



Date: 24-2-2026

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi.

Subject: **Declaration of Right Shares**

Dear Sir,

In accordance with Sections 96 and 131 of the Securities Act, 2015, paragraph 5.6.1(a) of the Rule Book of the Pakistan Stock Exchange Limited and Regulation 3(1)(i) of the Companies (Further Issue of Shares) Regulations, 2020, we hereby convey the following information:

The Board of Directors of Mitchells Fruit Farms Limited ("MFFL" or the "Company"), in their meeting held on 24th February 2026, have decided to increase the paid up share capital of the Company by issue of a further **2,777,778** (Two million seven hundred seventy-seven thousand seven hundred seventy-eight ordinary shares), having face value of **PKR 10/-** (Pak Rupees Ten Only) each, as **Right Shares**, to be offered to the members in proportion of **12.1433 Right Shares** for every 100 ordinary shares held i.e. **12.1433%**, at a price of **PKR 180/-** (Pak Rupees *One hundred and Eighty Only*) per Right Share (inclusive of a premium of PKR 170/- (Pak Rupees *One hundred and Seventy* per Right Share Only).

The dates of closure of the share transfer Books of the Company, to determine the entitlement of the Right Shares will be communicated in due course after finalization of the offer letter / document in accordance with the provisions of the Companies (Further Issue of Shares) Regulations, 2020.

Following details are enclosed:

1. Statement with respect to the details of the Right Issue, including the quantum of issue, issue size, issue price, purpose of issue, utilization of proceeds, benefits of the issue to the Company and its shareholders, risk factors, justification for issue of shares at premium and minimum subscription amount (**Annex A**).



2. Certified true copy of the Extracts of the Resolutions passed by the Board of Directors of the Company dated 24th February 2026 (**Annex B**).
3. Draft copy of the notice of the Right Issue and book closure to the Shareholders prior to its publication in the newspapers (**Annex C**).

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Yours Sincerely,

Anum Ali
Company Secretary

Copy to:

The Commissioner
Corporate Supervision Department
Securities and Exchange Commission of
Pakistan
Islamabad

The Director
Surveillance Supervision Enforcement
(SMD)
Securities and Exchange Commission of
Pakistan
Islamabad



Annex A

MITCHELLS FRUIT FARMS LIMITED

Statement pertaining to Quantum of Issue, Issue Size, Issue Price, Purpose of Issue, Utilization of proceeds, Benefits of the Issue to the Company and the shareholders, Risk Factors, and Justification for Issue of Shares at Premium, under Rule 3 of the Companies (Further Issue of Shares) Regulations, 2020.

(i) Quantum of the Right Issue (i.e. as a percentage of existing paid-up capital)

The quantum of the Right Issue is 12.1433% of the existing paid-up capital of the Company, i.e. 12.1433 right shares for every 100 ordinary shares held by the shareholders of the Company immediately prior to the close of the share transfer books of the company.

(ii) Right Issue Size

The Company shall issue 2,777,778 (Two million seven hundred seventy-seven thousand seven hundred seventy-eight ordinary shares), at a price of PKR 180/- (Pak Rupees One Hundred and Eighty) per share, aggregating to PKR 500,000,040/- (Pak Rupees five hundred million and Forty only).

(iii) Right Issue Price Per Share

PKR 180/- (Pak Rupees One Hundred and Eighty) per share (i.e. inclusive of a premium of PKR 170/- (Pak Rupees One hundred and Seventy) per share.

(iv) Purpose of the Right Issue

The principal purpose of the Rights Issue is to strengthen the Company's financial position and support its medium-term operational and growth objectives. The proceeds will be utilized to enhance production efficiency, upgrade infrastructure, modernize plant and machinery, ensure compliance with applicable quality and safety standards, and fund the Company's incremental working capital requirements.

**(v) Utilization of Proceeds of the Right Issue**

The proceeds of the Rights Issue will be utilized to fund priority capital expenditure and working capital initiatives aimed at strengthening the Company's operational infrastructure, improving efficiency, and supporting long-term financial sustainability.

An amount of approximately PKR 95 million will be allocated towards essential civil and infrastructure works across key production and storage facilities, including flooring upgrades, structural repairs, and replacement of aging sheds, in order to address operational bottlenecks and ensure safe and reliable manufacturing conditions.

A further PKR 140 million will be utilized for targeted process automation, quality enhancement, productivity debottlenecking, maintenance, and safety-related upgrades, including improvements to critical utilities, packaging automation, and production lines, with the objective of improving efficiency, consistency, and overall operating performance.

The remaining PKR 265 million will be utilized to meet incremental working capital requirements, including procurement of raw materials, inventory optimization, maintenance of operational liquidity, and support for the Company's day-to-day business operations.

(vi) Benefits to the Company and Shareholders

The right issue will strengthen the Company's capital base and working capital, which will lead to favorable supplier terms, greater free cash flows from operations, and an improved liquidity position. As a result, the Company's profitability and shareholder confidence will increase.

(vii) Risk Factors associated with the Right Issue, if any

The Right Issue of the Company is being carried out at a price which is currently higher than the prevailing market price of the shares. Shareholders should carefully consider prevailing market conditions and associated investment considerations while evaluating their participation in the Right Issue. The substantial shareholders and directors of the Company (except independent directors) have confirmed that they shall subscribe to (or arrange the subscription of) their respective right entitlements, while the balance portion of the Right Issue shall be fully underwritten as per requirements under applicable regulations.



Normal risks associated with the business will remain; however, the Company is well placed in the market, which will help to mitigate such risk factors.

(viii) Justification for issue of shares at premium

The Right Issue is being carried out at a premium, considering the current market price of the Company share, the premium charged over the par value is justified and is in line with market practice, in fact the same constitutes approximately 17.81% discount on the last 6 (six) months volume weighted average price and 438.55% premium on the break-up value of the share.

(ix) Minimum Subscription Amount

Not Applicable

Anum Ali
Company Secretary

Annex B

Extract of the Resolutions passed by the Board of Directors of Mitchells Fruit Farms Limited (the "Company") at its meeting held on 24th February 2026 at the registered office of the Company in Lahore.

During the meeting, the Board of Directors of the Company discussed and approved the proposed issuance of further share capital by the Company by way of rights issue. The Board of Directors of the Company stated that all requirements of the Companies Act, 2017 and the Companies (Further Issue of Shares) Regulations, 2020 have been considered by the Board of Directors of the Company and shall be duly complied with by the Company.

Accordingly, the following resolutions were passed by the Board of Directors:

“RESOLVED THAT *the ordinary paid up share capital of the Company be increased from PKR 228,750,000/- (Pak Rupees Two Hundred and Twenty-eight Million & Seven Hundred and Fifty thousand only) to PKR 256,527,780/- (Pak Rupees two hundred fifty-six million five hundred twenty-seven thousand seven hundred eighty Only) by issue of further 2,777,778 (Two million seven hundred seventy-seven thousand seven hundred seventy-eight ordinary shares) of the Company having face value of PKR 10/- (Pak Rupees Ten Only) each, to be offered to the shareholders of the Company in proportion to the number of shares held by each shareholder (i.e. as right shares) in accordance with the provisions of Section 83 of the Companies Act, 2017 and all applicable laws, at a price of PKR 180/- (Pak Rupees One hundred and Eighty Only) per share (i.e. inclusive of a premium of PKR 170/- (Pak One hundred and Seventy- per share only), in the ratio of 12.1433 right shares for every 100 ordinary shares of PKR 10/- (Pak Rupees Ten Only) each held immediately prior to the book closure date (i.e. 12.1433%), against payment to the Company of the price for the shares subscribed, which shares shall rank pari-passu in all respects with the existing ordinary shares of the Company (the "**Rights Issue**").*

FURTHER RESOLVED THAT the following are the quantum, size, price and purpose of the Right Issue, along with the utilization of proceeds, benefits of the same to the Company and its shareholders, the risk factors associated with the Right Issue, minimum subscription amount and the justification for the issue of shares at a premium in accordance with Regulation 3(1)(iii) of the Companies (Further Issue of Shares) Regulations, 2020:

(i) Quantum of the Right Issue (i.e. as a percentage of existing paid-up capital)

The quantum of the Right Issue is 12.1433% of the existing paid-up capital of the Company, i.e. 12.1433 right shares for every 100 ordinary shares held by the shareholders of the Company immediately prior to the close of the share transfer books of the company.

