

ITTEHAD CHEMICALS LIMITED

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the Extraordinary General Meeting of the Shareholders of **Ittehad Chemicals Limited** will be held on Wednesday, **February 19, 2025 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 Annual General Meeting held on October 28, 2024.

SPECIAL BUSINESS:

2. To consider and approve the sale of Company's land measuring 66 Kanals approximately, situated at Mouza Hassanabad, Barki Road, Lahore, Pakistan (which is presently categorized under the head "Investment Property" in Financial Statements of the Company) along with buildings, cables, fixtures and fittings pertaining thereto, in one or more tranches, and if thought fit, pass with or without modification, additions or deletion, the following resolutions as ordinary resolutions in accordance with Section 183(3) of the Companies Act, 2017:

"Resolved that pursuant to section 183 (3)(a) of the Companies Act, 2017, the consent of the shareholders be and is hereby accorded to dispose and sell Company's land measuring approximately 66 Kanals of the land, located at Mouza Hassanabad, Barki Road, Lahore, Pakistan, along with buildings, cables, fixtures and fittings pertaining thereto (the "Sale Property"), on the terms negotiated and finalized by the authorized representative of the Company."

"Further Resolved that the Chief Executive Officer of the Company, or any person authorized by him, be and is hereby authorized and empowered to take all necessary steps, actions and decisions to sell the Sale property, and to act on behalf of the Company in doing and performing all acts, matters, things and deeds to implement and / or give effect to the sale of the Sale Property and the transaction contemplated by it, which shall include, but not be limited to:-

- a) Conducting negotiations with interested parties in such manner and on such terms and conditions as are deemed fit;
- b) Selling the Sale Property to any party and, for that purpose, preparing, negotiating, finalizing and executing any agreements, instruments, deeds and documents with the buyer(s) or any other person for the sale, transfer, assignment and conveyance of the Sale Property, receiving the sale consideration, negotiating with financial institutions for release of any encumbrances, representing the same before all parties & authorities concerned and admitting execution thereof;
- c) Representing the Company before the transfer office or any other competent authority and getting any assignment deed, sale deed, transfer document or other documents registered and collecting consideration amount in respect of the sale of the Sale Property, and
- d) Generally performing all acts, things, and deeds, including before the relevant authorities / bodies, as may be necessary and incidental thereto to give effect, implement or complete the sale of the Sale Property.

Further Resolved that the Board be and is hereby empowered to agree upon modification in these resolutions that may be directed / required by the Securities and Exchange Commission of Pakistan or

any other competent authority / regulator without the need for any other further approval of the shareholders.

Further Resolved that the Chief Executive Officer and / or Company Secretary be and are hereby authorized singly to sign and submit required statutory returns, announcements, e-filing with the Registrar of Companies, Pakistan Stock Exchange and/ or any authority / regulator and to do all such acts, deeds and things as may be necessary to do in this regard, as well as with respect to the sale of the Sale Property and the documents with respect thereto.”

ANY OTHER BUSINESS

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

By Order of the Board

Lahore
January 24, 2025

Abdul Mansoor Khan
Company Secretary

Notes:-

- i. The Share Transfer Books of the Company will remain closed from February 12, 2025 to February 19, 2025 (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 February 11, 2025 will be considered in time for attending and vote in Extraordinary General Meeting and for the purpose of entitlement of attendance of Meeting.
- 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 Extraordinary 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 "EOGM 2025" at: mansoor.khan@ittehadchemicals.com & fahad.hussain@ittehadchemicals.com not later than seven (07) days before Extraordinary 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. 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 / Postal Ballot in accordance with the requirements and procedures contained in the aforesaid regulations.
- viii. Pursuant to the Regulations 4(4) and 11 of the Companies (Postal Ballot) Regulations, 2018 following is the information regarding the appointment of Scrutinizer :-

Name of Scrutinizer Appointed	BDO Ibrahim & Co., Chartered Accountant
Qualification and Experience	Chartered Accountant Firm
Purpose of Appointment	To perform the activity as described under the aforesaid Regulations

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

This statement sets out the material facts concerning the Special Business to be transacted at the Extraordinary General Meeting of the Company to be held on February 19, 2025.

