

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 59th Annual General Meeting of Security Papers Limited, (the "Company") will be held on Wednesday, September 25, 2024, at 8:00 a.m. at the Registered Office of the Company situated at Jinnah Avenue, Malir Halt, Karachi to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2024, together with the Directors' and Auditors' Reports thereon.

In accordance with Section 223 of the Companies Act, 2017 and pursuant to the S.R.O. 389(I)/2023 dated March 21, 2023, the financial statements of the Company can be accessed through the following weblink and QR enabled code:

<https://security-papers.com/wp-content/uploads/2024/09/AR-Book-SPL2024.pdf>



2. To consider and approve the payment of Rs. 10.00 per share (100%) as the final cash dividend in addition to the 25% interim cash dividend announced and already paid, making a total dividend of Rs. 12.50 per share (25%) for the financial year ended June 30, 2024, as recommended by the Board of Directors. The dividend will be payable to the Members whose names appear in the Register of the Members as on September 18, 2024.
3. To appoint the External Auditors for the Financial Year 2024-25 and to fix their remuneration. The Board of Directors, on the recommendation of the Board Audit Committee of the Company, has proposed re-appointment of M/s. A. F. Ferguson & Co., Chartered Accountants, who are eligible and they have provided their consent to be re-appointed as statutory auditors of the Company.
4. To transact with the permission of the Chair any other business which may be transacted at an Annual General Meeting.

By Order of the Board



Yasir Ali Quraishi
Company Secretary & Legal Counsel

Karachi,
4 September 2024

Notes:

1. Closure of Share Transfer Books

- (i) The Share Transfer Books of the Company will remain closed from 19 September 2024 to 25 September 2024 (both days inclusive). Transfers received in order at the office of Share Registrar, M/s. FAMCO Share Registration Services (Pvt.) Limited, 8-F, Near Hotel Faran, Nursery, Block-6, P.E.C.H.S., Shahrah-e-Faisal, Karachi by the close of business on 18 September 2024 will be considered in time to determine the above-mentioned entitlement and to attend and vote at the Meeting.

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2. Participation in the Annual General Meeting electronically and appointing proxies

- (i) Members whose names are appearing in the register of members as of September 18, 2024, are entitled to attend and vote at the AGM.
- (ii) The shareholders who wish to attend the AGM proceedings online are requested to get themselves registered by sending their particulars at the designated email address: yasir@security-papers.com, giving particulars as per below table by the close of business hours (5:00 PM) on 23 September 2024.

Name of Shareholder	CNIC No./NTN NO.	CDC Participant ID/Folio No.	Cell No.	Email address

- (iii) The zoom link would be provided to the registered shareholders/proxies who have provided all the requested information. The shareholders are also encouraged to send their comments/suggestion related to the agenda items of the AGM on the above-mentioned email address by the close of business hours (5:00 PM) on 23 September 2024.
- (iv) A member entitled to attend and vote at the above meeting may appoint a proxy to attend and vote on his/her behalf. No person shall act as a proxy (except for a corporation) unless he is entitled to be present and vote in their own right. For appointing proxies, the scanned/hard copy of the proxy form appearing below duly executed and witnessed, along with the relevant supporting documents and the e-mail address of the proxy must be sent to the Company Secretary at yasir@security-papers.com at least 48 hours before the time of the Meeting.
- (v) The proxy form should be witnessed by two persons whose names, addresses, and CNIC numbers shall be mentioned on the form.
- (vi) Where possible, attested copies of the CNIC or the identification pages of the passport of the beneficial owners and the proxy should be enclosed with the e-mailed Proxy Form.
- (vii) In the case of a corporate entity, the Board of Directors' resolution/Power of Attorney with specimen signature should be submitted along with Proxy Form to the Company.
- (viii) CDC Account Holders will further have to follow the under-mentioned guidelines as laid down in Circular No.1 dated January 26, 2000, issued by the Securities and Exchange Commission of Pakistan.

3. Consent for Video Link Facility.

- (i) Further to SECP S.R.O. No.1027/(I)2014 dated 13th November 2014 clause 1(b) "The Company may provide video link facility to its members for attending the general meeting at places other than the town in which the general meeting is taking place after considering the geographical dispersal of its members:
- (ii) Provided that if members, collectively holding 10% or more shareholding residing at a geographical location, provide their consent to participate in the meeting through video link at least 10 days prior to the date of meeting, the Company shall arrange video link facility in that city subject to availability of such facility in that city".
- (iii) The Company will intimate members regarding venue of video link facility at least 5 days before the date of general meeting along with complete information necessary to enable them to access such facility.

