



June 22, 2021

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

**Subject: Declaration of Right Shares**

Dear Sir,

We have to inform you that the Board of Directors of Macter International Limited (the "**Company**"), in their meeting held on June 22, 2021 at 10:00am at Karachi, have decided to increase the paid-up share capital of the Company by issue of a further 6,666,667 (Six Million Six Hundred Sixty Six Thousand Six Hundred Sixty Seven) ordinary shares, having face value of PKR 10/- (Pak Rupees Ten) each, as Right Shares, to be offered to the members in proportion of 17.03 Right Shares for every 100 ordinary shares held i.e. 17.03%, at a price of PKR 165/- (Pak Rupees One Hundred Sixty Five) per Right Share (inclusive of a premium of PKR 155/- (Pak Rupees One Hundred Fifty Five) per Right Share).

The Share Transfer Books of the Company will be closed from July 20, 2021 to July 29, 2021 (both days inclusive) to determine the entitlement of Right Shares.

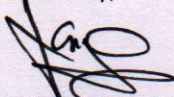
Transfers received at the Company's share registrar F.D. Registrar Services (Pvt) Limited, 17<sup>th</sup> Floor, Saima Trade Tower-A, I. I. Chundrigar Road, Karachi, **Tel:** 021-32271905-6, **Email:** fdregistrar@yahoo.com, at the close of the business on July 19, 2021 will be treated in time for the purpose of entitlement of Right Shares to the transferees.

**Following details are enclosed:**

1. Statement with respect to the details of the Right Issue, including the quantum of issue, issue size, issue price, purpose of issue, utilization of proceeds, benefits of the issue to the Company and its shareholders, risk factors and justification for issue of shares at premium (**Annexure A**).
2. Certified true copy of the Extracts of the Resolutions passed by the Board of Directors of the Company dated June 22, 2021 (**Annexure B**).
3. Draft copy of the notice of the Right Issue and book closure to the Shareholders prior to its publication in the newspapers (**Annexure C**).

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Yours Sincerely,

  
Asif Javed  
Company Secretary



Enclosed: As Above

Copy to:  
The Commissioner  
Corporate Supervision Department  
Securities and Exchange Commission of Pakistan  
Islamabad

The Director  
Surveillance Supervision Enforcement (SMD)  
Securities and Exchange Commission of Pakistan  
Islamabad





**Macter International Limited**

**Statement pertaining to Quantum of Issue, Issue Size, Issue Price, Purpose of Issue, Utilization of Proceeds, Benefits of the Issue to the Company and the shareholders, Risk Factors, and Justification for Issue of Shares at Premium, under Rule 3 of the Companies (Further Issue of Shares) Regulations, 2020.**

**Quantum of the Right Issue (i.e. as a percentage of existing paid-up capital)**

The quantum of the Right Issue is 17.03% of the existing paid-up capital of the Company i.e. 17.03 right shares for every 100 ordinary shares held by the shareholders of the Company.

**Right Issue Size**

The Company shall issue 6,666,667 (Six Million Six Hundred Sixty Six Thousand Six Hundred Sixty Seven) ordinary shares, at a price of PKR 165/- (Pak Rupees One Hundred Sixty Five) per share, aggregating to PKR 1,100,000,055/- (Pak Rupees One Billion One Hundred Million Fifty Five).

**Right Issue Price**

PKR 165/- per share (inclusive of a premium of PKR 155/- (Pak Rupees One Hundred Fifty Five) per share).

**Purpose of the Right Issue**

The purpose of the Right Issue is primarily to reduce reliance on bank borrowings; meet increased working capital requirements, and to finance new launches of medicine and advance therapies to enhance the profitability of the Company and, consequentially, the returns to the shareholders.

**Utilization of Proceeds of the Right Issue**

The proceeds from the Right Issue will be primarily utilized for:

- i. Reducing bank borrowings;
- ii. Meeting increased working capital requirements;
- iii. Paying for Capital Expenditure on plant and machinery; and
- iv. Financing new launches of medicine and advance therapies.

**Benefits to the Company and Shareholders**

The subscription amount from the Right Issue will enhance the Company's ability to smoothly and effectively implement its business plan and to make available the required liquidity in efficiently meeting its working capital requirements. Effective implementation of the business plan is expected to positively impact the profitability of the Company, which in consequence would benefit its shareholders.







#### **Risk Factors associated with the Right Issue, if any**

The substantial shareholder and directors of the Company have confirmed that they shall subscribe to (or arrange the subscription of) their respective right entitlements, while the balance portion of the Right Issue shall be fully underwritten as per requirements under the applicable regulations. Normal risks associated with the business will remain; however, the Company is well placed in the market with proven track record which will help to mitigate such risk factors.

