

**Report on “Scheme of Merger/Amalgamation, Calculation of Merger
Consideration and Independent Valuation of Shares” of
FAR Chemical Industries Limited (FARCHEM)
and
S.F. Textile Industries Limited (SFTIL).**

As of 30 June 2021

**FAMES & R
Chartered Accountants
Sharaqa Mac, H-3/1, & 3/2 (Flat-2A)
Bijoy Nagar, Dhaka-1000**

Ref: FAMES/SF_FARCHEM/M-2021/13

19 December, 2021

The Board of Directors
FAR Chemical Industries Limited
House No: 11 (Floor:5-A), Road No: 12
Niketon, Gulshan-1, Dhaka

The Board of Directors
S.F. Textile Industries Limited
House No: 11, Road No: 12
Niketon, Gulshan-1, Dhaka

Report on "Scheme of Merger/Amalgamation, Calculation of Merger Consideration and Independent Valuation of Shares" of FAR Chemical Industries Limited (FARCHEM) and S.F. Textile Industries Limited (SFTIL).

Reference: Appointment letter SFTIL/2021/021 dated 10 November, 2021 & FARCHEM/2021/014 dated 10 November, 2021.

Dear Sir(s),

We are pleased to submit the reports for the purpose of merger of S.F. Textile Industries Limited (SFTIL) and FAR Chemical Industries Limited (FARCHEM) based on the Independent Share Valuations of FARCHEM and SFTIL.

The report contains the following -

1. Scheme of Merger/Amalgamation of S.F. Textile Industries Limited (SFTIL) and FAR Chemical Industries Limited (FARCHEM),
2. Calculation of Merger Consideration.
3. Independent Valuation of Shares of FAR Chemical Industries Limited as of 30 June 2021.
4. Independent Valuation of Shares of S.F. Textile Industries Limited as of 30 June 2021.

We would like to take the opportunity to express our sincere thanks and deep appreciation to the management of S.F. Textile Industries Limited (SFTIL) and FAR Chemical Industries Limited (FARCHEM) for the courtesy and cooperation extended to our representatives in the successful accomplishment of our assignment.

Thanking you.
Yours faithfully,



Md. Abdur Rashid, FCA
Partner
ICAB Enrollment No.: 474
FAMES & R
Chartered Accountants

**SCHEME OF AMALGAMATION/MERGER
OF
S.F. TEXTILE INDUSTRIES LIMITED
AND
FAR CHEMICAL INDUSTRIES LIMITED**

A. GENERAL

1. This Scheme of Amalgamation (hereinafter referred to as the "Scheme") provides for the amalgamation of S.F. Textile Industries Limited. ("SFTIL") and FAR Chemical Industries Limited ("FARCHEM") pursuant to Sections 228 and 229 of the Companies Act, 1994 ("the Act") and other related provisions of the Companies Act, 1994 (the "**Merger**"), in accordance with which the FAR Chemical Industries Limited ("FARCHEM") shall be the surviving corporation of the Merger and the separate corporate existence of S.F. Textile Industries Limited. ("SFTIL") shall cease thereafter.
2. **Definitions and Interpretations**
 - 2.1. In this Scheme, unless repugnant to the meaning or context thereof, the expressions used herein shall have the following meanings:
 - (a) "**The Act**" means the Companies Act, 1994 including any amendments thereto.
 - (b) "**Appointed Date**" means the last date of a quarter in the financial year as determined by the Board prior to approval of the Scheme or any other date as may be determined by the Hon'ble High Court Division.
 - (c) "**Assets**" or "**Undertakings**" means and includes all the undertakings, the entire businesses, all the properties (whether movable or immovable, tangible or intangible), lands, buildings, plant, roads and pavements, machinery and equipment, capital works in progress, furniture, fixtures, office equipment, appliances, vehicles, other fixed assets, all stocks, investments of all kinds (including shares, scripts, debentures, or bonds), advances, deposits, prepayments, debtors, receivables, book debit, cash and cash equivalents. Balances with banks on any deposit or other accounts, financial assets, leases, bond license, import-export permits, environmental clearance, tenancies, contingent rights or benefits. Agreements, contracts, powers, approvals, allotments, authorities, permits, consents, Quotas, rights, entitlements, licenses (industrial or otherwise) or any other benefits, patents, trademarks, copyrights, design right and other intellectual property rights, rights to use and avail of telephones, telexes, facsimiles, email, internet connections and installations, utilities, gas connection, WASA, electricity and other services, all files, records, papers, manuals, programs, data, catalogues, sales and advertising materials, software and other records, whether in Bangladesh or abroad.

