

SCHEME OF ARRANGEMENT

UNDER SECTIONS 279 TO 283 AND 285 OF THE COMPANIES ACT, 2017

INVOLVING

AEL TEXTILES LIMITED

AND

STYLERS INTERNATIONAL LIMITED

FOR

The merger and amalgamation of all assets, liabilities, obligations, contracts and undertaking of AEL Textiles Limited with and into Stylers International Limited along with all ancillary matters.

SCHEME OF ARRANGEMENT

UNDER SECTIONS 279 TO 283 AND 285 OF THE COMPANIES ACT, 2017

BETWEEN

AEL TEXTILES LIMITED, a public limited company, incorporated and existing under the laws of Pakistan and having its registered office at 19A Commercial Area, Izmir Town, Canal Bank Road, Lahore, Punjab, Pakistan (hereinafter referred to as "**AEL**", which expression shall mean and include, where the context so requires or admits, its successors-in-interest and permitted assigns);

AND

STYLERS INTERNATIONAL LIMITED, a public limited company, incorporated and existing under the laws of Pakistan and having its registered office at 20-KM, Ferozepur Road, Glaxo Town, Lahore, Pakistan (hereinafter referred to as "**SIL**", which expression shall mean and include, where the context so requires or admits, its successors-in-interest and permitted assigns).

RECITALS

WHEREAS by this Scheme of Arrangement ("**Scheme**"), it is *inter alia*, proposed that:

1. The entire undertaking comprising all the Assets, Liabilities and Obligations of AEL, a company principally engaged in the business of textiles trading and manufacturing and ancillary matters, as at the Effective Date shall stand merged with, transferred to, vested in, and be assumed by SIL in accordance with this Scheme formulated under the provisions of Sections 279 to 283 and 285 of the Act.
2. As consideration for the above, it is proposed that SIL Shares shall be issued to the AEL Shareholders in accordance with this Scheme.
3. Furthermore, as a consequence of the above and as part of this Scheme, SIL shall subsume the share capital of AEL and the share capital of SIL shall stand enhanced accordingly.
4. Upon the merger and transfer of AEL in the manner prescribed under this Scheme, as of the Allotment Date, AEL will be dissolved without winding up, AEL shall stand delisted from PSX, and SIL shall stand listed on PSX.
5. This Scheme, if approved by the requisite majority of respective shareholders of AEL and SIL, along with the requisite majority of creditors (as may be applicable), and sanctioned by the Court by an order passed in this respect, is to be binding on AEL and SIL along with all the shareholders, creditors, employees, customers, contracting parties, government and regulatory authorities, bodies and departments of or with respect to AEL and SIL (as applicable) respectively.

BENEFITS OF THIS SCHEME

A. Commercial Arrangement between AEL and SIL and their respective shareholders

The Amalgamation shall allow the companies to effectuate their commercial arrangement envisaged by the parties, including AEL, SIL and their respective shareholders, through the provisions of sections 279 to 283 and 285 of the Act.

B. Listing of Shares of an Ongoing Concern and Value for Shareholders

As part of the Amalgamation, and as prescribed in the Scheme, the ordinary shares of SIL shall be listed on the PSX which will benefit all the shareholders of the merged / surviving company. The existing shareholders of AEL shall hold shares of a profitable entity which is an ongoing concern hence the value of their shareholding shall increase and be liquid / tradeable, in addition to providing the opportunity to receive returns in the shape of dividends. The shareholders of SIL will also obtain the benefit of the listing as the shares will be liquid and freely tradeable (in accordance with the applicable laws).

C. Larger Asset Base

The Amalgamation would lead to an increase in the asset base and size of the surviving entity i.e. SIL. The larger size of equity and asset base would provide greater comfort to existing and potential creditors of the merged entity.

D. Synergies and Reduction in Administrative Costs

The Amalgamation would provide an opportunity to operate the businesses / operations of SIL and AEL through single / consolidated operations, accounts, treasury and management information system departments with one set of management and staff, thus resulting in substantial cost savings and economies of scales, leading to enhanced profitability.

E. Single Corporate and Tax Reporting

The Amalgamation will make single corporate and tax reporting possible for the merged entity. The same will entail elimination of maintenance of separate records for business operations, selling, purchasing, marketing, legal, administrative and secretarial, and other records, under the various laws resulting in duplication of work and higher costs.

NOW THEREFORE, this Scheme is presented as follows:

ARTICLE 1

DEFINITIONS

DEFINITIONS

1.1 In this Scheme (including the preamble hereto), unless the subject or context otherwise requires the following expressions shall bear the meanings specified against them below:

"Act" means the Companies Act, 2017;

"AEL" shall have the meaning as prescribed in the Preamble above;

"Allotment Date" has the same meaning as prescribed thereto in Article 9.9 of this Scheme;

"AEL Shareholders" means the registered shareholders of AEL on the Record Date;

"Amalgamation" or **"Merger"** shall have the same meaning as prescribed thereto in Article 2.1. of this Scheme;

"Annexure A" is the annexure attached hereto which illustrates the shareholding pattern of AEL;

"Annexure B" is the annexure attached hereto which illustrates the shareholding pattern of SIL;

"Annexure C" is the annexure attached hereto which lists the members of the Board of Directors of SIL;

"Annexure D" is the annexure attached hereto which lists the members of the Board of Directors of AEL;

"Annexure E" is the annexure attached hereto which lists the members of the Board of Directors of SIL as the merged / surviving entity post- Amalgamation;

"Annexure F" is the annexure attached hereto containing the Consolidated Statement of Financial Position for SIL and AEL;

"Annexure G" is the annexure attached hereto containing the Swap Letter

"Assets" mean assets, properties, rights, titles and interests of every description and kind (whether present or future, actual or contingent, tangible or intangible) and includes the rights, benefits and interests connected with the business of a company, properties held on trust and benefit of securities obtained from Customers, benefits, powers, rights, authorities, privileges, Contracts, government consents, tax refunds / credits, tax exemptions (including holding period of such assets and liabilities along with all the rights attached and accrued thereto), sanctions and authorizations, including all registrations, licenses, Claims, no objection certificates / letters, permits, categories, entitlements, sanctions, permissions and benefits relating to the business / company, trademarks, patents, copyrights, licenses, liberties, secret processes, know-how and confidential information belonging / pertaining to a company. Without in any way limiting or prejudicing the generality of the foregoing, it is hereby clarified that the assets shall include:

- (i) All properties, immovable and movable, real, corporeal or incorporeal, in possession or reversion, present or contingent of whatsoever nature and wheresoever situated belonging to a company, including buildings, offices and structures, as well as equity, stocks, debentures, bonds, rights under futures, options, derivative contracts, commodities etc. (and all rights associated therewith);
- (ii) all plant, machinery, equipment, furniture and fixtures, computer hardware and software, software applications and licenses, motor vehicles, office equipment, appliances, and accessories, spare parts and tools;
- (iii) all stock-in-trade, inventory, stocks of fuels, raw materials, ingredients, packaging, office and laboratory supplies, engineering spares, consumable stores, work-in-progress and finished goods;

- (iv) all legal and/or beneficial interests including, without limitation statutory, contractual and/or regulatory rights, titles, permissions, concessions, privileges, including listing status with the PSX and eligibility for induction with the CDC along with all related rights and privileges, sanctions, approvals, licenses, and registrations;
- (v) all benefits and rights under Contracts including rights under or relating to Contracts of employment, Contracts of insurance, personal services or consultancy;
- (vi) all data, information, records, instruments, documents of title, market statistics, marketing surveys and reports, marketing research, advertising or other promotional material and information, accounting (including management account records) financial data whether in hard copy or in computer held form (including, for avoidance of doubt, such media as microfilm and microfiche);
- (vii) all claims, choses-in-action, receivables, book trade and other debts or sums (including suppliers' credit notes) due, owing, accrued or payable (whether or not invoiced and whether or not immediately due or payable), advances, deposits, prepayments and other receivables, investments, cash in hand or at bank, bank balances, rights under loan documents and other agreements for financial facilities, letters of credit, guarantees, bonds and warranties;
- (viii) all connections, equipment, installations and facilities pertaining to telecommunications, water, gas, electricity, sewerage or other utilities, and other installations, owned by, leased or licensed to a company (including related deposits);
- (ix) all claims, petitions, suits, applications or appeals, filed before or pending with any court, authority, tribunal or regulatory body, whether in its original jurisdiction or appellate jurisdiction;
- (x) all intellectual property rights, whether registered or not, including trademarks, copyrights, patents, designs, trade secrets, technical data, processes and know-how, industrial and technical information, confidential information, drawings, formulations, technical reports, operating and testing procedures, instruction manuals, raw material or production specifications, results of research and development work, whether in hard copy or in computer held form (including, for the avoidance of doubt, such media as microfilm and microfiche);
- (xi) goodwill; revaluation surplus; share premium account; capital and revenue reserves,
- (xii) Tax credits, tax or other refunds; tax or tariff protections, remissions or exemptions and unadjusted tax receivables or losses; and
- (xiii) the Contingent Claims and proceeds realized from the Liquidation of the Contingent Claims;

"CDC" means the Central Depository Company of Pakistan Limited;

"CDS" means the Central Depository System (an electronic book entry system for the recording and transfer of securities, established under the Central Depositories Act, 1997 and maintained by the CDC;

"Claim" means claim, counter-claim, demand or cause of action and includes a Contingent Claim;

"Contingent Claim(s)" means any potential Claim that a company may have against any person prior to the Effective Date which may not be disclosed or reflected as part of its Assets on its books or records;

"Contracts" means any contracts, agreements, deeds, instruments, letters or undertakings of every description, creating any obligations or rights enforceable against the parties thereto, including any finance agreements;

"Court" means the Lahore High Court, Lahore;

"Customer" means any person having entered into a transaction, arrangement or other dealing with a company;

"Effective Date" shall have the same meaning as prescribed thereto in Article 3.1. of this Scheme;

"Liabilities and Obligations" includes all borrowings, liabilities, duties, commitments and obligations of every description (whether present or future, actual or contingent) arising out of any Contract or otherwise whatsoever, and all Securities, and the term **"Liabilities"** and **"Obligations"** are used interchangeably and / or in conjunction with each other.

"Liquidation" means the release, compromise, satisfaction, settlement or reduction to judgment of any Claim by a competent court of law;

"PSX" shall mean the Pakistan Stock Exchange;

"Record Date" means the date to be fixed by the directors of SIL, after the Scheme Completion Date, to determine the identities and entitlements of the shareholders of AEL for the purpose of issuance of SIL Shares in accordance with the provisions of the Scheme;

"Rs." Or "PKR" shall mean "Pakistan Rupees", being the legal tender money of the Islamic Republic of Pakistan;

"Scheme" means this Scheme of Arrangement in its present form with any modifications thereof or addition thereto approved by the Court and subject to any conditions imposed by the Court;

"Scheme Completion" has the same meaning as prescribed thereto in Article 3.1 of this Scheme;

"Scheme Completion Date" has the same meaning as prescribed thereto in Article 3.1 of this Scheme;

"Security" or "Securities" means interest, right or title in and to any and all mortgages, encumbrances or charges (whether legal or equitable), debentures, bill of exchange, promissory note, guarantee, lien, pledge (whether actual or constructive), hypothecation, assignment by way of security, right of set-off, undertaking or other means of securing payment or discharge of any liabilities and obligations;

"SIL" shall have the same meaning as prescribed in the preamble above;

"SIL Shares" mean the ordinary shares having a par value of PKR 10/- (Pak Rupees Ten) each in the share capital of SIL;

"Swap Letter" means the Swap Letter dated June 3, 2023, bearing reference number G-1-409, issued by Riaz Ahmad & Company, Chartered Accountants, attached hereto as Annexure G containing, *inter alia*, the Swap Ratio; and

"Swap Ratio" shall have the same meaning as prescribed thereto in Article 9.1. of this Scheme.

ARTICLE 2

OBJECTS OF THE SCHEME

- 2.1 The principal object of this Scheme is to give effect to the following:
- (i) merger / amalgamation of AEL with and into SIL by transferring to, merging with, and vesting in SIL the whole of AEL including all Assets, Liabilities and Obligations of AEL, as of the Effective Date, (the **"Merger"** or **"Amalgamation"**);
 - (ii) allotment and issuance of fully paid SIL shares to the AEL Shareholders in consideration of the Amalgamation based on the Swap Ratio in accordance with the provisions of the Scheme; and
 - (iii) as of the Allotment Date: (i) the dissolution of AEL without winding up; (ii) delisting of the shares of AEL from PSX; and (iii) listing of the SIL Shares on PSX, each in accordance with the provisions of this Scheme.
- 2.2 It is hereby clarified that although all of the above steps will take place by virtue of the sanction of the Scheme by the Court and completion of the formalities of Scheme Completion, the same shall be deemed to be effective as of the Effective Date.

