

15 December 2021

AVN\PSX\EOGM\02\15122021

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi.

Subject: Notice of Extraordinary General Meeting

Dear Sir,

Please find enclosed herewith a copy of the Notice of Extraordinary General Meeting to be held on Wednesday, 05 January 2022 for circulation amongst the TRE Certificate Holders of the Exchange.

Yours Sincerely,



Ahsan Khalil | Company Secretary

AVANCEON LIMITED

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the Extraordinary General Meeting of Avanceon Limited "Company" will be held on Wednesday, 05 January 2022 at 03:00 PM via Zoom video link from The Avanceon Building, 19-Kms, Main Multan Road, Lahore, to transact the following business: We hereby inform to our members that due to 4th wave of COVID-19, current condition of SMOG in Lahore and the update of Dengue, the Company internal SOPs of HSE department has imposed restrictions on indoor and outdoor gatherings and other recreational activities; therefore we will conduct Extraordinary General Meeting of Avanceon Limited via Zoom video link only.

A. ORDINARY BUSINESS

1. To confirm the minutes of the Extra Ordinary General Meeting held on 10 November 2021.

B. SPECIAL BUSINESS

2. To consider and if deemed fit, to pass the following resolutions as special resolutions, with or without any modifications, the Company be and is hereby authorized to convert Long term interest Free Receivable(s) from its subsidiary companies; Avanceon FZE (Dubai), Avanceon Automation and Control W.L.L. (Qatar), and Innovative Automation & Engineering Inc (USA) into fully paid ordinary shares with effect from 31 December 2021. The complete terms and conditions of the transaction(s) under the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 are given in the statement of material facts annexed with this notice under section 134(3) of the Companies Act, 2017.

RESOLVED that, the approval of the Members of the Company be and is hereby granted in terms of Section 199 of the Companies Act, 2017 and all other applicable laws, that the amounts due from below mentioned subsidiary Companies:

➤ Avanceon FZE (Dubai) (100% wholly owned subsidiary)

➤ Avanceon Automation and Control W.L.L. (Qatar) (49% holding with 100% controlling rights subsidiary)

➤ Innovative Automation and Engineering Inc (USA) (100% wholly owned subsidiary of Avanceon FZE);

being classified in the audited financial statements ending 31 Dec 2020, as Long-Term Interest Free Receivables, to be converted into Equity a fully paid ordinary shares in the respective subsidiaries with applicable regulatory approvals, with effect from 31 December 2021.

PARTICULARS	PKR
Amounts due from Avanceon FZE (Dubai)- Long term interest free receivable(s)	1,785,679,44
Amounts due from Avanceon Automation and Control W.L.L. (Qatar)- Long term interest free receivable(s)	475,525,730
Amounts due from Innovative Automation and Engineering Inc (USA) Long term interest free receivable(s)	381,498,000

FURTHER RESOLVED that, Chief Executive Officer and/or Company Secretary of the company jointly and/or severally, to execute any document(s) and to take all actions necessary to give effect to the proposed resolutions.

3. To consider and if deemed fit, to pass the following resolutions as special resolutions, with or without any modifications, that in order to stream line the holding structure of Avanceon group and enhance the quality and efficiency levels of all our current and upcoming projects in the Region of Saudi Arabia further to inject a strategic key partner in future, the Board has decided to transfer/sell share of Avanceon FZE in "Avanceon Saudi for Energy Co" to "Avanceon Limited" Pakistan, with effect from 31 December 2021. The complete terms and conditions of the transaction under the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 are given in the statement of material facts annexed with this notice under section 134(3) of the Companies Act, 2017.

RESOLVED that, the approval of the Members of the Company be and is hereby granted in terms of Section 199 of the Companies Act, 2017 and all other applicable laws, to transfer/sell share of Avanceon FZE in "Avanceon Saudi for Energy Co" to "Avanceon Limited" Pakistan, with effect from 31 December 2021.

FURTHER RESOLVED that, Chief Executive Officer and/or Company Secretary of the company jointly and/or severally, to execute any document(s) and to take all actions necessary to give effect to the proposed resolution.

4. To consider and if deemed fit, to pass the following resolutions as special resolutions, with or without any modifications, the Company be and is hereby authorized to grant, offer, issue, and allot shares after establishing "Avanceon Limited Employee Stock Option Scheme 2022" (the ESOS 2022) under Section 83 of the Companies Act 2017 and under Clause V of Regulation No. 7(1) of The Companies (Further Issue of shares) Regulations, 2020.

