



ATM/24/ 1389

April 15, 2024

THE GENERAL MANAGER,
PAKISTAN STOCK EXCHANGE LIMITED,
Stock Exchange Building, Stock Exchange Road,
KARACHI

SUB: FINANCIAL RESULTS FOR THE THIRD QUARTER & NINE MONTHS PERIOD ENDED MARCH 31, 2024
AND TO FIX NO. OF DIRECTORS U/S 159(1) OF THE COMPANIES ACT, 2017

Dear Sir,

We have to inform you that the Board of Directors of our Company in their meeting held today on 15th April 2024 at 11:00 a.m. at its registered office situated at Vehari Road, Multan have approved the Financial Results for the period ended March 31, 2024 and recommended the following:

- (i) CASH DIVIDEND Rs. NIL
- (ii) BONUS SHARES NIL
- (iii) RIGHT SHARES The Board of Directors have decided to increase Paid-Up Capital of the Company by issue of further 200,000 ordinary shares having face value of Rs.10/- each as Right Shares to be offered to the members in proportion of 25 Right Shares for every 100 Ordinary Shares held i.e., @25% at a price of Rs.1,000/- per Right Share (inclusive of a premium of Rs.990/-). Dates of book closure to determine the entitlement of Right Shares will be communicated in due course.
- (iv) ANY OTHER ENTITLEMENT CORPORATE ACTION NO. OF DIRECTORS ARE FIXED AS ELEVEN (11) U/S 159(1) OF THE ACT 2017.
- (v) ANY OTHER PRICE-SENSITIVE INFORMATION NIL

The financial results of the Company are as follows:

	----- Nine months period ended-----		----- Quarter ended-----	
	Mar. 31, 2024	Mar. 31, 2023	Mar. 31, 2024	Mar. 31, 2023
	Rupees	Rupees	Rupees	Rupees
Revenue from contracts- net	4,718,144,554	2,681,768,873	1,590,177,740	917,483,092
Cost of goods sold	<u>(4,406,433,454)</u>	<u>(2,587,267,657)</u>	<u>(1,553,072,533)</u>	<u>(896,361,716)</u>
Gross Profit	311,711,100	94,501,216	37,105,207	21,121,376
Other Income	2,349,799	2,598,618	-	-
Distribution & marketing expenses	(31,022,537)	(16,176,287)	(10,948,973)	(5,149,708)
Administrative expenses	(75,206,383)	(63,365,815)	(27,621,476)	(19,562,862)
Finance cost	(209,326,238)	(171,645,540)	(65,546,357)	(64,002,336)
	(313,205,359)	(248,589,024)	(104,116,806)	(88,714,906)
Loss before Taxation	(1,494,259)	(154,087,808)	(67,011,599)	(67,593,530)
Provision for Taxation	(56,456,543)	(33,522,111)	(19,877,222)	(15,588,844)
Loss for the period	<u>(57,950,802)</u>	<u>(187,609,919)</u>	<u>(86,888,821)</u>	<u>(83,182,374)</u>
Other Comprehensive Income	-	-	-	-
Total Comprehensive Loss for the period	<u>(57,950,802)</u>	<u>(187,609,919)</u>	<u>(86,888,821)</u>	<u>(83,182,374)</u>
Earnings per share - Basic and diluted	<u>(72.44)</u>	<u>(234.51)</u>	<u>(108.61)</u>	<u>(103.98)</u>

The Quarterly Report of the Company will be transmitted through PUCARS separately, within the specified time.

Thanking you.

Yours faithfully,
For ALLAWASAYA TEXTILE AND FINISHING MILLS LIMITED

COMPANY SECRETARY

Head Office & Mills: Allawasaya Square, Mumtazabad Industrial Area, Vehari Road, Multan (Pakistan).
Phone: 061-4233624 - 6, Fax: 061-6525202, E-mail: atm@allawasaya.com, Website: www.allawasaya.com



ATM/24/1419

April 15, 2024

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

DECLARATION OF RIGHT SHARES

Dear Sir,

In accordance with the requirements of applicable provisions of the Securities Act, 2015 and the PSX Rule Book, Allawasaya Textile and Finishing Mills Limited (the "Company") is pleased to inform you that the Board of Directors of the Company in its meeting held on Monday, April 15, 2024 at the Registered Office of the Company has decided to increase the paid-up share capital of the company by issue of a further 200,000 (Two Hundred Thousand) ordinary shares, having face value of PKR:10/- (Pak Rupees Ten) each, as Right Shares, to be offered to all existing members of the Company in proportion of 25%, at a price of PKR.1,000/- (Pak Rupees One Thousand) per Right Share (inclusive of a premium of PKR.990/- (Pak Rupees Nine Hundred Ninety) per Right Share.

