

April 30, 2024

SIL/PSX/04/2024/01

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

Dear Sir,

FINANCIAL RESULTS FOR THE 3RD QUARTER AND NINE MONTHS ENDED MARCH 31, 2024

We would like to inform you that the Board of Directors of Stylers International Limited in their meeting held on Tuesday, April 30, 2024 at 19-A, Commercial Area, Izmir Town, Canal Bank, Lahore has recommended the followings:

1. **Cash Dividend: Nil**
2. **Bonus Shares: Nil**
3. **Right Shares:**

The Board of Directors of the Company has approved and decided to issue 53,540,353 ordinary shares by way of rights issue in proportion of 12.30 ordinary shares for every 100 shares held at price of PKR 43.50 per share including premium of PKR 33.50 per share to all existing shareholders.

4. **Any other Corporate Action: Nil**

The financial results of the company for the 3rd quarter ended March 31, 2024 are annexed herewith.

The Quarterly Report of the Company for the period ended 3rd quarter ended March 31, 2024 will be transmitted through PUCARS separately, within the specified time.

There is a disclosure of material information for which a separate letter is attached.

Yours truly,

For and on behalf of Stylers International Limited

Tariq Majeed
Company Secretary

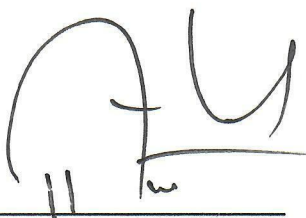


c.c to:- The Executive Director/HOD,
Offsite-II Department, Supervision Division
Securities & Exchange Commission of Pakistan

STYLERS INTERNATIONAL LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE NINE MONTHS ENDED 31 MARCH 2024

Note	PERIOD ENDED		QUARTER ENDED		
	Un-audited	Audited	Un-audited	Audited	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023	
------(Rupees)-----					
Revenue	7	9,818,867,464	10,888,371,869	3,770,365,166	3,232,706,381
Cost Of Sales	8	(7,687,911,840)	(8,454,109,594)	(3,038,849,687)	(2,180,975,876)
Gross Profit		2,130,955,624	2,434,262,275	731,515,479	1,051,730,505
Distribution Cost		(393,399,480)	(446,487,673)	(148,965,055)	(134,296,850)
Administrative Expenses		(321,950,310)	(258,299,099)	(104,976,558)	(105,401,906)
Other Expenses		(239,386,817)	(316,205,350)	(84,584,001)	(165,540,056)
		(954,736,607)	(1,020,992,121)	(338,525,614)	(405,238,812)
		1,176,219,017	1,413,270,154	392,989,865	646,491,694
Other Income		176,112,734	847,445,612	23,180,976	608,581,672
Profit From Operations		1,352,331,751	2,260,715,766	416,170,841	1,255,073,366
Bank And Other Charges		(179,571,131)	(122,531,543)	(64,846,037)	(33,669,031)
Profit Before Taxation		1,172,760,620	2,138,184,223	351,324,804	1,221,404,335
Taxation		(156,151,673)	(141,957,741)	(41,387,331)	(41,288,501)
Profit After Taxation		1,016,608,947	1,996,226,482	309,937,473	1,180,115,834
Earnings Per Share- Basic And Diluted (Rupees)	9	2.34	4.64	0.71	2.74

The annexed notes form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

April 30, 2024

SIL/BOD/04/2024/02

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

Dear Sir

DECLARATION OF RIGHT SHARE

In accordance with the requirements of applicable provisions of the Securities Act, 2015 and the PSX Rule Book, Stylers International Limited is pleased to inform you that the Board of Directors of the Company has approved and decided to issue 53,540,353 ordinary shares by way of rights issue in proportion of 12.30 ordinary shares for every 100 shares held at price of PKR 43.50 per share including premium of PKR 33.50 per share to all existing shareholders. As required under section 58 of the Companies Act, 2017 and Regulation 6 of the Companies (Further Issue of Shares) Regulation, 2020.

We also enclose herewith the following information/documents in compliance of Section 83 of the Companies Act, 2017:

- i. Statement pertaining to quantum of issue, issue size, issue price, purpose of issue, utilization of proceeds, benefits of the issue to the Company and the shareholders, risk factors and justification for issue of shares at premium (Annexure A)
- ii) Certified true copy of the Board Resolution dated April 30th, 2024 (Annexure B)
- iii) Draft copy of Notice to Shareholders (Annexure C)

Yours truly,
For Stylers International Limited


Tariq Majeed
Company Secretary



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

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

The quantum of the Right Issue is approximately 12.30% of the existing paid-up capital (Ordinary Shares) of the Company i.e. approximately 12.30 right shares for every 100 ordinary shares held by the shareholders of the Company.

Right Issue Size

The Company shall issue 53,540,353 (Fifty-Three Million Five Hundred and Forty Thousand Three Hundred and Fifty-Three) ordinary shares, at a price of Rs. 43.50/- (Rupees Forty-Three Point Five Zero) per share, aggregating to Rs. 2,329,005,356 (Rupees Two Billion Three Hundred and Twenty-Nine Million Five Thousand Three Hundred and Fifty-Six).

