

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Twentieth (20<sup>th</sup>) Annual General Meeting ("AGM") of the members of **JS Global Capital Limited** (the "**Company**" or "**JSGCL**") will be held on **Wednesday, April 28, 2021 at 10:30 a.m. PST** via Zoom Video Conference Call to transact the following businesses:

### ORDINARY BUSINESSES:

1. To receive, consider and adopt the audited financial statements of the Company for the year ended December 31, 2020, together with the Directors' Report and Auditors' Report thereon and Chairman's Review Report.
2. To appoint auditors of the Company and fix their remuneration for the year ending December, 2021. The Audit Committee and the Board of Directors have recommended the appointment of new auditors M/s KPMG Taseer Hadi & Co. Chartered Accountants, as auditors of the Company, who being eligible have offered themselves for appointment as auditors of the Company; the previous auditors M/s. EY Ford Rhodes, Chartered Accountants have completed five years.

### SPECIAL BUSINESS:

1. To consider and if deemed fit, to pass with or without modification(s), addition(s) or deletion(s), the following Special Resolution(s) under Section 88 of the Companies Act, 2017 read with Listed Companies (Buy-Back of Shares) Regulations, 2019, for the purchase / buy-back of its own shares by the Company up to a maximum of 3,991,525 issued ordinary shares of the Company having paid-up / face value of PKR 10/- (Pak Rupees Ten Only) each at a purchase price of PKR 80/- per share as recommended by the Board of Directors of the Company.

#### ***Resolved that:***

*"Subject to compliance with the provisions of applicable laws, regulations and permission required, if any, approval of the members of JS Global Capital Limited (the "Company") be and is hereby accorded to purchase / buyback of its own shares by the Company up to a maximum of 3,991,525 issued ordinary shares of the Company having paid-up / face value of PKR 10/- (Pak Rupees Ten Only) each of the Company (13.06% of the total outstanding shares of the Company) be purchased by way of buy-back under Section 88 of the Companies Act, 2017 read with Listed Companies (Buy-Back of Shares) Regulations, 2019, at a purchase price of PKR 80/- per share in cash from the available distributable profits of the Company through tender offer."*

#### ***Further resolved that:***

*"The ordinary shares purchased pursuant to these special resolution(s) via buyback shall be cancelled and issued share capital shall accordingly be reduced by the aggregate paid-up / face value of the cancelled shares."*

#### ***Further resolved that:***



*"Purchase / buy-back shall be made through the mode of tender offer, and the purchase period shall be for thirty days starting from May 04, 2021 and ending on June 02, 2021 (both days inclusive)."*

**Further resolved that:**

*The purchase / buy-back by the Company of its own shares shall be made by utilizing PKR 319,321,963 (distributable profits of the Company as on December 31, 2020).*

**Further resolved that:**

*"the Chief Executive Officer and/or the Chief Financial Officer and/or the Company Secretary (hereinafter the 'Authorized Persons') be and are hereby appointed as Authorized Persons and are singly authorized and empowered to take all such necessary, ancillary and incidental steps and to do or cause to be done all such acts, deeds and things that may be required for the purpose of buyback of shares and for the purpose of implementing, procuring and completing the purchase/buy-back by the Company of its issued ordinary shares."*

**Further resolved that:**

*"the aforementioned Authorized Persons be and are hereby further singly authorized and empowered, to take or cause to be taken all actions including but not limited to obtaining any requisite regulatory permissions, if required, preparation of the tender notice and other requisite documents, engaging legal counsel and consultants for the purposes of the purchase/buy-back of shares, filing of all the requisite statutory forms, returns and all other documents as may be required to be filed with the regulator(s), submitting all such documents as may be required, executing all such documents or instrument including any amendments or substitutions to any of the foregoing as may be required or necessary in respect of implementing, procuring and completing the purchase/buy-back by the Company of its issued ordinary shares and all other matters incidental or ancillary thereto."*

**Further resolved that:**

*"Mr. Fahad Muslim, the CFO of the Company, be and is hereby appointed as the Manager to the Offer, and shall be authorized to receive tendered shares from the shareholders and make payment against such tendered shares, and do all other acts, things and deeds in this regard".*

**Further resolved that:**

*"that all acts, deeds, and actions taken by the Authorized Persons pursuant to this special resolution for and on behalf of and in the name of the JS Global Capital Limited shall be binding acts, deeds and things done by the Company."*

**Further resolved that:**

*"JS Bank Limited be and is hereby appointed as authorized bank for opening of escrow account and opening of designated CDC Account / opening of Investor Account Service at CDC is hereby approved for the purpose of buy-back of shares of the Company under Section 88 of the Companies Act, 2017 read with Listed Companies (Buy-Back of Shares) Regulations, 2019, and the Authorized Persons be and are hereby singly authorized and*





*empowered to negotiate the terms and conditions of appointment and to sign and execute all the documents/agreements in this regard and to do all necessary acts and deeds and things necessary to implement this resolution."*

#### **ANY OTHER BUSINESS:**

1. To consider any other business with the permission of the Chair.

Attached to this Notice is a statement of material facts in relation to the aforesaid special business, as required under Section 134(3) of the Companies Act, 2017.