(ii) Right Issue Size

The Company shall issue *further* 2,777,778 (Two million seven hundred seventy-seven thousand seven hundred seventy-eight ordinary shares) at a price of PKR 180/- (Pak Rupees One hundred and Eighty Only) per share, aggregating to PKR 500,000,040/- (Pak Rupees five hundred million and forty only).

(iii) Right Issue Price Per Share

PKR 180/- (Pak Rupees One hundred and Eighty Only) per share (i.e. inclusive of a premium of PKR 170/- (Pak Rupees One hundred and Seventy only) per share.

(iv) Purpose of the Right Issue

The principal purpose of the Rights Issue is to strengthen the Company's financial position and support its medium-term operational and growth objectives. The proceeds will be utilized to enhance production efficiency, upgrade infrastructure, modernize plant and machinery, ensure compliance with applicable quality and safety standards, and fund the Company's incremental working capital requirements.

(v) Utilization of Proceeds of the Right Issue

The proceeds of the Rights Issue will be utilized to fund priority capital expenditure and working capital initiatives aimed at strengthening the Company's operational infrastructure, improving efficiency, and supporting long-term financial sustainability.

An amount of approximately PKR 95 million will be allocated towards essential civil and infrastructure works across key production and storage facilities, including flooring upgrades, structural repairs, and replacement of aging sheds, in order to address operational bottlenecks and ensure safe and reliable manufacturing conditions.

A further PKR 140 million will be utilized for targeted process automation, quality enhancement, productivity debottlenecking, maintenance, and safety-related upgrades, including improvements to critical utilities, packaging automation, and production lines, with the objective of improving efficiency, consistency, and overall operating performance.



The remaining PKR 265 million will be utilized to meet incremental working capital requirements, including procurement of raw materials, inventory optimization, maintenance of operational liquidity, and support for the Company's day-to-day business operations.

(vi) Benefits to the Company and Shareholders

The right issue will strengthen the Company's capital base and working capital, which will lead to favorable supplier terms, greater free cash flows from operations, and an improved liquidity position. As a result, the Company's profitability and shareholder confidence will increase.

(vii) Risk Factors associated with the Right Issue, if any

The Right Issue of the Company is being carried out at a price which is currently higher than the prevailing market price of the shares. Shareholders should carefully consider prevailing market conditions and associated investment considerations while evaluating their participation in the Right Issue. The substantial shareholders and directors of the Company (except independent directors) have confirmed that they shall subscribe to (or arrange the subscription of) their respective right entitlements, while the balance portion of the Right Issue shall be fully underwritten as per requirements under applicable regulations. Normal risks associated with the business will remain; however, the Company is well placed in the market, which will help to mitigate such risk factors.

(viii) Justification for issue of shares at premium

The Right Issue is being carried out at a premium, considering the current market price of the Company share, the premium charged over the par value is justified and is in line with market practice, in fact the same constitutes approximately 17.81% discount on the last 6 (six) months volume weighted average price and 438.55% premium on the break-up value of the share.

(ix) Minimum Subscription Amount

Not Applicable



FURTHER RESOLVED THAT the letter of offer, as prescribed under Section 83(2) of the Companies Act, 2017, shall be issued / signed by any 2 directors of the Company in compliance with the applicable laws.

FURTHER RESOLVED that Mr. Usman Zafar Butt Director/CEO, be and hereby severally authorized by all the directors of the Company, to sign the circular accompanying the letter of offer, once finalized in accordance with the procedure stipulated under the Companies (Further Issue of Shares) Regulations, 2020.

