



MATCO FOODS LIMITED

B – 1/A, S.I.T.E. Phase I,
Super Highway Industrial Area, Karachi 75340

March 27, 2019

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

Subject: NOTICE OF EXTRAORDINARY GENERAL MEETING

Dear Sir,

Enclosed please find a copy of the Notice of Extraordinary General Meeting of the Members of Matco Foods Limited to be held on Thursday, April 18, 2019 at 10:00 a.m. for circulation amongst the TRE certificate holders. The said notice shall be published in newspapers in Urdu and English on March 28, 2019.

Yours sincerely,

Muhammed Latif Qureshi
Company Secretary

Encl: Notice of EOGM

Copy to:-

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



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NOTICE OF EXTRAORDINARY GENERAL MEETING APRIL 18, 2019



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NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of Matco Foods Limited will be held on Thursday, April 18, 2018, at 10:00 a.m., at Seminar Hall, The Institute of Cost and Management Accountants of Pakistan (ICMAP), ICMA Pakistan Building ST-18/C, ICMAP Avenue, Block 6, Gulshan-e-Iqbal, Karachi 75300 to transact the following businesses:

A. ORDINARY BUSINESS

To confirm minutes of the Annual General Meeting held on October 31, 2018.

B. SPECIAL BUSINESS

To consider and if deemed fit, to pass the following resolutions as Special Resolutions, with or without modification, addition(s) or deletion(s):

“RESOLVED THAT the approval of the members of Matco Foods Limited (“the Company”) be and is hereby accorded in terms of Section 199 and other applicable provisions of the Companies Act, 2017, and the Company be and is hereby authorized to invest up to PKR 24,500,000 (Rupees Twenty Four Million and Five Hundred Thousands Only) for subscribing at Par, fully paid up 2,450,000 ordinary shares of PKR 10 each of Barentz Pakistan (Private) Limited (“BPPL”) as per terms and conditions disclosed to the members.”

“FURTHER RESOLVED THAT for the purpose of giving effect to the above investment, the Company’s Chief Executive Mr. Khalid Sarfaraz Ghorī and/or Company’s Director Mr. Faizan Ali Ghorī and/or Company Secretary Mr. Muhammad Latif Qureshi be and are hereby singly empowered / authorized to do all acts, matters, deeds and things, take any or all necessary actions including signing and execution of agreement(s) and to complete all legal formalities including filing of applications for no objection certificate/permission from any authority / Commission as may be necessary or incidental or expedient for the purpose of implementing the aforesaid resolution.”

“FURTHER RESOLVED THAT Company’s Directors Mr. Tariq Ghorī and Mr. Faizan Ali Ghorī be and are hereby nominated/appointed as directors to the board of Barentz Pakistan (Private) Limited.”

Statements as required under section 134(3) of the Companies Act, 2017 in respect of the special business is annexed to the notice of meeting circulated to the members of the Company.



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C. ANY OTHER BUSINESS

To transact any other business with the permission of the chair.

By Order of the Board

Muhammed Latif Qureshi
Company Secretary

Karachi: March 27, 2019

Notes:

1. Book Closure

The Shares Transfer Books of the Company will remain closed from April 12, 2019 to April 18, 2019 (both days inclusive) for attending and voting at Extraordinary General Meeting. CDS Transactions IDs received in order in all respect up to 1:00 p.m. on April 11, 2019 at Share Registrar, **THK Associates {Private} Limited**, Karachi Office, 1st Floor, 40-C, Block-6, P.E.C.H.S, Karachi – 75400 and Lahore Office, 1st Floor, DYL Motorcycles Limited Office, 147-Q, Block, Behind Emporium Mall, Johar Town, Lahore, will be considered in time for attending of meeting.

