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NOTICE OF EXTRAORDINARY GENERAL MEETING

This is to inform you that pursuant to the Order of the High Court of Sindh at Karachi dated May 27, 2021, passed in Civil Miscellaneous Application No. 188 of 2021, in Petition bearing J. C. M. No. 14 of 2021, an Extraordinary General Meeting of Gul Ahmed Textile Mills Limited (the "Company") shall be held at, and conducted from, Gul Ahmed Textile Mills Limited, Plot No. HT/4, Landhi Industrial Area, Landhi, Karachi, through video link facility on Tuesday, June 29, 2021 at 10:30 a.m., to transact the following business:

A. Special Business

That pursuant to the Order of the High Court of Sindh at Karachi dated May 27, 2021, passed in Civil Miscellaneous Application No. 188 of 2021, in Petition bearing J. C. M. No. 14 of 2021, to consider and, if thought fit, to pass, with or without modification, the following resolution for, *inter alia*, (i) the bifurcation / separation of the Company into two segments / undertakings i.e. the GATML Retail Undertaking and GATML Retained Undertaking, and the merger, by way of amalgamation, of the GATML Retail Undertaking with and into Ideas (Private) Limited; (ii) the merger, by way of amalgamation, of the entire undertaking of Worldwide Developers (Private) Limited with and into the Company; (iii) the bifurcation / separation of Grand Industries (Private) Limited into three segments / undertakings i.e. the Grand Demerged Undertaking 1, Grand Demerged Undertaking 2 and Grand Retained Undertaking, and the merger, by way of amalgamation, of the (a) Grand Demerged Undertaking 1 with and into the Company; and (b) Grand Demerged Undertaking 2 with and into Ideas (Private) Limited; and (iv) the bifurcation / separation of Ghafooria Industries (Private) Limited into two segments / undertakings i.e. the Ghafooria Demerged Undertaking and Ghafooria Retained Undertaking, and the merger, by way of amalgamation, of Ghafooria Demerged Undertaking with and into the Company, along with all ancillary matters thereto, in accordance with the Scheme of Arrangement dated May 5, 2021, as approved by the Board of Directors of the Company on April 27, 2021.

The resolution to be passed by the requisite majority under Sections 279 and 282 of the Companies Act, 2017, if deemed fit, with or without modification, is as under:

"RESOLVED THAT the Scheme of Arrangement dated May 5, 2021, for, inter alia, (i) the bifurcation / separation of Gul Ahmed Textile Mills Limited (the "Company") into two segments / undertakings i.e. the GATML Retail Undertaking and GATML Retained Undertaking, and the merger, by way of amalgamation, of the GATML Retail Undertaking with and into Ideas (Private) Limited; (ii) the merger, by way of amalgamation, of the entire undertaking of Worldwide Developers (Private) Limited with and into the Company; (iii) the bifurcation / separation of Grand Industries (Private) Limited into three segments / undertakings i.e. the Grand Demerged Undertaking 1, Grand Demerged Undertaking 2 and Grand Retained Undertaking, and the merger, by way of amalgamation, of the (a) Grand Demerged Undertaking 1 with and into the Company; and (b) Grand Demerged Undertaking 2 with and into Ideas (Private) Limited; and (iv) the bifurcation / separation of Ghafooria Industries (Private) Limited into two segments / undertakings i.e. the Ghafooria Demerged Undertaking and Ghafooria Retained Undertaking, and the merger, by way of amalgamation, of the Ghafooria Demerged Undertaking with and into the Company, along with all ancillary matters thereto, placed before the meeting for consideration and approval, be and is hereby approved and adopted, along with any modifications / amendments required or conditions imposed by the High Court of Sindh at Karachi, subject to sanction by the Honorable High Court of Sindh at Karachi, in terms of the provisions of the Companies Act, 2017."



The Scheme of Arrangement will be subject to the subsequent approval of the Court.

B. Ordinary Business

To transact any other business that may be placed before the meeting with the permission of the Chair.

