

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 AT SECTION 5 OF THIS OFSD BEFORE MAKING ANY INVESTMENT DECISION.

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

ADVICE FOR INSTITUTIONAL INVESTORS AND HIGH NET WORTH INDIVIDUALS

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.

SUBMISSIONS OF CONSOLIDATED BIDS ARE PROHIBITED UNDER REGULATION 10(2)(iv) OF THE PUBLIC OFFERING REGULATIONS, 2017. 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 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, THE OFFER PRICE, COMMITMENT BY THE SUCCESSFUL BIDDERS FOR SUBSCRIBING THE UNDERSUBSCRIBED RETAIL PORTION, CATEGORY WISE BREAKUP OF THE SUCCESSFUL BIDDERS ALONG WITH NUMBER OF SHARES PROVISIONALLY ALLOCATED TO THEM, DATES OF THE PUBLIC SUBSCRIPTION AND SUCH OTHER INFORMATION AS MAY BE REQUIRED BY THE COMMISSION.



PAKISTAN STOCK EXCHANGE LIMITED OFFER FOR SALE DOCUMENT

This Offer is being made pursuant to Regulation 12 and 15 of the Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012

This Offer consists of 160,295,320 Ordinary Shares (20% of the total paid up capital) of face value of PKR 10/- each. The entire issue will be offered through Book Building at a Floor Price of PKR 28/- per share. (Valuation in support of the Floor Price is given in paragraph 2.1)

Initially, 75% of the issue size of 120,221,320 Ordinary Shares will be allotted to Successful Bidders and 25% of the issue of 40,074,000 Ordinary Shares will be offered to Retail Investors at the Strike Price. Any unsubscribed retail portion will be allocated to Successful Bidders on a pro-rata basis.

As per PSX's Listing of Companies and Securities Regulations, the Draft Offer for Sale Document was published for public comments on PSX's website for seven (7) working days from May 12, 2017 to May 22, 2017. No comments from the public were received.

REGISTRATION OF ELIGIBLE INVESTORS: The registration of eligible investors will commence at 9:00 am on June 1, 2017 and will close at 3:00 pm on June 7, 2017 (during weekdays only)

BIDDING PERIOD DATES: From June 6, 2017 to June 7, 2017 from: 9:00 am to 5:00 pm

DATE OF PUBLIC SUBSCRIPTION: On June 9, 2017 and June 12, 2017 (both days inclusive during banking hours)

THIS IS NOT A PROSPECTUS BY THE PAKISTAN STOCK EXCHANGE LIMITED ("PSX") BUT AN OFFER FOR SALE BY PSX'S DIVESTMENT COMMITTEE ON BEHALF OF PSX'S INITIAL SHAREHOLDERS (THE "OFFERORS") IN ACCORDANCE WITH STOCK EXCHANGES (CORPORATIZATION, DEMUTUALIZATION & INTEGRATION) REGULATIONS, 2012; READ WITH PUBLIC OFFERING REGULATIONS, 2017 FOR OFFER FOR SALE OF SHARES HELD IN PSX.

LEAD CONSULTANT



BOOK RUNNER



JOINT CONSULTANTS



Banker to the Book Building portion of the Offer: MCB Bank Limited ("MCBL")

Bankers for the Retail portion of the Offer:

Askari Bank Limited
Bank al Habib Limited

Albaraka Bank
Habib Metropolitan Bank

Allied Bank Limited
United Bank Limited
Bank Alfalah Limited

Dubai Islamic Bank
MCB Bank Limited

Faysal Bank Limited
Summit Bank Limited

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

In order to facilitate investors, the Central Depository Company of Pakistan ("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 for Sale and can be accessed through the web link (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 registered themselves with CES.

Investors who do not have CDS account may visit www.cdcpakistan.com for information and details. For further guidance and queries regarding CES and opening of CDS account, investors may contact CDC at Contact Number: 0800 – 23275 (CDCPL) or Email: info@cdcpak.com

BOOK BUILDING PORTION WILL BE UNDERWRITTEN BY



For investor education please visit www.jamapunji.pk Jama Punji is an investor education initiative of the Securities & Exchange Commission of Pakistan

Date of Publication of this Offer for Sale Document: June 1, 2017

OFSD, Bidding and Subscription Forms can be downloaded from: www.psx.com.pk, www.arifhabibltd.com, & www.mcb.com.pk

For further queries you may contact

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Note: This Supplement shall be published within 3 working days of the close of Bidding Period in at least all those newspapers in which the Offer for Sale Document of Pakistan Stock Exchange Limited is published.

This Supplement is being published pursuant to regulation 11(1) of the Public Offering Regulations, 2017. The Offer for Sale Document of Pakistan Stock Exchange Limited was earlier published on June 1, 2017.

Pakistan Stock Exchange Limited

- FLOOR PRICE : PKR 28/- PER SHARE
- STRIKE PRICE : PKR XX/- PER SHARE
- OFFER PRICE: PKR XX/- PER SHARE

DATE OF PUBLIC SUBSCRIPTION: On June 9, 2017 and June 12, 2017 (both days inclusive during banking hours)

Category wise Breakup of Successful Bidders

S. No	Category	No. of Bidders	Number of Shares Provisionally Allocated
	Institutional Investors		
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		
	Total Institutional Investors		
	Individual Investors		
9	Local Investors		
	Total Individual Investors		

THE SUCCESSFUL BIDDERS IN THE BOOK BUILDING PROCESS HAVE PROVIDED A COMMITMENT TO SUBSCRIBE TO THE UNDERSUBSCRIBED PORTION OF THE RETAIL OFFER, IF ANY, IN ACCORDANCE WITH REGULATION 7(4) OF PUBLIC OFFERING REGULATIONS, 2017. THEREFORE, AS PER THE SAID PROVISION, THE RETAIL PORTION OF THE OFFER DOES NOT REQUIRE UNDERWRITING.

Glossary of Abbreviations and Terms

ACT	Securities Act, 2015
BR	Book Runner
BVPS	Book Value Per Share
CAGR	Compound Annualized Growth Rate
CDA	Central Depositories Act, 1997
CDC / CDCPL	Central Depository Company of Pakistan Limited
CDC Regulations	Central Depository Company of Pakistan Limited Regulations
CDS	Central Depository System
CNIC	Computerized National Identity Card
COI	Certificate of Incorporation
Commission / SECP	Securities and Exchange Commission of Pakistan
CRO	Company Registration Office
CVT	Capital Value Tax
EPS	Earnings Per Share
FBR	Federal Board of Revenue
FED	Federal Excise Duty
GDP	Gross Domestic Product
GoP	Government of Pakistan
Offeror	Initial shareholders of Pakistan Stock Exchange Limited
OFSD	Offer for Sale Document
ITO	Income Tax Ordinance, 2001
Mn	Million
NICOP	National Identity Card for Overseas Pakistani
NOC	No Objection Certificate
Ordinance	The Companies Ordinance, 1984
PKR or Rs.	Pakistan Rupee(s)
PSX / Exchange	Pakistan Stock Exchange Limited
SCRA	Special Convertible Rupee Account
SST	Sindh Sales Tax
UIN	Unique Identification Number
WHT	Withholding Tax

DEFINITIONS

Act	Securities Act, 2015.
Application Money	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
Banker to the Book Building	Means any bank with whom an account is opened and maintained by the Offeror for keeping the bid amount MCB Bank Limited has been appointed as the Banker to the Book Building.
Bid	An indication to make an offer during the Bidding Period by a Bidder to subscribe to the Ordinary Shares of Pakistan Stock Exchange Limited at a price at or above the floor price, including all the revisions thereto. 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 2.2.17 for details
Bid Amount	The amount equals to the product of the number of shares Bid for and the Bid price
Bid Collection Center	Designated offices of the Book Runner, specified branches of any of the Scheduled Banks 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 2.2.4 of this Offer for Sale Document.
Bid Price	The price at which bid is made for a specified number of shares
Bid Revision	The Eligible Investors can revise their bids upward only and cannot revise their bid downwards or withdraw their bid as per Regulation 10(2)(vi) of the Public Offering Regulations, 2017. The bids can be revised with a price variation of not more than 10% from the prevailing indicative Strike Price in compliance with Regulation 10(2)(iii) of the Public Offering Regulations, 2017.
Bidder	An Investor who makes a bid for subscription of shares in the Book Building process
Bidding Form	The form prepared by the Offeror for the purpose of making bids
Bidding Period	The period during which bids for subscription of shares are received The Bidding Period shall be of two days, on <u>June 6, 2017</u> and <u>June 7, 2017</u> both days inclusive (daily from 9:00 a.m. to 5:00 p.m.).

Book Building	A process undertaken to elicit demand for shares offered for sale through which bids are collected from the Bidders and a book is built which depicts demand for the shares at different price levels
Book Building Account	An account opened by the Offeror 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 2.2.14 of this OFSD and the balance of the Application Money, if any, shall be paid through this account after successful allocation of shares under Book Building
Book Building Portion	The part of the total Offer allocated for subscription through the Book Building
Book Runner	<p>The book runner for the offer for sale shall be a scheduled bank or a development financial institution notified by the State Bank of Pakistan or any other institution as may be notified by the Commission</p> <p>MCB Bank Limited ("MCBL") has been appointed as the Book Runner for the Offer.</p>
Collection Bank	<p>MCBL is the collection bank for the Book Building portion. For this purpose, it has opened the following account:</p> <p>Account Title: <u>"Pakistan Stock Exchange Ltd – Book Building"</u> Number: 575701061010133 Branch: Global Transaction Banking Branch City: Karachi</p> <p>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 is finalized and shares are credited to the successful bidders and applicants: the Lead Consultant, after obtaining NOC from SECP, may request in writing to the Collection Bank for transfer of the money of successful and accepted applications to the Offerors' account(s)</p>
Company	Pakistan Stock Exchange Limited (the "Company") or ("PSX")
Company Legal Advisor	Ijaz Ahmed & Associates, Advocates and Legal Consultants
Commission	Securities & Exchange Commission of Pakistan
Connected Person	Means in a relation to a natural person, a spouse, real, step or half sibling, lineal descendent or ascendant of such person, a partner, promoter or substantial shareholder of an undertaking, company or body corporate of which such person is also a partner, promoter or substantial shareholder or an undertaking, company or body corporate in which such person is a partner, promoter, substantial shareholder or director; in relation to a legal

Divestment Committee

person a Connected person means an undertaking, company or body corporate which is a holding, subsidiary or associated company of such legal person

A committee ratified by the initial shareholders of the Exchange to offer shares of the initial shareholders in pursuant with the Stock Exchanges (Corporatization, Demutualization and Integration) Regulations, 2012.

Designated Institution

Includes securities exchange, central depository or clearing house approved by the Commission to provide a system for conducting Book Building.

Pakistan Stock Exchange Limited will act as the Designated Institution for this Offer.

Dutch Auction Method

The method through which Strike Price is determined by arranging all the Bid Prices in descending order along with the number of shares and the cumulative number of shares bid for at each Bid Price. The Strike Price is determined by lowering the price to the extent that the total number of shares offered under the Book Building Portion are subscribed.

e-IPO facility

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):

In order to facilitate investors, the Central Depository Company of Pakistan ("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 for Sale and can be accessed through the web link (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 registered themselves with CES.

Investors who do not have CDS account may visit www.cdcpakistan.com for information and details.

For further guidance and queries regarding CES and opening of CDS account, investors may contact CDC:

Contact Number: 0800 – 23275 (CDCPL)

E-mail: info@cdcpak.com

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

Currently, United Bank Limited (“UBL”), Summit Bank Limited (“SMBL”) and Bank Alfalah Limited (“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>

e-IPO has the following benefits:

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

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 June 12, 2017.

Eligible Investor

The following persons shall be eligible for participating in the Book Building process:

- (i) a financial institution;
- (ii) a pension fund authorized under the Voluntary Pension System Rules, 2005;
- (iii) a fund established under the Collective Investment Scheme under the Non-Banking Companies (Establishment and Regulation) Rules, 2003;
- (iv) a company which has a history of investing in the securities market;
- (v) a high net worth individual; and
- (vi) a non-resident Pakistani individual holding Overseas ID Card (NICOP) issued by the National Database and Registration Authority

Demutualization Regulations

The Stock Exchanges (Corporatization, Demutualization and Integration) Regulations, 2012

Floor Price	The minimum price per share set by the Offeror. For this Offer Floor Price is PKR 28/- per share.
General Public	All Individual and Institutional Investors including both Pakistani residents & non-residents.
Offering Regulations	Public Offering Regulations, 2017
Offer	<p>Offer of 160,295,320 Ordinary Shares representing 20% of the Total Paid Up Capital having a Face Value of PKR 10/- each, offer through Book Building.</p> <p>The entire issue will be offered through Book Building at a Floor Price of PKR 28/- per share</p> <p>Initially, 75% of the issue size or 120,221,320 Ordinary Shares will be allotted to Successful Bidders and 25% of the issue or 40,074,000 Ordinary Shares will be offered to Retail Investors at the Strike Price. Any unsubscribed retail portion will be allocated to the Successful Bidders on a pro-rata basis.</p>
Offer Price	The price at which Ordinary Shares of the Company are offered to the General Public. The Offer Price will be the Strike Price.
Offerors	Offerors means initial shareholders of PSX. A comprehensive list of offerors and the shares offered by each can be found in enclosed under Section 13 of this Offer for Sale Document.
Independent Committee	A committee, comprised of independent professionals not included any TRE Certificate Holder of the Pakistan Stock Exchange, formed by the Securities and Exchange Commission to review and recommend changes in the Offer for Sale Document and listing application sent by the Board of Directors of the Exchange before submission of the OFSD and listing application by the Board for approval by the Commission.
Lead Consultant	Arif Habib Limited
Key Employees	Chief Executive Officer, Directors, Chief Financial Officer and Company Secretary of Pakistan Stock Exchange Limited
Limit Bid	The bid at a Limit Price
Limit Price	The maximum price a prospective Bidder is willing to pay for a share under Book Building
Margin Money	The partial or total amount, as the case may be, paid by a Bidder at the time of registering an Eligible Investor. The Book Runner shall collect full amount of the bid money as Margin Money in respect of bids placed by an individual

	investor and not less than twenty five percent (25%) of the bid money as Margin Money in respect of bids placed by an institutional investor.
Minimum Bid Size	The Bid amount equal to Three Million Rupees (PKR 3,000,000)
Ordinary Shares	Ordinary Shares of Pakistan Stock Exchange Limited having face value of PKR 10/- each
OFSD	The Offer for Sale Document of the Offeror for the Offer of 160,295,320 ordinary shares to the public (including both the eligible investors and retail investors) containing all the information and disclosures as required under the Securities Act, 2015, the Public Offering Regulations, 2017, and the Stock Exchanges (Corporatization, Demutualization, and Integration) Regulations, 2012
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 Securities Act 2015, 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 before the start of the Bidding Period from <u>June 6, 2017</u> to <u>June 7, 2017</u> 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 Offeror, the Company, the Consultant, and Book Runner who are directly involved in the Offer. Please refer to paragraph 2.2.27 for further details.
Listing Regulation	Chapter 5 of Pakistan Stock Exchange Rule Book, titled 'Listing of Companies and Securities Regulations'
Step Bid	Step Bid means a series of limit bids at increasing prices. In case of a step bid the amount of each step will not be less than Rupees Three Million (PKR 3,000,000)

Strike Price	The price per ordinary share of the Offer determined / discovered on the basis of Book Building process in the manner provided in the Public Offering Regulations, 2017 at which the shares are Offered to the successful bidders. The Strike Price will be disseminated after conclusion of Book Building through publication in at least all those newspapers in which the OFSD was published and also posted on the websites of the Securities Exchange, Lead Consultant, Book Runner and the Company.
Supplement to the Offer for Sale Document	The Supplement to the Offer for Sale Document shall be published within three (3) working days of the closing of the Bidding Period at least in all those newspapers in which the OFSD was earlier published and disseminated through the Securities Exchange where shares are to be listed
Transaction Legal Counsel	Ahmed & Qazi, Advocates and Legal Consultants
System	An online electronic system operated by the Designated Institution for conducting Book Building.

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

1.1 APPROVAL OF THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

The Securities & Exchange Commission of Pakistan (the "**Commission**" or the "**SECP**") shall act as the front-line regulator, in addition to being the apex regulator, for the Offer for Sale of shares of Pakistan Stock Exchange Limited ("**PSX**" or the "**Exchange**"), as per the Stock Exchanges (Corporatization, Demutualization and Integration) Regulations, 2012 ("**Demutualization Regulations**").

Approval of the Commission under Section 87(2) of the Securities Act, 2015 read with Section 88(1) of the Securities Act and the Public Offering Regulations, 2017 has been obtained by the Offeror for the issue, circulation and publication of this Offering document (hereinafter referred to as the "**Offer for Sale Document**") for self-listing at PSX vide their letter No. SMD/CIW/SA-88/09/2017 dated May 30, 2017.

The SECP has granted approval upon fulfilment of the requirements as laid down under Part VIII and Part IX of the Stock Exchanges (Corporatization, Demutualization and Integration) Regulations, 2012 relating to Offer for Sale of shares and self-listing of PSX.

DISCLAIMER:

IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS APPROVAL, SECP DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS AND PRICE BEING OFFERED BY THE OFFERORS OF THE PSX AND ANY OF ITS SCHEMES STATED HEREIN OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINIONS EXPRESSED WITH REGARD TO THEM BY THE OFFEROR AND / OR THE PSX IN THIS OFFER FOR SALE DOCUMENT.

SECP HAS NOT EVALUATED QUALITY OF THE OFFER AND ITS APPROVAL FOR ISSUE, CIRCULATION AND PUBLICATION OF THE 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 SUBSCRIBING.

1.2 SELF-LISTING AT PAKISTAN STOCK EXCHANGE LIMITED

The self-listing of the Exchange is being made pursuant to Regulation 12 and 15 of the Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012. The Act required the Exchange to be demutualized and divest 40% equity stake to anchor investors and divest a further 20% equity stake through self-listing.

If for any reason the application for formal listing is not accepted by SECP under Regulation 49(2) of the Demutualization Regulations, the Offeror undertakes 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 72 of the Ordinance. However, if any such money is not repaid within eight (08) days after the Company becomes liable to repay it, the Directors of the Company shall be jointly and severally liable to repay that money from the expiration of the eighth day together with surcharge at the rate of one and a half per cent (1.5%) for every month or part thereof from the expiration of the eighth day. In addition a fine not exceeding five thousand rupees, and in the case of a continuing offence a further fine of one hundred rupees for every day after the said eighth day on which the default continues, should be paid in accordance with the provisions of Section 72(2) of the Ordinance.

1.3 CERTIFICATE BY THE OFFERORS

We, the members of the Divestment Committee, on behalf of the Offerors accept absolute responsibility for the disclosures made in this OFSD. We hereby certify that the OFSD 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 OFSD and that nothing has been intentionally concealed.

The information contained in this OFSD 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 OFSD as a whole or any part thereof misleading.

For and on behalf of the **Offerors**

-sd-

Shehzad Chamdia

-sd-

Muneer Kamal

-sd-

Abdul Majeed Adam

-sd-

Firozuddin A. Cassim

-sd-

Najam Ali

-sd-

Abid Ali Habib

-sd-

Ahmed Chinoy

-sd-

Muhammad Yasin Lakhani

-sd-

Arif Habib

-sd-

Amin Issa Tai

-sd-

Mohammed Sohail

May 11, 2017

2 VALUATION, BOOK BUILDING PROCEDURE AND SHARE CAPITAL

2.1 VALUATION

The shares of Pakistan Stock Exchange Limited are being offered at a Floor Price of PKR 28/- per share which is the price at which the recent sale of 40% shareholding in PSX to a consortium of anchor investors was conducted through bidding.

As per the Demutualization Regulations, the initial shareholders of the Pakistan Stock Exchange Limited were required to divest their shareholding to strategic anchor investors at or above a valuation conducted by an independent valuation firm. KPMG Taseer Hadi Chartered Accountants (“KPMG”), who were appointed by the Divestment Committee to conduct their independent valuation, arrived at a price of PKR 26.8/- per share.

Following the valuation, an auction was conducted for sale of 40% shareholding. Following were the members of the successful consortium who bid PKR 28/- per share, implying a premium of PKR 1.2/- per share to the independent valuation:

	Name of Shareholder	Shares Acquired	Percentage Ownership
1	China Financial Futures Exchange Limited	136,251,022	17.0%
2	Shanghai Stock Exchange	64,118,128	8.0%
3	Shenzhen Stock Exchange	40,073,830	5.0%
4	Pak China Investment Company Limited	40,073,830	5.0%
5	Habib Bank Limited	40,073,830	5.0%

Out of the 40% equity stake, 30% shareholding was acquired by Chinese investors and the remaining 10% by local financial institutions at PKR 28/- per share.

Therefore, the Divestment Committee, on behalf of the Offerors, has decided to set the Floor Price of this Offer at PKR 28/- per share.

BASIS OF THE VALUATION

For the purpose of valuation, KPMG analyzed the core operations of the Exchange separately from non-core operations, which includes holdings of land, buildings, property and other assets. The following is the breakdown of the valuation between the core and non-core operations of the Exchange (referred to as “OpCo” and “PropCo”, respectively) and the basis for their valuation:

	Operations Company (OpCo)	Properties Company (PropCo)	Consolidated
Valuation Methodology	Discounted Cash Flow	Adjusted Net Asset Value	Sum of Parts
Total Value (PKR billions)	12.62	8.86	21.48
Value per Share (PKR)	15.75	11.05	26.80

Operations Company (“OpCo”)

The core operations of the Exchange were valued using discounted cash flow methodology. KPMG utilized audited financial accounts for the nine months ended March 31, 2016 and financial projections and underlying assumptions for FY 2017 to FY 2023 made by the Exchange’s management. Based on their review and discussion, KPMG modified a number of assumptions. Certain key assumptions used by KPMG to value OpCo were:

1. Discount Rate: 14.54%
 - a. Risk Free Rate: 8.54%
 - b. Risk Premium: 6.00%
 - c. Beta: 1.00x

2. Terminal Growth Rate: 6.00%

Properties Company (“PropCo”)

In order to carry out the valuation for the Exchange’s non-core holdings of land, building, property and other assets, KPMG relied on conceptual valuation conducted by a State Bank of Pakistan (“SBP”) approved valuer. KPMG adjusted the pro-forma balance sheet of PropCo, as provided by the Exchange’s management, with the conceptual valuation. Breakdown of the value of PropCo between various assets is as follows:

<i>As at March 31, 2016</i>	Adjusted NAV
Land and buildings (including investment property) (Note 2)	7,529.54
Other assets (lifts & generators)	41.74
Long term investments	1,054.20
Long-term deposits	33.81
Current assets (short term investments and receivables)	209.05
Total Assets	8,868.34
Non-Current Liabilities	5.49
Current Liabilities	4.35
Total Liabilities	9.84
Net Assets	8,858.5

Disclaimers:

1. After June 30, 2017, the Exchange will not receive the 4% management fee it charges on managing the PSX Investors Protection Fund (“IPF”). For further details refer to Section 6.4.
2. Due to certain office spaces being provided to members of the Exchange free of cost, the value of PropCo has been impaired by PKR 1.4 billion. For further details refer to Section 8.17.

2.1.1 STRONG PERFORMANCE TRAJECTORY OF THE PAKISTAN STOCK EXCHANGE

The Pakistan Stock Exchange Limited has registered significant improvement in its underlying financial performance during the nine months ended March 31, 2017*:

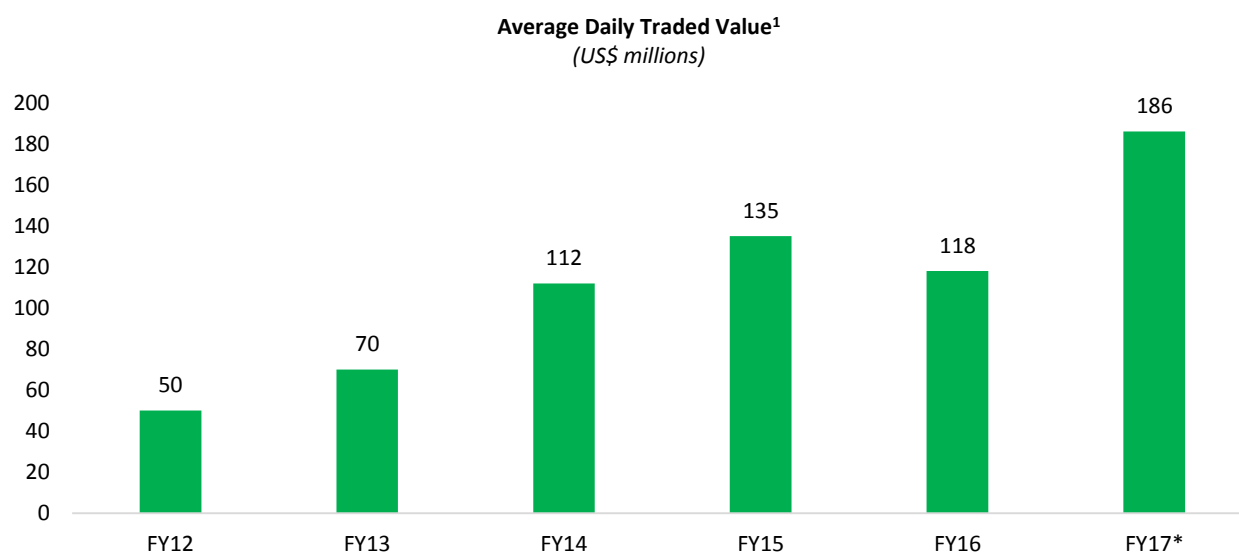
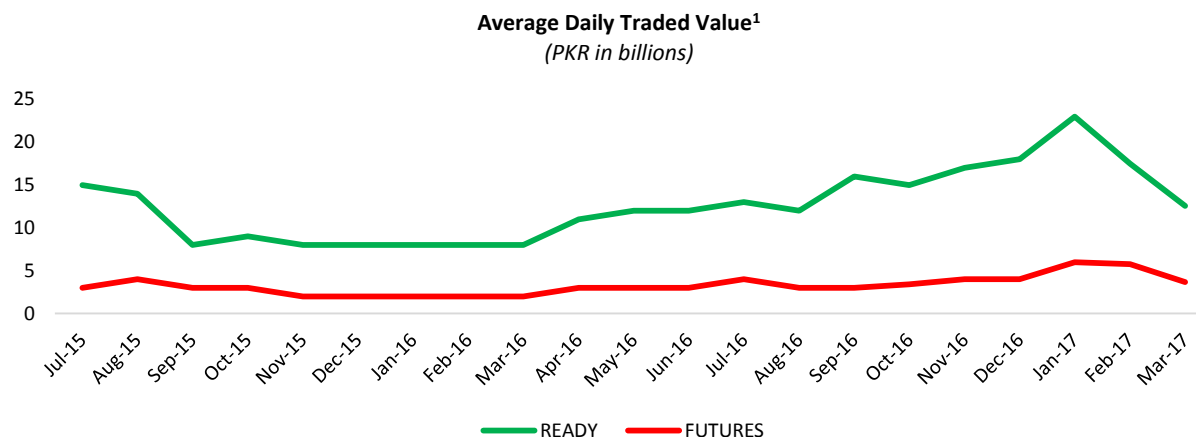
1. Total revenue generation increased **8%** to PKR 1,075 million from PKR 991 million
2. Core operating revenue increased **29%** to PKR 581 million from PKR 450 million
 - a. Trading fee increased **62%** to 253 million from PKR 156 million
 - b. Facilities and equipment fee increased **34%** to PKR 53 million from PKR 40 million

For details on the financial performance, please refer to Section 6.4 of this OFSD.

**The growth figures have been calculated for between the nine months audited accounts for March 31, 2016 and March 31, 2017*

The healthy growth of 29% in core operating revenue was driven by the increase in trading fee received as the average daily traded value (“ADTV”) in the ready (cash) market during the nine months ended March 31st, 2017 was significantly higher at PKR 16.0 billion versus PKR 9.6 billion in nine months ended March 31st, 2016 and the ADTV in the deliverable futures market was PKR 4.1 billion during this period versus PKR 2.7 billion in the same period last year. The healthy performance of the market is also reflected in the fact that the KSE-100 increased by 26.84% between July 2016 and March 2017 and stood at 48,155.96 on March 31st, 2017. Overall market capitalization has also risen from US\$ 72.7 billion as at June 30th, 2016 to US\$ 97.9 billion as on May 15th, 2017: a strong growth of 29%.

The core operating revenue was also driven by a steady increase in the total number of UINs that actively trade using PSX's trading systems. Total active UIN's were 246,840 as of March 31st, 2017 against 244,158 on March 31st, 2016.



* Upto May, 2017

2.1.2 POSITIVE IMPACT OF CHINESE STRATEGIC INVESTORS

The consortium of anchor investors who have purchased 40% shareholding in the Exchange comprise of the top three Chinese exchanges and all these entities are amongst the most dynamic exchanges in the world. They will nominate senior management as per the Share Purchase Agreement and will direct strategic changes in the Exchange's business model. Their investment has the potential to transfer modern financial technology (FinTech) to the Exchange and to help it roll out new financial products and expand the base of the Exchange's products and services. As a result of the China-Pakistan Economic Corridor ("CPEC"), the synergy of the two capital markets of China and Pakistan is also expected. For details on CPEC, please refer to Section 2.1.7 of this OFSD.

¹ Source: Pakistan Stock Exchange

2.1.3 INVESTMENT INFLOWS FROM CLASSIFICATION AS AN MSCI EMERGING MARKET

Pakistan remained in the MSCI (formerly Morgan Stanley Capital International) Emerging Markets Index till 2008 with a weight of 0.12%. It was shifted to MSCI Frontier Market index during the financial crisis with a weight of 9.63% in the MSCI Frontier Market Index with 16 constituents. In June 2016, MSCI announced that Pakistan will be included in the emerging markets index by May 2017. Pakistan will be represented in that index with a weight of 0.14% by one large cap firm and five mid-cap firms, whereas 27 other small cap companies have also been shortlisted to be a part of the MSCI Pakistan Emerging Market Index.

This equity market up-gradation should bring in strong net inflows since the size of funds tracking Emerging Markets stands at c. US\$ 1.4 - 1.7 trillion (out of which c. US\$ 500 – 600 billion are passive funds) compared to US\$ 17 – 20 billion of Frontier Market funds. Inflows could be even higher given Frontier Market active funds may not redeem their holdings and would stay invested in Pakistan since the market offers lucrative returns.

Besides the activity generated by index funds, the upgrade of Pakistan into MSCI Emerging Market Index is symbolically important as it signals to all the classes and types of investors that Pakistan's equity market has moved to a higher level of development. This is likely to act as an incentive for active global portfolio investors to direct liquidity to Pakistan's market thereby increasing trading volumes and consequently the trading fee received by the Exchange.

2.1.4 IMPROVING POLITICAL STABILITY AND ECONOMIC FUNDAMENTALS²

Pakistan is firmly on the path of sustained political stability after a smooth transition from one freely elected civilian government to another for the first time in 69 years. Nominal GDP for FY15-16 was US\$ 284 billion and is estimated at US\$ 300 billion for the year FY16-17. GDP growth has averaged 4.27% over the past three years versus 2.5%-3.0% range in the previous period.

Pakistan's economy is estimated to have grown by 5.28% during the current financial year 2016-2017. The target announced by the government for GDP growth for the next financial year is circa 6%. Improved demand conditions have positively impacted revenues and profits across the entire spectrum on commerce and industry with bank credit to the private sector displaying sustained increase. Although due to the recent sub-par performance of the export sector and higher imports related to CPEC and other development projects, the external account has been a drag on the economic growth: the government is beginning to take actions to mitigate the growing risk from this side. Improved economic growth prospects are leading companies to embark on major expansion projects. For listed companies this means turning to the stock market for large rights issues and for unlisted companies it means looking at the potential of obtaining long term finance from public markets. In both the cases, the primary market activity is expected to pick up going forward, which will positively impact the Exchange's listing income directly and trading income indirectly as more liquid scrips are made available to the investors.

The China Pakistan Economic Corridor ("CPEC") initiative is a major development in the country's economic landscape whereby a series of infrastructure, energy and other projects worth more than US\$ 46 billion have been kick started. It is expected that this massive infrastructure spending, which translates into the highest per capita investment in Pakistan's history, over the next several years is likely to improve the real GDP growth rate further in the medium-term. As the physical infrastructure and power infrastructure is enhanced, the private sector is responding positively with key industries such as cement, steel and construction significantly expanding capacity to meet the expected upsurge in demand. With more than 50% of the CPEC allocation to the power sector, a surge in independent power projects ("IPP") based on furnace oil, coal and LNG have achieved financial close or have already broken ground. It is expected that a number of such IPPs will seek listing near commissioning of the power plants: positively impacting the supply side of securities in the stock market and therefore improving liquidity.

² Source: Pakistan Economic Survey & State Bank of Pakistan

2.1.5 ATTRACTIVE CAPITAL MARKETS PROSPECTS³

Pakistan's market performance has been stellar in the last few years with Bloomberg research indicating that KSE-100 index has been amongst the world's top ten best performers over a five year period. Furthermore, despite the Pakistani market capitalization in USD terms increasing from circa US\$ 30 billion in June 2011 to almost US\$ 100 billion in mid May 2017, the market capitalization to GDP ratio is still around 35% as compared to over 70% in other Asian markets and 100% or more in developed markets. This indicates significant medium term upside potential in market valuations. Usually when market valuations reach a certain tipping point there is an incentive for privately held companies to come to the exchange for listing in order to monetize the sponsors' locked wealth. As such, a higher valuation also increases the potential for greater listings and thus greater revenues for the Exchange.

Going forward, the following factors indicate a positive scenario for the future development and growth of PSX:

1. **Low penetration:** Pakistan has a latent potential of directing the savings of a growing middle class (c. 35-40 million) into the capital market. Pakistan has around 255,000 Central Depository Company ("CDC") account holders (0.131% of population), compared to 2 million in Bangladesh (1.3% of population) and 25 million in India (2% of population), depicting a very low penetration and base of registered investors compared to the regional averages.
2. **Demutualisation:** Corporatization, separation of ownership, improved governance, creation of a board of directors and election of an independent Chairman with the aim of protecting investors, growing invested capital and liquidity are attracting international partners.
3. **Drive to modernize the capital markets:** The Securities and Exchange Commission of Pakistan ("SECP") is fully supportive of the PSX's board and management to introduce new products (e.g. bonds/options/ETF's, margin trading) and access new retail, institutional and international investors.
4. **Foreign ownership:** 100% foreign ownership on a fully repatriable basis is allowed in most sectors.
5. **PSX as the sole stock exchange of Pakistan:** This has opened up the potential for nationwide investor base increase.

2.1.6 STRONG POSITIONING IN DOMESTIC AND REGIONAL MARKETS

Strong Local Market Share

1. PSX, while based in Karachi, the financial centre of Pakistan, and having a unique proximity to the country's key investors, financial institutions, issuers and partners, is now focused on strengthening its services and facilitating TREC Holders in Lahore and Islamabad so that the broader investor base in central and northern Pakistan is able to avail the opportunity to invest in the capital market enhancing the overall investor base
2. Post integration of the three stock exchanges of Pakistan in January 2016, PSX is the single stock exchange of the country. The Exchange enjoys 100% market share but remains fully cognizant of the need for constant improvement in its technological capability, outreach and quality of service with a national footprint so that it fulfils its responsibility in development of the capital market while simultaneously improves its revenue generating base in order to add to shareholder value
3. PSX has positioned itself as the dominant player and the 'go-to' partner in Pakistan for any new plans or ventures by the Pakistani government, local and international investors, strategic partners, etc., as related to fundraising from the capital market

³ Source: Pakistan Economic Survey & National Clearing Company of Pakistan Limited

Proprietary Technology

1. Karachi Automated Trading System ("KATS"): PSX's in-house developed trading solution provides a uniform platform for the electronic trading of equities, derivatives, bills/bonds and leveraged trading with a seamless vertical integration.
2. Bond Automated Trading System ("BATS"): On February 18th, 2014 the Exchange launched its government fixed income securities trading platform. As a result, going forward no major IT or systems development will be required when fixed income securities such as infrastructure bonds, Sukuks, municipal bonds etc. are launched for CPEC related and other development projects.
3. Brokers' Front Office System ("BFOS"): Brokers' front office system was launched in the third quarter of 2015 calendar year and provides brokers real time internet/wireless (smart phone) trading capability to facilitate their clients. In January 2016, trades conducted through BFOS accounted for 1% of the market share. This increased to over 8% by December 2016, indicating very strong take-up by retail investors of this facility and pointing towards continued growth of the wireless/smartphone trading platform in the future.
4. Derivatives Trading Platform: Technology driven product suite for derivatives including cash settled futures and stock options is already in place with planned roll out over the next six months as final regulatory framework is approved by the apex regulator.
5. Margin Trading: PSX has developed this system for use in conjunction with the margin trading framework of NCCPL and this is expected to have a significant positive impact on liquidity going forward.

2.1.7 ECONOMIC BOOST FROM CHINA-PAKISTAN ECONOMIC CORRIDOR

During the visit of Chinese Premier Li Keqiang in May 2013, China-Pakistan Economic Corridor ("CPEC") was visualized as acting as a bridge for the new Maritime Silk route that envisages linking 3 billion people in Asia, Africa and Europe. In May 2015, an official agreement for CPEC was signed between two countries during Chinese President Xi Jinping's historic visit to Pakistan.

CPEC is a 3000-kilometer network of roads, railways and pipelines to transport oil and gas from Gwadar port to Kashgar city, north-western China's Xinjiang Uygur autonomous region. The project links China's strategy to develop its western region with Pakistan's focus on boosting its economy, including the infrastructure construction of Gwadar Port, together with energy cooperation and investment programs. This flagship project of the one Belt, one Road initiative as well as the CPEC intends to revive the ancient Silk Road with a focus on infrastructure and constitutes the strategic framework of bilateral cooperation. It involves road and railway construction including an upgrade of the 1,300-km Karakoram Highway, the highest paved international road in the world which connects China and Pakistan across the Karakoram Mountains.

The China-Pakistan Economic Corridor is the single largest investment initiative in Pakistan that will trigger growth, economic activity and a significant place on the world map as an important and influential member of the community of Nations. It is expected that CPEC will reduce China's routes of oil and gas imports from Africa and the Middle East by thousands of kilometers, making Gwadar a potentially vital link in China's supply chain. It is estimated that about 3 billion people from China, South Asia and Central Asia, will benefit from the economic corridor. Islamabad and Beijing sped up the process of finalizing a framework agreement.

Select CPEC Initiatives⁴:

Port Qasim Electric Company Coal Fired, 2x660, Sindh	65% power plant and 70% jetty completed commercial operation by June 2018
Sahiwal 2x660MW Coal-fired Power Plant, Punjab	95% civil works completed; commercial operation by December 2017
Engro Thar 4x330MW Coal-fired, Thar, Sindh	Construction in progress
Sachal 50MW Wind Farm, Jhimpir, Sindh	Construction in progress; commercial operation by June 2017
Peshawar-Karachi Motorway (Multan-Sukkur Section)	Construction commenced in August 2016
Cross Border Optical Fiber Cable	Work commenced in October 2015
Karachi Circular Railway	Agreed in principle
Greater Peshawar Region Mass Transit	Agreed in principle
Quetta Mass Transit	Agreed in principle

⁴ Source: www.cpec.gov.pk

2.2 BOOK BUILDING PROCEDURE

2.2.1 BRIEF OFFER STRUCTURE

The Present Offer

The Offer comprises of 160,295,320 Ordinary shares of face value of PKR 10/- each, which constitutes 20% of the total paid up capital of the Company.

The entire Issue of 160,295,320 Ordinary Shares will be offered through Book Building process at a Floor Price of PKR 28/- per share. Initially, 75% of the issue size of 120,221,320 Ordinary Shares will be allotted to Successful Bidders and 25% of the issue of 40,074,000 Ordinary Shares will be offered to Retail Investors. Any unsubscribed portion of the General Subscription portion will be allocated to Successful Bidders of the Book Building portion on a pro-rata basis.

The bidders shall give an undertaking along with the bid application that they would subscribe to the shares remaining unsubscribed by the retail investors. The balance bid money of successful investors would remain in the Book Building account with the banker to the Book Building portion of the Offer till allotment of unsubscribed shares out of the retail portion to them on pro-rata basis. The bid money of unsuccessful applicants shall be refunded immediately, but not later than three (3) working days.

In case the retail portion is fully subscribed, the balance bid money of the Book Building portion shall be immediately refunded to the concerned bidders.

Within three (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 of the Company is published. The Supplement will contain information related to the Strike Price, the Offer Price, dates of the Public Subscription and category wise break-up of the Successful Bidders. Format of the Supplement is given on page 2 of this OFSD.

2.2.2 BOOK BUILDING PROCEDURE

Book Building is a process whereby investors bid for a specific number of shares at various prices. The Offeror sets a Floor Price, which is the minimum / lowest price a Bidder can bid at. An order book of bids from bidders 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 is subscribed.

A bid by a Bidder can be a “**Limit Bid**”, or a “**Step Bid**”, each of which are explained below:

1. **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 2 million shares at PKR 30/- per share, based on which the total Application Money would amount to PKR 60 million. In this case, the Bid Amount will be also PKR 60 million. Since the Bidder has placed a Limit Bid of PKR 30/- per share, this indicates that he / she / it is willing to subscribe the shares at a price of up to PKR 30/- per share.

2. **Step Bid:** A series of Limit Bids at increasing prices provided that the bid amount of any individual step shall not be less than PKR 3,000,000.

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 0.5 million shares at PKR 30/- per share, 1 million shares at PKR 31/- per share and 1.5 million shares at PKR 32/- per share. Therefore in essence the Bidder has placed one Step Bid comprising of three Limit Bids at increasing prices. The Bid amount will be PKR 94 million. In case of an individual Bidder, the Margin Money will be 100% i.e. PKR 94 million whereas in case of Bidders being Institutional Investors the Margin Money shall be 25% of the Bid amount i.e. PKR 23.5 million.

AN ELIGIBLE INVESTOR SHALL NOT 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 OFFERING REGULATIONS.

AN ELIGIBLE INVESTOR SHALL NOT MAKE MORE THAN ONE BID SEVERALLY OR JOINTLY, HOWEVER, A BID CAN BE REVISED UPWARDS TILL 5.00 PM ON THE LAST OF BIDDING PERIOD. DOWNWARD REVISION OR WITHDRAWAL OF BIDS SHALL NOT BE ALLOWED. FOR FURTHER DETAILS, PLEASE SEE PARAGRAPH 2.2.11 AND PARAGRAPH 2.2.19

AN ELIGIBLE INVESTOR SHALL NOT PLACE CONSOLIDATED BIDS. A BID APPLICATION WHICH IS FULLY OR PARTIALLY BENEFICIALLY OWNED BY PERSONS OTHER THAN THE ONES NAMED THEREIN IS TO BE CONSIDERED AS A CONSOLIDATED BID.

RELATED EMPLOYEES AND CONNECTED PERSONS OF THE OFFEROR AND THE BOOK RUNNER CANNOT PARTICIPATE IN THE BIDDING PROCESS.

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) working 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) working 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, the Margin Money deposited by such Bidder shall be forfeited to the Book Runner.**

As per Regulation 9(16) of the Offering Regulations, the successful bidders shall be Offered shares in the form of book-entry securities to be credited in their CDS accounts. All the eligible investors shall, therefore, provide their CDC account numbers in the bid application.

The Bidders may 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 BOOK RUNNER

MCB Bank Limited has been appointed by the Offerors as the Book Runner to this Offer.

2.2.4 ROLE AND FUNCTIONS 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 undertake the whole Book Building in a fair, efficient and transparent manner;
2. ensure that it is financially capable for honoring its commitments arising out of defaults by their client investors, if any;
3. collect Margin Money and subscription money from the Bidders in the manner as mentioned in the Offering Regulations;

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 the System and can revise their bids electronically using the user ID and the password;
7. ensure that it has established not less than two Bid Collection Centers in Karachi and at least one Bid Collection Centre in all major cities of the country at least in the Federal Capital and all the provincial capitals;
8. enter into an underwriting agreement with the Offeror with respect to underwriting of the Book Building Portion;
9. maintain record of the bids received for a period of at least ten years from the closing of the Book Building
10. ensure that it has obtained a list and Unique Identification Numbers of the associated companies and associated undertakings of the Offeror and the Consultant;
11. ensure that names and Unique Identification Numbers of the associated companies and associated undertakings of the Offeror are entered in the system and capped at five per cent (5%) before commencement of the Bidding Period;
12. ensure that names and Unique Identification Numbers of the associated companies and associated undertakings of the Lead Consultant, Joint Consultants and Book Runner are entered and capped at two per cent (2%) into the system before commencement of the Bidding Period;
13. ensure that no bid in aggregate exceeding five per cent (5%) is made by the associated companies and associated undertakings of the Offeror and two per cent (2%) by the associated companies and associated undertakings of the Lead Consultant, Joint Consultants and Book Runner
14. ensure that it has obtained names and Unique Identification Numbers of the Related Employees of the Offeror, the Lead Consultants, and Book Runners and that names and Unique Identification Numbers of all such employees are entered into the system and blocked for participation in the bidding; and
15. ensure that all the Bids received by the Bid Collection Centers are entered into the system developed by the Designated Institution for the purpose of Book Building within the prescribed time.

Bid Collection Centers

Book Runner has established bid collection centers at the following addresses (direct & fax numbers in all centers):

Karachi			
Contact Officer:	Muzammil Shahid Bhatti	Contact Officer:	Muhammad Farhan Khan
Direct No.:	021-3264-2010 021-3264 1374 021-3264 2818 0331-130 6154	Direct No.:	021-32645034; 021-32633070
Fax No.:	021-3227 0105	Fax No.:	021-32633075
Email:	muzammil.bhatti@mcb.com.pk	Email:	farhan.khan@mcb.com.pk
Postal Address:	Mezzanine Floor, MCB Tower, MCB Bank Limited, I.I. Chundrigar Road - Karachi	Postal Address:	1 st Floor Shaheen Complex M.R Kayani Road Karachi.
Lahore		Islamabad	
Contact Officer:	Farooq Malik	Contact Officer:	Abubakar
Direct No.:	0322-4988848	Direct No.:	0345 5366115
Fax No.:	042-36362949	Fax No.:	051-2894045

Email: farooq.malik@mcb.com.pk
Postal Address: Stock Exchange, 19 Khayaban-e-Aiwan-e-Iqbal, Lahore

MCB Branch Code: 1392

Email: ops1390@mcb.com.pk
Postal Address: Office No.1, Ground + Mezzanine Floor, Islamabad Stock Exchange Tower, Blue Rea Islamabad

MCB Branch Code: 1390

Quetta

Contact Officer: Waqar Ali
Direct No.: 0333-7937887; 0812823487
Fax No.: 081-2822203
Email: ops0551@mcb.com.pk
Postal Address: Shahra-e-Iqbal, Quetta

MCB Branch Code: 0551

Peshawar

Contact Officer: Farhan Yousaf
Direct No.: 0321-9061157
Fax No.: 091-5279427
Email: ops0277@mcb.com.pk
Postal Address: Saddar Road, Peshawar Cantt, Peshawar

MCB Branch Code: 0277

Gilgit

Contact Officer: Liaqat Ali
Direct No.: 0300 8999117
Fax No.: 05811-457860
Email: ops1116@mcb.com.pk
Postal Address: National Market, Gilgit
MCB Branch Code: 1116

Muzaffarabad

Contact Officer: Attiq ur Rehman
Direct No.: 05822920508; 03455357390
Fax No.: 05822-920491
Email: ops0593@mcb.com.pk
Postal Address: Bank Road, Muzaffarabad, AK
MCB Branch Code: 0593

2.2.5 INTEREST OF BOOK RUNNER IN THE OFFER FOR SALE OF SHARES OTHER THAN AS BOOK RUNNER AND BANKERS TO THE OFFER

The Book Runner is deemed to be interested to the extent of fees payable to it by the Offeror for its services. The Book Runner has no other interest in any property or profits of the Company.

2.2.6 OPENING AND CLOSING OF REGISTRATION PERIOD

The Registration period shall be for **Five (5) working days** i.e. June 1, 2017 to June 2, 2017 and June 5, 2017 to June 6, 2017 from 9:00 AM to 5:00 PM and from 9:00 AM to 3:00 PM on June 7, 2017.

REGISTRATION PERIOD	
June 1, 2017	9:00am to 5:00pm
June 2, 2017	9:00am to 5:00pm
June 5, 2017	9:00am to 5:00pm
June 6, 2017	9:00am to 5:00pm
June 7, 2017	9:00am to 3:00pm

2.2.7 OPENING AND CLOSING OF THE BIDDING PERIOD

The Bidding Period shall be for **Two (2) working days** i.e. June 6, 2017 and June 7, 2017. The bidding will commence at 09:00 am and shall close at 05:00 pm on both days.

