

BEXIMCO SYNTHETICS LIMITED

17 Dhanmondi, Road No 2,
Dhaka-1205

NOTICE OF EXTRA-ORDINARY GENERAL MEETING OF THE SHAREHOLDERS

Notice is hereby given that an Extra-Ordinary General Meeting (EGM) of the Shareholders of Beximco Synthetics Limited will be held virtually on Thursday, the 10th March, 2022 at 11:00 a.m. to consider and approve the Exit Plan of 55,778,623 securities of Beximco Synthetics Limited for delisting from Dhaka and Chittagong Stock Exchanges which approved in principle by Bangladesh Securities and Exchange Commission vide their Letter No.BSEC/SMRIC/174/2020/466 dated 30.12.2021.

The draft Special Resolutions proposed to be passed is given below:

“Resolved that the following Exit Plan of 55,778,623 Ordinary Shares of Tk.10/- each of Beximco Synthetics Limited for delisting the Company from Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE) be and is hereby considered and approved:

EXIT PLAN FOR DELISTING THE BEXIMCO SYNTHETICS LIMITED FROM DHAKA STOCK EXCHANGE LIMITED & CHITTAGONG STOCK EXCHANGE LIMITED

Name of the Issuer: BEXIMCO SYNTHETICS LIMITED

Name of the Applicant: BEXIMCO SYNTHETICS LIMITED

Name of the Regulator, Exchanges & Depository in which the share of the Issuer was traded:

Bangladesh Securities and Exchange Commission, the Regulator;
Dhaka Stock Exchange Ltd, the Exchange;
Chittagong Stock Exchange Ltd; the Exchange; and
Central Depository Bangladesh Ltd.

Name of the Offeror and Concert Party:

The Sponsors and Associates of Beximco Synthetics Limited.

REASONS FOR EXIT PLAN

Reasons for exit plan (explained all the reasons as mentioned at direction No. 1(2) with present status, non-compliance for how many years, last dividend, outstanding coupon/interest/ principal, etc.):

Since 2013 the Company could not declare any dividend as he Company passed through extremely difficult times since smooth business operations were hampered again and again due to the reduction of duties on imported DTY by the Government. This allowed cheap Chinese products to take over the market and making the production of this type of yarn in Bangladesh completely unviable.

Unfortunately, despite its best efforts, the company could not maintain targeted production and profitability during last seven years which resulted in the company accumulating huge losses. This has resulted in the shares of the company being traded below face value for a number of years.

Finally, the company was forced to cease production and to close down the plant. It retrenched all the workers and most of the officers and staff after paying all their dues as per law.

Also, the plant and machineries are twenty-six years old and have only scrap value. Presently, the company's liabilities consist of outstanding tax payable to the government and a loan with Sonali Bank. The assets of the company are mortgaged to Sonali Bank against the loan. The only asset of value which the company has is the land on which the factory is located. However, it is unlikely that from sale of land alone the liabilities of the company will be met and alternate measures may be required which the Board of Directors are considering.

DETAILS OF SECURITIES UNDER THE EXIT PLAN

- (a) Type & No. of securities to be bought under the exit plan: Total 55,778,623 ordinary shares of Tk.10/- each being held by the public and institutions.
- (b) Total securities outstanding under the exit plan (No. of share/securities and face value and issue price): Total 55,778,623 ordinary shares of Tk.10/- each issued at par in cash.
- (c) Total holdings of the securities by the Offeror and the Concert Party (No. of shares/securities and total at face value with percentage): 30,933,736 ordinary shares of Tk.10 each amounting to Tk.309,337,360/- being 35.67% of total paid up capital.
- (d) Total holdings of general/public shareholders/securities holders other than the Offeror and the Concert Party (No. of shares/securities and total at face value with percentage): Total 55,778,623 shares of Tk.10/- each amounting to Tk.557,786,230/- being 64.33% of total paid up capital.

The shareholdings of Beximco Synthetics Ltd are as follows:

Sponsors and Associates	30,933,736 shares	35.67%
Foreign, Local Institutions, ICB & General Public	<u>55,778,623</u>	<u>64.33%</u>
Total:	<u>86,712,359</u>	<u>100.00%</u>

CUT-OFF-DATE

The date of delisting from the main Board of Stock Exchanges for the delisted securities which are not trading at any platform of the Stock Exchanges.

