

Pakistan Synthetics Limited.

Office no. 1504, 15th floor, Emerald Tower, Block 5, Clifton, Karachi.

Phone 92-21-35147596-98, URL: 111-111-775

E-mail : <u>headoffice@pslpet.com</u>
Website : <u>www.pslpet.com</u>

NOTICE OF THE NINETEENTH EXTRA-ORDINARY GENERAL MEETING

Notice is hereby given that the 19th Extra-Ordinary General Meeting of the shareholders of Pakistan Synthetics Limited will be held on Monday, January 23, 2023 at 2:30 p.m. in Auditorium Hall of Institute of Chartered Accountant of Pakistan (ICAP), located at Chartered Accountant Avenue, Clifton, Karachi, Pakistan to transact the following businesses:

- 1. To confirm the Minutes of the 37th Annual General Meeting held on October 17, 2022.
- 2. To consider and, if deemed fit, pass with or without modification, the following special resolution under section 199 of the Companies Act, 2017 and the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 for the purpose of approving equity investment in the ordinary shares of its associated company "Petpak Films (Private) Limited."

RESOLVED THAT pursuant to the requirements of section 199 of the Companies Act, 2017, the approval of the shareholders be and is hereby accorded to make an equity investment of upto Rs. 1,500,000,000 (Pak Rupee One thousand, five hundred million) by way of purchase of upto 150,000,000 (One hundred fifty million) ordinary shares of Petpak Films (Private) Limited, an associated company, at Rs. 10 or the Issue/offer price including through subscription to right shares, as the case may be, in one or more tranches and at such time as may be offered by the PPFL.

FURTHER RESOLVED THAT the Chief Executive Officer and/or the Company Secretary jointly or singly be authorized to take any or all actions which may be required for the investment of the above-mentioned amount in the purchase of the ordinary shares of Petpak Films (Private) Limited.

"Statement under Section 134(3) of the Companies Act, 2017, concerning the Special Resolution, is attached along with the Notice to the members of the Company, and is deemed an integral part thereof."

1. To transact any other business of the Company with permission of the Chair.

Karachi: December 23, 2022

By Order of the Board

MUHAMMAD IMRAN COMPANY SECRETARY



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NOTES:

- The share Transfer Books of the Company will remain closed from January 16, 2023 to January 23, 2023 (both days inclusive) for determining voting rights. Transfer received at the Office of Company's share registrar [M/s F. D. Registrar Services (Private) Limited, 1705, 1th floor, Saima Trade Tower-A, I.I. Chudrigar Road, Karachi] at the close of business on January 13, 2023 will be treated in time to attend the Nineteenth Extra-Ordinary General Meeting of the Company
- CDC members are requested to bring with them their CNIC along with Participant's ID numbers and their account numbers
- In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be submitted with the proxy form.
- A member entitled to attend and vote at the meeting may appoint another member as his/her proxy to attend and vote. Votes may be given either personally or by proxy or by attorney, and in case of a corporation by a representative duly authorized.
- The instrument of proxy, as per form attached, duly executed should be deposited at the Office of Company's share registrar M/s F. D. Registrar Services (Private) Limited at least 48 hours before the time of the Nineteenth Extra-Ordinary General Meeting.
- The Shareholders are requested to notify the Company if there is any change in their addresses immediately.
- In accordance with the provisions of Section 242 of the Companies Act, 2017, dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders. All shareholders are once again requested to provide the details of their bank mandate specifying; (i) Title of account (ii) Account number (iii) IBAN number (iv) Bank name (v) Branch name, code and address to the Company's Share Registrar, F.D. Registrar Services (Pvt) Limited. Shareholders who hold shares with Participants / Central Depository Company of Pakistan (CDC) are advised to provide the bank mandate details as mentioned above, to the concerned Participant / CDC.
- Shareholders who have not yet collected their dividend / physical shares are advised to contact our Share Registrar immediately to collect / enquire about their unclaimed dividend or shares.
- Shareholders possessing physical shares are requested to immediately send a copy of their Computerized National Identity Card (CNIC) to our Share Registrar Office, [M/s F. D. Registrar Services (Private) Limited, 1705, 1th floor, Saima Trade Tower-A, I.I. Chudrigar





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Road, Karachi]. Corporate entities are also requested to submit their NTN at the address of our Registrar as given above.