By the Order of the Board

Salim Ghaffar
Company Secretary

Karachi: June 04, 2021

Notes:

1. The share transfer books of the Company shall remain closed from June 23, 2021 to June 29, 2021 (both days inclusive). Transfers received in order at the office of the Company's Share Registrar i.e. at FAMCO Associates (Private) Limited, 8-F, Near Hotel Faran, Nursery, Block-6, P.E.C.H.S., Shahra-e-Faisal, Karachi, before the close of business on June 22, 2021 will be treated in time for the purpose of attending and voting at the meeting.
2. All members are entitled to attend (in person or by Zoom link facility) and vote at the meeting.
3. Due to the ongoing Covid-19 situation, the Securities and Exchange Commission of Pakistan (SECP), in terms of its Circular No. 4 of 2021 dated February 15, 2021 and Circular No. 6 of 2021 dated March 03, 2021 has advised companies, in order to help maximization of members' participation in general meetings, to facilitate members' participation via electronic means as well. In order to attend the Meeting through such facility, the members are requested to get themselves registered as provided in Note 4 hereof.
4. The members / proxies who wish to attend the Extraordinary General Meeting, via Zoom Link, are requested to get themselves registered by sending their particulars at the designated email address salim.ghaffar@gulahmed.com giving particulars as per below table by the close of business hours (5:00 p.m.) on June 26, 2021:

Name of Member	CNIC No. / NTC No.	CDC Participant ID / Folio No.	Cell Number	Email Address
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5. The Zoom link will be emailed to the registered members / proxies who have provided all the requested information.
6. The members are also required to attach the copy of their CNIC and where applicable, copy of CNIC of member(s) of whom he / she / they hold proxy(ies) while sending the information with reference to Note 4 hereof. Without the copy of the CNIC, such member(s) shall not be registered for the Zoom-link facility.



7. A member of the Company entitled to attend and vote at the extraordinary general meeting may appoint another member as his / her proxy to attend, speak and vote for him / her. Proxies in order to be effective must be received at the registered office of the Company not later than 48 hours before the time for holding the Extraordinary General Meeting. The proxy form is being sent to members along with notice of Extraordinary General Meeting.
8. If proxies are granted by the members, the same must be accompanied with attested copies of the CNICs or the Passports of the beneficial owners. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signatures of the nominee shall be produced at the time of meeting.
9. If a member appoints more than one proxy and more than one Instrument of proxy is deposited by a member, all such instruments of proxy shall be rendered invalid.
10. Members holding shares in physical form, are requested to notify any change in their addresses immediately to the Share Registrar of the Company. Members having shares in their CDC accounts are required to have their addresses updated with their respective participants.
11. Copies of the Memorandum and Articles of Association of the Company, Statement under Section 134(3) of the Companies Act, 2017 in respect of the material facts of the special businesses, Scheme of Arrangement dated May 5, 2021, Letter dated April 27, 2021 issued by A. F. Ferguson & Co. (a member firm of the PwC network), the special purpose financial statements of the Company audited for the half year ended December 31, 2020, the reports issued by (a) Joseph Lobo (Private) Limited; and (b) Iqbal A. Nanjee & Company (Private) Limited pertaining to valuations of the applicable immovable properties and items comprising plant and machinery forming part of the arrangements, and any other information relevant to the special businesses in respect of the Company shall be available upon request, and for inspection, by any person entitled to attend the meeting from the registered office of the Company, located at Plot No. 82, Main National Highway, Landhi, Karachi free of cost during normal office hours, from the date of this notice till the conclusion of the EOGM. Such information shall also be placed for inspection of members of the Company during the Extraordinary General Meeting.
12. The notice of Extraordinary General Meeting along with the statements, the Scheme of Arrangement and the latest annual and special purpose Audited Financial Statements have also been placed on website of the Company.

Statement under Section 281 of the Companies Act, 2017, concerning the Special Business

The statement setting forth the terms of the Scheme of Arrangement and explanation of its effects, including the interests of the directors of the Company and the effect of those interests and other ancillary information may be obtained upon request by any person entitled to attend the aforementioned meetings from the registered office of the Company, free of cost, during normal office hours.

The aforesaid statement has been sent along with the notices of the general meeting to the members of the Company.

