

BRR Guardian Limited
Notice of Extraordinary General meeting
Scheme of Compromises, Arrangement and Reconstruction by and between BRR Guardian Limited and BRR Financial Services (Private) Limited and the reconstitution/reconstruction of the share capital and reserves of both the Companies

In compliance with the Honorable Sindh High Court, Karachi order passed in JCM No. 34 of 2024 notice is hereby given that Extraordinary General Meeting (EOGM) of the shareholders of BRR Guardian Limited (**BRRG**/the Company) will be held on Tuesday December 31, 2024 at 11:30 AM at Ground Floor, BRR Tower, Hassan Ali Street, I. I. Chundrigar Road, Karachi to transact the following business:

SPECIAL BUSINESS:

Item 1:

To consider and if deemed fit to approve, adopt and agree to the Scheme of Compromises, Arrangement and Reconstruction by and between BRR Guardian Limited and BRR Financial Services (Private) Limited and the reconstitution/reconstruction of the share capital and reserves of both the Companies & its related matters in pursuant to the provisions of Section 279 to 283 of the Companies, Act, 2017 and other applicable provisions and to pass the following proposed resolutions as special resolutions by the shareholders of the Company with or without modification(s), addition(s) or deletion(s):

- 1) **RESOLVED THAT** the draft Scheme of Compromises, Arrangement and Reconstruction by and between BRR Guardian Limited and BRR Financial Services (Private) Limited for transfer of Designated Assets from BRR Financial Services (Private) Limited (as a transferor) to BRR Guardian Limited (as transferee) and reconstitution/ reconstruction of share capital and reserves of both Companies in terms of the provisions of Sections 279 to 283 and all other enabling provisions of the Companies Act, 2017 be and is hereby approved and adopted along with any modifications/amendment required or conditions imposed by the Honorable Sindh High Court, Karachi subject to the sanction by the Honorable Sindh High Court, Karachi in terms of the provisions of the Companies Act, 2017. .
- 2) **RESOLVED FURTHER THAT** Chief Executive or the Company Secretary of the **BRR Guardian Limited**, be and is hereby singly authorized to sign, submit or present necessary applications, petitions, supplementary applications/petitions, summons, deeds, documents, instruments, rejoinders, replies, and to swear affidavits or execute bonds for the above-mentioned amalgamation/ merger to the competent authorities including but not limited to Honorable Sindh High Court, Securities and Exchange Commission of Pakistan, Competition Commission of Pakistan, if required.”
- 3) **RESOLVED FURTHER THAT** approval of the shareholders be and is hereby accorded to implement the Scheme and accordingly application/petition shall be filed/file with the Securities and Exchange Commission of Pakistan, Honorable Sindh High Court, Pakistan Stock Exchange Limited and any other competent authority(ies).
- 4) **RESOLVED FURTHER THAT** the approval of the shareholders be and is hereby granted to the terms and conditions as set out in the draft Scheme including approvals and authorization given in Schedule-5 of the Scheme.

A copy of the Scheme of Arrangement and a Statement under Section 281(1)(a) /134 (3) of the Companies Act, 2017 (“Statement”) explaining its effect may be obtained from the office of the Company at 20th Floor, BRR Tower Hassan Ali Street Off: I.I. Chundrigar Road Karachi during normal office hours on the Application prior to the meeting by the Shareholders and other persons entitled to attend the meeting.

Mr. Ayaz Dawood has been appointed as Chairman of the Meeting by the Honorable Sindh High Court, Karachi vide its order dated December 5th, 2024 to supervise the EOGM and report the result to the Honorable Sindh High Court.

Place: Karachi
Dated: December 9, 2024

Tahir Mehmood
Company Secretary

Notes:

1. Share Transfer books of the Company will remain closed from December 25, 2024 to December 31, 2024 (both days inclusive). Transfer received in order at the office of the share registrar i.e. F.D. Registrar Services (Pvt.) Ltd, Suit 1705 -A, 17th Floor, Saima Trade Tower, I.I. Chundrigar Road, Karachi-74000 Email: info@fdregistrar.com (Tel No. +92 21 32271905-6 and +92 21 32213243) at the close of business on December 24, 2024 will be treated in time for the purpose of the EOGM.

