

ADVICE FOR INVESTORS

INVESTMENT IN EQUITY SECURITIES AND EQUITY RELATED SECURITIES INVOLVES A CERTAIN DEGREE OF RISKS. THE INVESTORS ARE REQUIRED TO READ THE RIGHTS SHARE OFFER DOCUMENT (HEREIN REFERRED TO AS 'OFFER DOCUMENT') AND RISK FACTORS CAREFULLY, ASSESS THEIR OWN FINANCIAL CONDITIONS AND RISK-TAKING ABILITY BEFORE MAKING THEIR INVESTMENT DECISIONS IN THIS OFFERING.

RIGHT ENTITLEMENT LETTER IS TRADABLE ON PSX, RISKS AND REWARDS ARISING OUT OF IT SHALL BE SOLE LIABILITY OF THE INVESTORS.

THIS DOCUMENT IS ISSUED FOR THE PURPOSE OF PROVIDING INFORMATION TO SHAREHOLDERS OF THE COMPANY AND TO THE PUBLIC IN GENERAL IN RELATION TO THE RIGHTS ISSUE OF PKR 198,618,750/- CONSISTING OF (13,241,250) NEW ORDINARY SHARES OF PKR 15/- EACH BY TARIQ CORPORATION LIMITED. A COPY OF THIS DOCUMENT HAS BEEN REGISTERED WITH THE SECURITIES EXCHANGE. THIS OFFER DOCUMENT IS VALID TILL MAY 20, 2024



Tariq Corporation Limited

Right Shares – Offer Document

Registered Office: 28-C, Block E-1, Gulberg-III, Lahore Pakistan, **Contact Details:** UAN: 111-111-476, **Email:** info@tariqcorp.com, **Website:** www.tariqcorp.com, **Contact Person:** Khalid Mahmood – Company Secretary, **Date of Incorporation:** 26 February 1966, **Company Registration No.:** 0002202, **Share Registrar:** CDC Share Registrar Services Limited, **Address:** Head Office – CDC House, 99-B, Block B, S.M.C.H.S, Main Shahrah e Faisal, Karachi – 74400, **Tel:** (92-21) 0800-23275. **Fax:** (92-21) 34326053 **Email:** info@cdcsrsl.com, **website:** www.cdcsrsl.com

Circular under Section 83(3) of the Companies Act, 2017 and Schedule 1 under the Companies (Further Issue of Shares) Regulations, 2020 for issue of 13,241,250 (Thirteen Million Two Hundred Forty-One Thousand Two Hundred Fifty only) ordinary shares by way of Rights (i.e. 25% of the existing paid-up capital of Tariq Corporation Limited) at an offer price of PKR 15/- per share (i.e. including a premium of PKR 5/- per share) for an aggregate issue size of PKR 198,618,750/- (Pak Rupees One hundred ninety-eight million six hundred eighteen thousand seven hundred fifty only) at a ratio of 25 rights shares for every 100 shares held.

Date of placing offer document on PSX for Public Comments	N/A
Date of Final Offer Letter	February 10, 2024
Date of Book Closure	From February 13, 2024 to February 20, 2024
Dates for Payment of Subscription Amounts	From February 23, 2024 to March 22, 2024
Trading Dates for Letter of Rights	From February 23, 2024 to March 06, 2024
Website address to download Offer Document	www.tariqcorp.com

Details of Relevant Contact Person:

	Name of person	Designation	Contact Number	Office Address	Email ID
Authorized Officer of the Issuer	Khalid Mahmood	Company Secretary	0305-4442010	28-C, Block E-1, Gulberg-III, Lahore, Pakistan	corporate@tariqcorp.com

Underwriters:

Underwriter	Name of person	Designation	Contact Number	Office Address	Email ID
Next Capital Limited	Mrs. Humaira Asad	Director Investment Banking and Advisory	+92 21 111639825	2nd Floor Imperial Court Building, Dr. Ziauddin Ahmed Road, Karachi	humaira@nextcapital.com.pk
Growth Securities (Pvt) Limited	Kamran	Compliance Officer	+92 21 32463002	Room No.82, 2 nd Floor, Main Stock Exchange Building, Karachi	info@growthsecurities.com.pk

