



JS Global Capital Limited

**Notice of Extraordinary
General Meeting**

to be held on December 05, 2014

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of JS Global Capital Limited (the "Company" or "JSGCL") will be held at Defence Authority Creek Club, Zulfiqar Street No.1, Phase VIII, Defence Housing Authority, Karachi on Friday, December 05, 2014 at 8:00 a.m., to transact the following businesses:-

I. SPECIAL BUSINESS:

To consider and if thought fit, to pass the following resolution as Special Resolution (with or without modifications) by majority of not less than three-fourth (3/4th) of such members who are entitled to vote and are present in person or by proxy(ies) at the meeting for approval of investment in the TFC VIII of Jahangir Siddiqui & Co. Limited and act as a facilitator to the Market Maker to the TFC issue.

"RESOLVED THAT consent and approval be and are hereby accorded under Section 208 of the Companies Ordinance, 1984 to allow the Company to invest in its capacity as a facilitator to the Market Maker (which shall be any reputed Trading Right Entitlement Certificate (TREC) holder of the Lahore Stock Exchange Limited) , an amount of up to Rs.30 million (being 4% of the issue size) as well as to further invest Rs. 7.5 million (being 1% of the issue size) in the rated, to be listed and secured term finance certificates (TFC VIII) issued by Jahangir Siddiqui & Company Limited under Section 120 of the Companies Ordinance, 1984, carrying a coupon of 6 month KIBOR plus 1.75% per annum for a maximum tenor of 5 years.

II. OTHER BUSINESS:

To decide any other matter in relation to the above item and/or to transact any other business with the permission of the Chair.

Karachi: November 14, 2014

By Order of the Board

Muhammad Umair Arif
Company Secretary

Notes :

- (i) The Share transfer books of the Company will remain closed from November 28, 2014 to December 05, 2014 (both days inclusive) for determining the entitlement of shareholders for attending the Extraordinary General Meeting.
- (ii) Physical transfers and deposit requests under Central Depository System received at the close of business on November 27, 2014 by the Company's Registrar i.e. Technology Trade (Private) Limited, located at Dagia House, 241-C, Block-2 P.E.C.H.S., Karachi, will be treated as being in time for entitlement to attend the meeting.
- (iii) A Member of the Company entitled to attend and vote may appoint another member as his/her proxy to attend and vote instead of him/her.
- (iv) Proxies must be received at the Registered Office of the Company not less than 48 hours before the time of the meeting.
- (v) Beneficial owners of physical shares and the shares registered in the name of Central Depository Company of Pakistan Limited (CDC) and/or their proxies are required to produce their original Computerized National Identity Cards (CNICs) or Passports for identification purpose at the time of attending the meeting. The Proxy Form(s) must be submitted with the Company within the time stipulated in para (iv) above, duly signed and witnessed by two persons whose names, addresses and CNIC numbers must be mentioned on the Proxy Form(s), along with attested copy(ies) of the CNICs or the Passport(s) of the beneficial owners and the proxy(ies). In case of corporate entity(ies), the Board of Directors' Resolution/Power of Attorney with specimen signature(s) shall be submitted (unless it has been provided earlier) along with the Proxy(ies) Form(s) to the Company.
- (vi) Shareholders are requested to notify any change in their address immediately to the Company's Share Registrar, Technology Trade (Private) Limited.

STATEMENT UNDER SECTION 160(1)(b) OF THE COMPANIES ORDINANCE, 1984 RELATING TO SPECIAL BUSINESS

Jahangir Siddiqui & Co. Ltd. ("JSCL" or the "Issuer") has been a significant contributor to the Debt Capital Markets through issuance of various Term Finance Certificates (TFCs) and has so far issued seven TFCs (both listed and unlisted) out of which six have been fully redeemed in a timely manner while the seventh issue shall mature in October 2016.

JSCL has issued TFC VIII, a rated, to be listed and secured instrument, to raise funds for the subscription of preference share issue by JS Bank (a subsidiary of JSCL). The said TFCs have an issue size of Rs. 750 million (inclusive of a green shoe option of RS. 250 million) having a tenor of 5 years, carrying semi-annual coupon payments of 6 months KIBOR + 1.75% p.a. The said TFCs shall be redeemed in ten stepped-up semi-annual installments, with their first redemption due on the 6th month after the issue date. The issue date was April 08, 2014 consequent to which first redemption has taken place on October 08, 2014.

