with associated undertaking	Thal Limited (the Company), owns 11.9% of the ordinary share capital in SECMC.  Mr. Muhammad Salman Burney, a director on the Board of the Company will be appointed as director on the Board of SECMC between the date of circulation of this notice and the date of the Annual General Meeting, thereby rendering SECMC an associated undertaking of Thal Limited at the time of the Annual General Meeting.										
Earnings per share for the last three years of associated undertaking	<table border="1"> <thead> <tr> <th>Year</th> <th>Earnings / (Loss) per share in Pak Rupees</th> </tr> </thead> <tbody> <tr> <td>2017</td> <td>(0.02)</td> </tr> <tr> <td>2016</td> <td>(0.03)</td> </tr> <tr> <td>2015</td> <td>0.13</td> </tr> </tbody> </table>	Year	Earnings / (Loss) per share in Pak Rupees	2017	(0.02)	2016	(0.03)	2015	0.13		
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Break-up value per share, based on latest audited financial statements of the associated undertaking	Pak Rupees 14.40										
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Information Required	Information Provided
In the case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information namely: <ul style="list-style-type: none"> <li>Description of the project and its history since conceptualization;</li> <li>Starting date and expected date of completion of work;</li> <li>Time by which such project shall become commercially operational;</li> <li>Expected time by which the project shall start paying return on investment; and</li> <li>Funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts.</li> </ul>	Please see introduction above.
Maximum amount of investment to be made	Pak Rupees equivalent of US Dollars 8.02 million (subject to fluctuation in applicable interest rates and exchange rate).
Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	SECMC has been incorporated to develop Pakistan's first open pit mining project at Thar Coal Block II. ('Project'). As a condition precedent to making finance facilities available to SECMC for the purposes of the Project, the Company is required to provide to the lenders certain forms of security and sponsor support, including debt service reserve support (as discussed in the introduction) Investment in SECMC is anticipated to generate a return of 20% in IRR terms.
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Information Required	Information Provided
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	Please see introduction above.
Any other important details necessary for members to understand the transaction	NIL
Category-wise amount of investment	Pak Rupees equivalent of US Dollars 8.02 million to be extended by way of a loan to SECMC.
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 and rate of return for unfunded facilities, as the case maybe, for the relevant period.	3 month KIBOR plus 0.75%
Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company	Higher than the markup payable by the Company on its borrowing of like or similar maturities at the time of disbursement.
Particulars of collateral or security to be obtained in relation to the proposed investment	None. The loan will be subordinated to the debt of the lenders of SECMC.
If the investment carried 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	NIL
And repayment schedule and terms conditions of loans or advances to be given to the associated company or associated undertaking.	To be finalized with lenders of SECMC 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 the lenders which is 14 years from the date of effectiveness of their loan agreements. Repayment of both the principal and markup payable by SECMC will be subordinated to the principle/interest/mark-up and other payments due to the lenders under the terms of their financing documents.

The Amended & Restated Sponsor Support Agreement to be executed by the Company and as approved by the Board, is available for inspection at the registered office of the Company during office hours.

The aforementioned notice and the statements of material facts have been dispatched to the head office of the Securities and Exchange Commission of Pakistan, through fax or e-mail and courier service on the same day it was dispatched to the members.

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

The duly signed recommendations of the due diligence report will be made available for members inspection in the general meeting called for approval of the Special Resolutions for investment in SECMC pursuant to section 199 of the Companies Act 2017.