

#### **ADVICE FOR INVESTORS**

INVESTORS ARE STRONGLY ADVISED IN THEIR OWN INTEREST TO CAREFULLY READ THE CONTENTS OF THIS OFFER FOR SALE DOCUMENT, **ESPECIALLY THE RISK FACTORS GIVEN IN PARA 4.15** BEFORE MAKING ANY INVESTMENT DECISION.

SUBMISSION OF FALSE AND FICTITIOUS APPLICATIONS IS PROHIBITED AND SUCH APPLICATIONS' MONEY MAY BE FOREFEITED UNDER SECTION 87(8) OF THE SECURITIES ACT, 2015.

#### **ADVICE FOR INSTITUTIONAL INVESTORS AND HIGH NETWORTH INDIVIDUAL INVESTORS**

UNDER REGULATION 10(2)(v) OF THE PUBLIC OFFERING REGULATIONS, 2017 (THE PO REGULATION), A SINGLE INVESTOR CANNOT SUBMIT MORE THAN ONE BIDDING APPLICATION, EXCEPT IN THE CASE OF UPWARD REVISION OF BID. IF AN INVESTOR SUBMITS MORE THAN ONE BIDDING APPLICATION THEN ALL SUCH APPLICATIONS SHALL BE SUBJECT TO REJECTION.

SUBMISSION OF CONSOLIDATED BID IS PROHIBITED UNDER REGULATION 10(2)(iv) OF THE PO REGULATIONS. A BID APPLICATION WHICH IS BENEFICIALLY OWNED (FULLY OR PARTIALLY) BY PERSONS OTHER THAN THE ONE NAMED THEREIN SHALL BE DEEMED TO BE A CONSOLIDATED BID.

PLEASE NOTE THAT AS PER THE PO REGULATIONS, A SUPPLEMENT TO THE OFFER FOR SALE DOCUMENT SHALL BE PUBLISHED WITHIN THREE WORKING DAYS OF THE CLOSING OF THE BIDDING PERIOD WHICH SHALL CONTAIN INFORMATION RELATING TO THE STRIKE PRICE, OFFER PRICE, COMMITMENT BY THE UNSUCCESSFUL BIDDERS FOR SUBSCRIBING TO THE UNSUBSCRIBED RETAIL PORTION IN CASE OF HUNDRED PERCENT BOOK BUILDING, CATEGORY WISE BREAKUP OF THE SUCCESSFUL BIDDERS ALONG WITH NUMBER OF SHARES ALLOCATED TO THEM.



### **AGP LIMITED OFFER FOR SALE DOCUMENT**

This Offer consists of 35,000,000 ordinary shares (12.50% of the total paid up capital of AGP Limited) of the face value of PKR 10.00/- each. The Offer is being made through One Hundred Percent (100%) Book Building process at a Floor Price of PKR 80.00/- per share (including a premium of PKR 70.00/- per share) under regulation 7(4) of the PO Regulations. The bidders shall be allowed to place bids for 100% of the offer size and the Strike Price shall be the price at which all the 35,000,000 shares i.e. 100% of the Offer are subscribed. However, the successful bidders shall be provisionally allotted only Seventy Five Percent (75%) of the offer size i.e. 26,250,000 shares and the remaining Twenty Five Percent (25%) i.e. 8,750,000 shares shall be offered to retail investors. In case retail portion of the Offer remains unsubscribed, the unsubscribed shares will be allotted to the successful bidders on pro-rata basis. .

(Justification of premium is given under "Valuation Section" in paragraph 2.1)

As per regulation 3(11) of the PO Regulations read with regulation 5.2.2. of the PSX's Regulations for Listing of Companies and Securities (the Listing Regulations), the draft Offer for Sale Document was placed on PSX's website, for seeking public comments, for seven (7) working days starting from August 01, 2017 to August 09, 2017. The comments received have been duly incorporated / responded by the Consultant to the Issue.

**THIS IS NOT A PROSPECTUS BY AGP LIMITED BUT AN OFFER FOR SALE DOCUMENT (OFSD) BY OBS PAKISTAN (PVT.) LIMITED AND MULLER & PHIPPS PAKISTAN (PRIVATE) LIMITED BOTH SHAREHOLDERS OF AGP LIMITED.**

**REGISTRATION OF ELIGIBLE INVESTORS:** the registration of eligible investors will commence at 9:00am on November 3, 2017 and will close at 3:00 pm on November 9, 2017 (during weekdays only)

**BIDDING PERIOD DATES:** from November 8, 2017 to November 9, 2017 (both days inclusive), from 9:00 a.m. To 5:00 p.m.

**DATE OF PUBLIC SUBSCRIPTION:** from November 14, 2017 to November 15, 2017, (both days inclusive), from 9:00 a.m. To 5:00 p.m.

#### **CONSULTANT TO THE ISSUE**



#### **BOOK RUNNER**



**BANKER TO THE BOOK BUILDING PORTION OF THE OFFER: MCB Bank Limited**

#### **BANKERS TO THE RETAIL PORTION OF THE OFFER**

Summit Bank Limited  
Faysal Bank Limited  
Bank Alfalah Limited

Meezan Bank Limited  
Habib Bank Limited  
JS Bank Limited

United Bank Limited  
MCB Bank Limited

Askari Bank Limited  
Soneri Bank Limited

Bank Al Habib Limited  
Habib Metropolitan Bank

Silkbank Limited  
Dubai Islamic Bank

\*In order to facilitate investors, United Bank Limited ("UBL"), Summit Bank Limited ("SMBL") and Bank Alfalah Limited (BAFL) are offering electronic submission of application (e-IPO) to their account holders. UBL account holders can use UBL Net Banking to submit their application via link <http://www.ubldirect.com/corporate/ebank>. SMBL account holders can use SMBL Net Banking to submit their application via link <https://ib.summitbank.com.pk>. BAFL account holders can use BAFL Net Banking to submit their applications via link <https://ib.bankalfalah.com.pk>. Further, please note that online applications can be submitted 24 hours a day during the subscription period which will close at midnight on November 15, 2017.

The Central Depository Company of Pakistan ("CDC") has developed a Centralized e-IPO System ("CES") through which applications for subscription of securities offered through IPOs can be made electronically. CES has been made available in this IPO which can be accessed through the web link [www.cdceipo.com](http://www.cdceipo.com). Payment of subscription money can be made through 1LINK's member banks available for CES, list of which is available on above website.

For making application through CES, investors must be registered with CES. Registration with CES is free of cost and a self-registration process by filling the CES registration form, which is available 24/7 all around the year. Investors who have valid Computerized National Identity Card (CNIC), bank account with any of the commercial bank, email address, mobile phone number and CDS Account (Investor Account or sub Account) may register themselves with CES.

Investors who do not have CDS account may visit [www.cdcpakistan.com](http://www.cdcpakistan.com) for information and details. For further guidance and queries regarding CES and opening of CDS account, investors may contact CDC at phone Number: 0800 – 23275 (CDCPL) and e-mail: [info@cdcpak.com](mailto:info@cdcpak.com). CES would be connected to different entities (1Link, banks etc.) for payment of the subscription money. For further details on CES, please refer para 2.3.3 of this OFSD.

#### **BOOK BUILDING PORTION UNDERWRITTEN BY:**



For investor education, please visit [www.jamapunji.com.pk](http://www.jamapunji.com.pk), Jama Punji is an investor education initiative of Securities and Exchange Commission of Pakistan.

**Date of Publication of this Offer for Sale Document:** October 24, 2017

Offer for Sale Document and Subscription Forms can be downloaded from the following websites:  
[www.agp.com.pk](http://www.agp.com.pk), [www.jsycl.com](http://www.jsycl.com), [www.bmacapital.com](http://www.bmacapital.com) and [www.cdceipo.com](http://www.cdceipo.com)

#### **For further queries you may contact:**

**AGP Limited:** Ms. Nusrat Munshi / Mr. Junaid Aslam; P: (21) 111 247 247; E-mail: [nusrat.munshi@agp.com.pk](mailto:nusrat.munshi@agp.com.pk) / [junaid.aslam@agp.com.pk](mailto:junaid.aslam@agp.com.pk)

**JS Global Capital Limited:** Mr. Khurram Schehzad; P: (21) 111 574 111 Ext: 3071; E-mail: [khurram.schehzad@js.com](mailto:khurram.schehzad@js.com)

**BMA Capital Management Limited:** Mr. Salman Virani; P: (21) 111 262 111 Ext: 2042; E-mail: [salman.virani@bmacapital.com](mailto:salman.virani@bmacapital.com)

**For Shariah Compliance Certificate please refer to Section 5.1**

**UNDERTAKING BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE OFFERORS**

Date: July 25, 2017

**The Chief Executive**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

We the Chief Executive Officer and Chief Financial Officer of the Offerors certify that:

1. The Offer for Sale Document contains all information with regard to the Offerors and the Offer, which is material in the context of the Offer and nothing has been concealed in this respect;
2. The information contained in the Offer for Sale Document is true and correct to the best of their knowledge and belief;
3. The opinions and intentions expressed therein are honestly held;
4. There are no other facts, the omission of which makes the Offer for Sale Document as a whole or any part thereof misleading; and
5. All requirements of the Securities Act, 2015; the Public Offering Regulations, 2017 and PSX Regulations for Listing of Companies and Securities relating to approval and disclosures have been fulfilled; and
6. No charges, fee, expenses, payments etc. have been committed to be paid to any person in relation to this public offering except for those as disclosed in Part 3 of the Offer for Sale Document.

For and on behalf of **OBS Pakistan (Pvt.) Limited**

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\_\_\_\_\_  
**Mr. Tariq Moinuddin Khan**  
Chief Executive Officer

-sd-

\_\_\_\_\_  
**Mr. Mohammad Arif Mian**  
Chief Financial Officer

For and on behalf of **Muller & Phipps Pakistan (Pvt.) Limited**

-sd-

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**Mr. Kamran Nishat**  
Chief Executive Officer

-sd-

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**Mr. Munaf Hussain Lakda**  
Chief Financial Officer

**Note:** This Supplement shall be published within three (3) working days of the close of Bidding Period in at least all those newspapers in which the Offer for Sale Document of AGP Limited is published.

### **SUPPLEMENT TO THE OFFER FOR SALE DOCUMENT**

This Supplement is being published under regulation 11(1) of the Public Offering Regulations, 2017 in continuation of the Offer for Sale Document of AGP Limited earlier published on October 24, 2017

#### **AGP Limited**

- FLOOR PRICE: PKR 80.00/- PER SHARE
- STRIKE PRICE: PKR XX/- PER SHARE
- OFFER PRICE: PKR XX/- PER SHARE

**Note:** Since this Offer is being made through 100% book building with 25% allocation to retail investors, therefore, underwriting of the retail portion is not needed. In case the Offer remains unsubscribed, the unsubscribed shares shall be allotted to the successful bidders on pro rata basis. The successful bidders have already given undertakings to subscribe such unsubscribed shares on pro rata basis.

#### **Category-wise Breakup of Successful Bidders**

| S.No. | Category                             | No. of Bidders | No. of Shares Provisionally Allotted |
|-------|--------------------------------------|----------------|--------------------------------------|
| 1.    | Commercial Banks                     | •              | •                                    |
| 2.    | Development Financial Institutions   | •              | •                                    |
| 3.    | Mutual Funds                         | •              | •                                    |
| 4.    | Insurance Companies                  | •              | •                                    |
| 5.    | Investment Banks                     | •              | •                                    |
| 6.    | Employees' Provident / Pension Funds | •              | •                                    |
| 7.    | Leasing Companies                    | •              | •                                    |
| 8.    | Modarabas                            | •              | •                                    |
| 9.    | Securities Brokers                   | •              | •                                    |
| 10.   | Foreign Institutional Investors      | •              | •                                    |
| 11.   | Any other Institutional Investors    | •              | •                                    |
|       | <b>Institutional Investors</b>       | •              | •                                    |
| 12.   | <b>Individual Investors:</b>         |                |                                      |
|       | Foreign Investors                    | •              | •                                    |
|       | Local                                | •              | •                                    |
|       | <b>Individual Investors</b>          | •              | •                                    |
|       | <b>TOTAL</b>                         | •              | •                                    |

**GLOSSARY OF TECHNICAL TERMS**

|                                           |                                                                               |
|-------------------------------------------|-------------------------------------------------------------------------------|
| <b>Bn</b>                                 | Billion                                                                       |
| <b>BR</b>                                 | Book Runner                                                                   |
| <b>BVPS</b>                               | Book Value Per Share                                                          |
| <b>CAGR</b>                               | Compounded Annual Growth Rate                                                 |
| <b>CDA</b>                                | Central Depositories Act, 1997                                                |
| <b>CDC Regulations</b>                    | Central Depository Company of Pakistan Limited Regulations                    |
| <b>CDCPL / CDC</b>                        | The Central Depository Company of Pakistan Limited                            |
| <b>CDS</b>                                | Central Depository System                                                     |
| <b>CES</b>                                | Centralized E-IPO System                                                      |
| <b>CGT</b>                                | Capital Gain Tax                                                              |
| <b>CNIC</b>                               | Computerized National Identity Card                                           |
| <b>COI</b>                                | Certificate of Incorporation                                                  |
| <b>Collection Bank (Book Building)</b>    | MCB Bank Limited                                                              |
| <b>Company / AGPL</b>                     | AGP Limited                                                                   |
| <b>CRO</b>                                | Companies Registration Office                                                 |
| <b>CVT</b>                                | Capital Value Tax                                                             |
| <b>EBITDA</b>                             | Earnings Before Interest, Tax, Depreciation & Amortization                    |
| <b>e-IPO</b>                              | Electronic IPO                                                                |
| <b>EPS</b>                                | Earnings Per Share                                                            |
| <b>FBR</b>                                | Federal Board of Revenue                                                      |
| <b>FED</b>                                | Federal Excise Duty                                                           |
| <b>FPI</b>                                | Foreign Portfolio Investment                                                  |
| <b>GDP</b>                                | Gross Domestic Product                                                        |
| <b>GOP</b>                                | Government of Pakistan                                                        |
| <b>IAS</b>                                | International Accounting Standards                                            |
| <b>IPO</b>                                | Initial Public Offering                                                       |
| <b>ITO</b>                                | Income Tax Ordinance, 2001                                                    |
| <b>JSGCL</b>                              | JS Global Capital Limited                                                     |
| <b>LC</b>                                 | Letter of Credit                                                              |
| <b>LTM</b>                                | Latest Twelve Months                                                          |
| <b>Mn</b>                                 | Million                                                                       |
| <b>NICOP</b>                              | National Identity Card for Overseas Pakistanis                                |
| <b>NOC</b>                                | No Objection Certificate                                                      |
| <b>Offerors</b>                           | OBS Pakistan (Private) Limited and Muller & Phipps Pakistan (Private) Limited |
| <b>PKR / Rs.</b>                          | Pakistan Rupee(s)                                                             |
| <b>PST</b>                                | Punjab Sales Tax                                                              |
| <b>PSX / Exchange/Securities Exchange</b> | Pakistan Stock Exchange Limited                                               |

|                          |                                                |
|--------------------------|------------------------------------------------|
| <b>PO Regulations</b>    | Public Offering Regulations, 2017              |
| <b>ROA</b>               | Return on Assets                               |
| <b>ROE</b>               | Return on Equity                               |
| <b>SAP</b>               | Systems, Applications and Products             |
| <b>SCRA</b>              | Special Convertible Rupee Accounts             |
| <b>SECP / Commission</b> | Securities and Exchange Commission of Pakistan |
| <b>SST</b>               | Sindh Sales Tax                                |
| <b>TREC</b>              | Trading Right Entitlement Certificate          |
| <b>UIN</b>               | Unique Identification Number                   |
| <b>USD</b>               | United States Dollar(s)                        |
| <b>WHT</b>               | Withholding Tax                                |

## DEFINITIONS

|                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Application Money</b>           | <p>In case of bidding for shares out of the Book Building portion, the total amount of money payable by a successful Bidder which is equivalent to the product of the Strike Price and the number of shares to be allotted.</p> <p style="text-align: center;">and</p> <p>In case of application for subscription of shares out of the general public portion, the amount of money paid along with application for subscription of shares which is equivalent to the product of the Offer Price per share and the number of shares applied for.</p> |
| <b>Banker to the Book Building</b> | <p>Means any bank(s) with whom an account is opened and maintained by the Offerors for keeping the bid amount.</p> <p>In this offer, MCB Bank Limited is appointed as Banker to the Book Building portion of the offer.</p>                                                                                                                                                                                                                                                                                                                         |
| <b>Bid</b>                         | <p>An indication to make an offer during the Bidding Period by a Bidder to subscribe to the Ordinary Shares of the Company at a price at or above the floor price, including all the revisions thereto. <b>An Eligible Investor shall not make a bid with price variation of more than 10% of the prevailing indicative Strike Price. Please refer to paragraph 2.2.24 for detail.</b></p>                                                                                                                                                          |
| <b>Bid Amount</b>                  | <p>The total amount of the Bid which is equivalent to the product of the Bid Price and the number of shares bid for.</p>                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Bid Collection Centre</b>       | <p>Designated offices of the Book Runner, specified branches of any of the Scheduled Bank and offices of any other institutions specified by the Commission where bids are received and processed. For this Offer, addresses of the Bid Collection Centers are provided in paragraph 2.2.7 of this Offer for Sale Document.</p>                                                                                                                                                                                                                     |
| <b>Bid Price</b>                   | <p>The price at which bid is made for a specified number of shares.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Bid Revision</b>                | <p>The Eligible Investors can revise their bids upward subject to the provision of regulation 10(2)(iii) of the PO Regulations. The bids can be revised (upward only) with a price variation of not more than 10% from the prevailing indicative Strike Price in compliance with regulation 10(2)(iii) of the PO Regulations.</p> <p><b>As per the Regulation 10(2)(vi) of the PO Regulations, the bidder shall not make downward revision (either in price or quantity) or withdraw their bids.</b></p>                                            |
| <b>Bidder</b>                      | <p>Any Eligible Investor who makes a Bid for shares in the Book Building Process.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

|                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Bidding Form</b>          | The form prepared by the Offerors for the purpose of making bids.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Bidding Period</b>        | The period during which Bids for subscription of shares are received. For this Offer the Bidding Period shall be of two days, i.e. November 08, 2017 to November 09, 2017 (both days inclusive) (daily from 9:00 a.m. to 5:00 p.m.).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Book Building</b>         | A process undertaken to elicit demand for shares offered for issuance of shares through which bids are collected from the Bidders and a book is built which depicts demand for the shares at different price levels.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Book Building Account</b> | An account opened by the Offerors with the Collection Bank(s). The Bidder will pay the Margin Money / Bid Amount through demand draft, pay order or online transfer in favor of this account as per the instructions given in paragraph 2.2.16 of this Offer for Sale Document and the balance of the Application Money, if any, shall be paid through this account after successful allotment of shares under the Book Building.                                                                                                                                                                                                                                                                                                                          |
| <b>Book Building Portion</b> | The part of the total Offer allocated for subscription through Book Building.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Book Building System</b>  | An online electronic system operated by the Designated Institution for conducting Book Building. For this Offer Book Building System of PSX is being used.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Book Runner</b>           | <p>A securities broker or a scheduled bank which holds a valid license from the Commission to act as an Underwriter and has been appointed as Book Runner by the Offeror.</p> <p>BMA Capital Management Limited, a securities broker has been appointed as Book Runner for this Offer.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Collection Bank</b>       | MCB Bank Limited is the collection bank for the Book Building Portion. For this purpose, MCB Bank Limited has opened an account titled "Offer for Sale of AGP Limited – Book Building", Number: 0934138811010735 at its Global Transaction Banking Branch, Karachi. The Collection Bank shall keep and maintain the bid money in the said account. Once the Strike Price is determined and lists of successful bidders and successful applicants/allottees are finalized and shares are credited to the successful bidders and applicants, the Consultants to the Issue, after obtaining NOC from PSX, may request in writing to the Collection Bank for transfer of the money of successful and accepted Bids and applications to the Offeror's accounts. |

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|--------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Companies Act</b>           | Companies Act, 2017                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Company / Issuer</b>        | AGP Limited (the “Company” or “AGPL”)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Company’s Legal Advisor</b> | Sattar & Sattar Legal Counsels<br><br>3rd Floor, UBL Building,<br>I.I. Chundrigar Road,<br>Karachi.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Consultant to the Issue</b> | Any person licensed by the Commission to act as a Consultant to the Issue under the Public Offering (Regulated Securities Activities Licensing) Regulations, 2017.<br><br>JS Global Capital Limited has been appointed as Consultant to the Issue by the Offerors for this Offer for Sale of Shares.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Designated Institution</b>  | Includes securities exchange, central depository or clearing house approved by the Commission to provide system for conduction of Book Building.<br><br>Pakistan Stock Exchange Limited will act as the Designated Institution for this Offer.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Dutch Auction Method</b>    | The method through which the Strike Price is determined. Under this method, all the bids are arranged in descending order along with the number of shares bid for at each price level and the cumulative number of shares bid for. The strike price is determined by lowering the price to the extent that the total shares offered under the Book Building Portion are subscribed.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>e-IPO</b>                   | <p>e-IPO is submission of application for subscription of securities electronically through internet, Automated Teller Machines (ATM) and mobile phones. In order to facilitate the public during IPOs, SECP has introduced the concept of e-IPO. The following two systems are available for e-IPOs:</p> <p>(i) <b>Centralized e-IPO System (CES):</b></p> <p>The Central Depository Company of Pakistan Limited (CDC) has developed a Centralized e-IPO System (CES) through which applications for subscription of securities offered to the general public can be made electronically. CES has been made available in this Offer and can be accessed through the web link (<a href="http://www.cdceipo.com">www.cdceipo.com</a>). Payment of subscription money can be made through 1LINK’s member banks available for CES, list of which is available on above website.</p> <p>For making application through CES, investors must be registered with CES. Registration with CES is free of cost and a self-registration process by filling the CES registration form, which is available 24/7 all around the year. Investors who</p> |



have valid Computerized National Identity Card (CNIC), bank account with any of the commercial bank, email address, mobile phone number and CDS Account (Investor Account or sub Account) may registered themselves with CES.

**Investors who do not have CDS account may visit [www.cdcpakistan.com](http://www.cdcpakistan.com) for information and details.**

**For further guidance and queries regarding CES and opening of CDS account, investors may contact CDC at phone Number: 0800 – 23275 (CDCPL) and e-mail: [info@cdcpak.com](mailto:info@cdcpak.com).**

**For further detail on CES, please refer to para 2.3.3**

**(ii) e-IPO facilities by Bankers to the Issue:**

Currently, United Bank Limited (UBL), Summit Bank Limited (SMBL) and Bank Alfalah (BAFL) are providing e-IPO facilities to their respective accountholders.

UBL account holders can use UBL Net Banking to submit their application via link <http://www.ubldirect.com/corporate/ebank>.

SMBL account holders can use SMBL Net Banking to submit their application via link <https://ib.summitbank.com.pk> and

BAFL account holders can use BAFL Net Banking to submit their application via link: <https://ib.bankalfalah.com.pk>

**Investors who are registered with CES or account holders of UBL, SMBL or BAFL can submit their applications through the above mentioned links 24 hours a day during the subscription period which will close at midnight on November 15, 2017.**

**Eligible Investor**

An Individual and Institutional Investor whose Bid Amount is not less than the Minimum Bid Size of PKR 1,000,000 (Rupees One Million only).

**Floor Price**

The minimum price set by the Offerors in consultation with the Consultant to the Issue. For this Offer, the Floor Price is PKR 80/- per share.

**General Public**

All Individual and Institutional Investors including both Pakistani (residents & non-residents) and foreign investors.

**Institutional Investors**

Institutional Investors means any of the following entities:

- I. A financial institution;
- II. A company as defined in the Companies Act;
- III. An insurance company established under the Insurance Ordinance, 2000;

|                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                           | <p>IV. A securities broker;</p> <p>V. A fund established as Collective Investment Scheme under the Non-Banking Finance Companies and Notified Entities Regulations, 2008;</p> <p>VI. A fund established as Voluntary Pension Scheme under the Voluntary Pension System Rules, 2005;</p> <p>VII. A private fund established under Private Fund Regulations, 2015;</p> <p>VIII. Any employee's fund established for beneficial of employees;</p> <p>IX. Any other fund established under any special enactment; and</p> <p>X. Any other entity as specified by the Commission.</p> |
| <b>Key Employees</b>      | Chief Executive Officer, Directors, Chief Financial Officer & Company Secretary of AGP Limited, OBS Pakistan (Pvt.) Limited and Muller & Phipps Pakistan (Pvt.) Limited.                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Limit Bid</b>          | The Bid for a specific number of shares at the Limit Price.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Limit Price</b>        | The maximum price a prospective Bidder is willing to pay for a share under the Book Building process.                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Listing Committee</b>  | Listing Committee means PSX's listing committee which has reviewed and approved this Offer for Sale Document and the listing application of the Company.                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Listing Regulation</b> | Chapter 5 of the Pakistan Stock Exchange Rule Book, titled 'Listing of Companies and Securities Regulation'.                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Margin Money</b>       | The partial or total amount, as the case may be, paid by a bidder at the time of registering as an Eligible Investor. The Book Runner shall collect full amount of the bid money as Margin Money in respect of bids placed by the Individual Investors and not less than twenty five percent (25%) of the bid money as Margin Money in respect of bids placed by the Institutional Investors.                                                                                                                                                                                    |
| <b>Minimum Bid Size</b>   | The Bid amount equal to One Million Rupees (PKR 1,000,000/-).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Offer</b>              | <p>Offer for Sale of 35,000,000 Ordinary Shares representing 12.50% of the total paid-up capital of the Company having a face value of PKR 10.00/- each.</p> <p>Book Building Portion of the Offer comprises of 25,250,000 Ordinary Shares (75% of the Total Offer) at a Floor Price of PKR 80/- per share (including a premium of PKR 70/- per share).</p>                                                                                                                                                                                                                      |

|                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                               |
|---------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|
|                     | Retail Portion of the Offer comprises of 8,750,000 Ordinary Shares (25% of the Total Offer) at the Offer Price.                                                                                                                                                                                                                                                                                                                                                                                                                |                                                               |
| Offer Price         | The price at which Ordinary Shares of the Company are Offered to the General Public. In this Offer, the Offer Price will be the Strike Price.                                                                                                                                                                                                                                                                                                                                                                                  |                                                               |
| Offeror             | <b>Name of Offeror</b><br>OBS Pakistan (Pvt.) Limited<br>Muller & Phipps Pakistan (Pvt.) Limited                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>Number of Shares Divesting</b><br>20,000,000<br>15,000,000 |
| OFSD                | This Offer for Sale Document for the Offer of 35,000,000 million Ordinary Shares of the Company to the public (including both the eligible investors and retail investors) containing all the information and disclosures as required under the Securities Act, 2015 and the Public Offering Regulations, 2017.                                                                                                                                                                                                                |                                                               |
| Ordinary Shares     | Ordinary Shares of AGP Limited having face value of PKR 10.00/- each.                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                               |
| PO Regulations      | The Public Offering Regulations, 2017.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                               |
| Prospectus          | <p>Prospectus means any document described or issued as a Prospectus and includes any document, notice, circular, material, advertisement, Offer for Sale Document, publication or other invitation offering to the public (or any section of the public) or inviting offers from the public for the subscription or purchase of any securities of a company.</p> <p>As per the definition of Prospectus as defined in Public Offering Regulations, 2017 this Offer for Sale Document comes under the ambit of Prospectus.</p> |                                                               |
| Registration Form   | The form which is to be submitted by the Eligible Investors for registration to participate in the Book Building process. The registration period shall commence three days from the start of the Bidding Period from November 08, 2017 to November 09, 2017 from 9:00 am to 5:00 pm and shall remain open till 3:00 pm on the last day of the Bidding Period.                                                                                                                                                                 |                                                               |
| Related Employees   | Such employees of the Offerors, the Company, the Consultant to the Issue, and the Book Runner, who are directly involved in the Offer. Please refer to paragraph 2.2.26 for further details.                                                                                                                                                                                                                                                                                                                                   |                                                               |
| Securities Act      | Securities Act, 2015                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                               |
| Shariah Advisor     | A firm or a company who / that meets the fit and proper standards specified by the Commission or the State Bank of Pakistan for Shariah advisory services.                                                                                                                                                                                                                                                                                                                                                                     |                                                               |
| Shariah Certificate | Shariah certificate includes a Shariah pronouncement or fatwa by the Shariah                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                               |

|                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                  | Advisor.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Sponsor</b>                                   | <p>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 Company directly or indirectly;</p> <p>A person who replaces the person referred above; and</p> <p>A person or group of persons who has control of the Company whether directly or indirectly.</p>                                                                                                                                                                                          |
| <b>Step Bid</b>                                  | Step Bid means a series of limit bids at increasing prices. In case of a step bid the amount of each step bid will not be less than Rupees One Million (PKR 1,000,000/-).                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Strike Price</b>                              | The price per ordinary share of the Offeror determined / discovered on the basis of the Book Building process in a manner provided in the PO Regulations, at which the shares are allotted to the successful bidders. The Strike Price will be disseminated after conclusion of Book Building through publication of Supplement to OFSD in at least all those newspapers in which the Offer for Sale Document was published and also posted on the website of the Securities Exchange, Consultant to the Issue, Book Runner and the Company. |
| <b>Supplement to the Offer for Sale Document</b> | The Supplement to the Offer for Sale Document, on the format provided on page 3 of this OFSD, shall be published within three (3) working days of the closing of the Bidding Period at least in all those newspapers in which the Offer for Sale Document was earlier published and disseminated through the Securities Exchange where shares are to be listed.                                                                                                                                                                              |
| <b>System</b>                                    | An online electronic system provided and operated by the Designated Institution for conducting Book Building. For this Offer Book Building System of PSX is being used.                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Transaction Legal Advisor</b>                 | <p>Mandviwalla &amp; Zafar Advocates and Legal Consultants</p> <p>C-15, Block-2</p> <p>Clifton, Karachi</p>                                                                                                                                                                                                                                                                                                                                                                                                                                  |

**Interpretation:**

ANY CAPITALIZED TERM CONTAINED IN THIS OFFER FOR SALE DOCUMENT, WHICH IS IDENTICAL TO A CAPITALIZED TERM DEFINED HEREIN, SHALL, UNLESS THE CONTEXT EXPRESSLY INDICATES OR REQUIRES OTHERWISE AND TO THE EXTENT AS MAY BE APPLICABLE GIVEN THE CONTEXT, HAVE THE SAME MEANING AS THE CAPITALIZED / DEFINED TERM PROVIDED HEREIN.

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## 1 APPROVALS AND LISTING ON THE STOCK EXCHANGE

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### 1.1 APPROVAL OF THE SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

Approval of the Securities and Exchange Commission of Pakistan (“SECP” or the “Commission”) under Section 87(2) of the Securities Act, 2015 read with Section 88(1) thereof has been obtained by the Offerors for the issue, circulation and publication of this offering document (hereinafter referred to as the “Offer for Sale Document”) vide their letter No. SMD/CIW/SA-88/12-2017 dated October 18, 2017.

#### DISCLAIMER BY SECP:

IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS APPROVAL, SECP DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY AND ANY OF ITS SCHEMES STATED HEREIN OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINIONS EXPRESSED WITH REGARDS TO THEM BY THE OFFEROR, THE COMPANY, THE CONSULTANT TO THE ISSUE AND / OR THE EXPERTS IN THIS OFFER FOR SALE DOCUMENT.

SECP HAS NOT EVALUATED THE QUALITY OF THE OFFER AND ITS APPROVAL FOR ISSUE, CIRCULATION AND PUBLICATION OF THIS OFFER FOR SALE DOCUMENT SHOULD NOT BE CONSTRUED AS ANY COMMITMENT OF THE SAME. THE PUBLIC/INVESTORS SHOULD CONDUCT THEIR OWN INDEPENDENT DUE DILIGENCE AND ANALYSIS REGARDING THE QUALITY OF THE OFFER BEFORE BIDDING/SUBSCRIBING.

SECP NEITHER TAKES RESPONSIBILITY FOR CORRECTNESS OF THE CONTENTS OF THIS OFFER FOR SALE DOCUMENT NOR THE ABILITY OF THE COMPANY TO FULFILL ITS OBLIGATIONS THEREUNDER.

### 1.2 APPROVAL OF OFFER FOR SALE DOCUMENT BY PSX

This Offer for Sale Document has been approved by the Pakistan Stock Exchange (“PSX”) vide its letter no. GEN-5397 dated August 11, 2017 in accordance with the requirements of its Regulations for Listing of Companies and Securities.

#### DISCLAIMER BY PSX:

PSX HAS NOT EVALUATED THE QUALITY OF THE OFFER, AND ITS APPROVAL SHOULD NOT BE CONSTRUED AS ANY COMMITMENT OF THE SAME. THE PUBLIC / INVESTORS SHOULD CONDUCT THEIR OWN INDEPENDENT INVESTIGATION AND ANALYSIS REGARDING THE QUALITY OF THE OFFER BEFORE SUBSCRIBING.

THE PUBLICATION OF THIS DOCUMENT DOES NOT REPRESENT SOLICITATION BY PSX.

THE CONTENTS OF THIS OFFER FOR SALE DOCUMENT DOES NOT CONSTITUTE AN INVITATION TO INVEST IN SHARES OR SUBSCRIBE FOR ANY SECURITIES OR OTHER FINANCIAL INSTRUMENT BY PSX, NOR SHOULD IT OR ANY PART OF IT FORM THE BASIS OF, OR BE RELIED UPON IN ANY CONNECTION WITH ANY CONTRACT OR COMMITMENT WHATSOEVER OF THE EXCHANGE.

IT IS CLARIFIED THAT INFORMATION IN THIS OFFER FOR SALE DOCUMENT SHOULD NOT BE CONSTRUED AS ADVICE ON ANY PARTICULAR MATTER BY PSX AND MUST NOT BE TREATED AS A SUBSTITUTE FOR SPECIFIC ADVICE.

**PSX DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER 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 ACTION TAKEN, BASED ON THIS DOCUMENT.**

**PSX NEITHER TAKES RESPONSIBILITY FOR THE CORRECTNESS OF CONTENTS OF THIS DOCUMENT NOR THE ABILITY OF THE COMPANY TO FULFILL ITS OBLIGATION THEREUNDER.**

**ADVICE FROM A SUITABLY QUALIFIED PROFESSIONAL SHOULD ALWAYS BE SOUGHT BY INVESTORS IN RELATION TO ANY PARTICULAR INVESTMENT.**

### **1.3 LISTING AT PAKISTAN STOCK EXCHANGE**

Application has been made to PSX for permission to deal in and for quotation of the shares of the Company.

If for any reason the application for formal listing is not accepted by PSX or approval for formal listing is not granted by PSX before the expiration of twenty-one days from the date of closing of the subscription period / list or such longer period not exceeding forty-two days as may, within the said twenty-one days, be notified to the applicants for permission by the securities exchange, the Offerors undertake that a notice to that effect will immediately be published in the press and will refund Application Money to the applicants without surcharge as required under the provisions of Section 69 of the Companies Act.

If any such money is not repaid within eight (08) days after the Offerors becomes liable to repay it, the Directors of the Offerors shall be jointly and severally liable to repay that money from the expiration of the eight day together with surcharge at the rate of two percent (2.0%) for every month or part thereof from the expiration of the eight day and, in addition, shall be liable to a penalty of level 3 on the standard scale in accordance with the provisions of sub-section (2) of Section 69 of the Companies Act.

As required under sub-section (3) of Section 69 of the Companies Act, the Application Money including the Bid Money, in case of book building, shall be deposited and kept in a separate bank account in a scheduled bank so long as the Offerors may become liable to repay it under sub-section (2) of Section 69 of the Companies Act; and, if default is made in complying with the said sub-section (3), the Offerors and every officer of the Offerors who authorizes or permits the default shall be liable to a penalty of level 2 on the standard scale.

## 1.4 CERTIFICATE BY THE OFFERORS

Date: April 11, 2017

### The Chief Executive

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

On behalf of the Offerors, we hereby confirm that all the material information as required under the Securities Act, 2015, the Companies Act, 2017, the Public Offering Regulations, 2017 and the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange has been disclosed in this OFSD and that whatever is stated in this OFSD and the supporting documents is true and correct to the best of our knowledge and belief.

On behalf of the Offerors, we hereby accept absolute responsibility for the disclosures made in this OFSD and hereby certify that this OFSD contains all necessary information with regard to the Company and the Offer and constitutes full, true and plain disclosures of all material information and facts relating to the shares being offered through this OFSD.

We being the Chief Executive Officer and Chief Financial Officer of the Offerors accept absolute responsibility for the disclosures made in this Offer for Sale Document. We hereby certify that the Offer for Sale Document contains all necessary information with regard to the Company and the Offer and constitutes full, true and plain disclosures of all material facts relating to the shares being offered through this Offer for Sale Document and that nothing has been concealed.

The information contained in this Offer for Sale Document is true and correct to the best of our knowledge and the opinions and intentions expressed herein are honestly held.

There are no other facts, the omission of which makes this Offer for Sale Document as a whole or any part thereof misleading.

For and on behalf of **OBS Pakistan (Private) Limited**

-sd-

**Mr. Tariq Moinuddin Khan**  
Chief Executive Officer

-sd-

**Mr. Mohammad Arif Mian**  
Chief Financial Officer



## 1.5 CERTIFICATE BY THE OFFERORS

Date: July 25, 2017

### The Chief Executive

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

On behalf of the Offerors, we hereby confirm that all the material information as required under the Securities Act, 2015, the Companies Act, 2017, the Public Offering Regulations, 2017 and the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange has been disclosed in this OFSD and that whatever is stated in this OFSD and the supporting documents is true and correct to the best of our knowledge and belief.

On behalf of the Offerors, we hereby accept absolute responsibility for the disclosures made in this OFSD and hereby certify that this OFSD contains all necessary information with regard to the Company and the Offer and constitutes full, true and plain disclosures of all material information and facts relating to the shares being offered through this OFSD.

We being the Chief Executive Officer and Chief Financial Officer of the Offerors accept absolute responsibility for the disclosures made in this Offer for Sale Document. We hereby certify that the Offer for Sale Document contains all necessary information with regard to the Company and the Offer and constitutes full, true and plain disclosures of all material facts relating to the shares being offered through this Offer for Sale Document and that nothing has been concealed.

The information contained in this Offer for Sale Document is true and correct to the best of our knowledge and the opinions and intentions expressed herein are honestly held.

There are no other facts, the omission of which makes this Offer for Sale Document as a whole or any part thereof misleading.

For and on behalf of **Muller & Phipps Pakistan (Private) Limited**

-sd-

\_\_\_\_\_  
**Mr. Kamran Nishat**  
Chief Executive Officer

-sd-

\_\_\_\_\_  
**Mr. Munaf Hussain Lakda**  
Chief Financial Officer

## 2 VALUATION, BOOK BUILDING PROCEDURE AND SHARE CAPITAL

### 2.1 VALUATION SECTION

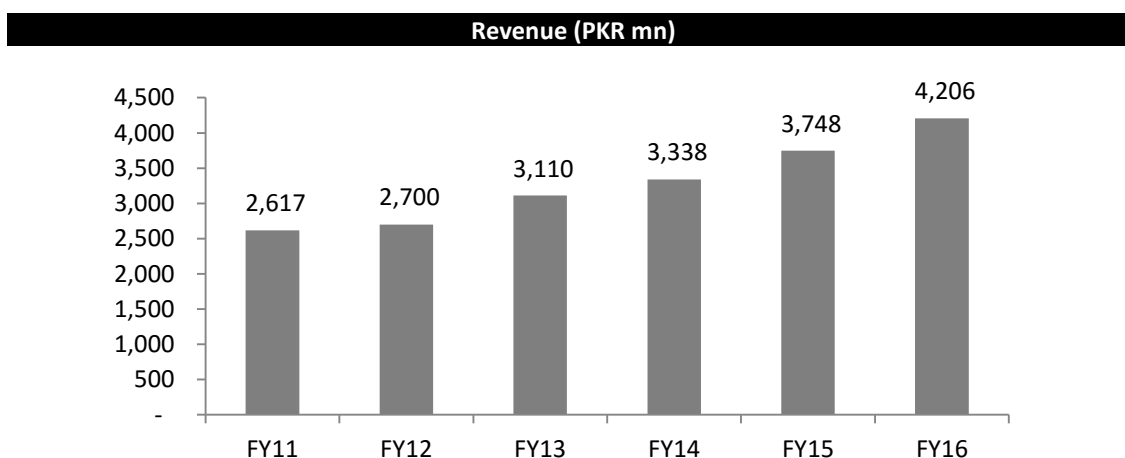
The Ordinary shares of AGPL are being offered at Floor Price of PKR 80/- per share which is at a premium of PKR 70/- per Share to the face value of PKR 10.00 per Share. The Consultant to the Offer has reviewed the business performance of the Company and in their opinion the Floor Price of PKR 80 per share is justified based on the following:

#### 2.1.1 Strong Growth in Sales

Sales have grown at a 5-year CAGR of 11.7%. Since the business is acquired by OBS led consortium, sales has increased from PKR 3,338 mn in 2014 to PKR 4,206 mn in 2016, which shows a growth of 12.2% p.a. Sales growth is expected to remain strong led by local sales, increasing exports to Afghanistan and the introduction of Mylan drugs. AGPL has recently entered into an agreement with Mylan, one of the world's leading generics and specialty pharmaceutical companies, to market its Hepatitis-C and Cancer treatment drugs in Pakistan. MyHep, a drug of Mylan, was launched in 2016 and is currently contributes to over 5% of the revenue of AGPL. Additional drugs of Mylan are to be launched in the coming years which would enable AGPL to increase its revenue.