#### **Justification for issue of shares at premium**

The right issue is being carried out at a valuation (which is at a premium to the par value of shares) in view of company's high growth in historical periods, competitive position within the industry as well as current and forecast financial performance of the Company.







## Annexure B

**Extract of the Resolutions passed by the Board of Directors of Macter International Limited (the "Company") at its meeting held on June 22, 2021 through video link at Karachi.**

A meeting of the Board of Directors of the Company was held at 10:00 a.m. on June 22, 2021 through video link at Karachi.

During the meeting, the Board of Directors of the Company discussed and approved the proposed issuance of further share capital by the Company by way of right issue. The Board of Directors of the Company stated that all requirements of the Companies Act, 2017 and the Companies (Further Issue of Shares) Regulations, 2020 have been considered by the Board of Directors of the Company and shall be duly complied by the Company.

For the purposes of the right issue, the management has received confirmations from the substantial shareholder and all the directors of the Company that they will (i) subscribe to the right shares offered to them (or shall arrange for the subscription thereof) and that they shall deposit the amount of their subscription (or ensure that the same is deposited) at least 3 (three) days before the commencement of trading; and (ii) ensure that the balance of the right issue, not being subscribed by the substantial shareholder and directors (or those nominated to subscribe to their entitlement) will be adequately underwritten in accordance with the applicable laws. The substantial shareholder and directors of the Company shall issue the requisite undertakings in such respect.

Accordingly, the following resolutions were passed by the Board of Directors:

**RESOLVED THAT** the ordinary paid up share capital of the Company be increased from PKR 391,443,510/- (Pak Rupees Three Hundred Ninety One Million Four Hundred Forty Three Thousand Five hundred Ten) to PKR 458,110,180/- (Pak Rupees Four Hundred Fifty Eight Million One Hundred Ten Thousand One Hundred Eighty) by issue of further 6,666,667 (Six Million Six Hundred Sixty Six Thousand Six Hundred Sixty Seven) ordinary shares of the Company of PKR 10/- (Pak Rupees Ten) each, to be offered to the shareholders of the Company in proportion to the number of shares held by each shareholder (i.e. as right shares) in accordance with the provisions of Section 83 of the Companies Act, 2017 and all applicable laws, at a price of PKR 165/- (Pak Rupees One Hundred Sixty Five) per share (i.e. inclusive of a premium of PKR 155/- (Pak Rupees One Hundred Fifty Five) per share), in the ratio of approximately 17.03 right shares for every 100 existing ordinary shares of PKR 10/- (Pak Rupees Ten) each held (i.e. 17.03%), against payment to the Company of the price of the shares subscribed, which shares shall rank *pari passu* in all respects with the existing ordinary shares of the Company (the "Right Issue").

**FURTHER RESOLVED THAT** the following are the quantum, size, price and purpose of the Right Issue, along with the utilization of proceeds, benefits of the same to the Company and its shareholders, the risk factors associated with the Right Issue, and the justification for the issue of shares at a premium in accordance with Regulation 3(1)(iii) of the Companies (Further Issue of Shares) Regulations, 2020:







#### **Quantum of the Right Issue (i.e. as a percentage of existing paid up capital)**

The quantum of the Right Issue is 17.03% of the existing paid up capital of the Company i.e. approximately 17.03 right shares for every 100 ordinary shares held by the shareholders of the Company.

#### **Right Issue Size**

The Company shall issue 6,666,667 (Six Million Six Hundred Sixty Six Thousand Six Hundred Sixty Seven) ordinary shares, at a price of PKR 165/- (Pak Rupees One Hundred Sixty Five) per share, aggregating to approximately PKR 1,100,000,055/- (Pak Rupees One Billion One Hundred Million Fifty Five).

#### **Right Issue Price**

PKR 165/- (Pak Rupees One Hundred Sixty Five) per share (i.e. inclusive of a premium of PKR 155/- (Pak Rupees One Hundred Fifty Five) per share).

#### **Purpose of the Right Issue**

The purpose of the Right Issue is primarily to reduce reliance on bank borrowings; meet increased working capital requirements, and to finance new launches of medicine and advance therapies to enhance the profitability of the Company and, consequentially, the returns to the shareholders.

#### **Utilization of Proceeds of the Right Issue**

The proceeds from the Right Issue will be primarily utilized for:

- i. Reducing bank borrowings;
- ii. Meeting increased working capital requirements;
- iii. Paying for Capital Expenditure on plant and machinery; and
- iv. Financing new launches of medicine and advance therapies.

#### **Benefits to the Company and its Shareholders**

The subscription amount from the Right Issue will enhance the Company's ability to smoothly and effectively implement its business plan and to make available the liquidity required for efficiently meeting its working capital requirements. Effective implementation of the business plan is expected to positively impact the profitability of the Company, which in consequence would benefit its shareholders.

