

Ref. No. 13.1/Sectt/C

Dated: January 11, 2021


The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Karachi

Subject: **Request for Issuance of No Objection Certificate for Release of Right Subscription Amount**

Dear Sir,

1. In compliance with your letter no. PSX/C-1030-1985 dated October 09, 2020, we hereby confirm that 357,142,857 right shares offered by Fauji Fertilizer Bin Qasim Limited have been fully subscribed. In this regard, auditor's certificate confirming receipt of full subscription money amounting to PKR 4,999,999,998 against issue of right shares is attached as Annex -A.
2. In light of the above, you are requested to kindly issue '**No Objection Certificate**' ("NOC") in favour of **MCB Bank Limited** for release of right shares subscription amount.

Regards



Brig Aamir Hussain Mirza (Retd)
Company Secretary

IA/186/2021
08 January 2021

Company Secretary
Fauji Fertilizer Bin Qasim Limited ("the Company")
FFBL Tower, C1/C2, Sector-B, Jinnah Boulevard
Phase II, DHA
Islamabad

Dear Sir

AUDITOR CERTIFICATE ON THE STATEMENT OF SUBSCRIPTION OF RIGHT SHARES OF THE COMPANY

We are pleased to enclose certificate on the Statement of Subscription of Right Shares of the Company, as required by Pakistan Stock Exchange (reference letter: PSX/C-1030-1985 dated 9 October 2020).

We wish to place on record our appreciation for the courtesies and co-operation extended to us by the management and staff of the Company, during the course of our engagement.

Yours faithfully



Enclosed:

- Certificate on the Statement of Subscription of Right Shares; and
- the signed Statement of Full Subscription of Right Shares

FH/RI

IA/188/2021
08 January 2021

Company Secretary
Fauji Fertilizer Bin Qasim Limited ("the Company")
FFBL Tower, C1/C2, Sector-B, Jinnah Boulevard
Phase II, DHA
Islamabad

Dear Sir

AUDITOR CERTIFICATE ON THE STATEMENT OF SUBSCRIPTION OF RIGHT SHARES OF THE COMPANY

The Company is a public limited Company incorporated in Pakistan under the Companies Ordinance, 1984 (replaced by the Companies Act, 2017 ("the Act") with effect from 31 May 2017). The shares of the Company are quoted on Pakistan Stock Exchange ("PSX"). The principal objective of the Company is manufacturing, purchasing and marketing of fertilizers.

Pursuant to the decision of the Board of Directors (the Board) of the Company, in their meeting held on 6 October 2020, the Company has decided to issue further capital by offering 357,142,857 ordinary right shares of PKR 10/- each, in the proportion of 38.2335 right shares for every 100 ordinary shares held [i.e. 38.2335% (rounded)], at a price of PKR 14/- per share.

The Company is therefore, required to report, to Pakistan Stock Exchange (PSX, reference letter: PSX/C-1030-1985 dated 9 October 2020 ("the Letter"), the Statement of Subscription of Right Shares of the Company, enabling the Pakistan Stock Exchange to issue no objection certificate (NOC) in the name of the Company's banker, MCB Bank Limited, for release of subscription amount received by them.

Scope of Certificate

EY Ford Rhodes, being the statutory auditors of the Company, were requested to provide a certificate on the Statement of Subscription of Right Shares of the Company, as approved by the company secretary of the Company and attached with this certificate, enabling the Company to fulfill one of the requirements of the above-mentioned Letter.

Management Responsibility

Management is responsible to fulfil all requirements of Listing of Companies & Securities Regulations, the Companies Act, 2017, the Companies (Further Issue of Shares) Regulations, 2020, Central Depository Company of Pakistan Limited Regulations (CDCPL Regulations) and ensure compliance with the requirements of PSX as listed in the Letter. It is also the management's responsibility to prepare the Statement; consisting of following detail:

- a) Amount subscribed by directors and sponsors;
- b) Amount subscribed by general public and others;
- c) Amount against unsubscribed shares, as allotted by the Board of Directors;
- d) Total subscription amount [received in MCB Bank Limited bearing bank account # 1224231041020306 ("the Company's "Designated Bank Account"), opened by the Company for this purpose].

Auditor's Responsibility

Our responsibility is to certify the Statement as per the requirements of the Letter, in accordance with "Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms" (the Guidelines), issued by the Institute of Chartered Accountants of Pakistan. Our verification was limited to the procedures as mentioned below:

1. Obtained the signed Statement of Subscription of Right Shares of the Company (the Statement);
2. Obtained resolution of the Board of Directors, dated 6 October 2020, to check the approval of issuance of right shares to existing shareholders of the Company;
3. Traced subscription money of Rs. 4,885,787,158, received from shareholders against subscription of 348,984,797 ordinary shares through right issue having face value of Rs. 10 each of the Company at exercise price of Rs. 14 per share, in the bank statement of the Company's Designated Bank Account;
4. Confirmed that any unsubscribed right shares were to be allotted to Underwriters of the issue, in accordance with the resolution of the Board of Directors, dated 4 January 2021, exercising their discretion under the section 83(1)(a)(iv) of the Companies Act, 2017;
5. Traced in the bank statement of the Company's Designated Bank Account, an amount of Rs. 114,212,840 received from Underwriters against 8,158,060 unsubscribed right shares, having face value of Rs. 10 each, of the Company at exercise price of Rs. 14 per share; and
6. Traced that the full amount of Rs. 4,999,999,998 is credited in the bank statement of the Company's Designated Bank Account, being equal to amount of right issue approved by the Board of Directors of the Company.

Certificate

Based on the procedures mentioned above, we certify that subscription money of Rs. 4,999,999,998 have been fully received in cash, in the Company's Designated Bank Account, as listed in the Statement.

Restriction on use and distribution

This certificate is being issued solely on the request of the management of the Company for onward submission to PSX, as required under the Letter, and is not to be used or distributed for any purpose. This certificate is restricted to the facts stated herein and the Statement.

Yours faithfully,



EY Ford Rhodes
Chartered Accountants
Place: Islamabad