AGPL has launched 5 new drugs in 2016 including Myhep (Sofosbuvir), Protégé, Mecovate, Novafof and Cofif, and 5 new drugs during the 6 months ending June 2017 including Briax, All-D, Febuxin, Urgesin and Calfina CR. The launch of new drugs would ensure healthy revenue growth even when older products reach the end of their life-cycle.

The following chart depicts the healthy revenue growth of AGPL over the years and it is expected that with a favourable macroeconomic environment, strong demand for pharmaceuticals and launch of new drugs, revenue growth would be sustained in the coming years.



*\* Revenue of FY11-FY14 are consolidated accounts of AGP (Private) Limited and AGP Healthcare (Private) Limited.*

### 2.1.2 Partnership with Mylan (USA)

AGPL entered into a partnership with Mylan N.V. (Global headquarters at Pennsylvania, USA) in 2015 under which AGP is able to sell Mylan products under license in Pakistan whereby the products are imported in finished form and are marketed by AGPL. In accordance with this agreement, AGPL has launched MyHep in March 2016 and will be launching cancer treatment drugs in the coming years. The agreement with Mylan is valid till year 2021 and will most probably be extended. AGPL could also consider manufacturing the drugs locally at a later stage once a strong market for Mylan drugs is developed.

Mylan is one of the largest generics and specialty pharmaceutical companies in the world, manufacturing and marketing more than 7,500 different products with total turnover close to USD10bn.<sup>1</sup> It is a vertically integrated company, manufacturing Active Pharmaceutical Ingredients as well as finished drugs, with a vast manufacturing network of over 40 sites spread across North America, Europe, Japan, Australia and India, among others. Mylan's manufacturing and supply network caters to over 145 countries across the world.

Mylan's large scale of operation and manufacturing capabilities has enabled it to become a leading supplier of antiretroviral therapy, medications that treat HIV (Human Immunodeficiency Virus). By reducing the cost of therapy, Mylan has made antiretroviral therapy accessible for patients in the most remote parts of the world. Today, over 40% of the total patients worldwide, in need of antiretroviral therapy are being treated by Mylan's products<sup>2</sup>.

AGPL has plans to grow Mylan's business with an objective to reach net sales of around PKR 2,000mn in the next 5 years. They plan to do so by aggressively registering and launching Mylan products in Pakistan, in the most important therapeutic areas including Hepatitis, Cancers, HIV, Women Health, Cardio Vascular and Diabetes. Altogether, these areas represent about USD 460 mn of sales, amounting to 18% of Pakistan Pharmaceutical market.<sup>3</sup>

### 2.1.3 Launch of MyHep (Sofosbuvir)

Sofosbuvir is one of the new direct-acting antiviral drugs that target different steps of the hepatitis-C virus (HCV) lifecycle. It is a nucleotide analogue HCV polymerase inhibitor, meaning it blocks the polymerase enzyme which the virus must use to reproduce.

AGP has launched MyHep (Sofosbuvir); a product of Mylan, in Pakistan in March 2016 plans to launch other variants of the drug in the next 2 years. MyHep has already become a star product of the Company, contributing 5% of the revenue (please refer to section 4.3), and is forecasted to be a major revenue contributor.

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<sup>1</sup> Mylan Website

<sup>2</sup> Mylan Newsroom "Mylan Advances Access in the Fight Against HIV with the Launch of Three Generic Antiretroviral Medicines in Canada"

<sup>3</sup> IMS Report

#### **2.1.4 Foreign Affiliations**

AGPL is amongst the very few groups of companies in Pakistan, which specializes in developing strategic alliances with reputed international firms. AGPL has affiliations with leading pharmaceutical companies such as Dr. Kade (Germany), GlaxoSmithKline (United Kingdom), Vifor / OM Pharma (Switzerland), Mylan (USA) etc. In 2015, AGPL formed a strategic alliance with Mylan USA to promote their complete portfolio in Pakistan and has recently begun marketing their products.

#### **2.1.5 State-of-the-art Manufacturing Facility**

AGPL has an up to date manufacturing facilities which are cGMP (Common Good Manufacturing Practice) compliant. The standard operating procedures in place have been developed by working closely with the technical support staff of principals and are constantly updated in line with the changes in the local and international regulatory requirements. All machines, equipment and processes are validated to ensure consistency of production standards and must complete a comprehensive program of installation, operation and performance qualification before starting regular operation.

The facilities hold drugs manufacturing license and ISO 9001:2008 certification from the Ministry of National Health Services Regulations & Coordination, Pakistan and SGS United Kingdom Limited Systems & Services Certification, respectively. Furthermore, AGPL has been regularly audited by our foreign principals in the past many years leading to a continuous improvement in process. GSK conducted the last audit of AGPL Plant-1 facilities in April 2015. They concluded that AGPL exhibits an adequate level of Good Manufacturing Practices (GMP) compliance for the market AGP supplies.

#### **2.1.6 Established Distribution Network**

AGPL has a strong foothold across the country through a comprehensive access to 32,400 pharmacies in Pakistan through Muller & Phipps Pakistan (Private) Limited (“M&P”). M&P is the largest Pharmaceutical distributor in Pakistan with information systems, warehousing and network outreach, that is next to none. M&P is also a strategic investor of AGPL, holding 18.9% shareholding the Company.

#### **2.1.7 Non-Cyclical Business**

The pharmaceutical business is non-cyclical in nature with the demand for drugs remaining almost consistent and in line with growth in population, per capita income and urbanization.

#### **2.1.8 Pricing**

The Drug Pricing Policy allows price increase of scheduled drugs upto 50% of inflation and for unscheduled drugs up to 70% of inflation. However, the export market is exempted from this policy which provides the Company an opportunity to price its products as per the export destination sector dynamics. Prior to 2015, pharmaceutical companies were not allowed to increase prices, therefore, the current policy of increasing prices as a percentage of inflation is a much needed relief for pharmaceutical companies. However, the export market is exempted from this policy which provides the Company an opportunity to price its products as per the export destination sector dynamics.

### **2.1.9 Focus on Research & Development**

Research & Development is key to success of any manufacturing concern particularly in the pharmaceutical industry. AGPL has set-up an up to date R&D facility, which is monitored and upgraded on a continuous basis. The R&D facility employs highly trained and capable human resource. Through this facility, the Company is able to develop the formulations of the new products that the company is planning to launch. The facilities are also used to improve the formulations of existing product in line with any new international development/ regulatory requirements.

Keeping in line with the vision, AGPL has collaborated with several multinational companies as manufacturer and authorized marketing agent in Pakistan. These companies include Eli-Lilly USA, Dr. Kade Germany, Vifor/OM Pharma Switzerland, UCB Belgium and Osmopharm Switzerland to name a few. These companies have contributed in technology transfer and development of knowledge base of the staff at AGPL.

AGPL's R&D facility has developed local formulation of several products like Ceclor, Osnate, Keflex, Rigix, Anafortan, Chymoral etc. which are now the flagship brands of the Company.

### **2.1.10 Experienced and Dedicated Management**

The Board of AGPL is chaired by Mr. Tariq Khan who brings along with him an experience of over 16 years in the Pakistani pharmaceutical sector. Since 2006, Mr. Tariq has overseen five successful acquisitions/strategic alliances with reputed international firms.

Mr. Tariq's exemplary leadership skills and consistent focus on delivering customer value led OBS Group from being placed at 58<sup>th</sup> position amongst Pakistani pharmaceutical companies in 2006 to one of largest pharmaceutical conglomerates in Pakistan – the group now ranks 9<sup>th</sup><sup>4</sup> amongst all pharmaceutical companies in Pakistan.

AGPL is headed by Ms. Nusrat Munshi since July 2009; she has positioned the Company at the forefront amongst its larger and more established peers, in terms of efficiencies and profitability. Under her leadership, AGPL has seen stable growth in the top line while improving the performance ratios of the Company in a challenging and inflationary environment. As a result of her efforts to improve company efficiency, financial performance has improved remarkably, the Company's revenue grew from PKR 2bn in 2009 to PKR 4.2 bn in 2016. She successfully steered the Company during the critical process of change in ownership in 2014, after which the Company has emerged much stronger vision with focus on long term horizon and support of the new shareholder.

### **2.1.11 Shariah Compliance**

Company has been declared as Shariah compliant Company by Meezan Bank Limited on Audited Financial Statements as at March 31st, 2017. For Shariah Compliant certificate, refer to section 5.1.

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<sup>4</sup> Source: IMS Report

## 2.1.12 Peer Group Analysis

| <i>LTM Figures</i>                     | <b>Market Price*</b> | <b>EPS**</b> | <b>BVPS**</b> | <b>P/E</b> | <b>P/B</b> |
|----------------------------------------|----------------------|--------------|---------------|------------|------------|
| Abbott Laboratories (Pakistan) Limited | 913.92               | 40.85        | 136.44        | 22.4       | 6.7        |
| GlaxoSmithKline (Pakistan) Limited     | 206.64               | 9.07         | 41.00         | 22.8       | 5.0        |
| The Searle Company Limited             | 559.28               | 15.55        | 57.58         | 36.0       | 9.7        |
| Ferozesons Laboratories Limited        | 471.34               | 13.07        | 189.43        | 36.1       | 2.5        |
| Highnoon Laboratories Limited          | 574.40               | 25.49        | 84.97         | 22.5       | 6.8        |
| Sanofi-Aventis Pakistan Limited        | 1,983.97             | 144.01       | 388.74        | 13.8       | 5.1        |
| <b>Average</b>                         |                      |              |               | 25.6       | 6.0        |
| <b>AGP Limited</b>                     | 80.00                | 4.24         | 17.43         | 18.9       | 4.6        |

\*Market Prices are six months average (March 2017 – August 2017)

\*\* Earnings per share (EPS) and Book Value per share (BVPS) are of trailing 12 months ending June 2017

## 2.1.13 Justification

Based on their review, the Consultant to the Issue is of the opinion that the historical performance of the Company, the sponsor's profile, quality of management and strong product portfolio indicate sustainability of business performance in the future.

Furthermore, with increasing focus on healthcare and continued improvement in the healthcare sector, the Company is sitting in a position to take advantage of the increasing healthcare expenditure in the country. According to the latest National Health Accounts for Pakistan published by the Pakistan Bureau of Statistics, annual per capita healthcare expenditure in Pakistan has increased from USD 34.7 in 2012 to USD 39.5 in 2014.

In light of the above, AGP Limited's Floor Price of PKR 80 per share translate to a Latest Twelve Months ("LTM") price to earnings (P/E) multiple of 18.9x and a price to book (P/B) multiple of 4.6x, a discount of 26% and 23% relative to the average sector P/E and P/B.

## 2.2 BOOK BUILDING PROCEDURE

### 2.2.1 Brief Structure

#### The Present Offer

The Offer comprises 35,000,000 Ordinary Shares of the face value of PKR 10.00/- each which constitutes 12.5% of the paid-up capital of the Company.

The Offer is being made through the Book Building process at a Floor Price of PKR 80/- per Share (including a premium of PKR 70/- per Share). The Bidders shall be allowed to place Bids for hundred percent (100%) of the Offer size and the Strike Price shall be the price at which the hundred percent (100%) of the total Offer size is subscribed. However, the successful bidders would be allotted and issued only seventy-five percent (75%) of the Offer size i.e. 26,250,000 Shares and the remaining twenty five percent (25%) i.e. 8,750,000 Shares would be offered to the retail investors. In case the retail portion of the offer remains unsubscribed, the unsubscribed shares shall be allotted to the successful bidders on pro-rata basis.

The bidders shall give an undertaking along with the application that they would subscribe to the unsubscribed shares, if any, by the retail investors and their remaining bid money would remain deposited / blocked till

allotment of unsubscribed shares, if any, by the retail investors to them on pro-rata basis. In case the retail portion is fully subscribed, the bid money shall be unblocked within one (1) working day or refunded within three (3) working days from the date of confirmation of shares subscribed in the general public portion.

Within 3 working days from the close of the Bidding Period, a Supplement to the OFSD will be published in at least all those newspapers in which the OFSD is published. Format of the Supplement is given on page 3 of this OFSD.

## 2.2.2 Types of Bids and Procedure for Making a Bid

Book Building is a process whereby investors bid for a specific number of shares at various prices. The Offeror's set a Floor Price which is the minimum / lowest price a bidder can bid at. An order book of bids is maintained by the Book Runner, which is then used to determine the Strike Price through the "Dutch Auction Method".

Under the Dutch Auction Method, the Strike Price is determined by lowering the Bid Price to the extent that the total number of shares offered through the Book Building process are subscribed.

A bid by a bidder can be a "Limit Bid", or a "Step Bid", which are explained below:

- **Limit Bid:** Limit bid is at the limit price, which is the maximum price a bidder is willing to pay for a specified number of shares.

In such a case, a Bidder explicitly states a price at which he / she / it is willing to subscribe to a specific number of shares. For instance, a Bidder may bid for 1 million shares at PKR 82.00 per share. In such a case the total application money would amount to PKR 82 million. Since the Bidder has placed a limit of PKR 82.00 per share, this indicates that he / she / it is willing to subscribe the shares at or below PKR 82.00 per share.

- **Step Bid:** A series of limit bids at increasing prices. The amount of any individual step shall not be less than PKR 1,000,000.

Under this bidding strategy, Bidders place a number of Limit Bids at different increasing price levels. A Bidder may, for instance, make a bid for 0.50 million shares at PKR 80.00 per share, 0.40 million shares for PKR 81.00 per share and 0.30 million shares for PKR 82.00 per share. The Bidder has placed one Step Bid comprising three Limit Bids at increasing prices. The Bid amount would be PKR 97.00 million. In case of Individual Investors, the Margin Money will be 100% i.e. PKR 97.00 million whereas in case of Bidders being Institutional Investors the Margin Money shall be 25% of the Bid amount i.e. PKR 24.25 million.

### RESTRICTIONS:

#### I. AN ELIGIBLE INVESTOR SHALL NOT:

- BID BELOW THE FLOOR PRICE;
- MAKE A BID FOR MORE THAN 10% OF THE SHARES ALLOCATED UNDER THE BOOK BUILDING PORTION;
- MAKE A BID WITH A PRICE VARIATION OF MORE THAN 10% OF THE PREVAILING INDICATIVE STRIKE PRICE AS PER REGULATION 10(2)(iii) OF THE PO REGULATIONS;
- PLACE CONSOLIDATED BIDS, A BID APPLICATION WHICH IS FULLY OR PARTIALLY BENEFICIALLY OWNED BY PERSONS OTHER THAN THE ONE NAMED THEREIN IS TO BE CONSIDERED AS A CONSOLIDATED BID;
- MAKE MORE THAN ONE BID SEVERALLY OR JOINTLY, HOWEVER, A BID CAN ONLY BE REVISED UPWARD TILL 5:00 PM ON THE LAST DAY OF THE BIDDING PERIOD;

- f) REVISE BID DOWNWARD; AND
- g) WITHDRAW BID
- II. RELATED EMPLOYEES OF THE OFFERORS, THE COMPANY, THE CONSULTANT TO THE ISSUE AND THE BOOK RUNNER CANNOT PARTICIPATE IN THE BIDDING PROCESS.
- III. NO PERSON SHALL TAKE PART IN THE BOOK BUILDING PROCESS, DIRECTLY OR INDIRECTLY SEVERALLY OR JOINTLY IN ANY MANNER OR ENGAGE IN ANY ACT OR PRACTICE WHICH CREATE A FALSE AND MISLEADING APPEARANCE OF ACTIVE BIDDING FOR RAISING OR DEPRESSING STRIKE PRICE IN THE BOOK BUILDING PROCESS;
- IV. ASSOCIATES OF THE OFFEROR AND THE COMPANY/ISSUER AS DISCLOSED IN THE OFSD SHALL NOT IN AGGREGATE MAKE BIDS FOR SHARES IN EXCESS OF FIVE PER CENT (5%) OF THE BOOK BUILDING PORTION;
- V. AS PER REGULATION 7(9) OF THE PO REGULATIONS, THE ASSOCIATES OF THE CONSULTANT TO THE ISSUE AND THE BOOK RUNNER SHALL NOT IN AGGREGATE MAKE BIDS FOR SHARES IN EXCESS OF TWO PERCENT (2%) OF THE BOOK BUILDING PORTION.

LIST OF ASSOCIATED COMPANIES AND UNDERTAKINGS OF THE OFFERORS AND THE COMPANY, NAMES OF RELATED EMPLOYEES OF THE COMPANY, OFFERORS, BOOK RUNNER AND THE CONSULTANT TO THE ISSUE ARE PROVIDED IN SECTION 2.2.26

Once the Bidding Period has lapsed and the book has been built, the Strike Price shall be determined on the basis of Dutch Auction Method.

Successful Bidders shall be intimated, within one (1) day of the closing of the Bidding Period, about the Strike Price and the number of shares provisionally allotted to each of them. The successful Institutional Bidders shall, within three (3) days of the closing of the bidding period, deposit the balance amount as consideration against allotment of shares. **Where a successful Bidder defaults in payment of shares allotted to him / her / it, the Margin Money deposited by such Bidder shall be forfeited to the Book Runner.**

As per regulation 9(16) of the PO Regulations, the successful bidders shall be issued securities only after the end of the public subscription, in the form of book-entry to be credited in their respective CDS Accounts. All the bidders shall, therefore, provide details of their respective CDS Account (Investor Accounts or Sub-Accounts) in the bid application.

The Bidders must fill-in the part of the Bidding Form under the heading, “Dividend Mandate” to enable the Company to directly credit their cash dividend, if any, in their respective Bank Accounts.

### **2.2.3 Mechanism for Determination Strike Price**

1. At the close of the bidding period, the Strike Price shall be determined on the basis of Dutch Auction Method by the System. Under this methodology, the Strike Price is determined by lowering the price to the extent that the total number of shares offered are subscribed.
2. The order book shall display the bid prices in a tabular form in descending order along with the number of shares bid for and the cumulative number of shares at each price level.
3. In case all bids made above the Strike Price are accommodated and shares are still available for allotment, such available shares will be allotted against the bids at the Strike Price strictly on time priority basis.



The mechanism for determination of the strike price can be understood by the following illustration:

1. **Number of shares being Offered through the Book Building:** 35,000,000 Ordinary Shares
2. **Floor Price:** PKR 80/- per share
3. **Bidding Period:** From November 08, 2017 to November 09, 2017
4. **Bidding Time:** 9:00 am - 5:00 pm
5. **Bidding Revision Time (Upward Revision Only):** 9:00 am - 5:00 pm on all days

| Bidder                     | Price (PKR per share) | Quantity (shares Millions) | Cumulative Number of Shares (mn) | Category of Bid        | Date             |
|----------------------------|-----------------------|----------------------------|----------------------------------|------------------------|------------------|
| Institution - A            | 88.0                  | 4                          | 4                                | Limit Price            | Day 1            |
| Institution - B            | 86.5                  | 4                          | 8                                | Limit Price            | Day 2            |
| Foregin Institution - F    | 86.0                  | 3                          | 11                               | Limit Price            | Day 2            |
| HNWI - A                   | 85.2                  | 3                          | 14                               | Step Bid               | Day 2            |
| Institution - C            | 85.1                  | 5                          | 19                               | Step Bid               | Day 1            |
| Institution - Y            | 85.0                  | 4                          | 23                               | Limit Price            | Day 1            |
| Institution - S            | 84.9                  | 13                         | 36                               | Limit Price            | Day 2            |
| HNWI - E                   | 83.0                  | 6                          | 42                               | Limit Price            | Day 2            |
| Institution - C            | 82.3                  | 3                          | 45                               | Step Bid               | Day 1            |
| <del>Institution - B</del> | <del>82.3</del>       | <del>4</del>               | <del>45</del>                    | <del>Limit Price</del> | <del>Day 2</del> |
| HNWI - A                   | 82.0                  | 2                          | 47                               | Step Bid               | Day 2            |
| Institution - C            | 81.9                  | 1                          | 48                               | Step Bid               | Day 1            |

↓

**Strike Price determined through Dutch Auction Method**

↓

**Bid has been revised and placed at PKR 86.5 per share**

↓

**Total Shares Subscribed**

On the basis of the figures provided in the above illustration, according to the Dutch Auction Method, the Strike Price would be set at PKR 84.90 per share to sell the required quantity of 35,000,000 ordinary shares.

- At PKR 88.00 per share, investors are willing to buy 4.00 million shares. Since 31 million shares are still available, therefore the price will set lower.
- At PKR 86.50 per share, investors are willing to buy 4.00 million shares. Since 27 million shares are still available; therefore, the price will set lower.

- At PKR 86.00 per share, investors are willing to buy 3.00 million shares. Since 24 million shares are still available; therefore, the price will set lower.
- At PKR 85.20 per share, investors are willing to buy 3.00 million shares. Since 21 million shares are still available; therefore, the price will set lower.
- At PKR 85.10 per share, investors are willing to buy 5.00 million shares. Since 16 million shares are still available; therefore, the price will set lower.
- At PKR 85.00 per share, investors are willing to buy 4.00 million shares. Since 12 million shares are still available; therefore, the price will set lower.
- At PKR 84.90 per share, investors are willing to buy 13.00 million shares. Since after bidding for 13.00 million shares at PKR 84.90 per shares no share will be available, therefore, the Strike Price will be set at PKR 84.90 per share for the entire lot of 35 million shares.
- The Bidders, who have placed bids at prices above the Strike Price (which in this illustration is PKR 84.90 per share), will become entitled for allotment of shares at the Strike Price and the differential would be refunded.
- The Bidders, who have placed bids below PKR 84.90 per share, will not qualify for allotment of shares and their money would be refunded.
- In case bids received at the Strike Price exceeds the number of shares to be allocated under the Book Building, then preference will be given to the Bidders strictly on time priority basis.

#### **2.2.4 Timeframe for intimation to the successful bidders. Mechanism for payment of the balance amount by the successful bidders**

Successful bidders shall be intimated, within one (1) day of the closing of the bidding period, the Strike Price and the number of shares allotted to each of them. The successful institutional bidders shall, within three (3) days of the closing of the bidding period, deposit the balance amount as consideration against allotment of shares. **Where a successful Bidder defaults in payment of shares allotted to it, the Margin Money deposited by such Bidder shall be forfeited to the Book Runner.**

#### **2.2.5 Consultant to the Issue**

JS Global Capital Limited (“JSGCL”) has been appointed by the Offerors as Consultant to this Issue.

#### **2.2.6 Book Runner**

BMA Capital Management Limited (“BMA”) has been appointed by the Offerors as the Book Runner to this Offer.

#### **2.2.7 Interest of Consultant to the Issue, the Book Runner and the Offerors other than their Role as Consultant to the Issue and the Book Runner**

The Consultant to the Issue and the Book Runner are deemed to be interested to the extent of fees payable to them by the Offerors for the services as Consultant to the Issue and Book Runner. The Consultant to the Issue and the Book Runner have no other interest in any property or profits of the Company.

## Responsibilities of the Book Runner

The Book Runner to the Offer shall:

1. ensure that necessary infrastructure and electronic system is available to accept bids and to conduct the whole Book Building process in a fair, efficient and transparent manner;
2. ensure blocking of bid and margin money of the Bidders in their respective accounts;
3. the Book Runner must be financially capable for honoring its commitments arising out of defaults by their investors, if any;
4. use the software provided by the Designated Institution for the Book Building on such terms and conditions as may be agreed through an agreement in writing;
5. ensure that the software used for Book Building is based on Dutch Auction Method for display of the order book and determination of the strike price;
6. ensure that the bidders can access to the System and can revise their bids electronically using the user ID and the password;
7. underwrite the Book Building Portion;
8. ensure that it has obtained list and Unique Identification Numbers of the associates of the Issuer, the Offeror and the Consultant to the Issue;
9. ensure that names and Unique Identification Numbers of all the persons mentioned above are entered and capped in a manner as prescribed in the PO Regulations before commencement of the Bidding Period;
10. ensure that no bid or bids exceeding five per cent (5%), in aggregate, is or are made by the associated companies and associated undertakings of the Offerors and the Company/Issuer;
11. ensure that it has blocked all Unique Identification Numbers and names of all related employees for participation in the bidding;
12. enter into an underwriting agreement with the Offerors with respect to underwriting of the Book Building portion for covering the default risk;
13. establish bid collection centers at least in Islamabad, all the provincial capitals, Azad Kashmir and Gilgit/Baltistan;
14. maintain record of all the bids received; and
15. ensure that all the Bids received in the Bid Collection Centers are entered into the system developed by the Designated Institution for the purpose of Book Building within the prescribed time.

The Book Runner has established Bid Collection Centers at the following addresses:

| Karachi  |                                                                                         |          |                                                                                                                                     |
|----------|-----------------------------------------------------------------------------------------|----------|-------------------------------------------------------------------------------------------------------------------------------------|
| Name:    | Ibad Abdul Quddus Gandhi                                                                | Name:    | Muhammad Arsalan Raja                                                                                                               |
| Phone:   | 021 32466858                                                                            | Phone:   | 021 34825023                                                                                                                        |
| Fax:     | 021 32430748                                                                            | Fax:     | 021 34825027                                                                                                                        |
| E-mail:  | Ibad.gandhi@bmacapital.com                                                              | E-mail:  | muhammad.arsalan@bmacapital.com                                                                                                     |
| Address: | BMA Capital Management Limited,<br>Unitower, Level 9, I. I. Chundrigar<br>Road, Karachi | Address: | BMA Capital Management Limited,<br>Plot no B-29, Mezzanine Floor, Block<br>13-A, Main University Road, Gulshan-<br>e-Iqbal, Karachi |

| Lahore   |                                                                                                             | Islamabad  |                                                                                                                                               |
|----------|-------------------------------------------------------------------------------------------------------------|------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| Name:    | Asjad Afzal                                                                                                 | Name:      | Qasim Zafar                                                                                                                                   |
| Phone:   | 042 36676615                                                                                                | Phone:     | 051 2802361                                                                                                                                   |
| Fax:     | 042 36619912                                                                                                | Fax:       | 051 2802356                                                                                                                                   |
| E-mail:  | asjad.afzal@bmacapital.com                                                                                  | E-mail:    | qasim.zafar@bmacapital.com                                                                                                                    |
| Address: | BMA Capital Management Limited,<br>2nd Floor, 74-Commercial Area,<br>Cavalry Ground, Lahore.                | Address:   | BMA Capital Management Limited,<br>104, 1st Floor, 82-East, Muhammad<br>Gulistan Khan House,<br>A.K Fazlul Haq Road, Blue Area,<br>Islamabad. |
| Peshawar |                                                                                                             | Quetta     |                                                                                                                                               |
| Name:    | Syed Maqsood Shah                                                                                           | Name:      | Waqar Ali                                                                                                                                     |
| Phone:   | 091-5279769; 0333-9255279                                                                                   | Phone:     | 0333-7937887; 081-2823487                                                                                                                     |
| Fax:     | 091-5279427                                                                                                 | Fax:       | 081-2822203                                                                                                                                   |
| E-mail:  | ops0277@mcb.com.pk                                                                                          | E-mail:    | ops0551@mcb.com.pk                                                                                                                            |
| Address: | MCB Bank Limited<br>Saddar Road, Peshawar Cantt,<br>Peshawar                                                | Address:   | MCB Bank Limited<br>Shahra-e-Iqbal, Quetta                                                                                                    |
| Gilgit   |                                                                                                             | Mirpur     |                                                                                                                                               |
| Name:    | Liaquat Ali                                                                                                 | Name:      | Hamedullah                                                                                                                                    |
| Phone:   | 0300 8999117                                                                                                | Phone:     | 0582-7443145                                                                                                                                  |
| Fax:     | 05811-457860                                                                                                | Fax:       | 0582-7442287                                                                                                                                  |
| E-mail:  | ops1116@mcb.com.pk                                                                                          | E-mail:    | ops0596@mcb.com.pk                                                                                                                            |
| Address: | MCB Bank Limited<br>National Market, Gilgit                                                                 | Address:   | MCB Bank Limited<br>Iqbal Road, Mirpur, Azad Kashmir                                                                                          |
| Multan   |                                                                                                             | Gujranwala |                                                                                                                                               |
| Name:    | Alam Akhtar                                                                                                 | Name:      | Faisal Yaqoob Khokar                                                                                                                          |
| Phone:   | 061 4576613                                                                                                 | Phone:     | 055 3848503                                                                                                                                   |
| Fax:     | 061 4576615                                                                                                 | Fax:       | 055 3848505                                                                                                                                   |
| E-mail:  | alam.akhtar@bmacapital.com                                                                                  | E-mail:    | faisal.khokhar@bmacapital.com                                                                                                                 |
| Address: | BMA Capital Management Limited,<br>Office no. 607/A, 6th Floor,<br>The United Mall, Abdali Road,<br>Multan. | Address:   | BMA Capital Management Limited,<br>Office no. 51, H-Block, Ground Floor,<br>Trust Plaza, Gujranwala.                                          |

### 2.2.8 Roles and responsibilities of the Designated Institution

PSX will act as the Designated Institution for this Offer and perform the following functions:

1. Record name, Unique Identification Number (UIN), National Tax Number (NTN), postal and email addresses, land line and cell numbers, bank account Number and branch address and CDS Account (Investor Account Number or Sub-Account Number) of the bidder with participant account number;
2. provide a mechanism for registration of the bidders before commencement of the bidding period till 03:00 p.m. on the last day of the Bidding Period and require the investors to provide at least such information as mentioned above;
3. generate bidders' Internet Protocol (IPs) address and keep record of all IP addresses from where the bids are placed;

4. record the number of shares bid for, the Bid Price, type of the bid i.e. Limit Bid or Step Bid, date and time of the entry of the bid;
5. display the bids revised, and date and time of upward revision;
6. not accept the bids placed at a Bid Price that is below the Floor Price;
7. display live the total number of shares offered for sale, the Floor Price, total number of bids received, total number of shares bid for and indicative Strike Price;
8. build an order book showing demand for the shares at various price levels in a descending order along with the accumulated number of shares bid for and percentage of total shares offered under the Book Building Portion;
9. discover the strike price at the close of the Bidding Period;
10. generate alerts for the Bidders via Short Message Service through cell phones and emails upon entry of the bid, at the time of upward revision of the bid, and upon discovery of the strike price; and
11. ensure that system must provide the bidders the option to upward revise their bids online or through the Book Runner during the period permitted.

PSX shall ensure that:

- identity of the bidder is not displayed; and
- no bid is entered into the System after closing of the Bidding Period.

## 2.2.9 Roles and Responsibilities of the Offerors

An Offerors shall make a public offer of securities, subject to the following condition:

1. The Offerors, their sponsors, promoters, substantial shareholders, directors and associates have no over dues or defaults, irrespective of the amount, appearing in the report obtained from the Credit Information Bureau;
2. The Offerors or their directors, sponsors or substantial shareholders should not have been holding the office of the directors, or have been sponsors or substantial shareholders in any company:
  - I. which had been declared defaulter by the securities exchange or futures exchange; or
  - II. whose TRE certificate has been cancelled or forfeited by the securities exchange; or
  - III. which has been de-listed by the securities exchange due to non-compliance of its regulations.
3. The Offerors shall appoint Consultant to the Issue, the Book Runner, the Underwriters, the Balloter and Share Registrar and Banker to the Offer, where required, through separate agreements in writing.

## 2.2.10 Opening and Closing of the Registration Period

The Registration Period shall be for **five (5) working days** i.e. November 03, 2017 to November 08, 2017 (both days inclusive) from 09:00 am to 5:00 pm and from 09:00 am to 3:00 pm on November 09, 2017.

| Registration Period |                    |
|---------------------|--------------------|
| November 03, 2017   | 9:00 am to 5:00 pm |
| November 06, 2017   | 9:00 am to 5:00 pm |
| November 07, 2017   | 9:00 am to 5:00 pm |
| November 08, 2017   | 9:00 am to 5:00 pm |
| November 09, 2017   | 9:00 am to 3:00 pm |

### 2.2.11 Opening and Closing of the Bidding Period

The Bidding Period shall be for **two (2) working days** .i.e. November 08, 2017 to November 09, 2017 (both days inclusive). The bidding will commence at 09:00 am and shall close at 05:00 pm on both days.

|                           |                                      |
|---------------------------|--------------------------------------|
| BIDDING PROCESS STARTS ON | November 08, 2017 9:00 am to 5:00 pm |
| BIDDING PROCESS ENDS ON   | November 09, 2017 9:00 am to 5:00 pm |

### 2.2.12 Eligibility to Participate in Bidding

Eligible Investors who can place their bids in the Book Building process includes local and foreign Individual and Institutional Investors both local and foreign, whose Bid Amount is not less than PKR 1,000,000/- (Rupees One Million only).

### 2.2.13 Information for Bidders

1. The OFSD for offer of shares has been approved by PSX and SECP.
2. The OFSD, Registration forms and the bidding forms can be obtained from the Registered Office of AGP Limited, JS Global Capital Limited, BMA Capital Management Limited, and the designated Bid Collection Centers. OFSD and bidding forms can also be downloaded from the following websites of the Consultant to the Issue, Book Runner and the Company i.e. [www.agp.com.pk](http://www.agp.com.pk), [www.jsycl.com](http://www.jsycl.com), and [www.bmacapital.com](http://www.bmacapital.com).
3. Eligible investors who are interested in subscribing to the Shares should approach the Book Runners at the addresses provided in paragraph 2.2.7 for submitting their Bids.
4. THE REGISTRATION FORMS SHOULD BE SUBMITTED ON THE PRESCRIBED FORMAT AT THE ADDRESSES PROVIDED IN PARAGRAPH 2.2.7. FOR DETAILS ON THE PROCEDURE OF REGISTRATION PLEASE REFER TO PARAGRAPH 2.2.14.
5. THE BIDS SHOULD BE SUBMITTED ON THE PRESCRIBED BIDDING FORM IN PERSON OR THROUGH FAX NUMBERS GIVEN IN PARAGRAPH 2.2.7 OR THROUGH ONLINE SYSTEM USING THE USER ID AND PASSWORD ISSUED AT THE TIME OF REGISTRATION OF ELIGIBLE INVESTOR.
6. REGISTERED INVESTORS CAN PLACE AND REVISE THEIR BIDS UPWARDS BY ACCESSING THE DESIGNATED INSTITUTION ONLINE PORTAL FOR BOOK BUILDING BY USING THE USER ID AND PASSWORD COMMUNICATED TO THEM VIA EMAIL BY PSX.
7. EACH ELIGIBLE INVESTOR SHALL ONLY SUBMIT A SINGLE PAY ORDER, DEMAND DRAFT OR EVIDENCE OF ONLINE TRANSFER OF MONEY ALONG WITH THE REGISTRATION FORM. IT MAY ALSO BE NOTED THAT ONLY A SINGLE PAY ORDER, DEMAND DRAFT OR EVIDENCE OF ONLINE TRANSFER OF MONEY SHALL BE ACCEPTED BY THE BOOK RUNNER ALONG WITH EACH ADDITIONAL PAYMENT FORM.
8. ELIGIBLE INVESTORS WHO ARE ACCOUNT HOLDERS OF MCB BANK LIMITED (THE BANKER TO THE BOOK BUILDING PORTION OF THE OFFER) CAN USE THE ONLINE TRANSFER FACILITY PROVIDED BY MCB BANK LIMITED TO DEPOSIT THEIR BID MONEY TO THE BOOK BUILDING ACCOUNT OPENED AT MCB BANK LIMITED.

### 2.2.14 Registration Form and Procedure for Registration

1. A standardized Registration Form has been prescribed by the Offerors. The Registration Form shall be submitted, duly filled in, at the Bid Collection Centers in person on address given in paragraph 2.2.7 on the standard Registration Form. The Registration Form shall be serially numbered at the Bid Collection Centers and date and time stamped at the time of collection of the same from the Bidders.
2. Upon completion and submission of the Registration Form, the Bidders are deemed to have authorized the Offerors to make necessary changes in the OFSD as would be required for finalizing and publishing the Supplement to the OFSD in the newspapers in which the OFSD was published and filing the supplement with the PSX and the SECP, without prior or subsequent notice of such changes to the bidders.
3. The registration procedure under the Book Building process is outlined below:
  - The Registration shall be for five (5) working days i.e. November 03, 2017 to November 08, 2017 (except weekends) from 9:00 AM to 5:00 PM except on the last day and from 9:00 AM to 3:00 PM on November 09, 2017 on the last day.
  - The Registration Form shall be issued in duplicate signed by the Bidder and countersigned by the Book Runner, with first copy for the Book Runner, and the second copy for the Bidder.
  - The Registration Form shall be submitted at the Bid Collection Centers in person, through representative or through fax on addresses and numbers given in paragraph 2.2.7 on the Registration Form duly filled in and signed in duplicate.
  - Upon registration of the bidders in the System, PSX shall assign and communicate User ID and password to the Bidders via email on the email address provided by them in the Registration Form.
  - The Book Runner may reject any bid for reasons to be recorded in writing provided the reason of rejection is disclosed to such bidder. Decision of the Book Runner shall not be challengeable by the Bidder or its associates.
  - Bid money / Margin Money shall be deposited along with the Registration Form through demand draft, pay order and online transfer. In case of Online Transfer, the Bidders are requested to submit a bank receipt evidencing transfer of the bid money into the Company's and Offeror's designated bank account. **Please note that cash must not be deposited either directly or through online transfer in the Offeror's designated bank account.**
  - The demand draft, pay order shall be made in favor of "Offer for Sale of AGP Limited - Book Building". For online transfer the payment shall be made into A/C # **0934138811010735** being maintained at MCB Bank Limited, Global Transaction Banking Branch, Karachi with the Account Title "Offer for Sale of AGP Limited – Book Building". Please note that online transfer facility shall only be allowed for MCB Bank Limited customers.
  - Please note that third party instruments will not be accepted for Margin Money.
    - In case of intra city payment instruments, the bidders shall ensure that the payment instruments are made "Payable at any Branch". Intra city payment instruments that are not made "Payable at any Branch" will not be accepted.
  - The Book Runner shall collect an amount of 100% of the Application Money as Margin Money in respect of bids placed by Individual Investors.
  - The Book Runner shall collect an amount of not less than 25% of the Application Money as Margin Money in respect of bids placed by Institutional Investors.

- The Bidder shall provide a valid email address in the Registration Form so that the relevant ID and password can be emailed to them upon registration.
- The Bidders can use the User ID and password to independently place or upward revise their bids online.
- The successful Bidders shall be issued shares only in the form of book-entry to be credited in their respective CDS accounts. All the bidders shall, therefore, provide their CDC account numbers in the bid Application and Registration form.

