FFBL
Fauji Fertilizer Bin Qasim Limited

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the shareholders of Fauji Fertilizer Bin Qasim Limited will be held at 1100 hrs on March 30, 2020 at Imperial Hall, Jacaranda Family Club, Sector E, Phase-II, DHA, Islamabad to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of Extraordinary General Meeting held on 23 Aug 2019.

2. To receive, consider and approve the Audited Accounts of the Company (separate and consolidated) together with the Directors' and Auditors' reports thereon for the year ended 31 December 2019.

3. To appoint auditors of the Company to hold office from the conclusion of the Annual General Meeting until the conclusion of the next Annual General Meeting, and to fix their remuneration. The retiring auditors M/s EY Ford Rhodes, Chartered Accountants have offered themselves for re-appointment

SPECIAL BUSINESS

4. To pass the following resolutions as Special Resolutions with or without any amendments, modifications or alterations:

   "RESOLVED THAT the Company be and is hereby authorized to convert, as and when the Company deems fit, the subordinated shareholder loan of PKR 2.63 Billion which has been disbursed by the Company to its associated company Fauji Foods Limited ("**FFL**"), out of the total investment of PKR 3 Billion which was approved by the shareholders of the Company in the Annual General Meeting held on 29 March 2019, together with mark-up of PKR 118,863,713/- that has accrued on such principal amount, as at December 31, 2019, into fully paid-up ordinary shares (of Rs.10 per share, i.e., at par value) of FFL of the corresponding value, to be issued by FFL to the Company (the "**Debt to Equity Conversion**").

   FURTHER RESOLVED THAT the Company be and is hereby authorized to make all such amendments to the Sponsor Support Agreement dated 12 April 2019 between the Company and FFL (the "**Existing Sponsor Support Agreement**") as are necessary to allow for the Debt to Equity Conversion and the Company is further authorised to execute, deliver and perform the amendment to the Existing Sponsor Support Agreement.

   FURTHER RESOLVED THAT the Company be and is hereby authorized to invest, provide and continue sponsor support in and to FFL the total amount not exceeding in the aggregate PKR 4,500,000,000/- (Rupees Four Billion and Five Hundred Million Only) through either, or a combination of, a subordinated shareholder loan (not exceeding the amount of PKR 2.5 Billion) or collateral support for a period not exceeding one (1) year (including, without limitation, by way of providing or arranging corporate guarantee, bank guarantee, standby letter of credit or cash deposit under lien) as security for working capital facilities extended or to be extended by financial institutions to FFL, or in any other form. Without limiting the generality of the foregoing, the Company be and is hereby authorised to:

i. Provide a subordinated shareholder loan to FFL, not exceeding the amount of PKR 2.5 Billion, to be disbursed in one or more tranches over a period of one (1) year, with each such tranche to be repaid by FFL, subject to the terms of subordination and to approval of FFL's lenders as required, within a period of one (1) year from the date of disbursement of the respective tranche, with the option to prepay all or part of such tranche at any time without any pre-payment penalty.

ii. Charge interest or mark-up on each such tranche of the subordinated shareholder loan from the date of disbursement to the date of repayment at a rate which shall be equal to the higher of (a) the borrowing cost of the Company and (b) 3 Months KIBOR plus a spread of 150 bps in each case, such mark-up to be charged on quarterly basis.

iii. Convert, as and when the Company deems fit, the subordinated shareholder loan together with all interest or mark-up that has accrued thereon into fully paid-up ordinary shares (of Rs.10 per share, i.e., at par value) of FFL of the corresponding value, to be issued by FFL to the Company.

iv. Provide collateral support including, without limitation, by way of providing or arranging corporate guarantee, bank guarantee, standby letter of credit or cash deposit under lien.

v. Charge and recover from FFL a fee (the "**Collateral Fee**") on quarterly basis, equal to a maximum of 1.5% per annum, for the period from the date on which such cash deposit is made, or any guarantee or letter of credit is furnished, until the date when the lien over the relevant deposit, or the relevant guarantee or letter of credit, is released, provided that if and to the extent that such deposit is forfeited as a result of enforcement of the lien, or the relevant guarantee or letter of credit is drawn on, then from that date onwards until the Company recovers from FFL the full principal amount of the cash deposit so forfeited, or of the guarantee or letter of credit so drawn on, and without prejudice to the Company's right to recover from FFL the said principal amount, the Collateral Fee shall be equal to the higher of (a) the borrowing cost of the Company and (b) 3 Months KIBOR plus a spread of 150 bps in each case, such mark-up to be charged on quarterly basis.

FURTHER RESOLVED THAT the Company be and is hereby authorised to do all such acts, deeds and things as may be necessary and/or expedient for the aforesaid purposes or in furtherance thereof including, without limitation, to enter into and deliver and implement any and all contracts, instruments, powers of attorney, notices, certificates, documents (of whatever nature and description including, without limitation the sponsor support agreement to be entered between the Company and FFL, any and all amendments to the Existing Sponsor Support Agreement and any counter-indemnity agreements (collectively, "**Related Contracts**")) with the relevant financial institution(s), and with FFL, as may be necessary or expedient for the purpose.

FURTHER RESOLVED THAT any two of the Managing Director, Company Secretory and Chief Financial Officer be and are hereby jointly authorised to take any and all necessary steps and actions for implementing the above resolutions, including, without limitation, to seek any and all consents and approvals, to execute and (where required) file the Relevant Contracts and all other necessary documents, declarations, certificates and undertakings and to appear and make representations before any regulatory or other authority, as may be necessary or conducive for and in connection with any of the foregoing matters and to sign, issue and dispatch all such documents and notices and do such acts as may be necessary for carrying out the aforesaid purposes and giving full effect to the above resolutions, including entering the details of any investments made by the Company in FFL in the register of investment in associated companies maintained at the Company's registered office; provided that if the Company seal is affixed unto any such document or instrument, the same shall be executed on behalf of the Company by the Managing Director.

FURTHER RESOLVED THAT the Managing Director, Company Secretary and Chief Financial Officer of the Company be and are hereby authorized to delegate, in writing, by power of attorney or otherwise, all or any of the above powers in respect of the foregoing to any other officials of the Company as deemed appropriate.

