



**Sui Southern Gas
Company Limited**

BS/AGM2017-18/2020/02
June 29, 2020

Hafiz Maqsood Munshi
Manager
Companies & Securities Compliance - RAD
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi.

SUBJECT: ANNUAL GENERAL MEETING (AGM) FOR THE YEAR ENDED JUNE 30, 2018

Dear Sir,

In response to your letter Ref. No.PSX/Gen-1293 dated June 24, 2020 regarding above subject, we would like to inform you that the Board had approved the Financial Statements for FY 2017-18 in its meeting dated 20 June, 2020. The Board also considered the initialed draft report of external auditors which is subject to various signing conditions including an unconditional support letter from the Ministry of Finance (MOF) indicating the Government of Pakistan's unconditional support, in whatever manner required, ensuring that the Company continues to operate as a going concern.

MOF may require sometime to issue desired letter which also requires Ministry of Energy (MOE) assent for MOF consideration. After taking consideration of due time required for obtaining said MOF letter, other formalities and 21 days' notice for Annual General Meeting (AGM), the Board initially considered holding of AGM on 30 July, 2020 however due to expected date of Eid-ul-Adha the Board decided to hold AGM after Eid-ul-Adha holidays i.e. 5 August, 2020.

Letter written to Securities and Exchange Commission of Pakistan (SECP) for updating the status of FY 2017-18 financial results and holding of AGM is attached for ready reference.

Further, SSGCL has already initiated the request to SECP for Extension of AGM for the year ended June 30, 2019, vide its letter DMD-F&A/SECP/14/2020 dated April 24, 2020 the same letter was already uploaded at PUCARS. The SECP response to the letter is still awaited and will be shared through PUCARS on its receipt at SSGC.

Yours Sincerely,

Shoaib Ahmed
Company Secretary

Encl: aa

MD/SECP/09/2020
29 June 2020

Ms. Ayesha Riaz
Additional Director,
Company Law Division,
Securities & Exchange Commission of Pakistan,
NIC Building, Jinnah Avenue,
Blue Area,
Islamabad

Dear Madam,

Re: Application for extension in period of holding Annual General Meeting (AGM) for the FY 2017-18 and laying of Accounts therein under Section 132 & 223 read with Section 147 of the Companies Act, 2017

We are writing with reference to SECP letter Ref. No. EMD/233/415/2002.727 dated 29 May, 2020 wherein it was advised that the Competent Authority did not accede to SSGC request for further extension / issuing direction for holding of overdue AGM for the FY 2017-18 in terms of Section 147 of the Companies Act, 2017. After receipt of said letter the Company started working for holding of due AGM 2017-18 and in this connection we would like to provide following update:

- i) The Board of Directors (BOD) in its meeting held on 20 June, 2020 had approved the Financial Statements for FY 2017-18 reporting a negative EPS of (16.86) prepared on the basis of Determination of Final Revenue Requirement for FY 2017-18 (FRR) issued by OGRA. The financial results were disseminated to the PSX through PUCARS (Copy attached).
- ii) The Annual General Meeting has been announced to be held on 5 August, 2020. The extended date for holding AGM was announced as the external auditors due to precarious financial condition of the Company, require as part of the signing conditions for their Audit Report to Shareholders a "Letter from the Ministry of Finance indicating the Government of Pakistan's unconditional support, to ensure that the Company continues to operate as a Going Concern and continue to discharge its liabilities in the ordinary course of business".

SSGC has already sent its request to Ministry of Energy (Petroleum Division) for obtaining the requisite support letter from Ministry of Finance with copy endorsed to Chairman SECP for information. We are optimistic that SSGCL will be able to get the letter well within time to avoid possibility of any further extension in AGM which is not warranted in these circumstances.

- iii) The Board had directed the Management for finalization of all pending interim Financial Statements of FY 2017-18 and 2018-19.

Taking benefit of this communication, let us reiterate that the delay in Financial Statements for FY 2017-18 and holding of AGM thereon has been occurred in larger public interest of the Country due to certain pending claims. Since the final decision of these claims is still pending, the Management and the BOD decided to approve the Financial Statements for FY 2017-18 and credits will be incorporated in Financial Statements for FY 2018-19.

Therefore, SECP is requested not to take any adverse action against the company in this regard.

Above is submitted for keeping the SECP abreast about the developments on the matter.

With Regards,

Yours sincerely,



Syed Fasihuddin Fawad
Acting Chief Financial Officer



M. Amin Rajput
Acting Managing Director

CC:

- Registrar of Companies
Securities & Exchange Commission of Pakistan,
State Life Building No. 2,
Wallace Road,
Karachi
- Additional Director
Corporate Supervision Department,
Company Law Division,
Securities & Exchange Commission of Pakistan,
NIC Building, 63 Jinnah Avenue,
Islamabad, Pakistan
- President
Pakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
Off I.I. Chundrigar Road,
Karachi

Encl. as above