BIDDING PROCESS STARTS ON	June 6, 2017 (9:00 AM to 5:00 PM)
BIDDING PROCESS ENDS ON	June 7, 2017 (9:00 AM to 5:00 PM)

2.2.8 ELIGIBILITY TO PARTICIPATE IN BIDDING

As per Regulation 42(8) of the Demutualization Regulations, the following persons shall be eligible for participating in the Book Building process and the persons listed at (1) to (4) shall submit an undertaking of compliance to the Exchange and the Commission with respect to Regulation 39 of the Demutualization Regulations prior to participating in Book Building: (please refer to the specimen attached with the Bidding Forms)

1. a financial institution;
2. a pension fund authorized under the Voluntary Pension System Rules, 2005;
3. a fund established under the Collective Investment Scheme under the Non-Banking Companies (Establishment and Regulation) Rules, 2003;
4. a company which has a history of investing in the securities market;
5. a high net worth individual; and
6. a non-resident Pakistani individual holding Overseas ID Card ("NICOP") issued by the National Database and Registration Authority:

Provided that the requirement of sub-regulation 39(a) of the Demutualization Regulations shall not be applicable to persons who have TRE certificate holders only as their subsidiaries.

As per Regulation 42(9), a "high net worth individual" includes a non-resident Pakistani individual and means any individual who:

1. is on the Active Taxpayer List of the Federal Board of Revenue
2. at the time of registration with the Book Runner submits his National Tax Number
3. makes payment for the bid amount through a banking instrument in his own name
4. has annual taxable income not less than two million rupees
5. is registered with the Book Runner at least three days prior to commencement of Book Building
6. has experience of investing in the securities market
7. makes a minimum bid of three million rupees in the Book Building; and
8. provides a declaration on non-judicial stamp paper that he is not a connected person of a TRE Certificate Holder (specimen attached with the Bidding Forms)

Provided that for the purpose of the Demutualization Regulations, non-resident Pakistani individuals shall not be required to comply with clauses (1) and (2).

The minimum Bid Amount for Book building shall be PKR 3,000,000 (Rupees Three Million only).

2.2.9 INFORMATION FOR BIDDERS

1. The OFSD for Offer of Shares has been duly cleared and approved by SECP.
2. The OFSD, Registration Forms and the Bidding Forms can be obtained from the Registered Office of Pakistan Stock Exchange Limited and MCB Bank Limited and the designated Bid Collection Centers. OFSD, Registration Forms and Bidding Forms can also be downloaded from the following websites of the Lead Consultant, Book Runner and the Company i.e. <http://www.arifhabibltd.com>, www.mcb.com.pk and <http://www.psx.com.pk>.
3. Eligible Investors who are interested in subscribing to the Ordinary Shares should approach the Book Runner at the addresses provided in paragraph 2.2.4 for registration for submitting their Bids.
4. THE REGISTRATION FORMS SHOULD BE SUBMITTED IN THE PRESCRIBED FORMAT AT THE ADDRESSES PROVIDED IN PARAGRAPH 2.2.4. FOR DETAILS ON THE PROCEDURE OF REGISTRATION PLEASE REFER TO PARAGRAPH 2.2.10.
5. THE BIDS SHOULD BE SUBMITTED IN THE PRESCRIBED BIDDING FORM IN PERSON, THROUGH FAX NUMBERS GIVEN IN PARAGRAPH 2.2.4 OR THROUGH THE ONLINE SYSTEM USING THE USER ID AND PASSWORD ISSUED AT THE TIME OF REGISTRATION OF ELIGIBLE INVESTOR.
6. REGISTERED INVESTORS CAN PLACE AND REVISE UPWARDS THEIR BIDS BY ACCESSING THE DESIGNATED INSTITUTIONS' 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 MCBL CAN USE THE ONLINE TRANSFER FACILITY (PAY ORDER OR DEMAND DRAFT MAY BE DEPOSITED AT ANY BRANCH OF MCBL AND EVIDENCE TO BE SUBMITTED TO THE BOOK RUNNER) TO DEPOSIT THEIR BID MONEY TO THE BOOK BUILDING ACCOUNT OPENED AT MCBL.

2.2.10 REGISTRATION FORM AND PROCEDURE FOR REGISTRATION

1. A standardized Registration Form has been prescribed by the Offeror. The Registration Form shall be submitted, duly filled in, at the Bid Collection Centers in person on addresses given in paragraph 2.2.4 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 Offeror 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 OFSD was published and filing the Supplement with the Divestment Committee of 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 period shall be for five (5) working days i.e. June 1, 2017 to June 2, 2017 and June 5, 2017 to June 6, 2017 from 9:00 AM to 5:00 PM and from 9:00 AM to 3:00 PM on June 7, 2017.
 - The Registration Form shall be issued in duplicate signed by the Bidder and countersigned by the Book Runner, with the 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, along with an undertaking or a declaration, as the case may be, through a representative or through fax on addresses and numbers given in paragraph 2.2.4 on the Registration Form duly filled in and signed in duplicate.

- Upon registration of the bidders in the System, PSX shall assign and communicate the 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 Runners shall not be challengeable by the Bidder or its associates.
- Bid Amount / 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 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 pay order shall be made in favor of **"Pakistan Stock Exchange Ltd – Book Building"**. For online transfer into MCBL, the payment shall be made into account number 575701061010133 being maintained in MCBL's Global Transaction Banking Branch with the Account Title **"Pakistan Stock Exchange Ltd – Book Building"**.
 - Please note that the online transfer facility shall only be allowed to MCBL 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 Runners shall collect an amount of 100% of the Application Money as Margin Money in respect to bids placed by Individual Investors.
- The Book Runners shall collect an amount of not less than 25% of the Application Money as Margin Money in respect to 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 directly place and revise their bids (upward only) 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.

2.2.11 PROCEDURE FOR BIDDING

1. A standardized Bidding Form has been prescribed by the Offeror.
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 either at the "Limit Price" or as a "Step Bid". The minimum size of a Limit Bid by an Eligible Investor shall not be less than PKR 3,000,000/- (Rupees Three Million) and in case of a Step Bid, the amount of any step shall also not be less than PKR 3,000,000/- (Rupees Three Million).
 - In addition to the procedure provided in Regulation 8(14) of the Offering Regulations, the investors may place their bids through any of 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 aforementioned clause, 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 a.m. and close at 05:00 p.m. on all days of the Bidding Period. The bids shall be collected and entered into the system by the Book-Runner till 05:00 p.m. on the last day of the bidding period.

Subject to Regulation 10(2)(iii) of Offering Regulations, 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 05:00 p.m. on the last day of the Bidding Period. **NO DOWNWARD REVISION OR WITHDRAWAL SHALL BE ALLOWED AS PER REGULATION 10(2)(VI) OF THE OFFERING REGULATIONS.**

- The Book Runner shall collect full amount of the Bid Amount 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 a bid without Margin Money, provided the Book Runner may waive this margin requirement for institutional investors subject to confirmation from their respective banks that an amount equivalent to the bid money is available in the respective bank account and would be paid directly to the Book Runner on its request and confirmation of the allocation of shares.
- 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 and the bids withdrawn. 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 the Dutch Auction Method.
- Once the Strike Price is determined, all those Bidders whose bids are found successful shall become entitled for allotment of shares. Provisionally, they will be allotted 75% of the total issue.
- 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 on completion of the Retail Portion.
- 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 as per Regulation 9(12) of the Offering Regulations. The procedure for allotment of shares to successful Bidders is mentioned in sections 2.2.21 and 2.2.22 of the OFSD.
- The Bidders who have made bids below the Strike Price shall not qualify for allotment of shares and their Margin Money will be refunded within three (3) working days of the close of the bidding period, as per Regulation 8(16) of the Offering Regulations.
- Successful bidders shall be intimated, within one (1) working 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) working 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.**
- The bid money of successful 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 a pro-rata basis.

- 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 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 working days after closure of the Bidding Period.
- 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 of shares out of the retail portion.
- The Book-Runner shall ensure that subscription money received against the bids accepted shall not be released to the Offeror 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 SECP

2.2.12 SHAREHOLDING LIMITS

As per Regulation 43 of the Demutualization Regulations, the shareholding limits at any time prior to or after the sale of shares through an offer for sale are:

1. foreign persons shall not collectively directly or indirectly acquire or hold more than thirty percent (30%) of the total issued share capital of the Exchange;
Explanation: Since 30% of the paid-up capital is already held by foreign anchor investors, no applications in the Book Building or the General Subscriptions will be entertained from foreign investors
2. a financial institution shall not directly or indirectly acquire or hold more than five percent (5%) of the total issued share capital of the Exchange; and
3. any other person shall not directly or indirectly acquire or hold more than one percent (1%) of the total issued share capital of the Exchange.

2.2.13 RESTRICTIONS

1. Restriction on Related Employees

Related Employees are not allowed to participate in the bidding for shares. Related Employees include the employees of the Offeror (TRE Certificate Holders), the Company and the Book Runners who are directly involved in the Offer (a list of Related Employees can be seen at para 2.27).

2. Restriction on Eligible Investors: an Eligible Investor shall not make

- bid below the Floor Price;
- a consolidated bid; and / or
- more than one bid, either severally or jointly.

Bids from associated companies and associated undertakings of the Company shall not be accepted for shares in excess of five percent (5%), in aggregate, of the Book Building Portion. Bids from associated companies and associated undertakings of the Lead Consultant, Joint Consultants and Book Runner shall not be accepted for shares in excess of two percent (2%), in aggregate, of the Book Building Portion. These restrictions on bidding size shall be subject to the shareholding limits as per Section 2.2.12 of the OFSD.

To check this threshold, the Company, Lead Consultant, Joint Consultants and Book Runner shall provide to the Book Runners a list of associated companies and associated undertakings before commencement of the Bidding Period

along with their respective Unique Identification Numbers, to be entered and capped at five percent (5%) and two percent (2%), respectively, cumulatively in the Book Building system before commencement of the Bidding Period. The Book Runner shall make sure that the said list has been provided to the Designated Institution for entry and capping in the Book Building system and to the employees deployed at the Bid Collection Centers for collection and entry of bids thereof in the system.

2.2.14 BANK ACCOUNT FOR BOOK BUILDING AND PUBLIC PORTION

The Offeror has opened two separate bank accounts for collection of applications' money, one each for the Book Building Portion and the General Public Portion of the Offer.

The Bidders shall draw demand draft or pay order in favor of **"Pakistan Stock Exchange Ltd – Book Building"**. For online transfer facility (pay order or demand draft may be deposited at any branch of MCBL as evidence to be submitted to the book runner), the payment shall be made into the account number 575701061010133 being maintained in MCBL's Global Transaction Banking Branch with the Account Title **"Pakistan Stock Exchange Ltd – Book Building"**.

The online transfer facility shall only be allowed to MCBL customers.

The Collection Banks shall keep and maintain the bid money in the said account. Once the Strike Price is determined and list of successful bidders/allottees is finalized, the Lead Consultant, after obtaining NOC from SECP, may request in writing to the collection bank for transfer of the money of successful and accepted applications to the Offerors' account(s). **Third party payment instruments will not be accepted.**

2.2.15 PAYMENT INTO THE BOOK BUILDING ACCOUNT

The Bidders shall draw a demand draft, pay order favoring **"Pakistan Stock Exchange Ltd – Book Building"** or Online Transfer of the bid money into the respective Book Building accounts 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.

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 OFFEROR'S DESIGNATED BANK ACCOUNT. BID AMOUNT MUST BE PAID THROUGH PAY ORDER, BANK DRAFT OR ONLINE TRANSFER DRAWN / TRANSFER IN FAVOR OF "PAKISTAN STOCK EXCHANGE LTD – BOOK BUILDING" IN A MANNER ACCEPTABLE TO THE BOOK RUNNER.

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

1. PAYMENT FOR LIMIT BID

If investors are placing their bids as a 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 2 million shares at a price of PKR 30/- per share, then the total Application Money would amount to PKR 60 million. In such a case, (i) Individual Investor shall deposit PKR 60 million in the Book Building account as the bid amount which is 100% of PKR 60 million; and (ii) Institutional Investor shall deposit at least PKR 15 million in the Book Building account as the Margin Money which is 25% of PKR 60 million.

2. 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 30/- per share, 1.00 million shares at PKR 31/- per share and 1.50 million shares at PKR 32/- 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 94 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 94 million in the Book Building Account as Margin Money which is 100% of PKR 94 million and (ii) Institutional Investors shall deposit at least PKR 23.5 million in the Book Building Account as Margin Money which is 25% of PKR 94 million.

2.2.16 REVISION OF BIDS BY THE BIDDER

The registered investors may revise their Bids (upward only) any time either manually through the Bid Collection Centers 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. As per regulation 10(2)(vi) of Offering Regulation 2017 **NO DOWNWARD REVISION OF BIDS SHALL BE ALLOWED.**

2.2.17 TEN PERCENT (10%) PRICE BAND MECHANISM

An investor will not be allowed to place or 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 28/- per share and Indicative Strike Price at any given point in time during the bidding period is PKR 28/- per share, registered bidders may place or revise their bids from PKR 28/- per share to PKR 30.8/- per share. If at any given point in time during the bidding period, the Indicative Strike Price changes from PKR 28/- per share to PKR 30/- per share, the registered bidders may place or revise their bids from PKR 28/- per share to PKR 33/- 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.

2.2.18 REJECTION OF BIDS BY THE BOOK RUNNER

In terms of Regulation 9(7) of the Offering 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 WITHDRAWAL OF BIDS BY THE BIDDER

NO WITHDRAWAL OF BIDS SHALL BE ALLOWED AS PER REGULATION 10(2)(VI) OF OFFERING REGULATIONS

2.2.20 WITHDRAWAL OF OFFER BY THE OFFEROR

1. According to Regulation 8(16) of the Offering Regulations, in case the Offeror does not receive bids for the number of shares allocated under the Book Building Portion at the Floor Price, the offer shall be cancelled and the same shall be immediately intimated by the Book Runner and Consultant to the Issue to the Commission, PSX and Designated Institution and bankers to the issue and the Bid Money shall be refunded to the bidders immediately but not later than three (3) working days of the closing of the Bidding Period.
2. The Book Building process will be considered as cancelled if the total number of bids received is less than **Forty (40)**

2.2.21 MECHANISM FOR DETERMINATION OF STRIKE PRICE

1. At the close of the bidding period, 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 is 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 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 mechanism for determination of the Strike Price can be understood by the following illustration:

1. Number of shares being Offered through the Book Building: 160,295,320 Ordinary Shares
2. Floor Price: PKR 28/- per share
3. Bidding Period: From June 6, 2017 to June 7, 2017
4. Bidding Time: 9:00am - 5:00pm
5. Bidding Revision Time: 9:00am - 5:00pm on all days

Bidder	Price (PKR/Share)	Quantity (Shares)	Cummulative Number of Shares	Category of Order
Institution A	40.0	16,000,000	16,000,000	Limit Price
Institution B	39.5	12,000,000	28,000,000	Limit Price
Institution C	39.0	14,375,000	30,375,000	Limit Price
HNWI A	38.5	15,500,000	45,875,000	Step Bid
Institution D	38.0	14,750,000	60,625,000	Limit Price
Institution E	37.5	9,875,000	70,500,000	Limit Price
HNWI B	37.0	15,500,000	86,000,000	Limit Price
HNWI A	36.5	9,500,000	95,500,000	Step Bid
Institution G	36.0	11,750,000	107,250,000	Limit Price
HNWI C	35.5	10,250,000	117,500,000	Limit Price
Institution F	35.0	11,750,000	129,250,000	Step Bid
Institution G	34.5	12,000,000	141,250,000	Limit Price
HNWI D	34.0	16,000,000	145,250,000	Step Bid
HNWI E	33.5	15,500,000	160,750,000	Limit Price
Institution F	33.0	1,350,000	162,100,000	Step Bid
HNWI D	32.5	1,875,000	163,975,000	Step Bid
HNWI F	32.0	1,900,000	165,875,000	Limit Price

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Bid Withdrawn

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Strike Price determined through Dutch Auction Method

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Bid has been revised and placed at PKR 36/- share

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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 33.5 per share to sell the required quantity of 160,295,320 ordinary shares.

At PKR 40.0 per share, investors are willing to buy 16,000,000 shares. Since 144,295,320 shares are still available, the price will be set lower.

At PKR 39.0 per share, investors are willing to buy 14,375,000 shares. Since 129,920,320 shares are still available, the price will be set lower.

At PKR 38.5 per share, investors are willing to buy 15,500,000 shares. Since 114,420,320 shares are still available, the price will be set lower.

At PKR 38.0 per share, investors are willing to buy 14,750,000 shares. Since 99,670,320 shares are still available, the price will be set lower.

At PKR 37.5 per share, investors are willing to buy 9,875,000 shares. Since 89,795,320 shares are still available, the price will be set lower.

At PKR 37.0 per share, investors are willing to buy 15,500,000 shares. Since 74,295,320 shares are still available, the price will be set lower.

At PKR 36.5 per share, investors are willing to buy 9,500,000 shares. Since 64,795,320 shares are still available, the price will be set lower.

At PKR 36.0 per share, investors are willing to buy 11,750,000 shares. Since 53,045,320 shares are still available, the price will be set lower.

At PKR 35.5 per share, investors are willing to buy 10,250,000 shares. Since 42,795,320 shares are still available, the price will be set lower.

At PKR 35.0 per share, investors are willing to buy 11,750,000 shares. Since 31,045,320 shares are still available, the price will be set lower.

At PKR 34.0 per share, investors are willing to buy 16,000,000 shares. Since 15,045,320 shares are still available, the price will be set lower.

At PKR 33.5 per share, investors are willing to buy 15,500,000 shares. Since after bidding for 15,500,000 shares at PKR 33.5 per share, no shares will be available, the Strike Price will be set at PKR 33.5 per share for the entire lot of 160,295,320 shares.

The bidders who have placed bids at prices above the Strike Price (which in this illustration is PKR 33.5 per share), will become entitled for allotment of shares at the Strike Price and the differential would be refunded.

Investors who have bid below PKR 33.5 per share do not qualify for allotment and their money would be refunded.

After allotment in the aforementioned manner, 15,500,000 shares are still available for allotment. These shares will be allotted to Bidders who have placed bid(s) at 33.5 per share, however for the purpose of allotment of these 15,500,000 shares **preference will be given to the Bidder who has placed the bid earlier.**

2.2.22 BASIS OF ALLOTMENT OF SHARES

Once the Strike Price is determined all those bidders whose bids have been found successful shall become entitled for allotment of shares. For allocation of shares 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 issued shares at the Strike Price and the differential, if any, will be refunded. The bidders, who have made bids below the Strike Price, shall not qualify for allotment of shares and their Margin Money shall be refunded.

In case the Bids received are sufficient to allot the total number of shares offered for sale under the Book Building Portion, the allotment shall be made on the basis of highest bid priority, that is, the bid made at the highest price shall be considered first for allotment of shares.

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.

In case bids received at the Strike Price exceeds the number of shares allocated under the Book Building, then preference will be given to the Bidders who have made the bid earlier.

The bid money of successful 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 a pro-rata basis.

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 of shares out of the retail portion of the Offer to successful applicants as per Regulation 9(16) of the Offering Regulations.

2.2.23 REFUND OF MARGIN MONEY

Investors that place Bids lower than the Strike Price shall not be eligible for allotment of shares. The Margin Money of the unsuccessful Bidders shall be refunded within three (3) working days of the close of the bidding period as required under Regulation 8(16) of the Offering Regulations.

The bid money of successful 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 a pro-rata basis.

2.2.24 UNDERWRITING

After determination of the Strike Price the Book Runner shall within two (2) working days of the closing of the bidding period enter into an Underwriting Agreement with the Offeror indicating the number of shares that the Book Runner would underwrite at the Strike Price.

2.2.25 PUBLICATION OF SUPPLEMENT TO THE OFSD

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

Supplement to the OFSD would contain information relating to the Strike Price, the Offer Price, commitment by the successful bidders for subscribing the undersubscribed retail portion, dates of the General Subscription 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.

2.2.26 INTEREST OF THE CONSULTANTS & BOOK RUNNER

The Lead Consultant, Arif Habib Limited, and all Joint Consultants are also the Offerors. However, the Book Runner has no interest in the Offer and the Company other than its role as a Book Runner to the Offer.

Furthermore, the representatives of Joint Consultants namely Adam Securities Limited, Next Capital Limited and Topline Securities Limited are members of the Divestment Committee.

2.2.27 ASSOCIATED UNDERTAKINGS AND COMPANIES

1. Associated Companies

	Name of Company	Shareholding	Status	CUIN	NTN
1	National Clearing Company of Pakistan Limited	47.06%	Associate	0042643	1333864-1
2	Central Depository Company of Pakistan Limited	39.81%	Associate	0029418	0710001-9

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

2. Related Employees of the Company (Pakistan Stock Exchange Limited)

	Name	Designation
1	Nadeem Naqvi	Managing Director
2	Haroon Askari	Deputy Managing Director
3	Muhammad Rafiq Umer	Company Secretary
4	Ahmed Ali Mitha	Chief Financial Officer
5	Abbas Mirza	Acting Chief Regulatory Officer
6	Muhammad Ghufraan	Deputy General Manager - Operations

3. Related Employees of the Lead Consultant (Arif Habib Limited)

	Name	Designation
1	Mr. Shahid Ali Habib	Chief Executive Officer
2	Syed Kashif ul Hassan Shah	Managing Director, Investment Banking
3	Mr. Rafique Bhundi	Sr. Vice President, Investment Banking
4	Mr. Ahmed Rajani	Vice President, Investment Banking
5	Syed Saquib Ali	Vice President, Investment Banking
6	Mr. Dabeer Hasan	Sr. Associate, Investment Banking
7	Mr. Ammad Tahir	Sr. Associate, Investment Banking
8	Mr. Abdul Qadir	Associate, Investment Banking
9	Mrs. Hamda Shahid	Senior Analyst, Investment Banking
10	Mr. Yasir Abbas	Senior Analyst, Investment Banking
11	Mr. Omair Talib Marghoob	Analyst, Investment Banking
12	Mr. Mohsin Javed	Management Trainee Officer
13	Mr. Saeed Ahmed	Officer, Investment Banking

4. Related Employees of the Joint Consultants

	Name	Firm	Designation
1	Fawaz Valiaani	Elixir Securities Pakistan (Private) Limited	Chief Executive Officer
2	Muhammad Moazzam Ali	Elixir Securities Pakistan (Private) Limited	Director, Corporate Finance
3	Ghazil Jabbar	Elixir Securities Pakistan (Private) Limited	Head of Corporate Finance
4	Usman Saeed	Elixir Securities Pakistan (Private) Limited	Vice President
5	Waqar Ali	Elixir Securities Pakistan (Private) Limited	Senior Associate
6	Shaheer Shaikh	Elixir Securities Pakistan (Private) Limited	Senior Associate
7	Moid Shaikh	Elixir Securities Pakistan (Private) Limited	Senior Associate
8	Zehra Benish	Elixir Securities Pakistan (Private) Limited	Associate
9	Amna Qamar Nizami	Elixir Securities Pakistan (Private) Limited	Associate
10	Muhammad Ibrahim	Elixir Securities Pakistan (Private) Limited	Analyst
11	Manal Iqbal	Elixir Securities Pakistan (Private) Limited	Head of Business Development

12	Mohammad Sohail	Topline Securities Limited	Chief Executive
13	Khalid Mahmood	Topline Securities Limited	Chief Financial Officer
14	Omar Salah Ahmed	Topline Securities Limited	Head of Corporate Finance
15	Syed Ali Ahmed	Topline Securities Limited	AVP – Corporate Finance
16	Muhammad Saad Abdullah	Topline Securities Limited	Senior Analyst – Corporate Finance
17	Shehzad	Intermarket Securities Limited	CEO
18	Qazi Mohammad Hasnain	Intermarket Securities Limited	Head - Investment Banking
19	Danya Rafay	Intermarket Securities Limited	Senior Associate - Investment Banking
20	Syed Muhammad Danyal Hassan Rizvi	Intermarket Securities Limited	Analyst - Investment Banking
21	Kamran Nasir	JS Global Capital Limited	CEO
22	Khurram Schehzad	JS Global Capital Limited	CCO/Head of Investment Banking
23	Badr Un Naeem Siddiqui	JS Global Capital Limited	AVP
24	Bosco Firmin Dominic Sales	JS Global Capital Limited	Senior Manager
25	Maaz Ahmed Khan	JS Global Capital Limited	Analyst
26	Muhammad Najam Ali	Next Capital Limited	CEO
27	Umer Habib	Next Capital Limited	Head of Investment Banking
28	Humaira Asad	Next Capital Limited	Associate, Investment Banking
29	Muhammad Talha Azhar	Next Capital Limited	Analyst, Investment Banking
30	Sherina Junejo	Next Capital Limited	Analyst, Investment Banking
31	Abdul Majeed Adam	Adam Securities Limited	CEO
32	Noman Abdul Majeed	Adam Securities Limited	Managing Director
33	Syed Danish Ali	Adam Securities Limited	Head of Foreign Desk & Head of Investment Banking
34	Hassan Murad	Adam Securities Limited	Head of Sales
35	Fahad Hussain Khan	Adam Securities Limited	Research Analyst
36	Nadir Rahman	BMA Capital Management Limited	CEO
37	Umair Aijaz	BMA Capital Management Limited	Executive Director & Head, Investment Banking
38	Salman Jalaluddin Virani	BMA Capital Management Limited	Senior Vice President, Investment Banking
39	Ibad Abdul Quddus Ghandi	BMA Capital Management Limited	Associate, Investment Banking
40	Muhammad Abdullah	BMA Capital Management Limited	Associate, Investment Banking
41	Ayesha Kidwai	BMA Capital Management Limited	Associate, Investment Banking
42	Tahir Iqbal	BMA Capital Management Limited	Head of Operations
43	Jawad Bhatti	BMA Capital Management Limited	Head Customer Support & Compliance
44	Muhammad Farid Alam	AKD Securities Limited	CEO
45	Ambreen Haider	AKD Securities Limited	Vice President, Investment Banking
46	Abadan Mohajir	AKD Securities Limited	Senior Associate, Investment Banking
47	Muhammad Shumail	AKD Securities Limited	Analyst, Investment Banking
48	Waleed Zafar	AKD Securities Limited	Analyst, Investment Banking
49	Zainab Abid	AKD Securities Limited	Analyst, Investment Banking

5. Related Employees of the Book Runner (MCB Bank Limited)

S. No	Name	Designation
1	Ms. Amna Hasan	Executive Vice President
2	Mr. Jawad Taj	Vice President
3	Syed Umair Alam Zaidi	First Vice President
4	Mr. Muzammil Shahid Bhatti	Assistant Vice President
5	Mr. Talha Ameer Khan	Assistant Vice President
6	Mr. Talha Ahmed Khan	Officer Grade - I
7	Mr. Muhammad Aarsal	Officer Grade – II
8	Mr. Muhammad Ashraf	Officer Grade – II
9	Mr. Sarwar Din	Senior Assistant
10	Mr. Sajjad Ahmed	Senior Assistant

Note: Related Employees of the Offeror and the Book Runners shall not participate in the bidding for shares.

2.2.28 STATEMENT BY THE COMPANY

The Commissioner

Securities and Exchange Commission of Pakistan
Islamabad

On behalf of Pakistan Stock Exchange Limited, we hereby confirm to the best of our knowledge and belief that all material information as required under the Companies Ordinance, 1984, 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 OFSD and that whatever is stated in OFSD and the supporting documents is true and correct and that nothing has been concealed.

For and on behalf of **Pakistan Stock Exchange Limited**

-sd-

Nadeem Naqvi
Managing Director

-sd-

Ahmed Ali Mitha
Chief Financial Officer

2.2.29 STATEMENT BY OFFERORS

The Commissioner

Securities and Exchange Commission of Pakistan
Islamabad

On behalf of Offerors, we, the members of Divestment Committee, hereby confirm that all material information as required under the Companies Ordinance, 1984, 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 OFSD and that whatever is stated in OFSD and 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 the **Offerors**

-sd-

Shehzad Chamdia

-sd-

Muneer Kamal

-sd-

Abdul Majeed Adam

-sd-

Firozuddin A. Cassim

-sd-

Najam Ali

-sd-

Abid Ali Habib

-sd-

Ahmed Chinoy

-sd-

Muhammad Yasin Lakhani

-sd-

Arif Habib

-sd-

Amin Issa Tai

-sd-

Mohammed Sohail

2.2.30 STATEMENT BY LEAD CONSULTANT

May 11, 2017

The Commissioner

Securities and Exchange Commission of Pakistan
Islamabad

Being mandated as Lead Consultant to this Offer for Sale of shares of the Pakistan Stock Exchange Limited through the Book Building process, I hereby confirm that all material information as required under the Companies Ordinance, 1984, the Securities Act, 2015, the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited and the Public Offering Regulations, 2017 has been disclosed in this OFSD and that whatever is stated in OFSD and in the supporting documents is true and correct to the best of my knowledge and belief and that nothing has been concealed.

For and on behalf of **Arif Habib Limited**

-sd-

Shahid Ali Habib

Chief Executive Officer

2.2.31 STATEMENT BY JOINT CONSULTANTS

The Commissioner

Securities and Exchange Commission of Pakistan
Islamabad

Being mandated as Joint Consultant to this Offer for Sale of shares of the Pakistan Stock Exchange Limited through the Book Building process, I hereby confirm that all material information as required under the Companies Ordinance, 1984, the Securities Act, 2015, the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited and the Public Offering Regulations, 2017 has been disclosed in this OFSD and that whatever is stated in OFSD and in the supporting documents is true and correct to the best of my knowledge and belief and that nothing has been concealed.

For and on behalf of **the Joint Consultants**

-sd-

Abdul Majeed Adam
Chief Executive Officer
Adam Securities Limited

May 09, 2017

-sd-

Ambreen Haider
Vice President
AKD Securities Limited

May 09, 2017

-sd-

Muhammad Farid Alam, FCA
Chief Executive Officer
AKD Securities Limited

-sd-

Nadir Rahman
Chief Executive Officer
BMA Capital Management Limited

May 29, 2017

-sd-

Fawaz Valiaani
Chief Executive Officer
Elixir Securities Pakistan (Private) Limited

May 09, 2017

-sd-

Shehzad

Chief Executive Officer
Intermarket Securities Limited

May 08, 2017

-sd-

Kamran Nasir

Chief Executive Officer
JS Global Capital Limited

May 09, 2017

-sd-

Muhammad Najam Ali

Chief Executive Officer
Next Capital Limited

May 11, 2017

-sd-

Mohammad Sohail

Chief Executive Officer
Topline Securities Limited

May 11, 2017

2.2.32 STATEMENT BY BOOK RUNNER

May 09, 2017

The Commissioner

Securities and Exchange Commission of Pakistan
Islamabad

Being mandated as Book Runner to this Offer for Sale of shares of the Pakistan Stock Exchange Limited through the Book Building process, I confirm that all material information as required under the Companies Ordinance, 1984, the Securities Act, 2015, the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited and the Public Offering Regulations, 2017 has been disclosed in this OFSD and that whatever is stated in OFSD and in the supporting documents is true and correct to the best of my knowledge and belief and that nothing has been concealed.

For and on behalf of **MCB Bank Limited**

-sd-

Ms. Amna Hasan

EVP / Head of Investment Banking and Business Head
Corporate South

2.3 SHARE CAPITAL AND RELATED MATTERS

2.3.1 SHARE CAPITAL

No. of shares	Description	Face Value	Premium	Total (including premium)
Authorized Capital				
1,000,000,000	Ordinary shares of PKR 10/- each	10,000,000,000	-	10,000,000,000
Issued and paid-up capital				
801,476,600	Issued for consideration other than cash	8,014,766,000	-	8,014,766,000
801,476,600	Total existing paid-up capital	8,014,766,000	-	8,014,766,000
Issued, Subscribed and Paid up Capital of Pakistan Stock Exchange Limited as of March 31, 2017				
Shares held by directors				
100	Mr. Abdul Majeed Adam (Director)	1,000	-	1,000
100	Mr. Abid Ali Habib (Director)	1,000	-	1,000
100	Mr. Ahmed Chinoy (Director)	1,000	-	1,000
100	Mr. Muhammad Yasin Lakhani (Director)	1,000	-	1,000
Shares held by local shareholders				
40,073,830	Pak China Investment Company Limited (A member of Consortium of anchor investor)	400,738,300	-	400,738,300
40,073,830	Habib Bank Limited (A member of Consortium of anchor investor)	400,738,300	-	400,738,300
480,885,560	Other local financial institutions, companies and individuals	4,808,855,600	-	4,808,855,600
Shares held by foreign shareholders				
136,251,022	China Financial Futures Exchange Limited (The lead anchor investor of the Consortium)	1,362,510,220	-	1,362,510,220
64,118,128	Shanghai Stock Exchange (A member of Consortium of anchor investor)	641,181,280	-	641,181,280
40,073,830	Shenzhen Stock Exchange (A member of Consortium of anchor investor)	400,738,300	-	400,738,300
801,476,600	Total existing paid-up capital	8,014,766,000	-	8,014,766,000
Present Offer of Ordinary Shares*				
120,221,320	Allocation to Institutional Investors / Individual Investors through Book Building Process at Strike Price	1,202,213,200	[X]	[X]
40,074,000	General Public Portion	400,740,000	[X]	[X]
160,295,320	Total Offer Size	1,602,953,200	[X]	[X]

* The entire Offer of 160,295,320 Ordinary Shares will be offered via the Book Building process to Institutional Investors / High Net Worth Individuals. However, the 25% of the Offer size of 40,074,000 Ordinary Shares shall be offered to the General Public at the Strike Price determined through the Book Building and any shares that remain unsubscribed by the General Public shall be allocated on pro-rata, to successful investors in the Book Building process.

As per Regulation 14 of Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012, if an initial shareholder, a member of the general public (including a company) or a TRE certificate holder directly or indirectly acquires more than 1% of the shares of PSX, the Commission may direct such person to divest these shares in a manner as may be specified by the Commission from time to time or on a case to case basis.

As per Regulation 32 of the Demutualization Regulations, the following conditions are applicable on the anchor investor and consortium of anchor investors and local financial institutions:

1. The anchor investor shall hold the shares of PSX acquired under the Demutualization Regulations for at least five years
2. After completion of the five years period, the anchor investor may sell all or part of the qualifying shares as acquired subject to requirements specified in clause (ab) of sub- Regulation (1) of Regulation 2 only to another anchor investor, subject to the condition that the incoming anchor investor shall maintain shareholding of twenty five percent in the manner provided under clause (ab) of sub- Regulation (1) of the Regulation 2 and compliance with the criteria for anchor investor in the Demutualization Regulations and subject to compliance with requirements of the Act, prior written approval of and compliance with the disclosure requirements specified by the Commission
3. After three years of acquiring the shares of PSX under Regulation 29 and 30 of the Demutualization Regulations, the consortium of anchor investor and local financial institutions formed after the submission of expression of interest, may acquire further shares from the market by making a public offer to increase its shareholding up to fifty one percent (51%) of the total issued share capital of PSX subject to compliance with requirements of the Act and prior written approval of the Commission
4. As per Regulation 48 of Offering Regulations, where the process for sale of not less than twenty percent of total issued share capital out of shares of the Exchange lying in the blocked account through an offer for sale fails to complete under these regulations, the Commission may take such steps or give such directions as may be necessary for achieving the sale of such shares.

As per the Regulation 53(3) of the Demutualization Regulations, the shares of the Exchange shall not be eligible for margin eligible securities and for any financing product by whatsoever name called, including leveraged market under the Securities (Leveraged Market and Pledging) Rules, 2011, or any futures contract, till such time as may be specified by the Commission.

2.3.2 OPENING AND CLOSING OF THE SUBSCRIPTION LIST

The subscription list will open at the commencement of banking hours on June 9, 2017 and will close on June 12, 2017 (working days only) 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 June 12, 2017.**

In order to facilitate the investors, the Offeror has arranged provision of e-IPO facility through Bank Alfalah Limited ("BAFL"), United Bank Limited ("UBL") & Summit Bank Limited ("SMBL") that is among the Bankers to the Offer. The account holders of BAFL can use BAFL net banking via link <https://ib.bankalfalah.com.pk>. The account holders of UBL can use UBL net-banking to submit their applications online via link <http://www.ubldirect.com/corporate/ebank>. SMBL account holders can use SMBL Net Banking to submit their applications via link <https://ib.summitbank.com.pk>.

2.3.3 CENTRALIZED E-IPO SYSTEM

The Securities and Exchange Commission of Pakistan (SECP) intended to facilitate the public by providing efficient, easy and hassle free mechanism for making applications for subscription of securities of companies offered for sale through Initial Public Offerings (IPOs). For this purpose, the Central Depository Company of Pakistan (CDC) has

developed a Centralized e-IPO System (CES) through which applications for subscription of securities of companies offered through IPOs can be made electronically through internet. CES can be accessed through the weblink (www.cdceipo.com). CES would be connected to different entities (1Link, banks etc.) for payment of the subscription money and refund thereof, in case of unsuccessful/unaccepted applications. The objective of this document is to broadly outline the business process of the Centralized e-IPO project.

Investors' Eligibility and Registration:

1. Investor will register themselves on CES portal available on CDC website.
2. Only registered investors will be allowed to make application through CES.
3. For registration, investors must have:
 - a. CDS Account (Investors Account OR Sub-Account);
 - b. Valid Computerized National identity Card (CNIC) as appearing in CDS account; and
 - c. Bank Account with any of the Scheduled Bank.CDC will ensure these by an appropriate undertaking.
4. Only Pakistani Individuals (both Resident and Non-Resident) are allowed in phase 1 (Corporate and Foreigner investors will be enabled in subsequent phase to make application through CES).
5. Investors are not allowed to submit subscription application with any joint holder.

Setup:

1. Users for the Issuer/Offeror including the Balloter, the Share Registrar, the Banker to the Issue involved in the IPO process shall have access to CES.
2. Issuer will enter the complete IPO details, such as IPO Timeline, Category, Bank details etc. into the CES system.
3. Issuer will upload all the relevant documents such as, Prospectus, Advertisement, Securities Subscription Form, etc. into CES.

e-Subscription:

1. Registered Investors will be able to subscribe available IPO's through CES.
2. Securities to the successful investors will be issued only in the Book-Entry-Form.
3. The applicants will provide their respective CDS Account Numbers in e-subscription application, which will be verified on real time basis.
4. The applicants will provide bank account details (IBAN No.)
5. Transaction ID will be generated by CES and send to the investor via SMS and/or e-mail, upon successful submission of e-subscription application for making payment.
6. The subscription form along with the Transaction ID will be available for download.

Payment:

1. Payment can be made against Transaction ID through channels made available by 1LINK (Online Banking Portal, ATM, Selected bank's counters and etc.).
2. There will be no verification of payment made from subscriber's own account. To mitigate the risk of 3rd party payment, acquisition of securities will only be allowed in the CDC Account of the subscriber.

3. 1LINK will transfer the consolidated subscription amount in the CDC's bank account from the respective accounts of the applicants.
4. Once, successful and unsuccessful/unaccepted applications are determined, CDC will initiate the process of refund to the unsuccessful applicants.

Balloter End:

1. Balloter having access to CES will download the details of subscription applications processed through CES.
2. Balloting process will be carried out outside CES.
3. Balloter will upload consolidated details of successful, unsuccessful/unaccepted and withheld applications in CES.

Share Registrar End:

1. Share Registrar will download the consolidated detailed list of the successful applicant.
2. Share Registrar will issue securities in Book-Entry-Form directly into the respective CDS accounts of the successful applicants.

CDC will transfer the subscription amount to the issuer, as soon as issuer completes all the necessary formalities like letter from Stock Exchange, etc.

2.3.4 INVESTOR ELIGIBILITY FOR PUBLIC OFFER

Eligible investors include:

1. Pakistani citizens resident in or outside Pakistan or persons holding dual nationalities including a Pakistani Nationality;
2. Companies, bodies corporate or other legal entities incorporated or established in Pakistan (to the extent permitted by their respective constitutive documents and existing regulations, as the case may be);
3. Mutual Funds, Provident / Pension / Gratuity Funds / Trusts (subject to the terms of their respective Trust Deeds and existing regulations); and
4. **It is to be noted that according to section 5(b) of The Stock Exchange (Corporatization, Demutualization, and Integration) Act, 2012 all shares will be allotted in dematerialized format and shall not, at any time or for any reason, be convertible into physical format.**

2.3.5 FACILITIES AVAILABLE TO NON-RESIDENT PAKISTANI

Non-resident Pakistani investors may subscribe for the shares being offered through this OFSD by using their SCRA. For details please see Chapter 20 of the Foreign Exchange Manual of the State Bank of Pakistan. Under Section 7(i) of Chapter 20 of the said Manual, Companies issuing shares out of new public Issue on repatriable basis, as permitted under sub para (B) (I) of paragraph 6, may open foreign currency collection accounts with banks abroad or in Pakistan for receiving the subscription in foreign currency. They may also allow refunds from these accounts to unsuccessful applicants.

Key Documents required for individual(s):

1. Account opening request; and
2. Passport / ID.

General documentations required for opening of SCRA account by institutional investors are:

1. Account opening request;
2. Board Resolution & Signatories list;
3. Passport / ID of Board of Directors;
4. Passport/ID of all authorized signatories;
5. Certificate of Incorporation (COI) or equivalent document (like Trade Registry Certificate, Business Registration Certificate, and Certificate of Commencement of Business);
6. Memorandum & Articles of Association;
7. Withholding tax registration certificate / Certificate of country of domicile of client;
8. Latest Annual Report;
9. List of Board of Directors; and
10. List of Shareholders (greater than 10% holdings) and key officers.

It is however pertinent to note that the procedure and requirements of each financial institution with respect to opening of SCRA differs. Hence, it is advisable for Investors / Bidders to make a prior request for the procedure from concerned financial institution.

Payments made by Non-Resident Pakistani must be supported by proof of receipt of foreign currency through normal banking channels. Such proof must be submitted along with the Application.

2.3.6 MINIMUM AMOUNT OF APPLICATION AND BASIS FOR ALLOTMENT OF SHARES OUT OF THE GENERAL PUBLIC PORTION OF THE OFFER

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

1. Application for shares must be made for 500 shares or in multiples of 500 shares only. Applications which are neither for 500 shares nor for multiples of 500 shares shall be rejected.
2. The minimum amount of application for subscription of 500 shares is the Offer Price x 500 shares. Any cost incurred in transfer of shares as part of the Offer shall be borne by Offerors.
3. Application for shares below the total value of Offer Price x 500 shares shall not be entertained.
4. SUBMISSION OF FALSE AND FICTITIOUS APPLICATIONS IS 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. If the shares applied for by the general public are in excess of the shares being 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 remaining shares shall be allotted on pro-rata basis.
 - If the remaining shares are not sufficient to accommodate all the remaining applications for over 2,000 shares, then balloting shall be conducted for allocation of 2,000 shares to each successful applicant.
7. If the Offer is over-subscribed in terms of amount only, then allotment of shares shall be made in the following manner:
- 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;
 - Next preference will be given to the applicants who applied for 2,000 shares; and then
 - After allotment of the above, the balance shares, if any, shall be allotted on pro rata basis to the applicants who applied for more than 2,000 shares.
8. Allotment of shares will be subject to scrutiny of applications for subscription of shares.
9. Applications which do not meet the above requirements or applications which are incomplete will be rejected.

2.3.7 REFUND OF SUBSCRIPTION MONEY TO UNSUCCESSFUL APPLICANTS

The Company shall take a decision within ten (10) days of the closure of subscription list as to which applications have been accepted or are successful and refund the money in cases of unaccepted or unsuccessful applications within ten (10) days of the date of such decision, as required under Section 71 of the Ordinance.

As per sub-section (2) of Section 71 of the Ordinance, if refund as required under Sub-section (1) of Section 71 of the Ordinance is not made within the time specified therein, the Issuer shall be liable to repay the money with surcharge at the rate of 1.5%, for every month or part thereof from the expiration of the 15th day and in addition to a fine not exceeding PKR 5,000/- and in case of continuing offence to a further fine not exceeding PKR 100/- per day after the 15th day of which the default continues. Provided that the Issuer shall not be liable if it proves that the default in making the refund was not on its own account and was not due to any misconduct or negligence on its part.

2.3.8 CREDIT OF SHARES IN CDC ACCOUNTS

The shares of all successful applicants will be credited in the respective Central Depository System ("CDS") accounts within ten (10) days of the close of public subscription as per Regulation 11(4) of the Offering Regulations.

Shares will be issued only in book-entry form in the CDS of CDCPL. The scrip less shares shall be directly credited through book- entry in the respective accounts maintained with CDCPL. In order to participate in the general subscription, the applicant(s) should have CDS account at the time of subscription.

2.3.9 TRANSFER OF SHARES

1. PHYSICAL SCRIPS

Shares of PSX shall not be issued in physical form.

2. TRANSFER UNDER BOOK-ENTRY SYSTEM

The shares maintained in the CDS in the book-entry form shall be transferred in accordance with the provisions of Section 76 of the Ordinance read with Section 77 thereof and the Central Depositories Act, 1997 and the CDCPL Regulations.

2.3.10 SHARES ISSUED IN PRECEDING YEARS

S. No	Shares Issued	Consideration	Total Value (PKR)	Date of Issuance
1	801,476,600	Other than Cash, in pursuance of Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012	8,014,766,000	August 13, 2012

The Pakistan Stock Exchange Limited was originally incorporated as a 'company limited by guarantee without having share capital'. In the year 2012, in pursuance of Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012 (the "Act"), the Exchange was corporatized i.e. it was converted into a 'public company limited by shares'. The process of said conversion involved re-valuation of assets and liabilities of the Exchange as at December 31, 2011, carried out by FAMCO Associates (Private) Limited under section 4(1)(b) of the Act, and the value of net assets (i.e. PKR 8,014.766 million) thus arrived was taken as paid-up capital of the Exchange divided into shares of Rs.10/- each (i.e. 801,476,600 Ordinary Shares). The shares were then distributed / allotted equally among 200 members of the then mutualized Exchange (referred to as the "initial shareholders") whereby each such member was allotted a total of 4,007,383 Ordinary Shares in the Exchange for consideration other than cash, in terms of proviso to section 4(1)(d) of the Act.

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

2.3.11 PRINCIPAL PURPOSE OF THE OFFER

The principal purpose of the Offer for Sale of shares is self-listing on the Pakistan Stock Exchange in accordance with the Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012 and the Stock Exchanges (Corporatization, Demutualization and Integration) Regulations, 2012 and to broaden the Company's shareholder base by offering shares to the general public, HNWI's & Institutions.

2.3.12 UTILIZATION OF PROCEEDS

The proceeds from the Offer for Sale of 160,295,320 Ordinary Shares will be the property of the initial shareholders of Pakistan Stock Exchange Limited (as per the detailed list in Section 13 of this OFSD).

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.

2.3.14 DIVIDEND POLICY

The Company intends to follow a consistent profit distribution policy for its members, subject to profitability, availability of adequate cash flows, Board of Director's recommendation, shareholders' approval and satisfaction of certain financial covenants.

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 provisions of the Ordinance.

The Directors may from time to time declare 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 Ordinance.

Those applicants who intend that their cash dividend, if any, is directly credited in their Bank Account, must fill-in the relevant part of the Shares Subscription Form under the heading, "Dividend Mandate Option".

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

PKR	FY12	FY13	FY14	FY15	FY16	HY17
Dividend / Share	-	0.125	0.21	0.37	0.15	0.10

Note: There is no restriction on PSX by any Regulatory Authority, Institution, Stakeholder etc. on the distribution of profits. However, as per Regulation 53(4) of the Demutualization Regulations, the Exchange can only pay dividends in Pakistan Rupees within Pakistan.

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 rights 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

Capital gains derived from the sale of listed securities are taxable in the following manner under section 37A of Income Tax Ordinance, 2001:

Tax Rate FY 2017					
Holding Period of Securities					
Category	Tax Year	Less than twelve months	Twelve months or more but less than twenty four months	Twenty four months or more but acquired on or after 1st July, 2012	Before 1st July, 2012
Filer	2017	15.00%	12.50%	7.50%	0%
Non - Filer	2017	18.00%	16.00%	11.00%	0%

From Tax Rate FY 2018 (Budget FY17-18)					
Holding Period of Securities					
Category	Tax Year	Less than twelve months	Twelve months or more but less than twenty four months	Twenty four months or more but acquired on or after 1st July, 2012	Before 1st July, 2013
Filer	2018	15.00%	15.00%	15.00%	0%
Non - Filer	2018	20.00%	20.00%	20.00%	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 as specified in Part III Division I 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:

1. For filers of Income Tax Return: 12.5% (From FY 2018, the withholding tax will be 15.0%)
2. For non-filers of Income Tax Return: 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

PSX has PKR 19.5 million of deferred tax asset as of March 31st, 2017. For details on taxation, please refer to the Financial Summary in Section 6.4 of this OFSD.

2.3.22 SALES TAX

Sales tax payable as of March 31st, 2017 was PKR 3.8 million which was subsequently paid.

2.3.23 SALES TAX ON SALE / PURCHASE OF SHARES

Under the Constitution of Pakistan and Articles 49 of the 7th 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, 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, Khyber Pakhtunkhwa and Baluchistan 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, as mentioned in the said section, 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 tax credit.

2.3.26 TAX CREDIT FOR ENLISTMENT

Under Section 65C of the Income tax Ordinance, 2001, tax credit of 20% of the tax payable by the Issuer shall be allowed for two tax years following the year in which a Company is listed on a Stock Exchange in Pakistan.