RESOLVED that, the approval of the Members of the Company be and is hereby granted in terms of Section 83 of the Companies Act, 2017 and under Clause V of Regulation No. 7(1) of The Companies (Further Issue of shares) Regulations, 2020 and under Memorandum and Articles of Association of the Company; to establish a Stock Option Scheme to be known as the Avanceon Limited Employees Stock Option Scheme-2022 (the Scheme), to offer issue and grant options to eligible employees' to subscribe up to 10% of the paid-up capital (as increased from time to time) of the Company.

FURTHER RESOLVED that, Chief Executive Officer and/or Company Secretary of the company jointly and/or severally, to execute any document(s) and to take all actions necessary to give effect to the proposed resolution.

FURTHER RESOLVED that under regulation 7 of the Companies (Further Issue of Shares) Regulations, 2020, the grant of options equal to or exceeding (1%) one percent of the issued or paid-up capital of the company at the time of grant of options, within one year, to identified employees be and is hereby approved."

FURTHER RESOLVED that under regulation 7 of the Companies (Further Issue of Shares) Regulations, 2020 the grant of options to any employee of subsidiary or holding Company, be and is hereby approved."

FURTHER RESOLVED THAT the Board be and is hereby authorized to make modifications in the Scheme including in any ancillary documents thereto, as it may deem fit, from time to time in its absolute discretion in conformity with the provisions of The Companies Act, 2017, the memorandum of association and articles of association of the Company and any other applicable laws."

C. ANY OTHER BUSINESS:

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

By Order of the Board

Ahsan Khalil | Company Secretary

Dated: 15 December 2021

WEblink FOR ONLINE MEETING VIA ZOOM:

In pursuance of SECP Circular No. 4 dated 15 February 2021 the Securities and Exchange Commission of Pakistan facilitate for attending general meetings virtually through video-link, webinar, or other electronically, so the proceedings of the EOGM shall be held online only through "via ZOOM".

For attending live proceedings of the EOGM the shareholders are requested to follow the below link:

https://us02web.zoom.us/join/register?wn_C1wbbLKG5Znc_4_3fHwIQ

Please follow the below link for complete guidance as how to login on Zoom to attend the Extraordinary General Meeting:

<http://www.avanceon.ae/investor-relations/> (scroll to the bottom of the page for guideline doc)

The shareholders attending EOGM through Zoom, are given the option to send in advance their respective questions/comments/suggestions along with their Name and Folio Number on the below mentioned email address or postal address according to their convenience.

Email: madnan@avanceon.ae

Postal Address: Corporate Officer, The Avanceon Building, 19-Kms, Main Multan Road, Lahore.

Notes:

1. The share transfer books of the Company will be closed, and no transfer of shares will be accepted for registration from Wednesday, 29 December 2021 to Wednesday, 05 January 2022 (both days inclusive). Transfer received in order at the office of our Registrar, Ms. FAMCO Associates (Private) Limited, 8-F, Near Hotel Faran, Nursery, Block-6, P.E.C.H.S., Shakra-e-Faisal, Karachi by the close of business (5.00 p.m.) on Tuesday, 28 December 2021 will be treated to have been in time for the purposes to attend & vote at the meeting.

2. A member entitled to attend and vote at this Meeting shall be entitled to appoint another person, as his/her proxy to attend, speak and vote instead of him/her, and a proxy so appointed shall have such rights, as respects attending, speaking, and voting at the Meeting as are available to a member. Proxies in order to be effective, must be received by the Company not less than 48 hours before the meeting. A proxy need not be a member of the company.

3. Members are required to timely notify any change in their address to Company's Shares Registrar, Ms. FAMCO Associates (Private) Limited, 8-F, Near Hotel Faran, Nursery, Block-6, P.E.C.H.S., Shakra-e-Faisal, Karachi.

ADDITIONAL NOTES.

CDC Account Holders will further have to follow the under mentioned guidelines as laid down in circular #1 dated 26 Jan 2000, issued by SECP.

FOR ATTENDING THE SHAREHOLDERS' MEETING

I. In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are up-loaded as per the Regulations, shall authenticate his/her identity by his Computerized National Identity Card (CNIC) or passport at the time of online registration / attending the meeting.

