

October 31, 2022

The General Manager.

Pakistan Stock Exchange Limited.
Stock Exchange Building,
Stock Exchange Road,
Karachi.

Subject: Financial results for the 1st Quarter ended 30 September 2022 and announcement of Right Issue of MetaTech Health Limited – Perpetual and Convertible Sukuk

Dear Sir,

We are pleased to inform you that Board of Directors of the MetaTech Health Limited or the Company (formerly Hashimi Can Company Limited) in their meeting held on Monday, October 31, 2022 at 09:00 am at Corporate Office of the Company, recommended the following: -

Financial Results:

- | | | |
|--|---|--|
| a. Cash Dividend | - | Nil |
| b. Bonus Shares | - | Nil |
| c. Right Sukuk | - | 550% Right Issue in the form of MetaTech Health Limited – Perpetual & Convertible Sukuk |
| d. Any other Entitlement/ Corporate Action | | As per Annexure - 2 |
| e. Any other Price-Sensitive Information | | As per Annexure - 2 |

The unaudited financial results of the company for the 1st quarter ended 30 September 2022 are as per attachment (Annexure-1). The Quarter Report of the Company for the period ended 30th September 2022 will be transmitted through PUCARS separately, within specified time.

Yours truly,


Muhammad Usman
Company Secretary



Cc:

- a) The Executive Director,
Corporate Supervision Department
Securities and Exchange Commission of Pakistan,
Islamabad
- b) The Director
Surveillance Supervision Enforcement (SMD)
Securities and Exchange Commission of Pakistan,
Islamabad
- c) The Executive Director,

Corporate Supervision Department
Securities and Exchange Commission of Pakistan,
Islamabad

d) Chief Operating Officer
Central Depository Company of Pakistan Limited
Karachi

e) Chief Operating Officer
National Clearing Company of Pakistan Limited
Karachi.



METATECH HEALTH LIMITED
(FORMERLY HASHIMI CAN COMPANY LIMITED)
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE PERIOD ENDED SEPTEMBER 30, 2022

	Note	Un-Audited 30-Sep-22 Rupees	Un-Audited 30-Sep-21 Rupees
Sales		4,277,975	-
Less: Cost of sales		(1,648,000)	-
Gross profit / (loss)		2,629,975	-
Administrative and selling expenses	13	3,552,290	903,265
		3,552,290	
Operating (loss)		(922,315)	(903,265)
Other income		1,491,677	-
Financial charges		-	-
Net profit / (loss) before taxation		569,362	(903,265)
Taxation		(64,170)	-
Net profit / (loss) after taxation		505,192	(903,265)
Earning / (Loss) per share - Basic		0.07	(0.55)

CHIEF EXECUTIVE

**CHIEF FINANCIAL
OFFICER**

DIRECTOR

ANNEXURE- 2

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, under the Issuance of Convertible Debt Securities through Right Offer Regulations, 2022.

Type of Security to be Issued

MetaTech Health Limited – Perpetual and Convertible Sukuk (“the Sukuk”) is being offered to the existing shareholders by way of Right under relevant rules and regulations.

Resolutions passed by the Shareholders in their annual general meeting held on October 15, 2022 along with the terms and conditions of the Sukuk Issue are annexed with the Statement. Also, certain decisions are taken by the Board of Directors in their meeting held on October 31, 2022 are incorporated in the Annexure-A

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

The quantum of the Right Issue is approximately **550%** of the existing paid up capital of the Company i.e. approximately **550** right Sukuk for every **100** ordinary shares held by the shareholders of the Company.

b. Right Issue Size

The Company shall issue **40,878,338** Sukuk, at a price of PKRs. 10/- per Sukuk, aggregating to PKRs. **408,783,380/-**

c. Right Issue Price

PKRs. 10/- per Sukuk i.e. at par value

d. Purpose of the Issue

The purpose of the Issue:

- Development and operation of **Ensmile Studios** across the Country including working capital requirement;
- Equity Investment in **Ensmile (Private) Limited** up to Rs. 300.00 million (as per “Revival Business Plan”)
- Repayment of issue expenses, trade and other liabilities;

e. Utilization of Proceeds of the Right issue and Benefits to the Company and its Shareholders

The funds generated from the further issue of capital will be utilized in the Healthcare business directly and indirectly (through equity investment).

