



DKL/PSX/201004

Date 29th October 2020

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi – 74000

SUB: DECLARATION OF 150% RIGHT ISSUE

Dear Sir,

The Board of Directors of Drekkar Kingsway Limited (the **Company**) in their meeting held on October 29, 2020 has decided to increase the paid-up share capital of the Company from PKR 100,000,000 (Pak Rupees One Hundred Million only) to PKR 250,000,000 (Pak Rupees Two Hundred and Fifty Million only) by issue of 150% right shares i.e. 150 right shares for every 100 existing ordinary shares to be offered at a price of PKR 10 (Pak Rupees Ten only) per share i.e. at par value to the members whose names will appear on the Members' Register on the book closure date ("**Right Issue**"). These right shares will rank pari passu with the existing shares of the Company in all respect.

The share transfer books of the Company will be closed from November 6, 2020 to November 12, 2020 (both days inclusive) to determine the entitlement of the Right Shares.

Transfers received at the office of our Share Registrar F. D. REGISTRAR (PVT) LIMITED, Suit # 1705 – A, 17th Floor, Saima Trade Tower, I. I. Chundrigar Road, Karachi at the close of business on November 12, 2020 will be treated in time for the purpose of entitlement of Right Shares to the transferees.

The following documents/details as required under the Companies (Further Issue of Shares) Regulation 2020 are enclosed herewith:

- Certified true copy of the Extract of the Resolutions passed by the Board of Directors in their meeting held on October 29, 2020 as **Annexure-A**.
- Statement pertaining to Quantum of Issue, Issue Size, Issue Price, Purpose of Issue, Utilization of Proceeds, Benefits of the Issue to the Company and the Shareholders and Risk Factors as **Annexure-B**.
- Draft copy of the Notice of the Right issue and book closure to the Shareholders prior to its publication in the newspapers is attached as **Annexure-C**.

DREKKAR KINGSWAY LIMITED
(Formerly Gauhar Engineering Limited)

Office # 17, 2nd Floor, Aneeq Arcade, I-8 Markaz, Islamabad, Pakistan

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www.drekarkingsway.com

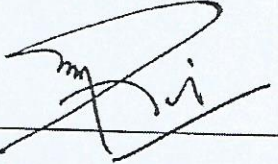


DREKKAR KINGSWAY LIMITED
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You may please inform the TRE Certificate Holders of the Exchange accordingly.

Yours Sincerely,

for Drekkar Kingsway Limited



Chief Executive Officer

Enclosed: As stated above

Copy to:

The Commissioner, Corporate Supervision Department, Securities and Exchange Commission of Pakistan, Islamabad.

The Director, Surveillance Supervision Enforcement (SMD), Securities and Exchange Commission of Pakistan, Islamabad.



DREKKAR KINGSWAY LIMITED
(Formerly Gauhar Engineering Limited)
ANNEXURE A

EXTRACT OF THE RESOLUTIONS PASSED BY THE BOARD OF DIRECTORS OF
DREKKAR KINGSWAY LIMITED (THE COMPANY)
AT THEIR MEETING HELD ON OCTOBER 29, 2020

AT ITS REGISTERED OFFICE SITUATED AT OFFICE NO. 17, 2ND FLOOR,
ANIQUE ARCADE, I-8 MARKAZ ISLAMABAD

RESOLVED THAT the ordinary paid-up share capital of Drekkar Kingsway Limited (the **Company**) be and is hereby increased from PKR 100,000,000/- (Pak Rupees One Hundred Million only) to PKR 250,000,000 (Pak Rupees Two Hundred and Fifty Million only) by the issuance of 15,000,000 (Fifteen Million) ordinary shares of the Company of PKR 10 (Pak Rupees Ten only) each, to be offered to the shareholders of the Company in proportion to the number of shares held by each shareholder (i.e. as a right entitlement) in accordance with the provisions of Section 83 of the Companies Act 2017 and all applicable laws, at a price of PKR 10 (Pak Rupees Ten only) per share, against payment of value of shares to the Company up to the date as per Right Allotment Letters to be issued.

FURTHER RESOLVED THAT these right shares when issued shall rank *pari passu* in all respects with the existing ordinary shares of the Company.

FURTHER RESOLVED THAT share transfer books of the Company will remain closed from November 6, 2020 to November 12, 2020 (both days inclusive) to determine the entitlement of right shares.

FURTHER RESOLVED THAT the following are the quantum, size, and purpose of the Right Issue, along with the utilization of proceeds, benefits of the same to the Company and the shareholders of the Company and risk factors associated with the right issue in accordance with the Regulations 3(1)(iii) of the Companies (Further Issue of Shares) Regulations 2020:

Quantum of the Right Issue (i.e. as percentage of existing paid up capital)

The quantum of the Right Issue is 150% of the existing paid up capital of the Company i.e. 150 right shares for every 100 ordinary shares held by the shareholders of the Company.

