

17 March 2023

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Dear Sir,

NOTICE OF 25TH ANNUAL GENERAL MEETING

Please find enclosed a copy of the Notice of 25th Annual General Meeting prior to its publication in newspapers. The notice is scheduled to be published in the newspapers on 20 March 2023.

Yours sincerely,



Faisal Abid
Company Secretary

Encl (s): As above

cc: The Chairman,
Securities & Exchange Commission of Pakistan

Notice of 25th Annual General Meeting

Notice is hereby given that the 25th Annual General Meeting (AGM) of Lotte Chemical Pakistan Limited ("the Company") will be held on Thursday, 13 April 2023 at 11:00 a.m. at the Institute of Chartered Accountants of Pakistan (ICAP) auditorium, Chartered Accountants Avenue, Clifton, Karachi to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Company's audited financial statements together with Directors' and Auditors' reports for the year ended 31 December 2022.
2. To consider and approve, a final cash dividend @ 20% i.e Rs 2.00 per ordinary share of Rs 10 each of the Company for the year ended 31 December 2022, as recommended by the Directors of the Company.
3. To appoint the Auditors of the Company for the year ending 31 December 2023 and to fix their remuneration.

20 March 2023
Karachi

By Order of the Board
Faisal Abid
Company Secretary

Notes:

1. **Book closure.** The Share Transfer books of the Company will remain closed from Friday, 07 April 2023 to Thursday, 13 April 2023 (both days inclusive). Transfers received in order at the office of Company's Share Registrar, Famco Associates (Pvt) Ltd, 8-F, near Hotel Faran, Nursery, Block-6, P.E.C.H.S, Shahrah-e-Faisal, Karachi, by the close of business on 06 April 2023, will be treated in time for the purpose of attending the AGM and entitlement of dividend.
2. **Participation in AGM through video-conferencing.** In compliance with circulars issued by Securities and Exchange Commission of Pakistan (SECP) on corona virus contingency planning, the Company has made arrangements for participation of shareholders in AGM through video-conferencing. For this purpose, members are requested to register themselves by providing the following information through email at companysecretary@lottechem.pk at least 48 hours before the time of AGM.

Name of Shareholder	CNIC/ NTN Number	Folio Number / CDC Account No.	Mobile Number	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 10.30 a.m till the end of AGM. Members can also share their comments and suggestions on the agenda by email at companysecretary@lottechem.pk

3. A member of the Company entitled to attend and vote may appoint another member as his / her proxy to attend and vote instead of him / her. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the time of the holding of the Meeting. In calculating the aforesaid period, no account shall be taken of any day that is not a working day. Proxy Form may also be downloaded from the Company's website: www.lottechem.pk

CDC Account Holders will have to follow further undermentioned guidelines as laid down in Circular 1 dated 26 January 2000 issued by the Securities and Exchange Commission of Pakistan.

a) For Attending the Meeting:

- i. In case of individuals, the 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 Regulation, shall authenticate his / her identity by showing his / her original valid Computerised National Identity Card (CNIC) or original passport at the time of attending the Meeting.
- ii. In case of corporate entity, the Board of Directors' resolution / power of attorney with signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

b) For Appointing Proxies:

- i. In case of individuals, the 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. Attested copies of valid CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv. The proxy shall produce his / her original valid CNIC or original passport at the time of the meeting.
- v. In case of 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 to the Company.

4. **Payment of Cash Dividend through electronic mode.** In accordance with the provisions of Section 242 of the Companies Act, 2017 and Companies (Distribution of Dividend) Regulations, 2017, it is **mandatory** for a listed company to pay cash dividend to its shareholder only through electronic mode directly into the bank account designated by the entitled shareholder. Accordingly, shareholders are requested to fill in "Electronic Credit Bank Mandate Form" available on Company's website and send it duly signed along with a copy of valid CNIC/NTN to their respective CDC participant / CDC Investor account services (in case of shareholding in Book Entry Form) or to the Company's Share Registrar M/s. Famco Associates (Pvt) Ltd (in case of shareholding in Physical Form).
5. **Withholding Tax on Dividend.** Pursuant to the Finance Act, 2020, effective 01 July 2020, the rates of deduction of income tax under Section 150 of the Income Tax Ordinance, 2001 from payment of dividend have been revised as 15% for persons appearing on Active Taxpayer List (ATL) and 30% for persons not appearing on active tax payer list.

