



## **NADEEM TEXTILE MILLS LIMITED**

801-804, 8th Floor, Lakson Square Building No.3, Block-A,  
Sarwar Shaheed Road, Karachi-74200, Pakistan. Tel.: (+92-21) 35220481-88  
Fax : (+92-21) 35220495-96 E-mail: info@nadeem.com.pk  
URL: www.nadeem.com.pk

December 28, 2021

The General Manager,  
Pakistan Stock Exchange Limited,  
Stock Exchange Building,  
Stock Exchange Road,  
Karachi-74000, Pakistan.

### **Disclosure of Material Information - Nadeem Textile Mills Limited**

Dear Sir,

In accordance with Section 96 and 131 of the Securities Act 2015 and Clause 5.19.13(c) of the Rule Book of Pakistan Stock Exchange Limited ("PSX"), we hereby convey the following:

At a meeting of the Board of Directors of Nadeem Textile Mills Limited (the "Company") held at 12:00 noon on December 28, 2021, at the registered office of the Company, the Board of Directors has approved;

- a) the draft scheme of arrangement u/s.279 to 282 and 285 of the Companies Act, 2017, made before the Board of Directors of the Company ("Scheme"), subject to obtaining all necessary shareholders', creditors' and regulatory approvals and sanction of the scheme by the High Court of Sindh, Karachi alongwith fulfillment of related legal formalities.

Nadeem Power Generation (Pvt) Limited (NPGPL) shall be merged with and into the Company, against which 3,251,008 ordinary shares of Rs.10/- each of the Company shall be issued to the shareholders of NPGPL based on a swap ratio of 1 : 8.71 shares of the Company for every one share of NPGPL.

The Board of Directors approved the draft of the scheme, subject to any changes and modifications as may be required by the shareholders of the Company or the Honourable High Court of Sindh and such amendments as may be considered necessary without affecting the substance thereof. Furthermore, the Board approved the Valuation Report issued by M/s. Rahman Sarfaraz Rahim Iqbal Rafiq, Chartered Accountants, which, inter alia, contains the valuation/ calculation of the swap ratio.

The scheme shall be circulated to the Pakistan Stock Exchange Limited and the shareholders in due course of time subject to sanction of the proposed scheme of arrangement by the High Court of Sindh.

- b) The increase in authorized capital of the Company from Rs.250,000,000 divided into 25,000,000 ordinary shares of Rs.10/- each to Rs.300,000,000 divided into 30,000,000 ordinary shares of Rs.10/- each.

Extract of the Resolutions passed by the Board of Directors is attached herewith.

Yours truly,  
For Nadeem Textile Mills Limited

  
Zahid Mazhar  
Chief Executive.



Copy to: Director / HOD

Surveillance, Supervision and Enforcement Department  
Securities and Exchange Commission of Pakistan  
NIC Building, 63 Jinnah Avenue Blue Area Islamabad.



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**Extract of the Resolutions passed by the Board of Directors (the "Board") of Nadeem Textile Mills Limited (the "Company") at their meeting held on December 28, 2021 at the registered office of the Company**

During the meeting, the Board discussed, considered and approved the proposed arrangement involving the Merger of Nadeem Power Generation (Pvt.) Limited (NPGPL) with and into the Company alongwith all the relevant matters thereto. Resultantly, the following resolutions were passed by the Board.

**RESOLVED** that the Company be and is hereby authorized to enter into an arrangement with NPGPL in terms of which, inter alia, NPGPL shall be merged, by way of amalgamation, with and into the Company, as a consequence of which shares of the Company shall be issued to the shareholders of NPGPL (the "NPGPL Amalgamation") in accordance with the terms of a Scheme of Arrangement ("Scheme") prepared under the provisions of Sections 279 to 282 and 285 of the Companies Act, 2017 (the "Proposed Arrangement"), subject to the approval of the requisite majority of the shareholders and creditors of the Company and sanction of the High Court of Sindh at Karachi.

**FURTHER RESOLVED** that the draft of the Scheme laid before the Board, pertaining to the Proposed Arrangement, be and is hereby approved, subject to finalization of the same by the authorized representative of the Company (which does not materially alter the substance of the Scheme) and further subject to any changes and modifications as may be required by the shareholders of the Companies and / or the Honorable High Court of Sindh and / or such amendments as may be considered necessary to rectify an error or for clarifying any provision of the Scheme without affecting the substance thereof.

