



fauji foods

FFL/HO/CS/

September 26, 2022

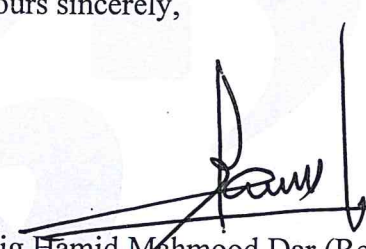
The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Subject: **Notice of Extraordinary General Meeting of Fauji Foods Limited**

Dear Sir,

Enclosed please find a copy of Notice of Extraordinary General Meeting of the Company to be held on October 18, 2022 at 01:00 pm at Lahore for circulation amongst the TRE certificate holders of the Exchange.

Yours sincerely,


Brig Hamid Mahmood Dar (Retd)
Company Secretary



fauji foods

FAUJI FOODS LIMITED

Registered/ Head Office:

42 CCA, Ex Park View, DHA Phase - VIII, Lahore

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the Extraordinary General Meeting of the shareholders of Fauji Foods Limited will be held at FFL Head Office Lahore and also virtually through video link at 01:00 p.m. on Tuesday, October 18, 2022 to transact the following business:

ORDINARY BUSINESS:

To confirm minutes of Extraordinary General meeting held on August 30, 2022.

SPECIAL BUSINESS:

To pass the following resolutions, with or without amendments, as Special Resolutions by the shareholders:

RESOLVED THAT subject to the approval of the Securities and Exchange Commission of Pakistan under Section 83(1)(b) of the Companies Act, 2017 (the "2017 Act") and compliance with all applicable legal requirements, the allotment and issuance of 1,170,874,980 number of shares at PKR 10/- share i.e., at par, by way of other than right offer, in the following manner, is hereby approved:

- i. To issue 400,000,000 shares at par PKR 10/- share amounting to PKR 4,000,000,000 to FFBL Power Company Limited (FPCL) against cash.
- ii. To issue 465,000,000 shares at par PKR 10/- share amounting to PKR 4,650,000,000 to FFC Energy Limited (FFCEL) against cash.
- iii. To issue 235,000,000 shares at par PKR 10/- share amounting to PKR 2,350,000,000 to Fauji Foundation (FF) out of which PKR 350,000,000 is against cash and PKR 2,000,000,000 is against conversion of subordinated loan to equity.
- iv. To issue 70,874,980 shares at par PKR 10/- share to Fauji Fertilizer Bin Qasim Limited against conversion of accrued markup on subordinated loan amounting to PKR 708,749,800 to equity.

FURTHER RESOLVED THAT the Company do all such acts, deeds and things as may be necessary and/or expedient for the aforesaid purpose including, without limitation, to submit an application, under Section 83(1)(b) of the 2017 Act, to the Securities and Exchange Commission of Pakistan for the allotment and issuance of shares to parties, other than rights issue.

FURTHER RESOLVED THAT the Chief Executive Officer, Company Secretary and Chief Financial Officer, or such one or more other persons as the Chief Executive Officer may from time to time specially designate for the purpose, be and are hereby jointly and severally authorized to take any and all actions necessary or conducive for the implementation of the foregoing resolutions, including, without limitation, to seek any and all consents and approvals, to execute and (where required) file all necessary documents, declarations, applications and undertakings and to appear and make representations before any regulatory or other authority, as may be necessary or conducive for and in connection with any of the foregoing matters and to sign, issue and dispatch all such documents and notices and do all such acts, deeds and things as they may deem necessary and/or expedient.

OTHER BUSINESS:

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

By Order of the Board

Brig Hamid Mahmood Dar (Retd)

Company Secretary

CLOSURE OF SHARE TRANSFER BOOKS:

Share transfer books of the Company will remain closed from October 12, 2022 to October 18, 2022 (both days inclusive) for the purpose of holding the Extraordinary General Meeting.