Bankers to the Issue:

Bankers	Name of person	Designation	Contact Number	Office Address	Email ID
Askari Bank Limited-Islamic Banking Services	Sofia Rafique	Branch Manager/VP-II	042 – 35871055	12-A, Block-K, Main Boulevard, Gulberg-III, Lahore	safia.19260@askaribank.com.pk

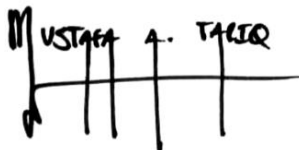
1. ISSUER UNDERTAKING:

UNDERTAKING BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

WE, MUSTAFA ALI TARIQ, THE CHIEF EXECUTIVE OFFICER AND WASIM SALEEM, THE CHIEF FINANCIAL OFFICER OF TARIQ CORPORATION LIMITED CERTIFY THAT;

- (i) THE OFFER DOCUMENT CONTAINS ALL INFORMATION WITH REGARD TO THE ISSUER AND THE ISSUE, WHICH IS MATERIAL IN THE CONTEXT OF THE ISSUE AND NOTHING HAS BEEN CONCEALED IN THIS RESPECT;
- (ii) THE INFORMATION CONTAINED IN THE OFFER DOCUMENT IS TRUE AND CORRECT TO THE BEST OF OUR KNOWLEDGE AND BELIEF;
- (iii) THE OPINIONS AND INTENTIONS EXPRESSED THEREIN ARE HONESTLY HELD;
- (iv) THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKES THE OFFER DOCUMENT AS A WHOLE OR ANY PART THEREOF MISLEADING; AND
- (v) ALL REQUIREMENTS OF THE COMPANIES ACT, 2017, THE COMPANIES (FURTHER ISSUE OF SHARES) REGULATIONS, 2020, THE CENTRAL DEPOSITORY COMPANY AND THAT OF PSX PERTAINING TO THE RIGHT ISSUE HAVE BEEN FULFILLED.

FOR AND ON BEHALF OF TARIQ CORPORATION LIMITED



MUSTAFA ALI TARIQ
Chief Executive Officer



WASIM SALEEM
Chief Financial Officer

2. DISCLAIMER:

In line with the Companies Act, 2017 and Companies (Further Issue of Shares) Regulations, 2020, this document does not require approval of the Securities Exchange and the Securities and Exchange Commission of Pakistan (SECP).

The Securities Exchange and the SECP disclaim:

- a) Any liability whatsoever for any loss however arising from or in reliance upon this document to anyone, arising from any reason, including, but not limited to, inaccuracies, incompleteness and/or mistakes, for decisions and/or actions taken, based on this document.
- b) Any responsibility for the financial soundness of the Company and any of its schemes/projects stated herein or for the correctness of any of the statements made or opinions expressed with regards to them by the Company in this Offer document.
- c) Any responsibility with respect to the quality of the issue.

It is clarified that information in this Offer document should not be construed as advice on any particular matter by the SECP and the Securities Exchange and must not be treated as a substitute for specific advice.

GLOSSARY OF TERMS & DEFINITIONS

ASU	Air Separation Unit
BoD	Board of Directors
Company or Issuer	Tariq Corporation Limited
Companies Act	Companies Act, 2017
CDC	Central Depository Company of Pakistan Limited
CDS	Central Depository System
PKR or Rs	Pakistani Rupees
PSX or Securities Exchange	Pakistan Stock Exchange Limited
SECP or Commission	Securities & Exchange Commission of Pakistan

DEFINITIONS

Banker to the Issue	Any bank with whom an account is opened and maintained by the Issuer for keeping the issue amount. Askari Bank Limited has been appointed as Bankers to the Right Issue.
Book Closure Dates	The Book Closure shall commence from February 13, 2024 to February 20, 2024 (both days inclusive).
Issue	Issue of 13,241,250 right shares representing 25% of the total paid-up capital of the Company.
Issue Price	The price at which right shares of the Company are offered to the existing shareholders.
Market Price	The latest available closing price of the share.
Net Worth	Total assets minus total liabilities.
Ordinary Shares	Ordinary shares of Tariq Corporation Limited having face value of PKR 10/- each.
Regulations	The Companies (Further Issue of Shares) Regulations, 2020 https://www.secp.gov.pk/document/the-companies-further-issue-of-capital-regulations-2020-amended-till-september-16-2022/?wpdmdl=45863&refresh=646da0f53433c1684906229
Right Issue	Shares offered by a company to its members strictly in proportion to the shares already held in respective kinds and classes.
Sponsor	A person who has contributed initial capital in the issuing company or has the right to appoint majority of the directors on the board of the issuing company directly or indirectly; A person who replaces the person referred to above; and A person or group of persons who has control of the issuing company whether directly or indirectly.

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1. SALIENT FEATURES OF THE RIGHT ISSUE

1.1 Brief Terms of the Right Issue:

a)	Description of Issue	Issuance of new ordinary shares by way of rights to existing shareholders of the Company, at PKR 15/- (Pak Rupees Fifteen only) per share.
b)	Size of the Proposed Issue	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 only) per share, aggregating to PKR 198,618,750/- (Pak Rupees One hundred ninety-eight million six hundred eighteen thousand seven hundred fifty only).
c)	Face value of the share	PKR 10/- each
d)	Basis of determination of price of the Right Issue	The Right Issue is being carried out at a premium. Considering the last six-month average price of the Company, the premium charged over the par value is justified and is also in line with the prevailing market practice.
e)	Proportion of new issue to existing issued shares with condition, if any	25 right shares for every 100 ordinary shares held by existing shareholders.
f)	Date of meeting of the BoD wherein the Right Issue was approved	26 th January 2024
g)	Names of directors attending the BoD meeting	<ol style="list-style-type: none"> 1. Sadia Ali Tariq 2. Ahmed Ali Tariq 3. Mustafa Ali Tariq 4. Maryam Habib 5. M. Imran Khan 6. Saif Hassan 7. Ghazanfar Ali
h)	Brief purpose of utilization of Right Issue proceeds	The proceeds from the Right Issue will be primarily utilized for meeting working capital requirements of the Company.
i)	Purpose of the Right Issue – Details of the main objects for raising funds through present Right Issue	The purpose of the Right Issue is to meet increased working capital requirements of the Company and consequently returns to the shareholders.
j)	Minimum Level of Subscription (MLS)	Not Applicable
k)	“Application Supported by Blocked amount” (ASBA) facility, if any, will be provided for subscription of right shares	Not Applicable

1.2 Principal Purpose of the Issue and funding arrangements:

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. Below is the break-up of utilization of the Right Issue proceeds:

Purpose of the Issue	Proceeds Utilization (PKR)	% of Right Issue Proceeds
Working capital	PKR 198,618,750	100%

I. Activities that are classified as working capital.

The major activity will include working capital requirements including but not limited to purchase of inventory and raw materials, payment of input costs and settlement of other liabilities in the ordinary course of business.

II. Basis of estimation of working capital requirement, along with relevant assumptions.

The basis of estimation of the Company's working capital requirements is based on historical and projected data in relation to meet working capital requirements due to extraordinary economic circumstances which has resulted in exorbitant increase in input costs as compared to last year.

III. Reasons for raising additional working capital, substantiating the same with relevant facts and figures.

The Company does not have internal cashflows to fund its incremental working capital requirements and given the current economic climate and the exorbitant interest rates prevailing in the country, raising additional debt to fund these expenses is not a viable or sustainable option. As a result, the Company is looking to raise additional equity to fund its working capital requirements.

Head	Amount in PKR	% of Right Issue
Working capital	198,618,750	100%

IV. Total envisaged working capital requirement in a tabular form

The working capital requirements to be fulfilled from the funds generated from the Right Issue (to the extent applicable).

Head	Amount in PKR	% of Right Issue
Working capital	198,618,750	100%

V. Cash Conversion Cycle in Number of days for last three years (days inventory outstanding + days sales outstanding - days payables outstanding)

Cash Conversion Cycle	2023	2022	2021
Days	22	69	61

This pertains to the cash conversion cycle in normal course of business activities in respect

of which working capital is required (from the Right Issue proceeds).

1.3 Financial Effects Arising from Right Issue:

As at 30 September 2023	Measurement Unit	Pre Issue	Post Issue	Increase in Percentage
Authorized Share Capital	Shares	53,000,000	70,000,000	32.07%
Paid-up Capital	Shares	52,965,000	66,206,250	25.00%
Net Asset / Breakup value per share	PKR	68.90	55.12	(20.00%)
Gearing Ratio	Percentage	27.71%	26.28%	(1.43%)
Production Capacity	M. Tons	8500	8500	Nil
Market Share in production	Percentage	0.88%	0.88%	Nil

1.4 Total expenses to the issue:

Underwriting Commission	1.00%
Underwriter Take- up Commission	1.50%
Bankers Commission	0.075% to 0.1%
PSX Fee (0.2% of increase in paid-up capital)	Upto PKR 264,825
SECP Supervisory Fee (10% of fees paid to PSX)	Upto PKR 26,483
CDC Fee – Fresh Issue Fee	0.144% of the new share capital
CDC – Annual Fees for Eligible Security (Listing Fee)	Upto PKR 100,000
Auditor Fee for Auditor Certificates	Upto PKR 250,000

1.5 Details of Underwriters:

Name of the Underwriter	Amount Underwritten (PKR)	Associated Company/ Associated undertaking of the Issuer (YES /NO)
Next Capital Limited	46,360,155	No
Growth Securities (Pvt) Limited	1,000,005	No

1.6 Commitments from Substantial Shareholders/Directors:

Name of the Person	Status (Substantial Shareholder /Director)	Number of Shares Committed to be Subscribed*	Amount Committed to be Subscribed (PKR)*	Shareholding % pre-issuance	Shareholding %-post issuance**
Sadia Ali Tariq	Chairperson	1,719	25,781	0.01	0.01
Mustafa Ali Tariq	CEO	4,442,055	66,630,825	33.55	33.55
Ahmed Ali Tariq	Director	4,132,191	61,982,869	31.21	31.21
Maryam Habib	Director	125,104	1,876,556	0.94	0.94
M. Imran Khan	Director	257	3,8590	0.002	0.002
Saif Hasan	Director	184	2,756	0.001	0.001
Ghazanfar Ali	Director	181	2,708	0.001	0.001
Danish Elahi	Substantial Shareholder	1,382,216	20,733,233	10.44	10.44

1.7 Fractional Right Shares:

The Board of Directors of the Company have resolved in their meeting held on January 26, 2024 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.

1.8 Important Dates:

Tariq Corporation Limited			
Tentative Schedule for Issuance of Letter of Rights			
Book Closure: 13th February 2024 to 20th February 2024 (both days inclusive)			
S. No.	Procedure	Day	Date
1	Date of credit of unpaid Rights into CDC in Book Entry Form	Wednesday	February 21, 2024
2	Dispatch of Letter of Right (LOR) to physical shareholders	Thursday	February 22, 2024
3	Intimation to Stock Exchange (s) for dispatch of physical Letter of Rights and CDC	Thursday	February 22, 2024
4	Commencement of trading of unpaid Rights on the PSX	Friday	February 23, 2024
5	Last date for splitting and deposit of Requests into CDS	Wednesday	March 06, 2024
6	Last date of trading of Rights Letter	Friday	March 15, 2024
7	Last date for acceptance and payment of shares in CDC and physical form - Last payment date	Friday	March 22, 2024
8	Allotment of shares and credit of book entry of shares into CDC	Thursday	April 11, 2024
8	Date of dispatch of physical shares certificates	Monday	April 22, 2024

2. SUBSCRIPTION AMOUNT PAYMENT PROCEDURE:

- (i) Payment as indicated above should be made by cash or crossed cheque or demand draft or payorder made out to the credit of "Tariq Corporation Limited-Right Shares Subscription Account" through any of the authorized branches of above-mentioned bank(s) on or before March 22, 2024 along with this Right Subscription Request duly filled in and signed by the subscriber(s).
- (ii) Right Subscription Request can be downloaded from the Company website www.tariqcorp.com
- (iii) In case of Non-Resident Pakistani / Foreign shareholder, the demand draft of the equivalent amount in Pak Rupees should be sent to the Company Secretary, Khalid Mahmood at the registered office of the issuer along with Right Subscription Request (both copies) duly filed and signed by the subscriber(s) with certified copy of NICOP / Passport well before the last date of payment.
- (iv) All cheques and drafts must be drawn on a bank situated in the same city where the Right Subscription Request is deposited. Cheque is subject to realization.
- (v) The Banker(s) to the Issue will not accept Right Subscription Requests delivered by post which may reach after the closure of business on March 22, 2024 unless evidence is available that these have been posted before the last date of payment.

- (vi) Payment of the amount indicated above to the Issuer's Banker(s) to the Issue on or before March 22, 2024 shall be treated as acceptance of the Right offer.
- (vii) After payment has been received by the Banker to the Issue, the Right Securities will be credited into respective CDS Accounts within 14 business days from the last payment date. Paid Right Subscription Request will not be traded or transferred.

3. PROFILE OF BOARD OF DIRECTORS OF THE COMPANY

Board of Directors		
Name	Position	Date of Appointment
Sadia Ali Tariq	Chairperson	April 01,2023
Mustafa Ali Tariq	Chief Executive Officer	April 01,2023
Ahmed Ali Tariq	Executive Director	April 01,2023
Maryam Habib	Non-Executive Director	April 01,2023
Muhammad Imran Khan	Independent Director	April 01,2023
Saif Hasan	Independent Director	April 01,2023
Ghazanfar Ali	Non-Executive Director	April 01,2023

3.1 PROFILE OF THE BOARD OF DIRECTORS OF THE COMPANY

SADIA ALI TARIQ **CHAIRPERSON**

Sadia Ali Tariq is also a Director of Tariq Welfare Foundation, a Company Registered under Section 42 with the Securities and Exchange Commission of Pakistan (SECP). She has completed her Directors Training Program from the Lahore University of Management Sciences.

AHMED ALI TARIQ **EXECUTIVE DIRECTOR**

Ahmed Ali Tariq, the Executive Director of Tariq Corp, holds a Bachelor of Science (Honors) degree from the Lahore University of Management Sciences and is a certified director accredited by the Institute of Cost and Management Accountants of Pakistan (ICMAP). Since joining the company in 2009, his executive leadership has been pivotal in its growth and success. Additionally, he contributes to the industry as a member of the Executive Committee of The Pakistan Sugar Mills Association in Punjab and has previously served on the Sugarcane Research and Development Board. He also serves on the Board of Ravi Urban Development Authority (RUDA). Beyond his professional endeavors, Ahmed is committed to community service. Under his guidance, Tariq Corp has increased its involvement in social welfare and development. Tariq Welfare Foundation, where he serves as Patron, notably supports accessible education and healthcare, offering substantial scholarships for quality services to thousands of children and patients annually.

