

Ref: IIL/20-21/-----

March 15, 2021

The General Manager,
Pakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
Karachi

The Director (Enforcement Department),
Securities & Exchange Commission of Pakistan,
7th Floor, NIC Building,
Jinnah Avenue, Blue Area,
Islamabad

Subject: **Material Information**

Dear Sir,

In accordance with the requirements of applicable provisions of the Securities Act, 2015, Listing Regulations of Stock Exchange and other relevant laws, we hereby convey the following information:

We have to inform you that the Board of Directors of the Company in their meeting held today on March 15, 2021 at 11:00 a.m. at Company's registered office 17-Bangalore Town, Main Shahrah-e-Faisal, Karachi has decided the followings:

To invest in the recently incorporated associated/subsidiary company M/s. Ismail Resin (Private) Limited, which have the intention of setting-up a Polyester Resin (PET Resin) Manufacturing Plant with capacity of 108,000 tons per annum keeping in view of growing demand of it. This new manufacturing facility will not only meet the local growing demand of PET Resin in Pakistan but would capture the global market as well. For this purpose, the Board has recommended the passing of following Special Resolutions in accordance with section 199 of the Companies Act, 2017, subject to fulfilment of all requisite legal requirements:

- 1) **"RESOLVED THAT** the Company be and is hereby authorized to make an investment in the form of equity for an amount upto Rs. 1,500,000,000/- (Rupees: One billion five hundred million only) divided into 150,000,000 ordinary shares of Rs. 10/- each in the recently incorporated associated/subsidiary company M/s. Ismail Resin (Private) Limited which have the intention of setting-up a Polyester Resin (PET Resin) Manufacturing Plant, subject to the approval of shareholders of the Company."
- 2) **"FURTHER RESOLVED THAT** the Company be and is hereby approved to issue Cross Corporate Guarantee upto Rs. 4,700,000,000/- (Rupees: Four billion seven hundred million only) for its associated/subsidiary company M/s. Ismail Resin (Private) Limited, subject to the approval of shareholders of the Company."

"FURTHER RESOLVED THAT the Company be and is hereby approved to issue a guarantee (in the form of Sponsors Support Agreement) to the lenders of its associated/subsidiary company M/s. Ismail Resin (Private) Limited for investment in the form of equity or subordinated debts to cover



the cost over-run, or to cover the funding shortfall or any other obligation that may arise under financing documentations / agreements executed with them. Such sponsor obligation shall be for a period of the tenure of the project loan, or such other date as may be prescribed in the Sponsor Support Agreement.

The Board has also decided to issue Cross Corporate Guarantee to the lender of its subsidiary company M/s. Hudson Pharma (Private) Limited which have the intention of setting-up of Pakistan's first vitamins and minerals premix facility at their existing manufacturing facility located at Port Qasim Authority, Karachi. Currently, all premix requirements are imported, and this initiative will result in import substitution providing good savings in terms of foreign exchange. For this purpose, the Board has recommended the passing of following Special Resolution in accordance with section 199 of the Companies Act, 2017, subject to fulfilment of all requisite legal requirements:

- 3) **"RESOLVED THAT** the Company be and is hereby approved to issue Cross Corporate Guarantee up to Rs. 600,000,000/- (Rupees: Six hundred million only) for its subsidiary company M/s. Hudson Pharma (Private) Limited, subject to the approval of shareholders of the Company."

With respect to above Special Resolutions, the Extra Ordinary General Meeting (EOGM) of the Company is scheduled to be held on Monday, April 12, 2021 at 12:00 noon, at Hotel Galaxy, Bushra Hall, 164, B.C.H.S., Shahrah-e-Faisal, Karachi.

The Share Transfer Book of the Company will remain closed from Tuesday April 6, 2021 to Monday April 12, 2021 (both days inclusive). Transfers received at our Share Registrar/Transfer Agent M/s. THK Associates (Private) Limited, 32-C, Jami Commercial Street-2, D.H.A. Phase VII, Karachi at the close of business on Monday April 5, 2021 will be treated in time to determine the right to attend the EOGM.

Regards,

For Ismail Industries Limited



(Ghulam Farooq)
Company Secretary

Encl: As above

**DISCLOSURE FORM
IN TERMS OF THE SECURITIES ACT, 2015**

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| Name of Company | Ismail Industries Limited |
| Date of Report | March 15, 2021 |
| Name of Company as specified in its Memorandum | Ismail Industries Limited |
| Address of Registered Office | 17, Bangalore Town, Main Shahra-e-Faisal, Karachi. |
| Contact Information | Mr. Ghulam Farooq Company Secretary 17, Bangalore Town, Main Shahra-e-Faisal, Karachi. Telephone number : 021-34311172-5 Fax number : 021-34547843 Email address : secretarialcompliance@ismailindustries.com |

Disclosure of inside information by Listed Company in terms of Securities Act, 2015

1. **"RESOLVED THAT** the Company be and is hereby authorized to make an investment in the form of equity for an amount up to Rs. 1,500,000,000/- (Rupees: One billion five hundred million only) divided into 150,000,000 ordinary shares of Rs. 10/- each in the recently incorporated associated/subsidiary company M/s. Ismail Resin (Private) Limited which have the intention of setting-up a Polyester Resin (PET Resin) Manufacturing Plant, subject to the approval of shareholders of the Company."
2. **"FURTHER RESOLVED THAT** the Company be and is hereby approved to issue Cross Corporate Guarantee upto Rs. 4,700,000,000/- (Rupees: Four billion seven hundred million only) for its associated/subsidiary company M/s. Ismail Resin (Private) Limited, subject to the approval of shareholders of the Company."
3. **"FURTHER RESOLVED THAT** the Company be and is hereby approved to issue Cross Corporate Guarantee up to Rs. 600,000,000/- (Rupees: Six hundred million only) for its subsidiary company M/s. Hudson Pharma (Private) Limited, subject to the approval of shareholders of the Company."

The Company has duly caused this form / statement to be signed on its behalf by the undersigned hereunto duly authorized.

March 15, 2021


Ghulam Farooq
Company Secretary