



Ref: HSM/AC/PSX/2021

Dated: August 27, 2021

General Manager  
Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

#### **DIRECTORS / SPONSORS' SUBSCRIPTION OF RIGHT SHARES**

Dear Sir,

In accordance with the Pakistan Stock Exchange Limited procedure for issue of Right Shares, we are pleased to inform you that the Directors / Sponsors' of Husein Sugar Mills Limited have fully subscribed their portion of Right Shares offered to them by the Company as per their entitlements.

Auditors' Certificate confirming the receipt of Directors / Sponsors subscription of right shares is enclosed herewith.

You may please inform the TRE Certificates Holders of the Exchange accordingly.

Thanking you.

Sincerely yours,  
For Husein Sugar Mills Limited

**KHALID MAHMOOD**  
COMPANY SECRETARY

HB/21-307

August 27, 2021

The Board of Directors,  
Husein Sugar Mills Limited,  
180, Abu Bakar Block, New Garden Town, Canal Road,  
Lahore.

Dear Sirs,

**AUDITOR'S CERTIFICATE ON RECEIPT OF SUBSCRIPTION OF RIGHT SHARES FROM SPONSORING DIRECTORS OF THE COMPANY**

We have been requested to provide you with a certificate on receipt of subscription amount from sponsoring directors towards right shares issued by **Husein Sugar Mills Limited (The Company)** as required under clause 4 (Annexure I) of Pakistan Stock Exchange Limited (PSX) letter.

**Scope of Certificate**

This certificate is being issued by us as statutory auditors of the Company for onward submission to PSX.

**Management Responsibility**

It is the responsibility of the Company's management to ensure that aggregate subscription amount received from sponsoring directors and Substantial Shareholders is properly recorded in the books and records of the Company and to comply with all the legal requirement in this respect.

**Auditor's Responsibility**

Our responsibility is to certify that amount of subscription has been received and sponsors loan converted to advance against subscription of right shares and report in accordance with the 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms' issued by the Institute of Chartered Accountants of Pakistan. Our verification was limited to procedures as mentioned below:

- Obtained and checked certified true copy of the resolution of Board of Directors of the Company approving issue of further 14,445,000 ordinary shares of Rs. 17.50 each offered to the shareholders of the Company in proportion to the number of shares held by each shareholders i.e. right issue at a price of Rs. 17.50 having face value of Rs. 10 in accordance with Section 83 of the Companies Act, 2017;
- Obtained and checked copy of letter issued under Section 83 of the Companies Act, 2017 for last date of payment / renunciation;
- Examined CDC right entitlement register to verify shares held physically and through CDC by sponsoring directors of the Company which is determined to be 8,878,417 ordinary shares i.e. approximately 61.46% of the total right issue;
- Checked that sponsoring directors of the Company, who have undertaken to PSX under **Form I** to subscribe their portion of shares, have subscribed their portion of right shares at least three working days before commencement of trading of un-paid rights through adjustment of loan and making payment to the Company. In this regard we have performed following steps:

- ✓ Obtained copy of bank statements provided by the banks, certifying the receipt of subscription money amounting to Rs. 90,475 into the following designated bank account:

Bank Name: National Bank of Pakistan  
Account No.: 4174177445

- ✓ Obtain confirmation from Mr. Ahmed Ali Tariq, Mr. Mustafa Ali Tariq and Mrs. Maryam Habib sponsoring directors of the Company, confirming to convert a portion of their loan receivable from the Company amounting to Rs. 155,281,824 as advance against subscription.
- ✓ Obtained management's representation that all requirements concerning allotment of shares in the name of CDC have been fulfilled.

#### Certificate

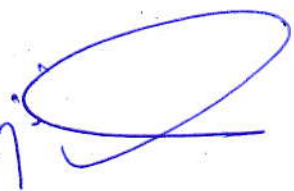
Based on the procedures mentioned above, we certify that an amount of Rs. 90,475 has been received and Rs. 155,281,824 has been adjusted with loan payable to the sponsoring directors.

Particulars	Shares	Rupees
Mr. Ahmed Ali Tariq (Chairman/Director)	4,506,481	78,863,418
Mr. Mustafa Ali Tariq (Chief Executive Officer)	4,203,835	73,567,113
Mrs. Nusrat Shamim (Non-Executive Director)	2,624	45,920
Mrs. Maryam Habib (Executive Director)	162,931	2,851,293
Mr. Taufiq Ahmed Khan (Independent Director)	2,066	36,155
Mr. Muhammad Imran Khan (Independent Director)	280	4,900
Mr. Saif Hasan (Independent Director)	200	3,500
<b>Total</b>	<b>8,878,417</b>	<b>155,372,299</b>

#### Restriction on use and distribution

This certificate is being issued in the capacity of statutory auditors of the Company on specific request of the management for onward submission to PSX; accordingly, this should not be used for any other purpose without our consent.

Yours faithfully,

  
KRESTON HYDER BHIMJI & CO.  
CHARTERED ACCOUNTANTS