

30 July 2019

AVN/PSX/300719

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi.

**Subject: Enhancement of Paid-up Capital – Issuance of shares under Employees Share Option Scheme 2013
2nd Tranche**

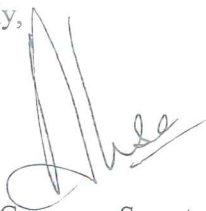
Dear Sir,

We would like to inform you that the Paid-up Capital of the company has been enhanced from 192,336,370 to 192,536,370 shares after CDC allotment of 200,000 shares at Rs. 1.20/- per share to employees who exercised their share option under Employee Share Option Scheme 2013, second issue without right offer under Sec 83 of the Companies Act, 2017 duly approved by the Commission vide letter dated September 26, 2013.

The closing market price for the aforementioned shares at the date of credit of shares into the respective CDC sub accounts of the entitled employees, i.e. Monday, July 29, 2019 was Rs.37.71/- per share (**Closing Market Price**). The following documents are enclosed and sent to your good office.

- Employees Share Option Scheme along with SECP Approval letter.
- HR & R Committee Resolution
- Auditor Certificate

Yours Sincerely,



Ahsan Khalil | Company Secretary

CC: The Chief Executive Officer
National Clearing Company of Pakistan Limited
8th Floor, Stock Exchange Building,
Stock Exchange Road,
Karachi.



Building a better
working world

EY Ford Rhodes
Chartered Accountants
96-B-1, 4th Floor, Pace Mall Building
M. M. Alam Road, Gulberg-II
P.O. Box 104, Lahore-54660

Tel: +9242 3577 8402-11
Fax: +9242 3577 8412-13
ey.lhr@pk.ey.com
ey.com/pk

LA/0225/19
18 July 2019

Company Secretary
Avanceon Limited
19 Km, Multan Road
Lahore

Dear Sir

CERTIFICATE ON ISSUE OF SHARE CAPITAL AS REQUIRED UNDER CENTRAL DEPOSITORY SYSTEM - STANDARD OPERATING PROCEDURES OF CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED

We have been requested to provide you with a certificate on issue of shares under Employees' Share Option Scheme (ESOS 2013) - 2nd Tranche by Avanceon Limited (the Company) as required under Central Depository System - Standard Operating Procedures (CDS SOPs) of Central Depository Company of Pakistan Limited (CDC).

Scope of Certificate

This certificate is issued in accordance with the "Guidelines for Auditors' Certificate" of Central Depository System - Standard Operating Procedures for further Issue of Shares other than Rights (against cash or other than cash).

Management Responsibility

It is the management responsibility to ensure compliance with all requirements with regards to allotment of securities in the name of CDC. The management's responsibilities include causing the maintenance of adequate records of options granted and issued, compliance with the SOPs, report if there is any non-compliance and detection of frauds and irregularities. This certification does not relieve the management of its responsibilities.

Auditors' Responsibility

Our responsibility is to certify the compliance with the SOPs with regards to allotment of shares in the name of CDC in accordance with the '*Guidelines for issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms*' issued by the Institute of Chartered Accountants of Pakistan.

Our verification was limited to the procedures mentioned below:

1. Confirming the revised paid up capital / total issue after issue of shares under Employees' Share Option Scheme I.
2. Obtaining the
 - i) Supporting documents of allotment of shares under the scheme:
 - a) Certified True Copy of SECP Approval Letter of the Scheme

RS



Building a better
working world

- b) Certified True Copy of the Employees' Share Option Scheme of Avanceon Limited - (ESOS-2013) - 2nd Tranche
 - c) Certified True Copy of the Form-26 filed for the approval of the Scheme and
ii) bank statement of the designated account
3. Matching the amount of Share Capital issued with amount received with 2 (ii) above;
 4. Reviewing compliance with the SoPs and reporting non-compliance, if any.

Certificate

Based on the procedures mentioned above, we are pleased to certify that as per the books and records of the Company, an aggregate subscription amount of Rs. 240,000/- has been received by the Company by 10 July 2019 against the issue of 200,000/- share options at an exercise price of Rs. 1.20/- per share as approved and envisaged in the approved Employee Share Option Scheme 2013 of the Company. The paid-up capital of the Company after taking into account further issue of shares would be as follows:

Particulars	Prior to ESOS 2013 - 2 nd Tranche issue	ESOS 2013 - 2 nd Tranche issue	Post ESOS 2013 - 2 nd Tranche issue as at 18 July 2019
Issued and subscribed shares of the Company	192,336,370	200,000	192,536,370

We state that all the requirements as mentioned in this letter with regards to allotment of shares in the name of CDC have been fulfilled by the Company. Further, we have obtained representation from the Company that no special conditions have been imposed by the Securities and Exchange Commission of Pakistan (SECP) relating to the Scheme.

Restriction on use and distribution

This letter is being issued in the capacity of statutory auditor of the Company and on the specific request of the management of the Company for onward submission to the CDC and Pakistan Stock Exchange Limited (PSX). Accordingly, this should not be distributed to any other third party without our prior written consent. This certificate is restricted to the facts stated herein.

Yours faithfully

EY Ford Rhodes
Chartered Accountants
Audit Engagement Partner: Sajjad Hussain Gill
Lahore: 18 July 2019