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NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the Extraordinary General Meeting ("EOGM") of the Shareholders of AEL Textiles Limited formerly Arshad Energy Limited ("the Company") will be held on Friday, 24th February 2023, at 11:00 a.m. at Suit 1705-A, 17th Floor, Saima Trade Tower, I.I. Chundrigar Road, Karachi to transact the following business:

Ordinary Business:

1. To Confirm the Minutes of the last Annual General Meeting held on 28 October 2022;
2. Election of Directors of Company;

To elect seven (7) Directors of the Company as fixed by the Board Under Section 159 (1) of the Companies Act, 2017 for a period of three (3) years commencing from 24 February 2023. Following are the names of retiring Directors who are eligible for re-election:

1. Mr. Mustanser Ahmed
2. Mr. Awais Tariq
3. Mr. Aziz Ur Rahman
4. Ms. Ayesha Naweed
5. Mr. Abdul Rehman
6. Mr. Muhammad Nafees Khan
7. Mr. Abdul Wahab

Special Business:

In the Board of Directors' meeting on 04 November 2022 it was decided to change the existing Registered Office of the Company from the Province of Sindh to the Province of Punjab.

To consider and if deemed fit, pass the following "Special Resolutions" with or without modifications:

3. CHANGE OF REGISTERED OFFICE

"**RESOLVED THAT** pursuant to Section 21, 32 and other applicable provisions, if any, of the Companies Act, 2017 (including any amendments thereto or re-enactment thereof) (the "Act") read with the Companies (General Provisions and Forms) Regulations, 2018 and relevant provisions of the Memorandum of Association of the Company, and subject to approval of Securities and Exchange Commission of Pakistan ("SECP"), shifting of the registered office of the Company from one Province to another (i.e. from the jurisdiction of Registrar of Companies, Karachi, Sindh) to the Province of Punjab (i.e. to the jurisdiction of Registrar of Companies, Lahore, Punjab) be and is hereby approved and Clause II of the Memorandum of Association of the Company be and is hereby altered by substituting it with the following clause:"

CLAUSE-II OF THE MEMORANDUM OF ASSOCIATION
The Registered Office of the Company will be re-located from the Province of Sindh to the Province of Punjab.

"**RESOLVED FURTHER THAT** the Registered Office of the company be shifted from 404-405, 4th Floor, Business Centre, Mumtaz Hassan Road, Karachi in the Province of Sindh to 55-60 Al Noor Garden Sultan Town, Lahore in the Province of Punjab subject to the approval of the Securities and Exchange Commission of Pakistan."

"**RESOLVED FURTHER THAT** any one of the Directors or the Chief Executive Officer or the Company Secretary be and are hereby authorized to complete all corporate and legal formalities in connection with the above resolution and to file the necessary forms, applications and documents with the Company Registration Office."

Other Business:

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

A statement of material facts as required under section 166(3) of the Companies Act, 2017 concerning the manner of selection of independent directors is annexed to the notice of meeting circulated to the members of the Company.

A statement of Special Business under Section 134(3) of the Companies Act, 2017 is also attached to the notice of the meeting circulated to the members of the Company.

By order of the Board

Tariq Majeed
Company Secretary

AEL TEXTILES LIMITED

02 February 2023

1. **Closure of Share Transfer Books:**
   The Members Register and Share Transfer Books will be closed from 17 February 2023 to 24 February 2023 (both days inclusive) for the purpose of the Extraordinary General Meeting. Transfers received at F.D. Registrar Services (Pvt.) Limited Suit 1705-A, 17th Floor, Saima Trade Tower, I.I. Chundrigar Road, Karachi, the Registrar and Shares Transfer Office of the Company, by the close of business on 16 February 2023 will be treated in time for the purpose of General Meeting.

2. **Participation in the Extraordinary General Meeting ("EOGM") via physical presence or through video conferencing:**
   The Members whose names appear in the Register of Members as of 16 February 2023, are entitled to attend and vote at the EOGM. Member entitled to attend and vote at the EOGM is entitled to appoint a proxy to attend, speak and vote for him/her. A proxy must be a Member of the Company.

An instrument of proxy applicable for the EOGM is being provided with the notice sent to Members. Further copies of the instrument of proxy may be obtained from Suit 1705-A, 17th Floor, Saima Trade Tower, I.I. Chundrigar Road, Karachi during normal office hours. Proxy form may be obtain from **tariq.majeed@aeltextiles.com** through email.

In case of a Company the instrument of proxy and the power of attorney or other authority (if any) under which it is signed, or a certified true copy of such power or authority duly notarized must, to be valid, be deposited through email on tariq.majeed@aeltextiles.com or at F.D. Registrar Services (Pvt) Limited, Suit 1705-A, 17th Floor, Saima Trade Tower, I.I. Chundrigar Road, Karachi not less than forty-eight (48) hours before the time of EOGM, excluding public holidays.

Members are requested to submit a copy of their Computerized National Identity Card (CNIC) to F.D. Registrar Services (Pvt) Limited at Suit 1705-A. 17th Floor, Saima Trade Tower, I.I. Chundrigar Road, Karachi.

To attend the EOGM through video-conferencing facility, the Members are requested to register themselves by providing the following information through email at tariq.majeed@aeltextiles.com at least forty-eight (48) hours before the EOGM.