ARTICLE 3

EFFECTIVE DATE

- 3.1. This Scheme shall become operative and bind AEL and SIL as soon as an order is passed by the Court under Sections 279 / 282 of the Act, sanctioning this Scheme and issuing other necessary directions /

orders under Section 282 of the Act (hereinafter referred to as the “**Scheme Completion**” and such date referred to as “**Scheme Completion Date**”). When this Scheme becomes operative on the Scheme Completion Date, the Merger, in accordance with this Scheme, will be treated as having effect from immediately after the end of business on March 31, 2023 or such other date as may be stated by the Court (hereinafter referred to as the “**Effective Date**”). Each company shall file a certified copy of the order passed by the Court with the Registrar of Companies, Lahore in accordance with Section 279 of the Act.

- 3.2 Accordingly, as of the Effective Date and thereafter, until AEL is actually transferred to and vested in SIL in terms of this Scheme, the business of AEL will be deemed to have been carried for and on account and for the benefit of SIL. For the avoidance of doubt, the reserves including un-appropriated profits / losses of AEL up to and immediately preceding the Effective Date shall constitute and be treated as reserves / losses of SIL.

ARTICLE 4

SHARE CAPITAL AND MANAGEMENT

- 4.1. The authorized share capital of AEL is PKR 100,000,000/- (Pakistan Rupees One Hundred Million only) divided into 10,000,000 (Ten Million) shares of PKR 10/- (Pak Rupees Ten) each, out of which 8,000,000 (Eight Million) shares have been issued, fully subscribed and paid up. The shareholding pattern of AEL, as of the Effective Date, is illustrated in Annexure A attached hereto.
- 4.2. The authorized share capital of SIL is PKR 5,500,000,000/- (Pakistan Rupees Five Billion Five Hundred Million only) divided into 550,000,000 (Five Hundred Fifty Million) shares of PKR 10/- (Pak Rupees Ten) each, out of which 430,487,420 (Four Hundred Thirty Million Four Hundred Eighty Seven Thousand Four Hundred Twenty) shares have been issued, fully subscribed and paid up. The shareholding pattern of SIL, as of the Effective Date, is illustrated in Annexure B attached hereto.
- 4.3. Upon the sanction of this Scheme, the authorized share capital of SIL shall be merged and combined with the authorized share capital of AEL. The authorized share capital of SIL shall thus stand enhanced to PKR 5,600,000,000/- (Pakistan Rupees Five Billion Six Hundred Million only) divided into 560,000,000 (Five Hundred Sixty Million) shares of PKR 10/- (Pak Rupees Ten) each, without any payment of fees, costs, charges and without performance of any further acts, deeds and formalities, and accordingly the Memorandum and Articles of Association of SIL shall stand amended. Approval of the shareholders of SIL to this Scheme shall also include and constitute an approval by way of special resolution from the shareholders of SIL, to the alteration of the Memorandum and Articles of Association of SIL for the increase of the authorized share capital of SIL to PKR 5,600,000,000/- (Pakistan Rupees Five Billion Six Hundred Million only), as required in terms of the Act.

ARTICLE 5

BOARD OF DIRECTORS

- 5.1. The present directors of SIL are listed in Annexure C attached hereto.
- 5.2. The present directors of AEL are listed in Annexure D attached hereto.
- 5.3. Upon sanction of the Scheme, the directors of the merged / surviving entity post-Amalgamation shall be as listed in Annexure E attached hereto.
- 5.4. As of the Scheme Completion Date or such other date as the Board of Directors of SIL may approve, the directors of SIL not mentioned under Annexure E, shall cease to hold office as directors of SIL without any rights to any compensation for loss of office.
- 5.5. Upon delisting and dissolution of AEL in accordance with this Scheme, the directors of AEL shall cease to hold office as directors of AEL without any rights to any compensation for loss of office.
- 5.6. All the directors of SIL and AEL have an interest in the Amalgamation to the extent of their respective shareholdings in SIL and AEL (to the extent applicable). The effect of this Scheme on the interest of these directors does not differ from the respective interests of the shareholders of SIL and AEL.
- 5.7. Without prejudice to the provisions above, SIL shall fulfill any documentary formalities for the change

in the composition of its Board of Directors (as contemplated herein). The approval of this Scheme by the shareholders of SIL shall also include and constitute an approval for the change in the composition of its Board of Directors (including the increase in number of directors and appointment of incoming director(s) as contemplated in Annexure E).

ARTICLE 6

AMALGAMATION

6.1. General Description

- (i) As of the Effective Date, AEL, as a going concern, shall be amalgamated with and vest in SIL upon the terms and conditions set forth in this Scheme without any further act, deed, matter or thing, process or procedure.
- (ii) Upon sanction of the Scheme, SIL shall be able to carry out all the business of AEL and shall be entitled to all the rights and the benefits thereof.
- (iii) As of the Allotment Date, SIL Shares shall be allotted to the AEL Shareholders in consideration of the Amalgamation, AEL shall be de-listed from the PSX and dissolved without winding up, and SIL Shares shall be listed on the PSX, each in accordance with Article 9 below.

6.2. Transfer of the Assets

As of the Effective Date, all the Assets of AEL, shall immediately without any conveyance or transfer and without any further act or deed, be vested in and become the undertaking and Assets of SIL, which shall have, hold and enjoy the same in its own right as fully as the same were possessed, held and enjoyed by SIL prior to the Amalgamation. However, the vesting / transfer of the Assets shall be subject to all mortgages, charges or other encumbrances subsisting thereon (if any).

6.3. Transfer of Liabilities and Obligations

As of the Effective Date, all the Liabilities and Obligations of AEL shall immediately and without any further act or deed be assumed by and become the Liabilities and Obligations of SIL, which shall pay, undertake, satisfy, discharge and perform, when due, all such Liabilities and Obligations.

6.4. SIL's Right to Execute Deeds

Deeds, assignments or similar instruments to evidence the aforesaid transfer of Assets and / or assumption of Liabilities and Obligation of AEL may, if required at any time, may be executed by officers of SIL authorized in this regard.

6.5. References to Assets and Liabilities and Obligations

Any reference in this Scheme to Assets or Liabilities and Obligations of AEL is a reference to Assets or Liabilities and Obligations to which AEL is for the time being entitled or subject to (whether beneficially or in any fiduciary capacity) immediately preceding the Effective Date, wherever such Assets or Obligations and Liabilities are situated or arise and whether or not such Assets or Obligations and Liabilities are capable of being transferred or assigned to or by AEL under any applicable law or instrument.