3 UNDERWRITING, COMMISSIONS, BROKERAGE AND OTHER EXPENSES

3.1 UNDERWRITING

Book Building Portion

MCB Bank Limited has been mandated as the Book Runner to the Offer at a fee of 0.25% on total book building amount at the Strike Price. The Book Runner will underwrite the Book Building Portion of the Offer which comprises of 100% (160,221,320 Ordinary Shares) of the total issue size under Regulation 20(7) of the Offering Regulations, with the limitations that the Book Runner shall only underwrite the default portion of the Book Building, i.e. total amount less margin money received with the bid at the Strike Price determined through the Book Building process.

In the opinion of the Directors, the resources of the Underwriters are sufficient to discharge their underwriting commitments / obligations.

3.2 UNDERWRITING COMMISSION TO THE BOOK RUNNER

For the Book Building portion of this Offer, an underwriting commission of 0.25% will be paid to the Book Runner on the balance amount left to be collected from institutional bidders in the Book Building.

If any bidder fails to deposit the balance amount within the prescribed period i.e. 3 days from the closure of Book Building, the amount of bid money deposited by a defaulting Bidder shall, however, be forfeited to the Book Runner.

3.3 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 FOR SALE.

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

3.4 COMMISSION OF THE BANKERS TO THE OFFER

Commission at the rate of 0.1% of the amount declared successful through the Book Building portion shall be payable to the Bankers to the Book Building portion of the Offer whereas commission at the rate of 0.25% of the amount collected on allotment in the General Subscription in respect of successful applicants will be paid to the Bankers to the Offer for services to be rendered by them, plus out-of-pocket expenses, if any.

3.5 BROKERAGE

For this Offer, brokerage shall be paid to the TRE Certificate Holders of Pakistan Stock Exchange Limited through which the application will be submitted duly stamp at the rate of 1.00% of the value of shares at strike price on successful applications for Book Building and General Public portion. No brokerage shall be payable in respect of shares taken up by the Underwriters by virtue of their underwriting commitments.

3.6 ESTIMATED EXPENSES OF THE OFFER

Expenses to the Offer are estimated not to exceed PKR 89,783,457/-. The break-up of these preliminary expenses is given below:

Particulars	Rate	Expense ⁵
Book Runner Fee	0.25%	11,220,672
Underwriting Commission - Book Building Portion	0.25%	8,415,504
Commission to Bankers to the Offer for Book Building Portion	0.10%	4,488,269
Commission to Bankers to the Offer for General Subscription Portion	0.25%	2,805,168
E-IPO Charges		450,000
Bankers to the Offer – Out of Pocket		325,000
Brokers' Commission	1.00%	44,882,690
Marketing & Printing Expenses (estimated)		6,000,000
CDC - Transaction Fees	0.16%	7,181,230
CDC - Annual Listing Fees		200,000
SECP IPO Application Processing Fee		2,503,691
SECP Supervisory Fee		311,232
Miscellaneous Expenses		1,000,000
TOTAL		89,783,457

Except SECP supervisory fee and processing fee, all other expenses will be borne by the Offeror.

⁵ These amounts do not include Sindh Sales Tax, as mentioned in Section 3.21, wherever applicable

4 OVERVIEW, HISTORY AND PROSPECTS

4.1 COMPANY HISTORY

Pakistan Stock Exchange Limited (“PSX” or the “Exchange”) was incorporated in the year 1949 under the name of Karachi Stock Exchange (Guarantee) Limited, as a company limited by guarantee without having share capital.

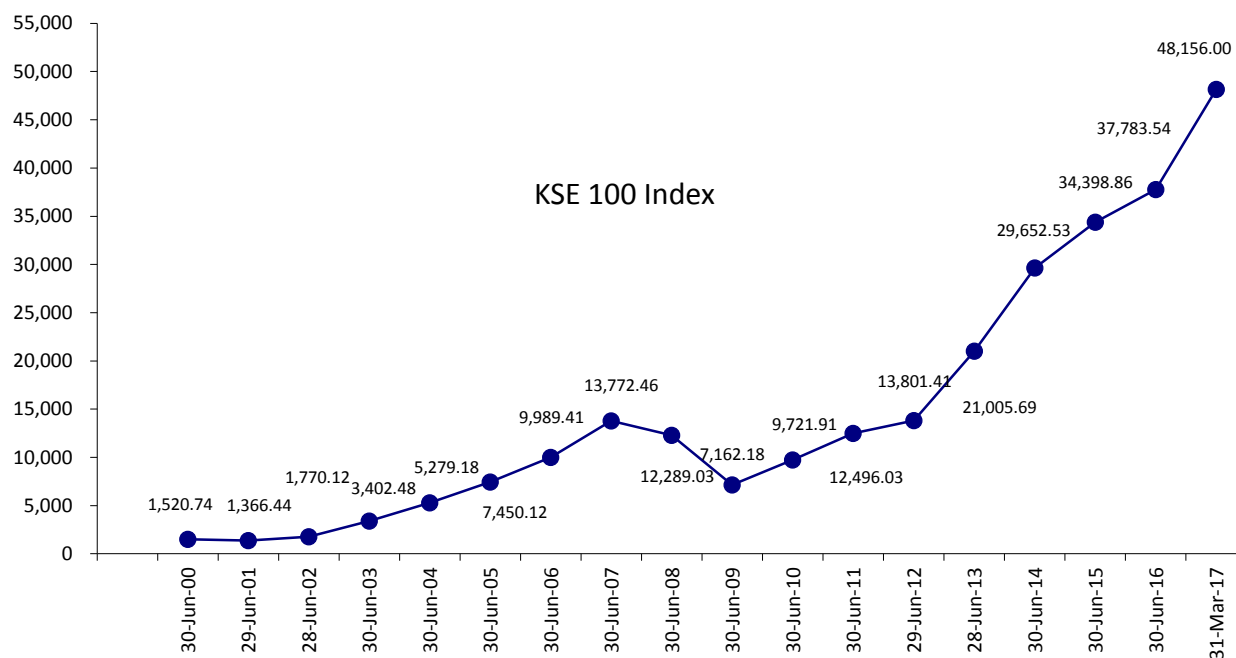
In the year 2012, in pursuance of Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012, the Exchange was corporatized i.e. it was converted into a ‘public limited company by shares’ and accordingly, its name was changed to Karachi Stock Exchange Limited (“KSE”). With the corporatization, the ownership rights in the Exchange were segregated from trading rights.

In the years 2015-16, the exchange operations together with related assets and human resources of then existing Lahore Stock Exchange Limited and Islamabad Stock Exchange Limited were integrated into KSE and the Exchange emerged as a single national stock exchange under its present name, the Pakistan Stock Exchange Limited.

Traditionally, stock exchanges were mostly owned by the respective brokers but recently, 40% equity stake of PSX was divested to a consortium comprising of three (3) Chinese exchanges and two (2) local financial institutions. The divestment of a major stake in the Exchange is likely to pave way for introduction of new products, systems, technology, expertise and investors for development of local capital market.

The Pakistan Stock Exchange (formerly known as Karachi Stock Exchange Limited) is a large unified liquidity pool of securities market in Pakistan. As at March 31st, 2017, 560 companies having listed capital of PKR 1,297.2 billion (US\$ 12.5 billion) were listed with market capitalization of PKR 9,594.8 billion (US\$ 92.3 billion). The KSE 100 Index closed at 48,156 points on March 31st, 2017 indicating a growth of around 47% from January 01, 2016.

The market performance during the period June 2000 to March 2017 is given under:



4.1.1 GROWTH & PROGRESS

PKR in millions	1950	1960	1970	1980	1990	2000	2010
Listed Companies	15	81	291	314	487	762	644
Listed Capital	117	1,007	3,864	7,630	28,056	236,458	919,161
Market Capitalization	NA	1,871	5,658	9,767	61,750	382,730	3,268,949

PKR in millions	2011	2012	2013	2014	2015	2016	2017*
Listed Companies	638	573	560	557	554	558	560
Listed Capital	1,048,444	1,094,367	1,129,787	1,168,485	1,269,704	1,291,040	1,300,256
Market Capitalization	2,945,785	4,242,278	6,056,506	7,380,532	6,947,358	9,628,514	10,095,160

*As on May 19, 2017

Today PSX has emerged as the key institution of capital formation in Pakistan with: -

- 599 securities listed on the exchange
 - 560 Ordinary Shares
 - 17 Preference shares
 - 22 Term Finance Certificates
- Listed Capital is at PKR 1,297,159 million (US\$ 12,473 million).
- Market Capitalization PKR 9,594,806 million (US\$ 92,258 million).
- Average daily turnover of Ready market is 357 million shares with average daily trade value at PKR 17,384 million (US\$ 167 million).
- TREC Holders strength at 393 with 279 active TREC Holders as of May 26, 2017
- Out of 384 TREC Holders 11 are listed at PSX.
- Fully automated trading system with T+2 settlement cycle.
- Deliveries through Central Depository Company.
- Settlement through National Clearing Company of Pakistan Limited.

PKR in millions	2013	2014	2015	2016
Total Listed Companies	569	557	560	559
Total Listed Capital	1,116,005	1,160,341	1,189,519	1,289,081
Total Market Capitalization	5,154,738	7,022,692	7,421,032	7,588,472
New Companies Listed	4	5	9	4
Listed Capital of New Companies	7,404	19,235	38,140	6,046
New Debt Instruments Listed	9	5	4	2
Total Issue Size of New Debt Instruments	12,255	8,779	31,000	13,000
Total Shares Volume (million)	54,319	56,581	57,204	55,430
Average Daily Share Volume (million)	221	229	233	221
Average Daily Trade Value	5,708	8,730	11,102	9,505

KSE Indices**KSE – 100 Index**

Year End	21,005.69	29,652.53	34,398.86	37,783.54
High	22,757.72	29,789.85	34,826.51	38,776.94
Low	14,142.92	21,363.16	27,774.43	30,564.50

KSE – All Share Index

Year End	14,987.53	21,973.16	24,036.72	25,313.12
High	16,020.93	22,064.49	25,031.12	25,632.17
Low	9,935.78	15,150.36	20,417.53	21,268.58

KSE – 30 Index

Year End	16,207.96	20,415.95	21,573.42	21,653.02
High	17,787.71	20,570.64	22,614.13	22,506.60
Low	12,246.91	16,290.83	18,371.59	17,807.82

KMI – 30 Index

Year End	36,713.89	47,686.55	57,271.34	66,162.77
High	38,747.31	48,065.30	58,730.32	67,519.80
Low	24,303.16	36,759.88	45,236.12	51,626.03

NOTES:

- The figures are from July to June.
- The total number of listed companies has been stated after 25 companies De-listed in 2013, 15 companies in 2014, 4 companies delisted in 2015 and 9 companies delisted in 2016 and 2 companies Merged in 2014, 2 companies merged in 2015 and 1 company merged in 2016.
- The total listed capital has been stated after adjustment of capital of companies by way of merger, bifurcation and de-listing, etc.
- The KSE 100 Index was started in November 1991 with a base of 1,000 points and it is recomposed semi-annually and was last re-composed on February 29, 2016 closing statistics.
- The KSE All Share Index based on the prices of August 29, 1995 = 1,000, commenced w.e.f. September 18, 1995.
- The KSE – 30 Index based on the prices of June 30, 2005 = 10,000, introduced w.e.f. September 01, 2006.
- The KMI – 30 Index introduced w.e.f. September 01, 2008.

4.1.2 PSX'S RECLASSIFICATION FROM FRONTIER TO EMERGING MARKETS BY MSCI

Morgan Stanley Capital International Inc. ("MSCI") announced on June 09, 2015 that it will review Pakistan's equity market to be included in its benchmark emerging-market index. Immediately after the MSCI announcement, a two pronged strategy was taken up by the PSX Management i.e. i) Removing certain operational issues faced by foreigners in accessing the Market and, ii) organizing local and international roadshows with a view to directly address the concerns of foreign investors. PSX team, led by its Chairman and Managing Director, organized roadshows nationally and in major international financial centers such as New York, Hong Kong, Singapore and London. PSX also held webinars for international investors in which Commissioner of Securities Market Division SECP and Managing Director of PSX both highlighted Market developments and related Regulatory developments that had taken place. On June 15th, 2016, MSCI announced that MSCI Pakistan Index will be reclassified to Emerging Markets status, coinciding with the May 2017 Semi-Annual Index Review.

4.1.3 INTEGRATION OF STOCK EXCHANGES

Pursuant to the Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012, the operations of Lahore Stock Exchange Limited (LSE) and Islamabad Stock Exchange Limited (ISE) were integrated with the operations of Karachi Stock Exchange Limited. As a result, KSE was named as Pakistan Stock Exchange Limited with effect from January 11, 2016. Post integration, PSX became the single, seamless capital market in the country accessible to all domestic and international investors.

From domestic investors and savers' perspective, there is now a single national platform with a deep liquidity pool available to investors throughout the country, served by 393 securities brokers. The Turnover Volume in a single day has witnessed a record of 903 million shares in September 2016, the highest in past 11 years, with the highest Daily Value Traded of PKR 22 billion observed in November 2016.

From the corporate sector's perspective, foreign institutional portfolio flows into the single integrated securities market – one re-inducted into the MSCI Emerging Market Index – are going to be positive for valuation of listed companies' shares and beneficial for the country's foreign exchange reserves. The listing fees is now exclusively applicable for a single bourse instead of three (3) exchanges.

From the Regulator's perspective, the integrated Exchange allows both the Apex Regulator (SECP) and the Exchange itself as front line regulator, to monitor overall market participants' compliance while focusing on transparency, governance and efficiency of the securities market. This will bring greater effectiveness in the administration, operations, governance, regulatory supervision as well as rationalization of costs associated with core exchange functions, and will provide added benefit to the issuers who will be assured a consolidated regime governing listing, duly regulated by the SECP. The brokers (TREC Holders) of ISE, KSE and LSE are now the TREC Holders of PSX at no induction cost and have access to a much larger pool of liquidity, as well as opportunity for efficient price discovery and ability to compete at a national level with same facilities and products provided by the single exchange. By centralizing trading activities, the implicit costs of trading is subsequently reduced i.e. accessing a single trading platform instead of two or more allows market professionals to save on the hardware and software and to focus on more skilled human capital.

4.1.4 DIVESTMENT OF 40% EQUITY STAKE

The bidding for PSX's 40% equity stake by local and international investors took place on December 22nd, 2016. Based on the results of the bidding process, the Chinese Consortium submitted the highest bid of PKR 28/- per share. The said Consortium comprises of three Chinese Exchanges, i.e. China Financial Futures Exchange Company Limited, Shanghai Stock Exchange, Shenzhen Stock Exchange and two local Financial Institutions, i.e. Pak-China Investment Company Limited and Habib Bank Limited.

The transaction was subsequently closed on March 10, 2017.

4.2 PRODUCTS AND SERVICES

PSX offers a range of products to its investors through a state of the art technology infrastructure. Market participants (both local and international investors) are provided access to these products through various distribution channels of the brokerage houses.

Our Trading products include:

1. Equities (also known as the Ready Market)
2. Deliverable Futures Contracts
3. Cash Settled Futures

4. Stock Index Futures Contracts
5. Bond Trading (Government & Corporate)

Stock Index Futures Contracts based on:

1. KSE-30 index
2. Oil and Gas sector Index
3. Banking Sector Index

PSX intends to introduce the following new Products and services:

1. Advanced Securities Lending & Borrowing
2. SME Board
3. Index Options
4. Single Stock Options
5. Bond Market Index
6. Exchange Traded Funds
7. Fixed Income Derivatives

PSX also offers a number of data products and services providing both historical and "live" data feed to its customers. Additional services being offered to customers by the organization include:

1. Technology services by I.T. help desk
2. Customer Services & Investor Relations Services to help resolution of investor complaints and queries
3. Investor Education program

Under the Securities Exchanges (Licensing and Operations) Regulations 2016, the Exchange is required to submit a comprehensive three years business development plan providing therein financial projections, organizational development plans, product development plans, market development initiatives particularly with reference to promotion of listing and trading activity at the exchange, expansion of market outreach, education and training of market participants etc. The plan when approved by the Commission may change the landscape of the capital market and have an impact on the operations of the Exchange.

Furthermore, as per Clause U of Section 5 of the Securities Exchanges (Licensing and Operations) Regulations, 2016, the Exchange cannot enter into any other business except as approved by the Commission.

The Exchange will also have to obtain license under Futures Act for futures products. Currently it is deemed licensed.

4.2.1 TRADING & SETTLEMENT SYSTEM

The PSX has introduced a state-of-the-art computerized trading system known as Karachi Automated Trading System ("KATS") to provide a fair, transparent, efficient and cost effective market for the investors.

Currently, the exchange conducts one trading session from Monday to Thursday and two sessions on Friday.

The Trading is divided into five distinct segments, each of which has its own clearing and settlement procedure. These are: (i) Ready Market (T+2), (ii) Provisionally Listed Companies, (iii) Futures Market (Future Deliverable Contracts, and (iv) Cash Settled Fixed income securities Trading via Bonds Automated Trading System ("BATS").

TRADE VALUE

(PKR in millions)	CY 2012	CY 2013	CY 2014	CY 2015	CY 2016	1Q 2017
T+2	1,162,868	1,878,074	2,312,814	2,842,665	2,904,065	1,142,000
DFM	218,514	461,579	542,512	778,207	758,172	331,000
Fixed Income Securities (TFC)	7,615	6,249	7,873	3,415	4,388*	NA

*Upto November 30, 2016

Ready (T + 2) Counter:

Transactions in this segment are settled through the National Clearing & Settlement System ("NCSS") that nets out the purchases and sales and the financial obligations thereon of each TREC Holder/clearing members for the notified clearing period. Payments from and to clearing members of NCCPL are routed through the Auto Pay and Collect System.

For the securities declared "eligible securities" by the CDC the Clearing & Settlement take place through NCCPL.

In order to handle the clearing of the Exchange, the National Clearing and Settlement System has been introduced by NCCPL.

Futures Trading in Provisionally Listed Companies:

Shares of companies traded on this counter commence from the date of publication of the offering document or any other date as may be specified by the Exchange, which have an approved minimum public offer including premium amount, if any, shall not be less than PKR 250 million.

The period of contracts of each scrip is notified by the Exchange. The outstanding contracts carried out under the provisionally listed companies are settled on the settlement date and TREC Holders are not allowed to transfer their positions to the Ready Board or any other Board. The trading in the shares of the company are shifted to the Ready Board under T+2 Settlement System from the date of formal listing.

Deliverable Future Contracts:

Under the Regulations Governing Future Contracts, trading in Future Contracts started in July 2001.

Cash Settled Futures Contract:

Cash Settled Future Contracts were introduced from April 02, 2007.

Stock Index Futures Contract:

Stock Index Futures trading is simply buying or selling a specified number of contracts, with the mark-to-market difference being settled in cash on daily basis.

Bond Automated Trading System (BATS):

The introduction of debt market has enabled corporate and retail investors to trade corporate and commercial papers as BATS has opened up a new pool of liquidity through efficient price discovery. Pakistan's National Saving Bonds and other government securities (treasury bills) are also traded at PSX via BATS.

Trading Hours

Trading session	Monday -Thursday	Friday
Morning session:	9:30 a.m. - 3:30 p.m.	9:15 a.m.- 12:00 p.m.
Afternoon session	-	2:30 p.m.- 4:30 p.m.

*Trading time is subject to change as notified on PSX website (www.psx.com.pk) from time-to-time

4.2.2 KARACHI INTERNET TRADING SYSTEM (KiTS)

Karachi Internet Trading System (“KiTS”) is an internet / wireless based order routing system for personal computers (“PCs”) and smart phones. KiTS was launched in August 2015, in order to increase the reach of Investors / Retail Clients to the Capital Market of Pakistan. The Trading Right Entitlement Certificate (“TREC”) Holders / Brokers of the Exchange can subscribe for KiTS and offer online trading system and mobile App to the investors. Investor can easily download the trading platform and stay in touch with PSX from anywhere in the world. After integration of the exchanges into PSX, the usage of KiTS has taken off and by December 2016, it accounted for 8.1% of total market volume traded.

4.2.3 MARKET INDICES

KSE-100:

The KSE-100 Index was introduced in November 1991 with base value of 1,000 points. The Index comprises of 100 companies selected on the basis of sector representation and highest Free-Float Capitalization, which captures around 80% of the total Free-Float Capitalization of the companies listed on the Exchange. Globally, the Free-float Methodology of index construction is considered to be an industry best practice and all major index providers like MSCI, FTSE, S&P, STOXX and SENSEX have adopted the same. MSCI, a leading global index provider, shifted all its indices to the Free-float Methodology in 2002.

Out of the 36 Sectors listed on PSX, 35 companies are selected i.e. one company from each sector (excluding Open-End Mutual Fund Sector) on the basis of the largest Free-Float Capitalization and the remaining 65 companies are selected on the basis of largest Free-Float Capitalization in descending order. This is a total return index i.e. dividend, bonus and rights are adjusted.

KSE-ALL SHARE:

In 1995, the need was felt for an all-share index to provide the basis of index trading in future. The KSE All Share Index was constructed and introduced on September 18, 1995.

KSE-30:

Exchange has also introduced KSE-30 Index, which is calculated using “Free Float Market Capitalization Methodology”. The primary objective of the KSE-30 Index is to serve as a bench mark by which the stock price performance can be compared to over a period of time.

KMI-30:

In 2008, PSX introduced first Islamic Index KMI-30 in collaboration with Al-Meezan Group. KMI-30 companies are first scrutinized for their compliance with certain Islamic Principles. Similar to KSE-30, the KMI-30 index is also calculated using “Free Float Market Capitalization” Methodology. Furthermore, in the KMI-30 index, market-capitalization of each company is capped at 12% of the total market capitalization i.e. market capitalization of individual companies cannot be more than 12% of the total market capitalization of KMI-30 Index companies. The excess market capitalization is divided among the rest of the companies according to pro-rata basis. This helps in reducing the volatility of the index by minimizing the influence of large-cap stocks.

PSX-KMI ALL Shares Index:

PSX introduced All Shares Islamic Index from November 18th, 2015 in collaboration with Meezan Bank Limited. The index includes all such companies which meet the Sha'riah screening criteria. It is based on Full Market Capitalization.

4.2.4 DISSEMINATION OF INFORMATION

PSX provides real-time as well as historical data on stock trading. It has three major segments of data: Stock Data feed, Indices and Corporate Data. The Exchange is also a rich source of information pertaining to corporate announcements, annual / quarterly results and shareholding patterns of companies listed on the Exchange.

More information is available on the web site www.psx.com.pk as following:

1. Market Statistics
2. KSE Indices
3. Top 30 Symbols of the day
4. Listed companies statistics
5. Key statistics
6. Info on Listed Companies
7. TREC Holders Information
8. Download

The information regarding the trading activities is live broadcasted by various TV channels. In addition information is also available through different data providers like Reuters, Bloomberg etc.

4.3 NEW INITIATIVES

4.3.1 Advanced version Of Securities Lending And Borrowing system

Considering that existing Lending and Borrowing System has failed to takeoff, the Market Development and New Products Committee of the Exchange developed an enhanced version of the Stock Lending and Borrowing, a major chunk of which has approved by the SECP while rest is under consideration by SECP. The Share Financing and Stock Borrowing are the two impetuses which provide speculators to take view on bullish and bearish trends.

Stock Lending and Borrowing Contracts were introduced in 2011 by National Clearing Company of Pakistan. The Product has failed to meet the expectations of Borrowers and Lenders of the Market and has also failed to provide required impetus to the Market thereby bringing required vibrancy to the Market. The aggregate borrowed number of shares since launch of SLB stood within a million in past five years along with 68 registered participants of Stock Lending and Borrowing Market.

The Revised SLB Contracts are envisaged to improve the overall Market efficiency and liquidity and may act as a useful tool for risk management as it helps to facilitate timely settlement of the securities. The key features of Revised SLB include:

1. Market operation timings similar to Ready Board.
2. No capping on Lending and Borrowing rates.
3. Flexible contract duration.
4. European style contracts.
5. Increased number of securities on Revised SLB Counter.
6. Treatment of corporate actions as per international best practices i.e. collection of Dividends from borrower and passing it on to the Lender.

With the launch of Revised SLB, it is expected that ready market volume shall increase by 10% to 15%

4.3.2 Upcoming Futures and Options Segment

Options are globally popular derivative products which provide various benefits that help to create orderly, efficient and liquid markets, gives flexibility, leverage and risk minimization to the investors. In order to add depth to the Market and to allow investors to leverage positions for large diversified portfolios, the Management of the Exchange, in line with international best practices, has embarked upon a process to introduce the Single Stock Options starting from Q3 of CY-2017. The Exchange (PSX) will seek to provide competitive, liquid, and orderly markets for the purchase and sale of standardized options. All option contracts traded on the PSX are proposed to be issued and cleared by the National Clearing Company of Pakistan Limited (hereinafter referred to as “NCCPL” and/or “Clearinghouse”). NCCPL is a registered clearing company with the SECP.

Options are to be traded on the Pakistan Stock Exchange Limited and like trading in stocks and options will be regulated by the Securities and Exchange Commission of Pakistan (SECP). Presently, the Regulations Governing Index Options are approved by the Securities and Exchange Commission of Pakistan, and as such the application software is also ready for deployment and launch of Index Options, but considering the sentiment of the market participants, PSX is first working to bring depth in Single Stock Futures followed by the introduction of Single Stock Options.

With the launch of Single Stock Options, it is expected that ready market volume shall increase by two to three times as derivative volumes in India were at-least five times higher within 2 years of launch of derivatives.

4.3.3 SMALL AND MEDIUM ENTERPRISES (SMEs) BOARD

SME Board of Pakistan Stock Exchange is envisaged to create a platform for SMEs to raise capital at a lower cost. Listing on SME Board shall facilitate business expansion and fast track process of raising funds via Exchange without any debt burden. PSX SME Board will serve as a trading market for companies with growth potential which aim to be reassigned to the Main/Regular Board in near future.

Benefits of Listing on PSX's SME Board:

1. Easy financing
2. No debt burden
3. Lower financing costs
4. Healthier balance sheets
5. Increased credibility and profile
6. Better share value
7. Secondary equity financing from private placements
8. Provision of easy Exit option
9. Fast track up gradation to Regular Board

4.3.4 MEASURES FOR INVESTOR AWARENESS

Financial inclusion is a key element in the development of a robust financial sector and growth of a modern market-based economy. Penetration of financial products in general and capital market products in particular, is extremely low in Pakistan. In 2012, PSX launched a focused campaign to generate large scale awareness amongst individual savers regarding the role that capital markets can play in the overall context of their long term financial planning. In FY-2016/17, this campaign has been further streamlined with the number of workshops and seminars increasing significantly.

PSX has conducted altogether 16 programs which had a target audience of 33,050 and total attendees around 12,530 for the FY-2016. These seminars / workshop were conducted in Karachi, Hyderabad, Lahore, Islamabad, Faisalabad, Multan, Peshawar and Sialkot.

4.3.5 PSX NEW WEBSITE

In order to cater to an anticipated influx of new investors, Exchange has embarked upon an initiative to revamp its website whereby it is expected that there will be a wider website target audience because locals as well as Chinese investors will now be accessing PSX website which requires the Exchange website to be made available in Urdu, English as well as Chinese.

It is expected that with the new outlook and multilingual interface, the existing website advertisement related revenues shall increase by 10 times.

4.3.6 CORPORATE BRIEFING PROGRAM

Corporate Briefing Program (CBP) at PSX is a platform for listed companies to hold corporate briefings for general public and analysts at PSX trading hall with a view to facilitate the audience to understand companies' financial reports and offer a thorough evaluation of their business strategies by responding directly to queries and concerns. The basic goal of the CBP is to enhance investors' understanding of financial statements, company's short term and long term plans and any other corporate development. PSX's CBP helps in bridging the gap between the listed companies and investor community. PSX has conducted a total of 5 CBPs during the FY-2016.

4.3.7 Introduction of Islamic Capital markets

Currently, our capital market is devoid of PKR 40 to 50 billion rupees worth of liquidity as there are no aggressive mutual funds and participation of Islamic Banks due to lack of availability of Shariah Complaint day trading. In this regard, the Ministry of Finance has constituted a Committee for development of Islamic Capital Market that is headed by former Deputy Governor of State Bank of Pakistan with having membership of Mufti Muneeb-ur-Rehman and Maulana Imran Usmani. The Committee also had representations from SBP, PSX, NCCPL, CDC and SECP.

This Committee devised a roadmap through which PSX was recommended to make a benchmark index in its first phase with subsequently introducing Shariah compliant share trading and financing as its second phase. As per the Committee's advice, PSX has successfully executed the first phase by launching the benchmark index comprising of Shariah compliant All Shares Islamic index known as the "PSX-KMI All Shares Index". PSX-KMI All Shares Index is made up of 231 Shariah compliant companies listed on PSX and was launched on November 18th, 2015 by the Finance Minister, Mr. Ishaq Dar, amid much fanfare at PSX.

The second phase of introducing a shariah complaint trading product is currently in advanced stages. The Market Development and New Products Committee, along with the Shariah Advisor, have approved of the same and it is planned to be launched in the near future. With the launch and introduction of the said Islamic product, the market will benefit from greater involvement of Islamic banks' Equity Desks, whereby, day trading will now also partake in this product along with Islamic Mutual Funds being able to launch aggressive funds enhancing the liquidity of the capital market by PKR 40-50 billion in value.

4.3.8 Guideline Booklet for Foreign Investors

Under the new consolidated regime of Pakistan Stock Exchange, the Exchange plans to conduct awareness sessions throughout the world encouraging Non Resident Investors (both individuals and corporates) to invest into Pakistan's Capital Market. In order to facilitate Foreign Investors, the Exchange has composed a user guideline manual for Non Resident Investors to invest in Pakistan's Equity Market through opening Special Convertible Rupee Accounts (SCRA) with SBP authorized dealers in Pakistan. PSX has devised this document to serve as a core informational booklet helping Foreign Investors / Non-Resident Pakistanis to understand several investment avenues in Pakistan. This booklet will be made available at the foreign embassies across Pakistan and is a great way for Foreign Investors to get to know of custodial services provided by Pakistani banks/ brokers.

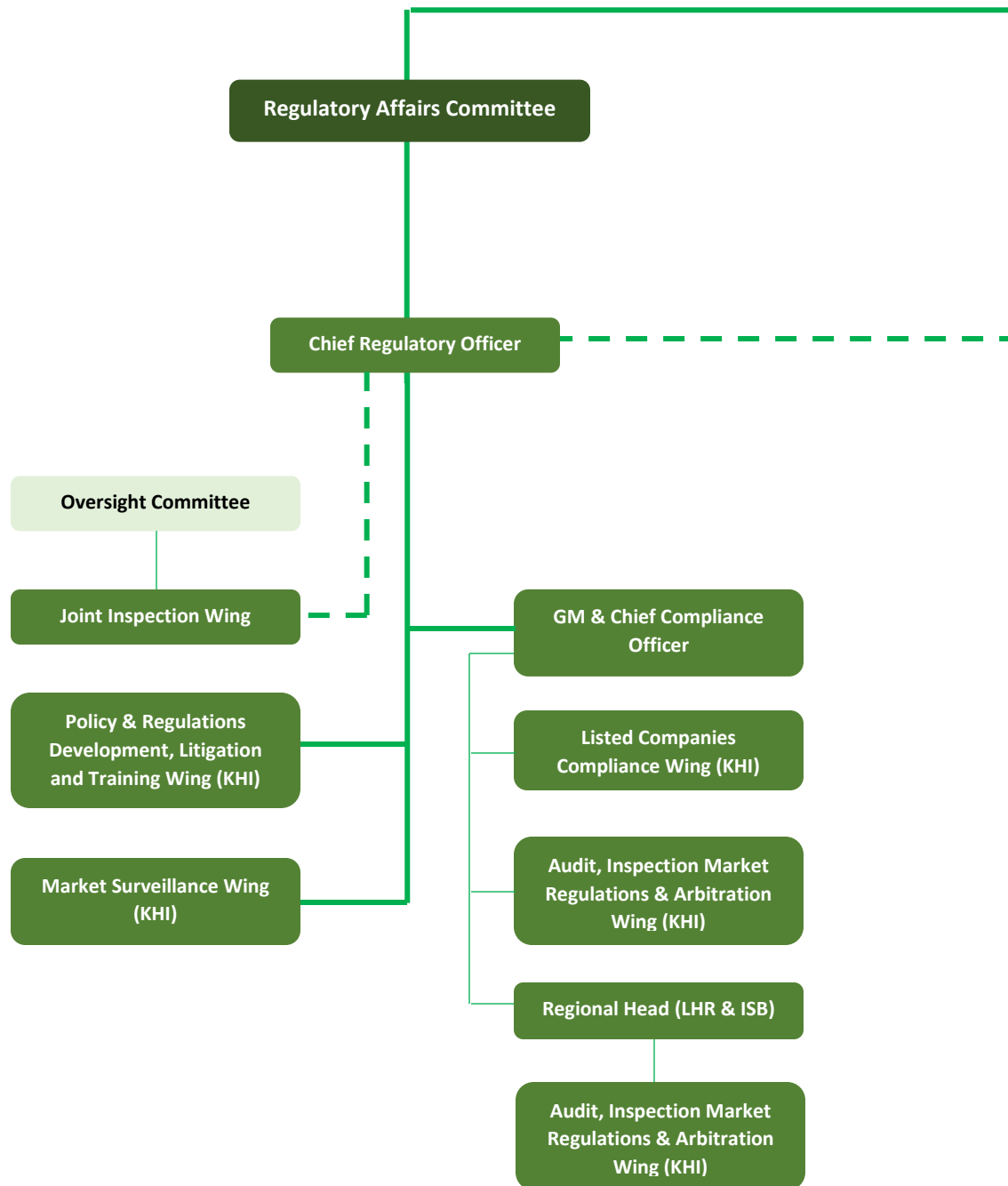
4.3.9 MEASURES FOR ENCOURAGING NEW LISTINGS

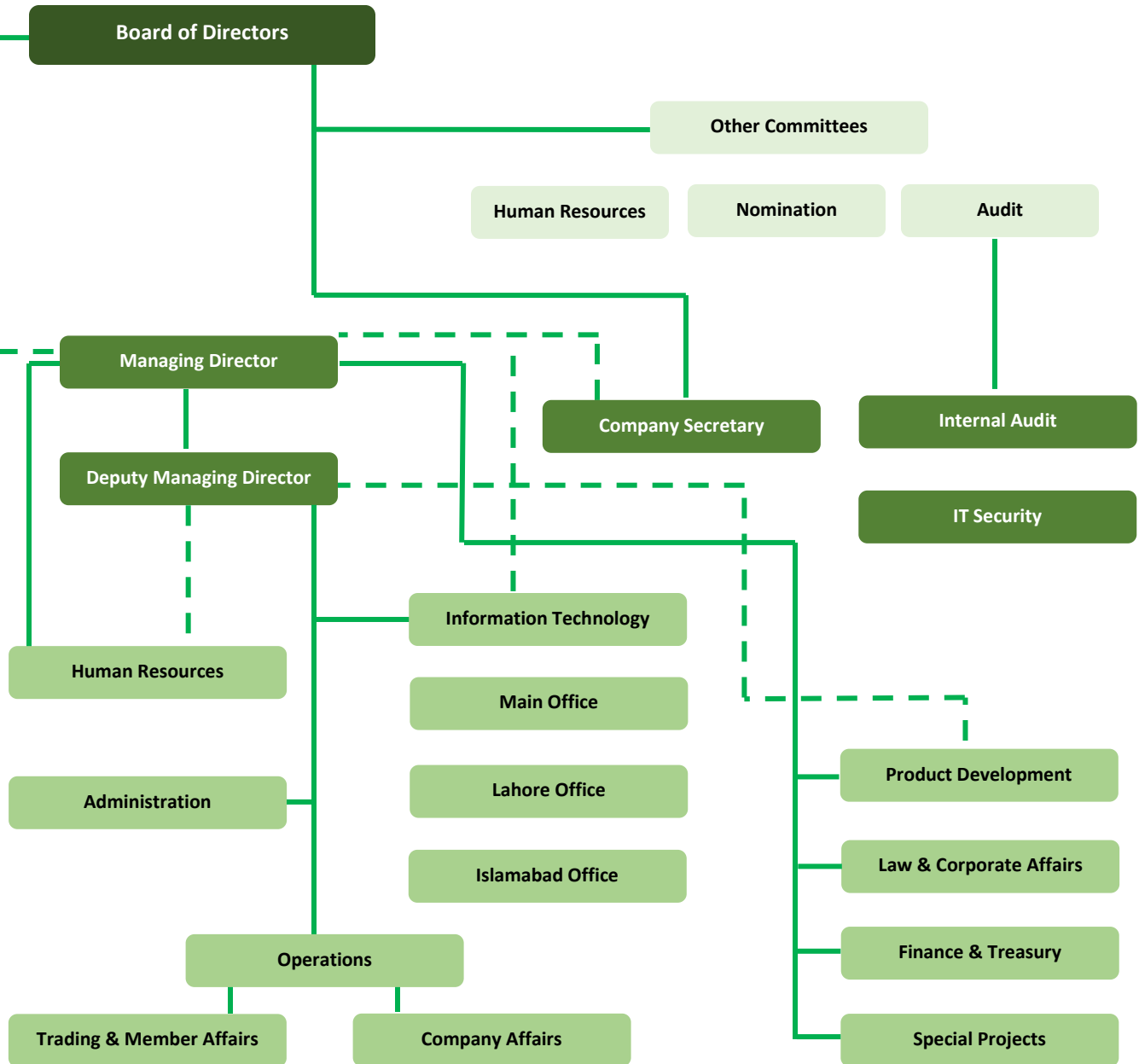
A total of 4 Equity Issues with paid-up capital of PKR 6.05 Billion, 9 Open-Ended Mutual Funds of PKR 13.16 Billion and 2 Debt Securities amounting to PKR 13.00 Billion were listed during the period from July 01st, 2015 to June 30th, 2016. Out of 4 Equity Issues, 3 companies offered shares through Book Building. In the case of Al-Shaheer Corporation Limited, the strike price determined was Rs.95 which was 221% higher than the floor price of PKR 43. Similarly, in the cases of Amreli Steels Limited and Hi-Tech Lubricants Limited, the strike prices determined were Rs.51 and 52.5, which were 213% and 142% higher than the floor price of Rs.24 and Rs.37, respectively.

Efforts are under way to promote SME Counter and make it operational by listing of securities on this Counter, which will add new avenues of listing of Small & Medium size companies by raising funds through equity and debt issues.

4.4 OPERATIONS

4.4.1 ORGANIZATIONAL STRUCTURE





4.4.2 REGULATORY AFFAIRS DEPARTMENT

Regulatory Affairs Department (“RAD”) has been formed in compliance with the requirements of the Securities Exchange (Licensing & Operations) Regulations, 2016. The RAD is headed by the Chief Regulatory Officer (“CRO”) who reports directly to the Regulatory Affairs Committee (“RAC”) of the PSX Board. The General Manager / Chief Compliance Officer (“CCO”), who reports to CRO, is responsible for managing the day to day operations of the compliance and enforcement functions of the RAD.

The RAD is divided into following functions:

1. **Policy & Regulations Development, Litigation and Training Wing:** This wing is responsible for researching, analyzing, and drafting regulations and framing policies and procedures thereunder, in line with global trends and changing market dynamics. This wing works in close coordination with the SECP, the operation department of PSX and other key stakeholders for handling regulatory matters. The wing prepares working papers for the monthly meetings of RAC, engages in consultation process with the public and processes for implementation of the new regulations or amendments to the existing regulations. This function reports to the CRO.
2. **Market Surveillance Wing:** This wing is responsible for monitoring the behavior of trading activities of all market participants to detect unfair trade practices, market manipulation and breach of relevant PSX Regulations. Further, this wing also initiates enquiries and investigations against suspects, provides opportunity of being heard to non-complaint brokers, prepares investigation reports and enforcement orders thereof. This function reports to the CRO.
3. **Listed Companies Compliance Wing:** The wing is responsible for continuous monitoring of the compliance of listed companies with the Listing of Companies and Securities Regulations of PSX and Correspondence Manual made thereunder. The wing follows up aggressively with the companies for ensuring their compliance with the regulatory requirements and takes requisite enforcement actions against non-compliant companies. This wing also suggest amendments to listing regulations to improve the listing standards and to safeguard the interest of minority shareholders. This function reports to the CCO.
4. **Audit, Inspection & Market Regulations Wing:** The wing is responsible for monitoring compliance of the Internet Trading and Market Regulations through System Audit and Joint Inspection, analyzing and scrutinizing the System Audit / Internet Trading Audit Reports and Net Capital Balance Certificate. This function also conducts special audits of brokers relating to clients’ assets segregation to ensure that the clients’ assets are segregated and used only for their own benefit. The wing takes enforcement actions against non-compliant brokers and prepares compliance reports for PSX and SECP on quarterly and semi-annual basis. This function reports to the CCO.
5. **Default & Arbitration Wing:** This wing provides a platform to the investors of securities market to raise their concerns / claims / disputes against the active brokers or brokers whose TRE Certificate has been cancelled or forfeited by the PSX due to regulatory breach. This wing receives, processes and ensures to complete the mediation and/or arbitration procedure in a timely and transparent manner. Since 2008, PSX has settled claims of over PKR 2.5 billion. This function reports to the CCO.
6. **Joint Inspection Wing:** Pursuant to the promulgation of Joint Inspection Regulations 2015, the risk-based joint inspection of brokers was commenced in November 2016. Such inspections are conducted by the joint inspection teams comprising of members from PSX, Central Depository Company of Pakistan Limited (“CDC”) and National Clearing Company of Pakistan Limited (“NCCPL”). The scope of the joint inspection is very comprehensive and focused with respect to complete trade flow. The inspections are carried out under the supervision and direction of Oversight Committee constituted by the SECP that comprises of members from each SROs. The joint inspection is expected to remove the redundancies and duplications of inspection of brokers being conducted by each line regulator separately.

4.4.3 LISTING REQUIREMENTS & PROCEDURES

Issue of capital is governed by the Securities Act, 2015, Companies Ordinance 2016, Companies (Issue of Capital) Rules, 1996, Listing of Companies and Securities Regulations of PSX Rule Book and the Public Offering Regulations, 2017. The main requirements of listing for regular market are:

1. Minimum paid up capital of PKR 200 million for a company seeking listing.
2. Public offer of equity has to be subscribed by at least 500 applicants.
3. The capital structure should be according to the Listing of Companies and Securities Regulations of PSX Rule Book.
4. The offering document has to be approved by the PSX before it is submitted to the Securities & Exchange Commission of Pakistan for approval.

Under the Regulations Governing Listing and Trading of Equity Securities of Small and Medium Enterprise (SMEs), companies having post issued paid- up capital of not less than PKR 25 million and not more than PKR 200 million may be listed. It is required that at least 20% of the post issued paid-up capital is offered to Qualified Institutional Buyers (“QIBs”) and High Net-worth Individual Investors (“HNWIs”).

In addition, listing of Debt Securities through public offering is governed under the separate Regulation, namely Listing of Debt Securities Regulations. The debt security of both listed and non-listed companies can qualify for listing. The paid-up capital of the company applying for listing should not be less than PKR 200 million as well as the total issue size including pre-IPO investment is also required to be PKR 200 million. The Entity Rating should not be less than ‘BBB’ and whereas, the minimum allocation of capital to the general public depends on the total issue size and is defined under the Regulations.

In addition, the debt securities of both listed and non-listed issued through private placement to QIBs also qualify for listing under Schedule III of the Regulation Governing Over-the-Counter (“OTC”) Market provided the requirements as laid down under the Regulations are complied with.

4.4.4 INFORMATION TECHNOLOGY INFRASTRUCTURE OF THE EXCHANGE

PSX continues to invest heavily in the world’s top class IT systems. Its data center houses up-to-date and cutting-edge technologies including high-end servers, enterprise storage sub-systems and state-of-art air purification and environment control systems.

PSX has examined the technical requirements that its next-generation backbone network should meet, including low latency transmission for high-speed system processing and business continuity. After considering the network technologies needed for business continuity, high-speed systems processing, management of fault tolerance and low-latency, PSX adopted a robust network configuration which inter-alia includes superior connectivity option, optimized switching and superior network security.

PSX is amongst selected stock exchanges of the world which own the technology it uses. All Mission-Critical Applications including Trading, Clearing, Settlement and Risk Management Applications are indigenously developed by following proper and well documented Software Development Life Cycle (“SDLC”).

Information security is a critical consideration at PSX, whose processes and functions work round the clock to detect intrusion, hacking and unprivileged access attempts to our computer systems and networks.

Information Security

The advancement of technology has helped to drive organizations to unprecedented levels of growth and reach. However, this advancement has also resulted in new threats to the confidentiality, integrity and availability of the organizations’ information. The situation for PSX is no different as since the introduction of Karachi Automated

Trading System (“KATS”) in 2002, the majority of PSX’s operations began to be supported by and were heavily reliant on technology in one form or another. These changes, including the proliferation of access points / mechanisms and the consolidation of information repositories, have resulted in the Exchange facing increasingly complex challenges in maintaining the confidentiality, integrity and availability of its information, which is critical for the on-going effective functioning and good governance of PSX. It is therefore imperative that PSX has a coherent strategy for achieving the above mentioned objectives. In-line with these requirements, PSX Information Security Office (“ISO”) has developed and implemented comprehensive information security program which includes information security policy framework, risk management, training & awareness etc., to name a few.

4.4.5 RISK MANAGEMENT

During the year, PSX received a directive from the SECP under Sections 12(1)(d) and 170(1) of the Securities Act, 2015 to transfer the risk management function from PSX to NCCPL, subject to the compliance of certain conditions as mentioned in the said directive of the SECP. In this respect on April 30, 2016, all the deposits from TREC Holders against exposure were transferred to NCCPL. The said function is now being performed by NCCPL.

4.4.6 DEFAULTER’S SEGMENT

The concept of placing the companies in the Defaulters’ Segment was introduced for general public information. The Exchange segregated the companies which are in default(s) of Listing of Companies and Securities Regulations, particularly Regulation No. 5.11 which is as under:

A listed company may be placed in the Defaulters’ Segment, suspended and / or de-listed for any of the following reasons and in the manner as provided herein below:

1. A listed company shall be placed in the Defaulters’ Segment if from three years of the date of formal listing, it has not started commercial production in the case of a manufacturing company or has not commenced business in the case of any other company.
2. A listed company shall be placed in the Defaulters’ Segment if it has failed to hold its Annual General Meeting for two consecutive years.
3. A listed company shall be placed in the Defaulters’ Segment if winding-up proceedings of the company have been initiated.
4. A listed company shall be delisted if its official liquidator/ liquidator has been appointed, whether by the Court or the company, as the case may be.
5. A listed company shall be placed in the Defaulters’ Segment if it has failed to pay:
 - the annual listing fees as prescribed in these Regulations for a period of 2 years; or
 - any penalty imposed under these Regulations; or
 - any other dues payable to the Exchange;
6. A listed company may be placed in the Defaulters’ Segment and the Exchange may suspend trading in its shares if it has failed to comply with the requirements of any of these Regulations;
7. A listed company shall be placed in the Defaulters’ Segment if it for any reason whatsoever refuses to join the CDS after its securities have been declared eligible securities by the CDC.

The names of the defaulting companies are shown separately in Daily Quotation sheet of the Exchange by also indicating the nature of default(s).

4.4.7 TOP COMPANIES AWARDS DISTRIBUTION

In order to encourage good corporate governance and appreciate outstanding performance of the companies, the Exchange awards Top 25 companies each year.

The criteria for selection of Top 25 companies are continuously reviewed to ensure that companies are awarded on their exemplary corporate performance. Companies eligible for the award are shortlisted on the basis of distribution to shareholders and the level of liquidity in their scrips. The companies should also not be on the Exchange's defaulters' segment to be eligible for qualification. Each shortlisted company is graded on the following extensive criteria:

1. Capital Efficiency, depicted by pre-tax Shareholders' Return ("ROE"), Ratio of Capital Expenditure to Total Assets and change in Market Value Added ("MVA")
2. Dividend Distribution, total distribution out of current year's profit and payout ratio ("DPS" / "EPS")
3. Growth in operating revenue, change in EBITDA Margin (Operating margin) in absolute terms
4. Free-float of shares as a percentage of total shares outstanding
5. Turnover of share transactions executed on the KATS
6. Corporate Governance & Investors Relation: Transparency and Investor Relations, represented by maintaining an updated company website, announcement of half-yearly results within one month, holding of Board Meeting for the consideration of accounts within one month of the close of financial year, holding of AGM within 3 months of financial year end and early dispatch of dividend / bonus shares within 10 days instead of the requirement of 30 days, holding of one corporate briefing program during the year, compliance with the provisions of Code of Corporate Governance, at least 50% of directors have completed Director's Training program, more the 1 independent director in the Board of Directors, independent director as a Chairman of Audit Committee, Corporate Social Responsibility minimum 1% of after tax profit as donation.

4.4.8 DISASTER RECOVERY

In line with our vision to be the leading financial institution in the region, offering efficient, fair and transparent securities market thereby enjoying full confidence of investors, securities issuers, and regulators, the Exchange has made significant improvements in the Business Continuity & Disaster Recovery arrangements to ensure capital market transactions continuity in the event of any unforeseen crisis impacting physical infrastructure. The arrangements have been made so that the Exchange operations and systems shall be able to recover from an alternate site within few hours in case of the invocation of disaster by the PSX Management.

4.4.9 PUBLICATIONS

The widest possible dissemination of market related information is a pre-requisite of a well-functioning and transparent market. Conscious of its obligations in this regard, PSX publishes a Daily Quotation which is available on payment and an Annual Report, Diary etc. during the year.

