

July 07, 2022

**Executive Director**

Public Offering & Regulated Persons Department  
Securities Market Division  
Securities & Exchange Commission of Pakistan  
NIC Building, Jinnah Avenue  
Blue Area, Islamabad

**General Manager**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

**Company Secretary**

Lotte Chemical Pakistan Limited  
EZ/1/P 4, Eastern Industrial Zone, Port Qasim  
Karachi

Subject: Public Announcement of Intention by Novatex Limited (the "Acquirer") to acquire 75.01% shares of Lotte Chemical Pakistan Limited

Dear Sirs,

We, Arif Habib Limited, have been appointed as the Manager to the Offer by Novatex Limited (hereinafter referred to as the "**Acquirer**"), in accordance with the provision of the Securities Act 2015 and the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017.

On behalf of the Acquirer, we are pleased to submit a Public Announcement of Intention to acquire 75.01% shares of Lotte Chemical Pakistan Limited (the "**Target Company**") ("**Transaction**") by Novatex Limited.

The Public Announcement of Intention shall be published in one English and one Urdu language newspaper on July 13, 2022.

Please find enclosed a copy of the Public Announcement of Intention for your perusal. You may contact the undersigned for any additional information or clarification.

For and on behalf of **Arif Habib Limited** (Manager to the Offer)

  
**Muhammad Mehdi**

Analyst, Investment Banking

  
**Muhammad Ali Raza**

Senior Associate, Investment Banking





LIMITED



**REGISTERED OFFICE:**

Room No. 50, 2nd Floor,  
Ahmed Complex, Jinnah Road,  
Quetta, Balochistan, Pakistan.  
Office : 081-2849396  
Fax : 081-2825304  
E-mail : headoffice@novatex.com  
Website : www.gatronova.com

**PLANT**

117-83, Off. Railway Siding  
Export Processing Zone Road,  
Near Wheat Godown, Landhi,  
Karachi-75160, Pakistan.  
Phones : (021) 35017484-5  
(021) 35018547  
Fax : (021) 35017750

**Public Announcement of Intention to acquire 75.01% shares (1,135,860,105 shares) and control of Lotte Chemical Pakistan Limited ("Target")**

By

**Novatex Limited ("Acquirer")**

**under Securities Act, 2015**

**Admonishment:** Please note that the public announcement of intention to acquire voting shares/control of Lotte Chemical Pakistan Limited is subject to obtaining the requisite regulatory approvals. The public announcement of intention may be withdrawn, if requisite approvals are not granted by the concerned regulatory authority(ies)

**Part A**

**Brief description of the intended acquisition**

Intended acquisition through	Number of shares	Percentage
Agreement(s)	1,135,860,105 shares	A non-binding offer for 75.01% of the paid-up share capital of the Target Company is being submitted.
Public offer	120,907,802 shares	Tender offer for 7.98% of the paid-up share capital of the Target Company shall be made subject to signing of a share purchase agreement for 75.01% shares of the Target Company.

**Part B**

**1) Information about the Acquirer(s)**

**(a) Name(s) and address(s) of Acquirer(s) along with persons acting in concert, if any.**





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**Acquirer**

Name	Address
NOVATEX LIMITED	Ground Floor, G&T Tower, #18 Beaumont Road, Civil Lines-10, Karachi

**Persons acting in concert**

N/A

**(b) Name(s) of ultimate Acquirer(s) or the ultimate controlling shareholder**

NOVATEX LIMITED

**(c) Name(s) and address(s) of manager to the offer of the Acquirer(s)**

Name	Arif Habib Limited
Address	2/F, Arif Habib Centre, 23, M.T. Khan Road, Karachi

**(d) Principal areas of business of the Acquirer(s) and relevant experience**

The Company was incorporated as a Public Limited Company (unlisted) on January 14, 1991. The principal business of the Company is to manufacture and sell PET Resin and other types of Resin, PET Preforms and BOPET film. PTA is a key feed stock of our product. The registered office of the Company is situated at Room No.50, 2nd Floor, Ahmed Complex, Jinnah Road, Quetta, whereas the manufacturing facility of the Company is situated at Plot No.117-83, 57 & 151 Off. Railway Siding, Export Processing Zone Road, Near Wheat Godown, Landhi, Karachi and Liaison office of the Company is situated at Ground Floor, G&T Tower, # 18 Beaumont Road, Civil Lines-10, Karachi.

