



## **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 24<sup>th</sup> annual general meeting of the shareholders of IBL HealthCare Limited will be held through video link (in compliance with Circular No. 06 of 2021 issued by SECP dated March 03, 2021), on Thursday, October 28, 2021 at 03:00 p.m. from 3<sup>rd</sup> floor, One IBL Centre, Block 7&8, DMCHS, Tipu Sultan Road, off Shahrah-e-Faisal, Karachi, to transact the following business:

### **ORDINARY BUSINESS**

1. To confirm the minutes of last annual general meeting held on October 23, 2020.
2. To receive, consider and adopt the audited financial statements for the year ended June 30, 2021 together with the directors' and auditors' reports thereon.
3. To consider and approve final cash dividend for the financial year ended June 30, 2021, at the rate of Re.1/- per share of Rs.10/- each, equivalent to 10% as recommended by the board of directors.
4. To appoint auditors for the financial year ending June 30, 2022 and to fix their remuneration. The present auditors, A.F. Ferguson & Co., Chartered Accountants, retired, being eligible, have offered themselves for re-appointment. The board has recommended the re-appointment of A. F. Ferguson & Co., Chartered Accountants, as the auditors of the Company for the year ending June 30, 2022.

### **SPECIAL BUSINESS**

5. To approve the issue of bonus shares in the ratio of twenty shares for every hundred shares held i.e. 20% as recommended by the board of directors and, if thought appropriate, to pass with or without modification(s) the following resolution as ordinary resolution.

**RESOLVED** that a sum of Rs.108,175,210/- out of the un-appropriated profits of the Company be capitalized and applied towards the issue of 10,817,521 ordinary shares of Rs.10/- each and allotted as fully paid bonus shares to the members who are registered in the books of the Company as at the close of business on October 21, 2021, in the proportion of twenty shares for every hundred ordinary shares held and that such new shares shall rank Pari-Passu with the existing ordinary shares but shall not be eligible for the final cash dividend declared for the year ended June 30, 2021.

**FURTHER RESOLVED** that in the event of any member becoming entitled to a fraction of a share, the Directors be and are hereby authorized to consolidate all such fractions and sell the shares so constituted on the Stock Market and to pay the proceeds of the sale when realized to a recognized charitable institution as may be selected by the Directors of the Company.

**FURTHER RESOLVED** that the Company Secretary be and is hereby authorized to take all necessary actions on behalf of the Company for allotment and distribution of the said bonus shares as he think fit.”

6. To approve the remuneration of the Chief Executive Officer of the Company, and, if thought appropriate, to pass with or without modification(s) the following resolution as ordinary resolution:

**“RESOLVED THAT** the company be and hereby approves and authorizes the payment of remuneration to the Chief Executive Officer for a total sum not exceeding Rs. 27.72 million per annum inclusive of perquisites and retirement benefits, admissible under the Company’s Rules.

7. To ratify and approve transactions conducted with related parties for the year ended June 30, 2021 by passing the following special resolution with or without modification:

**“RESOLVED THAT** the transactions conducted with related parties as disclosed in the note 30 of the financial statements for the year ended June 30, 2021 and specified in the Statement of Material Information under section 134(3) be and are hereby ratified, approved and confirmed.”

8. To authorize the Board of Directors of the Company to approve transactions with related parties for the financial year ending June 30, 2022 by passing the following special resolution with or without modification:

**“RESOLVED THAT** the Board of Directors of the Company be and is hereby authorized to approve the transactions to be conducted with Related Parties on case to case basis for the financial year ending June 30, 2022.”

**“RESOLVED FURTHER** that these transactions by the Board shall be deemed to have been approved by the shareholders and shall be placed before the shareholders in the next Annual General Meeting for their formal ratification/approval.”

### **OTHER BUSINESS**

9. To transact any other business of the company with the permission of the Chair.

(Attached to this notice is a statement of Material Facts covering the above-mentioned Special Business, as required under section 134(3) of the Companies Act, 2017.

