



Nestlé Pakistan Ltd.

NOTICE OF MEETING

Notice is hereby given that the 39th Annual General Meeting of Nestlé Pakistan Ltd; will be held at 12:00 noon on April 18, 2017 at 304 – Upper Mall, Lahore, to transact the following business:

ORDINARY BUSINESS

- To receive, consider and adopt the Audited Accounts of the Company for the year ended December 31, 2016 together with the Directors' and Auditors' reports thereon.
- To appoint Auditors for the term ending at the conclusion of the next Annual General Meeting and to fix their remuneration. The retiring Auditors M/s. KPMG Taseer Hadi & Co., Chartered Accountants, being eligible, have offered themselves for re-appointment.
- To approve payment of a Final Cash Dividend of Rs. 170/- per share i.e. 1700% to those who are Shareholders as at the close of business on April 10, 2017 in addition to the 2550% Interim Cash Dividend (i.e. Rs. 255 per share) already paid during the year 2016, as recommended by the Directors.

Any Other Business:

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

BY ORDER OF THE BOARD

Ali Sadozai
Company Secretary

March 24, 2017

NOTES:

- Share Transfer Books of the Nestlé Pakistan Limited ("Company") shall remain closed from April 11, 2017 to April 18, 2017 (both days inclusive) and no transfer will be registered during that time. Share transfer deeds received in order with the Shares Registrar of the Company i.e. Central Depository Company of Pakistan Limited, Share Registrar Department, CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahr-e-Faisal, Karachi-74400 at the close of business on April 10, 2017 will be treated in time for entitlement of payment of Final Cash Dividend.
- A member entitled to attend and vote at the Annual General Meeting ("Meeting") is entitled to appoint another member as a proxy to attend and vote on his/her behalf. In case of a corporate entity, being a member, may appoint as its proxy any of its official or any other person whether a member of the Company or not through Board Resolution/Power of Attorney.
- The instrument appointing a proxy duly stamped/signed and witnessed, and must be received at the Registered Office of the Company at 308-Upper Mall, Lahore, not later than forty eight (48) hours before the Meeting.
- Shareholders whose shares are registered in their account/sub-account with Central Depository System (CDS) are requested to bring original CNIC along with their account number in CDS and participants' ID number for verification. In case of appointment of proxy by such account holders it must be accompanied with participants' ID number and Account/Sub-account number along with attested photocopies of CNIC or the Passport of the beneficial owner. Representatives of Corporate Members should bring the usual documents required for such purposes.
- Members should quote their folio number in all correspondence with the Company and at the time of attending the Annual General Meeting.
- Shareholders are requested to notify the change of address, Zakat Declaration and Tax Exemption Status with its valid certificate, if any, immediately to our Shares Registrar.
- In case of joint holders, only one member whose name will appear as main title shareholder in our list of shareholders, will be allowed to attend the General Meeting.

Special Notes to the Shareholders:

8. Withholding of Payment of Dividend - Submission of Copies of CNIC (Urgent & Mandatory):

The Securities & Exchange Commission of Pakistan (SECP) vide its SRO 779 (II)/2011 dated August 18, 2011, SRO 831 (III)/2012 dated July 5, 2012 and SRO 19 (II)/2014 dated January 10, 2014 has made it mandatory that the dividend warrants should bear the Computerized Identity Card Number (CNIC), National Identity Card for Overseas Pakistanis (NICOP) of the registered member or authorized person, except in the case of minors and corporate members. Therefore, SECP vide its letter No. EMD/233/5/4/02-417 dated October 18, 2016 has allowed Nestlé Pakistan Limited to withhold all future dividends of those shareholders who had not yet provided copies of their valid attested copies of CNICs.

The Shareholders are once again requested to provide a valid copy of their CNIC to the Company or Share Registrar and Transfer Agent enabling the Company to comply with the directions issued by SECP vide above referred SROs.

9. Dividend Mandate (Optional):

In order to make the process of payment of cash dividend more efficient, SECP vide its Circular No. 8(4) SM/CDC 2008 dated April 5, 2013 has issued instructions so that the shareholders can get their dividend credited in their respective bank accounts electronically without any delay. The shareholders may, therefore, authorize the Company to credit the dividend directly to their bank account for all future dividends declared by the Company. Accordingly, all non-CDC shareholders are requested to send their bank account details to the Company's Share Registrar at the address given above. Shareholders who hold shares with Participant/Central Depository Company of Pakistan Limited (CDC) are advised to provide the mandate to the concerned Stock Broker / Central Depository Company of Pakistan Limited.

10. Deduction of Income Tax from dividend under Section 150 of Income Tax Ordinance 2001:

The Government of Pakistan through Finance Act, 2016, has made amendment in Section 150 of the Income Tax Ordinance, 2001 ("Ordinance"), whereby, different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. The current withholding tax rates are as under:

- For Filers of Income Tax Returns: 12.50%
- For Non-Filers of Income Tax Returns: 20.0%

To enable the Company to make tax deduction on the amount of Cash Dividend @ 12.50% instead of 20.0%, all the shareholders whose names are not entered into the Active Taxpayers List (ATL) provided on the website of the Federal Board of Revenue ("FBR"), despite the fact that they are Filers, are advised to make sure that their names are entered into ATL before the date of issuance of Dividend Warrants, otherwise tax on their Cash Dividend will be deducted @ 20.0%.

The Corporate Shareholders having CDC account are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificates to the Company or Company's Share Registrar and Share Transfer Agent, M/s. Central Depository Company of Pakistan Limited.

The shareholders while sending NTN or NTN certificates, as the case may be, must quote Company name and their respective Folio Numbers.

As per FBR's clarification, the valid Exemption Certificate under Section 159 of the Ordinance is mandatory to claim exemption of withholding tax under Clause 47B of Part-IV of Second Schedule to the Ordinance. Those who fall in the category mentioned in above Clause must provide valid Tax Exemption Certificate to our Shares Registrar; otherwise tax will be deducted on dividend amount as per rates prescribed in Section 150 of the Ordinance.

For shareholders holding their shares jointly as per the clarification issued by the FBR, withholding tax will be determined separately on "Filer / Non-Filer" status of Principal shareholder as well as Joint-holder(s) based on their shareholding proportions. Therefore, all shareholders who hold shares jointly are required to provide shareholding proportions of Principal Shareholder and Joint-holder(s) in respect of shares held by them to the Registrar and Share Transfer Agent in writing as follows:

| Folio / CDC Account No. | Total Shares | Principal Shareholder | | Joint Shareholder(s) | |
|----------------------------------|-----------------|-----------------------|---|----------------------|---|
| | | Name and CNIC No. | Shareholding Proportion (No. of Shares) | Name and CNIC No. | Shareholding Proportion (No. of Shares) |
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11. Circulation of Annual Audited Financial Statements and Notice of AGM to the Members through E-mail:

SECP through its Notification No. SRO. 787(1)/2014, dated September 08, 2014 has allowed companies to circulate Annual Audited Financial Statements ("Annual Financial Statements") along with Notice of Annual General Meeting ("Notice of AGM") to its members through e-mail. In order to avail this facility, the members who desire to opt to receive Annual Financial Statements and Notice of AGM through e-mail are requested to provide their written consent and e-mail addresses to the Share Registrar at the below mentioned address.

Please note that Annual Reports / Financial Statements are also available on the Company's website.

For any query/difficulty/information, the members may contact the Company's Share Registrar and Share Transfer Agent, at the following address, phone/fax numbers:

