

**NOTICE OF EXTRA ORDINARY GENERAL MEETING**

Notice is hereby given that Extra Ordinary General Meeting of Millat Tractors Limited will be held at the Registered Office of the Company at 9 K.M. Sheikhpura Road, Shahdara, Lahore, on Monday August 29, 2022 at 4:00 P.M in person and through online video conference to transact the following business:

**A. ORDINARY BUSINESS**

1) To confirm minutes of the Extra Ordinary General Meeting held on June 27, 2022.

**B. SPECIAL BUSINESS**

2) To approve investment in the equity of M/s. Hyundai Nishat Motor (Pvt.) Limited through acceptance of Right shares offer by passing the following special resolution with or without modification, additions/deletions.

"Resolved that Millat Tractors Limited (the Company) be and is hereby authorized and empowered to make equity investment of Rs.170,519,650 (Rupees One Hundred Seventy Million Five Hundred Nineteen Thousand Six Hundred Fifty only) in equity of M/s. Hyundai Nishat Motor (Pvt.) Limited, a company incorporated under the Repealed Companies Ordinance, 1984 (now Companies Act, 2017), by acquiring 17,051,965 right shares of Rs. 10/- each.

Further Resolved that the above said resolution shall be valid till such time the entire investment is made starting from the date of approval by members.

Further Resolved that the Chief Executive of the Company be and is hereby authorized to make the aforesaid investment in shares as and when deemed appropriate and in the best interest of the Company.

Further Resolved that the Chief Executive of the Company be and is hereby authorized and empowered to take any and all actions and to do all acts and things to make aforesaid investment including but not limited to filing of applications before any regulatory body for seeking necessary approvals from them and to complete all legal formalities including signing and execution of documents, instruments and other papers as may be required in connection therewith, which may be necessary under the laws of Pakistan and for carrying out the purposes aforesaid and giving full effect to and implement the above resolution."

**C. ANY OTHER BUSINESS**

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

By order of the Board

-SD-

**Muhammad Faisal Azeem**  
Company Secretary

Lahore:  
August 06, 2022

**NOTES**

1. The share transfer books of the Company will remain closed from August 23, 2022 to August 29, 2022 (both days inclusive) and no transfer will be accepted during this period. Transfers received, complete in all respect by the Shares Registrar, M/s. CDC Share Registrar Services Limited by the close of business on August 22, 2022 will be considered in time for the purpose of attending and voting at the meeting.

2. A member entitled to attend and vote at this meeting may appoint another person as his/her proxy to attend the meeting and vote for him/her. Proxies in order to be effective must be received at the Registered Office of the Company 9km Sheikhpura Road, Shahdara, Lahore duly stamped and signed not less than 48 hours before the meeting.

3. Members, who have deposited their shares into Central Depository Company of Pakistan will further have to follow the under mentioned guidelines.

**A. Attending of Meeting in Person:**

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 detail are uploaded as per the regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity Card (CNIC)/ 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 at the time of meeting.

**B. Appointment of 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 requirement.

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/her original CNIC/original passport at the time of the meeting.

v) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted along with proxy form to the Company.

**4. Participation in the Extra Ordinary General Meeting**

SECP, through its guidelines, has directed the listed companies to also arrange the provision of video link facility. Accordingly, in the best health interest of our valued shareholders and to ensure maximum participation, the Company has also arranged video link facility for attending this EOGM. The shareholders interested in attending EOGM through video link are requested to register their following particulars by sending an email at [cdcsr@cdcsrsl.com](mailto:cdcsr@cdcsrsl.com) or whatsapp no. 0321-8200864

Folio / CDC Account No.	Company Name	Name	CNIC	Cell No.	Email Address
	Millat Tractors Limited				

The video link and login credentials will be shared with the shareholders whose emails, containing all the requested particulars, are received at the above email address or whatsapp no. by or before the close of business hours (5:00 P.M.) on Friday, August 26, 2022.

