

SHAMS TEXTILE MILLS LIMITED
NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting of the shareholders of Shams Textile Mills Limited will be held on October 28, 2023 at 09:00 a.m. at Registered Office of the Company i.e., 7-B-III, Marina Homes, Aziz Avenue, Gulberg-V, Lahore to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts together with the Directors' and Auditor's reports thereon for the year ended June 30, 2023
2. To appoint auditors of the Company and fix their remuneration.

SPECIAL BUSINESS

3. **To consider and, if thought fit, to pass with or without modification(s), the resolutions appearing below as ordinary resolutions for the circulation of Annual Audited Financial Statements to their members through QR enabled code and weblink as recommended by the Directors.**

"RESOLVED THAT the dissemination of information regarding annual audited financial statements to the shareholders through QR enabled code and weblink as notified by the Securities and Exchange Commission of Pakistan vide its SRO 389 (I)/2023 dated 21 March, 2023, be and is hereby approved while considering technological advancements and old technology becoming obsolete, the circulation of annual financial statements through CD/DVD/USB be discontinued."

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

By order of the board

Lahore: 28 September 2023

Company Secretary

BOOK CLOSURE:

The Members' Register will remain closed from October 21, 2023 to October 28, 2023 (both days inclusive)

Notes:

1. Shareholders interested to participate in the meeting through video link are requested to email their Name, Folio Number, Cell Number and Number of Shares held in their name along with valid copy of both sides of Computerized National Identify Card (CNIC) at tariq.javed@shams.com.pk by 20 October 2023. The video link and login credentials will be shared with only those members/designated proxies whose emails, containing all the required particulars.

2. A member eligible to attend and vote at this meeting may appoint another member as his/her proxy to attend and vote instead of him/her. Proxies in order to be effective must be received by the Company at the Registered Office not later than 48 hours before the time of holding the meeting. The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form. A proxy must be a member of the Company. The proxy form is annexed to the notice sent to the members. In case of corporate entity, the Board of Director's resolution/power of attorney with specimen signature of the nominee shall be submitted along with copy of CNIC of the representative.

CNIC/IBAN for E-Dividend Payment

The provisions of Section 242 of the Companies Act, 2017 require the listed companies that any dividend payable in cash shall only be paid through electronic mode directly into the bank account of designated by the entitled shareholders. Accordingly, the shareholders holding physical shares are requested to provide the Company's Share Registrar at the address given herein above, electronic dividend mandate on E-Dividend Form provided in the annual report and also available on website of the Company. In the case of shares held in CDC, the same information should be provided to the CDS participants for updating and forwarding to the Company. In case of non-submission, all future dividend payments may be withheld.

Video Conference Facility

Pursuant to the provisions of the Companies Act, 2017, the shareholders residing in a city and holding at least 10% of the total paid up share capital may demand the Company to provide the facility of video-link for participating in the AGM. The demand for video-link facility shall be received by the Share Registrar at the address given hereinabove at least seven (7) days prior to the date of the meeting on the Standard Form provided in the annual report and also available on the company's website.

Replacement of physical shares with book-entry

As per Section 72 of The Companies Act, 2017 every existing company shall replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the SECP, within a period not exceeding four years from the commencement of the Companies Act, 2017 i.e., May 31, 2017. The shareholders holding shares in physical form are requested to please convert their shares in the book entry form. For this purpose, the shareholders may open CDC Sub-account with any of the brokers or investor account directly with the CDC to place their physical shares into scrip-less form. This will facilitate them in many ways including safe custody and sale of shares at any time they want as the trading of physical shares is not permitted as per existing Regulations of the Pakistan Stock Exchange Limited.

Unclaimed Dividend / Shares:

Shareholders, who by any reason, could not claim their dividend or bonus shares or did not collect their physical shares, if any, are advised to contact our Share Registrar M/s. Corptec Associates (Private) Limited, 503-E, Johar Town, Lahore, to collect/enquire about their unclaimed dividend / shares, if any.

Placement of Financial Statements

The Company has placed a copy of the Notice of AGM, Annual Separate and Consolidated Financial Statements for the year ended 30 June 2023 along with Auditors and Directors Reports thereon and Chairman's Review on the website of the Company: www.shams.com.pk

Shareholders are also requested to notify immediately any change in their E-mail address to the Share Registrar of the Company, M/s. Corptec Associates (Private) Limited, 503-E, Johar Town, Lahore. Ph. 042-35170335- 37

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

This statement sets out all the material facts concerning Special Business transacted at the 39th Annual General Meeting.

Circulation the Annual Audited Financial Statements to their members through QR enabled code and weblink

The Securities and Exchange Commission of Pakistan has allowed listed companies, through its SRO No. 389(I)2023 dated March 21, 2023 to circulate the Annual Audited Financial Statements to their members through QR enabled code and weblink instead of transmitting the Annual Audited Financial Statements through CD/DVD/USB. The Company shall circulate Annual Audited Financial Statements through email address in case it has been provided by the members to the Company, and upon demand, supply hard copies of the Annual Audited Financial to the members free of cost