

SUI SOUTHERN GAS COMPANY LIMITED**MINUTES OF THE 68th ANNUAL GENERAL MEETING (AGM) HELD ON FRIDAY, 29
DECEMBER, 2023, AT 11:00 AM, IN HYBRID MODE (i.e., THROUGH ZOOM AND IN
PERSON)**

In accordance with the members' attendance record, shareholders attended the 68th Annual General Meeting ("AGM") in person and video link or by proxy including the following Directors and other representatives: -

Present:

Mr. Ayaz Dawood	Chairman
Mr. Muhammad Raziuddin Monem	Director
Mr. Shakeel Qadir	Director (Zoom)
Ms. Saira Najeeb Ahmed	Director (Zoom)
Mr. Shoaib Javed	Director (Zoom)
Mr. Iman Maniar	Managing Director

In Attendance:

Mr. Mateen Sadiq	Company Secretary
Mr. Muhammad Amin Rajput	DMD (F&A)/ Chief Financial Officer
Mr. Saeed Rizvi	DMD (Ops. /UFG)
Mr. Tariq Feroz Khan	External Auditors – M/s. BDO Ebrahim & Co., Chartered Accountants
Ms. Hira Ahmed	Legal Advisor- LMA – Liaquat Marchant Associates

Key Management personnel of SSGC

PROXYHOLDERS / AUTHORIZED REPRESENTATIVES ON BEHALF OF:

S. No	Folio / CDS Account #	Name of Shareholder	Name of Proxy Holder 1
1	03889-44	National Bank of Pakistan	Mr. Jeewan Panjwani
2	1604459	The President Islamic Republic of Pakistan	Mr. Shahbaz Tahir Nadeem
3	02683-23	State Life Insurance Corp. of Pakistan	Mr. Naveed -ur- Rehman
4	03277-68056	Trustees of SSGC Executive Staff Gratuity Fund	Mr. Imran Maniar (MD - SSGCL) / Mr. Muhammad Amin Rajput (DMD (F &A) / CFO – SSGCL

5	03277-68055	Trustees of SSGC Non-Executive Staff Gratuity Fund	Mr. Imran Maniar (MD - SSGCL) / Mr. Muhammad Amin Rajput (DMD (F &A) / CFO – SSGCL
6	03277-68053	Trustees of SSGC Executive Staff Provident Fund	Mr. Imran Maniar (MD - SSGCL) / Mr. Muhammad Amin Rajput (DMD (F &A) / CFO – SSGCL
7	03277-68054	Trustees of SSGC Non-Executive Staff Provident Fund	Mr. Imran Maniar (MD - SSGCL) / Mr. Muhammad Amin Rajput (DMD (F &A) / CFO – SSGCL
8	1916422	SSGC Employees Empowerment Trust	Mr. Imran Maniar (MD - SSGCL) / Mr. Muhammad Amin Rajput (DMD (F &A) / CFO – SSGCL
9	12724-25	Sindh Bank Limited	Mr. Dilshad Hussain Khan
10	03277-4255	Pakistan Reinsurance Company Limited	Mr. Muhammad Naveed Iqbal
11	03277-7003	Pakistan Industrial Development Corporation	Mr. Javed Hyder Shaikh, DGM Project (BQIP)
12	07070-22	CDC – Trustee Meezan Islamic Fund	Mr. Abdul Basit

Company Secretary, Mr. Mateen Sadiq, cordially welcomed the shareholders to the 68th Annual General Meeting (AGM) of Sui Southern Gas Company Limited (“SSGCL”). He informed the shareholders that due to her prior commitment at the Senate Committee, Chairperson excused from attending today’s AGM. Therefore, according to the requirements of the Companies Act, and Articles of Association of the Company, the directors presented in general meeting have unanimously nominated Director Ayaz Dawood to act as Chairman of the Meeting. He further requested shareholders for confirmation which was unanimously confirmed by the shareholders:

"The house unanimously approved the name of Ayaz Dawood to preside the 68th Annual General Meeting as Chairman".

Mr. Ayaz Dawood, the Chairman, greeted and welcomed all stakeholders, proxies and invitees present at the 68th Annual General Meeting (“68th AGM”) of SSGCL and called the meeting to order in accordance with the Quorum’s requirements (*i.e.*, 10 Members present in person representing not less than 25% of the total voting power of the Company either on their own account or as proxies). He mentioned that proxies had been received from the major shareholders. He mentioned that the AGM is being held in hybrid mode wherein directors and members are present in person as well as through video link facility. After confirming the attendance of directors, he requested Mr. Mr. Amin Rajput, DMD (F&A), to recite some verses from the Holy Quran.