By the Order of the Board

Karachi  
April 07, 2021

**Syed Sufyan Ahmed**  
Company Secretary

#### **Notes:**

1. The Share Transfer Books of the Company shall remain closed from April 21, 2021 to April 28, 2021 (both days inclusive) for determining shareholders for attending and voting at the Annual General Meeting.
2. Physical transfers and deposit requests under Central Depository System received at the close of business on April 20, 2021 by the Company's Share Registrar i.e. CDC Share Registrar Services Limited, CDC House, 99 – B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal Karachi will be treated in time for the purpose of attending and voting at the meeting.
3. Beneficial owners of the shares registered in the name of Central Depository Company of Pakistan Limited (CDC) and/or their proxies will have to follow the following guidelines as laid down by the Securities and Exchange Commission of Pakistan in Circular No.1 of 2000:

#### **A. For Attending the Meeting**

- (i) In view of the threats posed by and precautions to be taken against spread of the evolving COVID-19 pandemic, the Securities & Exchange Commission of Pakistan (SECP) through its Circular No. 5 of 2020 dated March 17, 2020, Circular No. 25 of 2020 dated August 31, 2020 and Circular No.33 of 2020 dated November 05, 2020 have advised the Companies to modify their planning for conducting annual general meetings with a view to protect the well-being of their shareholders. Further, SECP vide its Circular No.6 of 2021 dated March 3, 2021 has clarified that the listed companies which are facing difficulties in holding general meeting physically, may opt to hold such meeting through electronic mode. Considering the above referred regulatory permissibility, the Company intends to convene this AGM electronically through Webinar only to ensure maximum participation by member(s) in view of the COVID-19 situation.
- (ii) The Members are requested to attend and participate in the 20<sup>th</sup> AGM of Company through video link arrangement for which purpose, they are requested to complete identification and verification formalities i.e. provide their names, CNICs scanned (both sides), folio numbers, cell phone numbers and email addresses on or before April 26,



2021 by 5:00 p.m. at the following email [jsgcl.cs@js.com](mailto:jsgcl.cs@js.com). The video link of meeting will be sent to the members on their email addresses.

- (iii) The members can also provide their comments / suggestions for discussion on the agenda items of the AGM through following means:

WhatsApp	SMS	Email
0301-8486279	0301-8486279	<a href="mailto:jsgcl.cs@js.com">jsgcl.cs@js.com</a>

- (iv) The Company will ensure that comments / suggestions of the members will be read out at the meeting by the Company Secretary and the responses will be made part of the minutes of the meeting. Any and all suggestions and comments received from shareholders shall be duly discussed in the meeting and be recorded appropriately in the minutes. The minutes of the meeting will be recorded and kept as per requirements.
- (v) The Company will follow the best practices and comply with the instructions of the Government and SECP to ensure protective measures are in place for well-being of its Members.

#### B. For Appointing Proxies

- In case of individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per above requirements.
  - The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form.
  - Attested copies of the CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.
  - The proxy shall produce his original CNIC or original passport at the time of the meeting. Proxy form must be received at the Registered Office of the Company located at 17<sup>th</sup>/18<sup>th</sup> Floor, The Centre Building, Abdullah Haroon Road, Saddar, Karachi, duly stamped and signed not less than 48 hours before the time of the meeting.
  - In case of corporate entity, scanned copies of the Board's resolution/power of attorney with specimen signature shall be furnished (unless it has been provided earlier) along with proxy form to the Company.
- Shareholders are requested to notify immediately of any change in their addresses to the Company's Share Registrar.
  - In terms of the directives of the Securities and Exchange Commission of Pakistan (SECP), the Computerized National Identity Card Numbers (CNIC) of the registered shareholders or the authorized person except in the case of minor(s) and corporate shareholders are required to be mentioned on the dividend warrants and the annual return required to be filed by the Company with the SECP. Therefore, the shareholders who have not yet provided copies of their CNICs are advised to provide at earliest the attested copies of their CNICs (if not already provided) directly to our Independent Share Registrar at the address mentioned above.
  - In terms of Section 242 of the Companies Act, 2017, any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the





entitled shareholders. Accordingly, the shareholders holding physical shares are requested to provide the Company's Share Registrar at the address mentioned above, electronic dividend mandate on E-Dividend Form which is available on website of the Company i.e. [www.jsjcl.com](http://www.jsjcl.com). In the case of shares held in CDC, the same information should be provided to the CDS Participants for updating and forwarding to the Company in order to make process of payment of cash dividend more efficient.