By the order of the board

Shariq Zafar  
Company Secretary

October 07, 2021

### **NOTES:**

#### **A. Book closure:**

- i. The share transfer books will remain closed from October 22, 2021 to October 28, 2021 (both days inclusive) for entitlement of 10% final cash dividend & 20% bonus shares. Transfers in good order, received at the office of Company’s Share Registrar, Central Depository Company of Pakistan Limited, CDC House, 99 – B, Block ‘B’, S.M.C.H.S., Shahrah-e-Faisal, Karachi-74400 by close of the business on October 21, 2021 will be treated in time for the purpose of attending the annual general meeting and entitlement of cash dividend.

#### **B. Participation in General Meeting:**

- i. All members/shareholders are entitled to attend, speak and vote at the annual general meeting. A member/shareholder may appoint a proxy to attend, speak and vote on his/her behalf. The proxy need not be a member of the Company.

Proxies in order to be effective must be received by the Company's Registered Office: 2<sup>nd</sup> floor, One IBL Centre, Block 7 & 8, DMCHS, Tipu Sultan Road, Off Shahrah-e-Faisal, Karachi not less than 48 hours before the meeting.

- ii. In pursuance of Circular No. 1. of 2000 of SECP dated January 26, 2000 the beneficial owners of the shares registered in the name of Central Depository Company (CDC) and/or their proxies are required to produce their Computerized National Identity Card (CNIC) or passport for identification purpose at the time of attending the meeting. The form of proxy must be submitted with the Company within the stipulated time, duly witnessed by two persons whose names, addresses and CNIC numbers must be mentioned on the form, along with attested copies of the CNIC or the passport of the beneficial owner and the proxy.

In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced at the time of the meeting.

- iii. Members are requested to intimate any changes in address immediately to Company's Share Registrar, Central Depository Company of Pakistan Limited, CDC House, 99 – B, Block 'B', S.M.C.H.S., Shahrah-e-Faisal, Karachi-74400.

### C. Payment of Cash Dividends through electronic mode:

In accordance with the provisions of Section 242 of the Companies Act and Companies (Distribution of Dividends), Regulation 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 this regard, IBL HealthCare Limited has already sent letters and Electronic Credit Mandate Forms to the shareholders and issued various notices through publication in newspapers requesting the shareholders to comply with the requirement of providing their International Bank Account Number (IBAN).

Those shareholders who have still not provided their IBAN are once again requested to fill in "Electronic Credit Mandate Form" as reproduced below and send it duly signed along with a copy of valid CNIC to their respective CDC participant / CDC Investor account services (in case of shareholding in Book Entry Form) or to the Company's Share Registrar M/s. Central Depository Company of Pakistan Limited, CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahrah-e-Faisal, Karachi-74400 (in case of shareholding in Physical Form).

i.	<b>Shareholder's Details</b>	
	Name of the shareholder (s)	
	Folio # / CDS Account No. (s)	
	CNIC No. (copy attached)	
	Mobile / Landline No.	
ii.	<b>Shareholder's Bank Detail</b>	
	Title of Bank Account	
	International Bank Account No. (IBAN)	
	Bank's Name	
	Branch's Name and Address	

### D. Deduction of Income Tax from Dividend under section 150 of the Income Tax Ordinance, 2001:

- a. Pursuant to the provisions of the Finance Act 2020 effective July 1, 2020, the rate of deduction of income tax from dividend payments are as follows:
  - i. Rate of tax deduction for filers of income tax return – 15%
  - ii. Rate of tax deduction for non-filers of income tax return – 30%

Shareholders whose names are not entered into the Active Tax-payers List (ATL) available on the website of FBR, despite the fact that they are filers, are advised to immediately make sure that their names are entered in ATL, otherwise tax on their cash dividend will be deducted @ 30% instead of 15%.