6.6. Assets held in Trust, etc.

Any Asset comprised or vested in AEL which immediately before the Effective Date was held by AEL as trustee or custodian in the form of any trust deed, settlement, covenant, agreement or will or as executor of the will, or administrator of the estate of a deceased person or as judicial trustee appointed by order of any court, or in any other fiduciary capacity, shall, as of the Effective Date, be held by SIL in the same capacity upon the trusts, subject to the powers, provisions and Liabilities applicable thereto.

6.7. Contracts

Every Contract to which AEL is a party shall have effect as of the Effective Date as if:

- (i) SIL had been a party thereto instead of AEL; and
- (ii) Any reference (however worded and whether express or implied) to AEL therein shall stand substituted, as respects anything to be done as of the Effective Date, to a reference to SIL.

6.8. Bank Accounts

Any account(s) maintained by AEL with any bank or financial institution shall, as of the Effective Date, become account(s) between SIL and such bank or financial institution, subject to the same conditions and incidents as therefore; provided that nothing herein shall affect any right of SIL to vary the conditions or incidents subject to which any account is kept.

6.9. Instructions

Any existing instruction, order, direction, mandate, power of attorney, authority, undertaking or consent given to AEL in writing shall have effect, as of the Effective Date, as if given to SIL.

6.10. Negotiable Instruments

Any negotiable instrument or order for payment of money drawn on or given to, or accepted or endorsed by, AEL, or payable at any place of business of AEL, whether so drawn, given, accepted or endorsed before, as of the Effective Date, shall have the same effect as of the Effective Date, as if it had been drawn on, or given to, or accepted or endorsed by SIL, or were payable at the same place of business of SIL.

6.11. Custody of Documents

The custody of any document, record or goods held by AEL as bailee and duly recorded in their books that pass to AEL under any Contract of bailment relating to any such document, record or goods shall on that day become rights and obligations of SIL.

6.12. Securities:

- (i) Any Security held immediately before the Effective Date by AEL or by a nominee or agent of or trustee for AEL, as security for the payment or discharge of any liability and obligation of a Customer shall, as of the Effective Date, be held by, or, as the case may require, by that nominee, agent or trustee for SIL and be available to SIL (whether for its own benefit or, as the case may be, for the benefit of any other person) as security for the payment or discharge of that liability and obligation.
- (ii) In relation to any Security vested in SIL, pursuant to and in accordance with the provisions of this Scheme, and any liabilities and obligations thereby secured, SIL shall be entitled to the rights and priorities to which AEL would have been entitled if they had continued to hold the Security.
- (iii) Any Security referred to in the foregoing provisions of this paragraph which extends to future advances or liabilities shall, as of the Effective Date, be available to SIL (whether for its own benefit or as the case may be, for the benefit of any other person) as security for the payment or discharge of future advances and future liabilities to the same extent and in the same manner in all respects as future advances by or liabilities to, AEL or, as the case may be, SIL were secured thereby immediately before that time.
- (iv) All Securities granted / created by AEL in favour of any secured creditors immediately before the Scheme Completion Date (if any), will continue to remain operative and effective as Securities granted and created by SIL in favour of its own creditors. To the extent that AEL has granted any pari passu charge over the Assets or any class of Assets of AEL in favour of such creditors, upon the Amalgamation, the same shall be treated as a pari passu charge over the combined Assets (or relevant class of Assets) of AEL and SIL (which stand transferred to and vested in SIL in accordance with the provisions of this Scheme), ranking pari passu with the charge(s) created / existing in favour of the Creditors of SIL holding charges over similar Assets or class of Assets as the case may be. Furthermore, any charge or security interest granted to

a secured creditor of AEL, by AEL, over specific assets will continue to remain restricted to such specific assets upon the Amalgamation.

6.13. Legal Proceedings

Where by virtue of this Scheme any right, Claim or Liability of AEL, becomes a right, Claim or Liability of SIL as of the Effective Date, SIL shall have the same rights, claims, powers and remedies (and in particular the same rights, Claims and powers as to taking or resisting legal proceedings or making or resisting applications to any authority) for ascertaining, perfecting or enforcing that right, Claim or Liability as if it had at all times been a right, Claim or Liability of SIL, and any legal proceedings or application to any authority existing or pending immediately before the Effective Date by or against AEL may be continued by or against SIL.

6.14. Judgments

Any judgment or award obtained by or against AEL, and not fully satisfied before the Effective Date shall at that time, become enforceable by or against SIL.

6.15. Evidence

All books and other documents which would, before the Effective Date, have been evidenced in respect of any matter, for or against AEL, shall be admissible in evidence in respect of the same matter for or against SIL.

6.16. Clarification

The provisions contained in Articles 6.2. to 6.15. above are without prejudice to the generality of any other provisions in this Scheme, but subject to any provisions in this Scheme to the contrary effect.

ARTICLE 7

CERTAIN OBLIGATIONS AND REPRESENTATIONS

- 7.1 AEL shall carry on its businesses until Scheme Completion Date with reasonable diligence, and business prudence and shall not except, in the ordinary course of business or with the prior written consent of SIL alienate, charge, mortgage, hypothecate, encumber, or otherwise deal with or dispose of the respective undertakings of AEL or any part thereof.
- 7.2 Subject to Scheme Completion, upon the Amalgamation, SIL shall take all necessary and expedient steps to properly and efficiently manage its entire business and affairs and shall operate and promote its entire business and affairs in the normal course.
- 7.3 As of the Scheme Completion Date (but with effect from Effective Date) SIL shall undertake, pay, satisfy, discharge, perform and fulfill all the Liabilities and Obligations, Contracts, engagements and commitments whatsoever of AEL.

ARTICLE 8

THE SCHEME'S EFFECT

- 8.1 The provisions of this Scheme shall be effective and binding by operation of law and shall become effective in terms of Article 3 above.
- 8.2 The execution of this Scheme shall not: (i) constitute any assignment, transfer, devolution, conveyance, alienation, parting with possession, or other disposition under any law for the time being in force; (ii) give rise to any forfeiture; (iii) invalidate or discharge any Contract or Security; and (iv) give rise to any right of first refusal or pre-emptive right that any person may have in respect of any investment made by such person in SIL and / or AEL.
- 8.3 Upon the sanction of this Scheme, the terms of this Scheme shall, as of the Effective Date, be binding on SIL and AEL and also on all the respective shareholders of SIL and AEL, the Customers of SIL and AEL, the creditors of SIL and any creditors of AEL and on any other person having any right or liability in relation to either of them.

