



Data Textiles
Limited

DATA TEXTILES LIMITED

Notice of Extraordinary General Meeting

In compliance to the Order dated March 14, 2023 passed by the Honorable Lahore High Court, Lahore in Civil Original No. 58175/2022, notice is hereby given that the Extra-Ordinary General Meeting (EOGM) of the shareholders of M/s Data Textiles Limited (DATM/Company) will be held on **Saturday April 08, 2023 at 11:00 A.M.** at the registered office of the Company i.e. LSE Plaza, 19-Khayaban-e-Aiwan-e-Iqbal, Lahore to consider and if deemed fit, adopt, agree and approve the Scheme of Compromises, Arrangements and Reconstruction (Scheme) and to pass a special resolution, with or without modification, subject to the terms and conditions entailed in the Scheme.

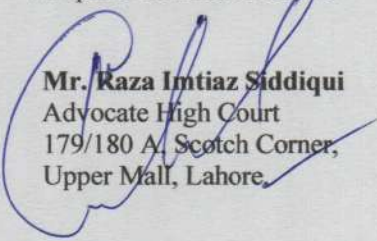
The Board of Directors in its meeting held on January 13, 2023 has approved the Scheme and has recommended the resolution(s), as outlined in the statement of information accompanying the notice to the members of the Company under the relevant provisions of the Companies Act, 2017, to the shareholders of the Company for their approval with or without amendment/alteration. The Board of Directors of the Company has passed the following resolution:

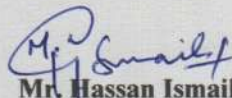
“RESOLVED THAT approval be and is hereby accorded to approve the draft scheme of compromises, arrangement and reconstruction for amalgamation/merger (‘the Scheme’) of **Data Textiles Limited (& its members)** with **LSE Ventures Limited (& its members)** and **LSE Proptech Limited (& its members)** in terms of the provisions of Sections 279 to 282 and all other enabling provisions of the Companies Act, 2017.

FURTHER RESOLVED THAT approval be and is hereby accorded to approve the Scheme in its entirety.

FURTHER RESOLVED THAT approval be and is hereby accorded to approve the annexed accompanying notice (along with the resolutions) to the members under section 281(1)(a) / 134(3) of the Companies Act, 2017.”

In compliance to the above Order of the Honorable Lahore High Court, Lahore the undersigned Joint Chairpersons issue and serve this notice i.e. the EOGM of the Company will be held at the date, time and place mentioned above.


Mr. Raza Imtiaz Siddiqui
Advocate High Court
179/180 A, Scotch Corner,
Upper Mall, Lahore.


Mr. Hassan Ismail
Advocate High Court
9-G Mushtaq Ahmed Gurmani Road,
Gulberg II, Lahore.





Notes:

1. The detailed explanatory statement accompanying the notice to the members is being sent along with the Notice of the Extra Ordinary General Meeting of the Company.
2. Copies of the Scheme, statement u/s 281 of the Companies Act, 2017 annual/quarterly accounts (as circulated in the shareholders' meeting held on August 10, 2022) along with all published or otherwise required accounts of all previous periods of the above referred companies along with financial details on swap ratio, Memorandum and Articles of Association, requisite approvals and any other related information/ documents may also be inspected/ procured during the business hours on any working day at Registered Office of the Company from the date of publication of this Notice till the conclusion of the Extra-Ordinary General Meeting.

Closure of Share Transfer Books

The share transfer Books of the Company shall remain closed from **April 01, 2023 to April 08, 2023** (both days inclusive) for the purpose of attending Extraordinary General Meeting. Transfers received in order at the office of our Share Registrar **F.D. Registrar Services (Private) Limited 1705, 17th Floor, Saima Trade Tower A. I.I. Chundrigar Road Karachi** at the close of business on **March 31, 2023** will be considered in time to attend the EOGM.