4.5 SECTOR-WISE CAPITAL LISTED ON THE EXCHANGE

As of March 31, 2017

PKR in million

Sector Name	Paid up Capital
Close-End Mutual Fund	7,277.492
Modarabas	12,517.349

Leasing Companies	3,118.063
Inv. Banks / Inv. Cos / Securities Cos	34,283.112
Commercial Banks	464,109.700
Insurance	24,586.433
Real Estate Investment Trust	22,237.000
Textile Spinning	22,026.779
Textile Weaving	6,593.494
Textile Composite	30,292.947
Woollen	116.658
Synthetic & Rayon	9,559.074
Jute	310.659
Sugar & Allied Industries	10,303.382
Cement	78,369.266
Tobacco	3,182.759
Refinery	14,581.183
Power Generation & Distribution	148,042.300
Oil & Gas Marketing Companies	22,360.984
Oil & Gas Exploration Companies	66,194.543
Engineering	20,405.037
Automobile Assembler	7,657.961
Automobile Parts & Accessories	3,295.888
Cable & Electrical Goods	8,857.649
Transport	46,051.800
Technology & Communication	73,949.961
Fertilizer	71,004.693
Pharmaceuticals	8,028.727
Chemical	38,188.061
Paper & Board	4,891.734
Vanaspati & Allied Industries	135.754
Leather & Tanneries	309.888
Food & Personal Care Products	16,416.703
Glass & Ceramics	8,175.663
Miscellaneous	9,726.309
TOTAL	1,297,159.005

4.6 FINANCIAL PERFORMANCE OF ASSOCIATED COMPANIES

National Clearing Company of Pakistan Limited					
PKR in '000	FY12	FY13	FY14	FY15	FY16
Paid-up Capital	79,687	99,609	149,414	224,121	504,272
Total Equity	391,042	421,795	490,899	659,640	1,143,211
Total Assets	1,066,706	2,143,879	9,199,688	7,511,514	9,628,042
Current Assets	1,971,460	3,081,443	9,014,740	7,290,062	9,382,783

Non-Current Liabilities	373,801	387,571	12,820	35,103	23,649
Current Liabilities	1,348,283	2,390,864	8,695,969	6,816,771	8,461,182
Current Ratio	1.46	1.29	1.04	1.07	1.11
Revenue	126,280	241,848	335,441	582,599	570,727
Profit after Tax	17,980	43,456	90,047	181,558	137,943
Return on Equity	4.60%	10%	18%	28%	12%
Return on Assets	2%	3%	2%	2%	2%
Earnings per Share * (PKR)	2.26	2.91	6.03	7.38	3.79
Breakup Value per Share (PKR)	49.07	42.34	32.85	29.43	22.67
Dividend per Share (PKR)	1.0	2.0	6.0	9.0	1.9
Shares Outstanding	7,968,750	9,960,938	14,941,407	22,412,111	50,427,244
Dividend	7,969	19,922	89,648	201,709	95,810
Bonus	19,922	49,805	0	0	0

* Calculated on weighted average number of shares outstanding

Central Depository Company of Pakistan Limited					
PKR in '000	FY12	FY13	FY14	FY15	FY16
Paid-up Capital	650,000	650,000	650,000	650,000	650,000
Total Equity	1,690,003	1,737,562	1,866,565	2,113,456	2,346,236
Total Assets	2,584,689	2,639,436	2,810,159	3,169,761	3,420,572
Current Assets	1,466,859	1,641,382	1,238,730	2,177,431	2,378,333
Non-Current Liabilities	194,121	186,840	183,237	197,661	182,910
Current Liabilities	197,657	222,464	276,371	383,561	425,563
Current Ratio	7.42	7.38	4.48	5.68	5.59
Total Revenue	980,559	1,084,342	1,255,857	1,552,529	1,682,732
Profit after Tax	221,209	243,880	326,395	418,975	455,288
Return on Equity	13.39%	14.23%	18.11%	21.05%	20.42%
Return on Assets	9.88%	9.34%	11.98%	14.01%	13.82%
Earnings per Share (PKR)	3.40	3.75	5.02	6.45	7.00
Breakup Value per Share (PKR)	26.00	26.73	28.72	32.51	36.10
Cash Dividend per share (PKR)	3.00	3.00	3.00	3.25	0.31
Bonus per share	0.00	0.00	0.00	0.00	5.38

5 RISK FACTORS

Investment in Ordinary Shares involves several risks. Investors should consider all the information in this Offer for Sale Document, including the risks described below, before making an investment in the Ordinary Shares. If anyone or some combination of the following risks were to occur, the business, results of operations, financial condition, cash flows and prospects could suffer, and the price of the Ordinary Shares could decline.

The Ordinary Shares may not be a suitable investment for all investors. Each potential investor should determine the suitability of this investment in light of its own circumstances. Potential investor should have sufficient knowledge and experience to make a meaningful evaluation of the investment, the merits and risks of investing in Ordinary Shares and have sufficient financial resources and liquidity to bear all of the risks of such an investment.

Risk of Broad Market Trends and Macroeconomic Factors

The business, financial condition and results of operations of the Exchange are highly dependent upon the levels of activity of the Exchange, and in particular upon the volume of financial assets traded, the number of listed securities, the number of new listings and subsequent issuances, liquidity and similar factors, as a significant portion of the Exchange's revenue depends, either directly or indirectly, on trading, listing, clearing and settlement transaction-based fees. The Exchange's financial condition and results of operations are also dependent upon the success of its clearing, settlement and other issuer services, which, in turn, are directly dependent on the liquidity and financial strength of the Exchange's customers, namely financial intermediaries such as brokers, and their respective clients.

The Exchange also depend upon the relative attractiveness of the financial assets traded on the exchange, and the relative attractiveness of the exchange as a market on which to trade these financial assets. All of these variables are primarily influenced by economic, political and market conditions in Pakistan as well as, to a lesser degree, the rest of Asia, the United States, Europe and elsewhere in the world that are beyond the Exchange's control. According to the World Bank, global market and economic conditions have been weak and volatile in recent years and while volatile markets may generate increased transaction volumes, prolonged weak economic conditions may materially adversely affect listing, trading, clearing and settlement volumes as well as the demand for market data. For example, a decline in share prices and number of shares traded may cause us to experience settlement shortages or settlement defaults by a member. If returns on investments in Pakistani companies are generally lower than returns on investments in companies based in other countries, we may be unsuccessful in attracting foreign and local investors to our markets.

Other factors that may materially adversely affect our business, financial condition and results of operations and are beyond our control include:

1. broad trends in business and finance, including industry-specific circumstances, capital market trends and the mergers and acquisitions environment;
2. social and civil unrest, terrorism and war;
3. concerns over inflation and the level of institutional or retail confidence;
4. changes in government monetary policy and foreign currency exchange rates;
5. the availability of short-term and long-term funding and capital;
6. the availability of alternative investment opportunities;
7. changes and volatility in the prices of securities;
8. changes in tax policy (including transaction tax) and tax treaties between Pakistani and other countries;
9. the level and volatility of interest rates;
10. legislative and regulatory changes, including the potential for regulatory arbitrage among regulated and unregulated markets if significant policy differences emerge among markets;
11. the perceived attractiveness, or lack of attractiveness, of Pakistani capital markets; and
12. unforeseen market closures or other disruptions in trading.

If levels of activity on the Exchange are materially adversely affected by any of the factors described above or other factors beyond its control, the Exchange's business, financial condition and results of operations could also be materially adversely affected.

Risk of Future Initiatives

The Exchange has undertaken several initiatives in the past and continue to do so with a view to enhancing retail and institutional investment participation and increasing the amount of trading in derivative products. Factors that may have an effect on the Exchange's business strategy include, among others:

1. the general condition of the Pakistani, Asian and global economies;
2. our ability to successfully introduce new services and products; and
3. regulatory restrictions.

Many of these factors are beyond the Exchange's control. As a result, there can be no assurance that we will be successful in implementing our current and future strategic plans and any failure to do so may have a material adverse effect on our prospects and future financial condition and results of operations.

Risk of Market Fluctuations

As the Exchange's total revenue is dependent in part on equities, a historically volatile product, as well as on a number of external factors, such as trading activity and price levels on our markets, the Exchange's total revenue and profitability may fluctuate from one period to another. Further, a large proportion of the Exchange's expenses are fixed in the short term. If total revenue falls below expectations or cannot be increased to match increased expenses, the Exchange may not be able to adjust operating expenses quickly enough to compensate for the reduction in profit, and the Exchange's business, financial condition and results of operations for a given period may be materially adversely affected.

Risk of Interest Rate Variation

The Exchange is exposed to the effects of fluctuations in the prevailing levels of market interest rates on their financial position and cash flows and thus changes in interest rates may materially adversely affect the value of the Exchange's investments. Interest rate risk is affected primarily by the yield on the Exchange's debt investments. Changes in the general level of interest rates can affect profitability by affecting the spread between, amongst other things, income received on investments in debt securities, the value of interest-earning investments, ability to realize gains from the sale of investments and interest expense on interest bearing liabilities. Changes in interest rates may also affect the valuation of the Exchange's investments by impacting the valuation discount rate. Interest rates are sensitive to many factors, including governmental, monetary and tax policies, domestic and international economic and political considerations, fiscal deficits, trade surpluses or deficits, regulatory requirements and other factors beyond our control.

Regulatory Risk

The Exchange operates in a highly regulated industry and is subject to extensive regulation. The Commission regulates the Exchange and has broad powers to withhold approvals or consents with respect to proposals made by the Exchange (whether with respect to rule amendments, product range or infrastructure or market development initiatives), to issue suspension orders and to require the Exchange to produce records and supply information. Where the Commission is satisfied that it is appropriate to do so in the interest of the investing public or in the public's interest, for the protection of investors or for the proper regulation of PSX, CDC, NCCPL or any other SECP-regulated entities, the Commission may suspend any of the functions of any of the aforementioned entities. In the event that the Commission exercises such powers, this would have a material adverse effect on the Exchange's business, reputation, financial condition and results of operations.

Additionally, the Exchange exercise by way of its regulations, rules and bye-laws certain regulatory functions, including monitoring of compliance of certain securities laws by entities listed on our platform. Any increase in the levels of monitoring that the Exchange is required to perform, including on account of regulatory changes, may impose or result in increased or excessive regulatory burdens on and compliance costs for the Exchange. Further,

failure to adequately monitor compliance with applicable securities laws for entities listed on our platform may subject the Exchange to penalties, fines, suspension of license or third-party lawsuits. For example, in the past there have been lawsuits brought against exchanges in Pakistan, including PSX, alleging that the exchanges have not adequately monitored listed companies, in particular companies that have been suspended for trading for a long period of time.

The Exchange may be exposed to a higher risk of reputational damage or financial loss due to the higher exposure to regulatory requirements and sanctions, penalties or fines resulting from failure to comply with any new, newly applied or existing laws or regulations. The Exchange may also expect increased operational costs or sustain losses or financial consequences if any recognition by overseas regulators is required or if contracts must be renegotiated or if contract terms must be altered as a result of new or newly applied laws, regulations or court decisions whether due to the extraterritorial effect of overseas regulations or otherwise. The Exchange's ability to comply with applicable laws and rules will largely depend on its ability to establish and maintain appropriate systems and procedures and as well as its ability to attract and retain qualified personnel and professionals.

In the case of actual or alleged non-compliance with regulatory requirements, the Exchange could be subject to investigations and administrative or judicial proceedings that may result in substantial penalties. Any such investigation or proceeding, whether successful or unsuccessful, could result in substantial costs and diversions of resources, which could negatively affect our reputation and have a material adverse effect on the Exchange's business and cash flows, financial condition and results of operations.

Risk of Changes in Government Policies

Trading volumes on our markets could be affected by changes in policies of the Government of Pakistan. Changes in tax law or policy, regulatory changes regarding foreign portfolio investors or changes in other regulations or policies that affect the Exchange's businesses, including its listed companies, such as changes that make offerings of Pakistani securities outside Pakistan easier, changes affecting the ability of investors to freely trade on our exchanges, or the taxation or repatriation of profits from such trading, or changes to the manner in which securities are traded, cleared and settled on our exchanges and clearing corporation, may have a material adverse effect on the Exchange's business, financial condition, results of operations and prospects.

Risk of Delay of Approval from the Securities and Exchange Commission

PSX operates the exchange and, as a licensed securities exchange in Pakistan, has power to make rules for the purposes of discharging its duties, but no rule or amendment of its rules will have effect unless the Exchange has the Commission's approval in writing and publish notifications in the official Gazette. The Commission may approve, disapprove, or recommend changes to rules or amendments to existing rules that the Exchange submits to it for approval. Any delay or refusal in approving changes, or the altering of any proposed change, could have a material adverse effect on the Exchange's business, financial condition and results of operations. While the Commission fee approval provides a safeguard against potential abuse of the Exchange's position as an operator of an exchange, there is no assurance that the Exchange's results of operations may not be materially adversely affected by such regulatory constraints on its fee setting ability.

Risk of Global Systematic Events

The continuation or recurrence of systemic events such as the global economic crisis, changes in economic policies, the political situation and the regulatory environment in Pakistan or globally may materially adversely affect our performance.

Geographical Concentration Risk

Our operations, assets, members and listed companies are geographically concentrated primarily in Pakistan and we are particularly exposed to Pakistan's political, economic and business environment.

Sovereign Credit Rating Risk

Any adverse revisions to Pakistan's credit ratings for domestic and international debt by international rating agencies may materially adversely affect the ability of Pakistani companies to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This, in turn, could have a materially adverse effect on the number of new debt issuances by Pakistani companies, which would negatively impact the Exchange's fixed income securities segment. In addition, any downgrade in Pakistan's credit rating may hinder the Exchange's ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available which, in turn, may have a material adverse effect on the Exchange's capital expenditure plans, business and financial performance.

Capital Market Volatility Risk

The price of the Ordinary Shares may fluctuate after the OFS as a result of several factors, including, among others: volatility in the Pakistani and global securities or capital markets; the Exchange's operations and performance; perception in the market about financial investments; political, economic, financial, regulatory changes and any other negative factors that can affect the Pakistani capital markets; changes in the estimates of the Exchange's performance or recommendations by financial analysts; and significant developments in Pakistan's economic policies and fiscal regulations. There can be no assurance that the prices at which the Ordinary Shares are initially traded will correspond to the prices at which the Shares will trade in the market subsequently. The Ordinary Shares have not been listed on a stock exchange and an active trading market for the Ordinary Shares may not develop or be sustained after this Offer.

Exchange Rate Risk

Fluctuation in the exchange rate between the Pakistani Rupee and the United States dollar could have a material adverse effect on the value of Equity Shares, independent of our operating results.

Risk of Conditions in the Pakistani Securities Market

The Pakistani securities markets are smaller than securities markets in certain other economies. The Exchange has in the past experienced substantial fluctuations in the prices of listed securities and has also experienced problems that have affected the market price and liquidity of the securities of Pakistani companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing body of the Exchange has from time to time restricted securities from trading, limited price movements and restricted margin requirements.

Political Risk

Despite considerable improvement in the overall political dynamics in Pakistan, there remain risks of political challenges. Deterioration in the political landscape or instability due to whatsoever reason may affect business and investor sentiment and consequently revenues of the Exchange.

Security Risk

Civil unrest and other acts of violence or law and order situations that adversely affect overall security perception generally and the stock market specifically can negatively impact investor sentiment, liquidity flows, confidence and thus the revenue of the Exchange.

Technology Risk

The Exchange's operations are subject to several risks including the risk of rapid technological change. The Exchange will need to maintain investment in expanding, modernizing and upgrading its technological facilities and keep pace with advancements in technology in order to remain competitive in the future, upgrade its nascent technology and consistently introduce new proprietary products (such as KATS and BATS) that may sell software to third party exchanges; with increase in cyber-crime incidents worldwide, despite all precautionary measures, cyber-crimes may not be ignored which could result in loss or misappropriation of data and / or malfunctioning of the Exchange's IT systems, thereby potentially having negative impact on operations and performance.

Operational and Business Risks

Breakdown of operational procedures or key components of the Exchange's infrastructure and network connectivity related to the trading platform and third party service providers is also a risk which should be borne in mind. Any such related aspects can potentially disrupt operations and materially impact the financial performance of the Exchange. Additionally, given that the Exchange owns 47.06% of NCCPL which acts as a Central Counter Party for clearing and settlement of trades that occur at PSX, the Exchange is indirectly exposed to credit risk, settlement risk, liquidity risk and collateral risk of NCCPL's clearing and settlement business. The Exchange is also highly dependent on the operations of the Central Depository Company of Pakistan Limited, thus any disruptions in its operations can have serious consequences on the operations of the Exchange.

Reputation Risk

Being the sole securities exchange in the country, the above noted operational problems could damage the Exchange's brand and reputation. Possibility of fraud or misconduct by employees of the Exchange in spite of checks and controls and strong oversight may still cause harm to the Exchange's reputation or result in non-compliance of regulatory requirements which could cause reputational damage or result in fines imposed on the Exchange.

Risk of Conflict between Commercial and Regulatory Operations

The Exchange has two functions, its commercial operations and its role as the front line regulator of the Pakistan Capital Market, responsible for running an efficient and transparent market for investor protection. In case there is any conflict in its commercial and regulatory function, the regulatory function shall prevail over its commercial operations.

Litigation and Contingency Risk

PSX in its day to day operations of commercial nature as well as its obligations under the regulatory framework as a front-line regulator faces various situations that can lead to litigations with a variety of parties including Trading Rights Entitlement Certificate ("TREC") Holders / brokers, investors, issuers of listed securities, vendors etc. As such the Exchange is exposed to litigation risk with any or all these parties. While the Exchange takes all the care of operating within stipulated regulations, rules and best practices under a strong governance framework, there is no guarantee that such litigations will not occur in the future and it is not possible to indicate the outcome of such litigations.

Details of pending litigations and contingency risk have been mentioned in Section 8.14 and 8.15 of this OFSD.

Credit Risk

While the Exchange has limited credit exposure in general, there is potential of financial risk of counter parties being unable to discharge an obligation, such as banks holding cash and cash equivalents and deposits and clients with outstanding receivables.

Product Risk

At present the Exchange effectively has two simple products, cash market (ready) and deliverables futures market (forwards). While the Exchange is endeavoring to launch new products such as derivatives (cash settle futures, index futures, single stock options, index options, EFTs), infrastructure bonds, SME counter, there is no guarantee that these products will be launched as planned which may affect the Exchange's medium term performance and revenue outlook. Further, many of these products require regulatory approvals and sometimes the nature of regulations may make such products less successful than anticipated by the Exchange. Also, investors should note that the pricing of these products has to be approved by the apex regulator and therefore, it is not possible to be certain about the actual revenue potential when planning to launch the product.

Intellectual Property Rights Risk

The Exchange owns the rights of several trademarks and trade names that are used in its business and logo, such as PSX, KSE-100, KSE-30, KMI-30 indices etc. Further, PSX provides data to data vendors internationally and such data is the property of PSX and is provided under license to the vendees. While the Exchange strives to protect its intellectual property rights through copyright laws, confidentiality provisions, and other contractual arrangements, there is a potential for misappropriation / misuse of the Exchange's intellectual property. In such an event there is potential of harm to the Exchange's brand and reputation while any litigation to defend the Exchange's intellectual property rights may require financial and managerial resources.

Dilution Risk

Future issuances of shares by PSX or disposal of shares of PSX by any major shareholders could significantly affect the trading price of the Ordinary Shares. There is no assurance that PSX will not issue further ordinary shares as requirements may arise for enhancing capital for investing in technology platforms, marketing effort, management capacity enhancement or other significant capital expenditures to assure sustainable future growth of the Exchange. Investors should be aware that issuance of further shares may lead to dilution of their existing holdings.

Under-Subscription Risk

The issue of shares of PSX may get under-subscribed due to lack of interest on part of the investors.


The Exchange will not receive any proceeds from the Offer for Sale of Ordinary Shares

The Offer comprises of an offer for sale by the initial shareholders of the Exchange. Accordingly, the proceeds from this Offer will be remitted to the initial shareholders and the Exchange will not receive any proceeds from the Offer.

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

6 FINANCIAL INFORMATION

6.1 AUDITORS REPORT UNDER CLAUSE 28 OF SECTION 2 OF PART I OF THE SECOND SCHEDULE TO THE COMPANIES ORDINANCE, 1984 FOR THE PURPOSE OF INCLUSION IN THE OFSD OF PAKISTAN STOCK EXCHANGE LIMITED

	EY Part Rhodes Chartered Accountants Progressive Plaza, Dammam Road P.O. Box 15541, Karachi 75050 Pakistan	Tel: +9221 3565 0007 11 Fax: +9221 3568 1963 eyk@ey.com ey.com/pk
AC/HJA/732/17 11 May 2017		
The Board of Directors Pakistan Stock Exchange Limited (the Company) Karachi		
Auditors' report under Clause 28(1) of Section 2 of Part 1 of the Second Schedule to the Companies Ordinance, 1984		
Dear Sirs,		
We have been requested to provide you with a report with respect to information of the Company included in Auditors' Report section of this report as required under Clause 28(1) of Section 2 of Part 1 of the Second Schedule to the Companies Ordinance, 1984.		
Scope of Report		
Our engagement was undertaken on the request of the management of the Company for the purpose of inclusion of information in prospectus to be issued for Initial Public Offer as required under Clause 28(1) of Section 2 of Part 1 of the Second Schedule to the Companies Ordinance, 1984.		
Management Responsibility		
The responsibility for preparation and fair presentation of the financial information and non-financial information in the prospectus document, is primarily that of the management of the Company. The management's responsibilities include causing the maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, safeguarding of the assets of the Company and prevention and detection of frauds and irregularities. This certification does not relieve the management of its responsibilities.		
Auditors' Responsibility		
Our responsibility is to report with respect to information included in Auditors' Report paragraph of this report as required under Clause 28 (1) of Section 2 of Part 1 of the Second Schedule to the Companies Ordinance, 1984. 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. Our verification was limited to checking the correctness of financial and non-information included in the Auditors' Report section (including annexures) of this report. For this purpose we traced the financial information from the audited financial statements of the Company for the respective years and we have summarized the Assets, Liabilities of the Company as at 31 March 2017 and the Profit and Loss Account for the year ended from 30 June 2012 to 31 March 2017. In addition, we have reported other information required under Clause 28 (1) of Section 2 of Part 1 of the Second Schedule to the Companies Ordinance, 1984 based on our audits of the financial statements of the Company.		
Auditors' Report		
Based on the procedures performed as mentioned in the preceding paragraph, we are pleased to report the following:		
1. We have audited the financial statements of the Company for the financial years ended from 30 June 2012 to 31 March 2017.		





:- 2 :-

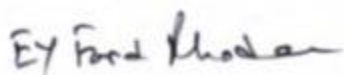
2. In terms of the requirements of Clause 2B (1) of Section 2 of Part I of the Second Schedule to the Companies Ordinance, 1984, and based on the audited financial statements, we report as under:
- Summary of assets, liabilities and shareholders' equity of the Company as at 31 March 2017 is included in annexure 'A' of this report;
 - The profit and loss accounts of the Company for the five years ended from 30 June 2012 to 31 March 2017 are included in annexure 'B' of this report; and
3. Dividend declared by the Company during the years ended 30 June 2013 to 31 March 2017 are as follows:

Description	2013	2014	2015	2016	2017
	----- Rupee -----				
Interim (31 December)	-	0.06	0.15	0.10	0.10
Final (30 June)	0.125	0.15	0.22	0.05	-

4. 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 31 March 2017.
5. As of the date of this report, the Company has no subsidiary.
6. Restriction on use and distribution

This letter is being issued on the specific request of the management of the Company for the purpose of inclusion in prospectus to be issued for Initial Public Offer and for onward submission to Securities and Exchange Commission of Pakistan and Pakistan Stock Exchange Limited. Accordingly, this should not be distributed to any other third party without our prior written consent. This certificate is solely for the purpose set forth in the scope mentioned above and is not to be used or distributed for any other purpose. This certificate is restricted to the facts stated herein.

Yours truly



Chartered Accountants
Karachi

SAS:HJA:MA.



Annexure 'A' to our letter number
AC/HJA/732/17 dated 11 May 2017

Summary of assets, liabilities and shareholders' equity of the Company as at 31 March 2017:

	March 31, 2017	June 30, 2016
	---- (Rupees in '000) ----	
ASSETS		
NON-CURRENT ASSETS		
Property and equipment	3,192,262	3,312,306
Intangibles	140,283	109,801
Investment property	682,084	682,084
Investment in associates	1,869,772	1,656,173
Long term investments	77,318	1,677,785
Long term deposits	40,619	40,537
Long term loans	760	1,606
Deferred tax asset	19,492	10,881
TOTAL NON-CURRENT ASSET	6,022,590	7,491,173
CURRENT ASSETS		
Trade debts	80,771	40,917
Loans and advances	12,977	17,945
Prepayments	28,591	30,076
Other receivables	161,911	120,402
Short term investments	1,797,346	187,517
Taxation – net	430,279	430,837
Cash and bank balances	798,625	383,724
TOTAL CURRENT ASSET	3,310,500	1,211,418
Non-current assets held for disposal	3,993	-
TOTAL ASSETS	9,337,083	8,702,591
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorize share capital 1,000,000,000 (2016: 1,000,000,000) ordinary shares of Rs.10 each	10,000,000	10,000,000
Issued, subscribes and paid-up capital	8,014,766	8,014,766
Reserves	4,929	(13,031)
	8,019,695	8,001,735
NON-CURRENT LIABILITIES		
Dara F. Dastoor scholarship fund	2,000	2,000
Long term deposits	180,416	144,968
TOTAL NON-CURRENT LIABILITIES	182,416	146,968
CURRENT LIABILITIES		
Provision for wealth tax	1,684	1,684
Trade and other liabilities	1,133,288	552,204
TOTAL CURRENT LIABILITIES	1,134,972	553,888
CONTINGENCIES AND COMMITMENTS		
TOTAL EQUITY AND LIABILITIES	9,337,083	8,702,591

Approved: Vice-Chairman & Managing Director (Company)

ETD-



Annexure 'A' to our letter number
AC/HJA/732/17 dated 11 May 2017

CONTINGENCIES

Tax related contingencies

Contingency relating to wealth tax amounts to Rs.19.184 (June 30, 2016: Rs.19.184) million is discussed in detail in note 23. Pending resolution of this matter, no provision has been made in these financial statements for any liability that may arise on this account.

Contingencies relating to PSX's operations

Law suits filed during 1997

A lawsuit was filed by five investors against the Company and an ex-member for declaration, injunction and recovery of damages, aggregating to Rs.70.00 (June 30, 2016: Rs.70.00) million together with interest thereon. The investors alleged that the Company had unlawfully taken possession and disposed off some shares belonging to the petitioners that were lying with the ex-member. The legal advisor of the Company considers that above mentioned lawsuit is expected to be decided in favour of the Company. Hence, no provision has been made in the financial statements for any liability that may arise as a result of these lawsuits.

Law suits filed during 2000

An ex-member filed a lawsuit against the Company, CDC and the SECP, in the Honourable High Court of Sindh, for cancelling his membership and declaring him as a defaulter for a claim of Rs.300 (June 30, 2016: Rs.300) million, from each. The Company is of the view that the ex-member was declared as a defaulter in accordance with its regulations as the said member had not made payments to settle his liability to the Company for the ready clearing dues and exposure and losses aggregating to Rs.351.392 (June 30, 2016: Rs.351.392) million. A sum of Rs.302.882 (June 30, 2016: Rs.302.882) million, including Rs.6.574 (June 30, 2016: Rs.6.574) million was subsequently realized by the Company from the sale of the assets of the ex-member.

Subsequently, a fund management and investment company filed a lawsuit in the Honourable High Court of Sindh against the above mentioned ex-member, CDC, SECP and the Company. The petitioners, alleged that the company had unlawfully taken the delivery of shares for which the petitioners had entered into that the Company had unlawfully taken the delivery of shares for which the petitioners had entered into contracts for purchase with the ex-member. The petitioners claimed declaration, injunction and delivery of the undelivered shares and damages of Rs.500 (June 30, 2016: Rs.500) million from the Company.

In addition to the lawsuits referred above, five lawsuits involving the ex-members' default were filed against several other defendants and the Company in the Honourable High Court of Sindh for the recovery of damages of Rs.6,851.274 (June 30, 2016: Rs.6,851.274) million for declaration, injunction, recovery of shares, damages and compensation.

The legal advisor of the Company considers that above mentioned lawsuits would be decided in favour of the Company. Hence, no provision has been made in the financial statements for any liability that may arise as a result of these.

Law suits filed during 2008

As a result of a dispute between the Company and a member (suspended), whereby the member (suspended) was not sharing certain information relating to trading of shares, the Company complained to the SECP and the member (suspended) fearing about any coercive action by the Company and SECP, filed a suit against the Company in the Honourable High Court of Sindh. However, the SECP before filing the law suit by the member, had already suspended the license of the brokerage of the member. The member (suspended) has filed the above law suit for declaration, permanent injunction, mandatory injunction and damages of Rs.2,000 (June 30, 2016: Rs.2,000) million against the Company. The legal advisor of the Company considers that above mentioned lawsuits would be decided in favour of the Company. Hence, no provision has been made in the financial statements for any liability that may arise as a result of these lawsuits.

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Annexure 'A' to our letter number
AC/HJA/732/17 dated 11 May 2017

The Islamabad Stock Exchange (Guarantee) Limited filed a complaint with the Competition Commission of Pakistan (CCP) against the Company alleging abuse of its dominant position in securities market in contravention of Section 3 of the Competition Ordinance, 2007. The CCP passed directed the Company to take corrective measures along with the other exchanges of Pakistan and in case of failure to comply with the direction of the CCP, the Company will be liable to pay a penalty of Rs. 50 (June 30, 2016: Rs.50) million and additional penalty of Rs.250,000 per day for each day of non-compliance. The Company has filed an appeal before the Supreme Court against the CCP's Order. As per the legal advisor, the Company has a reasonable case in respect of the above. Hence, no provision for any liability which may arise in this regard has been made in the financial statements.

Law suits filed during 2017

During the period, the Company has received a demand notice amounting to Rs. 32.17 million from Karachi and Water Sewerage Board (KWSB) in respect of water, sewerage, conservancy and fire charges. In respect of this, the Company has already recorded a liability to the extent of Rs. 6.10 million in the prior years. However, the Company is of the view that, since the Company is not receiving any sort of utilities from KWSB therefore, such demand is not valid. In view of the same, a petition has been filed by the Company in the court of law against the above demand of KWSB. The matter is currently pending adjudication and based on the view of the legal advisor of the Company, a positive outcome is expected in favour of the Company, and hence, no provision has been made by the Company against the above demand in these financial statements.

In addition to the above stated litigations, there are various other lawsuits filed by ex-members and / or their customers and penalties imposed by the CCP and SECP, which the Company is currently contesting in various courts of laws / forums. Following are the issues in relation to such litigations / penalties:

- Customer of members claiming for losses on their investments arising due to fixation of floor prices by the Company.
- CCP imposing penalty for placement of floor.
- Customer of members claiming for losses due to certain activities of members resulting in financial loss to the customers.
- Third party claiming for damages from Company for putting restriction for operating in office premises which the third party bought from ex-member.
- Counter claim of a member against the penalties imposed by the PSX due to non-compliance of certain Regulations by the member.

The cumulative financial impact of these various litigations is estimated to be Rs. 56.257 (June 30, 2016: Rs. 56.257) millions. The management of the Company, based on legal advisors opinions, believes that the Company has reasonable position in respect of these litigations. Hence, no provision for any liability which may arise in this regard has been made in the financial statements of the Company.

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Annexure 'A' to our letter number
AC/HJA/732/17 dated 11 May 2017

March 31, June 30,
2017 2016
----- (Rupees) -----

Commitments

Project in Hand

33,909,022 7,664,556

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Annexure 'A' to our letter number
AC/HJA/732/17 dated 11 May 2017

The profit and loss account of the Company for the five years ended from 30 June 2012 to 31 March 2017 are as follows:

Revenue	31-March 2017	30-June 2016	30-June 2015	30-June 2014	30-June 2013	30-June 2012
	----- (Rupees in '000) -----					
Listing fee	177,497	228,186	254,829	236,731	199,788	175,504
Income from exchange operations	337,892	320,681	313,976	244,238	151,491	140,226
Service charges	44,020	-	-	-	-	-
Management fee	84,691	170,087	108,536	105,463	65,856	15,668
Mark-up / interest income	96,638	418,547	468,700	359,855	278,494	290,532
Rental income from investment property	45,601	56,509	52,153	47,619	41,999	39,560
Share of profit from associates	268,727	246,166	252,235	172,314	117,482	96,524
Administrative expenses	(811,735)	(1,039,674)	(913,820)	(810,012)	(732,129)	(703,790)
Financial and other charges	(50)	(144,103)	(193,190)	(149,139)	(76,371)	(70,494)
Provision for impairment against transfer of sub-lease of properties	(57,050)	-	-	-	-	-
Other income	19,729	(8,333)	18,081	16,511	22,492	22,855
Profit before taxation	205,890	257,266	361,500	223,580	69,102	6,985
Taxation	(59,241)	(124,594)	(44,131)	(44,031)	51,521	662,222
Profit for the period/ year	146,649	132,272	317,369	179,549	120,623	669,207
Other comprehensive income for the period/year	(8,467)	(23,282)	(3,239)	(12,593)	(18,672)	3,602
Total comprehensive income for the period/ year	138,182	108,990	314,130	166,956	101,951	672,209
Basic earnings per share	0.18	0.17	0.40	0.22	0.17	-

EY

6.2 AUDITOR CERTIFICATE ON ISSUED, SUBSCRIBED, AND PAID-UP-CAPITAL OF THE COMPANY



EY Ford Rhodes
Chartered Accountants
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Pakistan

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ey.kh@pk.ey.com
ey.com/pk

AC/HJA/730/17
11 May 2017

The Board of Directors
Pakistan Stock Exchange Limited (the Company)
Karachi

ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AS AT 31 MARCH 2017

Dear Sirs

We have been requested to provide you with a certificate on issued, subscribed and paid-up capital of the Company as at 31 March 2017.

Scope of Certificate

Our engagement was undertaken on the request of the management of the Company for the purpose of inclusion of information in prospectus to be issued for Initial Public Offering as required under the listing regulations of Pakistan Stock Exchange Limited.

Management Responsibility

The responsibility for the fair presentation of Issued, Subscribed and Paid up Capital in the financial statements of the Company for the period ended 31 March 2017, is primarily that of the management of the Company. The management's responsibilities include causing the maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, safeguarding of the assets of the Company and prevention and detection of frauds and irregularities. This certification does not relieve the management of its responsibilities.

Auditors' Responsibility

Our responsibility is to certify the Issued, Subscribed and Paid-up Capital as at 31 March 2017 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. Our verification was limited to trace the relevant financial information included in this letter from the audited financial statements of the Company for the period ended 31 March 2017 on which we have issued our audit report dated 10 May 2017. Further, we have traced the financial information from the audited financial statements of the Company for the period ended 31 March 2017, and the pattern of shareholding from the books and records of the Company (and also as per the attached information provided by the management of the Company) till 31 March 2017.

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: 2 :-

Certificate

Based on the procedures performed as mentioned in above paragraph, we certify that the issued, subscribed and paid-up capital of the Company as at 31 March 2017 as per the audited financial statements of the Company for the period ended 31 March 2017 is as follows:

(No. of shares)	(Rupees)
801,476,600 Ordinary shares of Rs.10 each - other than cash *	8,014,766,000

* This includes shares issued against surplus on revaluation of the assets of the Company of Rs.3,288 million in accordance with the requirements of Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012. This treatment regarding the surplus has also been approved by the Securities and Exchange Commission of Pakistan.

Pattern of shareholding

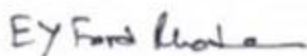
The pattern of shareholding of the above stated issued, subscribed and paid-up capital of the Company as at 31 March 2017, as traced from the books and records of the Company and as per the information as attached as Annexure A to this letter, is as follows:

Name of Shareholders	Status	Shareholding	Shareholding %
China Financial Futures Exchange Company Limited	Shareholder	136,251,022	17.0%
Shanghai Stock Exchange	Shareholder	64,118,128	8.0%
Shenzhen Stock Exchange	Shareholder	40,073,830	5.0%
Pak China Investment Company Limited	Shareholder	40,073,830	5.0%
Habib Bank Limited - Treasury Division	Shareholder	40,073,830	5.0%
Mohammad Yasin Lakhani	Director	100	0.00%
Abdul Majeed Adam	Director	100	0.00%
Ahmed Chinoy	Director	100	0.00%
Muhammad Abid Ali Habib	Director	100	0.00%
Other shareholders - Annexure A	Shareholders	480,885,560	60.00%
Total		801,476,600	100.00%

Restriction on use and distribution

This letter is being issued on the specific request of the management of the Company for the purpose of inclusion of information in the prospectus to be issued for initial Public Offering. Accordingly, this should not be distributed to any other third party without our prior written consent. This certificate is solely for the purpose set forth in the scope mentioned above and is not to be used or distributed for any other purpose. This certificate is restricted to the facts stated herein.

Yours truly



Chartered Accountants
Karachi



Annexure 'A' to our letter number
AC/HJA/736/17 dated 11 May 2017

S. NO	NAME OF SHAREHOLDER	SHAREHOLDING	SHAREHOLDING %
1	ALFA ADHI SECURITIES (PVT) LTD.	1,589,953	0.20%
2	KH FINEX SECURITIES LIMITED	1,589,953	0.20%
3	RIZWAN HAMEED	60,000	0.01%
4	ASIAN SECURITIES LIMITED	1,589,953	0.20%
5	BIPL SECURITIES LIMITED	1,589,953	0.20%
6	WE FINANCIAL SERVICES LIMITED	1,589,953	0.20%
7	TAURUS SECURITIES LIMITED	1,589,953	0.20%
8	GLOBAL SECURITIES PAKISTAN LIMITED	1,589,953	0.20%
9	ELIXIR SECURITIES PAKISTAN (PVT) LTD.	1,589,953	0.20%
10	CONCORDIA SECURITIES (PVT) LIMITED	1,589,953	0.20%
11	INTERMARKET SECURITIES LIMITED	1,589,953	0.20%
12	FIRST CAPITAL EQUITIES LIMITED	1,589,953	0.20%
13	FORTUNE SECURITIES LIMITED	1,589,953	0.20%
14	BMA CAPITAL MANAGEMENT LTD.	1,589,953	0.20%
15	AMIN SUKHANI	17,000	0.00%
16	FIRST EQUITY MODARABA	1,589,953	0.20%
17	HABIB BANK LIMITED - TREASURY DIVISION	40,073,830	5.00%
18	H.K.K. SECURITIES (PVT) LTD.	1,589,953	0.20%
19	PAK LIBYA HOLDING COMPANY (PVT) LIMITED	1,589,953	0.20%
20	STANDARD CAPITAL SECURITIES (PVT) LIMITED	1,589,953	0.20%
21	AZIZ FIDAIHUSEIN & COMPANY (PVT) LTD.	600,000	0.10%
22	ALI HUSAIN RAJARALI LTD	1,589,953	0.20%
23	SYED HUSSAIN ABBAS	250,000	0.03%
24	NADEEM ALI	100,000	0.01%
25	ASLAM HAIDERALI	250,000	0.03%
26	JAHANGIR SIDDIQUI & CO. LTD.	1,589,953	0.20%
27	AJAZ SECURITIES (PVT) LTD.	1,589,953	0.20%
28	HALIMA	116,882	0.01%
29	MUHAMMAD JAWED CHINOV	233,764	0.03%
30	MUHAMMAD RAFIQ CHINOV	233,764	0.03%
31	TASNEEM IDREEN	116,882	0.01%
32	MAC SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
33	R.F.R. SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
34	A. R. SECURITIES (PVT) LTD.	1,602,953	0.20%
35	FORT SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
36	M. B. J. SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
37	J.P.MORGAN PAKISTAN (PRIVATE) LIMITED	1,589,953	0.20%
38	MAK SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
39	KHOJA'S CAPITAL MANAGEMENT (PVT) LTD	453	0.00%
40	MUNAF SATTAR SECURITIES (PVT) LTD	1,589,953	0.20%
41	JAVED OMER VOHRA & CO.LTD	1,589,953	0.20%
42	JAFFER CHINOV	233,764	0.03%
43	MUHAMMAD AHID CHINOV	233,764	0.03%
44	MARIUM BAI	200,269	0.02%
45	SHAMIM SHAFIQ	116,882	0.01%
46	MOHAMMAD RIAZ AHMED	552,953	0.07%
47	S.M SECURITIES PVT LTD	1,589,953	0.20%
48	FINE SECURITIES (SMC-PVT) LIMITED	17,000	0.00%
49	SYED ASIF HUSSAIN RIZVI	788,476	0.10%
50	MUHAMMAD BASHIR KASMANI SECURITIES(PVT) LTD	1,589,953	0.20%
51	SHEHZAD CHANDIA SECURITIES (PVT) LTD	1,589,953	0.20%
52	DUGAN SECURITIES PRIVATE LIMITED	1,589,953	0.20%
53	AMIN TAI SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%

A member firm of EY and Young Global Limited

EY



Annexure 'A' to our letter number
AC/ILJA/738/17 dated 11 May 2017

S. NO	NAME OF SHAREHOLDER	SHAREHOLDING	SHAREHOLDING %
54	PLATINUM CAPITAL MANAGEMENT (PRIVATE) LIMITED	1,589,953	0.20%
55	ABDUL RAZZAK USMAN	116,892	0.01%
56	STAR SECURITIES (PVT.) LIMITED	1,589,953	0.20%
57	JAN MOHD. ABDUL LATIF NINI & SONS (PRIVATE) LIMITED.	1,589,953	0.20%
58	H. M. Y. SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
59	CONCEPT SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
60	ALPHA BETA CAPITAL MARKETS (PRIVATE) LIMITED	874,233	0.11%
61	SHANGHAI STOCK EXCHANGE	64,118,128	8.00%
62	SHENZHEN STOCK EXCHANGE	40,673,830	5.00%
63	CHINA FINANCIAL FUTURES EXCHANGE COMPANY LIMITED	136,251,022	17.00%
64	ASKARI SECURITIES LIMITED	1,589,953	0.20%
65	ANJUM ATA SHEIKH	50,000	0.01%
66	HUMAYUN HADON MIRZA	1,000	0.00%
67	KHURRAM MAZHAR KARIM	125,000	0.02%
68	HUMAYUN MAZHAR	125,000	0.02%
69	ZUBAIR ILAHI RANA	20,000	0.00%
70	ARSHAD IQBAL TARAR	25,000	0.00%
71	SAJID SAIED	2,500	0.00%
72	SHAHZAD SADIQ	2,000	0.00%
73	MISBAH ASAD	5,000	0.00%
74	ABDUL WAHEED BARUA	214,000	0.03%
75	JAVAD BASHIR SHEIKH	190,000	0.02%
76	ANDREW STEVE CHAUDHRY	200,000	0.02%
77	KHAWAJA ASAD ULLAH	15,000	0.00%
78	SALMAN ZAFAR SIDDIQI	20,000	0.00%
79	NAZIA SHAHID	33,000	0.00%
80	CONTINENTAL CAPITAL MANAGEMENT (PVT) LTD	1,589,953	0.20%
81	PEARL SECURITIES LIMITED	1,619,953	0.20%
82	SECURITY INVESTMENT BANK LIMITED	1,589,953	0.20%
83	MEMON SECURITIES (PVT.) LIMITED	1,602,953	0.20%
84	MUHAMMAD AMIN MEMON	37,000	0.00%
85	FAWAD YUSUF SECURITIES (PVT.) LIMITED	1,589,953	0.20%
86	MIRA SECURITIES LIMITED	1,589,953	0.20%
87	BABA SECURITIES (PVT) LTD.	1,589,953	0.20%
88	FRIENDLY SECURITIES (PVT) LTD.	1,589,953	0.20%
89	AZEE SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
90	LAKHANI SECURITIES (PVT) LTD.	1,602,853	0.20%
91	MOHAMMAD YASIN LAKHANI	100	0.00%
92	ZILLION CAPITAL SECURITIES (PVT) LTD.	1,589,953	0.20%
93	RAFI SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
94	SAZ CAPITAL SECURITIES (PVT) LTD.	1,589,953	0.20%
95	MOTIWALA SECURITIES (PVT) LTD.	1,589,953	0.20%
96	IRFAN MAZHAR SECURITIES (PVT) LTD.	1,589,953	0.20%
97	DALAL SECURITIES (PVT) LTD.	1,589,953	0.20%
98	ORIENTAL SECURITIES (PVT) LTD.	889,953	0.11%
99	BASHARAT ULLAH KHAN	400,000	0.05%
100	BASHARAT ULLAH KHAN	350,000	0.04%
101	MULTILINE SECURITIES (PVT) LIMITED	1,589,953	0.20%
102	IQBAL USMAN KODVANI SECURITIES (PVT) LTD	1,589,953	0.20%
103	A.H.K.D. SECURITIES (PVT) LTD.	1,589,953	0.20%
104	SAKARWALA CAPITAL SECURITIES (PVT) LTD.	1,589,953	0.20%
105	ADAM SECURITIES LIMITED	1,589,853	0.20%
106	ABDUL MAJEED ADAM	100	0.00%

A member firm of OMB & Trusts (Pvt) Limited

Signature



Annexure 'A' to our letter number
AC/HIA/730/17 dated 11 May 2017

S. NO	NAME OF SHAREHOLDER	SHAREHOLDING	SHAREHOLDING %
107	ZAFAR MOTI CAPITAL SECURITIES (PVT) LTD.	1,589,953	0.20%
108	FDM CAPITAL SECURITIES (PVT) LIMITED	1,589,953	0.20%
109	SMART INVESTMENTS CAPITAL MANAGEMENT (PVT.) LIMITED	1,589,953	0.20%
110	PAK CHINA INVESTMENT COMPANY LIMITED	40,073,830	5.00%
111	INVEST AND FINANCE SECURITIES LIMITED	1,589,953	0.20%
112	AKHAI SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
113	DJM SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
114	AMPLE SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
115	SHERMAN SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
116	PRIME SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
117	LIVE SECURITIES LIMITED	1,589,953	0.20%
118	TIME SECURITIES (PVT.) LTD.	1,589,953	0.20%
119	JS GLOBAL CAPITAL LIMITED	1,589,953	0.20%
120	HFI MISBAH SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
121	B & B SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
122	ALFALAH SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
123	FIRST NATIONAL EQUITIES LIMITED	1,589,953	0.20%
124	ABBASI SECURITIES (PRIVATE) LIMITED	1,589,853	0.20%
125	SYED MOHAMMED ALI ABBASI	100	0.00%
126	AHMED CHINYO	100	0.00%
127	APEX CAPITAL SECURITIES (PVT) LIMITED	1,589,953	0.20%
128	PAK MEEZAN SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
129	ISMAIL IQBAL SECURITIES (PVT) LTD.	1,589,953	0.20%
130	INVISOR SECURITIES (PRIVATE) LIMITED	1,602,953	0.20%
131	FOUNDATION SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
132	GROWTH SECURITIES (PVT) LTD.	1,589,953	0.20%
133	A. H. M. SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
134	DARSON SECURITIES (PVT) LIMITED	1,589,953	0.20%
135	ARIF HABIB LIMITED	1,589,953	0.20%
136	AL-HOQANI SECURITIES & INVESTMENT CORPORATION (PVT) LTD.	1,589,953	0.20%
137	AL HABIB CAPITAL MARKETS (PRIVATE) LIMITED	1,589,953	0.20%
138	AXIS GLOBAL LIMITED	1,589,953	0.20%
139	SAAO CAPITAL (PVT) LIMITED	1,589,953	0.20%
140	DATTOO SECURITIES (PVT.) LTD.	1,589,953	0.20%
141	MOHAMMAD MUNIR MOHAMMAD AHMED KHANANI SECURITIES	1,589,953	0.20%
142	SUMMIT CAPITAL (PRIVATE) LIMITED	1,589,953	0.20%
143	GAZIPURA SECURITIES & SERVICES (PRIVATE) LIMITED	1,589,953	0.20%
144	GHORY'S SECURITIES (PRIVATE) LIMITED	1,602,953	0.20%
145	CREATIVE CAPITAL SECURITIES (PVT) LTD.	1,589,953	0.20%
146	MAYARI SECURITIES (PVT) LIMITED	1,589,953	0.20%
147	Z.A. GHAFAR SECURITIES (PRIVATE) LTD.	1,589,953	0.20%
148	N.U.A SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
149	KHANANI SECURITIES (PVT.) LTD.	1,589,953	0.20%
150	BHAYANI SECURITIES (PVT) LTD.	1,589,953	0.20%
151	SURMAWALA SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
152	TARIQ VOHRA SECURITIES (PVT) LIMITED	1,589,953	0.20%
153	MUHAMMAD SALIM KASMANI SECURITIES (PVT.) LTD.	1,589,953	0.20%
154	M.H SECURITIES (PVT) LTD.	1,589,953	0.20%
155	ALTAF ADAM SECURITIES (PVT) LTD.	1,589,953	0.20%
156	TS SECURITIES (PVT) LTD.	1,589,953	0.20%
157	GMI CAPITAL SECURITIES (PVT) LTD.	1,589,953	0.20%
158	TOPLINE SECURITIES LIMITED	1,589,853	0.20%
159	MOHAMMAD SOHAIL	100	0.00%



