

WYETH PAKISTAN LIMITED

Notice of Extraordinary General Meeting

NOTICE is hereby given that the Extraordinary General Meeting of Wyeth Pakistan Limited ("the **Company**") will be held on Friday, August 04, 2017 at 10:30 a.m. at Institute of Bankers Pakistan, M.T. Khan Road, Karachi to transact the following business:

SPECIAL BUSINESS:

1. To considered and if thought fit to approve the sale ICI Pakistan Limited of the manufacturing facility of the Company located at Hawkesbay along with transfer of the following products, namely, Entox-P, Lederplex, Lederrif, Mucaine, Nilstat, Tri-Hemic and Wymox, subject to all regulatory approvals, and in this regard pass the following resolution:

RESOLVE THAT the sale to ICI Pakistan Limited of the Company's manufacturing plant along with the transfer of the following products, namely, Entox-P, Lederplex, Lederrif, Mucaine, Nilstat, Tri-Hemic and Wymox, as per the terms of the asset purchase agreement dated May 19, 2017 and on such other terms and conditions as may be approved by the Board of the Company or their delegates be and is hereby approved.

2. To further consider and if thought fit to approve the transfer of the Marketing Authorization for the Myrin® Anti-TB range of products from Wyeth Pakistan Limited to Pfizer Pakistan Limited to enable Pfizer Pakistan Limited have the Anti-TB range (Myrin®) contract manufactured by ICI Pakistan Limited at the Hawkesbay manufacturing facility (where it is presently manufactured) for ultimate sale by Wyeth Pakistan Limited for a period of five (5) years as part of Asset Sale Transaction with ICI Pakistan Limited and in this regard pass the following resolution:

RESOLVED THAT the transfer to Pfizer Pakistan Limited of the Marketing Authorization of the Myrin® Anti-TB range of products be and is hereby approved subject to Pfizer Pakistan Limited appointing Wyeth Pakistan Limited as its distributor for this range of products for the term and on terms and subject to the conditions as may be approved by the Board of the Company or their delegates.

A statement as required under section 134(3) of the Companies Act, 2017 in respect of the special business to be considered at the meeting is annexed to this notice of meeting being sent to the Members.

By Order of the Board

Karachi: July 12, 2017

Kashif Shafi
Company Secretary

Notes:

1. The Share Transfer Books of the Company will remain closed from July 28, 2017 to August 04, 2017(both days inclusive).
2. A member entitled to attend, speak and vote at the above meeting shall be entitled to appoint another person as his/her proxy to attend, demand or join in demanding a poll, speak and vote instead of him/her. A proxy so appointed shall have such rights, as respects attending, speaking and voting at the meeting as are available to a member. A proxy must be a member of the Company. The completed proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.
3. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted along with proxy form to the Company.

4. Members are requested to promptly communicate any change in their addresses or bank mandate as registered to the Company's Share Registrar, THK Associates (Pvt.) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S., Karachi-75400.
5. CDC Account Holders will further have to follow the undermentioned guidelines as prescribed in Circular 1 dated 26 January 2000 issued by the Securities and Exchange Commission of Pakistan:

A. For Attending the Meeting:

- i) 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 authenticate his/her identity by showing his/her original CNIC or original passport at the time of attending the meeting.
- ii) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

B. For Appointing Proxies:

- i) 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.
 - 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 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 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 form to the Company.
6. The shareholders holding physical shares are also required to bring their original CNIC and attested copy of CNIC of shareholder(s) of whom he/she/they hold proxy(ies) without which such shareholder(s) shall not be allowed to attend and/or sign the Register of Shareholders/Members at the Extraordinary General Meeting.

Statement under Section 134(3) of the Companies Act, 2017: Asset Sale Transaction with ICI Pakistan Limited

Background and Reasons for Sale

The Company has for some time been faced with the following issues:

- No price increases to offset year over year inflation;
- Generic competition;
- Cost erosion as generic volumes impacted brand sales;
- Products would eventually become loss making due to the combination of declining volumes and inability to be compensated for inflation; and
- Increased costs to meet international good manufacturing process standards.

In November 2016 the Board of Directors of the Company was informed by the ultimate parent company, Pfizer Inc., that two companies had approached Pfizer Inc., on an unsolicited basis, expressing interest in acquiring the manufacturing facilities of the Company. Both these companies are highly reputable and had experience with multinational corporations.