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 finalization of the offer letter / document in accordance with the provisions of the Companies (Further Issue of Shares) Regulations, 2020.

Following details are enclosed:

- 1) Statement with respect to the details of the Right Issue, including the quantum of issue, issue size, issue price, purpose of issue, utilization of proceeds of the issue, benefits of the issue to the Company and its shareholders, risk factors and justification for issue of shares at premium, and minimum subscription amount (Annexure A).
- 2) Certified true copy of the Extracts of the Resolutions passed by the Board of Directors of the Company at their meeting held on Monday, April 15, 2024 (Annexure B).
- 3) Draft copy of the notice of the Right Issue to the Shareholders prior to its publication in the newspapers (Annexure C).

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Yours sincerely,

Muhammad Ismail
Company Secretary
Enclosed: As above.



The Commissioner
Corporate Supervision Department
Securities and Exchange Commission of Pakistan
Islamabad

The Director
Surveillance Supervision Enforcement (SMD)
Securities and Exchange Commission of Pakistan
Islamabad.

Head Office & Mills: Allawasaya Square, Mumtazabad Industrial Area, Vehari Road, Multan (Pakistan).
Phone: 061-4233624 - 6, Fax: 061-6525202, E-mail: atm@allawasaya.com, Website: www.allawasaya.com



ANNEXURE A

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.

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

The quantum of the Right Issue is 25% of the existing Paid-Up Capital of the Company i.e. 25 right shares for every 100 ordinary shares held by the shareholders of the company immediately prior to the close of the share transfer books of the Company.

b) Right Issue size

The Company shall issue 200,000 (Two hundred thousand only) ordinary shares, at a price of PKR.1,000/- (Pak Rupees One Thousand) per share, aggregating to PKR. 200,000,000/- (Pak Rupees Two Hundred Million only).

c) Issue Price Per Share

PKR.1,000/- (Pak Rupees One Thousand) per share (i.e., inclusive of a premium of PKR.990/- (Pak Rupees Nine hundred ninety) per share.

d) Purpose of the Right Issue

The purpose of the right issue is to meet future capital expenditures and increased working capital requirements of the Company, in order to enhance the profitability of the Company and consequently returns to the shareholders.

e) Utilization of Proceeds of the Right Issue

The proceeds from the right Issue will be primarily utilized for future capital expenditures and for meeting working capital requirements

f) Benefits to the Company and Shareholders

The right Issue is expected to positively impact the profitability, thereby enhancing expected returns to the shareholders.





g) Risk Factors associated with the Right Issue, if any

The right Issue of the company is being carried out at a price which is less than the current share price in the market and hence there is no major investment risk 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 shall be fully underwritten as per requirements under applicable regulations. Normal risks associated with the business will remain: however, the Company is well placed in the market, which will help to mitigate such risk factors.

h) Justification for Issue at premium

The right Issue is being carried out at a premium. Considering market price of the Company, the premium charged over the par value is justified and is also in line with the prevailing market practice.

i) Minimum subscription Amount

Not Applicable





ANNEXURE B

Extracts of the Resolutions passed by the Board of Directors of the Company in its meeting held on Monday April 15, 2024 at the Registered Office of the Company at Allawasaya Square, Vehari Road, Multan, Pakistan and through video conferencing.

A meeting of the Board of Directors of the Company was held on Monday April 15, 2024 at 11:00 a.m. at the registered office of the Company at Allawasaya Square, Vehari Road, Multan, Pakistan and through video link.

During the meeting, the Board of Directors of the Company discussed and approved the proposed issuance of further shares capital by the Company by way of right issue. The Board of Directors stated that all requirements of the Companies Act, 2017 and the Companies (Further Issue of Shares) Regulations, 2020 have been considered by the Board of Directors of the Company and shall be duly complied by the Company.

For the purpose of the right issue, the management has received confirmation from the substantial shareholders and from the Board of Directors of the Company that they will (i) subscribe to the right shares to them (or shall arrange for subscription thereof) and that they shall deposit the amount of the subscription at least three (03) days before the commencement of trading and (ii) ensure that the balance of right issue i.e., other than those subscribed to by the substantial shareholder and directors, will be adequately underwritten in accordance with applicable laws. The substantial shareholders and Directors of the Company shall issue the requisite undertakings in such respect.

