

NOTICE OF 42nd ANNUAL GENERAL MEETING

Notice is hereby given that the 42nd Annual General Meeting of the shareholders of **Synthetic Products Enterprises Limited** (the “**Company**”) will be held on Saturday 26 October 2024 at 11:00 AM at Jinnah Auditorium of Lahore Chamber of Commerce & Industries, Shahrah Aiwan-e-Tijarat, Lahore to transact the following business:

A) Ordinary Business:

1. To receive, consider and adopt the audited financial statements for the year ended 30 June 2024 together with Directors’ and Auditors’ Report thereon.
2. To approve a final cash dividend for the year ended 30 June 2024 @ Rs. 0.8 per share i.e. 16%.
3. To appoint auditors for the financial year 2024-25 and fix their remuneration. The Board has recommended, as suggested by the Board Audit Committee, the appointment of M/s KPMG Taseer Hadi and Co., Chartered Accountants. They are the retiring auditors and being eligible, have offered themselves for re-appointment.
4. To elect seven (7) Directors as fixed by the Board of Directors in accordance with Section 159 of the Companies Act, 2017 for a term of three (3) years commencing from the date of the AGM i.e., October 26, 2024. The names of retiring Directors are Mr. Almas Hyder, Mr. Zia Hyder, Mr. Raza Haider, Mr. Sheikh Naseer Hyder, Dr. Nighat Arshad, Mr. Haroon Sharif, Mr. Khawar Anwar Khawaja, Dr. Syed Sohail Hussain Naqvi and Mr. Abid Saleem Khan.

B) Any Other Business

5. To transact, with the permission of the Chairman, any other business which may be transacted at an Annual General Meeting.

By Order of the Board

05 October 2024
Lahore


Khalil Ahmad Hashmi (FCA)
Company Secretary

Notes:

1. Closure of Share Transfer Books

The share transfer books of the Company will remain closed from **20 October 2024 to 26 October 2024 (both days inclusive)**. Transfers received in order at the Shares Department of M/s THK Associates (Pvt.) Limited, Plot no. 32-C Jami Commercial Street 2, D.H.A. Phase VII, Karachi, Pakistan at the close of business on **19 October 2024** will be treated. Only those persons whose names appear in the Register of Members of the Company as on **19 October 2024** are entitled to attend, participate in and vote at the Annual General Meeting.

2. Participation in the AGM, via physical presence including through proxy

Members whose names appear in the Register of Members as of **October 19, 2024**, are entitled to attend and vote at the AGM. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend, speak and vote for him / her.

A form of proxy applicable for the AGM is being provided with the Notice sent to the members. Proxy form may also be downloaded from the Company's website: <http://www.spelgroup.com>. A form 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 Corporate@spelgroup.com or by post at the registered address of the Company's, **127-S, Q.I.E. Township Kot Lakhpat, Lahore** not less than forty-eight (48) hours before the time of AGM, excluding public holidays.

Members are requested to submit a copy of their Computerized National Identity Card (CNIC) at the registered address of the Company's, **127-S, Q.I.E. Township Kot Lakhpat, Lahore**.

If a member appoints more than one proxy and more than one form of proxy is deposited by a member, all such forms of proxy shall be rendered invalid.

3. Participation in the AGM through video conferencing:

a. To attend the AGM through video-conferencing facility, members are requested to register themselves by providing the following information through email at Corporate@spelgroup.com at least forty-eight (48) hours before the AGM:

- (i) Name of Member;
- (ii) CNIC / NTN No.;
- (iii) Folio No. / CDC IAS No.;
- (iv) Cell No.; and
- (v) Email Address.

- b. Members will be registered, after necessary verification as per the above requirement and will be provided a video-link by the Company via email.
- c. Only those members will be accepted at the AGM via video-conferencing whose names match the details shared with the Company for registration (as mentioned in point 'a' above).
- d. The login facility will remain open from 10:30 a.m. till the end of AGM.

4. 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).

a. For attending the AGM:

- (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 AGM.
- (ii) In case of a corporate entity, the Board of Directors' resolution / Power of Attorney with specimen signature of the nominee shall be produced at the time of the AGM.

b. 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 CDC 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 AGM.
- (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.

5. Unclaimed shares and dividend:

As per the provision of section 244 of the Act, 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 are required to be deposited with SECP for the credit of Federal Government after issuance of notices to the Shareholders to file their claim. The details of the shares issued, and dividend declared by the Company which have remained due for more than three years were sent to Shareholders.

