

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 24th Annual General Meeting of the Shareholders of First Capital Securities Corporation Limited ("the Company" or "FCSC") will be held on Saturday 28 October 2017 at 11:30 a.m. at 2nd Floor, Pace Shopping Mall, Fortress Stadium, Lahore Cantt. Lahore, the Registered Office of the Company, to transact the following business:

Ordinary Business

1. To confirm the minutes of Annual General Meeting held on 31 October 2016;
2. To receive, consider and adopt the audited financial statements of the Company for the year ended 30 June 2017 together with the Chairman's Review, Directors' and Auditors' reports thereon;
3. To appoint the Auditors of the Company for the year ending 30 June 2018 and to fix their remuneration;

Special business:

4. **To sell the entire shareholding of the Company in First Capital Equities Limited, a subsidiary of the Company. In this regard it is proposed to pass the following resolutions, with or without modifications:**

RESOLVED THAT Chief Executive Officer of the Company be and is hereby authorized to take all necessary steps to make disinvestment up to 103,494,200 shares (73.23%) in First Capital Equities Limited, subsidiary of the Company, on such terms and conditions as may be approved by the Board of Directors of the Company;

RESOLVED FURTHER THAT Chief Executive officer or any two of the Directors of the Company and be and are hereby authorized to complete all necessary corporate and legal formalities for the purpose of the disposal of shares in the subsidiary of the Company.

By order of the Board


Sajjad Ahmad
Company Secretary

Lahore:
06 October 2017

Notes:

- 1) The Members Register will remain closed from 21 October 2017 to 28 October 2017 (both days inclusive). Transfers received at THK Associates (Pvt.) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S Karachi-75400, the Registrar and Shares Transfer Office of the Company, by the close of business on 20 October 2017 will be considered in time for the purpose of Annual General Meeting.



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FCSC

- 2) A member eligible to attend and vote at the meeting may appoint another member as proxy to attend and vote in the meeting. Proxies in order to be effective must be received by the company at the Registered Office not later than 48 hours before the time for holding the meeting.
- 3) In order to be valid, an instrument of proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney, must be deposited at the Head Office of the Company 2nd and 3rd Floor, Pace Shopping Mall, Fortress Stadium, Lahore Cantt. Lahore, not less than 48 hours before the time of the meeting. Pursuant to SECP Companies (E-Voting) Regulations, 2016, Members can also exercise their right to vote through e-voting by giving their consent in writing at least 10 days before the date of the meeting to the Company on the appointment of Execution officer by the intermediary as Proxy.
- 4)
 - a) Individual beneficial owners of CDC entitled to attend and vote at the meeting must bring his/her participant ID and account/sub-account number along with original CNIC or passport to authenticate his/her identity. In case of Corporate entity, resolution of the Board of Directors/Power of attorney with specimen of nominees shall be produced (unless provided earlier) at the time of meeting.
 - b) For appointing of proxies, the individual beneficial owners of CDC shall submit the proxy form as per above requirement along with participant ID and account/sub-account number together with attested copy of their CNIC or Passport. The proxy form shall be witnessed by two witnesses with their names, addresses and CNIC numbers. The proxy shall produce his/her original CNIC or Passport at the time of meeting. In case of Corporate entity, resolution of the Board of Directors/Power of attorney along with specimen signatures shall be submitted (unless submitted earlier) along with the proxy form.
- 5) Members are requested to notify any change in their registered address immediately;
- 6) In accordance with S.R.O. 831(I)2012 dated 5 July 2012 issued by the Securities and Exchange Commission of Pakistan, dividend warrants should bear CNIC number of the registered member or the authorized person. Accordingly, members who have not yet submitted copy of their valid CNIC/NTN (in case of corporate entities) are requested to submit the same with members folio no. mentioned thereon to the Company or directly to our Independent Share Registrar, THK Associates (Pvt.) Limited;
- 7) In compliance with SECP notification no. 634/(I)/2014 dated 10 July 2014, the Company has placed the Audited Annual Financial Statements for the ended 30 June 2017 along with Auditors and Directors Reports thereon on its Group's website www.pacepakistan.com;
- 8) In pursuance of SECP notification S.R.O. 787 (I) 2014 dated 08 September 2014, the companies have been allowed to circulate their Annual Balance Sheet and Profit and Loss Accounts, Auditors, Report and Director's Report (Annual Financial Statements) along with Notice of Annual General Meeting (Notice) through E-mail to the members of



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the Company. Members desiring to avail this facility may provide the requisite information to the Company for which form may be downloaded from group's website www.pacepakistan.com;

- 9) If the Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through video conference at least 10 days prior to the date of the meeting, the Company will arrange video conferencing facility in that city subject to availability of such facility in that city;
- 10) In pursuance of SECP notification S.R.O # 470(I)2016/ dated 31 May 2016, the Company has sent information regarding Annual audited Accounts of the Company to the shareholders in soft form i.e. CD. However, the Company will supply the hard copy of the Annual Audited Accounts to the Shareholders on demand, at their registered addresses, free of cost, within one week of such demand. The Company has placed on its website a standard request form, to communicate their need of hard copies instead of soft form.

STATEMENT UNDER SECTION 134 (3) OF THE COMPANIES ACT, 2017

This statement sets out the material facts pertaining to the Special Business to be transacted at the Annual General Meeting of the Company to be held on 28 October 2017.