NOTES:-

1. A member of the Company entitled to attend and vote at the General Meeting may appoint a person/representative as proxy to attend and vote in place of member at the meeting. Proxies in order to be effective must be received at Company's registered office duly stamped and signed not later than 48 hours before the time of holding meeting. A member cannot appoint more than one proxy. Attested copy of shareholder's CNIC must be attached with the proxy form.
2. The CDC/sub account holders are required to follow the under mentioned guidelines as laid down by Securities and Exchange Commission of Pakistan contained in Circular No. 1 of 2000 dated January 26, 2000:-

(a) For attending the meeting

- i. In case of individuals, the account holder or sub-account holder shall authenticate his/her identity by showing his / her original national identity card 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 at the time of meeting.

(b) For appointing proxies

- i. In case of individuals, the account holder or sub-account holder shall submit the proxy form as per the above requirement.
 - ii. The proxy form shall be witnessed by the two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
 - iii. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - iv. The proxy shall produce his/her original CNIC or original passport at the time of the meeting.
 - v. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted to the Company along with proxy form.
3. Members are requested to promptly notify any change in their addresses.
 4. Members, having physical shares, are advised to intimate any change in their registered address and the shareholders who have not yet submitted photocopies of their Computerized National Identity Cards (CNIC) are requested to send the same at the earliest.
 5. Shareholders who wish to receive annual reports and notice of the General Meeting through e-mail are requested to provide, through a letter duly signed by them, their particulars, i.e. Name, Folio/ CDC A/C No., E-mail Address, Contact Number, CNIC Number (attach copy). Shareholders are also requested to notify immediately any change in their e-mail address to the Share Registrar of the Company i.e. M/s Corplink (Pvt.) Limited, Wings Arcade, 1-K, Commercial, Model Town, Lahore.

CONSENT FOR VIDEO CONFERENCE FACILITY

Members can also avail video conference facility in Karachi and Islamabad. In this regard please fill the following and submit to registered address of the Company 10 days before holding the general meeting.

If the Company receives consent from members holding in aggregate 10% or more shareholding residing at geographical location, to participate in the meeting through video conference at least 10 days prior to the date of meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city.

The Company will intimate members regarding venue of video conference facility at least 5 days before the date of general meeting alongwith complete information necessary to enable them to access such facility.

I/We, _____ of _____, being a member of Fauji Foods Limited, holder of _____ Ordinary Share(s) as per Register Folio / CDC Account No _____ hereby opt for video conference facility at _____

Signature of member

6. **E-Voting**

Members can exercise their right to demand a poll subject to meeting requirements of Sections 143 -145 of Companies Act, 2017 and applicable clauses of Companies (Postal Ballot) Regulations 2018.

7. **Participation in EOGM through electronic means:**

As per directions issued by SECP through Circular No EMD/MISC/82/2012-77 dated February 15, 2021 in the light of the threat posed by evolving COVID-19 situation (Corona Virus) pandemic and to protect the wellbeing of the shareholders, members are also requested to participate in the Extraordinary General Meeting through the following means:

1. WhatsApp No. [0321-8318007]
2. Email ID [secretary@faujifoods.com]
3. Video Link [Join Through Below Zoom Link]

<https://ffbl.zoom.us/j/2315355306?pwd=dUFUL0pHNUIFSTdINzNZWVJWdVVDUT09>

Meeting ID: 231 535 5306
Passcode: 335335

Members who intend to participate physically should consolidate their attendance through proxies. Shareholders are requested to mention Name, CNIC No, Folio / CDC A/c No and number of shares for identification.



Company Secretary
Fauji Foods Limited

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

Pursuant to Section 134(3) of the Companies Act 2017, this statement sets forth the material facts concerning the special business to be transacted at Extraordinary General Meeting of Fauji Foods Limited to be held virtually at FFL Head Office, Lahore on October 18, 2022 at 01:00 pm.

ISSUE OF SHARES OTHER THAN RIGHT

In order to financially support the Company, subject to approval of the Securities and Exchange Commission of Pakistan under Section 83(1)(b) of the Companies Act, 2017 (the "2017 Act") and compliance with all applicable legal requirements, the allotment and issuance of 1,170,874,980 number of shares at PKR 10/- share i.e., at par, by way of other than right offer, in the following manner:

- i. To issue 400,000,000 shares at par PKR 10/- share amounting to PKR 4,000,000,000 to FFBL Power Company Limited (FPCL) against cash.
- ii. To issue 465,000,000 shares at par PKR 10/- share amounting to PKR 4,650,000,000 to FFC Energy Limited (FCEL) against cash.

