



NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE is hereby given that an Extraordinary General Meeting (the "EOGM") of Bawany Air Products Limited (the "Company") will be held on Thursday, September 26, 2024 at 03:00 pm at 2nd Floor Nadir House, I.I. Chundrigar Road, Karachi to transact the following business:

Ordinary Business:

1. To confirm the minutes of the EOGM held on May 29, 2024.

Special Business:

2. Increase in Authorized Capital:

To consider and if deemed fit, to pass the following resolution as special resolution for increase in authorized share capital of the Company from PKR 11,000,000,000/- to PKR 12,100,000,000/-

RESOLVED THAT that the authorized capital of the Company be further increased from PKR 11,000,000,000/- (Pak Rupees Eleven billion) divided into 1,100,000,000 (One billion One hundred million) ordinary shares of PKR 10/- each to PKR 12,100,000,000/- (Pak Rupees Twelve billion One hundred million) divided into 1,210,000,000 (One billion Two hundred Ten million) ordinary shares of PKR 10/- each and the words and figures in Clause V & III of the Memorandum & Articles of Association respectively of the Company be and are hereby amended accordingly.

3. Increase in Paid up Share Capital of the Company by way of Otherwise Than Right Shares:

To consider and if deemed fit, to pass the following resolution as special resolution for increase in paid up share capital of the Company by way of issue of shares Otherwise than Right with or without modification, addition(s) or deletion(s), as recommended by the Board of Directors:

FURTHER RESOLVED THAT the ordinary paid up capital of the Company be further increased by Issue of 600,000,000 (Six hundred million) ordinary shares Otherwise than Right, having face value of PKR 10/- (Pak Rupees Ten) to the sponsor shareholders of Alman Seyyem Sugar Mills (Pvt.) Limited (ASSML) at par that is at a price of PKR 10/- (Pak Rupees Ten) per Share which shares shall rank par passu in all respects with the existing ordinary shares of the Company for acquiring 51,114,011 (Fifty One million One hundred Fourteen thousand Eleven only) ordinary shares having face value of PKR 100 each of ASSML at a price of PKR 234.77 per share held by the sponsor shareholders in ASSML with whom the Company has signed Share Purchase Agreement (SPA), for the acquisition of 100% of their total shareholding in ASSML. The total consideration for acquiring 51,114,011 (Fifty One million One hundred Fourteen thousand Eleven only) shares of ASSML is PKR 12,000,000,000 (Twelve billion). As part consideration, the sponsor shareholders of ASSML with whom the Company has signed SPA will be issued 600,000,000 shares Otherwise than Right with an aggregate face value of PKR 6,000,000,000 (Pak Rupees Six billion) in proportion to their shareholding in ASSML and the balance consideration will be paid by the Company to the shareholders of ASSML in accordance with the SPA terms and conditions within two years. The issue of shares Otherwise than Right is subject to approval of the shareholders of the Company and the Securities & Exchange Commission of Pakistan.



FURTHER RESOLVED THAT the Chief Executive and/or any Director and/or the Company Secretary, be and are hereby authorized to sign and finalize the application with all relevant documents for the purpose of issuance of shares Otherwise than Right as prescribed under Section 83 of the Companies Act, 2017 and Companies (Further Issue of Shares) Regulations, 2020 and share it with the Securities and Exchange Commission of Pakistan ("SECP") and Pakistan Stock Exchange Limited ("PSX"), and revise the same based on the observations and changes of the SECP and PSX as may be deemed fit by them, in the manner prescribed under the Companies (Further Issue of Shares) Regulations, 2020, along with preparing and submitting other necessary documents in this respect. Any amendment, modification, addition or deletion as may be suggested, directed and advised by the Securities and Exchange Commission of Pakistan (the "SECP") and / or any other regulatory body which suggestion, direction and advice shall be deemed to be part of these Special resolution(s) without the need of the shareholders to pass fresh Special Resolution(s)."

4. Change of Object Clause:

To consider and if deemed fit, to pass the following resolution as special resolution for change in Object clause with or without modification, addition(s) or deletion(s), as recommended by the Board of Directors:

FURTHER RESOLVED THAT that the main Object clause of the Company be changed from manufacturers as given in clause III(1) and (2) of the Memorandum of Association to mainly invest in and acquire and hold and otherwise deal in shares, stock, debenture, debenture stock, bonds, obligations and securities issued or guaranteed. Clause III (1) and (2) in Memorandum of Association of the Company be and are hereby deleted and replaced accordingly.

