

Pakistan State Oil Company Limited



PSO House, Khayaban-e-Iqbal, Clifton, Karachi-75600, Pakistan.
UAN: 111-111-PSO (776), Website: www.psopk.com

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

Ref.: CS/PSO/441
October 03, 2019

Dear Sir,

Subject: Notice of Annual General Meeting

Please find enclosed a copy of the Notice of Annual General Meeting of Pakistan State Oil Company Limited to be held on October 28, 2019, prior to its publication in the newspaper for circulation amongst the TRE Certificate Holders of the Exchange.

Yours sincerely
for **Pakistan State Oil Company Limited**

Rashid Umer Siddiqui
Company Secretary

Encl.: As stated above

Copy: The Director / HOD
Surveillance, Supervision and Enforcement Department
Securities and Exchange Commission of Pakistan
NIC Building, 63-Jinnah Avenue
Islamabad



Notice of Meeting

Notice is hereby given that the 43rd Annual General Meeting of the Company will be held at Grand Ball Room, Pearl Continental Hotel, Karachi on Monday, October 28, 2019 at 01:45 p.m. to transact the following business:

Ordinary Business:

1. To confirm the minutes of the 42nd Annual General Meeting held on October 16, 2018.
2. To receive, consider and adopt the Unconsolidated and Consolidated Audited Financial Statements of the Company for the year ended June 30, 2019 together with the Report to the Shareholders and Auditors' Report thereon.
3. To lay information before the members of the Company for the appointment of Messrs A. F. Ferguson & Co., Chartered Accountants and Messrs EY Ford Rhodes, Chartered Accountants, as joint auditors of the Company for the year ending June 30, 2020.
4. To approve payment of final cash dividend of Rs. 5/- per share i.e., 50% in addition to the interim cash dividend of Rs. 5/- per share i.e., 50% already paid, thereby making a total cash dividend of Rs. 10/- per share i.e., 100%.

Special Business:

5. To approve the issuance of bonus shares in the proportion of 1 share for every 5 shares held i.e., 20% and if considered appropriate, to pass with or without amendment/modification, the following resolution as an ordinary resolution:

"RESOLVED THAT

- (a) a sum of Rs. 782,455,500 out of the free reserves of the Company be capitalized and applied towards the issue of 78,245,550 ordinary shares of Rs. 10/- each and allotted as fully paid bonus shares to the Members in the proportion of 1(one) bonus share for every 5(five) existing ordinary shares held by the Members whose names appear on the Members Register on October 18, 2019;
- (b) these bonus shares shall rank pari passu in all respects with the existing shares of the Company but shall not be eligible for the dividend declared for the year ended June 30, 2019;



- (c) in the event of any member holding fraction of a share, the Company Secretary be and is hereby authorized to consolidate such fractional entitlement and sell in the stock market and the proceeds of sale (less expenses) when realized, be donated to a Charitable Trust named "PSO Corporate Social Responsibility Trust".
- (d) For the purpose of giving effect to the foregoing, the Managing Director and CEO and / or the Company Secretary be and are hereby singly or jointly authorized to do all acts, deeds and things and take any and all necessary steps to fulfill the legal, corporate and procedural formalities and to file all documents/returns as deemed necessary, expedient and desirable to give effect to this resolution."

Other Business

6. To transact any other Ordinary Business of the Company with the permission of the Chair.

By Order of the Board

A handwritten signature in black ink, appearing to read 'Rashid Umer Siddiqui', is written over a horizontal line.

**Rashid Umer Siddiqui
Company Secretary**

**Karachi
September 27, 2019**

Notes:

1. A member entitled to attend and vote at this meeting may appoint any other member as his/her proxy to attend and vote. A proxy form is enclosed.
2. The Share Transfer books of the Company will remain closed from October 18, 2019 to October 28, 2019 (both days inclusive). Transfers received in order at the office of Company's Share Registrar, M/s THK Associates (Pvt.) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S., Karachi up to the close of business on October 17, 2019 will be considered in time to be eligible and entitled to final dividend and bonus shares.
3. The instrument appointing a proxy and the power of attorney or other authority under which it is signed or a notarially attested copy of power of attorney must be deposited at the Registered Office of the Company situated at PSO House, Khayaban-e-Iqbal, Clifton, Karachi at least 48 hours before the time of the meeting.



4. Members are requested to notify changes immediately, if any, in their registered addresses to our Share Registrar, M/s THK Associates (Pvt.) Limited.
5. CDC Account Holders will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan:
 - A. **For attending the meeting:**
 - i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
 - ii) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.
 - B. **For appointing proxies:**
 - i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form accordingly.
 - ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC number shall be mentioned on the form.
 - iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - iv) The Proxy shall produce his/her original CNIC or original passport at the time of the meeting.
 - v) In case of a corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

A handwritten signature in black ink is located in the bottom left corner of the page.



6. Submission of copy of CNIC/NTN (Mandatory):

According to Securities and Exchange Commission of Pakistan's (SECP) SRO 831(I)/2012 and other relevant rules, the electronic dividend should also bear Computerized National Identity Card (CNIC) number of the registered shareholder or the authorized person, except in the case of minor(s) and corporate shareholders.

As per Regulation no. 6 of the Companies (Distribution of Dividend) Regulations, 2017 and Section 243 of the Companies Act, 2017, the Company will be constrained to withhold payment of dividend to shareholders, in case of non-availability of identification number of the shareholder or authorized person (CNIC or NTN).