- iii. To issue 235,000,000 shares at par PKR 10/- share amounting to PKR 2,350,000,000 to Fauji Foundation (FF) out of which PKR 350,000,000 is against cash and PKR 2,000,000,000 is against conversion of subordinated loan to equity.
- iv. To issue 70,874,980 shares at par PKR 10/- share, to Fauji Fertilizer Bin Qasim Limited against conversion of accrued markup on subordinated loan amounting to PKR 708,749,800 to equity.

INFORMATION UNDER REGULATION 5 OF THE COMPANIES (FURTHER ISSUE OF CAPITAL) REGULATIONS, 2020

Quantum of the issue of shares

Proposed no. of shares to be issued is 1,170,874,980. The issuance of such shares constitutes 73.91% percentage of the existing paid-up capital of the Company before the issue and 42.50% percentage of the paid-up capital of the Company after the issue.

Issue price and justification

Shares will be issued at par value of PKR 10 per share. It is necessary to issue the shares at par value, as the par value is above the market value and the break-up value of the shares, and will enable the Company to meet its strategic business plan, working capital requirements and repayment of debt.

Consideration against which shares are proposed

A total of PKR 11,708,749,800 as per the following:

- (a) 400,000,000 shares at par PKR 10/- share amounting to PKR 4,000,000,000 to FFBL Power Company Limited (FPCL) against cash;
- (b) 465,000,000 shares at par PKR 10/- share amounting to PKR 4,650,000,000 to FFC Energy Limited (FFCEL) against cash;
- © 235,000,000 shares at par PKR 10/- share amounting to PKR 2,350,000,000 to Fauji Foundation (FF) out of which PKR 350,000,000 is against cash and PKR 2,000,000,000 is against conversion of subordinated loan to equity; and
- (d) 70,874,980 shares at par PKR 10/- share to Fauji Fertilizer Bin Qasim Limited against conversion of accrued markup on subordinated loan amounting to PKR 708,749,800 to equity.

Brief profile of parties to whom shares are to be issued

Fauji Foundation:

A Trust for the Welfare of Ex-servicemen and their Families Fauji Foundation was established as a charitable trust in 1954, and operating on a completely self-sustaining basis, channels approximately 80% of the profits from commercial ventures into social protection programs that serve a beneficiary population representing approximately 5% of the country's population.

Spending more than Rs. 31 billion since inception on welfare, the Foundation provides services in the areas of healthcare, education, educational stipends, technical and vocational trainings.

Fauji Fertilizer Bin Qasim Limited:

Fauji Fertilizer Bin Qasim Limited is a public limited Company incorporated in Pakistan under the Companies Ordinance, 1984 (now replaced by the Companies Act, 2017). The shares of the Company are quoted on Pakistan Stock Exchange. The principal objective of the Company is manufacturing, purchasing and marketing of fertilizers. It is the sole manufacturer of Sona DAP and Sona Urea Granular in Pakistan.

FFBL Power Company Limited:

FPCL, a coal fired 118-Megawatt electric power project within FFBL fertilizer complex, was conceived to overcome energy crises in Pakistan. FPCL, on one hand, ensures reliable, uninterrupted and affordable supply of electricity to national grid through K-Electric and, on the other hand, it also saves natural gas by supplying electricity to FFBL's fertilizer plant as earlier FFBL used to produce electricity through natural gas.

FFC Energy Limited:

FFC Energy Limited (FFCEL) is a special purpose public limited company which has been established and set up under the laws of Pakistan and is incorporated under the Companies Ordinance 1984. It is a subsidiary of Fauji Fertilizer Company Ltd.

FFCEL has developed Pakistan's first Wind Energy Project at Jhampir, District Thatta, Sindh. The company has played a pioneering and leading role in developing Pakistan's nascent wind power sector. With total installed capacity of 49.5 MW and consisting of 33 number of Nordex S77 1.5 MW wind turbines, FFCEL became Pakistan's first wind power electricity generation company to achieve Financial Close on June 28, 2011.