**Statement under Section 134(3) of the Companies Act, 2017 concerning the Special
Business**

Subject to the sanction of the High Court of Sindh at Karachi, under the Scheme of Arrangement dated May 5, 2021 (the "Scheme of Arrangement"):

- (i) the business / undertaking of Gul Ahmed Textile Mills Limited (the "Company") shall be demerged / bifurcated into two separate segments / undertakings i.e. the GATML Retail Undertaking and GATML Retained Undertaking. Simultaneously, the GATML Retail Undertaking shall be merged, by way of amalgamation, with and into Ideas (Private) Limited ("Ideas"), by transfer to and vesting in Ideas the specific assets, properties, rights, liabilities, quotas, benefits, powers, contracts, authorizations, obligations etc. comprising the said undertaking (as detailed in the Scheme of Arrangement), against which ordinary shares of Ideas shall be issued to the Company, and Ideas shall become the wholly owned subsidiary of the Company;
- (ii) the entire undertaking of Worldwide Developers (Private) Limited ("WWDL") shall be merged, by way of amalgamation, with and into the Company, by transfer to and vesting in the Company all the assets, properties, rights, liabilities, quotas, benefits, powers, contracts, authorizations, obligations etc. comprised in WWDL, against the issuance of shares by the Company in favour of the shareholders of WWDL. Furthermore, as part of the arrangement, the loans provided by the directors of WWDL to the said company shall stand adjusted / settled, and shall not be payable by the Company to such persons subsequent to the amalgamation, against the issuance of shares of the Company to the said directors of WWDL;
- (iii) the business / undertaking of Grand Industries (Private) Limited ("Grand") shall be demerged / bifurcated into three segments / undertakings i.e. the Grand Demerged Undertaking 1, Grand Demerged Undertaking 2 and Grand Retained Undertaking. Simultaneously, (a) the Grand Demerged Undertaking 1 shall be merged, by way of amalgamation, with and into the Company; and (b) the Grand Demerged Undertaking 2 shall be merged, by way of amalgamation, with and into Ideas, in each case, by transfer to and vesting in the respective companies the specific assets, properties, rights, liabilities, quotas, benefits, powers, authorizations, obligations etc. comprising the respective undertakings (as detailed in the Scheme of Arrangement), against the issuance of shares of the Company to Grand; and
- (iv) the business / undertaking of Ghafooria Industries (Private) Limited ("Ghafooria") shall be demerged / bifurcated into two segments / undertakings i.e. the Ghafooria Demerged Undertaking and Ghafooria Retained Undertaking. Simultaneously, the Ghafooria Demerged Undertaking shall be merged, by way of amalgamation, with and into the Company, by transfer to and vesting in the Company the specific assets, properties, rights, liabilities, quotas, benefits, powers, authorizations, obligations etc. comprising the said undertaking (as detailed in the Scheme of Arrangement), against the issuance of shares of the Company to Ghafooria,

in each case, with effect from the start of business on January 1, 2021 or at such other date stated by the Court (the "Effective Date"). Furthermore, the GATML Retained Undertaking shall be retained by the Company.

The calculations with respect to the consideration pertaining to the above arrangements / amalgamations, i.e. the shares to be issued, have been further detailed in the Letter issued by A. F. Ferguson & Co. (a member firm of the PwC network) dated April 27, 2021, which Letter was adopted by the respective Board of Directors of each of the companies. The said letter is attached as Annexure L to the Scheme of Arrangement. Furthermore, the basis of the calculations, and the final determination of the consideration, including the swap ratio (where applicable), as approved by the Board of Directors of the Company have been detailed in the Scheme of Arrangement.

The proposed demerger / mergers / amalgamations detailed above, along with all ancillary and related matters thereto, shall be effective by way of the Scheme of Arrangement, in accordance with the provisions of Sections 279 to 283 and 285 of the Companies Act, 2017. The Scheme of Arrangement has been filed with the High Court of Sindh at Karachi vide Petition bearing J. C. M. No. 14 of 2021; furthermore, in accordance with the directions of the High Court, notice of the said petition has been provided to the registrar, Securities and Exchange Commission of Pakistan.