### 2.2.15 Procedure for Bidding

1. A standardized Bidding Form has been prescribed by the Offerors.
2. Registered Investors can submit their bids in person or through representatives at the Bid Collection Centers during the bidding dates or can place their bids online at <https://bkb.psx.com.pk> using the user ID and password received by them over email upon registration with the Book Runner.
3. The bidding procedure under the Book Building process is outlined below:
  - Bids can be placed at “Limit Bid” or “Step Bid”. The minimum size of a limit bid shall not be less than PKR 1,000,000/- (One Million Rupees) and in case of a Step Bid; the amount of any step shall also not be less than PKR 1,000,000/- (One Million Rupees).
  - The investors may place their Bids through any of the Bid Collection Centers established pursuant to the requirements of regulation 8(10) of the PO Regulations. Please see para 2.2.7 for addresses and contact detail of persons at the Bid Collection Centers.
  - The persons at the Bid Collection Centers shall vet the bid applications and accept only such bid applications that are duly filled in and supported by pay order, demand draft or a bank receipt evidencing transfer of the bid money into the Offeror’s designated bank account.
  - On receipt of bid application in accordance with the aforementioned regulation, the Book Runner shall enter Bid into the System and issue to the bidder an electronic receipt bearing name of the Book Runner, name of the bidding center, date and time.
  - The bidding shall commence from 09:00 am and close at 05:00 pm on all days of the Bidding Period. The bids shall be collected and entered into the system by the Book-Runner till 05:00 pm on the last day of the bidding period.
  - The registered investors shall have the right to revise their bids upwards any time either manually through the Bid Collection Centers or electronically through direct access to the system till 5:00 pm on the last day of the Bidding Period.
  - **The Bidder shall NOT make any downward revision or withdraw their bids as per regulation 10(2) (vi) of the PO Regulations.**
  - The Book Runner shall collect full amount of the bid money as Margin Money in respect of bids placed by the Individual Investors and not less than twenty five percent (25%) of the Bid Amount as Margin Money in respect of bids placed by the Institutional Investors.
  - Payment of Margin Money shall be accepted only through demand draft, pay order or online transfer and third party payment instruments shall not be accepted.
  - The Book Runner may on its own discretion accept bids without Margin Money, provided Book Building Portion is fully underwritten at least at the Floor Price by the Book Runner.



- The Book Runner may reject any bid for reasons to be recorded in writing provided the reason of rejection is disclosed to such bidder. The decision of the Book Runner shall not be challengeable by the Bidder or its associates.
- PSX shall, through the system, display live throughout the bidding period, an order book in descending order showing demand for shares at various prices and the accumulated number of shares bid for along with percentage of the total shares offered (the “**Order Book**”). The Order Book should also show the revised bids. The Order Book shall be accessible through the website of PSX.
- At the close of the Bidding Period, the Strike Price shall be determined on the basis of Dutch Auction Method.
- Once the Strike Price is determined all those Bidders whose bids are found successful shall become entitled for allotment of shares.
- The Bidders who have made bids at prices above the Strike Price shall be allotted shares at the Strike Price and the differential shall be refunded.
- In case all the bids made above the Strike Price are accommodated and shares are still available for allotment, such available shares will be allotted against the bids made at the Strike Price strictly on time priority basis. The procedure for allotment of shares to successful bidders is mentioned in sections 2.2.3 and 2.2.21.
- The Bidders who have made bids below the Strike Price shall not qualify for allotment of Shares and the Book Runner shall intimate their respective Collection Bank for unblocking their Bid Money within one (1) working day of the close of bidding period; and in case of refund, the refunds to such bidders shall be made within three (3) working days from the close of bidding period
- Successful Bidders shall be intimated, within one (1) day of the closing of the bidding period, the Strike Price and the number of shares provisionally allotted to each of them. The successful institutional bidders shall, within three (3) days of the closing of the bidding period, deposit the balance amount as consideration against allotment of shares. **Where a successful bidder defaults in payment of shares allotted to it, the Margin Money deposited by such bidder shall be forfeited to the Book Runner.**
- Final allotment of shares out of the Book Building Portion shall be made after receipt of full subscription money from the successful Bidders; however, shares to such Bidders shall be credited at the time of credit and dispatch of shares out of the retail portion.
- The successful bidders shall be issued shares only in Book-Entry Form to be credited in their respective CDS Accounts. All the Bidders shall, therefore, provide their CDS Account numbers in the Registration Form.
- The Designated Institution shall continue to display on its website, the data pertaining to the Book Building and determination of the Strike Price for a period of at least three (3) working days after closure of the Bidding Period.
- The Book-Runner shall ensure that subscription money received against the bids accepted shall not be released to the Offerors by the Banker to the Book Building Portion until:
  - credit of all shares allocated under the retail portion of the Offer; and
  - issuance of NOC by the PSX.

### 2.2.16 Payment into the Book Building Account

The Offerors have opened a bank account for collection of applications’ money related to Book Building portion.

The Bidders shall draw a demand draft or pay order in favor of "**Offer for Sale of AGP Limited – Book Building**" or Online Transfer of the bid money into the Book Building Account **A/C # 0934138811010735** maintained at MCB Bank Limited and submit the demand draft, pay order or bank receipt at the designated Bid Collection Centers either in person or through facsimile along with a duly filled in Registration Form.

For online transfer the payment shall be made into **A/C # 0934138811010735** being maintained at MCB Bank Limited, Global Transaction Banking Branch, Karachi with the Account Title "**Offer for Sale of AGP Limited – Book Building**". Please note that online transfer facility shall only be allowed for customers of MCB Bank Limited.

CASH MUST NOT BE SUBMITTED WITH THE BIDDING FORM / REGISTRATION FORM AT THE BID COLLECTION CENTER NOR DEPOSITED DIRECTLY OR VIA ONLINE TRANSFER IN THE COMPANY'S AND THE OFFEROR'S DESIGNATED BANK ACCOUNT. BID AMOUNT MUST BE PAID THROUGH PAY ORDER, BANK DRAFT OR ONLINE TRANSFER DRAWN / TRANSFER IN FAVOR OF "OFFER FOR SALE OF AGP LIMITED – BOOK BUILDING" IN A MANNER ACCEPTABLE TO THE BOOK RUNNER. PLEASE NOTE THAT THIRD PARTY PAYMENT INSTRUMENTS WILL NOT BE ACCEPTED.

The Collection Banks shall keep and maintain the bid money in the said account. Once the shares allocated under the retail portion have been credited, the Consultant to the Issue, after obtaining NOC from PSX, may request in writing to the Collection Bank for transfer of the money of successful and accepted applications to the Offerors' accounts.

The payment procedure for a "Limit Bid" or "Step Bid" are explained below:

▪ **PAYMENT FOR LIMIT BID**

If investors are placing their bids through "Limit Bid" then they shall deposit the Margin Money based on the number of shares they are bidding for at their stated Bid Price.

For instance, if an investor is applying for 1 million shares at a price of PKR 80.00 per share, then the total application money would amount to PKR 80 million. In such a case, (i) Individual Investors shall deposit PKR 80 million in the Book Building account as the bid amount which is 100% of PKR 80 million; and (ii) Institutional Investors shall deposit at least PKR 20 million in the Book Building account as the Margin Money which is 25% of PKR 80 million.

▪ **PAYMENT FOR STEP BID**

If an investor is placing a "Step Bid", which is a series of Limit Bids at increasing prices, then he / she / it shall deposit the Margin Money / bid money based on the total number of shares he / she / it is bidding for at his / her / its stated Bid Prices.

For instance, if the investor bids for 0.50 million shares at PKR 80.00 per share, 0.4 million shares at PKR 81.00 per share and 0.3 million shares at PKR 82.00 per share, then in essence the investor has placed one Step Bid comprising three limit bids at increasing prices. The application money would amount to PKR 97 million, which is the sum of the products of the number of shares bid for and the Bid Price of each limit bid. In such a case (i) Individual Investors shall deposit PKR 97 million in the Book Building Account as bid amount which is 100% of PKR 97 million and (ii) Institutional Investors shall deposit at least PKR 24.25 million in the Book Building Account as Margin Money which is 25% of PKR 97 million.

### 2.2.17 Payment by Foreign Investors

Companies are permitted under paragraph 6 (with specific reference to sub para (B) (I)) of Chapter 20 of the State Bank of Pakistan's ("SBP") Foreign Exchange Manual (the "Manual") to issue shares on repatriation basis to nonresidents who are covered under paragraph 6 (A) of Chapter 20 of the Manual, i.e. (I) A Pakistan national resident outside Pakistan, (II) A person who holds dual nationality including Pakistan nationality, whether living in or outside Pakistan, (III) A foreign national, whether living in or outside Pakistan and (IV) A firm (including a partnership) or trust or mutual fund registered and functioning outside Pakistan, excluding entities owned or controlled by a foreign government, provided the Offer price, is paid in foreign exchange through normal banking channel by remittance from abroad or out of foreign currency account maintained by the subscriber/purchaser in Pakistan.

Non-residents who wish to bid for the subscription of shares being offered via Book Building can remit the subscription money through an Authorized Dealer directly to the Book Building accounts opened by the Company as given in para 2.2.16 of this OFSD, however, those non-residents who wish to subscribe shares out of the general public portion may contact any of the Bankers to the Offer (retail portion) for taking instructions regarding payment of subscription money against shares offered to general public / retail investors. List of Bankers to the Offer for retail portion is available on page 1 and para 7.3 of this OFSD.

The shares issued to non-resident shareholders shall be intimated by the Company to the designated Authorized Dealer, along with the documents prescribed in the Manual within 30 days of the Offer.

Non-residents who are covered under paragraph 6(A) of Chapter 20 of the Manual do not require SBP's approval to invest in the shares being offered in terms of this OFSD. Furthermore, under paragraph 7(vii) of Chapter 20 of the Manual the Authorized Dealer shall allow repatriation of dividends, net of applicable taxes and proceeds on sale of listed shares (i.e. divestment proceeds) not exceeding the market value less brokerage / commission on provision of prescribed documents.

Payments made by non-residents shall be supported by proof of receipt of foreign currency through normal banking channels. Such proof shall be submitted along with the Application by the non-residents.

### 2.2.18 Procedure for Rejection of Bids

In terms of regulation 9(7) of the PO Regulations, the Book Runner may reject any Bid placed by a Bidder for reasons to be recorded in writing provided the reason of rejection is disclosed to such Bidder. Decision of the Book Runner shall not be challengeable by the Bidder or any of its associates.

### 2.2.19 Time Frame for Upward Revision of Bids by the Bidders

The registered investors may revise their Bids upwards any time either manually through the Bid Collection Centres or electronically through direct access to the system till 05:00 p.m. on the last day of the Bidding Period.

An investor will not be allowed to place or revise a bid with a price variation of more than 10% of the prevailing indicative strike price. **NO WITHDRAWAL OF BID OR DOWNWARD REVISION SHALL BE ALLOWED.**

## 2.2.20 WITHDRAWAL OF OFFER BY THE OFFERORS

1. According to regulation 8(16) of the PO Regulations, in case the Company and the Offerors do not receive bids for the number of shares allocated under the Book Building Portion at the Floor Price, the Offer shall stand cancelled and the same shall be immediately intimated to the Commission and the Designated Institution and the Margin Money shall be refunded to the bidders immediately but not later than three (3) working days of the closing of the Bidding Period.
2. In accordance with regulation 8(17) of the PO Regulations, the Book Building process will be considered as cancelled if the total number of bids received is less than forty (40).

## 2.2.21 Basis for Allotment of Shares

Bidders shall be allowed to place bids for One Hundred Percent (100.00%) of the Issue size and the Strike Price shall be the price at which One Hundred Percent (100.00%) of the Issue is subscribed. Once the Strike Price is determined, all those Bidders whose bids have been found successful shall be provisionally allotted 75.00% of the Offer size i.e. 26,250,000 Ordinary Shares.

In order to be a successful Bidder in the Book Building process, the bid price would either be higher than the strike price or at the strike price.

For allocation of shares via Book Building, priority shall be given to the bids placed at the highest price. The bidders, who have made bids at prices above the Strike Price, will be provisionally allotted 75.00% of the shares successfully bid for, at the Strike Price. The differential between the Bid price and Strike Price would be refunded based on the total number of shares bid for.

Bidders who had placed Bids at the Strike Price will be provisionally allotted Seventy-Five (75.00%) of the shares successfully bid for, at the Strike Price, strictly on time priority basis. Bids made below the Strike Price shall not qualify for allotment of shares and their Margin Money will be refunded.

In the event the retail portion is undersubscribed, the unsubscribed portion would be allotted to the successful bidders on a pro-rata basis. Any excess funds after subscription of the unsubscribed portion would be refunded to the bidders.

Final allotment of shares out of the Book Building portion shall be made after subscription of the retail portion and receipt of full subscription money from the successful Bidders; however, shares to such Bidders shall be transferred simultaneously with the transfer of shares to retail investors, in the form of book-entry to be credited in their respective CDS accounts. All the Bidders shall, therefore, provide number of their CDS Account in the Bid Application as per Regulation 9(16) of the PO Regulations.

## 2.2.22 Refund of Margin Money

Bidders who have made bid below the Strike Price shall not qualify for allotment of securities and the Book Runner shall intimate their respective banks for unblocking, where required, their Bid Money within one (1) working day of the close of the bidding period as required under by regulation 9(13) of the PO Regulations; and in case of refund, the refunds to such bidders shall be made within three (3) working days from the close of the Bidding Period.

The bid money of bidders who have undertaken to subscribe the unsubscribed retail portion shall remain deposited or blocked till allotment of unsubscribed retail portion, if any, to them on pro-rata basis.

### 2.2.23 Publication of Supplement to the Offer for Sale Document

In accordance with the regulation 11(1) of the PO Regulations within three (3) working days of the closing of the Bidding Period, the Supplement to the OFSD shall be published at least in all those newspapers in which the OFSD was earlier published and also disseminated through PSX.

The supplement to the OFSD would contain information relating to the Strike Price, the Offer Price, and Category-wise breakup of the successful bidders along with the number of shares provisionally allocated to them. Format of the Supplement is given on page 2 of this OFSD.

**Public subscription for the shares shall be held at any date(s) within thirty days (30) of the publication of the OFSD but not earlier than seven (7) days of such publication.**

### 2.2.24 Ten Percent (10%) Price Band Mechanism

An investor will not be allowed to place or upward revise a bid with a price variation of more than ten percent (10%) of the prevailing Indicative Strike Price subject to floor price i.e. Bid Price must not be below the Floor Price. Please note that the Indicative Strike Price may not be constant and may keep on changing during the bidding period. Therefore, the 10% range will also change with the Indicative Strike Price.

For Example, if the floor price is PKR 80.0 per share and Indicative Strike Price at any given point in time during the bidding period is PKR 80.0 per share, registered bidders may place or revise their bids from PKR 80.0 per share to PKR 88.0 per share. If at any given point in time during the bidding period, the Indicative Strike Price changes from PKR 80.0 per share to PKR 90.0 per share, the registered bidders may place or upward revise their bids from PKR 81 per share to PKR 99 per share.

Please note that the 10% range on the lower side cannot go below the floor price. The price range of 10% applicable at any given point in time during the bidding period will also be displayed on the bid screen available at the website of PSX.

### 2.2.25 Restriction on Downward Revision or Withdrawal of Bids by the Bidder

The Bidders shall not make downward revision or withdraw their bids as per regulation (10)(2)(vi) of the PO Regulations.

### 2.2.26 Associated Undertakings and Companies

#### ▪ Associated Companies

| S.No. | Name of Company / Undertaking        | Status    | UIN     | NTN       |
|-------|--------------------------------------|-----------|---------|-----------|
| 1.    | West End 16 Pte. Limited (Singapore) | Associate | N/A     | N/A       |
| 2.    | OBS Ophthalmics (Private) Limited    | Associate | 0013740 | 2877551-1 |
| 3.    | OBS Healthcare (Private) Limited     | Associate | 0001812 | 0711403-6 |
| 4.    | OBS Pakistan (Private) Limited       | Sponsor   | 0065199 | 3113040-2 |
| 5.    | Aspin Pharma (Private) Limited       | Associate | 0085987 | 4370139-6 |

|    |                                            |           |         |           |
|----|--------------------------------------------|-----------|---------|-----------|
| 6. | Aitkenstewart Pakistan (Private) Limited   | Associate | 0063377 | 3539631-8 |
| 7. | Aklima CRO (Private) Limited               | Associate | 0070911 | 3704837-6 |
| 8. | Muller & Phipps Pakistan (Private) Limited | Associate | 0033393 | 0792320-1 |
| 9. | Baltoro Growth Fund (Mauritius)            | Associate | N/A     | N/A       |

**Note:** As required under regulation 7(8) of the PO Regulations, the Associated Companies and Associated Undertakings of the Company and the Offeror shall not in aggregate make bids for shares in excess of 5% of the Book Building Portion.

▪ **Related Employees of the Company (AGP Limited)**

| S.No. | Name                   | Designation                                  |
|-------|------------------------|----------------------------------------------|
| 1.    | Tariq Moinuddin Khan   | Chairman / Non Executive Director            |
| 2.    | Mohammad Arif Mian     | Non-Executive Director / Company Secretary   |
| 3.    | Naved Abid Khan        | Independent Director                         |
| 4.    | Nusrat Munshi          | Executive Director / CEO / Managing Director |
| 5.    | Muhammad Arsalan Batla | Non Executive Director                       |
| 6.    | Kamran Nishat          | Non Executive Director                       |
| 7.    | Mahmud Yar Hiraj       | Non Executive Director                       |
| 8.    | Junaid Aslam           | Chief Financial Officer                      |
| 9.    | Muhammad Asad Khan     | Sr. Manager Treasury                         |
| 10.   | Usman Nazar Butt       | Manager Controlling & Reporting              |
| 11.   | Muhammad Fayyaz Iqbal  | Deputy Manager Treasury                      |

▪ **Related Employees of the Offeror (OBS Pakistan (Private) Limited)**

| S.No. | Name                   | Designation       |
|-------|------------------------|-------------------|
| 1.    | Tariq Moinuddin Khan   | CEO               |
| 2.    | Mirza Anjum Fahim      | Managing Director |
| 3.    | Mohammad Arif Mian     | Group CFO         |
| 4.    | Muhammad Arsalan Batla | Director Finance  |

▪ **Related Employees of the Offeror (Muller & Phipps Pakistan (Private) Limited)**

| S.No. | Name                | Designation             |
|-------|---------------------|-------------------------|
| 1.    | Kamran Nishat       | Chief Executive Officer |
| 2.    | Munaf Hussain Lakda | Finance Director        |
| 3.    | Syeda Nida Muzaffar | Business Analyst        |

▪ **Related Employees of the Consultant to the Issue (JS Global Capital Limited)**

| S.No. | Name                       | Designation                                  |
|-------|----------------------------|----------------------------------------------|
| 1.    | Muhammad Kamran Nasir      | Chief Executive Officer                      |
| 2.    | Khurram Schehzad           | Chief Commercial Officer                     |
| 3.    | Muhammad Shahzad Khan      | Head of Investment Banking                   |
| 4.    | Badr un Naeem Siddiqui     | Assistant Vice President, Investment Banking |
| 5.    | Bosco Firmin Dominic Sales | Senior Manager, Investment Banking           |
| 6.    | Maaz Ahmed Khan            | Analyst, Investment Banking                  |

■ **Related Employees of the Book Runner**

| S.No. | Name                     | Designation                                                    |
|-------|--------------------------|----------------------------------------------------------------|
| 1.    | Nadir Rahman             | Chief Executive Officer                                        |
| 2.    | Umair Aijaz              | Executive Director, Investment Banking                         |
| 3.    | Salman Jalaluddin Virani | Senior Vice President, Investment Banking                      |
| 4.    | Ibad Abdul Quddus Gandhi | Associate, Investment Banking                                  |
| 5.    | Muhammad Abdullah        | Analyst, Investment Banking                                    |
| 6.    | Amn Aanya Khan           | Analyst, Investment Banking                                    |
| 7.    | Furqan Punjani           | Vice President, Equities Group                                 |
| 8.    | Muhammad Irfan Yousuf    | Senior Vice President – Head of Retail Brokerage Group         |
| 9.    | Shah Jamal Hashmi        | Senior Vice President – Co Head, BMA One – Sales & Development |
| 10.   | Naiel Oberoi Ikram       | Senior Vice President – Co Head, BMA One – Sales & Development |
| 11.   | Tahir Iqbal              | ED, Head of Operations                                         |
| 12.   | Imtiaz Ahmed             | Senior Vice President – CFO                                    |
| 13.   | Jawad Bhatti             | Vice President, Customer Service & Account Opening             |
| 14.   | Faisal Yaqoob Khokar     | Assistant Vice President, Branch Manager – Gujranwala          |
| 15.   | Alam Akhtar              | Assistant Vice President, Branch Manager – Multan Branch       |
| 16.   | Muhammad Asjad Afzal     | Senior Manager, Senior Equity Trader – Lahore Branch           |
| 17.   | Muhammad Qasim Zafar     | Manager, Equity Trader – Islamabad Branch                      |
| 18.   | Muhammad Arsalan         | Equity Trader – Gulshan Branch                                 |

**Note:**

1. As per regulation 7(9) of the PO Regulations the associates of the Consultant to the Issue and the Book Runner shall not in aggregate make bids for shares in excess of two (2) percent of the Book Building portion.
2. As required under regulation 20(10) of the PO Regulations, related Employees of the Offerors, the Company/Issuer, the Consultant to the Issue and the Book Runner shall not participate in the bidding for shares.

## 2.2.27 Statement by Offerors

Date: 25 July, 2017

### The Chief Executive

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

On behalf of the Offeror, we confirm that all material information as required under the Companies Act, 2017, the Securities Act, 2015, the Public Offering Regulations, 2017 and the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited has been disclosed in the Offer for Sale Document and that whatever is stated in the Offer for Sale Document and the supporting documents is true and correct to the best of our knowledge and belief and that nothing has been concealed.

For and Behalf of **OBS Pakistan (Pvt.) Limited**

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\_\_\_\_\_  
**Mr. Tariq Moinuddin Khan**  
Chief Executive Officer  
OBS Pakistan (Pvt.) Limited

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**Mr. Mohammad Arif Mian**  
Chief Financial Officer  
OBS Pakistan (Pvt.) Limited

For and on behalf of **Muller & Phipps Pakistan (Private) Limited**

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**Mr. Kamran Nishat**  
Chief Executive Officer

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**Mr. Munaf Lakda**  
Chief Financial Officer



## 2.2.28 Statement by Company

Date: 25 July, 2017

### The Chief Executive

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

On behalf of the Company, we confirm that all material information as required under the Companies Act, 2017, Securities Act, 2015, the Public Offering Regulations, 2017 and the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited has been disclosed in the Offer for Sale Document and that whatever is stated in the Offer for Sale Document and the supporting documents is true and correct to the best of our knowledge and belief and that nothing has been concealed.

For and Behalf of **AGP Limited**

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**Ms. Nusrat Munshi**  
Chief Executive Officer  
AGP Limited

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**Mr. Junaid Aslam**  
Chief Financial Officer  
AGP Limited

## 2.2.29 Statement by Consultant to the Issue

Date: 28 July, 2017

### **The Chief Executive**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

Being mandated as the Consultant to this Issue for Sale of Shares held by the Offerors in AGP Limited through the Book Building process, we hereby confirm that all material information as required under the Companies Act, 2017, the Securities Act, 2015, the Public Offering Regulations, 2017 and the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited has been disclosed in this Offer for Sale Document and that whatever is stated in the Offer for Sale Document and in the supporting documents is true and correct to the best of our knowledge and belief and that nothing has been concealed.

For and on behalf of **JS Global Capital Limited:**

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**Mr. Khurram Schehzad**  
Chief Commercial Officer  
JS Global Capital Limited

### 2.2.30 Statement by Book Runner

Date: 27 July, 2017

**The Chief Executive**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

Being mandated as Book Runner to this Offer for Sale of Shares held by the Offerors in AGP Limited through the Book Building process, we confirm that all material information as required under the Companies Act, 2017, the Securities Act, 2015, the Public Offering Regulations, 2017 and the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited has been disclosed in this Offer for Sale Document and that whatever is stated in the Offer for Sale Document and in the supporting documents is true and correct to the best of our knowledge and belief and that nothing has been concealed.

For and on behalf of **BMA Capital Management Limited**

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**Ibad Abdul Quddus Gandhi**  
Associate  
Investment Banking

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**Salman Virani**  
Senior Vice President  
Investment Banking

## 2.3 SHARE CAPITAL AND RELATED MATTERS

### 2.3.1 Share Capital

| No. of Shares                                                           | Shareholders                            | Face Value (PKR)     | Premium (PKR) | Total (PKR)          |
|-------------------------------------------------------------------------|-----------------------------------------|----------------------|---------------|----------------------|
| <b>AUTHORIZED CAPITAL</b>                                               |                                         |                      |               |                      |
| 350,000,000                                                             | Ordinary shares of PKR 10/- each        | 3,500,000,000        | -             | 3,500,000,000        |
| <b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b>                         |                                         |                      |               |                      |
| 280,000,000                                                             | Issued against cash                     | 2,800,000,000        | -             | 2,800,000,000        |
| <b>280,000,000</b>                                                      | <b>Total Paid Up Capital</b>            | <b>2,800,000,000</b> | <b>-</b>      | <b>2,800,000,000</b> |
| <b>EXISTING ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL OF AGP LIMITED</b> |                                         |                      |               |                      |
| <b>Shares held by Sponsors</b>                                          |                                         |                      |               |                      |
| 161,485,434                                                             | OBS Pakistan (Pvt.) Limited             | 1,614,854,340        | -             | 1,614,854,340        |
| 600,000                                                                 | Mr. Tariq Moinuddin Khan                | 6,000,000            | -             | 6,000,000            |
| <b>Shares held by Directors</b>                                         |                                         |                      |               |                      |
| 1                                                                       | Ms. Nusrat Munshi                       | 10                   | -             | 10                   |
| 1                                                                       | Mr. Muhammad Arsalan Batla              | 10                   | -             | 10                   |
| 1                                                                       | Mr. Mohammad Arif Mian                  | 10                   | -             | 10                   |
| 1                                                                       | Mr. Naved Abid Khan                     | 10                   | -             | 10                   |
| 1                                                                       | Mr. Kamran Nishat                       | 10                   | -             | 10                   |
| 1                                                                       | Mr. Mahmud Yar Hiraj                    | 10                   | -             | 10                   |
| <b>Shares held by Associated Undertakings</b>                           |                                         |                      |               |                      |
| 26,794,560                                                              | Baltoro Growth Fund (Mauritius)         | 267,945,600          | -             | 267,945,600          |
| 52,920,000                                                              | Muller & Phipps Pakistan (Pvt.) Limited | 529,200,000          | -             | 529,200,000          |
| <b>Shares held by Other Shareholders</b>                                |                                         |                      |               |                      |
| 14,000,000                                                              | High-Q Pharmaceuticals (Pvt.) Limited   | 140,000,000          | -             | 140,000,000          |
| 13,400,000                                                              | JS Bank Limited                         | 134,000,000          | -             | 134,000,000          |
| 10,800,000                                                              | Bank Alfalah Limited                    | 108,000,000          | -             | 108,000,000          |
| <b>280,000,000</b>                                                      | <b>Total Paid Up Capital</b>            | <b>2,800,000,000</b> | <b>-</b>      | <b>2,800,000,000</b> |
| <b>PRESENT OFFER OF ORDINARY SHARES</b>                                 |                                         |                      |               |                      |
| 20,000,000                                                              | OBS Pakistan (Pvt.) Limited             | 200,000,000          | -             | 200,000,000          |
| 15,000,000                                                              | Muller & Phipps Pakistan (Pvt.) Limited | 150,000,000          | -             | 150,000,000          |
| <b>35,000,000</b>                                                       | <b>Total Offer Size</b>                 | <b>350,000,000</b>   | <b>-</b>      | <b>350,000,000</b>   |

**Notes:**

1. As per regulation 5(1) of the PO Regulations, the sponsors of the Company shall retain their entire shareholding in the Company for a period of not less than 12 months from the last date for public subscription;
2. As per regulation 5(2) of the PO Regulations, the sponsors of the Company shall retain not less than twenty five percent of the paid up capital of the Company for not less than three financial years from the last date for the public subscription;
3. As per regulation 5(3) of the PO Regulations, the shares held in the Company by the Sponsors shall be kept unencumbered in a blocked account with central depository;
4. Subject to compliance with sub-regulations (1) and (2) of regulation 5 of the PO Regulations, and with the prior approval of the Securities Exchange, the Sponsors of the Company may sell their shareholding through block-sale to any other person who shall be deemed sponsor for the purposes of the PO Regulations.
5. As per regulation 5.4.1 (a)(ii) of the PSX's Regulations for Listing of Companies and Securities, the free-float shall be increased to 25% of the total issued number of shares within the next four years of listing. The free-float could be increased through Offer for Sale by the existing shareholders, sale of shares through the secondary market or any other method as may be allowed by PSX with the approval from SECP.

**2.3.2 Opening and Closing of Subscription List**

The subscription list will open at the commencement of banking hours on November 14, 2017 and will close on November 15, 2017 at the close of banking hours. **Please note that online applications can be submitted 24 hours during the subscription period which will close at 12:00 midnight on November 15, 2017.**

**2.3.3 PUBLIC SUBSCRIPTION THROUGH e-IPO**

e-IPO is submission of application for subscription of securities electronically through internet, Automated Teller Machines (ATM) and mobile phones. In order to facilitate the public during IPOs, SECP has introduced the concept of e-IPO. The following two systems are available for e-IPOs:

**(i) Centralized e-IPO System (CES):**

The Central Depository Company of Pakistan Limited (CDC) has developed a Centralized e-IPO System (CES) through which applications for subscription of securities offered to the general public can be made electronically. CES has been made available in this Offer and can be accessed through the web link ([www.cdceipo.com](http://www.cdceipo.com)). Payment of subscription money can be made through 1LINK's member banks available for CES, list of which is available on above website.

For making application through CES, investors must be registered with CES. Registration with CES is free of cost and a self-registration process by filling the CES registration form, which is available 24/7 all around the year. Investors who have valid Computerized National Identity Card (CNIC), bank account with any of the commercial bank, email address, mobile phone number and CDS Account (Investor Account or sub Account) may register themselves with CES.

**Investors who do not have CDS account may visit [www.cdcpakistan.com](http://www.cdcpakistan.com) for information and details.**

For further guidance and queries regarding CES and opening of CDS account, investors may contact CDC at phone Number: 0800 – 23275 (CDCPL) and e-mail: [info@cdcpak.com](mailto:info@cdcpak.com).

**(ii) e-IPO facilities by Bankers to the Issue:**

Currently, United Bank Limited (UBL), Bank Alfalah Limited (BAFL) and Summit Bank Limited (SMBL) are providing e-IPO facilities to their respective accountholders.

UBL account holders can use UBL Net Banking to submit their application via link <http://www.ubldirect.com/corporate/ebank>.

BAFL account holders can use BAFL Net Banking to submit their application via link: <https://ib.bankalfalah.com.pk> and

SMBL account holders can use SMBL Net Banking to submit their application via link <https://ib.summitbank.com.pk>.

**Investors who are registered with CES or account holders of UBL, BAFL or SMBL can submit their applications through the above mentioned links 24 hours a day during the subscription period which will close at midnight on November 15, 2017.**

**2.3.4 Benefits of e-IPO**

e-IPO has the following benefits:

- (i) It enables the investors to make application for subscription of shares through the internet without going to the bank, and waiting in long queues.
- (ii) It is efficient and simultaneously facilitative for both the Offer and the investors.
- (iii) It is available for use 24 hours during the subscription period.
- (iv) If you are registered with CES or accountholder of a bank providing e-IPO facility, you may get SMS for new IPOs.
- (v) By applying through CES you can also track your application status.

**2.3.5 Investor Eligibility for Public Offer**

Eligible investors include:

1. Pakistani citizens resident in or outside Pakistan or persons holding two nationalities including Pakistani Nationality;
2. Foreign nationals whether living in or outside Pakistan;
3. Companies, bodies corporate or other legal entities incorporated or established in or outside Pakistan (to the extent permitted by their respective constitutive documents and existing regulations, as the case may be);
4. Mutual Funds, Provident / Pension / Gratuity Funds / Trusts (subject to the terms of their respective Trust Deeds and existing regulations); and

5. Branches in Pakistan of companies and bodies corporate incorporated outside Pakistan.

### **2.3.6 Facilities Available to Non-Resident Pakistani and Foreign Investors**

Companies are permitted under paragraph 6 (with specific reference to sub para (B) (I)) of Chapter 20 of the State Bank of Pakistan's ("SBP") Foreign Exchange Manual (the "Manual") to issue shares on repatriation basis to nonresidents who are covered under paragraph 6 (A) of Chapter 20 of the Manual, i.e. (I) A Pakistan national resident outside Pakistan, (II) A person who holds dual nationality including Pakistan nationality, whether living in or outside Pakistan, (III) A foreign national, whether living in or outside Pakistan and (IV) A firm (including a partnership) or trust or mutual fund registered and functioning outside Pakistan, excluding entities owned or controlled by a foreign government, provided the Offer price, is paid in foreign exchange through normal banking channel by remittance from abroad or out of foreign currency account maintained by the subscriber/purchaser in Pakistan.

Non-residents who wish to subscribe shares out of the general public portion may contact any of the Bankers to the Offer (retail portion) for taking instructions regarding payment of subscription money against shares offered to general public / retail investors. List of Bankers to the Offer for retail portion is available on page 1 and para 7.3 of this OFSD.

The shares issued to non-resident shareholders shall be intimated by the Company to the designated Authorized Dealer, along with the documents prescribed in the Manual within 30 days of the Offer.

Non-residents who are covered under paragraph 6(A) of Chapter 20 of the Manual do not require SBP's approval to invest in the shares being offered in terms of this OFSD. Furthermore, under paragraph 7(vii) of Chapter 20 of the Manual the Authorized Dealer shall allow repatriation of dividends, net of applicable taxes and proceeds on sale of listed shares (i.e. divestment proceeds) not exceeding the market value less brokerage / commission on provision of prescribed documents.

Payments made by non-residents shall be supported by proof of receipt of foreign currency through normal banking channels. Such proof shall be submitted along with the Application by the non-residents.

### **2.3.7 Minimum Amount of Application and Basis for Allotment of Shares out of the Public Portion of the Offer**

The basis and conditions for allotment to the general public shall be as follows:

1. The minimum amount of application for subscription of 500 ordinary shares is the Offer Price x 500 Shares. Any cost incurred in transfer of shares as part of the Offer shall be borne by the Offerors.
2. Application for shares must be made for 500 shares or in multiple of 500 shares only. Applications which are neither for 500 shares nor for multiples of 500 shares shall be rejected.
3. Application for shares below the minimum amount shall not be entertained.
4. SUBMISSION OF FALSE AND FICTITIOUS APPLICATIONS ARE PROHIBITED AND SUCH APPLICATIONS' MONEY MAY BE FORFEITED UNDER SECTION 87(8) OF THE SECURITIES ACT, 2015.

5. If the shares offered to the general public are sufficient to accommodate all applications, all applications shall be accommodated.
6. In case retail portion of the Offer, remains unsubscribed, the unsubscribed shares shall be taken-up by the underwriters.
7. In case retail portion of the Offer is oversubscribed, the portion allocated to Book Building investors at strike price shall be allotted to the retail investors in the form and manner provided in para 2.2.21
8. If the shares applied for by the general public are in excess of the shares offered to them, the distribution shall be made by computer balloting, in the presence of the representative(s) of PSX in the following manner:
  - If all applications for 500 shares can be accommodated, then all such applications shall be accommodated first. If all applications for 500 shares cannot be accommodated then balloting will be conducted among applications for 500 shares only.
  - If all applications for 500 shares have been accommodated and shares are still available for allotment, then all applications for 1,000 shares shall be accommodated. If all applications for 1,000 shares cannot be accommodated then balloting will be conducted among applications for 1,000 shares only.
  - If all applications for 500 shares and 1,000 shares have been accommodated and shares are still available for allotment, then all applications for 1,500 shares shall be accommodated. If all applications for 1,500 shares cannot be accommodated then balloting will be conducted among applications for 1,500 shares only.
  - If all applications for 500 shares, 1,000 shares and 1,500 shares have been accommodated and shares are still available for allotment, then all applications for 2,000 shares shall be accommodated. If all applications for 2,000 shares cannot be accommodated then balloting will be conducted among applications for 2,000 shares only.
  - After the allotment in the above mentioned manner, the balance shares, if any, shall be allotted in the following manner:
    - If the remaining shares are sufficient to accommodate each application for over 2,000 shares, then 2,000 shares shall be allotted to each applicant and the remaining shares shall be allotted on pro-rata basis.
    - If the remaining shares are not sufficient to accommodate all the remaining applications for at least 2,000 shares, then balloting shall be conducted for allocation of 2,000 shares to each applicant.
9. If the Offer is over-subscribed in terms of amount only then the allotment of shares shall be made on the following basis:
  - First preference will be given to the applicants who applied for 500 shares;
  - Next preference will be given to the applicants who applied for 1,000 shares;
  - Next preference will be given to the applicants who applied for 1,500 shares; and
  - Next preference will be given to the applicants who applied for 2,000 shares.
  - After allotment of the shares in the above mentioned manner, the balance shares, if any, shall be allotted on a pro-rata basis to the applicants who applied for more than 2,000 shares.



10. Allotment of shares will be subject to scrutiny of the applications for subscription.

11. Applications which do not meet with the above requirements or which are incomplete will be rejected.

### 2.3.8 Refund/Unblocking of Subscription Money to Unsuccessful Applicants

As per the regulation 11(4) of the PO Regulations, within 10 days of the close of public subscription period, the Shares shall be allotted and transferred against the accepted and successful applications and the subscription money of the unsuccessful applicants shall be unblocked/ refunded.

As per sub-section (2) of Section 68 of the Companies Act, if refund as required under Sub-section (1) of Section 68 of the Companies Act is not made within the time specified therein, the directors of the Company shall be jointly and severally liable to repay the money with surcharge at the rate of two percent (2.00%) for every month or part thereof from the expiration of the 15th day and, in addition, shall be liable to a penalty of level 3 on the standard scale as defined in Section 479 of the Companies Act. Provided that the directors of the Company shall not be liable if it proves that the default in making the refund was not on their own account and was not due to any misconduct or negligence on their part.

### 2.3.9 Issue and Credit of Shares

Within ten (10) days of the close of public subscription period, the shares shall be allotted and issued against the accepted and successful applications and the subscription money of the unsuccessful applicants shall be unblocked / refunded, as required under regulation 11(4) of the PO Regulations.

Shares will be issued only in the book-entry form. Therefore, the applicants must provide their CDS account details in the Applicant Form. The Company shall credit shares, within ten (10) days of the closing of public subscription, in the respective CDS accounts of the successful applicants.

If the Company defaults in complying with the above requirements, it shall pay the PSX a penalty of PKR 5,000 per day for every day during which the default continues. The PSX may also notify the fact of such default and the name of the Company by notice and also by publication in its ready-board quotation of the Stock Exchange.

The name of the Company will also be notified to the TRE Certificate Holders of the PSX and placed on the website of the PSX.

### 2.3.10 Transfer of Shares

The shares shall be transferred in accordance with the provisions of Section 74 of the Companies Act, 2017 read with Section 75 thereof and the Central Depositories Act, 1997 and the CDCPL Regulations.

### 2.3.11 Shares Issued in Preceding Years

| Date of Allocation | No. of Shares      | Par Value | Consideration | Amount<br>(Par Value) |
|--------------------|--------------------|-----------|---------------|-----------------------|
| May 23, 2014       | 10,000             | 10        | Cash          | 100,000               |
| July 25, 2014      | 279,990,000        | 10        | Cash          | 2,799,900,000         |
| <b>Total</b>       | <b>280,000,000</b> |           |               | <b>2,800,000,000</b>  |

Other than the above mentioned shares, there has been no issuance of shares since the incorporation of the Company.

### 2.3.12 Principal Purpose of the Offer

The principal purpose of the Offer for Sale of Shares is to list the Company on the Pakistan Stock Exchange and to broaden the Company's shareholder base by offering shares to the general public, HNWLs and Institutions. Listing would result in further improving the corporate governance structure of the Company.

Additionally, pursuant to the shareholder agreements signed by the existing shareholders and OBS Pakistan (Private) Limited, AGPL has to be listed on PSX. The dates of the agreements signed with investors are as follows:

| Party                                      | Agreement Date  |
|--------------------------------------------|-----------------|
| Bank Alfalah Limited                       | July 31, 2017   |
| Baltoro Growth Fund                        | June 23, 2017   |
| High-Q Pharmaceuticals (Private) Limited   | March 31, 2017  |
| JS Bank Limited                            | June 9, 2016    |
| Muller & Phipps Pakistan (Private) Limited | October 7, 2015 |

### 2.3.13 Interest of Shareholders

None of the holders of the issued shares of the Company have any special or other interest in the property or profits of the Company other than as holders of the Ordinary shares in the capital of the Company except for M&P who is also the primary distributor of products of the Company, JS Bank Limited who has provided a running finance facility of PKR 100 mn and is one of the investors in the outstanding Sukuk issue of AGPL and Bank Alfalah Limited who is providing services of Bankers to the Issue.

