

## **Notice of Extraordinary General Meeting**

Notice is hereby given that an Extraordinary General Meeting of the shareholders of **The Searle Company Limited** (the “**Company**”) will be held on Tuesday, December 10, 2024, at 10:30 a.m. at ICAP’s Auditorium, Chartered Accountants Avenue, Clifton, Karachi – 75600, including through video link to transact the following business:

### **ORDINARY BUSINESS**

1. To confirm the minutes of the Annual General Meeting of the Company held on October 28, 2024.

### **SPECIAL BUSINESS**

2. To consider and, if deemed fit, pass, with or without modification, the following resolutions, as special resolutions, in accordance with the provisions of Section 199 of the Companies Act, 2017, read with the proviso to clause (f) of Notification bearing S.R.O. 1239(I)/2017 dated December 6, 2017 issued by the Securities and Exchange Commission of Pakistan, along with Section 183(3)(b) of the Companies Act, 2017, for the purposes of authorizing the Company to disinvest / sell its entire shareholding in its subsidiary, i.e. Searle Pakistan Limited:

*“RESOLVED THAT the Company be and is hereby authorized, in accordance with Section 199 of the Companies Act, 2017, read with the proviso to clause (f) of Notification bearing S.R.O. 1239(I)/2017 dated December 6, 2017, along with Section 183(3)(b) of the Companies Act, 2017, to disinvest / sell its entire shareholding in Searle Pakistan Limited, for an aggregate amount of PKR 10,534,603,800/- (Pak Rupees Ten Billion Five Hundred Thirty Four Million Six Hundred Three Thousand Eight Hundred), subject to any adjustments as per the terms negotiated and finalized by the authorized representatives of the Company.*

*FURTHER RESOLVED THAT Mr. S. Nadeem Ahmed – Chief Executive Officer and / or Mr. Zubair Razzak Palwala – Director & Company Secretary, or such other person(s) as may be authorized by any of them (each an “Authorized Person”), be and are hereby, jointly or severally, authorized and empowered to take all necessary steps; negotiate, finalize and execute any documents; make the requisite decisions from time to time; and do all such acts, deeds and things for and on behalf of, and in the name of, the Company including, but not limited to, obtaining necessary approvals, and executing and delivering all such deeds, agreements, declarations, undertakings and guarantees, including any ancillary document thereto or provide any such documentation for and on behalf and in the name of the Company as may be necessary or required as any of them may think fit for or in connection with or incidental to fully achieve the objects of the aforesaid resolution and / or the proposed arrangement.*

*RESOLVED FURTHER THAT all actions taken by any of the Authorized Persons and / or the Board of Directors of the Company in connection with any matter referred to or contemplated in any of the foregoing resolutions are hereby approved, ratified and confirmed in all respects.”*

### **OTHER BUSINESS**

3. To transact any other business that may be placed before the meeting with the permission of the Chair.

*The Statement of Material Facts covering the abovementioned Special Business, as required under Section 134(3) of the Companies Act, 2017, setting forth the details and material facts pertaining to the special business to be considered at the meeting, is appended below.*

By order of the Board

**Zubair Razzak Palwala**  
Company Secretary

Karachi: November 19, 2024

## **NOTES:**

### **A. Participation in the EOGM via physical presence including through proxy:**

Members whose names appear in the Register of Members as of December 03, 2024, are entitled to attend and vote at the EOGM. A member entitled to attend and vote at the EOGM is entitled to appoint a proxy to attend, speak and vote for him/her. The proxy need not be a member of the Company.

An instrument of proxy applicable for the EOGM is being provided with the Notice sent to the members. Proxy form may also be downloaded from the Company's website: [www.searlecompany.com](http://www.searlecompany.com). An instrument of proxy and the power of attorney or other authority, if any, under which it is signed, or a certified true copy of such power or authority duly notarized must, to be valid, be received at the Company's Registered Office: 2<sup>nd</sup> Floor, One IBL Centre, Plot No. 1, Block 7 & 8, Tipu Sultan Road, Off Shahrah-e-Faisal, Karachi-75350 (attention to the Company Secretary) or email at [company.secretary@searlecompany.com](mailto:company.secretary@searlecompany.com) not less than 48 hours before the time of EOGM, excluding public holidays.