The Scheme of Arrangement is available for inspection to any person entitled to attend the Extraordinary General Meeting, at the registered office of the Company, situated at Plot No. 82, Main National Highway, Landhi, Karachi, free of cost during normal office hours; copies of the same may also be obtained upon request by such persons from the registered office of the Company free of cost during normal office hours. Furthermore, in accordance with the provisions of Section 282(2) of the Companies Act, 2017, a copy of the Scheme of Arrangement has been enclosed with the notice of the meeting circulated to the members of the Company.

The assets, properties, rights, liabilities, obligations etc. comprising the GATML Retail Undertaking and GATML Retained Undertaking are based on the audited special purpose financial statements of the Company for the half year ended December 31, 2020. The assets, properties, rights, liabilities, obligations etc. comprising the Grand Demerged Undertaking 1 and Grand Demerged Undertaking 2 are based on the audited special purpose financial statements of Grand for the half year ended December 31, 2020; and the assets, properties, rights, liabilities, obligations etc. comprising the Ghafooria Demerged Undertaking are based on the audited special purpose financial statements of Ghafooria for the half year ended December 31, 2020.

The objects and benefits of the arrangements are also provided in detail in the Scheme of Arrangement.

Furthermore, pursuant to the sanction of the Scheme of Arrangement, the authorized share capital of the Company shall stand automatically increased from PKR 7,500,000,000/- (Pak Rupees Seven Billion Five Hundred Million) to PKR 7,501,000,000/- (Pak Rupees Seven Billion Five Hundred One Million), divided into 750,100,000 (Seven Hundred Fifty Million One Hundred Thousand) shares of PKR 10/- (Pak Rupees Ten) each, by merger of the existing authorized share capital of the Company and WWDL. The Memorandum and Articles of Association of the Company shall stand amended in terms of the Scheme of Arrangement.

The directors of the Company are interested in the Scheme of Arrangement to the extent of their common directorships and (direct and indirect) shareholdings in the respective companies i.e. the Company, Ideas, WWDL, Grand and Ghafooria (to the extent applicable). The effect of the Scheme of Arrangement on the interests of these directors does not differ from its effect on the like interests of other members, except as stated herein or under the Scheme of Arrangement, particularly Article 5.9 thereof. As stipulated in Article 5.9 of the Scheme of Arrangement, Mr. Mohamed Bashir, Mr. Mohammed Zaki Bashir, Mr. Zain Bashir and Mr. Ziad Bashir, being the directors and the shareholders of the Company (including being shareholders of the Company's holding company), are the shareholders of Grand and Ghafooria, being the companies to which shares of the Company shall be issued pursuant to the Scheme of Arrangement. Mr. Mohammed Zaki Bashir and Mr. Zain Bashir are also the shareholders and directors of WWDL to whom shares of the Company shall be issued as a consequence of the amalgamation of WWDL with and into the Company. Furthermore, Mr. Mohammed Zaki Bashir and Mr. Zain Bashir are also the current shareholders of Ideas, whose shareholding in Ideas shall stand cancelled pursuant to the Scheme of Arrangement.

In view of the above, the Board of Directors of the Company have approved and recommended the Scheme of Arrangement, along with the arrangements stipulated thereunder which have been described above.

Statement under Section 281 of the Companies Act, 2017 concerning the Special Business

The statement setting forth the terms of the Scheme of Arrangement and explanation of its effects, including the interests of the directors of the Company and the effect of those interests and other ancillary information may be obtained upon request by any person entitled to attend the Extraordinary General Meeting from the registered office of the Company situated at Plot No. 82, Main National Highway, Landhi, Karachi, free of cost during normal office hours.

The aforesaid statement is also enclosed along with this notice of the Extraordinary General Meeting.