NOTICE OF THE 68th ANNUAL GENERAL MEETING (AGM):

The Chairman affirmed that the 21 days’ Notice of the 68th AGM was published in two leading newspapers; Daily Dawn and Daily JANG on December 8, 2023 and was circulated to the shareholders along with CDs containing Annual Report for the Financial Year 2021-22 through TCS. He informed that 07 days’ Notice for e-Voting and Postal Ballot was also published in the above-mentioned two leading newspapers on December 21, 2023. He further informed that the both notices of AGM were also made available on PSX Portal ‘PUCARS’ and SSGCL’s Website for the shareholders. The hard copies of the Annual Report have also been provided to those shareholders who had requested.

He apprised that E-voting lines commenced on Monday, December 25, 2023, at 9:00 am and remained open until Thursday, December 28, 2023, at 5:00 pm.

He further apprised that to facilitate our shareholders for the Postal Ballot facility, members were permitted to send a duly filled and signed ballot paper, along with a copy of their CNIC, to the Chairman of the meeting through post at SSGC House, Sir Shah Suleman Road, Gulshan-e-Iqbal, Karachi, or by email at AGM2022@ssgc.com.pk, one (01) day before the day of voting, which was Thursday, December 28, 2023, until 5:00 pm.

The Chairman proposed that with the consent of the shareholders, the notice be taken as read.

The shareholders agreed and acceded to take the notice of the AGM as read.

ORDINARY BUSINESS

AGENDA ITEM NO.1:

To review the Minutes of the 67th Annual General Meeting (AGM) of the Company held on February 10, 2023:

The Chairman informed that the Minutes of the 67th Annual General Meeting for the FY'2022 held on February 10, 2023 were also available on Company's website for the shareholders. The Chairman proposed that with the consent of the shareholders the Minutes of 67th AGM be taken as read.

The shareholders agreed and consented to take the Minutes of the 67th AGM dated February 10, 2023 as read.

AGENDA ITEM NO.2:

To consider the Annual Audited Financial Statements of the Company for the year ended June 30, 2022 together with the Directors' Report in English and Urdu version and Auditors' Reports thereon:

The Chairman stated that 68th Annual Report and Audited Financial Statements for the financial year ending June 30, 2022 together with Directors' and Auditors' Reports have been circulated to all stakeholders.

Chairman then invited shareholders for questions on Annual Report 2022.

The Shareholders then put forward the following questions & suggestions for discussion:

Questions: (Relevant to the FS for FY-21)

- 1. When the Annual Accounts for the FY 2022-2023 will be finalized?*
- 2. When the Dividends will be proposed by the Company?*

Questions: (Operational issue)

- 3. Why the cost and the fixed charges in the bill have considerably increased during the year?*
- 4. Why the other directors are being paid fees for AGM when not attending the same?*
- 5. What about the Nitrogen gas blending in the system through which flames in the domestic households will be further sharpened that was proposed by the Management in the last AGM?*
- 6. Why the sufficient gas is not provided to the domestic households/ why the gas load-shedding has considerably increased in the domestic households?*

After taking the queries, the Board and management responded as under:

1. Financial Statements are finalized and audited after the OGRA's determination of Final Revenue Requirement (FRR). However, the 1st quarterly accounts for FY 2022-23 will be issued by next Monday and subsequently on monthly basis the accounts of each quarter will be announced accordingly.
2. Due to Company reported losses in the FY 2021-22 as well as the Equity being still negative, therefore, no Dividends are announced for the mentioned period.
3. The pricing mechanism with respect to every aspect be it the fixed charges or other gas charges are determined by the Ministry of Energy and subsequently implemented by OGRA. Price increase was overdue since 2020 and accordingly GDS has been accumulated considerably during the period i.e. about PKR 300 billion. Prices has been increased only to the extent of meeting current year (FY 2023-24) Revenue Shortfall.
4. Company does not pay any remuneration to any director for attending the AGMs.
5. The regulatory approval regarding blending of Nitrogen gas has been accorded by the OGRA for domestic purposes only. However, the plant for this purpose costs around \$40 million which is quite costly and the proposal for which would be presented to the Board in the near future. Furthermore, considering the current interest rates of 24% approx. and in order to justify the Capex on such high rates wouldn't justify the said cause. Hence, the interest rates to lower down is highly awaited/much anticipated in order to further proceed in this regard.
6. There is sharp depletion of gas reserves by 10-15% i.e., 02 years back gas supplies to SSGC from various fields were around 1000 MMCSFD and currently the same has been depleted up to 730 MMCSFD. Therefore, in order to cater the need of all sectors, pressure profiling is being carried out.