### 2.3.14 Dividend Policy

**The Company has not paid out any dividends after acquisition in 2014 by OBS led consortium and has retained all profits to fund its operations. However, going forward the Company intends to follow a consistent profit distribution policy for its members subject to profitability, availability of adequate cash-flows and requisite approval.**

The rights in respect of capital and dividends attached to each share are and will be the same. The Company in its general meeting may declare dividends but no dividend shall exceed the amount recommended by the Directors. Dividend, if declared in the general meeting, shall be paid according to the terms of the provisions of the Companies Act.

The Directors may from time to time pay to the members such interim dividends as appear to the Directors to be justified by the profits of the Company. No dividend shall be paid otherwise than out of the profits of the Company for the year or any other undistributed profits.

No unpaid dividend shall bear interest or mark-up against the Company. The dividends shall be paid within the period laid down in the Companies Act.

To enable the Company to directly credit the cash dividend, if any, in the Bank Accounts of the shareholder, please fill-in relevant part of the Shares Subscription Form under the heading, "Dividend Mandate".

The Company has issued the following dividends over the past years to the existing shareholders.

| Particulars         | CY10                    | CY11                     | CY12                      | CY13                     | CY14                         | CY15        | CY16        |
|---------------------|-------------------------|--------------------------|---------------------------|--------------------------|------------------------------|-------------|-------------|
| Cash Dividend (PKR) | 450,006,200<br>(6,839%) | 800,002,984<br>(12,158%) | 625,000,680<br>(6,390.6%) | 323,287,097<br>(323.29%) | 1,192,994,681<br>(1,192.99%) | Nil<br>(0%) | Nil<br>(0%) |
| Bonus               | Nil                     | Nil                      | Nil                       | Nil                      | Nil                          | Nil         | Nil         |

#### Covenants / Restriction on Payment of Dividends:

It is stated that there is no restriction on AGP Limited by any regulatory authority, creditors, stakeholder etc. on the distribution and capitalization of its profits.

#### 2.3.15 Eligibility for Dividend

The shares offered shall rank pari-passu with the existing shares in all matters of the Company, including the right to such bonus or right issues, and dividend as may be declared by the Company subsequent to the date of issue of such shares.

#### 2.3.16 Deduction of Zakat

Income Distribution will be subject to deduction of Zakat at source, pursuant to the provisions of Zakat and Ushr Ordinance, 1980. (XVIII of 1980) as may be applicable from time to time except where the Ordinance does not apply to any shareholder or where such shareholder is otherwise exempt or has claimed exemption from payment/ deduction of Zakat in terms of and as provided in that Ordinance.

#### 2.3.17 Capital Gains Tax

As per the latest finance bill passed by National Assembly, in case, disposal of securities which were purchased after June 30 2013 but before July 01, 2016, those disposal will attract same CGT rates as were in TY 2017, While for securities purchased after July 1 2016, CGT on disposal, irrespective of holding period, will be 15% for filer and 20% for non-filer. Capital gains derived from the sale of listed securities are taxable in the following manner under Section 37A of Income Tax Ordinance, 2001:

| S. No. | Holding Period                                                            | Tax Year 2017 |           | Tax Year 2018                   |           |                                    |           |
|--------|---------------------------------------------------------------------------|---------------|-----------|---------------------------------|-----------|------------------------------------|-----------|
|        |                                                                           |               |           | Acquired prior to July 01, 2016 |           | Acquired on July 01, 2016 or after |           |
|        |                                                                           | Filer         | Non-filer | Filer                           | Non-filer | Filer                              | Non-filer |
| 1.     | Less than 12 months                                                       | 15%           | 18%       | 15%                             | 18%       | 15%                                | 20%       |
| 2.     | 12 months or more but less than 24 months                                 | 12.5%         | 16%       | 12.5%                           | 16%       | 15%                                | 20%       |
| 3.     | 24 months or more but the security was acquired on or after July 01, 2013 | 7.5%          | 11%       | 7.5%                            | 11%       | 15%                                | 20%       |
| 4.     | Security was acquired prior to July 01, 2013                              | 0%            | 0%        | 0%                              | 0%        | 0%                                 | 0%        |

### 2.3.18 Withholding Tax on Dividends

Dividend distribution to shareholders will be subject to withholding tax under section 150 of the Income Tax Ordinance, 2001 specified in Part III Division 1 of the First Schedule of the said Ordinance or any time to time amendments therein. In terms of the provision of Section 8 of the said Ordinance, said deduction at source, shall be deemed to be full and final liability in respect of such profits in case of individuals only.

The following are the rates:

- For Filer of Income Tax Returns: 15.0 %
- For Non-filer of Income Tax Returns: 20.0%

### 2.3.19 Tax on Bonus Shares

As per section 236M of the Income Tax Ordinance 2001, tax at the rate of 5.00% of the value of “Bonus Shares” determined on the basis of the day end ex-price be collected by the Company issuing the “Bonus Shares”, which will be the final tax liability on such income of the shareholder.

### 2.3.20 Income Tax

The income of the Company is subject to Income Tax under the Income Tax Ordinance, 2001.

### 2.3.21 Deferred Taxation

Deferred tax is provided using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts, for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry forwards of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profits will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax assets and liabilities and they relate to the income tax levied by the same tax authority.

As of June 30, 2017 the Company had a deferred tax liability of PKR 28,692,246.

### 2.3.22 Sales Tax

The Company's prime business is pharmaceutical manufacturing which is exempt from sales tax as per Schedule 6 table 1 (serial 105) of Sales Tax Act 1990. The Company's sales tax registration number is: 32-77-87612902-7.

### 2.3.23 Sales Tax on Sale/Purchase of Shares

Under the Constitution of Pakistan and Articles 49 of the 7<sup>th</sup> NFC Award, the Government of Sindh, Government of Punjab, Government of Khyber Pakhtunkhwa and Government of Baluchistan have promulgated the Sindh Sales Tax on Services Act, 2011, Punjab Sales Tax on Services Act, 2012, Khyber Pakhtunkhwa Sales Tax on services through Khyber Pakhtunkhwa Finance Act, 2013 and the Baluchistan Sales Tax on services Act, 2015 respectively. The Sindh Revenue Board, the Punjab Revenue Authority, and the Khyber Pakhtunkhwa Revenue Authority and the Baluchistan Revenue Authority administer and regulate the levy and collection of the Sindh Sales Tax ("SST"), Punjab Sales Tax ("PST"), Khyber Pakhtunkhwa Sales Tax ("KST") and Baluchistan Sales Tax ("BST") respectively on the taxable services provided or rendered in Sindh, Punjab or Khyber Pakhtunkhwa provinces respectively.

The value of taxable services for the purpose of levy of sales tax is the gross commission charged from clients in respect of purchase or sale of shares in a Stock Exchange. The above mentioned Acts levy a sales tax on Brokerage at the rate of 13% in Sindh, 16% in Punjab and in Baluchistan and Khyber Pakhtunkhwa the rate is 15%. Sales tax charged under the aforementioned Acts is withheld at source under statutory requirements.

### 2.3.24 Capital Value Tax ("CVT") on Purchase of Shares

Pursuant to amendments made in the Finance Act, 1989 through Finance (Amendments) Ordinance, 2012 promulgated on April 24, 2012, 0.01% Capital Value Tax will be applicable on the purchase value of shares.

### 2.3.25 Tax Credit for Investment in IPO

Under Section 62 of the Income tax Ordinance, 2001, a resident person other than a Company, shall be entitled to a tax credit for a tax year in respect of the cost of acquiring in the year new shares offered to the public by a public Company listed on a stock exchange in Pakistan, provided the resident person is the original allottee of the shares or the shares are acquired from the Privatization Commission of Pakistan

As per Section 62(3)(b) of the Income Tax Ordinance, 2001, the time limit for holding shares has been designated as 24 months to avail the tax credit.

### 2.3.26 Tax Credit for Enlistment

Under Section 65C of the Income tax Ordinance, 2001, tax credit at 20% of the tax payable shall be allowed for the tax year in which a Company is listed on a Stock Exchange in Pakistan as well as the following three (3) years. Provided that the tax credit for the last two years shall be 10% of the tax payable.

### **3 UNDERWRITING, COMMISSION, BROKERAGE AND OTHER EXPENSES**

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#### **3.1 UNDERWRITING**

##### **Book Building Portion**

BMA Capital Management Limited has been mandated as the Book Runner to the Offer. The Book Runner will underwrite the Book Building portion of the Offer which comprises of 35,000,000 shares i.e. 100% of the 35,000,000 Ordinary Shares as required under regulation 7(6) of the PO Regulations, with limitations in effect that the Book Runner shall only underwrite the default portion of the Book Building, if any, at the Strike Price determined through the Book Building process.

##### **General Public Portion**

The General Public Portion of the Offer of 8,750,000 Shares shall not be underwritten in accordance with regulation 7(4) of the PO Regulations.

#### **3.2 OPINION OF DIRECTORS REGARDING RESOURCES OF THE UNDERWRITERS**

In the opinion of the Directors, the resources of the Book Runner are sufficient to discharge its underwriting commitments / obligations.

#### **3.3 UNDERWRITING COMMISSION**

##### **Book Building Portion**

Underwriting commission at the rate of –NIL– of the Book Building portion will be paid as underwriting commission. The amount of security deposited by the defaulting Bidder shall however, be forfeited to the Book Runner.

#### **3.4 BUY BACK / REPURCHASE AGREEMENT**

THE UNDERWRITERS HAVE NOT ENTERED INTO ANY BUY BACK / RE-PURCHASE AGREEMENT WITH THE COMPANY OR ANY OTHER PERSON IN RESPECT OF THIS OFFER OF SHARES.

ALSO, NEITHER THE OFFERORS NOR ANY OF THEIR ASSOCIATES HAVE ENTERED INTO ANY BUY BACK / RE-PURCHASE AGREEMENT WITH THE UNDERWRITERS OR THEIR ASSOCIATES. THE OFFERORS AND THEIR ASSOCIATES SHALL NOT BUY BACK/RE-PURCHASE SHARES FROM THE UNDERWRITERS AND THEIR ASSOCIATES.

#### **3.5 COMMISSION TO THE BANKERS OF THE OFFER**

Commission at the rate of 0.40% (inclusive of all taxes) of the amount collected on allotment in respect of successful applicants will be paid by the Offerors to the Bankers to the Offer for services to be rendered by them in connection with the General Public offering, plus out-of-pocket expenses.

#### **3.6 FEES AND EXPENSES FOR THE CENTRALIZED E-IPO SYSTEM**

A commission on application received through CES will be paid to CDC which shall not be more than 0.80% of the amount of the successful applications. CDC will share the fee with other participants of CES at a ratio agreed amongst them.

### 3.7 BROKERAGE

For this Offer, brokerage shall be paid to the TRE Certificate Holders of PSX at the rate of 1.00% of the value of shares (including premium, if any) on successful applications of Book Building and General Public Portion. No brokerage shall be payable in respect of shares taken up by the Successful Bidders of the Book Building portion pursuant to under-subscription of the retail portion of the Offer.

### 3.8 ESTIMATED EXPENSE OF THE OFFER

Expenses to the Offer are estimated not to exceed PKR 122,958,420/- based on Floor Price. Except for the initial listing fee, annual listing fee and SECP supervisory fee related expenses, all other expenses will be borne by the Offerors. The break-up of these preliminary expenses is given below:

| Expenses to the Offer                             | Rate  | Amount (PKR)       |
|---------------------------------------------------|-------|--------------------|
| Consultant to the Offer Fee*                      | 1.50% | 42,000,000         |
| Book Runner Fee*                                  | 1.00% | 28,000,000         |
| TREC Holder's Commission*                         | 1.00% | 28,000,000         |
| Bankers to the Offer Commission – Public Portion* | 0.40% | 2,800,000          |
| Bankers to the Offer – Out of Pocket              |       | 490,000            |
| Bankers to the Offer – e-IPO Facility Charges     |       | 775,000            |
| Centralized eIPO System*                          | 0.80% | 5,600,000          |
| Marketing, Printing and Publication Expenses      |       | 6,000,000          |
| PSX Initial Listing Fee                           |       | 2,500,000          |
| PSX Annual Listing Fee                            |       | 612,200            |
| PSX Services Fee                                  |       | 50,000             |
| PSX Software Charges for Book Building            |       | 500,000            |
| CDC Annual Listing Fee                            |       | 320,000            |
| SECP Application Processing Fee                   |       | 1,200,000          |
| SECP Supervisory Fee                              |       | 311,220            |
| Auditor Fee                                       |       | 500,000            |
| Legal Advisory Fee                                |       | 1,500,000          |
| Balloter & Share Registrar Fees                   |       | 500,000            |
| Miscellaneous Expenses                            |       | 1,000,000          |
| Shariah Advisor Fee                               |       | 300,000            |
| <b>Total</b>                                      |       | <b>122,958,420</b> |

\* These amounts represent the maximum possible costs under these heads based on Floor Price

\*\* These amounts do not include SST and PST, wherever applicable.

## 4 OVERVIEW, HISTORY AND PROSPECTS OF THE COMPANY

### 4.1 COMPANY OVERVIEW

AGP limited (“**AGPL**”) comprises of two plants, which previously operated as two separate companies namely AGP (Private) Limited (“**AGPPL**”) and AGP HealthCare (Private) Limited (“**AGPHC**”). These companies were acquired by a consortium led by OBS Pakistan (Private) Limited through an SPV namely Appollo Pharma Limited (“**APL**”) in July 2014 and AGP Limited (Formerly Appollo Pharma Limited) was created subsequent to merger/ amalgamation of AGPPL and AGPHC with and into APL in December 2015. APL was subsequently renamed to AGP Limited.

AGPPL was originally Pakistan Vitamin Products (Private) Limited (“**PVPPL**”) which was incorporated on December 12, 1957. The company was initially engaged in the manufacturing of multi vitamins and started its pharmaceutical manufacturing business in 1989. Subsequently, the name of the company was changed to Ali Gohar Pharmaceutical (Private) Limited on September 2, 1991 and was later changed to AGP (Private) Limited on January 2, 2003.

AGPHC was originally incorporated as Sima Laboratories Limited on January 15, 1951 and was subsequently renamed to Eli Lilly Gohar (Private) Limited on February 10, 1986. The company was later renamed to AGP Healthcare (Private) Limited on February 23, 2012.

AGPL has grown steadily through manufacturing and marketing products under licensing arrangements with many companies of international repute and simultaneously through manufacturing and marketing its own brands. Today, AGPL is one of the largest pharmaceutical companies in Pakistan, providing a broad range of pharmaceutical services. AGPL specializes in manufacturing, marketing and sales of pharmaceutical & healthcare products licensed from reputable European and American multinational pharmaceutical companies in the domestic and export market. The delivery of AGPL’s products, across the country, is managed by Muller & Phipps Pakistan (Private) Limited, with one of the largest and state of art distribution set-ups in Pakistan.

After the acquisition by OBS, there was a focus on growth, efficiencies and productivity due to which significant improvements have been made in the business. AGPL’s revenue has increased from PKR 3,338 mn in 2014 to PKR 4,206 mn in 2016 with profit of PKR 1,087mn (please refer to section 5.4). The current management of AGPL is highly experienced and most of the team has been associated with the company for a number of years (please refer to section 6.6).

#### 4.1.1 Details of Acquisition

In July 2014, OBS Pakistan (Private) Limited through an SPV, acquired AGPPL and AGPHC for a total consideration of 6,912,500,000. At the time of acquisition both companies were not associated companies of OBS Pakistan (Private) Limited or any of its group companies. The acquisition was fully paid in cash and routed through proper banking channels with approval from State Bank of Pakistan. The details of the acquisition price paid to the sponsors of AGPPL and AGPHC is as follows:

| AGP (Pvt.) Limited                      |              |                      |
|-----------------------------------------|--------------|----------------------|
| Shareholder                             | Shareholding | Amount Paid (PKR)    |
| Pharmonte Limited                       | 95.0%        | 6,501,206,250        |
| Mr. Asif Ali Gohar                      | 5.0%         | 342,168,750          |
| <b>Total Acquisition Price of AGPPL</b> | <b>100%</b>  | <b>6,843,375,000</b> |



| AGP Healthcare (Pvt.) Limited           |              |                   |
|-----------------------------------------|--------------|-------------------|
| Shareholder                             | Shareholding | Amount Paid (PKR) |
| Mr. Asif Ali Gohar                      | 100%         | 69,125,000        |
| <b>Total Acquisition Price of AGPHC</b> |              | <b>69,125,000</b> |

#### 4.1.2 Relationship between the Acquirer, Acquired Companies and the Seller

- (a) At the time of acquisition of AGP (Pvt.) Limited and AGP Health Care (Pvt.) Limited by Appollo Pharma Limited, AGP (Pvt.) Limited, AGP Health Care (Pvt.) Limited and Pharmonte (Pvt.) Limited were not associated companies of OBS Pakistan (Pvt.) Limited, OBS Health Care (Pvt.) Limited, West End 16 Pte. Ltd and/or any of their associated companies or undertakings, and,
- (b) Mr. Tariq Khan, Mrs. Adeela Tariq Khan and/or any relative, OBS Pakistan (Pvt.) Limited, OBS Health Care (Pvt.) Limited, West End 16 Pte. Ltd and/or any of their associated companies or undertakings were not beneficiaries of the sale proceeds of shares held in AGP (Pvt.) Limited in the name of Pharmonte (Pvt.) Limited, AG Zurich Switzerland (Please refer to section 5.2).

#### 4.1.3 Calculation and Recognition of Goodwill

The Goodwill on the balance sheet of AGPL is due to the acquisition of AGPPL at a price that was higher than its Net Asset Value. The justification for the higher acquisition price was the value of brands acquired along with the businesses. The main value of a pharmaceutical company is strength and recognition of its brands; AGPL owns rights of international brands such as Ceclor, Rigix, Keflex, Kefzol and Nebcin apart from many other home grown generic brands with a strong footing such as Osnate, Anafortan, Spasler, Rubifer, Urso, Chymoral etc.

At the time of acquisition of AGPPL and AGPHC, OBS Pakistan (Pvt.) Limited engaged Ernst & Young Ford Rhodes Sidat Hyder (EY) to carry out a review of valuations of intangible assets in light of IAS 38 – Intangible Assets and IFRS 3 – Business Combinations. EY employed Income approach, Relief from Royalty Method (RFRM), for valuing the trademarks. RFRM is based on the concept that if a company owns a trademark, it does not have to ‘rent’ one thus the owner is ‘relieved’ from paying royalty. Amount of theoretical payment is used as a surrogate for income attributable to these trademarks. The independent advisory firm ascertained the value of the intangibles as PKR 4,701,522,385.

| Goodwill on the Acquisition of AGPPL    |                          |
|-----------------------------------------|--------------------------|
| Acquisition Price                       | PKR 6,843,375,000        |
| Less: Net Assets as on Acquisition date | PKR 1,458,802,634        |
| <b>Goodwill</b>                         | <b>PKR 5,384,572,366</b> |

The carrying amount of Goodwill is reviewed at the end of each financial year audit date to determine whether there is any indication of impairment. Impairment testing of Goodwill was last conducted by Shekha & Mufti, Chartered Accountants on 31<sup>st</sup> December 2016 and no impairment was recorded. Considering the growing revenue streams from the brands acquired, it is unlikely that the Goodwill would be impaired anytime soon.

## 4.2 BUSINESS UNITS

AGPL currently operates 6 business units with the 6<sup>th</sup> unit added in 2017 to cater to the increasing product portfolio and to ensure efficient/focused marketing.

The broad classifications of the distribution / marketing teams are as under:

- **Gynae-A:** Mass market Gynae products (Osnate Tablets and Kefzol) along with some Orthopedic products are placed in this division;
- **Gynae-B:** Niche market Gynae products along with some complimenting drugs have been placed in this portfolio;
- **Paeds:** This team markets AGP's top value brand "Ceclor" to Paediatricians, Chest specialists and General Physicians ("GP"). The team also has antiasthmatic, Paediatric dose of Osnate brand and a tonic for children in its portfolio;
- **Internal Medicine-A1 and Internal Medicine-A2:** Products related to GP along with a few gastro-enterology products have been placed in this team;
- **Internal Medicine-B:** This team markets a broad-spectrum antibiotic and antiallergens to GPs. Also holds some cardio metabolic drugs, which are prescribed by endocrinologists and GPs;

The products can be grouped in the following categories:

|                                            |                                           |                                           |
|--------------------------------------------|-------------------------------------------|-------------------------------------------|
| Anti-Infective                             | Anti-Inflammatory enzyme                  | Anti allergies                            |
| Antihistamines                             | Anti-diarrheal                            | Antibiotics                               |
| Antidepressants                            | Antidiabetic                              | Antidiarrheal Supplement                  |
| Anti fibrinolytic                          | Anti haemorrhoidal                        | Antimalarial                              |
| Antiobesity                                | Antispasmodics                            | Antiviral                                 |
| Bile therapy & Chologogue                  | Calcium Preparation                       | Expectorant                               |
| Iron Preparation                           | Medical Food Supplement                   | Muscle Relaxant                           |
| Narcotic Analgesic                         | Non-Narcotic Analgesic                    | NSAIDs                                    |
| Proton Pump Inhibitor                      | Tonic                                     | Venotropic Agent                          |
| Vitamin B12                                | Vitamin D Plain                           | First Generation Cephalosporin antibiotic |
| Second Generation Cephalosporin antibiotic | Third Generation Cephalosporin antibiotic |                                           |

## 4.3 PRODUCT PORTFOLIO

AGPL offers a total of 53 drugs with 121 variants. It launched 5 new products in 2016 and has already introduced another 5 products in the first half of 2017. A robust allopathic and nutraceutical product pipeline is aggressively pursued in order to ensure sustained revenue growth. AGPL has a long history of strategic alliances with international pharmaceuticals like OM (Vifor) Pharma, UCB, Osmopharm, GSK, Dr. Kade, Eli Lilly etc. to manufacture and promote their products. One major step towards diversifying its products was acquisition of exclusive patents of world class antibiotics (Ceclor, Keflex) in 2003 and anti-allergic (Rigix) in 2007 to manufacture and promote in Pakistan. AGPL has already launched five new products in 2016, seven new products in 2017 and a robust pipeline of products is being developed for the coming years.

| Gynae – A                                      |                                |                              |                                 |
|------------------------------------------------|--------------------------------|------------------------------|---------------------------------|
| Afoxin<br>Mecovate                             | Sinaxamol<br>Osnate            | Kefzol                       | Melfax                          |
| Gynae – B                                      |                                |                              |                                 |
| Abnil<br>Novafol                               | Anafortan<br>Posterisan        | Maxna<br>Rubifer             | Nebcin<br>Rubiject              |
| PAEDS                                          |                                |                              |                                 |
| Ceclor<br>Osnate                               | Floxigem<br>Toni-5             | Lucast                       | Nebcin                          |
| Internal Medicine – A 1 & 2                    |                                |                              |                                 |
| Algocin<br>Rigix                               | Cal fina<br>Spasler Neo        | Doxium<br>Urso               | Chymoral Forte<br>Zerifax       |
| Internal Medicine – B                          |                                |                              |                                 |
| Axid Neo<br>Gluconormet<br>Poze-G              | Ceclor<br>Keflex<br>Pozemet    | Cofif<br>Lucast<br>Protege   | Gluconorm<br>Poze<br>Rigix      |
| Others (Including Export & Toll Manufacturing) |                                |                              |                                 |
| MyHep<br>Magnus<br>Phyllocontin<br>Xovat       | M-Span<br>Esi-Dep<br>Clinklare | Nergab<br>Neogene<br>Xotovir | Chymoral<br>Analar<br>Nootropil |

The top ten product ranges contributed 71.5% of total revenue in CY16. MyHep, a licensed generic of Sovaldi, was launched in March 2016 and has already contributed in excess of PKR 200mn in the topline of the Company. AGPL believes that their top 3 brands (Ceclor, Rigix and Osnate) have the potential to become a billion rupee brands within the next few years.

| S. No.      | Product        | Sales<br>CY16 (PKR 000) | Sales<br>2Q CY17 (PKR 000) | % Contribution of Sales |
|-------------|----------------|-------------------------|----------------------------|-------------------------|
| 1           | Ceclor         | 678,654                 | 384,298                    | 16.1%                   |
| 2           | Rigix          | 609,492                 | 328,224                    | 14.5%                   |
| 3           | Osnate         | 503,306                 | 263,302                    | 12.0%                   |
| 4           | Anafortan      | 324,004                 | 185,020                    | 7.7%                    |
| 5           | MyHep          | 212,535                 | 142,912                    | 5.1%                    |
| 6           | Keflex         | 185,919                 | 92,809                     | 4.4%                    |
| 7           | Chymoral Forte | 177,930                 | 95,456                     | 4.2%                    |
| 8           | Splasler P     | 165,200                 | 97,569                     | 3.9%                    |
| 9           | Urso           | 75,493                  | 40,639                     | 1.8%                    |
| 10          | Rubifer        | 74,535                  | 43,019                     | 1.8%                    |
| Grand Total |                | 3,007,068               | 1,667,763                  | 71.5%                   |



#### 4.4 EXPORT MARKET

AGPL has commenced work on expanding its horizon in export markets. Afghanistan is contributing over 9% to the revenues and efforts are being made to increase the export destinations. Work is underway to get the company

and products registered in Sri Lanka, CIS (Commonwealth of Independent States) states, Cambodia, Myanmar, and various African countries. Exports to some of these destinations are expected to commence within the next 2 years.

#### **4.5 PARTNERSHIP WITH MYLAN**

Mylan USA (“Mylan”) is one of the largest generics and specialty pharmaceutical companies in the world, manufacturing and marketing more than 7,500 different products. It is a vertically integrated company with a vast manufacturing network of over 40 sites spread across North America, Europe, Japan, Australia and India, among others. Mylan’s manufacturing and supply network caters to over 165 countries across the world.<sup>5</sup>

Mylan is one of the licensed partners of Gilead Sciences, Inc. for Sofosbuvir 400mg, Sofosbuvir / Ledipasvir combination and other future pipeline products. Mylan has received a technology transfer for both API (Active Pharmaceutical Ingredients) and finished formulation for Sofosbuvir 400mg and Sofosbuvir/Ledipasvir combination.

AGPL launched My Hep tablets (a licensed generic of Sovaldi) in March 2016 for the treatment of Hepatitis-C under a licensed agreement with Mylan. Sales for My-Hep crossed 200mn within 9 months of launch. AGPL and Mylan have plans to grow Mylan’s business to reach net sales of around PKR 2,000 mn by 2022. They plan to do so by aggressively registering and launching Mylan quality products in Pakistan, in the most important therapeutic areas including Hepatitis, Cancers, HIV, Women Health, Cardio Vascular and Diabetes. Altogether, these areas represent about USD 460 mn of sales, amounting to 18% of Pakistan Pharmaceutical market<sup>6</sup>. AGPL and Mylan have plans to start local manufacturing under technology transfer in Pakistan by 2020.

#### **4.6 PROCESSING FACILITY**

AGPL’s manufacturing facility conforms to the latest international CGMP (Common Good Manufacturing Practice) standards. Standard operating procedures are in place and are constantly updated as a result of periodic audits conducted by the company’s European partners. Quality Control Laboratories & Quality Assurance operate independently to ensure compliance with international standards.

AGPL’s quality approach earned the ISO 9001:2008 certification of SGS International Certification Services EESV, one of the most respected and credible certification authorities in Europe.

All machines, equipment’s and processes are properly validated to ensure consistency of production standards and must complete a comprehensive program of installation, operation and performance qualification before starting regular operation. AGPL ensures that the production operations are carried out in compliance with the local regulations and international standards. The plant and the manufacturing processes are operated in a manner where environment, health and safety standards are not compromised.

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<sup>5</sup> Source: Mylan Website

<sup>6</sup> Source: IMS Report



AGPL has two plants at S.I.T.E., Karachi with one of them dedicated for cephalosporin facility. The plants have dedicated facilities for Tablets, Syrups, Suspensions, Semi-finished and Injections. Each plant has a dedicated state-of-the-art quality lab. Following are the plant capacities of the two plants.

#### Plant Area:

Plant 1: 2.809 Acres (Leasehold)

Plant 2: 1.25 Acres (Freehold)

| Plant 1      |                                         |             |
|--------------|-----------------------------------------|-------------|
| Dosage Form  | Annual Capacity<br>(Single Shift Basis) | Utilization |
| Oral Liquids | 7.5mn bottles                           | 107%        |
| Tablets      | 497mn tablets                           | 94%         |
| Capsules     | 37.8mn capsules                         | 46%         |
| Blisters     | 35.5mn blisters                         | 131%        |
| Injections   | 6.3mn ampoules                          | 73%         |
| Ointments    | 1.13mn tube fillings                    | 19%         |
| Sachet       | 3mn sachet fillings                     | 39%         |

| Plant 2               |                                         |             |
|-----------------------|-----------------------------------------|-------------|
| Dosage Form           | Annual Capacity<br>(Single Shift Basis) | Utilization |
| Dry Powder Suspension | 6.55mn suspensions / drops              | 118%        |
| Tablets               | 14.5mn tablets                          | 8%          |
| Capsules              | 24mn capsules                           | 32%         |
| Blisters              | 2.9mn blisters                          | 22%         |

AGPL is continuously upgrading its manufacturing facility with modern & latest equipment to provide best quality products to customers. The modern state-of-the-art machines in manufacturing facilities include:



| Machinery                              | Supplier                                    |
|----------------------------------------|---------------------------------------------|
| High Speed Tablets Compression Machine | Fette Perfecta 3000 – Germany               |
| Blister Machine UPS 3MT                | Uhlmann – Germany                           |
| Ampoules Testing Machine ATM18/18      | Brevetti – Italy                            |
| Ampoules Compact Line                  | Bausch & Stroebel – Germany                 |
| Automatic Coating Machine              | Wenzhou – China                             |
| Capsule Filling Machine NJP 1200C-2    | Kaixinlong Pharmaceuticals Machinery, China |
| Tablet Compression Machine ZP-29E      | XINYUAN Pharmaceutical Machinery, China     |

At AGPL, safety is an important consideration while carrying out the technical operations. AGPL believes that accidents are preventable through attention to detail to avoid hazards and appropriate training and awareness of employees.

One of the primary objectives of AGPL is to provide a pollution and accident free environment to all the employees of AGPL, and continuous monitoring of all types of potential hazards in compliance with the EPA (Environment Protection Agency) acts of Pakistan and with ISO 14000.



## **4.7 ONGOING EXPANSION PLAN**

### **4.7.1 Capital Expenditure on Plant 1**

AGPL is in the process of upgrading and modernizing its main plant, through internal cash generation, warranting the following:

- Streamlining of man/ material/ process flows to increase efficiency
- Installing high speed machines with superior technology
- Increasing the capacity of its state-of-the-art quality lab to cater the increase in regulatory requirements of domestic and export markets.

Continuous plant upgradation is integral to ensure future business expansions which shall contribute up to PKR 500 million to the topline by 2022. The total cost of this upgradation is PKR 573 mn and is expected to be completed by 2018. Furthermore, these upgrades are vital to keep up with the local and export regulatory requirements and to enhance operational efficiencies.

### **4.7.2 Capital Expenditure on Plant 2**

AGPL is also in process of increasing the capacity of its second manufacturing facility which is being financed through internal cash generation. This facility manufactures Cephalosporin (Beta-Lactam Antibiotics) is being upgraded in order to increase its capacity, expand infrastructure and bring about technological advancement. The capacity of the warehouse is also being increased in order to keep up with the continuous increase in product sales. This expansion would enhance the capacity of the powder filling line from 25,000 bottles/day to 55,000 bottles/day.

Ceclor and Keflex, two of the major contributors to the Company's revenues, are exclusively manufactured at this plant. With the upgradation, contribution shall resultantly increase and as currently positioned, Ceclor shall become a "Billion Rupee" brand by year 2020.

In addition to the above, the aforementioned expenditure shall cater to the projected growth in AGPL's Cephalosporin range and the regulatory compliances. In order to further increase the utility of this plant R&D is being conducted for new generation oral Cephalosporin.

### **4.7.3 Nutraceutical Plant**

Keeping in view the continuous growth of the nutraceutical market, AGPL envisages adding a manufacturing facility for nutraceutical products. This facility is being set-up at a cost of PKR 200 mn and is being financed through internal cash generation. The plant would come online by the 2<sup>nd</sup> half of 2019. This facility is expected to contribute PKR 200 mn towards revenues of AGPL. A major benefit of nutraceutical products as compared to pharmaceutical products is that nutraceuticals can be launched within 3-6 months of conception while pharmaceutical products may take several months for approval from DRAP.

With almost a year of experience with nutraceutical products, AGPL has witnessed a contribution to top line of around PKR 63 mn from the sale of products such as Novafof, Cofif Syrup range and All-D Drops. This contribution is projected to increase in light of the launch of new products and growth of existing products.



Currently, these products are manufactured from third party vendors, which pose various inherent risks. Main strategic risk is that some of these suppliers are in the nutraceuticals business themselves. Moreover, AGPL's vision to explore the export markets shall be fulfilled with the addition of a dedicated nutraceutical plant.

#### 4.8 DISTRIBUTION NETWORK

M&P has been managing the distribution of AGPL since July 2016. M&P has experience of over 100 years of distribution and marketing services and provides AGPL with a state-of-the-art distribution in more than 1,850 towns across all geographies of Pakistan.

M&P coverage is being operated through 57 depots being supervised by 4 area heads based at four zonal headquarters.

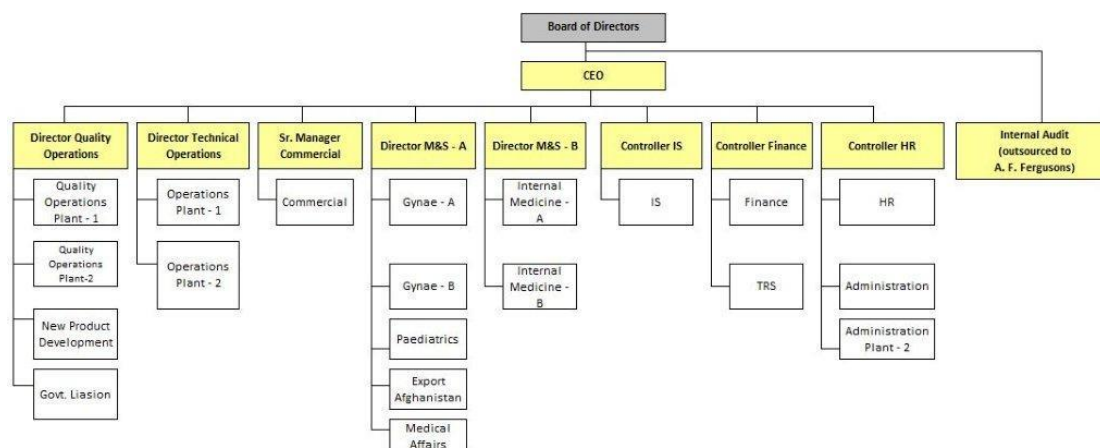
At present, AGPL, Getz, GSK, Bayer, NOVO, Aspin, Abbott, Sanofi, Merck & ICI are the major customers on M&P's Pharmaceutical distribution services platform. Other major customers include Samsung, National Foods, 3M, Pepsico, and Unilever among others.

#### 4.9 TECHNOLOGICAL FRAMEWORK

AGPL believes that accurate and prompt availability of information is a critical success factor in today's world. AGPL was one of the pioneering local pharmaceutical companies in Pakistan to implement all key modules of SAP (Systems, Applications & Products). AGPL is using SAP ECC 6.0 (ERP Central Component) since 2007 and upgraded it to EHP 6 level in 2014. Implementation of SAP has integrated the business processes across the company and built up a team culture across the company. The MIS consist of state of art infrastructural facilities and the data center resources are one of the best in the industry. There is a dedicated team of qualified professionals to maintain and continuously upgrade the Information Systems according to business needs and technological advancements. Employees are equipped with latest available technology to reach their optimum level of efficiency. Availability of Management information is prompt and accurate, enabling the management to make informed and timely decisions.

As a planned upgrade, the company is aiming to move on SAP HANA (Hasso's New Architecture) by 2020.

#### 4.10 ORGANIZATIONAL STRUCTURE



#### 4.11 COMPANY OUTLOOK

AGPL has performed consistently well over the years but since the change in ownership in July 2014, the company has shifted its focus on growth. AGPL's average revenue growth rate after the acquisition by OBS led consortium has been 12.2% and is projected to grow by an average 20% each year over the next 5 years. AGPL has recently launched new drugs, including MyHep (Sofosbuvir), and also has aggressive plans for new launches and penetrate new markets in the future. AGPL has launched 5 new products in 2016 and 5 products have been launched up to June 2017 boosting the sales growth potential of the company. Furthermore, export registrations are underway in Sri Lanka, CIS states, Cambodia, Myanmar, and various African countries.

As per IMS (Intercontinental Marketing Services) the pharmaceutical industry of Pakistan grew by 15.7% in 2016 boosted by new launches and implementation of pricing policy; AGPL reported a domestic market sales growth of 17.3% in 2016 and the company is positioned to take full advantage of future opportunities. Growing population along with rising income levels would further ensure a conducive environment in the coming years.

Challenging growth targets have been planned for existing product line with more focus on products with good growth potential and higher margins. Structural reforms have been made in the sales & marketing teams with the addition of one sales & marketing team in 2017, along with increase in head count in the existing teams. This would enable better management of new product introductions and the sale of existing products can be optimized.

#### 4.12 GROUP OVERVIEW – OBS GROUP

OBS Group ("OBS") is one of Pakistan's leading corporations in the healthcare segment with a strong presence in Pakistan and Sri Lanka. OBS commenced operations in 1963 and became a name associated with quality medicine throughout Pakistan in 2006 after entering into a strategic alliance with Organon (part of Akzo Nobel). Since then, OBS has fostered strategic alliances with many reputable international firms including Organon, Merck & Co Inc, USA, Schering Plough, Mylan USA, Vifor and Santen Pharma Japan.

At present, OBS ranks amongst the top 10 pharmaceutical players in Pakistan<sup>7</sup> with a group turnover in excess of PKR 9,300 million and profits of over PKR 2,000 mn with professionally trained medical representatives covering more than 20,000 healthcare professionals across the country.

The key focus areas of OBS Group include Anti-Infectives, Cardiology, CNS, Diabetes & Metabolic Disorders, Gastroenterology, Ophthalmology, Respiratory, Women Health (Infertility, HRT & Contraception) and Vaccines. OBS Group has 106 pharmaceutical and 7 consumer brands in Pakistan and 12 pharmaceutical brands in Sri Lanka and a strong presence in Afghanistan. The Group is now looking to tap markets in Vietnam and Uzbekistan with various products which are under registration.

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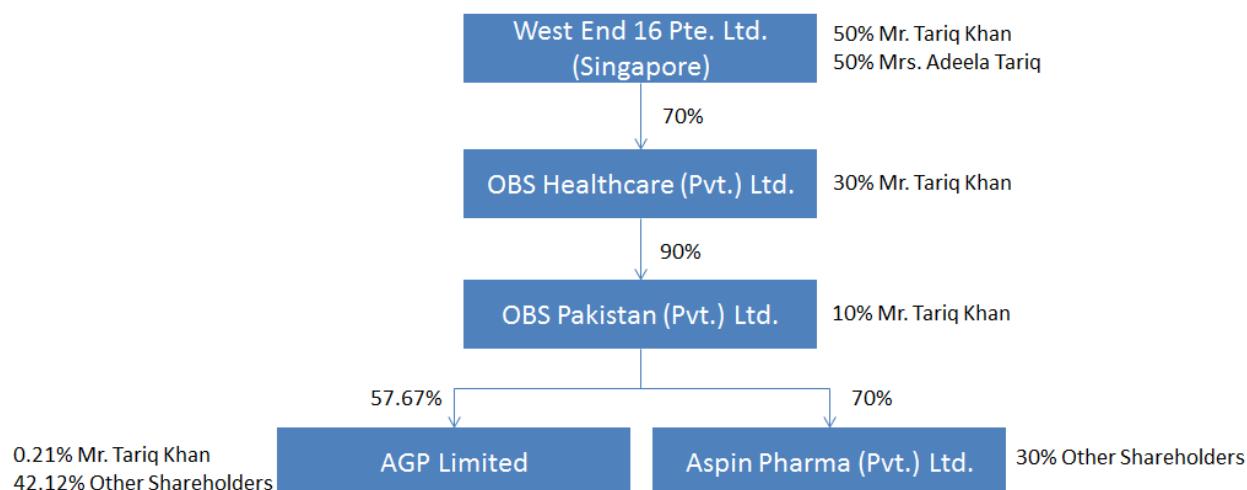
<sup>7</sup> Source: IMS Report

OBS group operates in Pakistan via its sister concerns:

- OBS Healthcare (Pvt.) Limited (Formerly Organon Pakistan)
- OBS Ophthalmics (Pvt.) Limited (Formerly OBS Pharma (Pvt.) Limited)
- OBS Pakistan (Pvt.) Limited (Formerly Merck Sharp & Dohme of Pakistan)
- AGP Limited
- Aspin Pharma (Pvt) Limited (Formerly Janssen Pharmaceuticals – Johnson & Johnson)

AGP Limited is a subsidiary of OBS Pakistan (Private) Limited, which in itself is a subsidiary of OBS Healthcare (Private) Limited which is further owned by West End 16 Pte Ltd, a company incorporated in Singapore.