FURTHER RESOLVED THAT the aforesaid special resolution(s), issue of shares Otherwise than Right and change in Object clause shall be subject to any amendment, modification, addition or deletion as may be suggested, directed and advised by the Securities and Exchange Commission of Pakistan (the "SECP") and / or any other regulatory body which suggestion, direction and advice shall be deemed to be part of these Special resolution(s) without the need of the shareholders to pass fresh Special Resolution(s)."

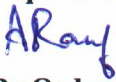
FURTHER RESOLVED THAT the any Director and or the Company Secretary and / or the Chief Financial Officer, be and are hereby authorized to prepare and submit application for change in object clause to the Securities and Exchange Commission of Pakistan ("SECP") and Pakistan Stock Exchange Limited ("PSX"), and revise the same based on the observations and changes of the SECP and PSX as may be deemed fit by them.

FURTHER RESOLVED THAT the Chief Executive and/or any one Director and/or the Company Secretary of the Company be and hereby authorized singly complete all the necessary corporate and legal formalities in respect of all above."

Statement under Section 134 (3) of the Companies Act, 2017, pertaining to the special business referred to above is annexed to the notice of the EOGM circulated as per requirement.

Karachi

Date: August 26, 2024


By Order of the Board
Company Secretary



NOTES:

1. Book Closure: The Register of Members and Share Transfer Books of the Company will remain closed from September 20, 2024 to September 26, 2024 (both days inclusive) and no transfer of shares will be accepted for registration during this period. Transfers received in order at the office of our Share Registrar C & K Management Associates (Pvt) Ltd. M-13, Progressive Plaza, Beaumont Road, Civil Lines Quarters, Near P.I.D.C., Karachi at the close of business hours September 19, 2024 will be treated in time for the purpose of transfer of shares and voting rights at the EOGM.
2. All members are entitled to attend and vote at the meeting. A member entitled to attend and vote at the meeting is also entitled to appoint another member of the Company as his / her proxy to attend, speak and vote for him / her. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted to the Company. A proxy must be a member of the Company. A member shall not be entitled to appoint more than one proxy to attend any one meeting. The instrument of proxy duly executed should be lodged at the Karachi Office of the Company not later than 48 hours before the time of the meeting. The form of proxy must be witnessed with the addresses and CNIC numbers of witnesses, certified copies of CNIC of member and the proxy member must be attached and the revenue stamp should be affixed and defaced on the form of proxy. Proxy Form in English and Urdu languages is available on company website www.bawanyair.com.
3. The members are advised to bring their ORIGINAL Computerized National Identity Card (CNIC) and those members who have deposited their shares in Central Depository System should also be cognizant of their CDC Participant ID and Account Number at the meeting venue. 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 the meeting.
4. The Company has arranged for participation of members in general meeting through electronic means (i.e., video-link, webinar, zooming etc.). In this regard, the interested shareholders can request by providing the relevant information (i.e. Name of the Shareholder, CNIC Number, Folio / CDC Account Number, Cell Number, Email Address etc.) to the Company Secretary at least 48 hours before the time of EOGM at Email Address: munir@bawanyair.com.
5. In accordance with the Companies (Postal Ballot) Regulations, 2018, (the "Regulations") the right to vote through electronic voting facility and voting by post shall be provided to members of the Company for the special business proposed to be transacted at the meeting in the manner and subject to conditions contained in the Regulations.

BAWANY AIR PRODUCTS LIMITED

a. Procedure for E-Voting:

- I. Detail 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 September 19, 2024. Members who intend to exercise their right of vote through E-voting shall provide their valid cell numbers and email addresses on or before at 05:00 PM on September 19, 2024.
- II. Identity of the Members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.



- III. Members shall cast vote for agenda items online from September 21, 2024 at 09:00 AM till September 25, 2024 at 5:00 PM. Voting shall close on September 25, 2024, at 5:00 PM. A vote once cast by a Member, shall not be allowed to be changed.
- IV. Company has appointed an E-voting Service Provider in terms of Regulation 5 of the Companies (Postal Ballot) Regulations, 2018.
- b. Procedure for Voting Through Postal Ballot:
- I. Members may alternatively opt for voting through postal ballot. For convenience of the members, Ballot Paper is available on the Company's website www.bawanyair.com to download.
- II. The members must ensure that the duly filled and signed ballot paper, along with a copy of Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post at the Company's office at address, 2nd Floor Nadir House, I.I. Chundrigar Road, Karachi, or through email address at munir@bawanyair.com one day before the EOGM, i.e., on September 25, 2024 before 5:00 PM. A postal ballot received after this time / date shall not be considered for voting. The signature on the Ballot Paper shall match with signature on the CNIC / Company's record.
6. The members are requested to notify the Company / Share Registrar of any change in their address.

