



Hallmark Company Limited
Plot # 38/A,
Opposite The Intellect School,
Ground Floor, Korangi Creek,
Karachi, Pakistan.
Off: 021-35155112
Email: hallmark@bizcorei.com

HCL/CORP/2020-21/0807

August 3, 2021

Deputy General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building,
Stock Exchange Road,
Karachi.

Executive Director
Public Offering and Regulated Persons Department
Securities Market Division
Securities and Exchange Commission of Pakistan
NIC Building, Jinnah Avenue, Blue Area
Islamabad.

Subject: Disclosure under Regulation 5(1) of the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017

It is hereby informed that Hallmark Company Limited (the "Target Company") has received a letter of Public announcement of Offer from Muhammad Munir Muhammad Ahmed Khanani Securities Limited (as manager to the offer) on behalf of Mr. Irtaza Zafar Sheikh and GAZPAK (Private) Limited to acquire up to 16.578% shares from shareholders (other than shareholders who have already entered into a share purchase agreement with the acquirers) of the Target Company. This has been notified to the company on August 3, 2021. Copy of the public offer as received by the target company is attached.

The Pakistan Stock Exchange is requested to make the above information immediately available to the shareholders of the Target Company under Regulation 5(1) by placing it on the notice board and through notification on automated system and make an announcement on the house of the Exchange.

Yours truly,
For and on behalf of **HALLMARK COMPANY LIMITED**

AMJAD WAQAR
Company Secretary

August 2, 2021

Deputy General Manager

Pakistan Stock Exchange
Stock Exchange Building
Stock Exchange Road
Karachi

Executive Director

Public Offering and regulated Persons Department
Securities Market Division
Securities & Exchange Commission of Pakistan
NIC Building, Jinnah Avenue, Blue Area
Islamabad, Pakistan

Chief Executive Officer

Hallmark Company Limited
Plot # 38/A Opposite The Intellect School,
Ground Floor, Korangi Creek,
Karachi, Pakistan

Subject: Public Announcement of Offer to acquire up to 16.578% and control of Hallmark Company Limited under Securities Act, 2015 (Act) and Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017 ("Regulations")

Dear Sir,

Reference is being made to the Public Announcement of Intention and Corrigendum to the Public Announcement of Intention to acquire more than 50% of the total issued ordinary share capital of Hallmark Company Limited (the "Target Company") by Gazpak (Private) Limited and Mr. Irtaza Zafar Sheikh (the "Acquirers") dated June 03, 2021 and July 28, 2021.

On behalf of the Acquirers, we Muhammad Munir Muhammad Ahmed Khanani Securities Limited as the Manager to the Offer ("MTO") are submitting herewith a copy of Public Announcement of Offer to acquire up to 82,890 ordinary shares of the Target Company constituting 16.578% of the issued share capital of the Target Company in accordance with the Securities Act, 2015 (Act) and Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017 ("Regulations").

Please find enclosed the final Public Announcement of Offer. All other relevant documents required under Section 7(5) of the Regulations are submitted to the Securities and Exchange Commission of Pakistan along with this Offer.

This announcement shall be published in one English and one Urdu daily newspaper on Wednesday, August 04, 2021.

Best Regards,

For and on behalf of Manager to the Offer,



Zaid Farooq Lodhia
VP-Investment Banking
M.Munir M.Ahmed KhananiSecurities Ltd

DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DOCUMENT OF PUBLIC OFFER WITH THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY THE COMMISSION. THIS DOCUMENT HAS BEEN SUBMITTED TO THE COMMISSION FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE LAW/REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF HALLMARK COMPANY LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. THE COMMISSION DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER(S) OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DOCUMENT. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT THE ACQUIRER(S) IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DOCUMENT. THE MANAGER TO THE OFFER MUHAMMAD MUNIR MUHAMMAD AHMED KHANANI SECURITIES LIMITED IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER(S) DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. FOR THIS PURPOSE, THE MANAGER TO THE OFFER HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JULY 30, 2021 TO THE COMMISSION IN ACCORDANCE WITH THE SECURITIES ACT, 2015".

