

## NOTICE OF EXTRA ORDINARY GENERAL MEETING

Notice is hereby given that an Extra Ordinary General Meeting of the Shareholders of Crescent Star Insurance Limited (“the Company”) will be held on Saturday, March 25, 2017 at 9.00 a.m. at 2nd Floor, Nadir House I. I. Chundrigar Road, Karachi to transact the following business.

### Ordinary Business:

1. To confirm the minutes of last Extra Ordinary General Meeting held on August 27, 2016.

### Special Business:

2. To consider and if thought fit, approve the increase in Authorized Share Capital of the Company and to pass the following 'Special Resolutions' with or without modifications:

**“RESOLVED THAT** the Authorized Capital of the Company be and is hereby increased from Rs. 1,000,000,000/- divided into 100,000,000 ordinary shares of Rs. 10/- each to Rs. 1,150,000,000/- divided into 115,000,000 ordinary shares of Rs. 10/- each and the words and figures in Clause V of the Memorandum of Association of the Company be and are hereby amended accordingly.”

**“RESOLVED FURTHER THAT** the Chief Executive or any one Director and/or the Company Secretary of the Company be and hereby authorized singly to complete all the necessary corporate and legal formalities in respect of the above.”

3. To consider and, if thought fit, pass special resolution pursuant to Section 208 of the Companies Ordinance, 1984 (the “Ordinance”) to authorize further investment in Share Capital of Crescent Star Foods (Private) Limited (CSF) up to a value of approximately Rs. 380 million in aggregate, this will enhance the total investment in CSF up to Rs. 500 million in aggregate.

**“RESOLVED THAT** pursuant to the requirements of Section 208 of the Ordinance, the Company be and is hereby authorized to further invest in Share Capital of, CSF up to a value of approximately Rs. 380 million in aggregate.”

**“RESOLVED FURTHER THAT** the Chief Executive Officer and the Company Secretary of the Company be and are hereby authorized singly to take all steps necessary, ancillary and incidental, corporate and legal formalities for the completion of the above transaction but not limited to filing of all the requisite statutory forms and all other documents with SECP, executing documents all such notices, reports, letters and any other document or instrument to give effect to the above resolutions.”

4. To consider and, if thought fit, pass special resolution pursuant to Section 208 of the Companies Ordinance, 1984 (the "Ordinance") to authorize investment in Share Capital of Crescent Star Luxury (Private) Limited (CSL) up to a value of approximately Rs. 100 million in aggregate

**"RESOLVED THAT** pursuant to the requirements of Section 208 of the Ordinance, the Company be and is hereby authorized to make investment in Share Capital of CSL up to a value of approximately Rs. 100 million."

**"RESOLVED FURTHER THAT** the Chief Executive Officer and the Company Secretary of the Company be and are hereby authorized singly to take all steps necessary, ancillary and incidental, corporate and legal formalities for the completion of the above transaction but not limited to filing of all the requisite statutory forms and all other documents with SECP, executing documents all such notices, reports, letters and any other document or instrument to give effect to the above resolutions."

5. To consider and, if thought fit, pass special resolution pursuant to Section 208 of the Ordinance, to authorize investment in the form of loans / advances up to Rs. 10 million to CSL.

**"RESOLVED THAT** pursuant to the requirements of Section 208 of the Ordinance, the Company be and is hereby authorized to make investment in the form of loans / advances from time to time to CSL up to an aggregate sum of Rs. 10 million."

**Other Business:**

6. To consider any other business with the permission of Chairman.

By order of the Board  
Malik Mehdi Muhammad

Karachi: March 3, 2017

**Notes:**

**1. CLOSURE OF SHARE TRANSFER BOOKS:**

The Share Transfer Books of the Company shall remain closed from March 19, 2017 to March 25, 2017 (both days inclusive). Transfers received at our registrar office M/s F. D. Registrar Services (SMC-Pvt.) Limited 17<sup>th</sup> Floor, Saima Trade Tower-A, I. I. Chundrigar Road Karachi by the close of business on March 18, 2017 will be treated in time.

**2. PROXY FORM:**

A member entitled to attend and vote at this meeting may appoint another person as his/her proxy to attend, speak and vote instead of him/her behalf at the meeting. Proxies, in order to be valid, must be received at the registered office of the Company not later than 48 hours before the meeting. A member shall not be entitled to appoint more than one proxy.

**3. NOTICE FOR CDC SHAREHOLDERS:**

Central Depository Company (CDC) shareholders are requested to bring their Computerized National Identity Cards, Account/Sub-Account and Participant's ID Number in the CDC for identification purpose when attending the meeting. In case of corporate entity, the Board's Resolution/Power of Attorney with specimen signature shall be furnished (unless it has been provided earlier) at the time of meeting.