META is targeting to reposition itself in the “HealthCare Technology Business” that includes but not limited to technology devices, medical care, diagnostics, pharmacies and pharmaceuticals. In the first phase, HACC is going to invest in Ensmile (Private) Limited (the “Ensmile”), a company that deals in invisible dental aligners that are:

- Invisible
- Removable
- No change in diet and lifestyle
- Easy to maintain
- Smooth and comfortable
- Shorter Appointment
- Very few visits only required
- Results can be visualized before starting the treatment

Ensmile is coined on technological innovation based on 3-D printing and resultant braces are convenient, affordable, precise and fast. Ensmile is already exporting almost 100% of its production to some global markets. An investment in Ensmile shall enable META to earn returns based on foreign exchange. Target market of Ensmile is export market that includes but not limited to Germany, Portugal, UK, Singapore, UAE, Turkey etc. It is fast growing coming with potential of exponential growth.

META is to make equity investment of Rs. 300.00 million for 1/3rd (33.33%) stake in **Ensmile** with the right to appoint 03 directors (or 40% directors on Board whichever is higher) and jointly control and run the Accounts, Finance and Corporate Departments of the Company in order to exercise effective financial and administrative controls. Ensmile will focus on export business (and development of export market) whereas META will handle local business of Ensmile through development of Ensmile Dental Studios all across Pakistan and shall be responsible for sales and marketing.

f. Risk Factors associated with the Right issue

1. Dentures/aligners comes under latest health-care technology that require registration with multiple agencies to be eligible for export which may take time. The Company already has sufficient approvals, and is awaiting FDA registration for export to USA, which may take time.
2. Increased competition from domestic and regional players may not result in sufficient business growth for the company.
3. Risk of under-subscription of the right issue. The Company has made the underwriting arrangements to mitigate the risk of under-subscription.
4. Part IX (Takeovers) of the Securities Act, 2015 and the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017 apply.
5. Such type of Sukuk with the concept of “**Twin Custody Receipt**” is being offered first time in Pakistan. Thus, various it may be time consuming to get all the relevant approvals and clearance from SECP, CDC, PSX and NCCPL though legal framework of corporate laws of the Country allows such type of financial products/securities.

Projected Financial Statements

Disclaimer:

The success of any investment depends on many factors some of which may be under the control of the management, but many of which rely on the markets and general business environment. The management of the Modaraba has made these projections on the best estimate basis. However, actual results and outcome may be different due to changed market and business environment and factors beyond the control and anticipation of the management.

0

Statement of Financial Position						
As on June 30, ---						
	Year -0	Year -1	Year -2	Year -3	Year -4	
	Rs.	Rs.	Rs.	Rs.	Rs.	
Cash & Bank Balances	13,823,320	40,504,667	56,357,157	59,178,749	214,687,537	
Investment in Associates	300,000,000	350,944,699	484,123,627	616,827,578	1,172,556,483	
Long Term Investments	120,000,000	120,000,000	120,000,000	120,000,000	120,000,000	
Local Project Investment	61,600,000	80,080,000	104,720,000	135,520,000	172,480,000	
Advances, Prepayments and Advances	36,110,466					
	531,533,786	591,529,366	765,200,784	931,526,328	1,679,724,020	
Share Capital	74,324,250	74,324,250	74,324,250	74,324,250	74,324,250	
Redeemable Capital - Sukuk	408,783,380	408,783,380	408,783,380	408,783,380	408,783,380	
Retained Earnings	(13,173,844)	46,821,736	220,493,154	448,418,698	1,196,616,390	
Bank Borrowings	61,600,000	61,600,000	61,600,000			
	531,533,786	591,529,366	765,200,784	931,526,328	1,679,724,020	

