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Ref: CL - 71/21
Dated: April 28, 2021

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

Subject: **Certified Resolutions passed in the 29th Annual General Meeting of Jahangir Siddiqui & Co. Ltd.**

Dear Sir,

Enclosed please find the certified copy of the resolutions unanimously passed by the shareholders (present or as proxies who were entitled to vote therein) in the 29th Annual General Meeting of Jahangir Siddiqui & Co. Ltd. held on April 28, 2021, through "webinar" arrangements via video link through Zoom at Karachi.

Further, minutes of the Annual General Meeting will duly be submitted to PSX within the stipulated time.

Yours truly,

Syed Ali Hasham
Company Secretary

Certified that the following Resolutions were passed unanimously by the Shareholders of Jahangir Siddiqui & Co. Ltd. in their 29th Annual General Meeting held on April 28, 2021 through "webinar" arrangements via video link through Zoom at Karachi:

Ordinary Business:

1. **Approval of audited unconsolidated and consolidated financial statements of the Company for the year ended December 31, 2020 together with Directors' and Auditors' report thereon and Chairman's Review Report**

   "***RESOLVED THAT*** *the audited unconsolidated and consolidated Financial Statements of Jahangir Siddiqui & Co. Ltd. for the year ended December 31, 2020, and Directors' and Auditors' Reports thereon and Chairman's Review Report, as circulated to the Members and laid before this meeting be, and are hereby received, adopted and approved."*

2. **Appointment and fixation of remuneration of Auditors**

   "***RESOLVED THAT*** *M/s KPMG Taseer Hadi & Co. Chartered Accountants, (a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited) be, and are hereby appointed as the Auditors of Jahangir Siddiqui & Co. Ltd. to hold the office till conclusion of next annual general meeting at the fee/remuneration to be fixed by the Chief Executive of the Company."*

Special Business:

Approval for issuance of listed, convertible, redeemable, non-voting, non-participatory, cumulative Class 'A' Preference Shares

*"**RESOLVED THAT** in order to meet the working capital requirements of the Company and to pay-off long term debt as well as to meet the funding requirements for making strategic investments and subject to the obtention of approval of the Securities & Exchange Commission of Pakistan ("**SECP**"), 183,188,477 (One Hundred and Eighty Three Million, One Hundred and Eighty Eight Thousand, Four Hundred and Seventy Seven) Listed, convertible, redeemable, non-voting, non-participatory, cumulative Class "A" Preference Shares of Rs.10/- each, of the aggregate subscription amount of PKR 1,831,884,770 (Rupees One Billion Eight Hundred Thirty One Million*

Eight Hundred Eighty Four Thousand, Seven Hundred Seventy Only) be offered to the existing Shareholders of the Company by way of rights (i.e. 20% rights issue) at par value of Rs.10/- per share, in proportion to their respective shareholdings in the ratio of ***2:10*** *i.e. 2 Preference Shares for every 10 Ordinary Shares held by the Shareholders in accordance with the provisions of Sections 58 and 83 of the Companies Act, 2017, and the Companies (Further Issue of Shares) Regulations, 2020 (as may be amended or replaced), with the following rights, privileges and conditions:-*

I. ***Rights, Privileges and Conditions attached to Preference Shares***

1. *Preference Share shall carry entitlement to a fixed cumulative preferential cash dividend out of the normal profits of the Company @ 6% (six per cent) per annum, in priority over dividends declared by the Company on Ordinary Shares. No compensation shall be available to the Preferred Shareholders other than the agreed return i.e. 6% per annum,*

   If cash dividend is not paid in any year, due to loss or inadequate profits, then such unpaid cash dividend will accumulate and will be paid in the subsequent year(s) subject to the approval of the Board of Directors of the Company.

   There will be no change/revision in the rate of preference dividend in case of accumulation. Further, at the time of conversion/redemption of the Preference Shares, the accumulated dividend (if any) will also be redeemed.

2. *Preference Shares shall* ***not*** *carry entitlements of the ordinary dividends, right shares or bonus shares, as may be announced by the Company from time to time or to any right to participate in the profits of the Company in any manner or to any other rights available to the Ordinary Shareholders whatsoever.*

3. *Preference Shares shall be listed on the Pakistan Stock Exchange, and hence, shall be tradable and transferable in the same manner, as provided for Ordinary Shares of the Company, subject to any restriction contained in the Company's Articles of Association or Companies Act, 2017, or any other law for the time being in force.*

4. *Preferred Shareholders shall not have any voting power and shall not be entitled to receive notices of or right to attend general meetings of the Company and/or to vote at such meetings, except on matters affecting their substantive rights, as provided under the law.*