Name of Shareholder	CNIC No.	Folio No.	Cell/WhatsApp No.	Email Address

Members will be registered, after necessary verification as per the above requirement and will be provided a video-link by the Company via email.

The login facility will remain open from 10:45 a.m. till the end of EOGM.

3. **Guidelines for Central Depository Company of Pakistan Limited ('CDC') Investor Account Holders:**
CDC Investor Account Holders will further have to follow the under-mentioned guidelines as laid down in Circular No. 1 dated January 26, 2000, issued by the Securities and Exchange Commission of Pakistan (SECP).

For attending the EOGM

(i) In case of individuals, the investor account holder or sub-account holder and / or the person whose securities are in group account where registration details are uploaded as per the CDC Regulations, shall authenticate his / her identity by showing his / her original CNIC or valid passport at the time of attending the EOGM.

(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 the EOGM.

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For appointing Proxies:

(i) In case of individuals, the investor account holder or sub-account holder and / or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.

(ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.

(iii) Copies of CNIC or the valid passport of the beneficial owners and the proxy shall be furnished along with the proxy form.

(iv) The proxy shall produce his original CNIC or original valid passport at the time of the Meeting.

(v) In case of a corporate entity, the Board of Directors' resolution / Power of Attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

4. **Electronic Transmission:**

Pursuant to Notification of SECP SRO 787(I)/2014 dated September 8th, 2014, members who wish to avail the facility of electronic transmission of EOGM notice are hereby requested to convey their consent via email info@fdregistrar.com within seven (7) days of receipt of notice. Further, it is the responsibility of member(s) to timely update the Share Registrar of any changes in his/her/its/their registered email address.

5. **Conversion of Physical Shares into the Book Entry Form:**

The SECP through its letter No. CSD/ED/Misc/2016-639-640 dated March 26, 2021 has advised listed companies to adhere to provisions of Section 72 of the Companies Act, 2017 by replacing physical shares issued by them into book entry form.

The shareholders of AEL Textiles Limited having physical folios / share certificates are requested to convert their shares from physical form into book-entry form as soon as possible. The shareholders may contact their Broker, CDC Participant or CDC Investor Account Service Provider for assistance in opening a CDS Account and subsequent conversion of the physical shares into book-entry form. It would facilitate the shareholders in many ways including safe custody of shares, avoidance of formalities required for the issuance of duplicate shares, etc. For further information and assistance, the shareholders may contact our Share Registrar, F.D. Registrar Services (Pvt) Limited.

6. Pursuant to Section 132(2) of the Companies Act, 2017, if the Company receives consent from members holding in aggregate 10% or more shareholding requesting participation through video conference, at least 7 days prior to the date of the meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city. To avail this facility, please fill the following information and submit at Suit No.1705-A, 17th Floor Saima Trade Tower, I.I. Chundrigar Road, Karachi at least (07) days before the date of the meeting.

I/ We, ____ of ________________________, being a member of of AEL Textiles Limited, holder of ___________________ Ordinary Shares as per Register Folio No. / CDC/Accounts No.______________ hereby opt for video conference facility at ___________.

Signature of member

AEL Textiles Limited (formerly Arshad Energy Limited)
HO Address: 19-A, Commercial Area, Izmir Town, Canal Banks Road, Lahore
R Address: 404-405, 4th Floor, Business Centre, Dunally Road, Karachi
P: +92 423 545 4473, +92 423 545 4463
W: www.aeltextiles.com

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STATEMENT OF MATERIAL FACTS UNDER SECTION 166 (3) OF THE COMPANIES ACT, 2017.

AGENDA ITEM-1

Section 166(3) of the Companies Act 2017 requires to circulate a statement of material facts with the notice of the general meeting called for the purpose of election of directors, which shall indicate the justification for appointment of independent directors.

Being a listed company, AEL Textiles Limited is required to have at least two (2) or one-third members, whichever is higher, on the Board as independent directors in accordance with the Listed Companies (Code of Corporate Governance), 2019. Accordingly, the Company shall ensure that the required number of independent directors is elected in accordance with the provisions of the Companies Act 2017.

After the contestants file their notices / intention to stand for elections, the Company shall assess the relevant qualification and experience along with ensuring that their names are duly included in data bank maintained by PICG.

Moreover, the Company shall also exercise its due diligence before selecting a person as independent director that the person meets the independence criteria as mentioned in section 166 of the Companies Act 2017 as well as related regulations.

The present Directors are eligible for re-election as Directors of the Company.

EXPLANATORY STATEMENT PURSUANT TO SECTION 134(3) OF THE COMPANIES ACT. 2017

AGENDA ITEM-2

Reasons and effects of change in registered office

The Company was incorporated under Companies Ordinance, 1984 (now governed by Companies Act, 2017). As per Clause II of the Memorandum of Association of the Company, the registered office of the Company is situated in the Province of Sindh.

Considering the fact that the operational and business activities of the Company are undertaken from in the province of Punjab it is proposed that the Registered Office of the Company shall be located at its principal place of business in the Province of Punjab. The address of the registered office of the Company would be 55-60 Al Noor Garden Sultan Town, Lahore

After the proposal is approved by the Members, a petition is required to be made, under Companies Act, 2017, to the Securities and Exchange Commission of Pakistan for approval of the alteration to the Memorandum of Association of the Company to shift the Company's registered office from the Province of Sindh to Province of Punjab.

The Directors have no interest in shifting of registered office, whether directly or indirectly.

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