**5. Video Conference Facility**

Without prejudice to the requirements and the arrangements as described in "Note 4" above, keeping in view of the requirements of Section 132 of the Companies Act, 2017 read with SECP Circular 10 of 2014, if the Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the Extra Ordinary General Meeting (EOGM) through video conference at least seven days prior to the date of EOGM, the Company will arrange a video conference facility in that city subject to availability of such facility in that city. The Company will intimate members regarding the video conference facility venue at least 5 days before the date of the EOGM along with the complete information needed to access the facility.

If you would like to avail video conferencing facility, as per above, please fill the following and submit to registered office of the Company at least 07 days before EOGM.

I / We, \_\_\_\_\_ of \_\_\_\_\_ being a member of Millat Tractors Limited, holder of \_\_\_\_\_ Ordinary Share(s) as per Register Folio No / CDC Account No. \_\_\_\_\_ hereby opt for video conference facility at \_\_\_\_\_.

**6. E-Voting**

Pursuant to Companies (Postal Ballot) Regulations, 2018, for the purpose of agenda item subject to the requirements of Section 143 and 144 of the Companies Act, 2017, members will be allowed to exercise their right of vote through e-voting in accordance with the requirements and procedure contained in the aforesaid regulations. Further in view of SECP's Circular No. 25 of 2020 dated August 31, 2020 read with Circular No. 05 of 2020 dated March 17, 2020, for the purpose of special business proposed in the agenda, members will be able to opt to vote through e-voting. The requirements and procedure contained in aforesaid regulations with respect to e-voting shall also be applicable to the e-voting for the special business.

7. Non CDC Shareholders are requested to notify the change of address, if any, immediately and submit, if applicable, the CZ-50 Form (for non deduction of Zakat) to the Registrar of the Company CDC Share Registrar Services Limited. All the shareholders holding shares through CDC are requested to update their addresses and Zakat status with their participants. This will assist in prompt receipt of Dividend.

**8. Mandatory submission of CNIC**

As per clause 6 of the Companies (Distribution of Dividends) Regulations, 2017 read with Section 242 of the Companies Act, 2017, the company has withheld and in future will also withhold cash dividend payment to shareholders who have not yet provided their valid CNIC number. In case your cash dividend is withheld due to aforesaid reason, you are requested to kindly provide legible copy of your valid CNIC to Company's Share Registrar if you hold shares in physical form or to the respective Participant/Investor Account Services if shares are held in book entry form.

**9. Conversion of Physical Shares in to Book Entry Form**

Securities and Exchange Commission of Pakistan (SECP) through its circular no. CSD/ED/Misc/2016-639-640 dated March 26, 2021 has advised the Listed Companies to adhere with the provisions of section 72 of the Companies Act, 2017 (the Act) by replacing shares issued by them in physical form with the shares to be issued in the Book Entry Form. The shareholders having physical folios/share certificates are requested to convert their shares from physical form to book entry form at the earliest. The shareholders may contact any stock broker, CDC Participant (member of PSX) or CDC Investor Account services for assistance in opening of CDS Account and subsequent deposit of physical shares into the account in Book entry form.

The same would facilitate the shareholders in many ways including safe custody of shares, no loss of shares, avoidance of formalities required for issuance of duplicate shares and readily available for sale and purchase in open market at prevailing better rates. The shareholders may contact our share registrar for details.

1. Investments in associated Company  
Nishat Group has established a green field project for manufacturing and sale of Hyundai Motor (Korea) products. For this purpose a company namely Hyundai Nishat Motor (Pvt.) Limited (HNMP) was incorporated to undertake the project. Millat Tractors Limited (MTL) current shareholding in equity of HNMP is 15.86% i.e., 150,490,336 shares i.e., HNMP had offered (through a letter of right) @ 11.330937148% (i.e., 17,051,965 shares) of current shares of HNMP held by MTL.

The above right offer is being made to raise additional equity funds in order to avoid expensive debt servicing cost. The proceeds of the right shares shall be utilized in lieu of working capital loans and /or long term loans withdrawals.

The details as required under Regulation 3(1) (a) (b), 3(3), 3(4) and 4(1) of SRO 1240(I)/2017 Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 is as under.

