



First
Capital
Securities
Corporation Ltd

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 27th Annual General Meeting ("AGM") of the Shareholders of First Capital Securities Corporation Limited ("the Company" or "FCSC") will be held on Wednesday, 28 October 2020 at 12:00 p.m. at 2nd Floor, Pace Shopping Mall, Fortress Stadium, Lahore Cantt. Lahore, the Registered Office of the Company, to transact the following business:

Ordinary Business

1. To confirm the minutes of last Annual General Meeting held on 28 October 2019;
2. To receive, consider and adopt the audited financial statements of the Company for the year ended 30 June 2020 together with the Chairman's Review, Directors' Report and Auditors' reports thereon;
3. To appoint the Auditors of the Company for the year ending 30 June 2021 and to fix their remuneration;

4 Special Business

DISPOSAL OF 1,949,258 ORDINARY SHARES OF RS. 10.00 EACH, THE ENTIRE SHAREHOLDING (65%) OUT OF 100% OF THE COMPANY IN WORLD PRESS (PVT.) LIMITED, A SUBSIDIARY OF THE COMPANY. IN THIS REGARD TO PASS THE FOLLOWING SPECIAL RESOLUTIONS WITH OR WITHOUT MODIFICATION:

"RESOLVED THAT the Chief Executive of the Company be and is hereby authorized to take all necessary steps to make disinvestment upto 1,949,258 ordinary shares of Rs. 10/- each (65%) in World Press (Pvt.) Limited, a subsidiary of the Company, to any prospective buyer in the market on such terms and conditions as may be approved by the Board of Directors of the Company".

"RESOLVED FURTHER THAT the Chief Executive officer/the Company Secretary of the Company be and is hereby authorized to complete any or all necessary required corporate and legal formalities for the completion of aforesaid disposal of shares."

By order of the Board


Sajjad Ahmad
Company Secretary

Lahore:
07 October 2020

Notes:-

- 1) The Members Register will remain closed from 21 October 2020 to 28 October 2020 (both days inclusive). Transfers received at Corplink (Pvt.) Limited, Wings Arcade, 1-K, Commercial Model Town, Lahore, the Registrar and Shares Transfer Office of the Company, by the close of business on 20 October, 2020 will be treated in time for the purpose of Annual General Meeting.
- 2) A member eligible to attend and vote at the meeting may appoint another member as proxy to attend and vote in the meeting. Proxies in order to be effective must be received by the company not later than 48 hours before the time for holding the meeting.
- 3) In order to be valid, an instrument of proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney, must be deposited at the Company's Registered Office, 2nd Floor, Pace Shopping Mall, Fortress Stadium, Lahore Cantt. Lahore, not less than 48 hours before the time of the meeting.
- 4) Pursuant to Companies (Postal Ballot) Regulations, 2018, the shareholders will be allowed to exercise their right to vote through postal ballot for election of directors
- 5) Pursuant to the provisions of the Companies Act, 2017, the shareholders residing in a city and holding at least 10% of the total paid up share capital may demand the Company to provide the facility of video-link for participating in the meeting.

The demand for video-link facility shall be received by the Share Registrar of the Company or directly to the Company at the email address given herein blow at least 7 (seven) days prior to the date of the meeting on the Standard Form which can be downloaded from the company's website: www.pacepakistan.com

Further, Securities & Exchange Commission of Pakistan vide its Circular No.5 dated March 17, 2020, has directed the listed companies to modify their usual planning for Annual General Meetings for the wellbeing of shareholders in light of the threat posed by the evolving COVID -19 situation.

Accordingly, the shareholders of the Company can opt to attend the meeting through Video/Webex. The shareholders whose names appear in the Books of the Company by the close of business on 20 October 2020 and who are interested to attend AGM through online platform are hereby requested to get themselves, registered with the Company Secretary Office by providing the following details at least 7 (seven) days prior before the meeting; through following means;

Email; sajjadahmad@pacepakistan.com, asattar@pacepakistan.com,
WhatsApp Number 0303-4444800, 0301-8449940

Please mention your Name, CNIC No, Folio / CDC A/C No & Number of shares for your identification.