II. The shareholders registered on CDC are also requested to provide their ID numbers and account numbers in CDS at the time of online registration / attending the meeting.

III. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be provided at the time of online registration / attending the meeting.

FOR APPOINTING PROXIES:

I. In case of individual, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are up-loaded as per the Regulations, shall submit the duly completed and stamped proxy form accordingly.

II. The proxy form shall be witnessed by the two persons whose names, addresses and CNIC numbers shall be mentioned on the form.

III. Attested copies of valid CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

IV. The proxy shall provide his/her CNIC or passport at the time of online registration / attending the meeting.

V. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted along with proxy form to the company.

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

1. This Statement is annexed to the Notice of the Extraordinary General Meeting of Avanceon Limited to be held on Tuesday, 04 January 2022 at which certain Special Business is to be transacted. The purpose of this Statement is to set forth the material facts concerning such special business.

1. ITEM 2 OF AGENDA

Convert Long term Interest Free Receivable(s) from subsidiary companies; Avanceon FZE (Dubai), Avanceon Automation and Control W.L.L. (Qatar), and Innovative Automation & Engineering Inc (USA) into fully paid ordinary shares

AND

ITEM 3 OF AGENDA

In order to streamline the holding structure of Avanceon group and enhance the quality and efficiency levels of all our current and upcoming projects in the Region of Saudi Arabia further to inject a strategic key partner in future, the Board has decided to transfer/sell share of Avanceon FZE in "Avanceon Saudi for Energy Co" to "Avanceon Limited" Pakistan.

Regulation No.	Regulation	Proposal
3(i)(a)	Disclosures for all types of investments	
3(i)(a)(A)	Regarding associated company or associated undertaking:	
(i) & (ii)	name of associated company(ies) or associated undertaking(s); Basis of relationship;	For Item 2 of Agenda ➤ Avanceon FZE (Dubai)- 100% fully owned subsidiary Avanceon Automation and Control W.L.L. (Qatar)- 49% holding with 100% controlling rights subsidiary ➤ Innovative Automation and Engineering Inc (USA)- (100% wholly owned subsidiary of Avanceon FZE) For Item 3 of Agenda Avanceon Saudi for Energy Co (KSA) - (100% wholly owned subsidiary of Avanceon FZE).
(iii)	earnings per share for the last three years; (Basic & Diluted)	For Item 2 of Agenda Avanceon FZE (Dubai) 2018: Rs. (0.52) m 2019: Rs. 0.38 m 2020: Rs. 0.23 m For Item 2 of Agenda Avanceon Automation and Control W.L.L. (Qatar) 2018: Rs. 1.22 m 2019: Rs. 0.10 m 2020: Rs. 1.32 m For Item 2 of Agenda Innovative Automation and Engineering Inc (USA) 2018: Rs. (0.22) m 2019: Rs. (256.67) 2020: Rs. (430.45) For Item 3 of Agenda Avanceon Saudi for Energy Co (KSA) 2018: Rs. Nil 2019: Rs. (1,390,455) 2020: Rs. (1,390,455)
(iv)	break-up value per share, based on latest audited financial statements;	For Item 2 of Agenda The break-up value per share as per the latest available audited statement i.e., 31 st Dec 2020 ➤ Avanceon FZE (Dubai) Rs. 131.20

