

ITTEHAD CHEMICALS LIMITED

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 33rd Annual General Meeting of the Shareholders of **Ittehad Chemicals Limited** will be held on **Monday, October 28, 2024 at 11:00 a.m.** at the Registered Office of the Company situated at 39-Empress Road, Lahore to transact the following business:

ORDINARY BUSINESS:

1. To confirm the minutes of Extraordinary General Meeting held on November 20, 2023.
2. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the Financial Year ended June 30, 2024 together with the Directors' and Auditors' Reports thereon and Chairman's Review Report.
3. To declare and approve, as recommended by the Directors, the payment of final cash dividend at the rate of PKR 1.5/- (15%) for the year ended June 30, 2024. This is in addition to interim cash dividends of PKR 2/- (20%) per share.
4. To appoint Auditors for the Financial Year 2024-25 and to fix their remuneration. M/s BDO Ebrahim & Co., Chartered Accountants retire and being eligible, have offered themselves for re-appointment.

SPECIAL BUSINESS:

5. To ratify and approve transactions carried out by the Company with Related Parties as specified in statement under Section 134(3) of the Companies Act, 2017 by passing the following Special Resolution with or without modification:

"Resolved that the transactions carried out in the normal course of business with related parties and associated companies as disclosed in Note # 48 of the Financial Statements for the year ended June 30, 2024, be and are hereby ratified and approved."

"Further resolved that the Board of Directors be and is hereby authorized to approve transactions to be carried out in the normal course of business with related parties and associated companies during the financial year ending on June 30, 2025.

The statement of material facts providing the information as required under Section 134(3) of the Companies Act, 2017 is being sent to shareholders along with the Notice of AGM.

ANY OTHER BUSINESS

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

By Order of the Board

Lahore
October 02, 2024

Abdul Mansoor Khan
Company Secretary

Notes:-

- i. The Share Transfer Books of the Company will remain closed from October 21, 2024 to October 28, 2024 (both days inclusive). Transfers received in order by our Share Registrars, M/s Hameed Majeed Associates (Pvt.) Limited, H.M. House, 7-Bank Square, The Mall, Lahore by the close of business on October 20, 2024 will be considered in time for attending and vote in Annual General Meeting and for the purpose of entitlement of dividend.
- ii. A member of the Company entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend and vote on his/her behalf. The proxy, in order to be effective, must be received at the registered office of the Company duly signed and stamped not less than 48 hours before the time of meeting.
- iii. The CDC Account holders/sub-account holders are requested to bring with them their original CNICs or Passports along with the Participant(s) ID Number and CDC account numbers at the time of attending the Annual General Meeting for identification purpose.
- iv. In case of Corporate entity, the Board of Directors' resolution / power of attorney with specimen signatures of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting. The nominee shall produce his original CNIC at the time of attending the meeting for identification purpose.
- v. We invite our shareholders to participate in the upcoming Annual General Meeting via video link facility. The interested participants are required to email their credentials including their names, folio/CDC account, CNIC, Cell number and email address with subject matter "AGM 2024" at: mansoor.khan@ittehadchemicals.com & fahad.hussain@ittehadchemicals.com not later than seven (07) days before Annual General Meeting. Upon authentication, the video link and login credentials will be shared to participants.
- vi. Members are requested to notify the change of address immediately, if any, to Company's Shares Registrar.
- vii. Under the provisions of Section 242 of the Companies Act 2017, any dividend payable in cash shall only be paid through electronic mode directly into the Bank Account designated by the entitled shareholders. The shareholders are hereby advised to provide a dividend mandate in favour of e-dividend mandate form (specimen available on Company's website). In case of CDC shareholders, please update the record with CDC Participant.
- viii. The Government of Pakistan has made certain amendments in the Income Tax Ordinance, 2001 whereby different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the Companies. These tax rates are (a) 15% for filer of income tax returns and (b) 30% for non-filers of income tax returns. The members are advised to update their status accordingly in order to avoid any inconvenience for any dividend.
- ix. Pursuant to "Companies (Postal Ballot) Regulations, 2018" issued vide SECP SRO.254(I)/2018 dated February 22, 2018 members may exercise their right to vote through e-voting in accordance with the requirements and procedures contained in the aforesaid regulations.
- x. Under Section # 72 of the Companies Act, 2017, the shareholders who hold shares in physical form are required to replace their physical shares with book-entry form within the period to be notified by the

SECP. Hence, the shareholders who hold shares in physical form are advised to convert their physical shares in electronic form at their earliest.