Annexure 'A' to our letter number
ACHJA/730/17 dated 11 May 2017

S. NO	NAME OF SHAREHOLDER	SHAREHOLDING	SHAREHOLDING %
160	Y.H. SECURITIES (PVT.) LTD.	1,589,953	0.20%
161	DAWOOD EQUITIES LTD.	1,589,953	0.20%
162	M. J. MEMON SECURITIES (PVT) LIMITED	1,589,953	0.20%
163	MUHAMMAD HUSSAIN ISMAIL SECURITIES (PVT) LTD	1,589,953	0.20%
164	SNM SECURITIES (PVT) LTD.	1,602,953	0.20%
165	PATEL SECURITIES (PVT) LTD.	1,589,953	0.20%
166	MSMANIAR FINANCIALS (PVT) LTD.	1,589,953	0.20%
167	INVESTMENT MANAGERS SECURITIES (PVT.) LIMITED	1,589,953	0.20%
168	Q. AIN KHANANI SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
169	CASSIM INVESTMENTS (PRIVATE) LIMITED	1,589,953	0.20%
170	MANNOO CAPITAL (PRIVATE) LTD.	1,589,953	0.20%
171	SALIM SOZER SECURITIES (PVT.) LTD.	1,589,953	0.20%
172	SAYA SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
173	FAIRTRADE CAPITAL SECURITIES (PVT.) LIMITED	1,589,953	0.20%
174	AKD SECURITIES LIMITED	1,589,953	0.20%
175	MUHAMMAD FARID ALAM	851,426	0.11%
176	MOONACO SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
177	SEVEN STAR SECURITIES (PVT.) LTD.	1,589,953	0.20%
178	ABDUL GHANI	100	0.00%
179	HABIB METROPOLITAN FINANCIAL SERVICES LIMITED	1,589,953	0.20%
180	NAEL CAPITAL (PVT) LIMITED	1,589,953	0.20%
181	A.J. SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
182	MUHAMMAD ASHFAQ HUSSAIN SECURITIES (PVT) LTD	1,589,953	0.20%
183	ABA ALI HABIB SECURITIES (PVT) LIMITED	1,589,953	0.20%
184	MUHAMMAD AHD ALI HABIB	100	0.00%
185	ELEVEN STARS SECURITIES (PVT) LTD	1,589,953	0.20%
186	ESCORTS CAPITAL LIMITED	1,589,953	0.20%
187	ALPHA BETA CAPITAL MARKETS (PRIVATE) LIMITED	715,729	0.09%
188	FLOAT SECURITIES (PVT) LIMITED	1,589,953	0.20%
189	RAH SECURITIES (PVT) LIMITED	1,589,953	0.20%
190	M. M. SECURITIES (PVT.) LIMITED	1,589,953	0.20%
191	SUNRISE CAPITAL (PRIVATE) LIMITED	1,602,953	0.20%
192	MERCHANT INVESTMENTS (PRIVATE) LIMITED	1,589,953	0.20%
193	NEXT CAPITAL LIMITED	1,589,953	0.20%
194	SHAJAR CAPITAL PAKISTAN (PRIVATE) LIMITED	1,589,953	0.20%
195	CEDAR CAPITAL (PRIVATE) LIMITED	1,589,953	0.20%
196	OPTIMUS CAPITAL MANAGEMENT (PRIVATE) LIMITED	1,589,953	0.20%
197	INVEST CAPITAL MARKETS LIMITED	1,589,953	0.20%
198	ALTAF ADAM SECURITIES (PRIVATE) LIMITED	801,477	0.10%
199	AHD ALI HABIB SECURITIES (PRIVATE) LIMITED	801,477	0.10%
200	MUHAMMAD HUSSAIN ISMAIL SECURITIES (PRIVATE) LIMITED	801,477	0.10%
201	DUGAN SECURITIES (PVT.) LIMITED	801,477	0.10%
202	JAWED ZAKARIA GULAMI SECURITIES (PRIVATE) LIMITED	801,477	0.10%
203	SHERMAN SECURITIES (PRIVATE) LIMITED	801,477	0.10%
204	AMANAH INVESTMENTS LIMITED	801,477	0.10%
205	OPTIMUS CAPITAL MANAGEMENT (PRIVATE) LIMITED	801,477	0.10%
206	SCHON CAPITAL MARKETS LIMITED	801,477	0.10%
207	SAKARWALA CAPITAL SECURITIES (PVT) LTD.	801,477	0.10%
208	ACM GLOBAL (PRIVATE) LIMITED	801,477	0.10%
209	RELIANCE SECURITIES LIMITED	801,477	0.10%
210	FIRST CHOICE SECURITIES LIMITED	801,477	0.10%
211	MERCHANT INVESTMENTS (PRIVATE) LIMITED	801,477	0.10%
212	SAYA SECURITIES (PRIVATE) LIMITED	801,477	0.10%



For and on behalf of Director & Secretary General of PSX
At Islamabad, Office of Director & Secretary General



Annexure 'A' to our letter number
ACHJA/730/17 dated 11 May 2017

S. NO	NAME OF SHAREHOLDER	SHAREHOLDING	SHAREHOLDING %
213	DJM SECURITIES (PRIVATE) LIMITED	801,477	0.10%
214	SUMMIT CAPITAL (PRIVATE) LIMITED	801,477	0.10%
215	ISMAIL IQBAL SECURITIES (PVT) LTD.	801,477	0.10%
216	AKD SECURITIES LIMITED	801,477	0.10%
217	ALFA ADHI SECURITIES (PVT) LTD.	801,477	0.10%
218	BMA CAPITAL MANAGEMENT LTD.	801,477	0.10%
219	KHANANI SECURITIES (PVT.) LTD.	801,477	0.10%
220	VECTOR SECURITIES (PVT) LTD.	801,477	0.10%
221	SHEHZAD CHANDIA SECURITIES (PRIVATE) LIMITED	801,477	0.10%
222	HABIB METROPOLITAN FINANCIAL SERVICES LIMITED	801,477	0.10%
223	GHANI OSMAN SECURITIES (PRIVATE) LIMITED	801,477	0.10%
224	AKY SECURITIES (PVT) LTD.	801,477	0.10%
225	CEDAR CAPITAL (PRIVATE) LIMITED	801,477	0.10%
226	ASHFAQ ASHRAF SECURITIES (PVT) LTD.	801,477	0.10%
227	ZAFAR MOTI CAPITAL SECURITIES (PVT) LTD.	801,477	0.10%
228	AAZER SECURITIES (PRIVATE) LIMITED	801,477	0.10%
229	AL - ASAR SECURITIES (PRIVATE) LIMITED	801,477	0.10%
230	SURMAWALA SECURITIES (PRIVATE) LIMITED	801,477	0.10%
231	TIME SECURITIES (PVT) LTD.	801,477	0.10%
232	JH MISHRA SECURITIES (PRIVATE) LIMITED	801,477	0.10%
233	A. H. M. SECURITIES (PRIVATE) LIMITED	801,477	0.10%
234	GHORYS SECURITIES (PRIVATE) LIMITED	801,477	0.10%
235	ZHV SECURITIES (PVT) LIMITED	801,477	0.10%
236	LIVE SECURITIES LIMITED	801,477	0.10%
237	IGI FINEX SECURITIES LIMITED	801,477	0.10%
238	BHAYANI SECURITIES (PVT) LTD.	801,477	0.10%
239	FORTUNE SECURITIES LIMITED	801,477	0.10%
240	ZILLION CAPITAL SECURITIES (PVT) LTD.	801,477	0.10%
241	NEXT CAPITAL LIMITED	801,477	0.10%
242	MULTILINE SECURITIES (PVT) LTD.	801,477	0.10%
243	ARIF HABIB LIMITED	801,477	0.10%
244	RAYMOND JAL H. P. BYRAMJI	801,477	0.10%
245	N.U.A SECURITIES (PRIVATE) LIMITED	801,477	0.10%
246	M H SECURITIES (PVT) LTD.	801,477	0.10%
247	ASDA SECURITIES (PRIVATE) LIMITED	801,477	0.10%
248	BAWA SECURITIES (PVT) LTD.	801,477	0.10%
249	SHAJAR CAPITAL PAKISTAN (PRIVATE) LIMITED	801,477	0.10%
250	H.M.Y. SECURITIES (PRIVATE) LIMITED	801,477	0.10%
251	R.F.R. SECURITIES (PRIVATE) LIMITED	801,477	0.10%
252	ZUBEDA ABDUL SATTAR	801,477	0.10%
253	NABL CAPITAL (PVT) LIMITED	801,477	0.10%
254	FIRST CAPITAL EQUITIES LIMITED	801,477	0.10%
255	DAWOOD EQUITIES LTD.	801,477	0.10%
256	H.H.K. SECURITIES (PVT.) LIMITED	801,477	0.10%
257	R. A SECURITIES (PRIVATE) LIMITED	801,477	0.10%
258	ABBASI SECURITIES (PRIVATE) LIMITED	801,477	0.10%
259	WE FINANCIAL SERVICES LIMITED	801,477	0.10%
260	AL HABIB CAPITAL MARKETS (PRIVATE) LIMITED	801,477	0.10%
261	MUNAF SATTAR SECURITIES (PRIVATE) LIMITED	801,477	0.10%
262	TARIQ VOHRA SECURITIES (PVT) LIMITED	801,477	0.10%
263	IQBAL USMAN KODVANI SECURITIES (PVT) LTD.	801,477	0.10%
264	ACE SECURITIES (PVT.) LIMITED	801,477	0.10%
265	MAK SECURITIES (PRIVATE) LIMITED	801,477	0.10%





Annexure 'A' to our letter number
AC/HJA/730/17 dated 11 May 2017

S. NO	NAME OF SHAREHOLDER	SHAREHOLDING	SHAREHOLDING %
266	INVISOR SECURITIES (PRIVATE) LIMITED	801,477	0.10%
267	M. B. J. SECURITIES (PVT.) LIMITED	801,477	0.10%
268	TS SECURITIES (PVT) LTD.	801,477	0.10%
269	KHOJA'S CAPITAL MANAGEMENT (PRIVATE) LIMITED	2,404,430	0.30%
270	PAK LIBYA HOLDING COMPANY (PRIVATE) LIMITED	801,477	0.10%
271	A. R. SECURITIES (PRIVATE) LIMITED	801,477	0.10%
272	ORIX LEASING PAKISTAN LIMITED	801,477	0.10%
273	FORTRESS FINANCIAL SERVICES (PVT.) LIMITED	801,477	0.10%
274	IRFAN MAZHAR SECURITIES (PVT) LTD.	801,477	0.10%
275	AKHANI SECURITIES (SMC-PRIVATE) LIMITED	801,477	0.10%
276	SECURITY INVESTMENT BANK LIMITED	801,477	0.10%
277	MAYARI SECURITIES (PVT) LIMITED	801,477	0.10%
278	AMBER HAROON SAIGOL	801,477	0.10%
279	NASIR H SCHON	801,477	0.10%
280	AL-MAL SECURITIES & SERVICES LTD.	801,477	0.10%
281	MOHAMMAD MUNIR MOHAMMAD AHMED KHANANI SEC (PVT.) L	801,477	0.10%
282	CONCORDIA SECURITIES (PVT) LIMITED	801,477	0.10%
283	PORT SECURITIES (PRIVATE) LIMITED	801,477	0.10%
284	AZIZ FIDAHUSEIN & COMPANY (PVT) LTD.	801,477	0.10%
285	PAWAD YUSUF SECURITIES (PVT.) LIMITED	801,477	0.10%
286	INVESTMENT MANAGERS SECURITIES (PVT.) LIMITED	801,477	0.10%
287	DARSON SECURITIES (PVT) LIMITED	801,477	0.10%
288	INTERMARKET SECURITIES LIMITED	801,477	0.10%
289	MEMON SECURITIES (PVT.) LIMITED	801,477	0.10%
290	VENUS SECURITIES (PRIVATE) LIMITED	801,477	0.10%
291	PDM CAPITAL SECURITIES (PVT) LIMITED	801,477	0.10%
292	SNM SECURITIES (PRIVATE) LIMITED	801,477	0.10%
293	MSMANIAR FINANCIALS (PVT) LTD.	801,477	0.10%
294	INVEST CAPITAL MARKETS LIMITED	801,477	0.10%
295	FAIRTRADE CAPITAL SECURITIES (PVT.) LIMITED	801,477	0.10%
296	ELIXIR SECURITIES PAKISTAN (PVT.) LTD.	801,477	0.10%
297	GROWTH SECURITIES (PVT) LTD.	801,477	0.10%
298	MOOSA, NOOR MOHAMMAD, SHAHZADA & CO (PVT) LTD	801,477	0.10%
299	PLATINUM CAPITAL MANAGEMENT (PRIVATE) LIMITED	801,477	0.10%
300	MAC SECURITIES (PRIVATE) LIMITED	801,477	0.10%
301	SEVEN STAR SECURITIES (PVT.) LTD.	801,477	0.10%
302	AZEE SECURITIES (PRIVATE) LIMITED	801,477	0.10%
303	DALAL SECURITIES (PVT) LTD.	801,477	0.10%
304	AL-HOQANI SECURITIES & INVESTMENT CORPORATION (PVT) LTD	801,477	0.10%
305	STANDARD CAPITAL SECURITIES (PVT) LIMITED	801,477	0.10%
306	AMIN TAI SECURITIES (PRIVATE) LIMITED	801,477	0.10%
307	INVESTEC SECURITIES LTD	801,477	0.10%
308	PATEL SECURITIES (PVT) LTD.	801,477	0.10%
309	SUNRISE CAPITAL (PVT.) LIMITED	801,477	0.10%
310	AXIS GLOBAL LIMITED	801,477	0.10%
311	ALFALAH SECURITIES (PRIVATE) LIMITED	801,477	0.10%
312	SALMA BANO	801,477	0.10%
313	TEWFIQ MOHAMMED AMIN FIKREE	801,477	0.10%
314	SALIM SOZER SECURITIES (PVT.) LTD.	801,477	0.10%
315	MUHAMMAD ASHFAQ HUSSAIN SECURITIES (PVT) LTD	801,477	0.10%
316	MAS CAPITAL SECURITIES (PVT) LTD.	801,477	0.10%
317	INVEST & FINANCE SECURITIES LIMITED	801,477	0.10%
318	GAZIPURA SECURITIES & SERVICES (PRIVATE) LIMITED	801,477	0.10%

8/2/17



Building a better
working world

Annexure 'A' to our letter number
AC/HA/730/17 dated 11 May 2017

S. NO	NAME OF SHAREHOLDER	SHAREHOLDING	SHAREHOLDING %
319	NINI SECURITIES (SMC-PVT) LIMITED	801,477	0.10%
320	H. M. IDREES H. ADAM	801,477	0.10%
321	BIPL SECURITIES LIMITED	801,477	0.10%
322	TAURUS SECURITIES LIMITED	801,477	0.10%
323	MANNOC CAPITAL (PRIVATE) LTD.	801,477	0.10%
324	GMI CAPITAL SECURITIES (PVT) LTD.	801,477	0.10%
325	ELEVEN STARS SECURITIES (PVT) LTD.	801,477	0.10%
326	ALPHA BETA CAPITAL MARKETS (PRIVATE) LIMITED	801,477	0.10%
327	Q. AIN KHANANI SECURITIES (PRIVATE) LIMITED	801,477	0.10%
328	Y. H. SECURITIES (PVT) LTD.	801,477	0.10%
329	JAHANGIR SIDDIQUI & CO. LIMITED	801,477	0.10%
330	SMART INVESTMENTS CAPITAL MANAGEMENT (PRIVATE) LIMITED	801,477	0.10%
331	ESCORTS CAPITAL LIMITED	801,477	0.10%
332	ASIAN SECURITIES LIMITED	801,477	0.10%
333	M. M. SECURITIES (PVT) LIMITED	801,477	0.10%
334	FLOAT SECURITIES (PVT) LIMITED	801,477	0.10%
335	FOUNDATION SECURITIES (PRIVATE) LIMITED	801,477	0.10%
336	SAAO CAPITAL (PVT) LIMITED	801,477	0.10%
337	DATTOO SECURITIES (PVT.) LTD.	801,477	0.10%
338	ADAM SECURITIES (PVT) LTD.	801,477	0.10%
339	JAN MOHD A. LATIF NINI & SONS (PVT) LTD.	801,477	0.10%
340	A. I. SECURITIES (PRIVATE) LIMITED	801,477	0.10%
341	ORIENTAL SECURITIES (PVT) LTD.	801,477	0.10%
342	JS GLOBAL CAPITAL LIMITED	801,477	0.10%
343	ASKARI SECURITIES LIMITED	801,477	0.10%
344	JAVED OMER VOHRA & CO. LTD.	801,477	0.10%
345	MUHAMMAD ANAF KAPADIA SECURITIES (SMC-PRIVATE) LIMITED	801,477	0.10%
346	CREATIVE CAPITAL SECURITIES (PVT) LTD.	801,477	0.10%
347	MUHAMMAD BASHIR KASMANI SECURITIES (PRIVATE) LIMITED	801,477	0.10%
348	B & B SECURITIES (PRIVATE) LIMITED	801,477	0.10%
349	Z.A. GHAFAR SECURITIES (PRIVATE) LTD.	801,477	0.10%
350	MOOSANI SECURITIES (PVT) LTD.	801,477	0.10%
351	RAFI SECURITIES (PRIVATE) LIMITED	801,477	0.10%
352	MOONACO SECURITIES (PRIVATE) LIMITED	801,477	0.10%
353	PAK MEEZAN SECURITIES (PRIVATE) LIMITED	801,477	0.10%
354	ABA ALI HANBI SECURITIES (PVT) LIMITED	801,477	0.10%
355	FRIENDLY SECURITIES (PVT) LTD.	801,477	0.10%
356	INTERACTIVE SECURITIES (PRIVATE) LIMITED	801,477	0.10%
357	SATTAR CHINOV SECURITIES (PVT) LIMITED	801,477	0.10%
358	PARAMOUNT SECURITIES (SMC-PVT) LTD.	801,477	0.10%
359	TOPLINE SECURITIES LIMITED	801,477	0.10%
360	AMZ SECURITIES (PVT) LIMITED	801,477	0.10%
361	AAU SECURITIES (PRIVATE) LIMITED	801,477	0.10%
362	PEARL SECURITIES LIMITED	801,477	0.10%
363	M. J. MEMON SECURITIES (PVT) LIMITED	801,477	0.10%
364	AMPLE SECURITIES (PRIVATE) LIMITED	801,477	0.10%
365	M. A. N. SECURITIES (PVT) LIMITED	801,477	0.10%
366	SPECTRUM SECURITIES (PRIVATE) LIMITED	801,477	0.10%
367	AZIZ DAWOOD SECURITIES (PRIVATE) LIMITED	801,477	0.10%
368	FIRST NATIONAL EQUITIES LIMITED	801,477	0.10%
369	MUHAMMAD SALIM KASMANI SECURITIES (PVT.) LTD.	801,477	0.10%
370	DIN CAPITAL (PRIVATE) LIMITED	801,477	0.10%
371	A. H. K. D. SECURITIES (PVT) LIMITED	801,477	0.10%

Exn

A document of OFSD & Pakistan Stock Exchange Limited



Annexure 'A' to our letter number
AC/HA/730/17 dated 11 May 2017

S. NO	NAME OF SHAREHOLDER	SHAREHOLDING	SHAREHOLDING %
372	CONTINENTAL CAPITAL MANAGEMENT (PVT) LTD	801,477	0.10%
373	DAWOOD MOHAMMED	801,477	0.10%
374	FIRST EQUITY MODARABA	801,477	0.10%
375	CASSIM INVESTMENTS (PRIVATE) LIMITED	801,477	0.10%
376	R. T. SECURITIES (PVT.) LIMITED	801,477	0.10%
377	PRIME SECURITIES (PRIVATE) LIMITED	801,477	0.10%
378	INVELINK CAPITAL (PRIVATE) LIMITED	801,477	0.10%
379	MOHAMMED TARIQ MOTI	801,477	0.10%
380	SAZ CAPITAL SECURITIES (PVT) LTD	801,477	0.10%
381	APEX CAPITAL SECURITIES (PVT) LIMITED	801,477	0.10%
382	PERVEZ AHMED CAPITAL (PRIVATE) LIMITED	801,477	0.10%
383	MR. NAVEED H. M. IDREES	801,477	0.10%
384	PEARL CAPITAL MANAGEMENT (PRIVATE) LIMITED	801,477	0.10%
385	KOSMOPOLITAN SECURITIES (PRIVATE) LIMITED	801,477	0.10%
386	AKHAI SECURITIES (PRIVATE) LIMITED	801,477	0.10%
387	M.R.A. SECURITIES (PVT) LIMITED	801,477	0.10%
388	CONCEPT SECURITIES (PRIVATE) LIMITED	801,477	0.10%
389	RAH SECURITIES (PVT) LIMITED	801,477	0.10%
390	LAKHANI SECURITIES (PVT) LTD.	801,477	0.10%
391	MOTIWALA SECURITIES (PVT) LTD.	801,477	0.10%
392	INSIGHT SECURITIES (PRIVATE) LIMITED	801,477	0.10%
393	ALI HUSAIN RAJABALI LTD	801,477	0.10%
394	AL - ASAR SECURITIES (PRIVATE) LIMITED	801,477	0.10%
395	AL-MAL SECURITIES & SERVICES LTD.	1,602,953	0.20%
396	INVESTEC SECURITIES LTD	1,602,953	0.20%
397	AMZ SECURITIES (PVT) LIMITED	1,602,953	0.20%
398	J. P. MORGAN PAKISTAN (PRIVATE) LIMITED	801,477	0.10%
399	GLOBAL SECURITIES PAKISTAN LIMITED	801,477	0.10%
400	TANNU SECURITIES (PRIVATE) LIMITED	801,477	0.10%
401	H & H SECURITIES (PRIVATE) LIMITED	801,477	0.10%
402	H & H SECURITIES (PRIVATE) LIMITED	1,602,953	0.20%
403	MOOSA NOOR MOHAMMAD SHAHZADA & CO (PVT) LTD	1,602,953	0.20%
404	ZHV SECURITIES (PVT) LIMITED	1,602,953	0.20%
405	ACE SECURITIES (PVT.) LIMITED	1,602,953	0.20%
406	ACM GLOBAL (PVT.) LIMITED	1,589,953	0.20%
407	FORTRESS FINANCIAL SERVICES (PVT.) LIMITED	1,589,953	0.20%
408	INVELINK CAPITAL (PVT) LIMITED	1,589,953	0.20%
409	ASDA SECURITIES (PVT.) LTD	1,589,953	0.20%
410	MUHAMMAD TARIQ MOTI SECURITIES (PVT) LTD.	1,589,953	0.20%
411	H. P. BYRAMJI & CO. (PVT) LIMITED	1,589,953	0.20%
412	FKRELS (SMC-PVT) LTD.	1,589,953	0.20%
413	H. M. IDREES H. ADAM (SMC-PVT.) LIMITED	1,589,953	0.20%
414	DAWOOD MOHAMMED SECURITIES (SMC-PVT.) LIMITED	1,589,953	0.20%
415	DIN CAPITAL LTD.	1,589,953	0.20%
416	AMANAH INVESTMENTS LIMITED	1,589,953	0.20%
417	R. A. SECURITIES (PVT.) LIMITED	1,589,953	0.20%
418	TANNU SECURITIES (PVT) LIMITED	1,589,953	0.20%
419	VENUS SECURITIES (PVT.) LIMITED	1,489,953	0.19%
420	ASHFAQ ASHRAF SECURITIES (PVT) LTD.	1,589,953	0.20%
421	JAVED ZAKARIA GULABI SECURITIES (PVT.) LIMITED	1,589,953	0.20%
422	NAVEED H. M. IDREES (SMC-PVT.) LIMITED	1,589,953	0.20%
423	INTERACTIVE SECURITIES (PVT) LIMITED	1,589,953	0.20%
424	AKHANI SECURITIES (SMC-PVT) LTD.	1,589,953	0.20%

EY

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Annexure 'A' to our letter number
AC/IMA/736/17 dated 11 May 2017

S. NO	NAME OF SHAREHOLDER	SHAREHOLDING	SHAREHOLDING %
425	NINI SECURITIES (SMC - PRIVATE) LIMITED	1,589,953	0.20%
426	KOSMOPOLITAN SECURITIES (PRIVATE) LIMITED	1,589,953	0.20%
427	AKY SECURITIES (PVT) LTD.	1,589,953	0.20%
428	ABID ALI HABIB SECURITIES (PVT) LIMITED	1,589,953	0.20%
429	MAS CAPITAL SECURITIES (PVT) LIMITED	1,589,953	0.20%
430	M.A.N. SECURITIES (PVT) LTD.	1,589,953	0.20%
431	LUXOR SECURITIES (SMC-PVT) LIMITED	1,589,953	0.20%
432	R.T. SECURITIES (PVT) LIMITED	1,589,953	0.20%
433	INSIGHT SECURITIES (PVT.) LTD	1,589,953	0.20%
434	SPECTRUM SECURITIES (PVT.) LIMITED	1,589,953	0.20%
435	MUHAMMAD ANAF KAPADIA SECURITIES (SMC-PVT) LIMITED	1,589,953	0.20%
436	SECHON CAPITAL MARKETS LIMITED	1,589,953	0.20%
437	VECTOR SECURITIES (PVT.) LTD.	1,589,953	0.20%
438	FIRST CHOICE SECURITIES LIMITED	1,589,953	0.20%
439	FINE SECURITIES (SMC-PVT) LIMITED	1,572,953	0.20%
440	IMRAN AMJAD KHAN	50,000	0.01%
441	PARAMOUNT SECURITIES (SMC-PVT) LIMITED	1,589,953	0.20%
442	BEST SECURITIES (PVT) LIMITED	1,589,953	0.20%
443	AZIZ DAWOOD SECURITIES (PVT) LIMITED	1,589,953	0.20%
444	AAU SECURITIES (PVT) LTD.	1,589,953	0.20%
445	RELIANCE SECURITIES LIMITED	1,589,953	0.20%
446	PERVEZ AHMED CAPITAL (PVT.) LIMITED	1,589,953	0.20%
447	ROYAL SECURITIES (PVT) LIMITED	1,589,953	0.20%
448	MARKET 786 (PRIVATE) LIMITED	2,391,280	0.30%
449	MUHAMMAD ALI HASSAN ALI	38,000	0.00%
450	PAKISTAN STOCK EXCHANGE LIMITED *	776,007	0.10%
TOTAL		881,476,660	100.00%

- * During the process of Divestment of 40% shares of the PSX as required under the Stock Exchanges (Corporatization, Demutualization and Integration) Act 2012, it was transpired that a total of 5,357,382 shares were not readily available with the PSX for issuance, as these shares were in the ownership of defaulter/expelled/suspended TREC holders and were not allowed to be transferred due to underlying legal proceedings against such TREC holders. Therefore, in order to complete the transaction, the eight members of the Divestment Committee voluntarily provided 670,000 shares each to make the transfer good. The Divestment Committee then decided that the shares lent by the eight members of the Divestment Committee shall be reimbursed by contribution from existing shareholders of PSX. In the meantime, the PSX was able to transfer 3,754,429 shares from certain defaulter/suspended TREC holders (as these shares were later released by the relevant authorities) and in order to make good the remaining shares, the Divestment committee requested the existing shareholders to contribute 17,000 shares each and accordingly, the existing shareholders / TREC holders contributed 2,379,000 shares. The above transaction resulted in a balance of 776,007 shares in the account of the PSX which will be settled as soon as the legal proceedings relating to defaulter/expelled/suspended TREC holders is finalised.

Sign

6.3 AUDITOR CERTIFICATE ON BREAK-UP VALUE OF SHARES

 Building a better working world	EY Fort Rhodes Chartered Accountants Progressive Plaza, Beaumont Road P.O. Box 15541, Karachi 75530 Pakistan	Tel: +9221 3561 9007 11 Fax: +9221 3568 1565 ey.ah@pk.ey.com ey.com/pk	AC/HJA/729/17 11 May 2017
The Board of Directors Pakistan Stock Exchange Limited (the Company) Karachi			
Auditors' Certificate on Break-up value per share (Break-up value) for the period ended 31 March 2017			
Dear Sirs			
We have been requested to provide you with a certificate on break-up value of ordinary shares of the Company based on the audited financial statement of the Company for the period ended 31 March 2017.			
Scope of Certificate			
Our engagement was undertaken on the request of the management of the Company for the purpose of inclusion of information in the prospectus to be issued for Initial Public Offering as required under the listing regulations of Pakistan Stock Exchange Limited (PSEL).			
Management Responsibility			
The responsibility for computation of the Break-up value of the Company, based on the audited financial statements of the Company for the period ended 31 March 2017 in accordance with the requirements of Technical Release - 22 of the Institute of Chartered Accountants of Pakistan (ICAP), is primarily that of the management of the Company. The management's responsibilities include causing the maintenance of adequate accounting records and internal controls, the selection and application of accounting policies, safeguarding of the assets of the Company and prevention and detection of frauds and irregularities. This certification does not relieve the management of its responsibilities.			
Auditors' Responsibility			
Our responsibility is to certify the Breakup Value as at 31 March 2017 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. Our verification was limited to trace the relevant financial information used for the purpose of calculating the break-up value per share by the management of the Company from the audited financial statements of the Company for the period ended 31 March 2017 on which we have issued our audit report dated 10 May 2017.			
In this regard, we have also reviewed the compliance with the requirements of Technical Release - 22 of the ICAP.			
			



-: 2 :-

Certificate

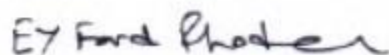
Based on the procedures performed as mentioned in the above paragraphs, we are pleased to certify that the break-up value of ordinary shares of the face value of Rs.10 each of the Company as at 31 March 2017 based on the audited financial statements for the period ended 31 March 2017 is as follows:

	31 March 2017 (Rupees)
Issued, subscribed and paid-up capital	8,014,766,000
Accumulated profit	4,929,000
Total shareholders' equity	(A) <u>8,019,695,000</u>
Ordinary shares of Rs.10 each fully paid in cash	(B) <u>801,476,600</u>
Break-up value per ordinary share of Rs.10 each (Rupees)	(C=A/B) <u>10.01</u>

Restriction on use and distribution

This letter is being issued on the specific request of the management of the Company for the purpose of inclusion of information in the prospectus to be issued for Initial Public Offering. Accordingly, this should not be distributed to any other third party without our prior written consent. This certificate is solely for the purpose set forth in the scope mentioned above and is not to be used or distributed for any other purpose. This certificate is restricted to the facts stated herein.

Yours faithfully



Chartered Accountants

Karachi

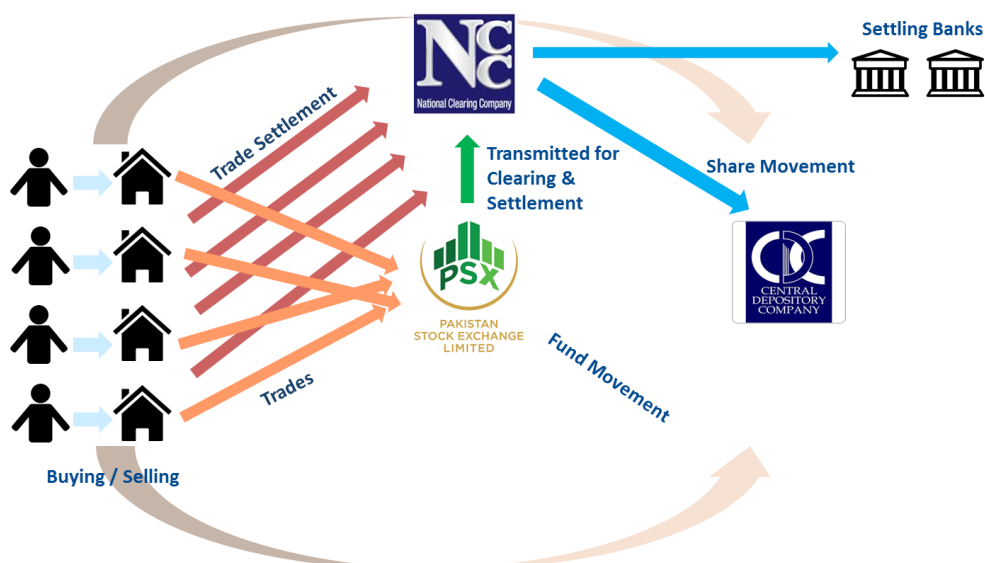
6.4 SUMMARY FINANCIAL HIGHLIGHTS OF PAKISTAN STOCK EXCHANGE LIMITED (AUDITED)

(Amounts in PKR '000)	As at and for the year ended June 30th				9 Months Ended March 31
	2013	2014	2015	2016	2017
Income Statement					
Total Operating Revenue	737,628	993,906	1,198,194	1,203,410	786,329
Operating Costs	(808,500)	(959,151)	(1,107,010)	(1,183,977)	(811,845)
Operating Profit	(70,872)	34,755	91,184	19,433	(25,516)
Share of Profit of Associates	117,482	172,314	252,235	246,166	268,727
Other Income	22,492	16,511	18,081	(8,333)	19,729
Provision for impairment against transfer of sub-lease of properties	-	-	-	-	(57,050)
Profit before Taxation	69,102	223,580	361,500	257,266	205,890
Taxation (Note 1)	51,521	(44,031)	(44,131)	(124,994)	(59,241)
Profit after Taxation	120,623	179,549	317,369	132,272	146,649
Balance Sheet					
Non-Current Assets (Note 2)	5,559,459	7,364,582	7,632,788	7,491,173	6,022,590
Current Assets	5,376,716	4,771,647	6,472,907	1,211,418	3,314,493
Total Assets	10,936,175	12,136,229	14,105,695	8,702,591	9,337,083
Paid-up Capital	8,014,766	8,014,766	8,014,766	8,014,766	8,014,766
Equity	8,056,847	8,075,530	8,149,218	8,001,735	8,019,695
Non-Current Liabilities	56,220	42,322	53,469	146,968	182,416
Current Liabilities	2,823,108	4,018,377	5,903,008	553,888	1,134,972
Cash Flow Statement					
Cash Flow: Operating Activities	1,510,992	1,365,199	2,070,967	(5,085,753)	738,526
Cash Flow: Investing Activities	(184,477)	(192,563)	(221,500)	101,765	(203,406)
Cash Flow: Financing Activities	-	-	(240,442)	(256,473)	(120,222)
Net Cash Balance	2,842,524	4,015,160	5,624,185	383,724	798,625
Capital Expenditure	60,722	135,932	140,251	174,737	157,783
Growth					
Sales Growth (%)	11.4%	34.7%	20.6%	0.4%	-34.7%
Operating Profit Growth (%)	-36.9%	51.0%	162.4%	-78.7%	-231.3%
Net Profit Growth (%)	-82.0%	48.9%	76.8%	-58.3%	10.9%
Margins					
Operating Margin (%)	-9.6%	3.5%	7.6%	1.6%	-3.2%
Net Margin (%)	16.4%	18.1%	26.5%	11.0%	18.6%

The key sources of revenue of PSX are shown below:

(Amounts in PKR '000)	As at and for the year ended June 30th				9 Months Ended March 31
	2013	2014	2015	2016	2017
Revenue Breakdown					
Listing Fee	199,788	236,731	254,829	228,186	177,497
Income from Exchange Operations	151,491	244,238	313,976	320,681	337,882
Services Charge (from NCCPL) (Note 3)	-	-	-	-	44,020
Management Fee (Note 4)	65,856	105,463	108,536	179,087	84,691
Markup Income	278,494	359,855	468,700	418,947	96,638
Rental Income	41,999	47,619	52,153	56,509	45,601
Total Revenue	737,628	993,906	1,198,194	1,203,410	786,329

PSX is part of an integrated capital market ecosystem consisting of the Exchange (trading platform), NCCPL (the clearing and settlement platform) and CDC (the depository platform). Furthermore, PSX owns 47.06% in NCCPL, making it the largest shareholder. This shareholding is slated to increase to at least 51% by August 2019 as per the Clearing Houses (Licensing and Operations) Regulations, 2016 as notified by the Securities and Exchange Commission of Pakistan. Once this occurs, NCCPL will effectively become a subsidiary company of PSX. In the case of CDC, PSX is also the largest single shareholder having 39.81% of CDC's equity. The profit from these two associated companies are effectively part of the Exchange's operating income.



Restriction on Dividend Payment by Associated Companies

The National Clearing Company of Pakistan Limited has been restricted by the Commission against distribution of any cash dividends until fulfillment of financial resource requirement under the Clearing Houses (Licensing and Operations) Regulations, 2016, as per the letter number SMD/SE/2(236)2012 from the Commission, dated April 27, 2017.

Furthermore, the Central Depository Company of Pakistan Limited effective Financial Year 2016-17 is restricted to limit annual dividend payment up to 30% of after-tax profits, as per letter number SMD/SE/8(4)/2008 from the Commission, dated April 29, 2016.

Financial Ratios

	<i>As at and for the year ended June 30th</i>				<i>9 Months Ended March 31</i>
	2013	2014	2015	2016	2017
Earnings Ratios					
Earnings per Share (basic and diluted)	0.17	0.22	0.40	0.17	0.18
Break-up Value per Share (basic and diluted)	11.47	10.08	10.17	9.98	10.01
Return on Equity (%)	1.5%	2.2%	3.9%	1.7%	1.8%
Return on Assets (%)	1.1%	1.5%	2.2%	1.5%	1.6%
Balance Sheet Ratios					
Fixed Asset Turnover (x)	0.13x	0.13x	0.16x	0.16x	0.08x
Asset Turnover (x)	0.07x	0.08x	0.08x	0.14x	0.05x
Capex to Total Assets (%)	0.6%	1.1%	1.0%	2.0%	1.7%
Current Ratio (x)	1.90x	1.19x	1.10x	2.19x	2.92x
Number of Shares Outstanding	801.48	801.48	801.48	801.48	801.48

Note 1:

The major factors for the increase in the tax charge in the FY 2016 are as follows:

1. Imposition of un-adjustable Minimum tax on services @ 8%.
2. Increase in tax on dividend due to higher dividend payout by the Associates.
3. Due to release of deferred tax asset during the FY2016.

Note 2:

Non-current assets includes 10% of the bid amounting to PKR 32.999 million, paid by the Exchange to Pakistan Railways during the year ended June 30th, 1993 as earnest money against the purchase of land measuring 12,222 square yards @ PKR 27,000/- per square yards. However, as a result of initiation of certain legal proceedings by one of the bidders, further action for purchase of land could not take place. Subsequently, Pakistan Railways cancelled the sale of railway land to the Company and requested the Company to apply for the refund of the above-referred amount. The Court has dismissed the suit on merit, which was filed by above-referred bidder.

During the year ended June 30th, 2002, based upon the legal advice obtained, the Company filed a counter suit against Pakistan Railways for specific performance of the agreement which, if decided in favor of the Exchange, may require the Exchange to purchase the land and pay the balance of the purchase consideration, amounting to PKR 296.995 million. The said case is pending adjudication in High Court of Sindh.

Note 3:

During FY 2016, the Exchange received a directive from the Commission under Sections 12(1)(d) and 170(1) of the Securities Act, 2015 to transfer the risk management function from PSX to NCCPL. In this respect on April 30, 2016, all the deposits from members against the exposure and losses were transferred to NCCPL.

In compliance of the directive by the Commission, the risk management function is now performed by NCCPL. However, the IT servers, manpower and network of the Exchange are used. Thereby, an agreement has been signed between PSX and NCCPL dated May 2, 2016 wherein consideration of the Exchange providing RMS related IT, operational, and personnel support to NCCPL, NCCPL will transfer the service fee of 1% on cash deposits of brokers maintained with it as margins, against provision of services as set forth in the agreement. The validity of the agreement is for at least three years from the date of agreement and renewable for a further period of one year on mutual agreement of both parties unless revoked with prior approval of the Securities & Exchange Commission of Pakistan by any party with minimum six months prior notice.

The income from service charges during the nine months ended March 31, 2017 amounted to PKR 44.02 million.

Note 4:

The Company used to manage PSX Clearing House Protection Fund ("CHPF") and PSX Investors Protection Fund ("IPF") till April 30, 2016. Effective May 1, 2016, after transfer of a significant portion of CHPF funds to NCCPL as part of risk management function being performed by NCCPL, and the balance being shifted to IPF, the Company now only manages PSX Investors Protection Fund ("IPF"). This management fee is applied towards the cost of managing the funds, the cost of the functions of the Exchange as the front-line regulator and the cost of investor awareness and education activities. SECP has allowed PSX to charge 4% management fee for this purpose. This arrangement will expire on June 30, 2017.

7 MANAGEMENT

7.1 BOARD OF DIRECTORS OF THE COMPANY

	Name	Address	Designation
1	Mr. Muneer Kamal	H-18, 'G' Street, Khayaban-e-Ghazi, Phase VI, D.H.A. Karachi	Chairman of the Board (SECP's Nominee Director)
2	Mr. Nadeem Naqvi	7th Floor, Administration Block Stock Exchange Building Karachi 74000	Managing Director
3	Mr. Abdul Majeed Adam	C/o. Adam Securities (Private) Limited, 8th Floor, Stock Exchange Building, Stock Exchange Road, Karachi 74000	Elected Director
4	Mr. Samir Ahmed	73 Z Block, Street 37, Phase 3, DHA Lahore	Independent Director
5	Mr. QUE Bo	30-1201, Changning Road 1661, Shanghai, Peoples Republic of China	Nominee Director
6	Mr. Ahmed Chinoy	C/o. Arch Sons, 715-716, Stock Exchange Building, Stock Exchange Road Karachi 74000	Elected Director
7	Mr. Moin M. Fudda	Suite 214-215, Glass Tower, 2 Ft 3 Main Clifton Road, Karachi 75530	SECP's Nominee Director
8	Mr. Abid Ali Habib	C/o. Abid Ali Habib Securities (Private) Limited 419, 4th Floor, Stock Exchange Building Stock Exchange Road Karachi 74000	Elected Director
9	Ms. Rahat Kaunain Hassan	C/o. Hassan Kaunain Nafees Office # 207, 2nd Floor, Shoukat Complex Block 8, F-6 Markaz Islamabad	Independent Director
10	Mr. Zheng HU	3338 Jinxiu Road, No. 142, Pudong Shanghai Peoples Republic of China	Nominee Director
11	Ms. Yu Huali	25E, Jilian Building Lianhuabeicun Futian District, Shenzhen, Peoples Republic of China	Nominee Director
12	Mr. Tawfiq A. Hussain	C/o. Pakistan Banks Association D-126 [Near Chinese Consulate] Block 4, Clifton, Karachi	Independent Director
13	Mr. Muhammad Yasin Lakhani	C/o. Lakhani Securities (Private) Limited 438-439, 4th Floor, Stock Exchange Building Stock Exchange Road, Karachi 74000	Elected Director

14	Mr. Muhammad Naeem	32/B-2, Gulberg 3 Lahore	Independent Director
15	Mr. Li Peng	C/o. Pak-China Investment Company 13 th Floor, Saudi Pak Towers, Jinnah Avenue, Blue Area, Islamabad	Nominee Director
16	Mr. Liu Shaotong ¹	203-1-2F, Wanghe, Shuguang Garden, Haidian District, Beijing, Peoples' Republic of China	Alternate Director of Mr. QUE Bo
17	Mr. Zhiping Rong ²	Apt 901, Building 9, 100 Yin Xie Road, Shanghai, Peoples' Republic of China	Nominee Director

1. Subject to approval of regulatory / government authorities

2. Proposed to replace Mr. Zheng HU, subject to approval of the Board of Directors of the Exchange and other regulatory / government authorities

7.2 OVERDUE LOANS

There are no overdue loans (local or foreign currency) on the Company, its directors, its sponsors and Offerors. The Company, its CEO, its directors, its sponsors and Offerors, under the oath, undertake that they have no overdue payment to any financial institutions

7.3 DIVIDEND PAYOUT BY THE GROUP COMPANIES AND ASSOCIATED COMPANIES

National Clearing Company of Pakistan Limited					
	FY12	FY13	FY14	FY15	FY16
Dividend	10.00%	20.00%	60.00%	90.00%	19.00%
Bonus	25.00%	50.00%	-	-	-

Central Depository Company of Pakistan Limited					
	FY12	FY13	FY14	FY15	FY16
Dividend	30.00%	30.00%	30.00%	32.50%	3.077%
Bonus	-	-	-	-	53.85%

None of the Group Companies are listed on the Securities Exchange.

7.4 PROFILES OF DIRECTORS

MR. MUNEEB KAMAL (Chairman)

Mr. Muneer Kamal, the Chairman of PSX, has over 35 years of extensive experience in banking and financial sector. With an MBA degree from University of Karachi, his career started with Citibank where, between November 1979 and July 1994, he served locally and internationally on various senior positions including his term as Director, Head of Country Public Sector and Financial Institutions. During this association, he also attended a number of training courses / programs in Far East, Middle East and Africa.

Mr. Kamal then joined Faysal Bank Limited as President/CEO and led to spread out its operations from 3 branches to 11 and also expanded the balance sheet size from Rs.3 billion to Rs.30 billion.

Mr. Kamal also held the position of President/CEO, and then as Vice Chairman and Chief Operating Officer (International) of the Union Bank Limited, where he had been instrumental in various acquisitions done by Union Bank Limited i.e. Bank of America, American Express Credit Cards, Emirates Bank International and Mashreq Bank, Sri Lanka. As a result, Union Bank emerged as a success story and was ably acquired by Standard Chartered Bank.

After his stint with Union Bank, Mr. Kamal began his association with KASB Group - first as President/CEO of KASB Bank Limited from November 2005 to August 2010 and then as Vice Chairman of KASB Group. For KASB Bank, he again oversaw the manifold expansion of operations coupled with acquisition of other entities and introduction of new and modern products, services, policies, procedures and systems. Mr. Kamal also served as Chairman of National Bank of Pakistan.

Besides acting as Chairman of the PSX Board, Mr. Muneer Kamal is also the Chairman of Nomination Committee and Human Resources & Remuneration Committee and acting as a member of the Divestment Committee.

Other Directorships & Offices:

1. Director, Government Holdings (Private) Limited
2. Director, Engro Corporation Limited
3. Trustee, Shaukat Khanum Memorial Cancer Hospital & Research Centre
4. Director, Karachi Education Initiative

MR. NADEEM NAQVI (Managing Director)

Mr. Nadeem Naqvi holds the degrees of M.B.A. in Finance and B.Sc. (Honours) in Banking and International Finance from The City University, CASS Business School in London, United Kingdom. He brings with him over 34 years of rich work experience in the global financial services industry, operating in diverse environments of the Middle East, North America and Europe besides that of Pakistan.

Prior to joining Pakistan Stock Exchange ["PSX"], in May 2011, Mr. Naqvi was the Chief Executive Officer of a leading asset management company and top brokerage firm in Pakistan. He also served as Chairman of the first technology venture capital fund of Pakistan and oversaw the completion of several ventures by successful exits.

Economic & market analysis and research have been the hallmark of Mr. Naqvi's career. He led an independent investment research firm in USA/Canada, Investology Inc., which was ranked by 'BusinessWeek' in 2004 as the third best out of 300 independent research firms in North America. Before that, he headed the Merrill Lynch Pakistan research team. Mr. Naqvi was Head of Research of the investment advisory company of Morgan Stanley Asset Management's Pakistan Investment Fund for four years. He commenced his career at the Bank of Credit & Commerce International S. A., in London in 1982 and served there till 1990.

Mr. Naqvi has been involved in landmark investment banking transactions, including the privatization of KotAddu Power Plant, National Refinery and United Bank. His association with the capital markets is also longstanding where he served in committees of PSX and was a member of the Capital Markets Committee, Economic Advisory Council of the President of Pakistan in the last decade.

Within PSX, he is the Chairman of Listing Committee, the Convener of Voluntary De-listing Committee and a member of Investment Committee, Taxation Committee and IT & IS Steering Committee.

Other Directorships & offices:

1. Director, National Clearing Company of Pakistan Limited
2. Director, Institute of Capital Markets
3. Director, JCR-VIS Credit Rating Company Limited
4. Member, South Asian Federation of Exchanges ("SAFE") Executive Committee

Mr. Naqvi is due for retirement effective June 15th, 2017 and the Exchange is currently in the process of locating and hiring its new Managing Director.

MR. ABDUL MAJEED ADAM

Mr. Abdul Majeed Adam is the Chief Executive and Nominee Director of Adam Securities (Private) Limited, which is the corporate TREC holder of PSX.

Mr. Adam is a graduate from University of Karachi and has an extensive experience of 28 years in capital as well as forex markets. Previously, he has served as the Director of Karachi Stock Exchange (now PSX) in the years 2002, 2010, 2012 and for the term 2012-2016. He also chaired Trading Affairs Committee and Market Development & New Products Committee during the year 2012.

Mr. Adam is the founder member of Pakistan Mercantile Exchange Limited (PMEX) and is active in commodities trading at PMEX through Adam Securities (Private) Limited. He also acted as voluntary advisor to activate gold trading at PMEX.

Presently, Mr. Adam is Chairman of Market Development & New Products Committee and has also been appointed as member of Voluntary De-listing Committee and Divestment Committee.

