

Crescent Steel and Allied Products Limited

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting of the Members of Crescent Steel and Allied Products Limited (the "Company") will be held on June 21, 2023 (Tuesday) at 11:00 a.m. at 503-E, Johar Town, Lahore and through video-link, to transact the following business:

- 1. To consider and, if thought fit, to pass the following resolution as special resolution, with or without modifications, and amendments in the Memorandum and Articles of Association of the Company:**

"RESOLVED THAT the approval of the members of Crescent Steel and Allied Products Limited (the "Company") be and is hereby accorded to increase the authorized share capital of the Company from Rs. 1,000,000,000 (Rupees One Billion Only) divided into 100,000,000 ordinary shares of Rs. 10/- each to Rs. 5,000,000,000 (Rupees Five Billion Only) divided into 500,000,000 ordinary shares of Rs. 10/- each."

"FURTHER RESOLVED THAT, in consequence of the said increase in the authorized share capital of the Company, the existing Clause 5 of the Memorandum of Association and clause 5(2) of the Articles of Association of the Company be and are hereby amended accordingly, to read as follows:

Clause 5 of Memorandum of Association:

The Authorized Share Capital of the Company is Rs. 5,000,000,000 (Rupees Five billion) divided into Five Hundred million (500,000,000) Ordinary Shares of Rs. 10 each with power to increase and reduce the Share Capital and to divide the same into several classes in accordance with the provision of the Companies Act, 2017.

Clause 5(2) of Articles of Association:

The Authorized Share Capital of the Company is Rs. 5,000,000,000 (Rupees five billion) divided into five Hundred million (500,000,000) Ordinary Shares of Rs. 10 each."

"FURTHER RESOLVED THAT, the ordinary shares when issued shall carry equal voting rights and rank *pari passu* with the existing ordinary shares of the company in all respects/matters in conformity with the provisions of the Companies Act, 2017."

"FURTHER RESOLVED THAT the Chief Executive and Company Secretary be and are hereby singly authorized to do all acts, deeds and things and take all steps and necessary actions ancillary and incidental including filing of requisite documents and returns as may be required with the Registrar of Companies, Securities and Exchange Commission of Pakistan and complying with all other regulatory requirements to effectuate and implement this resolution."

2. Transmission of Annual Audited Financial Statements through QR Code and Weblink

To approve, as and by way of an Ordinary Resolution, transmission of the annual balance sheet, profit & loss account, auditors report, directors report etc., (the "Audited Annual Financial Statements") to the Company's shareholders through QR enabled code and weblink as allowed by the Securities and Exchange Commission of Pakistan via SRO No. 389(I)/2023 dated March 21, 2023:

"RESOLVED THAT, approval of the shareholders of Crescent Steel and Allied Products Limited (the "Company") be and is hereby accorded and the Company be and is hereby authorized to circulate the Annual Audited Financial Statements of the Company together with the reports and documents required to be annexed thereto under the applicable law through QR enabled code and weblink instead of circulation through CD/DVD/USB.

RESOLVED THAT, the Chief Executive Officer and / or Company Secretary of the Company be and are hereby singly empowered and authorized to do all acts, deeds and things, take or cause to be taken all necessary action for the proposes of implementing this resolution."

3. To consider, and if thought fit, to pass with or without modification, the following resolution as a Special Resolution, to substitute the Article 85 of the Articles of Association of the Company:

"RESOLVED THAT, pursuant to the applicable provisions of the Companies act, 2017, Article 85 of the existing Articles of Association of the Company be and is hereby substituted to read as follows:

85. CAPITALISATION OF RESERVE

The Board of Directors may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of any reserve or other fund or in the hands of the Company and available for dividend (or representing premiums received on the issue of shares and standing to the credit of the share premium account) be capitalized and distributed amongst such of the Members as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital, and that all or any part of such capitalized fund be applied on behalf of such Members in paying up in full, any unissued shares, debentures or debenture-stock of the Company which shall be distributed accordingly, and that such distribution or payment shall be accepted by such Members in full satisfaction of their interest in the said capitalized sum."