Shareholders are requested to ensure that their claims for unclaimed dividend and shares are lodged promptly. In case, no claim is lodged with the Company in the given time, the Company shall, after giving notice in the newspaper, proceed to deposit the unclaimed / unpaid amount and shares with the Federal Government pursuant to the provision of Section 244(2) of the Act.

6. E-voting and Postal Ballot:

It is hereby notified that pursuant to the Companies (Postal Ballot) Regulations, 2018 and its amendments notified vide SRO 2192(1)/2022 dated December 5, 2022, members will be allowed to exercise their right to vote for the special business (es) in the AGM, in accordance with the conditions mentioned in the aforesaid Regulations. The Company shall provide its members with the following options for voting:

a) PROCEDURE FOR E-VOTING:

- (a) Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business of 20 October 2024.
- (b) The web address, login details, will be communicated to members via email.
- (c) Identity of the members intending to cast vote through e-Voting shall be authenticated through electronic signature or authentication for login.
- (d) E-Voting lines will start from 22 October 2024 and shall close on 25 October 2024 (both days inclusive). Members can cast their votes any time during this period. Once the vote on a resolution is cast by a Member, he / she shall not be allowed to change it subsequently.

b) POSTAL BALLOT:

- (a) Members may alternatively opt for voting through postal ballot. Ballot Paper will be available on the Company's website www.spelgroup.com to download.
- (b) The members shall ensure that duly filled and signed ballot paper, along with copy of Computerized National Identity Card (CNIC), should reach the Chairman of the meeting through post on the Company's registered address 127-S, QIE, Township, Kot Lakhpat, Lahore, Pakistan or email at corporate@spelgroup.com one day before the Meeting on **25 October 2024** during working hours. The signature on the ballot paper shall match the signature on CNIC.

7. Availability of Audited Financial Statements on Company's Website

In accordance with the Provision of Sections 223(6) and (7) of the Companies Act, 2017, the audited financial statements of the Company for the year ended June 30, 2024 are available on the Company's website.

Notwithstanding the above, the Company will provide hard copies of the audited financial statements, to any Member on their request, at their registered address, free of cost, within one (1) week of receiving such request



8. Withholding tax on Dividend

In compliance with Section 150 read with Division I of Part III of the First Schedule of the Income Tax Ordinance, 2001, withholding tax on dividend income will be deducted for 'filer' and 'non-filer' shareholders at 15% and 30% respectively. A 'filer' is a taxpayer whose name appears in the latest available Active Taxpayers List (ATL) issued by the FBR from time to time and a 'non-filer' is a person other than a filer. To enable the Company to withhold tax at 15% for filers, all members are advised to ensure that their names appear in the latest available ATL on FBR's website, otherwise tax on their cash dividend will be deducted at 30% for non-filers. Withholding tax exemption from the dividend income shall only be allowed if a copy of valid tax exemption certificate is made available to the Share Registrar, M/s THK Associates (Pvt.) Limited, Plot no. 32-C Jami Commercial Street 2, D.H.A. Phase VII, Karachi, Pakistan, of the Company by the first day of book closure.

According to the clarification from the FBR, withholding tax in case of joint accounts will be determined separately based on the 'Filer/ Non-Filer' status of

the principal member as well as the status of the joint holder(s) based on their shareholding proportions. Members that hold shares with joint shareholders are requested to provide the shareholding proportions of the principal member and the joint holder(s) in respect of shares held by them to our Share Registrar / Transfer Agent, M/s THK Associates (Pvt.) Limited, Plot no. 32-C Jami Commercial Street 2, D.H.A. Phase VII, Karachi, Pakistan in writing. In case the required information is not provided to our Registrar it will be assumed that the shares are held in equal proportion by the principal member and the joint holder(s).

9. Submission of the CNIC/NTN details (Mandatory)

In accordance with the notifications / directives of the SECP vide SRO 779(1)/2011 dated August 18, 2011 and SRO 83(1)/2012 dated July 5, 2012, dividend warrants should bear CNIC number of the registered member or the authorized person, except in case of minor(s) and corporate members. Accordingly, members who have not yet submitted copy of their valid CNIC or NTN (in case of corporate entities) are requested to submit the same to the Company's Shares Registrar. In case of non-compliance, the Company may withhold dispatch of dividend warrants under intimation to the regulator till such time they provide the valid copy of their CNIC / NTN (as the case may be) as per law.