- (d) **"Business"** means the business of Spinning Mills to produce all types of Cotton, Viscose and CVC yarn of different qualities for selling or export to 100% export oriented dyeing / Textiles / garments industries and export thereof including Textile Chemical business and other activities as mentioned in the both Company's memorandum and articles of association.
- (e) **"Effective Date" or "coming into effect of this Scheme" or "effectiveness of this Scheme"** means the day on which the conditions specified in Clause 25 of this Scheme have been fulfilled.
- (f) **"Surviving Company" or "FARCHEM"** means, FAR Chemical Industries Limited, a public company limited by shares, listed with stock exchanges incorporated under the Companies Act. 1994 and having its registered office at Plot # 135-136 in CEPZ, Comilla Export Processing Zone, Comilla, Bangladesh. Factory of new location at Village / Mouza: Mirkutirchao, P.O.: Murapara, P.S.: Rupgonj, District: Narayanganj. Factory of old location at Plot # 135-136 in CEPZ, Comilla Export Processing Zone, Comilla, Bangladesh substantially transferred to the new location.
- (g) **"Merged Company" or "SFTIL"** means S.F. Textile Industries Limited., a non-listed public company limited by shares incorporated under the Companies Act. 1994 and having its registered office and factory at Village / Mouza: Kornogope, P.O.: Rupshi, P.S.: Rupganj, District.: Narayanganj.
- (h) **"Board of Directors"** means the board of directors of the both Company (FAR Chemical Industries Limited and S.F. Textile Industries Limited) or both as the context may require.
- (i) **"Scheme"** means this Scheme of Amalgamation in its present form or with any modification(s) approved, imposed, or directed by the High Court or the Shareholders of either party.
- (j) **"Governmental Authority"** means any supranational, national, municipal or local court, administrative body or other governmental or quasi-governmental entity or authority, or any stock exchange, wherever located.
- (k) **"Liabilities"** means secured and unsecured debts (whether in Taka or in foreign currencies), all liabilities, duties and obligations, along with any charge, encumbrance, lien or security thereon.

B. RATIONALE FOR AMALGAMATION

3. The Merger of FAR Chemical Industries Limited and S.F. Textile Industries Limited is proposed in order to develop the management efficiency and potential for further growth and expansion of the market and to improve synergies, vertical integration, optimize resources and increase fund raising capabilities.

4. The Merger accordingly would, inter alia, have the following benefits:

- a. Both the Company, FAR Chemical Industries Limited and S.F. Textile Industries Limited, are under the same management having corporate office in same location at House- 11, Road- 12, Block- F, Niketon, Gulshan-1, Dhaka- 1212. Thus, the amalgamation will ensure focused management in combined entity thereby resulting in efficiency of management.
- b. The amalgamation will also result in administrative and operational rationalization. Organization efficiencies, reduction in overheads and other expenses and optimal utilization of various resources.
- c. The amalgamation will result in not only pooling of efficient human resources and putting them to optimal utilization for the growth of the post-merger entity but also attracting efficient manpower by the post-merger entity.
- d. The rationale for continuing with two separate entities no longer exists and it is considered prudent and more appropriate to consolidate similar line of business in one entity. Such restructuring will lead to simplification of group structure by joining backward linkage industry with industry involved in production of final products, thus enabling focus on core competencies.
- e. Consolidate the managerial expertise of the companies' involved thereby giving additional strength to the operations and management of the amalgamated company resulting into expansion of the existing business.
- f. Result in enhanced leveraging capability of the combined entity, which in turn will allow the combined entity to undertake new venture or future expansion strategies and to tap bigger opportunities in the industry.
- g. The scheme envisages transfer of entire undertaking of the both Companies as a going concern to the Amalgamated/post-merger Company and is in the interest of its shareholders, creditors, employees and all concerned.