On behalf of the Management and the Board, Chairman thanked the shareholders for putting forth their concerns and acknowledged the issues at hand.

After question answer session, the following resolution was proposed by shareholder Mr. M. Hanif Folio No. 06445-67910 and seconded by shareholder, Mr. Adam A. Habib Folio No.03277-80320.

“RESOLVED THAT the Annual Audited Financial Statements for the year ended 30 June 2022 together with Directors’ and Auditors’ Report thereon of the External Auditors and Directors’ Report be and are hereby adopted.”

AGENDA ITEM NO.3:

To appoint the External Auditors for the year ended June 30, 2023 and fix their remuneration:

The Chairman informed the shareholders that the Board on recommendation of the Board Audit Committee (BAC), has unanimously decided to put forward the recommendation of reappointing M/s. BDO Ebrahim & Co., Chartered Accountants for the provision of external audit services for the FY 2022-23.

He further informed that M/s. BDO Ebrahim & Co., had been engaged last year as External Auditors for the FY 2021-22 and is recommended to serve as external auditors for the FY 2022-23. They will render their services in relation to the audit of the Unconsolidated and Consolidated Financial Statements of the Company for the FY 2022-23, Limited Review of Unconsolidated Condensed Interim Financial Information, Review of Compliance with Public Sector Code of Corporate Governance Rules, 2013 & Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 and other SECP and OGRA related Certifications.

The Chairman requested the shareholders to propose and second the resolution in connection with the appointment of auditors for the FY 2022-23:

The following resolution was proposed by shareholder Mr. M. Hanif Folio No. 06445-67910 and seconded by shareholder, Mr. Adam A. Habib Folio No. 03277-80320.

“RESOLVED THAT the re-appointment of M/s. BDO Ebrahim & Co., Chartered Accountants as External Auditors of the Company for FY 2022-23 be and is hereby approved at a remuneration of Rs. Four million Eight hundred thousand only (Rs.4,800,000) excluding out of pocket expenses.”

SPECIAL BUSINESS**AGENDA ITEM NO. 4:**

To consider and, if deemed fit, to pass with or without any modifications the following resolutions as special resolutions, to obtain consent from the members for the transmission / dispatching of annual audited accounts through QR enabled code and web-link, as allowed under S.R.O 389 (I)/ 2023, dated March 21, 2023 issued by the Securities and Exchange Commission of Pakistan (SECP):

The Chairman informed the shareholders that SECP through its Notification No. S.R.O 389(1)/2023 dated March 21, 2023, has allowed companies to circulate the annual balance sheet and profit and loss account, auditor's report and directors' report, etc. ("annual audited financial statements") to its members through QR enabled code and Weblink.

The Chairman requested the shareholders to cast their votes for the agenda Items for Special Business no. 04.

After the completion of voting on the Special Agenda items, the Company Secretary requested the Chairman to announce the voting results compiled by the Scrutinizer M/s. Yousuf Adil and Chartered Accountants.

The Chairman gladly announced the results stating that 63 people voted in person / or through proxy / or through e-voting / or through postal ballot and in total votes (74.694% of Capital) are as follows:

Total No. of Shares / Votes Held	657,994,775
Total No. of Votes Casted	657,989,546
Total No. of Invalid Votes	5,229
No. of Votes Casted in Favor	657,973,866
No. of Votes Casted in Against	15,680
Percentage of Votes Casted in Favor	99.998%
Resolution Passed/ Not Passed	Resolution Passed
Remarks	Adopted

He added that the result of vote casted in favor of Special Business-agenda item no. 04, the following resolutions were passed as proposed by shareholder Mr. M. Hanif Folio No. 06445-67910 and seconded by shareholder, Mr. Adam A. Habib Folio No. 03277-80320.

