

Notice of 63rd Annual General Meeting

Notice is hereby given that the **63rd Annual General Meeting** of the **Dadex Eternit Limited** will be held on **Friday, November 25, 2022, at 10:30 am** at Dadex House, 34-A/1, Block-6, PECHS, Shahrah-e-Faisal, Karachi, to transact the following:

Ordinary Business:

1. To receive, consider and adopt the following documents for the year ended June 30, 2022:
 - a) Audited Financial Statements and the Auditors' Report thereon; and
 - b) The Report of the Board of Directors.
2. To appoint auditors of the Company for the year ending June 30, 2023, and authorize the Directors to fix their remuneration. The Board of Directors recommends, based on the recommendation of the Audit Committee, the appointment of M/s. BDO Ibrahim & Co., Chartered Accountants, who have also offered themselves for re-appointment.

Special Business:

The special business as set out in this notice is proposed for consideration by the members of Dadex Eternit Ltd. (the Company) to transact the following special business:

Agenda Item 3

To consider and approve the extension of the date, from April 2023 to October 31, 2023, to complete the sale transaction of Karachi Factory with Land Building, and Plant & Machinery located at DEH # 21-22, Mangophir, Karachi 75890, called "Property and Assets" by passing the following resolution(s) as Special Resolution(s) with or without modification, addition, or deletion in accordance with section 183 (1) of the Companies Act 2017.

"RESOLVED THAT the consent of the shareholders be and is hereby accorded to the extension of the date starting from April 2023 to October 31, 2023, to complete the sale of the Karachi Factory with Land, Building, and Plant & Machinery located at DEH # 21-22, Mangophir, Karachi 75890."

FURTHER RESOLVED THAT the Company be and is hereby authorized to take all actions incidental or ancillary thereto concerning the "Property and Assets" sale, of aforementioned Karachi Factory.

FURTHER RESOLVED THAT the Board be and is hereby empowered to agree upon modifications in these resolutions that may be directed/required by the SECP/PSX or any other competent authority/regulator without the need for any further approval of the shareholders.

RESOLVED FURTHER THAT all actions hereafter taken by the Chairman and/or CEO and/or any Director or Authorized Person(s) on behalf of the Company in relation to the aforementioned matter are hereby confirmed, ratified, and adopted in full by the Company.

ALSO RESOLVED THAT the Chairman and/or, Chief Executive Officer and/or the Company Secretary of the Company be and are hereby severally authorized to sign and submit required statutory returns, announcements, e-filings with the Registrar of Companies, CRO, SECP, Pakistan Stock Exchange, and or any other authority or regulator and to do all such acts, deeds, and things as may be necessary to do in this regard.

ALSO RESOLVED THAT certified copies of resolutions as present form or modified by the Chairman/ CEO/Company Secretary be communicated to the concerned authorities and shall remain in force until notice in writing to the contrary be given."

"A statement under Section 134(3) of the Companies Act, 2017, concerning the Special Resolutions, along with the Notice, was circulated to the members of the Company and was deemed an integral part thereof."

Karachi: October 20, 2022

By Order of the Board
(Faisal Saeed Khan)
Company Secretary

NOTES:

1. The Register of Members and the Share Transfer Books of the Company shall remain closed from **November 18, 2022, to November 25, 2022** (both days inclusive). Transfers received in order at the office of our Share Registrar, JWAFFS Registrar Services (Pvt.) Limited, 407 - 408, Al-Ameera Centre, Shahrah-e-Iraq, Saddar Karachi by the close of business hours on **November 17, 2022**, will be treated in time for incorporating the change in the Register of Members as on **November 17, 2022**.
2. The entitlement to attend, participate and vote at the 63rd Annual General Meeting will be according to the Register of Members as on **November 17, 2022**.
3. In light of the COVID-19 situation, the Company ensures proper safety measures as defined by Securities & Exchange Commission of Pakistan (SECP) through its circular no. 5 dated March 17, 2020, and circular no. 25 dated August 31, 2020. Whereas the shareholders may send their comments & suggestions relating to the agenda items of the AGM at least two working days before the AGM, at the email address cs@dadex.com.pk. However, the financial statements of the company for the year ended June 30, 2022, would have been placed on the website of the company (www.dadex.com.pk).
4. A member of the Company entitled to attend, and vote may appoint another member as his/her proxy to attend, speak and vote for him/her. An instrument of proxy and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must, to be valid, be deposited at the Registered Office of the Company not less than 48 hours before the time of the Meeting.
5. The instrument appointing a proxy should be signed by the member or his/her attorney duly authorized in writing. If the member is a corporate entity, certified true copy of the instrument authorizing the person to act as proxy shall be provided.
6. The Proxy Form, duly completed and signed, must be received at the Company Secretary Office, Dadex House, 34-A/1, Block-6, PECHS, Shahrah-e-Faisal, Karachi at least 48 hours before the time of holding the meeting.
7. If a member appoints more than one proxy, and more than one instrument of proxy is deposited by a member, all such instruments shall be treated invalid. The proxy form shall be witnessed by two persons whose names, addresses and Computerized National Identity Card (CNIC) numbers shall be mentioned on the form.