Participation in the Extraordinary General Meeting (EOGM)

In the light of COVID-19 situation in the Country, the Company has made the arrangement for the safety of the members attending the meeting physically. The relevant SOPs should be followed strictly. All members entitled to attend and vote at this Meeting may appoint another person as his/her proxy to attend, speak and vote for him / her. Proxies in order to be effective must be received at the Registered Office of the Company **not less than 48 hours before the time of holding the meeting**. The CDC Accounts Holders will further have to follow the guidelines as laid down in Circular 1 dated January 26, 2000 issued by the Securities & Exchange Commission of Pakistan. Proxy form is available at the Company's website i.e. www.datatextile.com and it is also available at www.lse.com.pk.

For Attending the Meeting

- a. In case of individuals, the account holder or sub-account holder and / or the person whose securities are in group account and their registration detail is uploaded as per the Regulations, shall authenticate their identity by showing his/ her original National Identity Card ("CNIC") or original passport at the time of attending the meeting.
- b. In case of corporate entity, Board of Directors' resolution/ power of attorney with specimen signature of the nominee shall be produced (unless provided earlier) at the time of the meeting.

For Appointing Proxies

- a) In case of individuals, the account holder or sub-account holder is and / or the person whose securities are in group account and their registration detail is uploaded as per the CDC Regulations, shall submit the proxy form as per the above requirement.
- b) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.



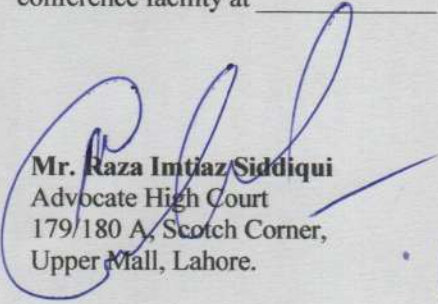
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- c) Attested copies of the CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- d) The proxy shall produce his/her original CNIC or original passport at the time of the meeting.
- e) In case of corporate entities, board of directors' resolution/ power of attorney with specimen signature of the nominee shall be submitted (unless provided earlier) along with the proxy form to Company.

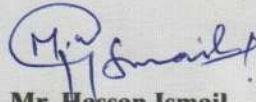
Consent For Video Conference

Pursuant to SECP's Circular No 10 dated 21 May 2014, if the Company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through video conference at least 10 days prior to the date of meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city. In this regard, please fill the following and submit to registered address of the Company at least 10 days before the date of EOGM.

I/We _____ of _____, being member(s) of **Data Textiles Limited** holder _____ Ordinary share(s) as per Register Folio No. _____ hereby opt for video conference facility at _____


Mr. Raza Imtiaz Siddiqui
Advocate High Court
179/180 A, Scotch Corner,
Upper Mall, Lahore.




Mr. Hassan Ismail
Advocate High Court
9-G Mushtaq Ahmed Gurmani Road,
Gulberg II, Lahore.



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**STATEMENT OF INFORMATION
ACCOMPANYING NOTICE TO THE MEMBERS
UNDER SECTION 281(1)(a) / 134(3) OF THE COMPANIES ACT, 2017**

BACKGROUND

LSE Financial Services Limited (LSEFSL) is a public company limited by shares, incorporated in Pakistan under Companies Ordinance, 1984 and having its registered office at LSE Plaza, 19-Khayaban-e-Aiwan-e-Iqbal, Lahore. **LSEFSL** (along with subsidiaries) is interested in the scheme of compromises, arrangement and reconstruction for amalgamation / merger with the Company (as a transferor) in terms of provisions of Sections 279 to 283 and all other enabling provisions of the Companies Act, 2017.

Under the “investment finance service” license, **LSEFSL** has to operate within the ambit defined by the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (and related regulations under the Non-Banking Finance Companies and Notified Entities Regulations, 2008) that generally includes provision of finance, loans, guarantee, financial accommodation etc. Further, the license is also valid for undertaking leasing, housing finance services and discounting services without the requirement of obtaining separate licenses for each form of business under the NBFC rules and regulations.