STATEMENT UNDER SECTION 281(1)(A) OF THE COMPANIES ACT, 2017,
ACCOMPANYING THE NOTICES TO THE MEMBERS AND SECURED CREDITORS OF
GUL AHMED TEXTILE MILLS LIMITED

Pursuant to the Order dated May 27, 2021, passed by the High Court of Sindh at Karachi in Civil Miscellaneous Application No. 188 of 2021, in Petition bearing J. C. M. No. 14 of 2021, under Sections 279 to 283 and 285(8) of the Companies Act, 2017, the Court has directed, *inter alia*, that separate meetings of the members and secured creditors of Gul Ahmed Textile Mills Limited (the "Company") be convened for the sanction of the Scheme of Arrangement dated May 5, 2021, pertaining, *inter alia*, to :

- (i) the bifurcation / separation of the Company into two segments / undertakings i.e. the GATML Retail Undertaking and GATML Retained Undertaking, and the merger, by way of amalgamation, of the GATML Retail Undertaking with and into Ideas (Private) Limited ("Ideas"), by transfer to and vesting in Ideas the specific assets, properties, rights, liabilities, quotas, benefits, powers, contracts, authorizations, obligations etc. comprising the said undertaking (the "GATML - Ideas Amalgamation");
- (ii) the merger, by way of amalgamation, of the entire undertaking of Worldwide Developers (Private) Limited ("WWDL") with and into the Company, by transfer to and vesting in the Company all the assets, properties, rights, liabilities, quotas, benefits, powers, contracts, authorizations, obligations etc. comprised in WWDL (the "WWDL Amalgamation");
- (iii) the bifurcation / separation of Grand Industries (Private) Limited ("Grand") into three segments / undertakings i.e. the Grand Demerged Undertaking 1, Grand Demerged Undertaking 2 and Grand Retained Undertaking, and the merger, by way of amalgamation, of (a) the Grand Demerged Undertaking 1 with and into the Company (the "Grand - GATML Amalgamation"); and (b) the Grand Demerged Undertaking 2 with and into Ideas, (the "Grand - Ideas Amalgamation"), in each case, by transfer to and vesting in the respective companies the specific assets, properties, rights, liabilities, quotas, benefits, powers, authorizations, obligations etc. comprising the respective undertakings; and
- (iv) the bifurcation / separation of Ghafooria Industries (Private) Limited ("Ghafooria") into two segments / undertakings i.e. the Ghafooria Demerged Undertaking and Ghafooria Retained Undertaking, and the merger, by way of amalgamation, of the Ghafooria Demerged Undertaking with and into the Company (the "Ghafooria - GATML Amalgamation"), by transfer to and vesting in the Company the specific assets, properties, rights, liabilities, quotas, benefits, powers, authorizations, obligations etc. comprising the said undertaking,

along with all ancillary matters thereto, as approved by the Board of Directors of the Company on April 27, 2021 (the "Scheme of Arrangement").

A copy of the Scheme of Arrangement (along with its annexures) may be obtained from the registered office of the Company, situated at Plot No. 82, Main National Highway, Landhi, Karachi, free of cost during normal business hours. Furthermore, a copy of the Scheme of Arrangement has been / shall be enclosed with the respective notices of the meetings circulated / to be circulated to the members and secured creditors of the Company.

The notices issued and published to the members of the Company is for the purpose of convening a meeting of the members of the Company, as directed by the Court, for the purpose of passing, *inter alia*, the following resolution for obtaining approval in respect of the Scheme of Arrangement and the demergers / amalgamations contemplated thereunder, along with ancillary matters:

"RESOLVED THAT the Scheme of Arrangement dated May 5, 2021, for, inter alia, (i) the bifurcation / separation of Gul Ahmed Textile Mills Limited (the "Company") into two segments / undertakings i.e. the GATML Retail Undertaking and GATML Retained Undertaking, and the merger, by way of amalgamation, of the GATML Retail Undertaking with and into Ideas (Private) Limited; (ii) the merger, by way of amalgamation, of the entire undertaking of Worldwide Developers (Private) Limited with and into the Company; (iii) the bifurcation / separation of Grand Industries (Private) Limited into three segments / undertakings i.e. the Grand Demerged Undertaking 1, Grand Demerged Undertaking 2 and Grand Retained Undertaking, and the merger, by way of amalgamation, of the (a) Grand Demerged Undertaking 1 with and into the Company; and (b) Grand Demerged Undertaking 2 with and into Ideas (Private) Limited; and (iv) the bifurcation / separation of Ghafooria Industries (Private) Limited into two segments / undertakings i.e. the Ghafooria Demerged Undertaking and Ghafooria Retained Undertaking, and the merger, by way of amalgamation, of the Ghafooria Demerged Undertaking with and into the Company, along with all ancillary matters thereto, placed before the meeting for consideration and approval, be and is hereby approved and adopted, along with any modifications / amendments required or conditions imposed by the High Court of Sindh at Karachi, subject to sanction by the Honorable High Court of Sindh at Karachi, in terms of the provisions of the Companies Act, 2017."

