

NOTICE OF 35TH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Notice is hereby given that the 35th Annual General Meeting of Biafo Industries Limited will be held on October 25, 2023 at 11:00 a.m. at **Kehkashan Hall, Islamabad Hotel, G-6 Civic Centre, Melody Market, Islamabad** to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of Annual General Meeting held on October 25, 2022.
2. To receive and adopt the Audited Accounts of the Company for the year ended June 30, 2023 together with Auditors' report and Directors' report thereon.
3. To approve the payment of final cash dividend of Rs. 3.00 per share (30%) and also the interim cash dividend of Rs. 2.30 per share (23%) declared on April 26, 2023, making a total of Rs. 5.30 per share (53%) cash dividend.
4. To appoint Auditors for the year 2023-24 and to fix their remuneration. Retiring Auditors M/s Yousuf Adil Chartered Accountants being eligible offer themselves for reappointment for the year 2023-24.

SPECIAL BUSINESS:

5. To consider and, if thought fit, pass the following special resolution with or without modification:

"RESOLVED that the authorized share capital of the Company be and is hereby increased from Rs. 600,000,000 divided into 60,000,000 ordinary shares of Rs. 10 each to Rs. 1,500,000,000 divided into 150,000,000 ordinary shares of Rs. 10 each, by creation of 90,000,000 additional ordinary shares at nominal value of Rs. 10 each to rank pari passu in every respect with the existing ordinary shares of the Company.

FURTHER RESOLVED that the Memorandum and Articles of Association of the Company be and are hereby altered for increase in authorized share capital to read as follows:

- Clause IV of Memorandum of Association "The authorized capital of the Company is Rs. 1,500,000,000 divided into 150,000,000 ordinary shares of Rs. 10 each."
- Article 3 of Articles of Association "The authorized capital of the Company is Rs. 1,500,000,000 divided into 150,000,000 ordinary shares of Rs. 10 each."

FURTHER RESOLVED that Chief Executive Officer or Company Secretary be and are hereby authorized to do all acts, deeds and things, take any or all necessary actions to complete all legal formalities and file all necessary documents as may be necessary or incidental for the purpose of implementation of the aforesaid resolution.

6. To transact such other business as may be placed before the meeting with the permission of the Chairman.

Statement under Section 134(3) of the Companies Act, 2017 in respect of special business contained in agenda item is being sent to the members along with the notice.

By Order of the Board



Khawaja Shaiq Tanveer
Company Secretary

Islamabad
September 26, 2023

NOTES

1. Share Transfer Books of the Company will remain closed from October 17, 2023 to October 25, 2023 both days inclusive.
2. A member entitled to attend and vote at the meeting shall be entitled to appoint another person, as his/her proxy to attend, demand or join in demanding a poll, speak and vote instead of his/her proxy so appointed shall have such rights, as attending, speaking and voting at the meeting as are available to a member. Proxies in order to be effective must be received at the registered office of the company not later than 48 hours before the meeting duly stamped, signed and witnessed. A proxy need not be a member of the Company.

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3. CDC Shareholders or their proxies are required to bring with them their original National Identity cards or Passports along with the Participant's ID numbers and their Account Numbers at the time of attending the Annual General Meeting in order to authenticate their usual documents required for such purposes

For CNIC & Zakat

4. Members are requested to submit a copy of the Computerized National Identity Card (CNIC) to update our records. In case of non-submission of CNIC (copy), all future dividends may be withheld.
5. Members are requested to submit declaration as per Zakat & Ushr Ordinance 1980 for zakat exemption and to advise change in address, if any.

PARTICIPATION IN THE AGM THROUGH VIDEO LINK FACILITY:

The Securities & Exchange Commission of Pakistan (SECP) through its Circular No. 6 dated March 03, 2021 has allowed listed companies to arrange participation of shareholders in Annual General Meeting through Video Link Facility in addition to physical attendance by the members as well.

Shareholders interested to participate in the meeting through video link are requested to email their Name, Folio Number, Cell Number and Number of Shares held in their name with subject "Registration for Biafo Industries Limited AGM - 2023" along with valid copy of CNIC at management@biafo.com. The video link and login credentials will be shared with only those members/designated proxies whose emails, containing all the required particulars, are received at least 48 hours before the time of AGM.

POSTAL BALLOT / E-VOTING

Members can exercise their right to vote through e-voting or postal ballot, subject to meeting the requirements of Sections 143-145 of the Companies Act, 2017 and applicable clauses of the Companies (Postal Ballot) Regulations, 2018 (as the case may be).

