

AGP LIMITED
NOTICE OF 4th EXTRAORDINARY GENERAL MEETING

NOTICE is hereby given that the 4th Extraordinary General Meeting (Meeting) of the Shareholders of AGP Limited (the **Company**) will be held on Thursday, July 28, 2022, at 11:00 a.m., at Ramada Karachi Creek, Zulfiqar Street 1, DHA Phase VIII, Karachi, to transact the following business:

ORDINARY BUSINESS

- 1) To confirm the minutes of the 8th Annual General Meeting held on April 26, 2022.

SPECIAL BUSINESS

- 2) To consider and, if deemed appropriate, pass with or without modification, the following resolutions as special resolutions as required under Section 199 of the Companies Act, 2017 read together with the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017:

***“RESOLVED THAT** the Company be and is hereby authorized to participate through a Special Purpose Vehicle (“SPV”) named OBS Pakistan (Private) Limited which has been incorporated in December 2021 by its parent company, Aitkenstuart Pakistan (Private) Limited for the purpose of acquisition of a selected portfolio of products from Viatris Inc. (“Viatris”) which are commercialized in Pakistan primarily under the brands previously owned by Pfizer Inc. (“Brands”) (“Transaction”).”*

***“FURTHER RESOLVED THAT** the Company be and is hereby authorized to invest in its associated company, OBS Pakistan (Private) Limited an amount upto PKR 3,000 million, subject to adjustment till the closing date, in the form of equity investment and resulting in a holding of eighty - five percent (85%) of the issued and paid-up share capital of OBS Pakistan (Private) Limited for an indefinite period.”*

***“FURTHER RESOLVED THAT** the Company be and is hereby authorized to obtain financing from lenders for the purpose of raising funding for the equity investment in OBS Pakistan (Private) Limited and in this respect the Company, be and is hereby authorized for the period required to enter into relevant financing documents and to provide collateral to, or for the benefit of AGP Limited lenders, comprising various forms of security to the lenders, with or without margin as may be required, including but not limited hypothecation or mortgage charge on all present and future moveable and immovable fixed assets for securing financing up to the amount of PKR 3,000 million, subject to adjustment till the closing date .”*

***“FURTHER RESOLVED THAT** the Company be and is hereby authorized for the purposes of arranging from lenders for OBS Pakistan (Private) Limited for the purposes of the Transaction, for the period required under the relevant financing documents, to provide and / or arrange for the provision of collateral from its parent and / or other third parties to, or for the benefit of, OBS Pakistan (Private) Limited’s lenders, with or without margin as may be required, including but not limited to corporate guarantees, pledge of shares, and hypothecation or mortgage charge on all present and future moveable and immovable fixed assets for securing financing up to an amount of PKR 9,000 million, subject to adjustment till the closing date.”*

***“FURTHER RESOLVED THAT** the Company be and is hereby authorized to lend or provide or extend or utilize short term funded and / or unfunded financing facilities and / or security to its associated companies, namely OBS AGP (Private) Limited and OBS Pakistan (Private) Limited (post equity injection in the same), up to the amount of PKR 500 Million each to meet excess debt and funding shortfalls or to*

otherwise assist the Company and such associated companies in meeting and fulfilling their financial obligations.”

“**FURTHER RESOLVED THAT** such facilities extended by the Company to its associated companies as per the preceding resolution, will initially be for a period of one (1) year and shall be renewable annually for each successive year, unless not renewed.”

“**FURTHER RESOLVED THAT** the Chief Executive / Non-Executive Director along with Chief Financial Officer / Company Secretary of the Company or such other person(s) as may be authorized by them (the “**Authorized Persons**”), be and are hereby, jointly or severally authorized and empowered to take all necessary steps, make the requisite investments from time to time, to do all such acts, deeds and things, and to execute and deliver all such deeds, agreements, declarations, undertakings and guarantees, including any ancillary document thereto or provide any such documentation for and on behalf and in the name of the Company as may be necessary or required or as they or any of them think appropriate for or in connection with or incidental for the purposes of carrying out the proposed resolutions including for the purposes of raising debts by the Company and OBS Pakistan (Private) Limited.”

“**FURTHER RESOLVED THAT** all actions heretofore taken by the Authorized Persons on behalf of the Company in respect of the above matters are hereby confirmed, ratified and adopted by the Company in full.”

