



Amtex Limited
1-Km. Khurrianwala Jaranwala Road, Faisalabad Pakistan.
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Notice of Annual General Meeting

Notice is hereby given that Annual General Meeting of the members of Amtex Limited (the Company) will be held on October 28, 2023 at 11:00 A.M. at Company's registered office P-225 Tikka Gali # 2 Montgomery Bazar Faisalabad to transact the following business:

ORDINARY BUSINESS

1. To confirm minutes of the Extraordinary General Meeting held on December 31, 2022.
2. To receive and adopt the Audited Accounts of the Company for the year ended June 30, 2023 together with Directors' and Auditors' reports thereon.
3. To approve re-appointment of M/s. Zahid Jamil & Company, Chartered Accountants, as external auditors of the Company for the year 2023-24 and fix their remuneration, as recommended by the Audit Committee and Board of Directors.
4. To transact any other business with the permission of the chair.

SPECIAL BUSINESS

To consider, and if thought fit, authorize the Board of Directors, in terms of Sections 183 (3) and all other applicable provisions of Companies Act, 2017, to sale the Land & Building situated at 1 KM Khurrianwala Jaranwala Road, Faisalabad as a part of debt restructuring / rescheduling plan under negotiation between the company and its lender banks by passing the following resolution with or without modification:

"RESOLVED THAT the consent of shareholders be and is hereby accorded to sale the Land & Building situated at 1 KM Khurrianwala Jaranwala Road, Faisalabad as a part of debt restructuring / rescheduling plan under negotiation between the company and its lender banks".

"RESOLVED FURTHER THAT, as part and parcel of the foregoing consent, Board of Directors be and is hereby authorized and empowered for "Assets Sale". The Board may delegate its powers to the Chairman and / or Chief Executive Officer or including with or without any Director of the Company or any other person on such terms and conditions they deem fit, to act on behalf of the Company in doing and performing all acts, matters, things and deeds to implement and / or give effect to the "Assets Sale".

To consider and if thought fit, approve the increase in Director's Remuneration and to pass the following resolution:

“RESOLVED THAT increase in Director’s Remuneration of Mr. Khurram Iftikhar CEO/Director to rupees 450,000/ p.m inclusive of all allowances and Mr. Shahzad Iftikhar Director to rupees 400,000/- inclusive of all allowances with effect from July 01, 2023 be and is hereby approved”.

To consider and if thought fit, approve the submission of Annual Report along with all other information through QR enabled Code & Weblink and to pass the following resolution:

“RESOLVED FURTHER that the approval of the members be and is hereby accorded for transmission of Annual Reports including Annual Audited Financial Statements to the members through QR enabled code and Weblink instead of transmitting the same through CD/DVD/USB, as allowed by Securities and Exchange Commission of Pakistan vide its S.R.O. 389(I)/2023 dated March 21, 2023”.

To ratify and approve transactions entered into by the Company with related parties in its ordinary course of business by passing the following special resolution: -

“Resolved that the transactions entered into by the Company with related parties during the year ended June 30, 2023 as disclosed in relevant notes to the financial statements in which some or majority of the directors are interested are hereby ratified and confirmed”.

“Further Resolved that the Company be and is hereby authorized to enter into and carry out transactions in its normal course of the business from time to time with related parties during the ensuing year ending June 30, 2024. The members have noted that for the aforesaid transactions some or a majority of the directors may be interested. Notwithstanding the interest of the directors, the members hereby grant an advance authorization to the Board Audit Committee and the Board of Directors of the Company to review and approve all related party transactions based on the recommendation of the Board Audit Committee”.

“Further Resolved that the related party transactions as aforesaid for the period ended June 30, 2024 would subsequently be presented to the members at the next Annual General Meeting for ratification and confirmation.”.

By Order of the Board

Faisalabad
October 07, 2023

Muhammad Raza Farooq
Company Secretary

NOTES: -

1. The Share Transfer Books of the Company will remain closed from 20-10-2023 to 28-10-2023 (both days inclusive). Transfers received at Vision Consulting Ltd, 3-C Lawrance Road, LDA Flats Lahore at the close of the business on 19-10-2023 will be treated in time.
2. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint another person as proxy to attend and vote instead of him. The proxy forms, in order to be effective, must be received at Company’s registered office P-225, Tikka Gali # 2 Montgomery Bazar Faisalabad, not less than 48 hours before the meeting.