ARTICLE 9

CONSIDERATION FOR THE AMALGAMATION AND RELATED MATTERS

- 9.1. As consideration for the Amalgamation, SIL shall allot and issue an aggregate of 4,800,000 (Four Million Eight Hundred Thousand) SIL Shares, credited as fully paid up shares of the face value of PKR 10/- (Pak Rupees Ten) each, to the AEL Shareholders on the basis of a swap ratio of 0.60 SIL Share for every 1 (One) share of AEL held by each of the AEL Shareholders (the "**Swap Ratio**"), i.e., 60 SIL Shares for every 100 shares of AEL, as approved by the Board of Directors of each of SIL and AEL based on the recommendation / calculation stated in the Swap Letter, and all entitlements of the AEL Shareholders shall be determined in the proportion aforesaid.
- 9.2. The Swap Ratio has been determined on the basis of the special purpose audited accounts of SIL and AEL for the period ended March 31, 2023 and the relative valuations carried out by Riaz Ahmad & Company, Chartered Accountants, as stipulated in the Swap Letter in accordance with the applicable laws, accounting standards and the valuation methods suggested by the SECP in its Guidelines for Mergers and Amalgamations, and as approved by the Board of Directors of SIL and AEL.
- 9.3. Within 30 (thirty) days of the Scheme Completion Date, the Board of Directors of SIL and AEL shall respectively initiate the legal and procedural formalities to give effect to (i) the issuance and allotment of SIL Shares to the AEL Shareholders as consideration of the Merger; and (ii) the cancellation of the shares of AEL held by the AEL Shareholders (as contemplated in Articles 9.4 and 9.5 below), including, *inter alia*, the issuing of requisite notices, deciding the Record Date / book closure dates of the register of AEL members to determine the list of AEL Shareholders and their respective entitlement to SIL Shares in accordance with this Scheme along with the number of shares of AEL to be cancelled for the relevant AEL Shareholder, and the procedure to be adopted in connection therewith in consultation with PSX, CDC, the share registrar, etc. and in accordance with the applicable rules and regulations.
- 9.4. At least 14 (fourteen) days' notice shall be given to the shareholders of AEL, as prescribed under the applicable laws, specifying the Record Date / book closure date. Such notice shall also specify/prescribe the date by which the shares of AEL held in book entry form through the CDS shall stand cancelled, and on such date the book entries relating to the shares of AEL in the CDC accounts of the shareholders of AEL shall stand cancelled. In relation to those AEL Shareholders who hold physical share certificates representing ordinary shares in AEL held by them, on the date specified in the notice, such share certificates shall be delivered to AEL on or before that date for cancellation.
- 9.5. The share certificates delivered / to be delivered by the AEL Shareholders in accordance with Article 9.4. above shall stand cancelled on the date prescribed above (whether or not the same have been surrendered to AEL by the prescribed date) and the AEL Shareholders shall be entitled to SIL Shares for the number of fully paid-up shares to which the respective AEL Shareholder is entitled to in accordance with the provisions of this Scheme.
- 9.6. The allotment of SIL Shares (in accordance with the provisions of this Article 9) shall be made by SIL within a period of 30 (thirty) days from the prescribed date on which the shares of the AEL Shareholders in AEL have been cancelled, provided that such period for allotment may be extended in the reasonable discretion of the Board of Directors of SIL on account of any pending regulatory formalities (including with PSX, SECP and/or CDC) (the "**Allotment Period**"). SIL shall, within the Allotment Period, cause CDC to credit the respective CDC accounts / sub-accounts with book entries relating to the corresponding number of SIL Shares which the relevant AEL Shareholder is entitled to in accordance with this Article 9 (if the shares of SIL have been inducted with the CDC). Such allotment shall be carried out in accordance with the rules and regulations of the CDC. In case of AEL Shareholders holding shares in physical form, the share certificates for the corresponding SIL Shares to be issued to such AEL Shareholders in terms hereof shall be made ready for delivery as soon as practicable and notices of their readiness for their delivery shall be given to the AEL Shareholders in the manner provided in the Articles of Association of SIL. Share certificates not collected within the time specified in any such notice shall be sent by post in prepaid envelopes addressed to the persons entitled thereto at their respective registered addresses. In the case of joint shareholders, share certificates may be delivered to or may be sent to the address of any one of the joint holders whose name appears first in respect of such joint holding. SIL shall not be responsible for loss of the share certificates in such transmission.
- 9.7. SIL Shares, to be issued and allotted to the AEL Shareholders pursuant to the Scheme shall rank pari

passu with the existing ordinary shares of SIL in all respects and shall be entitled to all dividends declared by SIL after the Effective Date.

- 9.8. While making allotment of SIL Shares, the fractional allotments above 0.5 share shall be rounded up to one whole SIL Share and fractional allotments below 0.5 shares shall be consolidated into whole shares which shall be disposed of by SIL for charitable purposes in a manner to be determined by the Board of Directors of SIL.
- 9.9. Subject to the sanction of the Scheme by the Court, AEL shall, without winding up, stand dissolved from the date on which all the SIL Shares, to be allotted by SIL to the AEL Shareholders in the manner stated above, have been so allotted (the "Allotment Date").
- 9.10. As part of the Amalgamation and as of the Allotment Date, the SIL Shares shall be listed on the PSX, by filing of requisite documents/information with the PSX, at the opening price based on a price-to-earning-ratio determined on the basis of market equivalent shares of peer group and earning potential of the merged balance sheet of AEL and SIL after taking the impact of Swap Ratio as determined by the auditors, provided that the opening price of the SIL Shares shall not be less than the par value of the SIL Shares. It being clarified that till such time SIL Shares are not listed on the PSX, the listed status of AEL shall not be changed.

ARTICLE 10

BOOKS AND ACCOUNTS

- 10.1. A balance sheet of AEL and SIL (as applicable), illustrating the financial positions as of the Effective Date (i) prior to the Merger; and (ii) as a consequence of the Merger, has been appended in the form of a condensed statement of financial position as appearing under Annexure F.
- 10.2. Upon sanction of the Scheme, the Amalgamation in accordance with the terms hereof shall be treated as having taken effect from the Effective Date and as from that time and until the Scheme Completion Date when AEL is merged with and vested in SIL, AEL shall carry on and be deemed to carry on all its business and activities and stand possessed of its properties and assets for and on account of and in trust for SIL and all the profits accruing to AEL or losses arising or incurred by them shall for all purposes be treated as the profits or losses of SIL.