5. To pass the following resolutions as Special Resolutions with or without any amendments, modifications or alterations:

"RESOLVED THAT the Company be and is hereby authorized to invest and provide sponsor support in and to Fauji Meat Limited ("**FML**") the total amount not exceeding in the aggregate PKR 3,000,000,000/- (Rupees Three Billion Only) through either, or a combination of, a subordinated shareholder loan or collateral support for a period not exceeding one (1) year (including, without limitation, by way of providing or arranging corporate guarantee, bank guarantee, standby letter of credit or cash deposit under lien) as security for working capital facilities extended or to be extended by financial institutions to FML, or in any other form. Without limiting the generality of the foregoing, the Company be and is hereby authorised to:

i. Provide a subordinated shareholder loan to FML, to be disbursed in one or more tranches over a period of one (1) year, with each such tranche to be repaid by FML, subject to the terms of subordination and to approval of FML's lenders as required, within a period of one (1) year from the date of disbursement of the respective tranche, with the option to prepay all or part of such tranche at any time without any pre-payment penalty.

ii. Charge interest or mark-up on each such tranche of the subordinated shareholder loan from the date of disbursement to the date of repayment at a rate which shall be equal to the higher of (a) the borrowing cost of the Company and (b) 3 Months KIBOR plus a spread of 150 bps in each case, such mark-up to be charged on quarterly basis.

iii. Convert, as and when the Company deems fit, the subordinated shareholder loan together with all interest or mark-up that has accrued thereon into fully paid-up ordinary shares (of Rs.10 per share, i.e., at par value) of FML of the corresponding value, to be issued by FML to the Company.

iv. Provide collateral support including, without limitation, by way of providing or arranging corporate guarantee, bank guarantee, standby letter of credit or cash deposit under lien.

v. Charge and recover from FML a fee (the "**Collateral Fee**") on quarterly basis, equal to a maximum of 1.5% per annum, for the period from the date on which such cash deposit is made, or any guarantee or letter of credit is furnished, until the date when the lien over the relevant deposit, or the relevant guarantee or letter of credit, is released, provided that if and to the extent that such deposit is forfeited as a result of enforcement of the lien, or the relevant guarantee or letter of credit is drawn on, then from that date onwards until the Company recovers from FML the full principal amount of the cash deposit so forfeited, or of the guarantee or letter of credit so drawn on, and without prejudice to the Company's right to recover from FML the said principal amount, the Collateral Fee shall be equal to the higher of (a) the borrowing cost of the Company and (b) 3 Months KIBOR plus a spread of 150 bps in each case, such mark-up to be charged on quarterly basis.

FURTHER RESOLVED THAT the Company be and is hereby authorised to do all such acts, deeds and things as may be necessary and/or expedient for the aforesaid purposes or in furtherance thereof including, without limitation, to enter into and deliver and implement any and all contracts, instruments, powers of attorney, notices, certificates, documents (of whatever nature and description including, without limitation the sponsor support agreement to be entered between the Company and FML, any and all amendments to the Existing Sponsor Support Agreement and any counter-indemnity agreements (collectively, "**Related Contracts**")) with the relevant financial institution(s), and with FML, as may be necessary or expedient for the purpose.

FURTHER RESOLVED THAT any two of the Managing Director, Company Secretory and Chief Financial Officer be and are hereby jointly authorised to take any and all necessary steps and actions for implementing the above resolutions, including, without limitation, to seek any and all consents and approvals, to execute and (where required) file the Relevant Contracts and all other necessary documents, declarations, certificates and undertakings and to appear and make representations before any regulatory or other authority, as may be necessary or conducive for and in connection with any of the foregoing matters and to sign, issue and dispatch all such documents and notices and do such acts as may be necessary for carrying out the aforesaid purposes and giving full effect to the above resolutions, including entering the details of any investments made by the Company in FML in the register of investment in associated companies maintained at the Company's registered office; provided that if the Company seal is affixed unto any such document or instrument, the same shall be executed on behalf of the Company by the Managing Director.

FURTHER RESOLVED THAT the Managing Director, Company Secretary and Chief Financial Officer of the Company be and are hereby authorized to delegate, in writing, by power of attorney or otherwise, all or any of the above powers in respect of the foregoing to any other officials of the Company as deemed appropriate.

6. To pass the following resolutions as Special Resolutions with or without any amendments, modifications or alterations:

"RESOLVED THAT the Company be and is hereby authorized to pay the amount of PKR 7,714,000 (Rupees Seven Million, Seven Hundred and Fourteen Thousand) to Fauji Foundation, which amount represents the Company's share of the total commission payable and paid on the Standby Letter of Credit dated 2 January 2019 amounting to PKR 1.9 Billion, issued by JS Bank to the lenders of Foundation Wind Energy I Limited and Foundation Wind Energy II Limited.

FURTHER RESOLVED THAT the Company be and is hereby authorised to do all such acts, deeds and things as may be necessary and/or expedient for the aforesaid purposes or in furtherance thereof including, without limitation, to enter into and deliver and implement any and all contracts, instruments, powers of attorney, notices, certificates, documents (of whatever nature and description), as may be necessary or expedient for the purpose.

FURTHER RESOLVED THAT any two of the Managing Director, Company Secretory and Chief Financial Officer be and are hereby jointly authorised to take any and all necessary steps and actions for implementing the above resolution, including, without limitation, to seek any and all consents and approvals, to execute all necessary documents, declarations, certificates and undertakings and to appear and make representations before any regulatory or other authority, as may be necessary or conducive for and in connection with any of the foregoing matters and to sign, issue and dispatch all such documents and notices and do such acts as may be necessary for carrying out the aforesaid purposes and giving full effect to the above resolutions, including entering the details of any investments made by the Company in its associated companies in the register of investment in associated companies maintained at the Company's registered office; provided that if the Company seal is affixed unto any such document or instrument, the same shall be executed on behalf of the Company by the Managing Director.

FURTHER RESOLVED THAT the Managing Director, Company Secretary and Chief Financial Officer of the Company be and are hereby authorized to delegate, in writing, by power of attorney or otherwise, all or any of the above powers in respect of the foregoing to any other officials of the Company as deemed appropriate.

OTHER BUSINESS:

To transact any other business with the permission of the Chair.

