

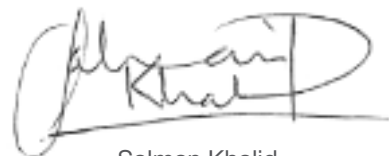
NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the Fifty-fourth Annual General Meeting of the Members of the Company will be held on Thursday, October 22, 2020 at 12:00 noon to transact the following business. Due to the current situation caused by COVID-19 pandemic, shareholders shall be entitled to attend the meeting through video conference facility managed by the Company as per the instructions given in the notes section.

ORDINARY BUSINESS

1. To receive, consider and adopt the Annual Audited Financial Statements of the Company for the year ended June 30, 2020, together with the Directors' and Auditors' Report thereon.
2. To approve a final cash dividend of 70% (i.e. Rs. 3.50 per share) for the year 2019-20 as recommended by the Board of Directors. This is in addition to the Interim Dividend, of 30% i.e. Rs 1.50 per share already paid. The total dividend for 2019-20 will thus amount to 100% i.e. Rs 5.00 per share.
3. To appoint Auditors and fix their remuneration for the year ending June 30, 2021. The present auditors – Messrs EY Ford Rhodes, Chartered Accountants, retire and being eligible have offered themselves for re-appointment.

Karachi.
Dated: September 08, 2020

By Order of the Board

Salman Khalid
Company Secretary

NOTES:

1. **Participation in the AGM proceeding via the video conference facility**
Due to current COVID-19 situation, the AGM proceedings shall be held via video conference facility only. Shareholders interested to participate in the meeting are requested to share below information at admin@thallimited.com for their appointment and proxy's verification by or before 5:00 p.m. i.e. October 19, 2020.

Shareholder Name	Folio/CDC No.	CNIC Number	Cell number	Registered Email Address

Video conference link details and login credentials will be shared with those Shareholders whose emails containing all the particulars are received on or before October 19, 2020 at 5:00 p.m.

Shareholders can also provide their comments and questions for the agenda items of the AGM on admin@thallimited.com by October 19, 2020 at 5:00 p.m.

2. **Closure of Share Transfer Books**
The Share Transfer Books of the Company will be closed from October 16, 2020 to October 22, 2020 (both days inclusive) for the purpose of the Annual General Meeting and payment of the final dividend. Transfer requests received by our Share Registrar, M/S. FAMCO Associates (Private) Ltd., 8-F, Next to Hotel Faran, Nursery, Block-6, PECHS, Sharea Faisal Karachi. Tel:009-21-34380101-5,0092-21-34384621-3 (Ext-103) Fax: 0092-21-34380106 at the close of business on October 15, 2020 will be treated in time for the purpose of determining above entitlement to the transferees for payment of final dividend and to attend the Annual General Meeting.
3. **Proxy**
A member entitled to attend and vote at this General Meeting is entitled to appoint a Proxy to attend, speak and vote in his/her place at the Meeting. Instrument appointing a proxy must be deposited at the Registered Office of the Company at least forty eight hours before the time of the meeting alongwith the recent photograph of the shareholders appointed as Proxy.

In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee alongwith his/her recent photograph shall be provided at least 48 hours before the time of the meeting. The Form of Proxy in English and Urdu is attached in the Annual Report and should be witnessed by two persons whose names, addresses and CNIC Numbers should be mentioned on the Forms. The Form of Proxy is also available on the Company's website (www.thallimited.com).
4. **Change of Address**
The Shareholders are requested to promptly notify change in their address, if any, to the Company's Share Registrar.
5. **Submission of copies of CNIC not provided earlier**
Individual Shareholders are once again reminded to submit a copy of their valid CNIC, if not provided earlier to the Company's Share Registrar, FAMCO Associates (Private) Limited. In case of non-availability of a valid copy of the Shareholders' CNIC in the records of the Company, the company shall withhold the Dividend under the provisions of Section 243 of the Companies Act 2017.
6. **Withholding Tax on Dividend**
Currently, the deduction of withholding tax on the amount of dividend paid by the companies under section 150 of the Income Tax Ordinance, 2001, are as under:

- (a) For persons appearing in Active Tax Payer List (ATL): 15%
- (b) For persons not appearing in Active Tax Payer List (ATL): 30%

Shareholders who have filled their return 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 persons not appearing in ATL and tax on their cash dividend will be deducted at the rate of 30% instead of 15%.

7. Withholding tax on Dividend in case of Joint Account Holders

In order to enable the Company to follow the directives of the regulators to determine shareholding ratio of the Joint Account Holder(s) (where shareholding has not been determined by the Principal shareholder) for deduction of withholding tax on dividend of the Company, shareholders are requested to please furnish the shareholding ratio details of themselves as Principal shareholder and their Joint Holders, to the Company's Share Registrar, enabling the Company to compute withholding tax of each shareholder accordingly. The required information must reach the Company's Share Registrar by October 15, 2020, otherwise each shareholder will be assumed to have equal proportion of shares and the tax will be deducted accordingly.

8. Payment of Cash Dividend Electronically (E-mandate)

In accordance with the provisions of section 242 of the Companies Act, 2017 and Companies (Distribution of Dividend) Regulations, 2017, it is mandatory that dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholder. Notice in this regard has already been published earlier in newspapers as per Regulations. All shareholders are once again requested to provide details of their bank mandate specifying: (i) title of account, (ii) account number, (iii) IBAN (iv) bank name and (v) branch name, code & address; to Company's Share Registrar. Shareholders who hold shares with Participants / Central Depository Company of Pakistan (CDC) are advised to provide the mandate to the concerned Broker / CDC.