Other Directorships:

1. Chief Executive, Adam Securities (Private) Limited
2. Director, Pakistan Mercantile Exchange Limited

MR. SAMIR AHMED

Mr. Samir Ahmed as over 30 years of experience in the financial sector, including Investment Banking, Commercial Banking, Capital Markets and Financial Regulation. Presently he is the CEO of Knightsbridge Capital (Private) Limited, a project structuring, management and advisory firm. He is also an Adjunct Faculty member at the Suleman Dawood School of Business at Lahore University of Management Sciences.

Mr. Ahmed has an M.Sc. in Management from London Business School and B.A. in Economics from the University of Chicago. Besides working in Pakistan, he has also worked in the Middle East and Asia-Pacific regions. He is also a certified director from Lahore University of Management Sciences.

Mr. Ahmed possesses a thorough understanding of capital markets. He was the CEO of Pakistan Mercantile Exchange from August 2009 to September 2012 and Managing Director of the former Lahore Stock Exchange from 2001 to 2004. Earlier he has engaged as Senior Advisor to Dubai Financial Market, on behalf of Government of Dubai from 1999 to 2001. In between, he worked as the CEO of IGI Investment Bank Ltd for the period from 2004 to 2009.

At PSX, besides being an independent director on the Board, he has also been nominated as member of Audit Committee, Voluntary De-listing Committee, Investment Committee, Taxation Committee, Trading & Commercial Affairs Committee and Market Development & New Products Committee of the Board.

Other Directorships:

1. CEO, Knightsbridge Capital (Private) Limited
2. Director, SZK (Private) Limited
3. Director, Crossport.pk (Private) Limited

MR. QUE BO

Mr. QUE Bo is serving as Non-Executive Director on the Board of Pakistan Stock Exchange Limited ["PSX"], being a nominee of Shanghai Stock Exchange ["SSE"]. Mr. QUE is a qualified Doctor of International Economic Law from East China University of Political Science and Law. Mr. QUE graduated in Law in July 1991 and completed his masters in International Private Law from the same University in July 1994.

Mr. QUE joined SSE in 1994 and served in a variety of functional departments and executive positions during his association with the exchange. Currently, he is serving as Vice Executive President of SSE.

At PSX, besides being a director on the Board, he has also been nominated as a member of the Audit Committee and Listing Committee of the Board.

MR. AHMED CHINOY, H.I., S.I.

Mr. Ahmed Chinoy is an elected Director on the Board of Pakistan Stock Exchange Limited. He is the Managing Partner of Arch Sons Group of Companies and is engaged in overseeing various businesses such as security investments, textiles, real estate and poultry farming.

Mr. Chinoy is qualified from Institute of Cost & Management Accountants of Pakistan (ICMAP) and holds a graduate degree in Commerce from University of Karachi. He is also a certified director from Pakistan Institute of Corporate Governance.

Mr. Chinoy is a prominent business and social figure in Pakistan. He has served the society in different capacities in the areas of business, education, health, crime prevention and other social services and has rendered invaluable services to the nation in these fields. He has successfully served as Chief of Citizen Police Liaison Committee, Sindh (a citizens' body for prevention of crimes) from the year 2010 to 2015. He has also been actively serving on the Boards of various hospitals and educational institutions and has been heading the Memon Community as the President of All Pakistan Memon Federation. Previously, he has served on the Managing Committee of Federation of Pakistan Chamber of Commerce & Industry for many years and has also remained as Chairman of Pakistan Cloth Merchants' Association (the apex body of textile exporters). For his services to the people of Pakistan, he has been awarded prestigious national awards of Hilal-e-Imtiaz (H.I.) and Sitara-e-Imtiaz (S.I.)

Mr. Chinoy is nominated by PSX to serve as a Director on the Board of National Clearing Company of Pakistan Limited and Pakistan Mercantile Exchange Limited. He has also been appointed as the member of Voluntary De-listing Committee, Investment Committee, Taxation Committee, Market Development & New Products Committee and Divestment Committee.

Other Directorships and offices:

1. Managing Partner, Arch Sons
2. Director, AKD REIT Management Company Limited
3. Director, Creek Developers (Private) Limited
4. Managing Partner, Lotus Properties
5. Partner, Golden Livestocks
6. Partner, Al-Karam Builders & Developers
7. Partner, Al-Karam Lagoon
8. Director, National Clearing Company of Pakistan Limited
9. Director, Pakistan Mercantile Exchange Limited

MR. MOIN M. FUDDA

Mr. Moin M. Fudda has over 40 years of rich and unique blend of professional experiences which encompass working for the corporate sector and performing diplomatic duties. He holds MBA (Insurance & Risk Management) from St. Jones University, New York, and B.S. (Insurance & Economics) from R.C.D. College of Insurance, Tehran. In his former role as Managing Director of Karachi Stock Exchange or (now Pakistan Stock Exchange Limited or "PSX"), he helped in formation of Pakistan Institute of Corporate Governance (PICG). He is a Certified Corporate Governance Trainer by International Finance Corporation ("IFC") since 2010 and is a Member of Faculty as well Nominee Director of PSX on the Board of PICG.

Since 1990, he has been serving as the Honorary Consul General of New Zealand for Pakistan. Besides, he is a Country Representative for SCOR – A Global Tier-1 Reinsurer. He is a Member of Board of Directors of Karachi Council on Foreign Relations and a Member, Executive Committee of English Speaking Union of Pakistan. Moreover, since 2003, he continues to serve as Chairman and/or member of various Alternate Dispute Resolution Committees ("ADRC") formed by the Federal Board of Revenue.

He worked for American Internationals Group (“AIG”) in its head office and as an Adjunct Assistant Professor at The College of Insurance in New York. He has been the Executive Director - Reinsurance, Pakistan Insurance Corporation; Country Chief of New Zealand Insurance and Commercial Union (now AVIVA) and founder Managing Director of Commercial Union Life (now Jubilee Life Insurance). He has served on Technical Committees of Economic Cooperation Organization (“ECO”) Reinsurance Pool and Federation of Afro Asian Insurers and Reinsurers Pool (“FAIR”).

He was nominee Director of Management Association of Pakistan (“MAP”) on the Board of the then KSE in 1999-2000 and thereafter as its Managing Director from 2002 to 2005. During the same period, on behalf of KSE, he was nominated and elected as the Chairman of the Board of National Clearing Company of Pakistan Limited, Chairman of the Audit Committee of the Board of Central Depository Company of Pakistan and a founding Managing Director of the National Commodity Exchange (now Pakistan Mercantile Exchange Limited). He represented KSE at South Asian Federation of Exchanges (“SAFE”), and Chaired the Corporate Governance Task Force of the Federation of European & Asian Stock Exchanges (“FEAS”).

From September 2005 till January 2016, he remained Country Director of Center for International Private Enterprise (CIPE) Pakistan. From, February 2015 to December 2015 as a Nominee Director of SECP, Mr. Fudda also served as Chairman of the Board of former Islamabad Stock Exchange Limited and helped in integration of the three Stock Exchanges. Earlier he held other prominent positions such as Presidents of the Overseas Investors Chamber of Commerce & Industry (OICCI), Management Association of Pakistan (MAP), and the Karachi Boat Club. He has also been a Founding Director of National Center for Disputes Resolution (NCDR formerly KCDR), a Board Member of Privatization Commission and Board of Investment (Government of Pakistan), Pakistan Institute of Management (PIM), Federation of Pakistan Chamber of Commerce & Industry (FPCC&I) and Pakistan Britain Business Advisory Group. He was appointed as Member of the Committees on Anti-Money Laundering and Transfer Pricing by SECP and a member of National Policy Platform for Competitiveness & Economic Growth by Ministry of Economic Affairs, He was a Member of the Task Force formed in 2009 to review Code of Corporate Governance. He advocated for development of Rules of Corporate Governance for Public Sector Enterprises (PSEs) and as an active member of Task force formed by Ministry of Finance, he ensured enactment of these rules. Mr. Fudda also remained an Independent Director & Chairman of the Audit Committee at Wyeth Pakistan Limited.

Mr. Fudda’s achievements have been recognized through various accolades bestowed upon him. In 2006, Mr. Fudda was awarded Sitara-e-Imtiaz (S.I.) conferred by the President of Pakistan. In 2002, he was recognised as the Honorary Officer of the New Zealand Order of Merit (ONZM) and in 1990, NZ Commemoration Medal was conferred by the Queen of New Zealand. In the year 1989, Mr. Fudda was awarded the Best Managers Award by Institute of Business Administration (IBA), Karachi.

He is a nominee Director of SECP on the Board of PSX and is a member of Regulatory Affairs Committee, Audit Committee, Human Resources & Remuneration Committee, Voluntary De-listing Committee and Listing Committee of the Board.

Other Directorships and Offices:

1. Independent Director, Al-Meezan Investment Management Limited
2. Nominee Director of PSX, Central Depository Company of Pakistan Limited (CDC) & Chairman of Audit Committee.
3. Nominee Director of PSX, Pakistan Institute of Corporate Governance (PICG)
4. Nominee Director of CDC, IT Minds Limited.

MR. ABID ALI HABIB

Mr. Abid Ali Habib is the Chairman and Chief Executive of Abid Ali Habib Securities (Private) Limited and the Director of Aba Ali Habib Securities (Private) Limited; both being holders of trading rights at PSX and Pakistan Mercantile Exchange.

Mr. Habib is a prominent member of brokers' community at PSX and has always rendered valuable contribution towards the betterment and growth of the Exchange. In the past, he has been elected as Director of former Karachi

Stock Exchange (now PSX) for various terms between the years 1995 and 2012. During these terms, he has served on various Committees constituted by the Board, as Chairman or member.

He played the central role in conceptualization, planning and design of internet-based order routing system and also supervised, implemented and tested Karachi Automated Trading System.

As member of Demutualization Committee of KSE during the years 2005, 2006 and 2010, Mr. Habib was the key figure in preparation of Preliminary Report on proposed demutualization of KSE, identifying various issues and recommendations thereon, in line with existing models and international practices. Ultimately, the objectives of corporatization and demutualization were achieved in 2012.

Mr. Habib held the position of Chairman, Companies Affairs/Corporate Governance Committee of KSE for the years 2010 and 2011. During this term, a number of tasks were initiated and successfully completed, having positive impact on overall regulatory environment of the Exchange. Some of the major achievements included (i) various amendments in Listing Regulations; (ii) action against delinquent/non-performing companies in violation of Listing Regulations; (iii) revision of annual listing fee; (iv) mechanism for verification of rumor mongering in the market pertaining to listed companies/securities; (v) implementation of revised Code of Corporate Governance; (vi) measures for disclosure of information to market participants/investors pertaining to sale/purchase of securities by any director, CEO or executive or their spouses; and (vii) revision of criteria for selection of Top Companies.

Presently, Mr. Habib is Chairman of Trading and Commercial Affairs Committee and also a member of Voluntary De-listing Committee, Investment Committee, Listing Committee and Market Development & New Products Committee of PSX's Board besides being a member of Divestment Committee. At Central Depository Company of Pakistan Limited where he is nominated as Director by PSX's Board, Mr. Abid Ali Habib is appointed by the Board as member of Executive Committee and Audit Committee.

Other Directorships:

1. Chairman, Abid Ali Habib Securities (Private) Limited
2. Director, Aba Ali Habib Securities (Private) Limited
3. Director, Central Depository Company of Pakistan Limited

MS. RAHAT KAUNAIN HASSAN

Ms. Rahat Kaunain Hassan is the Founder and Senior Partner at Hassan Kaunain Nafees, Legal Practitioners & Advisers (HKN). As Britannia Chevening Scholar, she read Law at the King's College London and was awarded the L.L.M. degree.

Ms. Hassan obtained her L.L.B degree from University of Punjab and B.A. from Kinnaird College, Lahore.

In recognition of her professional standing, Ms. Hassan was appointed as one of the founding members of the Competition Commission of Pakistan (CCP), and played a significant role in regulation of anti-competitive practices during her tenure from 2007 to 2013. For the later part of her term at CCP (2010-2013), she served as Chairperson. At CCP she was instrumental in establishment of the Office of Fair Trading and helped CCP acquire international acclaim for distinctive competition law enforcement. Earlier, she also served at the Securities and Exchange Commission of Pakistan, as General Counsel/Executive Director. She was also a Partner in Amhurst Brown, Solicitors – Barristers, Islamabad before she founded HKN.

Ms. Hassan is also Chairperson of 'Women on Board Pakistan'; a recent initiative of South Asian Federation of Exchanges (SAFE), which aims at having and building an inclusive approach towards empowering women with emphasis on decision and policy making roles including participation in corporate boards.

Ms. Hassan is a recipient of Women of Achievement Award – 2010, Wonder Women Award – 2013 and was recognized as one of 100 successful women in anti-trust globally by Global Competition Review in 2013. She has also been nominated for Sitara-e-Imtiaz.

Besides being an independent director on the Board of PSX, Ms. Rahat Kaunain Hassan is a member of its Nomination Committee and Regulatory Affairs Committee.

Other Directorships:

1. Director, Archroma Pakistan Limited
2. Director, KSB Pumps Limited
3. Director, Lead Pakistan Limited

Mr. ZHENG HU

A qualified Doctor in Decision Making and Planning of Petroleum Industry, from China University of Petroleum, Beijing, **Mr. Zheng HU** has vast professional experience at senior management positions. He is serving as a Non-Executive Director on the Board of Pakistan Stock Exchange Limited ["PSX"], being a nominee of China Financial Futures Exchange ["CFFEX"]. Mr. HU graduated in Management Engineering from Beijing University of Posts and Telecommunications, in July 1984 and completed his masters in Management from China University of Petroleum, Beijing, in March 1991.

Currently, Mr. HU is serving as the Chief Executive Officer of CFFEX, whereas, previously, he has held position of Executive Vice President in CFFEX for over seven years. He is also serving as Director on the Board of National Equities Exchange & Quotations and China Futures Market Monitoring Center.

At PSX, besides being a director on the Board, he has also been nominated as member of the Nomination Committee and Market Development & New Products Committee of the Board.

MS. YU HUALI

Ms. Yu Huali is serving as Non-Executive Director on the Board of Pakistan Stock Exchange Limited ["PSX"], being a nominee of Shenzhen Stock Exchange ["SZSE"]. Ms. Huali graduated in Computer Sciences Engineering from Huazhong University of Science and Technology, in 1990. Later on, she completed her min Business Administration from Amoy University, in 2003.

Ms. Huali has held positions of Director, IT Strategy and Planning Department and Computer Engineering, in SZSE, during her tenure from 2011 to 2015. Since 2012, she has been serving as Vice Chief Engineer (CTO) of SZSE.

At PSX, besides being a director on the Board, she has been nominated as member of IT & IS Steering Committee and Market Development & New Products Committee of the Board.

MR. TAWFIQ A. HUSSAIN

Mr. Tawfiq A. Hussain is the Chief Executive Officer/Secretary General of Pakistan Banks Association, the representative body of the banking industry of Pakistan. He is also the Chairman of Pakistan Institute of Corporate Governance.

Mr. Hussain is a seasoned banker and has immensely contributed to Pakistan's banking sector over the years. Mr. Hussain did MBA (Finance & Marketing) from Institute of Business Administration, Karachi, and B.Sc. (Hons) in Mathematics from University of Karachi. He is also a certified director from Pakistan Institute of Corporate Governance.

Mr. Hussain was the first person from private sector to be appointed Deputy Governor, State Bank of Pakistan (SBP). During his two terms there (2001-2006), he led capacity building in critical areas like risk management, banking supervision, reserve management, etc. and participated in banking sector reforms, banks' privatization program and market liberalization. As SBP nominee, he served on the Securities and Exchange Policy Board as well. He also served as the President & CEO Samba Bank Limited, Pakistan, (May 2008-Sept 2013). Mr. Hussain has also held the position of Senior Director & Country Manager, American Express Bank, Pakistan, from 1995 to 2001.

In addition to being an independent director on the board of PSX, Mr. Tawfiq A. Hussain is also the Chairman of Regulatory Affairs Committee, as well as member of Human Resources & Remuneration Committee and Nomination Committee.

Other Directorships:

1. Chief Executive Officer/ Secretary General, Pakistan Banks Association
2. Chairman, Pakistan Institute of Corporate Governance

MR. MUHAMMAD YASIN LAKHANI

Mr. Muhammad Yasin Lakhani holds the degrees of B.A. (Hons.) and Masters in International Relations, both in 1st position and securing Gold medal in Masters. He is the Chief Executive of Lakhani Securities (Private) Limited. His previous experience reflects his involvement with the capital markets of Pakistan as he has held the position of President/Chairman of Karachi Stock Exchange (now Pakistan Stock Exchange) ["KSE"] during the years 1994, 1998-99, 2001 and 2005. In addition to above, he has been elected as director of KSE during the years 1969, 1986, 1987, 1989, 1990, 2009, 2010, 2012 and for the term 2012-2016. He has also served as Chairman of Advisory and Arbitration Committee, Administration Committee, Rules & Regulations Committee, Taxation Committee, Company Affairs Committee and Defaulters' Committee of the Exchange for various terms.

Mr. Lakhani was a member of Pakistan's delegation at Investment Conferences held in Seoul, Hong Kong, Singapore and London. He also represented Pakistan at Asia Pacific Forum on Securities Market Regulations & Supervision, General Assembly of the Euro-Asia Stock Markets and Capital Market Forum of Islamic Countries. He was member of the Committee on Code of Corporate Governance formed by Institute of Chartered Accountants of Pakistan.

Mr. Lakhani has been instrumental in setting up the Central Depository Company of Pakistan Limited (CDC), where he served as Chairman and member of its Board also. He is credited for introducing Investors Account Service in CDC in 1999. He has been a founder member of National Clearing Company of Pakistan Limited (NCCPL) as well.

Mr. Lakhani is also the Chairman of Investment Committee and member of Voluntary De-listing Committee, Taxation Committee, Listing Committee, Market Development & New Products Committee and Divestment Committee of the Exchange.

Other Directorships and Offices:

1. Chief Executive, Lakhani Securities (Private) Limited
2. Director, National Clearing Company of Pakistan Limited
3. Director, Central Depository Company of Pakistan Limited
4. President, KSE Stockbrokers' Association

MR. MUHAMMAD NAEEM

Mr. Muhammad Naeem is a Chartered Accountant by profession since 1967 both in individual capacity and as a former partner of Muniff Ziauddin & Co. He is a fellow member of Institute of Chartered Accountants of Pakistan (ICAP). He qualified as CPA from State of California (USA) in 1976 and has been a member of American Institute of Certified Public Accountants. At ICAP, he has served as a Council Member and Vice President. He is currently a member of Audit Oversight Board established under Securities & Exchange Commission of Pakistan Act.

Mr. Naeem did his Bachelors in Commerce with Honours from Hailey College of Commerce, Lahore and Masters in Business Administration from Institute of Business Administration, Karachi.

Mr. Naeem has been appointed at important positions in Pakistan's financial market. He is currently serving as the Director of one of the largest Pakistani bank, National Bank of Pakistan. He has also remained the Chairman of former Lahore Stock Exchange (LSE). At LSE, he has been nominated as the Chairman, Funds Committee.

Mr. Naeem also had the opportunity to serve as the Vice President and member of Executive Committee of Lahore Chamber of Commerce & Industry.

Securities & Exchange Commission of Pakistan has also nominated Mr. Naeem as the Chairperson of Small Disputes Resolution Committee. Moreover, he has also served as the Council member & Vice President of Lahore Tax Bar Association. Mr. Naeem has also served as Treasurer of Pakistan Cricket Board & Asian Cricket Council.

In addition to being an independent director on the Board of PSX, in view of his vast accounting and auditing experience, Mr. Naeem has been appointed as the Chairman of Audit Committee as well as the member of Regulatory Affairs Committee of PSX Board.

Other Directorships and Offices:

1. Director, National Bank of Pakistan
2. Director, National Refinery Limited

MR. LI PENG

Mr. Li Peng is a nominee Director of Pak China Investment Company Limited ["PCICL"] on the Board of Pakistan Stock Exchange Limited ["PSX"]. Mr. Li graduated in Economic Sciences from Beijing Normal University, China, in 1993 and did his masters in Economics with major in International Finance from the same University in 1996. Later on, he obtained Master's Degree in Banking and International Finance, from Cass Business School, United Kingdom, in 2005.

From 2006 to 2015, Mr. Li was associated with China Development Bank and has held positions of Deputy Director General, Residential Mission Germany; Director, Global Cooperation Department; Vice Governor Assistant; and Deputy Director, International Finance Department. Mr. Li also served as Deputy Director, Department of Outward Investment and Economic Cooperation, in Ministry of Commerce of the People's Republic of China, during 2005-06. Presently, he is serving as the Vice Chairman of the Board & Managing Director of PCICL.

At PSX, besides being a director on the Board, he has also been nominated as member of Human Resources & Remuneration Committee and Market Development & New Products Committee of the Board.

7.5 PROFILES OF KEY MANAGEMENT PERSONNEL

MR. NADEEM NAQVI MANAGING DIRECTOR

Please refer to profile under Section 7.4 of this OFSD.

MR. HAROON ASKARI Deputy Managing Director

Mr. Haroon Askari has been associated with Pakistan Stock Exchange (formerly Karachi Stock Exchange) since December 2005: initially in the capacity of Head of Operations and later from Nov 2010 till April 2011 as an Acting

Managing Director of the Exchange. The current role of Deputy Managing Director started in August 2011. He has a BSc. Degree from University of Karachi and has also completed one year post graduation diploma in Business Administration from the Institute of Business Administration, Karachi.

He has an extensive local and foreign experience in the field of capital market, brokerage, media, real estate and textiles. Prior to joining Stock Exchange, he was involved in real estate and textile business and was CEO of Sun TV.

With a deep insight of stock market operations, brokerage business and his personal contacts with multiple international bourses and foreign dignitaries, he played a significant contributory role for Exchange's business growth.

He has participated in various seminars & conferences on Securities and Capital Market Operations, within and outside the country, and remained a key note speaker at various occasions.

In the current capacity of Deputy Managing Director, he is looking after the overall operations of the Exchange and the functional areas of Company Affairs, Trading & Member Affairs, Administration, Information Technology and HR.

He is actively involved in resolution of Exchange's operational matters with the SECP, TREC holders and Government Agencies.

With strong negotiation skills, he has also successfully negotiated with vendors ranging from insurance providers, KWSB, building contractors and general equipment providers. He was recognized and appreciated for his contribution in the demutualization, stock exchanges integration process as well as acquiring MSCI Emerging Market status.

MUHAMMAD RAFIQUE UMER

Company Secretary / General Manager Law & Corporate Affairs

Mr. Rafique Umer has been associated with Pakistan Stock Exchange (formerly Karachi Stock Exchange) since 2001 and currently holds the position of Secretary to the Board and General Manager, Law & Corporate Affairs of the Pakistan Stock Exchange.

Mr. Umer is a graduate in Commerce and Law from University of Karachi. He has also cleared selected papers, as a regular student of Institute of Business Administration. Further, he availed Banking Diploma and Banking Certificate from Institute of Bankers Pakistan with First position throughout the country. Mr. Umer has attended seminars & workshops on various subjects, within and outside the country, including Capital Market Compliance & Examination workshop arranged by the US Securities & Exchange Commission at USA.

Mr. Umer has local and foreign experience of nearly four decades in the field of finance, banking & capital markets. Prior to joining PSX, he remained with United Bank Ltd; Saudi French Bank (Saudi Arabia) and Atlas Group of Companies. At PSX apart from Company Secretary, Mr. Umer also performs secretarial functions of four critical Committees, including Regulatory Affairs Committee, Human Resource & Remuneration Committee, Nomination Committee and Divestment Committee. He is one of the Trustees of Investors' Protection Fund and Clearing House Protection Fund of PSX. He also represents PSX at General Meetings of associated and other companies, where PSX has equity stake. In the past, Mr. Umer represented PSX as nominee director on the Boards of Central Depository Company and National Clearing Company of Pakistan Limited.

As Secretary of the Board and various Committees, he ensures compliance with all corporate & secretarial requirements as provided in relevant laws, rules, regulations, directives, Code of Corporate Governance, including the matters related to demutualization and divestment of shares of the Exchange.

Mr. Umer remained actively engaged in the entire process of Demutualization, Integration of Exchanges and Divestment since inception till now and was instrumental in smoothly completing all time-bound activities.

Being Head of Law Department, he arranges to provide required legal opinions/advice, vetting of various agreements, MoUs, contracts, etc. to other departments of PSX internally or from outside counsels. He also represents PSX before various Courts and authorities including SECP, CCP, NAB, FIA, NIRC, Ombudsman, etc. with a view to defend PSX for any adverse legal action or to enforce its rights against any party.

AHMED ALI MITHA

Chief Financial Officer / General Manager Finance & Accounts

Mr. Ahmed Ali Mitha is a Fellow member of the Institute of Chartered Accountants of Pakistan (ICAP) and has completed his Articleship from one of the Big four firms, AF Fergusons, a member firm of Price Water House Coopers (PWC) International. Mr. Mitha is also an Associate member of Institute of Cost and Management Accountants of Pakistan (ICMAP).

He started his career from one of the Big Four Firms, PWC as an Assistant Manager and he brings with him over 24 years of leadership experience in the field of Audit and Finance in both public and private sector including cement and textile industries. Mr. Ahmed has previously held the position of Executive Director Finance and Company Secretary of National Insurance Company Limited. His areas of responsibility, besides managing the Finance Department, also include strategic planning and medium term financial projection development of the Exchange.

Currently he holds the position of Member cum Secretary of the Taxation Committee of PSX, Investors Protection Fund (PSX), Investment Committee of PSX and also a member of various other senior management committees at PSX. He is also a Member of the Quality Assurance Board of the ICAP.

MUHAMMAD ABBAS MIRZA

General Manager / Acting Chief Regulatory Officer

Mr. Abbas Mirza has completed his Masters in Business Administration with major in Marketing and has also done 4 years of articleship from Ernst & Young.

He is associated with Exchange for last 9+ years and has altogether a work experience of 26 years including his time spent at Pakistan Kuwait Investment Company (Pvt.) Ltd and AKD Securities.

Prior to joining responsibilities as Acting CRO in Feb 2017, he was the Chief Compliance Officer in Regulatory Affairs. He has an extensive knowledge of Exchange's Operations and regulatory framework.

Mr. Mirza's responsibilities include ensuring the compliance of System Audit Regulations, Internet Trading Regulations and Risk Management Regulations of the PSX Rule Book by all the brokerage houses; the segregation of clients' assets kept by the brokerage houses; PSX Regulations, Code of Corporate Governance & Correspondence Manual by the listed companies and taking relevant actions on non-compliance(s).

His area also provides opportunity for mediation and initiating Arbitration/Appeal proceedings for complaints not resolved amicably under PSX Regulations; verifying and settling claims lodged against expelled/defaulters members/TREC Holders and disbursing funds including IPF under PSX Regulations.

He is instrumental in coordinating with regulatory and other agencies including SECP, NAB, FIA, PMIC, federal/provincial Ombudsman and matters under litigation relating to complainants and brokers.

MUHAMMAD GHUFRAN KHAN**Deputy General Manager, Operations**

Mr. Ghufuran has been associated with the Exchange for more than 30 years. He is a graduate of Business Administration from M.E.T.U., Ankara, Turkey. He has participated in various professional courses on capital market and corporate governance programmes including the Programme organized by USIA in USA on debt and capital markets. He also participated in the Securities Market Growth and Development Programme held at the US Securities and Exchange Commission. He represented the Exchange on various local and international forums and was nominated as a Director on the Board of National Clearing Company of Pakistan Limited (NCCPL) during the year 2005-2006.

During the tenor of his service with the Exchange, he has been looking after various assignments including Listing and Delisting of Companies / Securities during which time, more than 500 Equity Issues / Companies and over 80 Debt Securities have been listed.

He is involved in recommending various amendments in the Listing Regulations and Criteria thereof of both Equity and Debt Securities as well as listing on Over the Counter (OTC) Market / SME, Regulations for Voluntary Delisting of Companies, implementation of KSE-100 and KSE-30 Indices, implementation of Web-Based Announcement System (PUCARS), Trading and TREC Holders Affairs functions. He was nominated in the Technical Committee constituted by Securities & Exchange Commission of Pakistan on behalf of the Karachi Stock Exchange for recommending various amendments in the Listing Regulations / Regulatory Framework including Regulations for Debt Market for offer of retail investors / SME Counter / Privately Placed Debt Securities.

He is currently supervising the Operations including matters related to Companies Affairs and Trading & TRE Certificate Holders Affairs.

SANI-E-MEHMOOD KHAN**General Manager / Head of Product Development, Research & Marketing**

Mr. Sani has done his MA Economics from Karachi University. He has also done a two year vocational expert program in Software Engineering from the Division PERAC, Ministry of Production-Government of Pakistan. He also has a Certification in "Regulation and Securities Market Development" from US Securities and Exchange Commission.

Mr. Khan is a seasoned professional of Capital Market Industry for several decades including 16+ years of association with PSX. He has altogether an experience of 27 years in the fields of Capital markets and IT.

His experience ranges from conceiving of the product concept to developing functional, Regulatory, and Operational framework of the Capital Market Products. He also participates in managing business operations of the Exchange: dealing with stakeholders, managing leverage products, index construction and market development in the areas of debt and equity markets. He has represented PSX in over two dozen talk shows on leading news channels, written over a dozen articles in leading English newspapers and has organized and participated in roadshows for Capital Market Development within Pakistan and abroad.

ARIF REHMAN**Deputy General Manager / Chief Information Security Officer**

Mr. Arif Rehman has done his Master of Science in Communications & Signal Processing from Imperial College of Science, Technology and Medicine, University of London and Bachelor of Science in Computer Engineering from Sir Syed University of Engineering & Technology, Pakistan.

He is a Certified Information Systems Security Professional (CISSP), a Certified Information Security Manager (CISM), a Certified Information Security Auditor (CISA), a Certified Information Management Professional (CIMP), a Blue Coat Certified Proxy Administrator (BCCPA), a Cisco Certified Network Engineer (CCNA) and a Prince2 Registered Practitioner (Prince-2). He also has an Investment Administration Qualification (IAQ) from Chartered Institute for Securities & Investment (CISI), UK along with Islamic Finance Qualification (IFQ) from Chartered Institute for Securities & Investment (CISI), UK.

He is also a member of following professional bodies:

1. Pakistan Engineering Council (PEC), Pakistan
2. Institute of Electrical Engineers (IEE), UK
3. Chartered Institute for Securities and Investment (CISI), UK
4. Information Systems Audit and Control Association (ISACA), UK
5. International Information Systems Security Certification Consortium (ISC2), US

Including 7 years of association with Citibank UK, Mr. Rehman has an altogether experience of more than 11 years in the areas of Information Security, IT Risk Management and Continuity of Business.

FARHAN ANSARI**Deputy General Manager / Head of Internal Audit**

Mr. Farhan Ansari is a Chartered Accountant by qualification and is a Fellow Chartered Accountant from ICAP. Along with it, he is also a Certified Internal Auditor from the Institute of Internal Auditors, USA.

After completing his articleship from Ernst & Young Ford Rhodes Sidat Hyder Chartered Accountants, he remained associated with Dadex Eternit Ltd. He is serving the Exchange for the last 11 years and has altogether a work experience of 18 years in the area of Internal Audit. He has rich expertise in coordinating audit planning and scheduling audit activities, evaluating the design and operating effectiveness of operational, compliance & financial controls, ascertaining the adequacy of controls for safeguarding Exchange's assets and performing follow-up on reported audit findings.

7.6 NUMBER OF DIRECTORS

Pursuant to Section 174 of the Companies Ordinance, 1984 a listed Company shall not have less than seven (7) directors. Furthermore, according to Regulation 9(2) of the Securities Exchanges (Licensing and Operations) Regulations, 2016, the board of directors of a securities exchange shall have independent directors not less than the shareholder directors, with the Chairman of the board being elected from amongst the independent directors. At present, the Board consists of 15 directors, including the Chief Executive Officer and four TREC Holders. However, with the enactment of new Companies Act, 2017, once PSX is a listed company, under Section 153 (k) a person engaged in the business of brokerage, or spouse of such person or sponsor, director or officer of a corporate

brokerage house is ineligible to be director on the board of public listed company. The TREC Holder directors shall be replaced accordingly.

7.7 QUALIFICATION OF DIRECTORS

The qualification of a Director, shall be the holding of shares in the Company for the nominal value of PKR 10/- at least in his own name but a director representing an interest holding shares of the nominal value of PKR 10/- or more shall require no share qualification, subject to the compliance with the provisions of the Ordinance.

No director shall be considered an independent director unless he / she meets the criteria mentioned in Section 9 of Securities Exchanges (Licensing & Operations) Regulations, 2016.

No person shall be appointed as a Director of the Company who is ineligible to be appointed as Director on any one or more of the grounds enumerated in Section 187 of the Ordinance or any other law for the time being in force.

7.8 REMUNERATION OF THE DIRECTORS

According to Article 87 of the Articles of Association of PSX, subject to any general or specific conditions or restrictions imposed by the Commission or under the Companies Ordinance or any other law applicable to the Company and until otherwise determined by the Company in general meeting: every Director (including an alternate Director but excluding the Chief Executive and a full time Working Director) shall be entitled to be paid remuneration for his services as may be determined in accordance with the applicable law. In addition, subject to the applicable law and in particular Section 191 of the Companies Ordinance, 1984, each Director (including each alternate Director and the executive Directors), shall be entitled to be reimbursed his reasonable expenses as determined by the Board incurred in consequence of his attendance at the Board meetings of the Directors, or of Committee of Directors.

According to Article 88 & 89 of the Articles of Association of PSX, any Director who serves on any Committee or who devotes special attention to the business of the Company or who otherwise performs services which, in the opinion of the Board, are outside the scope of the statutory duties of a Director may be paid such extra remuneration as may be determined by the Board. The Directors on behalf of the Exchange may pay a gratuity or pension or allowance on retirement to any Director who has held any other salaried office or place of profit with the Company or to his widow or dependents and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance as may be determined by the Company in its general meeting.

7.9 INTEREST OF DIRECTORS

According to Article 98 of the Articles of Association of PSX, whereby any contract or resolution of the Directors an appointment or a variation in the terms of an existing appointment is made (whether effective immediately or in the future) of a Chief Executive, whole-time Director, Chief Operating Officer, Chief Financial Officer or Secretary of the Company, in which appointment of any Director of the Company is, or after the contract or resolution becomes, in any way, whether directly or indirectly, concerned or interested, the Company shall inform the Members of such appointment or variation in the manner required by Section 218 of the Companies Ordinance, 1984 and shall comply with the requirements of that Section in regard to the maintaining of such contracts and resolutions open for inspection by Members at the Office, the provision of certified copies thereof and extracts therefrom and otherwise.

7.10 INTEREST OF DIRECTORS IN PROPERTY ACQUIRED BY THE COMPANY

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

7.11 ELECTION OF DIRECTORS

The Directors of the Company are elected for a term of three years in accordance with the procedure laid down in Section 178 of the Ordinance.

The Directors shall comply with the provisions of Sections 174 to 178 and Sections 180 and 184 relating to the election of Directors and matters ancillary thereto.

Subject to the provisions of the Ordinance, the Company may from time to time increase or decrease the number of Directors.

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 Ordinance.

The present directors were elected on February 24th, 2016. The next election will be held within 3 years (expected on February 23, 2019) and the Board composition will be changed to comply with the requirements of the PSX Code of Corporate Governance.

7.12 VOTING RIGHTS

According to Articles 56 of the Articles of Association of PSX, upon a show of hands every Member entitled to vote and present in person or by proxy shall have one vote, and upon a poll every Member entitled to vote and present in person or by proxy shall have one vote for every share held by him except for election of directors in which case the provisions of section 178 of the Companies Ordinance, 1984 shall apply.

7.13 AUDIT COMMITTEE

Following are the members of the Audit Committee of the Exchange:

1. Mr. Muhammad Naeem - Chairman
2. Mr. Moin M. Fudda - Member
3. Mr. QUE Bo - Member
4. Mr. Samir Ahmed – Member

7.14 HUMAN RESOURCES AND REMUNERATION COMMITTEE

Following are the members of Human Resources and Remuneration Committee of the Exchange:

1. Mr. Muneer Kamal - Chairman
2. Mr. Li Peng - Member
3. Mr. Moin M. Fudda – Member
4. Mr. Tawfiq A. Hussain – Member

7.15 NOMINATION COMMITTEE

Following are the members of Nomination Committee of the Exchange:

1. Mr. Muneer Kamal – Chairman
2. Ms. Rahat Kaunain Hassan – Member
3. Mr. Tawfiq Asghar Hussain – Member
4. Mr. Zheng HU – Member

7.16 REGULATORY AFFAIRS COMMITTEE

Following are the members of Regulatory Affairs Committee of the Exchange:

1. Mr. Tawfiq Asghar Hussain – Chairman
2. Mr. Moin M. Fudda – Member
3. Mr. Muhammad Naeem – Member
4. Ms. Rahat Kaunain Hassan – Member

7.17 LISTING COMMITTEE

Following are the members of Listing Committee of the Exchange:

1. Mr. Nadeem Naqvi – Chairman
2. Mr. Moin M. Fudda – Member
3. Mr. Abid Ali Habib – Member
4. Mr. Muhammad Yasin Lakhani – Member
5. Mr. QUE Bo - Member

The aforementioned individuals are permanent members of the Exchange's Listing Committee. The Committee shall consist on a maximum of seven (7) members including three (3) outside industry experts to be co-opted on case-to-case basis from the pool of experts developed by the Exchange.

7.18 VOLUNTARY DE-LISTING COMMITTEE

Following are the members of Voluntary De-Listing Committee of the Exchange:

1. Mr. Nadeem Naqvi – Chairman
2. Mr. Abdul Majeed Adam – Member
3. Mr. Moin M. Fudda – Member
4. Mr. Abid Ali Habib – Member
5. Mr. Muhammad Yasin Lakhani – Member
6. Mr. Samir Ahmed – Member
7. Mr. Ahmed Chinoy – Member

7.19 INVESTMENT COMMITTEE

Following are the members of Investment Committee of the Exchange:

1. Mr. Muhammad Yasin Lakhani – Chairman
2. Mr. Abid Ali Habib – Member
3. Mr. Samir Ahmed – Member
4. Mr. Ahmed Chinoy – Member
5. Mr. Nadeem Naqvi – Member

6. Mr. Ahmed Ali Mitha – Member

7.20 BORROWING POWERS OF DIRECTORS

Subject to the provisions of the Ordinance and Article of the Company the Directors may from time to time, at their discretion raise or borrow or secure payment of any sum or sums of money for the purposes of the Company, from any persons, firms, companies or banks and may themselves lend any such sum or sums to the Company on security or otherwise.

In regard to the issue of securities, the directors may exercise all or any of the powers of the Company arising under Sections 87 and 120 of the Ordinance and in particular the directors may issue any security as defined in Section 2(1) (34) of the Ordinance or may issue any instrument or certificate representing redeemable capital as defined in section 2(1) (30A) of the Ordinance or participatory redeemable capital as defined in section 2(1) (25) of the Ordinance.

Debentures, debenture stocks, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Any debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise, and with any provisions as to redemption, surrender, drawings and conversion into ordinary shares, provided that the Company shall not issue any debenture of whatever nature carrying voting rights at any meeting of the Company, except the debentures convertible into ordinary shares which may carry voting rights not in excess of the voting right attached to the ordinary shares of equal paid up value. Issue of debentures by the Company shall be subject to the provisions of Section 113 to 120 and Section 149 of the Ordinance.

7.21 POWERS OF DIRECTORS

The control of the Company shall be vested in the Directors and the Business of the Company shall be managed by the Directors as per the Articles of Association subject to any restrictions under the Ordinance.

7.22 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 present directors were elected on February 24th, 2016. The next election will be held within 3 years (expected on February 23rd, 2019) and the Board composition will be changed to comply with the requirements of PSX's Code of Corporate Governance.

7.23 INVESTMENT IN ASSOCIATED COMPANIES

Pakistan Stock Exchange Limited has investments in two associated companies: Central Depository Company of Pakistan Limited (39.81%) and National Clearing Company of Pakistan (47.06%).

7.24 LONG-TERM INVESTMENT

Pakistan Stock Exchange Limited has long-term investments, PKR 75 million investment in Pakistan Mercantile Exchange (“PMEX”) and PKR 3 million in JCR-VIS Credit Rating Company. However, under the Companies Ordinance, 1984, PMEX is classified as an associated company by virtue of common directorship and level of shareholding.

(PKR in ‘000)	FY 2013	FY 2014	FY 2015	FY 2017
Paid up Capital	190,000	275,682	275,682	313,552
Shareholder’s Equity	(160,304)	(86,817)	(105,792)	(64,254)
Profit after Taxation	12,759	(13,186)	(14,631)	29,552
Earnings per Share	0.46	(0.83)	(0.69)	1.09
Break-up Value per Share	(8.44)	(3.15)	(3.84)	(2.05)

7.25 REVALUATION OF FIXED ASSETS

The valuation of Land, building and plant & machinery of the Company was conducted in December 2011 by M/s FAMCO Associates, details of which are provided below:

Particulars PKR in ‘000	As at July 01, 2011	Additions	Deletion	Adjustment of Accumulated Depreciation	Revaluation Surplus	As at June 30,2012
Leasehold Land	90	-	-	(60)	2,677,852	2,677,882
Building on Leasehold land	94,457	-	-	(26,802)	673,589	741,244
Lift, generators and electric installation	124,196	425	-	(77,330)	3,148	50,439
Furniture & Fixtures	22,879	579	-	(16,362)	-	7,096
Office Equipment	67,470	2,317	-	(45,953)	3,165	26,999
Computer and related accessories	567,353	47,910	-	(462,085)	31,042	184,220
Vehicles	12,021	5,283	(1,227)	(8,292)	1,625	9,410
TOTAL	888,466	56,514	(1,227)	(636,884)	3,390,421	3,697,290

7.26 CAPITALIZATION OF RESERVES

In terms of the requirements of the Stock Exchanges (Corporatization, Demutualization and Integration) Act 2012, the shares issued to the initial shareholders of the Company upon demutualization are determined after taking into account the revaluation of the assets of the Company. Accordingly, notwithstanding the provisions of section 235 of the Companies Ordinance, 1984, the balance of surplus amounting to PKR 3,288 million has been utilized for the purpose of issuing shares to the initial shareholders of the Company on the effective date of demutualization i.e. August 27th, 2012. The treatment regarding the surplus has also been approved by the SECP.

8 MISCELLANEOUS INFORMATION

8.1 REGISTERED OFFICE / CORPORATE OFFICE

Pakistan Stock Exchange Limited,
 Stock Exchange Road,
 Stock Exchange Building,
 Karachi, Pakistan
 Phone: +92 21 111 001 122
 Website: www.psx.com.pk
 Email: info@psx.com.pk

8.2 BANKER TO THE OFFER FOR BOOK BUILDING

MCB Bank Limited

Global Transaction Banking Branch 0069
 1st Floor Shaheen Complex M.R Kayani Road
 Karachi

8.3 BANKERS TO THE OFFER FOR GENERAL PORTION

Askari Bank Limited
 Albaraka Bank
 Allied Bank Limited
 Bank al Habib Limited
 Bank Alfalah Limited
 Dubai Islamic Bank
 Faysal Bank Limited
 Habib Metropolitan Bank
 MCB Bank Limited
 Summit Bank Limited
 United Bank Limited

8.4 BID COLLECTION CENTERS

Karachi			
Contact Officer:	Muzammil Shahid Bhatti	Contact Officer:	Muhammad Farhan Khan
Direct No.:	021-3264-2010 021-3264 1374 021-3264 2818 0331-130 6154	Direct No.:	021-32645034; 021-32633070
Fax No.:	021-3227 0105	Fax No.:	021-32633075
Email:	muzammil.bhatti@mcb.com.pk	Email:	farhan.khan@mcb.com.pk
Postal Address:	Mezzanine Floor, MCB Tower, MCB Bank Limited, I.I. Chundrigar Road - Karachi	Postal Address:	1 st Floor Shaheen Complex M.R Kayani Road Karachi.

Lahore

Contact Officer: Farooq Malik
 Direct No.: 0322-4988848
 Fax No.: 042-36362949
 Email: farooq.malik@mcb.com.pk
 Postal Address: Stock Exchange, 19 Khayaban-e-Aiwan-e-Iqbal, Lahore

MCB Branch Code: 1392

Islamabad

Contact Officer: Abubakar
 Direct No.: 0345 5366115
 Fax No.: 051-2894045
 Email: ops1390@mcb.com.pk
 Postal Address: Office No.1, Ground + Mezzanine Floor, Islamabad Stock Exchange Tower, Blue Rea Islamabad

MCB Branch Code: 1390

Quetta

Contact Officer: Waqar Ali
 Direct No.: 0333-7937887; 0812823487
 Fax No.: 081-2822203
 Email: ops0551@mcb.com.pk
 Postal Address: Shahra-e-Iqbal, Quetta

MCB Branch Code: 0551

Peshawar

Contact Officer: Farhan Yousaf
 Direct No.: 0321-9061157
 Fax No.: 091-5279427
 Email: ops0277@mcb.com.pk
 Postal Address: Saddar Road, Peshawar Cantt, Peshawar

MCB Branch Code: 0277

Gilgit

Contact Officer: Liaqat Ali
 Direct No.: 0300 8999117
 Fax No.: 05811-457860
 Email: ops1116@mcb.com.pk
 Postal Address: National Market, Gilgit
 MCB Branch Code: 1116

Muzaffarabad

Contact Officer: Attiq ur Rehman
 Direct No.: 05822920508; 03455357390
 Fax No.: 05822-920491
 Email: ops0593@mcb.com.pk
 Postal Address: Bank Road, Muzaffarabad, AK
 MCB Branch Code: 0593

8.5 BANKERS TO THE COMPANY

Allied Bank of Pakistan Limited
 Askari Bank Limited
 Bank Al Falah Limited
 Bank Al Habib Limited
 Bank Islami Pakistan Limited
 Bank of Khyber
 Dubai Islamic Bank Pakistan Limited
 Habib Bank Limited
 Habib Metropolitan Bank Limited
 JS Bank Limited
 MCB Bank Limited
 National Bank of Pakistan
 NIB Bank Limited
 Sindh Bank Limited
 Soneri Bank Limited
 Summit Bank Limited
 United Bank Limited

8.6 AUDITORS OF THE COMPANY

EY Ford Rhodes, Chartered Accountants

Progressive Plaza, Beaumont Road
PO Box 15541, Karachi 75530
Pakistan

8.7 LEGAL ADVISOR OF THE COMPANY

Ijaz Ahmed & Associates, Advocates and Legal Consultants

No. 7, 11th Zamzama Street, Phase V
Defense Housing Authority
Karachi, Pakistan

8.8 LEGAL ADVISOR TO THE TRANSACTION

Ahmed & Qazi, Advocates and Legal Consultants

402, 403, 404, 417 Clifton Center
Clifton, Karachi
Pakistan

8.9 LEAD CONSULTANT

Arif Habib Limited

Arif Habib Center
2nd Floor, 23 M.T. Khan Road
Karachi

8.10 BOOK RUNNER

MCB Bank Limited

MCB Tower, 16th Floor
I.I. Chundrigar Road, Karachi
Pakistan

8.11 JOINT CONSULTANTS

Elixir Securities Pakistan (Private) Limited
AKD Securities Limited
Intermarket Securities Limited
Next Capital Limited
JS Global Capital Limited
Topline Securities Limited
BMA Capital Management Limited
Adam Securities Limited

8.12 COMPUTER BALLOTTER & SHARES REGISTRAR

Central Depository Company of Pakistan Limited (“CDC”)

CDC House, 99-B, Block “B”, S.M.C.H.S.

Main Shahrah-e-Faisal, Karachi 74400

The CDC is the current share registrar of the Exchange. However, CDC being an associated company of the Exchange, as per the requirement of the Companies Ordinance, 1984, the Exchange will appoint an independent registrar post listing.