ARTICLE 11

EMPLOYEES

- 11.1. On and from the Effective Date, all full time officers and employees (including workmen) of AEL shall become the employees of SIL at the same level of remuneration and under the same terms and conditions of service which they were receiving or, as the case may be, by which they were governed immediately before the Effective Date, including those relating to entitlements and benefits arising upon termination of services, on the basis of continuation of service.

ARTICLE 12

EVENT OF DEFAULT AND EFFECT ON SCHEME

- 12.1. Each of the following shall constitute an event of default, as declared by Board of Directors of both SIL and AEL (unless provided for otherwise)
- (i) If the Scheme Completion Date is not achieved by the date mutually agreed upon by the respective Board of Directors of SIL and AEL; or
 - (ii) If the Scheme is not approved by the requisite majority of shareholders and members of either SIL or AEL.
- 12.2. upon occurrence of an event of default in terms of this Scheme, the arrangements and compromise terms in terms of the Scheme may be terminated at the option of either the Board of Directors of SIL or AEL, and thereafter this Scheme shall become null and void and no rights and liabilities shall accrue to or be incurred in terms of this Scheme.

ARTICLE 13

GENERAL

13.1. Modifications by the High Court

This Scheme shall be subject to such modification of conditions, as the Court may deem expedient to impose. The Board of Directors of SIL and AEL respectively may consent to any modifications or additions to this Scheme or to any conditions which the Court may think fit. In case of any difficulty in implementation of any aspect of this Scheme, clarifications, directions and / or approval may be obtained from the Court. Notwithstanding the above, in the event that the terms of this Scheme are not approved by the shareholders and / or creditors of SIL and / or AEL (as applicable) in its entirety and / or the Scheme, as approved by the respective companies, is modified by the Court, the Board of Directors of SIL and / or AEL shall be entitled to withdraw this Scheme (whether or not approval from the shareholders and creditors of the respective companies has been obtained).

13.2. Headings

Article headings are not to be considered part of this Scheme, but are solely for convenience of reference, and shall not affect the meaning or interpretation of this Scheme or any of its provisions.

13.3. Severability

If any provision of this Scheme is found to be unlawful and unenforceable by a competent court of law, then to the fullest extent possible, all of the remaining provisions of the Scheme shall remain in full force and effect.

13.4. Costs and expenses

All costs, charges and expenses of SIL and AEL in respect of the preparation of this Scheme and carrying the same into effect shall be borne by SIL.

Lahore, Pakistan.

Dated: June 07, 2023

For and on behalf of

STYLERS INTERNATIONAL LIMITED



Name: Mustanser Ahmed

Designation: Chief Executive Officer

For and on behalf of

AEL TEXTILES LIMITED



Name: Awaiz Tauq

Designation: Chief Executive Officer

LIST OF ANNEXURES

- "Annexure A" – Shareholding Pattern of AEL
- "Annexure B" – Shareholding Pattern of SIL
- "Annexure C" – List of members of Board of Directors of SIL.
- "Annexure D" – List of members of Board of Directors of AEL.
- "Annexure E" – List of Members of Board of Directors of SIL as the Merged / Surviving Entity
- "Annexure F" – Condensed Statement Of Financial Position
- "Annexure G" – Swap Letter

ANNEXURE A

SHAREHOLDING PATTERN OF AEL
(As of March 31, 2023)

Categories of Shareholders	No. of Shares held	% shareholding
Directors, their spouses and children	3500	0.04%
Associated, undertakings and related parties	5,899,138	73.74%
Banks, Financial Institutions, NBFCs, Insurance Companies, Takaful, Modarabas and Pension Funds	302,000	3.78%
General Public	1,795,362	22.44%
Total	8,000,000	100.00%

It is to be noted that the total number of shareholders of AEL is 211 as of March 31, 2023.

ANNEXURE B

**SHAREHOLDING PATTERN OF SIL
(As of March 31, 2023)**

Categories of Shareholders	No. of Shares held	% shareholding
Sponsors and Directors:		
Sponsor, directors, their spouses and children	340,299,200	79.05%
Total	340,299,200	79.05%
Other Shareholders:		
Naimat Saleem Trust (a public welfare trust approved by the Tax Department)	90,038,220	20.92%
Other shareholders	150,000	0.03%
Total	90,188,220	20.95%
Total	430,487,420	100.00%

It is to be noted that SIL's total number of shareholders is 309 as of March 31, 2023.

Naimat Saleem Trust ("NST") was registered in 1998 under the Trust Act 1882 to play a role in the improvement of all aspects of life for the people of Pakistan by providing diversified social services to the community including healthcare and improved education for those in need. NST is an approved trust under tax laws of Pakistan. The dividend income, gains and sale proceeds of shares owned by NST in SIL will be used for the same purposes whereas NST has not entered into any shareholders agreement or other restrictions for long-term holding of its shares in SIL. Some of the trustees of NST are also the shareholders/directors of SIL.

ANNEXURE C

LIST OF MEMBERS OF BOARD OF DIRECTORS OF SIL

DIRECTORS	DESIGNATION
Mr. Javed Arshad Bhatti	Chairman / Director
Mr. Mian Muhammad Ahsan	Director
Mr. Mustanser Ahmed	Chief Executive Officer/Director
Mr. Muhammad Umer	Director
Mr. Muhammad Asif Malik	Director
Mr. Muhammad Saqib	Director

ANNEXURE D

LIST OF MEMBERS OF BOARD OF DIRECTORS OF AEL

DIRECTORS	DESIGNATION
Mr. Mustanser Ahmed	Chairman/ Director
Mr. Awais Tariq	Chief Executive Officer/ Director
Mr. Muhammad Nafees Khan	Director
Mr. Aziz Ur Rehman	Director
Mr. Abdul Wahab	Director
Mrs. Ayesha Naweed	Independent Director
Mr. Abdul Rehman	Independent Director

ANNEXURE E

LIST OF MEMBERS OF BOARD OF DIRECTORS OF SIL AS THE MERGED / SURVIVING ENTITY

DIRECTORS	DESIGNATION
Mr. Javed Arshad Bhatti	Chairman / Director
Mr. Mian Muhammad Ahsan	Director
Mr. Mustanser Ahmed	Chief Executive Officer/Director
Mr. Muhammad Umer	Director
Mr. Muhammad Saqib	Director
Mr. Khurram Shahzad	Independent Director
Ms. Salma Bashir	Independent Director