Public announcement of offer to acquire 16.578% shares (82,890 shares to be acquired through public offer) and control of the Hallmark Company Limited by Mr. Irtaza Zafar Sheikh and GAZPAK (Private) Limited Under Securities Act, 2015

PART A

Brief description of the acquisition:

Acquisition through	Number of shares	Percentage	Price per share (highest price paid in case of SPA)
Share Purchase Agreement	334,220	66.844%	Rs.73.305
Public Offer	82,890	16.578%	Rs.73.305

PART B

The following information shall be disclosed:

1. THE ACQUIRER

1.1. If acquirer(s) is a company

(a) **Name and registered address of the acquirer.**

Name: GAZPAK (Private) Limited
Address: 23-B, Lalazar, off M. T. Khan Road, Karachi, Pakistan

(b) **Date and jurisdiction of incorporation.**

Date of incorporation: 22 March 2021
Jurisdiction of incorporation: Karachi, Pakistan

(c) **The authorized and issued share capital.**

Authorized share capital: PKR 30,000,000 divided into 3,000,000 ordinary shares of PKR 10/- each.

Issued share capital: PKR 20,000,000 divided into 2,000,000 ordinary shares of PKR 10/- each.

(d) **If there is more than one acquirer their relationship, if any.**

Not applicable.

(e) **Total number of voting shares of the target company already held by the acquirer and the persons acting in concert, including any shares purchased through an agreement and relevant details of such agreement, including the share price agreed.**

None.

- (f) **The number of shares issued since the end of the last financial year of the company.**

None.

- (g) **Details of any re-organization of the acquirer during the two financial years preceding the public announcement of offer.**

Not applicable.

- (h) **Details of any bank overdrafts or loans, or other similar indebtedness, mortgages, charges or other material contingent liabilities of the acquirer and subsidiaries if any, and if there are no such liabilities a statement to that effect.**

The acquirer has no such liabilities.

- (i) **Financial advisors of the acquirer.**

None.

- (j) **Brief history and major areas of operations of the acquirer.**

GAZPAK(Private) Limited: The company was incorporated on 22 March 2021. The principal line of business of the company, as per its Memorandum of Association, is to carry on the business of services which are legally permissible, sale, purchase, import, export and to act as general traders, general order suppliers of products commodities, material legally permissible in any form or shape, manufactured, semi manufactured, raw materials supplied by, *inter alios*, any company or individuals.

- (k) **Names and addresses of sponsors or persons having control over the acquirer.**

- 1) Name: Mr. Salman Chamdia
Address: House No. 14/1, Gizri, Street Phase 4, DHA, Karachi
- 2) Name: Mrs. Zainab
Address: House No. 14/1, Gizri, Street Phase 4, DHA, Karachi

- (l) **Names and addresses of board of directors of acquirer.**

- 1) Name: Mr. Salman Chamdia
Address: House No. 14/1, Gizri Street Phase 4, DHA, Karachi
- 2) Name: Mrs. Zainab
Address: House No. 14/1, Gizri Street Phase 4, DHA, Karachi

- (m) **Brief audited financial details of the acquirer for a period of at least last five years including income, expenditure, profit before depreciation, interest and tax, depreciation, profit before and after tax, provision for tax, dividends, earnings per share, return on net worth and book value per share.**

As mentioned in Clause 1.1(b) above, GAZPAK (Private) Limited has been incorporated recently, on 22 March 2021, and therefore no such audited financial details of GAZPAK (Private) Limited are available.

- (n) **Details of any agreement or arrangement between the acquirer and the directors of the target company about any benefit which will be given to any director of the target company as compensation for loss of office or otherwise in connection with the acquisition.**

Not applicable.

- (o) **Details of every material contract entered into not more than two years before the date of public announcement of offer, not being a contract entered into in the ordinary course of business carried on or intended to be carried on by the company**

Not applicable.

1.2. If acquirer(s) is an individual

- (a) **Name(s) and address(es) of each individual along with the persons acting in concert.**

1) Name: Irtaza Zafar Sheikh
Address: 550 Pinehaven Dr, Houston, Texas, 77024 United States

- (b) **CNIC number(s)**

1) Name: Irtaza Zafar Sheikh
CNIC Number: 35201-0686874-7

- (c) **If there is more than one acquirer their relationship, if any.**

Not applicable.

- (d) **Total number of voting shares of the target company already held by the acquirer, including any shares purchased through an agreement and relevant details of such agreement including the share price agreed.**

None.

- (e) **Financial advisors of the acquirer, if any.**

None.

- (f) **Principal areas of business of the acquirer and relevant experience.**

The individual acquirer is principally involved in the business of IT related services, including in planning, management, and direction of technology initiatives in support of both academic and administrative operations.