"FURTHER RESOLVED THAT, the Chief Executive and / or any Director of the Company be and are hereby singly authorized to do all acts, deeds and things and take all steps and necessary actions ancillary and incidental including filing of requisite documents and returns as may be required with the Registrar of Companies and complying with all other regulatory requirements so as to effectuate the alteration of Articles of Association of the Company and implementing this special resolution."

"FURTHER RESOLVED THAT the aforesaid alteration in the Articles of Association of the Company shall be subject to any amendment, modification, addition or deletion as may be required, and such amendment, modification, addition or deletion shall not require fresh approval of members."

The statement under Section 134(3) of the Companies Act, 2017 concerning special business is annexed to the notice of meeting circulated to the members of the Company.

By the Order of the Board

Lahore: May 31, 2023

Company Secretary

NOTES:

BOOK CLOSURE NOTICE:

The Register of Members and Share Transfer Books of the Company will remain closed from June 15, 2023 to June 21, 2023 (both days inclusive). Transfers received in order by our Shares Registrar, CorpTec Associates (Private) Limited, 503-E, Johar Town, Lahore by the close of business on June 14, 2023 will be considered in time for the purpose of entitlement to attend, speak and vote at the Extra Ordinary General Meeting (EOGM).

PROXIES:

- All members, entitled to attend, speak and vote at this EOGM may appoint another member as his / her proxy to attend, speak and vote on his / her behalf. In order for Proxies to be effective, they must reach the Company's registered office not less than 48 hours before the time for holding the meeting. Proxies of the Members shall be accompanied with attested copies of their CNIC and notarized copy of the Power of Attorney or other authority under which it is signed along with a specimen signature of the proxy holder.
- Shareholders are requested to immediately notify change in address, if any.

- Members who have deposited their shares into Central Depository Company of Pakistan Limited ("CDC") will have to follow the under mentioned guidelines as laid down in circular 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.

A. For Attending the Meeting

1. In case of Individuals, the account holder and /or sub-account holder and their 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.
2. In the case of a 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

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

VIDEO LINK FACILITY FOR MEETING:

The members can attend the EOGM via video link using smart phones / tablets. To attend the meeting through video link, members and their proxies are requested to register themselves by providing the following information along with valid copy of Computerized National Identity Card (both sides)/passport, attested copy of board resolution / power of attorney (in case of corporate shareholders) through email at company.secretary@crescent.com.pk by June 20, 2023.

Name of Member/Proxy holder	CNIC No.	Folio No./CDC Account No.	Cell No./ WhatsApp 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.

PROCEDURE FOR E-VOTING:

- a. In accordance with the Companies (Postal Ballot) Regulation, 2018, (the "Regulations") the right to vote through electronic voting facility is being provided to members.
- b. Details of e-Voting facility will be shared through e-mail with those members of the company who have valid cell numbers / e-mail addresses (Registered e-mail ID) available in the Register of Members of the Company by the end of business on June 14, 2023. Members who intend to exercise their right of vote through E-voting shall provide their valid cell numbers and email addresses on or before 14 June 2023.
- c. Identity of the Members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.
- d. E-Voting lines will start from June 18, 2023, 09:00 a.m. and shall close on June 20, 2023 at 5:00 p.m. Members can cast their votes any time during this period.
- e. Once the vote on a resolution is cast by a Member, he / she shall not be allowed to change it subsequently.

PROCEDURE FOR VOTING THROUGH POSTAL BALLOT:

The members shall ensure that duly filled and signed ballot paper, along with copy of Computerized National Identity Card (CNIC), should reach the Chairman of the meeting through post on the Company's registered address E-Floor, IT Tower, 73-E.II, Gulberg-III, Lahore, Pakistan or email at chairman@crescent.com.pk one day before the EOGM on June 20, 2023 up to 5 p.m. The signature on the ballot paper shall match the signature on CNIC.

This postal ballot paper is also available for download from the website of the Company at www.crescent.com.pk.

Please note that in case of any dispute in voting including the casting of more than one vote, the Chairman shall be the deciding authority.

