



engro polymer & chemicals

February 22, 2018

The General Manager
Pakistan Stock Exchange Limited.
Stock Exchange Building
Stock Exchange Road
Karachi.

**NOTICE OF THE TWENTIETH ANNUAL GENERAL
MEETING OF ENGRO POLYMER & CHEMICALS LIMITED**

Dear Sir,

We are enclosing herewith the Notice of the Twentieth Annual General Meeting of Engro Polymer & Chemicals Limited to be held on Thursday, March 29, 2018 at 10:00 a.m. at Marriott Hotel, Karachi for circulation amongst the TRE Certificate Holders of the Exchange.

Thank you,

SHAZEB SIDDIKI
Company Secretary

Encl: As above.

ENGRO POLYMER & CHEMICALS LIMITED
NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twentieth Annual General Meeting of Engro Polymer & Chemicals Limited will be held at Karachi Marriot Hotel, Abdullah Haroon Road, Karachi on Thursday, March 29, 2018 at 10:00 a.m. to transact the following business:

A. ORDINARY BUSINESS

- (1) To receive and consider the audited accounts for the year ended December 31, 2017 and the Directors' and Auditors' Reports thereon.
- (2) To appoint Auditors and fix their remuneration.
- (3) To declare a final dividend at the rate of PKR 0.80 per share for the year ended December 31, 2017

By Order of the Board

Karachi
Dated: January 31, 2018

SHAZEB SIDDIKI
Company Secretary

NOTES:

1. The Share Transfer Books of the Company will remain closed from Thursday, March 22, 2018 to Thursday, March 29, 2018 (both days inclusive). Transfers received in order at the office of our Registrar, Messrs. FAMCO ASSOCIATES (PRIVATE) LIMITED, 8-F, near Hotel Faran, Nursery, Block 6, PECHS, Shahrah-e-Faisal, Karachi PABX Nos (+9221) 34380101-5 and email info.shares@famco.com.pk by the close of business (5:00 p.m.) on Wednesday, March 21, 2018 will be treated in time for the purposes of payment of final dividend to the transferees and to attend and vote at this Meeting.
2. A member entitled to attend and vote at this Meeting shall be entitled to appoint another person, as his/her proxy to attend, speak and vote instead of him/her, and a proxy so appointed shall have such rights, as respects attending, speaking and voting at the Meeting as are available to a member. Proxies, in order to be effective must be received by the Company not less than 48 hours before the Meeting. A proxy need not be a member of the Company.
3. **SUBMISSION OF COPY OF CNIC/NTN DETAILS (MANDATORY) FOR SHAREHOLDERS/JOINT HOLDERS**

Pursuant to the directives of the Securities and Exchange Commission of Pakistan (SECP), CNIC number of individuals is mandatorily required to be mentioned on dividend warrants and pursuant to the provisions of Finance Act 2017, the rate of deduction of income tax under Section 150 of the Income Tax Ordinance 2001 from dividend payment have been revised as: for filers of Income Tax return 15%; and for Non-filer of Income Tax return 20%. In case of Joint account, each holder is to be treated individually as either a

filer or non-filer and tax will be deducted on the basis of shareholding of each joint holder as may be notified by the shareholder, in writing as follows, to our Share Registrar, or if no notification, each joint holder shall be assumed to have an equal number of shares.

Company Name	Folio/CDS Account No.	Total Shares	Principal	Shareholder	Joint	Shareholder
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The CNIC number/NTN details is now mandatory and is required for checking the tax status as per the Active Taxpayers List (ATL) issued by Federal Board of Revenue (FBR) from time to time.

Individuals, including all joint holders, holding physical share certificates are requested to submit a copy of their valid CNIC to the Company or its Shares Registrar if not already provided. For shareholders other than individuals, the checking will be done by matching the NTN number, therefore the Corporate shareholders having CDC accounts are requested in their own interest to provide a copy of NTN certificate to check their names in the ATL, before the book closure date to their respective participants/CDC, whereas corporate shareholders holding physical share certificates should send a copy of their NTN certificate to the Company or its Shares Registrar. The Shareholders while sending CNIC or NTN certificates, as the case may be, must quote their respective folio numbers.

In case of non-receipt of the copy of a valid CNIC, the Company would be constrained under Section 243(3) of the Companies Act 2017 to withhold dividend warrants of such shareholders.

4. Further, all the shareholders are advised to immediately check their status on ATL and may, if required take necessary action for inclusion of their name in the ATL. The Company as per the new Law, shall apply 20% rate of withholding tax if the shareholder's name, with relevant details, does not appear on the ATL, available on the FBR website on the first day of book closure and deposit the same in the Government Treasury as this has to be done within the prescribed time.
5. Withholding Tax exemption from the dividend income, shall only be allowed if copy of valid tax exemption certificate is made available to M/s FAMCO ASSOCIATES (PVT.) LTD, by the first day of book closure.
6. In accordance with the provisions of Section 242 of the Companies Act, 2017 and Circular No. 18/2017, a listed company, is required to pay cash dividend to the shareholders **ONLY** through electronic mode directly into the bank account designated by the entitled shareholders. In compliance with the said law, in order to receive your future dividends directly in your bank account, you are required to provide the information mentioned on the form placed on the Company's website (www.engropolymer.com) and send the same to your brokers/the Central Depository Company Limited, if the shares are held in the

electronic form or to the Company's Shares Registrar, if the shares are held in paper certificate form.

7. Pursuant to SECP Circular No 10 of 2014 dated May 21, 2014, if the Company receives consent from members holding in aggregate 10% or more shareholding residing in a geographical location to participate in the meeting through video conference at least 7 days prior to the date of Annual General Meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city. To avail this facility please provide the following information to the Share Registrar Office of the Company i.e. Messrs. FAMCO ASSOCIATES (PRIVATE) LIMITED, 8-F, near Hotel Faran, Nursery, Block 6, PECHS, Shahrah-e-Faisal, Karachi PABX Nos (+9221) 34380101-5 and email info.shares@famco.com.pk

I/We, of being a member of Engro Polymer and Chemicals Limited holder of Ordinary Share(s) as per Register Folio No. _____ hereby opt for video conference facility at (Please insert name of the City)

Signature of member

Update on Preference Shares Issue:

The Shareholders of Engro Polymer & Chemicals Limited ("EPCL" of the "Company") had in the 10th Extraordinary General Meeting of the Company held on April 14, 2017 passed a resolution approving the issuance of preference share amounting to Rs. 3 Billion by way of rights, subject to regulatory approval. The Preference Shares were estimated to carry an annual dividend of 6 Months KIBOR + 2.5%. The underlying rationale of the proposed issue was to pay off the loan from Engro Corporation at an interest rate of 6 Months KIBOR + 3.5%, thereby providing the Company a net benefit of 1% in interest expenses.

During the year 2017, the Company was able to significantly improve the core performance of its business and at the end of the year managed to post a profit after tax of ~Rs 2 Billion, starting from the first quarter in which the Company posted a profit of ~Rs 0.8 Billion. This gave confidence to the management that the loan could potentially be repaid via a cheaper commercial loan and hence the Company did not initiate the process for obtaining regulatory approvals for the proposed preference share issue. Overall, the improved performance enabled the Company to repay the Rs 3 Billion debt from Engro Corporation via borrowing from commercial banks at a much lower rate of 6 Months KIBOR + 0.4%, thereby creating a significant advantage for the Company.