A Statement under section 134(3) of the Companies Act, 2017 relating to the above-mentioned special business mentioned in Agenda no. 2 is annexed with the notice.

- 3) To transact any other business with the permission of the Chair.

		By Order of the Board
Karachi,		Umair Mukhtar
Dated: July 06, 2022		Company Secretary

Notes

a. Closure of Share Transfer Books

The share transfer books of the Company will remain closed from July 21, 2022 to July 28, 2022 (both days inclusive). Transfers received in order at the office of our Registrar, namely CDC Share Registrar Services Limited situated at CDC House, 99-B, Block B, S.M.C.H.S. main Shahrah-e-Faisal, Karachi - 74400 by the close of business (5:00 p.m.) on July 20, 2022 will be treated as being in time for the purpose to attend and vote at the Meeting.

b. Appointment of Proxy Holder

A member of the Company entitled to attend and vote at the Meeting may appoint a proxy to attend and vote on his / her behalf. Proxies, in order to be effective, must be received at the registered office of the Company or emailed at corp.affairs@agp.com.pk not later than forty-eight (48) hours before the time of holding the Meeting. In calculating the aforesaid time period, no account shall be taken of any day that is not a working day. A member shall not be entitled to appoint more than one proxy. Proxy form is available at Company's website www.agp.com.pk.

c. Guidelines for CDC Account Holders

Any Individual Beneficial Owner of CDC, entitled to vote at this Meeting, must bring his/her original Computerized National Identity Card (CNIC) to prove identity, and in case of proxy, a copy of shareholder's attested CNIC must be attached with the proxy form. Representatives of corporate members should bring the Board of Directors' resolution / power of attorney with specimen signature of nominee for such purpose.

CDC Account Holders will also have to follow the under mentioned guidelines as laid down in Circular 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan (SECP).

d. Participation in the Extraordinary General Meeting

SECP through its Circular No. 4 of 2021 dated 15 February 2021, Circular No. 6 of 2021 dated 3 March 2021, read together with the clarification bearing number SMD/SE/2(20)/2021/117 dated 15 December 2021, has directed listed companies to ensure the participation of members in general meeting through electronic means as a regular feature in addition to holding physical meetings.

Accordingly, in compliance with the directives from SECP and to ensure health and safety of our valued shareholders in consideration of continued impact of COVID-19 pandemic, the Company is also providing the facility to its shareholders to attend the Meeting through video link. To avail this facility, members are requested to register their following particulars by sending an e-mail at corp.affairs@agp.com.pk.

Folio / CDC account no.	No. of shares held	Name	CNIC	Cell No.	Email address

After necessary verification, the video link and login credentials will be shared with the shareholders whose e-mails, containing all the requested particulars are received at the given e-mail address by or before the close of business hours (5:00 p.m.) on July 26, 2022. The shareholders are also encouraged to send their comments / suggestions related to the agenda items of the Meeting on the above-mentioned e-mail address by the close of business hours on July 26, 2022.

Moreover, members who will physically attend the Meeting are requested to strictly follow COVID-19 related SOPs and protocols and the management shall make necessary arrangements in this regard for holding the Meeting at the designated avenue. The Company continues to monitor the impact of COVID-19 and any relevant updates regarding the Meeting will be announced on the website of the Company and through PUCARS.

e. E- Voting

Members can exercise their right to poll subject to meeting of requirement of Section 143 to 145 of the Companies Act, 2017 and applicable clauses of Companies (Postal Ballot) Regulations 2018.

f. Video Conference Facility

Pursuant to Section 132(2) of the Companies Act, 2017, if the Company receives consent from members holding in aggregate ten percent (10%) or more shareholding residing at geographical location, to participate in the meeting through video conference at least seven (7) days prior to the date of meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city. The Company will intimate Members regarding venue of video conference facility at least five (5) days before the date of the Meeting along with complete information necessary to enable them to access such facility. In order to avail this facility please provide the following information to our Registrar:

"I/We, _____ of _____ being a member of AGP Limited holder of _____ Ordinary Share(s) as per Register Folio No./ CDC Account No. _____ hereby opt for video conference facility at (Please insert name of the City).