3. Members can avail video conference facility for attending the meeting at places other than the town in which general meeting is taking place. In this regard, please fill the enclosed consent for video conference facility and submit to registered address of the company, ten (10) before holding of the general meeting. If Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through video conference ten (10) days prior to the date of the meeting, Company will arrange a video conference facility in the city subject to availability of such facility in that city. The Company will intimate to members regarding venue of video conference facility at least five (5) days before the date of the meeting along with all the information necessary to enable them to access the facility.
4. Members are requested to notify immediately changes, if any, in their registered address.
5. CDC Account Holders will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan.
6. The shareholders who intends to receive the annual report including the notice of meeting through e-mail are requested to provide their written consent on the Standard Request Form provided in the annual report and also available on the Company's website.
7. The audited financial statements of the Company for the year ended 30 June 2023 have been made available on the Company's website (www.amtextile.com) in addition to annual and quarterly financial statements for the current and prior periods.
8. As per section 72 of the Companies Act, 2017, every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commence of this Act i.e., May 30, 2017. The Shareholders having physical shareholding may open CDC Sub-account with any of the broker or investor account directly with CDC to place their physical share into scripless form.
9. Members can exercise their right to vote by means of postal ballot i.e. by post or through electronic mode subject to the requirements of Section 143-145 of Companies Act 2017 and applicable clauses of Companies (Postal Ballot) Regulations 2018.
10. Details of the e-voting facility will be shared through an e-mail with those members who have their valid CNIC numbers, cell numbers and registered e-mail address available in the register of the members of the Company by the close of business on October 20, 2023. b) E-voting facility will be available to eligible members from October 24, 2023, 9:00 am and shall close on October 26, 2023 at 5:00 pm. c) Members can cast their votes at any time in this period. Once the vote on a resolution is cast by a member, he/she shall not be allowed to change it subsequently.

For Attending the Meeting:

- i. In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as

per the Regulation, shall authenticate his identity by showing his original Computerized National Identity Card (CNIC) or original passport at the time of attending the Meeting.

- ii. In case of corporate entity, the Board of Directors' 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.

For Appointing Proxies:

- i. In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirements.
- ii. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii. Attested copies of the CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv. The proxy shall produce his original CNIC or original passport at the time of the Meeting. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

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

Sale / Disposal of Land & Building

This statement sets out below the material facts concerning the Special Business to be transacted at the Annual General Meeting of Amtex Limited (the "Company") to be held on October 28, 2023, at 11:00 a.m. at registered office of the company. The purpose of this Statement is to set forth the material facts concerning Special Business.

The Board of Directors has proposed, in its meeting held on August 25, 2023, to dispose land and building measuring 173 kanals 11 Marla 3 Sarsahi situated at chak 76 R.B. 1 KM Khurrianwala Jaranwala Road Faisalabad subject to approval of shareholders and further subject to No Objection Certificate from Bank as debt restructuring / rescheduling plan with lender banks having mortgage charge over respective asset. The sale proceeds will be utilized for the repayment of loans of the Company. Consequently, the debt burden will be substantially reduced in the next financial years.

Details as per SRO 423(I)/2018, dated: April 03, 2018

Special Business relating to members' approval for sell or disposal of sizeable part of undertaking thereof to be transacted under clause (a) of sub-section (3) of section 183 of the Act.

| Sr # | SRO Description | Detail |
|------|---|---|
| I) | Detail of Assets to be sold / disposed of: | |
| a) | Description/Name of assets | Company proposes to dispose of its free hold Land & Building on Freehold land situated at Chak 76 R.B 1 KM Khurianwala Jaranwala Road Faisalabad |
| b) | Acquisition date of the assets; | Various July 1991 to October 2005 |
| c) | Cost: Land & Building | Rs. 1,491,859,011 |
| d) | Revalued amount and date of revaluation | Rs. 1,258,691,557 June 30,2023 |
| e) | Book Value | Rs. 1,258,691,557 |
| f) | Approximate current market price/fair value; | The Current market price / fair value is expected to be in line with the re-valued amount as stated above. |
| g) | In case of sale, if the expected sale price is lower than book value or fair value, then the reasons thereof; | The sale price shall not be lower than the revalued amount; however the exact value will be ascertained at the time of finalizing the transaction. |
| h) | In case of lease of assets, tenure, lease rentals, increment rate; mode/basis of determination of lease rentals; and other important terms and conditions of the lease; | Not Applicable |
| i) | Additional information in case of disposal of land: | |
| | (i) Location | Chak 76 R.B. 1 KM Khurrianwala Jaranwala Road Faisalabad |
| | (ii) Nature of Land | Industrial |
| | (iii) Area proposed to be sold | 173 Kanal 11 Marla 3 Sarsahi & Building Thereon |
| ii) | The proposed manner of disposal of the said assets. | The assets sale be disposed through negotiations with the buyer through person(s) authorized by the Board of Directors in a way that is most beneficial for the Company |
| iii) | In case the company has identified a buyer, who is a related party the fact shall be disclosed in the statement of material facts. | The Company has exercised all reasonable diligence in identifying the buyer(s) willing to pay the fair market value of the Properties and completing the transaction in the best interest of the company. As a result M/S Abwa Knowledge Village Private Limited to whom the said land & building has been leased out is interested in purchase. Mr. Khurram Iftikhar CEO of the Company, has given general notice under sub section 3 of section 205 of the Companies Act, 2017 and being "interested director" did not participate and vote in Board Meeting held on August 25, 2023. |

