



NOTICE OF THE 9TH EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the 9th Extraordinary General Meeting of HUM Network Limited will be held on **Saturday, August 22, 2020 at 02:00 p.m. at Ground Floor, BRR Tower, Off Hassan Ali Street Main I.I. Chundrigar Road, Karachi** to transact the following businesses: -

ORDINARY BUSINESS:

- 1- To confirm the minutes of the 15th Annual General Meeting held on October 25, 2019.
- 2- To elect Seven (7) Directors of the Company as fixed by the Board of Directors in their meeting held on July 17, 2020, in accordance with Section 159(1) of the Companies Act, 2017 for a period of three years, commencing from August 22, 2020.

The names of retiring Directors are listed as under:

- 1) Mr. Mazhar-ul-Haq Siddiqui
- 2) Ms. Sultana Siddiqui
- 3) Mrs. Mahtab Akbar Rashdi
- 4) Mr. Shunaid Qureshi
- 5) Lt. Gen. (R) Asif Malik Yaseen
- 6) Mr. Hasan Reza-ur-Rahim
- 7) Mr. Sohail Ansar
- 8) Ms. Nabigha Nasser Masood

SPECIAL BUSINESS


- 3- To consider and if thought fit to pass the Ordinary Resolution as provided in annexed statement of material facts proposed by one of the members of the company together with a requisition under Section 134(4) to call the Extraordinary General Meeting, to revoke the decision of the Board of Directors for the appointment of M/s. F.D. Registrar Services (SMC-Private) Limited as the Independent Registrar / Transfer Agent in place of the Central Depository Company of Pakistan Limited.

ANY OTHER BUSINESS

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

Attached to this notice of meeting being sent to the members is a statement under Section 166(3) of the Companies Act, 2017 regarding Agenda No. 2 and another statement under Section 134(3) of the Companies Act, 2017 regarding Agenda No. 3.

By Order of the Board


Mohsin Naeem
Company Secretary

Dated: July 24, 2020
Place: Karachi

Notes:

1. NOTICE OF CLOSURE OF SHARE TRANSFER BOOKS:

The Share Transfer Books of the Company will remain closed from August 10, 2020 to August 22, 2020 (both days inclusive). Transfer received in order by our Share Registrar, M/s. F.D. Registrar Services (SMC-Pvt.) Ltd. 17th Floor, Saima Trade Tower-A, I.I. Chundrigar Road Karachi-74000 at the close of business on August 07, 2020 will be considered in time to attend and vote at the Extraordinary General Meeting.

2. APPOINTMENT OF PROXIES AND ATTENDING MEETING:

i) A member eligible to attend and vote at the Meeting may appoint another member as his/her proxy to attend, and vote instead of him/her.

ii) A blank instrument of proxy applicable for the meeting is being provided with the notice sent to members. Further copies of the instrument of proxy may be obtained from the registered office of the Company during normal office hours or can be downloaded from the Company's website.

iii) A duly completed instrument of proxy and the power of attorney or other authority (if any), under which it is signed or a notarized certified copy of such power or authority must, to be valid, be deposited at the registered office not less than 48 working hours before the time of the meeting. Attested copies of valid CNIC or the passport of the member and the Proxy shall be furnished with the Proxy Form.

iv) In case of corporate entity, the Board of Directors' Resolution / Power of Attorney with specimen signature shall be submitted with proxy form.

v) The owners of the physical shares and the shares registered in the name of Central Depository Company of Pakistan Ltd. (CDC) and / or their proxies are required to produce their original Computerized National Identity Card (CNIC) or Passport (in case of foreign nationals) for identification purpose at the time of attending the meeting.

vi) CDC account holders will further have to follow the under mentioned guidelines as laid down in Circular No. 1, dated January 26, 2000 issued by the Securities & Exchange Commission of Pakistan.

A. For Attending the Meeting:

- (i) In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his identity by showing his original Computerized National Identity Card (CNIC), or original passport at the time of attending the meeting.
- (ii) In case of corporate entity, the Board of Directors' resolution/ power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) the time of the meeting.

B. For Appointing Proxies:

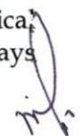
- (i) In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account, and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirements.
- (ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- (iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- (iv) The proxy shall produce his original CNIC or original passport at the time of meeting.
- (v) In case of corporate entity, the Board of Directors' resolution/ power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

3. POSTAL BALLOT:

Pursuant to the Companies (Postal Ballot) Regulations, 2018 for the purpose of election of directors subject to Section 159 of the Act, 2017, and for any other agenda item subject to the requirement of Section 143 and 144 of the Companies Act, 2017 members will be allowed to exercise their right of vote through postal ballot (voting by postal ballot paper), in accordance with the requirements and procedure contained in the aforesaid Regulations.