**STATEMENT UNDER SECTION 134 (3) OF THE COMPANIES ACT, 2017 CONCERNING
THE SPECIAL BUSINESS:**

The statement set out the material facts concerning the special business to be transacted at the extraordinary general meeting of the Company to be held on September 26, 2024.

Increase In Authorized Share Capital:

The Board of Directors of the Company in their meeting held on 26 August 2024 approved issuance of additional 1,199,999,732 (One billion One hundred Ninety Nine million Nine hundred Ninety Nine thousand Seven hundred Thirty Two only) Ordinary Shares of the face value of PKR 10/- each by way of Right and Otherwise than Right shares to be issued at par under the provisions of section 82 and 83 of the Companies Act, 2017. The issuance of shares Otherwise than Right is subject to approval of Securities and Exchange Commission of Pakistan (SECP). In respect of the same the Board has recommended following modifications in the Authorized Share Capital of the Company:

Increase in Authorized Share Capital of the Company from PKR 11,000,000,000/- (Pak Rupees Eleven billion) divided into 1,100,000,000 (One billion One hundred million) ordinary shares of PKR 10/- each to PKR 12,100,000,000/- (Pak Rupees Twelve billion One hundred million) divided into 1,210,000,000 (One billion Two hundred Ten million) ordinary shares of PKR 10/- along with related alteration/amendments in the clauses of Memorandum of Association and Articles of Association of the Company

CLAUSE-V OF THE MEMORANDUM OF ASSOCIATION

The Authorized Share Capital of the Company is PKR 11,000,000,000/- (Pak Rupees Eleven billion) divided into 1,100,000,000 (One billion One hundred million) ordinary shares of PKR 10/- each to PKR 12,100,000,000/- (Pak Rupees Twelve billion One hundred million) divided into 1,210,000,000 (One billion Two hundred Ten million) ordinary shares of PKR 10/-



CLAUSe-III OF THE ARTICLES OF ASSOCIATION

The Authorized Share Capital of the Company is PKR 11,000,000,000/- (Pak Rupees Eleven billion) divided into 1,100,000,000 (One billion One hundred million) ordinary shares of PKR 10/- each to PKR 12,100,000,000/- (Pak Rupees Twelve billion One hundred million) divided into 1,210,000,000 (One billion Two hundred Ten million) ordinary shares of PKR 10/-

Issuance of Shares Otherwise than Right shares:

1. The Company has signed Share Purchase Agreement (SPA) with the sponsor shareholders of Alman Seyyam Sugar Mills (Pvt.) Limited (ASSML) for the acquisition of 100% of their total shareholding in ASSML whereby the Company will acquire 51,114,011 (Fifty One million One hundred Fourteen thousand Eleven only) shares having face value PKR 100/- each of ASSML at a price of PKR 234.77 per share each held by the sponsor shareholders in ASSML. The total consideration for acquiring 51,114,011 (Fifty One million One hundred Fourteen thousand Eleven only) shares of ASSML is PKR 12,000,000,000 (Twelve billion). The proposed issue of Shares Otherwise than Right is part consideration and the balance consideration will be paid by the Company to the shareholders of ASSML in accordance with the SPA terms and conditions within two years. The issue of shares Otherwise than Right is subject to approval of the shareholders of the Company and the Securities & Exchange Commission of Pakistan.
2. The proposed shares shall be issued at PAR that is at PKR 10/- (Pak Rupees Ten) per share
3. In this regard, the Company provides the following further material information:

a) Proposal by the Board:

The issue of shares by way of other than right shares has been proposed by the Board of Directors of the Company.

b) Quantum of Issue:

Issue of shares Otherwise than Right 600,000,000 (Six hundred million) ordinary shares, having face value of PKR 10/- (Pak Rupees Ten) are proposed to be issued at par that is at a price of PKR 10/- (Pak Rupees Ten) per share.