Members having physical shareholding are requested to submit a copy of their Computerized National Identity Card (CNIC) at the registered address of the **Company's Share Registrar: CDC Share Registrar Services Limited (CDCSR), CDC House, 99 – B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400**. CDC account holders may submit the same to their respective CDC Participant/ Stockbroker / Investor Account Services.

If a member appoints more than one proxy and more than one instrument of proxy is deposited by a member, all such instruments of proxy shall be rendered invalid.

### **B. Participation in the EOGM through Video conferencing:**

i) Members interested in attending / participating in the EOGM through video link facility are hereby advised to get themselves registered with the Company by providing the following information through email sent to [cdcsr@cdcsrsl.com](mailto:cdcsr@cdcsrsl.com) or WhatsApp at 0321-8200864 at the earliest, but not later than 48 hours before the time of the EOGM i.e. before 10:30 a.m. on December 08, 2024.

- a) Name of Member;
- b) CNIC / NTN No.;
- c) Folio No. / CDC IAS No.;
- d) Cell No.; and
- e) Email address.

ii) The online meeting link and login credentials will be shared with only those members who provide their intent to attend the meeting containing all the required particulars as mentioned above on or before December 08, 2024 by 10:30 a.m.

iii) The login facility will remain open from 10:00 a.m. till the end of EOGM.

iv) An individual beneficial owner of the shares must share his/her original CNIC or Passport, Account and Participant's ID numbers to prove his / her identity. A representative of corporate members must bring the Board of Directors' Resolution and/or Power of Attorney and the specimen signature of the nominee. CDC account holders will further have to follow the guidelines as laid down in Circular No. 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.

### **C. Book closure**

The share transfer books of the Company will remain closed from December 04, 2024 to December 10, 2024 (both days inclusive). Transfers received in order at the office of Company's Share Registrar, CDCSRSL, at the close of business on December 03, 2024 shall be considered in time for the purpose of attending the EOGM.

### **D. Change of Address**

Members having physical shares are requested to notify changes in their address, if any, immediately to the Company's Share Registrar, CDCSRSL. CDC account holders may submit the same to their respective CDC Participant/ Stockbroker / Investor Account Services.

### **E. Polling on Special Business Resolution:**

The members are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 (the "Regulations"), as amended through SRO 2192(1)/2022 dated December 05, 2022, issued by the Securities and Exchange Commission of Pakistan ("SECP"), the SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all businesses classified as special business.

Accordingly, members of the Company will be allowed to exercise their right to vote through electronic voting facility or voting by post for the special business in its forthcoming EOGM to be held on 10<sup>th</sup> day of December 2024 at 10:30 a.m. in accordance with the requirements and subject to the conditions contained in the aforesaid Regulations.

For the convenience of the Members, ballot paper is annexed to this notice and the same is also available on the Company's website at [www.searlecompany.com](http://www.searlecompany.com) for download.

#### **1. Procedure for E-Voting:**

- I. Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the Company by the close of business on December 03, 2024.
- II. The web address, login details, and password, will be communicated to members via email. The security codes will be communicated to members through SMS from the web portal of CDC Share Registrar Services Limited (being the e-voting service provider).
- III. Identity of the Members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.
- IV. E-Voting lines will start from December 05, 2024, 09:00 a.m. and shall close on December 09, 2024 at 5:00 P.M. Members can cast their votes any time during this period. Once the vote on a resolution is cast by a Member, he / she shall not be allowed to change it subsequently.

#### **2. Procedure for Voting Through Postal Ballot:**

The members shall ensure that duly filled and signed ballot paper, along with copy of Computerized National Identity Card (CNIC), should reach the Chairman of the meeting through post on the Company's registered address at 2<sup>nd</sup> Floor, One IBL Centre, Plot No. 1, Block 7 & 8, D.M.C.H.S., Tipu Sultan Road, Karachi (attention to the Company Secretary) or email at [company.secretary@searlecompany.com](mailto:company.secretary@searlecompany.com) no later than one day before the EOGM i.e. on December

09, 2024, during working hours. The signature on the ballot paper will need to match the signature on CNIC.