Accordingly, the individual members who have not yet submitted photocopy of their valid CNIC to the Company/Share Registrar, are once again requested to send their CNIC (copy) at the earliest directly to the Company's Share Registrar, THK Associates (Pvt.) Ltd., 1st Floor, 40-C, Block-6, P.E.C.H.S., Karachi. Corporate Entities are requested to provide their National Tax Number (NTN). Please also give Folio Number with the copy of CNIC/NTN details.

7. Payment of Cash Dividend through electronic mode (Mandatory):

In accordance with the provisions of Section 242 of the Companies Act, 2017 and Regulation no. 4 of the Companies (Distribution of Dividends) Regulations, 2017, it is mandatory for a listed company to pay cash dividend to its shareholders only through electronic mode directly into bank account designated by the entitled shareholders.

In order to receive dividend directly into their bank account, shareholders are requested to fill in "E-Dividend Mandate Form" available on Company's website (<http://www.psopk.com>) and send it duly signed along with a copy of CNIC to the Company's Share Registrar, M/s THK Associates (Pvt.) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S., Karachi, in case of physical shares.

In case shares are held in CDC then "E-Dividend Mandate Form" must be submitted directly to shareholder's broker/participant/CDC account services.

Please note that as per Section 243 of the Companies Act, 2017 and Regulation no. 6 of the Companies (Distribution of Dividends) Regulations, 2017, listed companies are entitled to withhold payment of dividend, if necessary information is not provided by the shareholders.

A handwritten signature in black ink is located at the bottom left of the page.



8. Withholding Tax on Dividend Income:

The rates of deduction of income tax from dividend payments under the Income Tax Ordinance, 2001 are as follows:

1.	Rate of tax deduction for persons appearing in Active Taxpayer List (ATL)	15%
2.	Rate of tax deduction for persons not appearing in Active Taxpayer List (ATL)	30%

In this regard, all shareholders who hold shares with Joint Shareholder(s) are requested to provide shareholding proportions of Principal Shareholder and Joint Shareholder(s) in respect of shares held by them to our Share Registrar, in writing as follows:

Folio/CDS Account #	Total Shares	Principal Shareholder		Joint Shareholder	
		Name and CNIC #	Shareholding Proportion (No. of Shares)	Name and CNIC #	Shareholding Proportion (No. of Shares)

Note: The required information must reach the Company’s Share Registrar by October 17, 2019; otherwise it will be assumed that the shares are equally held by Principal Shareholder and Joint Shareholder(s).

To enable the Company to make tax deductions on the amount of cash dividend @15% instead of 30%, shareholders are requested to please check and ensure Filer status from Active Taxpayers List (“ATL”) available at FBR website <http://www.fbr.gov.pk/> as well as ensure that their CNIC/Passport number has been recorded by the Participant/Investor Account Services or by Share Registrar (in case of physical shareholding). Corporate entities (non-individual shareholders) should ensure that their names and National Tax Numbers (NTN) are available in ATL at FBR website and recorded by respective Participant/Investor Account Services or in case of physical shareholding by Company’s Share Registrar.

Withholding tax exemption from dividend income, shall only be allowed if a copy of valid tax exemption certificate is made available to the Company’s Share Registrar by October 17, 2019.

9. Availability of Annual Audited Financial Statements on the Company’s website

In accordance with the provisions of Section 223(7) of the Companies Act, 2017, the audited financial statements of the Company for the year ended June 30, 2019, are available on the Company’s website (<http://www.psopk.com>).



10. Transmission of Annual Audited Financial Statements through CD

SECP, through its SRO 470(I)/2016 dated May 31, 2016 has allowed companies to circulate the annual audited financial statements to their members through CD/DVD/USB instead of transmitting the hard copies at their registered addresses. The Company has obtained shareholders' approval in its 41st Annual General Meeting held on October 20, 2017 in this regard. Accordingly, the Annual Report of PSO for the year ended June 30, 2019 is being dispatched to shareholders through CD. Any member requiring printed copy of the Annual Report 2019 may send a request using a "Standard Request Form" placed on the Company's website (<http://www.psopk.com>).

11. Transmission of Financial Statements to the Members through e-mail

SECP, through its SRO 787 (I)/2014 dated September 08, 2014 has provided an option for shareholders to receive annual audited financial statements along with notice of annual general meeting electronically through email. Members who are interested in receiving the annual reports and notice of annual general meeting electronically in future, are requested to send their email addresses on the consent form placed on the Company's website (<http://www.psopk.com>) to the Company's Share Registrar.

12. Consent for Video Link Facility:

Members may participate in the meeting via video-link facility. If the Company receives a demand from members holding an aggregate 10% or more shareholding residing at a geographical location outside Karachi, to participate in the meeting through video link at least 7 days prior to the date of meeting, the Company will arrange video link facility in that city.

In this regard, Members who wish to participate through video-link facility, should send a duly signed request as per the following format to the Registered Address of the Company.

<p>I/We, _____ of _____, being a member of Pakistan State Oil Company Limited, holder of _____ ordinary share(s) as per Registered Folio/CDC Account No. _____ hereby opt for video link facility at _____.</p> <p style="text-align: right;">_____ Signature of Member</p>



Statement under section 134(3) of the Companies Act, 2017

This statement sets out the material facts concerning the special business to be transacted at the Annual General Meeting of the Company to be held on October 28, 2019.

Item 5 of the agenda

Issue of bonus shares

The Board of Management recommends that taking into account the financial position of the Company, the issued capital be increased by capitalization of free reserves amounting to Rs. 782,455,500 by way of issuance of bonus shares in the ratio of 1 : 5 i.e., one share for every five shares held by the Members whose names appear on the Members Register on October 18, 2019. The Members of the Board of Management are interested in the business to the extent of their shareholding in the Company, if any.

A handwritten signature in black ink is located on the left side of the page, below the main text.