



TCORP /Q1-FRs/PSX/1
26 January 2024

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

FINANCIAL RESULTS FOR THE FIRST QUARTER ENDED DECEMBER 31, 2023

Dear Sir,

We have to inform you that Board of Directors of our Company in their meeting held on **January 26, 2023**, at **02:30 P.M.**, at the Registered Office of the Company at 28-C, Block E-1, Gulberg-III, Lahore, approved the condensed interim financial statements of the Company for the first quarter ended 31 December 2023 and recommended the following:

- (i) **CASH DIVIDEND:** NIL
(ii) **BONUS ISSUE:** NIL
(iii) **RIGHT SHARES:**

The Board has recommended to issue 25% Right shares by offering 13,241,250 Ordinary Shares of Rs. 10/- each to the existing members of the Company at a price of Rs.15/- per share (including premium of Rs.5/- per share) in proportion of 25 Right shares for every 100 ordinary shares held.

- (iv) **ANY OTHER ENTITLEMENT/CORPORATE ACTION:** NIL
(v) **ANY OTHER PRICE-SENSITIVE INFORMATION:** NIL

The financial results of the company for the first quarter ended 31 December 2023 are annexed herewith.

The Quarterly Report of the Company for the period ended first quarter ended 31 December 2023 will be transmitted through PUCARS separately, within the specified time.

Thanking you.

Sincerely yours,
For Tariq Corporation Limited

KHALID MAHMOOD
COMPANY SECRETARY



THE FINANCIAL RESULTS OF THE COMPANY ARE AS FOLLOWS:

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS ACCOUNT (UN-AUDITED)
FOR THE FIRST QUARTER ENDED DECEMBER 31, 2023**

	December 31, 2023	December 31, 2022
	Rupees	Rupees
Revenue from contract with customers - Gross	2,270,576,647	1,947,613,727
Sales Tax and other Government Levies	(305,604,520)	(250,019,421)
Revenue from contract with customers - Net	1,964,972,127	1,697,594,306
Cost of revenue	(1,768,511,080)	(1,498,938,503)
Gross profit	196,461,047	198,655,803
OPERATING EXPENSES: -		
Administrative and general expenses	(75,122,293)	(66,396,001)
Selling and distribution cost	(5,155,294)	(5,017,220)
Other operating expenses	(3,623,348)	(3,511,799)
	(83,900,936)	(74,925,020)
PROFIT FROM OPERATIONS	112,560,111	123,730,783
Other income	4,300,020	26,921,021
Finance cost	(74,758,211)	(103,267,963)
PROFIT BEFORE TAXATION	42,101,921	47,383,841
Taxation	(11,157,324)	(22,514,502)
PROFIT AFTER TAXATION	30,944,597	24,869,339
EARNINGS PER SHARE – BASIC AND DILUTIVE	0.58	0.48

Thanking you.

Sincerely yours,
For Tariq Corporation Limited

KHALID MAHMOOD
COMPANY SECRETARY



DECLARATION OF RIGHT SHARES

In accordance with the requirements of applicable provisions of the Securities Act, 2015 and the PSX Rule Book, Tariq Corporation Limited ("**the Company**") is pleased to inform you that The Board of Directors of the Company has approved and decided to issue 13,241,250 ordinary shares by way of rights issue in proportion of 25 ordinary shares for every 100 shares held at price of Rs. 15 per share including premium of Rs.5/- per share to all existing shareholders. As required under section 58 of the Companies Act, 2017 and Regulation 6 of the Companies (Further Issue of Shares) Regulation, 2020.

