

# AVANCEON LIMITED

## NOTICE OF 14<sup>th</sup> ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 14<sup>th</sup> Annual General Meeting of Avanceon Limited ("AVN") will be held at **Fairways Hall Country Golf Club Sector C Bahria Town Lahore**, Lahore, on Tuesday, 25 April, 2017 at 3.00 P.M. to transact the following business:

### A. ORDINARY BUSINESS

- To confirm the minutes of the 13<sup>th</sup> Annual General Meeting held on 21<sup>st</sup> April, 2016.
- To receive and consider the Audited Accounts for the year ended 31 December 2016 and the Directors' and Auditors' Reports thereon.
- To elect Seven (07) Directors of AVN for a period of three years commencing from 25 April, 2017 in accordance with the provisions of the Companies Ordinance, 1984 and Memorandum and Articles of Association.

The names of retiring Directors are as under:

- 1. Mr. Bakhtiar Hameed Wain**
- 2. Mr. Khalid Hameed Wain**
- 3. Mr. Amir Waheed Wain**
- 4. Mr. Naveed Ali Baig**
- 5. Mr. Umar Ahsan Khan**
- 6. Mr. Tajammal Hussain**
- 7. Mr. Tanveer Karamat**

The Board of Directors has fixed the number of Directors to be elected at this meeting to be Seven (07) at the Board meeting held on 21 March, 2017. The retiring Directors shall be eligible to offer themselves for re-election in accordance with applicable Regulations.

- To appoint Auditors and fix their remuneration. The present auditors EY, Ford Rhodes, Chartered Accountants, being eligible, have offered themselves for re-appointment.
- To declare a final dividend at the rate of Rs 1/- per share i.e. 10% for the year ended 31 Dec 2016.
- Any other business with the permission of the Chair.

### B. SPECIAL BUSINESS

- To authorize the issuance of Bonus Shares in proportion of 25 shares for every 100 shares held, i.e. At the rate of 25% and if thought fit pass the following Special Resolution:  
"RESOLVED that Ordinary Shares of Rs. 10/- each be issued as Bonus Shares and that the said shares be allotted as fully paid Ordinary Shares to the Members of the Company whose names appear on the Register of Members as at the close of the business on 17 April 2017 the company in the proportion of 25 Bonus Share for every 100 Shares held, that is at the rate of 25%, and that such Bonus Shares shall rank pari passu as regards dividend and in all other respects with the existing Ordinary Shares of the Company.  
FURTHER RESOLVED that fractional entitlements of the members shall be consolidated into whole shares and sold in the stock market and the sale proceeds shall be donated to a charitable institution.
- In compliance of the direction issued by Securities and Exchange Commission of Pakistan under S.R.O.470 (I)/2016 dated May 31, 2016 it is proposed that the following resolution be passed as and by way of a Special Resolution:  
"RESOLVED that pursuant to compliance of S.R.O.470 (I)/2016 dated May 31, 2016 and subject to the consent and approval of the shareholders, the Board of Directors of the Company be and is hereby authorized to circulate the Annual Audited Accounts of the company to its members through CD/DVD/USB; that the Board of Directors of the Company and the Company Secretary be and are hereby authorized to do all acts, deeds and things that may be necessary or required to give effect to this resolution".
- "RESOLVED that revisions in issue of ESOS-I options granted as mentioned in below table, for COO of the company are hereby approved:

Year	Revised Offer Price	Initial Offer Price	Initial Exercise Period	Revised Exercise period
2014	Rs. 1/-	Rs.1.20/-	2019	2018
2015	Rs. 1/-	Rs.1.44/-	2020	2018
2016	Rs. 1/-	Rs.1.73/-	2021	2018

By Order of the Board

Ahsan Khalil | Company Secretary Lahore

Dated: 03 April, 2017

### N.B

(1) The share transfer books of the Company will be closed and no transfer of shares will be accepted for registration from Tuesday 18 April 2017 to Tuesday 25 April 2017 (both days inclusive). Transfer received in order at the office of our Registrar, M/s THK Associates (Pvt.) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S, Karachi-75400 by the close of business (5.00 p.m.) on Monday 17 April 2017 will be treated to have been in time for the purposes of payment of final dividend, entitlement of bonus shares to the transferees and to attend & vote at the meeting.