Pfizer Inc. engaged with both unsolicited parties on a confidential basis to explore options from the Company's perspective and as a result thereof structured a possible transaction as follows:

- (i) Divestiture of the Company's manufacturing facility as well as the following products which are owned by Pfizer Inc. and are licensed to the Company: Entox-P, Lederplex, Lederrif, Mucaïne, Nilstat, Tri-Hemic and Wymox (along with Combantrin and Citralka which are licensed to Pfizer Pakistan); and
- (ii) given the significance of the Myrin® range of products, the buyer should be able to manufacture Myrin® products for a period of at least five (5) years, enabling the Company to continue the sale of Myrin® products.

(hereinafter referred to as the “**Asset Sale Transaction**”).

Pfizer Inc. made several presentations to the Board regarding its evaluation of the unsolicited bidders and their respective bids for the consideration of the Board. The Board also evaluated the future outlook of the Company in view of the difficulties presently being faced by the Company and observed that as a consequence of this Asset Sale Transaction, the bottom line of the Company is likely to improve due to a reduction in costs due to the sale of the manufacturing facility.

After further deliberations the Board approved the sale to ICI Pakistan Limited of the manufacturing facility of the Company along with transfer of the following products, namely, Entox-P, Lederplex, Lederrif, Mucaïne, Nilstat, Tri-Hemic and Wymox, for a total consideration of PKR 1.68 billion, subject to approval of the shareholders of the Company and also subject to all regulatory approvals being granted. Accordingly, an asset purchase agreement in respect of the Asset Sale Transaction was executed with ICI Pakistan Limited on May 19, 2017 and completion of the transactions thereunder is subject to receipt of shareholders' and regulatory approvals.

Details of Assets

The details of Tangible Assets being disposed-off are as follows:

Asset	Cost Rs '000	Book Value Rs '000	Approx. Current Market Value/ Fair Value * Rs '000
Land Area: 2.64 Acre Location: S-33 HB Road	258	153	171,600
Plant and Machinery, including CWIP	586,817	310,254	636,754
Building, Furniture and Fixtures	77,464	23,545	125,806
Vehicles	3,524	-	2,550
Inventory	77,000	77,000	93,000

* Fair value of Land, Plant and Machinery, Building, Furniture and Fixtures, and Vehicles is from the third party valuation report dated March 27, 2017.

Future Outlook

Post this transaction, the Company's portfolio of products shall include, Prevmar 13, Effexor, Tygacil, Tazocin, Myrin range of anti-TB products and Premarin. The Company intends to continue supporting and growing these brands.

The profitability (Bottom line) of the Company is expected to improve due to the substantial reduction of costs relating to the manufacturing facility.

Statement under Section 134(3) of the Companies Act, 2017: Transfer of marketing Authorization of Anti-TB range to Pfizer Pakistan Limited

Given that the Company will transfer its Drugs Manufacturing facility to ICI Pakistan Limited as a consequence of the Asset Sale Transaction, it is unlikely that it can under the prevailing regulations of the Drug Regulatory Authority of Pakistan retain registrations of its locally manufactured products such as the Myrin® Anti-TB range of products and have these tolled manufactured by third parties.

As a part of the Asset Sale Transaction, ICI Pakistan Limited has agreed to contract manufacture Myrin® Anti-TB range of products at the Hawkesbay manufacturing site (where it is presently being manufactured) for a period of five (5) years.

Given the significance of Anti-TB products to patients in Pakistan, it is proposed that the marketing authorization for the Myrin® Anti-TB range of products should be transferred to Pfizer Pakistan Limited to enable Pfizer Pakistan Limited have these products contract manufactured by ICI Pakistan Limited for ultimate sale by Wyeth Pakistan Limited. The transfer of the marketing authorization to Pfizer Pakistan Limited will enable the Company to:

- Continue to make critically needed Anti-TB products available to patients in Pakistan; and
- Continue to export Anti-TB products to the Philippines.

The Marketing Authorization of the Myrin® Anti-TB range of products shall revert back from Pfizer Pakistan Limited to the Company upon expiry of the five (5) year term presently proposed unless contract manufacturing arrangement is extended by mutual agreement of all parties.