7. Members seeking exemption from deduction of income tax or are eligible for deduction at a reduced rate are requested to submit a valid tax certificate or necessary documentary evidence, as the case may be.
8. The Government of Pakistan through Finance, Act 2020 has made certain amendments in Section 150 of the Income Tax Ordinance, 2021, whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These tax rates are as under:

For filer of income tax rates: 15%

For non-filers of income tax returns: 30%

To enable the Company to make tax deductions of the amount of cash dividend @15% instead of 30%, all shareholders whose names are not entered into the Active Tax-payers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered into the ATL before the date for payment of the cash dividend otherwise tax on their cash dividend will be deducted @30% instead of 15%.

For any query/problem, the investor may contact the Company and/or the Share Registrar at the following numbers and email addresses. The contact of Company Secretary is +92 21 111 574 11 and email address is [jsjcl.cs@js.com](mailto:jsjcl.cs@js.com) and the contact number of the Share Registrar is +92 21 111 111 500 and email address is [nadeem\\_ashraf@cdsrs.com](mailto:nadeem_ashraf@cdsrs.com).

9. The Shareholders who have joint shareholdings held by filers and non-filers shall be dealt with separately and in such particular situation, each account holder is to be treated as either a Filer or a Non-Filer and tax will be deducted according to his shareholding. If the share is not ascertainable, then each account holder will be assumed to hold equal proportion of shares and the deduction will be made accordingly. Therefore, in order to avoid deduction of tax at a higher rate, the joint account holders are requested to provide the below details of their shareholding to the Share Registrar of the Company.

Folio /CDC Account No	Total Shares	Principal Shareholder		Joint Shareholder	
		Name & CNIC	Shareholding proportion	Name & CNIC	Shareholding proportion

10. Shareholders who by any reason could not receive their dividends are advised to contact our Share Registrar to inquire about their unclaimed dividends, if any. In compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all such dividends outstanding for a period of 3 years or more from the date due shall be deposited to the credit of Federal Government.
11. Under Section 223(6) of the Companies Act, 2017, listed companies are allowed to send the Audited Financial Statements etc., through electronic mail system (e-mail). The members are hereby requested to convey their consent via email on a standard request form which is available at the Company's website i.e. [www.jsjcl.com](http://www.jsjcl.com). Please ensure that



your email account has sufficient rights and space available to receive such email which may be greater than 1 MB in size. Members can request a hard copy of Audited Financial Statements which shall be provided free of cost within seven days from the date of requisition. Further, it is the responsibility of the member(s) to timely update the Share Registrar of any change in his (her/its/their) registered email address at the address of Company's Share Registrar mentioned above.

12. The Company has placed the Audited Financial Statements for the year ended December 31, 2020 along with Auditors and Directors Reports thereon and Chairman's Review Report on its website: [www.jsqcl.com](http://www.jsqcl.com).

**STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017 RELATING TO SPECIAL BUSINESS**

This explanatory statement sets out the material facts pertaining to the special business to be transacted at the Annual General Meeting of JS Global Capital Limited (hereinafter the 'Company') to be held on Wednesday, April 28, 2021 at 10:30 a.m. PST via Zoom Video Conference Call.

**Purchase/buy-back by the Company of its own shares**

The Board of Directors of the Company in its meeting held on April 06, 2021 has approved the buy back by the Company (without delisting) of up-to a maximum of 3,991,525 issued ordinary shares of the nominal/face value of Rs.10 /-(Rupees Ten) each at a purchase price of PKR 80/- per share under Section 88 of the Companies Act, 2017 read with the Listed Companies (Buy-Back of Shares) Regulations, 2019 (the "Buy-Back Regulations") subject to the approval of members of the Company through a special resolution.

The shares will be purchased through tender offer within the purchase period starting from May 04, 2021 and ending on June 02, 2021 (both days inclusive) i.e, a period of thirty (30) days.

The Board of Directors of the Company has recommended that the special resolution as set out in the notice be passed at the Annual General Meeting, with or without any modification(s), addition(s) or deletion(s).

Particulars	Description
Purchase of a specified number of shares	3,991,525 issued ordinary shares of the Company having paid-up / face value of PKR 10/-(Pak Rupees Ten Only) each
Purpose of purchase	Recapitalize and restructure the balance sheet through cancellation of shares
Purchase price	PKR 80/- per share
Period within which the purchase shall be made	Thirty (30) days starting from May 04, 2021 and ending on June 02, 2021 (both days inclusive)
Source of funds	The purchase shall be made in cash and shall be out of distributable profits of the Company as required under sections 88 (8) of the Companies Act, 2017.
Mode of purchase	The purchase shall be made through tender offer mechanism.
Justification for the purchase	The current capital is in excess of Company's requirement. The reduced capital will positively impact the financial position. This will also provide an opportunity of exit to those members who wish to liquidate their investment in Company's shares.