E-DIVIDEND

As per Section 242 of the Companies Act, 2017, in case of a listed company, any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders. Therefore, through this notice, all shareholders are requested to update their IBAN details in the Central Depository System through respective participants. In case of physical shares, to provide bank account details to our Share Registrar, M/s F.D. Registrar Services (PVT) Ltd. E-Dividend mandate form is enclosed.

DEPOSIT OF PHYSICAL SHARES INTO CDC ACCOUNT

As per Section 72 of the Companies Act, 2017 every existing company shall be required to replace its physical shares with book entry form in a manner as may be specified and from the date notified by the SECP, within a period not exceeding four years from the commencement of the Companies Act, 2017 i.e. May 31, 2017. The shareholder having physical shareholding may open CDC sub-account with any of the brokers or investor's account directly with the CDC to place their physical shares into scrip-less form. This will facilitate them in many ways including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Stock Exchange.

FILER AND NON-FILER STATUS

- i) In pursuance of Section 150 of the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. These tax rates are as under:
 - a) For filers of income tax returns 15%
 - b) For non-filers of income tax returns 30%

To enable the Company to make tax deduction on the amount of cash dividend @ 15% instead of 30%, all the shareholders whose names are not entered into the Active Tax payers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered into ATL on or before the date of approval of cash dividend at the Annual General Meeting on October 25, 2023 otherwise tax on their cash dividend will be deducted @ 30% instead of @ 15%.

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Further, according to clarification received from Federal Board of Revenue (FBR), with-holding tax will be determined separately on 'Filer/Non-Filer' status of Principal shareholder as well as joint holder(s) based on their shareholding proportions, in case of joint accounts. In this regard all shareholders who hold shares jointly are requested to provide shareholding Proportions of Principal shareholders and Joint-holder(s) in respect of shares held by them (only if not already provided) to our Shares Registrar, in writing as follows:

Company Name	Folio/ CDS Account No.	Total Shares	Principal Shareholder		Joint Shareholder	
			Name and CNIC No.	Shareholding Proportion (No. of Shares)	Name and CNIC No.	Shareholding Proportion (No. of Shares)

- ii) For any query / problem / information, the investors may contact the Company or the Share Registrar at the following addresses, phone numbers, email addresses:

Biafo Industries Limited

1st Floor, Biafo House, Plot No. 23, St No. 38-40, I&T Centre, G-10/4, Islamabad, Pakistan.

Tel: +92 51 2353450-53, 2353455-57, Fax: +92 51 2353458

Website: www.biafo.com, E-mail: management@biafo.com

F.D. Registrar Services (PVT) Ltd.

17th Floor, Saima Trade Tower-A, I.I. Chundrigar Road, Karachi

Tel: +92 21 32271905-6

- iii) The Corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate members having physical shares should send a copy of their NTN certificate to the company or its Share Registrar i.e. M/s F.D. Registrar Services (PVT) Ltd. The shareholders while sending NTN or NTN certificates, as the case may be, must quote company name and their respective folio numbers.

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

This statement sets out material facts concerning the special businesses to be transacted at the annual general meeting of the Company to be held on October 25, 2023.

The existing Authorized Share Capital of the Company is Rs. 600,000,000 divided into 60,000,000 ordinary shares of Rs.10 each.

In order to provide the Company with adequate leverage for funding of future growth and for strategic investments in new and existing projects, Board of Directors has proposed to increase the Authorized Share Capital of the Company by Rs. 900,000,000 divided into 90,000,000 Ordinary Shares of Rs. 10/- each from Rs. 600,000,000 divided into 60,000,000 ordinary shares of Rs. 10 each to Rs. 1,500,000,000 divided into 150,000,000 ordinary shares of Rs. 10 each. The increase in Authorized Share Capital would be in the interest of the Company and its shareholders, whereas no prejudice will be caused to any shareholder. The interest of the Directors and Chief Executive Officer is only limited to the extent of their being Director and Chief Executive Officer and ordinary shareholders of the Company. It is therefore proposed to increase the Authorized Share Capital so as to enable the Company to increase its paid-up capital by offering bonus/right shares to the members, in future as and when decided by the Board after fulfilling necessary legal and regulatory requirements.

The new ordinary shares when issued shall rank pari passu with the existing ordinary shares in all respects.