Under Direction No. 4(3) of BSEC's Directive dated 28.12.2020, We do hereby confirm that –

There is no Investors' grievance against the Company;
No payment is due to the Company by DSE & CSE;
There is no unresolved complaint against the Company;
No litigation or action pending against the Company.

Offer Price:

Face Value of Tk.10/- each in cash shall be paid through escrow account maintained by Stock Exchanges.

Public Announcement:

The public announcement shall be published through the stock exchanges in two national dailies one in English and another in Bengali within 3 working days of receipt of Commission's consent in principle for the exit plan.

Central Depository Bangladesh Limited (CDBL) and all of its Depository Participants (DPs) shall make intimation to the securities holders under the exist plan through SMS in mobile phone numbers as available in the BO account.

Holding of Securities Holders' Meeting:

The Company shall conduct an Extra Ordinary General Meeting (EGM) of its shareholders with an agenda for approval of the exist plan through virtual system subject to the compliance with the other regulatory frameworks.

Letter of Offer:

- (a) Within not later than 60 days from the date of public announcement and/or not later than 15 days of approval of the exit plan under direction No.9, the concerned stock exchanges along with the applicant shall dispatch the letter of offer giving at least 30 days' time to the shareholders or securities holders under the exit plan for acceptance of the offer through registered postal service or courier service or e-mail or any other means of communication.
- (b) The offer for buying securities under exit plan shall be deemed successful if 75% of the shareholders other than the Offeror and concert Party accept the offer, within the time as specified in the offer letter.

Maintenance of Escrow Bank Account by the Exchanges:

- (1) Dhaka Stock Exchange Ltd and Chittagong Stock Exchange Ltd shall, immediately after public announcement, open and maintain an escrow bank account jointly by the Managing Directors of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited with a designated scheduled bank only for making payment of securities brought/acquired under the exit plan.
- (2) The consideration for securities surrendered or sold or transferred under the exit plan shall be at offer price and settled in cash by making payment from the aforesaid escrow bank account.
- (3) The Offeror and Concert Party shall, before 3(three) days of sending the letter of offer, initially deposit cash in the escrow bank account as maintained by the concerned stock exchanges at least an amount of 50% of the total estimated amount of consideration calculated on the basis of offer price for buying or acquisition of all securities outstanding with the securities holders other than the Offeror and Concert Party as on cut-off date.
- (4) At the beginning of the process of making payment, the Offeror and Concert Party shall immediately deposit the rest amount in place of bank guarantee, if any in cash to the escrow bank account for making payment in full and entire sum due and payable as consideration for buying or acquisition of securities under the exist plan.
- (5) The left amount shall be held in the escrow bank account for 2 years from the date of issuance of offer letter as consideration for acquisition of rest securities outstanding with the securities holders other than the Offeror and Concert Party, if any.

Procedure of Settlement of Securities:

- (1) The stock exchange(s) shall maintain and operate and BO account for consideration of securities brought or acquired under the exist plan as well as clearing and settlement of such securities.
- (2) If a securities holder accepts the offer under the exist plan and is willing to surrender or sell his securities at a price of the offer, the securities holder shall duly fill up a sign a transfer/sale request form (Form 14-1 as per CDBL bye laws 11.4.1), or any form as prescribed by the stock exchange(s);

Provided that in case of securities in paper form, the securities holder shall surrender or deposit his securities certificate(s) as well as submit a securities transfer form (Form-117) or any form as prescribed by the stock exchange(as) duly filled up and signed to the designated counter of the stock exchange(s) under the exit plan.