**4. NOTICE TO SHAREHOLDER'S WHO HAVE NOT PROVIDED THEIR CNIC'S:**

Members who have not yet submitted photocopy of their Computerized National Identity Cards to the Registrar of the Company are requested to send the same at the earliest.

**5. NOTICE TO SHAREHOLDER FOR CHANGE IN THEIR ADDRESSES:**

Shareholders are requested to notify to the Company's Share Registrar immediately of any change in their addresses.

**STATEMENT OF MATERIAL FACTS UNDER SECTION 160(1)(b) OF THE COMPANIES ORDINANCE, 1984 REGARDING THE SPECIAL BUSINESS**

The accompanying copy of the notice is for the purpose of convening the meeting of the members for passing of the Special Resolutions specified in the notice. The material facts relating to the Special Resolutions are as follows:

**Agenda Item 2: Increase in the Authorized Share Capital of the Company**

As per recommendations of the Board of Directors at its meeting held on February 28, 2017, the Authorized Share Capital of the Company is to be increased from Rs. 1,000,000,000/- to Rs. 1,150,000,000/-. This increase in capital will also necessitate amendments in clause V of the Memorandum of Association of the Company accordingly and after the proposed amendment will be read as under:

**Clause V of the Memorandum of Association of the Company**

"The authorized capital of the Company is Rs 1,150,000,000/= (Rupees One Billion One Hundred Fifty million only) divided into 115,000,000 (One Hundred Fifteen million) ordinary shares of Rs 10/- each. The Company shall have the powers to increase, reduce or reorganize the capital of the Company and divide shares in the capital for the time being into several classes in accordance with the provisions of the Company Ordinance, 1984."

**Agenda Item 3: Investment in Share Capital of Crescent Star Foods (Private) Limited**

The Board of Directors have decided to further invest in Share Capital of Crescent Star Foods (Private) Limited to a value of approximately up to Rs.380 million in aggregate.

S. No.	NATURE OF INFORMATION REQUIRED TO BE DISCLOSED PURSUANT TO THE COMPANIES (INVESTMENTS IN ASSOCIATED COMPANIES OR UNDERTAKINGS) REGULATIONS, 2012	RELEVANT INFORMATION
	<b>Investment in Share Capital</b>	
1.	Name of the associated company or associated undertaking along with criteria based on which the relationship is established	Crescent Star Foods (Private) Limited (CFOODS) is a subsidiary of the Company. The relationship is established based on 50% holding and managing operation of the Company.
2.	Purpose, benefits and period of investment	<p><b>Purpose &amp; Benefit</b></p> <p>The objective of the Company is to enter the lucrative food business category through a maximum of 100% holding in the Company.</p> <p><b>Period of Investment</b></p> <p>Long Term</p>
3.	Maximum amount of investment	<p>Previous PKR 120 million</p> <p>New PKR 380 million</p> <p>Total PKR 500 million</p>
4.	Maximum price at which securities will be acquired	PKR 10/-
5.	Maximum number of securities to be acquired	50 million ordinary shares
6.	Number of securities/units and percentage thereof held before and after the proposed investment	<p>Before Investment</p> <p>50%</p> <p>After Investment</p> <p>100%</p>
7.	In case of investment in listed securities, average of the preceding twelve weekly average price of the security	N/A

	intended to be acquired	
8.	In case of investment in unlisted securities fair market value of such securities determined in terms of regulation 6(1)	Crescent Star Foods (Private) Limited is a newly set up company and the project is currently in formative phase. The current fair value of investment is assumed at PKR 10/- due to the above factor. The fair value of the investment will be applicable once the Company commences its full operations.
9.	Break-up value of securities intended to be acquired on the basis of the latest audited financial statements	N/A
10.	Earnings/(Loss) per share of the subsidiary company or associated undertaking for the last three years	N/A
11.	Sources of fund from which securities will be acquired	Through own resources
12.	If the securities are intended to be acquired using borrowed funds:  a. justification for investment through borrowings; and  b. detail of the guarantees and assets pledged for obtaining such funds.	N/A
13.	Salient features of the agreement(s), if any, entered into with its associated company or associated undertaking with regards to the proposed investment.	N/A
14.	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration	Common Directorship.  None of the directors, sponsors, majority shareholders and their relatives have any interest in the proposed acquisition, except to the extent of their shareholding in the Company and that certain directorship are the Nominee Directors on the

		Company's Board.
15.	Any other important details necessary for the members to understand the transaction	None
16.	<p>In case of investment in securities of a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above, disclose further information as follows:</p> <ol style="list-style-type: none"> <li>1. Description of the project and its history since conceptualization.</li> <li>2. Expected date of completion of work.</li> <li>3. Time by which such project shall become commercially viable.</li> <li>4. Expected time by which the project shall start paying return on investment.</li> </ol>	<p>30 food outlets to be rolled out in next 10 years across different cities of Pakistan.</p> <p>December 31, 2018.</p> <p>Five outlets are currently operational and further minimum of three outlets will be operational in every year.</p> <p>The project shall start paying return from 3rd year of its operation.</p>

#### Agenda Item 4: Investment in Share Capital of Crescent Star Luxury (Private) Limited

The Board of Directors have decided to invest in Share Capital of Crescent Star Luxury (Private) Limited to a value of approximately up to Rs.100 million in aggregate.

