

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 46th Annual General Meeting of the shareholders of Crescent Fibres Limited will be held on Saturday the 28th of October, 2023 at 9.30 a.m. at Registered Office of the Company 104-Shadman-1, Lahore to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt Audited Accounts of the Company for the year ended 30th June, 2023 together with Auditors and Directors reports thereon.
2. To appoint Auditors and fix their remuneration. The retiring auditor's M/s. BDO Ebrahim & Company, Chartered Accountants offer themselves for re-appointment.

SPECIAL BUSINESS

3. To ratify and approve transactions conducted with related parties for the year ended June 30, 2023 by passing the following resolution in respect of related party transactions in which the majority of Directors of the Company are interested in terms of Section 207& 208 of the Companies Act, 2017.

“RESOLVED THAT the transactions conducted with related parties as disclosed in the note of the financial statement for the year ended June 30, 2023 and specified in the Statement of Material Information under section 134(3) be and are hereby ratified, approved and confirmed.”

4. To authorize the Board of Directors of the Company to approve transactions with related parties for the financial years ending June 30, 2024 by passing the following special resolution with or without modification.

“RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to approve the transactions to be conducted with related parties on case to case basis for the financial year ending June 30, 2024.”

“RESOLVED FURTHER that these transactions by the Board shall be deemed to have been approved by the shareholders and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification/approval.”

5. To consider and approve the circulation of the Annual Financial Statements (Including balance Sheet profit and loss account, auditor's report and Director report & other reports contained therein) to the members of the Company through QR enabled code and web link as allowed by the Securities and Exchange Commission under SRO 389(1)/2023 dated March 21, 2023.

“RESOLVED THAT the approval of the members of Crescent Fibres Limited be and is hereby accorded for transmission of Annual Reports including Annual Audited Financial Statements to the members in future 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.

OTHER BUSINESS

6. To transact any other business of the Company with the permission of the Chair.

**September 30, 2023
REGISTERED OFFICE
104-Shadman-1, Lahore,**

**By Order of the Board
JAVAID HUSSAIN
Company Secretary**

NOTES:

1. Book Closure

The Share Transfer Books will remain closed from 20th October, 2023 to 28th October, 2023 (both days inclusive). Transfers received in order at the office of our Share Registrar M/s. Corplink (PVT.) Limited, Wings Arcade, 1-K, Commercial, Model Town Lahore at the closed business on Thursday 19th October, 2023 will be considered in time to attend the meeting.

2. Proxy Form Facility

A member eligible to attend and vote at the Annual General Meeting may appoint another member as his/her proxy to attend and vote instead of him/her. Proxies in order to be valid must be received by the company duly completed not less than 48 hours before the Meeting.

CDC shareholders are requested to bring with them their National Identity Cards alongwith participants' ID number and their account numbers at the time of Annual General Meeting in order to facilitate identification. In case of corporate entity, a certified copy of the resolution passed by the Board of Directors/valid Power of Attorney with the specimen signature of the nominee be produced at the time of meeting.

3. Video Conference Facility

The Company shall provide video conference facility to its members for attending Annual General Meeting if, members collectively holding 10% or more shareholding, provide their consent to participate in the meeting through video conference at least 7 days prior to the date of AGM.

4. Voting through Ballot paper:

In accordance with regulation 8(2) of the Companies (postal Ballot) Regulation 2018. Members have the option to cast their votes using the ballot paper copy of which is accessible from printed annual reports or also available on the Company's website. The duly verified ballot paper should reach the Chairman of the meeting through e-mail at cs@cresecentfibres.com or through post to 104-Shadman-1, Lahore not later than one day prior to the AGM, during working hours.

5. Electronic Voting:

In accordance Regulation 4(4) of the Companies (Postal Ballot) Regulation 2018, Members also have the option to cast their votes thorough e-voting. 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 available in the Register of Members of the Company by the end of business on October 19, 2023 by Corplink (Private) Limited being the e voting service provider.

The facility for e-voting shall open on 25th October, 2023 9.00 a.m. and shall close at 17:00 hours on 27th October, 2023.

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

Agenda No. 3 of the notice- Ratification and approval of the related party transactions.

Transactions conducted with all related parties have to be approved by the Board of Directors duly recommended by the Audit Committee on quarterly basis pursuant to clause 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2019. Certain related parties' transactions require Shareholders approval under Section 207 & 208(to the extent applicable) of the Companies Act, 2017 as a majority of Directors on the Company are interested in the transactions.

| Relation with Company | Nature of Transaction | 2023 Rupees | 2022 Rupees |
|-------------------------------------|--------------------------------|----------------|----------------|
| Associated Companies / undertakings | Sale of Yarn / Cotton | 185,632,232 | 285,452,505 |
| | Insurance premium | 32,889,030 | 26,273,504 |
| | Rent received | 856,680 | 778,800 |
| Retirement benefit plans | Contribution to provident Fund | 20,533,574 | 18,363,052 |
| Directors/Director Close relatives | Rent paid | 4,380,000 | 4,380,000 |
| | Remuneration and | | |
| | Other benefits (note 46) | 55,314,664 | 50,191,289 |

Based on the aforesaid, the Shareholders are requested to pass the Resolution with or without modification as stated in the Notice.

Agenda No.4 of the notice- Ratification and approval of the related party transactions

The Company shall be conducting transactions with related parties during the year ending June 30, 2024 on an arm's length basis. In some of these transactions, including rent, remuneration, sales and others, the majority of Directors have an interest and as such these must be approved by the shareholders under Section 207 & 208(to the extent applicable) of the Companies. The shareholders are being asked to authorize the Board to approve these transactions subject to them placed before the shareholders in the next AGM for their formal approval/ratification.

Agenda No.5 of the notice- Approval of QR Code and web link for circulation Annual accounts of the company.

The Securities and Exchange Commission of Pakistan has issued a S.R.O. 389 (I)/2023 dated March 22, 2023 whereby the SECP has allowed the listed companies to circulate the Annual balance sheet and profit and loss account, auditor's report and directors report etc. (annual financial statements) to its members through QR enabled code and weblink to its members, where they locate to access the financial statements of the Company.