ANNEXURE F

Condensed Statement of Financial Position

	Before Merger		After Merger
	SIL	AEL	SIL
	31 March 2023	31 March 2023	31 March 2023
	Rupees	Rupees	Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4,839,276,547	54,058	4,839,330,605
Right-of-use assets	52,655,669	-	52,655,669
Investment properties	408,485,000	-	408,485,000
Intangible assets	288,432	-	288,432
Long term investment	411,218,750	-	411,218,750
Long term deposits	45,714,378	-	45,714,378
	5,757,638,776	54,058	5,757,692,834
CURRENT ASSETS			
Stores, spare parts and loose tools	31,105,320	-	31,105,320
Stock-in-trade	2,040,854,145	-	2,040,854,145
Trade debts	1,124,413,847	-	1,124,413,847
Advances, deposits and prepayments	102,831,443	-	102,831,443
Other receivables	183,880,423	4,150,026	188,030,449
Due from the Government	1,310,131,474	-	1,310,131,474
Cash and bank balances	1,362,202,460	60,938,361	1,423,140,821
	6,155,419,112	65,088,387	6,220,507,499
TOTAL ASSETS	11,913,057,888	65,142,445	11,978,200,333
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid up share capital	4,304,874,200	80,000,000	4,384,874,200
Reserves	4,453,564,998	(15,463,998)	4,438,101,000
Total equity	8,758,439,198	64,536,002	8,822,975,200
LIABILITIES			
NON-CURRENT LIABILITIES			
Lease liabilities	9,212,552	-	9,212,552
Leave encashment	11,012,320	-	11,012,320
Deferred taxation	5,352,452	7,211	5,359,663
	25,577,324	7,211	25,584,535
CURRENT LIABILITIES			
Net defined benefit liability	32,771,863	-	32,771,863
Trade and other payables	2,395,464,444	383,610	2,395,848,054
Short term borrowings	600,750,000	-	600,750,000
Unclaimed dividend	-	31,348	31,348
Current portion of non-current liability	100,055,059	-	100,055,059
Taxation - net	-	184,274	184,274
	3,129,041,366	599,232	3,129,640,598
Total liabilities	3,154,618,690	606,443	3,155,225,133
TOTAL EQUITY AND LIABILITIES	11,913,057,888	65,142,445	11,978,200,333

Annexure G

Swap Letter

[To be Inserted]

Riaz Ahmad & Company
Chartered Accountants

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Lahore 54660, Pakistan
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racolhr@racopk.com
www.racopk.com

The Board of Directors
Stylers International Limited
20-KM, Ferozepur Road
Anum Road, Glaxo Town
LAHORE

03 June 2023
Our ref: G-1-409

The Board of Directors
AEL Textiles Limited
19-A, Commercial Area, Izmir Town
Canal Bank Road
LAHORE

Lady and Gentlemen

AUDITOR'S CERTIFICATE ON SHARE SWAP RATIO

We have been requested to certify the basis of the determination of the share swap ratio as on 31 March 2023 (the "Effective Date") upon the proposed amalgamation / merger of AEL Textiles Limited ("AEL") with and into Stylers International Limited ("SIL") under the Scheme of Arrangement.

AEL and SIL are, collectively, hereinafter referred to as the Companies.

Understanding of the Companies

AEL Textiles Limited

AEL Textiles Limited (AEL) is a public limited Company incorporated in Pakistan on 20 February 1994 under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited (PSX). The principal activity of AEL is textile trading and manufacturing and ancillary matters whereas previously AEL was engaged in generation and distribution of electricity which has been changed through modification in the memorandum of association of AEL.

AEL's registered office is currently located at 19-A, Commercial Area, Izmir Town, Canal Bank Road, Lahore. The ownership and management of AEL are specified as under:

Categories of Shareholders	No. of Shares Held	% Holding
Sponsors and Directors:		
Directors	3,500	0.04%

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Categories of Shareholders	No. of Shares Held	% Holding
Automotive Plastics (Private) Limited (holding company of AEL)	5,899,138	73.74%
Total - Sponsors and Directors	5,902,638	73.78%
Other shareholders:		
Banks, Financial Institutions, NBFCs, Insurance Companies, Takaful, Modarabas and Pension Funds	302,000	3.78%
General Public	1,795,362	22.44%
Total - Other shareholders	2,097,362	26.22%
TOTAL	8,000,000	100.00%

AEL's total number of shareholders are 211 as at the Effective Date.

Stylers International Limited

Stylers International Limited (SIL) was incorporated in Pakistan as a private limited Company under the Companies Ordinance, 1984 (now Companies Act, 2017) on 27 November 1991 and was converted into a public limited company with effect from 21 May 2021. SIL is principally engaged in carrying out manufacturing, marketing of readymade garments and processing services. Registered office of SIL is located at 20-K.M., Ferozepur Road, Anum Road, Glaxo Town, Lahore. The ownership and management of SIL are specified as under:

Categories of Shareholders	No. of Shares Held	% Holding
Sponsors and Directors:		
Sponsors, Directors, spouses and children	340,299,200	79.05%
Naimat Saleem Trust (not-for-profit organization approved by Federal Board of Revenue)	90,038,220	20.92%
Other shareholders	150,000	0.03%
TOTAL	430,487,420	100.00%

SIL's total number of shareholders are 309 as at the Effective Date.

Naimat Saleem Trust ("NST") was registered in 1998 under the Trust Act, 1882 to play a role in the improvement of all aspects of life for the people of Pakistan by providing diversified social services to the community including healthcare and improved education for those in need. NST is an approved trust under tax laws of Pakistan. The dividend income, gains and sale proceeds of shares owned by NST in SIL will be used for the same purposes. Some of the trustees of NST are also the shareholders / directors of SIL.

PROPOSED AMALGAMATION / MERGER SCHEME (PURPOSE AND OBJECTS)

The principal objective of the Scheme of Arrangement formulated under the provisions of sections 279 to 283 and 285 of the Companies Act, 2017, is to effect the merger / amalgamation of AEL with and into SIL. The merger / amalgamation involves the transfer to and vesting in SIL of the whole undertaking and business of AEL together with all the property, assets, privileges, and rights including listing status, CDC eligibility, liabilities, licenses, guarantees, and obligations of every description of AEL against allotment of shares of SIL to the registered members of AEL.