Profit & Loss Account						
for the Period Ending on June 30, ----						
	Year -1	Year -2	Year -3	Year -4		
	Rs.	Rs.	Rs.	Rs.		
Operating Income	5,308,546	11,011,531	18,169,026	31,009,913		
Dividend Income	50,944,698	133,178,928	284,117,041	555,728,905		
Interest Income	2,073,498	6,075,700	8,453,574	8,876,812		
Share of Associate's Profit	50,944,699	133,178,928	132,703,951	555,728,905		
Long Term Investment	9,473,684	10,421,053	11,463,158	12,609,474		
Taxation	(9,062,757)	(21,539,997)	(44,337,030)	(85,250,757)		
Other Expenses	(36,110,466)	(37,915,989)	(39,811,789)	(41,802,378)		
	73,571,902	234,410,153	370,757,932	1,036,900,874		
EPS	9.90	31.54	49.88	139.51		

Local Operations		Year -1	Year -2	Year -3	Year -4
Sales Revenue		198,000,000	332,640,000	548,856,000	936,757,800
Material Cost		(52,800,000)	(88,704,000)	(146,361,600)	(249,802,080)
		145,200,000	243,936,000	402,494,400	686,955,720
Salaries and Wages		19,800,000	27,720,000	35,640,000	45,540,000
Rental		13,200,000	18,480,000	23,760,000	30,360,000
Utilities		6,600,000	9,240,000	11,880,000	15,180,000
Other Expenses		13,200,000	18,480,000	23,760,000	30,360,000
General / Head Office Staff		10,500,000	13,125,000	16,406,250	20,507,813
Financial Cost		12,320,000	16,016,000	20,944,000	27,104,000
Advertisement		19,800,000	33,264,000	54,885,600	93,675,780
Return on Sukuk		40,878,338	90,405,483	186,829,447	375,775,138
WPPF / WWF		623,116	1,204,386	1,987,237	3,391,709
Taxation		2,970,000	4,989,600	8,232,840	14,051,367
		139,891,454	232,924,469	384,325,374	655,945,807
Net Profit		5,308,546	11,011,531	18,169,026	31,009,913

		Year -1	Year -2	Year -3	Year -4
Return on Shares and Sukuk		40,878,338	90,405,483	186,829,447	375,775,138
No. of Sukuk	5.50	40,878,338	40,878,338	40,878,338	40,878,338
Profit per Sukuk		1.00	2.21	4.57	9.19
Dividend		13,576,322	60,738,735	142,832,388	288,703,182
No. of Shares	1.00	7,432,425	7,432,425	7,432,425	7,432,425
Dividend per Share		1.83	8.17	19.22	38.84
Return Twin Custodian Receipt (TCR)					
No. of TCR		48,310,763	48,310,763	48,310,763	48,310,763
Prorata Entitlement		54,454,660	151,144,218	329,661,835	664,478,320
Dividend per TCR		0.28	1.26	2.96	5.98
Profit Per TCR		0.85	1.87	3.87	7.78

Notice of Book Closure

- Notice of Book Closures and entitlement date shall be announced separately once the following corporate formalities are fulfilled;
 - Concept approval related to **“Twin Custody Receipt”** from PSX, CDC and NCCPL;
 - Approval of Conversion of Sukuk into Ordinary Shares under Section 83(1)(b) of the Companies Act, 2017;
 - Credit Rating, appointment of Trustees, Investment Agents, Shari’ah compliance etc.
- Within 10 days after the board resolution; **letter of offer** containing minimum information as specified in **Schedule-I** under the Issuance of Convertible Debt Securities through Right Offer Regulations, 2022 shall be placed on SECP’s website for 5 working day for public comments and comments of SECP.

3. Right Schedule along with letter of offer shall be disseminated once the entitlement dates and book closures dates are determined. Right Procedures related to shares of PSX shall be followed.
4. Right issue will be made to the existing shareholders under the Issuance of Convertible Debt Securities through Right Offer Regulations, 2022 through “letter of offer” which will be tradeable and transferable on PSX as per the trading schedule to be announced after the book closure announcement.
5. Shares and Sukuk of the Company shall be deposited/handed-over (on effective date to be decided by the Board of Directors of the Company). Effective date shall be announced by the Company with the trading schedule of letter of offer.
6. This Right Issue consist of two independent parts. One is the issuance of Sukuk by way of Right to the existing shareholders and other part is bundling of securities (shares and Sukuk) through Twin Custody Receipt. Both parts are independent and part one can be construed independently, if situation arises. Modus operandi of Twin Custody Receipt (TCR) is being formulated and can be modified, altered, fine-tuned (along with the letter of offer) according to the deliberations amongst stake-holders including PSX, CDC, NCCPL, SECP.