Effect on the financial position of the company	The purchase / buy-back will have positive effect on the financial position of the Company. The reduced capital will improve the earning per share, future dividends and break-up value of the Company's share.
Allocation of Funds	PKR 319,321,963/-
Authorize an officer of the company to act as manager to the offer for ensuring legal compliance relating to buy-back of shares	The Board of Directors has authorized Mr. Fahad Muslim as an authorized officer of the company to act as manager to the offer for ensuring legal compliance with the requirements relating to buy-back of shares.
Indicative (Maximum) Percentage of shares to be purchased / buy-back	The Company will Purchase/buy-back 13.06% of the total outstanding shares of the Company.
Directors Interest	The Directors and the Chief Executive have no personal interest, directly or indirectly, in the proposed business for the buy-back of issued ordinary share of the Company except to the extent of their respective directorships and shareholdings held by them/their Companies and like other members, they would also be entitled to participate in proposed buy-back of Company's issued shares.

### **PROCEDURE FOR BUY-BACK OF SHARES**

As required under Section 88 of the Companies Act, 2017 read with the Listed Companies (Buy-Back of Shares) Regulations, 2019, the following procedure shall be followed for purchase/buy-back of shares of the Company:

1. The Public Announcement for the tender offer shall appear within two working days of the passing of the special resolution in two daily newspapers, at least 7 days before commencement of the purchase period.;
2. The offer letters and Shares Tender Forms will be sent by the Company to the all members whose names will appear on the Members Register on the book closure date i.e., April 20, 2021 along with copies of Public Announcement within 5 days of Public Announcement.
3. The shares shall be tendered during purchase period through share tender form to the Manager to the Offer, in terms of regulation 4(3) of the Buy-Back Regulations. Necessary, information and instruction regarding procedure to sell the shares shall also be communicated to the members through the Offer Letter, public announcement and shares Tender Form, which in addition to being dispatched shall also be made available on Company's website: [www.jsqcl.com](http://www.jsqcl.com)
4. If the shares tendered by the members exceed the number of shares announced to be purchased, the procedure as laid down in regulation 5 (h) of the Buy-Back Regulations shall be followed by the Company.
5. If the share tendered are less than the minimum marketable lot, five hundred shares or marketable lot, whichever is lower shall be accepted.
6. The shares tendered in physical form shall not be accepted for purchase.
7. The payment for the accepted shares shall be made by the Manager to the Officer through bank draft or pay order not later than seven days of the closing of the purchase period.
8. The unaccepted shares, if any, shall be returned within seven days of the closing of the purchased period.



**Justification for Buyback**

The Board of Directors has considered the fact that the Company has excess capitalization which distorts the earnings per share and other ratios of the Company including return on equity. The capitalization after the proposed buy-back (and consequent cancellation of the shares purchased via this buy-back) will be rationalized and would be sufficient for the Company's requirement. The proposed buy back is expected to improve the earning per share of the Company and will also result in improved dividends.

**Basis of Price**

The suggested price for buyback is approximately at the breakup value of the shares of the Company, which is a very attractive price for shareholders, who are not only going to be offered the intrinsic value of the share, but also likely to benefit from the premium offered via the buyback when compared to its market price.

**Benefits of the Buyback**

The proposed buyback will help the Company in improving its EPS and other financial ratios and does not affect the existing business needs whatsoever. The proposed buy back is also expected to result in better future payout. The breakup value per share of the Company will also increase as a consequence of buyback and recapitalization of the balance sheet.

Moreover, the buyback provides an opportunity to shareholders to liquidate their investment in the Company at a rate which is higher than the market price of the share and close to the break-up value of the shares.

**Source of Funding**

The shares will be purchased in cash using the distributable profits of the Company as required under Section 88 of the Companies Act, 2017. The Company has sufficient cash resources available with it for the proposed buy-back of its shares. The Board has provided an undertaking that they have carried out the necessary funds available to undertake the proposed buyback.

**Effect on Financial Position**

The proposed buy-back (and consequent cancellation) of shares of the Company will not have any adverse impact on the financial position of the Company as the reduced capital would consolidate its equity resulting in increased earnings per share and improved dividend in future.

Additionally, after the proposed buy-back is concluded, the Company shall continue to be well compliant with the minimum capital requirements prescribed by PSX for a TREC Holder, thereby having no negative impact on the Company's ability to carry on its operations without any hindrance.

Further, as required under Regulations, the directors of the Company have provided an undertaking to the effect that they have made enquiry into the affairs of the Company and that after having done so they have formed an opinion that the Company shall be capable of meeting its obligations in time during the period up to 12 months after the proposed buyback.