By Order of the Board
Fauji Fertilizer Bin Qasim Limited

Islamabad
March 04, 2020

Brig Aamir Hussain Mirza (Retd)
Company Secretary

Statement of Material Facts under Section 134 of the Companies Act, 2017

Conversion of Company's debt of PKR 2.63 Billion into equity

In the Annual General Meeting of the Company held on 29 March 2019, the shareholders of the Company approved a total investment of PKR 3 Billion in FFL to provide sponsor support through either, or a combination of, a subordinated shareholder loan or collateral support. The parties also entered into a Sponsor Support Agreement dated 12 April 2019 to give effect to the approval granted by the shareholders.

Subsequently, out of the total approved investment of PKR 3 Billion, the Company granted a subordinated loan of PKR 2.63 Billion to FFL. Keeping in view the limited financial resources of FFL, the management of the Company has decided to retain its investment of PKR 2.63 Billion in FFL and the Company intends to do so by converting its investment of

PKR 2.63 Billion together with mark-up of PKR 118,863,713/- that has accrued on such principal amount, as at December 31, 2019, into shares of the corresponding value of FFL. The original terms of the investment, approved by the shareholders, did not expressly authorise the Company to convert the subordinated shareholder loan in to equity, and hence the Company requires shareholder approval in accordance with Section 199(4) of the Companies Act, 2017 to change the terms of the original investment.

It is expected that the proposed conversion of the principal amount of PKR 2.63 Billion together with mark-up of PKR 118,863,713/- will help improve the financial condition of FFL. Being the majority shareholder of FFL, the improvement in the financial condition of FFL will have a positive impact on the Company.

The Directors of the Company have no interest other than that Fauji Foundation and the Company are, respectively, an associated undertaking and a holding company, of FFL.

Information pursuant to Regulation 3(a) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017

<table>
<tr><td>Name of associated company along with criteria based on which the associated relationship is established</td><td>Fauji Foods Limited (FFL)

Fauji Fertilizer Bin Qasim Limited (the “Company”) holds 50.59% of the issued and paid-up capital of FFL</td></tr>
<tr><td>Earnings per share for the last three years</td><td><table><tr><th>Year</th><th>EPS</th></tr><tr><td>2019</td><td>-10.96</td></tr><tr><td>2018</td><td>-5.39</td></tr><tr><td>2017</td><td>-9.22</td></tr></table></td></tr>
<tr><td>Break-up value per share, based on latest audited financial statements</td><td>PKR -6.96/- Per Share</td></tr>
<tr><td>Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements</td><td>Long term Loans Rs 4,316,666,667
Property Plant & Equipment Rs 8,106,036,190
Short term borrowings Rs 6,691,944,126
Sales Rs 5,744,872,328
Cost of Sales Rs 6,423,699,048
Loss Rs 5,788,937,474</td></tr>
<tr><td>In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely,
i) Description of the project and its history since conceptualization
ii) Starting date and expected date of completion of work
iii) Time by which such project shall become commercially operational

iv) expected time by which the project shall start paying return on investment
v) Funds invested or to be invested</td><td>Not Applicable.</td></tr>
</table>

by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts	
General Disclosures:	
Maximum amount of investment to be made	The Company intends to change the terms of investment approved by the shareholders of the Company in the Annual General Meeting held on 29 March 2019 so as to allow the Company to convert its subordinated shareholder loan of PKR 2.63 Billion plus mark-up of PKR 118,863,713/- into shares of the corresponding value of FFL.
Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	The purpose of the proposed amendment to the terms of the investment is to allow the Company to retain its investment of PKR 2.63 Billion in FFL by amending the terms of the original investment approved by the shareholders of FFBL so that the Company has the right to convert its investment of PKR 2.63 Billion together with mark-up of PKR 118,863,713/- into shares of the corresponding value of FFL. It is expected that the proposed conversion of debt into equity will help improve the financial condition of FFL. Being the majority shareholder of FFL, the improvement in the financial condition of FFL will have a positive impact on the Company.
Sources of funds to be utilized for investment where the investment is intended to be made using borrowed funds, (i) Justification for investment through borrowings; (ii) Detail of collateral, guarantees provided and assets pledged for obtaining such funds; and (iii)Cost benefit analysis	This is not a new investment but revision in terms of the original investment so as to allow conversion into equity of debt disbursed to the associated company under the terms of the original investment.
Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment	The Company and FFL entered into a Sponsor Support Agreement dated 12 April 2019, which allows the Company to invest in, and provide sponsor support to, FFL in the total amount not exceeding PKR 3,000,000,000/- (Rupees Three Billion Only) through either, or a combination of, a subordinated shareholder loan or collateral support. The Agreement allowed the Company to provide a subordinated shareholder loan to FFL, to be disbursed in one or more tranches over a period of one (1) year, with each such tranche to be repaid by FFL, subject to the terms of subordination and to approval of FFL's lenders as required, within a period of one (1) year from the date of

	disbursement of the respective tranche, with the option to prepay all or part of such tranche at any time without any pre-payment penalty. The Sponsor Support Agreement further allows the Company to charge interest or mark-up on each such tranche of the subordinated shareholder loan from the date of disbursement to the date of repayment at a rate which shall be equal to the higher of (a) the borrowing cost of the Company and (b) 3 Months KIBOR plus a spread of 150 bps in each case. Mark-up to be charged on quarterly basis. The Company, subject to approval of its shareholders, now seeks to amend the terms of investment together with the Sponsor Support Agreement so that it enables the Company to convert the outstanding debt together with all mark-up that has accrued thereon into shares of the corresponding value of FFL.
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	Nothing other than as a shareholder
In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information / justification for any impairment or write offs	The Company has determined recoverable amount of FFL, based on value-in-use calculation, which was lower than the carrying amount of investment in the Company's financial statement, accordingly an impairment of Rs 420 million has been recognized in the financial statements, due to challenging trading and economic conditions affecting food sector in Pakistan.
Any other important details necessary for the members to understand the transaction	No.

Information pursuant to Regulation 3(b) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017

In case of equity investment, following disclosures in addition to those provided under clause (a) of sub-regulation (1) of regulation 3 shall be made:-	
(i) Maximum price at which securities will be acquired;	Shares will be issued to FFBL at par value, i.e., PKR 10/- per share.
(ii) In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted	Not Applicable

	securities, justification thereof	
(iv)	Maximum number of securities to be acquired.	274,886,371 Shares
(v)	Number of securities and percentage thereof held before and after the proposed investment;	Before Inv. 267,314,886 50.59% After Inv. 542,201,257 67.50%
(vi)	Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities.	23-31 Dec 19 Avg 14.26 Oct-Dec 19 Avg 13.25
(vii)	Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities	Not applicable.

