SUI SOUTHERN GAS COMPANY LIMITED
MINUTES OF THE 67th ANNUAL GENERAL MEETING (AGM)
HELD ON FRIDAY, 10TH FEBRUARY, 2023,AT 11:00 AM, IN HYBRID MODE (i.e., THROUGH ZOOM AND IN PERSON)

In accordance with the members' attendance record, 796 shareholders attended the 67th Annual General Meeting ("AGM") in person and using the video link or by proxy including the following Directors and other representatives: -

Present:

Dr. Shamshad Akhtar	Chairperson
Mr. Muhammad Raziuddin Monem	Director
Mr. Sajid Mehmood Qazi	Director
Dr. Sohail Razi Khan	Director
Mr. Manzoor Ali Shaikh	Director
Mr. Ayaz Dawood	Director
Mr. Iman Maniar	MD

Leave of Absence:

Ms. Saira Najeeb Ahmed
Mr. Zuhair Siddiqui
Mr. Abdul Aziz Uqaili

In Attendance:

Mr. Mateen Sadiq	Company Secretary
Mr. Muhammad Amin Rajput	Chief Financial Officer
Mr. Saeed Rizvi	ADMD (Ops/UFG)
Mr. Zulfiqar Ali Causer	External Auditors – M/s. BDO Ebrahim & Co., Chartered Accountants
Mr. Nadeem Ahmed	Legal Advisor – M/s. Orr Dignam & Co.

Key Management personnel of SSGC

PROXYHOLDERS / AUTHORIZED REPRESENTATIVES ON BEHALF OF:

<table>
<tr><th>S. #</th><th>Name of Shareholder</th><th>Name of Proxy Holder</th></tr>
<tr><td>1.</td><td>The President Islamic Republic of Pakistan</td><td>Mr. Hassan Mehmood Yusufzai</td></tr>
<tr><td>2.</td><td>SSGC Employees Empowerment Trust</td><td rowspan="5">Mr. Imran Maniar</td></tr>
<tr><td>3.</td><td>Trustees of SSG Executive Staff Gratuity Fund</td></tr>
<tr><td>4.</td><td>Trustees of SSG Executive Staff Provident Fund</td></tr>
<tr><td>5.</td><td>Trustees of SSG Executive Staff Gratuity Fund</td></tr>
<tr><td>6.</td><td>Trustees of SSG Non-Executive Staff Provident Fund</td></tr>
<tr><td>7.</td><td>State Life Insurance Corp. of Pakistan</td><td>Mr. Waseem Khan Rao</td></tr>
<tr><td>8.</td><td>Pakistan Industrial Development Corporation (Pvt.) Ltd.</td><td>Mr. Saleem Ahmed</td></tr>
<tr><td>9.</td><td>Pakistan Industrial Development Corp</td><td></td></tr>
<tr><td>10.</td><td>CDC – Trustee National Investment (Unit) Trust</td><td rowspan="5">Mr. M. Salman Chawala</td></tr>
<tr><td>11.</td><td>CDC – Trustee NIT Islamic Equity Fund</td></tr>
<tr><td>12.</td><td>CDC – Trustee NIT State Enterprise Fund</td></tr>
<tr><td>13.</td><td>CDC – Trustee NIT- Equity Market Opportunity Fund</td></tr>
<tr><td>14.</td><td>CDC – Trustee NITIPF Equity Sub-Fund</td></tr>
<tr><td>15.</td><td>Pakistan Reinsurance Company Ltd.</td><td></td></tr>
<tr><td>16.</td><td>The Saudi Pak Industrial & Agricultural Investment Co. Ltd. – PMD</td><td></td></tr>
<tr><td>17.</td><td>Sindh Bank Ltd.</td><td></td></tr>
<tr><td>18.</td><td>GOP</td><td></td></tr>
<tr><td>19.</td><td>Pak Brunei Investment Company Ltd.</td><td></td></tr>
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Company Secretary, Mr. Mateen Sadiq (MS), cordially welcomed shareholders to the 67th Annual General Meeting (AGM) of Sui Southern Gas Company Limited ("SSGCL"). He mentioned that the AGM was being held in hybrid mode wherein directors and members are present in person and through video link facility. After confirming the attendance of directors, he requested the Chairperson to formally convene and lead the conduct of the meeting.

The Chairperson greeted and welcomed all the stakeholders, proxies and invitees present at the 67th Annual General Meeting ("67th 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). She mentioned that proxies had been received from the major shareholders.