OTHER ENGAGEMENTS:

DIRECTORSHIP: HUSEIN POWER COMPANY (PVT) LTD
TARIQ CAPITAL (PVT) LTD
BLUE STAR ENTERPRISES (PVT) LTD
TARIQ WELFARE FOUNDATION

**MUSTAFA ALI TARIQ
CHIEF EXECUTIVE OFFICER**

Mustafa Ali Tariq is the Chief Executive Officer of the company. He completed his higher education at the University of California, Los Angeles and was awarded with a Bachelor of Arts degree in Economics. He has also been certified by the Lahore University of Management Sciences for successfully completing their course on Enhancing Board Effectiveness. He is a member of the HR&R Committee of the Board.

He is also a trustee of his family's non-profit social welfare organization. The family's education trust, which operates Mian Mohammad Ali Tariq College and Mian Nazir Husein School, has provided financial aid and scholarships to thousands of children since its inception. The family's healthcare trust operates a non-profit hospital that provides low-cost and free health care services.

OTHER ENGAGEMENTS:

CEO: TARIQ WELFARE FOUNDATION
DIRECTORSHIP: HUSEIN POWER COMPANY (PVT) LTD
TARIQ CAPITAL (PVT) LTD

**MARYAM HABIB
EXECUTIVE DIRECTOR**

Maryam Habib was elected as a director on the board of Tariq Corporation Limited in 2017. Mrs. Maryam Habib pursued her higher education at Kinnaird College Lahore. She is currently serving as the Executive Director of the company. In her short time at the company, she has been instrumental in initiating and implementing various programs of the company.

OTHER ENGAGEMENTS:

CEO: TARIQ CAPITAL (PVT) LTD
DIRECTORSHIP: TARIQ WELFARE FOUNDATION

**MUHAMMAD IMRAN KHAN
INDEPENDENT DIRECTOR**

Muhammad Imran Khan joined the Board on 31 May 2018. He is currently serving as independent director on Tariq Corporation's Board of Directors, and as the Member of the Board's Audit Committee. Mr. Khan's contributions to the company are of the utmost importance. Mr. Khan serves as CEO/Founder of Sule International and brings in several years of experience in commodities trading domestic and internationally. He was Co-Founder of Amber Road Trading Co New York with focus on trading between South East

Asia, North America and England. Mr. Khan also serves on the board of Admaxim a global digital advertising technology company. Mr. Khan holds a bachelor's degree from Government College (Lahore, Pakistan) and has completed a business management and marketing certification from the University of California Los Angeles.

SAIF HASAN **INDEPENDENT DIRECTOR**

Saif Hasan is an experienced executive in the global textile and fashion industry with a background in technology operations and management. He is also serving as a Director of Intermoda Brands Pvt. Ltd and is an executive at Matrix Sourcing, Triple Tree Solutions, and Lulusar. Previously, Mr. Hasan has worked in Silicon Valley. He completed his higher education at The George Washington University in Washington DC. He has also completed executive courses at the London School of Economics and the Lahore University of Management Sciences. Mr. Hasan joined the Board of Directors of Tariq Corporation on the December 18, 2019.

GHAZANFAR ALI **INDEPENDENT DIRECTOR**

Ghazanfar Ali has been appointed as Non-Executive Director of Tariq Corporation Ltd on November 01, 2023. Mr. Ghazanfar Ali completed his Bachelor of Commerce (B. Com) from the University of the Punjab in 1990. He has vast experience of banking and finance in various managerial posts. He is also member of audit committee constituted by Board of Directors of Tariq Corporation Limited.

4. FINANCIAL DETAILS OF THE ISSUER:

4.1 Financial highlights of Issuer for last three years:

(PKR in Thousands)	Audited Account Year 2023	Audited Account Year 2022	Audited Account Year 2021
Name of the Statutory Auditors	Kreston Hyder Bhimji & Co.	Kreston Hyder Bhimji & Co	Kreston Hyder Bhimji & Co.
Gross Revenue	9,054,422	7,236,951	7,102,627
Gross Profit	973,174	480,153	477,267
Profit before Interest & Tax	1,088,605	322,997	383,430
Profit / (loss) after Tax	341,049	(198,856)	23,657
Net Profit / (loss)	341,049	(198,856)	23,657
Accumulated Profit /(loss)	198,679	(189,684)	(50,192)
Total Assets	6,930,690	7,608,546	7,135,473
Total Liabilities	3,281,548	4,910,185	4,137,972
Net Equity	3,649,142	2,698,361	2,997,500
Break-up value Per Share (PKR)	68.90	50.95	77.82
Earnings / (loss) per share - PKR	6.44	(3.80)	0.58
Dividend Announced	NIL	NIL	NIL
Bonus Issue	NIL	NIL	NIL