### Group Structure



### OBS Pakistan (Private) Limited

OBS Pakistan (Private) Limited (“OBS Pakistan”) was formed in 2008 after the acquisition of Merck Sharp & Dohme Pakistan Limited’s Pakistan operations including its manufacturing facility. OBS Pakistan is involved in both the manufacturing of products as well as marketing of imported products.

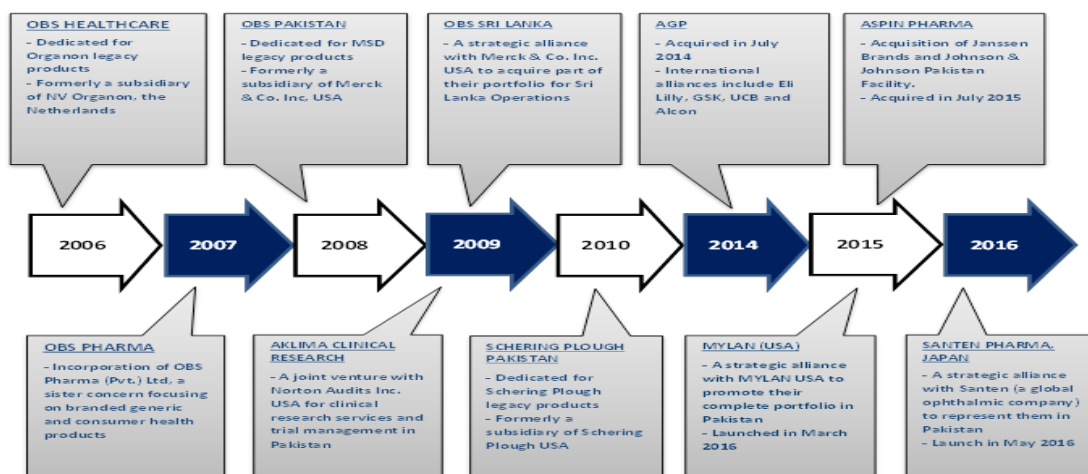
Currently, OBS Pakistan has twenty seven (27) products, of which fifteen (15) products are being imported, whereas twelve (12) are locally produced.

### Aspin Pharma (Private) Limited

In July 2015, OBS acquired 10 pharmaceutical brands from Johnson & Johnson Pakistan (Private) Limited (“J&J”) for 10 years along with their manufacturing facility, Janssen Pharmaceutical (“JP”), via an SPV named Aspin Pharma (Private) Limited (“Aspin”).

Aspin’s product portfolio consists of 10 products acquired from Johnson & Johnson Pakistan (Private) Limited.

#### 4.13 OBS JOURNEY



#### 4.14 INDUSTRY OVERVIEW

The pharmaceutical industry is considered the backbone of public health service in any country. It is strategically important for the well-being of the population and for the availability of good quality affordable healthcare. Pakistan has a dynamic pharmaceutical industry with around 655 manufacturing units<sup>8</sup>. The industry comprises of around 630 local and 25 multinational pharma companies<sup>9</sup>. Pakistan Pharmaceutical Manufacturing Association (PPMA) is the representative body of local pharmaceutical companies, while Pharma Bureau represents multinational pharmaceuticals in the country.

The total sales of pharmaceutical industry of Pakistan as reported by IMS in 2016 are USD 3.0bn. The pharmaceutical industry is fulfilling approximately 80% of the country's demand, whereas rest is being imported in finished form. Industry continues to enjoy double digit growth in terms of turnover (+15% Y/Y) spearheaded mainly by volumetric growth. Top 50 companies hold 89% of the market share.

Owing to fairly good reputation of locally produced pharmaceuticals, the national pharmaceutical products are registered and exported to Far East, South East Asia, and African and Middle Eastern countries. Pharmaceutical exports have crossed USD 200 mn and have been growing at a 5 year CAGR of 11% p.a.<sup>10</sup>

Though the country meets around 70-80% of its medicine needs locally, only a few companies are manufacturing Active Pharmaceutical Ingredients (APIs) in Pakistan (due to substantial cost of setting up R&D facility, continuous cost of test runs to achieve 1) required yields, 2) required stability, 3) required purities and, 4) required characteristics. Thus, majority of pharmaceutical companies are dependent on European, Japanese, Korean, South American & Southeast Asian manufacturers for requirements of APIs for their products. As most of the APIs are

<sup>8</sup> Source: IMS Report

<sup>9</sup> Source: IMS Report

<sup>10</sup> Source: SBP Economic Data

available from at least 3-4 suppliers, prices are kept under check. The pharmaceutical industry imports approximately 80-90% of all raw materials.

In terms of quality and efficacy, locally manufactured drugs from top 50 companies are well regarded as these manufacturers are following Good Manufacturing Processes (GMPs). Local pharmaceuticals are expected to increasingly dominate the market and the presence of MNCs will reduce further; currently the Local to MNC sales ratio is 66:34 and is expected to move to 70:30 within the next 5 years.

#### 4.14.1 Drug Pricing

Under the Drug Pricing Policy 2015, the maximum retail price is monitored and to be calculated using a pre-set formula. Under the said policy Drug manufacturers can only increase prices in line with CPI of the preceding year as per the following formula:

- Scheduled Drugs: 50% of CPI
- Non-Scheduled Drugs: 70% of CPI
- Low-cost drugs: 100% of CPI

For imported drugs, a margin of 35% is allowed on the landed cost of the drug. Maximum retail Price (MRP) is calculated by grossing up trade price to provide for retail discount at 15%. The Authority and the provincial health authorities monitors MRPs of all the drugs to ensure that drugs are not sold in market on MRPs higher than fixed under this Policy.

#### 4.14.2 Pharmaceutical Sector of PSX

| TTM Figures                        | AGPL*       | ABOT        | GLAXO       | SEARL       | FEROZ       | HINOON      | SAPL        |
|------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Revenue (PKR mn)                   | 4,367       | 24,479      | 28,579      | 13,310      | 5,002       | 5,394       | 12,804      |
| Profit / (Loss) After Tax (PKR mn) | 1,188       | 3,999       | 2,888       | 2,393       | 395         | 581         | 1,389       |
| Total Assets (PKR mn)              | 8,308       | 17,942      | 21,809      | 13,828      | 6,841       | 2,895       | 6,592       |
| Total Liabilities (PKR mn)         | 3,428       | 4,585       | 8,751       | 4,965       | 1,123       | 957         | 2,843       |
| Total Equity (PKR mn)              | 4,880       | 13,357      | 13,058      | 8,863       | 5,718       | 1,938       | 3,749       |
| Total Intangible Assets (PKR mn)   | 5,385       | 13          | 1,039       | 180         | 3           | 13          | 1           |
| No. of Shares (mn)                 | 280         | 98          | 318         | 154         | 30          | 23          | 10          |
| Free Float Shares (mn)             | 35.0        | 20.9        | 51.3        | 61.6        | 10.6        | 8.9         | 1.4         |
| Free Float (%)                     | 12.5%       | 21.4%       | 16.1%       | 40.0%       | 35.0%       | 35.0%       | 15.0%       |
| Price per Share (PKR)**            | 80          | 914         | 207         | 559         | 471         | 574         | 1,984       |
| Market Capitalization (PKR mn)     | 22,400      | 89,473      | 65,808      | 86,090      | 14,228      | 13,099      | 19,135      |
| Earnings / (Loss) per Share (PKR)  | 4.24        | 40.85       | 9.07        | 15.55       | 13.07       | 25.49       | 144.01      |
| Book Value per Share (PKR)         | 17.43       | 136.44      | 41.00       | 57.58       | 189.43      | 84.97       | 388.74      |
| <b>Price to Earnings (x)</b>       | <b>18.9</b> | <b>22.4</b> | <b>22.8</b> | <b>36.0</b> | <b>36.1</b> | <b>22.5</b> | <b>13.8</b> |
| <b>Price to Book Value (x)</b>     | <b>4.6</b>  | <b>6.7</b>  | <b>5.0</b>  | <b>9.7</b>  | <b>2.5</b>  | <b>6.8</b>  | <b>5.1</b>  |
| <b>Price to Sales (x)</b>          | <b>5.1</b>  | <b>3.7</b>  | <b>2.3</b>  | <b>6.5</b>  | <b>2.8</b>  | <b>2.4</b>  | <b>1.5</b>  |

\* Multiples calculated at floor price

\*\*Prices are six months average (March 2017 – August 2017)

\*\*\* Financials are of trailing 12 months ending June 2017

#### **4.14.3 Sector Outlook**

It has been witnessed by the domestic pharmaceutical industry that with increase in GDP and per capita income, the customers that are able to afford organized healthcare have increased over the years. This is very important and advantageous for a company like AGP whose strength is its well diversified product range.

In the Federal government budget 2016-2017, the customs duty on Raw Materials of Pharmaceutical goods was reduced from 5% to 3%. Since raw materials imports are significant, this change has proved to be beneficial to industry competitiveness.

Free Trade Agreements have been signed with several countries recently to boost Pharmaceutical exports. The government has also given incentives like exemption from price controls on exporting to developed countries. A combination of favorable government policies and stability in the country can lead to much higher export volumes.

Rising life expectancies in Pakistan is expected to increase demand for pharmaceutical products in the country and this industry alone has the potential to lead the country to economic prosperity.

The sector is expected to perform well due to the following factors:

- Increasing government spending on healthcare
- Urbanization and growth in per capita income
- Economic well-being of the country

Valuations of the sector which apparently seem stretched are a reflection of the impressive sector growth record, which is likely to be sustained going forward. Additionally pharmaceutical companies are also gearing up for accreditation by various international bodies, such as WHO, FDA and PIC/S, which will open up the export avenue towards developed countries where there are stringent quality control requirement/standards.

#### **4.15 RISKS**

##### **4.15.1 Business Risk**

The pharmaceutical business is a highly sensitive business and structural / operational failure is always a significant risk.

##### **4.15.2 Default Risk**

This risk is related to the Company's ability to meet its short term and long term obligations including service of its debt obligations.

##### **4.15.3 Interest Rate Risk**

High interest rates may affect the Company's cost of funding adversely thus leading to decline in profitability.

##### **4.15.4 Human Resource Risk**

Increasing competition for skilled human resources may lead to high turnover causing deterioration in service standards or increased payroll situation, or both.

#### **4.15.5 Under Subscription Risk**

This is the risk that the public offer may get under-subscribed on account of lack of investor's interest.

#### **4.15.6 Physical Damage Risk**

AGPL has two plants that are at risk of physical damage due to national disasters; however, they are comprehensively insured.

#### **4.15.7 Regulatory Risk**

Regulatory risks are present in the form of lax policy responses from the government leading to continuing counterfeiting and smuggling of drugs as well as pressure from regulated pricing.

#### **4.15.8 Risk of Economic Slowdown**

Economic slowdown could potentially affect health sector allocations as well as shift focus from the need to initiate pharmaceutical sector reforms.

#### **4.15.9 Counterfeit and Smuggled Products**

Presence of counterfeit as well as smuggled drugs is a threat, particularly for the generic product category.

#### **4.15.10 Inflation Risk**

Higher inflationary pressure may result in decline in sales as increase in the prices of medicines might not be acceptable to consumers due to difficulty of affordability.

#### **4.15.11 Risk of Entrance of New Players**

The barriers to entry can reduce to lower levels by the formation of DRAP as access to licensing can provide ease for new entrants in terms of registration and licensing.

#### **4.15.12 Capital Market Risks**

Price of shares will depend on the stock market behavior and performance of the company; hence, price may rise or fall and result in increase or decrease in the value of the shares.

#### **4.15.13 Foreign Exchange Risk**

Adverse foreign exchange movement .i.e. PKR depreciation will inflate the price of imports thus affecting the profitability of the Company.

#### **4.15.14 Raw Material Supply / Price Risk**

Adverse price movement or non-availability of raw materials may deter smooth production.

#### 4.15.15 Competitor Risk


Competition from business competitors may create a hostile environment for the Company and result in business loss.

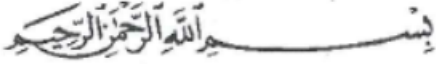
**NOTE: IT IS STATED THAT ALL MATERIAL RISK FACTORS HAVE BEEN DISCLOSED AND THAT NOTHING HAS BEEN INTENTIONALLY CONCEALED IN THIS RESPECT.**



## 5 FINANCIAL INFORMATION

### 5.1 SHARIAH COMPLIANCE CERTIFICATE


  
**Meezan Bank**
  
 The Premier Islamic Bank




September 13, 2017

Al-Hamdulillah, Meezan Bank Limited, in the capacity of Shariah Technical Services and Support Provider, has reviewed audited financial accounts of AGP Limited based on March 31, 2017, and found them to be in compliance with Karachi Meezan Islamic Index – 30 Criteria set out by Pakistan Stock Exchange.

Meezan Bank Limited is of the view that it is allowed to invest in shares of AGP Limited with the provision that the investee will be required to purify its dividend income as per company's annual dividend purification rate as determined by Meezan Bank Limited.

This is pertinent to highlight that the Shariah compliance status of the company may vary from one financial period to the other. So, this certificate shall remain valid as long as company's latest available audited financial accounts are of March 31, 2017.

And Allah (s.w.t.) knows the best.


  
 \_\_\_\_\_

For and On Behalf of Meezan Bank Limited

## 5.2 UNDERTAKING BY THE SPONSOR

K669373

100 Rupees

25 SEP 2017

**HAMZA SHAKEEL STAMP VENDER**  
 Licence No. 154, Shop # 30, Ground Floor,  
 Clifton Centre, Block-S, Main Clifton Road, Khi.

S. NO. 1004 DATE \_\_\_\_\_  
 ISSUED TO WITH ADDRESS \_\_\_\_\_  
 THROUGH WITH ADDRESS \_\_\_\_\_  
 PURPOSE \_\_\_\_\_  
 VALUE RS. 100/-  
 STAMP VENDOR SIGNATURE \_\_\_\_\_  
 (Not use for free wil! & Divorce Purpose)

(RUPEES ISSUED ONLY)

MUHAMMAD SHAFIQ  
 Advocate  
 Notary Public  
 KARACHI

Dated: October 12, 2017

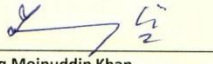
**UNDERTAKING**

I, Tariq Moinuddin Khan, affirm that:

(a) At the time of acquisition of AGP (Pvt.) Limited and AGP Health Care (Pvt.) Limited by Appollo Pharma Limited, AGP (Pvt.) Limited, AGP Health Care (Pvt.) Limited and Pharmonte (Pvt.) Limited were not associated companies of OBS Pakistan (Pvt.) Limited, OBS Health Care (Pvt.) Limited, West End 16 Pte. Ltd and/or any of their associated companies or undertakings, and,

(b) Myself, Mrs. Adeela Tariq Khan and/or any relative, OBS Pakistan (Pvt.) Limited, OBS Health Care (Pvt.) Limited, West End 16 Pte. Ltd and/or any of their associated companies or undertakings were not beneficiaries of the sale proceeds of shares held in AGP (Pvt.) Limited in the name of Pharmonte (Pvt.) Limited, AG Zurich Switzerland.

For and on behalf of myself and OBS Pakistan (Pvt.) Limited, OBS Health Care (Pvt.) Limited and West End 16 Pte. Ltd. in my capacity as the Sponsor.

  
 Tariq Moinuddin Khan  
 Sponsor  
 OBS Pakistan (Private) Limited,  
 OBS HealthCare (Pvt.) Limited, and  
 West End 16 Pte Ltd

**ATTESTED**  
 Muhammad Shafiq  
 Advocate  
 NOTARY PUBLIC  
 KARACHI-PAKISTAN

7 OCT 2017

MUHAMMAD SHAFIQ  
 Advocate  
 Notary Public  
 KARACHI-PAKISTAN

### 5.3 AUDITORS REPORT UNDER CLAUSE 1 AND SECTION 2 OF THE FIRST SCHEDULE TO THE PUBLIC OFFERING REGULATIONS, 2017 FOR THE PURPOSE OF INCLUSION IN THE OFFER FOR SALE DOCUMENT OF AGP LIMITED



EY Fort Rhodes  
Chartered Accountants  
Progressive Plaza, Beaumont Road  
P.O. Box 15541, Karachi 75530  
Pakistan

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Fax: +9221 3565 1965  
ey.kh@pk.ey.com  
ey.com/pk

AB/1373/2017  
28 September 2017

The Board of Directors  
AGP Limited (the Company)  
Karachi

Dear Sirs

#### AUDITORS' REPORT

We have been requested to provide you with a report under Clause 1 of Section 2 of the First Schedule to the Public Offering Regulations, 2017.

#### Scope of report

This report is being issued for inclusion in the offer for sale documents of the Company for the purpose of listing on Pakistan Stock Exchange Limited.

#### Management's responsibility

It is the management's responsibility to provide the information relating to the requirements of Clause 1 of Section 2 of the First Schedule to the Public Offering Regulations, 2017.

#### Auditors' responsibility

Our responsibility is to report with respect to information in the following paragraph of this report as required under Clause 1 of Section 2 of the First Schedule to the Public Offering Regulations, 2017. Our report is being issued in accordance with the 'Guidelines for issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms' issued by the Institute of Chartered Accountants of Pakistan.

#### Report

Based on the information provided, we report the following:

1. We have audited the financial statements of the Company for the financial years / period ended from 31 December 2014 to 30 June 2017. The assets, liabilities, shareholder's equity and profit and loss accounts for above referred periods are included in Annexure 'A' and Annexure 'B'.
2. No financial statements of the Company have been audited by us subsequent to the audit of financial statements of the Company for the period ended 30 June 2017.
3. As of the date of this report, the Company has no subsidiary.
4. No dividend has been declared by the Company during the years / period ended 31 December 2014 to 30 June 2017.

#### Restriction on use and distribution

This report is being issued on the specific request of the management of the Company for the purpose set forth in the scope paragraph above and is not to be used for any other purpose or to be distributed to any other party.

Yours faithfully

  
K.JUN:aa



## ANNEXURE 'A'

Summary of assets, liabilities and shareholders' equity of the Company for the three years and six months ended from 31 December 2014 to 30 June 2017 are as follows:

|                                                   | As of 30<br>June<br>2017 | As of 31 December    |                      |                      |                        |
|---------------------------------------------------|--------------------------|----------------------|----------------------|----------------------|------------------------|
|                                                   |                          | 2016                 | 2015                 | 2014<br>(Company)    | 2014<br>(Consolidated) |
| (Rupees)                                          |                          |                      |                      |                      |                        |
| <b>ASSETS</b>                                     |                          |                      |                      |                      |                        |
| <b>NON-CURRENT ASSETS</b>                         |                          |                      |                      |                      |                        |
| Property, plant and equipment                     | 1,483,314,060            | 1,393,320,984        | 1,371,586,216        | -                    | 1,363,895,682          |
| Intangible assets                                 | 5,394,533,786            | 5,402,486,055        | 5,420,459,030        | -                    | 5,437,347,534          |
| Long term investment                              | -                        | -                    | -                    | 7,212,655,240        | -                      |
| Long term loans and deposits                      | 10,907,378               | 8,572,255            | 9,007,754            | -                    | 8,173,854              |
|                                                   | 6,888,755,224            | 6,804,379,294        | 6,801,053,000        | 7,212,655,240        | 6,809,417,070          |
| <b>CURRENT ASSETS</b>                             |                          |                      |                      |                      |                        |
| Stores and spares                                 | 6,100,501                | 6,518,261            | 5,934,782            | -                    | 4,967,183              |
| Stock-in-trade                                    | 491,636,094              | 512,803,461          | 423,190,017          | -                    | 531,644,594            |
| Trade debts                                       | 428,150,986              | 345,178,857          | 275,167,210          | -                    | 180,260,192            |
| Loans and advances                                | 74,447,322               | 58,405,810           | 21,250,846           | -                    | 18,621,864             |
| Trade deposits, prepayments and other receivables | 14,534,490               | 3,563,295            | 23,256,840           | -                    | 21,292,823             |
| Short-term investments                            | -                        | 28,346               | 28,346               | -                    | 588,356                |
| Taxation - net                                    | 308,761,843              | 280,115,933          | 142,723,411          | -                    | -                      |
| Cash and bank balances                            | 95,948,884               | 502,010,331          | 658,625,334          | 4,288,820            | 250,394,359            |
|                                                   | 1,419,580,120            | 1,708,624,294        | 1,550,176,786        | 4,288,820            | 1,007,769,373          |
| <b>TOTAL ASSETS</b>                               | <b>8,308,335,344</b>     | <b>8,513,003,588</b> | <b>8,351,229,786</b> | <b>7,216,944,060</b> | <b>7,817,186,443</b>   |
| <b>EQUITY AND LIABILITIES</b>                     |                          |                      |                      |                      |                        |
| <b>SHARE CAPITAL AND RESERVES</b>                 |                          |                      |                      |                      |                        |
| Authorised capital                                | 3,500,000,000            | 3,310,000,000        | 3,310,000,000        | 3,000,000,000        | 3,000,000,000          |
| Issued, subscribed and paid-up capital            | 2,800,000,000            | 2,800,000,000        | 2,800,000,000        | 2,800,000,000        | 2,800,000,000          |
| Unappropriated profit                             | 2,080,389,104            | 1,477,031,074        | 389,950,564          | (496,488,442)        | (253,411,292)          |
|                                                   | 4,880,389,104            | 4,277,031,074        | 3,189,950,564        | 2,303,511,558        | 2,546,588,708          |
| <b>NON-CURRENT LIABILITIES</b>                    |                          |                      |                      |                      |                        |
| Deferred taxation                                 | 28,692,246               | 26,426,415           | 22,005,824           | -                    | 24,473,387             |
| Long-term financing                               | 1,912,939,029            | 2,231,216,285        | 3,346,824,428        | 4,462,432,570        | 4,462,432,570          |
| <b>CURRENT LIABILITIES</b>                        |                          |                      |                      |                      |                        |
| Trade and other payables                          | 608,622,766              | 654,311,567          | 424,866,015          | 198,351,219          | 495,907,845            |
| Due to the Holding Company                        | 18,141,499               | 38,037,185           | 40,881,776           | -                    | -                      |
| Accrued interest                                  | 15,200,598               | 126,564,272          | 189,201,179          | 252,648,713          | 251,857,622            |
| Short-term borrowings                             | 354,750,102              | 21,916,790           | -                    | -                    | -                      |
| Taxation - net                                    | -                        | -                    | -                    | -                    | 35,926,311             |
| Current maturity of long-term financing           | 489,600,000              | 1,137,500,000        | 1,137,500,000        | -                    | -                      |
|                                                   | 1,486,314,965            | 1,978,329,814        | 1,792,448,970        | 450,999,932          | 783,691,778            |
| Contingencies and commitments                     | -                        | -                    | -                    | -                    | -                      |
| <b>TOTAL EQUITY AND LIABILITIES</b>               | <b>8,308,335,344</b>     | <b>8,513,003,588</b> | <b>8,351,229,786</b> | <b>7,216,944,060</b> | <b>7,817,186,443</b>   |






## ANNEXURE 'B'

Profit and loss account of the Company for the three years and six months ended from 31 December 2014 to 30 June 2017 are as follows:

|                                                              | Six months<br>ended<br>30 June<br>2017 | Years ended 31 December |                 |               |                |
|--------------------------------------------------------------|----------------------------------------|-------------------------|-----------------|---------------|----------------|
|                                                              |                                        | 2016                    | 2015            | 2014          |                |
|                                                              |                                        |                         |                 | (Company)     | (Consolidated) |
|                                                              |                                        | (Rupees)                |                 |               |                |
| Sales                                                        | 2,342,915,111                          | 4,205,749,613           | 3,747,924,889   | -             | 1,452,678,920  |
| Cost of sales                                                | (938,128,039)                          | (1,745,637,518)         | (1,586,059,641) | -             | (610,475,930)  |
| Gross profit                                                 | 1,404,787,072                          | 2,460,112,095           | 2,161,865,248   | -             | 842,402,990    |
| Administrative expenses                                      | (53,497,862)                           | (108,876,382)           | (125,606,399)   | (224,878,670) | (640,894,367)  |
| Marketing & Selling expenses                                 | (450,954,981)                          | (762,823,716)           | (698,347,344)   | -             | (298,202,970)  |
| Other expenses                                               | (57,476,556)                           | (101,561,116)           | (69,204,781)    | (10,701,719)  | (46,474,981)   |
| Other income                                                 | 14,194,258                             | 42,027,908              | 19,748,544      | 4,114,044     | 271,153,139    |
| Operating profit / (loss)                                    | 857,051,931                            | 1,528,878,789           | 1,288,455,268   | (231,466,345) | 127,983,811    |
| Finance costs                                                | (175,585,852)                          | (360,963,712)           | (515,437,203)   | (264,789,692) | (265,698,315)  |
| Profit / (loss) before taxation                              | 681,466,079                            | 1,167,915,077           | 773,018,065     | (496,256,037) | (137,914,504)  |
| Taxation                                                     | (78,108,049)                           | (80,834,567)            | (129,656,209)   | (232,405)     | (115,496,788)  |
| Net profit / (loss) for the period / year                    | 603,358,030                            | 1,087,080,510           | 643,361,856     | (496,488,442) | (253,411,292)  |
| Other comprehensive income / (loss)<br>for the period / year | -                                      | -                       | -               | -             | -              |
| Total comprehensive income / (loss)<br>for the period/year   | 603,358,030                            | 1,087,080,510           | 643,361,856     | (496,488,442) | (253,411,292)  |
| Earnings per share - Basic and diluted<br>(Rs. per share)    | 2.15                                   | 3.88                    | 2.30            | (1.77)        | (0.91)         |



#### 5.4 AUDITORS' CERTIFICATE ON ISSUED, SUBSCRIBED AND PAID-UP CAPITAL OF THE COMPANY



**EY**  
Building a better  
working world

EY Ford Rhodes  
Chartered Accountants  
Progressive Plaza, Beaumont Road  
P.O. Box 15541, Karachi 75530  
Pakistan

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Tel: +9221 3565 0007-11  
Fax: +9221 3568 1965  
ey.khi@pk.ey.com  
ey.com/pk

AB/1159/2017  
31 July 2017

The Board of Directors  
AGP Limited (the Company)  
Karachi

Dear Sirs

**ISSUED, SUBSCRIBED AND PAID UP CAPITAL**

We have been requested to provide you with a certificate on the break-up of shareholding of the Company as at 31 July 2017.

**Scope of certificate**

This certificate is being issued for the purpose of proposed listing of the Company's shares on the Pakistan Stock Exchange Limited.

**Management's responsibility**

It is the management's responsibility to provide the information relating to the break-up of shareholding of the Company.

**Auditors' responsibility**

Our responsibility is to review the information provided to us by the management and certify the break-up of shareholding of the Company based on such information.

**Certificate**

Based on the unaudited books of account and records of the Company, the break-up of shareholding of the Company as at 31 July 2017 is as follows:

| Ordinary shares of Rs. 10/- each | Number of<br>shares | %   | Rupees        |
|----------------------------------|---------------------|-----|---------------|
| Issued for cash                  | 280,000,000         | 100 | 2,800,000,000 |

*EY FR*



: -2- :

| Ordinary shares of Rs. 10/- each           | Number of<br>shares | Rupees               |
|--------------------------------------------|---------------------|----------------------|
| <b>Directors</b>                           |                     |                      |
| Mohammad Arif Mian                         | 01                  | 10                   |
| Naved Abid Khan                            | 01                  | 10                   |
| Nusrat Munshi                              | 01                  | 10                   |
| Muhammad Arsalan Batla                     | 01                  | 10                   |
| Kamran Nishat                              | 01                  | 10                   |
| Tariq Moynuddin Khan                       | 600,000             | 6,000,000            |
| Mahmud Yar Hiraj                           | 01                  | 10                   |
|                                            | <u>600,006</u>      | <u>6,000,060</u>     |
| <b>Sponsors</b>                            |                     |                      |
| OBS Pakistan (Private) Limited             | 161,485,434         | 1,614,854,340        |
| <b>Associates</b>                          |                     |                      |
| Muller & Phipps Pakistan (Private) Limited | 52,920,000          | 529,200,000          |
| Baltoro Growth Fund                        | 26,794,560          | 267,945,600          |
|                                            | <u>79,714,560</u>   | <u>797,145,600</u>   |
| <b>Other Shareholders</b>                  |                     |                      |
| Bank Alfalah Limited                       | 10,800,000          | 108,000,000          |
| JS Bank Limited                            | 13,400,000          | 134,000,000          |
| High-Q Pharmaceuticals (Private) Limited   | 14,000,000          | 140,000,000          |
|                                            | <u>38,200,000</u>   | <u>382,000,000</u>   |
| <b>Total</b>                               | <u>280,000,000</u>  | <u>2,800,000,000</u> |

**Other matter**

This letter is being issued on the specific request of the Company for the purpose of proposed listing of the Company's shares on the Pakistan Stock Exchange Limited.

Yours faithfully



## 5.5 SHARE BREAK-UP VALUE CERTIFICATE



EY Ford Rhodes  
Chartered Accountants  
Progressive Plaza, Beaumont Road  
P.O. Box 15541, Karachi 75530  
Pakistan

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Fax: +9221 3568 1965  
ey.kh@pk.ey.com  
ey.com/pk

AB/1372/2017  
28 September 2017

The Board of Directors  
AGP Limited (the Company)  
Karachi

Dear Sirs

### BREAK-UP VALUE PER SHARE

We have been requested to provide you with a certificate on the break-up value per share of the Company as at 30 June 2017.

### Scope of certificate

This certificate is being issued for the purpose of proposed listing of the Company's shares on the Pakistan Stock Exchange Limited.

### Management's responsibility

It is the management's responsibility to provide the financial information relating to the break-up value per share of the Company computed in accordance with the requirements of the Technical Release (TR) - 22 of the Institute of Chartered Accountants of Pakistan (ICAP).

### Auditors' responsibility

Our responsibility is to review the information provided to us by the management and to calculate and certify the break-up value per share of the Company based on such information.

### Certificate

Based on the financial statements of the Company for the period ended 30 June 2017, the break-up value per ordinary share is as follows:

|                                                   |             | 30 June 2017<br>Rupees |
|---------------------------------------------------|-------------|------------------------|
| Issued, subscribed and paid-up capital            |             | 2,800,000,000          |
| Unappropriated profit                             |             | 2,080,389,104          |
| Shareholders' equity                              | (A)         | <u>4,880,389,104</u>   |
| Ordinary shares of Rs.10/- each                   | (B)         | <u>280,000,000</u>     |
| Break-up value per share of Rs.10/- each (Rupees) | (C = A / B) | <u>17.43</u>           |

### Other matter

This letter is being issued on the specific request of the Company for the purpose of proposed listing of the Company's shares on the Pakistan Stock Exchange Limited.

Yours faithfully





## 5.6 SUMMARY OF FINANCIAL HIGHLIGHTS AND RATIOS FOR PRECEDING YEARS

| Amount in PKR '000      | Dec-14              |                                                                    | Dec-15    | Dec-16    | Jun-17    |
|-------------------------|---------------------|--------------------------------------------------------------------|-----------|-----------|-----------|
|                         | Appollo Pharma Ltd. | Consolidated 27 <sup>th</sup> May 2014 – 31 <sup>st</sup> Dec 2014 |           |           |           |
| <b>Income Statement</b> |                     |                                                                    |           |           |           |
| Revenue                 | -                   | 1,452,879                                                          | 3,747,925 | 4,205,750 | 2,342,915 |
| Gross Profit            | -                   | 842,203                                                            | 2,161,865 | 2,460,112 | 1,404,787 |
| EBITDA                  | (231,466)           | 168,731                                                            | 1,403,220 | 1,634,426 | 909,942   |
| Operating Profit        | (231,466)           | 127,784                                                            | 1,288,455 | 1,528,879 | 857,052   |
| Profit Before Tax       | (496,256)           | (137,915)                                                          | 773,018   | 1,167,915 | 681,466   |
| Profit After Tax        | (496,488)           | (253,411)                                                          | 643,362   | 1,087,081 | 603,358   |
|                         |                     |                                                                    |           |           |           |
| <b>Balance Sheet</b>    |                     |                                                                    |           |           |           |
| Non-Current Assets      | 7,212,655           | 6,809,417                                                          | 6,801,053 | 6,804,379 | 6,888,755 |
| Current Assets          | 4,289               | 1,007,769                                                          | 1,550,177 | 1,708,624 | 1,419,580 |
| Total Assets            | 7,216,944           | 7,817,186                                                          | 8,351,230 | 8,513,004 | 8,308,335 |
| Share Capital           | 2,800,000           | 2,800,000                                                          | 2,800,000 | 2,800,000 | 2,800,000 |
| Total Equity            | 2,303,512           | 2,546,589                                                          | 3,189,951 | 4,277,031 | 4,880,389 |
| Non-Current Liabilities | 4,462,433           | 4,486,906                                                          | 3,368,830 | 2,257,643 | 1,941,631 |
| Current Liabilities     | 451,000             | 783,692                                                            | 1,792,449 | 1,978,330 | 1,486,315 |
|                         |                     |                                                                    |           |           |           |
| <b>Financial Ratios</b> |                     |                                                                    |           |           |           |
| Gross Margin            | n.a.                | 57.96%                                                             | 57.68%    | 58.49%    | 59.96%    |
| EBITDA Margin           | n.a.                | 11.61%                                                             | 37.44%    | 38.86%    | 38.84%    |
| Operating Profit Margin | n.a.                | 8.80%                                                              | 34.38%    | 36.35%    | 36.58%    |
| Net Margin              | n.a.                | -17.44%                                                            | 17.17%    | 25.85%    | 25.75%    |
| Earnings Per Share      | (1.77)              | (0.91)                                                             | 2.30      | 3.88      | 2.15      |
| Breakup Value Per Share | 8.23                | 9.09                                                               | 11.39     | 15.28     | 17.43     |
| Current Ratio           | 0.01                | 1.29                                                               | 0.86      | 0.86      | 0.96      |
| Debt Equity Ratio       | 1.94                | 1.76                                                               | 1.41      | 0.79      | 0.56      |
| Return on Assets        | -6.88%              | -3.24%                                                             | 7.96%     | 12.90%    | 7.17%     |
| Return on Equity        | -21.55%             | -9.95                                                              | 22.43%    | 29.12%    | 13.18%    |

1. Appollo Pharma Limited ("APL"), a Special Purpose Vehicle ("SPV"), acquired AGP (Pvt) Limited ("AGPPL") and AGP Healthcare (Pvt) Limited ("AGPHC") in 2014.
2. The loss in 2014 is primarily due to acquisition and restructuring cost associated with the acquisition of AGPPL and AGPHC.
3. In 2015, AGPPL and AGPHC were merged into APL and the company was renamed as AGP Limited ("AGPL").

## 6 MANAGEMENT OF THE COMPANY

### 6.1 BOARD OF DIRECTORS OF THE COMPANY

| S.No. | Name                   | Address                                                         | Designation                                                     | Partnership/Directorships in Other Companies                                                                                                                                                                                                                                                                                                                                                                                      |
|-------|------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.    | Tariq Moinuddin Khan   | 16 Khayaban-e-Amir Khusro, DHA, Phase 6, Karachi.               | Chairman / Non-Executive Director                               | <ul style="list-style-type: none"> <li>– OBS Healthcare (Pvt.) Limited</li> <li>– OBS Ophthalmics (Pvt.) Limited</li> <li>– Aklima CRO (Pvt.) Limited</li> <li>– Aitkenstuart Pakistan (Pvt.) Limited</li> <li>– Aspin Pharma (Pvt.) Limited</li> <li>– OBS Pakistan (Pvt.) Limited</li> <li>– West End 16 PTE. Limited (Singapore)</li> </ul>                                                                                    |
| 2.    | Mohammad Arif Mian     | 91, Shahrah-e-Iran, Block 5, Clifton, Karachi                   | Non-Executive Director                                          | <ul style="list-style-type: none"> <li>– OBS Healthcare (Pvt.) Limited</li> <li>– OBS Ophthalmics (Pvt.) Limited</li> <li>– OBS Pakistan (Pvt.) Limited</li> <li>– Aspin Pharma (Pvt.) Limited</li> </ul>                                                                                                                                                                                                                         |
| 3.    | Naved Abid Khan        | House No. 36, Street B-4, DHA Phase 5, Karachi.                 | Independent Director                                            | <ul style="list-style-type: none"> <li>– Sharmeen Khan Memorial Foundation</li> <li>– Karachi Shipyard and Engineering Works</li> <li>– Fauji Fertilizer Bin Qasim Limited</li> <li>– Dubai Islamic Bank Limited</li> </ul>                                                                                                                                                                                                       |
| 4.    | Nusrat Munshi          | D-218, Street 9, East-NHS, Zamzama, Karachi.                    | Executive Director/ Chief Executive Officer / Managing Director | <ul style="list-style-type: none"> <li>– OBS Healthcare (Pvt.) Limited</li> <li>– Aspin Pharma (Pvt.) Limited</li> <li>– OBS Pakistan (Pvt.) Limited</li> </ul>                                                                                                                                                                                                                                                                   |
| 5.    | Muhammad Arsalan Batla | House 87/8, Block 6, PECHS, Karachi.                            | Non-Executive Director                                          | <ul style="list-style-type: none"> <li>– OBS Healthcare (Pvt.) Limited</li> <li>– Aspin Pharma (Pvt.) Limited</li> <li>– OBS Pakistan (Pvt.) Limited</li> </ul>                                                                                                                                                                                                                                                                   |
| 6.    | Kamran Nishat          | House No. B-8, Khaliq-uz-Zaman Road, Block 8, Clifton, Karachi. | Non-Executive Director                                          | <ul style="list-style-type: none"> <li>– ABL Asset Management Company Limited</li> <li>– Cyan Limited</li> <li>– Briogene (Pvt.) Limited</li> <li>– M&amp;P Express Logistics (Pvt.) Limited</li> <li>– OCS Road and Rail Cargo (Pvt.) Limited</li> <li>– Logex (Pvt.) Limited</li> <li>– Veribest Brands Pakistan (Pvt) Limited</li> <li>– Tech Sirat (Pvt.) Limited</li> <li>– TechSirat Technologies (Pvt.) Limited</li> </ul> |
| 7.    | Mahmud Yar Hiraj       | House No. 87, Arif Jan Road, Lahore.                            | Non-Executive Director                                          | <ul style="list-style-type: none"> <li>– Sapphire Wind Power Limited</li> <li>– TriconBoston Consulting Corporation (Pvt.) Limited</li> <li>– Baltoro Partners (Private) Limited</li> </ul>                                                                                                                                                                                                                                       |

The Company confirms that Baltoro Growth Fund has purchased 9.57% shareholding in AGP Limited through shareholders agreements dated 18<sup>th</sup> August, 2016 and 23<sup>rd</sup> June, 2017 between OBS Pakistan (Private) Limited and Mr. Tariq Moinuddin Khan. Pursuant to the shareholders agreement Baltoro Growth Fund has nominated Mr. Mahmud Yar Hiraj, a Pakistani national, as a director. 20,800,000 shares were purchased on 18/08/2016 and 5,994,560 shares on 28/07/2017 were purchased on exercise of an option to acquire additional shares.

Baltoro is incorporated as a private equity fund in Mauritius. Baltoro has been funded by Class A investors namely USAID through an investment vehicle in Mauritius, Indus Basin SME Investments, and Bank Alfalah WBU Bahrain. Both investors have contributed capital in the Fund at an equal proportion. The Company has complied with all requirements of the Registrar of Joint Stock Company. The investment was routed through banking channels and has been approved by State Bank of Pakistan vide its letter dated 2<sup>nd</sup> February, 2017. The Company has also received approval from CCP vide its letter dated 13<sup>th</sup> October 2016. Form 29 have been provided to PSX in this regard. The Company has also sought approval from the Ministry of Interior and their approval is pending and in case approval is not granted, the Company undertakes to withdraw Baltoro's nominated directed from the Board of AGPL.