**F. Appointment of Scrutinizer**

In accordance with Regulation No. 11A of the Companies (Postal Ballot) Regulations, 2018, the Board of the Company has appointed M/s. UHY HASSAN NAEEM & CO, Chartered Accountants, a QCR rated audit firm to act as the Scrutinizer of the Company for Polling on the Special Business, and to undertake other responsibilities as defined in Regulation No. 11A.

**G. Unclaimed Dividend and Bonus Shares:**

Shareholders, who by any reason, could not claim their dividend or bonus shares or did not collect their physical shares, are advised to contact our Share Registrar i.e. CDCSRSL, 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 dividend unclaimed for a period of three years from the date due and payable shall be deposited to the credit of the Federal Government and in case of shares, shall be delivered to the Securities & Exchange Commission of Pakistan.

**H. Conversion of physical shares in to Book-entry Form**

In compliance with section 72 of the Companies Act, 2017 and SECP's letter No. CSD/ED/Misc./2016-639-640 dated 26 March 2021, listed companies are required to replace existing physical shares issued by them into Book-Entry Form. In view of the above requirement, shareholders of the Company having physical folios/ share certificates are requested to convert their shares from physical form into Book-Entry Form as soon as possible.

Conversion of physical shares into Book-Entry Form would facilitate the shareholders in many ways, including safe custody of shares, readily available market for instant sale and purchase of shares, eliminate risk of loss & damage, easy & safe transfer with lesser formalities as compared to physical shares. The shareholders of the Company may contact Share Registrar of the Company i.e. CDCSRSL for assistance in conversion of physical shares into Book-Entry Form.

**STATEMENT OF MATERIAL FACTS UNDER SECTION 134 (3) OF THE COMPANIES ACT, 2017**

This statement sets out the material facts concerning the Special Business listed at agenda item 2 of the Notice to be transacted at the Extraordinary General Meeting of The Searle Company Limited (the "Company") to be held on December 10, 2024.

**Agenda item no. 2:**

The Company seeks to disinvest / sell its entire shareholding in its subsidiary i.e. Searle Pakistan Limited. For the purposes of the same, the Company is seeking approval from its members in accordance with Section 183(3)(b) of the Companies Act, 2017. Furthermore, such disinvestment / sale also requires the approval of the members of the Company under the proviso to clause (f) of Notification bearing S.R.O. 1239(I)/2017, dated December 6, 2017, issued by the Securities and Exchange Commission of Pakistan (i.e. under Section 199 of the Companies Act, 2017)

The Board of Directors has recommended that the members of the Company pass the resolutions (as detailed in the Notice) to permit the said transaction.

In compliance with the relevant provisions of the Companies Act, 2017 and other applicable laws, including the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017, the requisite information / disclosure regarding the proposed transaction is as under:

SR. NO.	DESCRIPTION	INFORMATION REQUIRED
(a)	Disclosures for all types of investments	
(A)	Regarding Associated Company or Associated Undertaking:	
(i)	Name of the associated company or associated undertaking	Searle Pakistan Limited ("SPL")
(ii)	Basis of relationship	SPL is a subsidiary of the Company
(iii)	Earnings (loss) per share for the last three years	2024 : PKR (0.19)/- 2023 : PKR 0.38/- 2022(restated) : PKR 1.04/-
(iv)	Break-up value per share, based on latest audited financial statements  Cost and book value of investment in subsidiary	2024 : PKR 10.28/-  (In the books of the Company as of June 30, 2024) Cost : PKR 16,400,000,000/- Book Value : PKR 11,200,000,000/-
(v)	Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements	As at June 30, 2024 Non-current assets : PKR 10,991,242,000/- Current assets : PKR 8,057,113,000/- Total Equity : PKR 11,879,702,000/- Non-current liabilities : PKR 514,754,000/- Current liabilities : PKR 6,653,899,000/- Net Sales : PKR 9,341,546,000/- (Loss) for the year : PKR (223,520,000)/-
(vi)	In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information namely:	N/A
	(I) Description of the project and its history since conceptualization	N/A
	(II) Starting date and expected date of completion of work	N/A
	(III) Time by which such project shall become commercially operational	N/A
	(IV) Expected time by which the project shall start paying return on investment	N/A
	(V) Funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts	N/A
(B)	General disclosures:	
(i)	Maximum amount of investment to be made	The approval of the members is being sought under the proviso to clause (f) of Notification bearing S.R.O. 1239(I)/2017 dated