2. ATTENDANCE OF MEETING

A member entitled to attend, speak and vote at the EOGM is entitled to appoint a proxy to attend, speak and vote instead of him/her. Proxies in order to be effective duly signed, filled and witnessed must be deposited at the Registered Office of the Company, along with the attested copies of valid Computerized National Identity Card (CNIC) or Passport, not less than 48 hours before the meeting.

3. CDC Account Holders will have to follow the guidelines as laid down in Circular No. 1 dated January 26, 2000 issued by the SECP for attending the meeting.
4. Attendance in the meeting shall be on production of original CNIC or passport.

The Company has made arrangements to ensure that all participants, including shareholders, can participate in the EOGM proceedings via video link. In order to attend the meeting through video link members are requested to share the below information for their appointment/registration and proxy verification by or before December 27, 2024 as per below format:

Full Name	Folio/CDC No.	Company Name	CNIC Number	Registered Email Address	Cell Number

Video link details and login credentials will be shared with those members whose registered emails containing all the particulars are received on or before December 27, 2024 to info@fdregistrar.com.

5. POST BALLOT/E-VOTING

The shareholders are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 (the “Regulations”), amended through Notification dated December 05, 2022, issued by the Securities and Exchange Commission of Pakistan (SECP), wherein, SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all businesses classified as Special Business.

Accordingly shareholders of the Company will be allowed to exercise their right to vote through electronic voting facility or voting by post for the special business in forthcoming EOGM to be held on Tuesday December 31, 2024 at 11:30 AM in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations.

Procedure for E- Voting:

- a) Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business on December 24,2024.
- b) The web address, login details, will be communicated to members via email. The security codes will be communicated to members through SMS from web portal of the e-voting service provider.
- c) Identity of the Members intending to cast vote through e-Voting shall be authenticated through electronic signature or authentication for login.
- d) E-Voting lines will start from December 27, 2024 at 09:00 a.m. and shall close on December 30, 2024 at 5:00 p.m. Members can cast their votes any time in this period. Once the vote on a resolution is cast by a Member, he / she shall not be allowed to change it subsequently.

Procedure for Voting Through Postal Ballot: (being sent with notice and is also available on website of the company i.e. www.firstdawood.com/brrgl)

- a) The members shall ensure that duly filled and signed ballot paper along with copy of Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post on the Company's registered address 20th Floor, BRR Tower Hassan Ali Street Off: I.I. Chundrigar Road Karachi 74000 or Email: at brrgl_corp@firstdawood.com before December 30, 2024 during working hours. The signature on the ballot paper shall match with the signature on CNIC.

Statement under Section 134(3) of the Companies Act, 2017 concerning the Special Business to be transacted at the Extraordinary General Meeting

The detailed statement under section 281(1)(a)/134(3) of the Companies Act, 2017:

The Board recommended the proposed resolution considering the benefits of the transfer the Designated Assets (specific portions) from BRR Financial Services (Private) Limited (as a transferor) to BRR Guardian Limited (as transferee) and to carry out further reconstitution/ reconstruction of the share capital and reserves of both the Companies as detailed in the scheme of arrangement.

Statement under Section 281 of the Companies Act, 2017 concerning the Special Business

STATEMENT UNDER SECTION 281(1)(A) OF THE COMPANIES ACT, 2017, ACCOMPANYING THE NOTICES TO THE MEMBERS AND SECURED CREDITORS OF BRR GUARDIAN LIMITED

<p style="text-align: center;">STATEMENT OF INFORMATION ACCOMPANYING NOTICE TO THE MEMBERS UNDER SECTION 281(1)(a) / 134(3) OF THE COMPANIES ACT, 2017</p>
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BACKGROUND

BRR Guardian Limited (BRRG) was incorporated in Pakistan on December 16, 2021, as a public limited company (un-listed) under the Companies Act, 2017. The company was listed on Pakistan Stock Exchange on August 04, 2023. The principal line of business of the company is the marketing and development of all types of real estate including developed or undeveloped land, housing or commercial projects including commercial markets or multi-storied building (for commercial or residential purposes), shopping centers, restaurants, hotels, recreational facilities etc. with the permission of concerned authorities and compliance with applicable laws and regulations. Earlier, BRR Guardian Limited (**BRRG**) was created from the merger of BRR Guardian Modaraba was merged with and into **BRRG** under the Scheme of Arrangement sanctioned by the honorable Sindh High Court, Karachi through its Order vide no. J. C. M. No. 06 of 2022 dated April 29, 2023. With this, all assets and liabilities of BRR Guardian Modaraba were transferred to **BRRG** against the issuance of shares of **BRRG** to the Modaraba Certificate-holders as per the sanctioned SWAP ratio.

BRR Financial Services (Private) Limited (BRRFSL) was incorporated in Pakistan on November 30, 2015, as a private limited company under the Companies Ordinance, 1984. The principal business activity of the Company is to render brokerage services in capital and money market and to render other consultancy services etc. Earlier, B.R.R. Guardian Modaraba was allowed to form a wholly owned subsidiary for the purpose of transfer of Trading Entitlement Certificate (TREC) and brokerage related assets to a new company as per the requirements of the Demutualization Act, 2012. Consequently, the Modaraba formed BRR Financial Services (Private) Limited wherein the TREC from Modaraba was allowed to be transferred to **BRRFSL** vide PSX vide letter dated June 25, 2019. Later, upon the approval of the merger of B.R.R. Guardian Modaraba with and into **BRRG** vide the sanctioned Scheme ordered by the Sindh High Court, Karachi through its Order vide no. J. C. M. No. 06 of 2022 dated April 29, 2023, **BRRFSL** became the wholly owned subsidiary of **BRRG**.

OBJECTIVE OF THE SCHEME

To transfer the Designated Assets (specific portions) from BRR Financial Services (Private) Limited (as a transferor) to BRR Guardian Limited (as transferee) and to carry out further reconstitution/reconstruction of the share capital and reserves of both the Companies.

EFFECT OF THE SCHEME

1. The Designated assets (and related liabilities, if any) of **BRRFSL** shall be transferred from **BRRFSL** to **BRRG**.
2. **BRRFSL** shall be converted into a public limited company.
3. The brokerage license of **BRRFSL** shall either be disposed of/ transferred (to any other company) or be surrendered.
4. The principal line of business of **BRRFSL** would be changed to invest in shares, bonds, stocks and other securities. Accordingly, a change of name shall be made to reflect the intended principal line of business.
5. The shares of **BRRFSL** owned by **BRRG** shall be distributed onwards to the shareholders of **BRRG**, which is a PSX-listed company. By virtue of this, the shares of **BRRFSL** shall also become listed on PSX under the Scheme.
6. As per the Distribution ratio, additional shares of **BRRG** shall be issued to the shareholders of **BRRG**, along with the issuance of additional shares of **BRRFSL** to the shareholders of **BRRG**.
7. As a consideration for the transfer of the Designated Assets, further additional shares of **BRRG** shall also be issued to **BRRFSL**.
8. Further additional shares of **BRRFSL** shall be issued to the **BRRG** as a part of transfer of designated assets and related consideration.

BENEFITS OF THE SCHEME

1. Shares of **BRRG** are trading well below its book value. The management of the Company (**BRRG**) is confident that the transfer of designated assets from **BRRFSL** will strengthen the financial health of **BRRG** and benefit its shareholders.
2. **BRRG** will achieve more operational synergies with the transfer and future handling of the long-term and short-term investments of **BRRFSL** to its books.
3. The shareholders of **BRRG** will get the shares of **BRRFSL** as well as further additional shares of **BRRFSL** and **BRRG** as per the Distribution Ratio.
4. Due to the distribution of **BRRFSL** shares to the public shareholders of **BRRG**, the Shares of **BRRFSL** shall become listed on PSX, thereby benefitting the shareholders of **BRRG** who will have the shares of two listed companies i.e. the shares of **BRRG** and shares of **BRRFSL**.
5. By becoming an independent listed entity, **BRRFSL** will have the opportunity to raise additional funds from its shareholders, if required, as well as the ease in raising finance from the banking sector.

