



## NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of the Shareholders of Pakistan Gum and Chemicals Limited will be held on Monday, 21 October 2019 at 10:00 am at Company's registered office, located at B-19/A, Irshad Qadri Road, SITE, Karachi, to transact the following business:

### Special Business

To consider and if thought fit, to pass the following resolution with or without modification as Special Resolution:

**RESOLVED that** Sponsors/majority shareholders of Pakistan Gum and Chemicals Limited ("PGCL" or the "Company") be and are hereby authorized to buy back ordinary shares of the Company at a buy back price of PKR 300/- per share as approved by Pakistan Stock Exchange (the "Exchange"), subject to purchase of at least 44,179 ordinary shares (10%) out of the total 441,792 ordinary shares outstanding with the shareholders other than Sponsors, in order to qualify for delisting as approved by the Voluntary Delisting Committee of the Exchange.

**FURTHER RESOLVED that** the Company be delisted from the Exchange under the Voluntary Delisting Regulations of the Exchange upon fulfillment of all applicable regulatory requirements.

**FURTHER RESOLVED that** Chairman, Chief Executive and Company Secretary be and are hereby authorized to take all necessary steps/actions required to complete the delisting of the Company from the Exchange.

### Ordinary Business

To transact any other business with the permission of the Chair

By Order of the Board

**Zafar Iqbal**

Company Secretary

Karachi: 26 September 2019

### NOTES:

1. The Share Transfer Books of the Company will remain closed from 15 October 2019 to 21 October 2019 (both days inclusive. Transfers received in order by JWAFS Registrar Services (Pvt.) Limited, 407-408, Al-Ameera Centre, Shahrah-e-Iraq, Saddar, Karachi up to 14 October 2019 will be considered in time for attending the meeting.
2. A member entitled to attend and vote at this meeting is entitled to appoint another member as a proxy to attend and vote on his/her behalf. Proxies must be deposited at the registered office of the Company not less than 48 hours before time of the meeting. In case of proxy by a corporate member, Board of Directors' resolution/power of attorney shall also be submitted along with the form and specimen signature of the Nominee.
3. The shareholders through CDC are requested to bring original CNIC, Account Number and Participant ID to facilitate identification and in case of proxy, must enclose an attested copy of CNIC. Representatives of Corporate Members should bring the usual documents, required for such purpose.
4. Shareholders who have not yet submitted copy of their valid CNIC are once again requested to send the same to our share Registrar.
5. Change of address, if any, may please be notified immediately.

### Pakistan Gum & Chemicals Limited

B-19/A, Irshad Qadri Road, SITE, Karachi

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## **STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017**

Company's shares have remained highly illiquid with daily average of only 2,123 shares traded since 2016 which on average have traded on 114 days against 220 trading days in a year. Company has also been suffering losses since financial year ended December 31, 2015 except a marginal profit of PKR 18.75 million in 2018. Furthermore, Company's profitability is not expected to improve significantly in the near term due to prevailing adverse market conditions.

In this regards, the sponsors believe it would be in the best interest of the minority shareholders who hold only 10.40% of the paid up share capital of the Company, to be provided a fair opportunity to exit.

Therefore, the Directors of the Company in the Board Meeting held on June 19, 2019 approved the voluntary delisting of the ordinary shares from the Exchange.

Now, the Sponsors of the Company propose to buy back 10.40% ordinary shares from General Public at PKR 300/- per share as approved by the Exchange in accordance with Regulation No. 5.13 of Voluntary Delisting Regulations of the Exchange. As per the Exchange's approval, Sponsors are initially required to purchase at least 44,179 ordinary shares (10%) out of the total 441,792 ordinary shares outstanding with the shareholders other than Sponsors to qualify for delisting as approved by the Voluntary Delisting Committee of the Exchange.

In view of these factors, it is proposed to approve the Special Resolution given under Agenda item in Special Business.