Right Issue Size

The Company shall issue 15,000,000 (Fifteen Million) ordinary shares, at a price of PKR 10 (Pak Rupees Ten only) per share, aggregating to PKR 150,000,000 (Pak Rupees One Hundred and Fifty Million only).

Right Issue Price

PKR 10 (Pak Rupees Ten only) per share i.e. at par value.



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Certified that the above mentioned, resolutions are true and valid extract from the meeting of the Board of Directors of Drekkar Kingsway Limited held at its Registered Office: Office # 17, 2nd Floor, Anique Centre, I-8, Markaz, Islamabad on October 29, 2020.

Signed by:

Name	Designation	Signatures
Mr. Sajid Khan	CEO/Director	
Mr. Misbah Khalil Khan	Director	
Mr. Talha Yaseen	Director	
Mr. Amir Hussain Kazmi	Director	
Mubashara Khan	Director	
Muhammad Ahmad Imran	Director	
Muhammad Arslan Habib	Director	





DREKKAR KINGSWAY LIMITED
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ANNEXURE B

Statement pertaining to Quantum of Issue, Issue Size, Issue Price, Purpose of Issue, Utilization of Proceeds, Benefits of the Issue to the Company and the Shareholders, Risk Factors, under Regulation 3 of the Companies (Further Issue of Shares) Regulation 2020.

Quantum of the Right Issue (i.e. as percentage of existing paid up capital)

The quantum of the Right Issue is 150% of the existing paid up capital of the Company i.e. 150 right shares for every 100 ordinary shares held by the shareholders of the Company.

Right Issue Size

The Company shall issue 15,000,000 (Fifteen Million) ordinary shares, at a price of PKR 10 (Pak Rupees Ten only) per share, aggregating to PKR 150,000,000 (Pak Rupees One Hundred and Fifty Million only) per share

Right Issue Price

PKR 10 (Pak Rupees Ten only) per share.

Purpose of the Issue

The purpose of the Issue:

- (a) Rejuvenate the consultancy operations of the Company;
- (b) Undertake new profitable strategic investments in private and public equities; and
- (c) Investment in new business ventures.

Brief Note:

The Company has several investment opportunities being offered to it and intends to carry out strategic investments in both, listed and unlisted equities of financially sound, viable businesses. These investee companies are operating in the logistics, courier, fleet management, warehousing, steel, food and other sectors which complement the Company's and its management's expertise.

As per the Company's financial plans, the funds raised from further issue of capital shall be used for the following objectives;

- *Optimizing the Company's financial health*
- *Creation of alternative revenue streams through capitalization of available investment opportunities*
- *Maximization of shareholders wealth and profitability*



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Utilization of Proceeds of the Right issue and Benefits to the Company and its Shareholders

The funds generated from the further issue of capital by the Company will be utilized for making equity investments in various business and investment opportunities being offered to the Company and/or new business ventures and management of the Company believes that such mode of financing / investment plans will contribute not only towards increased profitability that ultimately be translated into increased shareholders value.

Risk Factors associated with Right issue

The rights issue has been announced at par, i.e. PKR 10 per share. This is above the current share price of the Company's shares. However, as per the applicable regulations, the issue will be fully underwritten through SECP licensed underwriters, who will subscribe to the shares in case of Non subscription by public.



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ANNEXURE C

ANNOUNCEMENT OF RIGHT ISSUE

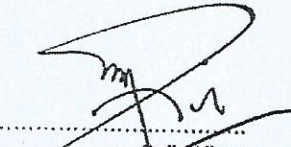
The Board of Directors of Drekkar Kingsway Limited (the "Company") in its meeting held on October 29, 2020 has decided to increase its paid-up share capital of the Company from PKR 100,000,000 (Pak Rupees One Hundred Million only) to PKR 250,000,000 (Pak Rupees Two Hundred and Fifty Million only) by issue of 150% right shares i.e. 150 right shares for every 100 existing ordinary shares to be offered at a price of PKR 10 (Pak Rupees Ten only) per share (i.e. at par value) to the members whose names will appear on the Member's Register on the book closure date ("Right Issue"). These right shares will rank pari passu with the existing shares in all respects.

BOOK CLOSURE TO DETERMINE RIGHT ISSUE ENTITLEMENT

It has also been decided by the Board of Directors that Share Transfer Books of the Company to determine the member's entitlement to the Right Shares will be closed from November 6, 2020 to November 12, 2020 (both days inclusive). The members whose names appear in the Register of the Members at the close of business on November 12, 2020 shall be entitled to the receipt of Letter of Rights or credit of unpaid rights in their sub-accounts with the Central Depository Company of Pakistan Limited, as the case may be. Transfers received at our Independent Share Registrar's Office, F.D. Registrars (Pvt.) Limited, Suit # 1705 - A, 17th Floor, Saima Trade Tower, 11 Chundrigar Road, Karachi at the close of business on November 12, 2020 will be treated in time for the purpose of entitlements to right shares.

For and on behalf of the Board




Sajid Khan
Chief Executive Officer

Islamabad
October 29, 2020