



November 05, 2019

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

STOCK EXCHANGE ANNOUNCEMENT

In accordance with the requirements of the Rule Book of Pakistan Stock Exchange Limited and applicable provisions of the Securities Act, 2015, Descon Oxychem Limited ("Company") hereby conveys the following information:

The Board of Directors of the Company has proposed to alter the structure of authorized capital of the Company by addition of 110,000,000 ordinary shares of PKR 10 each and deletion of 110,000,000 preference shares of PKR 10 each. The total amount of authorized capital will remain the same i.e. PKR 2,200,000,000/- and a mere structural change is being proposed. Please note that 110,000,000 preference shares previously issued were approved for redemption by the Board of Directors of the Company on 23 October, 2018 in full, at par value. The Company redeemed all preference shares on 23 November 2018 and currently the Company has not issued any preference shares

It has further been proposed to increase paid up share capital of the Company by raising further issue of capital amounting to PKR 488,888,660 divided into 48,888,866 ordinary shares of PKR 10, at a price of PKR 15.00 per share including PKR 5.00 as premium per share, a total of PKR 733,333,000 to Descon Engineering Limited. The aforesaid shares shall be issued to the associated company against its outstanding loan of Rs. 733,333,000/- towards the Company without indulging in the exercise of right offer subject to approval of shareholders and permission from the Securities and Exchange Commission of Pakistan in terms of first proviso to the Section 83 (1)(b) of the Companies Act, 2017 and subject to the completion of all legal formalities and compliances.

An extraordinary general meeting of the Company is being convened on 27 November 2019 to seek approval of the shareholders in terms of Section 83(1)(b) of the Companies Act, 2017 and for change of structure or authorized capital of the Company. The share transfer books of the Company will remain closed from 21 November 2019 to 27 November 2019 (both days inclusive). Transfers received at the Company's Share Registrar's Office i.e. M/s Corplink (Private) Limited by the close of the business on 20 November 2019 will be considered in time for the purpose of attending and voting at the EOGM.

A disclosure form is attached herewith. You may please inform the TRE Certificate holders for the Exchange accordingly.

We shall be very thankful to you

Yours faithfully


Abdul Sohail
Company Secretary

CC: Commissioner, Corporate Supervision Department, SECP, Islamabad
CC: Commissioner, Securities Market Division, SECP Islamabad.



DESCON OXYCHEM LIMITED
DISCLOSURE FORM
 (Securities Act, 2015)

Name of the Company	Descon Oxychem Limited
Date of Report (Date of earliest event reported if applicable)	Not Applicable
Exact Name of the Company as specified in its Memorandum	Descon Oxychem Limited
Registered Address of the Company	Doscon Headquarters 18 – KM, Ferozpur Road, Lahore, Pakistan - 53000
Contact Information	Mr. Abdul Sohail Company Secretary Tel: + 92 42 35990034
Disclosure of inside information by the Company in terms of Securities Act, 2015	<p>The Board of Directors of the Company has proposed to alter the structure of authorized capital of the Company by addition of 110,000,000 ordinary shares of PKR 10 each and deletion of 110,000,000 preference shares of PKR 10 each. The total amount of authorized capital will remain the same i.e. PKR 2,200,000,000/- and a mere structural change is being proposed. Please note that 110,000,000 preference shares previously issued were approved for redemption by the Board of Directors of the Company on 23 October, 2018 in full, at par value. The Company redeemed all preference shares on 23 November 2018 and currently the Company has not issued any preference shares</p> <p>It has further been proposed to increase paid up share capital of the Company by raising further issue of capital amounting to PKR 488,888,660 divided into 48,888,866 ordinary shares of PKR 10, at a price of PKR 15.00 per share including PKR 5.00 as premium per share, a total of PKR 733,333,000 to Descon Engineering Limited. The aforesaid shares shall be issued to the associated company against its outstanding loan of Rs. 733,333,000/- towards the Company without indulging in the exercise of right offer subject to approval of shareholders and permission from the Securities and Exchange Commission of Pakistan in terms of first proviso to the Section 83 (1)(b) of the Companies Act, 2017 and subject to the completion of all legal formalities and compliances.</p> <p>An extraordinary general meeting of the Company is being convened on 27 November 2019 to seek approval of the shareholders in terms of Section 83(1)(b) of the Companies Act, 2017 and for change of structure or authorized capital of the Company. The share transfer books of the Company will remain closed from 21 November 2019 to 27 November 2019 (both days inclusive). Transfers received at the Company's Share Registrar's Office i.e. M/s Corplink (Private) Limited by the close of the business on 20 November 2019 will be considered in time for the purpose of attending and voting at the EOGM.</p>

Yours Sincerely,

Abdul Sohail
Company Secretary

CC:

1. Commissioner, Corporate Supervision Department, Securities and Exchange Commission of Pakistan, Islamabad
2. Commissioner, Securities Market Division, Securities and Exchange Commission of Pakistan, Islamabad





November 5, 2019

Mr. Muhammad Ghufan
General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building,
Stock Exchange Road,
Karachi.