		➤ Avanceon Automation and Control W.L.L. (Qatar) Rs. 4,408.16 ➤ Innovative Automation and Engineering Inc (USA) Rs. 203.36 For Item 3 of Agenda ➤ Avanceon Saudi for Energy Co (KSA) Rs (97.16)		
(V) financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements; and				
For Item 2 of Agenda & For Item 3 of Agenda Financial Position as of and for the year ended 31 December 2020.				
	Avanceon FZE (Dubai)	Avanceon Automation and Control W.L.L. (Qatar)	Innovative Automation & Engineering Inc (USA)	Avanceon Saudi for Energy Co (KSA)
	Rs. in '000'	Rs. in '000'	Rs. in '000'	Rs. in '000'
Non-current Assets	1,015,297	6,618	873,966	Nil
Current Assets	4,632,600	3,364,924	1,632	Nil
Total Equity	3,384,893	874,505	871,935	987
Non-current Liabilities	95,919	29,747	Nil	Nil
Current Liabilities	2,167,126	2,467,289	3,663	987
Main items of Statement of Financial Position	Avanceon FZE (Dubai)	Avanceon Automation and Control W.L.L. (Qatar)	Innovative Automation & Engineering Inc (USA)	Avanceon Saudi for Energy Co (KSA)
Main items of Profit and Loss Account:				
	Rs. in '000'	Rs. in '000'	Rs. in '000'	Rs. in '000'
Sales/Net	2,796,012	2,800,488	Nil	Nil
Profit from operations	162,046	264,257	(1,861)	(1,390)
Profit before taxation	162,046	264,257	(1,861)	(1,390)
Profit for the year	162,046	264,257	(1,861)	(1,390)
(vi)	in case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely, -		For Item 2 of Agenda N/A For Item 3 of Agenda N/A	
3(i)(a)(B)	General disclosures -		For Item 2 of Agenda ➤ Avanceon FZE (Dubai) Rs 1,785,679,445 ➤ Avanceon Automation and Control W.L.L. (Qatar) Rs 475,525,730 ➤ Innovative Automation and Engineering Inc (USA) Rs. 381,498,000 For Item 3 of Agenda ➤ Avanceon Saudi for Energy Co (KSA) Rs 425,500	
(i)	maximum amount of investment to be made;		For Item 2 of Agenda ➤ Avanceon FZE (Dubai): ➤ Avanceon Automation and Control W.L.L. (Qatar) ➤ Innovative Automation and Engineering Inc (USA) The investment will enhance the long term investment in terms of Equity in the Subsidiary Company with the amount of proposed investment.	
(ii)	purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;		For Item 3 of Agenda ➤ Avanceon Saudi for Energy Co (KSA) The transfer / sale of share from Avanceon FZE (Dubai) to Avanceon Limited (Pakistan) will streamline the holding structure in Avanceon Group and help inject a strategic key partner in future	
(iii)	sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds; (i) justification for investment through borrowings; (ii) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and (iii) cost benefit analysis;		For Item 2 of Agenda Long Term Receivables outstanding as of 31 Dec 2020 shall be converted to shares and no cash transaction would be involved. (i) N/A. (ii) N/A. (iii) N/A For Item 3 of Agenda The Equity / shares shall be transferred from Avanceon Saudi for Energy Co (KSA) to Avanceon Limited Pakistan, and no cash transaction would be involved. (i) N/A. (ii) N/A. (iii) N/A.	
(iv)	salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;		For Item 2 of Agenda Long Term Receivables outstanding as of 31 Dec 2020 which are payable at the discretion of the subsidiaries shall be converted to Equity/Fully paid shares. For Item 3 of Agenda The Equity / shares shall be transferred from Avanceon Saudi for Energy Co (KSA) to Avanceon Limited Pakistan.	
(v)	direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration;		For Item 2 of Agenda And For Item 3 of Agenda None of the directors, sponsors, majority shareholders and their relatives have any interest in the associated company or proposed transaction.	
(vi)	in case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and		For Item 2 of Agenda None For Item 3 of Agenda None	
(vii)	any other important details necessary for the members to understand the transaction;		For Item 2 of Agenda None For Item 3 of Agenda None	
(c)	in case of investments in the form of loans, advances, and guarantees, following disclosures in addition to those provided under clause (a) of sub-regulation (1) of regulation 3 shall be made, -		For Item 2 of Agenda N/A For Item 3 of Agenda N/A	
3(i)(b)	In case of equity investment		For Item 2 of Agenda The shares would be at par equal to the amount of investment. ➤ Avanceon FZE (Dubai) Rs 1,785,679,445 ➤ Avanceon Automation and Control W.L.L. (Qatar) Rs 475,525,730 ➤ Innovative Automation and Engineering Inc (USA) Rs. 381,498,000 For Item 3 of Agenda ➤ Avanceon Saudi for Energy Co (KSA) The shares would be transferred at par equal to the amount of investment. Rs 425,500	
(i)	maximum price at which securities will be acquired;		For Item 2 of Agenda N/A For Item 3 of Agenda N/A	
(ii)	in case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof;		For Item 2 of Agenda N/A For Item 3 of Agenda N/A	