We also enclose herewith the following information/documents in compliance of Section 83 of the Companies Act, 2017:

- i. Statement pertaining to quantum of issue, issue size, issue price, purpose of issue, utilization of proceeds, benefits of the issue to the Company and the shareholders, risk factors and justification for issue of shares at premium (**Annexure A**)
- ii. Certified true copy of the Board Resolution dated 26 January 2024 (**Annexure B**)
- iii. Draft copy of Notice to Shareholders and Notice of Book Closure prior to its publication in newspapers (**Annexure C**)

Sincerely yours,
For Tariq Corporation Limited

KHALID MAHMOOD
COMPANY SECRETARY



Annexure A

Statement pertaining to Quantum of Issue, Issue Size, Issue Price, Purpose of the Issue, Utilization of Proceeds of the Issue, Benefits of the Issue to the Company and the shareholders, Risk Factors, Justification for Issue at Premium and Minimum Subscription Amount, under Rule 3 of the Companies (Further Issue of Shares) Regulations, 2020.

a) Quantum of the Right Issue (i.e. as a percentage of existing paid-up capital)

The quantum of the Right Issue is approximately 25% of the existing paid-up capital of the Company i.e. approximately 25 right shares for every 100 ordinary shares held by the shareholders of the Company immediately prior to the close of the share transfer books of the Company.

b) Right Issue Size

The Company shall issue 13,241,250 (Thirteen Million Two Hundred Forty-One Thousand Two Hundred Fifty only) ordinary shares, at a price of PKR 15/- (Pak Rupees Fifteen) per share, aggregating to PKR 198,618,750 /- (Pak Rupees One Hundred Ninety-Eight Million Six Hundred Eighteen Thousand Seven Hundred Fifty only).

c) Issue Price Per Share

PKR 15/- (Pak Rupees Fifteen) per share (i.e. inclusive of a premium of PKR 5/- (Pak Rupees Five) per share).

d) Purpose of the Right Issue

The purpose of the Right Issue is to meet increased working capital requirements of the Company in order to enhance the profitability of the Company and, consequently, returns to the shareholders.

e) Utilization of Proceeds of the Right Issue

The proceeds from the Right Issue will be primarily utilized for meeting working capital requirements.

f) Benefits to the Company and Shareholders

The Right Issue is expected to positively impact the profitability, thereby enhancing expected returns to the shareholders.

g) Risk Factors associated with the Right Issue, if any

The Right Issue of the Company is being carried out at a price which is less than the last six-months average share price in the market and hence there is no major investment risk associated with the Right Issue. The Directors of the Company have confirmed that they shall subscribe to (or arrange the subscription of) their respective right entitlements, while the balance portion of the Right Issue shall be fully underwritten as per requirements under applicable regulations. Normal risks associated with the business will remain; however, the Company is well placed in the market, which will help to mitigate such risk factors.



h) Justification for Issue at premium

The Right Issue is being carried out at a premium. Considering the current market price of the Company, the premium charged over the par value is justified and is also in line with the prevailing market practice.

i) Minimum Subscription Amount

Not Applicable

Company Secretary
January 26, 2024



Annexure B

Extracts of the Resolutions passed by the Board of Directors of the Company in its meeting held on January 26,2024 at the Registered Office of the Company at 28-C, Block E-1, Gulberg-III ,Lahore

A meeting of the Board of Directors of the Company was held on January 26,2024 at 2:30 p.m. at the Registered Office of the Company at 28-C, Block E-1, Gulberg-III, Lahore, Pakistan.

During the meeting, the Board of Directors of the Company discussed and approved the proposed issuance of further share capital by the Company by way of right issue. The Board of Directors of the Company stated that all requirements of the Companies Act, 2017 and the Companies (Further Issue of Shares) Regulations, 2020 have been considered by the Board of Directors of the Company and shall be duly complied by the Company.

Accordingly, the following resolutions were passed by the Board of Directors:

RESOLVED THAT the ordinary issued paid up share capital of the Company be increased from PKR 529,650,000 (Pak Rupees Five hundred twenty-nine million six hundred fifty thousand only) to PKR 542,891,250 (Pak Rupees Five Hundred Forty-two Million Eight Hundred Ninety-one thousand Two Hundred Fifty only) by issue of a further 13,241,250 (Thirteen Million Two Hundred Forty-One Thousand Two Hundred Fifty only) ordinary shares of the Company of PKR 10/- (Pak Rupees Ten) each, to be offered to the shareholders of the Company in proportion to the number of shares held by each shareholder (i.e. as right shares) immediately prior to the close of the share transfer books of the Company, in accordance with the provisions of Section 83 of the Companies Act, 2017 and all applicable laws, at a price of PKR 15 (Pak Rupees Fifteen) per share (i.e. inclusive of a premium of PKR 5 (Pak Rupees Five per share), in the ratio of approximately 25 right shares for every 100 ordinary shares of PKR 10/- (Pak Rupees Ten) each held immediately prior to the book closure date (i.e. approximately 25%), against payment to the Company of the price for the shares subscribed, which shares shall rank *pan passu* in all respects with the existing ordinary shares of the Company (the "**Right Issue**").