Thereafter, the Chairperson called for the recitation of verses from the Holy Quran.

NOTICE OF THE 67th ANNUAL GENERAL MEETING (AGM):

She affirmed that the notice of 67th Annual General Meeting ("AGM") was published in three leading newspapers on January 19, 2023 and January 20, 2023 and circulated to all shareholders along with CD containing Annual Report for the FY-2020-2021. The notice also made available on PSX portal 'PUCARS' and SSGCL's website for shareholders and the hard copies of the Annual Report had also been provided to those shareholders who had requested as such. The Chairperson 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.

ORIDINARY BUSINESS

AGENDA ITEM NO.1:

To review the Minutes of the 66th Annual General Meeting (AGM) of the Company held on June 03, 2022:

The Chairperson informed that the Minutes of the 66th Annual General Meeting for the FY 2019-20 held on June 03. 2022 were uploaded on PUCARS within 60 days from the date of holding of AGM and the same are also available on Company's website for the shareholders. The Chairperson proposed that with the consent of the shareholders the Minutes of 66th AGM be taken as read.

The shareholders agreed and consented to take the Minutes of the 66th AGM dated 3 June 2022 as read.

AGENDA ITEM NO.2:

To consider the Annual Audited Financial Statements of the Company for the year ended June 30, 2021 together with the Directors' Report in English and Urdu version and Auditors' Reports thereon

The Chairperson stated that 67th Annual Report and Audited Financial Statements for the financial year ending June 30, 2021 together with Directors' and Auditors' Reports have been circulated to all stakeholders.

She mentioned that after a lapse of four challenging years, the Company's Financial Statements again exhibit a profit for the year amounting to Rs. 1.955 billion with a positive earnings per share (EPS) of Rs. 2.22. She added that the main reasons for losses in previous years was the absorption of losses of Rs. 36.7 billion pertaining to the period from FY'2011 to FY'2015 as a consequence of dismissal of Sindh High Court stay against decision on account of UFG benchmark and certain non-operating Incomes in November 2016.

She explained that the major reason for the profit in the fiscal year 2021 was the adjustment in UFG which helped bring down to 15.31% compared to 17.25% in FY 2019-20, it had a positive impact of Rs. 7.1 billion and finance cost was efficiently managed at the level of Rs. 4.6 billion as compared to Rs. 7.2 billion in FY 2019-20. She apprized that in addition, the minor pending claims were also allowed by OGRA during FY 2020-21. However; in OGRA's determination, a significant claim remained unaddressed related to the implementation of the policy guidelines issued by ECC of the Federal Cabinet to OGRA vide its decision dated May 11, 2018 on Case No. ECC-37/09/2018 that advises OGRA to allow settlement of Unaccounted-for-Gas (UFG) on volume handled basis.

She further added that the financial impact of delayed OGRA's decision however on UFG volume- handled basis has been substantial and government has been informed several times at the highest platforms. She further stated that the non-implementation of these policy guidelines has had serious consequences on the financial health of the Company as well as detrimental to the socio-economic agenda of the Government and the well-being of the Company. The aggregate RLNG volume handling benefit claimed in FRR petition from OGRA, but was not allowed up to June 30,2021, stands at Rs. 52.4 billion.

She added that one of the major reasons being faced by SSGC that has negatively impacted its operations, is the undue delay to increase the gas sales price. Due to this inordinate delay, the difference between sales price and prescribed price that has been accumulated and reflected in the balance sheet as GDS receivable to the tune of Rs. 208 billion.

The Chairperson stressed that in order to make operations of SSGC sustainable in the depleting indigenous gas reserves scenario, the Board directed the management for austerity and business diversity, seeking opportunities for additional investments and partnership. With the objective of diversifying its business areas, the Company is studying business feasibilities of various energy sector projects, initiatives through its subsidiaries, and there has been work ongoing on trying to operationalize the SSGC Alternate Energy (Pvt.) Limited (SSGC-AE) and SSGC LPG (Pvt.) Limited (SLL).

On behalf of the Management and the Board, she thanked all the shareholders for their continued support in all our endeavors.

Chairperson then invited shareholders for questions on Annual Report 2020-21.

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

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

a. One of the Shareholders Mr. Muhammad Siddique Khokhar (CDC A/c No. 05116-13310) appreciated the financial heads, corporate heads and their teams for their efforts they put to present the results for the FY-2020-21. They said though the financial statements showing improvements in the performance of the Company with considerable profit after years of losses, but no distribution of profits for the shareholders.