<u>Investment of PKR 4.5 Billion in Fauji Foods Limited (FFL)</u>

The purpose of the proposed investment is to meet the working capital and operational expenses requirements of FFL, whose financial position does not allow it to meet such requirements out of its own, limited cash resources.

To this end, the Company intends to provide and continue sponsor support to FFL in the total amount not exceeding PKR 4,500,000,000/- (Rupees Four Billion and Five Hundred Million Only) through either, or a combination of, a subordinated shareholder loan (not exceeding the amount of PKR 2.5 Billion) or collateral support for a period not exceeding one (1) year (including, without limitation, by way of providing or arranging corporate guarantee, bank guarantee, standby letter of credit or cash deposit under lien) as security for working capital facilities extended or to be extended by financial institutions to FFL, or in any other form. Without limiting the generality of the foregoing, the Company intends to:

(i) Provide a subordinated shareholder loan to FFL, in an amount not exceeding PKR 2.5 Billion, to be disbursed in one or more tranches over a period of one (1) year, with each such tranche to be repaid by FFL, subject to the terms of subordination and to approval of FFL's lenders as required, within a period of one (1) year from the date of disbursement of the respective tranche, with the option to prepay all or part of such tranche at any time without any pre-payment penalty.

(ii) Charge interest or mark-up on each such tranche of the subordinated shareholder loan from the date of disbursement to the date of repayment at a rate which shall be equal to the higher of (a) the borrowing cost of the Company and (b) 3 Months KIBOR plus a spread of 150 bps in each case, such mark-up to be charged on quarterly basis.

(iii) Convert the subordinated shareholder loan together with all interest or mark-up that has accrued thereon, as and when the Company deems fit, into fully paid-up ordinary shares (of PKR 10 per share, i.e., at par value) of FFL of the corresponding value, to be issued by FFL to the Company.

(iv) Provide collateral support including, without limitation, by way of providing or arranging corporate guarantee, bank guarantee, standby letter of credit or cash deposit under lien.

(v) Charge and recover from FFL a fee (the "**Collateral Fee**") on quarterly basis, equal to a maximum of 1.5% per annum, for the period from the date on which such cash deposit is made, or any guarantee or letter of credit is furnished, until the date when the lien over the relevant deposit, or the relevant guarantee or letter of credit, is released, provided that if and to the extent that such deposit is forfeited as a result of enforcement of the lien, or the relevant guarantee or letter of credit is drawn on, then from that date onwards until the Company recovers from FFL the full principal amount of the cash deposit so forfeited, or of the guarantee or letter of credit so drawn on, and without prejudice to the Company's right to recover from FFL the said principal amount, the Collateral Fee shall be equal to the higher of (a) the borrowing cost of the Company and (b) 3 Months KIBOR plus a spread of 150 bps in each case, such mark-up to be charged on quarterly basis.

It is expected that the investment will result in improvement in the financial condition of FFL. Being the majority shareholder of FFL, the improvement in the financial condition of FFL will have a positive impact on the Company.

The Directors of the Company have no interest other than that Fauji Foundation and the Company are, respectively, an associated undertaking and a holding company, of FFL.

Information pursuant to Regulation 3(a) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017

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<tr><td>In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely,
i) Description of the project and its history since conceptualization
ii) Starting date and expected date of completion of work
iii) Time by which such project shall become commercially operational
iv) Expected time by which the project shall start paying return on investment
v) Funds invested or to be invested by</td><td>Not Applicable.</td></tr>
</table>

the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts	
General Disclosures:	
Maximum amount of investment to be made	Maximum amount of investment is PKR 4.5 Billion
Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	The purpose of the proposed investment is to meet the working capital and operational expenses requirements of FFL, whose financial position does not allow it to meet such requirements out of its own, limited cash resources. It is expected that the investment will result in improvement in the financial condition of FFL. Being the majority shareholder of FFL, the improvement in the financial condition of FFL will have a positive impact on the Company.
Sources of funds to be utilized for investment where the investment is intended to be made using borrowed funds, (i) justification for investment through borrowings; (ii) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and (iii)cost benefit analysis	Companies' own resources/Internal Cash Generations
Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment	The Company and FFL will enter into a sponsor support and counter-indemnity, or subordinated shareholder loan agreement, which shall specify the nature, purpose and period (not exceeding one (1) year) of the subordinated loan or sponsor support to be furnished by the Company to FFL; the amount and due dates for repayment of the loan; the terms of subordination of the loan (which will be subordinated to FFL's indebtedness to secured lenders); a commitment and indemnity by FFL to the Company to repay the loan (subject to the terms of subordination) on the due dates; as well as the terms on which the Company will provide collateral support to FFL. FFBL will also have the option to convert the subordinated debt into shares of the corresponding value of FFL. The key commercial terms that will be covered in the agreement will be as follows:

	The Company will invest in, and provide sponsor support to, FFL in the total amount not exceeding PKR 4,500,000,000/- (Rupees Four Billion and Five Hundred Million Only) through either, or a combination of, a subordinated shareholder loan (not exceeding the amount of PKR 2.5 Billion) or collateral support for a period not exceeding one (1) year (including, without limitation, by way of providing or arranging corporate guarantee, bank guarantee, standby letter of credit or cash deposit under lien) as security for working capital facilities extended or to be extended by financial institutions to FFL, or in any other form. Without limiting the generality of the foregoing, the Company will: (i) Provide a subordinated shareholder loan, in an amount not exceeding PKR 2.5 Billion, to FFL, to be disbursed in one or more tranches over a period of one (1) year, with each such tranche to be repaid by FFL, subject to the terms of subordination and to approval of FFL's lenders as required, within a period of one (1) year from the date of disbursement of the respective tranche, with the option to prepay all or part of such tranche at any time without any pre-payment penalty. (ii) Charge interest or mark up on each such tranche of the subordinated shareholder loan from the date of disbursement to the date of repayment at a rate which shall be equal to the higher of (a) the borrowing cost of the Company and (b) 3 Months KIBOR plus a spread of 150 bps in each case. Markup to be charged on quarterly basis. (iii) Convert, as and when the Company deems fit, the subordinated shareholder loan together with all interest or mark-up that has accrued thereon into fully paid-up ordinary shares (of PKR 10 per share, i.e., at par value) of FFL of the corresponding value, to be issued by FFL to the Company. (iv) Provide collateral support including, without limitation, by way of providing or arranging corporate guarantee, bank guarantee, standby letter of credit or cash deposit under lien. (v) Charge and recover from FFL a fee (the "**Collateral Fee**") on quarterly basis, equal to a maximum of 1.5% per annum, for the