Signature of member"

STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017 AND INFORMATION REQUIRED UNDER THE COMPANIES (INVESTMENT IN ASSOCIATED COMPANIES OR ASSOCIATED UNDERTAKINGS) REGULATIONS, 2017 ARE PROVIDED BELOW (AGENDA ITEM NO. 2):

This statement sets out below the material facts concerning the Special Business to be transacted at the Meeting of the Company to be held at Ramada Karachi Creek, Zulfiqar Street 1, DHA Phase VIII, Karachi on July 28, 2022, at 11:00 a.m.:

SR. NO.	DESCRIPTION	INFORMATION REQUIRED
3 (a)	Disclosures for all types of investments	
(A)	Regarding Associated Company or Associated Undertakings:	
(i)	Name of the associated company or associated undertakings	OBS Pakistan (Private) Limited
(ii)	Basis of relationship	Associated Company
(iii)	Earnings per share for the last three years	Not Applicable
(iv)	Break-up value per share, based on latest audited financial statements	Not Applicable
(v)	Financial position including main items of statement of financial position and profit and loss account on the basis of its latest financial statements.	Not Applicable
(vi)	In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information namely:	Not Applicable
(I)	Description of the project and its history since conceptualization	OBS Pakistan (Private) Limited will acquire a selected portfolio of products from Viatris Inc. ("Viатris") which are commercialized in Pakistan primarily under the brands previously owned by Pfizer Inc. ("Brands"), through an optimal capital structure comprising equity and debt in the ratio of 25:75. The total cost of the transaction is approximately PKR 12 billion subject to adjustments till closing date. AGP Limited will own eighty-five percent (85%) of the equity in OBS Pakistan (Private) Limited.
(II)	Starting due date and expected date of completion of work	The process to acquire brands is expected to commence from the 4 th quarter of 2022. The process of acquisition of brands / obtaining due market authorization / license is expected to be completed by the end of 3 rd quarter of 2024.
(III)	Time by which such project shall become commercially operational	Commercial operations are expected to commence from the start of 4 th quarter of 2022.
(IV)	Expected time by which the project shall start paying return on investment	4 th quarter of 2022.
(V)	Funds invested or to be invested by the promoters, sponsors, associated company	Aitkenstuart Pakistan (Private) Limited (the parent company of AGP Limited) and Muller & Phipps (Pakistan) Private Limited (one of the major shareholders of AGP Limited) have invested

		or associated undertaking distinguishing between cash and non-cash amounts	PKR 22.5 million each as equity investment in OBS Pakistan (Private) Limited and have also agreed to provide collateral, from their own sources, to secure the financing intended to be raised by OBS Pakistan (Private) Limited for the purposes of funding the balance transaction cost of PKR 9,000 million. No non-cash amounts are expected to be invested.
(B)	General Disclosures		
(i)		Maximum amount of investment to be made	Equity investment of up to PKR 3,000 million, subject to adjustments till the date of closing of the transaction. Short term funded and / or unfunded financing facilities, upto PKR 500 million each. Corporate guarantee, and other securities upto PKR 9,000 million.
(ii)		Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	The investment will increase the market share, asset base, revenue, profitability and yield healthy financial results, which in turn maximize shareholders' value. Provision of short-term finance facilities will meet the operational and cash flow requirements of its associated company. Corporate guarantee will provide surety to the lenders of the associated company. The investment will be made in such a way as to benefit Company's shareholders. The Company intends to maintain its equity investment in OBS Pakistan (Private) Limited for an indefinite period.
(iii)		Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds	The Company intends to raise financing from the banking sector and / or issuance of Sukuk for funding the equity investment in OBS Pakistan (Private) Limited. For short term financing, the Company will facilitate the associated company by using its own excess credit lines.
	(I)	Justification. for investment through borrowings	The equity investment in OBS Pakistan (Private) Limited is expected to yield a more profitable return than the Company's borrowing cost and by funding the same through borrowings, the Company will be able to term out the cash flow impact. Moreover, for short term finance facilities, the associated company will pay a markup rate equal to or better than the rate payable by the Company.
	(II)	Details of collateral, guarantees provided and assets pledged for obtaining such funds	The Company secures its borrowings and overdraft lines by providing its fixed assets as collateral and a joint hypothecation charge on Pari Passu basis over its current assets respectively.
	(III)	Cost benefit analysis	The return on investment for the Company is higher than the expected cost it will incur for making this investment. For short term finance facilities, the Company will charge the associated company a rate which will add to its profitability.
(iv)		Salient features of the agreement(s), if any with associated company or associated undertaking with regards to the proposed investment	A share Subscription Agreement (the "Agreement") is in the process of being finalized between the Company and OBS Pakistan (Private) Limited.

