

**NOTICE
OF
PUBLIC OFFER
AND
ACCEPTANCE LETTER
FOR THE PURCHASE OF SHARES OF
DESCON CHEMICALS LIMITED**

February 19, 2016

To: The Shareholder(s)
Descon Chemicals Limited

PUBLIC OFFER (“PUBLIC OFFER”) BY (I) NIMIR MANAGEMENT (PVT) LIMITED (“NMPL”) (II) NIMIR HOLDING (PVT) LIMITED (“NHPL”), (III) TERRANOVA LIMITED (“TL”), (IV) MR. SAEED-UZ-ZAMAN (“SZ”), (V) MRS. NUSRAT JAMIL (“NJ”) AND (VI) MR. MUHAMMAD YAHYA KHAN (“MYK”) (“ACQUIRERS”) TO ACQUIRE 30,456,418 ORDINARY SHARES OF DESCON CHEMICALS LIMITED (“TARGET COMPANY” OR “DCL”) COMPRISING 15.26% OF THE TOTAL ISSUED SHARE CAPITAL AT AN OFFER PRICE OF PKR 6.54 PER SHARE (“OFFER PRICE”) PURSUANT TO THE SECURITIES ACT, 2015 (“ACT”) AND THE LISTED COMPANIES (SUBSTANTIAL ACQUISITION OF VOTING SHARES AND TAKE-OVERS) REGULATIONS 2008 (“REGULATIONS”)

Dear Sir/Madam,

Pursuant to the Public Announcement dated Monday January 4th, 2016 and in compliance with the terms of the Act and the Regulations, this Offer Letter is being issued to all the shareholders of DCL for the purchase of 30,456,418 ordinary shares at PKR 6.54 each of DCL (representing 15.26% of the total issued share capital) by the Acquirers from the shareholders.

The Acquirers signed a Share Purchase Agreement (“SPA”) dated November 4th, 2015 for 138,645,020 shares of DCL representing 69.48% of the total issued shares of DCL which were transferred from the existing shareholders, namely Mr. Abdul Razak Dawood, Mr. Taimur Dawood, Mr. Faisal Dawood, Mrs. Bilquis Dawood, Mrs. Mehreen Dawood (together as “Sellers”), at an offer price of PKR 0.05 per share and we, the Acquirers, under the Act and the Regulations, framed there under intend to acquire 15.26% voting shares of DCL through a Public Offer in terms of the Ordinance and the Regulations from the shareholders on the terms and conditions summarized below and contained in the Acceptance Letter attached hereto. Accepted shares may be transferred inter se acquirers in any proportion, as they consider appropriate.

Public Offer – Terms and Conditions	
Target Company	Descon Chemicals Limited (“DCL”)
Acquirers	(I) Nimir Management (Pvt.) Limited (II) Nimir Holding (Pvt.) Limited (III) Terranova Limited (IV) Mr. Saeed-uz-Zaman (V) Mrs. Nusrat Jamil (VI) Mr. Muhammad Yahya Khan
Offer Price	PKR 6.54 per share
Number of Shares	30,456,418 shares representing 15.26% of the total issued share capital of DCL Note: In case the number of shares tendered in acceptance of the Offer exceeds 30,456,418 shares, the Manager (as defined herein below) on behalf of the Acquirers will adjust (reduce) the number of shares for each selling shareholder on a pro- rata basis provided that the minimum number of shares acquired from the single shareholder shall be 500 shares or, if the holding of a shareholder is less than 500 shares, the entire holding of that shareholder will be accepted, and the excess tendered shares for each selling shareholder shall be returned/re-transferred (as the case may be) to the relevant selling shareholder).
Offer Letter	The Offer Letter shall be sent to all shareholders (other than the Acquirers) whose names appear on the share register of DCL on the close of business, i.e. February 15, 2016, at their registered addresses in Pakistan.
Offer Period	The Public Offer shall remain open for a period of Sixty (60) days starting from 9.00 am Pakistan Standard Time (“PST”) on Monday, January 4 th up to 5:00 pm PST ending on Friday, March 4 th , 2016 (“Closing Date”). Acceptances received later than 5:00 PM on Closing Date shall not be accepted and the Offer Period shall not be extended.
Type of Shares	The Public Offer is valid for all Shareholders whether they are holding physical shares in form of share certificates or book-entry securities in the Central Depository System of the Central Depository Company of Pakistan Limited (“CDC”).
Manager to the Public Offer	The Acquirers has appointed Arif Habib Limited as the Manager to the Public Offer (“Manager”) whose address and contact numbers are as follows:

	Arif Habib Limited Manager to the Offer 2nd floor, Arif Habib Centre, 23, MT Khan Road, Karachi. Tel: (021) 3246 5891, Fax: (021) 3246 5870 ahmed.rajani@arifhabibltd.com Attention: Ahmed Rajani, Vice President Investment Banking
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Note: Shares successfully tendered in the manner described above will be acquired free from all liens, charges and encumbrances and with all rights attaching to and/or deriving from them, including the right

to receive all dividends and other distributions declared, made or paid and/or any entitlement to subscribe for or receive any securities resolved by DCL to be issued to the members of DCL pro-rata to their holdings of shares or otherwise.

Procedures for accepting the Public Offer

1. In order to accept the Public Offer, the Shareholders are required to send the Letter of Acceptance (attached to this Offer Letter), duly completed and signed, along with the requisite documents (as set out below) to the Manager at its address given above by or before 5:00 pm on Friday, March 4th, 2016. Please ensure that while filling the Letter of Acceptance, all the information required is provided, including the number of shares to be tendered.
2. In the event that the Letter of Acceptance and the requisite documents are delivered within the stipulated time, the Manager will issue confirmation of the receipt of documents (Provisional Receipt).
3. Receipt by the Manager by the Closing Date of the duly completed and signed Letter of Acceptance along with the required documents will constitute acceptance of the Public Offer.
4. Completed Acceptance Forms once submitted cannot be revoked by Shareholders selling in the Public Offer.

Required Documents

The Letter of Acceptance must be accompanied by the following documents:

For Individual Applicants:

1. An attested copy of Computerized National Identity Card
2. Share Certificates and verified Transfer Deeds along with the duly completed and signed Authorization to Split Share Certificate(s) letter (for Physical Shares only)
3. Copy of CDC transfer slips submitted with CDC Investor Account Services (for CDC Shares only)

For Corporate Applicants:

1. Memorandum and Articles of Association
2. A certified Copy of Certificate of Incorporation (and for public companies, Certificate of Commencement of Business)
3. Certified Copies of Computerized National Identity Card of the signatories
4. A Certified copy of Board Resolution authorizing persons to sell the shares with specimen signatures of such authorized persons
5. Share Certificates and verified Transfer Deeds along with the duly completed and signed Authorization to Split Share Certificate(s) letter (for Physical shares only)
6. Copy of CDC transfer slips submitted with CDC Investor Account Services (for CDC shares only).

Letter of Acceptance furnished by the shareholder(s) without the requisite documents may be rejected by the Manager as being incomplete and invalid

CDC Account Holders – Acceptance Procedure

CDC Account Holders shall follow the procedure set forth above, as applicable. Additionally, the CDC Account Holders must transfer these shares to the CDC account of the Manager (Arif Habib Limited) in accordance with the following details and to provide the CDC transfer slip to the Manager, with respect to transfer of shares.

CDC Details

Title of Account: Arif Habib Limited

CDC Participant ID : CC 5942

CDC Account #: 06452 - 36716

For Credit to : The Manager to the Public Offer - Descon Chemicals Limited

Physical Share Holders - Acceptance Procedure

Shareholders with physical share certificate(s) are requested to provide the physical share certificate(s) along with duly verified transferred deed(s).

Acceptance by the Acquirers

The acceptance by the Acquirers of the shares tendered by the selling Shareholders and payment of the Offer Price is subject to the following conditions:

1. The Securities and Exchange Commission of Pakistan or any other regulatory body having no objections to any of the provisions of the Public Offer.