4.2 Financial highlights for the preceding year of consolidated financial statements:

Not Applicable

4.3 Detail of issue of capital in previous five years:

Right Shares Issued	2023	2022	2021	2020	2019
Percentage	-	-	37.50%	-	40.1316%
Number of Shares	-	-	14,445,000	-	10,032,900
Amount Raised	-	-	211,758,197	-	100,329,000
Un-subscribed portion	-	-	41,029,303	-	4,598,950
Un-subscribed portion allotted by BoD	-	-	41,029,303	-	4,598,950
Unsubscribed portion taken up by the Underwriters	-	-	Nil	-	Nil
Proceed utilization break up	-	-	Fully Utilized	-	Fully Utilized

Bonus Shares Issued	2023	2022	2021	2020	2019
Percentage	-	-	-	7%	-
Number of Shares				2,520,000	
Amount Raised				25,200,000	

4.4 Average market price of the share of the Issuer during the last six months:

PKR 16.13/- per share

4.5 Share Capital and related matters

a) Pattern of Shareholding of the Issuer in both relative and absolute terms.

Directors, CEO, their Spouse(s) & Minor Children:		
Ahmed Ali Tariq	16,528,765	31.21%
Mustafa Ali Tariq	17,768,220	33.55%
Sadia Ali Tariq	6,875	0.01%
Maryam Habib	500,415	0.94%
Muhammad Imran Khan	1,029	0.002%
Saif Hasan	735	0.001%
Ghazanfar Ali	722	0.001%
Executives	1,513	0.003%
Banks, Development Financial Institutions, Non-Banking Financial Institutions	1,305	0.003%
Modarabas and Mutual Funds	14,437	0.03%
General Public -Local	17,425,661	32.90%
General Public -Foreign	272,099	0.51%
Others	443,224	0.84%
Total	52,965,000	100%

b) **Number of shares held by the Directors, Sponsors & Substantial Shareholders of the Issuer (both existing and post Right Issue).**

S. No.	Directors/Sponsors/Substantial Shareholder	No. of Existing Shares	No. of Shares after Right Shares
1	Ahmed Ali Tariq	16,528,765	20,6610,956
2	Mustafa Ali Tariq	17,768,220	22,210,275
3	Sadia Ali Tariq	6,875	8,594
4	Maryam Habib	500,415	625,519
5	Muhammad Imran Khan	1,029	1,286
6	Saif Hasan	735	919
7	Ghazanfar Ali	722	903
8	Danish Elahi	5,528,862	6,911,078

c) **Details and shareholding of the holding company, if any.**

Not Applicable

5. RISK FACTORS

5.1 RISK ASSOCIATED WITH THE RIGHTS ISSUE

There is a risk that the Right Issue may get under subscribed due to lack of interest from shareholders of the Company. The Right Issue is being carried out at a price which is less than the current share price in the market and hence there is no major investment risk associated with the Right Issue. The substantial shareholders and 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 will be underwritten in accordance with the applicable laws.

5.2 RISK ASSOCIATED WITH THE ISSUER

1. Internal Risk Factors

Operational Risk

Operational risk summarizes the uncertainties and hazards a business face when it attempts to conduct its day-to-day business activities specifically in relation to plant operation. It can result from breakdowns in internal procedures, people and systems. A high turnover ratio of skilled staff, disruption in the Company's supply chain or inappropriate planning could be a major determinant to operational risk for the Company.

Financial Risk

Financial risk involves potential uncertainties and adverse events related to financial assets and liabilities. It is imperative that this is diligently managed to secure financial stability and stakeholder interests.