FURTHER RESOLVED THAT all fractional entitlements, if any, will be consolidated in the name of Company Secretary, and unpaid letters of right in respect thereof shall be sold on the Pakistan Stock Exchange Limited, the net proceeds from which sale, once realized, shall be distributed / paid to the entitled shareholders in accordance with their respective entitlements, as per applicable regulations.

FURTHER RESOLVED THAT any unsubscribed shares may be offered and allotted to such persons as the directors may deem fit in accordance with Section 83(1)(a)(iv) of the Companies Act, 2017 including the sponsors / substantial shareholders, directors or associated undertakings of the Company or any third party, before calling upon the underwriters to subscribe to any unsubscribed shares.

FURTHER RESOLVED that the Chief Executive, Company Secretary and the Chief Financial Officer, be and hereby severally authorized to prepare, revise and finalize the draft offer document/letter 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 Regulations, along with preparing and submitting other necessary documents in this respect. While the draft offer letter shall be placed on the PSX website, public comments on the same shall not be required to be solicited.

FURTHER RESOLVED THAT the Chief Executive Officer, Chief Financial Officer and the Company Secretary, be and each of them is hereby authorized, such that any one of them may do all or any of the following for and on behalf and in the name of the Company:



- i. Appoint, negotiate with consultants, advisors, auditors and underwriter(s) to the Right Issue, to finalize terms and conditions and sign underwriting agreements(s), other documents and settle, finalize fees, underwriting commission, take up commission and third-party expenses or any other expenses relating to the Right Issue;
- ii. To prepare the schedule for issue of right shares including date of payment, and to make any amendment in the said schedule, appointment of banker(s) to the issue, announce book closure dates, and to take all necessary actions, in respect of the Right Issue and ancillary matters thereto, as required by SECP, PSX or Central Depository Company of Pakistan Limited ("CDC") (including, but not limited to, induction of the offer for right shares in the Central Depository System of the CDC) or any other authority;
- iii. to decide and close its share transfer books including dates thereof to determine entitlements of the shareholders of the Company with respect to the Right Issue.
- iv. To open, maintain, operate and close bank accounts for the purpose of amounts received from subscription of rights shares;
- v. Credit right shares once allotted by the Board and file returns / documents as required by SECP, PSX and CDC along with the auditors' certificates; and
- vi. To take all other necessary steps, and do all other acts, deeds and things, to prepare the offer letter, circular and schedule for issue of right shares and any other documents and to make any amendment in the said documents and schedule and to take all necessary action as may be required in this regard including execution of any documents and agreements or any ancillary or incidental actions to give effect to the above resolutions.

Certified that above mentioned is a true and valid extract from the meeting of the Board of Mitchells Farms Limited held at Head Office, Lahore on 24th February 2026.

Anum Ali
Company Secretary
Mitchells Fruit Farms Limited
Dated: 24-02-2026



NOTICE OF RIGHT ISSUE

Members are hereby notified that the Board of Directors of Mitchells Fruit Farms Limited (the "**Company**") in their meeting held on 24th February 2026 has decided to issue further capital by offering 2,777,778 (Two million seven hundred seventy-seven thousand seven hundred seventy-eight ordinary shares) of PKR 10/- (Pak Rupees Ten) each at a price of PKR 180/- (Pak Rupees One hundred and Eighty) per share (i.e. inclusive of a premium of PKR 170/- (Pak Rupees One hundred and Seventy), in the ratio of 12.1433 right shares for every 100 existing ordinary shares of PKR 10/- (Pak Rupees Ten) each held (i.e. 12.1433%), against payment to the Company of the price of the shares subscribed by the shareholders, which shares shall rank pari passu in all respects with the existing ordinary shares of the Company.

The dates of closure of the share transfer Books of the Company, to determine the entitlement of the Right Shares will be communicated in due course after finalization of the offer letter / document in accordance with the provisions of the Companies (Further Issue of Shares) Regulations, 2020.

Anum Ali
Company Secretary