



HABIB SUGAR MILLS LTD.

NOTICE OF EXTRA-ORDINARY GENERAL MEETING

Notice is hereby given that an Extra-Ordinary General Meeting (the "**EOGM**") of shareholders of Habib Sugar Mills Limited (the "**Company**") will be held on Friday, **June 23, 2023** at **11:00 a.m.** at **Auditorium Hall, The Institute of Chartered Accountants of Pakistan (ICAP), Chartered Accountants Avenue, Clifton, Karachi** to transact the following business:

Special Business:

1. To consider and, if thought fit, pass the following resolutions as Special Resolutions with or without modification: -
 - a) "**Resolved that** the approval of the members of Habib Sugar Mills Limited (the "**Company**") be and is hereby accorded to increase authorized share capital of the Company from Rs. 750,000,000/- (Rupees Seven Hundred and Fifty Million Only) divided into 150,000,000 Shares of Rs. 5/-each to Rs.7,000,000,000/-(Rupees Seven Billion Only) divided into 1,400,000,000 Shares of Rs. 5/-each.
 - b) **Further Resolved that**, in consequence of the said increase in the authorized share capital of the Company, the existing clause V of the Memorandum of Association and Article 4 of the Articles of Association of the Company be and are hereby amended accordingly, to read as follow:

Clause V of the Memorandum of Association:

The Authorized Share Capital of the Company is Rs. 7,000,000,000/- (Rupees Seven Billion only) divided into 1,400,000,000 (One Billion Four Hundred Million only) ordinary shares of Rs. 5/ - (Rupees Five only) each, with the rights, privileges and conditions attaching thereto as are provided by the Regulations of the Company for the time being. The Company shall have the power to vary, modify or abrogate any such rights, privileges or conditions, in such manner as may be permitted by the Companies Act, 2017 and to increase, reduce and/or reorganize the capital and to divide shares in the capital into several kinds and classes and to consolidate the shares.

Article 4 of the Articles of Association:

The Authorized Share Capital of the Company is Rs. 7,000,000,000/- (Rupees Seven Billion only) divided into 1,400,000,000 (One Billion Four Hundred Million only) ordinary shares of Rs. 5/ - (Rupees Five only) each.

- c) **Further Resolved that** the Chief Executive, Chief Financial Officer and or any Director or the Company Secretary of the company be and are hereby singly/jointly authorized to do all acts, deeds, things and to take any or all necessary actions to complete all legal formalities and file all necessary documents in this regard as they think fit on behalf of the Company".

2. To transact any other business with the permission of the Chairman.

A Statement under section 134(3) of the Companies Act, 2017 in respect of the special business of the Agenda No. 1 to be considered at the meeting is being sent to the members alongwith a copy of this notice.

By Order of the Board


(Imran Amin Virani)
Company Secretary

Karachi: June 1, 2023

NOTES:

A. General

- i) All members are entitled to attend and vote at EOGM.
- ii) The share transfer books of the Company will remain closed from June 16, 2023 to June 23, 2023 (both days inclusive). Transfers received in order at the Company's Registered Office or THK Associates (Private) Limited, Plot No. 32-C, Jami Commercial Street-2, DHA Phase-VII, Karachi- 75500 (the "**Shares' Registrar**") by the close of business on June 15, 2023, will be treated in time and may be considered eligible to attend EOGM.
- iii) Members are requested to promptly submit to the Shares' Registrar / Company / their Participant (if applicable):
 - a) any change in their contact details/address;
 - b) IBAN under Section 242 of the Companies Act, 2017 (the "**Act**") through Mandate Form available at www.habibsugar.com
 - c) Valid Tax Exemption Certificate; and
 - d) Form CZ-50 (Non-deduction of Zakat).
- iv) Members, who by any reason, could not claim their dividends/ shares, if any, are advised to contact Company's Shares Registrar to collect/ inquire about their unclaimed dividends/ shares.
- v) In terms of Section 134(1)(b) of the Act and GoP/SECP guidelines issued from time to time, the Company has put in place necessary arrangements for virtual participation of members in the EOGM. Interested members may contact at companysecretary@habibsugar.com with their identification /comments at least two (02) days before the EOGM.
- vi) Members, who hold physical shares, are advised to convert their shares into CDC in terms of Section 72 of the Act.

B. For Attending the EOGM and Identification

- i) **In case of individuals:** Original Computerized National Identity Card or Passport be shown for Identification.
- ii) **In case of a Corporate Entity:** The Board Resolution/ Power of Attorney with specimen signature of the representative be shown for identification.

C. For Appointing the Proxies

Members entitled to attend and vote at the EOGM may appoint a proxy/ nominee in writing to attend the EOGM and vote on their behalf. Duly completed Proxy Form/Authorization must be deposited with the Company at its Registered office not later than 48 hours before the scheduled EOGM time. Proxy Form/Authorization must be complete/valid and accompanied with following:

- a) witnessed by two persons.
- b) attested copies of CNIC or passport of Member and proxy.

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

This statement sets out the material facts pertaining to the special business to be transacted at the EOGM.

Increase in Authorized Share Capital of the Company and consequent amendments in the Memorandum and Articles of Association of the Company:

Habib Sugar Mills Limited (the "**Company**") is a Listed Company and its Registered Office is situated at 3rd Floor, Imperial Court, Dr. Ziauddin Ahmed Road, Karachi. The principal activity of the Company is manufacturing and marketing of refined sugar, Ethanol, Liquidified Carbon Dioxide (CO₂), House Hold Textiles, providing bulk storage facilities and trading of commodities.

At present, the authorized share capital of the Company is Rs. 750,000,000/- (Rupees Seven Hundred and Fifty Million only) divided into 150,000,000 shares of Rs. 5/- each.

Owing to prevailing lackluster sequential growth and uncertain economic conditions coupled with unprecedented increase in cost of financing as a consequence of current high interest rates, borrowing capacity of private sector has been severely hampered. Any support by way of subsidized financing and/or immediate relief of lowering the policy rate is not expected in near future.

In view of the foregoing, it is proposed to increase the Authorized Share Capital of the Company from Rs. 750,000,000/- (Rupees Seven Hundred and Fifty Million Only) divided into 150,000,000 Shares of Rs. 5/- each, to Rs.7,000,000,000/- (Rupees Seven Billion Only) divided into 1,400,000,000 shares of Rs. 5/- each, enabling the Company to implement its growth plans without repeated formalities and keep the same as smooth and cost effective as possible. For this purpose, it is intended to pass with or without modification the above resolutions as Special Resolutions. Further, the Board of Directors has recommended that the Memorandum and Articles of Association of the Company be amended accordingly.

The Directors of the Company have no special or extraordinary interest, directly or indirectly, in the above resolutions except to the extent of their shareholding in the Company. The said alteration will not affect anyone's interest unfavorably in the Company.

If undelivered, please return to:
3rd Floor, Imperial Court,
Dr. Ziauddin Ahmed Road, Karachi-75530
Phones: 35680036 (5 Lines)