Accordingly, the following resolutions were passed by the Board of Directors:

RESOLVED THAT the ordinary issued paid up share capital of the Company be increased from PKR.8,000,000/- (Pak Rupees Eight Million only) to PKR.10,000,000 (Pak Rupees Ten Million only) by issue of a further 200,000 (Two hundred thousand) ordinary shares of the Company of PKR.10/- (Pak Rupees Ten) each to be offered to the shareholders of the Company in proportion to the number of shares held by each shareholder(i.e., as right shares) immediately prior to the close of the share transfer books of the Company, in accordance with the provisions of Section 83 of the Companies Act, 2017 and all applicable laws, at a price of PKR.1,000/- (Pak Rupees One Thousand) per share (i.e., inclusive of a premium of PKR.990/- (Pak Rupees Nine Hundred Ninety) per share, in the ratio of 25 right shares for every 100 ordinary shares of PKR.10/- (Pak Rupees Ten) each held (i.e., 25%) against payment to the Company of the price of shares subscribed, which shares shall rank pari passu in all respects with existing ordinary shares of the Company (the "**Rights Issue**").





FURTHER RESOLVED THAT the following are the quantum, size, price and purpose of the Right Issue, along with the utilization of proceeds, benefits of the same to the Company and its shareholders, the risk factors associated with 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:

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

The quantum of the Right Issue is 25% of the existing Paid-Up Capital of the Company i.e. 25 right shares for every 100 ordinary shares held by the shareholders of the company immediately prior to the close of the share transfer books of the Company.

b) Right Issue size

The Company shall issue 200,000 (Two hundred thousand only) ordinary shares, at a price of PKR.1,000/- (Pak Rupees One Thousand) per share, aggregating to PKR. 200,000,000/- (Pak Rupees Two Hundred Million only)

c) Issue Price Per Share

PKR.1,000/- (Pak Rupees One Thousand) per share (i.e., inclusive of a premium of PKR.990/- (Pak Rupees Nine hundred ninety) per share.

d) Purpose of the Right Issue

The purpose of the right issue is to meet future capital expenditures and increased working capital requirements of the Company, in order to enhance the profitability of the Company and consequently returns to the shareholders.

e) Utilization of Proceeds of the Right Issue

The proceeds from the right Issue will be primarily utilized for future capital expenditures and for meeting working capital requirements

f) Benefits to the Company and Shareholders

The right Issue is expected to positively impact the profitability, thereby enhancing expected returns to the shareholders.

g) Risk Factors associated with the Right Issue, if any

The right Issue of the company is being carried out at a price which is less than the current share price in the market and hence there is no major investment risk 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 shall be fully underwritten as per requirements under applicable regulations. Normal risks associated with the business will remain: however, the Company is well placed in the market, which will help to mitigate such risk factors.





h) Justification for Issue at premium

The right Issue is being carried out at a premium. Considering market price of the Company, the premium charged over the par value is justified and is also in line with the prevailing market practice.

i) Minimum subscription Amount

Not Applicable

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 (02) Directors of the Company in compliance with the applicable laws.

FURTHER RESOLVED THAT that, Mian Muhammad Jamil, Mr. Idrees Ahmed Sheikh and Mr. Mohammad Alamgir Jamil Khan, the Directors of the Company, be and are hereby authorized by the Board of Directors of the Company, to sign the circular accompanying the letter of offer, once finalized in according with the procedure stipulated under the regulations.

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

FURTHER RESOLVED THAT any unsubscribed shares may be offered and allotted to such persons as 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"), 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 the 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 each of them is hereby 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 Right 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 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 the shareholders of the Company with respect to the Right Issue;
- (iv) To open, maintain, operate and close bank accounts for the purpose of amount received from subscription of right shares;
- (v) To credit right shares once allotted by the Board and the 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 thing, 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.

Certified that the above mentioned is a true and valid extract from the meeting of the Board of Directors of Allawasaya Textile and Finishing Mills Limited held at Multan on Monday, April 15, 2024.

Company Secretary
April 15, 2024





ANNEXURE C

NOTICE OF RIGHT ISSUE

Members are hereby notified that the Board of Directors of Allawasaya Textile and Finishing Mills Limited the "Company") in their meeting held on Monday, April 15, 2024 has decided to issue further capital by offering 200,000 (Two Hundred Thousand) ordinary right shares of PKR 10/- (Pak Rupees Ten) each at the price of PKR:1,000/- (Pak Rupees One Thousand only) per share (i.e inclusive of a premium of PKR:990/- (Pak Rupees Nine Hundred Ninety only), in the ratio of 25 right shares for every 100 existing ordinary shares of PKR:10/- (Pak Rupees Ten only) each held (i.e., 25%) against payment to the Company of the price of the shares subscribed, which 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 finalization of the offer letter/ documents in according with the provisions of the Companies (Further Issue of Shares) Regulations, 2020.