	period from the date on which such cash deposit is made, or any guarantee or letter of credit is furnished, until the date when the lien over the relevant deposit, or the relevant guarantee or letter of credit, is released, provided that if and to the extent that such deposit is forfeited as a result of enforcement of the lien, or the relevant guarantee or letter of credit is drawn on, then from that date onwards until the Company recovers from FFL the full principal amount of the cash deposit so forfeited, or of the guarantee or letter of credit so drawn on, and without prejudice to the Company's right to recover from FFL the said principal amount, the Collateral Fee shall be equal to the higher of (a) the borrowing cost of the Company and (b) 3 Months KIBOR plus a spread of 150 bps in each case, such mark-up to be charged on quarterly basis.
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	Nothing other than as a shareholder
In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information / justification for any impairment or write offs	The Company has determined recoverable amount of FFL, based on value-in-use calculation, which was lower than the carrying amount of investment in the Company's financial statement, accordingly an impairment of Rs 420 million has been recognized in the financial statements, due to challenging trading and economic conditions affecting food sector in Pakistan.
Any other important details necessary for the members to understand the transaction	The terms of subordination will be finalized with the lenders, which may affect the interest rate to be charged by FFBL to FFL and the repayment of the loan. However, it is expected that the rate of mark-up charged will not be less than the borrowing cost of FFBL. Repayment of both the principal and mark-up payable by FFL will be subordinated to principal/mark-up/interest and other payments due to FFL's secured lenders under the terms of FFL's senior debt. The subordinated shareholder loan shall constitute unsecured indebtedness of FFL, ranking in payment and upon liquidation subordinate to FFL's secured debt obligations but senior to any dividend or other distributions. FFBL and FFL will have to comply with the terms of subordination and other conditions prescribed by FFL's and FFBL's

	secured lenders as a condition of allowing FFL to avail of the subordinated shareholder loan.

<u>Information pursuant to Regulation 3(c) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017</u>

Information Required	Information Provided
Category wise amount of investment	The Company will grant a subordinated shareholder loan and / or other sponsor support not exceeding PKR 4.5 Billion to FFL. Out of the total proposed investment of PKR 4.5 Billion, the amount of subordinated shareholder loan shall not exceed PKR 2.5 Billion.
Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for *Shariah* compliant products and rate of return for unfunded facilities, as the case may be, for the relevant period	3 Months KIBOR+150 Basis Points.
Rate of interest, mark up, profit, fees or commission etc. to be charged	Interest will be charged on each tranche of the subordinated loan at a rate which shall be equal to the higher of (a) the borrowing cost of the Company and (b) 3 Months KIBOR plus a spread of 150 bps in each case, such mark-up to be charged on quarterly basis. In respect of collateral and other sponsor support, FFBL will charge and recover from FFL the Collateral Fee, equal to a maximum of 1.5% per annum, for the period from the date on which such cash deposit is made, or any guarantee or letter of credit is furnished, until the date when the lien over the relevant deposit, or the relevant guarantee or letter of credit, is released, provided that if and to the extent that such deposit is forfeited as a result of enforcement of the lien, or the relevant guarantee or letter of credit is drawn on, then from that date onwards until the Company recovers from FFL the full principal amount of the cash deposit so forfeited, or of the guarantee or letter of credit so drawn on, and without prejudice to the Company's right to recover from FFL the said principal amount, the Collateral Fee shall be equal to the higher of (a) the borrowing cost of the Company and (b) 3 Months KIBOR plus a spread of 150 bps in each case, such mark-up to be charged on quarterly basis.
Particulars of collateral security to be obtained against loan to the borrowing	No security over assets of FFL will be obtained but the agreement will include a commitment

company or undertaking, if any	and indemnity by FFL to the Company to pay the loan along with any interest that has accrued at the times and in the amount mentioned therein, subject to the terms of subordination. Further, in respect of collateral or other sponsor support provided by FFBL to FFL the Company will charge and recover from FFL the Collateral Fee in the manner set out above.
If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable	The investment will allow FFBL to convert the subordinated shareholder loan together with all interest or mark-up that has accrued thereon, as and when the Company deems fit, in to fully paid-up ordinary shares of FFL of the corresponding value. The shares will be issued at par value of PKR 10 per share.
Repayment schedule and terms of loans or advances to be given to the investee company	Repayment of each tranche of the subordinated loan, subject to the terms of subordination and approval of FFL's lenders as required, shall be within a period of one (1) year from the date of disbursement of the respective tranche, with the option to prepay all or part of such tranche at any time without repayment penalty. Likewise, any collateral or other sponsor support provided by the Company shall be for a period of one (1) year only.

Information pursuant to Regulation 4 of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017

The following sponsors and directors of the Company are also members of FFL:

- Fauji Foundation
- Lt Gen Syed Tariq Nadeem Gilani (Retd)
- Lt Gen Javed Iqbal (Retd)
- Lt Gen Tariq Khan (Retd)
- Mr Rehan Laiq
- Dr. Nadeem Inayat
- Syed Iqtidar Saeed

Declaration pursuant to Section 199(2) of the Companies Act, 2017 and the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017

The Directors certify to the members of the Company that they have carried out necessary due diligence for the proposed investment and changes in the terms of existing investment before recommending the same for members' approval.

The duly signed recommendations of the due diligence report together with the latest audited financial statements of FFL shall be made available to the members for inspection in the Annual General Meeting.

Statement of Material Facts under Section 134 of the Companies Act, 2017

Investment of PKR 3 Billion in Fauji Meat Limited (FML)

The purpose of the proposed investment is to meet the working capital and operational expenses requirements of FML, whose financial position does not allow it to meet such requirements out of its own, limited cash resources.