4. CONSENT FOR VIDEO CONFERENCE FACILITY

Members can also avail video conference facility. In this regard please fill the following and submit to registered address of the Company at least 7 days before holding the general meeting. If the Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through video conference at least 7 days





prior to the date of meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city.

The Company will intimate members regarding venue of conference facility at least 5 days before the date of general meeting along with complete information necessary to enable them to access such facility.

Consent for Video-Conferencing Facility

I/We, _____ of _____, being a member of Hum Network Limited, holder of _____ ordinary share (s) as per Register Folio/CDC Account No _____ hereby opt for video conference facility at _____, for participation at the Extraordinary General Meeting to be held on August 22, 2020 or any adjournment thereof

Date: _____
Signature of member(s)

5. **VENUE OF THE MEETING AND VIDEO-LINK ARRANGEMENT FOR PARTICIPATION IN EOGM DUE TO COV-19**

- i) The Securities and Exchange Commission of Pakistan (SECP) has, vide circular No. 05 dated March 17, 2020 and Pakistan Stock Exchange (PSX) vide its notice No. PSX/N-372 dated March 19, 2020, advised the companies to modify their usual planning for annual general meetings/extraordinary general meetings for the well-being of the shareholders and avoid large gatherings by provision of video link facilities due to the restriction imposed by the Government on large public gatherings.
- ii) Considering the above and in view of the gravity of the Coronavirus Pandemic on public health, instructions of the Government / institutions, Government continued restrictions on large public gatherings for the prevention and spread of COVID-19 cases, the Company has made arrangement to convene this Extraordinary General Meeting (EOGM) through video-link with minimum number of members participation in person while ensuring compliance with the quorum requirements and requests the Members to consolidate their attendance and voting at the EOGM through proxies.
- iii) To attend the EOGM through video-link, Members are requested to register their following particulars by sending an email at mohsin.naeem@hum.tv with subject 'Registration for HUM EOGM'

Name of Member (s)	Folio / CDC Account Number/ CDC Participant ID	Number of Shares Held	CNIC/ Passport Number	Cell/Mobile Number	Email ID

- iv) The Video link and login credentials will be shared with the Members whose emails, containing all the required particulars as mentioned, are received at the given email address before the close of business hours i.e. 05:00 p.m. on August 15, 2020.
- v) The Company will follow the best practices and comply with the instructions of the Government and SECP to ensure protective measures are in place for wellbeing of its Members. Therefore, the Members are encouraged to attend the EOGM through video-link or by consolidating their attendance through proxies.
- vi) In case any Members who want to attend the EOGM personally are advised to follow SOPs for COVID-19 as prescribed by the Government.
- i) For any queries, the Members may please contact at the aforesaid email or contact number 111-486-111 Ext: 421.

6. **CHANGE IN MEMBERS ADDRESSES**

Members are requested to notify any changes in their addresses immediately to the Share Registrar M/s. F.D. Registrar Services (SMC-Pvt.) Ltd. 17th Floor, Saima Trade Tower-A, I.I. Chundrigar Road Karachi-74000.

7. **SUBMISSION OF COPIES OF VALID CNICS/NTN:**

Members are requested to submit a copy of their valid CNICs/NTN Certificates along with the folio numbers to the Company's Share Registrar, if not already provided.

8. **ELECTION OF DIRECTORS**

The term of office of the present Directors of the Company will expire on August 22, 2020. In terms of Section 159(1) of the Companies Act, 2017, the Directors have fixed the number of elected directors at **seven (7)** to be elected in the Extraordinary General Meeting for the next term of three year.

Any person who seeks to contest the election of directors shall, whether he is a retiring director or otherwise, file with the Company the following documents and information at its registered office **not later than fourteen (14) days before the day of the above said general meeting:**



- i) His/her Folio No./CDC Investors Account No./CDC Participant No./Sub-Account No.
- ii) Notice of his/her intention to offer himself/herself for the election of directors in terms of Section 159(3) of the Companies Act, 2017.
- iii) Consent to act as director on Form 28 under section 167 of the Companies Act, 2017.
- iv) A detailed profile along with his/her office address for placement onto the Company's website <https://www.humnetwork.tv>
- v) The selection of independent directors shall be as per requirements of Section 166 of the Companies Act, 2017. Any member intending to contest as independent director shall submit a declaration that he/she qualifies the criteria of eligibility and independence notified under the Companies Act, 2017 and rules and regulations issued thereunder.
- vi) An attested copy of Computerized National Identity Card (CNIC).
- vii) A declaration that:
 - a) He/she is not ineligible to become a director of the Company under any applicable laws and regulations (including rules and regulation issued by Securities & Exchange Commission of Pakistan, Pakistan Stock Exchange Limited and Pakistan Electronic Media Regulatory Authority), all requisite approvals have been obtained and election of such person shall not lead to breach of any of the aforesaid laws, rules and regulations.
 - b) He/she is not serving as a director of more than seven listed companies.
 - c) Neither he/she nor his/her spouse is engaged in the business of brokerage or is a sponsor director or officer of a corporate brokerage house.
 - d) He/she is aware of his/her duties and powers under the relevant laws, Memorandum & Articles of Association of Company and Pakistan Stock Exchange Limited Regulations.