“RESOLVED THAT notice of general meeting shall be dispatched to members as per requirements of the Act, at their registered address, containing the QR enabled code and the web-link address to view and download the annual audited accounts together with the reports and documents required to be annexed thereto under the Act and notified by the SECP vide its S.R.O. 389 (I) 2023 dated March 21, 2023 be and is hereby approved.”

“FURTHER RESOLVED THAT the Company shall be considered compliant with the relevant requirements of Section 223(6) of the Companies Act, 2017 by sending the audited financial statements through e-mail and/ or sending a notice of meeting containing a QR code and the Weblink address. In case hardcopy of the audited financial statements and / or notice of AGM of the Company is desired, a specific request for the same will be made.”

“FURTHER RESOLVED THAT Company Secretary be and is hereby singly authorized to take and do all necessary actions, deeds and things which are or may be necessary, incidental and / or consequential to give effect to the aforesaid resolutions.”

AGENDA ITEM NO. 5:

To consider and approve the Initial Public Offer (IPO) of shares of SSGC LPG Limited (to be converted), and pass, with or without modification(s), the following resolution as Special Resolutions:

The Chairman apprized the shareholders that Board of Directors of the SSGCL has approved and authorized SSGC LPG (Private) Limited, its wholly owned subsidiary, to convert from Private Limited to Public Limited (Unlisted). Wherein, in the Extraordinary General Meeting of the SSGC LPG (Private) Limited held on December 01, 2023, the shareholders have approved the said conversion and all regulatory obligations have been complied with under the provisions of the Companies Act, 2017. The primary aim is to enhance the capital base, broadening financial foundation and fostering increased participation in ownership.

The Board of Directors of SSGC LPG Limited (to be converted) has considered proceeding with Initial Public Offer (IPO) through issuance of 33,333,333 Ordinary Shares, as and when deemed appropriate in future date. The necessary formalities, required for listing on Pakistan

Stock Exchange (PSX), will be complied with after obtaining approval from the shareholders of SSGC LPG Limited.

The Chairman requested the shareholders to cast their votes for the agenda Items for Special Business no. 05.

After the completion of voting on the Special Agenda items, the Company Secretary requested the Chairman to announce the voting results compiled by the Scrutinizer M/s. Yousuf Adil and Chartered Accountants.

The Chairman gladly announced the results stating that 63 people voted in person / or through proxy / or through e-voting / or through postal ballot and in total votes (74.694% of Capital) are as follows:

Total No. of Shares / Votes Held	657,994,775
Total No. of Votes Casted	657,989,546
Total No. of Invalid Votes	5,229
No. of Votes Casted in Favor	657,972,666
No. of Votes Casted in Against	16,880
Percentage of Votes Casted in Favor	99.997%
Resolution Passed/ Not Passed	Resolution Passed
Remarks	Adopted

He added that the result of vote casted in favor of Special Business-agenda item no. 05, the following resolutions were passed as proposed by shareholder Mr. M. Hanif Folio No. 06445-67910 and seconded by shareholder, Mr. Adam A. Habib Folio No. 03277-80320.

“RESOLVED THAT initiation of issuance of subsidiary of SSGCL namely: SSGC LPG Limited (to be converted) through Initial Public Offer (IPO) in future be and is hereby approved.”

“FURTHER RESOLVED THAT the issuance of 33,333,333 Ordinary Shares through IPO upon such terms and conditions as deemed appropriate by the SSGC LPG Limited (to be converted), be and is hereby approved.”

“FURTHER RESOLVED THAT undertaking of all requisite steps for the listing of SSGC LPG Limited (to be converted) at Pakistan Stock Exchange Limited (PSX) anytime in

future be and is hereby approved, subject to compliances under the provisions of the Companies Act, 2017, Rules and Regulations thereunder and the Listing Regulations of the PSX.”

“FURTHER RESOLVED THAT the Company Secretary / Deputy Managing Director (DMD, F&A) / CFO singly and / or jointly be and are hereby authorized to do all acts and deeds and take all such steps under the law as may be necessary, proper or expedient to give effect to these resolutions.”

The Chairman declared both the Agenda Items no. 04 & 05 passed by the shareholders and thanked them.

AGENDA ITEM NO. 6:

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

There being no other business, the meeting concluded with a vote of thanks to the Chair.

CHAIRMAN