Upon receipt of the above information from interested shareholders, the Company will send the login details / password at their email addresses. On the AGM day, shareholders will be

able to login and participate in the AGM proceedings through their smartphones or computer devices from any convenient location.

The members can also send their comments/suggestions related to the agenda items of the meeting on the above mentioned email and Whats App number .The login facility will be opened 30 minutes before the meeting time to enable the participants to join the meeting.

- 6) Address of Independent Share Registrar of the Company: Name : **Corplink (Pvt.) Limited, Wings Arcade, 1-K, Commercial Model Town, Lahore, (042) 35839182**
- 7) The Notice of Annual General Meeting has been placed on the Company's website: www.pacepakistan.com
- 8) a) Individual beneficial owners of CDC entitled to attend and vote at the meeting must bring his/her participant ID and account/sub-account number along with original CNIC or passport to authenticate his/her identity. In case of Corporate entity, resolution of the Board of Directors/Power of attorney with specimen signatures of nominees shall be produced (unless provided earlier) at the time of meeting.

b) For appointing of proxies, the individual beneficial owners of CDC shall submit the proxy form as per above requirement along with participant ID and account/sub-account number together with attested copy of their CNIC or Passport. The proxy form shall be witnessed by two witnesses with their names, addresses and CNIC numbers. The proxy shall produce his/her original CNIC or Passport at the time of meeting. In case of Corporate entity, resolution of the Board of Director/Power of attorney along with specimen signatures shall be submitted (unless submitted earlier) along with the proxy form.
- 9) Members are requested to notify any change in their registered address immediately;

STATEMENT UNDER SECTION (3) OF SECTION 134 OF THE COMPANIES ACT, 2017

This statement sets out the material facts pertaining to the special business as to be transacted at the Annual General Meeting of the Company to be held on 28 October 2020.

DISPOSAL OF 1,949,258 ORDINARY SHARES OF RS. 10.00 EACH, THE ENTIRE SHAREHOLDING (65%) OF THE COMPANY IN WORLD PRESS (PVT.) LIMITED (“WPL”) A SUBSIDIARY OF THE COMPANY

The Board of Directors of the Company in their meeting held on 07 October 2020, decided to dispose off the entire shareholding of the Company in World Press (Pvt.) Limited, a subsidiary of the Company to any prospective buyer in the market.

WPL was incorporated on 11 September 2003 as private Limited Company and WPL is carrying on the business activities of printers, publisher, importer, exporter, printing of all kind of books newspapers, magazines, periodicals, journals and other literary etc.

The registered office of World Press (Pvt.) Limited is located at 2nd Floor, Pace Shopping Mall, Fortress Stadium, Lahore Cantt., Lahore. The existing Authorized Share Capital of WPL

is Rs. 6,000,000 divided into 60,000,000 ordinary shares of having a par value of Rs.10/- each. The issued, subscribed and paid up capital is Rs. 29,989,580/- divided into 2,998,958 ordinary shares of Rs.10/- each, the cost to the Company.

World Press (Pvt.) Limited is subsidiary of the Company and the Company holds 65% shareholding i.e. 1,949,258 shares of WPL.

The break-up value per share of WPL is Rs. 0.0069 per share as per latest Annual Audited Accounts as at 30 June 2020. An extract of Profit & Loss Account of WPL for last three years is as under:

Particulars	June 2020 (Rupees)	June 2019 (Rupees)	June 2018 (Rupees)
Operating Profit/(Loss)	(8,917,020)	(1,794,052)	3,481,169
Net Profit/(Loss) after Tax	(7,529,717)	(1,794,052)	(3,221,817)
Earning per Share – Basic and Diluted	(2.51)	(0.60)	(1.07)

The financial position of WPL for last three years is as under:

Particulars	June 2020 (Rupees)	June 2019 (Rupees)	June 2018 (Rupees)
Assets			
Non-Current Assets	Nil	4,639,697	6,026,347
Current Assets	12,107,854	15,249,874	15,482,276
Total Assets	12,107,854	19,889,571	21,508,623
Equity and Liabilities			
Total Equity (Share Capital and Reserves)	20,852	7,550,569	9,344,621
Non-Current Liabilities	Nil	Nil	Nil
Current Liabilities	12,087,002	12,339,002	12,164,002
Total Liabilities	12,087,002	12,339,002	12,164,002

The fair value of WPL share is to be determined in accordance with law prior to the sale of shares on the bases of latest financial statements of the WP as at 30 June 2020. The rationale behind the disposal of this investment is that subsidiary is continuously facing losses and the equity of WPL is almost eroded. The WPL is a dormant entity with no revenue

for the financial year ended 30 June 2020. Therefore the Board of Directors has approved to dispose off this investment to avoid the continuous losses in future.

It is proposed to authorize Chief Executive Officer to take necessary steps to make disinvestment up to 1,949,258, the entire shareholding of the Company in WPL.

The Board of Directors in their meeting held on 07 October 2020 recommended to the Shareholders that an authority be given to the Chief Executive of the Company to negotiate terms and conditions of the sale with a buyer and recommend terms and conditions of disposal to the Board of Directors for final decision on the sale of shares of WPL. Mr. Anwar Ali, an individual holding 1,049,700 ordinary shares (35.00% of the total shareholding of the Company) has offered to buy the Company's shareholding at a fair value of WPL.

The sale price per share of WPL shall be equal to fair value of the shares to be determined in accordance with law, on the date of disposal. Further, the Company to also obtain the necessary valuations from a registered valuer to determine consideration.

It is also approved in the aforesaid Board of Directors meeting that an authorization of Shareholders be obtained for providing an authorization to Chief Executive officer or the Company Secretary of the Company to complete all necessary corporate and legal formalities for the purpose of the disposal of shares in the subsidiary of the Company.

STATUS OF INVESTMENT UNDER REGULATION 4 (2) OF THE COMPANIES (INVESTMENT IN ASSOCIATED COMPANIES OR ASSOCIATED UNDERTAKINGS) REGULATIONS, 2017:

The Shareholders of the Company in their Annual General Meeting held on 28 October 2019 gave their approval to the Company and authorized to the Chief Executive of the Company to take all necessary steps to make additional equity investment(s) in the Share Capital of Pace Barka Properties Limited ("Pace Barka"), up to the extent of Rs. 100.00 million (Rupees one hundred million only) in accordance with the provisions of section 199 of the Companies Act, 2017, through an acquisition of the shares from open market including associated undertakings on such terms and conditions as to be authorized by the Board of Directors of the Company. Further, it was also approved to make a loan / advance of Rs. 100.00 million to the Pace Barka, not less than the borrowing cost of the Company.

Please note that no investment has been made till the date of notice of meeting in Pace Barka, due to insufficient cash flows.

The change in the financial statements of Pace Barka as at 30 June 2020 as compare to last year is as under:

	2020	2019 PKR in Million
Share Capital & Reserves	4,917	5,045
Non-Current Liabilities	0.217	0.249
Current Liabilities	1,471	1,403
Non-Current assets	4,024	4,064
Current Assets	2,582	2,633

Gross Loss for year	(130.71)	(116.12)
EPS	(0.43)	(0.38)

INSPECTION OF DOCUMENTS

Copies of the Memorandum and Articles of Association, Statement under section 134(3) of the Companies Act, 2017, latest pattern of shareholding and variation in shareholding of the shareholders, having 10% or more in the Company during the last six months, financial projections/plan of the Company, audited annual accounts for the last three years of the Company and WPL and all other related information of the Company may be inspected during the business hours at the Registered Office of the Company from the date of the publications of the this notice till the conclusion of the Annual General Meeting.

INTEREST OF DIRECTORS AND THEIR RELATIVES

All the directors of the Company including the Chief Executive are (nominated by the Company) and their relatives (if any) are interested to the extent of their shares that are held by them. The effect of the resolutions on the interest of these directors including the Chief Executive and their relatives (if any) does not differ from its effect on the like interest of other shareholders. They have no other interest in the special business and / or resolutions except as specified herein.