2. A member entitled to attend and vote at this meeting may appoint any other member as his / her proxy to attend and vote. The Instrument appointing a proxy and the power of attorney or other authority under which it is signed or a notarially attested copy of the power of attorney must be deposited at the registered office of the Company at least 48 hours before the time of the meeting. A proxy must be a member of the company.
3. Members, who have deposited their shares into Central Depository Company of Pakistan Limited, are being advised to bring their original National Identity Cards along with CDC Participant ID and account number at the meeting venue.
4. Members who have deposited their shares into Central Depository Company of Pakistan Limited (CDC") will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan.

4.1. For Attending the Meeting

- 4.1.1. In case of Individuals, the account holder and / or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall authenticate his / her Identity by showing his / her original CNIC or, original Passport at the time of attending the Meeting.



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4.1.2. In case of corporate entity, the Board's resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

4.2. For Appointing Proxies

4.2.1. In case of individuals, the account holder and / or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per above requirements.

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

4.2.3. Attested copies of the CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.

4.2.4. The proxy shall produce his original CNIC or original passport at the time of the Meeting.

4.2.5. In case of corporate entity, the Board's resolution / power of attorney with specimen signature shall be furnished (unless it has been provided earlier) along with proxy form to the Company.

5. Members are requested to timely notify any change in their addresses.

6. Pursuant to the provisions of the Companies Act, 2017, the shareholders residing in a city and holding at least 10% of the total paid-up share capital may demand the Company to provide the facility of video-link for participating in the meeting. The demand for video-link facility shall be received by the Share Registrar at the address given hereinabove at least 07 days prior to the date of the meeting.

STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

Set out below are the material facts concerning the Special Business to be transacted at the Extraordinary General Meeting of Matco Foods Limited to be held on Thursday, April 18, 2019 and the required details of the investment proposed to be made by the Company, in the associated Company, Barentz Pakistan (Private) Limited:

(a) Disclosure for all types of Investments:		
(A) Disclosure regarding associated company		
(i)	Name of the associated company or associated undertaking	Barentz Pakistan (Private) Limited ("BPPL")
(ii)	Basis of Relationship	Common Directorship on appointment of nominee of the company on the Board of BPPL.
(iii)	Earnings / (Loss) per share for the last three Years	N/A



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(iv)	Break-up value per share, based on last audited financial statements	N/A
(v)	Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements	N/A
(vi)	In case of Investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely:	
	I. Description of the project and its history since conceptualization	BPPL will be a joint venture company of Matco Foods Limited (“Matco”) and Barentz International (B.V) (“Barentz”). Matco executed a Shareholders Agreement (“Agreement”) with Barentz to incorporate a company by the name of Barentz Pakistan (Private) Limited, or any other name as is approved by the Securities and Exchange Commission of Pakistan (“the Project Company”) for the purpose of undertaking a business of import, sales and distribution of food ingredients, active pharmaceutical ingredients, animal nutrition ingredients and home and personal care ingredients. The total paid-up share capital of the Project Company will be Rs. 50,000,000 (Fifty Million) divided into 5,000,000 (Five Million) ordinary shares of PKR 10 each. Matco will hold the 49% shares of the paid-up share capital of the Project Company. The Competition Commission of Pakistan has approved the merger application filed by Matco and Barentz regarding the proposed joint venture in Pakistan.
	II. Starting date and expected date of completion of work	The Company is expected to be incorporated by April 2019.
	III. Time by which such project shall become commercially operational	By May 2019.
	IV. Expected time by which the project shall start paying return on investment	By FY 2019-20
	V. Funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts	The total paid-up share capital of the Project Company will be Rs. 50 million divided into 5,000,000 (Five Million) ordinary shares of PKR 10 each. Barentz and Matco will subscribe the 51% and 49% shares of the Project Company. All equity shall be made in cash.