Special Resolutions passed by the Shareholders in their AGM held on October 15, 2022

“Resolved that the approval of the shareholders, be and is hereby granted to issue **“MetaTech Health Limited – Perpetual and Convertible Sukuk (‘the Sukuk’)”** on the terms and conditions as set out in the **Annexure-A**, which includes, inter-alia, the following:

1. The Issue to be made to the existing shareholders of the Company.
2. Amount and timings of the Issue to be decided by the Board of Directors of the Company;
3. The amount of the Issue shall not exceed **Rs. 500.00 million** and it can be issued in tranches or in full.
4. Conversion of the Sukuk into Ordinary shares shall be One Sukuk into One Ordinary Share of the Company as per terms and conditions set-out in Annexure-A and Annexure-B.
5. Shares and Sukuk of the Company shall be deposited/handed-over (on effective date to be decided by the Board of Directors of the Company) with the Trustee and Trustee shall issue the **Twin Custody Receipt (TCR)**.
6. Each Twin Custody Receipt shall represent the basket of number of shares and number of Sukuk issued (**“the ratio of entitlement”**). The Twin Custody Receipt, so created by the Trustee shall be deposited with CDC to make it as an “eligible security” and to be traded under the symbol of **METACR** on Pakistan Stock Exchange Limited (PSX). METACAR shall become the sole trading scrip and shares (under trading symbol of META) and the Sukuk of the Company shall not be traded separately on PSX after the effective date. This ratio of entitlement (of share and the Sukuk) if changed by the Trustee of METACR shall be communicated to PSX.
7. The Sukuk and the Shares of the Company through the Twin Custody Receipt will represent the ratio of entitlement and accordingly the entitlements, rights, privileges and obligations to the individual investors/Shareholders / Sukukholders shall be adjusted as described in the Annexure-B (Mechanism).The trading will be done through METACR which will be tradeable security in terms of the Securities Act, 2015 and same underlying entitlements shall be transferred to the holder of the Twin Custody Receipts as per the ratio of entitlement.
8. The conversion ratio and other terms and conditions of the Issue will not be changed unless directed by the Securities and Exchange Commission of Pakistan (and accepted by the Company). The Board of the Directors of the Company will have the power to accept the changes/alterations and no further approval shall be required from the shareholders of the Company.

RESOLVED FURTHER THAT the **Redeemable Capital** shall be under the control of the Board of Directors who may allot, forfeit, surrender, rectify or otherwise dispose of the same to such persons, firms, corporation or corporations on such terms and conditions and at any such time as may be thought fit, subject to and in accordance with the provisions of the Companies Act, 2017.

RESOLVED FURTHER THAT the approval be and is hereby accorded to authorize the Chief Executive and Company Secretary of the Company (jointly) to appoint the Trustee, Investment Agent, Shari’ah Advisors, Shari’ah Auditors, Credit Rating Agencies, Share Registrar, and any other advisors and officers necessary and expedient to the Issue of the Sukuk.

RESOLVED FURTHER THAT the approval be and is hereby accorded to authorize the Chief Executive and Company Secretary of the Company (jointly) to appoint the Trustee for the Twin Custody Receipts (TCR) and to determine the underlying securities (including shares, Sukuk and any other securities to be added from time to time) and to take all actions including determination of effective date, handing-over procedures for the underlying securities (including shares and the Sukuk) to the Trustee and to take all actions necessary and expedient to implement the terms and conditions of the Issue.