To this end, the Company intends to provide sponsor support to FML in the total amount not exceeding PKR 3,000,000,000/- (Rupees Three Billion Only) through either, or a combination of, a subordinated shareholder loan or collateral support for a period not exceeding one (1) year (including, without limitation, by way of providing or arranging corporate guarantee, bank guarantee, standby letter of credit or cash deposit under lien) as security for working capital facilities extended or to be extended by financial institutions to FML, or in any other form. Without limiting the generality of the foregoing, the Company intends to:

(i) Provide a subordinated shareholder loan to FML, to be disbursed in one or more tranches over a period of one (1) year, with each such tranche to be repaid by FML, subject to the terms of subordination and to approval of FML's lenders as required, within a period of one (1) year from the date of disbursement of the respective tranche, with the option to prepay all or part of such tranche at any time without any pre-payment penalty.

(ii) Charge interest or mark-up on each such tranche of the subordinated shareholder loan from the date of disbursement to the date of repayment at a rate which shall be equal to the higher of (a) the borrowing cost of the Company and (b) 3 Months KIBOR plus a spread of 150 bps in each case, such mark-up to be charged on quarterly basis.

(iii) Convert the subordinated shareholder loan together with all interest or mark-up that has accrued thereon, as and when the Company deems fit, into fully paid-up ordinary shares (of PKR 10 per share, i.e., at par value) of FML of the corresponding value, to be issued by FML to the Company.

(iv) Provide collateral support including, without limitation, by way of providing or arranging corporate guarantee, bank guarantee, standby letter of credit or cash deposit under lien.

(v) Charge and recover from FML a fee (the "**Collateral Fee**") on quarterly basis, equal to a maximum of 1.5% per annum, for the period from the date on which such cash deposit is made, or any guarantee or letter of credit is furnished, until the date when the lien over the relevant deposit, or the relevant guarantee or letter of credit, is released, provided that if and to the extent that such deposit is forfeited as a result of enforcement of the lien, or the relevant guarantee or letter of credit is drawn on, then from that date onwards until the Company recovers from FML the full principal amount of the cash deposit so forfeited, or of the guarantee or letter of credit so drawn on, and without prejudice to the Company's right to recover from FML the said principal amount, the Collateral Fee shall be equal to the higher of (a) the borrowing cost of the Company and (b) 3 Months KIBOR plus a spread of 150 bps in each case, such mark-up to be charged on quarterly basis.

It is expected that the investment will result in improvement in the financial condition of FML. Being the majority shareholder of FML, the improvement in the financial condition of FML will have a positive impact on the Company.

The Directors of the Company have no interest other than that Fauji Foundation and the Company are, respectively, an associated undertaking and a holding company, of FML.

Information pursuant to Regulation 3(a) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017

Name of associated company along with criteria based on which the	Fauji Meat Limited (FML)

<table>
<tr><td>associated relationship is established</td><td>Fauji Fertilizer Bin Qasim Limited (the “Company or FFBL”) holds 90.18% of the issued and paid-up capital of FML.</td></tr>
<tr><td>Earnings per share for the last three years</td><td><table><tr><th>Year</th><th>EPS</th></tr><tr><td>2019</td><td>-2.48</td></tr><tr><td>2018</td><td>-2.93</td></tr><tr><td>2017</td><td>-4.52</td></tr></table></td></tr>
<tr><td>Break-up value per share, based on latest audited financial statements</td><td>PKR 2.74/- Per Share</td></tr>
<tr><td>Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements</td><td><table><tr><td>Long term Loans</td><td>PKR 1,417 Million</td></tr><tr><td>Property Plant & Equipment</td><td>PKR 6,421 Million</td></tr><tr><td>Short term borrowings</td><td>PKR 3,638 Million</td></tr><tr><td>Sales</td><td>PKR 2,264 Million</td></tr><tr><td>Cost of Sales</td><td>PKR 2,732 Million</td></tr><tr><td>Loss</td><td>PKR 1,892 Million</td></tr></table></td></tr>
<tr><td>In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely,

i) description of the project and its history since conceptualization

ii) starting date and expected date of completion of work

iii) time by which such project shall become commercially operational

iv) expected time by which the project shall start paying return on investment

v) funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts</td><td>Not Applicable.</td></tr>
<tr><td>General Disclosures:</td><td></td></tr>
<tr><td>Maximum amount of investment to be made</td><td>Maximum amount of investment is PKR 3 Billion</td></tr>
</table>

Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	The purpose of the proposed investment is to meet the working capital and operational expenses requirements of FML, whose financial position does not allow it to meet such requirements out of its own, limited cash resources. It is expected that the investment will result in improvement in the financial condition of FML. Being the majority shareholder of FML, the improvement in the financial condition of FML will have a positive impact on the Company.
Sources of funds to be utilized for investment where the investment is intended to be made using borrowed funds, (i) Justification for investment through borrowings; (ii) Detail of collateral, guarantees provided and assets pledged for obtaining such funds; and (iii)Cost benefit analysis	Companies' own resources/Internal Cash Generations
Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment	The Company and FML will enter into a sponsor support and counter-indemnity, or subordinated shareholder loan agreement, which shall specify the nature, purpose and period (not exceeding one (1) year) of the subordinated loan or sponsor support to be furnished by the Company to FML; the amount and due dates for repayment of the loan; the terms of subordination of the loan (which will be subordinated to FML's indebtedness to secured lenders); a commitment and indemnity by FML to the Company to repay the loan (subject to the terms of subordination) on the due dates; as well as the terms on which the Company will provide collateral support to FML. FFBL will also have the option to convert the subordinated debt into shares of the corresponding value of FML. The key commercial terms that will be covered in the agreement will be as follows: The Company will invest in, and provide sponsor support to, FML in the total amount not exceeding PKR 3,000,000,000/- (Rupees Three Billion Only) through either, or a combination of, a subordinated shareholder loan or collateral support for a period not exceeding one (1) year (including, without limitation, by way of providing or arranging corporate guarantee, bank guarantee, standby letter of credit or cash deposit under lien) as security for working capital facilities extended or to be extended by financial institutions to FML, or in any other form.