#### **Risk Factors associated with the Right Issue, if any**

The substantial shareholder and directors of the Company have confirmed that they shall subscribe to (or arrange the subscription of) their respective right entitlements, while the balance portion of the Right Issue shall be fully underwritten as per requirements under the applicable regulations. Normal risks associated with the business will remain; however, the Company is well placed in the market with proven track record which will help to mitigate such risk factors.







#### **Justification for issue of shares at premium**

The right issue is being carried out at a valuation (which is at a premium to the par value of shares) in view of company's high growth in historical periods, competitive position within the industry as well as current and forecast financial performance of the Company.

**FURTHER RESOLVED THAT** the letter of offer, as prescribed under Section 83(2) of the Companies Act, 2017, shall be issued / signed by any 2 directors of the Company in compliance with the applicable laws.

**FURTHER RESOLVED THAT** all fractional entitlements, if any, will be consolidated in the name of the Company Secretary and unpaid letters of right in respect thereof shall be sold on the Pakistan Stock Exchange Limited, the net proceeds from which sale, once realized, shall be distributed / paid to the entitled shareholders in accordance with their respective entitlements, as per the applicable regulations.

**FURTHER RESOLVED THAT** that any unsubscribed shares may be offered and allotted to such persons as the directors may deem fit in accordance with Section 83(1)(a)(iv) of the Companies Act, 2017, including the sponsors / substantial shareholders, directors or associated undertakings of the Company or any third party, before calling upon the underwriters to subscribe to any unsubscribed shares.

**FURTHER RESOLVED THAT** the Company be and is hereby authorized to close its share transfer books from July 20, 2021 to July 29, 2021 (both days inclusive) to determine entitlements of the shareholders of the Company with respect to the Right Issue.

**FURTHER RESOLVED THAT** the Chief Executive Officer, Chief Financial Officer and / or the Company Secretary be and are hereby severally authorized to do the following on behalf of the Company:

- (i) Appoint / negotiate with consultants / advisors / auditors and underwriter(s) to the Right Issue, to finalize terms and conditions and sign underwriting agreements(s), other documents and settle / finalize fees, underwriting commission, take up commission and third party expenses and / or any other expenses relating to the Right Issue;
- (ii) To prepare the schedule for issue of right shares including date of payment, and to make any amendment in the said schedule, appointment of banker(s) to the issue, announce book closure dates, and to take all necessary actions, in respect of the Right Issue and ancillary matters thereto, as required by the Securities and Exchange Commission of Pakistan ("SECP") / Pakistan Stock Exchange Limited ("PSX") / Central Depository Company of Pakistan Limited ("CDC") (including, but not limited to, induction of the offer for right shares in the Central Depository System of the CDC) or any other authority;
- (iii) To open, maintain, operate and close bank accounts for the purpose of amounts received from subscription of shares;







- (iv) To allot / credit right shares and file returns / documents as required by SECP / PSX / CDC along with the auditors' certificates; and
- (v) To take all other necessary steps, and do all other acts, deeds and things, to prepare the offer letter, circular and schedule for issue of right shares and any other documents and to make any amendment in the said documents and schedule and to take all necessary action as may be required in this regard including execution of any documents and agreements or any ancillary or incidental actions to give effect to the above resolutions.

**Certified that the above mentioned is a true and valid extract from the meeting of the Board of Directors of Macter International Limited held through video link at Karachi on June 22, 2021.**

**Asif Javed**  
**Company Secretary**



**Dated: June 22, 2021**





Annexure C

## NOTICE OF RIGHT ISSUE AND BOOK CLOSURE

Members are hereby notified that the Board of Directors of Macter International Limited (the "Company") in their meeting held on June 22, 2021 has decided to issue further capital by offering 6,666,667 ordinary right shares of PKR 10/- (Pak Rupees Ten) at a price of PKR 165/- (Pak Rupees One Hundred Sixty Five) per share (inclusive of a premium of PKR 155/- (Pak Rupees One Hundred Fifty Five) per share), in the ratio of approximately 17.03 right shares for every 100 existing ordinary share of PKR 10/- each (i.e. 17.03%), against payment to the Company of the price of the shares subscribed by the shareholders, which shares shall rank *pari passu* in all respects with the existing ordinary shares of the Company.

The Share Transfer Books of the Company will remain closed from July 20, 2021 to July 29, 2021 (both days inclusive) to determine the entitlements of the shareholders of the Company. Physical transfers / CDS Transaction IDs received at the Company's share registrar F.D. Registrar Services (Pvt) Limited, 17<sup>th</sup> Floor, Saima Trade Tower-A, I. I. Chundrigar Road, Karachi, Tel: 021-32271905-6, Email: fdregistrar@yahoo.com, by the close of business (5:00 pm) on July 19, 2021, will be considered in time for entitlement of right shares.

Asif Javed  
Company Secretary



June 22, 2021