- xi. The Annual Report for the Financial Year ended June 30, 2024 will be placed on Company's website www.ittehadchemicals.com in due course of time:

<https://ittehadchemicals.com/investor-information/>



The shareholders of the company have passed an ordinary resolution in the previous Annual General Meeting held on October 26, 2023 to transmit annual report through QR enabled code and weblink in compliance of directive of S.R.O 389(I)/2023 dated March 21, 2023. Shareholders can also request hard copies of financial statements by submitting an application to the Company Secretary / Shares Registrar, the company will provide hard copy of annual report free of charge within one week.

STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017 CONCERNING THE SPECIAL BUSINESS TO BE TRANSACTED AT THE ANNUAL GENERAL MEETING:

This statement sets out the material facts concerning the Special Business to be transacted at the Annual General Meeting of the Company to be held on October 28, 2024.

Item No. 5 of the Agenda - To ratify and approve transactions carried out by the Company with Related Parties as specified in statement under Section 134(3) of the Companies Act, 2017 by passing the following Special Resolution with or without modification.

Transactions carried out with related parties have to be approved by the Board of Directors as recommended by the Audit Committee under the prevailing corporate laws and Company's Related Party Transaction Policy. Ittehad Chemicals Limited (the "ICL") is enjoying marketing advisory services from Chemi Multifabrics Limited (the "CML") which is a Public Limited Company. However, relative(s) of director(s) of ICL holds few shares in CML (which the relevant ICL Directors have disclosed to the ICL Board); nevertheless, the marketing advisory services agreement executed between the ICL and CML has been approved by shareholders in the General Meeting as a "Special resolution". However, in order to ensure that the related party transactions are more transparent, the management has decided to place the related party transactions as provided in Note # 48 of the unconsolidated Financial Statements for the year ended June 30, 2024 in the Annual General Meeting of the shareholders to be held on October 28, 2024 to get the transactions approved from shareholders as a "Special Resolution". The Company's Financial Statements are available on its website www.ittehadchemicals.com.

STATEMENT UNDER REGULATION 4(2) OF THE COMPANIES (INVESTMENT IN ASSOCIATED COMPANIES OR ASSOCIATED UNDERTAKINGS) REGULATIONS 2017:-

(1) M/s Ittehad Salt Processing (Pvt.) Limited (A wholly owned subsidiary)

Name of the investee Company	Ittehad Salt Processing (Pvt.) Limited
(a) total investment approved;	Rupees 300,000,000
(b) amount of investment made as on Balance Sheet Date	Rupees 2,500,000
(c) reasons for deviations from the approved timeline of investment, where investment	No deviation. The Company is a wholly owned subsidiary of Ittehad Chemicals Limited. The

decision was to be implemented in specified time;	investment will be made as per requirements of the subsidiary.
(d) material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment.	No Change.

(2) M/s ICL Power (Pvt.) Limited (A wholly owned subsidiary)

Name of the investee Company	ICL Power (Pvt.) Limited
(a) total investment approved;	Rupees 5,000,000,000
(b) amount of investment made as on Balance Sheet Date	Rupees 2,500,000
(c) amount of investment (Loan) made as on Balance Sheet Date	Rupees 8,881,575
(c) reasons for deviations from the approved timeline of investment, where investment decision was to be implemented in specified time;	No deviation. The Company is a wholly owned subsidiary of Ittehad Chemicals Limited. The investment will be made as per requirements of the subsidiary.
(d) material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment.	No Change.