Item No. 2 of the Agenda - To consider and approve the sale of the Company’s land measuring approximately 66 Kanals, situated at Mouza Hassanabad, Barki Road, Lahore, Pakistan, along with buildings, cables, fixtures and fittings pertaining thereto, and if thought fit, pass with or without modification, additions or deletion, the following resolutions as ordinary resolutions in accordance with Section 183(3) of the Companies Act, 2017:

The Board of Directors has proposed in its meeting held on January 24, 2025, to dispose and sell Company’s land measuring approximately 66 Kanals, situated at Mouza Hassanabad, Barki Road, Lahore, Pakistan, along with buildings, cables, fixtures and fittings pertaining thereto. The proceeds from the sale will be utilized in to meet some of the equity portion of upcoming Biomass Power Plant Project of its wholly owned subsidiary i.e. M/s ICL Power (Pvt.) Limited. This decision is subject to the approval of the shareholders under Section 183(3)(a) of the Companies Act, 2017.

The documents pertaining to foregoing special business has been kept at the registered office of the Company and may be inspected during business hours on any working day from the date of publication of this notice till the conclusion of the general meeting.

The Directors are not interested, directly or indirectly, in the above special businesses, other than as Directors and shareholders of the Company.

Details as per SRO 423(I)/2018, dated April 3, 2018

Special Business relating to members’ approval for sell or disposal of sizeable part of undertaking thereof to be transacted under clause (a) of subsection (3) of Section 183 of the Companies Act, 2017.

The material facts required to be disclosed under S.R.O. 423 (I)/2018 dated April 3, 2018 where the Board of Directors proposes to sell or otherwise dispose of an “Undertaking” or a “Sizeable Part” thereof is provided below:

Sr. No.	SRO Description	Company Details
1	Detail of assets to be sold, leased or disposed of:	
a	Description / Name of asset	The Board has proposed to sell Company's land measuring approximately 66 Kanals, situated at Mouza Hassanabad, Barki Road, Lahore, Pakistan, (presently categorized under the head "Investment Property" in Company's Financial Statements) along with buildings, cables, fixtures and fittings pertaining
b	Acquisition date of the asset	December 2005
c	Cost	Rs. 48,398,850
d	Revalued amount and date of revaluation (if applicable)	Rs. 675,000,000/- as per valuation report dated 1st July 2024.
e	Book value	Rs. 675,000,000/-
f	Approximate current market price/fair value	Rs. 675,000,000/- based on latest valuation report.
g	In case of sale, if the expected sale price is lower than book value or fair value, then the reasons thereof	<p>The proposed sale price, on the basis of which approval is being sought from the shareholders, is not lower than the revalued amount.</p> <p>It may be noted that market values of immovable properties, including the Sale Property, have declined owing to the prevailing economic condition of the Country.</p>
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	N/A
i	Additional information in case of disposal of land: (i) Location; (ii) Nature of land (iii) Area proposed to be sold	(i) Mouza Hassanabad, Barki Road, Lahore, Pakistan (ii) Commercial (iii) Area: 66 Kanals approximately
2	The proposed manner of disposal of the said assets	The Sale Property is proposed to be disposed of through negotiations with the buyer(s) through person(s) authorized by the Board of Directors / shareholder.

3	In case the company has identified a buyer, who is a related party the fact shall be disclosed in the statement of material facts	N/A
4	Purpose of the sale, lease or disposal of assets along with following details	The purpose of disposing of the Sale Property is to meet equity portion of upcoming Biomass Power Plant Project of its Wholly owned Subsidiary i.e. M/s ICL Power (Pvt.) Limited.
a	Utilization of the proceeds received from the transaction	As stated above, the sale proceeds will be utilized for to meet equity portion of upcoming Biomass Power Plant Project of its Wholly owned Subsidiary i.e. M/s ICL Power (Pvt.) Limited.
b	Effect on operational capacity of the company, if any	There will be no effect on the Company as the Sale Property is presently held for price appreciation only
c	Quantitative and qualitative benefits expected to accrue to the members	<p>The funds so realized will be utilized for Company's upcoming Co-Generation Biomass Power Project and will fetch following benefits:-</p> <p>Sustainable Energy Source: By utilizing locally available biomass, the project promotes the use of green energy resources, contributing to environmental sustainability and reducing reliance on fossil fuels.</p> <p>High Efficiency: The plant is designed to achieve optimal energy conversion and utilization.</p> <p>Reliable Power Supply: The project guarantees a stable and reliable power supply, supporting industrial operations and local energy demands.</p> <p>Economic Development: The project will create job opportunities during the construction and operational phases, fostering local economic growth and development.</p> <p>Cost-Effective Operation: Utilizing biomass as fuel is not only environmentally friendly but also cost-effective, as it leverages locally sourced materials, reducing fuel transportation costs and ensuring a steady supply.</p>