			<p>December 6, 2017, issued by the Securities and Exchange Commission of Pakistan, along with Section 183(3) of the Companies Act, 2017, with respect to the disinvestment / sale by the Company of its entire shareholding in SPL.</p> <p>Accordingly, while no investment is being made by the Company, the aggregate sale price for the transaction / sale is PKR 10,534,603,800/- (Pak Rupees Ten Billion Five Hundred Thirty Four Million Six Hundred Three Thousand Eight Hundred), which subject to adjustments (if any) required under the share purchase agreement (discussed below).</p> <p>The basis for determination of the consideration is:</p> <p>Competitive bidding process</p> <p>The utilization of the consideration is as follows:</p> <p>Reduction in borrowing and re-investment in the Company's business.</p>
(ii)		Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	The proposed transaction is expected to increase the Company's profitability through reduction in finance cost and re-investment in business.
(iii)		Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds	N/A
	(I)	Justification for investment through borrowings	N/A
	(II)	Detail of collateral, guarantees provided and assets pledged for obtaining such funds	N/A
	(III)	Cost benefit analysis	N/A
(iv)		Salient features of the agreements(s), if any with associated company or associated undertaking with regards to the proposed investment	<p>In terms of the Share Purchase Agreement, the Company intends to sell its entire shareholding in SPL (including those held by the Company's nominees), comprising 1,047,030,000 (One Billion Forty Seven Million Thirty Thousand) ordinary shares, having face value of PKR 10/- (Pak Rupees Ten) each, constituting approximately 90.61% of the issued and paid up share capital of SPL to an IJARA Capital Partners Limited led consortium (including to its nominees), subject to the fulfilment of necessary conditions precedent.</p> <p>The shares shall be sold for an aggregate price of PKR 10,534,603,800/- (Pak Rupees Ten Billion Five Hundred Thirty Four Million Six Hundred Three Thousand Eight Hundred), subject to any adjustments required under the transaction documents, primarily on account of the position of the assets and liabilities of SPL on the closing date, including its inventory, receivables and net assets.</p> <p>The consideration shall be payable by the purchaser(s) over a period of 2 years, with more than 50% payable on the closing date. Accordingly, as security for the payment obligations of the purchaser(s) to the Company, a portion of the shares sold and</p>