2. The Letter of Acceptance being duly completed and signed along with the required documents and submitted to the Manager on or before the Closing Date.
3. The tendered shares being verified by the Target Company as per sub-section (5) of Section 14 of the Ordinance.
4. The Acquirers not withdrawing the Public Offer in accordance with the provisions of the Ordinance.

Payment of the Offer Price

Upon receipt of duly filled Acceptance Form along with the requisite documents, the Manager to the Offer will send written acceptance of the tender along with Pakistani Rupee demand draft / pay order / crossed cheque in favor of the shareholder as payment for such shares to the selling Shareholder within 30 (Thirty) days of the Closing Date. No interest, mark-up, surcharge or other increment will be payable for any cause or reason on the aggregate price for the shares purchased by the Acquirers from any selling Shareholder for any cause or reason.

Firm Financial Arrangements

The Acquirers have made firm financial arrangements for fulfillment of the obligations of the Acquirers under the Public Offer to the satisfaction of the Manager to the Offer. These arrangements include a Bank Guarantee in the amount of PKR 199,184,974 (Pak Rupees One Hundred and Ninety-nine Million, One Hundred and Eighty-four Thousand, and Nine Hundred and Seventy-four only) from the Acquirers to the Manager to pay for such shares as are tendered to the Manager in accordance with the terms of the Public Offer.

Director's Undertaking

The directors of the Acquirers accept responsibility for the contents of this Public Announcement. To the best of the knowledge and belief of the Acquirers the information contained in the Public Announcement is in accordance with the facts and does not omit anything likely to affect the importance of such information.

Applicable Law

The Public Offer shall be governed by the provisions of Part IX of the Securities Act, 2015 and Listed Companies (Substantial Acquisition of Voting Shares and Take-overs) Regulations, 2008. Shareholders should not construe the content of this offer letter as legal, tax or financial advice and should consult with their own advisors as to the matters described in this offer letter.

Enquiries

ALL QUERIES AND CORRESPONDENCE RELATING TO THE OFFER SHOULD BE ADDRESSED TO THE MANAGER TO THE OFFER AT THE ADDRESS PROVIDED HEREIN ABOVE.

Details are also available on the manager's website: www.arifhabibltd.com

Yours truly,

For and on behalf of:



Ahmed Rajani
Vice President, Investment Banking
Arif Habib Limited
Manager to the Public Offer

PUBLIC OFFER ACCEPTANCE LETTER

Arif Habib Limited

Manager to the Offer
2nd floor, Arif Habib Centre,
23, M.T Khan Road, Karachi

Subject: Irrevocable Acceptance of Offer to Purchase Shares of Descon Chemicals Limited

Dear Sir/Madam,

I/ we, the undersigned, refer to the offer letter dated Monday, February 19, 2016 ("Offer Letter") received from Arif Habib Limited ("Manager to the Offer" or "Manager") on behalf of Nimir Management (Pvt.) Limited, Nimir Holding (Pvt.) Limited, Terranova Limited, Mr. Saeed-uz-Zaman, Mrs. Nusrat Jamil, Mr. Muhammad Yahya Khan (together as "Acquirers") with respect to the proposed acquisition by the Acquirers (through Public Offer) of 30,456,418 shares at PKR 6.54 of Descon Chemicals Limited ("DCL") (representing 15.26% of the total issued and paid up share capital of DCL) on the terms and conditions set out in the Offer Letter.

I / we the undersigned do hereby communicate my / our Irrevocable Acceptance with respect to the sale to the Acquirer of the shares of DCL tendered below ("tendered shares") at a purchase price of PKR 6.54 per share ("Offer Price") and request you to kindly process my / our application, on the terms and conditions set out in the Offer Letter and the Securities Act, 2015 ("Act") and the Listed Companies (Substantial Acquisition of Voting Shares and Take-Overs) Regulations 2008 ("Regulations").

