

**STATEMENT OF FULL SUBSCRIPTION OF RIGHT SHARES OF THE COMPANY AS REQUIRED UNDER THE
PROCEDURE TO BE COMPLIED WITH FOR ISSUE OF RIGHT SHARES (THE PROCEDURES) OF
PAKISTAN STOCK EXCHANGE LIMITED (PSX)**

We confirm that as per our books and records, loans outstanding from the directors / sponsors of the Company amounted to PKR 157,260,457 as of 30 August 2017

We confirm that as per the books and records of the Company,

- a) the aggregate loans from directors amounting to Rs. 157,260,457 has been adjusted against the proceeds receivable under right issue from the directors under loan adjustment authorization letters from directors dated 10 August 2017 for subscription of 10,484,030 ordinary shares.
- b) the aggregate cash proceeds of Rs. 146,798,985 have been received into the Bank Accounts up to September 28, 2017 i.e. last date of payment/ renunciation for subscription of 9,786,599 ordinary shares.
- c) the aggregate cash proceeds of Rs. 2,167,815 have been received into the Bank Accounts after September 28, 2017 up to October 5, 2017 i.e. within 14 days from the last payment in respect of un-subscribed right of 144,521 ordinary shares of the Company.

Based on the above, total shares subscribed amounts to 20,415,150 each at Rs. 15 amounting to Rs.306,227,250.

We further confirm and inform in this respect, there has/have been no condition(s) imposed by concerned regulatory bodies including but not limited to the Securities and Exchange Commission of Pakistan applicable at this stage that were required to be complied with by the Company.

All legal requirements applicable at this stage has been complied with.



COMPANY SECRETARY



CHIEF EXECUTIVE



AA/AM/1232/17
10 October 2017

The Company Secretary
MACPAC Films Limited (the Company)
Karachi

Auditors' Certificate on receipt of full amount of right issue in cash as required under the "Procedure to be complied with for issue of right shares" (the Procedures) of Pakistan Stock Exchange Limited (PSX)

Dear Sir

This has reference to our engagement letter no. AA/AM/1231/17 dated 10 October 2017. We have been requested to provide you with a certificate as required under the Procedures issued by PSX on the receipt of full amount of right issue in cash as disclosed in annexed statement prepared by the management of Company and duly initialed by us for identification purpose only.

Scope of Certificate

We understand that this certificate is issued on the specific request of the management of the Company for onward submission to the PSX as required under clause 8 of the Procedures.

Management Responsibility

It is the responsibility of the Company's management to ensure that aggregate subscription amount received are properly recorded in the books and records of the Company and to comply with all the legal requirement in respect of captioned subject. Further, in case of under subscription, the Company is required to arrange payment of un-subscribed right shares within 14 days from the last date of payment as mentioned in letter of offer issued by the Company.

Auditors' Responsibility

Our responsibility is to certify that the full amount of subscription has been received in accordance with the 'Guidelines for issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms' issued by the Institute of Chartered Accountants of Pakistan. Our verification was limited to the procedures as mentioned below:

- Obtained and checked certified true copy of the resolution of Board of Directors of the Company approving issue of further 20,415,150 ordinary shares of the Company of Rs. 10/- each offered to the shareholders of the Company in proportion to the number of shares held by each shareholder i.e. right issue at a price of Rs. 15/- having face value of Rs. 10/- in accordance with Section 83 of Companies Act 2017;
- Obtained and checked letter of offer issued under Section 83 of the Companies Act 2017 for last date of payment / renunciation.
- Obtained trial balance of the Company as of the date of the right announcement and checked that loans outstanding from the directors namely Mr. Maqbool Elahi Shaikh and Naeem Munshi are Rs. 127,379,629 and Rs. 29,880,829 aggregating to Rs. 157,260,457, which have been adjusted against the proceeds receivable under right issue from the directors for subscription of 10,484,030 ordinary shares.
- Obtained the bank statement of the designated bank accounts of the Company maintained with Dubai Islamic Bank Limited and Faysal Bank Limited (the Bank Accounts) and checked that aggregate subscription amount of Rs. 146,798,985 in case of cash consideration has been received into the Bank Accounts up to September 28, 2017, i.e. last date of payment / renunciation for issuance of 9,786,599 ordinary shares of the Company at value of Rs.15 each.

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- Obtained and checked certified true copy of the resolution of Board of Directors of the Company authorizing Chief Executive for allocation of unsubscribed right shares of the Company.
- Obtained the bank statement of the bank account of the Company maintained with Bank Alfalah Limited and checked that aggregate subscription amount of Rs.2,167,815 in case of cash consideration has been received after September 28, 2017 up to October 5, 2017 i.e. within 14 days from the last date of payment in respect of un-subscribed right of 144,521 ordinary shares of the Company at value of Rs.15 each.

Certificate

Based on the procedures mentioned above, we certify that as per the books and records of the Company,

- the aggregate loans from directors amounting to Rs. 157,260,457 has been adjusted against the proceeds receivable under right issue from the directors under loan adjustment authorization letters from directors dated 10 August 2017 for subscription of 10,484,030 ordinary shares.
- the aggregate cash proceeds of Rs. 146,798,985 have been received into the Bank Accounts up to September 28, 2017 i.e. last date of payment/ renunciation for subscription of 9,786,599 ordinary shares.
- the aggregate cash proceeds of Rs. 2,167,815 have been received into the Bank Accounts after September 28, 2017 up to October 5, 2017 i.e. within 14 days from the last payment in respect of un-subscribed right of 144,521 ordinary shares of the Company.

Further, in respect of above, we have been informed that there has/have been no condition(s) imposed by concerned regulatory bodies including but not limited to the Securities and Exchange Commission of Pakistan applicable at this stage that were required to be complied with by the Company.

Restriction on use and distribution

This certificate is solely for the purpose set forth in this certificate and for your information and is not to be used for any other purpose or be distributed to any other parties. This certificate is restricted to the facts stated herein and the attachment.

Yours faithfully



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