- (g) **Details of any bank overdrafts or loans, or their similar indebtedness, mortgages, charges or other material contingent liabilities of the acquirer.**

The acquirer has no such liabilities.

- (h) **Details if the acquirer is a director on the board of directors of any listed company(s).**

- (i) The acquirer is not a director on the board of directors of any listed company(s).

- (j) **Details of any agreement or arrangement between the acquirer and the directors of the target company about any benefit which will be given to any director of the target company as compensation for loss of office or otherwise in connection with the acquisition.**

Not applicable.

2. DETAILS OF THE PUBLIC OFFER

- (a) **The names, dates and editions of the newspapers where the public announcement of intention was published.**

The Public Announcement of Intention and a corrigendum to the public announcement of Intention to acquire more than 50% shares and control of the company was published in The Nation & Nawaiwaqt newspapers on Tuesday, June 08, 2021 and Thursday, July 29, 2021 respectively as required under the law.

- (b) **The number and percentage of shares proposed to be acquired by the acquirer(s) from the shareholders through agreement, if any, the offer price per share and the mode of payment of consideration for the shares to be acquired.**

The acquirers have entered into a Share Purchase Agreement dated July 29, 2021 with Mr. Azneem Bilwani as the seller, for the purchase of 334,220 ordinary shares representing approximately 66.844% of the total issued number of shares of the target company held by the seller (and his nominees) at a price of PKR 73.305/- per ordinary share.

The mode of payment of consideration will be pay-order/bankers' cheque.

- (c) **Reasons for acquiring shares and control of the target company.**

The acquirers intend to take control of the target company and re-structure/re-organize the business of the target company. The acquirers will also evaluate opportunities and explore all available options for expansion that are in the benefit of the target company and its investors.

- (d) **Details regarding the future plan for the target company, including whether after acquisition the target company would continue as a listed company or not.**

The target company will continue being listed post acquisition.

The acquirers intend to, *inter alia*, (i) develop, design, import, export, distribute and deal in computer systems, application software and solutions in all areas of information technology; (ii) import, export, sell, purchase, distribute, host (in data centers or over the web) or otherwise deal in own and third party computer software packages, programs and solutions; (iii) provide internet / web based applications, services and solutions; and (iv) provide or take up information technology related assignments on sub-contracting basis.

- (e) **In case of conditional offer, specify the minimum level of acceptance i.e. number and percentage shares.**

Not applicable.

- (f) **In case there is any agreement with the present management, promoters or existing shareholders of the target company, an overview of the important features of the agreement(s) including acquisition price per share, number and percentage of shares to be acquired under the agreement(s), name of the seller(s), complete addresses of sellers, names of parties to the agreement(s), date of agreement(s), manner of payment of consideration, additional important information, if any.**

In terms of the Share Purchase Agreement (SPA) dated July 29, 2021, executed by and between Mr. Azneem Bilwani (as the seller) and the acquirers, the acquirers shall acquire 334,220 ordinary shares representing 66.844% of the total issued shares of the target company from the seller (and his nominees) at a price of PKR 73.305/- per ordinary share, along with management control from the seller, Mr. Azneem Bilwani, by way of cash consideration through pay-orders/bankers' cheques.

- (g) **Number of shares already held by the acquirer along with the date(s) of acquisition. Also state whether it was purchased through open market or acquired through a negotiated deal.**

The acquirers do not currently hold any shares in the target company.

- (h) **Minimum level of acceptance, if any.**

Not applicable.

3. OFFER PRICE AND FINANCIAL ARRANGEMENTS

3.1. Justification for the offer price

- (a) **Disclosure about the form of consideration for the shares to be acquired through the public offer.**

Bank Transfer / Cheque / Pay-order

- (b) **Disclosure of the total amount of consideration to be paid for the shares to be tendered during the public offer (assuming full acceptances).**

PKR 6,076,251 /- i.e = 82,890 ordinary shares at a price of PKR 73.305/- per ordinary share.

- (c) **Whether the shares of the target company are frequently traded or infrequently traded in the light of criteria prescribed in regulation 13 of these regulations.**

The shares of the target company are not frequently traded as they have not been traded for more than 80 percent of the trading days in the last six months prior to the date of public announcement and the average daily trading volume in the ready market is less than 100,000 shares in last six months.