1. Shareholder Details	1.1. Joint Registered Holders (if any)
Name: _____ (As shown on the share certificate/CDC account title)	1. Name: _____ (As shown on the share certificate/CDC account title)
Address: _____	2. Name: _____ (As shown on the share certificate/CDC account title)
Telephone #: _____	
Email Add.: _____	

2. Share Details

a) No. of shares to be tendered		
b) Form of Shares (Please tick and fill the appropriate boxes)		
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Physical Shares	Folio# Certificate#	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
CDC	Participant ID – Sub Account# Investor Account#	

3. Signatures

*Signatures of Individuals or Director/Secretary along with company stamp for Companies

1. _____ 2. _____ 3. _____

4. Required documents to be attached with Letter of Acceptance

- | | |
|------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| a) For Individual Applicants | |
| 1. An attested copy of Computerized National Identity Card | <input type="checkbox"/> |
| 2. Share Certificate and verified Transfer Deeds (for physical shares) * | <input type="checkbox"/> |
| 3. Copy of CDC transfer slips (for CDC Shares only) | <input type="checkbox"/> |
| b) For Corporate Applicants | |
| 1. Memorandum and Articles of Association | <input type="checkbox"/> |
| 2. A certified copy of Certificate of Incorporation | <input type="checkbox"/> |
| 3. Certified copies of Computerized National Identity Card of the signatories | <input type="checkbox"/> |
| 4. Certified copy of Board Resolution authorizing persons to sell the shares
with specimen signature of such authorized persons | <input type="checkbox"/> |
| 5. Share Certificates and verified Transfer Deeds (for physical shares only)* | <input type="checkbox"/> |
| 6. Copy of CDC Transfer Slips (for CDC shares only) | <input type="checkbox"/> |

*Attached in annexures below

Letter of Acceptance furnished by the shareholder(s) without the requisite documents may be rejected by the Manager as being incomplete and invalid

Procedures for accepting the Public Offer

1. In order to accept the Public Offer, the shareholders are required to send the Letter of Acceptance (attached to this Offer Letter), duly completed and signed, along with the requisite documents (as set out below) to the Manager at its address given above by or before 5:00 pm on Friday, March 4th, 2016. Please ensure that while filling the Letter of Acceptance, all the information required is provided, including the number of shares to be tendered.
 2. In the event that the Letter of Acceptance and the requisite documents are delivered within the stipulated time, the Manager will issue confirmation of the receipt of documents (Provisional Receipt).
 3. Receipt by the Manager by the Closing Date of the duly completed and signed Letter of Acceptance along with the required documents will constitute acceptance of the Public Offer.
 4. Completed Acceptance Forms once submitted cannot be revoked by Shareholders selling in the Public Offer.
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Note: In case the number of shares tendered in acceptance of the Offer exceeds 30,456,418 shares, the Manager (as defined herein above) on behalf of the Acquirer will adjust (reduce) the number of shares for each selling shareholder on a pro-rata basis provided that the minimum number of shares acquired from the single shareholder shall be 500 shares or, if the holding of a shareholder is less than 500 shares, the entire holding of that shareholder will be accepted, and the excess tendered Shares for each selling shareholder shall be returned/re-transferred (as the case may be) to the relevant selling shareholder.

CDC Shares: CDC Account Holders shall follow the procedure set forth above, as applicable. Additionally, the CDC Account Holders must transfer these Shares to the CDC account of the Manager in accordance with the conditions contained herein and provide the CDC transfer slip to the Manager.

Shares Transfer from CDC Participant Account: Investors maintaining CDC Sub Accounts with participants shall request the concerned participant to transfer shares to CDC Account # 06452 - 36716 (The Manager to the Offer – Descon Chemicals Limited) CDC Participant ID: CC 5942 of the Manager to Public Offer (Arif Habib Limited) by or before 5:00 pm on Friday, March 4th, 2016. The participant should clearly mention the name of the account holder in the remarks column of the CDC shares transfer transaction.