The Company maintains a limited overall risk exposure concerning its financial assets and liabilities. It firmly believes that there is no significant concentration of credit risk to which it is exposed. Any potential exposure to credit risk is proactively managed through the prudent application of credit limits to its customers.

Credit Risk

Credit risk represents the risk of financial loss that would be recognized at the reporting date if counter parties fail to perform as contracted. The Company's credit risk is primarily attributable to its receivables and its balances at bank. The credit risk on liquid funds is limited because the counter parties are banks with reasonably high credit ratings. Deposits are provided to suppliers or counterparties as per agreement and are refundable upon termination of agreement with them.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Risk of Non-compliance with Regulations of SECP and PSX

In the event of non-compliance with any regulatory requirements of SECP or PSX, the Company may be placed on the Defaulter Segment of PSX which may potentially hamper trading in the Company's shares leading to potential suspension in trading of its shares as well as delisting. The Company has instituted a strong governance and legal framework to ensure compliance not only with applicable laws and regulations.

2. External Risk Factors Business Risk

Business Risk

Business risk refers to the chance that the Company might report profits that fall below expectations or incur losses, and this can occur due to various factors, including:

- Reduction in demand due to overall macro-economic slowdown.
- Increase in input costs of sugarcane (Raw material)
- Increase in utility costs.

The Company is focused on mitigating these risks with its diversified portfolio, strong presence in healthcare, and a strong customer centric approach.

Interest Rate Risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest / mark-up rates. Sensitivity to interest / mark-up rate risk arises from mismatches of financial assets and liabilities that mature or re-price in a given period.

Foreign Exchange Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency risk arises from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. The Company is not exposed to foreign currency risk arising from currency exposures.

Risk in the Global Economic and Financial Markets

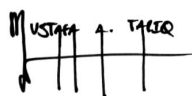
Ongoing geopolitical disruptions have led to elevated commodity prices, impacting major economies worldwide, including the USA, UK, and European nations, with rising inflationary pressures. Some prominent global financial institutions are detecting indications of potential recessions in major countries, introducing volatility in international financial markets. This turbulence may have adverse repercussions on the Pakistani economy and financial markets, potentially influencing the overall macroeconomic situation in the country. Additionally, it may limit the government's capacity to secure fresh debt from global markets, with potential consequences for the PKR/USD exchange rate.

Regulatory Risk

Regulatory risk pertains to the possibility of future changes in government policies and regulations which could potentially impact the various business segments the Company operates in. Modifications in the regulatory landscape, such as the introduction of stricter tariffs on imported materials, have the potential to notably impact the industry's overall performance.

CONFIRMATION STATEMENT

We, the undersigned of Tariq Corporation Limited certify and hereby solemnly affirm and state that whatever is stated above and in the corresponding annexures with respect to the risk factors associated with the proposed Rights Issue is true and correct to the best of our knowledge and belief, and nothing has been concealed thereto.



Mustafa Ali Tariq
CEO



Ahmed Ali Tariq
Director

6. LEGAL PROCEEDINGS:

6.1 Outstanding legal proceedings of the Company

There are no outstanding legal proceedings other than in the normal course of business involving the Issuer, its Sponsors, Substantial Shareholders, Directors and Associated Companies, that could have a material impact on the Company.

6.2 Action taken by the Securities Exchange against the issuer or associated listed companies of the Issuer during the last three years due to noncompliance of the Regulations

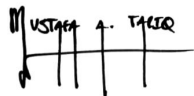
None

6.3 Any outstanding legal proceeding other than the normal course of business involving the Issuer, its sponsors, substantial shareholders, directors and associated companies, over which the issuer has control, that could have material impact on the issue

None

7. SIGNATORIES TO THE OFFER DOCUMENT

List of the signatories to the offer document and their signatures in original duly dated and witnessed.



Mustafa Ali Tariq
CEO



Ahmed Ali Tariq
Director