



May 02, 2019

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi.

**NOTICE OF THE NINETEENTH EXTRAORDINARY GENERAL
MEETING OF ENGRO CORPORATION LIMITED**

Dear Sir,

We are enclosing herewith the Notice of the Nineteenth Extraordinary General Meeting of Engro Corporation Limited to be held on Tuesday, May 28, 2019, at 10:00 A.M. at Marriott Hotel, Abdullah Haroon Road, Karachi for circulation amongst the TRE Certificate Holders of the Exchange.

Thanking you,

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Faiz Chapra", is written over a horizontal line.

FAIZ CHAPRA
General Counsel and Company Secretary

cc: Director/HOD,
Surveillance, Supervision and Enforcement Department,
Securities and Exchange Commission of Pakistan
NIC Building, 63 Jinnah Avenue,
Blue Area, Islamabad.

ENGRO CORPORATION LIMITED

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that Nineteenth Extraordinary General Meeting of the members of Engro Corporation Limited (the "Company") will be held at Marriott Hotel, Karachi on Tuesday, May 28, 2019, at 10:00 A.M. to transact the following business:

A. SPECIAL BUSINESS:

- I. To consider and, if deemed fit, pass with or without modification, the following special resolutions as required under Section 199 of the Companies Act, 2017 for the purposes of authorizing investment(s) in the aggregate amount of PKR 1,757.28 Million (subject to adjustments at the date of closing of the Transaction) in its associated company i.e. Engro Eximp FZE, through acquisition of 100% of the issued and paid up share capital of Engro Eximp FZE (the "Transaction"), from Engro Fertilizers Limited, which is also an associated company of the Company:

"RESOLVED BY WAY OF A SPECIAL RESOLUTION THAT the Company be and is hereby authorized, in accordance with Section 199 of the Companies Act, 2017, to make an investment in the aggregate amount of PKR 1,757.28 Million (subject to adjustments at the date of closing of the Transaction) in its associated company, Engro Eximp FZE, by acquiring 100% (one hundred percent) of the issued and paid up share capital of Engro Eximp FZE, from Engro Fertilizers Limited.

FURTHER RESOLVED THAT the Chief Executive or Company Secretary of the Company, or such other person(s) as may be authorized by any of them (the "Authorized Persons"), be and are hereby, jointly or severally authorized and empowered to take all necessary steps, make the requisite investments from time to time, to do all such acts, deeds and things, and to execute and deliver all such deeds, agreements, declarations, undertakings and guarantees, including any ancillary document thereto or provide any such documentation for and on behalf and in the name of the Company as may be necessary or required or as they or any of them may think fit for or in connection with or incidental for the purposes of carrying out the proposed resolutions.

RESOLVED FURTHER THAT all actions heretofore taken by any of the Authorized Persons on behalf of the Company in respect of the above matters are hereby confirmed, ratified and adopted by the Company in full."

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

By Order of the Board

Karachi,
Dated: April 26, 2019

FAIZ CHAPRA
Company Secretary and General Counsel

N.B.

1. The Share Transfer Books of the Company will be closed from Wednesday, May 22, 2019 to Tuesday, May 28, 2019 (both days inclusive). Transfers received in order at the office of our Registrar, M/s. FAMCO Associates (Private) Limited, 8-F, Near Hotel Faran, Block 6, P.E.C.H.S. Shakra-e-Faisal, Karachi, PABX No. (92-21) 34380101-5 and email info.shares@famco.com.pk by the close of business (5:00 p.m) Tuesday, May 21, 2019 will be treated as being in time for the purposes to attend and vote at the meeting.
2. 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.
3. Pursuant to Companies (Postal Ballot) Regulations 2018, for the purpose of election of Directors and for any other agenda item subject to the requirements of sections 143 and 144 of the Companies Act 2017, members will be allowed to exercise their right of vote through postal ballot, that is voting by post or through any electronic mode, in accordance with the requirements and procedure contained in the aforesaid Regulations.
4. In pursuance to Circular No. 10 of 2014 dated May 21, 2014, if the Company receives consent from members holding in aggregate ten percent (10%) or more shareholding residing at geographical location, to participate in the meeting through video conference at least seven (7) days prior to the date of the meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city. The Company will intimate members regarding venue of video conference facility at least five (5) days before the meeting along with complete information necessary to enable them to access such facility. In order to avail this facility please provide the following information to our share registrar:

I/We _____, of _____ being a member of Engro Corporation Limited holder of _____ Ordinary Share(s) as per Register Folio No. _____ hereby opt for video conference facility at (Please insert name of the City)

Signature of member

STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017 AND INFORMATION REQUIRED UNDER COMPANIES (INVESTMENT IN ASSOCIATED COMPANIES OR ASSOCIATED UNDERTAKINGS) REGULATIONS, 2017 ARE PROVIDED BELOW:

This statement set out below the material facts concerning the Special Business to be transacted at the Extraordinary General Meeting of Engro Corporation Limited to be held at Marriot Hotel, Karachi on Tuesday, May 28, 2019, at 10:00 A.M.:

SR. NO.	DESCRIPTION	INFORMATION REQUIRED
(a)	Disclosures for all types of investments	
(A)	Regarding Associated Company or Associated Undertaking:	
(i)	Name of the associated company or associated undertaking	Engro Eximp FZE (UAE)
(ii)	Basis of relationship	Associated Company
(iii)	Earnings per share for the last three years	It may be noted that the paid-up share capital of Engro Eximp FZE comprises of single share 2018 – PKR 17.94 Million 2017 – PKR 333.91 Million 2016 – PKR 291.72 Million
(iv)	Break-up value per share, based on latest audited financial statements	Total Assets: PKR 1,686.46 Million Total Liabilities: PKR 103.51 Million Net Assets: PKR 1,582.95 Million
(v)	Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements	As at December 31, 2018 Net Income: PKR 17.94 Million Net Assets: PKR 1,582.95 Million Total Assets: PKR 1,686.46 Million Total Equity: PKR 1,582.95 Million
(vi)	In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information namely:	Not Applicable
(I)	Description of the project and its history since conceptualization	Not Applicable
(II)	Starting date and expected date of completion of work	Not Applicable
(III)	Time by which such project shall become	Not Applicable

		commercially operational	
	(IV)	Expected time by which the project shall start paying return on investment	Not Applicable
	(V)	Funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts	Not Applicable
(B)		General disclosures:	
	(i)	Maximum amount of investment to be made	PKR 1,757.28 Million
	(ii)	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	Engro Corporation Limited (ECorp) intends to expand its footprint outside Pakistan. As a step in that direction, Engro Corporation plans to acquire Engro Eximp FZE, which is currently wholly owned by Engro Fertilizers Limited (EFert). This acquisition will enable ECorp to explore various potential trading opportunities such as being the central purchase and export house function.
	(iii)	Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds	Through its own funds available on its balance sheet.
	(I)	Justification for investment through borrowings	Not Applicable
	(II)	Detail of collateral, guarantees provided and assets pledged for obtaining such funds	Not Applicable.
	(III)	Cost benefit analysis	Not Applicable
	(iv)	Salient features of the agreements(s), if any with associated company or associated undertaking with regards to the proposed investment	A share purchase agreement (the "Agreement") is in the process of being finalized between Engro Corporation Limited (ECorp) and Engro Fertilizers Limited (EFert). In terms of the Agreement, EFert shall sell and transfer to ECorp the sale share free from any and all encumbrances and / or claims or rights of third

			parties of whatsoever nature, together with all rights attaching or accruing to the same for a price equal to the consideration (i.e. PKR 1,757.28 Million) subject to obtaining all necessary approvals.
(v)		Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration	The following Directors of the Company are also the Directors of Engro Fertilizers Limited: Ghias Khan Abdul Samad Dawood The following Directors of Engro Corporation Limited are related: Hussain Dawood Abdul Samad Dawood Shahzada Dawood
(vi)		In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs	Not Applicable.
(vii)		Any other important details necessary for the members to understanding the transaction	Not Applicable.
(b)		In case of equity investment, following disclosures in addition to those provided under clause (a) above	
(i)		Maximum price at which securities will be acquired	PKR 1,757.28 Million
(ii)		In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof	Valuation to determine the fair value of the share of Engro Eximp FZE was conducted by Deloitte Yousuf Adil Chartered Accountants and the price has been negotiated based on the fair value provided by them.
(iii)		Maximum number of securities to be acquired	1 (One) share constituting 100% of authorized, issued and fully paid up capital of Engro Eximp FZE.
(iv)		Number of securities and percentage thereof held before and after the	Before: Zero (0) After: 1 (One) share constituting 100% of paid up capital of Engro Eximp FZE.

		proposed investment	
(v)		Current and preceding twelve weeks' weighted average market price where investment is proposed to be made listed securities	Not Applicable.
(vi)		Fair value determined in terms of sub-regulation (1) of regulation 5 of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 for investment in unlisted securities	The fair value determined by Deloitte Yousuf Adil Chartered Accountants is at a price of PKR 1,757.28 Million.

Except to the extent as mentioned in B(v) above, the Board of Directors of the Company have no direct or indirect interest in the Special Business, except and to the extent of their respective shareholding in the Company.

Furthermore, it is pertinent to note that the fair value (PKR 1,757.28 million) is subject to adjustments at the date of closing of the Transaction.