	Without limiting the generality of the foregoing, the Company will: (i) Provide a subordinated shareholder loan to FML, to be disbursed in one or more tranches over a period of one (1) year, with each such tranche to be repaid by FML, subject to the terms of subordination and to approval of FML's lenders as required, within a period of one (1) year from the date of disbursement of the respective tranche, with the option to prepay all or part of such tranche at any time without any pre-payment penalty. (ii) Charge interest or mark up on each such tranche of the subordinated shareholder loan from the date of disbursement to the date of repayment at a rate which shall be equal to the higher of (a) the borrowing cost of the Company and (b) 3 Months KIBOR plus a spread of 150 bps in each case. Markup to be charged on quarterly basis. (iii) Convert, as and when the Company deems fit, the subordinated shareholder loan together with all interest or mark-up that has accrued thereon into fully paid-up ordinary shares (of PKR.10 per share, i.e., at par value) of FML of the corresponding value, to be issued by FML to the Company. (iv) Provide collateral support including, without limitation, by way of providing or arranging corporate guarantee, bank guarantee, standby letter of credit or cash deposit under lien. (v) Charge and recover from FML a fee (the "**Collateral Fee**") on quarterly basis, equal to a maximum of 1.5% per annum, for the period from the date on which such cash deposit is made, or any guarantee or letter of credit is furnished, until the date when the lien over the relevant deposit, or the relevant guarantee or letter of credit, is released, provided that if and to the extent that such deposit is forfeited as a result of enforcement of the lien, or the relevant guarantee or letter of credit is drawn on, then from that date onwards until the Company recovers from FML the full principal amount of the cash deposit so forfeited, or of the guarantee or letter of credit so drawn on, and without prejudice to the Company's right to recover from FML the said principal amount, the Collateral Fee shall be equal to the higher of (a) the borrowing cost of the Company and (b) 3 Months KIBOR plus a spread of 150 bps in each case, such mark-up to be charged on quarterly basis.

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	Nothing other than as a shareholder
In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information / justification for any impairment or write offs	The Company has determined recoverable amount of FML, based on value-in-use calculation, which was lower than the carrying amount of investment in the Company's financial statement, accordingly an impairment of Rs 1,110 million has been recognized in the financial statements, due to challenging trading and economic conditions affecting food sector in Pakistan and abroad.
Any other important details necessary for the members to understand the transaction	The terms of subordination will be finalized with the lenders, which may affect the interest rate to be charged by FFBL to FML and the repayment of the loan. However, it is expected that the rate of mark-up charged will not be less than the borrowing cost of FFBL. Repayment of both the principal and mark-up payable by FML will be subordinated to principal/mark-up/interest and other payments due to FML's secured lenders under the terms of FML's senior debt. The subordinated shareholder loan shall constitute unsecured indebtedness of FML, ranking in payment and upon liquidation subordinate to FML's secured debt obligations but senior to any dividend or other distributions. FFBL and FML will have to comply with the terms of subordination and other conditions prescribed by FML's and FFBL's secured lenders as a condition of allowing FML to avail of the subordinated shareholder loan.

Information pursuant to Regulation 3(c) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017

Information Required	Information Provided
Category wise amount of investment	The Company will grant a subordinated shareholder loan and / or other sponsor support not exceeding PKR 3 Billion to FML.
Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for *Shariah* compliant products and rate of return for unfunded facilities, as the case may be, for the relevant period	3 Months KIBOR+150 Basis Points.

Rate of interest, mark up, profit, fees or commission etc. to be charged	Interest will be charged on each tranche of the subordinated loan at a rate which shall be equal to the higher of (a) the borrowing cost of the Company and (b) 3 Months KIBOR plus a spread of 150 bps in each case, such mark-up to be charged on quarterly basis. In respect of collateral and other sponsor support, FFBL will charge and recover from FML the Collateral Fee, equal to a maximum of 1.5% per annum, for the period from the date on which such cash deposit is made, or any guarantee or letter of credit is furnished, until the date when the lien over the relevant deposit, or the relevant guarantee or letter of credit, is released, provided that if and to the extent that such deposit is forfeited as a result of enforcement of the lien, or the relevant guarantee or letter of credit is drawn on, then from that date onwards until the Company recovers from FML the full principal amount of the cash deposit so forfeited, or of the guarantee or letter of credit so drawn on, and without prejudice to the Company's right to recover from FML the said principal amount, the Collateral Fee shall be equal to the higher of (a) the borrowing cost of the Company and (b) 3 Months KIBOR plus a spread of 150 bps in each case, such mark-up to be charged on quarterly basis.
Particulars of collateral security to be obtained against loan to the borrowing company or undertaking, if any	No security over assets of FML will be obtained but the agreement between the Company and FML will include a commitment and indemnity by FML to the Company to pay the loan along with any interest that has accrued at the times and in the amount mentioned therein, subject to the terms of subordination. Further, in respect of collateral or other sponsor support provided by FFBL to FML the Company will charge and recover from FML the Collateral Fee in the manner set out above.
If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable	The investment will allow FFBL to convert the subordinated shareholder loan together with all interest or mark-up that has accrued thereon, as and when the Company deems fit, in to fully paid-up ordinary shares of FML of the corresponding value. The shares will be issued at par value of PKR.10 per share.
Repayment schedule and terms of loans or advances to be given to the investee company	Repayment of each tranche of the subordinated loan, subject to the terms of subordination and approval of FML's lenders as required, shall be

	within a period of one (1) year from the date of disbursement of the respective tranche, with the option to prepay all or part of such tranche at any time without repayment penalty. Likewise, any collateral or other sponsor support provided by the Company shall be for a period of one (1) year only.

Information pursuant to Regulation 4 of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017

The following sponsors and directors of the Company are also members of FML:

- Fauji Foundation
- Lt Gen Syed Tariq Nadeem Gilani (Retd)
- Lt Gen Javed Iqbal (Retd)
- Lt Gen Tariq Khan (Retd)
- Maj Gen Abid Rafique (Retd)
- Mr Rehan Laiq

Declaration pursuant to Section 199(2) of the Companies Act, 2017 and the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017

The Directors certify to the members of the Company that they have carried out necessary due diligence for the proposed investment before recommending the same for members' approval.

The duly signed recommendations of the due diligence report together with the latest audited financial statements of FML shall be made available to the members for inspection in the Annual General Meeting.

Statement of Material Facts under Section 134 of the Companies Act, 2017

Payment of Standby Letter of Credit (SBLC) Commission to Fauji Foundation

As per financing agreements of FWEL – I and FWEL - II, they had to maintain Debt Service Reserve Account Balance in cash form equivalent to one instalment, which was later on waived by lenders subject to Stand by letter of credit (SBLC) from sponsors. Accordingly, FFBL is required to pay its share of SBLC charges. The reserve funds of FWEL –I and FWEL – II are therefore available for declaration of dividend to shareholders, including FFBL.