**FURTHER RESOLVED** that for the purpose of the NPGPL Amalgamation, the following consideration / swap ratios, based on the valuations / calculations carried out by M/s.Rahman Sarfaraz Rahim Iqbal Rafiq, Chartered Accountants in terms of their Report dated December 27, 2021, be and are hereby approved that 8.71 (Eight point seven one) ordinary shares of the Company, of face value PKR 10/- (Pak Rupees Ten) each, shall be allotted and issued in aggregate by the Company to the shareholders of NPGPL, as fully paid up, on the basis of a swap ratio of 8.71 shares of the Company for every 1 (one) share of NPGPL held by the shareholders of NPGPL;"

**FURTHER RESOLVED** that, subject to the sanctioning of the Scheme, the authorized share capital of the Company shall stand automatically increased from PKR 300,000,000/- (Pak Rupees Three Hundred Million), (as to be increased in EOGM held on January 24, 2022) to PKR 330,000,000/- (Pak Rupees Three Hundred and Thirty Million), divided into 33,000,000 (Thirty three Million) ordinary shares of PKR 10/- (Pak Rupees Ten) each, by merger of the existing authorized share capital of the Company and NPGPL and that the Memorandum and Articles of Association of the Company shall stand amended in terms of the Scheme.

**FURTHER RESOLVED** that the Company be and is authorized to take all necessary steps to obtain the requisite approvals / no objections / clearances from the relevant regulatory / competent authorities, as may be required under the applicable laws.

**FURTHER RESOLVED** that the Company be and is hereby authorized to file a petition / application (along with NPGPL) to the High Court of Sindh at Karachi under Sections 279 to 282 and 285 of the Companies Act, 2017 read with Rules 55 and 60 of the Companies (Court) Rules, 1997 for the purpose of seeking sanction of the said Proposed Scheme of Arrangement.

**FURTHER RESOLVED** that the authorized capital of the Company be increased from Rs.250,000,000 divided into 25,000,000 ordinary shares of Rs.10/- each to Rs.300,000,000 divided into 30,000,000 ordinary shares of Rs.10/- each.

**CERTIFIED TRUE COPY  
For NADEEM TEXTILE MILLS LTD.**

*[Signature]*  
Company Secretary.





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**FURTHER RESOLVED** that an Extraordinary General Meeting of the shareholders of the Company be held at 4:00 p.m. on January 24, 2022 at the registered office of the Company for obtaining approval of the shareholders for the proposed Merger Scheme in increase in authorized capital and related matters.

**FURTHER RESOLVED** that the Register of Members and Share Transfer Books of the Company will remain closed from January 24, 2022 to January 31, 2022 (both days inclusive).

**FURTHER RESOLVED** that for the purposes aforesaid, Mr. Zahid Mazhar, Chief Executive of the Company, and / or Mr. Abdul Amin, Company Secretary be and are hereby authorized to do the following on behalf of the Company:

- (i) finalize and execute all documents, including but not limited to the Scheme, petition, applications, affidavits and any other related documents;
- (ii) take all steps and actions for obtaining the requisite consents from the relevant regulatory authorities, creditors, members and any other persons (as applicable) with respect to the Proposed Arrangement and all ancillary matters;
- (iii) file, pursue and take any and all necessary actions in respect of submitting applications to the relevant authorities with respect to the Proposed Arrangement and obtaining the approvals of the same;
- (iv) appoint/ engage lawyer(s), consultant(s), advisor(s) and professionals as deemed necessary and sign Vakalatnamas and engagement letters on behalf of the Company;
- (v) represent the Company before the High Court of Sindh;
- (vi) make such alterations and changes in the Scheme as may be expedient or necessary for satisfying the requirements or conditions imposed by any regulatory authority and / or the High Court of Sindh at Karachi, provided that prior approval of the Board shall be obtained for making any material changes in the Scheme (as approved in this meeting);
- (vii) withdraw the Scheme, upon the instructions of the Board;
- (viii) generally, do all acts, deeds and things as may be required with respect to the aforementioned resolutions and implementing the Scheme in terms thereof along with all incidental actions and matters in respect of the same; and
- (ix) delegate any of the above powers to any person(s) as may be deemed fit.
- (x) To complete the formalities regarding increase in authorized capital of the Company.

Certified that the above-mentioned is a true and valid extract from the meeting of the Board of Directors of Nadeem Textile Mills Limited held on December 28, 2021.

  
Company Secretary



**CERTIFIED TRUE COPY**  
For NADEEM TEXTILE MILLS LTD.  
  
Company Secretary.