

**SHAMS TEXTILE MILLS LIMITED
NOTICE OF ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN THAT the 53rd Annual General Meeting of the shareholders of Shams Textile Mills Limited will be held on **Saturday October 24, 2020 at 9:00 a.m.** at the Registered Office, 7-B-3, Aziz Avenue, Gulberg 5, Lahore to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts together with the Directors' and Auditor's reports thereon for the year ended June 30, 2020.
2. To appoint auditors of the Company and fix their remuneration. The present auditor M/s Riaz Ahmad and Company Chartered Accountants retires and offers themselves for re-appointment.

Special Business

3. To approve transmission of annual audited financial statements, auditor's report and directors' report etc. ('Annual Audited Accounts') along with notice of general meeting to the shareholders of Shams Textile Mills Limited through CD/DVD/USB at their registered addresses as allowed by the Securities and Exchange Commission of Pakistan (SECP) and if thought fit to pass the following resolution as ordinary resolution:

"RESOLVED THAT transmission of annual audited financial statements, auditor's report and directors' report etc. ('Annual Audited Accounts') along with notice of general meeting to the shareholders of Shams Textile Mills Limited through CD/DVD/USB at their registered addresses in soft form i.e. CD/DVD/USB as notified by SECP vide its SRO No. 470(I)/2016 dated May 31, 2016 be and is hereby approved".

4. To transact any other business with the permission of the Chair.

A statement under section 134(3) of the Companies Act, 2017 pertaining to Special Business along with the ordinary resolutions proposed to be passed, are being sent to the shareholders with the Notice.

BOOK CLOSURE:

The Members' Register will remain closed from October 17, 2020 to October 24, 2020 (both day inclusive)

NOTES:

1. Transfer received in order at the Registered Office by the close of business hours on October 16, 2020 will be treated in time.
2. A member eligible to attend and vote at this Meeting may appoint another member as his/her proxy to attend and vote instead of him/her.
3. 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 received by the Company at the Registered Office not later than 48 hours before the time for holding the Meeting.

4. CDC account holders will further have to follow the under mentioned guidelines as laid down in circular no. 1 dated January 26, 2000 of the Securities & Exchange Commission of Pakistan for attending the meeting:

For Attending the Meeting:

- i. In case of individuals, the account holder or sub-account holder and whose registration details are uploaded as per the Regulations, shall authenticate his/her identity by showing his/her original National Identity Card (NIC) or 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) at the time of meeting.

For Appointing Proxies:

- i. In case of individuals, the account holder or sub-account holder and whose registration details are uploaded as per the Regulations, shall submit the proxy form as per above requirement
- ii. Attested copies of valid CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.
- iii. The proxy shall produce his/her original valid CNIC or original passport at the time of the meeting.
- iv. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be produced (unless it has been provided earlier) at the time of meeting.

Video Conference Facility

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 AGM. The demand for video-link facility shall be received by the Share Registrar at the address given hereinabove at least seven (7) days prior to the date of the meeting on the Standard Form provided in the annual report and also available on the company's website.

Placement of Financial Statements

The Company has placed a copy of the Notice of AGM, Annual Separate and Consolidated Financial Statements for the year ended 30 June 2020 along with Auditors and Directors Reports thereon and Chairman's Review on the website of the Company: www.shams.com.pk

Shareholders are also requested to notify immediately any change in their E-mail address to the Share Registrar of the Company, M/s. Corptec Associates (Private) Limited, 503-E, Johar Town, Lahore. Ph. 042-35170335- 37

Lahore

By Order of the Board

September 29, 2020

Company Secretary

Statement of Material Facts

Statement under Section 134(3) of the Companies Act, 2017

This statement sets out the material facts concerning the special business to be transacted at Annual General Meeting of Shams Textile Mills Limited to be held on October 24, 2020.

Transmission of Annual Audited Financial Statements through CD/DVD/USB:

The SECP through SRO 470(I)/2016 dated May 31, 2016 has allowed companies to circulate the annual balance sheet and profit and loss account, auditor's report and directors' report etc. ("annual audited accounts") along with notice of general meeting to its shareholders in electronic form through CD/DVD/USB at their registered address. This would result in timely delivery of Annual Audited Accounts to the shareholders. The Company has placed on its website i.e. www.shams.com.pk a standard request form containing postal and email address of Company Secretary/Share Registrar, so that shareholders may request a hard copy of the Annual Audited Accounts. The Company will provide one hard copy free of cost to the requesting shareholder at their registered address within one week of the request.

The directors of the Company have no direct or indirect interest in the above mentioned Special Business.