The paid up capital before and after issuance of shares Otherwise than Right to be as under

Paid-up Capital No of Shares	Proposed Issue No of Shares	Percentage before issue	Percentage after issue
7,502,510	600,000,000	7,997.32	98.77

c) Issue price per share and Justification:

Issue Price PKR 10/- (Pak Rupees Ten) per share (i.e.at par) which is justified considering that the company is current status is that of a shell company and has been placed in the non-compliant counter.

d) Consideration:

The consideration for the proposed issue of 600,000,000 (Six hundred million) shares Otherwise than Right is the acquisition of 51,114,011 (Fifty One million One hundred Fourteen thousand Eleven only) ordinary shares having face value of PKR 100 at a price of PKR 234.77 per share each of ASSML held by the sponsor shareholders in ASSML with whom the Company has signed Share Purchase Agreement (SPA), as part consideration. The total consideration for acquiring 51,114,011 (Fifty One million One hundred Fourteen thousand Eleven only) shares of ASSML is PKR 12,000,000,000 (Twelve billion). The balance consideration will be paid by the



Company to the shareholders of ASSML in accordance with the SPA terms and conditions within two years.

- e) **Name of Persons and their Profile to whom Shares Otherwise than Right to be issued:**
The shares Otherwise than Right are proposed to be issued as under:

Mr. Muhabbat Khan to be issued 17,292,789 shares Otherwise than Right:

Mr. Muhabbat Khan is the Chief Executive of Alman Seyyam Sugar Mills (Pvt.) Ltd, a prominent figure in the business world known for his strategic acumen and leadership. He is a distinguished businessman and serves as a director at ZKB which is involved in various sectors including mineral resources, high-rise plaza development across Pakistan, information technology, MS pipe manufacturing, and steel production listed on Pakistan's stock exchanges. He is also a shareholder in Trans Asia Refinery, further demonstrating his diversified business interests and strategic vision.

ZAHIR KHAN to be issued 371,919,852 shares Otherwise than Right:

Mr. Zahir Khan is the Chairman of ZKB Group of Companies, a well-known construction group/brand working across the country and developing infrastructural projects in collaboration with multi-national companies of Turkey, China and central Asian region. The remarkable projects are Lahore-Karachi Motorway, CEPEC, Rapid Bus System and Transit Stations such as Lahore Metro, Rawalpindi -Islamabad Metro, Orange Train, Green Line-Karachi, Winder Dam, Mangi Dam, Bosal Dam, Baso Dam and Swat Motorway-II etc. Mr. Khan holds a 63% share in Alman Seyyam Sugar Mills (Pvt.) Ltd.

Mr. Muhammad Yaqoob Sheikh to be issued 145,873,663 shares Otherwise than Right:

Mr. Muhammad Yaqoob Sheikh is director of Alman Seyyam Sugar Mills (Pvt.) Ltd. He is a seasoned businessman and a well-known individual in the industry of logistics and Import/Export. Mr. Yaqoob is a sole proprietor of number of entities working in consortium to generate higher profits and achieve synergies, including Pyramid Logistics (Pakistan, Pyramid Logistics Limited (Afghanistan), Al Khalifa Foods, Alman Seyyam Sugar Mills Private Limited.

Zanib Yaqoob Sheikh to be issued 6,221,386 shares Otherwise than Right:

She is operation director of Al-Khalifa Foods an industrial chicken slaughtering project for poultry export business. The total project cost is around USD 2.5 million and is located on a 24 kanal plot at Manga Raiwand Road, Kasur. The plant has the capacity to process 2,000 birds per hour, which will be slaughtered, packed/ frozen and exported to the customers in Afghanistan and CIS countries.

Shaheen Freight Services to be issued 58,692,310 shares Otherwise than Right:

Shaheen Freight Services (SFS) was founded in the year 1994, with a passion to serve, knowing the challenges, advancements and technology in transportation field. Shaheen Freight Services has grown and emerged as a one stop for logistics services with reliability and pace. The Head office-Karachi is equipped with tools of superior information technology and modern era communication. Real time information is provided to every principal ensuring operational savings and quick turnaround vehicles. Looking to the future, the company is all set to venture into several new activities & areas as part of countrywide expansion strategy, for this Shaheen



Freight Services has acquired stake in Alman Seyyam Sugar Mills and will greatly help in logistics.

f) Purpose of the Issue:

Acquisition of 51,114,011 (Fifty One million One hundred Fourteen thousand Eleven only) ordinary shares having face value of PKR 100 each of ASSML held by the sponsor shareholders in ASSML with whom the Company has signed Share Purchase Agreement (SPA), as part consideration.

g) Justification for Issue of Shares Otherwise than Right Shares:

The Company has signed Share Purchase Agreement with Alman Seyyam Sugar Mills (Pvt.) Limited (ASSML) whereby the Company will acquire 100% shareholding in ASSML from the sponsor shareholders of ASSML. The proposed issuance of 600,000,000 (Six hundred million) shares Otherwise than Right is to acquire 51,114,011 (Fifty One million One hundred Fourteen thousand Eleven only) ordinary shares having face value of PKR 100 at a price of PKR 234.77 per share each of ASSML held by the sponsor shareholders in ASSML with whom the Company has signed Share Purchase Agreement (SPA), as part consideration. The total consideration for acquiring 51,114,011 (Fifty One million One hundred Fourteen thousand Eleven only) shares of ASSML is PKR 12,000,000,000 (Twelve billion). The balance consideration will be paid by the Company to the shareholders of ASSML in accordance with the SPA terms and conditions within two years. ASSML total valuation is Twelve billion.

The acquisition of shares of ASSML is expected to have a positive impact as the Company's financials with a substantial increase of PKR 12 billion on the assets side.

h) Benefits of the Issue:

The acquisition of shares of ASSML is expected to have a positive impact as the Company's financials with a substantial increase of PKR 12 billion on the asset side.

The Company is presently a shell company, listed on the non-compliant counter due to suspension of its principal line of business. The issuance of shares Otherwise than Right is expected to have a positive impact as the Company will be moved from non-compliant to regular counter with the change of its principal line of business which besides other will mainly be to invest in and acquire and hold and otherwise deal in shares, stock, debenture, debenture stock, bonds, obligations and securities issued or guaranteed, thereby enhancing expected returns to the shareholders.

i) Break-up Value per Share:

The breakup value per share of the Company as per audited/reviewed accounts
June 30, 2023 is PKR 6.32 per share (Audited)
December 31, 2023 is PKR 5.57 per share (Review)

j) Consent of Persons to whom the Proposed Shares are to be Issued:

The persons to whom shares Otherwise than Right are proposed to be issued have provided their consent

k) Ranking of Shares:

The shares Otherwise than Right proposed to be issued shall rank pan passu in all respects with the existing ordinary shares of the Company.



- l) **Average Market price and current market price:**
Average market price during last three months PKR 29.95 per share
Current Market Price PKR 34.49

- m) **Valuation:**
The valuation of the asset to be acquired has been duly valued by approved valuator.

- n) **Book Entry Shares:**
The shares shall be issued only in book entry form within 60 days from the date of approval by the SECP or within such extended time as may be approved by the SECP.

- o) **Approval:**
The proposed issuance of shares shall be subject to approval of the Securities and Exchange Commission of Pakistan.

Interest of Directors:

The Chief Executive, Directors of the Company and their relatives have no interest directly or indirectly in the proposed issuance of shares otherwise than right except in their capacities as Chief Executive or Directors or Members of the Company.

FURTHER RESOLVED THAT that the main Object clause of the Company be changed from manufacturers as given in clause III(1) and (2) of the Memorandum of Association to mainly invest in and acquire and hold and otherwise deal in shares, stock, debenture, debenture stock, bonds, obligations and securities issued or guaranteed. Clause III (1) and (2) in Memorandum of Association of the Company be and are hereby deleted and replaced accordingly.

Change of Object Clause:

The main Object clause of the Company be changed from manufacturers to mainly invest in and acquire and hold and otherwise deal in shares, stock, debenture, debenture stock, bonds, obligations and securities issued or guaranteed. Clause III(1) and (2) in Memorandum of Association of the Company be and are hereby deleted and replaced with as given under:

Clause III(1) and (2) to be replaced with the following:

1. To carry on, as its principal business, to invest in and acquire and hold and otherwise deal in shares, stock, debenture, debenture stock, bonds, obligations and securities issued or guaranteed by any company, Corporation, financial institution, government or any authority.
2. To purchase or otherwise acquire the whole or part of the business, the assets, property assets and liabilities of any company, organization, partnership or person and to take up, carry on and exercise or to liquidate or break up any such business and in consideration of any such acquisition to pay cash or issue shares or acquire it by giving any other form of consideration or in any other way and to take up any liabilities or acquire any interests in the business of the seller or of any other business.

The Board of Directors of the Company has recommended that the special resolution as set out in the notice be passed at the Extraordinary General Meeting.



BAWANYAIR
PRODUCTS LIMITED

Availability of Relevant Documents:

A copy of all the relevant documents bearing the initial of the Company Secretary for identification purposes is available for inspection at the registered office of the Company from 9.00 AM to 5.00 PM 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.

Address : 2nd Floor, Nadir House , I.I.Chundrigar Road, Karachi-74700. Tel: (92-21) 32400440-41