5. *Preference Shares shall be listed, redeemable, cumulative, non-voting, non-participatory as well as being convertible into Ordinary Shares of the Company.*

6. *Preferred Shareholders shall, on winding-up of the Company, have the first right before the Ordinary Shareholders over the assets of the company limited to the extent of the nominal value of the shares held by Preferred Shareholders plus dividend unpaid till the commencement of the winding up proceedings.*

II. *Offer of Preference Shares and Payment of Subscription Money*

For subscription of Preference Shares, the existing shareholders shall be issued Letters of Offers stating the number of shares offered and the time within which period the offer may be accepted and payment of subscription money be made in cash, and if not accepted within the stipulated period, the same shall be deemed to have been declined, as stipulated under Section 83(1)(a)(ii) of the Companies Act, 2017.

III. *Purpose, Utilization of the Proceeds, Benefits & Risks of the Preference Share Issue*

1. *The purpose of the Preference Share issue is to raise financing for the Company to enable it to make strategic investments and meet working capital requirements as well as to pay off long term debts taken by the Company.*

2. *The proceeds from the right issue will primarily be utilized for making strategic investments as well as to meet redemption of term finance certificates/long term loans issued by the Company and for strengthening of working capital.*

3. *The Preference Share issue will be highly beneficial for the Company, as reduction in long-term loans will reduce the debt/equity ratio for the Company as well as help improve the overall liquidity of the Company, contribute to reducing its gearing, assist in improving its credit rating that will resultantly reduce its future borrowing costs. Moreover, strategic investments might help generate profitability for the Company, adding to overall value for the shareholders.*

4. *No risk factors for the preference shareholders are involved since the Preference Shares are redeemable, cumulative and are also convertible into Ordinary Shares.*

5. *There are no additional investment risks beyond investing in equity securities as the right issue is being offered at par value of PKR 10/- per preference share. However, normal risks associated with the business would remain.*

IV. Underwriting of Preference Shares

The Preference Shares shall be firmly underwritten by underwriters to be appointed by the Company, who shall not be associated companies or associated undertakings of the Company. The sponsors and directors of the Company will be required to commit to subscribe their entire entitlement of 69.82% and 0.08%, respectively, of the Preference Shares issue, consequent to which the Company shall ensure that only the balance portion of 30.10% of the Preference Share issue is firmly underwritten as required under Regulation 3(1)(vi) of the Companies (Further Issue of Shares) Regulations, 2020.

V. Unsubscribed Preference Shares

In case any Preference Shares offered Resolution are not subscribed by any existing shareholder(s), the same shall be taken up by the underwriters or subscribed by subscribers procured by the underwriters on the same terms and conditions.

VI. Tenor and Conversion of Preference Shares

1. *The maximum tenor of Preference Shares shall be six and a half (6.5) years from the date of issue.*

2. *Class "A" Preference Shares shall be redeemable or convertible into Ordinary Shares only at the option of the Company on June 30 or December 31 of any calendar year prior to December 31, 2027.*

3. *The Company may exercise the option to convert Class "A" Preference Shares into ordinary shares of PKR 10/- each of the Company on June 30 or December 31 of any calendar year prior to December 31, 2027 (the* ***"Conversion Option"****), subject to fulfillment of all legal and corporate formalities.*

4. *The Conversion shall take place in proportion of 80 Ordinary Share of PKR 10/- each for every 100 Class "A" Preference Shares ("**Conversion Ratio**"). All outstanding Class "A" Preference Shares not redeemed by December 31, 2027 shall be converted into ordinary shares.*

5. *Upon the exercise of its Conversion Option, the Company shall issue a Conversion Notice to each Class "A" Preference Shareholder with a book closure for such conversion in such manner as the Board of Directors shall specify at the appropriate time within which period the Preference Shares shall be cancelled in CDC Investor Accounts/CDC Sub-Account/CDC House Account (as the case may be) of the Preferred Shareholders against which the Company shall credit the Ordinary Shares of the Company, as computed in accordance with the Conversion Ratio. The Conversion Notice shall also be issued in two newspapers circulating in Karachi.*

6. *Each holder of Class "A" Preference Shares whose name is registered in the books of the Company as Preference Shareholder (at the time of conversion option being exercised by the Company) shall be issued 80 (Eighty) fully paid-up Ordinary Shares of the Company for every 100 (One Hundred) Class "A" Preference Shares held by him/her/it i.e. in the ratio of 80:100.*

7. *Such Ordinary shares shall be allotted and issued within a further period of thirty (30) days from the date of the completion of the book closure to be mentioned in the Conversion Notice. Such Ordinary Shares shall rank pari passu in all respects with the other Ordinary Shares of the Company then already issued, existing, and allotted by the Company.*

