

## Addendum to Notice of 42<sup>nd</sup> Annual General Meeting of Sitara Chemical Industries Limited published on September 28, 2023

This is an addendum to Notice of 42<sup>nd</sup> Annual General Meeting (“AGM”) of Sitara Chemical Industries Limited (the “Company”), scheduled to be held on Saturday, 21<sup>st</sup> day of October, 2023 at 2:00 p.m. at ICAP Auditorium, Institute of Chartered Accountant of Pakistan, Chartered Accountants Avenue, Block 8, Clifton, Karachi in person or via video link.

### STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

**Agenda Item No. vii**  
**Details as per SRO 423(I)/2018**

*Special Business relating to members’ approval for sale, lease or disposal of the undertaking or sizeable part thereof or sale / disposal of subsidiary that is to be transacted under clause (a) or (b) of sub-section (3) of section 183 of the Act, 2017.*

The material facts required to be disclosed under S.R.O 423(I)/2018 dated April 3, 2018 related to sell, lease or otherwise dispose of an ‘undertaking’ or a ‘sizeable part’ thereof are given hereunder:

**Approval to sale a sizeable part of Company’s freehold land (Investment Property) located in the vicinity of Faisalabad.**

<b>Detail of assets to be sold, leased or disposed of shall include the following:</b>	
a) Description/Name of asset;	Agricultural Lands disclosed as investment properties.
b) Acquisition date of the asset;	These investment properties were acquired by the company from 2003-04 to 2021-2022.
c) Cost;	Rs.2,700,730,244/-
d) Revalued amount and date of revaluation (if applicable);	Not Applicable - No revaluation surplus/ deficit is recognized in books of accounts over these investment properties.
e) Book value;	Rs.2,695,864,141/-
f) Approximate current market price/fair value;	Rs.3,408,783,000/- approximately. However, the exact amount will be ascertained at the time of finalizing the transaction with the potential buyer(s).
g) In case of sale, if the expected sale price is lower than book value or fair value, then the reasons thereof;	The sale price is expected not to be lower than fair value.
h) In case of lease of assets, tenure, lease rentals, increment rate; mode/basis of determination of lease rentals; and other important terms and conditions of the lease;	Not Applicable
<b>i) Additional information in case of disposal of land:</b>	
(i) Location;	Investment properties are situated at Chak 193 RB, Chak 194 RB, Chak 200 RB, and Chak 266 RB, Off. Sheikhpura Road, Faisalabad.
(ii) Nature of land (e.g. commercial, agriculture, etc); and	Agriculture
(iii) Area proposed to be sold.	3,271.14 Kanals
ii) The proposed manner of disposal of the said assets.	The land would be sold to prospective buyer(s) directly or through agents in a way that is most beneficial for the shareholders and the Company.
iii) In case the company has identified a buyer, who is a related party the fact shall be disclosed in the statement of material facts.	The Company shall exercise all reasonable diligence in identifying buyer(s) willing to pay the fair market value of the land and completing the transaction(s) in the best interest of the Company and its shareholders. As a result, there is no related party that requires disclosure in the statement of material facts.

<p>iv) Purpose of the sale, lease or disposal of assets along with following details:</p> <p>a) Utilization of the proceeds received from the transaction.</p> <p>b) Effect on operational capacity of the company, if any; and</p> <p>c) Quantitative and qualitative benefits expected to accrue to the members.</p>	<p>a) Proceeds will be used towards the establishment of alternate energy resources and/or for repayment of company loans and/or for working capital.</p> <p>b) The sale of land has no effect on the operational capacity of the company.</p> <p>c) The establishment of cheaper energy resources or repayment of loans is expected to bring more operational efficiency and profit available for distribution by saving energy &amp; markup costs. It will ultimately add value in net worth of the company and its shareholders.</p>
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- As per the requirements of the Companies (Postal Ballot) Regulations, 2018, as amended through SRO 2192(I)/2022 dated December 05, 2022 (the “Amended Regulations”) issued by the Securities and Exchange Commission of Pakistan, the right to vote through electronic voting facility and voting by post will be provided to the members of the Listed Companies for all businesses classified as special business under the Companies Act, 2017 and required to be passed through ordinary resolution in the forthcoming AGM in the manner and subject to conditions contained in the Amended Regulations.