C. CAPITAL

5. The summary of share capital of S.F. Textile Industries Limited (SFTIL) as of 30 June, 2021 is as follows:

Share Capital	(Amount in Taka)
Authorized capital divided into 201,000,000 Ordinary Shares of Tk 10 each	2,010,000,000
Issued, Subscribed and paid up capital (157,695,630 Ordinary Shares of Tk 10 each fully paid-up)	1,576,956,300

A description of the share capital (Schedule- X dated 14th November, 2021) and Form- 117 for subsequent transfer of shares) and balance sheet enclosed herewith as Schedule- I. There has been no change in the capital structure of SFTIL subsequent to 30th June 2021 except the subsequent share transfer following prescribed Form- 117 as enclosed with the Schedule- I.

6. The summary of share capital of FAR Chemical Industries Limited (FARCHEM) as of 30th June, 2021 is as under:

Share Capital	(Amount in Taka)
Authorized capital divided into 300,000,000 ordinary shares of Taka 10/= each	3,000,000,000
Issued, Subscribed and paid up capital (218,093,423 Ordinary Shares of Tk. 10/- each fully paid-up)	2,180,934,230

A description of the share capital (Schedule X) and balance sheet are enclosed herewith as Schedule- II. There has been no change in the capital structure of FARCHEM subsequent to 30th June 2021.

D. TRANSFER AND VESTING

7. *Vesting of the Business*

Upon the Effective Date, the Business of FAR Chemical Industries Limited and S.F. Textile Industries Limited shall be vested in the name of FAR Chemical Industries Limited (post-merger entity) by virtue of and in accordance with this Scheme (subject to such conditions and limitations as the Shareholders of the parties (by mutual agreement) and/or the High Court, may impose), notwithstanding any terms in any agreement prohibiting such vesting and/or imposing any limitations on the circumstances in which any parts of the Business may be vested.

8. *Vesting of Assets*

Without generality to the above clause 7, unless otherwise excluded under this Scheme.

- (a) On the Effective Date and with effect from the Appointed Date and subject to the provisions of this Scheme, the Assets of the both Company (FAR Chemical Industries Limited and S.F. Textile Industries Limited) shall, pursuant to Section 229 (2) of the Act, without any further act, instrument or deed, be and stand vested in and/or be deemed to have been and stand vested in the post-merger Company named FAR Chemical Industries Limited as a going concern so as to become as and from the Appointed Date, a part and parcel of the assets, rights, title, interests and authorities of the merged Companies.
- (b) Without prejudice to sub-clause 8(a) above, in respect of such of the Assets as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same may be so transferred by the Transferor Company, and upon such transfer, become the property, assets, rights, title, interest, and authorities of the Transferee Company.
- (c) For the avoidance of doubt, all the licenses, assignments, entitlements, permits, quotas, approvals, permissions, registrations, incentives, loans, subsidies, concessions, grants, rights, claims, leases, gas connection, WASA connection, electricity connection, tenancies and other benefits or privileges enjoyed or conferred upon or held or availed of by and all rights and benefits that have accrued, which may accrue to S.F. Textile Industries Limited Company shall, pursuant to the provisions of Section 229 (2) of the Act, without any further act, instrument or deed, be and stand vested in and available to the FAR Chemical Industries Limited so as to become as and from the Appointed Date the licenses, permits, quotas, approvals, permissions, incentives, loans, subsidies, concessions, grants, rights, claims, leases, tenancies and other benefits or privileges of the post-merger Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible under law. It is hereby clarified that all inter party transactions between any/or all of FAR Chemical Industries Limited and S.F. Textile Industries Limited shall be considered as intra party transactions for all purposes from the Appointed Date.
- (d) Any Assets (including all rights, interests, licenses, permits, quotas, approvals, permissions, registrations, incentives, loans, subsidies, concessions, grants, claims, leases, tenancies and other benefits or privileges enjoyed or conferred upon or held or availed of by and all rights and benefits that have accrued or may accrue) which have or may accrue to the S. F. Textile Industries Limited after the Appointed Date and prior to the Effective Date in connection with or in relation to the Business shall, pursuant to the provisions of Section 229 (2) of the Act, without any further act, instrument or deed, be and stand vested in or deemed to have been vested in and available to the FAR Chemical Industries Limited and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible under law.

9. *Transfer of Liabilities*

Upon the Effective Date and with effect from the Appointed Date and subject to further terms and conditions with regard to the extent of Liabilities as may be agreed between the Shareholders and/or the Creditors of both the Companies, FAR Chemical Industries Limited and S.F. Textile Industries Limited.

- (a) All Liabilities of S.F. Textile Industries Limited, shall pursuant to the provisions of Section 229 (2) of the Act, without any further act, instrument or deed, be and stand transferred to and vested in or deemed to have been transferred to and vested in, so as to become the Liabilities of the FAR Chemical Industries Limited, and further that it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of such Liabilities have arisen in order to give effect to the provisions of this Clause. It is clarified that in so far as the assets of the S.F. Textile Industries Limited are concerned, the security or charge over such assets of any part thereof, relating to any loans, debentures or borrowings of the FAR Chemical Industries Limited, shall, without any further act or deed continue to relate to such assets or any part thereof, after the Effective Date and shall not relate to or be available as security in relation to any, or any part of, the assets of the FAR Chemical Industries Limited, save to the extent warranted by the terms of the existing security arrangements to which any offer the FAR Chemical Industries Limited and S.F. Textile Industries Limited are party, and consistent with the joint obligations assumed by them under such arrangement.
- (b) (i) Where applicable. all debentures, bonds, notes or other debt securities of the S.F. Textile Industries Limited, whether convertible into shares or otherwise (hereinafter referred to "the S.F. Textile Industries Limited's Securities"), shall, pursuant to the provisions of Section 229 (2) of the Act, without any further suit, Instrument or deed become securities of the FAR Chemical Industries Limited and all right, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or deemed to have been transferred to and vested in and shall be exercised by or against the FAR Chemical Industries Limited as if it were the post-merger Company in respect of the S.F. Textile Industries Limited 's securities so transferred.
- (ii) Loans, advances and other obligations (including any guarantees, letters of credit or any other instruments or arrangements which may give rise to contingent liabilities in any form), if any, due or which may at any time in future become due between the FAR Chemical Industries Limited and S.F. Textile Industries Limited shall stand discharged and there shall no liability in that behalf on either party.
- (iii) Where applicable, any debentures or notes or other debt securities, if any, issued by the FAR Chemical Industries Limited and held by the S.F. Textile Industries Limited, and vice versa, shall, unless sold or transferred by the FAR Chemical Industries Limited or S.F. Textile Industries Limited, as the case may be, at any time prior to the Effective Date, stand cancelled as on the Effective Date, and shall be of no legal effect and the FAR Chemical Industries Limited or S.F. Textile Industries Limited, as the case may be, shall have no further obligation in that behalf.

- (c) (i) Where any of the Liabilities of the S.F. Textile Industries Limited as on the Appointed Date transferred to the FAR Chemical Industries Limited have been discharged by the S.F. Textile Industries Limited after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the FAR Chemical Industries Limited.
- (ii) All loans raised and utilized and all Liabilities incurred or undertaken by the S.F. Textile Industries Limited in relation to or in connection with the Business after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the FAR Chemical Industries Limited and to the extent they are outstanding on the Effective Date, shall, upon the Effective Date, pursuant to the provisions of Section 229 (2) of the Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to or vested in the FAR Chemical Industries Limited and shall become the Liabilities of the FAR Chemical Industries Limited which shall meet, discharge and satisfy the same.
- (iii) All assets, rights, title, interests and authorities accrued to and/or acquired by the S.F. Textile Industries Limited in relation to or in connection with the Business after the Appointed Date and prior to the Effective Date shall be deemed to have been accrued to and/or acquired for and on behalf of the FAR Chemical Industries Limited and shall, upon the Effective Date pursuant to the provisions of Section 229 (2) of the Act, without any further act, instrument ordered be and stand transferred to or vested in or be deemed to have been transferred to or vested in the FAR Chemical Industries Limited to the extent and shall become the assets, rights, title, interests and authorities of the FAR Chemical Industries Limited.