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- (iv) I/We, _____ of _____, being a member of the Security Papers Limited, holder of _____ Ordinary Share(s) as per Register CDC/Folio No. _____ hereby opt for video link facility at _____.

4. Notice to Shareholders who have not provided their IBAN

- (i) In accordance with 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 the bank account designated by the entitled shareholders. Therefore, the shareholders are requested to provide their bank details by filling up the Electronic Credit Mandate Form available at: <https://famcosrs.com/downloads> and send the duly filled form along with a copy of CNIC to Company's Share Registrar, M/s. FAMCO Share Registration Services (Pvt.) Limited.

Explanation _ For the purpose of these regulations identification number includes the Computerized National Identity Card Number (CNIC) of the registered shareholder or the authorized person, child registration certificate number or juvenile card number in case of a minor, where applicable and registration number or national tax number of the shareholder is a person other than a natural person.

- (ii) In order to comply with the SECP's directives and in terms of Section 243(2)(a) of the Companies Act, 2017, the Company shall be constrained to withhold the Dividend Warrant(s), in case of a non-availability copy of valid CNIC (for individuals) and National Tax Number (for a corporate entity).
- (iii) Accordingly, 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 or its Share Registrar, M/s. FAMCO Share Registration Services (Pvt.) Limited.

5. Updation of shareholder addresses / other particulars

- (i) Members holding shares in physical form are requested to promptly notify Share Registrar, M/s FAMCO Share Registration Services (Pvt.) Limited of the Company of any change in their addresses or any other particulars. Shareholders maintaining their shares in electronic form should have their address or any other particulars updated with their participant or CDC Investor Accounts Service.
- (ii) Further, to comply with requirements of section 119 of the Companies Act, 2017 and Regulation 19 of the Companies (General Provisions and Forms) Regulations, 2018, all CDC and physical shareholders are requested to have their email address and cell phone numbers incorporated / updated in their physical folio or CDC account, as the case may be.

6. Deduction of Income Tax from Dividends under Section 150 of the Income Tax Ordinance, 2001 (Mandatory)

- (i) The rates of deduction of Withholding Income Tax from dividend payments under the Income Tax Ordinance, 2001 shall be as follows:
- Persons appearing in Active Taxpayers List (ATL) ---- 15%.
 - Persons not appearing in Active Taxpayers List (ATL) ----- 30%.
- (ii) To enable the Company to make tax deduction on the amount of cash dividend @ 15% instead of 30%, shareholders whose names are not entered into the Active Taxpayers' List (ATL) provided 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%.

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- (iii) Persons not appearing in the Active Taxpayers' List: The rate of tax required to be deducted/collected, as the case may be, is increased by 100% (as specified in the Tenth Schedule to the Income Tax Ordinance, 2001).
- (iv) Withholding Tax will be determined separately on 'person names appearing on ATL/person names not appearing on ATL' status of Principal Shareholder as well as Joint holder(s) based on their shareholding proportions, in case of joint accounts.
- (v) 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 (only if not already provided) to our 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)

- (vi) The required information must reach our Share Registrar, M/s. FAMCO Share Registration Services (Pvt.) Limited 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).
- (vii) As per FBR Circulars C. No. 1 (29) WHT/2006 dated 30 June 2010 and C. No. 1 (43) DG (WHT)/2008- Vol. II -66417-R dated 12 May 2015, the valid exemption certificate is mandatory to claim exemption of withholding tax U/S 150 of the Income Tax Ordinance, 2001 (tax on dividend amount) where the statutory exemption under clause 47B of part - IV of Second Schedule is available. The shareholders who fall in the category mentioned in the above clause and want to avail exemption U/S 150 of the Ordinance, must provide a valid Tax Exemption Certificate to our Share Registrar, M/s. FAMCO Share Registration Services (Pvt.) Limited before book closure otherwise tax will be deducted on dividend as per applicable rates.
- (viii) For any query/problem/information, the investors may contact the Company Secretary at phone: 021-99248285 and email address yasir@security-papers.com and/or M/s. FAMCO Share Registration Services (Pvt.) Limited at phone 021-34380101-5 and email address: info.shares@famcosrs.com.
- (ix) The corporate shareholders having CDC accounts 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 certificate to the company or M/s. FAMCO Share Registration Services (Pvt.) Limited. The shareholders while sending NTN or NTN certificates, as the case may be, must quote the company name and their respective folio numbers.