- (d) **Justification for the offer price for the shares of the target company, in the light of criteria contained in regulation 13 of these regulations.**

Since the shares of the target company are not frequently traded as per the Regulations, the price to be offered to the Public should be *highest* amongst the following price:

1. The negotiated weighted average price under share purchase agreement(s) for the acquisition of voting shares of the target company:

PKR 73.305/ share is weighted average price and the highest price paid as well.

2. The highest price paid by the acquirers for acquiring the voting shares of target company during six months prior to the date of public announcement offer:

Not applicable.

3. The price per share arrived at on the basis of net assets value carried-out by a Chartered Accountant Firm based on the audited financial data not older than six months from the date of public announcement of offer made by the manager to the offer. In case of fixed assets, being part of total Assets, the Chartered Accountant Firm shall obtain the services of a valuer to carry-out value of fixed assets, whose name appears on the list of panel of valuers maintained by Pakistan Bank's Association:

PKR 13.90 per ordinary share based on valuation certificate issued by Hassan Naeem & Co. after taking into account results of fixed asset valuation conducted by Tristar International Consultant Private Limited.

The highest price amongst the above is Rs. 73.305 per share at which the shares are being offered to be purchased from the public by way of this public announcement of offer.

3.2. Financial arrangements

- (a) **Disclosure about the security arrangement made in pursuance of Section 123 of the Act.**

The acquirers have deposited 51,000 margin trading system eligible shares of Shell Pakistan Limited with the Manager to the Offer.

(b) **Disclosure about the adequate and firm financial resources to fulfill the obligations under the public offer.**

The acquirers have made adequate financial arrangements for fulfillment of their obligations under the public offer to the satisfaction of the Manager to the Offer through the deposit of 51,000 margin trading system eligible shares of Shell Pakistan Limited with the Manager to the Offer.

(c) **A statement by the manager to the offer that the manager to the offer is satisfied about the ability of the acquirer to implement the public offer in accordance with the requirements of the Act and these regulations.**

Muhammad Munir Muhammad Ahmed Khanani Securities Limited (Manager to the Offer), confirms that the acquirers are sufficiently capable of implementing the public offer in accordance with the requirements of the Securities Act, 2015 (the "Act") and Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017 (the "Regulations") and have issued a certificate dated July 30, 2021 in this regard.

4. **PROCEDURE FOR ACCEPTANCE AND SETTLEMENT**

(a) **Detailed procedure for acceptance of offer by shareholder of the target company**

- 1) In order to accept the public offer, the shareholders are required to send the letter of acceptance (attached to the offer letter), duly completed and signed, along with the requisite documents (as set out below) to the Manager to the Offer, at its registered office i.e. Room# 624, 6th Floor, PSX Building, Karachi, Pakistan on or before 1700 hours PST on Monday, September 27, 2021. Please ensure that with the letter of acceptance, all the required information is provided including the number of shares to be tendered.
- 2) in the event that the letter of acceptance and the requisite documents are delivered within the stipulated time, the Manager to the Offer will issue confirmation of the receipt of documents (provisional receipt)
- 3) Receipt by the Manager to the Offer by the closing date of the duly completed and signed letter of acceptance along with the required documents will constitute acceptance of the public offer.
- 4) Completed letters of acceptance, once submitted cannot be revoked by shareholders selling in the public offer.
- 5) Copies of letters of acceptance shall also be available at the office of Muhammad Munir Muhammad Ahmed Khanani Securities Limited Room# 624, 6th Floor, PSX Building, Karachi, Pakistan or on the website www.munirkhanani.com
- 6) The public offer will remain open for acceptance for seven days starting 0900 hours PST on Tuesday, September 21, 2021 to 1700 hours PST on Monday, September 27, 2021. Acceptances received after working hours on closing date shall not be entertained and the Offer period shall not be extended.
- 7) The letter of acceptance must be accompanied by the following documents:

- **For Individual Applicants:** An attested copy of Computerized National Identity Card, original share certificates and duly executed transfer deeds along with the duly completed and signed authorization to split to split share(s) certificates letter (for physical shares only), copy of CDC transferred slip submitted with the CDC investor account for (CDC shares only)
 - **For Corporate Applicants:** A certified copy of the Memorandum and Articles of Association, a certified copy of certificate of incorporation (and for public companies, certificate of commencement of business, if any), certified copies of Computerized National Identity Card of signatories, a certified copy of the Board resolution authorizing persons to sell the shares with specimen signatures of such authorized persons, original share certificates and duly executed transfer deeds along with duly completed and signed authorization to split share certificate(s) letter (for physical shares only), copy of CDC transfer slips submitted with CDC investor account services (for CDC shares only)
- 8) Any letter of acceptance furnished by the shareholder(s) without the requisite documents may be rejected by the Manager to the Offer as being incomplete and invalid.
- 9) The acceptance by the acquirers of the shares tendered by the selling shareholders and payment of the offer price is subject to the following conditions:
- (a) The Securities and Exchange Commission of Pakistan ("**Commission**") or any other competent authority having no objections to any of the provisions of the public offer.
 - (b) The payment for shares does not contravene any section of the Foreign Exchange Regulations Act, 1947 and the Foreign Exchange Manual of the State Bank of Pakistan.
 - (c) The letter of acceptance being duly completed and signed along with the required documents and submitted to the Manager to the Offer on or before the closing date.
 - (d) The tendered shares being verified by the target company.
 - (e) The acquirers not withdrawing the public offer in accordance with the provisions of the Act.
- 10) **Payment of the offer price:** Upon receipt of duly filled letter of acceptance along with the requisite documents, the Manager to the Offer will send written acceptance of the tender along with bank draft / pay orders in favor of the shareholder as payment of such shares to the selling shareholders within 10 (ten) days of the closing date of the acceptance period. No interest, mark-up, surcharge or other increment will be payable for any cause or reason on the aggregate price for the shares purchased by the acquirers from any selling shareholder for any cause or reason
- (b) **Details of the CDC account in which shares are required to be tendered by eligible shareholders on acceptance during the acceptance period.**

CDC account holders shall follow the procedure set forth above, as applicable. Additionally, the CDC account holders must transfer these shares to the CDC account of the Manager to the Offer in accordance with the following details and to provide the CDC transfer slip to the Manager to the Offer, with respect to transfer of shares:

CDC Account Details:

CDC Account Title: Manager to the Offer Hallmark Company Limited

CDC Participant ID: 06684

CDC Account No: 244692

Transaction Reason Code:

- For Intra Account – A021
- For Inter Account – P015

Shareholders with physical share certificate(s) are required to provide the physical share certificate(s) along with duly verified transfer deed(s).

5. STATEMENTS BY THE ACQUIRER

- (a) **Statement by the acquirer for assuming responsibility for the information contained in the document (In the case where the acquirer is a company such a statement shall be made by the directors of the company).**

The acquirers assume responsibility for the information contained in this document.

- (b) **A statement by the acquirer to the effect that each of the acquirers including persons in concert, if any, will be severally and jointly responsible for ensuring compliance with the Act and the Regulations.**

The acquirers confirm that they will be responsible for ensuring compliance with the Act and the Regulations.

- (c) **A statement by the acquirer that the public offer is being made to all the shareholders who have voting shares of the target company and (except the persons acting in concert with acquirers) whose names appear in the register of shareholders as on the date of book closure.**

The acquirers confirm that this public offer is being made to all shareholders who have voting shares of the target company and whose names appear in the register of shareholders as on the date of book closure in accordance with the requirements of the Act and the Regulations.

- (d) **A statement by the acquirer that all statutory approvals for the public offer have been obtained.**

The acquirers state that all statutory approvals for the public offer as required under the Act and Regulations have been obtained.

- (e) **Disclosure as to whether relevant provisions of the Act and the regulations have been complied with.**

The acquirers confirm that all relevant provisions of the Act and the regulations have been complied with.

- (f) **A statement to the fact if any director(s) of the acquirer is also a director on the board of directors of the target company.**

Mr. Irtaza Zafar Sheikh (individual acquirer) and all directors of GAZPAK (Private) Limited confirm that they are not directors on the board of directors of the target company.

- (g) **A statement by the acquirer as to whether or not any voting shares acquired in pursuance to the public offer shall be transferred to another person and if that is the case the names of such persons shall be disclosed.**

The acquirers confirm that the voting shares acquired in pursuance to the public offer are not intended to be transferred to any other person except as may be transferred to the nominees of the acquirers to be appointed as directors of the target company.

Signature



M.Munir Khanani
Chief Executive Officer

Date: August 2, 2021

Place: Karachi, Pakistan