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SITARA CHEMICAL INDUSTRIES LIMITED

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Annual General Meeting ("AGM"/"meeting") of the shareholders of Sitara Chemical Industries Limited (the "Company") will be held on **Thursday, 23rd day of October, 2025** at **3:00 p.m** at ICAP Auditorium, Institute of Chartered Accountant of Pakistan, Chartered Accountants Avenue, Block 8 Clifton, Karachi in person and via video-link, to transact the following business:

A. ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2025 together with the Reports of Directors and Auditors thereon and Chairman's Review Report.

   In accordance with Section 223 of the Companies Act, 2017, and pursuant to S.R.O. 389(I)/2023 dated March 21, 2023, the financial statements of the Company have been uploaded on the website of the Company which can be downloaded from the following web link and QR enabled code:

   https://www.sitara.com.pk/wp-content/uploads/2025/09/SCIL-AR-2025.pdf

2. To approve payment of Cash Dividend at the rate of 110% (Rs.11/- per share) as recommended by the Board of Directors.

3. To appoint Auditors and to fix their remuneration for the year ending June 30, 2026. The shareholders are hereby given notice that the Board of Directors recommend, based on the recommendation of Board Audit Committee, re-appointment of M/s. Yousuf Adil, Chartered Accountants, as auditors of the Company.

4. To transact any other ordinary business with the permission of the Chair.

B. SPECIAL BUSINESS

Since the sale of Company's freehold land (Investment Property) could not be materialized during the year 2024-25, the following resolution is required to be revalidated, considered and approved by the shareholders of the Company.

5. **To consider and, if deemed fit, pass the Ordinary Resolution, provided in the statement of material facts annexed to this notice and circulated to the shareholders under Section 183(3)(a) of the Companies Act, 2017, for sale of Company's Freehold Agriculture Land (Investment Property).**

Attached to this notice circulated to the shareholders is a statement of material facts under Section 134(3) of the Companies Act, 2017 along with draft Ordinary Resolutions proposed to be passed.

By Order of the Board

Mazhar Ali Khan
Company Secretary

KARACHI: September 20, 2025

NOTES:

A. CLOSURE OF SHARE TRANSFER BOOKS

The Members' Register and Share Transfer Books of the Company will remain closed from October 16, 2025 to October 23, 2025 (both days inclusive). Transfers received in order at the office of Share Registrar M/s. THK Associates (Pvt.) Limited, Plot no. 32-C, Jami Commercial Street 2, D.H.A Phase VII, Karachi by the close of business on October 15, 2025 will be considered in time for entitlement of the dividend.

B. PARTICIPATION IN THE ANNUAL GENERAL MEETING.

A member entitled to attend and vote at this meeting is entitled to appoint another person as his/her proxy to attend and vote. Proxies in order to be effective must be received at Company's Share Registrar's Office M/s. THK Associates (Pvt.) Limited, Plot no. 32-C, Jami Commercial Street 2, D.H.A Phase VII, Karachi duly stamped and signed not less than 48 hours before the time of meeting.

C. CDC ACCOUNT HOLDERS WILL HAVE TO FOLLOW FURTHER UNDER MENTIONED GUIDELINES AS LAID DOWN BY THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN.

a) For attending the meeting:

i) In case of individuals, the account holders or sub-account holders and their registration details are uploaded as per the regulations, shall authenticate their identity by showing their original Computerized National Identity Card (CNIC), or Original Passport at the time of attending the meeting.

ii) In case of Corporate Entities, the Board of Directors' Resolution/Power of Attorney with specimen signature of the nominees 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 holders or sub account holders and their registration details are uploaded as per the regulations, shall submit the proxy form as per the above requirements. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

ii) In case of corporate entities, the Board of Directors' resolution/power of attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate entity, shall be submitted (unless it has been provided earlier) along with proxy form to the company's registrar.

iii) Form of proxy is attached to the notice of meeting being sent to the members. Proxy Form may also be downloaded from the Company's website i.e. www.sitara.com.pk

D. PAYMENT OF CASH DIVIDEND THROUGH ELECTRONIC MODE:

The provisions of Section 242 of the Companies Act, 2017 and Regulation 4 of The Companies (Distribution of Dividend) Regulations, 2017 require the listed companies that any dividend payable in cash shall only be paid through electronic mode directly into the designated bank account by the entitled shareholders. Accordingly, the shareholders holding physical shares are requested to provide the Company's Share Registrar at the address given herein above, electronic dividend mandate on E-Dividend form available on website of the company and also attached with the notice of meeting being sent to the shareholders. In case of shares held in CDC, the same information should be provided to the CDS participants for updating and forwarding to the Company.