		<p>transferred to the purchaser(s) shall be transferred to an escrow agent, and pledged in favour of the Company, which shall be released as per an agreed schedule upon the payment of the balance consideration.</p> <p>Additionally, representations and warranties have been granted in favour of the purchaser(s) by the Company (as the seller), being standard in such sale transactions.</p>																																																																				
(v)	<p>Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration</p>	<p>The directors of the Company have no direct or indirect interest in the transaction, except and to the extent of their respective (direct and indirect) shareholdings in the Company, as detailed below:</p> <p>Shareholding of the Company (being the majority shareholder) and SPL's Directors (as nominees of the Company), in SPL:</p> <table border="1"> <thead> <tr> <th>Sr. #</th> <th>Directors, Chief Executive Officer, majority shareholder</th> <th>Holding</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>SYED NADEEM AHMED</td> <td>3</td> <td>0.00</td> </tr> <tr> <td>2</td> <td>ZUBAIR RAZZAK PALWALA</td> <td>2</td> <td>0.00</td> </tr> <tr> <td>3</td> <td>MOBIN ALAM</td> <td>3</td> <td>0.00</td> </tr> <tr> <td>4</td> <td>TAHIR AHMED</td> <td>3</td> <td>0.00</td> </tr> <tr> <td>5</td> <td>MUNIS ABDULLA</td> <td>3</td> <td>0.00</td> </tr> <tr> <td>6</td> <td>FAREEN NAZ QURESHI</td> <td>3</td> <td>0.00</td> </tr> <tr> <td>7</td> <td>MUFTI ZIA UL ISLAM</td> <td>1</td> <td>0.00</td> </tr> <tr> <td>8</td> <td>THE SEARLE COMPANY LIMITED</td> <td>1,047,029,979</td> <td>90.61</td> </tr> </tbody> </table> <p>Shareholding of the Company's Directors in the Company:</p> <table border="1"> <thead> <tr> <th>Sr. #</th> <th>Directors, Chief Executive Officer, their Spouse(s)</th> <th>Holding</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>MR. ADNAN ASDAR ALI and through Spouse</td> <td>239,823</td> <td>0.05</td> </tr> <tr> <td>2</td> <td>SYED NADEEM AHMED</td> <td>6,971</td> <td>0.00</td> </tr> <tr> <td>3</td> <td>MR. ZUBAIR RAZZAK PALWALA</td> <td>316,031</td> <td>0.06</td> </tr> <tr> <td>4</td> <td>MR. MUNIS ABDULLAH</td> <td>260,170</td> <td>0.05</td> </tr> <tr> <td>5</td> <td>MS. FAIZA NAEEM and through Spouse</td> <td>452,622</td> <td>0.09</td> </tr> <tr> <td>6</td> <td>MR. MUHAMMAD ZUBAIR HAIDER SHAIKH</td> <td>500</td> <td>0.00</td> </tr> <tr> <td>7</td> <td>MS. SHAISTA KHALIQ REHMAN</td> <td>192,667</td> <td>0.04</td> </tr> </tbody> </table> <p>With respect to their shareholdings in SPL (to the extent applicable), it may be noted that the nominal shares are held as nominees of the Company (i.e. the same are beneficially owned by the Company).</p>	Sr. #	Directors, Chief Executive Officer, majority shareholder	Holding	%	1	SYED NADEEM AHMED	3	0.00	2	ZUBAIR RAZZAK PALWALA	2	0.00	3	MOBIN ALAM	3	0.00	4	TAHIR AHMED	3	0.00	5	MUNIS ABDULLA	3	0.00	6	FAREEN NAZ QURESHI	3	0.00	7	MUFTI ZIA UL ISLAM	1	0.00	8	THE SEARLE COMPANY LIMITED	1,047,029,979	90.61	Sr. #	Directors, Chief Executive Officer, their Spouse(s)	Holding	%	1	MR. ADNAN ASDAR ALI and through Spouse	239,823	0.05	2	SYED NADEEM AHMED	6,971	0.00	3	MR. ZUBAIR RAZZAK PALWALA	316,031	0.06	4	MR. MUNIS ABDULLAH	260,170	0.05	5	MS. FAIZA NAEEM and through Spouse	452,622	0.09	6	MR. MUHAMMAD ZUBAIR HAIDER SHAIKH	500	0.00	7	MS. SHAISTA KHALIQ REHMAN	192,667	0.04
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(vi)	<p>In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs</p>	<p>There are no impairments in the Company's other investments. The potential divestment of SPL is subject to a PKR 5.2 billion impairment, as per the latest audited financial statements. This impairment was determined following the requirements of IAS 36, using cash flow projections to assess the recoverable amount.</p>																																																																				
(vii)	<p>Any other important details necessary for the members to understand the transaction</p>	N/A																																																																				
(b)	<p>In case of equity investment, following disclosures in addition to those provided under clause (a) above are being made</p>																																																																					
(i)	<p>Maximum price at which securities will be acquired</p>	<p>Subject to any adjustments to the sale price, as contemplated under the share purchase agreement (as detailed above), the shares of SPL are to be sold at a price of approximately PKR 10.06/- per share.</p>																																																																				
(ii)	<p>In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof</p>	N/A in the case of a disinvestment / sale.																																																																				

(iii)	Maximum number of securities to be acquired	No securities are being acquired.
(iv)	Number of securities and percentage thereof held before and after the proposed investment	<p>The Company currently holds 1,047,030,000 (One Billion Forty Seven Million Thirty Thousand) ordinary shares of SPL (including through its nominees), having face value of PKR 10/- (Pak Rupees Ten) each, constituting approximately 90.61% of the issued and paid up share capital of SPL.</p> <p>As part of the proposed transaction / sale, the Company shall sell its entire shareholding in SPL, and will cease to hold any shares.</p>
(v)	Current and preceding twelve weeks' weighted average market price where investment is proposed to be made listed securities	N/A
(vi)	Fair value determined in terms of sub-regulation (1) of regulation 5 of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 for investment in unlisted securities	The fair value of SPL attributable to the parent company, based on its ownership percentage, amounts to Pkr 11.85 billion, as determined by the independent valuer Grant Thornton.