

Crescent Bahuman Limited
Notice of Annual General Meeting

Notice is hereby given that the 31st Annual General Meeting (the "AGM") of the shareholders of Crescent Bahuman Limited (the "Company") will be held on Wednesday, 25 October, 2023 at 10:00 am at Registered Office, 45-A Off Zafar Ali Road, Gulberg-V, Lahore to transact the following business:-

Ordinary Business

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 30 June, 2023 together with the Directors' and Auditors' Reports thereon.
2. To appoint Company's Auditors for the year ending 30 June, 2023. It is hereby notified that the Board of Directors of the Company have recommended the reappointment of Muniff Ziauddin & Co., Chartered Accountants as auditors of the Company.

Special Business

3. To consider and, if thought fit, to pass, with or without modifications, a resolution as special resolution as proposed in the statement of material facts attached hereto, to amend the Memorandum of Association of the Company and to adopt a new set of Articles of Association of the Company.
4. To consider and, if thought fit, to pass, with or without modifications, a resolution as special resolution as proposed in the statement of material facts attached hereto, to increase in the authorized share capital of the Company from Rs. 6,500,000,000 to Rs. 8,000,000,000 and to substitute Clause V of the Memorandum of Association of the Company, subject to requisite permission(s):

(Attached to this Notice is a Statement of Material Facts concerning the above-mentioned special business and draft special resolutions, as required under Section 134(3) of the Companies Act, 2017).

By Order Of The Board

Ehsan Sharif Assad
Company Secretary

Registered Office:
45-A, Off Zafar Ali Road, Gulberg-V, Lahore:
T: +92-042-111-245-245
F: +92-042-111-222-245

Dated: 30 September, 2023

NOTES:

1. The Members Register of the Company shall remain closed from 19 October, 2023 to 25 October, 2023 (both days inclusive). Transfers received in order at the registered office of the Company at the close of business on 18 October, 2022 will be treated in time for

the purpose of attending the meeting.

2. A member entitled to attend and vote at this meeting may appoint any other member as his/her proxy to attend, speak and vote for him/her behalf. The instrument appointing a proxy and the power of attorney or other authority under which it is signed or a notarized attested copy of the power of attorney must be deposited at the Registered Office of the Company at least 48 hours before the time of holding the meeting, and must be signed, stamped and witnessed. A proxy must be a member of the company. Proxy Form in English and Urdu languages is attached.
3. Shareholders are requested to immediately notify the change in address, if any.

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

Amendment in the Memorandum of Association and Adoption of New Set of Articles of Association.

Following the enactment of the new Companies Act, 2017, changes have been necessitated in the Memorandum and Articles of Association of the Company. Thus, certain complying changes have been made in the Memorandum to bring it in line with the new Companies Act, 2017. For the Articles of Association, numerous changes were required, thus the same has been revised and updated accordingly.

In order to enable Members to compare the existing clauses and provisions of the Memorandum and Articles of Association with the proposed amendments, a comparative statement identifying the changes proposed in these documents is being circulated along with this Notice to serve as a comparative analysis of the existing clauses of the Memorandum and Articles of Association with the proposed amendments.

For the purpose aforesaid, it is proposed to consider and, if thought fit, to pass the following resolution as a special resolution, with or without modifications, to amend the Memorandum of Association and adopt a new set of updated Articles of Association of the Company:

RESOLVED THAT:

- (1) the Memorandum of Association (Memorandum) of Crescent Bahuman Limited (the "Company") be and is hereby amended by: (i) designating paragraph (1) of Clause III of the Memorandum as the principal line of business and the Clause III be and is hereby substituted to read as follows:

"III. OBJECTS (i) The principal line of business of the company may be to set up an industrial undertaking for manufacturing of fabric and garments."

(ii) Except for the businesses mentioned in sub-clause (iii) hereunder, the company may engage in all the lawful businesses and shall be authorized to take all necessary steps and actions in connection therewith and ancillary thereto.

(iii) Notwithstanding anything contained in the foregoing sub-clauses of this clause nothing contained herein shall be construed as empowering the Company to undertake or

indulge, directly or indirectly in the business of a Banking Company, Non-banking Finance Company (Asset Management Services, Leasing, Investment Finance Services, Investment Advisory Services, REIT management Services, Housing Finance Services, Private Equity and Venture Capital Fund Management Services, Discounting Services, Pension Fund Scheme Business, Micro Financing), Corporate Restructuring Company, Insurance Business, Modaraba management company, Stock Brokerage business, forex, Clearing House, Securities and Futures Advisor, Commodity Exchange, managing agency, business of providing the services of security guards or any other business subject to license and restricted under any law for the time being in force or as may be specified by the Commission.

- (iv) It is hereby undertaken that the company shall not:
- (a) engage in any of the business mentioned in sub-clause (iii) above or any unlawful operation;
 - (b) launch multi-level marketing (MLM), Pyramid and Ponzi Schemes, or other related activities/businesses or any lottery business
 - (c) engage in any of the permissible business unless the requisite approval, permission, consent or licence is obtained from competent authority as may be required under any law for the time being in force.
- (2) The Articles of Association of the Company be and are hereby substituted by a new set of Articles of Association, as laid before the members, bearing the initials of the Company Secretary for the purpose of identification and prepared by amending the existing Articles of Association in conformity with the Companies Act, 2017
- (3) the Chief Executive and / or Company Secretary be and are hereby singly authorized to do all acts, deeds and things and take all steps to fulfill the legal, corporate and procedural formalities and all necessary actions ancillary and incidental including filing of requisite documents and returns as may be required with the Registrar of Companies, SECP and complying with all other regulatory requirements so as to effectuate the alteration in the Memorandum and Articles of Association of the Company and implementing this resolution.
- (4) that the aforesaid alteration / substitution in the Memorandum and Articles of Association of the Company shall be subject to any amendment, modification, addition or deletion as may be required by the Registrar of Companies, SECP in accordance with the applicable law and approved by the Chief Executive / Secretary which amendment, modification, addition or deletion shall be deemed part of this special resolution without the need for passing a fresh special resolution."