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(B) General Disclosure		
(i)	Maximum amount of investment to be made	PKR 24,500,000/- (Rupees Twenty Four Million and Five Hundred Thousand Only).
(ii)	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	<p>Currently, there is no international nutrition ingredients supply company present/active in Pakistan nor are there many local companies active in this market and as such the Markets do not have high quality products. Substantial imports in such sector are currently being carried out by unorganized sectors or traders. Accordingly, the JV Parties have decided to explore such market in Pakistan jointly with the help of expertise of each such party due to which the consumers in Pakistan will benefit from high quality products and lower prices (due to increased competition).</p> <p>The investment will help the completion of the Project and expected to result in dividend income and /or capital gains which will enhance the profitability of the Company and add to the shareholders value of the members of the investing company.</p> <p>The investment in BPPL will be for long term.</p>
(iii)	Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,-	The investment will be made from Company's own funds.
	I. Justification for investment through borrowings;	N/A
	II. Detail of collateral, guarantees provided and assets pledged for obtaining such funds; and	N/A
	III. Cost benefit analysis	N/A
(iv)	Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment	<p>Matco entered into and executed a Shareholders Agreement dated 13 December 2018 with Barentz to jointly incorporate and operate a joint venture company in Pakistan in the manner contemplated in the agreement. The Parties intend to inject PKR 50,000,000 (Pak Rupees Fifty Million) in the JV Company. Such equity contribution by the JV Parties shall be made by way of subscription of shares in the Project Company in the following shareholding ratio:</p> <ol style="list-style-type: none"> 1. Matco – Forty-nine percent (49%) shares 2. Barentz – Fifty-one percent (51%) shares

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(v)	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration	There is no interest of the directors, sponsors and majority shareholders and their relatives of Matco Foods Limited in BPPL and in the proposed transaction. Dr. Tariq Ghorri and Mr. Faizan Ali Ghorri who are also a director of Matco Foods Limited shall represent the Company as its nominee director on the Board of BPPL as approved by the Board. Other directors were not interested in the resolution.
(vi)	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs	N/A
(vii)	Any other important details necessary for the members to understand the transaction	None
(b) Additional disclosure regarding Equity Investment		
(i)	Maximum price at which securities will be acquired	The shares will be subscribed, at par value, of PKR 10 each.
(ii)	In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof	BPPL is yet to be incorporated and therefore, investment is being made at par value of PKR 10 each.
(iii)	Maximum number of securities to be acquired	2,450,0000 shares
(iv)	Number of securities and percentage thereof held before and after the proposed investment	Before: NIL After: 2,450,0000 shares
(v)	Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities;	N/A
(vi)	Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities	N/A

As mentioned above and as per the disclosure requirements of Regulation 4(1) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations 2012, it is informed that the following directors of the company are also the nominee directors of the Investee Company:

- 1) Dr. Tariq Ghorri
- 2) Mr. Faizan Ali Ghorri



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The Company Secretary
Matco Foods Limited
B-1/A, S.I.T.E., Phase 1
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Karachi

PROXY FORM

I/We _____
being member(s) of Matco Foods Limited holding _____
ordinary shares as per Folio No. _____ and/or CDC Account No. _____
hereby appoint _____
of _____
Folio No. _____ and/or CDC Account No. _____ or
Failing him/her _____
of _____
Folio No. _____ and/or CDC Account No. _____ as
my/our proxy to attend, act and vote for me / us and on my /our behalf at the Extraordinary General Meeting
of the Company to be held at 10:00 am. On Thursday, April 18, 2019 at the Institute of Cost and Management
Accountants of Pakistan (ICMAP), ICMA Pakistan Building ST-18/C, ICMAP Avenue, Block 6, Gulshan-e-
Iqbal, Karachi 75300 and at every adjournment thereof.

Signed this _____ day of _____, 2019.

Witness:

Signature _____

Name _____

CNIC or Passport No. _____

Note

- The proxy must be a member of the company.
- A member entitled to attend and vote at the Annual General Meeting is entitled to appoint another member as a proxy to attend, act and vote on his / her behalf. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the time of the meeting.
- CDC shareholders and their proxies are requested to attach an attested photocopy of their Computerized National Identity Card (CNIC) or Passport with this proxy form before submission to the Company.