Question: (Operational issue)

b. Bills are charge with excessive units than the actual usage and company is increasing rates per unit at its own without consulting OGRA.

c. Furthermore, the customer complaints are not dealt properly at the customer facilitation centers (CFCs) for which proper steps be taken to address complaints of the customers.

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

The Management shared with emphasis that SSGC being a highly regulated organization and despite facing many challenges, has remained resilient to overcome the same. Further, as informed by the Chairperson, SSGC is contesting a claim of Rs. 52.4 million and if the same is approved by OGRA along with other developments as stated in the Director's report, a substantial increase in equity is expected, hence, the negative equity may land into positive. Furthermore, UFG reduction to mass level with further steps to reduce the same is in pipeline, Company will surely earn more profit in the upcoming years and shareholders will be passed on these benefits accordingly.

In response to a query related to the increased billing amount, Management apprized that SSGC is highly regulated Public Sector entity and follows the guidelines issued by OGRA related to tariff and same are audited by Public Accounts Committee (PAC) & governments auditors. Your grievance & concern of increased bill amount, please note that keeping in view our tariff regime, SSGC cannot increase the bill amount, and if it does so even then this increased amount will not go into the pocket of SSGC rather It is offered to consumers in turn. Our revenue requirement and price determination are monitored by OGRA and bills are charged as per OGRA's directions and the annual accounts are finalized after the Financial Revenue Requirements (FRR) petition are approved by OGRA. Finally, our external auditors are one of the big 4 and they also keep eye on every area of operations.

MD, further informed that in order to make SSGC more profitable and ultimately pass on these profits to the stakeholders, SSGC Alternate Energy Pvt. Ltd. (SSGC-AE) has been established. Under the umbrella of SSGC AE, currently, we are working on three projects and all these projects are expected to generate considerable profits where five projects of Bio-gas are installed and by the third quarter of this year, 7-8 MMCFD of gas volume will come into SSGC transmission systems. Secondly, 8-9 wells are under contract for the process of purification of off-specs gases, for which the approvals have been already granted by OGRA and 50 to 60 MMCFD of gas volumes are expected to enter in SSGC system. Thirdly, initial approval has been taken from OGRA to increase the Nitrogen content in gas supply to customers as per their heat requirements, as a result increase in gas volumes by 30 MMCFD. By practicing these three measures we will be able to bring 100 MMCFD gas volume in system in a year. He further stressed that one LNG cargo of 100 MMCFD cost USD 80 million and if adopt these alternatives, we can save USD I Billion in foreign exchange reserves.

He further emphasized to focus on positives developments that are taking place instead focusing on minor issues. Management is striving continuously to increase the revenues and has focus on long term improved results.

The Chairperson thanked the shareholders for putting forth their concerns and acknowledged the issues at hand.

After detailed deliberations and question answer session, the following resolution was passed by the shareholders:

"RESOLVED THAT the Audited Accounts for the year ended 30 June 2021 along with Auditors' Report 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, 2022 and fix their remuneration

The Board of Directors has recommended appointment of M/s. BDO Ibrahim & Co., Chartered Accountants to be the auditors of the SSGCL for the year ended June 30, 2022.

The Chairperson informed the shareholders that the Board on recommendation of the Board Audit Committee (BAC), has 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 2021-22.

She further informed that M/s. BDO Ebrahim & Co., had been engaged last year as external auditors for FY 2020-21 and is recommended to serve as external auditors for FY 2021-22. They will render their services in relation to the audit of the Unconsolidated and Consolidated Financial Statements of the Company for the FY 2021-22, 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 Board on recommendation of the Board Audit Committee |(BAC) and after due deliberation, has unanimously decided to put forward the recommendation for the reappointment of M/s. BDO Ebrahim & Co., Chartered Accountants for the provision of external audit services for the FY 2021-22.

The Chairperson requested the shareholders to propose and second the resolution in connection with the appointment of auditors for the FY 2021-22:

The following resolution was unanimously passed as proposed by Chairperson and seconded by shareholders:

“RESOLVED THAT the re-appointment of M/s. BDO Ebrahim & Co., Chartered Accountants as External Auditors of the Company for the year ending June 30, 2022 be and is hereby approved at a remuneration of Rs. Four Million, Nine Hundred & Twenty Five Thousand (Rs. 4,925,000) plus out of pocket expenses as auditor’s remuneration.”

The Resolution was carried unanimously.