- b. Withholding tax exemption from the dividend income, shall only be allowed if copy of valid tax exemption certificate is made available to Company's Share Registrar by the first day of book closure.
- c. According to clarification received from FBR, withholding tax will be determined separately on "Filer/Non-filer" status of principle shareholder as well as joint-holder(s) based on their shareholding proportions.

In this regard, all shareholders who hold company's shares jointly are requested to provide shareholding proportions or principle shareholder and joint-holder(s) in respect of shares held by them (if not already provided) to Company's Share Registrar, in writing as follows:

Company Name	Folio/CDS Account #	Total Shares	Principal Shareholder		Joint Shareholder	
			Name and CNIC #	Shareholding Proportion (No. of Shares)	Name and CNIC #	Shareholding Proportion (No. of Shares)

The required information must reach Company's Share Registrar within 10 days of this notice; otherwise it will be assumed that the shares are equally held by the principal shareholder and joint-holder(s).

- d. The corporate shareholders having CDC accounts are required to have their NTN updated with their respective participants, whereas corporate physical shareholders are requested to send a copy of their NTN certificate to the Company's Share Registrar. The shareholders while sending NTN or NTN certificates, as the case may be, must quote the company name and their respective folio numbers.

**E. Request for Video conference facility:**

In term of SECP's Circular No. 10 of 2014 dated May 21, 2014 read with the provisions contained under section 134(1)(b) of the Act, if the Company receives request /demand from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through video conference at least 10 days prior to the date of meeting, the Company will arrange video conference facility in that city, subject to availability of such facility in that city.

<p>I/We, _____ of _____ being a member of the IBL HealthCare Limited, holder of _____ ordinary shares as per registered folio # _____ hereby opt for video conference facility at</p> <p style="text-align: right; margin-top: 20px;">_____ Signature of Member (s)</p>
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The company will intimate members regarding venue of video conference facility at least five days before the date of annual general meeting along with the complete information necessary to enable them to access the facility.

**F. Electronic transmission of financial statements & notice of annual general meeting**

Members who desire to receive financial statements & notice of annual general meeting through email are requested to send their consent on Standard Request Form available on company's website [www.iblhc.com](http://www.iblhc.com) in order to avail the facility. The financial statements & notice of annual general meeting are also available on company's website.

**G. Postal Ballot/E-Voting**

In accordance with the Companies (Postal Ballot) Regulations 2018, for the purpose of approval of any agenda item, members will be allowed to exercise their vote through postal ballot i-e, by post or e-voting, in the manner and subject to conditions contained in aforementioned regulations.

**H. Coronavirus contingency planning for general meeting of shareholders**

In accordance with SECP latest Circular No. 06 of 2021 dated March 03, 2021, the Company will be taking measures for managing the annual general meeting of the Company in consonance with the Government's

restrictions on public gatherings. Accordingly, the following information is set out below for the convenience of the shareholders of the Company:

- i. Shareholders are urged to send by email, WhatsApp or any other electronic mean or by post or courier their comments/suggestions for the proposed agenda item of the annual general meeting. The details are set out below:

Email address:	<a href="mailto:shariq.zafar@iblhc.com">shariq.zafar@iblhc.com</a>
WhatsApp No.:	+ 92 303 7770836
Cell phone No.:	+ 92 303 7770836
Registered Office Address:	IBL HealthCare Limited 2 <sup>nd</sup> Floor, One IBL Center, Block 7 & 8, DMCHS, Tipu Sultan Road, Off Shahrah-e-Faisal, Karachi

- ii. Shareholders of the Company can also attend the annual general meeting via video link to login and participate in the proceedings of the annual general meeting through their smartphones or computer devices from their homes or any convenient location after completing meeting attendance formalities.

