



H U S E I N

S U G A R

Ref: HSM/AC/PSX/2021
Dated: December 21, 2021

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

DIRECTORS / SPONSORS' SUBSCRIPTION OF PREFERENCE RIGHT SHARES

Dear Sir,

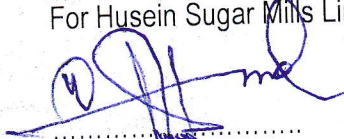
In accordance with the Pakistan Stock Exchange Limited procedure for issue of Preference Right Shares, we are pleased to inform you that the Directors / Sponsors' of Husein Sugar Mills Limited have fully subscribed their portion of Preference Right Shares offered to them by the Company as per their entitlements.

Auditors' Certificate confirming the receipt of Directors / Sponsors subscription of preference right shares is enclosed herewith.

You may please inform the TRE Certificates Holders of the Exchange accordingly.

Thanking you.

Sincerely yours,
For Husein Sugar Mills Limited


KHALID MAHMOOD
COMPANY SECRETARY



HB/21- 502

December 20, 2021

The Board of Directors,
Husein Sugar Mills Limited,
28-C, Block E-1, Gulberg-III,
Lahore.

Dear Sirs,

AUDITOR'S CERTIFICATE ON RECEIPT OF SUBSCRIPTION OF PREFERENCE RIGHT SHARES FROM SPONSORING DIRECTORS OF THE COMPANY

We have been requested to provide you with a certificate on receipt of subscription amount from sponsoring directors towards preference right shares issued by **Husein Sugar Mills Limited (The Company)** as required under clause 4 (Annexure I) of Pakistan Stock Exchange Limited (PSX) letter.

Scope of Certificate

This certificate is being issued by us as statutory auditors of the Company for onward submission to PSX.

Management Responsibility

It is the responsibility of the Company's management to ensure that aggregated subscription amount received from sponsoring directors and Substantial Shareholders is properly recorded in the books and records of the Company and to comply with all the legal requirement in this respect.

Auditor's Responsibility

Our responsibility is to certify that amount of subscription has been received and sponsors' loan converted to advance against subscription of preference right shares and report in accordance with the 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms' issued by the Institute of Chartered Accountants of Pakistan. Our verification was limited to procedures as mentioned below:

- Obtained and checked certified true copy of the resolution of Board of Directors of the Company approving issue of further 14,445,000 preference right shares of Rs. 10 each offered to the existing shareholders of the Company in proportion to the number of shares held by each shareholder i.e. preference right issue at a price of Rs. 10 in accordance with Section 83 of the Companies Act, 2017;
- Obtained and checked copy of letter issued under Section 83 of the Companies Act, 2017 for last date of payment / renunciation;
- Examined CDC preference right entitlement register to verify shares held physically and through CDC by sponsoring directors of the Company which is determined to be 8,878,417 preference shares i.e. approximately 61.46% of the total preference right issue;
- Checked that sponsoring directors of the Company, who have undertaken to PSX under Form I to subscribe their portion of shares, have subscribed their portion of preference right shares at least three

working days before commencement of trading of un- paid preference rights through adjustment of loan and making payment to the Company. In this regard we have performed following steps:

- ✓ Obtained copy of bank statements provided by the banks, certifying the receipt of subscription money amounting to Rs. 1,681,010 into National Bank of Pakistan with bank account no.: 4174196504; and
- ✓ Obtain confirmation from Mr. Ahmed Ali Tariq and Mr. Mustafa Ali Tariq sponsoring directors of the Company, confirming to convert a portion of their loan receivable from the Company amounting to Rs. 87,103,160 as advance against subscription of preference right shares.

Certificate


Based on the procedures mentioned above, we certify that an amount of Rs. 1,681,010 has been received through bank and Rs. 87,103,160 has been adjusted with loan payable to the sponsoring directors.

Particulars	Shares	Rupees	
Mr. Ahmed Ali Tariq (Chairman/Director)	4,506,481	45,064,810	Adjustment against loan
Mr. Mustafa Ali Tariq (Chief Executive Officer)	4,203,835	42,038,350	Adjustment against loan
Mrs. Nusrat Shamim (Non-Executive Director)	2,624	26,240	Received in cash
Mrs. Maryam Habib (Executive Director)	162,931	1,629,310	Received in cash
Mr. Taufiq Ahmed Khan (Independent Director)	2,066	20,660	Received in cash
Mr. Muhammad Imran Khan (Independent Director)	280	2,800	Received in cash
Mr. Saif Hasan (Independent Director)	200	2,000	Received in cash
Total	8,878,417	88,784,170	

Restriction on use and distribution

This certificate is being issued in the capacity of statutory auditors of the Company on specific request of the management for onward submission to PSX; accordingly, this should not be used for any other purpose without our consent.

Yours faithfully,


KRESTON HYDER BHIMJI & CO.
CHARTERED ACCOUNTANT