As required under section 279(2) of the Companies Act, 2017, the above resolution is required to be passed at the meeting of the members convened pursuant to the Order of the Court, by a majority representing three-fourths in value of the issued shares held by the members of the Company, present in person or by proxy, and voting at the Extraordinary General Meeting. The sanctioning of the Scheme of Arrangement and the making of other appropriate orders in connection therewith will be considered by the Court after the Scheme of Arrangement is approved as aforesaid.

The notices issued / to be issued to the secured creditors of the Company is for the purpose of convening a meeting of the secured creditors of the Company, as directed by the Court, for the purpose of obtaining their approval in respect of the Scheme of Arrangement and the demergers and mergers / amalgamations contemplated thereunder. With respect to the secured creditors of the Company, under section 279(2) of the Companies Act, 2017, the Scheme of Arrangement is required to be approved by three-fourths of the creditors (in value) present and voting at the meeting of the secured creditors (through their authorized representatives).

The principal object of the Scheme of Arrangement is, *inter alia*, to effect (i) the GATML – Ideas Amalgamation; (ii) the WWDL Amalgamation; (iii) the Grand – GATML Amalgamation; (iv) the Grand – Ideas Amalgamation; and (v) the Ghafooria – GATML Amalgamation, as further detailed in the Scheme of Arrangement, in each case, with effect from the start of business on January 1, 2021 or at such other date stated by the Court (the "Effective Date"). The relevant undertakings shall be merged into the respective companies by transfer to and vesting in the respective companies, the assets, properties, rights, liabilities, quotas, benefits, powers, contracts, authorizations, obligations etc. comprising the applicable undertakings (as detailed in the Scheme of Arrangement) with effect from the Effective Date, without any further act or deed or documents being required to be executed, registered or filed in respect of such transfer, vesting, and / or assumption, in the manner stipulated under the Scheme of Arrangement. The GATML Retained Undertaking shall remain with the Company (in addition to the undertaking of WWDL, the Grand Demerged Undertaking 1 and the Ghafooria Demerged Undertaking, all of which shall be merged with and into the Company).

The details pertaining to the consideration for the demergers / amalgamations detailed above, along with the swap ratio (to the extent applicable) are stipulated in the Scheme of

Arrangement. Pursuant to the provisions of the Scheme of Arrangement, and subject to any adjustments in accordance with the terms thereof, as consideration for:

- (i) the GATML – Ideas Amalgamation, Ideas shall allot and issue an aggregate of 113,279,100 (One Hundred Thirteen Million Two Hundred Seventy Nine Thousand One Hundred) ordinary shares of Ideas to the Company, while the existing shares of Ideas held by its current members shall stand cancelled, thus resulting in Ideas becoming a wholly owned subsidiary of the Company;
- (ii) the WWDL Amalgamation, the Company shall allot and issue an aggregate of 29,838,102 (Twenty Nine Million Eight Hundred Thirty Eight Thousand One Hundred Two) ordinary shares to the shareholders of WWDL. Furthermore as part of the arrangement, the loans provided by the directors of WWDL to the said company shall stand adjusted / settled, and shall not be payable by the Company to such persons subsequent to the WWDL Amalgamation, against the allotment and issuance of 4,733,350 (Four Million Seven Hundred Thirty Three Thousand Three Hundred Fifty) shares of the Company to the said directors of WWDL;
- (iii) the Grand – GATML Amalgamation, the Company shall allot and issue an aggregate of 15,823,087 (Fifteen Million Eight Hundred Twenty Three Thousand Eighty Seven) ordinary shares to Grand;
- (iv) the Grand – Ideas Amalgamation, the Company shall allot and issue an aggregate of 24,578,160 (Twenty Four Million Five Hundred Seventy Eight Thousand One Hundred Sixty) ordinary shares to Grand, since it is intended that Ideas shall be the wholly owned subsidiary of the Company pursuant to this Scheme of Arrangement; and
- (v) the Ghafooria – GATML Amalgamation, the Company shall allot and issue an aggregate of 11,162,850 (Eleven Million One Hundred Sixty Two Thousand Eight Hundred Fifty) ordinary shares to Ghafooria.