RESOLVED FURTHER THAT each of the Chief Executive and Company Secretary be and are hereby singly authorized to give effect to the above resolutions and take all necessary steps as required under law or otherwise and to amend, alter the aforementioned resolutions as expedient and required and to sign and execute any applications, documents, letters of authorities etc. for and on behalf of the Company in relation to the foregoing and to further sub-delegate any or all of his powers hereunder and to appoint agents and attorneys of the Company in respect hereof, and without prejudice to the generality of the foregoing, to approach as he may deem fit government authorities, SECP, CDC, and/or other concerned persons, authorities and officers and to take such action as he may consider necessary or expedient with a view to obtaining their consent for the issuance of the **Redeemable Capital** and the **Custody Receipt** and for facilitating the eventual issue of all sanctions, approvals, and permissions that may be required in connection with the **Redeemable Capital** and the **Custody Receipt** and in that connection to do all such acts, deeds and things as they may deem necessary, including without limitation the following:

(a) negotiate the terms of, execute and deliver applications, petitions, agreements, contracts, undertakings or other documents and do all acts, things and deeds as may be required or expedient for the proposed issue of the **Redeemable Capital** and the **Custody Receipt**.

(b) sign, verify and present, and appoint advocates in connection with the applications and petitions aforesaid and all other applications, petitions, affidavits, statements and other papers and documents relating to obtaining approval of the SECP, or any other authority to the aforesaid approval of the **Redeemable Capital** and the **Custody Receipt**, including without limitation, review applications and appeals.”

The Sukuk and the Shares of the Company through the Twin Custody Receipt will represent **the ratio of entitlement** and accordingly the entitlements, rights, privileges and obligations to the individual investors/Shareholders / Sukukholders shall be adjusted as described in the Annexure-B (Mechanism). The trading will be done through **METACR** which will be tradeable security in terms of the Securities Act, 2015 and same underlying entitlements shall be transferred to the holder of the Twin Custody Receipts as per the ratio of entitlement.

Custody receipt will be tradeable security in terms of the Securities Act, 2015 and same underlying entitlements shall be transferred to the holder of the Custody receipt.

Terms and Conditions of the Issue is set out in Annexure – A and Annexure – B which are integral part of the proposed Special resolutions

Detail of the Issue

1 -	Name of Security	MetaTech Health Limited – Perpetual and Convertible Sukuk	
2 -	Security Type and relevant Regularity Provisions	Redeemable Capital - Sukuk 1. Section 66 of the Companies Act, 2017 2. the Issuance of Convertible Debt Securities through Right Offer Regulations, 2022 3. the Structuring of Debt Securities Regulations, 2020 4. Section 87(4)(d)(i) of the Securities Act, 2015 5. Section 83(1)(b) of the Companies Act, 2017 6. All other enabling provisions under the Securities Act, 2015, the Companies Act, 2017 and other laws, rules and regulations	
3 -	Participation in Surplus Assets in case of Liquidation	No participation unless converted into ordinary shares on occurrence of triggering event. On conversion, new ordinary shares issued (on conversion) shall rank pari-passu to the existing ordinary shares	
4 -	Profit (on Debt) is Cumulative or Non-Cumulative	Cumulative only to the extent of Base Rate Non-Cumulative over and above Base Rate unless Profit Rate (over and above the Base rate) is declared by the Board of Directors of the Company. Interim profit can also be declared by the Board of Directors.	
5 -	Redemption	Not Applicable	
6 -	Redemption Rate	Rs. / Certificate	Not Applicable
7 -	Conversion into Ordinary Shares of the Company	Conversion into Ordinary Shares of the Company on occurrence of triggering events	
8 -	Conversion Rate	One Sukuk into One Ordinary Share	
9 -	Call Option in Cash to the Company	Not Applicable	
10 -	Put Option in Cash to the Sukuk-holder	Not Applicable	
11 -	Par/ Nominal Value	Rs. / Certificate	10.00
12 -	Issue Price	Rs. / Certificate	10.00