BRIEF FINANCIAL ANALYSIS OF THE COMPANIES/ ENTITIES BEFORE AND AFTER THE SCHEME

		Before Scheme		After Scheme	
		BRRG	BRRFSL	BRRG	BRRFSL
Shares Outstanding	Nos.	95,008,489	5,500,000	142,512,733	20,240,000
Book Value	Rs./Share	37.28	48.37	26.60	11.75
Nominal/Par Value	Rs./Share	10.00	10.00	10.00	10.00
Authorized Share Capital	Nos.	140,010,000	16,500,000	150,000,000	30,000,000

Other Matters:

1. Interest of Directors:

The Directors are interested in the resolutions to the extent and their respective shareholdings in each of the companies as mentioned in the list of shareholders and as mentioned in the Scheme.

2. Effect on Secured Creditors

There is no secured or unsecured liability exist in BRRGL and **BRRFSL**.

3. Risk Factors

- a. The Scheme is not approved by the shareholders of any Company.
- b. The Scheme is not approved/sanctioned by SECP or the Honorable Karachi High Court, Karachi.
- c. Once the Scheme is approved by the Honorable Court, listing process may be delayed by PSX or price of the shares of **BRRG** and/or **BRRFSL** (after listing on PSX) may move adversely.

4. Mitigants to Risk Factors

- a. As mentioned in the Scheme, individual companies shall continue and operate till the Scheme is approved by the Honorable Sindh High Court, Karachi.
- b. Price of the share is dependent on the market forces that in turn dependent on general economic condition, interest rate, political stability, fiscal and monetary policies etc., which are beyond of any companies' control.
- c. Moreover, the intended Scheme is for the demerger of **BRRFSL** (Designated Assets) with and into **BRRG**. Management of the Company is in view that provisions of CCP is not applicable.

5. Possible Purchase of Share by any other Company not involved in the Scheme

NIL

6. Effect on any Funds for Employees

As mentioned in the Scheme, no transfer of employees from **BRRG** to **BRRFSL** or **BRRFSL** to **BRRG** under the Scheme..

7. Cost of the Scheme

BRR Guardian Limited shall bear all the expenses related to the Scheme.

8. Taxation Impact

No taxation impact under Section 97A of the Income Tax Ordinance, 2001.

9. Financial Highlights

BRR Guardian Limited

	Year ending on >>>	30-Jun-24	30-Jun-23	30-Jun-22
Non-Current Assets	Rs. 000	1,094,224	1,106,553	-
Current Assets	Rs. 000	3,033,454	2,648,033	70
Total Assets	Rs. 000	4,127,678	3,754,586	70
Non-Current Liabilities	Rs. 000	335,983	309,209	-
Current Liabilities	Rs. 000	249,608	393,807	27
Total Liabilities	Rs. 000	585,591	703,016	27
Shareholders' Equity	Rs. 000	3,542,087	3,051,570	43
Net Revenue	Rs. 000	324,163	280,677	-
Net Profit	Rs. 000	448,470	147,717	(57)
Shares Outstanding	Nos.	95,008,489	95,008,489	10,000
EPS	Rs./Share	4.72	1.55	(0.57)
Book Value	Rs./Share	37.28	32.12	4.26
Current Ratio	times	12.15	6.72	2.55
Debt-Equity Ratio	times	0.17	0.23	0.65

BRR Financial Services (Private) Limited

	Year ending on >>>	30-Jun-24	30-Jun-23	30-Jun-22	30-Jun-21
Non-Current Assets	Rs. 000	223,345	13,950	16,975	34,859
Current Assets	Rs. 000	42,787	23,107	26,288	33,008
Total Assets	Rs. 000	266,132	37,057	43,264	67,866
Non-Current Liabilities	Rs. 000	-	-	-	-
Current Liabilities	Rs. 000	123	195	210	551
Total Liabilities	Rs. 000	123	195	210	551
Shareholders' Equity	Rs. 000	266,009	36,861	43,054	67,316
Net Revenue	Rs. 000	21,052	(2,768)	(6,156)	7,596
Net Profit	Rs. 000	19,706	(3,167)	(24,262)	12,316
Shares Outstanding	Nos.	5,500,000	5,500,000	5,500,000	5,500,000
EPS	Rs./Share	3.58	(0.58)	(4.41)	2.24
Book Value	Rs./Share	48.37	6.70	7.83	12.24
Current Ratio	times	348.72	118.32	125.39	59.94
Debt-Equity Ratio	times	0.00	0.01	0.00	0.01

Ballot paper for voting to be held on Tuesday December 31, 2024 at 11:30 AM at Ground Floor, BRR Tower, Hassan Ali Street, I. I. Chundrigar Road Karachi.