LSEFSL, is interested in the reverse merger of its two of its subsidiaries namely LSE Ventures Limited (LVL and LSE Proptech Limited (LPL) (as transferees) with the Company (together being as unlisted operating companies as transferors) and has submitted a draft Scheme of Arrangement to the Company for approval by its shareholders under Sections 279 to 282 of the Companies Act, 2017.

DATA Textiles Limited (hereinafter referred to as “**DATM**” or the “**Company**”) is a public listed company limited by shares, incorporated in Pakistan under the Companies Ordinance, 1984, which is listed on Pakistan Stock Exchange (PSX), having its registered office located at Office No. 505, 5th Floor, LSE Plaza, Khayaban-e-Aiwan-e-Iqbal, Lahore.

The main activity of the company had been the manufacturing and sale of yarn; however, the Company had ceased to conduct its business from 2008 onwards. Due to stoppage of business/commercial operations and various other defaults the Listed Regulations of PSX, the shares of the Company had been placed on the defaulters trading counter by the Exchange (PSX). Subsequently, on the receipt of the winding up Show Cause notice to the Company from the SECP, the trading in the shares of the Company at PSX had been suspended on August 01, 2012. Subsequent to the failure of the Company to defend the Show Cause notice of the SECP for the winding up of the Company, the Additional Registrar of the Companies, Company Registration Office (CRO), of the SECP, Lahore, filed an application (C.O. No.19/2017) in accordance with Section 305, read with Section 309 of the then Companies Ordinance 1984, together with all enabling provisions of the law, to the Honorable Court for the winding up of the Company, which



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has been allowed by the Honorable Lahore High Court on March 08, 2022. Upon this, the Honorable Court also appointed an Official Liquidator (Mr. Muhammad Faizan Saleem, Advocate) for completing the process of liquidation of the Company. Accordingly, the Official Liquidator assumed the powers of the Board of Directors of the Company to pursue the liquidation process of the Company.

The Hon'ble Lahore High Court, Lahore, vide its order dated January 11, 2023, has disposed the winding up petition after recalling the winding up order dated March 08, 2022 in case titled as Additional Registrar SECP Vs. Data Textiles Limited and others bearing C.O. no. 19/2017 The Scheme of compromises, arrangement and reconstruction for amalgamation/merger of Data Textiles Limited (and its members) with and into LSE Ventures Limited (and its members) and LSE Proptech Limited (and its members) is approved by the shareholders of the Company in their meeting held on August 10, 2022 duly convened under honorable Court's order.

Upon the completion of merger / amalgamation through the instant Scheme, the DATM will be dissolved under the Order of the Honorable LHC, without winding up, and the issuance of shares of LVL and LPL to the registered members of DATM, in accordance with the determined SWAP ratio.

LSE Ventures Limited (LVL) has been incorporated under the Companies Act, 2017 with the principal business of carrying out the business of making strategic & long-term investments and equity injection in other companies and undertakings in the form of equity, debentures, sukus, commercial papers, hybrid instruments, warrants and any other type of shares or securities. The Company has been incorporated to operate as a public limited Company.

Currently, the **LVL** is the wholly owned subsidiary of LSEFSL. It has been formed by LSEFSL to implement the intended Scheme.

The registered office of the Company is located at 19 Khayaban-e-Aiwan-e Iqbal (old Kashmir-Egerton Road), Lahore. The Corporate Unique Identification Number (UIN) of LVL is 0206407 and the date of incorporation is July 18, 2022.

LSE Proptech Limited (LPL) has been incorporated under the Companies Act, 2017 with the principal business to develop, import, market, construct and maintain and offer software services for efficient real estate management and to provide online/e-commerce market places/networked warehouses and smart architectural, maintenance, safety, security and assurance solutions and eco-systems for Internet of Things (IoT) for buildings, shared grids and data centers and insulated construction methodologies, and to provide digital platform for information, analytics, data for real estate management and to buy, sell, export, import of software, hardware and establishment of incidental infrastructural facilities, subject to permission of relevant authorities.

Currently, the **LPL** is the wholly owned subsidiary of LSEFSL. It has been formed by LSEFSL to implement the intended Scheme.



The registered office of the Company is located at 19 Khayaban-e-Aiwan-e Iqbal (old Kashmir-Egerton Road), Lahore. The Corporate Unique Identification (CUIN) of LPL is 020194 and the date of incorporation is May 11, 2022.

OBJECTIVE AND BENEFITS:

- a. Once the Scheme is implemented, the shareholders of DATM will get the shares of LSE PropTech Limited (LPL) and LSE Ventures Limited (LVL) under the Scheme, as per the determined SWAP ratio.
- b. The combined value (based on book value) of LPL and LVL shares that are being given to DATM's shareholders under the SWAP ratio is in excess of the book value of DATM's shares. Thus, the shareholders of DATM shall gain from the merger transaction.
- c. The long-stuck shareholders of the Company shall also get a chance to exit from their investments upon the resumption of trading in DATM shares at PSX.
- d. Those shareholders who will continue to keep the shares swapped under the Scheme, will become the shareholders of two prestigious and potentially profitable entities.

Objective of the shareholders' approvals under this EOGM is to:

1. Moreover, under the Scheme of Compromises, Arrangement and Reconstruction also involves the Amalgamation/Merger of DATA TEXTILES LIMITED (and its members) with and into the newly created subsidiaries of LSE FSL:
 - a. LSE VENTURES LIMITED (and its members)
 - b. LSE PROPTECH LIMITED (and its members)
2. Seek the approval of the Scheme of Compromises, Arrangement and Reconstruction for Amalgamation / Demerger/Split of LSE FINANCIAL SERVICES LIMITED (and its members) with and into
 - a. LSE VENTURES LIMITED (and its members)
 - b. LSE PROPTECH LIMITED (and its members)
 - c. LSE FINANCIAL SERVICES LIMITED (and its members)

In terms of provisions of Sections 279 to 283 and all other enabling provisions of the Companies Act, 2017, and, for this purpose, pass the resolutions, as special resolutions (as attached in the Statement of Information, accompanying Notice to the Members under Section 281(1)(a) / 134(3) of the Companies Act, 2017), with or without modification(s), addition(s) or deletion(s), and to approve the consequent alterations in the Memorandum and Articles of Association of the Company, subject to requisite approvals, if any and

Jointly authorize the Chief Executive of the Company and the Company Secretary of the Company, to undertake and implement all relevant steps/actions, required to be completed, as a consequence of the approval of the above special resolutions.

Scheme may be implemented in two parts, if required, as follows:

Part 1 - Scheme of Compromises, Arrangement and Reconstruction for Amalgamation / Demerger/Split of LSE FINANCIAL SERVICES LIMITED (and its members) with and into

- i. LSE VENTURES LIMITED (and its members)



- ii. LSE PROPTECH LIMITED (and its members)
- iii. LSE FINANCIAL SERVICES LIMITED (and its members)

Part 2 - It may be mentioned that the Scheme of Compromises, Arrangement and Reconstruction also involves the Amalgamation/Merger of DATA TEXTILES LIMITED (and its members) with and into the newly created subsidiaries of LSE FSL:

- i. LSE VENTURES LIMITED (and its members)
- ii. LSE PROPTECH LIMITED (and its members)

SPECIAL BUSINESS

Proposed Resolutions as an integral part of Scheme of Compromises, Arrangement and Reconstruction for Amalgamation/Merger ('the Scheme') to be adopted by the Shareholders:

Agenda item – 1 : and the specific resolution required to be approved by the Shareholders	Type of resolution to be passed
<p>1. To approve the Scheme of Compromises, Arrangement and Reconstruction for Amalgamation/Merger of DATA TEXTILES LIMITED (and its members) with and into</p> <ul style="list-style-type: none"> a. LSE VENTURES LIMITED (and its members) b. LSE PROPTECH LIMITED (and its members) <p>2. Along with the Scheme of Compromises, Arrangement and Reconstruction for Amalgamation / Demerger/Split of LSE FINANCIAL SERVICES LIMITED (and its members) with and into</p> <ul style="list-style-type: none"> a. LSE VENTURES LIMITED (and its members) b. LSE PROPTECH LIMITED (and its members) c. LSE FINANCIAL SERVICES LIMITED (and its members) <p>Along with In terms of provisions of Sections 279 to 283 and all other enabling provisions of the Companies Act, 2017, and, for this purpose, pass the resolutions, as special resolutions (as attached in the Statement of Information, accompanying Notice to the Members under Section 281(1)(a) / 134(3) of the Companies Act, 2017) , with or without modification(s), addition(s) or deletion(s), and to approve the consequent alterations in the Memorandum and Articles of Association of the Company, subject to requisite approvals, if any;</p>	<p>Special Resolution / Under Section 279 and all other enabling provisions of Companies Act, 2017</p>
<p>1. To grant authorization (jointly) to the Chief Executive Officer and Company Secretary of the Company to undertake and implement all relevant steps/actions, required to be completed, as a consequence of the approval of the above special resolutions.”</p>	<p>Special Resolution / Under Section 279 and all other enabling provisions of Companies Act, 2017</p>

Notes:



- iii. **The resolutions are meant for enabling actions under Sections 279 to 283 of the Companies Act, 2017 and the Rule Book of Pakistan Stock Exchange Limited.**
- iv. **The above resolutions may be passed by the shareholders in their absolute discretion, with or without modification(s), addition(s) or deletion(s), if any.**

Proposed Resolution to be passed by the shareholders of the Company with or without modifications for the SCHEME OF ARRANGEMENT

“Resolved that pursuant to the provisions of Section 279 to 283 of the Companies, Act, 2017 and other applicable provisions, if any, and subject to the approval of the Honorable Lahore High Court, the proposed demerger of LSE Financial Services Limited (‘Transferor Company’) with and into LSE Ventures Limited, LSE Proptech Limited and LSE Financial Services Limited (‘Transferee Companies’) and amalgamation/merger of **Data Textiles Limited** (as a ‘Transferor Company’) with and into LSE Proptech Limited and LSE Ventures Limited along with the draft Scheme of Amalgamation/ Merger/ Demerger as placed before the Shareholders, be and are hereby approved.

Resolved Further that approval be and is hereby accorded to implement the Scheme in full or in parts (Part 1 and Part 2) and accordingly application/petition shall be filed with the Securities and Exchange Commission of Pakistan, honorable Lahore High Court, Pakistan Stock Exchange Limited and any other competent authority(ies).

Resolved Further that the approval of the shareholders, be and is hereby granted to the terms and conditions as set out in the draft Scheme of Amalgamation/ Merger / Demerger, which includes, inter-alia, the following:

- i. That all asset and liabilities including Income Tax and all other statutory liabilities of the Transferor Companies will be transferred to and vest in the **Transferee Companies** (Data Textiles Limited and LSE Financial Services Limited) (as described in Schedule – 1 and Schedule – 2 and Schedule – 6 of the Scheme);
- ii. That all the employees of the Transferor Companies, if any, in service on the date immediately preceding the date on which Scheme finally takes effect i.e. the Effective Date, shall become the employees of the Transferee Companies (as described in Schedule – 5 of the Scheme) on such date without any break or interruption in service and upon terms and conditions not less favorable than those subsisting in the concerned Transferor Company on the said date;
- iii. That the Scheme of Amalgamation / Merger / Demerger shall be effective from **Effective Date**, the provisions of the Scheme, so far as they relate to transfer and vesting of the business and undertaking(s) of the Transferor Company (as described in Schedule – 1 and Schedule - 2 and Schedule – 6 of the Scheme) into the Transferee Companies, shall be applicable and come into operation from the Sanction Date or such other date as the Honorable Lahore High Court may approve;
- iv. That the Transferee Companies shall allot shares to the shareholders of the Transferor Company in accordance to the **SWAP Ratio** as per the Valuation Report given by the Kreston Hyderbhimji, Chartered Accountants (or any other renowned practicing-chartered accounting firm), as tabled before the meeting and taken note of; and
- v. That the listing status of the Data Textiles Limited with the Pakistan Stock Exchange Limited (PSX) and eligibility status (of DATM and LSEFSL) with Central Depository Company of Pakistan Limited (CDC) along with all privileges, rights and liabilities of the