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 appearing in the Active Taxpayer List (ATL) provided on the website of the Federal Board of Revenue (FBR), despite the fact that they are filers, are advised to make sure that their names are appearing on ATL, otherwise tax on their cash dividend will be deducted @ 30% instead of 15%.

Further, according to clarification received from FBR, withholding tax will be determined separately on 'Active/Non-active' 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 shareholder and Joint-holder(s) in respect of shares held by them to Company's Share Registrar latest by 06 April 2023, in writing as follows.

Folio/CDC 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)

Shareholders are advised to ensure that they have provided their CNIC/NTN to their respective Participant/CDC Investor Account Services (if shareholding in Book Entry Form) or Company Share Registrar (if shareholding in Physical Form) for checking the tax status as per the ATL issued by FBR from time to time.

As per FBR Circulars C. No.1 (29) WHT/2006 dated 30 June 2010 and C. No.1 (43) DG (WHT)/2008-Vol. II-66417-R dated 12 May 2015, the valid exemption certificate is mandatory to claim exemption of withholding tax U/S 150 of the Income Tax Ordinance, 2001 (tax on dividend amount) where the statutory exemption under clause 47B of part-IV of Second Schedule is available. The shareholders who fall in the category mentioned in above clause and want to avail exemption U/S 150 of the Ordinance, must provide valid Tax Exemption Certificate to our Share Registrar M/s. Famco Associates (Pvt) Ltd before book closure otherwise tax will be deducted on dividend as per applicable rates.

6. **Zakat Deductions.** To claim exemption from compulsory deduction of Zakat, shareholders are requested to submit a notarised copy of Zakat Declaration Form "CZ-50" on NJSP of Rs.50/- to the Share Registrar. In case shares are held in scripless form such Zakat Declaration Form (CZ -50) must be uploaded in the CDC account of the shareholder, through their participant / Investor Account Services. Further, Non-Muslim shareholders are also required to file Solemn Affirmation (on format available on Company's website) with the Share Registrar of the Company in case of shares are held in physical certificates or with CDC Participant / Investor Account Services in case shares are in scripless form. No exemption from deduction of zakat will be allowed unless the above documents complete in all respects have been made available as above.
7. **Transmission of Annual Financial Statements through email.** Members who wish to receive annual Financial Statements and notice of General Meetings via email can communicate their email addresses to the Company's Share Registrar on the standard Request Form available on the Company's website.
8. **Conversion of physical shares into CDC account.** As per Section 72 of the Companies Act, 2017 ("the Act"), every listed company is required to replace its physical shares with book-entry form within four years of the promulgation of the Act. Therefore, the shareholders having physical shares are requested to convert the shares into book entry at the earliest.
9. Audited Financial Statements of the Company for the year ended 31 December 2022 have been provided on the Company's website: www.lottechem.pk
10. **Unclaimed/Unpaid Dividend and Share Certificates.** As per the provisions of Section 244 of the Companies Act, 2017, any shares issued or dividend declared by the Company which have remained unclaimed/unpaid for a period of three years from the date on which it was due and payable (list available at Company's website) required to be deposited with SECP for the credit of Federal Government after issuance of notices to the shareholders to file their claim. Shareholders are requested to ensure that their claims for unclaimed dividend and shares are lodged promptly. In case, no claim is lodged, the Company shall proceed to deposit the unclaimed/unpaid amount and shares with the Federal Government pursuant to the provision of Section 244(2) of Companies Act, 2017.