

LOTTE CHEMICAL PAKISTAN LTD

Notice of Meeting

Notice is hereby given that the Nineteenth Annual General Meeting of Lotte Chemical Pakistan Limited will be held on Tuesday, 25 April 2017 at 11:00 a.m. at the Institute of Chartered Accountants of Pakistan (ICAP) auditorium, Chartered Accountants Avenue, Clifton, Karachi to transact the following business:

ORDINARY BUSINESS

- To receive and consider the Company's Financial Statements together with the Directors' and Auditors' Reports for the year ended 31 December 2016.
- To appoint the Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS

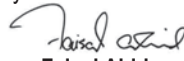
- To approve transmission of annual audited financial statements, auditors' report and directors' report etc. ("Annual Audited Accounts") to members through CD/DVD/USB at their registered address as allowed by the Securities and Exchange Commission of Pakistan under SRO 470(I)/2016 dated 31 May 2016.

A statement as required by Section 160(1)(b) of the Companies Ordinance, 1984, in respect of the special business to be considered at the AGM is annexed.

03 April 2017

Karachi

By Order of the Board



Faisal Abid

Company Secretary

Notes:

- The Register of Members and the Share Transfer Books of the Company will be closed from Friday, 14 April 2017 to Tuesday, 25 April 2017 (both days inclusive). Transfers received in order at the office of Company's Share Registrar, Famco Associates (Pvt) Ltd, 8-F, Next to Hotel Faran, Nursery, Block-6, P.E.C.H.S., Shahrah-e-Faisal, Karachi, by the close of business on 13 April 2017, will be treated in time to attend the Annual General Meeting.

- Only those persons whose names appear in the Register of Members of the Company as at 14 April 2017 are entitled to attend and participate in and vote at the Annual General Meeting.

A member of the Company entitled to attend and vote may appoint another member as his/her proxy to attend and vote instead of him/her. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the time of the holding of the Meeting. Further copies of the instrument of proxy may be obtained from the Registered Office of the Company during normal office hours. Proxy Form may also be downloaded from the Company's website: www.lottechem.pk

CDC Account Holders will have to follow further undermentioned guidelines as laid down in Circular 1 dated 26 January 2000 issued by the Securities and Exchange Commission of Pakistan.

a) For Attending the Meeting:

- In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulation, shall authenticate his/her identity by showing his/her original Computerised National Identity Card (CNIC) or original passport at the time of attending the Meeting.
- In case of corporate entity, the Board of Directors' resolution / power of attorney with signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

b) For Appointing Proxies:

- In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form as per the above requirement.
- 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.
- The proxy shall produce his/her original CNIC or original passport at the time of the meeting.
- In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy to the Company.

- Members are encouraged to provide, duly filled in dividend mandate form, to receive the cash dividend declared by the Company, if any, directly into their bank account through e-dividend payment mechanism, as advised by the SECP vide its Notice No. 8(4)SM/CDC2008 dated 5 April 2013. The members who wish to avail e-dividend payment facility shall not receive the dividend warrant. Members not providing dividend mandate shall continue to be paid through the dividend warrants. The dividend mandate form is available at Company's website.

- Pursuant to the Finance Act, 2016, effective July 01, 2016, the rates of deduction of income tax under Section 150 of the Income Tax Ordinance, 2001 from payment of dividend have been revised as follows:

- Rate of tax deduction for filer of income tax returns 12.5%.
- Rate of tax deduction for non filer of income tax returns 20.0%.

To enable the Company to make tax deduction on the amount of cash dividend @12.5% 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 in ATL, otherwise tax on their cash dividend will be deducted @ 20.0% instead of 12.5%.

Further, according to clarification received from 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 in case of joint accounts. In this regard all shareholders who hold shares jointly are requested to provide shareholding proportions of Principal Shareholder and Joint-holder(s) in respect of shares held by them to Company's Share Registrar, in writing as follows.

Folio/CDC Account No.	Total Shares	Principal Shareholder		Joint Shareholder	
		Name and CNIC No.	Shareholding Proportions (No. of Shares)	Name and CNIC No.	Shareholding Proportions (No. of Shares)

Shareholders are advised to ensure that they have provided their CNIC/NTN to their respective Participant/CDC Investor Account Services (if shareholding in Book Entry Form) or Company's Share Registrar (if shareholding in physical form) for checking the tax status as per the ATL issued by FBR from time to time.

- Pursuant to notification vide SRO. 787(I)/2014 dated 8 September 2014, the SECP has allowed the circulation of Audited Financial Statements and notice of AGM to the shareholders via email. Accordingly, Members of the Company who want to receive a soft copy of the Annual Report along with notice of AGM through email are requested to convey their written consent duly signed by them, their particulars, i.e. Name, Folio/CDC A/c No., E-mail Address, Contact Number, CNIC Number (attach copy). Shareholders are also requested to notify immediately any change in their e-mail address to the Company's Share Registrar, Famco Associates (Pvt) Ltd.
- Pursuant to the directives of the SECP, CNIC/NTN is mandatorily required to be mentioned on Dividend Warrants; therefore, all Members are requested to submit a copy of valid CNIC/NTN. In case of non-receipt of the copy of valid CNIC/NTN, the Company would be unable to comply with SRO 831(1)/2012 dated 5 July 2012 of SECP and therefore may be constrained under Section 251(2)(a) of the Companies Ordinance, 1984 to withhold dispatch of dividend warrants of such shareholders in future.
- Members are requested to notify immediately changes, if any, in their registered address to our Share Registrar, Famco Associates (Pvt) Ltd.
- Audited accounts of the Company for the year ended 31 December 2016 have been provided on the Company's website.

Statement under Section 160(1)(b) of the Companies Ordinance, 1984

This statement sets out the material facts concerning the Special Business to be transacted at the Annual General Meeting of the Company to be held on Tuesday, 25 April 2017.

Item (3) of the Agenda:

Transmission of Annual Audited Financial Statements through CD/DVD/USB

The Securities and Exchange Commission of Pakistan has in continuation of SRO 787(I)/2014 dated 8 September 2014 allowed listed companies under SRO 470(I)/2016 dated 31 May 2016 to transmit the annual balance sheet and profit and loss account, auditor's report and directors' report etc. ("Annual Audited Accounts") to its members by sending CD/DVD/USB to their registered address instead of transmitting the Annual Audited Accounts in hard copies. The Company shall, however, supply the hard copies of the Annual Audited Accounts to the Members, on demand, free of cost upon receipt of the Standard Request Form, which will be made available on the website of the Company.

Accordingly, it is proposed to pass the following resolution as an ordinary resolution:

RESOLVED THAT under and pursuant to S.R.O. No. 470(I)/2016 dated 31 May 2016 issued by the Securities and Exchange Commission of Pakistan the transmission of annual audited financial statements, auditors' report and directors' report etc. ("Annual Audited Accounts") to members at their registered address in soft form by way of CD/DVD/USB instead of transmitting the Annual Audited Accounts in hard copies, be and is hereby approved.

None of the Directors of the Company have any direct or indirect interest in the above said special business.