10. Provision of International Banking Account Number (IBAN Detail)

In accordance with the provisions of Section 242 of the Companies Act, 2017 and SECP's Circular No.421(I) 2018 dated March 19, 2021, it is mandatory for a listed Company to pay cash dividend to its members only through electronic mode directly into bank account designated by the entitled member. In this context, in order to receive dividends directly into their bank account, members having shareholding in physical form are requested to provide their IBAN details duly signed along with a copy of CNIC to the Registrar of the Company, THK Associates (Pvt.) Limited, Plot no. 32-C Jami Commercial Street 2, D.H.A. Phase VII, Karachi, Pakistan. Members having shareholding in book entry form in CDS are advised to submit their IBAN details directly to relevant broker/ participant/CDC Investor Account Services. In case of non-receipt of information, the Company will be constrained to withhold payment of dividend to members.

11. Conversion of Physical Shares in to Book Entry Form (CDC-Account)

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.

Members having physical shareholding are encouraged to open CDC sub - account with any of the brokers or Investor Account directly with the CDC to convert their physical shares into scrip less form. This will facilitate them in many ways, including safe custody and sale of shares any time they want, as the trading

of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange.

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

Agenda Item Number 4 - Election of Directors

This Statement sets out the material facts pertaining to the Ordinary Business as described in the Notice of the AGM of the Company.

The term of office of the current directors of the Company will expire on October 26, 2024. In accordance with Section 159(1) of the Act, the Board of Directors have fixed the number of Directors to be elected at the AGM at seven (07) to hold the office of director for a period of three (3) years commencing from the date of the AGM.

Independent Directors shall be selected in accordance with the provisions of the Companies Act, 2017, the Listed Companies (Code of Corporate Governance) Regulations, 2019 and the Companies (Manner and Selection of Independent Directors) Regulations, 2018.

Accordingly, in compliance with the provisions of Regulation 7A of the Listed Companies (Code of Corporate Governance) Regulations, 2019, Election of Directors will be held separately for the following three categories:

Sr. No.	Categories	No. of Seats
1.	Female Director (may also be considered as an Independent Director if meets the criteria of independence set out under Section 166 of the Act).	01
2.	Independent Directors	03
3.	Other Directors	03

Any member intending to contest election of Directors may send his/her nomination for contesting the election in any of above-mentioned categories.

Any person who seeks to contest the election of the office of director, whether he/she is a retiring director or otherwise, shall submit to the Company Secretary at the Registered Office address 127-S, QIE, Township, Kot Lakhpat, Lahore, Pakistan, not later than fourteen (14) days before the date of AGM, the following documents:

1. Notice of his/her intention to offer himself/herself for the election of directors as per Section 159(3) of the Act, and consent to act as a director on Form 9 as prescribed under the Act, and the Companies Regulations, 2024. (Any person contesting the election of directors must be a Member

of the Company at the time of filing his/her consent unless such person is representing a Member which is not a natural person).

2. A signed declaration confirming that:
 - a. He/she is aware of his/her duties and powers under the Act, the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Rule Book of Pakistan Stock Exchange Limited, Memorandum and Articles of Association of the Company and other relevant laws and regulations.
 - b. He/she is not ineligible to become a director of a listed company under the provisions of the Act, the Listed Companies (Code of Corporate Governance) Regulations, 2019 and other applicable laws/regulations.
3. A detailed profile along with his/her office address for placement on the Company's website as required under SRO 1196 (I)/2019 dated October 03, 2019.
4. Detail of other directorships held.
5. Copy of valid CNIC or Passport (in case of a foreign national) along with NTN and Folio Number/CDC Account or Sub Account number.
6. The following additional documents are required to be submitted by the candidates intending to contest the election as an independent director:
 - a. Declaration of independence under Regulation 6(3) of the Listed Companies (Code of Corporate Governance) Regulations, 2019.
 - b. Undertaking on non-judicial stamp paper that he/she meets the requirements of Regulation 4(1) of the Companies (Manner and Selection of Independent Directors) Regulations, 2018.

All the notices received for the category of Independent Director, shall be subject to due diligence by the Company as prescribed under Section 166 of the Act and 7A of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

The final list of candidates contesting the election will be circulated not later than seven (7) days before the date of the AGM in terms of Section 159(4) of the Act. The website of the Company will be updated with the required information and Directors' profile.