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STATEMENT UNDER SECTION 166 (3) OF THE COMPANIES ACT, 2017
AGENDA ITEM NO. 2

This statement sets out the material facts concerning election of directors, given in Agenda Items No.2 of the Notice, to be transacted at the 9th Extraordinary General Meeting of the Company.

Section 166(3) of the Companies Act 2017 (the Act) requires that a statement of material facts is required to be annexed to the notice of the general meeting called for the purpose of election of directors which shall indicate the justification for choosing independent director.

The Company is required to have **at least two (2) independent directors** on the Board under the Listed Companies (Code of Corporate Governance) Regulations, 2019. The independent directors shall also be elected through the process of election of directors in terms of section 159 of the Companies Act, 2017 and Articles of Association of the Company.

As regards the justification for choosing independent directors, candidates should be eligible for election as director of a listed company under Section 153 of the Act and meet the criteria of independence laid down under section 166(2) of the Act and the Companies (Manner and Selection of Independent Directors) Regulation, 2018 and his/her name is included in the data bank of independent directors maintained by the Pakistan Institute of Corporate Governance (PICG) duly authorized by the Securities & Exchange Commission of Pakistan.

The Directors of the Company have no interest in the above said business except being eligible for re-election as director of the company.

STATEMENT UNDER SECTION 134 (3) OF THE COMPANIES ACT, 2017
AGENDA ITEM NO. 3

1. The board is authorised to supervise the overall matters and for the purpose of transparency an independent share registrar can be appointed and changed by the board. The management of the Company in recent past has taken various steps to reduce costs in view of the current economic conditions. In the view of the foregoing, the management of Company proposed to change the Share Registrar from M/s. CDC Share Registrar Services Limited to M/s. F.D. Registrar Service (SMC-Pvt) Limited, which was approved by all the directors through a Resolution by Circulation on June 12, 2020.

2. M/s. F.D. Registrar Service (SMC-Pvt) Limited has been licensed by SECP for providing the share registrar services and has a wide range of clients in its portfolio. The Company's statutory auditors M/s. EY Ford Rhodes Chartered Accountants have certified the independence of M/s. F.D. Registrar Service (SMC-Pvt) Limited.

3. Kingsway Capital Partners Limited representing the Kingsway Fund as the shareholders of Company has objected to change the share registrar. The aforesaid shareholder has proposed the Ordinary Resolution under Agenda Item No.3 and respective statement of material facts (as reproduced below), were submitted to the Company together with a requisition under Section 133(4) of the Companies Act, 2017 to call Extraordinary General Meeting;

"This statement sets out the material facts concerning the Special Business to be transacted at the extraordinary general meeting. The purpose of the Statement is to set forth the material facts and proposed resolution concerning the Special Business.

1. The existing registrar of the Company, namely the Central Depository Company of Pakistan Limited is performing the registrar services since May 2013 to the satisfaction of all shareholders with no complaint.
2. The existing share registrar Messrs. Central Depository Company of Pakistan Limited is a renowned central depository company in Pakistan and also provides state of the art share registrar / transfer agent services with adequate internal controls and legal compliances required for the performance of share registrar services.
3. The newly appointed share registrar Messrs. F.D. Registrar Services (SMC- Private) Limited is a single member private limited company and does not even have a functional website to cater the basic needs of the shareholders.
4. The existing board is completing its three years term on August 21, 2020. The share registrar of the company provides vital services in conducting free and fair election of directors which includes, inter alia, providing ballot papers for the election of directors, making arrangements for the collecting and counting votes received through postal ballot, etc. The Company's decision to change the share registrar at a time when the election of directors is approaching raises doubts and suspicions in the minds of the minority shareholders. It is unreasonable for the present Board of Directors, who is completing its term within the next two months, to offer their opinion on the matter, with implications in such an important decision swiftly prior to the approaching election of Directors.
5. Changing the Share Registrar will therefore be a cause of abundant inconvenience towards Minority Shareholders, at this point in time.



In view of the above, following resolution is proposed to be passed as Ordinary Resolution:

"RESOLVED THAT the decision of the Company to appoint F.D. Registrar Services (SMC-Private) Limited as the Independent Registrar / Transfer Agent in place of the Central Depository Company of Pakistan Limited be, and is hereby, revoked and that the Central Depository Company of Pakistan Limited shall continue to be the Independent Registrar / Transfer Agent of the Company.

4. It is however clarified that the proposed change of the share registrar was among various steps being taken by the management to reduce the overall cost. The allegations levelled against the present Board of Directors are completely unwarranted and without any factual basis.

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