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| iv) | Purpose of the sale, lease or disposal of assets along with following details: | There are multiple factors which have led to the decision by the directors of the Company to sale the above mentioned assets. Value added textile industry of Punjab (especially Faisalabad) badly suffered during last few years due to high cost of doing business, energy crises, cotton prices fluctuations and disturbed international textile products demand which resulted in non-utilization of production capacities. Consequently, the Company defaulted in servicing of loans with its banks and certain banks have filed legal suits for recovery of loans along with markup and other costs. In the current scenario, the management is negotiating debt restructuring with its lenders with the objective of reducing the existing debt by sale of assets of the Company. The management is, therefore, proposing the sale of aforesaid assets. |
| a) | Utilization of the proceeds received from the transaction | Entire sale proceeds will be utilized for repayment of loans of lender banks. |
| b) | Effect on operational capacity of the company, if any; and | The Company has already shifted its all manufacturing facilities from said properties hence it is expected that there will be no adverse effect on the operations. |
| c) | Quantitative and qualitative benefits expected to accrue to the members. | The proceeds from the sale of assets will be utilized for debt payment as part of debt restructuring arrangements with lender banks. It will reduce the financial expenses, further company will settle ongoing litigation and will regularize loan accounts with lender banks having respective mortgage charge on these assets. Resultantly, the company will be able to focus on its business. |

Increase in Directors Remuneration

The Board of Directors, on the recommendation of Human resource & Remuneration Committee has decided to increase the Director's Remuneration of Mr. Khurram Iftikhar CEO/Director to rupees 450,000/ p.m inclusive of all allowances and Mr. Shahzad Iftikhar Director to rupees 400,000/- inclusive of all allowances with effect from July 01, 2023. The decision to increase the remuneration has been made to compensate for the time and efforts required to discharge director's obligations and to value their skills and expertise in managing the affairs of the company.

The directors of the company have no personal interest, directly or indirectly, in the above mentioned special business that would require further disclosure except to the extent of their remuneration.

Transmission of Annual Audited Financial Statements through QR Enabled Code and Weblink

The Securities and Exchange Commission of Pakistan vide its S.R.O. 389(I)/2023 dated March 21, 2023 has allowed companies to circulate annual audited financial statements to its members through QR enabled code and Weblink, therefore, the Board of Directors has recommended for transmission of Annual Reports including Audited Financial Statements of the Company to its members through QR enabled code and Weblink instead of transmitting the same through CD/DVD/USB.

Ratification & Approval of Related Party Transactions

During the year, there were transactions entered into by the Company with related parties. However, since some of Company's directors were directly or indirectly interested in these transactions due to their common directorship, the quorum of directors could not be formed for approval of these transactions. Accordingly, these transactions, as disclosed in the relevant notes to the financial statements, are being placed before the members for their approval/ratification by passing special resolutions as mentioned in the Notice of Annual General Meeting with or without modifications. All related party transactions are carried out at arm's length in accordance with the Company policies and comply with legal requirements and are reviewed periodically by the Board Audit Committee which is chaired by an independent director.

Further, it is expected that the Company may be conducting related party transactions in the normal course of business in the upcoming financial year as well, wherein, some of directors are expected to be interested in due to their relationships, common directorship in these related parties. The members are informed that it is not possible to make estimate of the quantum of related party transactions to be undertaken in the period ending June 30, 2024, which depends on case-to-case basis, however, the Company will present the actual figures for subsequent ratification and confirmation by the members, at the next annual general meeting. Based on the above, approval of the members is also sought to authorize the Company to enter into such transactions with related parties during the ensuing year ending June 30, 2024 and further grant power to the Board to periodically review and approve such transactions based on the recommendation of the Board Audit Committee by passing Special Resolutions as mentioned in the Notice of Annual General Meeting with or without modifications.