The Directors / Chief Executive 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.

Comparative Analysis

In order to enable the members to compare the existing Memorandum and Articles of Association with the proposed Memorandum and Articles of Association, a comparative statement identifying the proposed changes in the documents along with reasons and justifications for the proposed changes, bearing the initials of the Company Secretary for the purposes of identification is being circulated with this notice to serve as a comparative analysis

Reasons for Alteration in Memorandum and Articles of Association:

The existing Articles of Association of the Company have been redrafted to align the same with the provisions of the Companies Act, 2017. Further, the Memorandum of Association is also proposed to be amended to replace the reference of repealed Companies Ordinance with the Companies Act, 2017 and to designate paragraph (1) of Clause III as the principal line of business of the Company and substitute it as per the requirements of the Companies Act, 2017.

Availability of Relevant Documents and Inspection

A copy each of the existing and amended Memorandum and Articles of Association indicating the proposed amendments and the documents pertaining to proposed special resolutions 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 Annual General Meeting. The same shall also be available for inspection by the members in the AGM.

Statement of the Board of Directors

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

Increase in Authorized Share Capital

At present the authorized share capital of the Company is Rs. 6,500,000,000 (Rupees Six billion five hundred million only) divided into 650,000,000 (six hundred fifty million) ordinary shares of Rs. 10 each (ten only). The Board of Directors of the Company, therefore, have recommended increase in the authorized share capital of the Company from Rs. 6,500,000,000/- (Rupees six billion only) to Rs. 8,000,000,000 (Rupees Eight Billion only) by addition of Rs 1,500,000,000 divided into 150,000,000 ordinary shares of Rs. 10 each. The Board of Directors have also recommended to substitute the Clause V of Memorandum of Association to reflect the proposed increase in authorized share capital of the Company. The new ordinary shares when issued shall rank *pari passu* with the existing ordinary shares in all respects. The following resolutions are proposed to be passed as special resolutions.

"Resolved that the Authorized Share Capital of the Company be and is hereby increased from Rs. 6,500,000,000 to Rs 8,000,000,000 divided into 800,000,000 ordinary (Voting/Non-Voting) ordinary shares of Rs. 10 each by addition of Rs 1,500,000,000 divided into 150,000,000 ordinary shares of Rs. 10 each.

Resolved further that in consequence of the said increase in the authorized share capital of the Company, the existing Clause V of the Memorandum of Association of the Company be and is hereby amended accordingly, to read as follows:

- V. **SHARE CAPITAL:** The authorized share capital of the Company is Rupees 8,000,000,000 (Rupees eight billion only) divided into 800,000,000 ordinary shares of Rs 10 each (ten only) which may be utilized to issue Ordinary shares (voting and non-voting) as the Board of Directors of the Company may decide from time to time in accordance with the Companies Act 2017 and the rules and regulations made by the SECP from time to time. The Ordinary Shares (Voting/Non-Voting) will carry such rights and subject to such conditions as provided in the Articles Association of the Company or as decided by the members of the Company. The Company shall have power to increase or reduce the capital and to divide the shares in the capital for the time being into several classes in accordance with the provisions of the Companies Act, 2017 and any rules and regulations made thereunder, and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Companies Act, 2017 and the Articles of Association of the Company for the time being, and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Companies Act, 2017 and the Articles of Association of the Company.”

Resolved further that the Authorized Share Capital of Rs. 8,000,000,000 be utilized to issue voting and /or non-voting Ordinary Shares of PKR. 10 each as the Board of Directors of the Company may decide from time to time in accordance with the applicable law/decision of the members of the Company.

Resolved further 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.

Resolved further that the Chief Executive of the Company, Chief Financial Officer and the Company Secretary be and are singly / jointly authorized to take all necessary steps and decisions to obtain all approvals required, if any and to sign, execute and deliver and file all requisite document to the relevant authorities.

Resolved further that the aforesaid alteration in the Memorandum of Association of the Company shall be subject to any amendment, modification, addition or deletion as may be suggested by the Registrar/SECP and any such alterations or amendments shall be effective and treated as approved by the shareholders and deemed to be part and parcel of this resolution without the need for any fresh approval of the members in the general meeting.”

Existing Clause V of the Memorandum of Association

- V. **SHARE CAPITAL:** The authorized share capital of the Company is Rupees 6,500,000,000 (Rupees six billion five hundred million only) divided into 650,000,000 ordinary shares of Rs 10 each (ten only) which may be utilized to issue Ordinary shares (voting and non-voting)/Preference Shares as the Board of Directors of the Company may decide from time to time in accordance with the Companies Act 2017 and the rules and regulations made by the SECP from time to time. The Ordinary Shares (Voting/Non-Voting)/Preference Shares will carry

such rights and subject to such conditions as provided in the Articles Association of the Company or as decided by the members of the Company. The Company shall have power to increase or reduce the capital and to divide the shares in the capital for the time being into several classes in accordance with the provisions of the Companies Act, 2017 and any rules and regulations made thereunder, and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Companies Act, 2017 and the Articles of Association of the Company for the time being, and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Companies Act, 2017 and the Articles of Association of the Company.”

Reasons for alteration in authorized share capital

Alteration of authorized share capital is being proposed to enhance the existing authorized capital in order to accommodate issuance further shares to voting/non-voting shareholders.