

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 48th Annual General Meeting (“AGM”) of the Shareholders of **SHAHZAD TEXTILE MILLS LIMITED** (the “Company”) will be held at Company’s Registered Office, Tricon Corporate Centre, Office No. 701, 7th Floor, 73-E, Main Jail Road, Gulberg-II, Lahore on Wednesday, October 28, 2026 at 12:30 p.m. and via video link to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, and adopt Annual Audited Financial Statements of the Company for the year ended June 30, 2026, together with the Directors’ and Auditors’ Report thereon and Chairman’s Review Report.

The Annual Report, including the Notice of Meeting and Financial Statements of the Company for the financial year ended June 30, 2026, have been made transmitted to the members and other entitled persons and uploaded on the website of the Company, which can be downloaded from the following link and/or QR-enabled code:

Weblink: <https://www.shahzadtex.com>



2. To appoint auditors of the Company and fix their remuneration. The members are hereby notified that the Audit Committee and the Board of Directors of the Company have recommended the reappointment of M/s Crowe Hussain Chaudhry & Co., Chartered Accountants, as auditors of the Company.

SPECIAL BUSINESS

3. To ratify and approve transactions carried out with Related Parties during the financial year ended June 30, 2026, under the authority of the special resolution passed in the last annual general meeting held on October 28, 2025, and to authorize the Chief Executive of the Company to approve all transactions with Related Parties carried out and to be carried out in the ordinary course of business during the financial year ending June 30, 2027, and till the date of next Annual General Meeting and to pass the resolutions as proposed in the statement of material facts as special resolutions..

Attached to this Notice is the Statement of Material Facts covering the above-mentioned special businesses, as required under Section 134(3) of the Companies Act 2017.

By order of the Board

Place: Lahore

Dated: October 06, 2026,

(MUHAMMAD AMJAD TAYYAB)

Company Secretary

Shahzad Textile Mills Ltd.

T: +92 42 36407340, 36407341, 36407342.

E: info@shahzadtex.com **A:** Tricon Corporate Center, 7th Floor, Office 701, 73-E, Jail Road, Gulberg II, Lahore, Pakistan.

NOTES:**1. Closure of Share Transfer Books**

The Members' Register and Share Transfer Books of the Company will remain closed from October 21, 2026, to October 28, 2026 (both days inclusive). Transfers received in order at the Company's Independent Share Registrar's Office, Corplink (Pvt) Limited, Wings Arcade 1-K, Commercial Model Town, Lahore by the close of business on October 20, 2026, will be treated in time for the purpose of attending, speaking, and voting at the annual general 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 instead of him/her, and a proxy so appointed shall have the same rights, as respects attending, speaking, and voting at the AGM, as are available to the members.
3. The instrument appointing a proxy and the power of attorney or other authority under which it is signed, or a notarial 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. Proxy Forms, in English and Urdu languages, have been dispatched to the members along with the notice of AGM.
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 in Circular No. 1 dated 26 January, 2000.

5. Change of Address

The shareholders are requested to promptly notify any change in their address, if any, to the Company's Share Registrar

6. CNIC/IBAN for E-Dividend Payment

The provisions of Section 242 of the Companies Act, 2017 require the listed companies that any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders. Accordingly, the shareholders holding physical shares are requested to provide the Company's Share Registrar at the address given herein above, an electronic dividend mandate on E-Dividend Form provided in the annual report and also available on the website of the Company. In the case of shares held in CDC, the same information should be provided to the CDS participants for updating and forwarding to the Company. In case of non-submission of CNIC / IBAN, all future dividend payments may be withheld.

7. Zakat Declarations:

The shareholders of the Company are required to submit a Declaration for Zakat exemption in terms of the Zakat and Ushr Ordinance, 1980.

8. Circulations of Annual Reports through E-mail

The shareholders are requested to provide their email addresses for the transmission of the annual report containing financial statements and other documents.

9. Tax Deductions from Filer and Non-Filers

The deduction of income tax from dividend payments shall be made on the basis of filers and non-filers

S.No.	Nature of Shareholders	Rate of deduction
1	Filers	15.0 %
2	Non-Filers	30.0 %

Tax deduction will be made on the basis of the Active Taxpayers List provided on the website of the Federal Board of Revenue.

Members seeking exemption from the deduction of tax on dividend payment or are eligible for deduction at a reduced rate are requested to submit a valid withholding tax exemption certificate or necessary documentary evidence, as the case may be.

The shareholders who have joint shareholdings held by Filers and Non-Filers shall be dealt with separately, and in such a particular situation, each account holder is to be treated as either a Filer or a Non-Filer, and tax will be deducted according to their shareholding. If the share is not ascertainable, then each account holder will be assumed to hold an equal proportion of shares, and the deduction will be made accordingly. Therefore, to avoid the deduction of tax at a higher rate, the joint account holders are requested to provide the details below of their shareholding to the Share Registrar of the Company, latest by the AGM date.