## **6.2 UNDERTAKING BY THE COMPANY AND ITS SPONSORS**

The Company and its Sponsors undertake that:

1. That neither Company nor its directors, sponsors or substantial shareholders have been holding the office of the directors, or have been sponsors or substantial shareholders in any company, which:
  - (i) which had been declared defaulter by the securities exchange or futures exchange; or
  - (ii) whose TRE Certificate has been cancelled or forfeited by the Exchange, PMEX or any other registered stock exchange of Pakistan that existed prior to integration of stock exchanges pursuant to Integration Order number 01/2016 dated January 11, 2016 issued by the Commission due to noncompliance of any applicable rules, regulations, notices, procedures, guidelines etc. which has been de-listed by the securities exchange due to non-compliance of its regulations.
  - (iii) was de-listed by the Exchange due to its non-compliance of any applicable provision of PSX Regulation.
2. That none of the Sponsors, Major Shareholders, Directors or Management of the Company as well as the Company itself or its Associated Company / Entity have been found guilty of being engaged in any fraudulent activity. The Company have made full disclosure regarding any / or all cases in relation to involvement of the person named above in any alleged fraudulent activity i.e., pending before any Court of Law / Regulatory Body / Investigation Agency in or outside of the Country.

## **6.3 OVERDUE LOANS**

There are no overdue loans (local or foreign) on the Company or its Sponsors/Directors and its associated companies and undertakings. The Company, its Chief Executive Officer, its directors and its sponsors, under the oath, undertakes that they have no overdue payment to any financial institutions.

## **6.4 DIVIDEND PAYOUT BY LISTED GROUP COMPANIES AND ASSOCIATED COMPANIES**

No group company or associated company of AGPL is listed on PSX.

## 6.5 PROFILES OF DIRECTORS

### 6.5.1 Mr. Tariq Moinuddin Khan – Chairman / Non-Executive Director

Mr. Khan has over 30 years' experience with a career beginning in financial services for the largest Regional audit firm, Richter Usher and Vineberg Chartered Accountants, Montreal, Canada. In 1987, Mr. Khan joined the Jewish General Hospital (McGill University) as its Financial Controller. This followed by a move to KSA in 1993 to join the Mawarid Trading Company (owned by the Saudi Royal Family) as Group Chief Financial Officer. The Mawarid Group represents major pharmaceuticals and consumer franchises in Saudi Arabia including GSK, Organon, Aventis, P&G, Eli Lilly as well as Pizza Hut, Revlon and Estee Lauder to name a few.

In 1999, Mr. Khan joined Organon (now part of Merck & Co. Inc. USA). He migrated to Pakistan as Managing Director, Organon Pakistan. Subsequently, responsibilities for KSA were also handed to Mr. Tariq Khan where he became MD for Pakistan & KSA.

Mr. Khan is a graduate of the Concordia University, Montreal Canada and has a Post Graduate Diploma in Public Accountancy (GDPA) from McGill University. He is also a Certified Management Accountant from Ontario Canada and Certified Public Accountant from California, USA. In addition he is the Honorary Consul General of Netherlands in Karachi, Secretary General of World Federation of Consuls, Brussels for Pakistan Chapter, former President of Pakistan Sri Lanka Business Forum to promote trade between the two countries and member of ASPEN Institute (USA) Partners for New Beginning Program (PNB) which was the initiative of President Obama with entrepreneurs of the Muslim World to create 500,000 jobs.

### 6.5.2 Ms. Nusrat Munshi – CEO, Managing Director & Executive Director

Ms. Nusrat Munshi has been the Managing Director of AGPL since July 2009 and has positioned the Company at the forefront amongst its larger and more established peers, in terms of efficiencies and profitability. The per capita output in terms of production, operational efficiency, sales and profitability stands as one of the best in the industry. Under her leadership, AGPL has seen stable growth in the top line while improving the performance ratios of the company in a challenging and inflationary environment. She also successfully steered the company during the critical process of change in ownership in 2014, after which the company has emerged much stronger with long term horizon and support of the new shareholder.

Ms. Munshi joined AGPL in June 2007 and was working as Director Finance, Information Systems and HR prior to her elevation as the Managing Director in 2009. She holds an BBA (Hon)/MBA from the Institute of Business Administration and started her career with the Banking industry and has experience of over a decade in Treasury, Corporate and Credit. She was the Regional Corporate Head at HSBC, Pakistan before joining AGPL. Ms. Munshi has also worked with HSBC Canada and holds a second MBA from the Queens University, Canada.

### 6.5.3 Mr. Naved Abid Khan – Independent Director

Mr. Naved A. Khan has almost 30 years of diversified experience in financial sector, investment banking, and corporate finance in Pakistan as well as abroad. Mr. Naved has worked in one of the largest financial institutions of the world, Bank of America as Vice President after which he moved to Pakistan in 1998 as Head of Corporate & Investment Banking at ABN Amro Bank and thereafter served as the CEO of ABN AMRO Pakistan. Mr. Khan has also served as President & CEO of Faysal Bank Limited as well as serving as President of Rotary Club of Karachi and Overseas Investors Chambers of Commerce and Industry (OICCI). Mr. Khan currently serves as CEO and Board

Member of Sharmeen Khan Memorial Foundation, and as Board Member of Karachi Shipyard and Engineering Works, Fauji Fertilizer Bin Qasim and Dubai Islamic Bank.

Mr. Naved holds a Bachelor's Degree from Kelley School of Business, Indiana University, USA and an MBA from Butler University, Indianapolis, USA.

#### **6.5.4 Mr. Mohammad Arif Mian – Non-Executive Director**

Mr. Arif Mian currently holds the position of Group Chief Financial Officer of OBS Pakistan Private Limited. He began his career with one of the Big Four audit firms in London while subsequently he worked for BCCI in Hong Kong and Middle East. Moving on, he joined National Commercial Bank, Saudi Arabia as Financial Controller – Treasury. He then joined Sottomayor Bank Canada as Chief Accountant and Controller. Additional experience includes working as Director Risk Management in Canadian Derivatives Clearing Corporation (CDCC/Montreal Derivatives Exchange). While soaring higher in his career graph, he took it up as Executive Director for CIBC Treasury Balance Sheet Management Group. Mr. Mian has also served at senior management level positions with other notable organizations such as Investment Industry Regulatory Organization of Canada (IIROC/IDA), Securities and Exchange Commission of Pakistan (SECP) and Askari Bank Ltd. Before joining OBS Pakistan he was working for AM Associates CPA's Professional Corporation in the capacity of Chief Executive Officer.

#### **6.5.5 Mr. Kamran Nishat – Non-Executive Director**

Mr. Kamran Nishat is a qualified Chartered Accountant and currently serving M&P Pakistan as its Chief Executive Officer. In addition to being a Director of AGPL, he serves on the boards of ABL Asset Management Company Limited, Briogene Private Limited and Cyan Limited while serving as the CEO of M&P Express Logistics (Private) Limited (formerly known as OCS Pakistan Private Limited), Tech Sirat (Private) Limited, TechSirat Technologies (Pvt) Limited, OCS road and rail cargo (Pvt) Ltd, Logex (Pvt) Ltd and VeriBest brands (Pvt) Ltd. Moreover, Mr. Nishat has had variety of experiences which include being the member of Accounting and Auditing Standards Committee (South) of the Institute of Chartered Accountants of Pakistan, member of Information Technology Committee (South) of the Institute of Chartered Accountants of Pakistan, member of Management Association of Pakistan, Chairman of Finance and tax committee of American Business Counsel, Senior Manager at Sidat Hyder Morshed Associates (Private) Limited from the years 1997 till 1999, Group Financial Controller at MIMA Group in 1997, General Manager Corporate Affairs at Dawood Hercules Chemicals Limited, Deputy Managing Director at Central Cotton Mills Limited from 1988 till 1996 and Manager Finance at Al-Ghazi Tractors.

#### **6.5.6 Mr. Mahmud Yar Hiraj – Non-Executive Director**

Mr. Hiraj has over 15 years of experience in corporate finance, investment banking, principal investing and asset management. Mr. Hiraj has worked at leading global investment banks and financial institutions in U.S., U.K. and Canada. He started his career with Salomon Smith Barney in New York before moving to London with Citigroup's Financial Sponsors Group, where he was covering leading Private Equity firms. Prior to moving back to Pakistan in 2012 to join Abu Dhabi Group, Mr. Hiraj spent five years with J.P. Morgan and Scotia Capital. During this period, he advised various U.S., Canadian and other international Fortune 500 companies and sponsors on mergers and acquisitions, and capital market fund raising opportunities.

Mr. Hiraj holds a Bachelors of Arts in Economics from McGill University and an MBA from Yale School of Management.

#### **6.5.7 Mr. Muhammad Arsalan Batla – Non-Executive Director**

Mr. Batla is currently the Director Finance at OBS Pakistan. With an experience of 15 years in the pharmaceutical field, Mr. Batla started his career as Assistant Manager in Sante, from where he then moved to Philips Pakistan as Manager Finance & Accounts. Subsequently, he worked for Genix Pharma as General Manager Finance before moving to OBS Pakistan.

### **6.6 PROFILE OF OTHER KEY MANAGEMENT**

#### **6.6.1 Mr. Nadeem Ahmed – Director Quality Operations**

Mr. Nadeem Ahmed has been associated with the Company for the past 16 years in the core area of quality operations, manufacturing operations and supply chain management.

After completing his B. Pharmacy from the University of Karachi, Mr. Ahmed has further enriched his educational background with an MBA in Finance. Mr. Ahmed brings with him a rich experience spanning over 27 years with various local and multinational Pharmaceutical Companies in the domains of Production and Quality Control.

#### **6.6.2 Mr. Shakil Ahmed – Director Marketing & Sales – Division A**

Mr. Shakil Ahmed joined AGPL as Director Marketing and Sales on 25th July 2016. A business graduate by qualification & a highly decorated marketer with over 20 years of experience. Mr. Shakil owns a proven record of handling diversified portfolios with great success ranging from branded generic pharmaceuticals to medical devices. Owing to a strong marketing and sales background, he is not only blazed his own trail to success in Pakistan but also in International markets.

#### **6.6.3 Mr. Ahmed Qasim – Director Marketing & Sales – Division B**

Mr. Ahmed Bin Qasim is associated with AGPL as Director Marketing and Sales since September 2015. He holds bachelors in Sciences from Punjab University. He is a dynamic executive, possessing diversified experience of 30 years in field of Marketing and Sales. Mr. Ahmed has ability to motivate, direct and train staff to bring them at their utmost potential and always Excel at inter personal communication at all levels to ensure that organization goals are attained. Before his association with AGPL, he has 28 years of rich working experience with Searle at various positions.

#### **6.6.4 Mr. Tauqir Ahmed – Director Technical**

Mr. Tauqir has done his B. Pharmacy from the University of Karachi. He has been associated with the Company for the past 15 years in the core area of manufacturing operations. He also has experience of working at Aventis, Getz and Hilton; his total experience is approx. 20 years.

#### **6.6.5 Mr. Junaid Aslam – Chief Financial Officer**

Mr. Junaid Aslam is an Associate member of the Institute of Chartered Accountants of Pakistan with over 11 years of experience in Finance and Audit. He has been with AGP for over 4 years. Prior to AGP he worked at Pakistan Civil Aviation Authority and Two of the Big Four Chartered Accountant Firms in Pakistan. He has made valuable contributions in bringing efficiencies in processes, while maintaining internal controls.

#### **6.6.6 Mr. Junaid Jumani – Head of HR & Admin**

Mr. Jumani holds an MBA in HR and an LLB degree has been with the company for over 8 years. Has made valuable contributions in stream-lining and establishing the HR function in the company. He was given additional responsibility of Administration two years ago, which has resulted in significant improvements in this area as well.

#### **6.6.7 Mr. Abdul Sattar – Head of IS**

Mr. Sattar has been with the company for over 7 years and brings with him experience of over two decades of handling ERPs and related software/hardware. Prior to AGP he has worked for Dadex Eternit and Merck Pakistan. He has brought about cost efficient changes in the IS set-up and has managed to run systems with minimum outages.

### **6.7 NUMBER OF DIRECTORS**

Pursuant to Section 154 of the Companies Act, 2017 a listed Company shall not have less than seven (7) directors. At present the Board of AGPL consists of 7 Directors, including the Chief Executive Officer.

### **6.8 QUALIFICATION OF DIRECTORS**

The qualification of a Director shall be the holding of shares in the Company for the nominal value of PKR 10.00/- at least in his own name but a director representing an interest holding shares of the nominal value of PKR 10.00/- or more shall require no share qualification, subject to the compliance with the provisions of the Companies Act.

No person shall be appointed director of the Company who is ineligible to be appointed as director on any one or more grounds enumerated in Section 153 of the Companies Act or any other law for the time being in force.

### **6.9 REMUNERATION OF THE DIRECTORS**

Pursuant to Article 49 of the Article of Association of the Company the remuneration of a Director for performing extra services including holding of the office of Chairman shall from time to time be determined by the Company in general meeting subject to the provisions of the Companies Act.

### **6.10 BENEFITS TO PROMOTERS AND OFFICERS**

No benefit has been given or is intended to be given by the Company to the promoters and officers of the Company other than remuneration for services rendered by them as full time executives of the Company.

### **6.11 INTEREST OF DIRECTORS**

All directors of AGPL may be deemed to be interested to the extent of their shareholding in the Company and fees payable to them (if any), for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them, if any under the articles of association, and to the extent of remuneration paid to them, if any for services rendered as an officer or employee of the Company.

The directors of AGPL may also be regarded as interested to the extent of their shareholding in companies that are shareholders of AGPL.

All directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of their shareholdings noted above.

Following directors are holding ordinary shares of the Company:

| Name                   | Designation                              | Number of Shares Held | Value of Shares Held |
|------------------------|------------------------------------------|-----------------------|----------------------|
| Tariq Moinuddin Khan   | Chairman/Non-Executive Director          | 600,000               | 6,000,000            |
| Mohammad Arif Mian     | Non-Executive Director                   | 1                     | 10                   |
| Naved Abid Khan        | Independent Director                     | 1                     | 10                   |
| Nusrat Munshi          | CEO/Managing Director/Executive Director | 1                     | 10                   |
| Muhammad Arsalan Batla | Non-Executive Director                   | 1                     | 10                   |
| Kamran Nishat          | Non-Executive Director                   | 1                     | 10                   |
| Mahmud Yar Hiraj       | Non-Executive Director                   | 1                     | 10                   |

## 6.12 INTEREST OF CHIEF EXECUTIVE OFFICER

The CEO of the Company is paid a salary and the following benefits:

1. Company maintained car and fuel
2. Leave fare assistance
3. Leave encashment of unavailed casual leaves
4. Health insurance for self and immediate family members
5. Medical allowance
6. Group life insurance for self
7. Provident fund
8. Bonuses
9. Mobile phone set with connection
10. Exgratia payment upon retirement
11. Performance incentive
12. Driver allowance
13. Club subscription

## 6.13 INTEREST OF DIRECTORS & PROMOTERS IN PROPERTY ACQUIRED BY THE COMPANY

None of the Directors of the Company had or have any interest in any property acquired by the Company or proposed to be acquired by the Company.

## 6.14 ELECTION OF DIRECTORS

The Directors of the Company are elected for a term of three years in accordance with the procedure laid down in the Companies Act. The Directors shall comply with the provisions of the Companies Act relating to the election of Directors and matters ancillary thereto.



Any person who seeks to contest an election to the office of Director shall, whether he / she is a retiring Director or otherwise, file with the Company, not later than fourteen days before the date of the meeting at which elections are to be held, a notice of his / her intention to offer himself / herself for election as a Director, provided that any such person may, at any time before the holding of the election, withdraw such notice.

Any casual vacancy occurring on the Board of Directors may be filled up by the Directors, but the person so appointed shall be subject to retirement at the same time as if he/she had become a Director on the day on which the Director in whose place he/she is chosen was last elected as Director.

The Company may remove a Director in accordance with the provisions of the Companies Act.

| S. No. | Name                   | Date of Appointment | Date of Retirement |
|--------|------------------------|---------------------|--------------------|
| 1.     | Tariq Moinuddin Khan   | 03 June 2015        | 03 June 2018       |
| 2.     | Mohammad Arif Mian     | 22 December 2015    | 03 June 2018       |
| 3.     | Naved Abid Khan        | 8 June 2017         | 03 June 2018       |
| 4.     | Nusrat Munshi          | 03 June 2015        | 03 June 2018       |
| 5.     | Muhammad Arsalan Batla | 31 October 2016     | 03 June 2018       |
| 6.     | Kamran Nishat          | 30 November 2015    | 03 June 2018       |
| 7.     | Mahmud Yar Hiraj       | 30 November 2015    | 03 June 2018       |

## 6.15 VOTING RIGHTS

- Subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every Member present in person shall have one vote except for election of Directors in which case, the provisions of section 178 of the Ordinance shall apply. On a poll every Member shall have voting rights as laid down in section 160 of the Ordinance.
- A Member of unsound mind, or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on show of hands, or on a poll, by his committee or other legal guardian, and such committee or guardian may, on a poll vote by proxy.
- On a poll votes may be given either personally or by proxy.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorized in writing. A proxy must be a Member.
- The instrument appointing a proxy and the power of attorney or any authority (if any) under which it is signed, or a notarially certified copy of that power of authority, shall be deposited at the Registered Office of the Company not less than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid.

## 6.16 INTERNAL AUDIT

The Board of Directors has setup an effective internal audit function managed by suitable, qualified and experienced personnel who are conversant with the policies and procedures of the Company and are involved in the internal audit function on a full time basis.

The audit committee comprises of the following members:

1. Mr. Naved Abid Khan
2. Mr. Mohammad Arif Mian
3. Mr. Muhammad Arsalan Batla

#### **6.17 HUMAN RESOURCE AND REMUNERATION COMMITTEE**

The Board of Directors has set up an effective Human Resources function managed by suitable and qualified personnel who are conversant with the policies & procedures of the Company and are involved in Human Resources function on a full time basis.

The Human Resource and Remuneration Committee comprising of the following members:

1. Mr. Mahmud Yar Hiraj
2. Mr. Mohammad Arif Mian
3. Ms. Nusrat Munshi

#### **6.18 BORROWING POWERS**

The amount, for the time being remaining undischarged, of moneys borrowed or raised by the Directors for the purpose of the Company (other than by the issue of share capital) shall not at any time without the sanction of the Company in general meeting, exceed the issued share capital of the Company.

#### **6.19 POWERS OF DIRECTORS**

The business of the Company shall be managed by the Directors, who may pay all expenses incurred in promoting and registering the Company, and may exercise all such powers of the Company as are not by the Ordinance or any statutory modification thereof for the time being in force, or by these regulations, required to be exercised by the Company in general meeting, subject nevertheless to the provisions of the Ordinance or to any of these regulations, and such regulations being not inconsistent with the aforementioned provisions, as may be prescribed by the company in general meeting but no regulations made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

#### **6.20 INDEMNITY AVAILABLE TO THE BOARD OF DIRECTORS AND OTHER EMPLOYEES**

Every Director or other officers or servant of the Company shall be indemnified by the Company against, and it shall be duty of the Directors to pay out of the funds of the Company, all costs, losses and expenses which any such officer or servant may incur or become liable to by reason of any contract entered into or thing done by such officer or servant including travelling expenses.

No Director or other officer of the Company shall be able liable for the acts, receipts, neglect or default of any other Director or officer or for joining in any respect or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or behalf of the Company or for the insufficiency or deficiency of any security or investment in or upon which any of the money of the Company shall be invested or for any loss or damage arising from bankruptcy, insolvency or tortuous act of any person with whom any money, securities or effects shall be deposited or for any loss occasioned by any error of judgment or oversight on his part or for any other loss, damage or misfortune

whatever which shall happen in the execution of his office or in relation thereto unless the same happens through his dishonesty.

#### **6.21 ASSOCIATED LISTED COMPANIES**

None of the associated companies of AGP Limited are listed on PSX.

#### **6.22 CORPORATE GOVERNANCE**

The Company shall comply with all the rules and regulations applicable to the Company with regards to the Code of Corporate Governance of Listed Companies. Furthermore, the Company will also ensure that at least half of the board of directors will have fulfilled the requirement of the director's training by June 2018 as required under the PSX regulations. The Company shall also encourage representation of minority shareholders on the Board of Directors.

The Company shall also encourage representation of minority shareholders on the board of directors.

#### **6.23 INVESTMENT IN ASSOCIATED COMPANIES**

The Company has not sponsored nor acquired any Company nor has any resolution been passed for sponsoring or acquiring any associated Company.

#### **6.24 CAPITALIZATION OF RESERVES**

There has been no capitalization of reserves since the incorporation of AGP Limited.

## 7 MISCELLANEOUS INFORMATION

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### 7.1 REGISTERED / CORPORATE OFFICE

**AGP Limited**

B-23/C, S.I.T.E.

Karachi.

Phone: 92-21-111-247-247

#### 7.1.1 Plant Address

**AGP Limited – Plant 1**

B-23/C, S.I.T.E.

Karachi.

**AGP Limited – Plant 2**

D-109, S.I.T.E.,

Karachi

### 7.2 BANKERS TO THE OFFER FOR BOOK BUILDING

1. MCB Bank Limited

### 7.3 BANKERS TO THE OFFER FOR GENERAL PORTION

1. Summit Bank Limited\*
2. Meezan Bank Limited
3. United Bank Limited\*
4. Bank Alfalah Limited\*
5. Askari Bank Limited
6. Bank Al Habib Limited
7. Faysal Bank Limited
8. Silkbank Limited
9. MCB Bank Limited
10. Soneri Bank Limited
11. Habib Metropolitan Bank
12. Dubai Islamic Bank
13. Habib Bank Limited
14. JS Bank Limited

\* These banks are providing their own e-IPO Systems. Account holders of these banks can make application for subscription of shares electronically.

#### 7.4 BID COLLECTION CENTERS

| Karachi  |                                                                                                             |            |                                                                                                                                               |
|----------|-------------------------------------------------------------------------------------------------------------|------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| Name:    | Ibad Abdul Quddus Gandhi                                                                                    | Name:      | Muhammad Arsalan Raja                                                                                                                         |
| Phone:   | 021 32466858                                                                                                | Phone:     | 021 34825023                                                                                                                                  |
| Fax:     | 021 32430748                                                                                                | Fax:       | 021 34825027                                                                                                                                  |
| E-mail:  | ibad.gandhi@bmacapital.com                                                                                  | E-mail:    | muhammad.arsalan@bmacapital.com                                                                                                               |
| Address: | BMA Capital Management Limited,<br>Unitower, Level 9, I. I. Chundrigar<br>Road, Karachi                     | Address:   | BMA Capital Management Limited,<br>Plot no B-29, Mezzanine Floor, Block<br>13-A, Main University Road, Gulshan-<br>e-Iqbal, Karachi           |
| Lahore   |                                                                                                             | Islamabad  |                                                                                                                                               |
| Name:    | Asjad Afzal                                                                                                 | Name:      | Qasim Zafar                                                                                                                                   |
| Phone:   | 042 36676615                                                                                                | Phone:     | 051 2802361                                                                                                                                   |
| Fax:     | 042 36619912                                                                                                | Fax:       | 051 2802356                                                                                                                                   |
| E-mail:  | asjad.afzal@bmacapital.com                                                                                  | E-mail:    | qasim.zafar@bmacapital.com                                                                                                                    |
| Address: | BMA Capital Management Limited,<br>2nd Floor, 74-Commercial Area,<br>Cavalry Ground, Lahore.                | Address:   | BMA Capital Management Limited,<br>104, 1st Floor, 82-East, Muhammad<br>Gulistan Khan House,<br>A.K Fazlul Haq Road, Blue Area,<br>Islamabad. |
| Peshawar |                                                                                                             | Quetta     |                                                                                                                                               |
| Name:    | Syed Maqsood Shah                                                                                           | Name:      | Waqar Ali                                                                                                                                     |
| Phone:   | 091-5279769; 0333-9255279                                                                                   | Phone:     | 0333-7937887; 081-2823487                                                                                                                     |
| Fax:     | 091-5279427                                                                                                 | Fax:       | 081-2822203                                                                                                                                   |
| E-mail:  | ops0277@mcb.com.pk                                                                                          | E-mail:    | ops0551@mcb.com.pk                                                                                                                            |
| Address: | MCB Bank Limited<br>Saddar Road, Peshawar Cantt,<br>Peshawar                                                | Address:   | MCB Bank Limited<br>Shahra-e-Iqbal, Quetta                                                                                                    |
| Gilgit   |                                                                                                             | Mirpur     |                                                                                                                                               |
| Name:    | Liaqat Ali                                                                                                  | Name:      | Hamedullah                                                                                                                                    |
| Phone:   | 0300 8999117                                                                                                | Phone:     | 05827443145                                                                                                                                   |
| Fax:     | 05811-457860                                                                                                | Fax:       | 05827442287                                                                                                                                   |
| E-mail:  | ops1116@mcb.com.pk                                                                                          | E-mail:    | ops0596@mcb.com.pk                                                                                                                            |
| Address: | MCB Bank Limited<br>National Market, Gilgit                                                                 | Address:   | MCB Bank Limited<br>Iqbal Road, Mirpur, Azad Kashmir                                                                                          |
| Multan   |                                                                                                             | Gujranwala |                                                                                                                                               |
| Name:    | Alam Akhtar                                                                                                 | Name:      | Faisal Yaqoob Khokar                                                                                                                          |
| Phone:   | 061 4576613                                                                                                 | Phone:     | 055 3848503                                                                                                                                   |
| Fax:     | 061 4576615                                                                                                 | Fax:       | 055 3848505                                                                                                                                   |
| E-mail:  | alam.akhtar@bmacapital.com                                                                                  | E-mail:    | faisal.khokhar@bmacapital.com                                                                                                                 |
| Address: | BMA Capital Management Limited,<br>Office no. 607/A, 6th Floor,<br>The United Mall, Abdali Road,<br>Multan. | Address:   | BMA Capital Management Limited,<br>Office no. 51, H-Block, Ground Floor,<br>Trust Plaza, Gujranwala.                                          |

## 7.5 BANKERS OF THE COMPANY

1. JS Bank Limited
2. The Bank of Punjab
3. Faysal Bank Limited
4. MCB Bank Limited
5. Dubai Islamic Bank Limited
6. Summit Bank Limited
7. United Bank Limited
8. MCB Islamic Bank Limited
9. Bank Islami Pakistan Limited

## 7.6 AUDITORS OF THE COMPANY

### **Ernst & Young Ford Rhodes**

Chartered Accountants  
Progressive Plaza, Beaumont Road,  
Karachi.

## 7.7 LEGAL ADVISOR OF THE COMPANY AND THE OFFER

### **Sattar & Sattar Legal Advisors**

3rd Floor, UBL Building,  
I.I. Chundrigar Road,  
Karachi.  
Phone: 021-32400332

## 7.8 TRANSACTION LEGAL COUNSEL

### **Mandviwalla & Zafar Advocates and Legal Consultants**

C-15, Block-2  
Clifton, Karachi  
Phone: 021-35867041

## 7.9 CONSULTANT TO THE OFFER

### **JS Global Capital Limited**

6th Floor, Faysal House,  
Shahra-e-Faisal,  
Karachi.

## 7.10 BOOK RUNNER

### **BMA Capital Management Limited**

Level 8, Unitower,  
I. I. Chundrigar Road,  
Karachi.

## 7.11 COMPUTER BALLOTTER & SHARE REGISTRAR

### Technology Trade (Pvt.) Limited

Dagia House, 241-C, Block-2,  
P.E.C.H.S., Off: Shahra-e-Quaideen,  
Karachi.

## 7.12 MATERIAL CONTRACTS AND DOCUMENTS

### 7.12.1 Details of Short Term Financing Facility

| Name of Financial Institution | Nature of Facility | Facility Limit (PKR mn) | Facility Used (PKR mn) | Pricing         | Expiry       |
|-------------------------------|--------------------|-------------------------|------------------------|-----------------|--------------|
| Faysal Bank Limited           | Running Finance    | 250 mn                  | 248.6 mn               | 3M KIBOR + 0.4% | 02-Nov-2017  |
| JS Bank Limited               | Running Finance    | 100 mn                  | NIL                    | 3M KIBOR +1.0%  | 30-June-2018 |
| The Bank of Punjab            | Running Finance    | 150 mn                  | NIL                    | 3M KIBOR + 1.0% | 31-May-2018  |
| Dubai Islamic Bank Limited    | Running Musharka   | 300 mn                  | 10.0 mn                | 3M KIBOR + 1.5% | 31-Oct-2017  |
| United Bank Limited           | Running Finance    | 200 mn                  | 96.2 mn                | 3M KIBOR + 1.0% | 30-Nov-2017  |
| MCB Islamic Bank Limited      | Import Marhaba     | 150 mn                  | NIL                    | 3M KIBOR + 1.0% | 30-June-2018 |

(As on June 30, 2017)

### 7.12.2 Details of Long Term Financing Facility

| Name of Financial Institution                                                                                                                                                                                                                  | Nature of Facility | Outstanding Amount (PKR mn) | Pricing              |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-----------------------------|----------------------|
| <b>Institutional Investors:</b><br>JS Bank Limited<br>Summit Bank Limited<br>Faysal Bank Limited<br>Dubai Islamic Bank Pakistan Limited<br>Samba Bank Limited<br>Pak Libya Holding Company (Pvt.) Limited<br>Al Baraka Bank (Pakistan) Limited | Sukuk              | 2,448,000,000               | 3 months KIBOR +1.3% |

(As on June 30, 2017)

### 7.12.3 Related Party Agreements

| S.No. | Counterparty                   | Agreement                    | Date                        | Expiry                      | Particulars                                                                                              |
|-------|--------------------------------|------------------------------|-----------------------------|-----------------------------|----------------------------------------------------------------------------------------------------------|
| 1     | OBS Pakistan (Private) Limited | Toll Manufacturing Agreement | 29 <sup>th</sup> April 2015 | 28 <sup>th</sup> April 2020 | Toll manufacturing of pharmaceutical preparations (M-Span Range: Cefixime) registered in the name of OBS |

|   |                                            |                        |                                 |                                |                                                                                                                                                                 |
|---|--------------------------------------------|------------------------|---------------------------------|--------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2 | OBS Pakistan (Private) Limited             | Supply Agreement       | 10 <sup>th</sup> September 2014 | 9 <sup>th</sup> September 2019 | AGPL grants marketing authorization to market, sell, and distribute pharmaceutical preparations (Xovat Range: API Rosuvastatin)                                 |
| 3 | OBS Pakistan (Private) Limited             | Supply Agreement       | 3 <sup>rd</sup> August 2015     | 2 <sup>nd</sup> August 2020    | AGPL grants marketing authorization to market, sell, and distribute pharmaceutical preparations (Nergab Range : API Pregablin)                                  |
| 4 | Muller & Phipps Pakistan (Private) Limited | Distributor Agreement  | 1 <sup>st</sup> January 2016    | 31 <sup>st</sup> December 2020 | AGPL grants M&P non-exclusive right to resell and distribute pharmaceutical products manufactured or imported by AGP within Pakistan (and Azad Jammu & Kashmir) |
| 5 | Aitken Stuart Pakistan (Private) Limited   | Distribution Agreement | 1 <sup>st</sup> December 2016   | 30 <sup>th</sup> November 2019 | AGPL engages Aitken Stuart Pakistan for the distribution of MyDekla 60mg Tablets imported under special permission from DRAP.                                   |

### 7.13 INSPECTION OF DOCUMENTS AND CONTRACTS

Copies of the Memorandum and Articles of Association, the Audited Financial Statements, the Auditor's Certificates, Information Memorandum and copies of agreements referred to in this OFSD may be inspected during usual business hours on any working day at the registered office of the Company from the date of publication of this OFSD until the closing of the subscription list.

### 7.14 LEGAL PROCEEDINGS

The company litigations / proceedings are as follows:



- During the year ended 31 December 2014, the Company imported an active pharmaceutical material namely Ossein Mineral Complex (OMC) which is exempt from sales tax. Customs duty and advance income tax have been paid at applicable rates by the Company on the import. No discrepancy and irregularity was made out against the Company at the time of release of its consignments of OMC. However, after the release of its consignments the tax authorities made demand of short-paid duties and taxes which includes 30% custom duty, 17% sales tax and 5% advance income tax on the imported value, amounting to Rs.2.559 million, without issuing any show cause notice. The Company has filed a petition before the Court which is pending adjudication. No provision has been made by the Company in this respect as the Company, in view of a tax advice, expects a favourable outcome of the above matter.
- During the year ended 31 December 2008, the Company imported consignments of Medicines (Multivitamin) against which, it filed goods declaration through their authorized clearing agent. The Company correctly declared the description of goods as medicines and claimed assessment under relevant PCT Code. The Custom Authorities have rejected these assessments and issued demand notices to the Company indicating short levy of duty / taxes. The Deputy Collector of Customs, Air Freight Unit/Jinnah International Airport, Karachi, passed an order against the Company according to which the Company was liable to pay the short paid amount of Rs.1.173 million against the respective consignments / demand notices. The Company filed appeal before the Collectors of Customs, Sales Tax & Federal Excise (Appeals) which was decided in favour of the Company vide order dated 30 October 2009. The Deputy Collector of Customs, Air Freight Unit approached the learned Tribunal, Customs, Central Excise & Sales Tax, Bench, and filed appeal against the said order which was also dismissed and decided in favour of the Company vide order dated 23 December 2010. Thereafter, the Collector of Customs (Preventive) filed the title reference before the Court which is pending adjudication. No provision has been made by the Company in this respect as the Company, in view of a legal advice, expects a favourable outcome of the above matter.
- During the year ended June 30, 2004, a lawsuit of Rs.10 million has been filed by various companies against the Company in the District Court, Sindh, to stop the Company from marketing a brand, which was decided against the Company. However, the Company has filed an appeal in the Court against the decision which is still pending. No provision has been made by the Company in this respect as the Company, in view of a legal advice, expects a favorable outcome of the above matter.
- During the year ended June 30, 2002, a claim amounting to Rs.1.802 million was filed against the Company by the K-Electric Limited on account of low billing carried out by the K-Electric in prior years (i.e. from 1992 to 2000). The Company, thereafter, filed a request with the K-Electric Limited disputing the above-referred claim, which is currently pending with the K-Electric Limited. The management is confident that as a result of its request, the total claim will not exceed Rs. 0.5 million and, hence, provision to this extent was made in the financial statements for the year ended June 30, 2002. Pending finalization of this matter, no provision has been made in the financial statements for the remaining sum of Rs.1.302 million or for any other liability that may arise as a result thereof.
- The Finance Acts, 2015 and 2016 applied super tax at the rate of 3% of the taxable income for the tax years 2015 and 2016, i.e. financial years ended December 31, 2014 and 2015. However, the Company filed a suit with the Court challenging the above tax, which is currently pending adjudication. The Company based on a legal advice, is confident of a favourable outcome, hence no provision for the above tax amounting to Rs. 37.162 million has been made in these financial statements.

#### **7.15 MEMORANDUM OF ASSOCIATION**

The Memorandum of Association, inter alia, contains the objects for which the Company was incorporated and the business which the Company is authorized to undertake. A copy of the Memorandum of Association is annexed to this OFSD and with every issue of the OFSD except the one that is released in newspapers as advertisement.

#### **7.16 FINANCIAL YEAR OF THE COMPANY**

The financial year of the Company commences from 1st day of January and ends on the 31st day of December each year.

## 8 APPLICATION & ALLOTMENT INSTRUCTIONS

### 8.1 ELIGIBLE INVESTORS INCLUDE:

1. Pakistani citizens resident in or outside Pakistan or Persons holding two nationalities including Pakistani nationality;
2. Foreign Nationals whether living in or outside Pakistan;
3. Companies, bodies corporate or other legal entities incorporated or established in or outside Pakistan (to the extent permitted by their constitutive documents and existing regulations, as the case may be);
4. Mutual Funds, Provident / Pension / Gratuity Funds / Trusts (subject to the terms of the Trust Deed and existing regulations); and
5. Branches in Pakistan of companies and bodies corporate incorporated outside Pakistan.

### 8.2 APPLICATION MUST BE MADE ON THE COMMISSION'S APPROVED APPLICATION FORM OR ELIGIBLE PHOTOCOPY THEREOF ON A PAPER OF A4 SIZE WEIGHING AT LEAST 62 GM

### 8.3 COPIES OF THE OFSD

Copies of this OFSD and application forms can be obtained from members of PSX, the Bankers to the Issue and their Branches, the Consultant to the Offer, Book Runner, and the registered office of the Company. The OFSD and the application form can also be downloaded from the following websites:

[www.agp.com.pk](http://www.agp.com.pk), [www.jsycl.com](http://www.jsycl.com), [www.bmacapital.com](http://www.bmacapital.com) and [www.cdceipo.com](http://www.cdceipo.com)

The applicants are required to complete the relevant sections of the application in order to get shares in scrip-less / book-entry form. In accordance with the provisions of the Central Depositories Act, 1997 and the CDCPL Regulations, credit of such shares is allowed ONLY in the applicant's own CDC account

### 8.4 NAME(S) AND ADDRESS(ES) MUST BE WRITTEN IN FULL BLOCK LETTERS, IN ENGLISH AND SHOULD NOT BE ABBREVIATED.

### 8.5 ALL APPLICATIONS MUST BEAR THE NAME AND SIGNATURE CORRESPONDING WITH THAT RECORDED WITH THE APPLICANT'S BANKER. IN CASE OF DIFFERENCE OF SIGNATURE WITH THE BANK AND COMPUTERIZED NATIONAL IDENTITY CARD (CNIC) OR NATIONAL IDENTITY CARD FOR OVERSEAS PAKISTANIS (NICOP) OR PASSPORT BOTH THE SIGNATURES SHOULD BE AFFIXED ON THE APPLICATION FORM.

### 8.6 APPLICATIONS MADE BY INDIVIDUAL INVESTORS

1. In case of Individual Investors, a photocopy of CNIC (in case of Resident Pakistanis) / NICOP or Passport (in case of Non- Resident Pakistanis) as the case may be, should be enclosed and the number of CNIC / NICOP / Passport should be written against the name of the applicant.
2. Original CNIC / NICOP / Passport, along with a photocopy, must be produced for verification to the Banker to the Offer and the applicant's banker (if different from the Banker to the Offer) at the time of presenting the application. The attested photocopy will, after verification, be retained by the branch along with the application.

## 8.7 APPLICATIONS MADE BY INSTITUTIONAL INVESTORS

1. Applications made by companies, corporate bodies, mutual funds, provident / pension / gratuity funds / trusts and other legal entities must be accompanied by an attested photocopy of their Memorandum and Articles of Association or equivalent instrument / document. Where applications are made by virtue of Power of Attorney, the same should also be submitted along with the application. Any Federal / Provincial Government Gazette Officer, Councilor, Bank Manager, Oath Commissioner and Head Master of High School in the country of applicant's residence can attest copies of such documents.
2. Attested photocopies of the documents mentioned in paragraph 8.7(i) must be produced for verification to the Banker to the Offer and the applicant's banker (if different from the Banker to the Offer) at the time of presenting the application. The attested copies, will after verification, be retained by the bank branch along with the application.

## 8.8 ADDITIONAL INFORMATION FOR INVESTORS

1. Only one application will be accepted against each account, however, in case of joint account, one application may be submitted in the name of each joint account holder.
2. Joint application in the name of more than two persons will not be accepted. In case of joint application each applicant must sign the application form and submit attested copies of their CNICs / NICOP / Passport. The certificates will be dispatched to the person whose name appears first on the application form while in case of CDS, it will be credited to the CDS account mentioned on the face of the form and where my amount is refundable, in whole or in part, the same will be refunded by cheque or other means by post, or through the bank where the application was submitted, to the person named first on the application form, without interest, profit or return. Please note the application will be considered as a single application for the purpose of allotment of shares.
3. Subscription money must be paid by cheque drawn on applicant's own bank account or pay order / bank draft payable to one of the Bankers to the Offer in favor of account **"Offer for Sale of AGP Limited"** and crossed **"A/C PAYEE ONLY"**.
4. For the application made through pay-order / bank draft, it would be permissible for a Banker to the Offer to deduct the bank charges while making refund of subscription money to unsuccessful applicants through pay-order / bank draft individually for each application.
5. The applicant should have at least one bank account with any of the commercial banks. The applicants not having a bank account at all (non-account holders) are not allowed to submit application for subscription of shares.
6. Applications are not to be made by minors and / or persons of unsound mind.
7. Applicants should ensure that the bank branch, to which the application is submitted, completes the relevant portion of the Application Form.

