

REPORT OF FACTUAL FINDINGS ON THE STATEMENT OF CHANGE IN PAID-UP CAPITAL AS AT 17 JANUARY 2022

To Board of Directors of Avanceon Limited

Purpose of this Agreed-Upon Procedures Report and Restriction on Use and Distribution

Our report is solely for the purpose of assisting Avanceon Limited (the Company) in determining whether the Company has uploaded the shares issued under Employees Share Option Scheme into CDS and may not be suitable for another purpose. This report is intended solely for the Company, Central Depository Company of Pakistan Limited and the Securities and Exchange Commission of Pakistan, and should not be used by, or distributed to, any other parties.

Responsibilities of Avanceon Limited

The Company has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

The Company is responsible for the subject matter on which the agreed-upon procedures are performed.

Practitioner's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the International Standard on Related Services (ISRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with the Company, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.

Had we performed additional procedures, other matters might have come to our attention that would have been reported.

We have complied with the ethical requirements of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) and the independence requirements in Part 4A of the IESBA Code.

Our firm applies International Standard on Quality Control (ISQC) 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



Procedures and Findings

We have performed the procedures described below, which were agreed upon with the Company in the terms of engagement dated 21 January 2022, on the input of shares under Employees' Share Option Schemes into CDS.

Procedures	Findings															
Obtained the resolutions of Human Resources and Remuneration committee of the Board of Directors dated 15 December 2021 approving the issuance of 3,167,147 shares under Employees Share Option Scheme.	<p>We obtained from management the resolutions of Human Resources and Remuneration committee of the Board of Directors dated 15 December 2021 approving the issuance of 3,167,147 shares under Employees Share Option Scheme(s) after which the revised share capital of the Company amounts Rs. 2,597,605,050 representing 259,760,505 shares of Rs. 10 each.</p> <table><tr><th>ESOS Scheme(s)</th><th>No. of Shares Options</th><th>Offer Price</th></tr><tr><td>2013 - 4th Tranche</td><td>106,000</td><td>1.73/-</td></tr><tr><td>2016 - 2nd Tranche</td><td>858,519</td><td>20.16/-</td></tr><tr><td>2019 - 2nd Tranche</td><td>2,202,628</td><td>10.50/-</td></tr><tr><td>Total</td><td>3,167,147</td><td>-</td></tr></table>	ESOS Scheme(s)	No. of Shares Options	Offer Price	2013 - 4th Tranche	106,000	1.73/-	2016 - 2nd Tranche	858,519	20.16/-	2019 - 2nd Tranche	2,202,628	10.50/-	Total	3,167,147	-
ESOS Scheme(s)	No. of Shares Options	Offer Price														
2013 - 4th Tranche	106,000	1.73/-														
2016 - 2nd Tranche	858,519	20.16/-														
2019 - 2nd Tranche	2,202,628	10.50/-														
Total	3,167,147	-														
Checked that the amount of Rs. 40,618,717 has been received from option holders in the respective bank statements of the Company during the period from 21 December 2021 to 17 January 2022.	<p>We traced the receipts from option holders in the bank statements of the Company during the period from 21 December 2021 to 17 January 2022.</p> <p>We found that an amount of Rs. 40,618,717 has been received from option holders in the respective bank statements of the Company.</p>															
Checked the following requirements with regards to allotment of shares in the name of CDC have been fulfilled by the Issuer: i. authorization to upload data has been sent to CDC by the Company ii. list of successful allottees after first upload has been received by the Company from CDC	<p>We obtained from management the following documents in relation to issuance of shares under the Employees Share Option Scheme:</p> <ul style="list-style-type: none">i. authorization to upload data has been sent to CDC by the Companyii. list of successful allottees after first upload has been received by the Company from CDC <p>We found that the Company has met the above requirements with regards to allotment of shares in the name of CDC.</p>															



EY Ford Rhodes
Chartered Accountants
Engagement Partner: Sajjad Hussain Gill
Lahore: 21 January 2022