7. Intimation for Non-Resident Individual Shareholders

- (i) Non-Resident individual shareholders shall submit a declaration of undertaking with a copy of a valid passport under the definition contained in Section 82 of the Income Tax Ordinance, 2001 for determination of residential status for the purposes of tax deduction on dividends to the Share Registrar, M/s. FAMCO Share Registration Services (Pvt.) Limited at 8-F, Near Hotel Faran, Nursery, Block-6, P.E.C.H.S, Shahrah-e-Faisal, Karachi, or email at info.shares@famcosrs.com at the latest by September 18, 2024. A copy of the declaration form can be downloaded at the Share Registrar website: <https://famcosrs.com/downloads>.

8. Unclaimed / Unpaid Shares and Dividends

- (i) In accordance with the provisions of Section 244 of the Companies Act, 2017, any shares issued or dividend declared by the Company, which remain unclaimed or unpaid for a period of three years from the date it is due

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and payable, the Company shall give ninety days notices to the shareholders to file claim if no claim is made before the Company by the shareholders, the Company shall proceed to deposit the unclaimed or unpaid Shares / Dividends with the Federal Government in compliance with the Section 244 of the Companies Act, 2017.

- (ii) In this regard, a Notice dated December 28, 2017, was sent by Registered Post acknowledgment due on the last known addresses of the shareholders to submit their claims within 90 days to the Company. In compliance with Section 244(1)(b) of the Companies Act, 2017 a Final Notice had also been published on March 30, 2018, in two daily newspapers i.e. (i) Business Recorder and (ii) Daily Jang in English and Urdu respectively.
- (iii) In case no claim is received within the given period from the aforesaid Notice, the Company shall proceed to deposit the unclaimed/unpaid amounts with the Federal Government (as and when the account detail is provided) pursuant to the provisions of sub-section (2) of Section 244 of the Companies Act, 2017

9. Conversion of Shares from Physical Form to Book-Entry-Form

- (i) The Securities and Exchange Commission of Pakistan (SECP) has issued a letter No. CSD/ED/Misc./2016-639-640 dated March 26, 2021, addressed to all listed companies referring their attention towards the provision of Section 72 of the Companies Act, 2017 (Act) which requires all the then-existing companies to replace shares issued by them in physical form with shares to be issued in the Book-Entry-form within a period not exceeding four years from the date of the promulgation of the Act.
- (ii) In order to ensure full compliance with the provisions of the aforesaid Section 72 and to benefit from the facility of holding shares in the Book-Entry-Form, the shareholders who still hold shares in physical form are requested to convert their shares in the Book-Entry-Form.

10.Placement of Financial Accounts on the Website

- (i) Placement of Financial Statements on Website the Financial Statements of the Company for the year ended June 30, 2024 along with reports have been placed on the website of the Company: <https://security-papers.com/> which can also be downloaded through the link below and/or QR enabled code.
- (ii) <https://security-papers.com/annual/>

11.Zakat Exemption

- (i) To claim exemption from compulsory deduction of Zakat, shareholders are requested to submit a notarized copy of Zakat Declaration Form "CZ-50" on NJSP of Rs. 200/- to the Share Registrar, before the first day of book closure.

12.Electronic Transmission of Annual Report 2024

- (i) In compliance with section 223(6) of the Companies Act, 2017, and pursuant to the S.R.O. 389(I)/2023 dated March 21, 2023 the Company has electronically transmitted the Annual Report 2024 through weblink, QR enabled code and through email to Members whose email addresses are available with the Company's Share Registrar, M/s. FAMCO Share Registration Services (Pvt.) Limited. However, in cases, where email addresses are not available with the Company's Share Registrar, printed copies of the notices of AGM along-with the QR enabled code/weblink to download the Annual Report 2024 (containing the financial statements), have been dispatched.
- (ii) Notwithstanding the above, the Company will provide hard copies of the Annual Report 2024, to any Member on their request, at their registered address, free of cost, within one (1) week of receiving such request. Further, Members are requested to kindly provide their valid email address (along with a copy of valid CNIC) to the Company's Share Registrar, M/s. FAMCO Share Registration Services (Pvt.) Limited if the Member holds shares in physical form or, to the Member's respective Participant/Investor Account Services, if shares are held in book entry form.