8. Applicants should retain the bottom portion of their Application Forms as provisional acknowledgement of submission of their applications. This should not be construed as an acceptance of the application or a guarantee that the applicant will be allotted the number of shares for which the application has been made.
9. Making of any false statements in the application or willfully embodying incorrect information therein shall make the application fictitious and the applicant or the bank shall be liable for legal action.
10. Bankers to the Offer are prohibited to recover any charges from the subscribers for collecting subscription applications. Hence, the applicants are advised not to pay any extra charges to the Bankers to the Offer.
11. It would be permissible for a Banker to the Offer to refund subscription money to unsuccessful applicants having an account in its bank by crediting such account instead of remitting the same by cheque, pay order or bank draft, Applicants should, therefore, not fail to give their bank account numbers.
12. Submission of false and fictitious applications is prohibited and such applications' money may be forfeited under section 87(8) of the Securities Act, 2015.

#### **8.9 ADDITIONAL INSTRUCTIONS FOR FOREIGN / NON RESIDENT INVESTORS**

1. In case of foreign investors that are not individuals, applications must be accompanied with a letter on applicant's letterhead stating the legal status of the applicant, place of incorporation and operations and line of business. A copy of Memorandum of Association or equivalent document should also be enclosed, if available. Where applications are made by virtue of Power of Attorney, the same must be lodged with the application. Copies of these documents can be attested by the Bank Manager in the country of applicant's residence.
2. Foreign / Non-resident investors should follow payment instructions given in Section 2.2.17 of this Offer for Sale Document.

#### **8.10 BASIS OF ALLOTMENT**

The basis and conditions of transfer of certificates to the General Public shall be as follows:

1. The minimum value of application will be calculated as Offer Price x 500 Shares. Application for amount below the minimum value shall not be entertained.
2. Application for shares must be made for 500 shares or in multiple of 500 shares only. Applications, which are neither 500 shares nor for multiples of 500 shares shall be rejected.
3. Allotment/ transfer of shares to successful applicants shall be made in accordance with the allotment criteria / instructions disclosed in the OFSD.
4. The allotment of shares shall be subject to scrutiny of applications in accordance with the criteria disclosed in the OFSD and / or the instructions by the Securities and Exchange Commission of Pakistan.
5. Applications, which do not meet the above requirements, or applications which are incomplete will be rejected. The applicants are, therefore, required to fill in all the data fields in the Application Form.
6. The Offerors credit the respective CDS accounts of successful applicants.

### 8.11 LIST OF BANKERS TO THE ISSUE

| Code | Name of Bank            |
|------|-------------------------|
| 01   | Summit Bank Limited*    |
| 02   | Meezan Bank Limited     |
| 03   | United Bank Limited*    |
| 04   | Askari Bank Limited     |
| 05   | Bank Al Habib Limited   |
| 06   | Faysal Bank Limited     |
| 07   | Bank Alfalah Limited*   |
| 08   | Silkbank Limited        |
| 09   | MCB Bank Limited        |
| 10   | Soneri Bank Limited     |
| 11   | Habib Metropolitan Bank |
| 12   | Dubai Islamic Bank      |
| 13   | Habib Bank Limited      |
| 14   | JS Bank Limited         |

\*These Banks are providing their own e-IPO facilities. Account holders of these banks may apply for subscription of shares electronically. For detail please refer to para 8.14.

### 8.12 CODE OF OCCUPATION OF INVESTORS / APPLCANTS

| Code | Occupation         |
|------|--------------------|
| 01   | Business           |
| 02   | Business Executive |
| 03   | Service            |
| 04   | Housewife          |
| 05   | Household          |
| 06   | Professional       |
| 07   | Student            |
| 08   | Agriculturist      |
| 09   | Industrialist      |
| 10   | Other              |

### 8.13 NATIONALITY CODE

| Code | Name of Country |
|------|-----------------|
| 01   | U.S.A.          |
| 02   | U.K.            |
| 03   | U.A.E.          |
| 04   | K.S.A.          |
| 05   | Oman            |
| 06   | Bangladesh      |
| 07   | China           |
| 08   | Bahrain         |
| 09   | Other           |

#### 8.14 E-IPO Facilities

e-IPO is submission of application for subscription of securities electronically through internet, Automated Teller Machines (ATM) and mobile phones. In order to facilitate the public during IPOs, SECP has introduced the concept of e-IPO. The following two systems are available for e-IPOs:

**(i) Centralized e-IPO System (CES):**

The Central Depository Company of Pakistan Limited (CDC) has developed a Centralized e-IPO System (CES) through which applications for subscription of securities offered to the general public can be made electronically. CES has been made available in this Offer and can be accessed through the web link ([www.cdceipo.com](http://www.cdceipo.com)). Payment of subscription money can be made through 1LINK's member banks available for CES, list of which is available on above website.

For making application through CES, investors must be registered with CES. Registration with CES is free of cost and a self-registration process by filling the CES registration form, which is available 24/7 all around the year. Investors who have valid Computerized National Identity Card (CNIC), bank account with any of the commercial bank, email address, mobile phone number and CDS Account (Investor Account or sub Account) may register themselves with CES.

**Investors who do not have CDS account may visit [www.cdcpakistan.com](http://www.cdcpakistan.com) for information and details.**

**For further guidance and queries regarding CES and opening of CDS account, investors may contact CDC at phone Number: 0800 – 23275 (CDCPL) and e-mail: [info@cdcpak.com](mailto:info@cdcpak.com).**

**(ii) e-IPO facilities by Bankers to the Issue:**

Currently, United Bank Limited (UBL), Summit Bank Limited (SMBL) and Bank Alfalah (BAFL) are providing e-IPO facilities to their respective account holders.

UBL account holders can use UBL Net Banking to submit their application via link <http://www.ubldirect.com/corporate/ebank>

SMBL account holders can use SMBL Net Banking to submit their application via link <https://ib.summitbank.com.pk> and

BAFL account holders can use BAFL Net Banking to submit their application via link: <https://ib.bankalfalah.com.pk>

**Investors who are registered with CES or account holders of UBL, SMBL or BAFL can submit their applications through the above mentioned links 24 hours a day during the subscription period which will close at midnight on November 15, 2017.**

## 9 INSTRUCTIONS FOR REGISTRATION AND BIDDING

**REGISTRATION PERIOD OPENS FROM NOVEMBER 03, 2017 TO NOVEMBER 08, 2017 (EXCLUDING WEEKENDS) BETWEEN 9:00 AM TO 5:00 PM AND BETWEEN 9:00 AM TO 3:00 PM ON NOVEMBER 09, 2017. BIDDING PERIOD OPENS FROM NOVEMBER 08, 2017 TO NOVEMBER 09, 2017 BETWEEN 9:00 AM TO 5:00 PM**

**OFFER FOR SALE OF ORDINARY SHARES OF AGP LIMITED ("AGPL" OR THE "COMPANY") THROUGH THE BOOK BUILDING PROCESS AT THE FLOOR PRICE OF PKR 80.00/- PER SHARE**

The Present Offer comprises of 35,000,000 Ordinary Shares (12.50% of the Paid-up Capital of the Company with face value of PKR 10.00/- each).

The bidders shall be allowed to place bids for hundred percent (100.00%) of the Offer size and the Strike Price shall be the price at which the Hundred Percent (100.00%) of the Offer is subscribed. However, the successful bidders shall be allotted only Seventy Five Percent (75.00%) of the Offer size i.e. 26,250,000 and the remaining Twenty Five Percent (25.00%) i.e. 8,750,000 shall be offered to the retail investors.

### **Instructions for Registration and Bidding**

1. Only registered investors will be eligible to participate in the bidding process.
2. Investors are required to fill in the Registration Form and submit the complete Registration Form along with Margin Money at the Bid Collection Centers during the Registration Period.
3. For deposit of Margin Money only Pay Orders, Demand Drafts or a Bank Receipt evidencing Online Transfers in the designated bank account shall be accepted during the Bidding Period. **Each eligible investor shall only submit a single pay order, demand draft or evidence of online transfer of money along with the Registration Form. It may also be noted that only a single pay order, demand draft or evidence of online transfer of money shall be accepted by the Book Runner along with each Additional Payment Form.**
4. Once the investor is registered in the System, the investor will receive Username and Password via an automatically generated e-mail through the System software.
5. Investors can directly place their bids online during the Bidding Period by using the Username and Password provided to them via e-mail or submit the Bidding Form at the bid collection centers in person.
6. On entry of bid in the System, the investors will receive an e-mail confirmation of their bid via the System software.
7. Investors can upward revise their bids online. Please visit [www.bkb.psx.com.pk](http://www.bkb.psx.com.pk) to access online portal. Online access will be available for upward bid revisions during the Bidding Period from 9:00 am to 5:00 pm. An investor shall not be allowed to place or upward revise a bid with a price variation of more than 10% of the prevailing Indicative Strike Price. **NO DOWNWARD REVISION OR WITHDRAWAL OF BID SHALL BE ALLOWED.**

### **Please Note:**

1. Fill in all the particulars of the form accurately in **BLOCK LETTERS**.



2. For deposit of margin money, only Pay Orders, Demand Draft will be accepted or online transfer facility (pay order or demand draft may be deposited at any branch of MCB Bank Limited and evidence to be submitted to the Book Runner) into the respective Book Building account, A/C # 0934138811010735, titled "Offer of Sale of AGP Limited – Book Building" maintained at MCB Bank Limited, Global Transaction Banking Branch, Karachi.
3. Kindly provide a copy of CNIC or Passport (in case of Individual Investors) or NTN Certificate / Certificate of Incorporation (in case of Institutional Investor) along with the Registration Form.
4. Applicants are requested to provide accurate contact details. Please provide accurate landline number(s), mobile number(s), fax number(s), UIN(s), NTN number and e-mail address(es).
5. Bidders are requested to provide two copies of the bidding instrument at the time of bid submission.
6. The National Taxation Number ("NTN") of AGP Limited is 4281954-7. This NTN shall be required by applicants for making their respective pay orders.
7. The Bidder is required to duly fill Additional Payment Form for depositing additional funds for enhancement of deposit amount.
8. In case the retail portion is fully subscribed, the bid money shall be refunded or unblocked, immediately but not later than **3 working days** from the last day of final allocation
9. All payments are to be made in favor of "Offer for Sale of AGP Limited – Book Building" at any of the following bidding centers:

| Karachi  |                                                                                         |          |                                                                                                                                     |
|----------|-----------------------------------------------------------------------------------------|----------|-------------------------------------------------------------------------------------------------------------------------------------|
| Name:    | Ibad Abdul Quddus Gandhi                                                                | Name:    | Muhammad Arsalan Raja                                                                                                               |
| Phone:   | 021 32466858                                                                            | Phone:   | 021 34825023                                                                                                                        |
| Fax:     | 021 32430748                                                                            | Fax:     | 021 34825027                                                                                                                        |
| E-mail:  | ibad.gandhi@bmacapital.com                                                              | E-mail:  | muhammad.arsalan@bmacapital.com                                                                                                     |
| Address: | BMA Capital Management Limited,<br>Unitower, Level 9, I. I. Chundrigar<br>Road, Karachi | Address: | BMA Capital Management Limited,<br>Plot no B-29, Mezzanine Floor, Block<br>13-A, Main University Road, Gulshan-<br>e-Iqbal, Karachi |

| Lahore   |                                                                                              | Islamabad |                                                                                                                                               |
|----------|----------------------------------------------------------------------------------------------|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| Name:    | Asjad Afzal                                                                                  | Name:     | Qasim Zafar                                                                                                                                   |
| Phone:   | 042 36676615                                                                                 | Phone:    | 051 2802361                                                                                                                                   |
| Fax:     | 042 36619912                                                                                 | Fax:      | 051 2802356                                                                                                                                   |
| E-mail:  | asjad.afzal@bmacapital.com                                                                   | E-mail:   | qasim.zafar@bmacapital.com                                                                                                                    |
| Address: | BMA Capital Management Limited,<br>2nd Floor, 74-Commercial Area,<br>Cavalry Ground, Lahore. | Address:  | BMA Capital Management Limited,<br>104, 1st Floor, 82-East, Muhammad<br>Gulistan Khan House,<br>A.K Fazlul Haq Road, Blue Area,<br>Islamabad. |

| Peshawar |                                                              | Quetta   |                                            |
|----------|--------------------------------------------------------------|----------|--------------------------------------------|
| Name:    | Syed Maqsood Shah                                            | Name:    | Waqar Ali                                  |
| Phone:   | 091-5279769; 0333-9255279                                    | Phone:   | 0333-7937887; 081-2823487                  |
| Fax:     | 091-5279427                                                  | Fax:     | 081-2822203                                |
| E-mail:  | ops0277@mcb.com.pk                                           | E-mail:  | ops0551@mcb.com.pk                         |
| Address: | MCB Bank Limited<br>Saddar Road, Peshawar Cantt,<br>Peshawar | Address: | MCB Bank Limited<br>Shahra-e-Iqbal, Quetta |

| Gilgit   |                                             | Mirpur   |                                                      |
|----------|---------------------------------------------|----------|------------------------------------------------------|
| Name:    | Liaqat Ali                                  | Name:    | Hamedullah                                           |
| Phone:   | 0300 8999117                                | Phone:   | 0582-7443145                                         |
| Fax:     | 05811-457860                                | Fax:     | 0582-7442287                                         |
| E-mail:  | ops1116@mcb.com.pk                          | E-mail:  | ops0596@mcb.com.pk                                   |
| Address: | MCB Bank Limited<br>National Market, Gilgit | Address: | MCB Bank Limited<br>Iqbal Road, Mirpur, Azad Kashmir |

| Multan   |                                                                                                             | Gujranwala |                                                                                                      |
|----------|-------------------------------------------------------------------------------------------------------------|------------|------------------------------------------------------------------------------------------------------|
| Name:    | Alam Akhtar                                                                                                 | Name:      | Faisal Yaqoob Khokar                                                                                 |
| Phone:   | 061 4576613                                                                                                 | Phone:     | 055 3848503                                                                                          |
| Fax:     | 061 4576615                                                                                                 | Fax:       | 055 3848505                                                                                          |
| E-mail:  | alam.akhtar@bmacapital.com                                                                                  | E-mail:    | faisal.khokhar@bmacapital.com                                                                        |
| Address: | BMA Capital Management Limited,<br>Office no. 607/A, 6th Floor,<br>The United Mall, Abdali Road,<br>Multan. | Address:   | BMA Capital Management Limited,<br>Office no. 51, H-Block, Ground Floor,<br>Trust Plaza, Gujranwala. |

10. CASH SHOULD NOT BE SUBMITTED WITH REGISTRATION FORM AT THE BID COLLECTION CENTER.
11. THE BID SHOULD BE SUBMITTED ON THE PRESCRIBED BIDDING FORM ALONG WITH THE REGISTRATION FORM IN PERSON OR THROUGH FAX AT THE NUMBERS MENTIONED IN NOTE 8 ABOVE. REGISTERED INVESTORS CAN ALSO PLACE THEIR BIDS DIRECTLY VIA THE ONLINE PORTAL BY VISITING [WWW.BKB.PSX.COM.PK](http://WWW.BKB.PSX.COM.PK).
12. Bids can be placed at "Limit Bid" or "Step Bid".

- **Payment for Limit Bid:**

If investors are placing their bids through "Limit Price" then they shall deposit the Margin Money based on the number of shares they are bidding for at their stated bid price.

For instance, a Bidder may bid for 1 million shares at PKR 81.00 per share. In such a case the total application money would amount to PKR 81 million. In this case the Bid Amount will also be PKR 81 million. Since the Bidder has placed a limit of PKR 81.00 per share, this indicates that he / she / it is willing to subscribe at or below PKR 81.00 per share.

- **Payment for Step Bid:**

If investors are placing their bids through “Step Bid” which is a series of limit bid at increasing prices then they shall deposit the Margin Money / Bid Amount based on the total number of shares they are bidding for at their stated bid price. The aggregate amount of step bid shall not be less than PKR 1,000,000/- and the amount of any step shall also not be less than PKR 1,000,000/-.




Under this bidding strategy, Bidders place a number of Limit Bids at different increasing price levels. a Bidder may, for instance, make a bid for 0.50 million shares at PKR 80.00 per share, 0.40 million shares for PKR 81.00 per share and 0.30 million shares for PKR 82.00 per share. Therefore in essence the Bidder has placed one Step Bid comprising three Limit Bids at increasing prices. The Bid amount would be PKR 97.00 million. In case of Individual Investors, the Margin Money will be 100% i.e. PKR 97.00 million whereas in case of Bidders being Institutional Investors the Margin Money shall be 25% of the Bid amount i.e. PKR 24.25 million.

13. The applicant, if Individual Investor, shall submit amount of 100% of the application money as Bid / Margin Money whereas Institutional Investors shall submit not less than 25% of the application money.
14. Book Runner shall not accept or register any new Bidders after **3:00pm during the last day of Bidding Period**.
15. The Bidder can view the color of the book, i.e. bid price and number of shares against each bid price online anytime during the Bidding Period at the following websites: [www.psx.com.pk](http://www.psx.com.pk)
16. Successful Bidders shall be intimated, within **one (1) day** of the closing of the Bidding Period, the Strike Price and the number of shares provisionally allotted to each of them.
17. Upon intimation by the Book Runner of final allocation, successful institutional bidders shall deposit their balance margin money within **three (3) days** of such intimation, if required, as consideration against allotment of shares.
18. Where a successful Bidder defaults in payment of shares allotted to him, the Margin Money deposited by such Bidder shall be forfeited to the Book Runner.
19. Final allotment of shares out of the Book Building portion shall be made after receipt of full subscription money from the successful bidders; however, shares to such bidders shall be issued only after the end of the public subscription, in the form of book-entry to be credited in their respective accounts. All the bidders shall, therefore, provide number of their accounts.
20. The bidders who have made bids below the Strike Price shall not qualify for allotment of securities and the book runner shall intimate their respective banks for unblocking their Bid Money within **one (1) working day** of the close of the bidding period and the refunds to such bidders shall be made within **three (3) working days** from the close of the bidding period.
21. The bid money of bidders who have undertaken to subscribe the unsubscribed retail portion shall remain deposited or blocked till allotment of unsubscribed retail portion, if any, to them on pro-rata basis.






For investor education, please visit [www.jamapunji.com.pk](http://www.jamapunji.com.pk), Jama Punji is an investor education initiative of Securities and Exchange Commission of Pakistan.

## 10 REGISTRATION FORM




| Registration Form                                                                                                                                                                                                                                                                                                                                                                                  |             |                                                                                                         |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|---------------------------------------------------------------------------------------------------------|-------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|
| <br><b>AGP LIMITED</b>                                                                                                                                                                                                                                                                                            |             | <b>Book Runner</b>                                                                                      |                         | Tick One <input type="checkbox"/> KHI <input type="checkbox"/> LHR <input type="checkbox"/> ISB <input type="checkbox"/> GUI<br><input type="checkbox"/> PSH <input type="checkbox"/> QUT <input type="checkbox"/> AZK <input type="checkbox"/> GLT <input type="checkbox"/> MUL<br>Registration Dates: November 03, 2017 and November 06, 2017 to November 09, 2017<br>Bidding Dates: November 08, 2017 to November 09, 2017<br>Bidding form No.: |                                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                    |             | <br><b>BMA CAPITAL</b> |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
| <b>OFFER FOR SALE OF ORDINARY SHARES OF AGP LIMITED THROUGH BOOK BUILDING PROCESS<br/>AT A FLOOR PRICE OF PKR 80.00/- PER SHARE (INCLUDING A PREMIUM OF PKR 70.00/- PER SHARE)</b>                                                                                                                                                                                                                 |             |                                                                                                         |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
| <b>PLEASE FILL THE FORM IN BLOCK LETTERS. PLEASE MAKE SURE TO PROVIDE ACCURATE DETAILS TO AVOID ANY INCONVENIENCE</b>                                                                                                                                                                                                                                                                              |             |                                                                                                         |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
| Name                                                                                                                                                                                                                                                                                                                                                                                               |             |                                                                                                         | CNIC / UIN / Passport # |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                    |             | NTN*                                                                                                    |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
| Address                                                                                                                                                                                                                                                                                                                                                                                            | Cell #      |                                                                                                         |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                    | Land Line # |                                                                                                         |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                    | Fax #       |                                                                                                         |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
| Email                                                                                                                                                                                                                                                                                                                                                                                              |             |                                                                                                         |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
| PLEASE TICK THE APPROPRIATE BOX                                                                                                                                                                                                                                                                                                                                                                    |             |                                                                                                         |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>Nationality</b><br>(If other than Pakistani) |
| <input type="checkbox"/> Local Institutional Investor                                                                                                                                                                                                                                                                                                                                              |             | <input type="checkbox"/> Resident                                                                       |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
| <input type="checkbox"/> Foreign Institutional Investor                                                                                                                                                                                                                                                                                                                                            |             | <input type="checkbox"/> Non Resident                                                                   |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
| <input type="checkbox"/> Individual Investor                                                                                                                                                                                                                                                                                                                                                       |             | <input type="checkbox"/> Foreigner                                                                      |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
| * INVESTORS ARE ENCOURAGED TO DISCLOSE THEIR NTN NUMBERS TO FACILITATE THE COMPANY TO CHECK STATUS OF THE SHAREHOLDERS AS TAX RETURN FILERS OR NON TAX RETURN FILERS FROM THE ACTIVE TAXPAYERS LIST (ATL) AVAILABLE ON THE WEBSITE OF FBR. PLEASE NOTE THAT REDUCED TAX RATE 15.0% APPLIES TO FILERS INSTEAD OF 30.0% FOR NON-FILERS ON PAYMENT OF CASH DIVIDEND DECLARED, IF ANY, BY THE COMPANY. |             |                                                                                                         |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
| Payment Details: Payments to be made in favor of : "Offer for Sale of AGP Limited – Book Building"                                                                                                                                                                                                                                                                                                 |             |                                                                                                         |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
| Amount in Figures                                                                                                                                                                                                                                                                                                                                                                                  |             |                                                                                                         | Instrument No.          |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
| Instrument Date                                                                                                                                                                                                                                                                                                                                                                                    |             |                                                                                                         | Margin %age             |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
| Banker's Name, Address & Branch                                                                                                                                                                                                                                                                                                                                                                    |             |                                                                                                         |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
| CDC Details for Sub A/C and House A/C                                                                                                                                                                                                                                                                                                                                                              |             |                                                                                                         |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
| CDC Participant Name                                                                                                                                                                                                                                                                                                                                                                               |             | CDC Participant ID No                                                                                   |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
| Sub House A/C No                                                                                                                                                                                                                                                                                                                                                                                   |             | House A/C No.                                                                                           |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
| CDC Details for Investor A/C                                                                                                                                                                                                                                                                                                                                                                       |             |                                                                                                         |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
| CDC Investor Service A/C ID                                                                                                                                                                                                                                                                                                                                                                        |             | CDC Investor A/C No                                                                                     |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
| I/WE UNDERTAKE TO SUBSCRIBE TO SHARES UNSUBSCRIBED IN THE RETAIL PORTION WHICH ARE ALLOCATED TO ME ON A PRO-RATA BASIS. I ALSO UNDERTAKE THAT MY BID MONEY SHALL REMAIN DEPOSITED OR BLOCKED TILL ALLOTMENT OF UNSUBSCRIBED SHARES IN THE RETAIL PORTION.                                                                                                                                          |             |                                                                                                         |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
| I/WE DECLARE THAT I have read all the terms and conditions stated in the Offer for Sale Document and the Instructions Page of the Bidding Form and Registration Form. The same terms and conditions would be applicable on the Bid Revision Form and Additional Payment Form.                                                                                                                      |             |                                                                                                         |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
| Signature of Bidder: _____                                                                                                                                                                                                                                                                                                                                                                         |             |                                                                                                         |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
| <br><small>For investor education, please visit www.jamapunji.com.pk.<br/>           Jamapunji is an investor education initiative of the Securities and Exchange Commission of Pakistan.</small>                                                                                                             |             |                                                                                                         |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
| To be filled in by the Book Runner:                                                                                                                                                                                                                                                                                                                                                                |             |                                                                                                         |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |
| Time of Receipt                                                                                                                                                                                                                                                                                                                                                                                    | Date        | Location                                                                                                | Amount                  | Pay Order No. / Demand Draft No.                                                                                                                                                                                                                                                                                                                                                                                                                   | Stamp                                           |
|                                                                                                                                                                                                                                                                                                                                                                                                    |             |                                                                                                         |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                 |

## 11 DUBPLICATE REGISTRATION FORM

| Duplicate Registration Form                                                                                                                                                                                                                                                                                                                                                                                       |      |                                                                                                                               |                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                              |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|-------------------------------------------------------------------------------------------------------------------------------|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <br><b>AGP LIMITED</b>                                                                                                                                                                                                                                                                                                           |      | <b>Book Runner</b><br><br><b>BMA CAPITAL</b> |                           | Tick One <input type="checkbox"/> KHI <input type="checkbox"/> LHR <input type="checkbox"/> ISB <input type="checkbox"/> GUJ<br><input type="checkbox"/> PSH <input type="checkbox"/> QUT <input type="checkbox"/> AZK <input type="checkbox"/> GLT <input type="checkbox"/> MUL<br>Registration Dates: November 03, 2017 and November 06, 2017 to November 09, 2017<br>Bidding Dates: November 08, 2017 to November 09, 2017<br>Bidding form No.: |                                                                                                                                                                                                                                                                              |
| <b>OFFER FOR SALE OF ORDINARY SHARES OF AGP LIMITED THROUGH BOOK BUILDING PROCESS<br/>           AT A FLOOR PRICE OF PKR 80.00/- PER SHARE (INCLUDING A PREMIUM OF PKR 70.00/- PER SHARE)</b>                                                                                                                                                                                                                     |      |                                                                                                                               |                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                              |
| <b>PLEASE FILL THE FORM IN BLOCK LETTERS. PLEASE MAKE SURE TO PROVIDE ACCURATE DETAILS TO AVOID ANY INCONVENIENCE</b>                                                                                                                                                                                                                                                                                             |      |                                                                                                                               |                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                              |
| Name                                                                                                                                                                                                                                                                                                                                                                                                              |      |                                                                                                                               | CNIC / Passport #/<br>UIN |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                              |
|                                                                                                                                                                                                                                                                                                                                                                                                                   |      |                                                                                                                               | NTN*                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                              |
| Address                                                                                                                                                                                                                                                                                                                                                                                                           |      |                                                                                                                               | Cell #                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                              |
|                                                                                                                                                                                                                                                                                                                                                                                                                   |      |                                                                                                                               | Land Line #               |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                              |
|                                                                                                                                                                                                                                                                                                                                                                                                                   |      |                                                                                                                               | Fax #                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                              |
| Email                                                                                                                                                                                                                                                                                                                                                                                                             |      |                                                                                                                               |                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                              |
| <b>PLEASE TICK THE APPROPRIATE BOX</b>                                                                                                                                                                                                                                                                                                                                                                            |      |                                                                                                                               |                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>Nationality</b><br>(If other than Pakistani)                                                                                                                                                                                                                              |
| <input type="checkbox"/> Local Institutional Investor                                                                                                                                                                                                                                                                                                                                                             |      | <input type="checkbox"/> Resident                                                                                             |                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                              |
| <input type="checkbox"/> Foreign Institutional Investor                                                                                                                                                                                                                                                                                                                                                           |      | <input type="checkbox"/> Non Resident                                                                                         |                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                              |
| <input type="checkbox"/> Individual Investor                                                                                                                                                                                                                                                                                                                                                                      |      | <input type="checkbox"/> Foreigner                                                                                            |                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                              |
| <small>* INVESTORS ARE ENCOURAGED TO DISCLOSE THEIR NTN NUMBERS TO FACILITATE THE COMPANY TO CHECK STATUS OF THE SHAREHOLDERS AS TAX RETURN FILERS OR NON TAX RETURN FILERS FROM THE ACTIVE TAXPAYERS LIST (ATL) AVAILABLE ON THE WEBSITE OF FBR. PLEASE NOTE THAT REDUCED TAX RATE 15.0% APPLIES TO FILERS INSTEAD OF 20.0% FOR NON-FILERS ON PAYMENT OF CASH DIVIDEND DECLARED, IF ANY, BY THE COMPANY.</small> |      |                                                                                                                               |                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                              |
| <small>Payment Details: Payments to be made in favor of : "Offer for Sale of AGP Limited – Book Building"</small>                                                                                                                                                                                                                                                                                                 |      |                                                                                                                               |                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                              |
| Amount in Figures                                                                                                                                                                                                                                                                                                                                                                                                 |      |                                                                                                                               |                           | Instrument No.                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                              |
| Instrument Date                                                                                                                                                                                                                                                                                                                                                                                                   |      |                                                                                                                               |                           | Margin %age                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                              |
| Banker's Name, Address & Branch                                                                                                                                                                                                                                                                                                                                                                                   |      |                                                                                                                               |                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                              |
| <b>CDC Details for Sub A/C and House A/C</b>                                                                                                                                                                                                                                                                                                                                                                      |      |                                                                                                                               |                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                              |
| CDC Participant Name                                                                                                                                                                                                                                                                                                                                                                                              |      |                                                                                                                               |                           | CDC Participant ID No                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                              |
| Sub House A/C No                                                                                                                                                                                                                                                                                                                                                                                                  |      |                                                                                                                               |                           | House A/C No.                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                              |
| <b>CDC Details for Investor A/C</b>                                                                                                                                                                                                                                                                                                                                                                               |      |                                                                                                                               |                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                              |
| CDC Investor Service A/C ID                                                                                                                                                                                                                                                                                                                                                                                       |      |                                                                                                                               |                           | CDC Investor A/C No                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                              |
| I/WE UNDERTAKE TO SUBSCRIBE TO SHARES UNSUBSCRIBED IN THE RETAIL PORTION WHICH ARE ALLOCATED TO ME ON A PRO-RATA BASIS. I ALSO UNDERTAKE THAT MY BID MONEY SHALL REMAIN DEPOSITED OR BLOCKED TILL ALLOTMENT OF UNSUBSCRIBED SHARES IN THE RETAIL PORTION.                                                                                                                                                         |      |                                                                                                                               |                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                              |
| I/WE DECLARE THAT I have read all the terms and conditions stated in the Offer for Sale Document and the Instructions Page of the Bidding Form and Registration Form. The same terms and conditions would be applicable on the Bid Revision Form and Additional Payment Form.                                                                                                                                     |      |                                                                                                                               |                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                              |
| Signature of Bidder: _____                                                                                                                                                                                                                                                                                                                                                                                        |      |                                                                                                                               |                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <br><small>For Investor Information, please visit www.jamapunji.com.pk<br/>           Issued by the Investor Information Unit of Securities and Exchange Commission of Pakistan</small> |
| <b>To be filled in by the Book Runner:</b>                                                                                                                                                                                                                                                                                                                                                                        |      |                                                                                                                               |                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                              |
| Time of Receipt                                                                                                                                                                                                                                                                                                                                                                                                   | Date | Location                                                                                                                      | Amount                    | Pay Order No. /<br>Demand Draft No.                                                                                                                                                                                                                                                                                                                                                                                                                | Stamp                                                                                                                                                                                                                                                                        |



## 12 BIDDING FORM

| Bidding Form                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                               |                                                                                                                                                                                                                                                                                  |                                                                    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| <br><b>AGP LIMITED</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                               | <b>Book Runner</b><br><br><b>BMA CAPITAL</b>                                                                                                                                                    |                                                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                               | Tick One <input type="checkbox"/> KHI <input type="checkbox"/> LHR <input type="checkbox"/> ISB <input type="checkbox"/> GUI<br><input type="checkbox"/> PSH <input type="checkbox"/> QUT <input type="checkbox"/> AZK <input type="checkbox"/> GLT <input type="checkbox"/> MUL |                                                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                               | <b>Registration Dates</b>                                                                                                                                                                                                                                                        | November 03, 2017 and<br>November 06, 2017 to<br>November 09, 2017 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                               | <b>Bidding Dates</b>                                                                                                                                                                                                                                                             | November 08, 2017 to<br>November 09, 2017                          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                               | <b>Bidding form No.</b>                                                                                                                                                                                                                                                          |                                                                    |
| <b>OFFER FOR SALE OF ORDINARY SHARES OF AGP LIMITED THROUGH BOOK BUILDING PROCESS</b><br><b>AT A FLOOR PRICE OF PKR 80.00/- PER SHARE (INCLUDING A PREMIUM OF PKR 70.00/- PER SHARE)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                               |                                                                                                                                                                                                                                                                                  |                                                                    |
| <b>PLEASE FILL THE FORM IN BLOCK LETTERS. PLEASE MAKE SURE TO PROVIDE ACCURATE DETAILS TO AVOID ANY INCONVENIENCE</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                               |                                                                                                                                                                                                                                                                                  |                                                                    |
| <b>Name</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                               | Please Tick the appropriate box                                                                                                                                                                                                                                                  |                                                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                               | <input type="checkbox"/> Local Institutional Investor <input type="checkbox"/> Foreign Institutional Investor <input type="checkbox"/> Individual Investor                                                                                                                       |                                                                    |
| <b>Client ID</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>Cell #</b>                 | <b>Resident</b>                                                                                                                                                                                                                                                                  | <b>Nationality</b><br>(if other than Pakistani)                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>Land Line#</b>             | <b>Non Resident</b>                                                                                                                                                                                                                                                              |                                                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                               | <b>Foreigner</b>                                                                                                                                                                                                                                                                 |                                                                    |
| <b>Fax #</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>Email:</b>                 | <b>CNIC / Passport #/ UIN</b><br><b>NTN*</b>                                                                                                                                                                                                                                     |                                                                    |
| <b>* INVESTORS ARE ENCOURAGED TO DISCLOSE THEIR NTN NUMBERS TO FACILITATE THE COMPANY TO CHECK STATUS OF THE SHAREHOLDERS AS TAX RETURN FILERS OR NON TAX RETURN FILERS FROM THE ACTIVE TAXPAYERS LIST (ATL) AVAILABLE ON THE WEBSITE OF FBR. PLEASE NOTE THAT REDUCED TAX RATE 15.0% APPLIES TO FILERS INSTEAD OF 30.0% FOR NON-FILERS ON PAYMENT OF CASH DIVIDEND DECLARED, IF ANY, BY THE COMPANY.</b>                                                                                                                                                                                                                                                                                                                                                                                                                  |                               |                                                                                                                                                                                                                                                                                  |                                                                    |
| <b>Dividend Mandate:</b> Mark tick (✓) in the appropriate boxes Yes [ ] No [ ]<br>In case the applicant intends that if Shares applied for are credited to him/it and the dividend declared by the Company, if any, is credited directly in his/its bank account, instead of issue of dividend warrants, then please fill in the following boxes:                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                               |                                                                                                                                                                                                                                                                                  |                                                                    |
| The Directors of AGP Limited,<br>B-23/C, S.I.T.E.<br>Karachi.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                               |                                                                                                                                                                                                                                                                                  |                                                                    |
| Dear Sir,<br>On the basis of the Offer for Sale Document by AGP Limited for the Offer for Sale of Ordinary Shares, I / we hereby bid for subscription of shares of the Company as under:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                               |                                                                                                                                                                                                                                                                                  |                                                                    |
| Bid Details                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                               |                                                                                                                                                                                                                                                                                  |                                                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | No. of Shares<br>(In Figures) | Bid price per share<br>(In Figures)                                                                                                                                                                                                                                              | Total Bid Amount<br>(In Figures)                                   |
| Limit Price                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                               |                                                                                                                                                                                                                                                                                  |                                                                    |
| Step Bid:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                               |                                                                                                                                                                                                                                                                                  |                                                                    |
| Option (1)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                               |                                                                                                                                                                                                                                                                                  |                                                                    |
| Option (2)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                               |                                                                                                                                                                                                                                                                                  |                                                                    |
| Option (3)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                               |                                                                                                                                                                                                                                                                                  |                                                                    |
| Option (4)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                               |                                                                                                                                                                                                                                                                                  |                                                                    |
| Total (Shares and Bid)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                               |                                                                                                                                                                                                                                                                                  |                                                                    |
| <b>Important Instructions:</b> <ol style="list-style-type: none"> <li>Bids should be placed for a minimum amount of PKR 1,000,000/-. It should also be noted that number of shares bid for should be rounded and fractional shares will not be acceptable. Please ensure that after rounding the number of shares multiplied by your bid price is at least PKR 1,000,000/-.</li> <li>Eligible Investors who want to place a Step Bid, must ensure that each step amounts to PKR 1,000,000/- at least.</li> <li>Any bids received below the Floor Price will not be accepted by the Book Runner.</li> <li>An Investor shall not be allowed to withdraw or downward revise their bids.</li> <li>An Investor shall not make a bid with price variation of more than 10% of the prevailing indicative strike price.</li> </ol> |                               |                                                                                                                                                                                                                                                                                  |                                                                    |
| <br>For Investor education, please visit <a href="http://www.jamapunji.com.pk">www.jamapunji.com.pk</a> .<br>Jama Punji is an investor education initiative of Securities and Exchange Commission of Pakistan.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                               |                                                                                                                                                                                                                                                                                  |                                                                    |
| Signature of Bidder _____                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                               |                                                                                                                                                                                                                                                                                  |                                                                    |

In terms of the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange ("PSX"). I/we am/are eligible to bid in this Offer for Sale. The amount payable on bidding is remitted herewith which is the applicable margin amount. I/We agree to pay the balance amount of application money, if any, upon successful allocation of shares. In case no shares are allotted to me/us you are hereby authorized to return to me/us by demand draft/pay order application money, within three (3) working days of the close of the bidding period.

I/We agree that this is a binding agreement to accept the number of shares as may be allocated to me/us subject to the terms of the Offer for Sale Document, the Registration Form, the Bidding Form and other applicable laws. I/We undertake that I/we will sign all such other documents and do all such acts, if necessary on my/our part to enable me/us to be allocated/allotted/transferred the shares and to pay for the same. I/We authorize you to place my/our name(s) on the register of the members of the Company as holder(s) of the shares that will be allocated/allotted/transferred to me/us and to register my/our address as given below. I/ We noted that the Book Runner is entitled, in their absolute discretion to accept or reject this Bidding Application for reason(s) to be recorded in writing and the reason(s) should be disclosed to us forthwith. I/We have no objection if there are necessary changes made in the Offer for Sale Document for filling of the same with the Securities and Exchange Commission of Pakistan ("SECP").

I understand that the Company, the Book Runner, SECP and Pakistan Stock Exchange ("PSX") reserve the right of legal action against me under the law, if I submit a fictitious bid and/or the instrument deposited by me for margin money is returned.

I DECLARE THAT: i) I AM/WE ARE NATIONAL(S) AND RESIDENT(S) OF PAKISTAN; ii) FOREIGNER; iii) I AM/WE ARE NOT MINOR(S); iv) I/ WE HAVE NOT MADE NOR HAVE I/WE INSTRUCTED ANY OTHER PERSON(S)/INSTITUTION(S) TO MAKE ANY OTHER APPLICATION(S) IN MY/OUR NAME(S) OR IN THE NAME OF ANY OTHER PERSON ON MY/OUR BEHALF OR IN ANY FICTITIOUS NAME, IN CASE OF ANY INFORMATION GIVEN HEREIN BEING INCORRECT I/WE UNDERSTAND THAT I/WE SHALL NOT BE ENTITLED FOR ALLOCATION/ALLOTMENT/TRANSFER OF SHARES.

I/WE UNDERTAKE TO SUBSCRIBE TO SHARES UNSUBSCRIBED IN THE RETAIL PORTION WHICH ARE ALLOCATED TO ME ON A PRO-RATA BASIS. I ALSO UNDERTAKE THAT MY BID MONEY SHALL REMAIN DEPOSITED OR BLOCKED TILL ALLOTMENT OF UNSUBSCRIBED SHARES IN THE RETAIL PORTION.