The "Electronic Dividend Mandate Form" in English and Urdu is attached in the Annual Report and the same is also available on the Company's website (www.thallimited.com).

9. 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, along with auditor's report, directors' 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 Notices of annual general meeting by email are requested to provide the completed Electronic Communication Consent Form (available on the Company's website), to the Company's Share Registrar.

The audited financial statements of the Company for the year ended June 30th, 2020 have been made available on the Company's website (www.thallimited.com), in addition to annual and quarterly financial statements for the prior years.

10. Transmission / Dispatch of Annual Report through CD

The Company has circulated Annual Financial Statements / Annual Report 2020 to its members through CD at their registered addresses. Printed copy of the same can be provided to the members upon request. The audited financial statements of the company for the year ended June 30, 2020 have been made available on the Company's Website at www.thallimited.com

Statement under Regulation 4(2) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations 2017

- **Sindh Engro Coal Mining Company Limited**

In the annual general meeting held on October 2nd 2018 the members of the Company had approved investment in Sindh

Engro Coal Mining Company Limited ("SECMC"). SECMC achieved commercial operations on 10th July 2019; which marks a historic milestone for Pakistan's Energy sector. Phase I of the Thar mining and power generation projects comprise Pakistan's first indigenous open pit coal mine which supplies 3.8 million tons of lignite coal per annum to a 2x330 MW power generation plant set up by EPTL. For Phase I of SECMC, the Board of Directors of Thal Limited approved a total exposure of Pak Rupee equivalent of USD 36.1 million, which includes equity investment of USD 24.3 million, USD 5 million for cost over-run and USD 6.8 million for debt servicing reserve (adjustable due to LIBOR/KIBOR movement). Phase I of SECMC mining project has been completed within time and with significant cost savings. As a result of reduced project cost, the Company invested a total of USD 17.7 million as equity in SECMC Phase 1, while maintaining 11.9% ordinary shareholding in SECMC. Until such time that SECMC achieves project completion date (as defined under finance documents), the contractual commitments of cost overrun support and debt service reserve account shall remain in place and may be called upon lenders as per terms of the finance documents.

Phase II of SECMC achieved Financial Close on 31 Dec 2019. For Phase II of SECMC, the Board of Directors of Thal Limited approved a total exposure of Pak Rupee equivalent of USD 10.5 million, which includes equity investment of USD 7.9 million, USD 1.3 million for cost over-run and USD 1.2 million for debt servicing reserve (adjustable due to LIBOR/KIBOR movement).

As on 30th June 2020, the Company has invested Rs. 2,365.311 million in SECMC, acquiring 159,602,637 ordinary shares having face value of Rs. 10 each, at a price of Rs. 14.82 per share. The Company has issued a stand by letter of credit in favor of lenders for the balance equity commitment of USD 5.5 million for Phase II.

SECMC has entered into Coal Supply Agreements with ThalNova Power Thar (Pvt) Ltd and Thar Energy Ltd to supply additional 1.9 million tons of lignite per annum to each 330 MW power plant respectively.

In 1H2020, the global COVID-19 pandemic has adversely affected the timelines for Phase II. The Project Company is now striving to achieve commercial operations date for Phase II in 2022.

- **Thal Power (Private) Limited**

Status update concerning the business in relation to ThalNova Power Thar (Pvt) Limited ("TN") that was approved in the Extra-Ordinary General meeting dated March 22, 2018.

Equity Injection, Guarantee and Sponsor Support:

The shareholders in the EGM held on March 22, 2018, had approved Equity Injection of up to USD 58.7 Million (or PKR equivalent) and to arrange a Standby Letter of Credit in an amount not exceeding USD 41.1 Million (or PKR equivalent) securing the Equity Obligation and commercial risk guarantee obligations of up to USD 12.4 million (or PKR equivalent) and sponsor support to be provided by the Company for the benefit of TN for an aggregate amount of up to USD 23.2 Million (or PKR equivalent) as an investment in the form of equity or subordinated debt to cover for funding shortfall/cost overrun that may arise in TN as well as similar support/investment for debt service reserve support up to USD 12.4 million (or PKR equivalent). Such sponsor support 'investments' were to be made as may be required under the Sponsor Support Agreement entered into with the lenders. The Company intends to make these sponsor support investments by way of preference shares and/or ordinary shares and/or through subordinated debt depending on approvals that may be received from the lenders. If through preference shares then the key terms will include a USD return on equity of 11%, which will be cumulative if not paid in full on any payment date and redeemable at the option of the Company.

Information pursuant to Section 4(2) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations 2017:

Information Required	Information Required
a) Total investment approved	As above
b) Amount of investment made to date	Equity Injection of USD 11.7 M (in equivalent Pak Rupees)
(c) Reasons for deviations from the approved timeline of investment, where investment decision was to be implemented in specified time;	Because of various reason the Financial Close of the TN project has been delayed and is now expected by end September 2020 with Commercial Operations Date expected by 3rd Quarter 2022
(d) Material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment.	The associated company to-date has received total equity injection of PKR 5.9 billion (or USD 63.4 million) from all shareholders. The associated undertaking issued a limited notice to proceed to the EPC Contractor against a payment of USD 30 million (in PKR equivalent) to commence construction works prior to financial close. The associated company has executed all major project agreements and is in advanced stages of achieving financial close with lenders.