E. WITHHOLDING TAX ON DIVIDEND INCOME

The deduction of Income Tax from dividend payments shall be made on the basis of filers and non-filers as follows:

1.	Filer of Income Tax Returns	15.00%
2.	Non-Filer of Income Tax Returns	30.00%

Income Tax will be deducted on the basis of Active Tax Payers list posted on the Federal Board of Revenue website.

Members seeking exemption from deduction of income tax or are eligible for deduction at a reduced rate, are requested to submit a valid tax exemption certificate or necessary documentary evidence as the case may be. Members desiring non-deduction of zakat are also requested to submit a valid declaration for non-deduction of zakat.

The shareholders who have joint shareholdings held by Filers and Non-Filers shall be dealt with separately and in such particular situation, each account holder is to be treated as either a Filer or a Non-Filer and tax will be deducted according to his shareholding. If the share is not ascertainable then each account holder will be assumed to hold equal proportion of shares and the deduction will be made accordingly. Therefore, in order to avoid deduction of tax at a higher rate, the joint account holders are requested to provide the below details of their shareholding to the Share Registrar of the Company.

Folio / CD A/c No.	Name of Shareholders	No. of Shares percentage (Proportion)	CNIC No.	(Principal/Joint Shareholders)

F. UNCLAIMED DIVIDEND / SHARES

Shareholders, who by any reason, could not claim their dividend or did not collect their physical shares, are advised to contact our Share Registrar, **M/s. THK Associates (Private) Limited** to collect/enquire about their unclaimed dividend or pending shares, if any. Please note that in compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all dividends unclaimed for a period of three years from the date due and payable shall be deposited to the credit of the Federal Government /SECP and in case of shares, shall be delivered to the Securities & Exchange Commission of Pakistan (SECP).

G. SUBMISSION OF COPIES OF CNIC NOT PROVIDED EARLIER

Individual Shareholders are once again reminded to submit a copy of their valid CNIC, if not provided earlier to the Company's Share Registrar, M/s. THK Associates (Private) Limited. In case of non-availability of a valid copy of the shareholders' CNIC in the records of the Company, the company shall withhold the dividend under the provisions of Section 243 of the Companies Act, 2017 and Regulation 6 of The Companies (Distribution of Dividend) Regulations 2017.

H. CONVERSION OF PHYSICAL SHARES INTO BOOK ENTRY FORM

The Securities and Exchange Commission of Pakistan (SECP) through its letter No.CSD/ED/Misc/2016-639-640 dated March 26, 2021 has advised the Listed Companies to adhere with the provision of the Section 72 of the Companies Act, 2017 (the Act) by replacing shares issued by them in Physical Form with the shares to be issued in the Book-Entry Form. **Sitara Chemical Industries Limited (the "Company")**, being a listed company is also required to comply with aforesaid provision of Act.

The shareholders of Sitara Chemical Industries Limited having physical folios/share certificates are requested to convert their shares from Physical Form into Book Entry Form as soon as possible. The shareholders of Company may contact the Share Registrar and Transfer Agent of the Company, namely M/s. THK Associates (Pvt.) Limited, Plot no. 32-C, Jami Commercial Street 2, D.H.A Phase VII, Karachi for the conversion of Physical Shares into Book-Entry Form.

I. ELECTRONIC CIRCULATION OF ANNUAL REPORTS VIA EMAIL:

Pursuant to the provision of Companies Act, 2017, annual reports are being sent to the shareholders electronically via Email. However, shareholders who wish to receive hardcopy of Financial Statements shall have to fill the attached standard request form (also available on the company's website www.sitara.com.pk) and send at the Company's address.

J. PARTICIPATION IN THE AGM

The Company has made arrangements for participation of shareholders in the AGM via video link. Those members who are willing to attend and participate in the AGM via video link are requested to register themselves by sending an email along with following particulars and valid copy of both sides of Computerized National Identity Card (CNIC) at **reg.agm@sitara.com.pk** with subject of "Registration for AGM" not less than 48 hours before the time of the meeting:

Name of Shareholder	CNIC Number	CDC Account No. / Folio No.	Cell Number	Email Address

K. AVAILABILITY OF ANNUAL AUDITED FINANCIAL STATEMENTS

The audited financial statements of the Company for the year ended June 30, 2025 have been placed at the Company's website: www.sitara.com.pk.

Whereas, in compliance with section 223(6) of the Companies Act, 2017, pursuant to the SECP's S.R.O. 389(I)/2023 dated March 21, 2023 and the shareholders' approval in the Annual General Meeting held on October 21, 2023 to circulate the annual audited financial statements to its members through QR enabled code and weblink. Thus, the audited financial statements of the Company for the year ended June 30, 2025 can be accessed through the QR enabled code and the weblink. The Company will, however, provide hard copy of the Annual Audited Financial Statements to the shareholders at their registered addresses, within seven days, on request, free of cost. The request form is available on Company's website.