#### Important Instructions:

- 1) Bids shall only be entered for those Eligible Investors who have submitted a duly filled Registration Form as prescribed by the Book Runner.
- 2) Bid money / margin money shall be deposited through demand draft, pay order in favor of "Offer for Sale of AGP Limited - Book Building". For online transfer facility the payment shall be made into A/C # 0934138811010735 being maintained at MCB Bank Limited – Global Transaction Banking branch with the Account Title "Offer for Sale of AGP Limited - Book Building".
- 3) For deposit of margin money, only Pay Orders, Demand Drafts, or online transfer will be accepted. Each eligible Investor shall only submit a single pay order, demand draft or evidence of online transfer of money along with the Registration Form. It may also be noted that only a single pay order, demand draft or evidence of online transfer of money shall be accepted by the Book Runner along with each Additional Payment Form.
- 4) In case of intercity instruments, only Pay Orders "payable at any branch" will be accepted. For the purpose of expediting the clearing of the instrument it is highly recommended that the Pay Order should be made from online branches of the respective banks.
- 5) Eligible Investors can register themselves till 3:00pm on the last day of Book Building after which no new investors shall be registered.
- 6) Investors can upward revise their bids online. Please visit [www.bkb.kse.com](http://www.bkb.kse.com) to access the online portal. Username and Password will be e-mailed to you on the e-mail address provided in the form. Please ensure that you provide correct e-mail address. Online access will be available for upward bid revisions during the bidding period from 9:00am to 5:00pm. An investor will not be allowed to place or upward revise a bid with a price variation of more than 10% of the prevailing indicative strike price. However, no downward revision in bid amount, price, or volume, or withdrawal of the bid shall be allowed.

Yours Faithfully,

Signature of Bidder: \_\_\_\_\_






For investor education, please visit [www.jamapunji.com.pk](http://www.jamapunji.com.pk).  
Jama Punji is an investor education initiative of Securities and Exchange Commission of Pakistan.

To be filled in by the Book Runner:




| Time of Receipt | Date | Location | Stamp |
|-----------------|------|----------|-------|
|                 |      |          |       |



### 13 ADDITIONAL PAYMENT FORM

| Additional Payment Form                                                                                                                                                                                                                |      |                                                                                                                                                               |                                       |                                                                                                                                                                                                                                                                                  |             |                                          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|------------------------------------------|
| <br><b>AGP LIMITED</b>                                                                                                                                |      | <b>Book Runner</b><br><br><b>BMA CAPITAL</b>                                 |                                       | Tick One <input type="checkbox"/> KHI <input type="checkbox"/> LHR <input type="checkbox"/> ISB <input type="checkbox"/> GUJ<br><input type="checkbox"/> PSH <input type="checkbox"/> QUT <input type="checkbox"/> AZK <input type="checkbox"/> GLT <input type="checkbox"/> MUL |             |                                          |
|                                                                                                                                                                                                                                        |      | Registration Dates: November 03, 2017 and November 06, 2017 to November 09, 2017<br>Bidding Dates: November 08, 2017 to November 09, 2017<br>Bidding form No. |                                       |                                                                                                                                                                                                                                                                                  |             |                                          |
| <b>OFFER FOR SALE OF ORDINARY SHARES OF AGP LIMITED THROUGH BOOK BUILDING PROCESS</b><br><b>AT A FLOOR PRICE OF PKR 80.00/- PER SHARE (INCLUDING A PREMIUM OF PKR 70.00/- PER SHARE)</b>                                               |      |                                                                                                                                                               |                                       |                                                                                                                                                                                                                                                                                  |             |                                          |
| <b>PLEASE FILL THE FORM IN BLOCK LETTERS. PLEASE MAKE SURE TO PROVIDE ACCURATE DETAILS TO AVOID ANY INCONVENIENCE</b>                                                                                                                  |      |                                                                                                                                                               |                                       |                                                                                                                                                                                                                                                                                  |             |                                          |
| Name                                                                                                                                                                                                                                   |      | CNIC / UIN / Passport #                                                                                                                                       |                                       | Cell #                                                                                                                                                                                                                                                                           |             |                                          |
|                                                                                                                                                                                                                                        |      | NTN                                                                                                                                                           |                                       | Land Line#                                                                                                                                                                                                                                                                       |             |                                          |
| Client ID:<br>(ID generated and e-mailed at the time of Registration)                                                                                                                                                                  |      | PLEASE TICK THE APPROPRIATE BOX                                                                                                                               |                                       |                                                                                                                                                                                                                                                                                  |             | Nationality<br>(If other than Pakistani) |
|                                                                                                                                                                                                                                        |      | <input type="checkbox"/> Local Institutional Investor                                                                                                         | <input type="checkbox"/> Resident     |                                                                                                                                                                                                                                                                                  |             |                                          |
|                                                                                                                                                                                                                                        |      | <input type="checkbox"/> Foreign Institutional Investor                                                                                                       | <input type="checkbox"/> Non Resident |                                                                                                                                                                                                                                                                                  |             |                                          |
|                                                                                                                                                                                                                                        |      | <input type="checkbox"/> Individual Investor                                                                                                                  | <input type="checkbox"/> Foreign      |                                                                                                                                                                                                                                                                                  |             |                                          |
| Additional Payment Details                                                                                                                                                                                                             |      |                                                                                                                                                               |                                       |                                                                                                                                                                                                                                                                                  |             |                                          |
| Payment Details:                                                                                                                                                                                                                       |      | Payments to be made in favor of : "Offer for Sale of AGP Limited - Book Building"                                                                             |                                       |                                                                                                                                                                                                                                                                                  |             |                                          |
| Amount in Figures                                                                                                                                                                                                                      |      | Instrument No.                                                                                                                                                |                                       | Instrument Date                                                                                                                                                                                                                                                                  | Margin %age |                                          |
| Banker's Name, Address & Branch                                                                                                                                                                                                        |      |                                                                                                                                                               |                                       |                                                                                                                                                                                                                                                                                  |             |                                          |
| 1) It may be noted that only a single pay order, demand draft or evidence of online transfer of money shall be accepted by the Book Runner along with each Additional Payment Form. <input type="checkbox"/>                           |      |                                                                                                                                                               |                                       |                                                                                                                                                                                                                                                                                  |             |                                          |
| 2) I DECLARE THAT I have read all the conditions in the Offer for Sale Document and the Instructions Page of the Bidding Form and Registration Form. The same terms and conditions would be applicable on the Additional Payment Form. |      |                                                                                                                                                               |                                       |                                                                                                                                                                                                                                                                                  |             |                                          |
| Signature of Bidder: _____                                                                                                                                                                                                             |      |                                                                                                                                                               |                                       | <br><small>For investor education, please visit www.jamapunji.com.pk. This may be an investor education related website and Exchange Corporation of Pakistan.</small>                       |             |                                          |
| To be filled in by the Book Runner:                                                                                                                                                                                                    |      |                                                                                                                                                               |                                       |                                                                                                                                                                                                                                                                                  |             |                                          |
| Time of Receipt                                                                                                                                                                                                                        | Date | Location                                                                                                                                                      | Amount                                | Pay Order No. / Demand Draft No.                                                                                                                                                                                                                                                 | Stamp       |                                          |

## 14 BID REVISION FORM

| Bid Revision Form                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                   |                                                                                                                                                                                                                                                                                  |                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|
| <br><b>AGP LIMITED</b>                                                                                                                                                                                                                                      |                                                                                                                                                                   | <b>Book Runner</b><br><br><b>BMA CAPITAL</b>                                                                                                                                                    |                                                                |
|                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                   | Tick One <input type="checkbox"/> KHI <input type="checkbox"/> LHR <input type="checkbox"/> ISB <input type="checkbox"/> GUJ<br><input type="checkbox"/> PSH <input type="checkbox"/> QUT <input type="checkbox"/> AZK <input type="checkbox"/> GLT <input type="checkbox"/> MUL |                                                                |
|                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                   | <b>Registration Dates</b><br>November 03, 2017 to November 09, 2017                                                                                                                                                                                                              | <b>Bidding Dates</b><br>November 08, 2017 to November 09, 2017 |
|                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                   | <b>Bidding form No.</b>                                                                                                                                                                                                                                                          |                                                                |
| <b>OFFER FOR SALE OF ORDINARY SHARES OF AGP LIMITED THROUGH BOOK BUILDING PROCESS</b><br><b>AT A FLOOR PRICE OF PKR 80.00/- PER SHARE (INCLUDING A PREMIUM OF PKR 70.00/- PER SHARE)</b>                                                                                                                                                     |                                                                                                                                                                   |                                                                                                                                                                                                                                                                                  |                                                                |
| <b>PLEASE FILL THE FORM IN BLOCK LETTERS. PLEASE MAKE SURE TO PROVIDE ACCURATE DETAILS TO AVOID ANY INCONVENIENCE</b>                                                                                                                                                                                                                        |                                                                                                                                                                   |                                                                                                                                                                                                                                                                                  |                                                                |
| Please Tick the appropriate box                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                   |                                                                                                                                                                                                                                                                                  |                                                                |
| Name                                                                                                                                                                                                                                                                                                                                         | <input type="checkbox"/> Local Institutional Investor <input type="checkbox"/> Foreign Institutional Investor <input type="checkbox"/> High Net Worth Individuals |                                                                                                                                                                                                                                                                                  |                                                                |
| Client ID                                                                                                                                                                                                                                                                                                                                    | Cell #                                                                                                                                                            | Resident                                                                                                                                                                                                                                                                         | Nationality<br>(If other than Pakistani)                       |
|                                                                                                                                                                                                                                                                                                                                              | Land Line #                                                                                                                                                       | Non Resident                                                                                                                                                                                                                                                                     |                                                                |
|                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                   | Foreigner                                                                                                                                                                                                                                                                        |                                                                |
| Fax #                                                                                                                                                                                                                                                                                                                                        | Email:                                                                                                                                                            | CNIC / UIN / Passport No.                                                                                                                                                                                                                                                        |                                                                |
|                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                   | NTN*                                                                                                                                                                                                                                                                             |                                                                |
| CDC Details for Sub A/C and House A/C                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                   |                                                                                                                                                                                                                                                                                  |                                                                |
| CDC Participant Name                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                   | CDC Participant ID No                                                                                                                                                                                                                                                            |                                                                |
| Sub House A/C No                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                   | House A/C No.                                                                                                                                                                                                                                                                    |                                                                |
| CDC Details for Investor A/C                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                   |                                                                                                                                                                                                                                                                                  |                                                                |
| CDC Investor Service A/C ID                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                   | CDC Investor A/C No                                                                                                                                                                                                                                                              |                                                                |
| The Directors of AGP Limited,<br>8-23/C, S.I.T.E.<br>Karachi.                                                                                                                                                                                                                                                                                |                                                                                                                                                                   |                                                                                                                                                                                                                                                                                  |                                                                |
| Dear Sir,<br>On the basis of the Offer for Sale Document by AGP Limited for the Offer for Sale of Ordinary Shares, I / we hereby bid for subscription of shares of the Company as under:                                                                                                                                                     |                                                                                                                                                                   |                                                                                                                                                                                                                                                                                  |                                                                |
| Bid Details                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                   |                                                                                                                                                                                                                                                                                  |                                                                |
|                                                                                                                                                                                                                                                                                                                                              | No. of Shares Bid for<br>(In Figures)                                                                                                                             | Bid price per share<br>(In Figures)                                                                                                                                                                                                                                              | Total Bid Amount<br>(In Figures)                               |
| Bid Option (Please tick)                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                   |                                                                                                                                                                                                                                                                                  |                                                                |
| Limit Price                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                   |                                                                                                                                                                                                                                                                                  |                                                                |
| Step Bid:                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                   |                                                                                                                                                                                                                                                                                  |                                                                |
| Option (1)                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                   |                                                                                                                                                                                                                                                                                  |                                                                |
| Option (2)                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                   |                                                                                                                                                                                                                                                                                  |                                                                |
| Option (3)                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                   |                                                                                                                                                                                                                                                                                  |                                                                |
| Option (4)                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                   |                                                                                                                                                                                                                                                                                  |                                                                |
| Total (Shares and Bid)                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                   |                                                                                                                                                                                                                                                                                  |                                                                |
| 1) Each eligible investor shall only submit a single pay order, demand draft or evidence of online transfer of money along with the Bidding Form. It may also be noted that only a single pay order, demand draft or evidence of online transfer of money shall be accepted by the Book Runner along with each Additional Payment Form.      |                                                                                                                                                                   |                                                                                                                                                                                                                                                                                  |                                                                |
| 2) I DECLARE THAT I have read all the terms and conditions stated in the Offer for Sale Document and the Instructions Page of the Bidding Form and Registration Form. The same terms and conditions would be applicable on the Bid Revision Form.                                                                                            |                                                                                                                                                                   |                                                                                                                                                                                                                                                                                  |                                                                |
| Signature of Bidder: _____                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                   |                                                                                                                                                                                                                                                                                  |                                                                |
| <br><small>With Cash Reference / Payment<br/>           For Investor education, please visit www.secpunjab.com.pk<br/>           contact@secpunjab.com.pk or investor.education@secpunjab.com.pk<br/>           Exchange Commission of Pakistan</small> |                                                                                                                                                                   |                                                                                                                                                                                                                                                                                  |                                                                |

## 15 SIGNATURES ON BEHALF OF THE OFFERORS

---

For and on behalf of OBS Pakistan (Private) Limited

-sd-

\_\_\_\_\_  
**Tariq Moinuddin Khan**  
Chief Executive Officer

-sd-

\_\_\_\_\_  
**Mohammad Arif Mian**  
Chief Financial Officer

For and on behalf of Muller & Phipps Pakistan (Private) Limited

-sd-

\_\_\_\_\_  
**Kamran Nishat**  
Chief Executive Officer

-sd-

\_\_\_\_\_  
**Munaf Lakda**  
Chief Financial Officer

Signed by the above in the presence of witnesses:

### Witness 1

-sd-

\_\_\_\_\_  
**Muhammad Arsalan Batla**  
Director Finance  
OBS Pakistan (Private) Limited

### Witness 2

-sd-

\_\_\_\_\_  
**Ghufran Dilawar**  
GM Finance  
Muller & Phipps Pakistan (Private) Limited

July 31, 2017

## 16 SIGNATORIES TO THE OFSD

---

For and on behalf of AGP Limited

-sd-

\_\_\_\_\_  
**Tariq Moinuddin Khan**  
Chairman

-sd-

\_\_\_\_\_  
**Nusrat Munshi**  
Chief Executive Officer / Director

-sd-

\_\_\_\_\_  
**Mohammad Arif Mian**  
Company Secretary / Director

-sd-

\_\_\_\_\_  
**Muhammad Arsalan Batla**  
Director

-sd-

\_\_\_\_\_  
**Kamran Nishat**  
Director

-sd-

\_\_\_\_\_  
**Mahmud Yar Hiraj**  
Director

-sd-

\_\_\_\_\_  
**Naved Abid Khan**  
Director

Signed by the above in the presence of witnesses:

**Witness 1**

-sd-

\_\_\_\_\_  
**Junaaid Aslam**  
Chief Financial Officer  
AGP Limited

**Witness 2**

-sd-

\_\_\_\_\_  
**Muhammad Asad Khan**  
Senior Manager Finance  
AGP Limited

Date: 27 September 2017

## 17 MEMORANDUM OF ASSOCIATION

### THE COMPANIES ORDINANCE 1984

(A Company Limited by Shares)

### MEMORANDUM OF ASSOCIATION

OF

AGP LIMITED

NAME

- I. The name of the Company is "AGP LIMITED".

### REGISTERED OFFICE

- II. Registered Office of the Company will be situated in the Province of Sindh, Pakistan.

### OBJECTS

- III. The objects for which the Company is established are:-

1. To carry on the business of marketing, importers, exporters, dealers, distributors, agents, wholesale, manufacturers of all kinds of medicines, drugs, pharmaceuticals and especially injectables, veterinary medicines and dentistry medicines for the health of human beings and animals.
2. To carry on the business of distributors, suppliers, importers and exporters of and dealers in all kinds of medicines, chemicals, perfumery, toilet requisites, pharmaceuticals, veterinary medicines, dentistry, medicines and other compounds, preparations and materials.
3. To carry on the business of marketing of and dealers in anatomical, orthopedic and surgical appliances of all kinds, vialing, bottling, packing, re-packing and processing of capsules, syrups, tablets, injectables and ointments and to carry on the business as providers of all requisites for hospitals, patients, invalids, fowls, veterinary hospital hatcheries and poultry farms.
4. To prepare, compound, market, buy, sell, import, export and generally to deal in medicines, drugs, proprietary articles, tinctures, chemicals, pomades, ointment, liniments, lotions, toilet articles, perfumeries, cosmetics, soaps, essences, surgical apparatus, physicians and hospital supplies and specialties and all of pharmaceuticals, perfumery, toilet and medical preparations and materials, plastics, glassware and veterinary products subject to any permission required by law.
5. To carry on the business of general order suppliers including Government, Semi-Government Agencies, Armed Forces, Army, Military or Defence and commission agents, indentors, traders and as general merchants, wholesalers, retailers, dealers, distributors, stockist agents, sub-agents in any goods or products or within the scope of the object of the Company and subject to any permission required by law.
6. To carry on business and obtain licences for shipping agents, clearing and forwarding agents, purchasing and indenting agents, selling agents, (except managing agents) on such terms and conditions as the Company may think proper, subject to any permission as required under the law.
7. To carry on agency business (except managing agency) and to acquire and hold agencies and to act as selling agents, commission agents, manufacturers, representatives and distributing agents of and for the distribution of all kinds of merchandise, goods, commodities, products, materials, substances, articles and things whether finished, semi-finished raw, under process, refined, treated or otherwise





pertaining to trade and commerce and for that purpose to remunerate them and to open and maintain depots and branches.

8. To purchase, take assignment of or otherwise acquire letters patent or applications for letters patent, licenses, trademarks, trade names, copyrights or any interest therein granted in Pakistan or in any part of the world, or any inventions which seem capable of being used in connection with any of the objects or purposes of this Company; to sell, assign or otherwise grant letters patent or applications for letters patent, licenses, trademarks, trade names and copyrights or any interests therein belonging to the Company; to register any patent or patent for an invention or invention which seems capable of being used in connection with any of the objects or purposes of this Company, either in Pakistan or in any other part of world; to apply for, exercise or otherwise deal with any intellectual property rights or privileges either in Pakistan or in any other part of the world
9. To act generally in so far as may be permitted by law as agent, broker, commission agents, merchants, consignee, accessor, valuer, auctioneer, engineer or representative of individuals, partnerships, firms or corporations in Pakistan or in any other part of the world and as such to facilitate, promote and extend their business, whether such business is intended for domestic or foreign markets.
10. To borrow or raise moneys by means of loans or other legal from banks or financial institutions, moneys for any of the purposes of the Company and, from time to time, without limit as to amount, to draw, make, endorse and issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other negotiable or non-negotiable instruments and evidence of independents, by mortgage upon or pledge, conveyance or assignment in trust of the whole or any part, property of the Company, whether at the time owned or thereafter acquired and to sell, pledge or otherwise dispose of such bonds or other obligations of the Company for its corporate purposes.
11. To give any servant or employee of the Company commission in the profits of the Company's business of any branch thereof and for the purpose to enter into any agreement or scheme of arrangement as the Company may deem fit and to procure any servants or employees of the Company to be insured against risk of accident in the course of their employment.
12. To enter into, make and perform contracts of every kind and character which relate to, concern or affect any and all such business this Company is authorized and permitted to conduct as herein set forth, with any person, firm, association, corporation, municipality, state.
13. To act as representatives, for any person, firm or company and to undertake and perform sub-contracts, and also act in the business of the Company through or by means of agents, sub-contractors and to do all or any of the things mentioned herein in any part of the world and either alone or in collaboration with others and by or through agents, sub-contractors or otherwise.
14. To take, acquire, buy, hold, own, manage, work, develop, sell, convey, rent, lease, mortgage, exchange, improve and otherwise operate and deal in, dispose of any movable and immovable property in Pakistan and all parts of the world or any interest or rights therein, without limit as to amount; to erect, construct and alter buildings and other structures; to make and enter into any and all manner and kind of contracts, agreements and obligations by or with any person or persons, corporation or corporations and with or by this Company for the erection, construction, equipment, improvement, working, renting, repairing, of any kind, whatsoever, with full power to borrow and repay such money as may be required for the purpose of the business of the Company.
15. To guarantee, purchase, hold, sell, assign, transfer, mortgage, pledge or otherwise dispose of shares of the capital stock of, or any bonds, securities or evidence of indebtedness created by any other company, corporation or corporations; organized



under the laws of Pakistan or any other state country, nation or government and while the owner thereof, to exercise all the rights, powers and privileges of ownership.

16. To buy and otherwise acquire the whole or any part of business, goodwill property and assets of any person, firm, company for corporation domestic or foreign, engaged in the business of the same general character as that for which this company is organized and to pay for the same in cash, stock, bonds or other securities of this company; and to assume the whole or any part of the liabilities of any such person, firm, company or corporation.
17. To have and exercise all the powers conferred by the laws of Pakistan upon the Company formed under the Companies Ordinance and to do any or all of the things hereinbefore set forth to the same extent.
18. To promote and establish companies and associations for the prosecution or execution of undertakings, works, projects or enterprise of any description, whether of a private or public character in Pakistan or elsewhere, and to acquire and dispose of shares and interest in such companies or associations or in any other companies or associations in the undertakings thereof.
19. To establish and support or aid in the establishment and support of associations, institutions, funds and conveniences calculated to benefit persons who are or have been directors of or who have been employed by or who are serving or have served the Company or any other Company which is subsidiary or associate of the Company or the dependents or connection of such persons and to grant pensions, gratuities, allowances, relief and payments in any other manner calculated to benefit the persons described.
20. To acquire from any sovereign state or authority, supreme, municipal, local and otherwise any concessions, grants or decree, rights or privileges whatsoever which may seem to the Company capable of being turned to account and to work, develop, carry out, exercise and turn to account the same.
21. To construct, maintain, carryout, work, sell, let on hire and deal in all kinds of works, machinery, conveniences and things capable of being used in connection with any of the objects of the Company.
22. To apply for, tender, purchase or otherwise acquire, any contracts, sub-contractor, licenses and concessions for or in relation to the objects or business herein mentioned or any of them and to undertake, execute, carry out, dispose of or otherwise turn to account the same.
23. To let out on hire all or any of the property of the Company whether immovable or movable including all and every description of apparatus or appliances, and to hold, use, cultivate, work, manage, improve, carry on and develop the undertaking, land immovable property and assets of any kind of the Company or any part thereof.
24. To sub-let all or any contracts from time to time and upon such terms and conditions as may be thought expedient.
25. To buy, sell, manufacture, refine, manipulate, import, export and deal, both wholesale and retail, in commodities, substances, apparatus, machinery, articles and things of all kinds capable of being used or which can conveniently be dealt in by the Company in connection with any of its objects.
26. To acquire and deal with any of the following:
  - a) Lands, building, easements or other interests in immovable properties for the purpose of the Company;
  - b) Plant and machinery;



- c) Patent, patent rights or inventions, copy rights, designs, trademarks or secret processes; and
- d) Shares or stock or securities in or of any company or undertaking the acquisition of which may promote or advance the interest of the Company.

27. To perform or do all or any of the following operations, acts or things:

- a) To pay all the costs, charges and expenses of the promotion and establishment of the Company.
- b) To erect buildings, plant and machinery for the purpose of the Company.
- c) To sell, let, dispose of, or grant rights over all or any property of the Company.
- d) To apply for, purchase or by any other means acquire and protect, prolong and renew, whether in Pakistan or elsewhere any trade marks, patents, rights, brevets, d'invention, licenses, protections, concessions and the like conferring and exclusive or non-exclusive or limited right to user or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated, directly or indirectly to benefit the Company and to use, exercise, develop or grant licenses in respect of or otherwise turn to account the property, rights or informations of acquired.
- e) To manufacture, plant, machinery, tools, goods, or things for any of the purpose of the business of the Company.
- f) To draw, accept and make an to endorse, discount, execute, retire, issue and negotiate promissory notes, hundies, bills of exchange, bills of lading other negotiable or transferable instruments.
- g) To borrow money or otherwise in such manner as the Company may think fit, and in particular by the issue of debentures or debenture stock convertible into shares of this Company, or perpetual annuities; and security of any such money so borrowed, to mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company present or future, including its capital by special assignment or in trust and to give the lenders power of sale and other powers as may seem expedient and to purchase, redeem, or pay off any such securities.
- h) To lend money with or without security and to invest money of the Company in such manner other than in the shares of the Company as the Directors think fit.
- i) To accumulate funds and to lend, invest or otherwise employ moneys belonging to or entrusted to the Company upon any shares securities or investments upon such terms as may be thought proper and from time to time to vary such transactions in such manner as the Company thinks fit.
- j) To invest deal with the moneys of the Company in any investments movable or immovable in such manner as may from time to time seem expedient and be determined (but not to act as an insurance company).
- k) To create any depreciation fund, reserve fund, sinking fund, insurance fund or any special or other fund whether for depreciation, or for repairing, improving, extending or maintaining any of the property of the Company or for the redemption of debentures or redeemable preference shares or for any other purpose whatsoever conducive to the interest of the Company.





- i) To enter into arrangements for joint working in business or for sharing of profits or for amalgamation with any other company, firm or person carrying on business within the objects of the Company. To enter into any arrangements with any government or authorities, municipal, local or otherwise that may seem conducive to the Company's objects or any of them and to obtain from any such government or authority, any rights privileges and concessions which the Company may think it desirable to obtain and to carryout, executive and comply with any such arrangements, rights, privileges and concessions.
  - m) To be interested in, promote and undertake the formation and establishment of such intutions, business or companies (industrial, agricultural, trading, manufacturing and other) which may seem to the Company capable of being conveniently carried on in connection with any of these objects or otherwise calculated directly or indirectly to render any of the Company's properties or rights for the time being profitable and also to acquire, promote, aid, foster, subsidies or acquire interest in any industry of undertaking.
  - n) To sell the undertaking and all or any of the property of the Company for cash or for stock, shares, or securities of any other company or for other consideration.
  - o) To place to reserve or to distribute as dividend or bonus among the member or otherwise to apply as the Company may from time to time think fit, any moneys received by way of premium on shares or debentures issued at a premium by the Company, and moneys received in respect of dividends accrued on forfeited shares, and moneys arising from the sale by the Company of forfeited shares or from un-claimed dividends.
  - p) To distribute any of the property of the Company amongst the members in species or kind but so that no distribution amounting to a reduction of capital be made except with sanction (if any) for the time being required by law.
28. To form, join or subscribe to any syndicate.
  29. To guarantee the payment of money un-secured or secured by or payable under or in respect of promissory notes, bonds, debentures, debentures stock, contracts, mortgage, charges, obligations, instruments and securities of or of any authority, supreme, municipal, local or otherwise or of any person whatsoever, whether incorporated or not incorporated and generally to guarantee or become sureties for the performance of any contracts or obligations.
  30. To open any current, overdraft, cash-credit, account or fixed account with any bankers, shroff or merchants, including the agents of the Company and to pay money into and draw money from any such account.
  31. To insure any of the properties, undertakings, contracts, guarantees or obligations of the Company of every nature and kind in any manner whatsoever.
  32. To undertake any trust, the undertaking of which may seem to the Company desirable, and either gratuitously or otherwise.
  33. To adopt such means of making known the business and/or products of the Company as may seem expedient and in particular by advertising in the press by circular, by purchase and exhibition of works of art and interest.
  34. To do all or any of the things hereinbefore authorized either alone or in conjunction with, or trustees or agents for other or by or through factors, trustees or agents.
  35. To do all such other things as are incidental or conducive to the attainment of the above objects or any of them.



36. It is hereby declared and undertaken that the Company shall not engage in banking business, business of an investment company, non-banking finance company, leasing, business of managing agency, investment, payment sales receipt scheme and insurance business directly or indirectly as restricted under the law or in any unlawful business or operations and that nothing contained in the object clauses shall be so construed to entitle it to engage in such business directly or indirectly, and the Company shall not launch multilevel marketing (MLM), Pyramid and Ponzi schemes.
37. Notwithstanding anything stated in any object clause, the Company shall obtain such other approval or license from the competent authority, as may be required under any law for the time being in force, to undertake a particular business.

And it is hereby declared that the word "Company" in this clause shall be deemed to include any partnership or other body of persons whether incorporated or not incorporated and whether domiciled in Pakistan or elsewhere and the intention is that the objects specified in each paragraph of this clause shall except where otherwise expressed in such paragraph, be independent of the main objects and shall be in no way limited or restricted by reference to or in reference from the terms of any other paragraph or name of the Company.

- IV. The liability of the Members is Limited.
- V. The Authorized Share Capital of the Company is Rs. 3,500,000,000 (Rupees Three Billion and Five Hundred Million only) divided into 350,000,000 (Three Hundred and Fifty Million only) ordinary shares of Rs. 10/- (Rupees Ten only) each with the rights, privileges and conditions attaching thereto as per provided by regulations of the Company for the time being, with power to increase or reduce its Capital and to divide the shares in the Capital for the time being into several classes.



We are several persons whose names and addresses as subscribed below are desirous of being formed into a Company, in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company as set out opposite to respective names:-

| S.No.                        | Name                  | Fathers Name/Husbands | Nationality / CNIC No.      | Occupation  | Residential Address                                     | No. of shares taken by each subscriber | Signature |
|------------------------------|-----------------------|-----------------------|-----------------------------|-------------|---------------------------------------------------------|----------------------------------------|-----------|
| 1.                           | Tariq Moineuddin Khan | K. A. Moineuddin Khan | Pakistani<br>42301-725070-1 | Businessman | 16, Khaiban-e-Amir Khusr, Phase VI, DHA, Karachi        | 9000 – Nine Thousand                   |           |
| 2.                           | Adoola Tariq Khan     | Tariq Moineuddin Khan | Pakistani<br>42301-683642-2 | Businessman | 16, Khaiban-e-Amir Khusr, Phase VI, DHA, Karachi        | 900 – Nine Hundred                     |           |
| 3.                           | Syed Zeeshan Mobin    | Syed Mobin Shaukat    | Pakistan<br>42303-6467474-3 | Businessman | 64/1, 12 Lane, Khaiban-e-Badban, Phase VI, DHA, Karachi | 100 – One Hundred                      |           |
| Total Number of Shares Taken |                       |                       |                             |             |                                                         | 10000 – Ten Thousand                   |           |

Dated: the May 23, 2014

Witness to the above signature:

NIFT (Pvt) Limited

Address: 6<sup>th</sup> Floor AWT Plaza, I.I. Chundrigar Road, Karachi, 74000

7591  
 Verified to be True Copy  
 Deputy Registrar of Companies



[illegible]

# Offer for Sale Document | AGP Limited



## APPLICATION INSTRUCTIONS FOR INVESTORS

### GENERAL INSTRUCTIONS

- Eligible investors includes:
  - Pakistani citizens resident in or outside Pakistan or Persons holding two nationalities including Pakistani nationality;
  - Foreign Nationals whether living in or outside Pakistan;
  - Companies, bodies corporate or other legal entities incorporated or established in or outside Pakistan (to the extent permitted by their constitutive documents and existing regulations, as the case may be);
  - Mutual Funds, Provident/pension/gratuity funds/trusts, (subject to the terms of the Trust Deed and existing regulations); and
  - Branches in Pakistan of companies and bodies corporate incorporated outside Pakistan.
- APPLICATION MUST BE MADE ON THE COMMISSION'S APPROVED APPLICATION FORM OR A LEGIBLE PHOTOCOPY THEREOF ON A PAPER OF A4 SIZE WEIGHING ATLEAST 62 GM.
- Copies of the Offer for Sale Document and application forms can be obtained from the TREC holders of Pakistan Stock Exchange Limited, the Bankers to the Offer and their branches, the Consultant, Book Runner and the registered office of the Company. The Offer for Sale Document and the application forms can also be downloaded from the website: <http://www.agp.com.pk>, [www.jsgl.com](http://www.jsgl.com), [www.bmacapital.com](http://www.bmacapital.com), [www.psx.com.pk](http://www.psx.com.pk) and [www.cdceipo.com](http://www.cdceipo.com)
- The Applicants are required to complete the relevant sections of the application to get the Shares in book entry form. In accordance with provisions of the Central Depositories Act, 1997 and the CDC Regulations, credit of such Shares is allowed ONLY in the applicant's own CDC Account.
- Name(s) and address(es) must be written in full block letters, in English and should not be abbreviated.
- All applications must bear the name and signature corresponding with that recorded with the applicant's banker. In case of difference of signature with the bank and Computerized National Identity Card (CNIC) or National Identity Card for Overseas Pakistanis (NICOP) or Passport both the signatures should be affixed on the application form.
- APPLICATIONS MADE BY INDIVIDUAL INVESTORS
  - In case of individual investors, an attested photocopy of CNIC (in case of RPs)/Passport (in case of NRPs and FIs) as the case may be, should be enclosed and the number of CNIC/ Passport should be written against the name of the applicant. Copy of these documents can be attested by any Federal/Provincial Government Gazetted Officer, Councilor, Oath Commissioner or Head Master of High School or bank manager in the country of applicant's residence.
  - Original CNIC/Passport, along with one attested photocopy, must be produced for verification to the Banker to the Offer and the applicant's banker (if different from the Banker to the Offer) at the time of presenting the application. The attested photocopy will, after verification, be retained by the bank branch along with the application.
- APPLICATIONS MADE BY INSTITUTIONAL INVESTORS
  - Applications made by companies, corporate bodies, mutual funds, provident/pension/gratuity funds/trusts and other legal entities must be accompanied by an attested photocopy of their Memorandum and Articles of Association or equivalent instrument / document. Where applications are made by virtue of Power of Attorney, the same should also be submitted along with the application. Any Federal/Provincial Government Gazetted Officer, Councilor, Bank Manager, Oath Commissioner and Head Master of High School or bank manager in the country of applicant's residence can attest copies of such documents.
  - Attested photocopies of the documents mentioned in 8(i) must be produced for verification to the Banker to the Offer and the applicant's banker (if different from the Banker to the Offer) at the time of presenting the application. The attested copies, will after verification, be retained by the bank branch along with the application.
- Only one application will be accepted against each account, however, in case of joint account, one application may be submitted in the name of each joint account holder.
- Joint application in the name of more than two persons will not be accepted. In case of joint application each applicant must sign the application form and submit attested copies of their CNICs/Passport. The shares/certificates will be credited to the CDS account mentioned on the face of the form and where any amount is refundable, in whole or in part, the same will be refunded by cheque or other means by post, or through the bank where the application was submitted, to the person named first on the application form, without interest, profit or return. Please note that joint application will be considered as a single application for the purpose of allotment of Shares.
- Subscription money must be paid by cheque drawn on applicant's own bank account or pay order/bank draft payable to one of the Bankers to the Offer "Offer for Sale of AGP Limited" and crossed "A/C PAYEE ONLY".
- For the applications made through pay order/bank draft, it would be permissible for a Banker to the Offer to deduct the bank charges while making refund of subscription money to unsuccessful applicants through pay order/bank draft individually for each application.
- The applicant should have at least one bank account with any of the commercial banks. Applicants not having a bank account at all (non-account holders) are not allowed to submit application for subscription of Shares.
- Applications are not to be made by minors and/or persons of unsound mind.
- Applicants should ensure that the bank branch, to which the application is submitted, completes the relevant portion of the application form.
- Applicants should retain the bottom portion of their application forms as provisional acknowledgement of submission of their applications. This should not be construed as an acceptance of the application or a guarantee that the applicant will be allotted the number of Shares for which the application has been made.
- Making of any false statements in the application or willfully embodying incorrect information therein shall make the application fictitious and the applicant or the bank shall be liable for legal action.
- Bankers to the Offer are prohibited to recover any charges from the subscribers for collecting subscription applications. Hence, the applicants are advised not to pay any extra charges to the Bankers to the Offer.
- It would be permissible for a Banker to the Offer to refund subscription money to unsuccessful applicants having an account in its bank by crediting such account instead of remitting the same by cheque, pay order or bank draft. Applicants should, therefore, not fail to give their bank account numbers.
- Submission of false and fictitious applications is an offence under Section 87(7) of the Securities Act, 2015 and such application's money is liable to confiscation under Section 87(8) of the Securities Act, 2015.

عوام کو مطلع کیا جاتا ہے کہ بکنیور ریزڈ ایکٹ 2015 کی شق نمبر (7) کے تحت جھوٹی یا جعلی درخواستیں دینا قانوناً ناجرم ہے۔ خلاف ورزی کرنے والوں کی رقم، جو کہ درخواست کے ساتھ جمع کرائی جاتی ہے، بکنیور ریزڈ ایکٹ 2015 کی شق نمبر (8) کے تحت ضبط کی جاسکتی ہے۔

### ADDITIONAL INSTRUCTIONS FOR FOREIGN / NON-RESIDENT INVESTORS

- In case of foreign investors who are not individuals, applications must be accompanied with a letter on applicant's letterhead stating the legal status of the applicant, place of incorporation and operations and line of business. A copy of memorandum of association or an equivalent document should also be enclosed, if available. Where applications are made by virtue of Power of Attorney, the same must be lodged with the application. Copies of these documents can be attested by the bank manager in the country of applicant's residence.
- Foreign / Non - residents should follow payment instruction given in Section 2.2.17 and 2.3.6 of the Offer for Sale Document

### BASIS OF ALLOTMENT

- The minimum amount of application is for subscription of 500 shares
- Application for Shares must be made for 500 Shares or in multiple thereof only. Applications, which are neither for 500 Shares nor for multiple thereof, shall be rejected.
- Allotment of Shares to successful applicants shall be made in accordance with the allotment criteria/ instructions disclosed in the Offer for Sale Document.
- Allotment of Shares shall be subject to scrutiny of applications in accordance with the criteria disclosed in the Offer for Sale Document and/or the instructions by the Securities & Exchange Commission of Pakistan.
- Applications, which do not meet the above requirements, or applications which are incomplete will be rejected. The applicants are, therefore, required to fill in all data fields in the Application Form.
- The Company will credit the respective CDS accounts of the successful applicants.
- The Company will credit the respective CDS accounts of the successful applicants.

#### BANKERS TO THE OFFER

| Code | Name of Banks         | Code | Name of Banks           |
|------|-----------------------|------|-------------------------|
| 01   | Summit Bank Limited   | 08   | Silkbank Limited        |
| 02   | Meezan Bank Limited   | 09   | MCB Bank Limited        |
| 03   | United Bank Limited   | 10   | Soneri Bank Limited     |
| 04   | Askari Bank Limited   | 11   | Habib Metropolitan Bank |
| 05   | Bank Al Habib Limited | 12   | Dubai Islamic Bank      |
| 06   | Faysal Bank Limited   | 13   | Habib Bank Limited      |
| 07   | Bank Alfalah Limited  | 14   | JS Bank Limited         |

#### 9. OCCUPATION CODE

| Code | Occupation         | Code | Occupation    |
|------|--------------------|------|---------------|
| 01   | Business           | 06   | Professional  |
| 02   | Business Executive | 07   | Student       |
| 03   | Service            | 08   | Agriculturist |
| 04   | Housewife          | 09   | Industrialist |
| 05   | Household          | 10   | Other         |

In order to facilitate investors, United Bank Limited "UBL" and Summit Bank Limited "SMBL" are offering electronic submission of application (e-IPO) to their account holders. UBL account holders can use UBL Net Banking to submit their application via link <http://www.ubldirect.com/corporate/bank>. SMBL account holders can use SMBL Net banking to submit their application online via link <http://ib.summitbank.com.pk>. Further, please note that online applications can be submitted 24 hours a day during the subscription period which will close at 12:00 midnight on November 15, 2017

#### OVERSEAS BANKERS TO THE OFFER

| Code | Name of Banks | Code | Name of Banks |
|------|---------------|------|---------------|
| 01   | n/a           | 06   | n/a           |
| 02   | n/a           | 07   | n/a           |
| 03   | n/a           | 08   | n/a           |
| 04   | n/a           | 09   | n/a           |
| 05   | n/a           | 10   | n/a           |

#### 10. NATIONALITY CODE

| Code | Name of Banks | Code | Name of Banks |
|------|---------------|------|---------------|
| 001  | U.S.A         | 006  | Bangladesh    |
| 002  | U.K           | 007  | China         |
| 003  | U.A.E         | 008  | Bahrain       |
| 004  | K.S.A         | 009  | Other         |
| 005  | Oman          |      |               |

For further queries you may contact:

AGP Limited: Ms. Nusrat Munshi / Mr. Junaid Aslam; P: (21) 111 247 247; E-mail: [nusrat.munshi@agp.com.pk](mailto:nusrat.munshi@agp.com.pk) / [junaid.aslam@agp.com.pk](mailto:junaid.aslam@agp.com.pk)  
JS Global Capital Limited: Mr. Khuram Schehzad; P: (21) 111 574 111 Ext: 3071; E-mail: [khuram.schehzad@js.com](mailto:khuram.schehzad@js.com)