



AEL/PSX/06/2023/03

03 June 2023

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

**Disclosure of Material Information – AEL Textiles Limited ("AEL" or the "Company")**

Dear Sir,

Under Section 96 and 131 of the Securities Act, 2015 (the "Act") and Clause 5.6.1(a) of the Rule Book of Pakistan Stock Exchange Limited ("PSX"), we hereby inform you as follows:

This is with reference to the disclosure/notice dated 27 April 2023 regarding the task given by the AEL's Board of Directors to the management to explore further options to fast track AEL's revival and to explore the feasibility of a potential merger with any other textile company.

The management of AEL has presented to the Board a proposed scheme of restructuring/arrangement ("Scheme") for merger of AEL with and into Stylers International Limited ("SIL"), an associated company, engaged in the manufacturing, export and sale of readymade garments. The Board has in principal approved the proposed Scheme which envisages merger of AEL's entire undertaking with all the assets, rights & privileges including PSX listing status, CDC eligibility, and liabilities upon implementation of the proposed Scheme with and into SIL. SIL being the surviving entity, upon sanction of the Scheme by the Honourable Lahore High Court ("Court") and filing of necessary documents and completing required formalities shall become a company listed on PSX in the place of AEL as is envisaged in the proposed Scheme. After the proposed merger and upon the listing of shares of SIL on PSX, AEL shall be automatically de-listed from PSX, and dissolved without winding up without any further acts or formalities. The Scheme has been prepared under the provisions of Sections 279 to 283 and 285 of the Companies Act, 2017 and is subject to the approval of both SIL and AEL's requisite majority of the shareholders and creditors and is further subject to the sanction of the Court.

We shall continue to keep you informed of the progress in respect of the above matters.

A disclosure for as required under SRO 143(I)/2012 dated December 05, 2012, read with Section 131 of the Securities Act, 2015, is enclosed as Annexure "A" to this letter.

Yours truly

For and on behalf of  
AEL Textiles Limited

Tariq Majeed  
Company Secretary



Cc:  
Director / HOD  
Surveillance, Supervision and Enforcement Department  
The Securities and Exchange Commission of Pakistan,  
NIC Building, 63 Jinnah Avenue  
Blue Area, Islamabad



**Disclosure Form under the Securities Act, 2015**

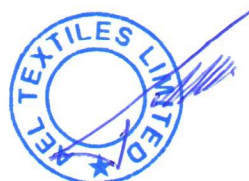
Name of the Company	AEL Textiles Limited
Date of Report (date of earliest event reported if applicable)	03 June 2023
The exact name of the Company as specified in its Memorandum	AEL Textiles Limited
The registered address of the Company	19A Commercial Area, Izmir Town, Canal Bank Road, Lahore
Contact Information	Tariq Majeed Company Secretary AEL Textiles Limited Phone: 0333 422 5449
Disclosure of inside information by the Company in terms of the Securities Act, 2015	<p>Under Section 96 and 131 of the Securities Act, 2015 (the "Act") and Clause 5.6.1(a) of the Rule Book of Pakistan Stock Exchange Limited ("PSX"), we hereby inform you that the Board of Directors of the Company in their meeting held on 03 June 2023, we hereby inform you as under:</p> <p>This is with reference to the disclosure/notice dated 27 April 2023 regarding the task given by the AEL's Board of Directors to the management to explore further options to fast track AEL's revival and to explore the feasibility of a potential merger with any other textile company.</p> <p>The management of AEL has presented to the Board a proposed scheme of restructuring/arrangement ("Scheme") for merger of AEL with and into Stylers International Limited ("SIL"), an associated company, engaged in the manufacturing, export and sale of readymade garments. the Board has in principal approved the poposed Scheme which envisages merger of AEL's entire undertaking with all the assests, rights &amp; privileges including PSX listing status, CDC eligibility, and liabilities upon implementation of the proposed Scheme with and into SIL. SIL being the surviving entity, upon sanction of the Scheme by the Honourable Lahore High Court ("Court") and filing of necessary documents and completing required formalities shall become a company listed on PSX in the place of AEL as is envisaged in the proposed Scheme. After the proposed merger and upon the listing of shares of SIL on PSX, AEL shall be automatically de-listed from PSX, and dissolved without winding up without any further acts or formalities. The Scheme has been prepared under the provisions of Sections 279 to 283 and 285 of the Companies Act, 2017 and is subject to the approval of both SIL</p>

AEL Textile Limited

Registered Office: 19-A, Commercial Area, Izmir Town, Canal Bank Road, Lahore

Phone No. 92-42 35961974, 0333-4225449

web address: [www.aeltextiles.com](http://www.aeltextiles.com)



# AEL

and AEL's requisite majority of the shareholders and creditors and is further subject to the sanction of the Court.

We shall continue to keep you informed of the progress in respect of the above matters.

  
Tariq Majeed  
Company Secretary  
AEL Textiles Limited