Shares Transfer from CDC Investor Account: Investors maintaining CDC Investor account shall deposit shares transfer slips to CDC Investor Account Services and send the Manager (Arif Habib Limited) by or before 5:00 pm on Friday, March 4th, 2016 a copy of the CDC investor account slip along with the Acceptance Form.

Physical Shares: Shareholders with physical share certificate(s) are requested to provide the physical share certificate(s) along with duly verified transferred deed(s)

SHARE SPLIT CERTIFICATE

Arif Habib Limited

Manager to the Offer
2nd floor, Arif Habib Centre,
23, MT Khan Road, Karachi.

Subject: Authorization to Split and Conversion Share Certificate(s)

Dear Sirs,

Please find attached _____ Shares of Descon Chemicals Limited in physical form. If the Public Offer is over-subscribed, I/we authorize you to split the share certificates in the following denominations:

To be filled out by Arif Habib Limited:

Number of Share Certificates	Quantity (Shares)

I/we hereby authorize Arif Habib Limited to undertake and file any and all necessary documentation to initiate physical share conversion into electronic book entry securities for the Shares accepted by the Acquirer.

Name(s): _____

Signature(s): _____

Folio #: _____

Arif Habib Limited

Provisional Receipt

Receipt No.: _____

Date of Receipt: _____

Provisional Acknowledgement of receipt of Public Offer Acceptance form and supporting documents

from _____ holding CNIC#: _____

Types of shares tendered:

CDC Shares

Physical Shares

Quantity of shares: _____

Signature & Rubber Stamp of Manager to the Public Offer

TRANSFER DEED

****Only to be filled by Shareholders submitting physical shares**¹**

Folio Number _____

Arif Habib Limited

Manager to the Offer

2nd floor, Arif Habib Centre,
23, MT Khan Road, Karachi.

Date: _____

Dear Sir,

I/we, _____ in consideration of the sum of Rupees _____ paid to us by (i) Nimir Management Private (PVT) Limited (“NMPL”)(ii) Nimir Holding (Pvt) Limited (“NHPL”), (iii) Terranova Limited (“TL”), (iv) Mr. Saeed-uz-Zaman (“SZ”), (v) Mrs. Nusrat Jamil (“NJ”) and (vi) Mr. Muhammad Yahya Khan (“MYK”) ("Acquirers"), do hereby transfer to the said Acquirer the _____ ordinary shares numbered _____ to _____ standing in my/our name in the books of Descon Chemicals Limited to hold up to the said Acquirer his/her/their executor, administrators and assigns, subject to the several conditions on which he holds the same at the time of execution hereof, and we, the said Acquirer, do hereby agree to accept and take the said shares, subject to the same conditions.

Shareholder / Joint Shareholder

Shareholder / Joint Shareholder

In the presence of the following witnesses

Signed by

Signed by

Name: _____

Name: _____

CNIC: _____

CNIC: _____

Address: _____

Address: _____

¹ Only to be filled by shareholders submitting physical shares and who are tendering more than 500 shares. Please fill in the name of shareholder (s) and signatures (s) along with one witness only. Remaining blanks will be filled in by the Manager

AUTHORITY LETTER FOR PICK - UP OF EXCESS SHARES

****Only to be filled by Shareholders submitting physical shares****

To: Arif Habib Limited

Re: Excess physical shares

Date: _____

I, _____, do hereby authorize _____ holding CNIC bearing number _____ to pick-up from Arif Habib Centre, M.T Khan Road, any left-over physical shares of Descon Chemicals Limited ("DCL") that I own after the sale of DCL shares to the Acquirer under the public offer.

Thankyou

Name & Signature of Owner
CNIC: _____

Enclosed: Copy of CNIC of Owner



BOOK POST



If undelivered please return to:

Arif Habib Limited

Manager to the Offer

2nd floor, Arif Habib Centre, 23, MT Khan Road, Karachi.

Tel: (021) 3246 5891, Fax: (021) 3246 5870

ahmed.rajani@arifhabiblimited.com

Attention: Ahmed Rajani, Vice President Investment Banking