Designated email address of the Chairman of the Meeting at which the duly filled in ballot paper may be sent brrgl_corp@firstdawood.com

Folio / CDS Account Number	
Name of shareholder/joint shareholders	
Name of Proxy Holder	
Registered Address	
Number of shares held	
CNIC/Passport Number (copy to be attached)	
Additional Information and enclosures (In case of representative of body corporate, corporation and Federal Government.)	
Name of Authorized Signatory	
CNIC/Passport Number (copy to be attached)	

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| 1. Please indicate your Vote by ticking (v) the relevant box. |
| 2. In case both the boxes are marked as (v), your ballot paper shall be treated as "Rejected". |

I/we hereby exercise my/our vote in respect of the following Special Resolution through postal ballot by conveying my/our assent or dissent to the following resolution by placing tick (v) mark in the appropriate box below:

Sr. No.	Description of Special Resolutions	No. of ordinary shares for which votes cast	I / We assent to the Resolutions (FOR)	I / We dissent to the Resolutions (AGAINST)
1	<p>1) RESOLVED THAT the draft Scheme of Compromises, Arrangement and Reconstruction by and between BRR Guardian Limited and BRR Financial Services (Private) Limited for transfer of Designated Assets from BRR Financial Services (Private) Limited (as a transferor) to BRR Guardian Limited (as transferee) and reconstitution/ reconstruction of share capital and reserves of both Companies in terms of the provisions of Sections 279 to 283 and all other enabling provisions of the Companies Act, 2017 be and is hereby approved and adopted along with any modifications/amendment required or conditions imposed by the Honorable Sindh High Court, Karachi subject to the sanction by the Honorable Sindh High Court, Karachi in terms of the provisions of the Companies Act, 2017.</p> <p>2) RESOLVED FURTHER THAT Chief Executive or the Company Secretary of the BRR Guardian Limited, be and is hereby singly authorized to sign, submit or present necessary applications, petitions, supplementary applications/petitions, summons, deeds, documents, instruments, rejoinders, replies, and to swear affidavits or execute bonds for the above-mentioned</p>			

	<p>amalgamation/ merger to the competent authorities including but not limited to Honorable Sindh High Court, Securities and Exchange Commission of Pakistan, Competition Commission of Pakistan, if required.”</p> <p>3) RESOLVED FURTHER THAT approval of the shareholders be and is hereby accorded to implement the Scheme and accordingly application/petition shall be filed/file with the Securities and Exchange Commission of Pakistan, Honorable Sindh High Court, Pakistan Stock Exchange Limited and any other competent authority(ies).</p> <p>4) RESOLVED FURTHER THAT the approval of the shareholders be and is hereby granted to the terms and conditions as set out in the draft Scheme including approvals and authorization given in Schedule-5 of the Scheme.</p>			
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Signature of shareholder(s)/ Proxy Holder/Authorized Signatory

Place: Date:

NOTES/PROCEDURE FOR SUBMISSION OF BALLOT PAPER:

1. Dully filled postal ballot should be sent to The Chairman of the Meeting. At BRR Guardian Limited, 20th Floor, BRR Tower Hassan Ali Street Off: I.I. Chundrigar Road Karachi, Pakistan. or email: brrgl_corp@firstdawood.com
2. Copy of CNIC/Passport (incase of foreigner) should been closed with the postal ballot form.
3. Postal ballot forms should reach chairman of the meeting on or **before December 30, 2024 during working hours**. Any postal ballot received after this date, will not be considered for voting.
4. Signature on postal ballot should match with signature on CNIC/Passport (in case of foreigner).
5. In complete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.
6. BallotPaperhasalsobeenplacedatthewebsiteoftheCompanywww.firstdawood.com/brrgl Members may download the ballot paper from the website or use original/photocopy published in newspapers.