Folio /CDC Account No.	Name of shareholder	CNIC	Shareholding	Total Shares	Principal/Joint Shareholder

10. Placement of Financial Statements

The Company has placed the Notice of AGM and Audited Annual Financial Statements for the year ended June 30, 2026, along with Auditors, Directors, and Chairman's Reports thereon on its website: www.shahzadtex.com

11. Unclaimed Dividend and Bonus Shares

Shareholders, who for any reason could not claim their dividend or bonus shares or did not collect their physical shares, if any, are advised to contact our Share Registrar, M/s Corplink (Private) Limited, Wings Arcade, 1-K, Commercial Model Town, Lahore, to enquire about their unclaimed dividend or pending shares, if any.

12. Online Participation in the Annual General Meeting:

As per the instructions of the Securities and Exchange Commission of Pakistan, the Company has arranged a video link facility for online participation of members in the AGM. To attend the meeting through video link, the members are requested to register themselves by providing the following information, along with a valid copy of CNIC / passport/ certified copy of board resolution/power of attorney in case of corporate shareholders, with the subject "Registration for Shahzad Textile Mills Limited AGM" through email corporate@shaheencotton.com on or before 26th October 2026.

Name of member	CNIC No.	CDC Account No/Folio No.	Cell Number.	Email address

The members who are registered after the necessary verification shall be provided a video link by the Company on the same email address that they used to email the Company. The login facility will remain open from the start of the meeting till its proceedings are concluded.

13. Deposit of Physical Shares in CDC account

As per Section 72 of the Companies Act, 2017, every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the SECP, within a period not exceeding four years from the commencement of the Companies Act, 2017, i.e., May 31, 2017.

The shareholder having physical shareholding may open a CDC sub-account with any of the brokers or an investor's account directly with the CDC to place their physical shares into scrip-less form. This will facilitate them in many ways, including safe custody and sale of shares, at any time they want, as the trading of physical shares is not permitted as per the existing regulations of the Stock Exchange.

14. Voting through Postal Ballot (electronic voting and by ballot paper)

The members of the Company shall be provided the right to vote through e-voting and voting by post in respect of all Special Business in the manner and subject to the conditions contained in the Companies (Postal Ballot) Regulations, 2018.

15. Procedure for E-Voting

- Details of the e-voting facility (including web address, login details, and password) will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company, not later than the close of business on October 20, 2026.

- ii. The security codes will be communicated to members through SMS from the web portal of Corplink (Pvt) Limited (being the e-voting service provider).
- iii. Identity of the members intending to cast a vote through e-voting shall be authenticated through an electronic signature or authentication for login.
- iv. E-voting lines will start from October 24, 2026, at 09:00 a.m. and shall close on October 27, 2026, at 05:00 p.m. Members can cast their votes at any time during this period. Once the vote on a resolution is cast by a Member, he/she shall not be allowed to change it subsequently.

Procedure for voting through a ballot paper

- i. The members may alternatively opt for voting through a postal ballot. The ballot paper in the prescribed form is attached to this Notice and is also available on the Company's website, shahzadtex.com, to download.
- ii. The members must ensure that the duly filled and signed ballot paper, along with the computerized national identity card (CNIC), should reach the Chairman of the meeting through post at the address Shahzad Textile Mills Limited, Office No. 701, 7th Floor, Tricon Corporate Centre, Main Jail Road, Gulberg-II, Lahore, or by email at chairman@shahzad.com by 5:00 pm, October 27, 2026. Postal ballot received after this time/date shall not be considered for voting. The signature on the ballot paper shall match the signature on the CNIC.

16. No gift shall be distributed at the meeting as prohibited under the Companies Act, 2017.

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

This statement sets out the material facts concerning special business to be transacted at the Annual General Meeting of the Company to be held on October 28, 2026.

Agenda Item No. 3**Ratification/approval of Related Party Transactions**

The Company carried out transactions with its related parties in the ordinary course of business at arms' length basis in accordance with the Policy of related party transactions approved by the Board of Directors and under the authority of a special resolution passed by the shareholders in the last Annual General Meeting held on October 28, 2025. All the related party transactions summarized below were presented before the Board of Directors for their review and consideration as recommended by the Board Audit Committee on a quarterly basis pursuant to the Listed Companies (Code of Corporate Governance) Regulations, 2019.

Name of Related Party	Name of Interested Directors	Nature of relationship	Description of transaction	Pricing Policy	Terms & Conditions	Amount (Rs.)
Sargodha Jute Mills Ltd	Mr. Imran Aslam	Director & shareholder	Purchase Twine Jute 20/3 & Viscose	Arm's length basis		116,537,472
	Mr. Irfan Aslam	Chief Executive / Director/Shareholder				
	Mrs. Nazish Imran	Shareholder				
Sargodha Jute Mills Ltd	Mr. Imran Aslam Mr. Irfan Aslam Mrs. Nazish Imran	Director Chief Executive/ Director Shareholder	Sales Hard Waste PC	Arm's length basis		6,618,253
Sargodha Jute Mills Ltd	Mr. Imran Aslam Mr. Irfan Aslam Mrs. Nazish Imran	Director Chief Executive/ Director Shareholder	Sale of Investment Property	Arm's length basis		172,000,000
STML Provident Fund			Contribution paid	Arm's length basis		205,187,999
Mr. Imran Aslam	Mr. Imran Aslam	Director/CEO	Office Premises Rent Free	Non Arm's length basis		NIL

The following resolution is proposed to be passed as a Special Resolution with or without any modification:

“Resolved that the following transactions carried out in the ordinary course of business at arm's length basis with the related parties, in accordance with the Policy of related party transactions approved by the Board of Directors of Shahzad Textile Mills Limited, during the financial year ended June 30, 2026, be and are hereby ratified, approved, and confirmed.