PACRA has assigned the subject instrument a rating of "AA+" (Double A plus). Such rating denotes a very low expectation of credit risk emanating from a strong capacity for timely payment of the Issuer's financial commitments.

The TFC VIII Issue carries a call option allowing JSCL to call the TFC's at any time in full on a coupon payment date, subject to a 30 days notice and a premium of 0.25% of the outstanding value of the TFCs.

The TFC VIII Issue shall also be listed on the Lahore Stock Exchange. Moreover, the TFC VIII Issue has been secured by pledge of listed securities, including but not limited to, EFU Life Assurance Limited, EFU General Insurance Limited, Singer Pakistan Limited and Hum Network Limited, placed in a designated account with the Central Depository Company of Pakistan Limited along with a margin of 35%. The security shall be held and maintained by the Trustee to the issue.

Under the applicable listing rules, a member of the Lahore Stock Exchange Limited has to be appointed as the Market Maker for the said TFC issue by JSCL. JS Global Capital Limited (JS Global or the Company) shall act as a facilitator to the market maker by holding inventory of up to 4% of the said TFC issue by entering into a facilitator agreement with the Market Maker.

In light of the vast experience of JS Global in the domain of debt securities, the management has considered the viability of investing in (and acting as facilitator to the Market Maker for) the JSCL's TFC VIII Issue.

The role of the Company as facilitator will be to hold upto 4% of the said TFCs amounting to Rs. 30 million at all times till the maturity (or earlier redemption/call) of the TFC VIII issue in its capacity as a facilitator to the Market Maker. In addition thereto, the Company intends to invest a further 1% in the said TFC issue, amounting to Rs. 7.5 million.

JS Global shall receive a fee of Rs. 200,000/- for its role as facilitator.

Other information

- Due to strong rating of the TFC VIII and its attractive coupon, the management has proposed to invest in, and to act as facilitator to the Market Maker for, the said TFC issue.
- JSCL is an associated company of JS Global, hence, JS Global would require a Special Resolution in terms of Section 208 of the Companies Ordinance, 1984 (Ordinance), to make the said investment (whether directly or in the capacity of a facilitator to the market maker). To give effect to the above, the management has proposed to consider and if thought fit, to pass a Special Resolution (with or without modification) by majority of not less than three-fourth (3/4th) of such members who are entitled to vote and are present in person or by proxy(ies) at the meeting for approval of an investment upto Rs. 30 million in the TFC VIII issue of JSCL as a facilitator to the Market Maker along with an additional investment of Rs. 7.5 million.
- JS Global had previously sought approval from its shareholders at its Annual General Meeting held on March 27, 2014, under the provisions of Section 208 of the Ordinance to invest in the JSCL's TFC VIII Issue to the extent of Rs. 50 million as well as to act as market maker to the issue. However, JSCL eventually decided not to get the TFC's listed on the Karachi Stock Exchange. Consequently, JS Global could no longer act as the market maker to the TFC VIII issue as it is not a TREC Holder of the Lahore Stock Exchange. Moreover, JS Global could also not hold the said TFCs of the TFC VIII issue of JSCL as the purpose of such an investment was to act as a market maker, which, as detailed above, was consequently not possible. Hence, JS Global off-loaded all the TFCs of TFC VIII issue of JSCL held by it (totaling Rs. 40 million) and thereafter, decided to (a) explain to its members why the previous special resolution obtained under the provisions of Section 208 of the Ordinance could not be implemented and (b) to seek a fresh approval under the provisions of Section 208 of the Ordinance to invest (till maturity or earlier redemption/call) up to 4% in the TFC VIII issue of JSCL in its capacity as the facilitator to the market maker for the said TFC issue, as well as investing a further 1% of the TFC issue, which is the purpose for calling this Extra-ordinary General Meeting (EOGM) and for passing the special resolution in question.
- The Securities & Exchange Commission has vide its letter (Ref: F.No. SMD/CIW/OTC/01/2013) dated 3rd October, 2014, permitted the Market Maker to the issue to make arrangements with a TREC holder of any stock exchange to hold the inventory of JSCL's TFC VIII on its behalf. JS Global, being a TREC holder of Karachi Stock Exchange, is consequently permitted to hold the inventory on behalf of the Market Maker to JSCL's TFC VIII issue and hence, shall act as a facilitator as envisaged in the resolution being proposed.