AUTHORIZATION TO CHIEF EXECUTIVE OFFICER OF THE COMPANY FOR DISINVESTMENT UP TO 103,494,200 SHARES (73.23%) IN FIRST CAPITAL EQUITIES LIMITED, SUBSIDIARY OF THE COMPANY

The Company intends to dispose of its entire shareholding in First Capital Equities Limited ("FCEL") a subsidiary of the Company. FCEL was incorporated in Pakistan on January 26, 1995 as a private limited company, under the Companies Ordinance, 1984. FCEL was converted into a public limited company on June 18, 1997 and is listed on Pakistan Stock Exchange Limited formerly Lahore Stock Exchange Limited. The Company currently own 103,494,200 shares (73.226%) in the share capital of FCEL. The principal activities of FCEL include share brokerage and conducting / publishing business research.

It is approved in the Board of Directors meeting held on 06 October 2017 that it is recommended to the Shareholders that an authority be given to the Chief Executive of the Company to identify a potential buyer, negotiate terms and conditions of the sale and recommend to the Board of Directors for final decision on the sale of up to 103,494,200 shares (73.23%) in FCEL.

It is also approved in the aforesaid Board of Directors meeting that an authorization of Shareholders be obtained for providing an authorization to Chief Executive officer or any two of the Directors of the Company to complete all necessary corporate and legal formalities for the purpose of the disposal of shares in the subsidiary of the Company.

The break-up value per share of FCEL is Rs. 2.68 per share as per latest Annual Audited Accounts of FCEL as at 30 June 2017.

FCEL is a loss making Company and an extract of Profit & Loss Account of FCEL for last three years is as under:

Particulars	June 2017 (Rupees)	June 2016 (Rupees)	June 2015 (Rupees)
Operating Profit/(Loss)	(112,153,311)	(207,309,318)	(295,914,864)
Net Profit after Tax	264,003,257	31,158,912	(234,233,386)
Earning per Share – Basic and Diluted	1.87	0.22	(1.66)

The financial position of FCEL for last three years is as under:

Particulars	June 2017 (Rupees)	June 2016 (Rupees)	June 2015 (Rupees)
Assets			
Non-Current Assets	1,728,240,896	1,709,855,903	1,729,437,769
Current Assets	1,728,463,177	2,172,676,523	2,309,014,633
Total Assets	3,456,704,073	3,882,532,426	4,038,452,402
Equity and Liabilities			
Total Equity (Share Capital and Reserves)	378,360,599	75,544,351	49,568,082
Non-Current Liabilities	2,938,788,729	2,318,880,542	1,987,865,501
Current Liabilities	139,554,745	1,488,107,533	2,001,018,819
Total Liabilities	3,456,704,073	3,882,532,426	4,038,452,402

The market value of FCEL share is Rs. 9.49 as per closing rate available on 04 October 2017. The par value of FCEL's shares is Rs. 10 per share.

The other major shareholders of FCEL are Pace Barka Properties Limited and Mr. Suliaman Ahmed Saeed Al- Hoqani (late) holding 7,597,716 shares (5.37%) and 17,599,000 shares (12.45%) respectively, as per latest shareholding available with the Company.

The rationale for sale of entire shareholding in FCEL is that the subsidiary facing operating losses and there is an accumulated loss of Rs. 1,027 million as per latest Audited Accounts of the Company. Through disposal of the subsidiary, the Company can avoid further losses,

which may become part of the Company's profit and loss by virtue of shareholding of the Company in FCEL.

INSPECTION OF DOCUMENTS

Copies of statement under section 134 (3) of the Companies Act, 2017, recent annual/quarterly accounts along with all published or otherwise required accounts of all prior periods of the Company and FCEL along with financial projections of the Company, Memorandum and Articles of Association of the Company and FCEL, may be inspected/procured during the business hours on any working day at the Registered Office of the Company from the date of publication of this notice till the conclusion of the Annual General Meeting. The financial statements of the Company can also be viewed at Group's website www.pacepakistan.com;

INTEREST OF THE DIRECTORS AND THEIR RELATIVES

All the directors of the Company including the Chief Executive and their relatives (if any) are interested in the business that is subject of the meeting to the extent of their shares that are held by them in the Company.

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FORM OF PROXY

The Company Secretary
First Capital Securities Corporation Limited
2nd Floor, Pace Shopping Mall
Fortress Stadium, Lahore Cantt
Lahore

Folio No./CDC A/c No.: _____

Shares Held: _____

Option 1 Appointing other person as Proxy

I/We _____ S/o _____ D/o _____ W/o _____
_____ CNIC _____ being the member(s)
of First Capital Securities Corporation Limited hereby appoint Mr./Mrs./Ms./
_____ S/o _____ D/o _____ W/o _____ CNIC
_____ or failing him / her Mr. / Mrs. Miss _____ S/o.
D/o. W/o. _____ CNIC _____ as my/our
proxy to vote for me/us and on my/our behalf at the Annual General meeting of the Company to be
held on 28 October 2017 at 11:30 a.m. and at any adjournment thereof.

Signed under my/our hands on this _____ day of _____, 2017

Affix Revenue Stamp of
Rupees Five

Signature of member
(Signature should agree with the specimen signature registered with the Company)

Signed in the presence of:

Signature of Witness 1

Signature of Witness 2

Option 2 E-voting as per the Companies (E-voting) Regulations, 2016

I/we _____ S/o _____ D/o _____ W/o _____ CNIC _____ being a member of
First Capital Securities Corporation Limited holder of _____ Class _____ Ordinary share(s) as per
Registered Folio No. _____ hereby opt for e-voting through intermediary and hereby
consent the appointment of execution officer _____ as proxy and will
exercise e-voting as per the Companies (E-voting) Regulations, 2016 and hereby demand for poll for
resolutions. My secured email address is _____, please send login details,
password and electronic signature through email.

Signature of member
(Signature should agree with the specimen signature registered with the Company)

Signed in the presence of:

Signature of Witness 1

Signature of Witness 2

(Please See Notes on reverse)

Notes

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