(2) Any member who seeks to contest an election to the office of Director shall file with the Company a notice of his/her intention to offer him/herself for election of directors as Registered Office, Avanceon Limited, 19 KM Main Multan Road, Lahore not later than 14 days before the date of Annual General Meeting in terms of section 178(4) of the Companies Ordinance, 1984 with the following:

- Consent to Act as Director and form 28 duly completed as required under Section 184 of the Companies Ordinance, 1984.
  - Declaration in respect of being compliant with the requirement of the Code of Corporate Governance 2012 and the eligibility criteria as set out in the Companies Ordinance, 1984 to act as Director of listed Company.
  - Detailed profile along with office address for placement into Company's Website within seven (07) days prior to the election in terms of SRO 25 (1)/2012 dated 16 January 2012 and SRO 634 (1)/2015 dated 10 July 2014.
- (3) A member entitled to attend and vote at this Meeting shall be entitled to appoint another person, as his/ her proxy to attend, speak and vote instead of him / her, and a proxy so appointed shall have such rights, as respects attending, speaking and voting at the Meeting as are available to a member. Proxies in order to be effective, must be received by the Company not less than 48 hours before the meeting. A proxy need not be a member of the company.
- (4) Members are required to timely notify any change in their address to Company's Shares Registrar, M/s THK Associates (Pvt.) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S, Karachi-75400

### ADDITIONAL NOTES:

CDC Account Holders will further have to follow the under mentioned guidelines as laid down in circular #1 dated 26 Jan 2000, issued by SECP. FOR ATTENDING THE SHAREHOLDERS' MEETING

I. In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are up-loaded as per the Regulations, shall authenticate his identity by showing his original National Identity Card (NIC) or original passport at the time of attending the meeting.

II. The shareholders registered on CDC are also requested to bring their particular ID numbers and account numbers in CDS.

III. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced at the time of the meeting.

### FOR APPOINTING PROXIES:

I. In case of individual, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the duly completed and stamped proxy form accordingly.

II. The proxy form shall be witnessed by the two persons whose names, addresses and NIC numbers shall be mentioned on the form.

III. Attested copies of valid NIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

IV. The proxy shall produce his/ her original NIC or original passport at the time of the meeting.

V. In case of corporate entity, the Board of Directors resolution/power of attorney with specimen signature shall be submitted along with proxy form to the company.

### CNIC ON DIVIDEND WARRANTS:

As per the SECP SRO 831 (2)/2012 dated 05 Jul 2012 read with SRO 19 (1)/2014 Dated 10 Jan 2014, for compulsory requirement and printing of CNIC on the dividend warrants, without which no dividend warrant shall be issued, the individual members who have not yet submitted photocopy of their valid CNIC are once again reminded to send the same at the earliest directly to company's share registrar at the above address. The corporate entities are requested to provide their NTN. Please give folio number with the copy of CNIC / NTN details.

### DIVIDEND MANDATE:

In compliance with the SECP circular No 18 of 2012 dated 05 June 2012 and SECP Letter No. 8(4) SM/CDC Dated 05 April 2013, the company wishes to inform its shareholders that under the law they are also entitled to receive their cash dividend directly in their bank accounts instead of receiving it through dividend warrants. Shareholders wishing to exercise this option may submit their application on a standard request form which is available on company's website- [www.avanceon.ae](http://www.avanceon.ae). To the company's share registrar. CDC account holders should submit their request directly to their broker (participant)/CDC with a copy of the dividend mandate form to the registrar of the company.