13 -	Issuance by way of	Issuance to the existing ordinary shareholders of the Company by way of Right in the ratio of 550% i.e. 550 Sukuks for every 100 Ordinary Shares held on the Entitlement Date
14 -	Tenor	Perpetual unless converted into Ordinary Shares on triggering events
15 -	Instrument Rating	Instrument Rating Long Term : Short Term : By ----- Credit Rating Agency (Under Process)
16 -	Security / Charge	Pari-passu floating charge on current (present and future assets). Charge shall be created within 90 days of the issuance of Sukuk
17 -	Voting Rights	Voting rights equivalent to ordinary share i.e. One Sukuk carries voting right equivalent to One Ordinary Share Rights, privileges and obligations is as applicable to the Ordinary Shareholders of the Company
18 -	Profit Rate	As decided by the Board of Directors over and above Base Rate (per Sukuk) without any priority on existing Ordinary Shares of the Company
19 -	Base Rate	Rs. 1.00 per Sukuk per annum to be paid to the Sukukholders latest by end of every December 31 st of each year.
20 -	Right to Bonus to the Sukukholders	Not Applicable No Bonus entitlement (in the form of Sukuk or Shares) to the Sukuk-holders
21 -	Any Other Right(s)	1. No right to the Right Issue (in the form of Shares or Sukuk) 2. No Right to Specie Dividend (in any form) 3. No Right to Dividend (declared and paid to the Ordinary Shareholders)
22 -	Listing	Technically listed on PSX but trading shall be made through Twin Custody Receipt (TCR) Twin Custody Receipt (TCR) shall be listed on PSX
23 -	Shari'ah Compliance	Shari'ah Compliant (Under Process)
24 -	Issue Size	Rs. Rs. 408,783,380
25 -	Issue Size	Nos. 40,878,338
26 -	Ranking/Priority	Priority over any other form of shares but subordinate to any other secured loan (including loans secured by way of floating charge)

27 - Triggering Event	<p>1 – if the winding up (either compulsory or voluntary) of the Issuer has occurred;</p> <p>2 – if a receiver or administrator (or equivalent person in any other jurisdiction) is appointed over any of the assets of any of the Issuer or part thereof;</p> <p>3 – if the Issuer is unable to pay its indebtedness as it falls due;</p> <p>4 – In respect of the issuance of the Sukuk, if the Issuer fails/omits to comply with the Terms and Conditions in terms thereof in any material respect including payment of three consecutive profits that are accrued;</p> <p>5 – If special resolution is passed by the shareholders (including Sukukholders) in the general meeting to convert the Sukuk into Ordinary Shares of the Company at the conversion rate.</p>
28 - Trustee of the Sukuk	Under Process
29 - Trustee of the Custody Receipt	Under Process
30 - Investment Agent	Under Process
31 - Meeting and Resolutions	<p>Since voting rights are vested to the Sukuk-holders, no separate meeting or resolution(s) are required. Sukuk-holders can convene the general meeting and pass the resolutions as the shareholders under the relevant provisions of the Companies Act, 2017</p>
32 - Other Issuance	<p>Sukuks can also be issued to the Ordinary Shareholders by way of Bonus if declared by the Board of Directors of the Company</p>
<p>33 - Twin Custody Receipt (TCR) (Custody receipt) And the Ratio of Entitlement</p>	<p>Twin Custody Receipt (TCR) shall be issued to the shareholders of the Company on the Effective Date as follows:</p> <ol style="list-style-type: none"> 1. The existing shares of the Company shall be handed-over to the Trustee (of the Custody Receipt) and no separate trading in the share shall take place; 2. Sukuk shall be handed over to the Trustee (of the Twin Custody Receipts) on behalf of the Sukuk-holders by the Company and no separate trading in the Sukuks shall take place; 3. The Twin Custody Receipt (TCR) shall be issued by the Trustee as per the mechanism provided in Annexure-B. 4. The number of Twin Custody Receipts (TCR) shall be adjusted on bonus issue, right issue,

	<p>share capital reduction, conversion, if any, and accordingly the Ex-Price shall be worked out as per the applicable PSX's procedures.</p> <p>5. The value of the Twin Custody Receipt (TCR) shall be adjusted as per the applicable PSX's procedures on the instances of Dividend Payments, Specie Dividends, and Profit Payments (on Sukuk).</p> <p>6. The Sukuk and the Shares of the Company through the Twin Custody Receipt will represent the ratio of entitlement and accordingly the entitlements, rights, privileges and obligations to the individual investors/Shareholders / Sukukholders shall be adjusted as described in the Annexure-B (Mechanism).The trading will be done through METACR which will be tradeable security in terms of the Securities Act, 2015 and same underlying entitlements shall be transferred to the holder of the Twin Custody Receipts as per the ratio of entitlement.</p> <p>7. The procedure given in Annexure-B shall be followed.</p>
34 - Approvals	<p>1. The Board of Directors of the Company has approved to issue Sukuk through right offer.</p> <p>2. Approval from Securities and Exchange Commission of Pakistan is to be obtained under Section 83(1)(b) of the Companies Act, 2017 for further issue of share capital in relation to conversion of convertible debt securities to share capital (for maximum 50,000,000 Sukuk to be converted into 50,000,000 Ordinary Shares of the Company)</p>
35 - Trading of Letter of Offer	<p>Sukuk to be offered to the existing shareholders by way of right. Trading of Letter of Offer shall be made per Right Issue Procedures of PSX as applicable to the Right Sukuk.</p>