- (3) The form under clause (2) above shall be submitted to the stock exchange(s) for execution of transfer or sale of his securities from his BO account to the B.O. account as maintained by the stock exchange(s) under clause (1) above for consideration of securities as transferred/brought under the exist plan.
- (4) All transactions made in the BO account maintained under clause(1) above shall be outside the trading system of the stock exchange(as) and considered outside the purview of the compliance of substantial acquisition process.
- (5) Upon receiving the acceptance of offer letter as well as duly filled up and signed transfer/sale request form under clause (2) above, all the securities and submitted for surrender or transfer by the securities holders in acceptance of the offer under the exit plan shall be deposited or transferred or transmitted in demat form to the BO Account as maintained by the stock exchange(s) under clause (1) above:

Provided that total fees for dematerialization/re-materialization of securities under the exist plan shall not be charged by CDBL exceeding Tk.25,000.

- (6) The stock exchange(s) shall settle the consideration or amount payable to the respective securities holders in cash from the escrow bank account mentioned as per the direction No.11 for making full and final payment of the securities surrendered or transferred under the exit plan as well as the compliance with the provisions of the clearing and settlement regulations.



- (7) The stock exchange(s) shall provide all relevant data and information to the CDBL for the purpose of clearing and settlement of such securities.
- (8) Upon completion of all process of clearing and settlement of related securities and money, all securities as surrendered or transferred or sold by the securities holders under the exit plan that are held in the BO account maintained with the stock exchange(s) shall be transferred or transmitted to the suspense BO account of the applicant outside the trading the trading system of the stock exchange(s) for the purpose of distribution of securities among "Offeror" and "Concert Party" as per their consideration or contribution:

Provided that transfer/distribution of the securities from the suspense BO account of the applicant to the individual BO account of the Offeror and Concert Party shall be outside of the trading system of the stock exchange.

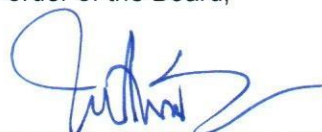
- (9) For the aforesaid purpose, the Issuer Company or the applicant shall open and maintain a suspense BO account with the CDBL.

Procedure of disposing of holding who did not accept the Offer:

- (1) The securities holders who have not accepted the offer under the exit plan shall have right to dispose off their securities held at their B.O. Account or paper securities at hand outside the trading system of the stock exchange(s) at the offer price by surrendering their securities in dematerialized format or paper format to the stock exchange(s) within next one year of final declaration of completion of the exist plan, with an intimation to the applicant or the Offeror and/Concert Party.
- (2) The Stock Exchange (s) shall make payment to the respective securities holder following the settlement requirements of the direction No.12.
- (3) After 2(two) years of running of escrow bank account from the date of issuance of the offer letter, the escrow account shall be closed.
- (4) If any balance left in the escrow bank account, the balance shall be transferred to the Investors' Protection and Market Stabilization Fund at the time of closure of escrow bank account.

If any complicacy arises in execution of the exit plan, the Commission may relax or exempt from the compliances or allow additional time for execution of the exit plan on considering the cause(s) explained in the applicant that duly made by the applicant or the stock exchange(s).

By order of the Board,



(MOHAMMAD ASAD ULLAH, FCS)
Executive Director & Company Secretary

Dated: February 16, 2022

Notes:

- (1) The record date to be **September 08, 2020** i.e. **trade of shares suspended date by the BSEC's Directive No.BSEC/SMRIC/174-2020/52 dated 07.09.2020**. The Shareholders whose names appeared in the Share Register of the Company or in the Depository Register on that date will be entitled to attend at the Extra-Ordinary General Meeting.
- (2) A member entitled to attend and vote at the Extra-Ordinary General Meeting may appoint a Proxy to attend and vote in his/her stead. The Proxy Form, duly stamped, must be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for the meeting.
- (3) The Exit Plan will be sent through e-mail address of the Shareholders and will be available in the Website of the Company at: www.beximcosynthetics.com .
- (4) The Shareholders will join the Virtual EGM through the link <https://bxsynth-egm.bdvirtual.com>. The Shareholders will be able to submit their questions/comments and vote electronically 24 (Twenty-four) hours before commencement of the EGM and also during the EGM. For logging into the system, the Shareholders need to put their 16-digit Beneficial Owner (BO) ID/Folio Number and other credential as proof by visiting the said link.
- (5) We encourage the Shareholders to login into the system prior to the meeting. Please allow ample time to login and establish your connectivity. For any IT related guidance, Shareholders may contact vide email: monir@beximco.net or mazibur@beximco.net .