3(1) (a) Disclosure for all types of Investments			
(A)	Regarding associated company or associated undertakings:-		
(i)	name of the associated company or associated undertaking	Hyundai Nishat Motor (Pvt.) Limited (HNMP)	
(ii)	basis of relationship	Common Director	
(iii)	earnings per share for the last three years	31-Dec-21	31-Dec-20
		1.44	(2.96)
			31-Dec-19
			(1.18)
(iv)	break-up value per share, based on latest audited financial statements;	31-Dec-21	31-Dec-20
		8.22	6.71
			31-Dec-19
			8.94
(v)	financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements; and	Year Ended Dec 31, 2021 (Audited)	
		Amounts in PKR	
		Sales	
		34,298,694,455	
		Gross Profit/(Loss)	
		2,845,270,499	
		Profit/(Loss) before interest and tax	
		2,321,941,106	
		Profit/(Loss) after tax	
		1,351,574,072	
		Accumulated profit/(loss)	
		(1,686,329,533)	
		Total assets	
		39,014,436,807	
		Total liabilities	
		31,213,466,340	
		Net equity	
		7,800,970,467	

(B) General disclosures:-		
(i)	maximum amount of investment to be made;	Rs.170,519,650 (Rupees One Hundred Seventy Million Five Hundred Nineteen Thousand Six Hundred Fifty only)
(ii)	purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;	Dividend Income as well as prospective capital gains.
(iii)	sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds;	Own Sources
(I)	justification for investment through borrowings;	Not Applicable
(II)	detail of collateral, guarantees provided and assets pledged for obtaining such funds; and	Not Applicable
(III)	cost benefit analysis;	Not Applicable
(iv)	salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;	Not Applicable
(v)	direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration;	NIL
(vi)	in case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and	No indication of impairment or write off exists yet
(vii)	any other important details necessary for the members to understand the transaction;	NIL

3(1) (b) Disclosure for equity investment		
(i)	maximum price at which securities will be acquired	The price to be paid for the equity investment will be face value of Rs. 10/- per share
(ii)	in case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof;	Not applicable as shares are being acquired at face value of Rs. 10 each.
(iii)	maximum number of securities to be acquired;	17,051,965 Shares
(iv)	number of securities and percentage thereof held before and after the proposed investment	No. of Shares %age 15.86% Before 150,490,336 After 167,542,301
(v)	current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities; and	Not Applicable
(vi)	fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities;	An independent valuer has estimated a fair value of Rs. 36.99 per ordinary share as at December 31, 2021 through a valuation technique based on discounted cash flows

**UNDERTAKING BY DIRECTORS**

3(3) "We, the undersigned Directors of Millat Tractors Limited, do hereby undertake that we have duly carried out the necessary due diligence before making investment in the associated company namely Hyundai Nishat Motor (Pvt.) Limited.

The dividend from the investee company shall not only enhance the profitability of Millat Tractors but also open new avenue of business for the Company. The Board therefore recommends proposed investment in the associated company."

- |   |                                    |
|---|------------------------------------|
| 1. Sikandar Mustaf Khan, Chairman       | 2. Sohail Bashir Rana, Director    |
| 3. Laeeq Uddin Ansari, Director         | 4. Qaiser Saleem, Director         |
| 5. Mr. Saad Iqbal, Director             | 6. Syed Muhammad Irfan Aqueel, CEO |
| 7. Mr. Nasar Us Samad Qureshi, Director | 8. Mr. Javed Rashid, Director      |
| 9. Mrs. Ambreen Waheed, Director        |                                    |

3(4) The Directors in their resolution by circulation dated 04-08-2022 signed the above undertaking and the signed copy of which is available with the Company Secretary for inspection of the members.

**4(1) Directors/sponsors interest**

Mr. Sohail Bashir Rana who is also a director of Millat Tractors represents the Company as its nominee director on the Board of HNMP as approved by the Board.



**MILLAT TRACTORS LIMITED**

9-k.m. Sheikhpura Road, Shahdara, Lahore