8.13 MATERIAL CONTRACTS & DOCUMENTS OF PAKISTAN STOCK EXCHANGE LIMITED

8.13.1 Product Development, Research and Marketing Related Contracts

S. No	Client / Vendor Name	Client Type	Services
1	Thomson Reuters Limited	International	PSX Market Data Feed Subscription
2	Bloomberg L.P	International	PSX Market Data Feed Subscription
3	Solactive AG (formerly known as Structured Solutions AG Frankfurt)	International	PSX Market Data Feed Subscription
4	SIX Telekurs Ltd.	International	PSX Market Data Feed Subscription
5	Interactive Data (Europe) Ltd.	International	PSX End of Day Subscription

8.13.2 Information Technology Services Agreements

S. No.	Name of Vendor	Subject of Agreement
1	Aekpani Networks	Web Hosting
2	Alcom International	Data Center Air Purification
3	Computer Marketing (Pvt) Limited	UPS Maintenance (Lahore Office)
4	Cyber Internet Services (Pvt) Limited	Maintenance of Radio Tower
5	Interlink Engineering	Maintenance of Access Devices
6	Jaffer Business Systems (Pvt) Limited	VMWARE maintenance
7	Mushko Electronics (Pvt) Ltd	New HP Servers Maintenance
8	Nescop Technologies	Decontamination of Data Center
9	New Horizon Computers	VMWARE maintenance
10	New Horizon Computers	EMC CONNECTRIX Maintenance
11	New Horizon Computers	EMC VNX 5100 SAN Maintenance
12	Mark Ventures	Maintenance of UPS Units
13	Mark Ventures	Maintenance of UPS Units Nexsys
14	Multilyn	New Data Center Consultancy
15	Multinet Pakistan (Pvt) Limited	Secondary Data Circuit Connectivity
16	Mushko Electronics (Pvt) Limited	HP 3PAR StoreServ
17	Mushko Electronics (Pvt) Limited	Rack Mounted Servers for DR Site
18	Ora-Tech Systems (Pvt) Limited	Oracle Licenses Renewal Support
19	Phoenix Armour (Pvt) Limited	IT Valuables transportation
20	Premier Systems (Pvt) Limited	Virtual Load Balancing Appliance
21	Premier Systems (Pvt) Limited	Microsoft Renewal Support
22	Synergy Computers (Pvt) Limited	HP Servers Maintenance
23	Synergy Computers (Pvt) Limited	DELL Servers Maintenance support

24 Wateen Telecom Limited

Data Circuit Connectivity

8.13.3 Other Agreements

S. No.	Agreement	Job / Service Nature
1	Allied Engineering & Services	Maintenance of 2 Caterpillar Gensets
2	M/s Allied Services	Janitorial Service & supply of Staff
3	M/s Security 2000	Security Services
4	M/s S.M. Jaffar & Company	Maintenance of 3 FG Wilson Gensets
5	M/s LSE-Financial Services	Rent-Space acquired for PSX Lahore Office
6	M/s ISE Towers REIT Management	Rent-Space acquired for PSX Islamabad Office
7	United Bank Limited	Rented out Property
8	The Bank of Khyber	Rented out Property
9	MCB Bank Limited	Rented out Property
10	Habib Bank Limited	Rented out Property
11	Central Depository Company of Pakistan Limited	Rented out Property
12	National Clearing Company of Pakistan Limited	Rented out Property

8.14 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 the 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.

8.15 CONTINGENCIES

Tax Related Contingencies

Contingency relating to wealth tax amounts to PKR 19.184 million is discussed in detail in Note 23 of the auditor's report for the nine months ended March 31st, 2017. Pending resolution of this matter, no provision has been made in the Exchange's financial statements for any liability that may arise on this account.

8.16 LEGAL PROCEEDINGS

The following are the contingencies relating to PSX's operations, as per the auditors' report for the nine months ended March 31st, 2017:

Law suits filed during 1997

A lawsuit was filed by five investors against the Company and an ex-member for declaration, injunction and recovery of damages, aggregating to PKR 70 million together with interest thereon. The investors alleged that the Company had unlawfully taken possession and disposed of some shares belonging to the petitioners that were lying with the ex-member. The legal advisor of the Company considers that above mentioned lawsuit is expected to be decided in favor of the Company. Hence, no provision has been made in the financial statements for any liability that may arise as a result of these law suits.

Law suits filed during 2000

An ex-member filed a lawsuit against the Company, CDC and the SECP, in the Honorable High Court of Sindh, for against cancelling his membership and declaring him as a defaulter for a claim of PKR 300 million from each. The Company is of the view that the ex-member was declared as a defaulter in accordance with its regulations as the said member had not made payments to settle his liability to the Company for the ready clearing dues and exposure and losses aggregating to PKR 351.392 million. A sum of PKR 302.882 million, including PKR 6.574 million was subsequently realized by the Company from the sale of the assets of the ex-member.

Subsequently, a fund management and investment company filed a law suit in the Honorable High Court of Sindh against the above mentioned ex-member, CDC, SECP and the Company. The petitioners alleged that the company had unlawfully taken the delivery of shares for which the petitioners had entered into contacts for purchase with the ex-member. The petitioners claimed declaration, injunction and delivery of the undelivered shares and damages of PKR 500 million from the company.

In addition to the law suits referred above, five lawsuits involving the ex-members defaults were filed against several other defendants and the Company in the Honorable High Court of Sindh for the recovery of damages of PKR 6,851.274 million for declaration, injunction, recovery of shares, damages and compensation.

The legal advisor of the Company considers that above mentioned law suits would be decided in favor of the Company. Hence, no provision has been made in the financial statements for any liability that may arise as a result of these.

Law suits filed during 2008

1. As a result of a dispute between the Company and a member (suspended), whereby the member (suspended) was not sharing certain information related to trading of shares, the Company complained to the SECP and the member (suspended) fearing about any coercive action by the Company and SECP, filed a suit against the Company in the Honorable High Court of Sindh. However, the SECP before filing the law suit by the member, had already suspended the license of the brokerage of the member. The member (suspended) has filed the above lawsuit for declaration, permanent injunction, mandatory injunction and damages of PKR 2,000 million against the Company. The legal advisor of the Company considers that above mentioned lawsuits would be decided in favor of the Company. Hence, no provision has been made in the financial statements for any liability that may arise as a result of these lawsuits.
2. The then Islamabad Stock Exchange (Guarantee) Limited filed a complaint with the Competition Commission of Pakistan ("CCP") against the Company alleging abuse of its dominant position in securities market in contravention of Section 3 of the Competition Ordinance, 2007. The CCP directed the Company to take corrective measures along with the other exchanges of Pakistan and in case of failure to comply with the direction of the CCP, the Company will be liable to pay a penalty of PKR 50 million and additional penalty of PKR 250,000 per day for each day of non-compliance. The Company has filed an appeal before the Supreme Court against the CCP's Order. As per the legal advisor, the Company has a reasonable case in respect of the above. Hence, no provision for any liability which may arise in this regard has been made in the financial statements.

Law suits filed during 2017

During the period, the Company has received a demand notice amounting to PKR 32.17 million from Karachi Water Sewerage Board (KWSB) in respect of water, sewerage, conservancy and fire charges. In respect of this, the Company has already recorded a liability to the extent of PKR 6.10 million in the prior years. However, the Company is of the view that, since the Company is not receiving any sort of utilities from KWSB therefore, such demand is not valid. In view of the same, a petition has been filed by the Company in the court of law against the above demand of KWSB. The matter is currently pending adjudication and based on the view of the legal advisor of the Company, a positive outcome is expected in favor of the Company, and hence, no provision has been made by the Company against the above demand in the financial statements.

In addition to the above stated litigations, there are various other law suits filed by ex-members and / or their customers and penalties imposed by the CCP and SECP, which the Company is currently contesting in various courts of law / forums. Following are the issues in relation to such litigations / penalties:

1. Customers of members claiming for losses on their investments arising due to fixation of floor prices by the Company
2. CCP imposing penalty for placement of floor
3. Customers of members claiming for losses due to certain activities of members resulting in financial loss to the customers
4. Third party claiming for damages from Company for putting restriction for operating in office premises which the third party bought from ex-member
5. Counter claim of a member against the penalties imposed by the PSX due to non-compliance of certain regulations by the member

The cumulative financial impact of these various litigations is estimated to be PKR 58.257 million. The management of the Company, based on legal advisors opinions, believes that the Company has reasonable position in respect to these litigations. Hence, no provision for any liability which may arise in this regard has been made in the financial statements of the Company.

8.17 SIGNIFICANT MATTERS

Non-Current Assets Held for Disposal

During the year 2013, the Board of the PSX approved a plan for the construction of a new building and granting sub lease rights of such a building to the occupants of the old building. Such plan has also been approved by the shareholders in the Extra Ordinary General Meeting held on 24th February 2016 and was also communicated to Securities and Exchange Commission of Pakistan (SECP) for its approval.

With respect to the above, the SECP vide its letter dated November 1st 2016, informed the PSX as follows:

1. The PSX may seek appropriate permission from the relevant government body /collector/custodian of the leased land for necessary approval relating to sub-division and its sub lease accordingly.
2. The Board of the PSX after making full disclosure to its shareholders and consensus thereof, may at its sole responsibility, risk and cost decide the matter for grant of sub-lease to existing licensees while ensuring that such an arrangement does not create any hurdle/obstacle in the ongoing divestment of the PSX.

Based on the above, Board of Directors of the PSX in the meeting held on December 07th, 2016 ratified its earlier decision and approved the issuance of sub-leases to respective eligible licensees.

Based on a survey carried out by the PSX, 42 rooms have been identified as eligible for sub-lease and accordingly the sublease process in respect of such rooms has been substantially completed subsequent to the period end.

For the remaining 74 rooms in the new building and main building (having carrying value of PKR 94.329 million as the period end), the underlying licensees of these offices have shown their desire and willingness to transfer the said rooms to other occupants who are not eligible for the transfer of sub-lease under the current allocation plan as approved by the Board of Directors in their meeting held on December 07th, 2016. Hence, these 74 sub-lease cases should not be taken as approved by the Board of Directors of the PSX in its present condition / prevalent circumstances and accordingly, at present, shall not be transferred to 'non-current assets held for disposal', and also should not be considered as impaired as at the period ended March 31st, 2017. The disclosure of the same is given in note 7.1.2 to the financial statements.

In addition, the PSX has decided to sell certain office spaces (having carrying value of PKR 3.993 million as the period end) to third parties and for this purpose, subsequent to the period end, the Company has entered into sale

agreements with third parties and has also received pay orders against the sale of these offices to extent of Rs.98.28 million. The fair value of these properties as at the period end was PKR 114.075 million.

In view of the above facts and circumstances, the subject properties comprising of 42 rooms eligible for sub-leases and office spaces, having an aggregate book value of PKR 61.043 million, have been reclassified from 'property and equipment' to 'non-current assets held for disposal' in terms of the requirements of IFRS -5 - "Non-current Assets Held for Sale and Discontinued Operations."

Further, as required under IAS-36 – "Impairment of Assets" upon classification as held for disposal, the above properties were tested for impairment and the results of such impairment tests are summarized below:

(PKR in million)

Description	Book value	Recoverable Amount / Market Value	Impairment
42 Rooms	57.050	Nil	57.050
Office spaces to be sold	3.993	98.28	Nil

In view of the above, and considering that sub-leases in respect of 42 rooms would be provided without any consideration, the impairment loss amounting to PKR 57.050 million has been recognized in the financial statements as at March 31st, 2017.

It should be noted that the total impairment/de-recognition cost will be circa PKR 155 million, out of which PKR 57.050 million has already been recorded as impairment cost in the accounts for the nine months ended March 31, 2017. Its relevant effect on the valuation of the Exchange's land and properties i.e. PropCo is expected to be circa PKR 1.4 billion.

Divestment Process

In respect of the divestment process, the PSX along with the Consortium and the Divestment Committee, signed an 'Escrow Agreement' for operating a bank account for the purpose of transfer of divestment proceeds from the Consortium to the shareholders.

Out of the total proceeds received from the Consortium, 10% is retained in the 'Escrow Account' for a period of one year and will only be paid to shareholders if the same is not utilized by the Consortium for any liability arising within the retention period of one year from the closing period of the transaction. The PSX is jointly maintaining the Escrow Account under the fiduciary capacity which has a balance of PKR 900.189 million as at the period-end.

The above arrangements do not have any impact on these financial statements.

8.18 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 ones that are released in newspapers as advertisement.

8.19 FINANCIAL YEAR OF THE COMPANY

The financial year of the Company commences on July 01st and ends on June 30th each year.

9 APPLICATION AND ALLOTMENT INSTRUCTIONS

9.1 ELIGIBLE INVESTORS INCLUDE:

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

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

9.3 COPIES OF THE OFSD

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

<http://www.arifhabiblttd.com> & <http://www.psx.com.pk>

The applicants are required to complete the sections of the application related to issuance of scrip-less shares. 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.

9.4 NAMES(S) AND ADDRESS (ES) MUST BE WRITTEN IN FULL BLOCK LETTERS, IN ENGLISH AND SHOULD NOT BE ABBREVIATED

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

9.6 APPLICATIONS MADE BY INDIVIDUAL INVESTORS

1. In case of individual investors, an attested 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. Copy of these documents can be attested by any Federal / Provincial Government Gazette Officer, Councilor, Oath Commissioner or Head Master of High School or bank manager in the country of applicant's residence.
2. Original CNIC / NICOP / 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.

9.7 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 or bank manager in the country of applicant's residence can attest copies of such documents.
2. Attested photocopies of the documents mentioned in 9.7 (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.

9.8 ADDITIONAL INSTRUCTIONS 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 shares 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.
3. Subscription money must be paid by check drawn on applicant's own bank account or pay order / bank draft payable to one of the Bankers to the Offer **"Pakistan Stock Exchange Limited – General Subscription"** and crossed **"A/C PAYEE ONLY"**.
4. 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.
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 applications 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.

9.9 ADDITIONAL INSTRUCTIONS FOR NON-RESIDENT INVESTORS

1. In case of non-resident Pakistanis who are not individuals, applications must be accompanied by 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.
2. Applicants may also subscribe using their Special Convertible Rupee Account ("SCRA") as set out under the State Bank of Pakistan's Foreign Exchange Manual.

9.10 BASIS OF ALLOTMENT

The basis and conditions of transfer of shares 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 for 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. 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 & 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 data fields in the Application Form.
6. The Company will credit the respective CDS accounts of the successful applicants.

9.11 E-IPO FACILITIES

In order to facilitate the investors, the Offeror has arranged provision of e-IPO facility through Bank Alfalah Limited ("BAFL"), United Bank Limited ("UBL") and Summit Bank Limited ("SMBL") that is among the Bankers to the Offer.

The account holders can use BAFL net-banking to submit their applications via link:

<https://ib.bankalfalah.com.pk>

The account holders of UBL can use UBL net-banking to submit their applications online via link:

<http://www.ubldirect.com/corporate/ebank>

The account holders of SMBL can use SMBL net-banking to submit their applications online via link:

<https://ib.summitbank.com.pk>

The account holders of BAFL, UBL and SMBL can submit their applications through these links 24 hours a day during the subscription period which will close at 12:00 midnight on June 12, 2017.

9.12 CENTRALIZED E-IPO SYSTEM

In order to facilitate investors, the Central Depository Company of Pakistan (“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 for Sale and can be accessed through the web link (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 for information and details. For further guidance and queries regarding CES and opening of CDS account, investors may contact CDC at Contact Number: 0800 – 23275 (CDCPL) or Email: info@cdcpak.com

10 SIGNATURES ON BEHALF OF THE OFFERORS

-sd-

Shehzad Chamdia

-sd-

Muneer Kamal

-sd-

Abdul Majeed Adam

-sd-

Firozuddin A. Cassim

-sd-

Najam Ali

-sd-

Abid Ali Habib

-sd-

Ahmed Chinoy

-sd-

Muhammad Yasin Lakhani

-sd-

Arif Habib

-sd-

Amin Issa Tai

-sd-

Mohammed Sohail**WITNESSES**

-sd-

Muhammad Rafique Umer

-sd-

Muhammad Ghufraan

May 11, 2017

11 SIGNATORIES TO THE OFSD

-sd-

Muneer Kamal

-sd-

Muhammad Yasin Lakhani

-sd-

Abid Ali Habib

-sd-

Ahmed Chinoy

-sd-

Abdul Majeed Adam

WITNESSES

-sd-

Muhammad Rafique Umer

-sd-

Muhammad Ghufuran

May 11, 2017

12 MEMORANDUM OF ASSOCIATION

THE COMPANIES ORDINANCE 1984

[COMPANY LIMITED BY SHARES, CORPORATISED AND DEMUTUALIZED PURSUANT TO STOCK EXCHANGES (CORPORATISATION, DEMUTUALIZATION AND INTEGRATION) ACT, 2012]

MEMORANDUM OF ASSOCIATION OF PAKISTAN STOCK EXCHANGE LIMITED

1. Name

The name of the company is “**Pakistan Stock Exchange Limited**” hereinafter referred to as the “**Exchange**”.

2. Registered Office

The Registered Office of the Exchange will be situated in the province of Sindh.

3. Objects of the Exchange

The Objects for which the Exchange is established, is to undertake in or outside Pakistan any or all of the following:

3.1 Main Objects

3.1.1 To continue to function as a stock exchange with all its existing assets and liabilities upon conversion from a company limited by guarantee to a company limited by shares in pursuance of the provisions of Stock Exchanges (Corporatisation, Demutualization & Integration) Act, 2012.

3.1.2 To assist, regulate or control the business of buying, selling and dealing in Securities (hereinafter referred to as the “**Trade**”) and to maintain or provide a market place or facilities for bringing together buyers and sellers of securities or for otherwise performing with respect to securities the functions commonly performed by a stock exchange.

3.1.3 To admit Securities to dealing on the Exchange or to otherwise permit Securities to be dealt with on the Exchange.

3.1.4 To facilitate, promote, assist, regulate and manage in the public interest, with a high standard of integrity and honor, dealings in Securities of all kinds and all other instruments of any kind including but not limited to money market instruments, and to ensure trading in a transparent, fair and open manner with access to investors from areas in or outside Pakistan. The term “Securities” shall mean shares of various classes issued by companies and statutory corporations, scrips, Term Finance Certificates, Sukuk Certificates (Sharia Compliant Bonds), bearer and registered bonds, Bonds including Federal Investment Bonds (FIBs), Pakistan Investment Bonds (PIBs) and Bonds issued by Federal and Provincial Governments, local authorities, statutory bodies, statutory corporations, etc., Foreign Currency Bonds, etc.,

Certificates of Investment, Units issued by Collective Investment Schemes and Real Estate Investment Trusts including shares in or securities of an investment company or units in or securities of a trust fund (whether open-ended or closed end), Treasury Bills, Commercial Papers, money market instruments and equity based Derivatives

(options, swaps etc.), Participation Term Certificates, Modaraba Certificates, Musharaka Certificates, Government papers, Depository Receipts of all kinds issued by foreign institutions (including Global Depository Receipts and American Depository Receipts) and other equity based and debt based instruments of all kinds, issued by any Pakistani or foreign companies or corporations, including Federal, Provincial and Local Governments and allowed to be traded at the stock exchanges, both in physical form as well as scripless securities and shall include book-entry Securities as defined under the Central Depositories Act, 1997.

3.1.5 To provide specialized, advanced, automated and modern facilities for trading, clearing and settlement of securities which may include but shall not be limited to providing facilities for buying, selling and trading in Securities by electronic means, including electronic transfer deliveries and confirmations (electronic trading) and to providing computer terminals to the Trading Right Entitlement (TRE) Certificate Holders, passwords, pin codes and other computerized facilities for facilitating electronic trading by TRE Certificate Holders.

3.1.6 To initiate, facilitate and undertake all steps of all such activities in relation to stock exchange, money markets, securities markets and capital markets, as are required for better investor service and protection, including but not limited to, taking measures for ensuring greater liquidity (both in terms of breadth and depth of securities) for the investor, providing easier access to the Exchange, facilitating inter-market dealings and generally to facilitate transactions in securities in a cost effective, expeditious and efficient manner.

3.1.7 To support, develop promote and maintain a healthy market in the best interests of the investors and the general public and the economy and to introduce high standards of professionalism among registered market participants and with investors and the capital, financial and money markets in general.

3.2 The objects incidental or ancillary to the attainment of main objects are:

3.2.1 To carry on business as a self-regulatory organization.

3.2.2 To form and operate one or more markets, including but not limited to cash market and derivatives market based on equity, debt and money market instruments.

3.2.3 To admit TRE Certificate Holders, clearing persons and/or any other person as may be required to be admitted for the purpose of running the business of the Exchange.

3.2.4 To levy, fix, charge, recover and receive from TRE Certificate Holders and any other persons transacting or utilizing the services

or infrastructure of, or otherwise interacting with, the Exchange or its TRE Certificate Holders, charges, deposits (including security deposits), margins, fees (including membership fees, listing fees, process fees or charges for public offerings), subscriptions, ad hoc levies, penalties, fines and other amounts and/or to take disciplinary actions.

3.2.5 To make, amend, implement, enforce and repeal rules, bye-laws and regulations with the approval of the Commission including rules, bye-laws and regulations relating, but not limited to:

(i) the manner in which, and the conditions subject to which, any business or activity shall be transacted;

- (ii) conduct of TRE Certificate Holders, sub-brokers, agents, investors, issuers, listed entities and / or other intermediaries and participants in the Securities and capital markets;
- (iii) all matters, relating to clearing persons, TRE Certificate Holders and other related persons, including the grant, transfer, transmission, suspension, surrender and termination thereof, trading, clearing and settlement, listing, ethics, formation and functioning of committees, delegation of powers and authority and other matters whatsoever pertaining to the Exchange and its business and activities.
- (iv) the classes of shares with voting rights and non-voting rights and the rights, privileges, limitations and conditions on voting rights, directorships, buying, selling, dealing in, broking and otherwise conducting the business in relation to the Trade;
- (v) code of conduct and business ethics for the shareholders;
- (vi) qualifications for TRE Certificate Holders and non-trading persons, including trading suspension and expulsion as well as disciplinary matters, quasi-judicial matters, including punishments to be awarded to the defaulting or delinquent TRE Certificate Holders;
- (vii) TRE Certificate Holders' financial responsibilities whether by way of minimum capital or a ratio between net capital or aggregate indebtedness or both;
- (viii) dealings in Securities by TRE Certificate Holders for their own account, method of soliciting business by TRE Certificate Holders, maintenance of books and accounts and financial reports by the TRE Certificate Holders and the forms of contracts, bills, advices, etc. to be used;
- (ix) listing and delisting of Securities, both debt based as well as equity based and the procedures for registration of issuers and the formalities to be fulfilled in connection therewith; and
- (x) preventing fictitious or bogus transactions and regulating the transactions of all products, contracts, indices and markets etc.

3.2.6 To regulate and fix the scale or amount of commission, brokerage and other charges to be charged by TRE Certificate Holders.

3.2.7 To do all such acts, deeds, and things as the Exchange may consider appropriate:

- (i) in the interests of the Exchange, TRE Certificate Holders, clearing persons, sub-brokers, agents, investors, issuers, listed entities and/or other intermediaries and participants in the securities and capital markets and/or the economy;
- (ii) to introduce and maintain high standards of professionalism, commercial honor and integrity, to promote and inculcate honorable practices and just and equitable principles of Trade and business, to discourage and to suppress malpractices and to foster and assist the development of a healthy, orderly and transparent stock exchange and Securities and capital markets;
- (iii) to exercise the powers and rights as allowed under the relevant laws; and
- (iv) to fulfill the requirements/formalities of the Stock Exchanges (Corporatisation, Demutualization and Integration) Act, 2012 or any other applicable law for the time being in force and comply with any regulations framed or directives issued thereunder.

3.2.8 To resolve and settle claims and disputes or provide procedures and facilities for, or otherwise facilitate resolution and settlement of, such claims and disputes including through mediation, conciliation and arbitration and in such cases as may seem expedient; to set up regional or local arbitration panels and to provide for

mediation, conciliation and arbitration of all disputes and claims in respect of all transactions relating to or arising out of or in connection with or pertaining to transactions in securities and including arbitration of disputes between shareholders of the Exchange, between shareholders of the Exchange and persons who are not shareholders of the Exchange, between TREC holders of the Exchange, between TREC holders of the Exchange and persons who are not TREC holders of the Exchange and to remunerate such arbitrators, regional arbitration panels or local panels and to make rules, bye-laws and regulations in relation to such arbitration proceedings, the fees of arbitrators, the costs of such arbitration, and related matters and to regulate the procedures thereof and enforcement of awards and generally to settle disputes and to decide all questions of usage, custom or courtesy in the conduct of Trade and business in securities.

3.2.9 To carry on the business of investment holding, and in particular to invest the moneys of the Exchange in or otherwise to acquire and hold shares, stocks, debentures, debenture stock, scrip, loans, bonds, obligations, notes, Securities and investments issued or

guaranteed by any company or trust constituted or carrying on business in any part of the world, and in the funds or loans or other Securities and investments of or issued or guaranteed by any government, state, or dominion, public body or authority, supreme, municipal local or otherwise, in Pakistan or elsewhere.

3.2.10 To provide for mechanisms for fulfillment of contractual obligations including by establishing and supporting or assisting in the establishment of any funds or trusts for settlement guarantee, investors protection and compensation against claims of bad deliveries or settlement failures, and conveniences calculated to advance and further the objects and purposes of the Company and the capital and financial markets in general as the Exchange may consider appropriate.

3.2.11 To (by a subsidiary or in association with or through another or others) sponsor, promote, hold equity or other stake in and / or otherwise associate with any company or body corporate acting or proposing to act as a custodian or depository of Securities of any kind or providing or proposing to provide any assistance, services, facilities or products in relation to stock exchanges or Securities or capital markets including storage in any form, gratuitously or otherwise, of, or letting on hire or otherwise disposing off safes, strong rooms and other receptacles for, money, Securities and / or documents.

3.2.12 To promote, sponsor, establish, maintain, control and / or regulate or appoint agents to establish, maintain, control and/ or regulate a clearing house, stock holding or clearing corporation.

3.2.13 To open accounts with bank or banks, to draw, make, accept, endorse, discount, execute and issue cheques, bills of exchange, promissory notes, debentures, bills of lading, warrants, deposit notes, letter of credit and other negotiable and transferable instruments in connection with the business of the Exchange.

3.2.14 To promote, support or propose legislative or other measures for any activities affecting the business of the Exchange or any interest therein.

3.2.15 To enter into any arrangements with any authority whether governmental (central, state, municipal, local or any other) and/or non-governmental which may seem desirable and that may seem conducive to the objects of the Exchange and to obtain from the Government or such authority any powers, rights, grants, licenses, decrees, privileges or concessions which may be deemed necessary and desirable for the purposes set out herein and to comply with work,

develop, carry out, exercise and turn to account any such powers, rights, grants, licenses, privileges or concessions.

3.2.16 To apply for and obtain any and all such recognitions, permissions, consents, approvals and licenses as may be required.

3.2.17 To appoint trustees (whether individuals or corporations) to hold Securities or other property on behalf of and / or to protect or further the interest or any objects of the Exchange.

3.2.18 To constitute and/or act as trustee of any trusts including trusts or trustees under deeds constituting or securing or relating to the issue of any debentures, debenture stock or other Securities or to any certificates, documents, assets or obligations and to undertake and execute any other trusts and also undertake the office of or exercise the powers of executor, administrator, receiver, custodian and trust corporation.

3.2.19 To constitute any trusts with a view to the issue of preferred and deferred or any other special stocks, securities, certificates or other documents based on or representing any shares, stocks, securities, certificates or other document or other assets appropriated for the purpose of any such trust and to settle and regulate, and, if required, to undertake and execute any such preferred, deferred or other special stocks, securities, certificates or documents.

3.2.20 To acquire, collect, preserve and disseminate statistical or other information in connection with the business of the Exchange or sell such information in connection with the trade, to maintain a library and to print, provide through electronic media, publish, undertake, manage and carry on any newspaper, journal, magazine, pamphlet, official year book, daily or other periodical quotation lists or other works in connection with or in furtherance of the objects of the Exchange.

3.2.21 To compute, create, manufacture, acquire, develop, market, sell, license or otherwise deal with indices of all types.

3.2.22 To create and maintain web-sites and universal resource locators.

3.2.23 To advertise and publicize the Exchange, the companies whose securities are admitted for dealings and / or permitted to be dealt in on the Exchange or other persons using the services or infrastructure of or interacting with the Exchange and its or their products and / or services.

3.2.24 To print, publish, undertake, manage and carry on any newspaper, journal, magazine, pamphlet, official year book, daily or other periodical quotation lists or other publications or works.

3.2.25 To improve and elevate the technical, business and other knowledge and skills of individuals, corporates and other organizations or persons, including by imparting training, by arranging lectures, holding classes and examinations or otherwise testing the knowledge, competence or caliber of such persons, awarding certificates, diplomas and other recognitions and instituting and establishing scholarships, grants and other benefactions and setting up, forming or otherwise associating with any

technical, educational or other institutions.

3.2.26 To subscribe to, become a member of and / or otherwise co-operate with any person, company or association, whether incorporated or not, whose objects include the promotion of interests which the Exchange seeks to promote or to promote general commercial and trade interests and to procure information from and communicate such information to such person, company or association, which

may further the objects of the Exchange or promote measures for the protection of the trade or any interest therein.

3.2.27 To promote, set up, carry on, take equity in and / or act as consultants and / or advisers to, enter into any association with Securities, commodities, currency or other exchanges in Pakistan or abroad or other intermediaries or participants in the financial, Securities, capital, currency or commodities markets for furthering the objects of the Exchange.

3.2.28 To act as consultants or other intermediaries for securities and their issue and marketing only when there is no conflict of interest.

3.2.29 To advise on the incidents and features of trading, clearing and other activities on the Exchange or stock, currency or other exchanges in general only when there is no conflict of interest.

3.2.30 To take part in the management, supervision or control of the business or operations of any company or undertaking and for that purpose to render technical and professional services and act as administrators, or in any other capacity but not as managing agents as prohibited by section 206 of the Companies Ordinance, 1984, and to appoint and remunerate any directors, administrators or accountants or other experts or agents for consideration or otherwise.

3.2.31 To enter into any partnership or arrangement in the nature of a partnership, co- operation or union of interest, with any person or persons, company or corporation engaged or interested or about to become engaged or interested in the carrying on or conduct of any business or enterprise which the Exchange is authorized to carry on or conduct or from which the Exchange would or might derive any benefit whether direct or indirect.

3.2.32 To form, constitute, promote, subsidize or organize and assist or aid in forming, constituting, promoting, subsidizing, organizing and assisting or aiding companies, partnerships or unions of all kinds.

3.2.33 To amalgamate or enter into partnership or into any arrangement for sharing of profits, union of interest, cooperation, joint venture, reciprocal concession, or otherwise, with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which the Exchange is authorised to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit the Exchange.

3.2.34 To establish and support or aid in the establishment and support of associations,

institutions, funds, trusts, and conveniences calculated to benefit employees or directors or past employees or directors of the Exchange or its predecessors in business, or the dependants or connections of any such persons; and to grant pensions and allowances, and to make payments towards insurance; and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition, or for any public, general, or useful object.

3.2.35 To enter into any guarantee, contract of indemnity or suretyship and in particular (without prejudice to the generality of the foregoing) to guarantee, support or secure, with or without consideration, whether by personal obligation or by mortgaging or charging all or any part of the undertaking, property and assets (present and future) and uncalled capital of the Exchange or by both such methods or in any other manner, the performance of any obligations or commitments of, and the repayment or payment of the principal amounts of and any premiums, interest, dividends and other moneys payable on or in respect of any Securities or liabilities of, any person, including (without prejudice to the generality of the foregoing) any company which is for the time being a subsidiary or a holding company of the Exchange or another subsidiary of a holding company of the Exchange or otherwise associated with the Exchange.

3.2.36 To formulate and implement any scheme of reconstruction or arrangement or rehabilitation in accordance with applicable law and with the prior approval of the Commission.

3.2.37 To carry on the Exchange's business as principals, agents, trustees or in any other capacity.

3.2.38 To do, alone or in conjunction with another or others, either as or through or by principals, agents, trustees, contractors or otherwise any acts, deeds or things as may be required, conducive or incidental to the attainment of any of the objects of the Exchange.

3.2.39 To own, establish or have and maintain offices, branches, agencies and trading platforms in or out of Pakistan for its business and activities.

3.2.40 To exercise all or any of its powers, rights, and privileges and to conduct its business and activities in Pakistan and / or in any foreign countries.

3.2.41 To subscribe, contribute or make donations or grants or guarantee money to, or otherwise assist, charitable or benevolent objects or any public, general or useful object or fund or institution, and to aid pecuniarily or otherwise, any association, body or movement but no funds whatsoever shall be created, raised or disbursed for donations or for benefit to any political party directly or indirectly.

3.2.42 To establish and support or assist in the establishment and support of any funds (including funds for the protection of TRE Certificate Holders, investors and others), trusts and conveniences calculated to advance and further any of the objects and purposes of the Exchange and /or the Securities, capital and financial markets in general.

3.2.43 To make payments or disbursements out of the funds or other property of the Exchange for any of the purposes specified in the articles of association, rules, bye-laws or regulations of the Exchange.

3.2.44 To engage in research and development.

3.2.45 To borrow money, Securities or other property, raise loans in any form, receive deposits and/ or profits on deposits, create indebtedness, receive grants or advances or raise any monies and/or to obtain/avail finance facilities (in each case, with or without interest), for the objects and purposes of the Exchange, upon such terms and in such manner as may from time to time be determined including by the issue of debentures, debenture stock, bonds or other Securities, provided always and it is hereby expressly declared as an original and fundamental condition of any such borrowing or raising of monies, that in all cases and under all circumstances any person claiming payment whether of principal or interest or otherwise howsoever in respect of the monies so borrowed or raised shall be entitled to claim such payment only out of the funds, properties and other assets of the Exchange which alone shall be deemed to be liable to answer and make good all claims and demands whatsoever under and in respect of the monies so borrowed or raised and not the personal funds, properties and other assets of all or any one or more of the members of the Board of Directors or shareholders of the Exchange, their or his heirs, executors, administrators, successors and assigns who shall not and shall not be deemed to in any way incur any personal liability or render themselves or himself personally subject or liable to any claims or demands or be charged under and in respect of the monies so borrowed or raised, and in the event of the funds, properties and other assets of the Exchange being insufficient to satisfy the claims of all persons claiming payment as aforesaid, the right of any such person shall be limited to and he shall not be entitled to claim anything more than his part or share of such funds, properties and other assets of the Exchange in accordance with the terms and conditions on which the monies have been so borrowed or raised.

3.2.46 To invest, lend or advance monies, Securities and property not immediately required, with or without interest, in or upon such security and terms and conditions and in such manner as may from time to time be determined by the Exchange.

3.2.47 To draw, make, accept, endorse, discount, execute, issue, negotiate and sell bills of exchange, promissory notes, cheques, bills of lading, warrants, debentures and other negotiable or transferable instruments or documents with or without security and also take and receive advances by discounting or otherwise, with or without security, upon such terms and conditions as the Exchange deems fit and also to take and receive advances by discounting or otherwise upon such terms and conditions as the Exchange deems fit and also to advance any sum or sums of monies upon materials or other goods or any other things of the Exchange upon such terms and securities as the Exchange may deem expedient.

3.2.48 To secure or discharge any debt or obligation as may be thought fit including by mortgages and charges upon the undertaking and / or all or any of the assets and property (present and future) and / or the uncalled capital of the Exchange or by the creation and issue on such terms as may be thought expedient, of debentures, debenture stock, or other Securities of any description or by the issue of shares.

3.2.49 To give guarantees and indemnities (including guarantees and indemnities in respect of the debts, obligations and contracts or others) and carry on and transact every kind of guarantee and counter guarantee business including the payment of any principal monies, interest or other monies secured by or payable under debentures, bonds, debenture - stock, mortgage, charges, contracts, obligations and Securities, and the payments of dividends on and the repayment of the capital of stock and shares of all kinds and descriptions.

3.2.50 To acquire any such shares, stocks, debentures, debenture stock, scrip, loans, bonds,

obligations, notes, Securities and investments by original subscription, contract, tender, purchase, exchange or otherwise, and to make payments thereon as called up or in advance of calls or otherwise, and to subscribe for the same, either conditionally or otherwise, and to exercise and enforce all rights and powers conferred by or incident to the ownership thereof in furtherance of the objects of the Exchange.

3.2.51 To exercise and enforce all rights and powers conferred by or incident to the ownership of any such shares, stocks, obligations or other Securities including without prejudice to the generality of the foregoing all such powers of veto or control as may be conferred by virtue of the holding by the Exchange of some proportion of the issued or nominal amount thereof.

3.2.52 To create any depreciation fund, reserve fund, sinking fund, insurance fund, dividend equalization fund, redemption fund or any other special fund, whether for depreciation or for repairing, improving, extending or maintaining any of the properties of the Exchange or for any other purpose conducive to the interest of the Exchange.

3.2.53 To enter into hedging transactions including hedging transactions relating to securities, foreign exchange and commodities and manage the risks associated with the business and operations of a stock exchange.

3.2.54 To acquire any undertaking or any property, whether movable or immovable, whether with or without the liabilities of such undertaking.

3.2.55 To own, assist, manage or subsidize any company, partnership or other concern for the purpose of acquiring any undertaking or any property whether movable or immovable of such undertaking or company or any other company, for advancing directly or indirectly the objects hereof and to take or otherwise acquire hold and dispose of shares, debentures and other securities in or of any such company and to subsidize or otherwise assist or manage or own any such company.

3.2.56 To erect, construct, establish, extend, have and maintain building(s) or premises for the purposes of the Exchange or as offices by its shareholders and/or for any other purposes and to alter, add to, modify, remove, replace, substitute or augment space in such building or buildings.

3.2.57 To acquire, by purchase, taking on lease or hire purchase, suppliers' credit or otherwise, and / or to develop any property (movable or immovable, tangible or intangible) and any rights or privileges necessary or convenient for the purposes of the Exchange, including any land, buildings, easements or safe deposit vaults or depositories or custody facilities.

3.2.58 To sell, transfer, insure, mortgage, exchange, lease, let under lease, sub-let, grant licenses, easements and other rights over, improve, manage, develop, and turn to account or profit, realize value from, and in any other manner deal with or dispose of the undertaking, investments, property, assets, rights (including intellectual property rights), contracts and effects of the Exchange or any part thereof on such conditions as may be thought fit, including any stocks, shares or securities of any other company.

3.2.59 To establish a captive power generation plant.

3.2.60 To train or pay for the training in Pakistan or abroad of any of the Exchange's employees,

directors or personnel or any other person in the interest of or for the furtherance of the Exchange's objects.

3.2.61 To provide for the welfare of employees or ex-employees of the Exchange and the wives and families or the dependents or connections of such persons by building or contributing to the building of houses or dwellings or by grants of money pensions, allowances, bonus or other payments or by creating from time to time, subscribing or contributing to provident fund and other funds or trusts and by providing or subscribing or contributing towards recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Exchange shall think fit.

3.2.62 To indemnify chief executive, chairman, officers, directors, employees and personnel of the Exchange and its subsidiaries against proceedings, costs, charges, expenses, losses, damages, claims and demands in respect of anything done or ordered to be done by them, for and in the interest of the Exchange in good faith in their capacity as such in execution of the duties of their office.

3.2.63 To make issues and / or offer for sale of new or existing shares and Securities of the Exchange to the public and / or on a private placement basis and / or list the shares or Securities of the Exchange on any exchanges including on the Exchange itself.

3.2.64 To facilitate the establishment of a TREC Holders' association for the benefit and welfare of the TREC Holders and further to promote and protect the trade interests and rights of the TREC Holders of the Exchange.

3.2.65 To develop index-based products and to enter into cooperation and joint ventures with other entities, both local and foreign, for the development of exchange traded funds, innovative multipurpose products, index and index-based products and to allow the use of such products by issuing licenses or otherwise against fees.

3.2.66 To do all such things as are required, incidental or conducive to the above objects or any of them or are required, conducive or advisable for the Exchange to carry on business.

3.2.67 To distribute among the shareholders of the Exchange in specie any property of the Exchange subject to applicable laws, whether by way of dividend or upon a return of capital, but so that no distribution amounting to reduction of capital may be made except with the sanction for the time being required by the law.

3.2.68 To do all such other things as are incidental or conducive to the promotion or advancement of the business such as creation of consolidated electronic network of two or more exchanges in the country.

3.2.69 To collaborate, create technological linkages, and consolidate its position with stock exchanges at the domestic as well as the international level for furtherance of the objects as stated herein.

3.3 Other Objects:

3.3.1 To carry on any business relating to or connected with securities, finance, capital markets, money markets, insurance or any service including depository participant, custodian, consultant, advisor, of any nature whatsoever.

3.3.2 To carry on information technology related or knowledge based business and/or any business relating to technology including development, marketing, leasing, selling, licensing and / or otherwise providing hardware, software, systems and/or internet services, providing consultancy services, and engaging in any information technology enabled services (including business process outsourcing) and to specifically develop software and information technology solutions for trading in various market segments, securities, derivatives, options, contracts and instruments and to enter into cooperation or joint ventures for this purpose with other exchanges and institutions and to modify, sell and grant licenses and charge license fee in respect of any such software or information technology product developed and owned by the Exchange or to constitute in-house software development department with an option to spin off such an undertaking as a subsidiary of the Exchange.

3.3.3 To apply for, purchase, take on lease or in exchange, hire or otherwise acquire and hold for any interest, any intellectual property including patents, patent rights, copyrights, trademarks, formulae, licences, concessions, and the like, conferring any exclusive or nonexclusive or limited right to use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Exchange, or the acquisition of which may seem calculated directly or indirectly to benefit the Exchange; and to use, exercise, develop, or grant licences in respect of, or otherwise turn to account, the property, rights, or information so acquired and to sell, lease, let, exchange, or otherwise deal with any of the intellectual property of the Exchange for the time being or any part thereof, or any interest therein.

3.3.4 To carry on any other business which may seem to the Exchange capable of being conveniently carried on in connection with its main business or calculated directly or indirectly to enhance the value of or render profitable any of the Exchange's properties or rights.

3.3.5 To carry out all or any of the objects of the Exchange and do all or any of the above things in any part of the world and either as principal, agent, contractor, or trustee, or otherwise, and by or through trustees or agents or sub-contractors or otherwise, and either alone or in conjunction with others.

3.3.6 To sell, improve, manage, develop, exchange, lease, dispose of, turn to account, or otherwise deal with all or any part of the property and rights of the Exchange.

3.3.7 To carry out any form of take-over, acquisition, merger, amalgamation, demerger or reorganization, to acquire or assume all or any part of the undertaking, assets and liabilities of any person and to dispose of all or any part of the undertaking, assets and liabilities of the Exchange.

3.3.8 To create charge on all or any of the moveable and immoveable properties/assets both present and future of the Exchange by way of mortgage, pledge, hypothecation, lien, assignment, fixed/floating charges or any other form of security in favor of any person including a banking company and/or financial institution in respect of any finance facility whether fund based or non-fund based allowed to the Exchange or its associated companies, group concerns, subsidiaries and/or companies under common directorship and/or under common membership and/or to any company, association, firm or person and/or any other third person/company and to undertake and/or stand as surety, indemnifier,

guarantor for performance of Exchange's own obligations or the obligations of its associated companies, group concerns, subsidiaries and/or companies under common directorship and/or under common membership and/or of any company association, firm or person and/or any other third person.

3.3.9 To purchase, take on lease or in exchange, hire and otherwise acquire any real and personal property, and any rights or privileges which the Exchange may think appropriate for the purpose of its business, and in particular any land, building, easements, machinery, plant and stock-in-trade.

3.3.10 To set up, erect, construct, purchase, take on lease, run, operate, administer, improve, maintain, develop, manage, carry out, control, or alter any buildings, warehouses, shops, stores, and other works, which may seem necessary or convenient for the purposes of the Exchange and/or to advance/secure the Exchange's interests.

3.3.11 To allot and issue fully paid shares of the Exchange in payment or part payment for any property purchased or otherwise acquired by the Exchange.

3.3.12 To insure the provision of pensions, bonuses and allowances for the benefit of present or former employees and directors of the Exchange or of its subsidiaries or dependents or connection of any such persons.

3.3.13 To adopt such means of advertising, promotion and publicizing the business of the Exchange as may seem expedient.

3.3.14 To institute and defend in any forum legal proceedings of every kind or description whatsoever, enter into arbitration agreements and refer disputes to arbitration, pay, satisfy or receive payments in respect thereof, or compound or compromise any claims, demand, action, suit or proceeding of any nature whatsoever made or brought by or against the Exchange.

3.3.15 To pay out or reimburse out of the funds of the Exchange all expenses which the Exchange may lawfully pay, incidental to the promotion, formation and registration of the Exchange or promotion, formation, registration and establishment any other company, and the issue of its capital, and to remunerate in such manner as the Exchange may deem fit, any person or company for services rendered, or to be rendered, in or about the formation or promotion of this or any other company, or the issue of its capital, or the placing of shares in the capital of this or any other company, or the issue or placing of any debenture or other securities of this or any other company, or the conduct, carrying on or working of its business or any part thereof.

3.3.16 To carry on any business relating to or connected with commodities market or currencies market or any other financial derivatives through establishment of a subsidiary(ies) subject to prior approval of the Commission and in accordance with such conditions as may be imposed by the Commission and in accordance with any applicable laws.

3.3.17 To carry on any other form of business which the Federal Government or the Commission may, by notification in the Official Gazette, specify as a form of business in which it is lawful for an exchange to engage in.

3.3.18 It is declared that notwithstanding anything contained in the foregoing object clauses of this Memorandum of Association, nothing contained therein shall be construed as empowering the Exchange to undertake or to indulge in the business of a banking company, banking, leasing, investment, managing agency or insurance business, directly or indirectly, as restricted under the law or any unlawful operation.

3.3.19 And it is hereby declared that:

(i) The objects incidental or ancillary to the attainment of the main objects of the Exchange as aforesaid shall also be incidental or ancillary to the attainment of the other objects of the Exchange;

(ii) The word “company” save when used in reference to this Exchange in these clause shall be deemed to include any body corporate, partnership or other body of persons whether incorporated or not incorporated and whether domiciled in Pakistan or elsewhere;

(iii) The several clauses and sub-clauses in the Memorandum and all the powers mentioned therein are cumulative and in no case is the generality of any one clause or sub-clause to be narrowed or restricted by any particularity of any other clause or sub-clause nor is any general expression in any clause or sub-clause to be narrowed or restricted by any particularity of expression in the same clause or sub-clause or by the application of any rule of construction of ejusdem generis or otherwise;

(iv) Wherever the word “includes” or “including” or any grammatical variation thereof appears subsequent to general words and preceding specific words, the rule of ejusdem generis shall not apply and it shall be deemed that the words “without limitation” appear after the word “includes” or “including” or any grammatical variation thereof;

(v) The term “Pakistan” when used in this clause unless repugnant to the context shall include all territories from time to time comprised in the state of the Islamic Republic of Pakistan;

(vi) The term “Member(s)” wherever used shall be restricted to shareholder(s) of the Exchange;

(vii) All TRE Certificate Holders, clearing persons and other related persons shall be bound by the regulations that are issued, framed or adopted by the Exchange;

(viii) Nothing herein contained shall prevent the payment of any remuneration to any officer or servant in the employment of the Exchange who is in full time employment of the Exchange or any other person in return for service actually rendered to the Exchange or conveyance or travelling expenses to any of them incurred on behalf of the Exchange, or the payment of the return of any money borrowed from any such person.

Provided further, that nothing herein contained shall prevent the Exchange from making payment of claims to any TRE Certificate Holder of the Exchange out of the assets of a defaulting TRE Certificate Holder.

(ix) Words and expressions used but not defined in this Memorandum shall, unless repugnant to the context or meaning thereof, have the meaning assigned thereto in the Articles of Association of the Exchange (as amended from time to time), if not defined in the Articles then under the Stock Exchanges (Corporatisation, Demutualization and Integration) Act, 2012, the Securities and Exchange Ordinance, 1969, the Central Depository Act, 1997 and/or the Companies Ordinance, 1984 (as the case may be), as amended from time to time.

4. Limited Liability

The liability of the members of the Exchange is limited.

5. Capital

The authorised share capital of the Exchange is Rs.10,000,000,000 (Pak. Rupees Ten Billion only) divided into 1,000,000,000 (One Billion) equity shares of Rs.10 (Pak. Rupees Ten) each and the Exchange shall have power to increase or reduce the capital to consolidate or subdivide the shares into shares of larger or smaller amounts, and to issue all or any part of the original or any additional capital as fully paid shares and with any special or preferential rights or privileges or subject to any special terms or conditions, and either with or without any special designation, and also from time to time to alter, modify, commute, abrogate or deal with any such rights, privileges, terms, conditions or designations in accordance with the regulations for the time being of the Exchange.

We, the several persons whose names and addresses are subscribed agree to be members of the Exchange in pursuance of this Memorandum of Association of the Exchange.

Names	Addresses
MOHAMMAD HUSSAIN MALIK	2 Ready Road, Karachi.
G. ALLANA	Haroon Chambers, South Napier Road, Karachi.
FAKHRUDDIN VALIBHOY	Valika Chambers, South Napier Road, Karachi.
M. S. MANIAR	20, Cotton Exchange Building, McLeod Road, Karachi.
ANWAR H. HIDAYATULLAH	Consolidated Commercial Co., Garden Road, Karachi.
SHERIAR F. IRANI	Mercantile Chambers, Bunder Road, Karachi.
S. A. KHAN	569, Garden East, Karachi-5.
MANECK H. P. BYRAMJI	162, Bunder Road, Karachi-2.
SULTAN H. MERCHANT	Mohatta Building, McLeod Road, Karachi.
Witness: H. J. Rahimtoola Secretary	Mohatta Building, McLeod Road, Karachi.