ANNEXURE - B - Twin Custody Receipt (METACR) Mechanism

Name of Company	:	MetaTech Health Limited		
PSX / CDC Symbol	:	META		
Name of Security	:	Twin Custody Receipt (METACR)		
No. of Securities in the Bundle	No. of Securities	Par Value	Nominal Capital	
		Rs. Per Security	Rs.	
Ordinary Shares	1.00	7,432,425	10.00	74,324,250
Perpetual and Convertible Sukuk	5.50	40,878,338	10.00	408,783,380
	48,310,763			483,107,630
Issuance of Twin Custody Receipt (METACR)		No. of METACR	Theoretical Ex-Price Rs. / METACR	Market Capitalization
1 - Market Price of Ordinary Share Capital before Issuing Twin Custody Receipt (METACR)*		7,432,425	14.00	104,053,950
2 - Issuance of Perpetual and Convertible Sukuk by way of Right Issue		40,878,338	10.00	408,783,380
No. of Twin Custody Receipt to be Issued and its Theoretical Price		48,310,763	10.62	512,837,330

*Hypothetical value taken for example. However, Market Price of the Share (META) as on Effective Date shall be taken into account to determine Opening Price of METACR.

Each Twin Custody Receipt shall represent 1.00 of Ordinary Shares and 5.50 of Perpetual and Convertible Sukuk and this ratio shall be adjusted on Bonus Issue, Right Issue etc.

Persons holding Share or Sukuk (through right subscribed) or both shall get the METACR on Effective Date as follows			
Figures are used for Example Only	No. of Shares	No. of Right Sukuks	METACR

		Subscribed	Nos.
Person – 1	1,000	5,000	6,000
Person – 2	-	200,000	200,000
Person – 3	10,000	-	10,000
			216,000

Effect on METACR of Certain Corporate Option

1. Issue of Bonus (as an Example)

50% on Ordinary Shares

Ordinary Shares after Bonus
Perpetual and Convertible Sukuk

No. of Securities

11,148,637

40,878,338

No. of Twin Custody Receipt

52,026,975

No. of Twin Custody Receipt to be adjusted

3,716,212

Market Price before Ex-Bonus of Twin Custody Receipt

15.00

Say

Market Capitalization

724,661,445

Theoretical Ex-Bonus Price Twin Custody Receipt

13.93

2. Issuance of Dividend and Profit Payment (as an Example)

Ordinary Shares
Perpetual and Convertible Sukuk

**No. of
Securities**

**Dividend/Profit
per Share/Sukuk**

Total Payment

**Pro-Rata
Entitlement
Per METACR**

11,148,637

2.00

22,297,274

0.43

40,878,338

3.00

122,635,014

2.36

52,026,975

144,932,288

Market Price before Ex-Dividend/Profit of Twin Custody Receipt

14.00

Market Capitalization

728,377,650

Less : Dividend / Profit

(144,932,288)

583,445,362

Theoretical Ex-Dividend/Profit Price Twin Custody Receipt

11.21

Persons holding Share or Sukuk (through right subscribed) or both shall get the Entitlement as follows