E-voting Service Provider: M/s. Corp Tec Associates (Pvt.) Limited

MANDATORY INFORMATION - (EMAIL, CNIC, IBAN AND ZAKAT DECLARATION):

A. In compliance with Section 119 of the Companies Act, 2017 and Regulation 19 Companies (General Provisions and Forms) Regulations, 2018 members are requested to immediately provide their mandatory information such as CNIC number, updated mailing address, email, contact mobile/telephone number and International Banking Account Number (IBAN) together with a copy of their CNIC to update our records and to avoid any non-compliance of the law. Otherwise, all dividends will be withheld in terms of Regulation 6 of the Companies (Distribution of Dividends) Regulations, 2017:

- For physical shares to M/s CDC Share Registrar Services Limited
- For shares in CDS to CDC Investors A/c Services or respective participant

B. Members are requested to submit a declaration (CZ-50) as per Zakat & Ushr Ordinance 1980 for zakat exemption and advise a change in address if any.

UNCLAIMED DIVIDEND/BONUS SHARES:

Shareholders who could not collect their dividend/bonus shares are advised to contact our Share Registrar to collect/enquire about their unclaimed dividend or bonus shares, if any.

CONVERSION OF PHYSICAL SHARES INTO BOOK ENTRY FORM

We hereby request all members who are holding shares in physical form to convert their shares into book-entry form at the earliest. They are also requested to contact the Central Depository Company of Pakistan Limited or any active member/stockbroker of the Pakistan Stock Exchange to open an account in the Central Depository System and to facilitate conversion of physical shares into book-entry form. Members are informed that holding shares in book-entry form has several benefits including but not limited to secure and convenient custody of shares, conveniently tradeable and transferable, no risk of the loss, damage or theft, no stamp duty on transfer of shares in book-entry form and hassle-free credit of bonus or right shares.

STATEMENT UNDER SECTION 134 (3) OF THE COMPANIES ACT, 2017.

This statement sets out the material facts pertaining to the special business to be transacted at the Extraordinary General Meeting of the Company to be held on June 21, 2023.

1. Increase in Authorized Share Capital of the Company and consequent amendments in the Memorandum and Articles of Association of the Company.

In order to cater to the future increase in paid up share capital, the Board of Directors has recommended to increase the authorized share capital of the Company from PKR 1,000,000,000 divided into 100,000,000 ordinary shares of Rs. 10/- each to PKR 5,000,000,000 divided into 500,000,000 ordinary shares of Rs. 10/- each by creation of additional 400,000,000 ordinary shares of Rs. 10/- each amounting to PKR 4,000,000,000.

The proposed increase in the authorized share capital of the Company will also necessitate amendments in Clause 5 of Memorandum of Association and Clause 5(2) of Articles of Association of the Company. The Board of Directors has also recommended required alterations in the Memorandum and Articles of Association of the Company to reflect this increase in authorized share capital of the Company.

Reasons for alteration in authorized share capital

The current authorized capital of the company falls short of anticipated future requirements to raise additional equity. Therefore, it is proposed that authorized capital should be increased to increase the paid-up share capital in future.

Consequently, it is proposed to recommend an increase to the authorized share capital of the Company from PKR 1,000,000,000/- divided into 100,000,000 ordinary shares of Rs. 10/- each to Rs. 5,000,000,000/- divided into 500,000,000 ordinary shares of Rs. 10/- each by creation of additional 400,000,000 ordinary shares of Rs. 10/- each, for approval of the shareholders.

Reasons for alterations of Memorandum and Articles of Association

The Company is increasing its authorized share capital in order to cater for future increase in paid up share capital of the Company. Consequently, the provisions in the Memorandum and Articles of Association relating to authorized share capital will need to be amended.

Existing Clause 5 of Memorandum of Association:

The Authorized Share Capital of the Company is Rs. 1,000,000,000 (Rupees one billion) divided into One Hundred million (100,000,000) Ordinary Shares of Rs. 10 each with power to increase and reduce the Share Capital and to divide the same into several classes in accordance with the provision of the Companies Act, 2017.

Proposed Clause 5 of Memorandum of Association:

The Authorized Share Capital of the Company is Rs. 5,000,000,000 (Rupees five billion) divided into five Hundred million (500,000,000) Ordinary Shares of Rs. 10 each with power to increase and reduce the Share Capital and to divide the same into several classes in accordance with the provision of the Companies Act, 2017.