8. *On commencement of book closure period for conversion, the Class "A" Preference Shares shall cease to be transferable.*

VII. Redemption of Preference Shares

1. *Upon the exercise of its Redemption Option, the Company shall issue a Redemption Notice to each Preference Shareholder of at least thirty (30) days, calling upon the Preference Shareholders to surrender Class "A" Preference Shares and notify any change in his/her/its address. Against such surrender, the Company shall pay the Redemption Price of PKR 10/- per share in such manner as the Board of Directors may specify at the appropriate time following the procedure as specified below. The Redemption Notice shall also be issued in two newspapers circulating in Karachi.*

2. *Upon issuance of such Redemption Notice, as mentioned in para 1 above, the Company shall pay the Redemption Price of PKR 10/- per share to each Preference Shareholder in respect of Class "A" Preference Shares held by him/her/it by a crossed payees account cheque or a bank draft or a pay order or through bank transfer within a further period of thirty (30) days from the date of the completion of the book closure period to be announced by the Company after the issuance of the Redemption Notice. Upon such payment, Class "A" Preference Shares shall stand fully redeemed.*

3. *In case any Preference Shareholder fails to surrender his Class "A" Preference Shares pursuant to the Redemption Notice mentioned in para 1 above, the Company shall dispatch the cheque/bank drafts/pay order at his/her/its last known address recorded with the Company at his/her/its risk without any further obligation on part of the Company.*

4. *On commencement of book closure period for redemption, the Class "A" Preference Shares shall cease to be transferable.*

VIII. *Treatment of Fractional Shares*

1. *Fractions Class "A" Preference Shares shall not be offered and all fractions less than a share shall be consolidated and disposed of by the Directors as and how they may deem appropriate in exercise of powers under Regulation 3(1)(ii) of Companies (Further Issue of Shares) Regulations, 2020 and the proceeds from such disposition shall be paid to such of the entitled shareholders as may have accepted this offer.*

2. *No fractional Ordinary Shares shall be issued upon Conversion; instead of fractional Ordinary Shares, the Company shall pay cash to the Preferred Shareholders in respect of their fractional interest.*

RESOLVED FURTHER THAT *the after approval from the shareholders vide the Special Resolution, a formal application be submitted to the SECP for approval as to the issuance of the Preference Shares by way of rights on the terms and conditions mentioned above as envisaged under Regulation 6(iv) of the Companies (Further Issue of Shares) Regulations, 2020, and for permission to issue Ordinary Shares against conversion of the said Preference Shares on the Conversion Date.*

RESOLVED FURTHER THAT *all formalities pertaining to listing of the Preference Shares as prescribed by the Pakistan Stock Exchange (PSX) and issuance of the Preference*

Shares in book entry form (as prescribed by Central Depository Company of Pakistan Limited (CDC)) be fulfilled.

RESOLVED FURTHER THAT *after receiving the permission from SECP and fulfillment of all other corporate and regulatory formalities, including the requirements of the PSX, Letter of Rights (in the form and substance required as per The Companies (Further Issue of Shares) Regulations, 2020) be issued to the existing shareholders (who may be entitled as per the closed period which will be announced for this purpose after receiving the permission from SECP) to allow them to subscribe the offered Preference Shares by way of rights in proportion to their existing shareholding in the Company i.e. at the ratio of 2 Preference Shares per 10 Ordinary Shares held by them, which Letter of Rights shall be signed by Mr. Shahid Hussain Jatoi and Mr. Suleman Lalani, being director and Chief Executive Officer of the Company, respectively, as required under Section 83(2) of the Companies Act, 2017.*

RESOLVED FURTHER THAT *any two of the Chief Executive Officer, Company Secretary or Chief Financial Officer be, and are hereby jointly and severally authorized to fulfill all legal, corporate and procedural formalities in connection with the above, including dissemination of material information to PSX, issuance of the Notice of AGM, determining the closed period for ascertaining the entitlement to the said preference share issue (after receiving the permission from SECP) and personal and written representations to SECP, PSX, CDC whenever required for achieving the above purposes as well as to open and operate bank accounts for the purposes of right subscriptions and to transfer the proceeds from the said accounts to the other bank accounts operated by the Company, appoint legal adviser, underwriters, Bankers to the Issue and to finalize all terms of the underwriting arrangement.*

RESOLVED FURTHER THAT *any two of the Chief Executive Officer, Company Secretary or Chief Financial Officer be, and are hereby further jointly and severally authorized to sign and submit appropriate applications to the SECP for permissions to issue Preference Shares, and for conversion of the Preference Shares onto Ordinary Shares at the Conversion Ratio on the Conversion Date."*

Syed Ali Hasham
Company Secretary