FURTHER RESOLVED THAT the following are the quantum, size, price and purpose of the Rights Issue, along with the utilization of proceeds, benefits of the same to the Company and its shareholders, the risk factors associated with the Rights Issue, and the justification for the issue of shares at a premium in accordance with Regulation 3(1)(iii) of the Companies (Further Issue of Shares) Regulations, 2020:

a) Quantum of the Right Issue (i.e. as a percentage of existing paid-up capital)

The quantum of the Right Issue is approximately 25% of the existing paid-up capital of the Company i.e. approximately 25 right shares for every 100 ordinary shares held by the shareholders of the Company immediately prior to the close of the share transfer books of the Company.



b) Right Issue Size

The Company shall issue 13,241,250 (Thirteen Million Two Hundred Forty-One Thousand Two Hundred Fifty only) ordinary shares, at a price of PKR 15/- (Pak Rupees Fifteen) per share, aggregating to PKR 198,618,750 /- (Pak Rupees One Hundred Ninety-Eight Million Six Hundred Eighteen Thousand Seven Hundred Fifty only).

c) Issue Price Per Share

PKR 15/- (Pak Rupees Fifteen) per share (i.e. inclusive of a premium of PKR 5/- (Pak Rupees Five) per share).

d) Purpose of the Right Issue

The purpose of the Right Issue is to meet increased working capital requirements of the Company in order to enhance the profitability of the Company and, consequently, returns to the shareholders.

e) Utilization of Proceeds of the Right Issue

The proceeds from the Right Issue will be primarily utilized for meeting working capital requirements.

f) Benefits to the Company and Shareholders

The Right Issue is expected to positively impact the profitability, thereby enhancing expected returns to the shareholders.

g) Risk Factors associated with the Right Issue, if any

The Right Issue of the Company is being carried out at a price which is less than the last six-months average share price in the market and hence there is no major investment risk associated with the Right Issue. The Directors of the Company have confirmed that they shall subscribe to (or arrange the subscription of) their respective right entitlements, while the balance portion of the Right Issue shall be fully underwritten as per requirements under applicable regulations. Normal risks associated with the business will remain; however, the Company is well placed in the market, which will help to mitigate such risk factors.

h) Justification for Issue at premium

The Right Issue is being carried out at a premium. Considering the current market price of the Company, the premium charged over the par value is justified and is also in line with the prevailing market practice.

i) Minimum Subscription Amount

Not Applicable



FURTHER RESOLVED THAT the letter of offer, as prescribed under Section 83(2) of the Companies Act, 2017 shall be issued / signed jointly by any two (2) directors of the Company in compliance with the applicable laws.

FURTHER RESOLVED THAT that, Mr. Ahmed Ali Tariq and Mr. Mustafa Ali Tariq, the Directors of the Company, be and are hereby authorized by all the directors of the Company, to sign the circular accompanying the letter of offer, once finalized in accordance with the procedure stipulated under the Regulations.

FURTHER RESOLVED THAT all fractional entitlements, if any, will be consolidated in the name of the Company Secretary (under trust), and unpaid letters of right in respect thereof shall be sold on the Pakistan Stock Exchange Limited, the net proceeds from which sale, once realized, shall be distributed / paid to the entitled shareholders in proportion to their respective entitlements as per the applicable Regulations.

FURTHER RESOLVED THAT any unsubscribed shares may be offered and allotted to such persons as the directors may deem fit in accordance with Section 83(1)(a)(iv) of the Companies Act, 2017, including the sponsors / substantial shareholders, directors or associated undertakings of the company or any third party, before calling upon the underwriters to subscribe to any unsubscribed shares.