#### Agenda Item 5: Investment in the form of Loans / Advances to Crescent Star Luxury (Private) Limited

The Board of Directors have decided to make investment in the form of loans / advances up to an aggregate sum of Rs. 10 million.

S. No.	NATURE OF INFORMATION REQUIRED TO BE DISCLOSED PURSUANT TO THE COMPANIES (INVESTMENTS IN ASSOCIATED COMPANIES OR UNDERTAKINGS) REGULATIONS, 2012	RELEVANT INFORMATION
a.	Investment in Share Capital	

1.	Name of the associated company or associated undertaking along with criteria based on which the relationship is established	Crescent Star Luxury (Private) Limited (CSL) is a subsidiary of the Company. The relationship is established based on 100 % holding of the Company.
2.	Purpose, benefits and period of investment	<p><b>Purpose &amp; Benefit</b></p> <p>The objective of the Company is to enter the fashion, luxury and beauty brands through retail outlets through a maximum of 100% holding in the Company.</p> <p><b>Period of Investment</b></p> <p>Long Term</p>
3.	Maximum amount of investment	PKR 100 million
4.	Maximum price at which securities will be acquired	PKR 10/-
5.	Maximum number of securities to be acquired	10 million ordinary shares
6.	Number of securities/units and percentage thereof held before and after the proposed investment	<p>Before Investment</p> <p>100%</p> <p>After Investment</p> <p>100%</p>
7.	In case of investment in listed securities, average of the preceding twelve weekly average price of the security intended to be acquired	N/A
8.	In case of investment in unlisted securities fair market value of such securities determined in terms of regulation 6(1)	Crescent Star Luxury (Private) Limited is a newly set up company and the project is currently in formative phase. The current fair value of investment is assumed at PKR 10/- due to the above factor. The fair value of the investment will be applicable once the Company

		commences its full operations.
9.	Earnings/(Loss) per share of the subsidiary company or associated undertaking for the last three years	N/A
10.	Sources of fund from which securities will be acquired	Through own resources
11.	If the securities are intended to be acquired using borrowed funds:  a. justification for investment through borrowings; and  b. detail of the guarantees and assets pledged for obtaining such funds	N/A
12.	Salient features of the agreement(s), if any, entered into with its associated company or associated undertaking with regards to the proposed investment	N/A
13.	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration	Common Directorship.  None of the directors, sponsors, majority shareholders and their relatives have any interest in the proposed acquisition, except to the extent of their shareholding in the Company and that certain directorship are the Nominee Directors on the Company's Board.
14.	Any other important details necessary for the members to understand the transaction	None
<b>b.</b>	<b>Loans / Advances</b>	
1.	Purpose, benefits and period of investment	<b>Purpose &amp; Benefit</b>  The objective of the Company is to enter the business of cosmetics through a maximum of 100% holding in the Company.

		<b>Period of Investment</b>
		Long Term
2.	Maximum amount of investment	PKR 10 million
3.	In case any loan has already been granted to the said associated company or associated undertaking, the complete details thereof;	N/A
4.	Financial position, including main items of balance sheet and profit and loss account of the associated company or associated undertaking on the basis of its latest financial statements;	N/A
5.	Rate of interest, mark up, profit, fees or commission etc. to be charged;	Average borrowing cost of investing company plus 1.5%. In case of No borrowing cost it will be KIBOR plus 3%.
6.	Sources of funds from where loans or advances will be given;	Loan and / or advance will be given out of own funds of the Company.
7.	Where loans or advances are being granted using borrowed funds, justification for granting loan or advance out of borrowed funds; detail of guarantees / assets pledged for obtaining such funds, if any; and repayment schedules of borrowing of the investing company;	N/A
8.	Particulars of collateral security to be obtained against loan to the borrowing company or undertaking, if any;	A charge on current/fixed assets of the Company.
9.	If the loans or advances carry conversion feature i.e. it is convertible into securities, this fact along with complete detail including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable;	N/A
10.	Repayment schedule and terms of loans or advances to be given to the investee company;	To be paid back within 3 years from the date of disbursement.
11.	Any other important details necessary for the members to understand the transaction	None