Name of Related Party	Description of transaction	Amount (Rs)
Sargodha Jute Mills Ltd	Purchase: Twine Jute 20/3	116,537,472
Sargodha Jute Mills Ltd	Sales: Hard Waste PC	6,618,253
Sargodha Jute Mills Ltd	Sale of investment Property	172,000,000
STM-Provident Fund	Contribution paid	205,187,999
Mr. Imran Aslam	Rent-free office premises	NIL

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Authorization to the Company to transact with certain related parties

The Company will continue to carry out transactions with its Related Parties in its ordinary course of business at arms' length basis during the financial year ending June 30, 2027, and till the next annual general meeting. The majority of directors are interested in the above transactions as disclosed above, therefore, such related party transactions need approval of the members under the provisions of the Companies Act, 2017. Accordingly, these transactions shall be placed before the shareholders in the next annual general meeting for their formal approval/ratification.

The following resolutions are proposed to be passed as Special Resolutions with or without modification:

“Resolved that the Shahzad Textile Mills Limited (the **“Company”**) be and is hereby authorized to carry out the transactions with its any or all Related Parties, as and when required in the ordinary course of business at arm's length basis during the year ending June 30, 2027, and till the next Annual General Meeting, without any limitation on the amounts of the transactions.

Further Resolved that the Chief Executive of the Company be and is hereby authorized to undertake the transaction and take all necessary steps and to sign/execute any purchase order/document/agreement on behalf of the Company as may be required and to authorize any other officer of the Company to do so in order to implement the aforesaid Resolution(s).

The Director's interest in this business is disclosed hereinabove.

BALLOT PAPER FOR VOTING IN 48TH ANNUAL GENERAL MEETING

(Through post for poll to be held on October 28, 2026, at

SHAHZAD TEXTILE MILLS LIMITED

Tricon Corporate Center Office No. 701, 7th Floor, 73-E, Main Jail Road, Gulberg-II, Lahore.

Phone No. 042-36407340, 36407341

Email: chairman@shahzad.com.

Website: www.shahzadtex.com

For voting through the post for the Special Business agenda item Nos. 3 at the Annual General Meeting of Shahzad Textile Mills Limited, to be held on October 28, 2026, at 12:30 p.m. Tricon Corporate Center Office No. 701, 7th Floor, 73-E, Main Jail Road, Gulberg-II, Lahore.

Name of shareholder/joint shareholders	
Registered Address	
Number of Shares held and Folio number	
CNIC Number (copy to be attached)	
Additional information and enclosures (In case of a representative of a body corporate, Corporation, and the Federal Government)	

I/we hereby exercise my/our vote in respect of the following resolution through postal ballot by conveying my/our assent or dissent to the following resolution by placing a tick (✓) mark in the appropriate box below (delete as appropriate);

Sr. No.	Nature and Description of Resolution	No. of Ordinary shares for which votes cast	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
1	Resolution for Agenda Item No. 3 as proposed in the statement of material fact to be passed as a special resolution. “Resolved that the Shahzad Textile Mills Limited (the “Company”) be and is hereby authorized to carry out the transactions with its Related Parties (detailed hereunder) as and when required in the ordinary course of business at arm’s length basis during the year ending June 30, 2026, and till the next Annual General Meeting, without any limitation on the amounts of the transactions. I. Purchase: Twine Jute 20/3 II. Sales: Hard Waste PC III. Sale of investment Property IV. STML Provident Fund Contribution paid since inception. V. Rent-free office			

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**SHAHZAD
TEXTILE**

Further Resolved that the Chief Executive/Company Secretary of the Company be and is hereby authorized to undertake the transaction and take all necessary steps and to sign/execute any purchase order/document/agreement on behalf of the Company as may be required and to authorize any other officer of the Company to do so in order to implement the aforesaid Resolution(s)'.

Signature of the Shareholder(s)

Place:

Date:

NOTES:

1. Duly filled postal ballot should be sent to the following business address and email ID: Tricon Corporate Centre, Office No. 701, 7th Floor, 73-E, Main Jail Road, Gulberg-II, Lahore, chairman@shahzad.com.
2. A copy of CNIC should be enclosed with the postal ballot form.
3. Postal Ballot forms should reach the chairman of the meeting on or before October 27, 2026 (last date of receiving postal ballots). Any postal ballot received after this date will not be considered for voting.
4. Signature on the Postal Ballot should match the signature on the CNIC.
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, or overwritten ballot papers will be rejected. The ballot paper has also been placed on the website of the Company, www.shahzadtex.com, for download.

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