

Shams Textile Mills Limited

NOTICE OF EXTRA ORDINARY GENERAL MEETING

Notice is hereby given that an Extra Ordinary General Meeting of **Shams Textile Mills Limited** (the "Company") will be held at 7-B/III, Marina Home, Aziz Avenue, Gulberg-V, Lahore and through video link on Tuesday, 30 May 2023 at 11:00 A.M. to elect seven (7) directors of the Company as fixed by the Board, for a period of three (3) years commencing from 30 May 2023 in accordance with the provisions of the Companies Act, 2017. The names of the retiring directors are as follows:

1. Mr. Mian Muhammad Anwar
2. Mr. Khurram Mazhar Karim
3. Mr. Adil Bashir
4. Mr. Asif Bashir
5. Mrs. Minail Mishal Adamjee
6. Mr. Shahid Arshad
7. Mr. Muhammad Shafiq Gill

The retiring directors are eligible to offer themselves for re-election.

A statement of material facts is annexed with the Notice circulated to the shareholders.

Lahore
08 May 2023

By order of the Board

Muhammad Haroon Arif
(Company Secretary)

Notes:

- a. Any member who seeks to contest an election to the office of director shall, whether he/she is a retiring director or otherwise, file with the Company at its Registered Office located at 7-B/III, Marina Home, Aziz Avenue, Gulberg-V, Lahore, not later than 14 days before the date of Extra Ordinary General Meeting, a notice of his/her intention to offer himself/herself for election as a director in accordance with provisions of the Companies Act, 2017 along with the following documents and information:
 - I. His/her folio No./CDC Investor Account No. / CDC Participant No./ Sub-Account No.
 - II. Consent to act as director on Form 28 in terms of Section 167 of the Companies Act, 2017.
 - III. A detailed profile along with his/her office address for placement on website of the Company.
 - IV. An attested copy of valid Computerized National Identity Card / Passport and NTN Certificate.
 - V. Declaration under clause 6(3) of the Listed Companies (Code of Corporate Governance) Regulations, 2019 by Independent Director(s) on non-judicial stamp paper that he/she qualifies the criteria of independence stipulated under Section 166 of the Companies Act, 2017.
 - VI. Detail of other offices and offices held;
 - VII. The candidates are requested to read the relevant provisions / requirements relating to the Election of Directors, as stipulated in the Companies Act, 2017 and the Listed Companies (Code of Corporate Governance) Regulations, 2019, the other applicable laws and regulations and ensure the compliance with the same in letter and spirit.
 - VIII. A declaration confirming that:
 - a) He/she is aware of duties and powers under the relevant applicable laws, Memorandum & Articles of Association of Company, the Listed Companies (Code of Corporate

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Governance) Regulations, 2019 and listing regulations of Pakistan Stock Exchange Limited;

- b) He/she is not serving as a director in more than seven (7) listed companies simultaneously including as an alternate Director;
 - c) He/she is not ineligible to become a Director of a listed company under Section 153 of the Companies Act, 2017 and any other applicable laws and regulations.
- b. The register of members and share transfer books of the Company will remain closed from 24 May 2023 to 30 May 2023 (both days inclusive). Transfers received in order at the office of Share Registrar of the Company, M/s CorpTec Associates (Private) Limited, 503-E, Johar Town, Lahore, upto the close of business on 23 May 2023 will be treated in time for entitlement to attend and vote at the Extra Ordinary General Meeting.
- c. A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend the meeting and vote for his/her behalf. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorized in writing. A proxy must be a member of the Company.
- d. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed, or a certified copy of that power of attorney or authority, shall be deposited at Company's Registered Office 7-B/III, Marina Home, Aziz Avenue, Gulberg-V, Lahore not less than 48 hours (excluding non-working days) before the time of holding of Extra Ordinary General Meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. Proxy form in English and Urdu languages is attached with the notice of EOGM circulated to the shareholders.

Members who have deposited their shares into Central Depository Company of Pakistan Limited "CDC") will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan.

A. For Attending the Meeting

- a. In case of Individuals, the account-holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity by showing his/her original CNIC or, original Passport at the time of attending the Meeting.
- b. In case of corporate entity, the Board's resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

B. For Appointing Proxies

- a. In case of individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per above requirements.
- b. The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form.
- c. Attested copies of the CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.
- d. The proxy shall produce his original CNIC or original passport at the time of the Meeting.

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- e. In case of corporate entity, the Board's resolution / power of attorney with specimen signature shall be furnished (unless it has been provided earlier) along with proxy form to the Company.

- e. The members may attend the EOGM online through ZOOM, by following the below guidelines:

To attend the EOGM through video link, members and their proxies are requested to register their following particulars by sending an e-mail at **haroon.arif@shams.com.pk**

Folio / CDC Account No.	No. of shares held	Name	CNIC No.	Cell No.	Email address

The video link and login credentials will be shared with the shareholders whose e-mails, containing all the requested particulars, are received at the given e-mail address by or before the close of business hours (5:00 p.m.) on May 28, 2023.

- (f) The Company will provide the facility of electronic voting and voting by post if the number of persons who offer themselves to be elected is more than the number of Directors fixed under Section 159 (1) of the Companies Act.

Members are requested to promptly communicate change in their addresses, if any.

STATEMENT U/S 134(3) OF THE COMPANIES ACT, 2017

ELECTION OF DIRECTORS:

The term of office of the retiring directors will expire on 30 May 2023. The Board of Directors of the Company will be re-constituted for the next term of three years by electing seven (7) directors including two (2) independent directors in the Extra Ordinary General Meeting to be held on 30 May 2023. The directors are interested to the extent that they are eligible for re-election as directors of the Company.

Section 166(3) of the Companies Act 2017 provides that a statement of material facts is annexed to the notice of the general meeting called for the purpose of election of directors which shall indicate the justification for choosing the appointee for appointment as independent director. The Company is required to have two independent directors on its Board in accordance with the Listed Companies (Code of Corporate Governance) Regulations, 2017. Accordingly, it will be ensured that the independent directors to be elected will meet the criteria set out for independence under Section 166 of the Companies Act, 2017 and regulations issued thereunder and their names are listed on the data bank of independent directors maintained by Pakistan Institute of Corporate Governance.

No directors have direct or indirect interest in the abovesaid business other than as shareholders of the Company and that they are eligible to contest the election of directors.