• In terms of SECP Circular no. 10 of 2014 read with the provisions of the Companies Act, 2017, if the Company receives consent from members holding in aggregate 10% or more shareholding residing in a geographical location to participate in the meeting through video conference at least 7 days prior to the date of Nineteenth Extra-Ordinary General Meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city. To avail this facility, please provide the following information to the Share Registrar, M/s. F.D. Registrar Services (Pvt) Limited.

I/	We, being a member of Pakistan Syr	thetics Limited holder of	Ordinary shares
as	s per register folio no./CDC A/c. no.	hereby opt for video	o conference facility
at	(Please insert name of the	City).	



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

This statement set out the material facts concerning the special business to be transacted at the extra ordinary general meeting of the Company to be held on January 23, 2023:

The Company seeks approval from its shareholders to pass the special resolution allowing an investment of upto Rs. 1,500,000,000/- in the associated company. Pursuant to section 199 of the Companies Act, 2017. In compliance with the relevant provisions of the Companies Act 2017, and the Companies (Investment in Associated Companies or Associated Undertakings) Regulations 2017, information about the proposed investment is as under:

Name of associated company or associated undertaking	Petpak Films (Private) Limited – [PPFL]
Basis of relationship	 Common Directorship between the Company and PPFL The relationship will be established based on maximum 25% shareholding of the Company in the associated company [Petpak Films (Private) Limited].
Earnings per share for the last three years	Not Applicable (as company is in the development stage)
Break-up value per share, based on latest audited financial statements	Not Applicable

Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements

Financial position as of June 30, 2022	(Rupees in million)
Total Assets	1,055.448
Share Capital and Reserves	506.271
Advances against future issue of share	456.657
Total Liabilities	92.519

Financial performance for the year ended June 30, 2022	(Rupees in million)
Total Expenses	12.977
Other Income	3.013
Loss Before Taxation	9.964
Loss After Taxation	11.297



r	
In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely,	
I. description of the project and its history since conceptualization;	It is a greenfield project incorporated as a private limited company i.e. Petpak Films (Private) Limited – [PPFL], on September 21, 2020 and it is a 52% owned subsidiary of International Packaging Films Limited. Its principal purpose will be the manufacturing and sale of BOPET films.
II. starting date and expected date of completion of work;	Completion of work expected by June 2023
III. time by which such project shall become commercially operational;	Commercial operations expected to commence from September 2023.
IV. expected time by which the project shall start paying return on investment; and	Profits expected to be generated by June 2026.
V. funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and noncash amounts	The funds to be invested by Pakistan Synthetics Limited for the project would be up to PKR 1,500,000,000 (One Thousand Five Hundred Million Rupees)
Maximum amount of investment	The maximum investment would be up to Rs. 1,500,000,000 (One Thousand, Five Hundred Million rupees only) in tranches from time to time as offered by Associate.



Purpose, benefits and period of investments	The investment will be utilized in setting up the Plant for manufacturing of Flexible Packaging Material mainly comprising of BO-PET biaxially-oriented polyethylene terephatalate film and allied products of PET Packaging. Through this investment, the Company will be creating synergies and diversifying its existing portfolio. The Investment is expected to generate dividend income which will enhance the profitability of the Company and enhance the wealth of the shareholders. Investment will be made within a period of one year and thereafter at such time as required.
	at sterr time as required.
Source of fund from which securities will be acquired; and where the investment is intended to be made using borrowed funds, (I) justification for	A combination of internally generated funds and debts will be utilized for the investment. - Investment is expected to generate healthy returns and low-gearing levels justify the investment through debt.
investment through borrowings; (II) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and (III) cost benefit analysis	 Returns from the investment are expected to be higher than the cost of debt and internally generated funds. Debt will be secured against Company's existing assets.
Salient features of the agreement(s), if any, entered into with its associated company with regards to the proposed investment	Not applicable
Direct or indirect interest of Directors, Sponsors, Majority Shareholders and their relatives, if any, in the associated company or the transaction under consideration	Mr. Noman Yaqoob (Executive Director) is also the Director in PPFL. Mr. Anees Yaqoob is the Major Shareholder and key management personal in the Company and is also the major shareholder of the PPFL.
In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information / justification for any impairment or write-offs	No investment has yet been made by the Company
Maximum price at which securities will be acquired	Shares will be purchased at PKR 10/- per share (face value of the share) or the issue/offer price.