8. Copy of the CNIC or passport of the beneficial owners shall be furnished with the proxy form. The proxy shall produce their original CNIC or original passport at the time of attending the meeting.

A. For Attending the Meeting:

- i. In the case of individuals, the account holder or sub-account holder whose securities and registration details are uploaded as per the Regulations, shall authenticate his/her identity by showing his/her original CNIC or original passport at the time of attending the meeting.
- ii. In the case of a corporate entity, the Board of Directors' resolution/power of attorney with the specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of attending the meeting.

B. For Appointing Proxies:

- i. In the case of individuals, the account holder or sub-account holder whose securities and registration details are uploaded as per the Regulations shall submit the proxy form as per the above requirement.
- ii. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii. Attested copies of the CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv. The proxy shall produce his/her original CNIC or original passport at the time of the meeting.
- v. In the case of a corporate entity, the Board of Directors' resolution/power of attorney with the specimen signature shall be submitted (unless it has been provided earlier) along with the proxy form to the Company.

C. Change of Address

9. Members holding shares in physical form are requested to promptly notify Shares Registrar of the Company of any change in their addresses. Shareholders maintaining their shares in electronic form should have their address updated with their participant or CDC Investor Accounts Service.

D. Submission of Copies of CNIC (Mandatory)

10. As per SECP directives the payment of dividend to the shareholders whose CNICs are not available with the Share Registrar are being withheld. All shareholders having physical shareholding are, therefore, advised to submit a photocopy of their valid CNICs to our Share Registrar. In case of non-receipt of information, the Bank will be constrained to withhold payment of dividend to shareholders.
11. Accordingly, the shareholders, who have not yet submitted a copy of their valid CNIC or NTN, are once again requested to immediately submit the same to the Company's Share Registrar at JWAFFS Registrar Services (Pvt.) Limited, 407 - 408, Al-Ameera Centre, Shahrah-e-Iraq, Saddar Karachi. Corporate entities are requested to provide their National Tax Number (NTN) and Folio Number along with the authorized representative's CNIC copy.

E. Payment of Cash Dividend Electronically (e-Dividend)

12. Under the provisions of Section 242 of the Companies Act, 2017, it is mandatory for a listed Company to pay cash dividend to its shareholders only through electronic mode directly into bank account designated by the entitled shareholders. In order to receive dividends directly into their bank account, shareholders are requested to fill in Electronic Credit Mandate Form available on Company's website and send it duly signed along with a copy of CNIC to the Share Registrar of the Company M/s. JWAFS Registrar Services (Pvt.) Limited, 407 - 408, Al-Ameera Centre, Shahrah-e-Iraq, Saddar Karachi in case of physical shares. In case shares are held in CDC then Electronic Credit Mandate Form must be submitted directly to shareholder's broker/ participant/CDC account services.

F. Availability of Annual Audited Financial Statements

13. In accordance with the provision of Section 223 of the Companies Act, 2017, the audited financial statements of the Company for the year ended June 30, 2022, are available on the Company's website www.dadex.com.pk.
14. Any shareholder desires to get the hard copy of the Annual Audited Financial Statements 2022, the same shall be provided free of cost within seven working days of receipt of such request.
15. In pursuance of the directions given by SECP vide SRO 787 (1)/2014 dated September 8, 2014, those shareholders who desire to receive Annual Financial Statements in future through email instead of receiving the same by post are advised to give their formal consent along with their valid email address on a "Standard Request Form".
16. For convenience of shareholders, a "Standard Request Form" for provision of Annual Audited Financial Statements is available on the Company's website (www.dadex.com.pk).

