

NOTICE OF EXRTA ORDINARY GENERAL MEETING

Notice is hereby given to all the members of Systems Limited (the “**Company**”) that an Extraordinary General Meeting of the Company is scheduled to be held on the 1st of July, 2022 at 11 am, Systems Campus, E-1, Sehjpal Near DHA Phase VIII, Lahore and through video-link (shared) to transact the following business:

Ordinary Business:

1. To Confirm the minutes of the 45th Annual General meeting of the Company;

Special Business

2. To consider and, if thought fit, approve with or without modification and resolve to issue shares other than by way of right as granted under Section 83(1) b of the Companies Act 2017.

“Resolved further that agenda item of proposal for further issue shares by way of other than right, under sub-section (1) of section 83 of the Companies Act 2017 and Section 5 of Chapter IV of the Companies (Further Issue of Shares) Regulation, 2020 in favour of the sellers of NDC Group (National Data Consultant (Pvt.) Limited; NDCTECH APAC Pte. Limited, Singapore and National Data Consultancy FZC) as and by way of partial consideration be and is hereby approved.

“Resolved further that Mr. Muhammad Asif Peer, the Chief Executive of the Company; Ms. Roohi Khan, the Chief Financial Officer (the “**Authorized Officer**”), be and is hereby empowered and authorized to undertake, execute and implement all the decisions in respect of the issuance of such shares by way of other than rights and to take and do and/or cause to be taken or done any/all necessary acts, deeds and things, and to take any or all necessary actions which are or may be necessary, incidental and/or consequential to give effect to the aforesaid resolution, including signing and execution of documents and agreements and to complete all necessary legal formalities and to file all necessary documents as may be necessary or incidental for the purposes of implementing the aforesaid resolution”.

Other Business:

3. Any other Business with the permission of the Chair.

By Order of the Board



Saad Hasan Aslam
Company Secretary

NOTES:

1. The Share Transfer books of the Company will be closed from 24th June 2022 to 1st of July 2022 (both days inclusive). Transfer received at the address of M/s THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street 2, D.H.A., Phase VII, Karachi-75500.
2. A member entitled to attend and vote at the meeting may appoint another member as his/her proxy to attend and vote in his/her place. Proxies completed in all respect, in order to be effective, must be received at the Registered Office of the Company not less than forty-eight (48) hours before the time of meeting.

Statement under Section 134 (3) of the Companies Act, 2017

This statement sets out the material facts concerning the special business to be transacted at the extraordinary general meeting of the Company to be held on 1st of July 2022.

Agenda Item No.2

Regulation No.	Regulation	Proposal
5(1)(ii)(a)	Proposal of the board to issue shares without right offer is subject to approval of the shareholders and the Commission;	The above-board resolution is subject to approval of shareholders through a special resolution and the Securities and Exchange Commission of Pakistan.
5(1)(ii)(b)	Quantum of the issue both in terms of the number of shares and percentage of paid-up capital before and after the issue;	Minimum shares to be issued: 11,822,500 Percentage of Paid-up Capital before issue: 4.25% Percentage of Paid-up Capital after issue: 4.07%
5(1)(ii)(c)	Issue price per share and justification for the same;	Issue Price: PKR 400/- Shares are being issued at a premium to the market price to benefit the existing shareholders.
5(1)(ii)(d)	consideration against which shares are proposed to be issued i.e., cash or other than cash;	Consideration other than cash of securities worth PKR 4,729,000,000/- (Pak Rupees Four Billion Seven Hundred Twenty-Nine Million).
5(1)(ii)(e)	name of person(s), their brief profile, existing shareholding, if any, in the company, to whom the shares are proposed to be issued;	The shares are being issued in the name of Mr. Behram K. Ahmed, Ms. Karen Chase Ahmed and Ms. Ammara Masood who have no prior shareholding in Systems Limited and are director(s) of the Company NDC Tech.
5(1)(ii)(f)	purpose of the issue;	The objective of the issue is the acquisition of NDC Tech (Pvt.) Ltd., NDC FZC and NDC Tech Apac Pte. Ltd. as announced by the Company on the 10 th day of May 2022.
5(1)(ii)(g)	justification for issue of the shares by way of other than right;	To finance purchase of NDC Tech (Pvt.) Ltd., NDC FZC and NDC Tech Apac Pte. Ltd.