13 LIST OF OFFERORS

	Name of Offeror	Status	Shareholding
1	A. H. M. SECURITIES (PRIVATE) LIMITED	801,477	0.10%
2	A. I. SECURITIES (PRIVATE) LIMITED	801,477	0.10%
3	A. R. Securities (Private) Limited	801,477	0.10%
4	A.H.K.D. Securities (Pvt.) Limited	801,477	0.10%
5	AAU Securities (Private) Limited	801,477	0.10%
6	Aazeb Securities (Private) Limited	801,477	0.10%
7	ABA ALI HABIB SECURITIES (PVT) LIMITED	801,477	0.10%
8	ABBASI SECURITIES (PRIVATE) LIMITED	801,477	0.10%
9	ABID ALI HABIB SECURITIES (PRIVATE) LIMITED	801,477	0.10%
10	ACE SECURITIES (PVT.) LIMITED	801,477	0.10%
11	ACM Global (Private) Limited	801,477	0.10%
12	ADAM SECURITIES (PVT) LTD.	801,477	0.10%
13	Akbani Securities (SMC-Private) Limited	801,477	0.10%
14	AKD SECURITIES LIMITED	801,477	0.10%
15	AKHAI SECURITIES (PRIVATE) LIMITED	801,477	0.10%
16	AKY SECURITIES (PVT) LTD.	801,477	0.10%
17	Al - Asar Securities (Private) Limited	801,477	0.10%
18	AL HABIB CAPITAL MARKETS (PRIVATE) LIMITED	801,477	0.10%
19	ALFA ADHI SECURITIES (PVT) LTD.	801,477	0.10%
20	ALFALAH SECURITIES (PRIVATE) LIMITED	801,477	0.10%
21	AL-HOQANI SECURITIES & INVESTMENT CORPORATION (PVT) LTD.	801,477	0.10%
22	ALI HUSAIN RAJABALI LTD	801,477	0.10%
23	Al-Mal Securities & Services Ltd.	801,477	0.10%
24	ALPHA BETA CAPITAL MARKETS (PRIVATE) LIMITED	801,477	0.10%
25	ALTAF ADAM SECURITIES (PRIVATE) LIMITED	801,477	0.10%
26	Amanah Investments Limited	801,477	0.10%
27	Amber Haroon Saigol	801,477	0.10%
28	AMIN TAI SECURITIES (PRIVATE) LIMITED	801,477	0.10%
29	AMPLE SECURITIES (PRIVATE) LIMITED	801,477	0.10%
30	AMZ Securities (Pvt) Limited	801,477	0.10%
31	APEX CAPITAL SECURITIES (PVT) LIMITED	801,477	0.10%
32	Arif Habib Limited	801,477	0.10%
33	ASDA Securities (Private) Limited	801,477	0.10%
34	ASHFAQ ASHRAF SECURITIES (PVT) LTD.	801,477	0.10%
35	ASIAN SECURITIES LIMITED	801,477	0.10%
36	ASKARI SECURITIES LIMITED	801,477	0.10%
37	AXIS GLOBAL LIMITED	801,477	0.10%
38	AZEE SECURITIES (PRIVATE) LIMITED.	801,477	0.10%
39	Aziz Dawood Securities (Private) Limited	801,477	0.10%
40	AZIZ FIDAHUSEIN & COMPANY (PVT) LTD.	801,477	0.10%
41	B & B SECURITIES (PRIVATE) LIMITED	801,477	0.10%
42	BAWA SECURITIES (PVT) LTD.	801,477	0.10%
43	BHAYANI SECURITIES (PVT) LTD.	801,477	0.10%
44	BIPL SECURITIES LIMITED	801,477	0.10%
45	BMA CAPITAL MANAGEMENT LTD.	801,477	0.10%
46	CASSIM INVESTMENTS (PRIVATE) LIMITED	801,477	0.10%
47	CEDAR CAPITAL (PRIVATE) LIMITED	801,477	0.10%
48	Concept Securities (Private) Limited	801,477	0.10%

49	CONCORDIA SECURITIES (PVT) LIMITED	801,477	0.10%
50	CONTINENTAL CAPITAL MANAGEMENT (PVT) LTD	801,477	0.10%
51	CREATIVE CAPITAL SECURITIES (PVT) LTD.	801,477	0.10%
52	DALAL SECURITIES (PVT) LTD.	801,477	0.10%
53	DARSON SECURITIES (PVT) LIMITED	801,477	0.10%
54	DATTOO SECURITIES (PVT.) LTD.	801,477	0.10%
55	DAWOOD EQUITIES LTD.	801,477	0.10%
56	DAWOOD MOHAMMED	801,477	0.10%
57	Din Capital (Private) Limited	801,477	0.10%
58	DJM SECURITIES (PRIVATE) LIMITED	801,477	0.10%
59	DUGAN SECURITIES (PVT.) LIMITED	801,477	0.10%
60	ELEVEN STARS SECURITIES (PVT) LTD	801,477	0.10%
61	ELIXIR SECURITIES PAKISTAN (PVT.) LTD.	801,477	0.10%
62	ESCORTS CAPITAL LIMITED	801,477	0.10%
63	FAIRTRADE CAPITAL SECURITIES (PVT.) LIMITED	801,477	0.10%
64	FAWAD YUSUF SECURITIES (PVT.) LIMITED	801,477	0.10%
65	FDM CAPITAL SECURITIES (PVT) LIMITED	801,477	0.10%
66	FIRST CAPITAL EQUITIES LIMITED	801,477	0.10%
67	First Choice Securities Limited	801,477	0.10%
68	FIRST EQUITY MODARABA	801,477	0.10%
69	First National Equities Limited	801,477	0.10%
70	FLOAT SECURITIES (PVT) LIMITED	801,477	0.10%
71	Fort Securities (Private) Limited	801,477	0.10%
72	Fortress Financial Services(Pvt.) Limited	801,477	0.10%
73	FORTUNE SECURITIES LIMITED	801,477	0.10%
74	FOUNDATION SECURITIES (PRIVATE) LIMITED	801,477	0.10%
75	FRIENDLY SECURITIES (PVT) LTD.	801,477	0.10%
76	GAZIPURA SECURITIES & SERVICES (PRIVATE) LIMITED	801,477	0.10%
77	GHANI OSMAN SECURITIES (PRIVATE) LIMITED	801,477	0.10%
78	GHORY'S SECURITIES (PRIVATE) LIMITED	801,477	0.10%
79	GLOBAL SECURITIES PAKISTAN LIMITED	801,477	0.10%
80	GMI CAPITAL SECURITIES (PVT) LTD.	801,477	0.10%
81	GROWTH SECURITIES (PVT) LTD.	801,477	0.10%
82	H & H Securities (Private) Limited	801,477	0.10%
83	H. M. IDREES H. ADAM	801,477	0.10%
84	H.H.K. Securities (Pvt.) Limited	801,477	0.10%
85	H.M.Y. Securities (Private) Limited	801,477	0.10%
86	HABIB METROPOLITAN FINANCIAL SERVICES LIMITED	801,477	0.10%
87	HH MISBAH SECURITIES (PRIVATE) LIMITED	801,477	0.10%
88	IGI FINEX SECURITIES LIMITED	801,477	0.10%
89	INSIGHT SECURITIES (PRIVATE) LIMITED	801,477	0.10%
90	Interactive Securities (Private) Limited	801,477	0.10%
91	INTERMARKET SECURITIES LIMITED	801,477	0.10%
92	INVESLINK CAPITAL (PRIVATE) LIMITED	801,477	0.10%
93	Invest & Finance Securities Limited	801,477	0.10%
94	INVEST CAPITAL MARKETS LIMITED	801,477	0.10%
95	Investec Securities Ltd	801,477	0.10%
96	INVESTMENT MANAGERS SECURITIES (PVT.) LIMITED	801,477	0.10%
97	INVISOR SECURITIES (PRIVATE) LIMITED	801,477	0.10%
98	IQBAL USMAN KODVAI SECURITIES (PVT) LTD	801,477	0.10%
99	IRFAN MAZHAR SECURITIES (PVT) LTD.	801,477	0.10%

100	ISMAIL IQBAL SECURITIES (PVT) LTD.	801,477	0.10%
101	J. P. Morgan Pakistan (Private) Limited	801,477	0.10%
102	Jahangir Siddiqui & Co. Limited	801,477	0.10%
103	JAN MOHD.A.LATIF NINI & SONS (PVT) LTD	801,477	0.10%
104	Javed Omer Vohra & Co. Ltd.	801,477	0.10%
105	JAWED ZAKARIA GULABI SECURITIES (PRIVATE) LIMITED	801,477	0.10%
106	JS GLOBAL CAPITAL LIMITED	801,477	0.10%
107	KHANANI SECURITIES (PVT.) LTD.	801,477	0.10%
108	Khoja's Capital Management (Private) Limited	801,477	0.10%
109	Kosmopolitan Securities (Private) Limited	801,477	0.10%
110	LAKHANI SECURITIES (PVT) LTD.	801,477	0.10%
111	Live Securities Limited	801,477	0.10%
112	M H SECURITIES (PVT) LTD.	801,477	0.10%
113	M. A. N. Securities (Pvt.) Limited	801,477	0.10%
114	M. B. J. Securities (Pvt.) Limited	801,477	0.10%
115	M. J. MEMON SECURITIES (PVT) LIMITED.	801,477	0.10%
116	M. M. SECURITIES (PVT.) LIMITED	801,477	0.10%
117	M.R.A. SECURITIES (PVT) LIMITED	801,477	0.10%
118	MAC Securities (Private) Limited	801,477	0.10%
119	MAK SECURITIES (PRIVATE) LIMITED	801,477	0.10%
120	MANNOO CAPITAL (PRIVATE) LTD.	801,477	0.10%
121	MAS CAPITAL SECURITIES (PVT) LTD.	801,477	0.10%
122	MAYARI SECURITIES (PVT) LIMITED	801,477	0.10%
123	MEMON SECURITIES (PVT.) LIMITED	801,477	0.10%
124	MERCHANT INVESTMENTS (PRIVATE) LIMITED	801,477	0.10%
125	MOHAMMAD MUNIR MOHAMMAD AHMED KHANANI SEC (PVT.) LTD.	801,477	0.10%
126	MOHAMMED TARIQ MOTI	801,477	0.10%
127	MOONACO SECURITIES (PRIVATE) LIMITED	801,477	0.10%
128	MOOSA, NOOR MOHAMMAD, SHAHZADA & CO (PVT) LTD	801,477	0.10%
129	MOOSANI SECURITIES (PVT) LTD.	801,477	0.10%
130	MOTIWALA SECURITIES (PVT) LTD.	801,477	0.10%
131	Mr. Naveed H. M. Idrees	801,477	0.10%
132	MSMANIAR FINANCIALS (PVT) LTD.	801,477	0.10%
133	Muhammad Anaf Kapadia Securities (SMC-Private) Limited	801,477	0.10%
134	MUHAMMAD ASHFAQ HUSSAIN SECURITIES (PVT) LTD	801,477	0.10%
135	Muhammad Bashir Kasmani Securities (Private) Limited	801,477	0.10%
136	MUHAMMAD HUSSAIN ISMAIL SECURITIES (PRIVATE) LIMITED	801,477	0.10%
137	MUHAMMAD SALIM KASMANI SECURITIES (PVT.) LTD.	801,477	0.10%
138	Multiline Securities (Pvt.) Ltd.	801,477	0.10%
139	Munaf Sattar Securities (Private) Limited	801,477	0.10%
140	N.U.A SECURITIES (PRIVATE) LIMITED	801,477	0.10%
141	NAEL CAPITAL (PVT) LIMITED	801,477	0.10%
142	Nasir H Schon	801,477	0.10%
143	NEXT CAPITAL LIMITED	801,477	0.10%
144	NINI Securities (SMC-Pvt.) Limited	801,477	0.10%
145	OPTIMUS CAPITAL MANAGEMENT (PRIVATE) LIMITED	801,477	0.10%
146	ORIENTAL SECURITIES (PVT) LTD.	801,477	0.10%
147	Orix Leasing Pakistan Limited	801,477	0.10%
148	Pak Libya Holding Company (Private) Limited	801,477	0.10%
149	PAK MEEZAN SECURITIES (PRIVATE) LIMITED	801,477	0.10%
150	Paramount Securities (SMC-Pvt) Ltd.	801,477	0.10%

151	PATEL SECURITIES (PVT) LTD.	801,477	0.10%
152	PEARL CAPITAL MANAGEMENT (PRIVATE) LIMITED	801,477	0.10%
153	PEARL SECURITIES LIMITED	801,477	0.10%
154	Pervez Ahmed Capital (Private) Limited	801,477	0.10%
155	Platinum Capital Management (Private) Limited	801,477	0.10%
156	PRIME SECURITIES (PRIVATE) LIMITED	801,477	0.10%
157	Q. AIN KHANANI SECURITIES (PRIVATE) LIMITED	801,477	0.10%
158	R. A Securities (Private) Limited	801,477	0.10%
159	R. T. Securities (Pvt.) Limited	801,477	0.10%
160	R.F.R. Securities (Private) Limited	801,477	0.10%
161	RAFI SECURITIES (PRIVATE) LIMITED	801,477	0.10%
162	RAH SECURITIES (PVT) LIMITED	801,477	0.10%
163	RAYMOND JAL H. P. BYRAMJI	801,477	0.10%
164	Reliance Securities Limited	801,477	0.10%
165	SAAO CAPITAL (PVT) LIMITED	801,477	0.10%
166	SAKARWALA CAPITAL SECURITIES (PVT) LTD.	801,477	0.10%
167	SALIM SOZER SECURITIES (PVT.) LTD.	801,477	0.10%
168	SALMA BANO	801,477	0.10%
169	Sattar Chinoy Securities (Pvt.) Limited	801,477	0.10%
170	SAYA SECURITIES (PRIVATE) LIMITED.	801,477	0.10%
171	SAZ CAPITAL SECURITIES (PVT) LTD.	801,477	0.10%
172	Schon Capital Markets Limited	801,477	0.10%
173	Security Investment Bank Limited	801,477	0.10%
174	SEVEN STAR SECURITIES (PVT.) LTD.	801,477	0.10%
175	SHAJAR CAPITAL PAKISTAN (PRIVATE) LIMITED	801,477	0.10%
176	Shehzad Chamdia Securities (Private) Limited	801,477	0.10%
177	SHERMAN SECURITIES (PRIVATE) LIMITED	801,477	0.10%
178	Smart Investments Capital Management (Private) Limited	801,477	0.10%
179	SNM Securities (Private) Limited	801,477	0.10%
180	SPECTRUM SECURITIES (PRIVATE) LIMITED	801,477	0.10%
181	STANDARD CAPITAL SECURITIES (PVT) LIMITED	801,477	0.10%
182	SUMMIT CAPITAL (PRIVATE) LIMITED	801,477	0.10%
183	SUNRISE CAPITAL (PVT.) LIMITED	801,477	0.10%
184	SURMAWALA SECURITIES (PRIVATE) LIMITED	801,477	0.10%
185	Tannu Securities (Private) Limited	801,477	0.10%
186	TARIQ VOHRA SECURITIES (PVT) LIMITED	801,477	0.10%
187	TAURUS SECURITIES LIMITED	801,477	0.10%
188	TEWFIQ MOHAMMED AMIN FIKREE	801,477	0.10%
189	TIME SECURITIES (PVT.) LTD.	801,477	0.10%
190	TOPLINE SECURITIES LIMITED	801,477	0.10%
191	TS SECURITIES (PVT) LTD.	801,477	0.10%
192	VECTOR SECURITIES (PVT) LTD.	801,477	0.10%
193	Venus Securities (Private) Limited	801,477	0.10%
194	WE FINANCIAL SERVICES LIMITED	801,477	0.10%
195	Y.H. SECURITIES (PVT.) LTD.	801,477	0.10%
196	Z.A. GHAFAR SECURITIES (PRIVATE) LTD.	801,477	0.10%
197	ZAFAR MOTI CAPITAL SECURITIES (PVT) LTD.	801,477	0.10%
198	ZHV SECURITIES (PVT) LIMITED	801,477	0.10%
199	ZILLION CAPITAL SECURITIES (PVT) LTD.	801,477	0.10%
200	Zubeda Abdul Sattar	801,477	0.10%

14 REGISTRATION AND BIDDING FORMS

INSTRUCTIONS FOR REGISTRATION AND BIDDING

REGISTRATION PERIOD WILL START FROM JUNE 1, 2017 TO JUNE 2, 2017 AND BETWEEN JUNE 5, 2017 TO JUNE 6, 2017 BETWEEN 9:00 AM TO 5:00 PM AND BETWEEN 9:00 AM TO 3:00 PM ON JUNE 7, 2017

BIDDING PERIOD OPENS FROM JUNE 6, 2017 TO JUNE 7, 2017 BETWEEN 9:00 AM TO 5:00 PM

OFFER FOR SALE OF ORDINARY SHARES OF PAKISTAN STOCK EXCHANGE LIMITED ("PSX" OR THE "COMPANY") THROUGH BOOK BUILDING PROCESS AT A FLOOR PRICE OF PKR 28.00/- PER SHARE

The Present Issue comprises of 160,221,320 Ordinary Shares (20.0% of the Total Post-IPO Paid-up Capital of the Company with Face Value of PKR 10.00/- each). The entire issue will be offered through the Book Building process at Floor Price of PKR 28.00/- per share (including a premium of PKR 18.00/- per share). Initially 75% of the issue size of 120,221,320 Ordinary Shares will be allotted to Successful Bidders and 25% of the issue of 40,074,000 Ordinary Shares will be offered to Retail Investors. Any unsubscribed portion will be allocated to Successful Bidders on a pro-rata basis.

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 Centres during the Registration Period.
3. Investors will be required to submit an undertaking / declaration alongside the Registration Form
4. 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.**
5. 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.
6. 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 centres in person.
7. On entry of bid in the System, the investors will receive an e-mail confirmation of their bid via the System software.
8. Investors can revise their bids online. Please visit www.bkb.psx.com.pk to access online portal. Online access will be available for bid revisions during the Bidding Period from 9:00 am to 5:00 pm. **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 downward revision or withdrawal of bids 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 IPO account of the Offerors.

For online transfer into MCBL, the payment shall be made into account number 575701061010133 being maintained in MCBL's Global Transaction Banking Branch with the Account Title "**Pakistan Stock Exchange Limited – Book Building**".

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. Individual investors are requested to provide a declaration on stamp paper certifying that they are not a connected person of a TRE Certificate Holder (*format has been attached with the set of bidding forms*); insitutional investors must provide an undertaking on their letterhead under Regulation 39 of the Stock Exchanges (Corporatization, Demutualization and Integration) Regulations, 2012 (*format has been attached with the set of bidding forms*)
5. 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).
6. **Bidders are requested to provide two copies of the bidding instrument at the time of bid submission.**
7. The National Taxation Number ("NTN") of Pakistan Stock Exchange Limited is **0710853-2**. This NTN shall be required by applicants for making their respective pay orders.
8. The Bidder is required to duly fill Additional Payment Form for depositing additional funds for enhancement of deposit amount.
9. All payments are to be made in favor of "**Pakistan Stock Exchange Ltd – Book Building**" at any of the following bidding centers:

Karachi			
Contact Officer:	Muzammil Shahid Bhatti	Contact Officer:	Muhammad Farhan Khan
Direct No.:	021-3264-2010 021-3264 1374 021-3264 2818 0331-130 6154	Direct No.:	021-32645034; 021-32633070
Fax No.:	021-3227 0105	Fax No.:	021-32633075
Email:	muzammil.bhatti@mcb.com.pk	Email:	farhan.khan@mcb.com.pk
Postal Address:	Mezzanine Floor, MCB Tower, MCB Bank Limited, I.I. Chundrigar Road - Karachi	Postal Address:	1 st Floor Shaheen Complex M.R Kayani Road Karachi.
Lahore		Islamabad	
Contact Officer:	Farooq Malik	Contact Officer:	Abubakar
Direct No.:	0322-4988848	Direct No.:	0345 5366115
Fax No.:	042-36362949	Fax No.:	051-2894045
Email:	farooq.malik@mcb.com.pk	Email:	ops1390@mcb.com.pk
Postal Address:	Stock Exchange, 19 Khayaban-e-Aiwan-e-Iqbal, Lahore	Postal Address:	Office No.1, Ground + Mezzanine Floor, Islamabad Stock Exchange Tower, Blue Rea Islamabad
MCB Branch Code:	1392	MCB Branch Code:	1390
Quetta		Peshawar	
Contact Officer:	Waqar Ali	Contact Officer:	Farhan Yousaf
Direct No.:	0333-7937887; 0812823487	Direct No.:	0321-9061157
Fax No.:	081-2822203	Fax No.:	091-5279427
Email:	ops0551@mcb.com.pk	Email:	ops0277@mcb.com.pk
Postal Address:	Shahra-e-Iqbal, Quetta	Postal Address:	Saddar Road, Peshawar Cantt, Peshawar
MCB Branch Code:	0551	MCB Branch Code:	0277
Gilgit		Muzaffarabad	
Contact Officer:	Liaqat Ali	Contact Officer:	Attiq ur Rehman
Direct No.:	0300 8999117	Direct No.:	05822920508; 03455357390
Fax No.:	05811-457860	Fax No.:	05822-920491
Email:	ops1116@mcb.com.pk	Email:	ops0593@mcb.com.pk
Postal Address:	National Market, Gilgit	Postal Address:	Bank Road, Muzaffarabad, AK
MCB Branch Code:	1116	MCB Branch Code:	0593

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 THE NOTE ABOVE. REGISTERED INVESTORS CAN ALSO PLACE THEIR BIDS DIRECTLY VIA THE ONLINE PORTAL BY VISITING WWW.BKB.PSX.COM.PK.**

12. Bids can be placed at "Limit Price" or "Step Bid".

a) Payment for Limit Price:

If investors are placing their bids as a 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 2 million shares at a price of PKR 30/- per share, then the total Application Money would amount to PKR 60 million. In such a case, (i) Individual Investor shall deposit PKR 60 million in the Book Building account as the bid amount which is 100% of PKR 60 million; and (ii) Institutional Investor shall deposit at least PKR 15 million in the Book Building account as the Margin Money which is 25% of PKR 60 million.

b) 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 30/- per share, 1.00 million shares at PKR 31/- per share and 1.50 million shares at PKR 32/- 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 94 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 94 million in the Book Building Account as Margin Money which is 100% of PKR 94 million and (ii) Institutional Investors shall deposit at least PKR 23.5 million in the Book Building Account as Margin Money which is 25% of PKR 94 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
16. Successful Bidders shall be intimated, within **one (1) working day** of the closing of the Bidding Period, the Strike Price and the number of shares provisionally allotted to each of them.
17. The successful institutional Bidders shall, within **three (3) working days** of the closing of the Bidding Period, deposit the balance amount, 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 Issue shall be made after receipt of full subscription money from the successful Bidders; however, shares to such Bidders shall be transferred at the time of transfer of shares out of the general public offer to successful applicants.
20. Margin Money of unsuccessful Bidders shall be refunded within **three (3) working days** of the close of the Bidding Period, through courier, to the address submitted on the Bidding Form.





For investor education please visit www.jamapunji.pk
Jama Punji is an Investor Education Initiative of the Securities & Exchange Commission of Pakistan

REGISTRATION FORM

 Pakistan Stock Exchange Limited	Book Runner  NICER Bank for Life		City
			Registration Dates June 1, 2017 to June 2, 2017 and June 5, 2017 to June 7, 2017
			Bidding Dates June 6, 2017 and June 7, 2017
			Bidding Form No.
OFFER FOR SALE OF ORDINARY SHARES OF PAKISTAN STOCK EXCHANGE LIMITED THROUGH BOOK BUILDING PROCESS AT A FLOOR PRICE OF PKR 28.00/- PER SHARE (INCLUDING A PREMIUM OF PKR 18.00/- PER SHARE)			
PLEASE FILL THE FORM IN BLOCK LETTERS. PLEASE PROVIDE ACCURATE DETAILS TO AVOID ANY INCONVENIENCE.			
ELIGIBLE INVESTORS MUST SUBMIT ONLY ONE PAYORDER ALONG WITH THE REGISTRATION FORM.			
Name		CNIC #	
		NTN*	
Address		Cell #	
		Land Line #	
		Fax #	
E-mail			
PLEASE TICK THE APPROPRIATE BOX			Nationality (If other than Pakistani)
<input type="checkbox"/> Local Institutional Investor <input type="checkbox"/> Individual Investor	<input type="checkbox"/> Resident <input type="checkbox"/> Non Resident		
*INVESTORS ARE ENCOURAGED TO DISCLOSE THEIR NTN NUMBERS TO FACILITATE THE COMPANY TO CHECK STATUS OF THE SHAREHOLDERS AS TAX RETURN FILERS OR NON-FILERS FROM THE ACTIVE TAXPAYERS LIST (ATL) AVAILABLE ON THE WEBSITE OF FBR. PLEASE NOTE THAT REDUCED TAX RATE OF 12.50% APPLIES TO FILERS INSTEAD OF 20.0% FOR NON-FILERS ON PAYMENT OF CASH DIVIDEND DECLARED, IF ANY, BY THE COMPANIES (AS PER THE PROPOSED BUDGET FOR FY 2017-18, TAX ON DIVIDEND APPLICABLE TO FILERS WOULD BE 15.00%).			
Payment Details:	Payments to be made in favor of "Pakistan Stock Exchange Ltd – Book Building"		
Amount in Figures		Instrument #	
Instrument Date		Margin %age	
Banker's Name, Address & Branch			
CDC Details for Sub A/C & House A/C			
CDC Participant Name		CDC Participant ID	
Sub 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 DECLARE THAT I have read all the term and conditions stated in the Offer for Sale Document and the Instructions Page of the Bidding Form. The same terms and conditions would be applicable on the Registration Form. I also understand that I shall be provisionally allotted 75% of the shares I bid for and undertake to subscribe to any unsubscribe portion out of the Retail Portion. Applicable only on Individual Investors - I FURTHER DECLARE THAT I: (i) am on the Active Taxpayers List of the Federal Board of Revenue (ii) have submitted my National Tax Number (iii) made payment for the bid amount through a banking instrument in my own name (iv) have an annual taxable income of not less than two million rupees (v) have experience of investing in the securities market			
Signature of Bidder: _____			

DUPLICATE REGISTRATION FORM

 Pakistan Stock Exchange Limited	Book Runner  NICOL Bank for Life		City	
			Registration Dates	June 1, 2017 to June 2, 2017 and June 5, 2017 to June 7, 2017
			Bidding Dates	June 6, 2017 and June 7, 2017
			Bidding Form No.	

OFFER FOR SALE OF ORDINARY SHARES OF PAKISTAN STOCK EXCHANGE LIMITED THROUGH BOOK BUILDING PROCESS AT A FLOOR PRICE OF PKR 28.00/- PER SHARE (INCLUDING A PREMIUM OF PKR 18.00/- PER SHARE)

PLEASE FILL THE FORM IN BLOCK LETTERS. PLEASE PROVIDE ACCURATE DETAILS TO AVOID ANY INCONVENIENCE.

ELIGIBLE INVESTORS MUST SUBMIT ONLY ONE PAYORDER ALONG WITH THE REGISTRATION FORM.

Name		CNIC #	
		NTN*	
Address		Cell #	
		Land Line #	
		Fax #	
E-mail			

PLEASE TICK THE APPROPRIATE BOX		Nationality (If other than Pakistani)
<input type="checkbox"/> Local Institutional Investor <input type="checkbox"/> Individual Investor	<input type="checkbox"/> Resident <input type="checkbox"/> Non Resident	

***INVESTORS ARE ENCOURAGED TO DISCLOSE THEIR NTN NUMBERS TO FACILITATE THE COMPANY TO CHECK STATUS OF THE SHAREHOLDERS AS TAX RETURN FILERS OR NON-FILERS FROM THE ACTIVE TAXPAYERS LIST (ATL) AVAILABLE ON THE WEBSITE OF FBR. PLEASE NOTE THAT REDUCED TAX RATE OF 12.50% APPLIES TO FILERS INSTEAD OF 20.0% FOR NON-FILERS ON PAYMENT OF CASH DIVIDEND DECLARED, IF ANY, BY THE COMPANIES (AS PER THE PROPOSED BUDGET FOR FY 2017-18, TAX ON DIVIDEND APPLICABLE TO FILERS WOULD BE 15.00%)**

Payment Details:	Payments to be made in favor of "Pakistan Stock Exchange Ltd – Book Building"		
Amount in Figures		Instrument #	
Instrument Date		Margin %age	
Banker's Name, Address & Branch			
CDC Details for Sub A/C & House A/C			
CDC Participant Name		CDC Participant ID	
Sub 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 DECLARE THAT I have read all the term and conditions stated in the Offer for Sale Document and the Instructions Page of the Bidding Form. The same terms and conditions would be applicable on the Registration Form.

Applicable only on Individual Investors

I FURTHER DECLARE THAT I:

(i) am on the Active Taxpayers List of the Federal Board of Revenue


(ii) have submitted my National Tax Number

(iii) made payment for the bid amount through a banking instrument in my own name



(iv) have an annual taxable income of not less than two million rupees

(v) have experience of investing in the securities market

Signature of Bidder: _____



BIDDING FORM

 Pakistan Stock Exchange Limited	Book Runner  Book for Life		City	
			Registration Dates	June 1, 2017 to June 2, 2017 and June 5, 2017 to June 7, 2017
			Bidding Dates	June 6, 2017 and June 7, 2017
			Bidding Form No.	

OFFER FOR SALE OF ORDINARY SHARES OF PAKISTAN STOCK EXCHANGE LIMITED THROUGH BOOK BUILDING PROCESS AT A FLOOR PRICE OF PKR 28.00/- PER SHARE (INCLUDING A PREMIUM OF PKR 18.00/- PER SHARE)

PLEASE FILL THE FORM IN BLOCK LETTERS. PLEASE MAKE SURE TO PROVIDE ACCURATE DETAILS TO AVOID ANY INCONVENIENCE

Name				PLEASE TICK THE APPROPRIATE BOX	
				<input type="checkbox"/> Local Institutional Investor	<input type="checkbox"/> Individual Investor
Address	Cell #		Resident	<input type="checkbox"/>	Nationality (If other than Pakistani)
	Land Line #		Non-Resident	<input type="checkbox"/>	
	Fax #				
E-mail:				CNIC #	
				NTN*	

*INVESTORS ARE ENCOURAGED TO DISCLOSE THEIR NTN NUMBERS TO FACILITATE THE COMPANY TO CHECK STATUS OF THE SHAREHOLDERS AS TAX RETURN FILER OR NON-FILER FROM THE ACTIVE TAXPAYERS LIST (ATL) AVAILABLE ON THE WEBSITE OF FBR. PLEASE NOTE THAT REDUCED TAX RATE OF 12.5% APPLIES TO FILERS INSTEAD OF 30% FOR NON-FILERS ON PAYMENT OF CASH DIVIDEND DECLARED, IF ANY, BY THE COMPANY (AS PER THE PROPOSED BUDGET FOR FY 2017-18, TAX ON DIVIDEND APPLICABLE TO FILERS WOULD BE 15.00%).

Dividend Mandate: Mark tick [X] in the appropriate boxes Yes [] No []
 In case the Applicant intends that if Shares applied for are issued to him/it and the dividend declared by the Company, if any, is credited directly in his/it bank account, instead of issued of dividend warrants, then please fill in the following boxes:


Title of Account	
Account Number	
Bank Name	
Branch Name & Address	

The Directors of Pakistan Stock Exchange Limited
 Stock Exchange Building
 Stock Exchange Road, Karachi
 Dear Sir,
 On the basis of the Offer for Sale Document by Pakistan Stock Exchange Limited for the Offer for Sale of Shares, I/we hereby bid for subscription of Shares of the Company as under:

Bid Details			
	No. of Shares	Bid Price Per Share	Total Amount
Bid Option (Please tick)	(In Figures)	(In Figures)	(In Figures)
Limit Order			
Step Order:			
Option (1)			
Option (2)			
Option (3)			
Option (4)			
Total (Shares and Price)			

Important Instructions:

- Bids should be placed for a minimum amount of PKR 3,000,000/-. It should also be noted that no. 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 3,000,000/-.
- Eligible investors who want to place a Step Bid, must ensure that each step amounts to PKR 3,000,000/- at least.
- Any Bid received below the Floor Price will not be accepted by the Book Runner.
- An investor shall not make a bid with price variation of more than 10% of the prevailing indicative strike price and no downward revision or withdrawal of bids shall be allowed


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 Securities & 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 Initial Public Offering. 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 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 its 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 Prospectus for filing of the same with the Securities and Exchange Commission of Pakistan ("SECP").

I understand that the issuer, the book runner, SECP and the Stock Exchange reserve the right of legal action against me under the law, if I submit a fictitious bid and/or my the instrument deposited by me for margin money is bounced.

I DECLARE THAT: i) I AM/WE ARE NATIONAL(S) AND RESIDENT(S) OF PAKISTAN; ii) I AM/WE ARE NOT MINOR(S); iii) 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.

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 "Pakistan Stock Exchange Ltd – Book Building". For 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) the payment shall be made into the following accounts:

For online transfer into MCB, the payment shall be made into account number 575701061010133 being maintained in MCB's Global Transaction Banking Branch with the Account Title "Pakistan Stock Exchange Ltd – 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 instruments 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 3:00 pm on the last day of Book Building after which no new investors shall be registered.
- 6) Investors can revise their bids upwards online. Please visit www.bkb.kse.com.pk to access online. User name and password will be emailed to you on email address provided in the form. Please ensure that you provide correct email address. Online access will be available for bid revisions during the bidding period from 9:00 am to 5:00 pm on the last day of bidding. 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 and downward revision of bids will be allowed.

Yours Faithfully,

Signature of Bidder: _____





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Securities & Exchange Commission of Pakistan

To be filled in by the Book Runner:

Time of Receipt	Date	Location	Amount	Pay Order No. / Demand Draft No.	Stamp

ADDITIONAL PAYMENT FORM

 Pakistan Stock Exchange Limited	Book Runner	City	
	 NCCBS Bank for Life	Registration Dates	June 1, 2017 to June 2, 2017 and June 5, 2017 to June 7, 2017
		Bidding Dates	June 6, 2017 and June 7, 2017
		Bidding Form No.	

OFFER FOR SALE OF ORDINARY SHARES OF PAKISTAN STOCK EXCHANGE LIMITED THROUGH BOOK BUILDING PROCESS AT A FLOOR PRICE OF PKR 28.00/- PER SHARE (INCLUDING A PREMIUM OF PKR 18.00/- PER SHARE)

PLEASE FILL THE FORM IN BLOCK LETTERS. PLEASE MAKE SURE TO PROVIDE ACCURATE DETAILS TO AVOID ANY INCONVENIENCE

Name		CNIC #		Cell #	
		NTN		Land Line #	
Client ID: (ID generated and e-mailed at the time of bid placement)		Resident	<input type="checkbox"/>	Nationality (If other than Pakistani)	
		Non Resident	<input type="checkbox"/>		
Additional Payment Details					
Payments to be made in favor of "Pakistan Stock Exchange Ltd – Book Building"					
Amount in Figures		Instrument #		Instrument Date	Margin %age
Banker's Name, Address & Branch					

- 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
- I DECLARE THAT I have read all the conditions in the Offer for Sale Document and the Instructions Page of the Bidding Form. The same terms and conditions would be applicable on the Additional Payment Form.






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Signature of Bidder: _____

To be filled in by the Book Runner:

Time of Receipt	Date	Location	Amount	Pay Order No. / Demand Draft No.	Stamp

BID REVISION FORM

 Pakistan Stock Exchange Limited		Book Runner		 NICBS Bank for Life		City _____	Registration Dates June 1, 2017 to June 2, 2017 and June 5, 2017 to June 7, 2017
						Bidding Dates June 6, 2017 and June 7, 2017	Bidding Form No. _____
OFFER FOR SALE OF ORDINARY SHARES OF PAKISTAN STOCK EXCHANGE LIMITED THROUGH BOOK BUILDING PROCESS AT A FLOOR PRICE OF PKR 28.00/- PER SHARE (INCLUDING A PREMIUM OF PKR 18.00/- PER SHARE)							
PLEASE FILL THE FORM IN BLOCK LETTERS. PLEASE MAKE SURE TO PROVIDE ACCURATE DETAILS TO AVOID ANY INCONVENIENCE							
Name			PLEASE TICK THE APPROPRIATE BOX <input type="checkbox"/> Local Institutional Investor <input type="checkbox"/> Foreign Institutional Investor <input type="checkbox"/> Individual Investor				
Address	Cell #		Resident		<input type="checkbox"/> Nationality (If other than Pakistani)		
	Land Line #		Non-Resident		<input type="checkbox"/>		
Fax #	E-mail			CNIC #			
				NTN			
Payment Details:		Payments to be made in favor of "Pakistan Stock Exchange Ltd – Book Building"					
Amount in Figures			Instrument #			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			
Sub 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 Pakistan Stock Exchange Limited Stock Exchange Building Stock Exchange Road, Karachi Dear Sir, On the basis of the Offer for Sale Document by Pakistan Stock Exchange Limited for the Offer for Sale of Shares, I/we hereby bid for subscription of Shares of the Company as under:							
Bid Details							
	No. of Shares		Bid Price Per Share		Total Amount		
Bid Option (Please tick)	(In Figures)		(In Figures)		(In Figures)		
Limit Order							
Step Order:							
Option (1)							
Option (2)							
Option (3)							
Option (4)							
Total (Shares and Price)							
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 term and conditions stated in the Prospectus and the Instructions Page of the Bidding Form. The same terms and conditions would be applicable on the Bid Revision Form.							
Signature of Bidder: _____							
 <small>For investor education please visit www.jamapunji.com Jama Punji is an investor education initiative of the Securities & Exchange Commission of Pakistan</small>							

On Institutions' letterhead

To,

- 1) Pakistan Stock Exchange Limited
KARACHI
- 2) Securities & Exchange Commission of Pakistan
ISLAMABAD

UNDERTAKING

**Under Regulation 42(8) of Stock Exchanges (Corporatization, Demutualization and Integration)
Regulations, 2012**

We, _____ are a financial institution / a pension fund authorized under the Voluntary Pension System Rules, 2005 / a fund established under the Collective Investment Scheme under the Non-Banking Companies (Establishment and Regulation) Rules, 2003 / a company which has a history of investing in the securities market* and existing under the laws of Pakistan, having offices at _____, being eligible to participate in the book building process in respect of Offer for Sale of Shares of Pakistan Stock Exchange do hereby undertake as under:

- (a) That we or any of our sponsors or directors are not connected person(s) of a TREC holder or any of its sponsors or directors;
- (b) That we are compliant of the capital requirements specified under the relevant provisions of applicable laws;
- (c) That our sponsors and directors are in compliance with the "fit and proper" criteria as provided in Schedule-I of Stock Exchanges (Corporatization, Demutualization and Integration) Regulations, 2012;
- (d) That we have a minimum long-term credit rating, where applicable, not below A- or equivalent;
- (e) That we have requisite approvals from relevant regulatory authorities and/or governments, where required under applicable laws, for acquiring issued share capital of the Pakistan Stock Exchange;
- (f) That we have not been convicted in any criminal offence or directly involved in any settlement in civil or criminal proceedings in a court of law, particularly with regard to investments, financial or business misconduct, fraud/forgery, breach of trust, financial crime etc. or it has not been concluded by any regulatory authority, government body or agency or a court of law that we have been associated with any unauthorized financial activity;

- (g) That we have not contravened any of the requirements or standards, other than minor corporate violations, of the Commission or the equivalent standards or requirements of any other regulatory authorities, whether inside or outside Pakistan, or government bodies or agencies;
- (h) That our license for providing any financial services has not been suspended or cancelled by any regulatory authority during the last five years;
- (i) That no investigation or enquiry has been concluded against us by the Securities & Exchange Commission of Pakistan ("Commission") with any material adverse findings under section 29 of the Securities and Exchange Commission of Pakistan Act, 1997, section 139 of the Securities Act, 2015, section 21 of the Securities and Exchange Ordinance, 1969, section 263 or section 265 of the Companies Ordinance, 1984 or any investigation or inquiry is pending against us initiated by the Commission;
- (j) That no investigation or enquiry conducted under the relevant laws has been concluded against us by the State Bank of Pakistan, National Accountability Bureau, Federal Investigation Agency or any other regulatory or government body, with any material adverse findings;
- (k) That an order restraining, prohibiting or debarring us from providing any financial services has not been passed by any regulatory authority, government body or agency or a court of law;
- (l) That we have not provided false or misleading information to the Commission;
- (m) That we have not been adjudged as insolvent or suspended payment of debts or have compounded with our creditors;
- (n) That we have not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to any other financial institution; and
- (o) That we have not defaulted in payment of taxes.

For:

Name:

Designation:

City:

Date:

** Strike-off whichever is not applicable.*

On a Non-Judicial Stamp Paper

DECLARATION

Under Regulation 42(9)(viii) of the Stock Exchanges (Corporatization, Demutualization and Integration) Regulations, 2012

I, _____, s/o _____, Muslim, adult, resident of _____
_____, do hereby declare:

- (a) I am a High Net Worth Individual as defined under Stock Exchanges (Corporatization, Demutualization and Integration) Regulations, 2012 and eligible for participating in the Book Building process of Offer for Sale of Shares in Pakistan Stock Exchange Limited under the said Regulations.
- (b) I am not a connected person of a Trading Right Entitlement Certificate Holder of Pakistan Stock Exchange Limited, as defined under Stock Exchanges (Corporatization, Demutualization and Integration) Regulations, 2012.
- (c) That what is stated above is true and correct to the best of my knowledge and belief.

Deponent:

City:

Dated:

The above DECLARATION has been solemnly affirmed an oath before me on this _____ day of _____, 2017 by the above deponent.

Oath Commissioner

[illegible]

Right to Information Initiative

- a. Pakistan citizens residing in a suitable Pakistan or Persons holding two nationalities including Pakistan nationality;
- b. Companies, bodies corporate or other legal entities incorporated or established in Pakistan (to the extent permitted by their constitutive documents and existing regulations, as the case may be);
- c. Mutual Funds, Prudential Provident Funds/Units (subject to the terms of the Trust Deed and existing regulations); and
- d. Branches in Pakistan of companies and bodies corporate incorporated in Pakistan.

2. APPLICATION MUST BE MADE ON THE COMMISSIONER'S APPROVED APPLICATION FORM OR A LIKELY PHOTO COPY THEREOF ON A FORM OF A SIZE NEARABOUT 21 CM

3. Copies of the Office for Sale Document and application forms can be obtained from the TPOC holders of Pakistan Stock Exchange, the Registrar in the Issues and Debt Division, the Lead Manager & Arranger and the registered office of the Company. The TPOC and the application forms can also be downloaded from the website: www.pse.com.pk & www.sea.com.pk & www.cic.gov.pk

4. Applications will be issued (initial, only form). Applicants of Shares are required to complete the relevant sections of the application. In accordance with provisions of the Capital Corporation Act, 1997 and the CIC Regulations, credit of such Shares is allowed ONLY in the applicant's own CSD Account.

5. Name(s) and addresses must be written in full block letters. In English and should not be abbreviated.

6. All applications must bear the name and signature corresponding with that recorded with the applicant's National Identity Card (NIC) or National Identity Card for Overseas Pakistanis (NICOP) or Passport (where the signature should be affixed to the application form).

7. APPLICATIONS MADE BY INDIVIDUAL INVESTORS

- (i) In case of individual investors, an attested photocopy of CNIC (in case of TRNP) passport (in case of OFPs and PPs) as the case may be, should be submitted and the signature of CNIC/Passport should be written against the name of the applicant. Copy of these documents can be attested by any Federal/Provincial Government/Quarantine Office, Consulate, Citi Commissioner or Head Master of High School or bank manager in the vicinity of applicant's residence.
- (ii) Original CNIC/Passport, along with an attested photocopy, must be produced for verification to the Registrar in the Issues and Debt Division (if allowed from the Registrar in the Issues) at the time of presenting the application. The attested photocopy will, after verification, be returned to the bank branch along with the application.

8. APPLICATIONS MADE BY INSTITUTIONAL INVESTORS

- (i) Applications made by companies, corporate bodies, mutual funds, prudential provident funds/units and other legal entities must be accompanied by an attested photocopy of the Memorandum and Articles of Association or equivalent instrument's 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/Quarantine Office, Consulate, Bank Manager, Citi Commissioner and Headmaster of High School or bank manager in the vicinity of applicant's residence can attest copies of such documents.
- (ii) Attested photocopy of the documents mentioned in (i) must be produced for verification to the Registrar in the Issues and Debt Division (if allowed from the Registrar in the Issues) at the time of presenting the application. The attested copies, after verification, be returned to the bank branch along with the application.

9. Only one application will be accepted against each applicant. However, in case of joint account, one application may be submitted in the name of each joint account holder.

10. 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 CNIC/Passport. The attested photocopies will be dispatched to the person whose name appears first on the application form while account of CSD, if not, will be credited to the CSD account mentioned on the face of the form and where any account is inoperative in whole or in part, the same will be refunded by bank 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 losses. Please note that joint application will be considered as a single application for the purpose of dividend of Shares.

11. Subscription money must be paid by debit from an applicant's own bank account or pay order/draft of all payable to one of the Bankers in the Issues "PAGETAN STOCK EXCHANGE LIMITED – GENERAL SUBSCRIPTION" and crossed "NIC PAYEE ONLY".

12. For the application made through pay order/draft, it must be payable to a Banker in the Issues to debit the bank charges while making refund of subscription money to unsuccessful applicants through pay order/draft (initially for each application).

13. The applicant should have at least one bank account with any of the commercial banks. Applicants not having a bank account at all (from account holders) are not allowed to submit application for subscription of Shares.

14. Applications are not to be made by minors and/or persons of unsound mind.

15. Applicants should ensure that the bank branch, to which the application is submitted, completes the relevant portion of the application form.

16. Applicants should retain the initial portion of their application form as provisional acknowledgment of submission of their applications. This should not be considered 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.

17. Making of any false statements in the application is a liability including incorrect information that will make the application false and the applicant or the bank shall be liable for legal action.

18. Bankers in the Issues are prohibited to receive any charges from the subscribers for submitting subscription applications. Hence, the applicants are advised not to pay any extra charges to the Bankers in the Issues.

19. It would be permissible for a Banker in the Issues to refund subscription money to unsuccessful applicants having an account in the bank by crediting such account instead of sending the same by bank, pay order or bank draft. Applicants should, therefore, not fail to give their bank account numbers.

20. Submission of false and false information to an officer under section 17(2) of the Securities Act, 2015 and making application/ account's false in verification under section 17(2) of the Securities Act, 2015.

عوام الناس کو مطلع کیا جاتا ہے کہ کنج ریجیا ایکٹ 2015 کی مقررہ (7) 87 کے تحت قبولی یا رد عملی درخواستیں دیا جاتا ہے۔ خلاف ورزی کرنے والوں کی رقم، جو کہ درخواست کے ساتھ جمع کرانی جاتی ہے، کنج ریجیا ایکٹ 2015 کی مقررہ (8) 87 کے تحت ضبط کی جاسکتی ہے۔

1. The minimum amount of application for subscription of ESO shares.
2. Application for Shares must be made by ESO Shares or its designee(s)/only Applications, which are either for ESO Shares or for multiple Shares, shall be opened.
3. Withdrawal/Transfer of Shares to successful applicants shall be made in accordance with the all relevant instructions contained in the Prospectus.
4. Withdrawal of Shares shall be subject to sending of applications in accordance with the relevant decision in the Prospectus and the instructions by the Securities & 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 data fields in the Application Form.
6. The Company will deposit shares to successful applicants through their brokers in the form of credit the respective ESO amounts of the successful applicants (on the same context).

Cadre	Name of Bank	Cadre	Name of Bank
01	Akbar Bank Limited	07	MCB Bank Limited
02	Allama Bank Limited	08	Alfalah Bank Limited
03	Nasir Bank Limited	09	Haroon Bank Limited
04	Faisal Bank Limited	10	Karim Bank Limited
05	Bank of Habib Limited	11	Social Islamic Bank Limited
06	Habib International Bank		

Cadre	Description	Cadre	Description
12	Students	18	Professional
13	Business Executive	19	Student
14	Service	20	Specialized
15	Household	21	Institutional
16	Household	22	Other

b. In order to facilitate submission, Banks in which Licensed ("BICLF"), United Bank Limited ("UBL"), and General Bank Limited ("GBL") are offering electronic submission of applications via PC) to their account holders. BICLF, account holders can use BICLF Net Banking to send link <http://www.biclf.com.pk>, UBL account holders may use UBL Net Banking to submit their applications via link <http://www.onlineregistration.bl.com.pk>, GBL account holders may use GBL Net Banking to submit their applications via link <http://www.gbl.com.pk>. Furthermore, please note that online applications can be submitted 24 hours a day during the subscription period which will close at midnight on June 10, 2017.

c. In order to facilitate submission, the Central Depository Company of Pakistan ("CDDP") has developed a Centralized e-CRO System ("CES") through which applicants for the subscription of insurance offered to the general public can be made successful. CES has been made available to the Office for Sale and now is accessed through the web link (www.cddcp.com). Payment of subscription money can be made through 12 bank's member banks available the CES, list of which is available on above website.
For making application through CES, investors must be registered with CSE. Registration with CSE is free of cost and a self-regulatory body by filing the CSE registration form, which is available 24/7 all around the year. Investors who have filed Complaint or National Identity Card (NIC), linked account with any of the commercial bank, mobile address, vehicle plate number and CSE Account (Deposit account or cash account) may register themselves with CES.
Investors who do not have CSE account may visit www.cddcp.com for information and details. For further guidance and queries regarding CES and opening of CSE account, investors may contact CDDC at Contact Number: 0800-10070 (TOLL FREE) or Email: info@cddcp.com.

Code	Description	Code	Description
01	Agriculture	06	Professional
02	Business Services	07	Health
03	Service	08	Arts/Entertainment
04	Manufacturing	09	Education
05	Construction	10	Other

Grade	Name of Member	Grade	Name of Member
51	aka	61	aka
52	aka	62	aka
53	aka	63	aka
54	aka	64	aka
55	aka	65	aka

Code	Name of Country	Code	Name of Month
001	U.S.A.	001	January
002	U.S.	002	June
003	U.S.A.	003	March
004	U.S.A.	004	July
005	Spain		

Abstract

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