(iii)	maximum number of securities to be acquired		For Item 2 of Agenda Equivalent to the amount of investment as per the denominations in Dubai, Qatar, and USA for respective companies. For Item 3 of Agenda Avanceon Saudi for Energy Co (KSA) Equivalent to the amount of investment as per the denominations in KSA. For Item 2 of Agenda Avanceon FZE (Dubai): Before Investment: 26 shares @ PKR 44 m each. 100% holding. After Investment: Further Rs 1,785,679,445 shall be converted to equity. 100% holding. Avanceon Automation and Control W.L.L. (Qatar) Before Investment: 200 shares @ PKR 44,000 each. 49% holding with 100% controlling rights subsidiary. After Investment: Further Rs 475,525,730 shall be converted to equity. 49% holding with 100% controlling rights subsidiary. Innovative Automation and Engineering Inc (USA) Avanceon Limited. 35 % direct holding. The indirect holding shall remain 100%. Before Investment: No Direct Investment. However, Avanceon FZE holds 100% shares in the Company. After Investment: Shares Equivalent to Rs 381,498,000 shall be issued in Name of	
(v)	current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities		For Item 3 of Agenda Avanceon Saudi for Energy Co (KSA) Before Investment: No Direct Investment. However, Avanceon FZE holds 100% shares in the Company. After Investment: Shares Equivalent to Rs. 425,500 shall be issued in Name of Avanceon Limited. 100 %	
(vi)	fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities		For Item 2 of Agenda Avanceon FZE (Dubai), Avanceon Automation and Control W.L.L. (Qatar) and Innovative Automation and Engineering Inc (USA), are non-listed entities therefore no fair value is available, the same can be determined through the break-up values of the shares. For Item 3 of Agenda Avanceon Saudi for Energy Co (KSA) is a non-listed entity therefore no fair value is available, the same can be determined through the break-up values of the shares.	
3	Due Diligence		For Item 2 of Agenda & For Item 3 of Agenda The Directors certify that the necessary Due Diligence has been done.	
4	Other information to be disclosed to the members		For Item 2 of Agenda The associated companies are 100% wholly owned subsidiaries directly or indirectly. No director in the associated/subsidiary company has any interest except to the extent of their shareholding in the holding Company. Mr. Bakhtiar Hameed Wain holds 61% shares in Avanceon Limited (Investing Company) For Item 3 of Agenda The associated company are 100% wholly owned subsidiary indirectly. No director in the associated/subsidiary company has any interest except to the extent of their shareholding in the holding Company. Mr. Bakhtiar Hameed Wain holds 61% shares in Avanceon Limited (Investing Company)	
4(1)	If the associated company or associated undertaking or any of its sponsor or directors is also a member of the investing company, the information about interest of the associate company or associated undertaking and its sponsors and directors in the investing company shall be disclosed in the notice of general meeting called for seeking members' approval pursuant to section 199 of the Act.		For Item 2 of Agenda The associated companies are 100% wholly owned subsidiary indirectly. No director in the associated/subsidiary company has any interest except to the extent of their shareholding in the holding Company. Mr. Bakhtiar Hameed Wain holds 61% shares in Avanceon Limited (Investing Company)	
4(3)	Latest annual audited financial statements of the associated company or associated undertaking along with the latest interim financial statements, if any, shall be made available for inspection of the members in the general meeting called for considering investment decisions in such associated company or associated undertaking pursuant to section 199 of the Act.		For Item 2 of Agenda & For Item 3 of Agenda Latest annual audited financial statements and latest interim financial statements are available at company's registered office and shall be made available for inspection to the members in the meeting.	
2.ITEM 4 OF AGENDA The Board of Directors of Avanceon Limited has proposed to establish a Stock Option Scheme to be known as the Avanceon Limited Employees Stock Option Scheme-2022 (the Scheme), to offer issue and grant options to eligible employees to subscribe up to 10% of the paid-up capital (as increased from time to time) of the Company. The main objective of the scheme is to motivate, reward the abilities and efforts, attract, and retain eligible employees and align the interest of employees and shareholders to become a common goal. The Scheme shall be operative until the shares issued equals 10% of the paid-up capital of the company. The options will have a minimum of one (01) year vesting period and shall be exercisable at the exercise price as per the scheme within 6 months from the date options are vested. 2. Pursuant to requirements of Section 134(3) of the Companies Act 2017, the documents referred including this Agenda(s) and resolution(s) are available at the registered office of the Company and can be inspected during office hours.				
Ahsan Khalil Company Secretary				

یونسین لمٹیڈ نوٹس برائے غیر معمولی اجلاس عام

[illegible]

ایونسیون لمٹیڈ نوٹس برائے غیر معمولی اجلاس عام

[illegible]