SIL has vast experience in manufacturing and export of readymade garments. SIL is a profitable Company having strong technical, financial, and sales and marketing expertise. Accordingly, the shareholders of AEL will be able to participate in the profitability of SIL after the merger. Therefore, the proposed merger will create positive synergies for shareholders of both the merging entities. On the date of allotment of shares of SIL to the members of AEL, AEL will be dissolved without winding up, AEL shall stand delisted from PSX, and SIL shall stand listed on PSX.

SHARE CAPITAL AND MANAGEMENT

The shareholders of AEL will be issued and allotted shares of SIL as per the swap ratio and as per the provisions of the Scheme of Arrangement.

The new shares will be issued to those registered members of AEL whose names will appear on the register of members on the date to be fixed by the board of directors of SIL for the purpose.

SCOPE OF THE CERTIFICATE

The management of SIL and its members are in the process of filing the Scheme of Arrangement in terms of provisions of sections 279 to 283 and 285 of the Companies Act, 2017 and all other enabling provisions of the Companies Act, 2017 for amalgamation / merger of AEL, a listed company, with and into SIL, subject to the approval of the Honorable Lahore High Court, Lahore.

MANAGEMENT'S RESPONSIBILITY

It is the management's responsibility to prepare the share swap ratio in accordance with the Scheme of Arrangement under sections 279 to 283 and 285 of the Companies Act, 2017 and all other enabling provisions of the Companies Act, 2017. This certificate does not relieve the management of its responsibility.

AUDITOR'S RESPONSIBILITY

Our responsibility is to certify that the share swap ratio has been computed and determined

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on the basis of four generally accepted valuation methodologies i.e.

1. Net Assets Valuation (NAV);
2. Share Price as quoted on Pakistan Stock Exchange Limited (volume weighted average share price for last six months); *[not considered in case of SIL as it is an unlisted Company]*
3. Market Value Per Share based on Average Earnings Multiple of Peer Group and Earnings Per Share of the Company; *[not considered in case of AEL as its commercial operations have just resumed in December 2022 and have not reached optimal level]*
4. Discounted Cash Flow (DCF).

Valuation of AEL and SIL as at 31 March 2023 has been carried out on a standalone basis in order to calculate the share swap ratio. Audited financial statements of AEL and SIL for the nine months period ended 31 March 2023 along with their financial projections for the years 2024 – 2028 have been used. Other related information and explanations as and when required were provided with.

We have not conducted verification of the said financial projections and related information. Accordingly, our verification was limited to the following procedures:

1. We have obtained information regarding the undertaking and business of AEL to be amalgamated with and into SIL from the financial statements for the nine months period ended 31 March 2023.
2. We have obtained information on Net Assets Valuation, market value of shares of Companies (including Average Earnings Multiple of Textile Peer Group) and Discounted Cash Flow and checked the ratio of issuance of shares by SIL to the existing shareholders of AEL as decided by the management and approved by the Board of Directors of SIL.
3. We have verified the computation of the share swap ratio as prepared by the management of SIL to effectuate the Scheme of Amalgamation of AEL, a listed company (enclosed as **Annexure A**).
4. We have checked that all the financial information used in the share swap ratio regarding the assets and liabilities is based on the audited financial statements of AEL and SIL for the nine months period ended 31 March 2023 and according to the provisions of the proposed Scheme of Amalgamation as approved by the respective boards of directors of AEL and SIL.
5. We have checked that the whole business and undertaking of AEL are transferred with and into SIL as decided by the management that also serves the basis for the determination of share swap ratio regarding the business and undertaking transferred and issuance of shares by SIL thereagainst.

CERTIFICATE

Based on the procedures mentioned above, we certify that the shares to be issued by SIL to the existing shareholders of AEL under the Scheme of Amalgamation / Merger in a swap ratio

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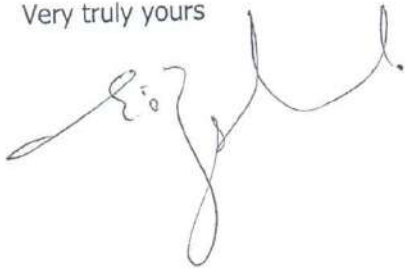
of 0.60:1 i.e. 60 ordinary shares of SIL for every 100 ordinary shares held in AEL (Please refer to **Annexure A**).

Our certificate is in accordance with the "Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms" issued by the Institute of Chartered Accountants of Pakistan (ICAP). Our verification was limited to the information mentioned above.

Restriction on use and distribution

This certificate is being issued on the specific request of the management of SIL for the purpose of submission to all the concerned parties including the Honorable Lahore High Court, Lahore in connection with the Scheme of Arrangement for the amalgamation of AEL with and into SIL whereby AEL will be dissolved by the order of Honorable Lahore High Court, Lahore, without winding up and the issuance of shares by SIL to the existing shareholders of AEL in terms of the provisions of sections 279 to 283 and 285 of the Companies Act, 2017 and all other enabling provisions of the Companies Act, 2017 and is not to be used or distributed for any other purpose.

Very truly yours



Riaz Ahmad & Company

Chartered Accountants

Annexure A

Valuation Methodology

	SIL	AEL
Net Assets Valuation (NAV) – Rupees per share	20.35	8.07
Share Price as quoted on Pakistan Stock Exchange Limited (volume weighted average share price for last six months) – Rupees per share	*	16.39
Market Value Per Share based on Average Earnings Multiple of Peer Group and Earnings Per Share of the Company – Rupees per share	21.17	**
Discounted Cash Flow (DCF) – Rupees per share	40.66	24.71

Average

27.39	16.39
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Share swap ratio is as follows:

0.60 share of SIL in exchange for 1 share of AEL.

* not considered in case of SIL as it is an unlisted Company

** not considered in case of AEL as its commercial operations have just resumed in December 2022 and have not reached optimal level

Detailed calculation of shares to be issued by SIL to the shareholders of AEL post-merger based on the above-mentioned swap ratio and resultant shareholding position of the surviving entity, SIL post-merger are as follows:

SIL - total number of shares before merger	<i>a</i>	430,487,420
AEL - total number of shares before merger	<i>b</i>	8,000,000
Share swap ratio	<i>c</i>	0.60
New shares issued by SIL	$d = b \times c$	4,800,000
SIL - total number of shares post-merger	$e = a + d$	435,287,420