L. CHANGE OF ADDRESS

Members are requested to promptly notify any change in their addresses. Shareholders maintaining their shares in book entry form should have their address updated with their participant / CDC Investor Account Service.

M. DECLARATION AS PER ZAKAT &USHER ORDINANCE 1980

Members are requested to submit declaration as per Zakat & Ushr Ordinance, 1980 for zakat exemption and to advise change in address, if any.

N. POSTAL BALLOT / E- VOTING

Pursuant to the Companies (Postal Ballot) Regulations 2018 and with Section 143 and 144 of the Companies Act, 2017, members will be allowed to exercise their right of vote through Postal Ballot that is voting by post or through any electronic mode (e- voting), in accordance with the requirements and procedures contained in the aforesaid Regulations.

O. ELECTRONIC VOTING

Detail of E-Voting facility will be shared through e-mail with those members of the company who have valid cell numbers / e-mail addresses available in the Register of Members of the Company by the end of business on October 15, 2025. Identity of the members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login. Members shall cast vote online from October 20, 2025 from 9.00 a.m. until October 22, 2025 until 5:00 p.m. Voting shall close on October 22, 2025, at 5:00 p.m. Once the vote on the resolution has been casted by a Member, he/she shall not be allowed to change it subsequently

P. VOTING RIGHTS OF MEMBERS AT THE AGM UNDER S.R.O. 451(I)/2025

Pursuant to S.R.O. 451(I)/2025 dated March 13, 2025 issued by the Securities and Exchange Commission of Pakistan (SECP), members / shareholders who did not cast their vote through electronic voting or postal ballot prior to the date of the AGM and attend the meeting in person shall be allowed to cast their vote at the AGM through ballot paper.

Q. CONSENT FOR VIDEO CONFERENCE FACILITY

In accordance with Section 132 and 134 of the Companies Act, 2017, members can also avail video conference facility.

If the Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location other than the city of the Meeting, to participate in the meeting through video conference at least 7 days prior to the date of the Annual General Meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city. In this regard, please fill the following form and submit the same to the registered address of the Company 7 days before holding of the Annual General Meeting.

The Company will intimate to members regarding the venue of video conference facility at least days before the date of the Annual General Meeting along with complete information necessary to enable them to access such facility.

I/We, ____________________ of ____________________, being a member of Sitara Chemical Industries Limited, holder of ____________ ordinary share (s) as per Registered Folio/CDC Account No. ____________________ hereby opt for video conference facility at ____________________.

R. PROHIBITION OF DISTRIBUTION OF GIFTS

The Securities and Exchange Commission of Pakistan (the "SECP"), vide S.R.O.452(1)/2025 has strictly prohibited companies from providing gifts or incentives, in lieu of gifts tokens/coupons /lunches/takeaway/packages) in any form or manner, to shareholders at or in connection with general meetings. Under Section 185 of the Act, any violation of this directive is considered an offense, and companies failing to comply may face penalties.

S. APPOINTMENT OF SCRUTINIZER

In accordance with the Regulation 11 of the Companies (Postal Ballot) Regulations, 2018 (the "Regulations"), the Board of the Company has appointed M/s. Yousuf Adil, Chartered Accountants, a QCR rated audit firm, to act as scrutinizer of the Company for the Special Business and to undertake other responsibilities as defined in Regulation 11A of the Regulations.

STATEMENT OF MATERIAL FACTS

This statement sets out the material facts pertaining to the special business to be transacted at the Annual General Meeting of Sitara Chemical Industries Limited to be held on October 23, 2025.

The information required under Section 134 (3) of the Companies Act, 2017 read with S.R.O. 423 (I)/2018 dated 03 April, 2018 is as under:

AGENDA ITEM NO. 5

a) Description/Name of asset;	Agricultural Land (Investment property)
b) Acquisition date of the asset;	Land was acquired on different dates over the period from year 2003-2004 to 2021-2022. The details are available in Fixed Asset Register, which will be available for inspection of members during office working hours.
c) Cost;	Rs. 2,851,114,523/-
d) Revalued amount and date of revaluation (if applicable);	Not Applicable - No revaluation surplus/ deficit is recognized in books of accounts.
e) Book value;	Rs. 2,845,580,067/-
f) Approximate current market price/fair value;	Rs.3,591,123,000/- as of June 30, 2025 as per valuation conducted by M/s. Hamid Mukhtar & Co. (Pvt.) Limited.
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 would depend on the actual sale. The management believes that the sale price would be higher than the book value/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
i) Additional information in case of disposal of land:	
(i) Location;	Chak 193 RB, Chak 194 RB, Chak 200 RB, and Chak 266 RB, Off Sheikhupura Road, Faisalabad.
(ii) Nature of land (e.g. commercial, agriculture, etc); and	Agricultural Land
(iii) Area proposed to be sold.	Total Area to be sold: 3,302 Kanal
(iv) The proposed manner of disposal of the said assets.	a) The land would be sold by obtaining quotations from prospective buyer(s) directly and through newspaper advertisement. b) That the land may be sold on payment terms in cash or partly in cash and partly in the shape of files of commercial and/or residential plots (In case the buyer intend to develop the land as a residential society) on terms & conditions as may be agreed with the buyer. c) That the land may also be sold to any prospective buyer(s) on joint venture basis for carrying out development and sale of land/plots etc. on terms and conditions as may be agreed between the parties. The terms and conditions shall be approved by the Board of Directors.
v) 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) prepared to offer fair market value for the land and will endeavor to complete the transaction(s) in a manner that serves the best interests of the Company and its shareholders. Accordingly, there is no related party involved in the transaction that would necessitate disclosure under the statement of material facts.
vi) Purpose of the sale, lease or disposal of assets along with following details: a) Utilization of the proceeds received from the transaction. b) Effect on operational capacity of the company, if any; and c) Quantitative and qualitative benefits expected to accrue to the members.	a) Proceeds will be used towards the establishment of alternate energy resources to save energy cost and / or for repayment of company loans to save financial cost. The sale proceeds may be fully in cash or partly in cash and partly in kind in the form of plot files, if prospective buyer would develop land/society on this land. b) The sale of land has no effect on the operational capacity of the company. 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 & markup costs. It will ultimately add value in net worth of the company and add value to the shareholders. d) In case of consideration received partly in the form of plot files, the same will be held till society/land is developed, which would be beneficial for the Company and the shareholders.

Therefore, in view of aforesaid, the shareholders are hereby requested to pass the following resolutions as Ordinary Resolutions:

"**RESOLVED THAT** the consent of shareholders of Sitara Chemical Industries Limited (the "Company") be and is hereby accorded to the disposal and sale of Company's Freehold Agriculture Land (investment property) located in the vicinity of Faisalabad, comprising of 3302 Kanal, subject to requisite approval(s) for cash consideration and /or partly in cash and partly in the form of plot files and as per details given in statement of material facts."

"**RESOLVED FURTHER THAT** approval be and is hereby accorded for utilization of the proceeds from the disposal of Freehold Agricultural Land to pay loan and /or establishment of alternate energy source as may be approved and recommended by the Board of Directors of the Company."

"**RESOLVED FURTHER THAT** as part and parcel of the foregoing consent, Board of Directors be and is hereby authorized and empowered for sale of Company's Freehold Agriculture Land on behalf of the Company."

"**RESOLVED FURTHER** that the Board of Directors be and are hereby authorized to sell the agriculture land and may delegate all or any of its powers in this regard to the Chief Executive or any other Officer of the Company on such terms and conditions as deem fit, to act on behalf of the Company in doing and performing all acts, matters, things and deeds to implement sale of Freehold Agriculture Land (investment property) and the transaction contemplated by it, which shall include, but not be limited to:-

a) conducting negotiations, obtaining quotations etc, with interested parties in such manner and on such terms and conditions as are in the best interests of the Company and its shareholders and which secure the best available market price for the sale of land;

b) selling the assets to any individual, firm / partnership, bank or private / public limited company or organization or to any other person and, for that purpose, entering into an agreement to sell, sale deed or any other agreement with the buyer(s) or any other person, receiving the sale consideration, executing, preparing and signing any sale deed, conveyance deed and / or transfer documents in favor of the buyer(s) or another person to effect the asset sale in favor of the buyer(s) or any other person by representing the same before all parties & authorities concerned and admitting execution thereof;

c) representing before the Sub-Registrar or any other competent authority and getting any sale deed or other documents registered and collecting consideration amount in respect of the sale, and;

d) generally performing and executing in respect of the sale of Freehold Agriculture Land (investment property) all lawful deeds, agreements, acts and things as they may think fit and proper in order to implement and complete the land sale.

"**FURTHER RESOLVED** that the Board of Directors be and is hereby authorized to take all actions incidental or ancillary thereto with regard to the sale of Freehold Agriculture Land."

"**FURTHER RESOLVED** that the Chief Executive Officer of the Company and/or the Company Secretary be and are hereby severally authorized to sign and submit required statutory returns, announcements, e-filings with the Registrar of Companies, CRO, SECP, Pakistan Stock Exchange and or any other authorities / regulators and to do all such acts, deeds and things as may be necessary to do in this regard."

AVAILABILITY OF RELEVANT DOCUMENTS

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

NATURE & EXTENT OF INTEREST OF DIRECTORS, DIRECTLY OR INDIRECTLY

The Directors of the Company have no personal interests, directly or indirectly, in the resolutions except to the extent of their respective shareholding as mentioned in the pattern of shareholding attached to the Directors report for the year ended June 30, 2025.

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 Business at the AGM.