



PAKISTAN STOCK EXCHANGE LIMITED

Stock Exchange Building, Stock Exchange Road, Karachi - 74000, Pakistan.

UAN: 111-001-122 Fax: 32410825

Website: www.psx.com.pk Email: info@psx.com.pk

Ref. No. PSX/ _____

Date: February 20, 2023

THE DIRECTOR

Corporate Supervision Department

Company Law Division

Securities & Exchange Commission of Pakistan

NIC Building, Jinnah Avenue,

Blue Area, Islamabad

CHIEF LISTING OFFICER

Listing Department

Pakistan Stock Exchange Limited

Stock Exchange Building,

Stock Exchange Road, Karachi

Dear Concerns,

SUBJECT: DISCLOSURE OF MATERIAL INFORMATION

In accordance with Section 96 of the Securities Act, 2015 and Clause 5.6.1(a) of the Rule Book of the Pakistan Stock Exchange Limited (PSX), we would like to convey the following decision taken by the Board of Directors of PSX at its meeting held on February 20, 2023:

Demerger of PSX

In continuation to PSX's earlier announcements dated February 23, 2018, August 28, 2019 and June 30, 2021, with respect to in-principle approval of PSX's Board of Directors regarding the proposed demerger of PSX's real estate from its operations, the Board has authorized PSX to enter into an arrangement with PSX Financial Centre (Private) Limited (PSX Financial), a wholly owned subsidiary of PSX formed for this purpose, in terms of which, inter alia, the business / undertaking of PSX shall be separated / demerged into 2 (two) separate segments / undertakings i.e. the Demerged Undertaking and the Continuing Undertaking, and simultaneously, the Demerged Undertaking shall be merged, by way of amalgamation, with and into PSX Financial, while the Continuing Undertaking shall be retained by PSX, in consideration of which ordinary shares of PSX Financial shall be allotted and issued to PSX (as a consequence of which PSX Financial shall remain a wholly owned subsidiary of PSX). The said arrangement shall be effectuated and carried out in accordance with the terms of a Scheme of Arrangement prepared under the provisions of Sections 279 to 283 and 285 the Companies Act, 2017, the draft of which has been approved by PSX Board, subject to finalization of the same by the authorized representatives of PSX, obtaining the approval of the Securities and Exchange Commission of Pakistan (SECP), the approval of the requisite majority of the respective members of the companies (as may be applicable), and sanction of the Scheme of Arrangement by the High Court of Sindh at Karachi, along with fulfilment of related legal formalities.

The Scheme of Arrangement shall be circulated to PSX and the members in due course, subject to directions / order of the High Court of Sindh at Karachi, and in accordance with applicable laws.

Yours truly,

DR. FAKHARA RIZWAN

Company Secretary

Copies to: **Director - Enforcement**
Securities Market Division, SECP

Director/HoD – PRDD
Securities Market Division, SECP