In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof	Not Applicable.
Maximum number of securities to be acquired	150,000,000 (One Hundred &Fifty Million) Shares.
Number of securities and percentage thereof held before and after the proposed investment	The Company does not currently hold shares of the PPFL. After the investment, the Company may hold upto maximum 25% of the issued and paid up share capital of the PPFL.
Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities.	Not Applicable.
Fair value determined in terms of sub-regulation (1) of regulation 5 of the Regulation for investments in unlisted securities	The fair value can only be determined once the PPFL plant become

The Directors of the company undertake that they have carried out necessary due diligence for the proposed investment in Petpak Films (Private) Limited.



Pakistan Synthetics Limited

FORM OF PROXY

NINETEENTH EXTRA ORDINARY GENERAL MEETING

I/We		
of		
being a member(s) of Pakistan Synth	hetics Limited holding	
Ordinary Shares hereby appoint —		
of	or failing him/her	
in my / our absence to attend and v	who is / are also member(s) of Pakistan Synthetic vote for me / us and on my / our behalf at Nir b be held on 23rd January 2023 and / or any adj	neteenth Extra Ordinary
As witness my/our hand/seal this	day of	2023
Signed by the said		
in the presence of 1.		
2		
Please Quote Folio # / Participant ID# & A/c#		Signature on Revenue Stamp of Appropriate value
		The signature should agree

IMPORTANT

This Proxy Form, duly completed and signed must be received at the Registered Office of the Company at Office # 1504, 15th Floor, Emerald Tower, Clifton Block 5, Karachi. not less than 48 hours before the time of holding the meeting.

FOR CDC ACCOUNT HOLDERS/CORPORATE ENTITIES:

In addition to the above the following requirements have to be met:

- 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.

with the Company.

- No person shall act as proxy unless he himself is a member of the Company except that a corporation may appoint a person who is not a member.
- If a member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered

		بيثكس لميثذ	پاکستان سینته
		(مختارنامه(پراکسی فارم
			میں/ہم
			ساكن ُ
تے ہیں مسمٰی /مسماۃ	ر رکرتا / کرتی ہوں / کر	تان سينتيڻاكس لميئد مقر	•
		کی / میدا پی	ساکن کو یا ان کی غیر حا ضری میں ^{مسا}
			تو یا آن می میرها عمر می می ^ن ساکن
نامہ(پراکس) پاکستان سینتیٹاکس لمیٹڈ کے	به وه بطورمیرا/ بهارا مختار:	بنتیٹاکس لمیٹڈکا رکن ہے ک	- کو جوخو دبھی پاکستان سب
یں شرکت کرے اور وہ میری/ ہماری جگہ میری/	کے کسی ملتو ی شدہ ا جلاس ؟	·	
		ہی استعال کر ہے۔	ہا ری طر ف سے حق رائے د
-	ے/ ہمارے دستخط سے جاری ہوا۔	۲۰۲۳ کومیر ــ	مورخه
	حصص کی تعداد	سى ڈىسى ڪھانة نببر	فوليونمبر
رشخط			
r	گواه نمبر		گواه نمبرا
	ر مان. - دستخط_		ر منتخط د منتخط
	_ ر: -		نام
کمپیوٹرائز ڈ قومی شناختی کارڈنمبر		کمپیوٹرائز ڈقو می شناختی کارڈنمبر	
	_ * ;		* ;
			• = 111
	(ېنی کا رکن (ممبر) ہو نا ضرور ک	ہدایات: ۱۔ مختار (یراکسی) کا کمب
ضروری ہے ۔		نط ،نمو نه شد ه دستخط/ اندراج [.]	
کے ہمراہ کمپیوٹرائز ڈ قو می شاختی کارڈیا پا سپورٹ کی			
ل کے مطابق دستا ویز ات ساتھ لا نا ضروری ہے۔		•	
قرر وفت سے کم از کم ۴۸ گھٹے قبل جمع کرانا ضروری	یٹر ڈ آفس میں اجلاس کے منا	ا رم)مکمل پُر شد ہ تمپنی کے رجہ	۴ ۔ مختار نامہ (پراکسی فا