			As per the Agreement, OBS Pakistan (Private) Limited shall issue to AGP Limited new shares free from any and all encumbrances and / or claims or rights of third (3rd) parties of whatsoever nature, together with all rights attaching or accruing to the same for a price upto PKR 3,000 million, subject to adjustments till the closing date of the transaction.
(v)	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration		Aitkenstuart Pakistan (Private) Limited, sponsor and parent of the Company and Muller and Phillips Pakistan (Private) Limited, one of the major shareholders of the Company, own / will own shares of OBS Pakistan (Private) Limited and post investment by the Company, it is expected that Aitkenstuart Pakistan (Private) Limited and Muller and Phillips Pakistan (Private) Limited will hold 7.5% shareholding each in OBS Pakistan (Private) Limited. Mr. Tariq Moinuddin Khan, sponsor and Chairman of AGP Limited, is the ultimate beneficial owner of Aitkenstuart Pakistan (Private) Limited. Mr. Muhammad Kamran Mirza, Non-Executive Director of the Company, is a Director of OBS Pakistan (Private) Limited. Mr. Kamran Nishat, Non-Executive Director of the Company, is the Managing Director and CEO of Muller and Phillips Pakistan (Private) Limited.
(vi)	In case any investment in associated company or undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs		Not Applicable
(vii)	Any other important details necessary for the members to understand the transaction		Not Applicable
(b)	In case of equity investment, following disclosures in addition to those provided under clause (a) above		
(i)	Maximum price at which securities will be acquired		Securities will be acquired at a value of PKR 115.88/- per share, aggregating upto PKR 3,000 million, subject to adjustments at the date of closing of the transaction, for eighty-five (85%) shareholding in OBS Pakistan (Private) Limited.
(ii)	In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof		Not Applicable
(iii)	Maximum number of securities to be acquired		25.5 million number of shares
(iv)	Number of securities and percentage thereof held before and after the proposed investment		Before the proposed investment: Zero / Zero percent (0%) After the proposed investment: 25.5 million shares / Eighty-five percent (85%)
(v)	Current and preceding twelve weeks' weighted average market price where		Not Applicable

	investment is proposed to be made in listed securities	
(vi)	Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities	The fair market value of OBS Pakistan (Private) Limited, as determined by an independent valuer, Yousuf Adil Chartered Accountants (Independent Correspondent Firm to Deloitte Touche Tohmatsu Limited) is upto PKR 13.2 billion.
(c)	In case of investments in the form of loans, advances and guarantees, following disclosures in addition to those provided under clause (a) of sub-regulation (1) of regulation 3 shall be made,-	
(i)	Category-wise amount of investment	Short term funded and / or unfunded financing facilities, upto PKR 500 million each. Corporate guarantee and other securities upto PKR 9,000 million.
(ii)	Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for Shariah compliant products and rate of return for unfunded facilities, as the case may be, for the relevant period	Average borrowing of the Company is as follows: <ul style="list-style-type: none"> under conventional arrangements, ranges from 1-3 month KIBOR + 0.3%-1.5% to per annum payable quarterly; under Islamic arrangements, ranges from 1-3 months KIBOR + 0.5% -1% to 3 months KIBOR + 1.3% per annum payable quarterly.
(iii)	Rate of interest, markup, profit, fees, or commission etc. to be charged by investing company	It shall not be less than the borrowing cost of the Company or KIBOR for the relevant period, whichever is higher. The fee or commission to be charged at the rate which shall be greater or equal to what the Company must pay on guarantees.
(iv)	Particulars of collateral or security to be obtained in relation to the proposed investment	No security is required to be obtained. The Company and its associated company are confident that any financing arrangement will be repaid timely.
(v)	If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable; and	Not Applicable
(vi)	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.	The short term funded and / or unfunded financing facilities will initially be for a period of one (1) year and renewable annually for each successive year, unless not renewed. The payment will be made on an annual basis and at a rate which shall not be less than the borrowing cost of the company or KIBOR for the relevant period, whichever is higher.