G. Unclaimed Dividend / Shares

17. Shareholders, who by any reason, could not claim their dividend or did not collect their physical shares, are advised to contact our Share Registrar M/s. JWAFS Registrar Services (Pvt.) Limited, 407 - 408, Al-Ameera Centre, Shahrah-e-Iraq, Saddar Karachi 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 dividends unclaimed for a period of three years from the date due and payable shall be deposited to the credit of the Federal Government /SECP and in case of shares, shall be delivered to the Securities & Exchange Commission of Pakistan (SECP).

H. Postal Ballot/E-voting

18. In accordance with the Companies (Postal Ballot) Regulations, 2018, and Section 143 and 144 of the Companies Act 2017, shareholders will be allowed to exercise their right of vote through postal ballot i.e., by post or e-voting, in the manner and subject to the conditions contained in the aforesaid regulations.

I. Conversion of Physical Securities into Book Entry Form

19. As per Section 72 of the Companies Act, 2017 every listed company is required to replace its physical shares with book entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the Act, i.e., May 30, 2017. Further, vide its letter dated March 26, 2021, SECP has directed all the listed companies to pursue its shareholder for conversion of their physical securities into book entry form. In light of the aforementioned directives, the Shareholders having physical shareholding are encouraged to open CDC account with CDS participant/CDC Investor Account Services and convert their existing physical securities into book entry form.

J. Declaration as per Zakat & Usher Ordinance 1980

20. Members are requested to submit declaration as per Zakat & Usher Ordinance 1980 for zakat exemption and to advise change in address, if any.

K. Consent for Video Conference Facility

21. In accordance with Section 132 and 134 of the Companies Act, 2017, members can also avail video conference facility.
22. If the Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location other than the city of the Meeting, to participate in the meeting through video conference at least 7 days prior to the date of the Annual General Meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city. In this regard, please fill the following form and submit the same to the registered address of the Company 7 days before holding of the Annual General Meeting.
23. The Company will intimate to members regarding the venue of video conference facility at least 5 days before the date of the Annual General Meeting along with complete information necessary to enable them to access such facility.

I/We, _____ of _____, being a member of Dadex Eternit Limited, holder of _____ ordinary share (s) as per Registered Folio/CDC Account No. _____ hereby opt for video conference facility at _____.

Signature of Member

STATEMENT UNDER SECTION 134 (3) OF THE COMPANIES ACT 2017

Special Business

Agenda Item No. 3

This statement sets out below the material facts concerning the special business to be transacted at the 63rd Annual General Meeting of the Dadex Eternit Ltd. (the Company), to be held in Karachi on Friday, November 25, 2022, at 10:30 am, at the Registered Office of the Company. The purpose of this statement is to set forth the material facts concerning special business:

The Board of Directors in its meeting held on October 20th, 2022, considered that shareholders had approved in the Extraordinary General Meeting (EOGM) of the Company held on May 17, 2022, thereby authorizing the Company to dispose of its Karachi Factory with Land and Building, including Plant and Machinery located at the Factory at DEH # 21-22, Manghopir, Karachi, 75802. The Karachi Factory covered a total area of 26 acres. Where the agenda item was passed as Special Business and all relevant facts were disclosed in accordance with S.R.O. 423 (I) /2018, dated April 3, 2018, for members' approval including all statutory compliance were adopted for effective approval from shareholders and implementation of the resolutions that were passed in the EOGM. Whereas, it was further disclosed that the sale proceeds would be used to restructure the company's financial obligations, thereby, improving the company's performance and providing it with additional liquidity to invest in profitable business opportunities.

The Board, also considered that, pursuant to section 183 (5) of the Companies Act 2017, the resolutions that were passed and adopted by the shareholders at the EOGM held on May 17th, 2022, if not implemented within one year from the date of passing, shall be deemed to have lapsed. Whereas, the sale of Karachi Factory was being expected to be completed by April 2023.

The Board performed all due diligence required to complete the transaction within the allotted time frame. Nonetheless, the Board anticipates that it may take more time to complete and finalize all pertinent documentation, as well as obtain necessary and ancillary approval / permission from relevant authorities. Therefore, the Board recommended requesting members' approval for a six-month extension from April 2023 to October 31, 2023.

Expected time of completion of the transactions

The Board is seeking shareholders' approval by extending time from the earlier approval. Therefore, it is expected that transactions will be completed by October 31, 2023.

Nature & extent of the interest of directors, directly or indirectly

There is no direct or indirect interest in the sale or disposal of the said property and plant & machinery of the Company.