Issue Price per share

Rs. 43.50/- (Rupees Forty-Three point Five Zero) per share (i.e. inclusive of a premium of Rs. 33.50/- (Rupees Thirty-Three point Five Zero) per share).

Purpose of the Right Issue

The purpose of the Right Issue is to secure funds for an expansion initiative integral to Company's long-term business Sustainability and Growth strategy. This project is designed to meet the escalating demands of its customers more efficiently and aims to attain the esteemed Leeds Platinum certification. This expansion, Company will effectively execute its Growth Strategy, thereby enhancing its profitability and delivering greater returns to the shareholders.

Utilization of Proceeds of the Right Issue

The purpose of the Right Issue is to secure funds for an expansion initiative, currently the project is being partially financed by funding by an associated Company (AJ Holding). These funds will 100% allocated towards repayment of financing obtained for expenditure

STYLERS

required for the successful completion of the expansion project. The expansion plan also includes installation of solar power generation project of approximately 1000 KW. Post completion the expansion project will result in a significant increase in the company's existing production capacity by 40,000 garment units per day. This initiative will enhance production capabilities with sustainability which will elevate the company's appeal to investors, driven by an augmented turnover and the ability to capture a larger market share.

Benefits of the Right Issue to the Company and its Shareholders

The subscription amount raised through the Right Issue will be directed towards enhancing the company's production capacity, with a steadfast commitment to sustainability. This strategic initiative is poised to generate significant value for shareholders. By augmenting production capacity, the company stands to realize a myriad of benefits, including revenue growth, improved cost efficiency, expansion of market share, competitive advantage, heightened potential for dividends, and the creation of long-term shareholder value.

Risks Factors associated with the Right Issue

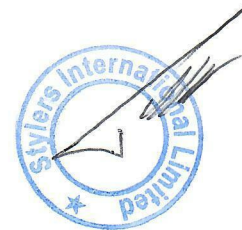
There are no significant risk factors associated with the Right Issue. The substantial shareholders and directors of the Company have confirmed that they shall subscribe to (or arrange the subscription of) their respective right entitlements, while the balance portion of the Right Issue will be underwritten in accordance with the applicable laws. The Right Issue of The Company is being made at Rs. 43.50/- per share, which is less than the current share price in the market and hence there is no major investment risk associated with the Right Issue. Normal risks associated with the business will remain. The Company is well placed in the market with proven track record, which will help to mitigate such risk factors.

Justification for Issue of Right Shares at Premium

Considering the current market price of shares of the Company, the premium charged over the par value is justified and is also in line with the prevailing market practice.

Minimum Subscription Amount

None



ANNEXURE B**Extract of the Resolution passed by the Board of Directors of Stylers International Limited (the "Company") at its meeting held on Tuesday, April 30, 2024 at the Registered Office of the Company**

IT IS HEREBY RESOLVED that the issued share capital of the Company be and is hereby increased from Rs. 4,352,874,200 to Rs. 4,888,277,730 divided into 488,827,773 shares of Rs. 10/- each; that 53,540,353 shares of Rs. 10/- be issued for cash at a premium of Rs. 33.50/- each payable in full, in the proportion of approximately 12.30 shares for every 100 shares held @ Rs. 43.50/- (including premium of Rs. 33.50/- per share); that the Board of Directors and Company Secretary be and are hereby authorized to deal with all such matters arising in respect thereof; that Company Secretary or any one Director of the Company be and are hereby authorized to sign the new share certificates of the Company.

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

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

The quantum of the Right Issue is approximately 12.30% of the existing paid-up capital (Ordinary Shares) of the Company i.e. approximately 12.30 right shares for every 100 ordinary shares held by the shareholders of the Company.

Right Issue Size

The Company shall issue 53,540,353 (Fifty-Three Million Five Hundred and Forty Thousand Three Hundred and Fifty-Three) ordinary shares, at a price of Rs. 43.50/- (Rupees Forty-Three Point Five Zero) per share, aggregating to Rs. 2,329,005,356 (Rupees Two Billion Three Hundred and Twenty-Nine Million Five Thousand Three Hundred and Fifty-Six).

Issue Price per share

Rs. 43.50/- (Rupees Forty-Three point Five Zero) per share (i.e. inclusive of a premium of Rs. 33.50/- (Rupees Thirty-Three point Five Zero) per share).

Purpose of the Right Issue

The purpose of the Right Issue is to secure funds for an expansion initiative integral

to Company's long-term business Sustainability and Growth strategy. This project is designed to meet the escalating demands of its customers more efficiently and aims to attain the esteemed Leeds Platinum certification. This expansion, Company will effectively execute its Growth Strategy, thereby enhancing its profitability and delivering greater returns to the shareholders.

Utilization of Proceeds of the Right Issue

The purpose of the Right Issue is to secure funds for an expansion initiative, currently the project is being partially financed by funding by an associated Company (AJ Holding). These funds will 100% be allocated towards repayment of financing obtained for expenditure required for the successful completion of the expansion project. The expansion plan also includes installation of solar power generation project of approximately 1000 KW. Post completion the expansion project will result in a significant increase in the company's existing production capacity by 40,000 garment units per day. This investment will enhance production capabilities with sustainability which will elevate the company's appeal to investors, driven by an augmented turnover and the ability to capture a larger market share.