### CIRCULATION OF NOTICE OF MEETINGS AND ANNUAL FINANCIAL STATEMENTS

Pursuant to SRO 787 (1)/2014 Dated 08 Sep 2014 the SECP has directed to facilitate the members of the company receiving annual financial statements and notices through email. We are pleased to offer this facility to our members who desire to receive annual financial statements and notices through email in future. In this respect members are hereby requested to convey their consent via email on a standard request form which is available on company's website [www.avanceon.ae](http://www.avanceon.ae) Please ensure that your email has sufficient rights and space available to receive such email which may be larger than 2 MB file in size. Further it is the responsibility of the member to timely update the share registrar of any change in the registered email address. Annual audited financial statement of the company for the year ended 31 Dec 2016 have been made available on the company's website [www.avanceon.ae](http://www.avanceon.ae)

### FILER AND NON-FILER STATUS

The Government of Pakistan through Finance Act 2014 has made certain amendments in Sec 150 of the Income Tax Ordinance 2001, whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. To enable the company to make tax deduction on the amount of cash dividend, all the members whose name are not entered in ATL, even though they are filers are advised to make sure that their names are entered in ATL, available at e portal of FBR, before the date of commencement of book closure for cash dividend. The company as per the law shall apply 17.5% rate of withholding tax if the member's name with relevant details does not appear on the ATL before the mentioned date and deposit the same in Government treasury within the prescribed time.

All members who hold shares jointly are requested to provide the shareholding as per following:

Folio / CDS	Total Shares	Principal Shareholder		Joint Shareholder	
		Name and CNIC	Shareholding proportion (No of shares)	Name and CNIC	Shareholding proportion (No of shares)

The required information must reach our Share Registrar by the close of business on 17 April 2017, otherwise it will be assumed that shares are equally held.

The Corporate Shareholders having CDC accounts are required to have their NTN updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the company or its share registrars. The shareholders while sending NTN or NTN certificates, as the case may be must quote company name and their respective folio numbers.

### CONSENT FOR VIDEO CONFERENCE FACILITY

Members can also avail video conference facility in Karachi, if the company receives consent at least 10 days prior to the date of the meeting from members holding in aggregate 10% or more shareholding and residing in Karachi to participate in the meeting through video conference. Please fill the following form and submit to the registered office of the company 10 days before the holding of the annual general meeting:

I / We \_\_\_\_\_ of \_\_\_\_\_, being members of Avanceon Limited and holder of \_\_\_\_\_ ordinary shares as per registered folio no/CDC A/c No \_\_\_\_\_ hereby opt for video conference facility at Karachi.

For any query/information, members may contact our Share Registrar M/s THK Associates (Pvt.) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S, Karachi-75400.

### Statement (s) under section 160 of the Companies Ordinance, 1984

The statements set out material facts concerning "Special Businesses" to be transacted at the Annual General Meeting of the Company to be held on October 31, 2016. The approval of the Members of the Company will be sought for:

#### ITEM 7 OF AGENDA

The Directors of the Company are of the view that the Company's profitability, financial position and its reserves justify the issuance of Bonus Shares in the proportion of 25 share for every 100 shares held, that is at the rate of 25%, to those Shareholders whose names appear in the Register of Members at the close of Business on Monday 17 April 2017.

Pursuant to rule 8 (iii) of the Companies (Issue of Capital) Rules 1996, a Certificate of free reserves has been issued by the Auditors.

#### ITEM 8 OF AGENDA

Information for circulation of annual audited accounts to the shareholders through CD/DVD/USB. The Securities and Exchange Commission of Pakistan (SECP) has allowed the companies to circulate the annual balance sheet, profit and loss accounts, auditor's report and directors report etc., (Annual Audited Accounts) to its members through CD/DVD/USB at their registered address.

#### ITEM 9 OF AGENDA

The Chief Operating Officer of the company is working since 2003, who have contributed the company for his critical, challenging and important role in the Management. The Company intends to change the exercise price and exercise period of those options that had been offered to him in FY 2014, FY 2015 and FY 2016 with exercise prices and period mentioned in agenda item 9 table and as per Clause 6.1 (ii), 6.1 (iii) and 6.1 (iv) in rules of the Avanceon Employees Share Option Scheme (ESOS) of the Company, as a consideration in good faith for the services rendered.

The directors of the company have no personal interest in this exception in the Scheme but executive Directors can be granted options under this scheme.