Except to the extent as mentioned in B(v) above, the Board of Directors of the Company have no direct or indirect interest in the Special Business, except and to the extent of their respective shareholding in the Company.

Declaration pursuant to section 199(2) of the Companies Act, 2017 and regulations 3(3) and 3(4) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017

The Board of Directors of the Company certify to the members that necessary due diligence has been carried out for the proposed investment before recommending it for members' approval. The duly signed recommendations of the due diligence report shall be made available to the members for inspection.

Form of Proxy
AGP Limited

FOURTH EXTRAORDINARY GENERAL MEETING

I/We _____ of _____, being a Member of AGP Limited holding _____ ordinary shares, HEREBY APPOINT _____ of _____, or falling him/her _____ of _____ as my/our proxy in my/our absence to attend and to vote and act for me/us and on my/our behalf at the Extraordinary General Meeting of the Company to be held on Thursday, July 28, 2022 at 11:00 a.m. at Ramada Karachi Creek, Zulfiqar Street 1, DHA Phase VIII, Karachi and at any adjournment thereof.

As witness my/our hand(s) this _____ day of _____ 2022.

Signed in the presence of:

Ten Rupees
Revenue
Stamps

Witness 1

Signature: _____
Name: _____
CNIC No.: _____
Address: _____

Witness 2

Signature: _____
Name: _____
CNIC No.: _____
Address: _____

Name of Shareholder: _____
Folio No. / CDC Account No.: _____
Signature of the Shareholder: _____

Notes:

- The Member is requested:
 - to affix Revenue Stamp of Rs. 10/- at the place indicated above;
 - to sign in the same style of signature as is registered with the Company;
 - to write down his/her Folio Number/CDC Account Number.
- For the appointment of the above Proxy to be valid, this instrument of proxy must be received at the registered address of the Company, AGP Limited, B-23-C, S.I.T.E., Karachi-75700, Pakistan, at least forty-eight (48) hours before the time fixed for the Meeting.
- Any alteration made in this instrument of proxy should be initialed by the person who signs it.
- In addition to the above, the following requirements have to be met for CDC Account Holders / Corporate Entities:
 - Attested copies of CNIC or the passport of the beneficial owners and of the Proxy must be furnished with the proxy form.
 - The Proxy must produce his original CNIC or original passport at the time of the Meeting.
 - In case of corporate entities, the Board of Directors' resolution/power of attorney and specimen signature must be submitted (unless it has been provided earlier) along with proxy forms to the Share Registrars.

As witness my/our hand(s) this _____ day of _____ 2021.

Signed in the presence of:

Witness 1

Signature: _____
Name: _____
CNIC No.: _____

Witness 2

Signature: _____
Name: _____
CNIC No.: _____

Address: _____

Address: _____

Name of Shareholder: _____

Folio No. / CDC Account No.: _____

Signature of the Shareholder: _____

Notes:

5. The Member is requested:
 - d. to affix Revenue Stamp of Rs. 10/- at the place indicated above;
 - e. to sign in the same style of signature as is registered with the Company;
 - f. to write down his/her Folio Number/CDC Account Number.
6. For the appointment of the above Proxy to be valid, this instrument of proxy must be received at the Share Registrar of the Company, CDC Share Registrar Services Limited, CDC House, 99-B, Block - B, S.M.C.H.S., Main Shahra-e-Faisal, Karachi 74400, at least forty-eight (48) hours before the time fixed for the Meeting.
7. Any alteration made in this instrument of proxy should be initialed by the person who signs it.
8. In addition to the above, the following requirements have to be met for CDC Account Holders / Corporate Entities:
 - d. Attested copies of CNIC or the passport of the beneficial owners and of the Proxy must be furnished with the proxy form.
 - e. The Proxy must produce his original CNIC or original passport at the time of the Meeting.
 - f. In case of corporate entities, the Board of Directors' resolution/power of attorney and specimen signature must be submitted (unless it has been provided earlier) along with proxy forms to the Share Registrars.