- Transferor Company with PSX and CDC shall be transferred in the names of the Transferee Companies (as described in the Scheme).
- vi. Effective date of the Scheme is July 31, 2022 or any other date which is determined by the honorable LHC. Final 'Scheme' shall be submitted to the honorable LHC after July 31, 2022 along with financial statements, schedules, and other financial figures based on July 31, 2022. However, this will not affect the SWAP ratio determined in the Scheme. Any difference, if any, will be adjusted either in goodwill or merger reserves, as the case may be. Moreover, actual transfer will be effectuated on sanctioned date, when the Scheme shall become the operative (as defined in Article – 3 of the Scheme). No further approval shall be required from the shareholders of the Company.
 - vii. SWAP ratio will not be changed unless directed (and accepted by the Company) by the honorable Lahore High Court or the Securities and Exchange Commission of Pakistan, as the case may be. Any difference, if any, will be adjusted either in goodwill or merger reserves, as the case may be. No further approval shall be required from the shareholders of the Company.

Resolved Further That pursuant to the provision of Section 279 to 283 of the Companies, Act, 2017 and other applicable provisions, necessary joint/separate application(s), petition(s) and may be moved by the Chief Executive Officer and the Company Secretary jointly before the Honorable Lahore High Court, for seeking its directions as to convening, holding and conducting of any meeting(s) of the shareholders and creditors (if any) or dispensation thereof, as the case may be, including for the appointment of Chairman, issuance and dispatch of notices and placement of advertisements and for seeking any other directions as the Honorable LHC may deem fit and proper and for seeking the approval of the proposed amalgamation/merger and the proposed Scheme of Amalgamation / Merger.”

Resolved Further That approval be and is hereby given to the Board of Directors to amend the swap ratio, if advised or directed by the Securities and Exchange Commission of Pakistan or honorable Lahore High Court, as the case may be, for the issuance of shares to the shareholders of the Company or to the shareholders of the Data Textiles Limited or to the shareholders of LSE Proptech Limited or to the shareholders of LSE Ventures Limited, as the case may be.

Resolved Further That the shareholders, be and hereby authorize jointly the Chief Executive Officer and the Company Secretary of the Company, to undertake and implement all relevant steps/actions, required to be completed, as a consequence of the approval of the above special resolutions.

Resolved Further That the Chief Executive Officer and the Company Secretary of the Company, be and are hereby singly authorized to submit the certified true copies of the resolutions passed by the shareholders of the Company to the Honorable Lahore High Court, the Registrar of Companies, the Securities and Exchange Commission of Pakistan, Pakistan Stock Exchange Limited and such other competent authorities, if necessary.”

Resolved Further That the Chief Executive Officer, or the Company Secretary of the Company, be and are hereby singly authorized:

- i. To sign, submit or present necessary applications, petitions, supplementary applications/petitions, summons, deeds, documents, instruments, rejoinders, replies, and to swear affidavits or execute bonds for the above-mentioned amalgamation/ merger;



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- ii. To engage any counsel(s)/advocate(s)/consultant(s) to file the application(s) and petition(s) before the Honorable Lahore High Court, and to do other needful tasks;
- iii. To appear [in person or through representative(s)] before the Honorable Lahore High Court; the Offices of the Registrar of the Companies; the Securities and Exchange Commission of Pakistan; Pakistan Stock Exchange Limited and/or before any other authority or person in connection with the aforesaid amalgamation/merger; and
- iv. To do any other act, deed or thing which may be ancillary or incidental to the above-mentioned matter or which may otherwise be required for the aforesaid purpose.