FURTHER RESOLVED THAT the Chief Executive and / or the Company Secretary and / or the Chief Financial Officer, be and are hereby severally authorized to prepare finalize the draft offer document / letter and share it with the Securities and Exchange Commission of Pakistan ("**SECP**") and Pakistan Stock Exchange Limited ("**PSX**"), and revise the same based on the observations and changes of the SECP and PSX as may be deemed fit by them, in the manner prescribed under the Companies (Further Issue of Shares) Regulations, 2020, along with preparing and submitting other necessary documents in this respect. While the draft offer letter shall be placed on the PSX, public comments on the same shall not be required to be solicited.

FURTHER RESOLVED THAT the Chief Executive Officer, and/or the Chief Financial Officer, and/or the Company Secretary, be and each of them is hereby authorized, such that any one of them may do all or any of the following for and on behalf and in the name of the Company:

- (i) Appoint / negotiate with consultants / advisors / auditors and underwriter(s) to the Rights Issue, to finalize terms and conditions and sign underwriting agreements(s), other documents and settle / finalize fees, underwriting commission, take up commission and third-party expenses and / or any other expenses relating to the Rights Issue;
- (ii) To prepare the schedule for issue of right shares including date of payment, and to make any amendment in the said schedule, appointment of banker(s) to the issue, announce book closure dates, and to take all necessary actions, in respect of the Rights Issue and ancillary matters thereto, as required by the SECP, PSX, Central Depository Company of Pakistan Limited ("CDC") (including, but not limited to, induction of the offer for right shares in the Central Depository System of the CDC) or any other authority/body;
- (iii) To decide and announce the closure of the share transfer books of the Company, including the dates thereof, to determine entitlements of the shareholders of the Company with respect to the Right Issue;
- (iv) To open, maintain, operate and close bank accounts for the purpose of amounts received from subscription of rights shares;



- (v) To credit right shares once allotted by the Board and file returns / documents as required by SECP/ PSX / CDC along with the auditors' certificates; and
- (vi) To take all other necessary steps, and do all other acts, deeds and things, to prepare the offer letter, circular accompanying the offer letter as required under Section 83 (3) of the Companies Act, 2017, schedule for issue of right shares and any other documents and to make any amendment in the said documents and schedule and to take all necessary action as may be required in this regard including execution of any documents and agreements or any ancillary or incidental actions to give effect to the above resolutions.

Certified that the above mentioned is a true and valid extract from the meeting of the Board of Directors of Tariq Corporation Limited held on January 26,2024 at 28-C, Block E-1, Gulberg-III, Lahore

Company Secretary
January 26,2024



Annexure C

NOTICE TO SHAREHOLDERS AND NOTICE OF BOOK CLOSURE

Members are hereby notified that the Board of Directors of Tariq Corporation Limited (the "Company") in their meeting held on January 26, 2024 has decided to issue further capital by offering 13,241,250 (Thirteen Million Two Hundred Forty-One Thousand Two Hundred Fifty only) ordinary right shares of PKR 10/- (Pak Rupees Ten) each at a price of PKR 15/- (Pak Rupees Fifteen only) per share (i.e. inclusive of a premium of PKR 5 (Pak Rupee Five only), in the ratio of approximately 25 right shares for every 100 existing ordinary shares of PKR 10/- (Pak Rupees Ten only) each held (i.e. approximately 25%), against payment to the Company of the price of the shares subscribed, which shares shall rank pari passu in all respects with the existing ordinary shares of the Company.

Members of the Tariq Corporation Limited (the "Company") are hereby notified that the Share Transfer Books of the Company will be closed from **February 13, 2024, to February 20, 2024** (both days inclusive) to determine the entitlement of right shares. Transfers received in good order at the office of the Company's Share Registrar, CDC Share Registrar Services Limited by the close of business on **February 12, 2024** will be considered in time for the purpose of entitlement of right shares.

sd/-
Company Secretary
January 26, 2024