From: Ahmed Jahangir [mailto:ajelahi@nishatmills.com]
Sent: Wednesday, April 21, 2021 7:08 PM
To: Nasim Beg <nasimbeg@arifhabib.com.pk>
Cc: Muhammad Asim <muhammad.asim@mcbah.com>; Saqib Saleem <saqib.saleem@mcbah.com>; Asif Mehdi <asif.mehdi@mcbah.com>; Altaf Faisal <altaf.faisal@mcbah.com>; Saad Ahmed <saad.ahmed@mcbah.com>
Subject: Re: Request for Credit Committee approval for Investment in Short Term Sukuk of HUBC

Ok go ahead

Ahmed Jahangir

Sent from my iPhone

On Apr 21, 2021, at 6:19 PM, Nasim Beg <nasimbeg@arifhabib.com.pk> wrote:

I am ok with the proposal.
Regards

Nasim Beg
Arif Habib Group

Sent from my iPad

On 21 Apr 2021, at 16:47, Muhammad Asim <muhammad.asim@mcbah.com> wrote:

Dear Sir

Hub Power has announced Short term Paper which coincides with upcoming maturity of earlier issue in the next month. We had also invested in the earlier CP and seek your approval for investment in the current issue. Our exposure in the issue maturing in May-21 was near Rs. 250m. Due to strong market interest, we expect a partial allocation and thus request to allow us to participate upto Rs. 2 bn or maximum 5% of net assets including Funds and SMAs. Our analysis (attached) indicates a relatively comfortable liquidity pipeline for Hub Power in the short term.

Details of the issue are given below:

Instrument/Transaction/Issue	Unsecured, Privately Placed Short Term Islamic Sukuk ("the Facility")
Issuer	The Hub Power Company Limited
Facility Amount	Up to PKR 4,500 million

Entity Rating	Hubco's entity rating is 'AA+' by Pakistan Credit Rating Agency
Purpose	To meet short term working capital requirements of the Hub River Power station.
Tenor	Up to six (6) months from the date of Drawdown.
Availability Period	Up to one (1) month from the date of signing of the Facility documents. Undrawn-Facility Amount, if any, on expiry of Availability Period will stand cancelled.
Financiers/Investors	Include financial institutions, mutual funds, and insurance/takaful companies, and corporate entities.
Profit Benchmark	**Base Rate plus 110 bps per annum.** Base Rate is defined as the 6-Month Karachi Interbank Offered Rate ("KIBOR"). KIBOR is defined as Average Ask rate, as published on Reuters page KIBR or as published by the Financial Markets Association of Pakistan in case the Reuters page is unavailable. The Base Rate will be set one business day prior to the Drawdown date for the profit due at the end of the Tenor.
Profit Payments Frequency	Profit will be payable at maturity. Profit will be calculated on the basis of actual number of days elapsed in a year of 366 days on the Facility Amount.

For your approval.

Regards
Asim

Muhammad Asim, CFA
CIO
MCBAH
0301-825-0907