HUB POWER SERVICES LIMITED

Financial Statements

For the period from March 26, 2015 to June 30, 2015
AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of HUB POWER SERVICES LIMITED ("the Company") as at June 30, 2015 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the period from March 26, 2015 to June 30, 2015 and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the Company’s management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;

b) in our opinion:

   (i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies adopted;

   (ii) the expenditure incurred during the period was for the purpose of the Company's business; and

   (iii) the business conducted, investments made and the expenditure incurred during the period were in accordance with the objects of the Company;

c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2015 and of the loss, total comprehensive income, its cash flows and changes in equity for the period from March 26, 2015 to June 30, 2015; and

d) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980.

Engagement Partner:
Asad Ali Shah
Dated: July 27, 2015
Place: Karachi

Member of
Deloitte Touche Tohmatsu Limited
HUB POWER SERVICES LIMITED
BALANCE SHEET
AS AT JUNE 30, 2015

June 30, 2015
Amount in Rupees

ASSETS

Current Assets

Cash in hand

TOTAL ASSETS

30

EQUITY AND LIABILITIES

Share Capital and Reserves

Authorised capital
(200,000 ordinary shares of Rs.10/- each)

Issued, subscribed and paid-up Capital
(3 ordinary shares of Rs.10/- each)

Accumulated loss

2,000,000

30

(331,320)

(331,290)

Current Liabilities

Accrued liabilities

331,320

TOTAL EQUITY AND LIABILITIES

30

The annexed notes from 1 to 7 form an integral part of these financial statements.

Chief Executive

Director
HUB POWER SERVICES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE PERIOD FROM MARCH 26, 2015 TO JUNE 30, 2015

Expenses
Registration and filing charges
Audit fee

<table>
<thead>
<tr>
<th></th>
<th>Amount in Rupees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registration and filing charges</td>
<td>(281,320)</td>
</tr>
<tr>
<td>Audit fee</td>
<td>(50,000)</td>
</tr>
</tbody>
</table>

LOSS FOR THE PERIOD

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<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td></td>
<td>(331,320)</td>
</tr>
</tbody>
</table>

The annexed notes from 1 to 7 form an integral part of these financial statements.

By A

Chief Executive

By [Signature]

Director
HUB POWER SERVICES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM MARCH 26, 2015 TO JUNE 30, 2015

For the period from
March 26, 2015
to June 30,
2015
Amount in
Rupees

Loss for the period

(331,320)

Other comprehensive income for the period

TOTAL COMPREHENSIVE INCOME FOR THE PERIOD

(331,320)

The annexed notes from 1 to 7 form an integral part of these financial statements.

Chief Executive

Director
HUB POWER SERVICES LIMITED
CASH FLOW STATEMENT
FOR THE PERIOD FROM MARCH 26, 2015 TO JUNE 30, 2015

For the period from March 26, 2015 to June 30, 2015
Amount in Rupees

CASH FLOWS FROM OPERATING ACTIVITIES

Loss before taxation
Increase in accrued liabilities

Net cash from operating activities

CASH FLOWS FROM INVESTING ACTIVITIES

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from issuance of shares

Net cash from financing activities

Net increase in cash and cash equivalents

Cash and cash equivalents at the beginning of the period

Cash and cash equivalents at the end of the period

The annexed notes from 1 to 7 form an integral part of these financial statements.

Dated

Chief Executive

Director
HUB POWER SERVICES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM MARCH 26, 2015 TO JUNE 30, 2015

For the period from March 26, 2015 to June 30, 2015
Amount in Rupees

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issued Capital</td>
<td></td>
</tr>
<tr>
<td>Balance at the beginning of the period</td>
<td></td>
</tr>
<tr>
<td>Shares Issued during the period</td>
<td></td>
</tr>
<tr>
<td>3 Ordinary shares of Rs. 10 each</td>
<td>30</td>
</tr>
<tr>
<td>Balance at the end of the period</td>
<td>30</td>
</tr>
<tr>
<td>Accumulated Loss</td>
<td></td>
</tr>
<tr>
<td>Balance at the beginning of the period</td>
<td></td>
</tr>
<tr>
<td>Total comprehensive income for the period</td>
<td>(331,320)</td>
</tr>
<tr>
<td>Balance at the end of the period</td>
<td>(331,320)</td>
</tr>
<tr>
<td>TOTAL EQUITY</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(331,290)</td>
</tr>
</tbody>
</table>

The annexed notes from 1 to 7 form an integral part of these financial statements.

\[ \text{Director} \]
1. THE COMPANY AND ITS OPERATIONS

Hub Power Services Limited (the "Company") was incorporated in Pakistan on March 26, 2015 as a public limited company under the Companies Ordinance, 1984 (the "Ordinance"). The Company is 100% owned subsidiary of The Hub Power Company Limited and has applied for the commencement of business certificate with SECP and is yet to commence its principal business activities. The principles business activities of the Company will be to manage operations & maintenance of the power plants.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) Issued by the International Accounting Standard Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of these financial statements are as follows:

3.1 Accounting convention

These financial statements have been prepared under the historical cost convention.

3.2 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash with banks on savings, call and term deposit accounts.

3.3 Provisions

Provisions are recognised when the Company has a present (legal or constructive) obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

3.4 Trade and other payables

Liabilities for trade and other amounts payable are recognised initially at fair value and are subsequently measured at amortised cost using effective interest rate method.

4. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of Holding Company, associated companies, including entities with common directors, major shareholders and key management employees. Transactions with related parties are entered into at rates negotiated with them. During the period, there are no related party transactions. Further, no remuneration was paid to Chief Executive and Directors.
5. **FINANCIAL RISK MANAGEMENT**

Since the Company has been recently incorporated, it is not exposed to market risk and credit risk. The Company has the financial support of the Holding Company to meet its funding requirements. As at June 30, 2015, the Company's liabilities are all current and due in next financial year.

6. **COMPARATIVE FIGURES**

These financial statements are the first financial statements of the Company and have been prepared for the period starting from the incorporation date, i.e. March 26, 2015 until June 30, 2015. Therefore, comparative figures have not been presented.

7. **DATE OF AUTHORISATION**

These financial statements were authorised for issue on July ______, 2015 in accordance with the resolution of the Board of Directors.

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[Signature]
Chief Executive

[Signature]
Director