PRIOR CLEARANCE FOR PROPOSED AMENDEMENT IN MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE COMPANY.

Dear Sir,

In accordance with regulation No. 5.9.2 of Rule Book of Pakistan Stock Exchange Limited, we are writing to inform you that the Board of Directors of the Company has proposed to alter the structure of authorized capital of the Company by addition of 110,000,000 ordinary shares of PKR 10 each and deletion of 110,000,000 preference shares of PKR 10 each, The total amount of authorized capital will remain the same i.e. PKR 2,200,000,000/- and a mere structural change is being proposed.

The proposal requires consequent changes in the Clause V of the Memorandum of Association and Article 4 along with Article 5A of the Articles of Association of the Company, which have already been approved by the Board of Directors in their meeting held on 15 October, 2019 subject to approval of shareholders and due legal compliance.

The existing and proposed provisions of Memorandum and Articles of Association of the Company are mentioned below which would be placed before the shareholders in the extraordinary general meeting of the Company:

Existing Clause V of Memorandum of Association:

“The Authorized Share Capital of the Company is Rs. 2,200,000,000 (Rupees two billion two hundred million only) divided into 110,000,000 ordinary shares of Rs. 10 each and 110,000,000 preference shares of Rs. 10 each having the rights, privileges and conditions attaching thereto as provided in the Articles of the Company for the time being. The Company shall have the power to; (1) vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Ordinance and/or the Articles and/or applicable rules and regulations; (ii) to increase and/or reduce the capital and to divide shares in the capital into several classes; and (iii) to consolidate or subdivide the shares and to issue shares of higher or lower denominations.”

Proposed Clause V of Memorandum of Association:

“The Authorized Share Capital of the Company is Rs. 2,200,000,000 (Rupees two billion two hundred million only) divided into 220,000,000 ordinary shares of Rs. 10 each. The Company shall have the power to; (1) vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Ordinance and/or the Articles and/or applicable rules and regulations; (ii) to increase and/or reduce the capital and to divide shares in the capital into several classes; and (iii) to consolidate or subdivide the shares and to issue shares of higher or lower denominations.”



Existing Article 4 of the Articles of Association:

“The Authorized Share Capital of the Company is Rs. 2,200,000,000 (Rupees two billion two hundred million only) divided into 110,000,000 ordinary shares of Rs. 10 each and 110,000,000 preference shares of Rs. 10 each having the rights, privileges and conditions attaching thereto as provided in the Articles of the Company for the time being. The Company shall have the power to; (1) vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Ordinance and/or the Articles and/or applicable rules and regulations; (ii) to increase and/or reduce the capital and to divide shares in the capital into several classes; and (iii) to consolidate or subdivide the shares and to issue shares of higher or lower denominations.”

Proposed Article 4 of the Articles of Association:

“The Authorized Share Capital of the Company is Rs. 2,200,000,000 (Rupees two billion two hundred million only) divided into 220,000,000 ordinary shares of Rs. 10 each. The Company shall have the power to; (1) vary, modify or abrogate any such rights, privileges or conditions in such manner as may be permitted by the Ordinance and/or the Articles and/or applicable rules and regulations; (ii) to increase and/or reduce the capital and to divide shares in the capital into several classes; and (iii) to consolidate or subdivide the shares and to issue shares of higher or lower denominations.”

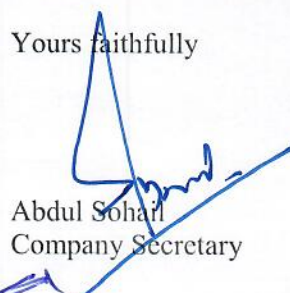
Article 5A of the Articles of Association

Article 5A of the Articles of Association of the Company, setting out the details of “Preference Shares” be and is hereby deleted.

You are requested to kindly accord your prior clearance for the above amendments in the Memorandum and Articles of Association of the Company.

We shall be very thankful to you

Yours faithfully


Abdul Sohail
Company Secretary