Figures are used for Example Only

	No. of TCR	Dividend Payment	Profit Payment	No. of Voting Shares
Pro-Rata Entitlement - Per METACR		2.36	0.43	
Person – 3	10,000	23,571	4,286	10,000
Person – 4	5,000	11,786	2,143	5,000
Person – 5	1,000	2,357	429	1,000
3 - Issuance of Right Shares (as an Example)				
Right Price - Rs./Share			10.00	
Right Issue - Nos.			11,148,637	100%
Market Price before Ex-Right of Twin Custody Receipt			14.00	Say
Market Capitalization			728,377,650	
Right Proceeds			111,486,370	
			839,864,020	
No. of Twin Custody Receipt after Right			63,175,612	
Theoretical Ex-Right Price of Twin Custody Receipt			13.29	
Balance Sheet of the Company after Right Issue - Capital Portion				
		No. of Securities		Value in Rs.
Ordinary Shares		22,297,274		222,972,740
Perpetual and Convertible Sukuk		40,878,338		408,783,380
				631,756,120

As a general principle, the number of **Twin Custody Receipts (TCR)** shall be adjusted on bonus issue, right issue, share capital reduction, conversion, if any, and accordingly the Ex-Price shall be worked out as per the applicable PSX's procedures. The value of the Twin Custody Receipt (TCR) shall be adjusted as per the applicable PSX's procedures on the instances of Dividend Payments, Specie Dividends, and Profit Payments (on Sukuk).

Board Resolutions passed by the Board of directors in their meeting held on October 31, 2022

RESOLVED THAT the letter of offer may be issued/signed by singly the Chief Executive and Company Secretary in compliance with the applicable laws.

FURTHER RESOLVED THAT the draft of the circular to accompany the letter of offer (Schedule-1), pursuant to the Issuance of Convertible Debt Securities through Right Offer Regulations, 2022, as placed before the directors be and is hereby approved and Chief Executive and Company Secretary be and is hereby authorized singly to finalize and sign the circular on behalf of all the directors.

FURTHER RESOLVED THAT all fractional entitlements will be consolidated in the name of the Company Secretary (under trust) and unpaid letter of right in respect thereof shall be sold on Pakistan Stock Exchange Limited, the net proceeds from which sales, once realized, shall be distributed/ paid to the entitled shareholders in accordance with their respective entitlements as per applicable laws.

FURTHER RESOLVED THAT that any unsubscribed Sukuks may be dealt as per the Issuance of Convertible Debt Securities through Right Offer Regulations, 2022 that includes the following:

1. alternate financing arrangement including underwriting is to be made for the short fall;
2. right offer shall be cancelled, if 80% of the right is not subscribed, if such arrangement is not made;
3. in case of under subscription of right offer, the board of directors shall issue remaining securities i.e., up to 20% of the issue size in such manner as they deem fit within thirty days from the close of offer or with in such extended time not exceeding thirty days;

FURTHER RESOLVED THAT the Chief Executive and the Company Secretary be and are hereby singly authorized to do the following acts on behalf of the Company:

- i. Appoint/negotiate with consultants/advisors/ auditors and underwriters to the Right Issue, to finalize terms and conditions and sign underwriting agreements, 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 the issue of right Sukuk including date of payment, and to make any amendments in the said schedule, appointment of banker(s) to the issue, announce the book closure dates, and to take all necessary actions, in respect of the Right issue and ancillary matters thereto, and as required by the Securities and Exchange Commission of Pakistan, Pakistan Stock Exchange Limited, Central Depository Company of Pakistan Limited (CDC), National Clearing Company of Pakistan Limited (NCCPL) including but not limited to induction of the offer for Right Sukuk in the Central Depository System of the CDC or any other authority;
- iii. To open, maintain, operate and close bank accounts (jointly as authorized by the Board in separate resolution(s)) for the purpose of amounts received from subscription of Sukuk;
- iv. To make necessary corrections, amendments and file necessary documents in case of any mistake or omission is pointed out by any regulatory authorities;
- v. To allot /credit Right Sukuk and file return as required by the Securities and Exchange Commission of Pakistan, Pakistan Stock Exchange Limited, Central Depository Company of

- Pakistan Limited (CDC), National Clearing Company of Pakistan Limited (NCCPL) along with the auditors' certificates; and
- vi. To take all other necessary steps, and do all other acts, deeds and things, to prepare the offer letter, circular and schedule for right issue and any other documents and to make any amendments in the aforementioned documents and schedule and to take all necessary actions 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.”
-