Shareholders interested in attending the annual general meeting via video link are requested to have their particulars registered at least 24 hours before the time of annual general meeting with the Company Secretary at the following address

**Email address:** [shariq.zafar@iblhc.com](mailto:shariq.zafar@iblhc.com)

The login facility will be opened at 02:00 p.m. on October 28, 2021 enabling the participants to join the proceedings which will start at 3:00 p.m. sharp.

The shareholders are requested to provide the information as per the below format. The video link will be sent to the shareholders on the email address provided in the below table:

S. No.	Name of Shareholder	CNIC No.	Folio/CDS Account No.	Cell No.	Email address

- i) In view of the prevailing situation shareholders are urged to provide proxies.

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

##### **1. Item Number 6 of the notice – Approval of the remuneration of Chief Executive Officer**

The approval is being sought for fixing the remuneration of Chief Executive Officer of the company in accordance with their terms and condition of service.

None of the Directors of the company have any, direct or indirect, interest in the aforementioned special business, except that mentioned therein.

##### **2. Item Number 7 of the notice – Ratification and approval of the related party transactions**

Transactions conducted with all related parties have to be approved by the Board of Directors duly recommended by the Audit Committee on quarterly basis pursuant to clause 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2019. However, during the year since majority of the Company's Directors were interested in certain transactions due to their common directorships in the group companies. These transactions are being placed for the approval by shareholders in the Annual General Meeting. All transactions with related parties to be ratified have been disclosed in the note 30 to the financial statements for the year ended June 30, 2021. Party-wise details of such related party transactions are given below:

Name of Related Party	Transaction Type	PKR in '000
International Brands Limited	Interest income	10,471
	Corporate service charges	21,000
	Dividend paid	347
	SAP maintenance fee	112
	Repayment of loan	249,630
The Searle Company Limited	Dividend paid	78018
	Reimbursement of expenses	30,985
	Claims	5,238
	Utilities	2,110
	Rent expense	3,208
	Bank guarantee margin	7,633
	Purchase of goods	219,375
IBL Operations (Private) Limited	Sale of goods	1,585,030
	Shared cost	7,620
United Brands Limited	Sale of goods	75,100
United Retail (SMC) Private Limited	Rental income	351
	Other income	413
IBL Logistics (Private) Limited	Cartage and freight charges	9,562
United Distributors Pakistan Limited	Dividend paid	2,368
Employees' provident fund	Contribution paid	8,452
Key management personnel	Salaries and other benefits	83,836
	Directors' fee and conveyance	2,050
	Sale of goods	612

The company carries out transactions with its related parties on an arm's length basis as per the approved policy with respect to 'transactions with related parties' in the normal course of business. All transactions entered into with related parties require the approval of the Board Audit Committee of the Company, which is chaired by an independent director of the company. Upon the recommendation of the Board Audit Committee, such transactions are placed before the board of directors for approval.

Transactions entered into with the related parties include, but are not limited to, sale of goods, rental income, shared cost, dividends paid, (in accordance with the approval of shareholders and board where applicable) and salaries and other benefits paid to the key management personnel.

The nature of relationship with these related parties has also been indicated in the note 30 to the financial statements for the year ended June 30, 2021. The Directors are interested in the resolution only to the extent of their common directorships in such related parties.

### 3. Item number 8 – Authorization for the Board of Directors to approve the related party transactions during the year ending June 30, 2022

The Company shall be conducting transactions with its related parties during the year ending June 30, 2022 on an arm's length basis as per the approved policy with respect to 'transactions with related parties' in the normal course of business. The majority of Directors are interested in these transactions due to their common directorship in the holding / associated companies. In order to promote transparent business practices, the shareholders desire to authorize the Board of Directors to approve transactions with the related parties from time-to-time on case to case basis for the year ending June 30, 2022, which transactions shall be deemed to be approved by the Shareholders. The nature and scope of such related party transactions is explained above. These transactions shall be placed before the shareholders in the next AGM for their formal approval/ratification.

The Directors are interested in the resolution only to the extent of their common directorships in such related parties.