



# FEROZE 1888 MILLS LIMITED

Manufacturers and Exporters of Specialized Yarn & Textile Products

Weaving a Better World®

Right-13/F1888/2021

06 December 2021

**The General Manager**

Trading & TREC Holder's Affairs

Pakistan Stock Exchange Limited

Stock Exchange Road

Karachi

Subject: **Receipt of Director and Substantial Shareholders Subscription**

Dear Sir,

This is with reference to right shares declared by Feroze1888 Mills Limited ("FML" or the "Company") on October 29, 2021. In this regard, we would like to inform you that right shares offered to Directors / Substantial Shareholders / Shareholders of the Company have been subscribed in full. Auditor certificate confirming the same is enclosed herewith for your reference.

Thanking you

Yours faithfully,

for Feroze1888 Mills Limited

**Mudassir Moten**

Company Secretary

AC/HB/240/21

Mr. Mudassir Moten  
Company Secretary  
Feroze1888 Mills Limited (the Company)  
Karachi

**Report on subscription of right shares by directors / substantial shareholders / shareholders of the Company as required under the Procedure to be complied with for issue of right shares (the Procedures) of Pakistan Stock Exchange Limited (PSX)**

Dear Sir

We have performed the procedures agreed with you vide our engagement letter number AC/HB/239/21 dated 03 December 2021 with respect to the auditor's report on subscription of right shares by directors / substantial shareholders / shareholders of the Company as required under the Procedure to be complied with for issue of right shares (the Procedures) of Pakistan Stock Exchange Limited (PSX) for onward submission to the PSX as required under procedure 4 (c) of Annexure-I of the letter issued by PSX. Our engagement was undertaken in accordance with the International Standards on Related Services (ISRS) - 4400, "Engagement to Perform Agreed-upon Procedures Regarding Financial Information", applicable to agreed-upon procedures engagements. The procedures were performed solely to provide you with an auditors' report in respect of the annexed statement (the statement), prepared by the management of the Company in respect of compliance with the Procedures and duly initialed by us for identification purposes, are summarized as follows:

1. Obtain and check certified true copy of the resolution of Board of Directors of the Company approving issue of further 22,608,058 ordinary shares of the Company of PKR 10/-each to be offered to the shareholders of the Company in proportion to the number of shares held by each shareholder i.e. right issue at a price of PKR 70/- in accordance with Section 83 of Companies Act, 2017;
2. Obtained and checked copy of letter issued under Section 83 of the Companies Act, 2017 for last date of payment / renunciation;
3. Checked Members' register as of the date of book closure to check physical shares held by directors / sponsors / substantial shareholders / shareholders of the Company, which is determined to be nil.
4. Checked Central Depository Company (CDC) right entitlement register as of the date of book closure to check shares held by directors / substantial shareholders / shareholders of the Company, which is determined to be 250,175,521 ordinary shares i.e., 66% of the total right issue having price of PKR 2,501,755,210/-.
5. Checked that directors / substantial shareholders / shareholders, of the Company, who have undertaken to PSX under Form 1 to subscribe their portion of shares, have subscribed their portion of right shares, as undertaken by the directors / sponsors in form 1 submitted to PSX. In this regard we obtained the bank statement of the designated bank account of the Company maintained with the Habib Metropolitan Bank Limited and checked that aggregate subscription of PKR 1,050,737,096 /- has been received into the bank account up to 03 December 2021.

6. Checked that directors / substantial shareholders, of the Company, who have renounced their entitlement to right shares have issued the letter for such renunciation and that the party in whose favour the right has been renounced has paid the subscription. In this regard, we obtained the renunciation letters and the supports for the payment by the parties in whose favour the rights have been renounced.

We report our findings below:

With respect to items (1), (2), (3), (4), (5), and (6) stated above, we found that as per the books and records of the Company, for subscription of 15,010,523 right shares the aggregate cash proceeds of PKR 1,050,737,096/- have been received into the bank account up to 03 December 2021.

Based on the above, total shares subscribed by the directors / substantial shareholders / shareholders amounts to 15,010,523. We have been further informed in this respect, there has/have been no condition(s) imposed by concerned regulatory bodies including but not limited to the Securities and Exchange Commission of Pakistan applicable at this stage that were required to be complied with by the Company.

Because the above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance on compliance with the Regulations.

Had we performed additional procedures, or had we performed an audit or review of the financial statements in accordance with International Standards on Auditing or International Standards on Review Engagements, other matters might have come to our attention that would have been reported to you.

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties. This report relates only to the subject captioned above and does not extend to any financial statements of the Company, taken as a whole.



**Chartered Accountants**

**Place:** Karachi

**Date:** 06 December 2021

SAS:HB:MA.



# FEROZE 1888 MILLS LIMITED

Manufacturers and Exporters of Specialized Yarn & Textile Products

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Right-13/F1888/2021  
03 December 2021

**STATEMENT OF RECEIPT OF SUBSCRIPTION MONEY FOR RIGHT ISSUE FROM  
DIRECTORS / SUBSTANTIAL SHAREHOLDERS OF  
FEROZE1888 MILLS LIMITED / OTHER PERSONS AS AT 03 DECEMBER 2021**

We hereby confirm that we have received funds from Directors / Substantial Shareholders / Other Persons with below mentioned details against right shares issue subscription:

S. No	Directors / Substantial Shareholders / Other Persons	Right Shares	Amount (PKR)
1.	Shabbir Ahmed	4,082,338	285,763,660
2.	Liberty Mills Limited	2,858,760	200,113,200
3.	GMI Fund, LLC	2,351,556	164,608,920
4.	Perwez Ahmed	1,307,583	91,530,827
5.	Sheikh Khaleequr Rahman	971,330	67,993,136
6.	Rehan Rahman	507,384	35,516,930
7.	Kashif Rahman	417,392	29,217,493
8.	Shahnaz Rahman	417,384	29,216,930
9.	Asfia Salman	417,384	29,216,930
10.	Roop Yasin	417,384	29,216,930
11.	Salman Rehman	417,384	29,216,930
12.	Frieden Management (Pvt.) Ltd	393,913	27,573,970
13.	Qudsia Junaid	339,120	23,738,470
14.	1888 Mills, LLC	60,021	4,201,470
15.	Mushtaq Musani	50,000	3,500,000
16.	GMI Fund, LLC	1,500	105,000
17.	Nasim Hyder	30	2,100
18.	Huma Pasha	30	2,100
19.	Aminah Zahid Zaheer	30	2,100
	<b>Total</b>	<b>15,010,523</b>	<b>1,050,737,096</b>

For Feroze1888 Mills Limited

**Mudassir Moten**  
Company Secretary