This Fast Track Project has provided over 200 GWh of cleaner and sustainable energy to the national grid and helped address electricity shortage in the country.

Name and profile of existing shareholders to whom shares are to be issued

Fauji Foundation:

Fauji Foundation's existing shareholding in the Company is 4.25%. A Trust for the Welfare of Ex-servicemen and their Families Fauji Foundation was established as a charitable trust in 1954, and operating on a completely self-sustaining basis, channels approximately 80% of the profits from commercial ventures into social protection programs that serve a beneficiary population representing approximately 5% of the country's population.

Spending more than Rs. 31 billion since inception on welfare, the Foundation provides services in the areas of healthcare, education, educational stipends, technical and vocational training.

Fauji Fertilizer Bin Qasim Limited ("FFBL"):

FFBL's existing shareholding in the Company is 71.63%. FFBL is a public limited Company incorporated in Pakistan under the Companies Ordinance, 1984 (now replaced by the Companies Act, 2017). The shares of the Company are quoted on Pakistan Stock Exchange. The principal objective of the Company is manufacturing, purchasing and marketing of fertilizers. It is the sole manufacturer of Sona DAP and Sona Urea Granular in Pakistan.

Purpose of the issue

To meet strategic business plan, working capital requirements of the Company and repayment of debt.

Justification for issue of the shares by way of other than right

With an objective to strengthening capital base of the company, meeting its strategic business plan, working capital requirements of the Company, repayment of debt and converting subordinated loan, the BOD, in the best interest of the Company accorded it's approval for an equity investment by group companies in the company by way of fresh issue of ordinary shares other than right.

Benefits of the issue to Company and its members

Improvement in capital structure and financial health of the Company by using these funds to prepay bank loans and use the balance funds in working capital. Also, the Company has planned capital expenditure to enhance its production which will result in better sales. This is expected to significantly improve the financial performance of the Company and hence benefit the members.

Breakup value per share as per the latest available audited and reviewed accounts

Break up value as per audited Financial statements as at 31 December 2021 Rs. 2.23 per share

Break up value as per reviewed Financial statements as at 30 June 2022 Rs. 1.432 per share

Consent of parties

Subject to corresponding parties' (i.e., subscribers') requisite approvals, including, where applicable, from their shareholders, lenders and regulators.

Ranking of proposed issue

Proposed shares will rank pari-passu to existing paid up share capital.

Average market price of last Three months

PKR 6.63 per share.



fauji foods

FAUJI FOODS LIMITED

FORM OF PROXY

Registered Folio No./
CDC Account No. _____

I/We _____
(NAME)

of _____
(Address)

being a member of FAUJI FOODS LIMITED , hereby appoint

(NAME)

of _____
(Address)

or failing him _____
(NAME)

of _____
(Address)

(also being a member of the Company) as my/ our proxy to attend, act and vote for me/ us and on my/ our behalf, at the Extraordinary General Meeting of the Company to be held at Company's Head Office situated at 42 CCA, Ex Park View, DHA Phase-VIII, Lahore and also virtually through video link on Tuesday, October 18, 2022 at 01:00 p.m. and at any adjournment thereof.

As witness my hand this _____ Day of _____ 2022

Signature of Shareholder / Appointer

Revenue
Stamp
Rs. 50/-

Witness 1

Signature _____

Name _____

Address _____

CNIC #

Witness 2

Signature _____

Name _____

Address _____

CNIC #

Note: Proxies, in order to be effective must reach the Company's Registered office not less than 48 hours before the time for holding the meeting and must be duly stamped, signed and witnessed. Proxies of the Members through CDC shall be accompanied with attested copies of their CNIC.

BOOK POST

If undelivered, please return to:

FAUJI FOODS LIMITED

42 CCA, Ex Park View, DHA Phase-VIII, Lahore.

Tel: +92 42 37136310, +92 42 37136315-17

Web: www.faujifoods.com