As Agenda Items No.vi and vii of the aforesaid meeting conveyed to the members vide our Notice of AGM dated September 28, 2023 are special businesses, for which the option of E-Voting or Postal Ballot is required to be arranged for the members. M/s THK Associates (Private) Limited, the Share Registrar are appointed as service provider for E-Voting, whereas, M/s. Yousuf Adil, Chartered Accountants are appointed to act as Scrutinizer.

Through this communication, we hereby intimate members the following procedure for exercising E-Voting or Postal Ballot options alternatively:

**A - E-Voting:**

- a. E-Voting facility will be provided by THK Associates (Private) Limited, the Share Registrar, acting as E-Voting Services Provider.
- b. Members who are intending to exercise their right of E-Voting shall confirm to the Company on or before October 17, 2023 through their registered email addresses already provided to the Company at: [corporate@sitara.com.pk](mailto:corporate@sitara.com.pk)
- c. After due authentication of members’ credentials our E-Voting facility provider, THK Associates (Private) Limited will share with the Members, the web address, login details, password and electronic signature via email.
- d. Members shall cast vote for Agenda Items No. vi and vii through the web portal provided by THK (Private) Limited from 9:00 a.m. {Pakistan Standard Time (“PST”)} on October 18, 2023 till 5:00 p.m. (PST) on October 20, 2023. Votes shall only be casted during the aforementioned schedule. A vote once casted shall not be allowed to be changed.

**B - Voting Through Postal Ballot:**

- a. Members may alternatively opt for voting through postal ballot, which has been made available;
  - (i) as attachment to this Addendum, and
  - (ii) upload on Company’s website, i.e. [www.sitara.com.pk](http://www.sitara.com.pk);
- b. Members casting their votes for Agenda Items No. vi and vii should send the postal ballot, duly filled in, signed and accompanied with a copy of valid Computerized National Identity Card (“CNIC”) addressed to the “Chairman of AGM, Sitara Chemical Industries Limited” at 601-602, Business Centre, Mumtaz Hasan Road, Karachi and/or through email at [corporate@sitara.com.pk](mailto:corporate@sitara.com.pk). The postal ballot should reach the aforementioned office on October 20, 2023 till 5:00 p.m. Any postal ballot received after this date and time, will not be considered valid for voting.
- c. Signature on postal ballot should match with the signature on CNIC, NICOP/Passport (In case of foreigner).
- d. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.

In case of foreign shareholders casting votes acceptable identification documents shall be the valid CNIC/NICOP/Passport. For foreign shareholders represented through body corporate, acceptable identification documents are the same as mentioned for body corporate in the Notice of AGM dated September 28, 2023.

### **INFORMATION ABOUT SCRUTINIZER**

With reference to the Regulations 4(4) and 11 of the Companies (Postal Ballot) Regulations, 2018, for the purpose of overseeing the voting procedure in the upcoming AGM of Sitara Chemical Industries Limited (the Company) to be held on Saturday, October 21, 2023, M/s. Yousuf Adil, Chartered Accountants has been appointed as the Scrutinizer

### **Nature & Extent of Interest of Directors, directly or indirectly.**

The Directors of the Company have no direct or indirect interest in the resolutions except in their capacity as shareholders of the Company to the extent of their respective shareholding.

### **Availability of Relevant Documents**

Copies of the documents pertaining to foregoing Special Business are available for inspection at the Registered Office of the Company during normal office working hours from the date of publication of the Notice till the date of the AGM.

### **Undertaking by the Directors**

The Board of Directors have carried out necessary due diligence for the proposed transactions.

### **Expected time of completion of the transaction**

It is expected that transaction will be completed within one year from the date of passing of Special Resolution under Agenda item No. vii at the AGM.

### **By Order of the Board**

**Mazhar Ali Khan**  
Company Secretary

**Karachi**  
October 13, 2023