Existing Clause 5 (2) of Articles of Association:

The Authorized Share Capital of the Company is Rs. 1,000,000,000 (Rupees one billion) divided into One Hundred million (100,000,000) Ordinary Shares of Rs. 10 each

Proposed Clause 5 (2) of Articles of Association:

The Authorized Share Capital of the Company is Rs. 5,000,000,000 (Rupees five billion) divided into five Hundred million (500,000,000) Ordinary Shares of Rs. 10 each

Interest of directors

No directors have direct or indirect interest in the above-said business except in their capacities as Chief Executive/Directors and shareholders of the Company.

Statement of the Board of Directors

"We, the members of the Board of Directors hereby confirm that the proposed amendments/alterations in the Memorandum of Association of the Company are in line with the applicable laws and regulatory framework."

2. Circulation of the annual audited financial statements to the members through QR enabled code and weblink.

The Securities and Exchange Commission of Pakistan ("SECP") vide SRO 389(I)/2013 dated March 21, 2023 has allowed the listed companies to circulate the Annual Audited Financial Statements including Annual Balance Sheet and Profit and Loss Account, Auditor's Report and Directors Report, etc. ("annual audited financial statements") to its members through QR enabled code and weblink instead of circulation through CD/DVD/USB. This will enable the company to use of technological advancements and cost saving.

The company shall circulate the annual audited financial statements through email in case email address has been provided by the member to the company and the consent of member to receive the copies through email is not required.

The company shall send the complete financial statements with relevant documents in hard copy to the shareholders, at their registered addresses, free of cost, within one week, if a request has been made by the member on the standard request form available on the website of the company.

3. To amend the Article 85 of the Articles of Association of the Company

In order to allow the Board of Directors of the Company to approve issuance of bonus shares by way of capitalization any part of the amount for the time being standing to the credit of any of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, the Board of Directors of the Company in their meeting held on May 30, 2023 has recommended to substitute the Article 85 of the Articles of Association of the Company accordingly.

Comparative Analysis

Existing Clause 85 of the Articles of Association

"85. CAPITALISATION OF RESERVE

Any general meeting may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of any reserve or other fund or in the hands of the Company and available for dividend (or representing premiums received on the issue of shares and standing to the credit of the share premium account) be capitalized and distributed amongst such of the Members as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital, and that all or any part of such capitalized fund be applied on behalf

of such Members in paying up in full, any unissued shares, debentures or debenture-stock of the Company which shall be distributed accordingly, and that such distribution or payment shall be accepted by such Members in full satisfaction of their interest in the said capitalized sum.”

Proposed Clause 85 of the Articles of Association

“85. CAPITALISATION OF RESERVE

The Board of Directors may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of any reserve or other fund or in the hands of the Company and available for dividend (or representing premiums received on the issue of shares and standing to the credit of the share premium account) be capitalized and distributed amongst such of the Members as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital, and that all or any part of such capitalized fund be applied on behalf of such Members in paying up in full, any unissued shares, debentures or debenture-stock of the Company which shall be distributed accordingly, and that such distribution or payment shall be accepted by such Members in full satisfaction of their interest in the said capitalized sum.”

Reason for Amendment in Articles of Association:

The Board is being allowed to capitalize the reserves /unappropriated profits by issuance of bonus shares for which the alteration in Article 85 has been recommended for approval of members.

Interest of directors

The Directors of the Company have no interest, directly or indirectly, in this Special Business and/or Special Resolution except in their capacities as directors / Chief Executive / shareholders.

Statement of the Board of Directors

We, the members of the Board of Directors of the Company hereby confirm that the proposed amendment in Articles of Association of the Company is in line with the applicable provisions of the laws and regulatory framework.

Availability of Relevant Documents and Inspection

A copy each of the existing and amended Articles of Association identifying the changes proposed therein bearing the initial of the company secretary for identification purposes is attached herewith. A copy thereof and the documents pertaining to proposed special resolution are available for inspection at the registered office of the Company from 9.00 a.m. to 5.00 p.m. on any working day, up to the last working day before the date of the extraordinary general meeting. The same shall also be available for inspection by the members in the extraordinary general meeting.