**(e) In case the Acquirer(s) is a company(s):**

**(i) Name of Chief Executive and Directors of the Company:**

S.#	Name	Designation
1	Abdul Razak Diwan	Chief Executive
2	Pir Muhammad Diwan	Director





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S.#	Name	Designation
3	Muhammad Iqbal Bilwani	Director
4	Muhammad Salim Bilwani	Director
5	Shabbir Diwan	Director
6	Rizwan Diwan	Director
7	Muhammad Arif Bilwani	Director
8	Saqib Haroon Bilwani	Director
9	Muhammad Altaf Bilwani	Director
10	Fahim Zakaria Bilwani	Director

**(ii) Names of substantial shareholders of the Company:**

S.#	Name	Designation	Shareholding %
1	Mr. Shabbir Diwan	Director	12.53%
2	Mr. Rizwan Diwan	Director	16.58%
3	Mr. Saqib Haroon Bilwani	Director	10.66%

**(iii) Date of incorporation:**

January 14, 1991

**(iv) Jurisdiction of incorporation:**

Quetta, Balochistan - Pakistan

**(v) Authorized and Paid up capital:**

Authorized capital	Shares	PKR
2,900,000,000	290,000,000	10

Paid-up capital	Shares	PKR
1,539,481,000	153,948,060	10



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**(f) Detail of companies, where the intended Acquirer(s) hold more than thirty percent voting shares**

<b>Name of the Company</b>	<b>Nature (Listed/Unlisted/Private)</b>	<b>Description held control/more than thirty percent shares or both</b>
KN Resources (Pvt) Limited	Private	100%
Nova Powergen Limited	Public Unlisted	100%
Novatex Power (Pvt) Limited	Private	100%
Krystopac Energy (Pvt) Limited	Private	100%
G&T Tyres (Pvt) Limited	Private	100%
NRG Energy Limited	Public Unlisted	100%
Nova Mobility (Pvt) Limited	Private	100%
Krystosoft (Pvt) Limited	Private	100%
G-pac Corporation USA	C- Corporation (unlisted)	100%
Pharmnova (Pvt) Limited	Private	100%
Nova Point Developments (Pvt) Limited	Private	100%
Alpharetta (FZE)	Free Zone Establishment with limited liability	100% owned by KN Resources (Pvt) Limited, which is wholly owned subsidiary of the Acquirer

**(g) Information about ultimate beneficial owner of the intended Acquirer(s)**

N/A

**(h) Details of any existing holding of voting rights in the Target company:**







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136,531,500 shares constituting 9.02% (approximately) of the issued and paid-up capital of the Target Company.

**(i) All conditions (including normal conditions relating to acceptance, listing and increase of capital) to which the public offer or the posting of its subject:**

Public Offer is subject to all the applicable regulatory approvals including but not limited to approvals from Securities and Exchange Commission of Pakistan and Competition Commission of Pakistan. In addition, the Public Offer is subject to signing of share purchase agreement for 75.01% shares of the Target Company and all the corporate approvals of the Target and the Acquirer.

**Part C**

**2) Information about the Target company**

**a) Name of the Target company, its directors and major shareholders.**

**Name:**

Lotte Chemical Pakistan Limited

**Directors**

Name	Designation
Sang Hyeon Lee	Chairman
Young Dae Kim	Chief Executive Officer
Tariq Nazir Virk	Executive Director
IL Kyu Kim	Non-Executive Director
Jae Sun Park	Non-Executive Director
Pervaiz Akhtar	Independent Director
Adnan Afridi	Independent Director
Mohammad Zubair	Independent Director

**Major shareholders (as of December 31, 2020):**



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Shareholder	Shares Held	Percentage of Paid-up Capital
Lotte Chemical Corporation	1,135,860,105	75.01%

**b) Total number of issued shares of the Target:**

1,514,207,208 Ordinary Share of PKR 10/- each.

**c) Date of listing and offer price at the time of initial public offering**

Date of IPO: September, 2001

Offer Price: Not Available

**d) Opening price at securities exchange at time of listing**

Not Available

**e) Share price quoted on the securities exchange one day before the public announcement of intention**

PKR 25.23 per share

**f) The weighted average share price as quoted on the securities exchange during four weeks preceding the date of public announcement of intention**

PKR 24.49 per share

**g) Financial position/performance of the company for the last five years, including profit/loss after tax, earning per share, payouts:**

Amount in PKR millions	2017	2018	2019	2020	2021	3M 2022
Revenue	37,034	57,400	60,540	38,965	67,165	20,332
Cost of Sales	35,837	50,019	52,509	36,323	59,584	16,322
Profit before tax	895	6,346	7,523	2,999	6,499	3,669
Profit after tax	412	4,431	5,360	2,125	4,643	2,615
EPS (PKR/share)	0.27	2.93	3.54	1.40	3.07	1.73





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Amount in PKR millions	2017	2018	2019	2020	2021	3M 2022
DPS (PKR/share)	0.20	1.50	1.50	0.75	1.50	-

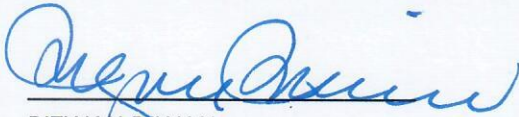
Any questions in regard to this announcement can be directed to:

Manager to the Offer:

<b>Name</b>	Arif Habib Limited
<b>Address</b>	2/F, Arif Habib Centre, 23, M.T. Khan Road, Karachi

Best Regards,

For and on behalf of **Novatex Limited**

  
RIZWAN DIWAN  
DIRECTOR