Information pursuant to Regulation 3(a) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017

Name of associated company along with criteria based on which the associated relationship is established	Fauji Foundation (FFBL's Parent Organization) Foundation Wind Energy I Limited and Foundation Wind Energy II Limited (FFBL's Associated Companies)

<table>
<tr><td>Earnings per share for the last three years</td><td><table><tr><th>Year</th><th>FWEL – I EPS</th><th>FWEL – II EPS</th></tr><tr><td>2019</td><td>3.45</td><td>3.46</td></tr><tr><td>2018</td><td>2.68</td><td>26.68</td></tr><tr><td>2017</td><td>3.28</td><td>23.57</td></tr></table></td></tr>
<tr><td>Break-up value per share, based on latest audited financial statements</td><td>FWEL – I = 20.17
FWEL – II = 19.95</td></tr>
<tr><td>Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements</td><td><table><tr><th></th><th>FWEL- I</th><th>FWEL – II</th></tr><tr><td>Long Term Loans</td><td>7,176,410,854</td><td>7,010,595,495</td></tr><tr><td>PP&E</td><td>12,083,160,149</td><td>11,828,130,091</td></tr><tr><td>Sales</td><td>2,910,316,989</td><td>2,894,106,879</td></tr><tr><td>Cost of sales</td><td>999,342,789</td><td>99,5875,585</td></tr><tr><td>Profit</td><td>1,208,147,064</td><td>1,219,071,527</td></tr></table></td></tr>
<tr><td>In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely,

i) Description of the project and its history since conceptualization

ii) Starting date and expected date of completion of work

iii) Time by which such project shall become commercially operational

iv) Expected time by which the project shall start paying return on investment

v) Funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts</td><td>Not Applicable.</td></tr>
<tr><td>General Disclosures:</td><td></td></tr>
<tr><td>Maximum amount of investment to be made</td><td>The Company will pay to Fauji Foundation an amount of PKR 7,714,000 (Rupees Seven Million, Seven Hundred and Fourteen Thousand).</td></tr>
</table>

Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	As per financing agreements, FWEL had to maintain Debt Service Reserve Account Balance in cash form equivalent to one Instalment, which was later on waived by lenders subject to Stand by letter of credit (SBLC) from sponsors. Accordingly, FFBL is required to pay its share of SBLC charges.
Sources of funds to be utilized for investment where the investment is intended to be made using borrowed funds, (i) Justification for investment through borrowings; (ii) Detail of collateral, guarantees provided and assets pledged for obtaining such funds; and (iii)Cost benefit analysis	FFBL's own sources / funds.
Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment	Not applicable
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	Nothing other than as shareholder
In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information / justification for any impairment or write offs	Not applicable
Any other important details necessary for the members to understand the transaction	No.

Information pursuant to Regulation 4 of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017

- Fauji Foundation hold 18.29 % share of FFBL.
- FFBL holds 35% shares in both FWEL – I and FWEL – II.

Declaration pursuant to Section 199(2) of the Companies Act, 2017 and the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017

The directors have reviewed the matter and are of view that the FFBL is required to pay its share of SBLC charges. The reserve funds of FWEL –I and FWEL – II are therefore available for declaration of dividend to shareholders, including FFBL.

CLOSURE OF SHARE TRANSFER BOOKS:-

Share transfer books of the Company will remain closed from March 24, 2020 to March 30, 2020 (both days inclusive) for the purpose of holding the Annual General Meeting.

NOTES:-

1. A member of the Company entitled to attend and vote at the General Meeting may appoint a person/representative as proxy to attend and vote in place of member at the meeting. Proxies in order to be effective must be received at Company's registered office duly stamped and signed not later than 48 hours before the time of holding meeting. A member cannot appoint more than one proxy. Attested copy of shareholder's CNIC must be attached with the proxy form.
2. The CDC/sub account holders are required to follow the under mentioned guidelines as laid down by Securities and Exchange Commission of Pakistan contained in Circular No. 1 of 2000 dated January 26, 2000:-
   (a) For attending the meeting
      i. In case of individuals, the account holder or sub-account holder shall authenticate his/her identity by showing his / her original national identity card or original passport at the time of attending the meeting.
      ii. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be produced at the time of meeting.

   (b) For appointing proxies
      i. In case of individuals, the account holder or sub-account holder shall submit the proxy form as per the above requirement.
      ii. The proxy form shall be witnessed by the two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
      iii. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
      iv. The proxy shall produce his/her original CNIC or original passport at the time of the meeting.
      v. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted to the Company along with proxy form.
3. Members are requested to promptly notify any change in their addresses.
4. Members, who have not yet submitted photocopies of their Computerized National Identity Cards (CNIC) are requested to send the same at the earliest (Physical shareholders should to Company or Its Shares Registrar and CDC shareholders to their respective Member Stock Exchange).
5. Shareholders who wish to receive annual reports and notice of the General Meeting through e-mail are requested to provide, through a letter duly signed by them, their particulars, i.e. Name, Folio/ CDC A/C No., E-mail Address, Contact Number, CNIC Number (attach copy). Shareholders are also requested to notify immediately any change in their e-mail address to the Share Registrar of the Company M/s Corplink(Pvt) Limited, Wings Arcade, 1-K, Commercial, Model Town, Lahore.
6. Shareholders, whose dividend / share certificate(s) are remain unclaimed/unpaid, are requested to claim the same at their earliest otherwise it will be treated under Section 244 of the Companies Act 2017.

7. Consent for Video Conference Facility

Members can also avail video conference facility in [Karachi] and [Lahore]. In this regard please fill the following and submit to registerred address of the Company 10 days before holding the general meeting.

If the Company receives consent from members holding in aggregate 10% or more shareholding residing at geographical location, to participate in the meeting through video conference at least 10 days prior to the date of meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city.

The Company will intimate members regarding venue of video conference facility at least 5 days before the date of general meeting alongwith complete information necessary to enable them to access such facility.

I/We,____ of _________________________, being a member of Fauji Fertilizer Bin Qasim Limited, holder of ____________________ Ordinary Share(s) as per Register Folio / CDC Account No ___________________ hereby opt for video conference facility at ___________________.

____
Signature of member

8. E-Voting. Members can exercise their right to demand a poll subject to meeting requirements of Sections 143 -145 of Companies Act, 2017 and applicable clauses of Companies (Postal Ballot) Regulations 2018.