Benefits of the Right Issue to the Company and its Shareholders

The subscription amount raised through the Right Issue will be directed towards enhancing the company's production capacity, with a steadfast commitment to sustainability. This strategic investment is poised to generate significant value for shareholders. By augmenting production capacity, the company stands to realize a myriad of benefits, including revenue growth, improved cost efficiency, expansion of market share, competitive advantage, heightened potential for dividends, and the creation of long-term shareholder value.

Risks Factors associated with the Right Issue

There are no significant risk factors associated with the Right Issue. The substantial shareholders and directors of the Company have confirmed that they shall subscribe to (or arrange the subscription of) their respective right entitlements, while the balance portion of the Right Issue will be underwritten in accordance with the applicable laws. The Right Issue of The Company is being made at Rs. 43.50/- per share, which is less than the current share price in the market and hence there is no major investment risk associated with the Right Issue. Normal risks associated with the business will remain. The Company is well placed in the market with proven track record, which will help to mitigate such risk factors.

Justification for Issue of Right Shares at Premium

Considering the current market price of shares of the Company, the premium charged over the par value is justified and is also in line with the prevailing market practice.

Minimum Subscription Amount

None

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

FURTHER RESOLVED THAT Mr. Mustanser Ahmed, the Chief Executive Officer and any one Director of the Company, be and are hereby authorized by all the Directors of the Company, to sign the letter of offer, once finalized in accordance with the procedure stipulated under the Companies (Further Issue of Shares) Regulations, 2020.

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

FURTHER RESOLVED THAT the Chief Executive and / or the Company Secretary and / or the Chief Financial Officer, be and are hereby severally authorized to prepare / finalize the draft offer document / letter and share it with the Securities and Exchange Commission of Pakistan ("SECP") and Pakistan Stock Exchange Limited ("PSX"), and revise the same based on the observations and changes of the SECP and PSX as may be deemed fit by them, in the manner prescribed under the Companies (Further Issue of Shares) Regulations, 2020, along with preparing and submitting other necessary documents in this respect. While the draft offer letter shall be placed on the PSX, public comments on the same shall not be required to be solicited.

FURTHER RESOLVED THAT the Chief Executive Officer, and / or the Chief Financial Officer, and / or the Company Secretary, be and are hereby severally authorized, such that any one of them may do all or any of the following for and on behalf and in the name of the Company:

- i. Appoint / negotiate with consultants / advisors / auditors and underwriter(s) to the Rights Issue, to finalize terms and conditions and sign underwriting agreements(s), other documents and settle / finalize fees, underwriting commission, take up commission and third-party expenses and / or any other expenses relating to the Rights Issue;
- ii. To prepare the schedule for issue of right shares including date of payment, and to make any amendment in the said schedule, appointment of banker(s)

- to the issue, announce book closure dates, and to take all necessary actions, in respect of the Rights Issue and ancillary matters thereto, as required by the SECP, PSX, Central Depository Company of Pakistan Limited ("CDC") (including, but not limited to, induction of the offer for right shares in the Central Depository System of the CDC or any other authority / body);
- iii. To decide and announce the closure of the share transfer books of the Company including the dates thereof, to determine entitlements of Shareholders of the Company with respect to the Right Issue;
 - iv. To open, maintain, operate and close bank accounts for the purpose of amounts received from subscription of rights shares;
 - v. To credit right shares once allotted by the Board and file returns / documents as required by SECP / PSX / CDC 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 accompanying the offer letter as required under Section 83(3) of the Companies Act, 2017, schedule for issue of right shares and any other documents and to make any amendment in the said documents and schedule and to take all necessary action as may be required in this regard including execution of any documents and agreements or any ancillary or incidental actions to give effect to the above resolutions.

Yours truly,

For Stylers International Limited



Tariq Majeed
Company Secretary



NOTICE OF RIGHT ISSUE

Members are hereby notified that the Board of Directors of Stylers International Limited (the "Company"), in their meeting held on Tuesday, April 30, 2024, has decided to issue further capital by offering 53,540,353 (Fifty-Three Million Five Hundred and Forty Thousand Three Hundred and Fifty-Three) ordinary right shares of Rs. 10/- (Rupees Ten) each at a price of Rs. 43.50/- (Rupees Forty-Three point Five Zero only) per share (i.e., inclusive of a premium of Rs. 33.50/- (Rupees Thirty-Three point Five Zero)). This offering will be made in the ratio of approximately 12.30 right shares for every 100 existing ordinary shares of Rs. 10/- (Rupees Ten only) each held (i.e., approximately 12.30%), against payment to the Company of the price of the shares subscribed. These shares shall rank pari passu in all respects with the existing ordinary shares of the Company.

The dates of closure of the Share Transfer Books of the Company, to determine the entitlement of the Right Shares, will be communicated in due course after the finalization of the offer letter/document in accordance with the provisions of the Companies (Further Issue of Shares) Regulations, 2020.


Tariq Majeed
Company Secretary