The aforementioned consideration with respect to the demergers / amalgamations, as approved by the Board of Directors of the Company, are based on (a) the audited special purpose financial statements of the Company for the half year ended December 31, 2020; (b) the respective audited special purpose financial statements of each of the other companies for the half year ended December 31, 2020; (c) the valuations of the immovable properties and items comprising plant and machinery carried out by Joseph Lobo (Private) Limited and Iqbal A. Nanjee & Company (Private) Limited; and (d) the calculations carried out by A. F. Ferguson & Co. (a member firm of the PwC network) as stipulated in their letter dated April 27, 2021 (attached as Annexure L to the Scheme of Arrangement), in each case to the extent applicable and identified in the Scheme of Arrangement.

All information / particulars with respect to the demergers / mergers / amalgamations and the arrangements in respect thereof, including all ancillary matters thereto, are provided in detail in the Scheme of Arrangement, including the objects and benefits of the entire arrangement. Approval of the Scheme of Arrangement by the members of the Company shall also constitute an approval by way of special resolution from the members of the Company with respect to all matters prescribed under the Scheme of Arrangement, including the increase in the authorized share capital of the Company.

The Scheme of Arrangement has been filed with the High Court of Sindh at Karachi vide Petition bearing J. C. M. No. 14 of 2021; furthermore, in accordance with the directions of the High Court, notice of the said petition has been provided to the registrar, Securities and Exchange Commission of Pakistan.

In compliance with the provisions of Section 282(2)(e) of the Companies Act, 2017, the special purpose financial statements of the Company audited for the half year ended

December 31, 2020 have also been enclosed with the respective notices of the meetings circulated to the members and secured creditors of the Company. The same is available for inspection to any person entitled to attend the respective meetings, at the registered office of the Company, free of cost during normal office hours; copies of the same may also be obtained upon request by such persons from the registered office of the Company, free of cost during normal office hours.

The directors of the Company, Ideas, WWDL, Grand and Ghafooria are interested in the Scheme of Arrangement to the extent of their common directorships and respective shareholdings in the respective companies (to the extent applicable). The effect of the Scheme of Arrangement on the interests of these directors does not differ from its effect on the like interests of other members, except as stated herein or under the Scheme of Arrangement.

The directors of the Company, Ideas, WWDL, Grand and Ghafooria are interested in the Scheme of Arrangement to the extent of their common directorships and respective (direct and indirect) shareholdings in the respective companies (to the extent applicable). The effect of the Scheme of Arrangement on the interests of these directors does not differ from its effect on the like interests of other members, except as stated herein or under the Scheme of Arrangement, particularly Article 5.9 thereof. As stipulated in Article 5.9 of the Scheme of Arrangement, Mr. Mohamed Bashir, Mr. Mohammed Zaki Bashir, Mr. Zain Bashir and Mr. Ziad Bashir, being the directors and the shareholders of the Company (including being shareholders of the Company's holding company), are the shareholders of Grand and Ghafooria, being the companies to which shares of the Company shall be issued pursuant to the Scheme of Arrangement. Mr. Mohammed Zaki Bashir and Mr. Zain Bashir are also the shareholders and directors of WWDL to whom shares of the Company shall be issued as a consequence of the amalgamation of WWDL with and into the Company. Furthermore, Mr. Mohammed Zaki Bashir and Mr. Zain Bashir are also the current shareholders of Ideas, whose shareholding in Ideas shall stand cancelled pursuant to the Scheme of Arrangement.

Salim Ghaffar
Company Secretary
GUL AHMED TEXTILE MILLS LIMITED

Karachi
Dated: June 04, 2021