		<p>The total consideration of the acquisition is USD 10 million plus; PKR 5,075,000,000/-.</p> <p>PKR 346,000,000/- out of PKR 5,075,000,000/- is to be paid in cash, whereas the remaining payable balance amount of PKR 4,729,000,000/- is to be paid in kind by the issuance of 11,822,500 shares, which the company intends to issue by way of other than right.</p> <p>The proportions of the issue are as follow:</p> <ol style="list-style-type: none"> 1. Behram K Ahmed: 8,994,375 shares representing PKR 3,597,750,000/- 2. Karen Chase Ahmed: 230,625 shares representing PKR 92,250,000/-. 3. Ammara Masood: 2,597,500 shares representing PKR 1,039,000,000/-.
5(1)(ii)(h)	benefits of the issue to the company and its members;	<p>NDC Tech (Pvt.) Ltd., NDC FZC and NDC Tech Apac Pte. Ltd. are partners of Temenos in Pakistan, Middle East and Africa – a leading core banking software provider in the World. The acquisition will create value for the Company by adding core banking financial service software to its portfolio. This will enable the Company to increase exports, expand its domestic footprint and upsell and cross sell its existing services to NDC Customers.</p> <p>Systems Limited has also signed an agreement with NDC Tech (Pvt.) Ltd., NDC FZC and NDC Tech Apac Pte. Ltd., to retain its CEO, Ms. Ammara Masood and its key personnel.</p> <p>Moreover, since Systems Limited is acquiring 100% shares, all revenue and profits of the company will be consolidated with the financials of Systems Limited thereby expected to increase Systems Limited market value. Systems Limited is also</p>

		expected to receive dividends from the company in future
5(1)(ii)(i)	breakup value per share as per the latest available audited and reviewed accounts;	The unconsolidated breakup value per share as per the latest available audited statement i.e., 31 st Dec 2021 is PKR 75.85/- per share
5(1)(ii)(j)	consent of the person(s) to whom the shares are to be issued is(are) obtained;	The board hereby undertakes that the consent has been obtained from the individuals to whom the shares are to be issued.
5(1)(ii)(k)	the proposed new shares shall rank pari passu in all respects with the existing ordinary shares of the company. In case the proposed new shares are different from the issued ordinary shares in any respect, then the board's decision must state the differences in detail;	The proposed new shares shall rank Pari Passu in all respects with the existing ordinary shares of the Company. The proposed new shares shall not be different from the issued ordinary shares in any respect.
5(1)(ii)(l)	average market price of the share, in case of a listed company, during the last three months preceding the board's decision as well as the latest available market price; and	The average market price of Systems Limited share for the last three months is PKR 358.91/- per share (after adjusting for bonus issue), PKR 422.07/- per share (without adjusting for bonus issue) and the latest price as on 9 th June 2022 is PKR 327.50.
5(1)(ii)(m)	where shares are proposed to be issued for consideration other than in cash, the value of non-cash assets or services or intangible assets shall be determined by a valuer:	The value of the foreign companies has been calculated as USD 10,000,000. The value of the Pakistan entity has been calculated as PKR 5,075,000,000. The distribution of consideration in cash and kind is explained in clause 5(1)(ii)(g).

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:

There are no interests of any directors of the Company attached to the above transaction.

ANNEXURE – A
FORM OF PROXY

EXTRA-ORDINARY GENERAL MEETING

I/We _____, son/daughter of Mr. _____ a member of Systems Limited (the "Company") and holder of _____ number of shares as per registered folio no. _____ do hereby appoint Mr. / Ms. _____, son / daughter of Mr. _____ or failing him / her Mr. / Ms. son / daughter of Mr. _____ who is also a member of the Company vide registered folio no. _____ as my / our proxy to attend, speak and vote for me / us and on my / our behalf at the Extra-ordinary General Meeting of the Company to be held on 1st of July 2022 at 11:00 A.M at the registered office of the Company and through video-link and at any adjournments thereof.

IN WITNESS WHEREOF signed on this the ____ day of _____ 2022

Affix
Revenue
Stamp

Member's Name:

WITNESSES:

- | | |
|----------|----------|
| 1. | 2. |
| Name: | Name: |
| Address: | Address: |
| CMC: | CMC: |

NOTES:

1.A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend and vote his/her behalf. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the meeting.

2.The instrument appointing a proxy should be signed by the member or by his attorney duly authorized in writing. If a member is a corporation, its common seal should be affixed to the instrument

VIDEO-LINK OF THE EXTRA-ORDINARY GENERAL MEETING OF SYSTEMS LIMITED

The Video-Link of the Extraordinary General Meeting of Systems Limited, to be held on the **1st Day of July, 2022** at **11:00 am, E-1 Sehjpal Near DHA Phase 8, Lahore** is shared below:

- **Video-link Details**

Please note that **registration for the meeting shall close at 10.45 am on 1st of July 2022** after which participants/shareholders shall be unable to register for the meeting. Any and all participants/shareholders who would have registered within the prescribed timeline shall receive the link to join the meeting and shall be able to access the meeting through the link, therefore, the Company emphasizes on timely registrations following the link below:

<https://systemsltd.zoom.us/meeting/register/tZYkfuGqrj0tGt2gPmXysQWt96HvqgsE3mMI>

In case of any queries, please feel free to email at: corporate@systemsltd.com