10. Conduct of Business

With effect from the Appointed Date and up to the Effective Date:

- (a) The S.F. Textile Industries Limited shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the Business on account of, and for the benefit of and in trust for, the FAR Chemical Industries Limited.
- (b) All the profits, incomes or losses accruing or arising or unabsorbed depreciation or business losses as mentioned in the income tax return to the S.F. Textile Industries Limited, or expenditures or losses arising or incurred (including the effect of taxes, if any, thereon) by the S.F. Textile Industries Limited shall, for all purposes, be treated and be deemed to be and accrue as the profits or incomes or expenditures or taxes of the FAR Chemical Industries Limited, as the case may be.

- (c) All taxes (including, without limitation, income tax, excise duty, customs duty, service tax, VAT, etc.) paid or payable by the S.F. Textile Industries Limited in respect of the operations and/or the profits of the S.F. Textile Industries Limited before the Appointed Date, shall be on account of the S.F. Textile Industries Limited and, in so far distribution tax, sales tax, VAT, excise duty, customs duty, services tax, etc., whether by way of deduction at source, advance tax or otherwise howsoever, by the S.F. Textile Industries Limited in respect of the profits or activities or operations of the S.F. Textile Industries Limited with effect from the Appointed Date, the same shall be deemed to be the corresponding item paid by the FAR Chemical Industries Limited, and, shall, in all proceedings, be dealt with accordingly.
- (d) Any refund/credit and rebate under the tax laws/VAT laws due to the S.F. Textile Industries Limited consequent to the assessment made on S.F. Textile Industries Limited and for which no credit is taken in the account as on the date immediately preceding the Appointed Date shall also belong to and be received by the FAR Chemical Industries Limited. The FAR Chemical Industries Limited is expressly permitted to revise and expressly permitted to file revise income tax returns, sales tax/VAT tax returns, service tax returns and other tax returns, and to claim refunds/credits, pursuant to the provisions of the Scheme. FAR Chemical Industries Limited shall be entitled to such tax, benefits including but not limited to minimum tax paid under section 16CCC or 82C of the Income Tax Ordinance, 1984 (as amended) and the right to claim credit therefore including the benefit of brought forward losses or un absorbed depreciation as admissible under the provision of the Income Tax Ordinance, 1984 to the extent applicable of the S.F. Textile Industries Limited from taxable profit of the FAR Chemical Industries Limited with effect from the Appointed Date. The FAR Chemical Industries Limited shall continue to enjoy the tax benefits/concessions provided to the S.F. Textile Industries Limited's through notifications/circular issued by the concerned authorities, if any.
- (e) Subject to the terms of the Scheme, the transfer and vesting of the S.F. Textile Industries Limited as per the provisions of the Scheme shall not affect any transactions or proceedings already concluded by the S.F. Textile Industries Limited on or before the Appointed Date or after the Appointed Date till the Effective Date, to the end and intent that the FAR Chemical Industries Limited adopts all acts, deeds and things made, done and executed by the S.F. Textile Industries Limited as acts, deeds and things made, done and executed by or on behalf of the FAR Chemical Industries Limited.
- (f) Upon the Scheme coming into effect, all taxes/ cess/ duties, direct and/or indirect taxes, receivable by or on behalf of the S.F. Textile Industries Limited including all or any refunds, rebate and claims, including refunds, rebates or claims pending, un absorbed depreciation, accumulated losses as per income tax return of S.F. Textile Industries Limited with any Governmental Authority including National Board of Revenue, Income Tax, VAT, Customs and including the right to claim credit for minimum alternate tax and carry forward of accumulated losses (including any unabsorbed depreciation), and unutilized VAT credit, rebate, VAT/AT refund, etc. shall, for all purposes, be treated as the tax/ cess/ duty,



liabilities or refunds, rebates, claims, accumulated losses and unutilized VAT credit, rebate, VAT / AT refund etc. of the FAR Chemical Industries Limited. Accordingly, upon the Scheme becoming effective, the FAR Chemical Industries Limited shall be permitted to revise, if it becomes necessary, its income tax returns, wealth tax returns, sales tax returns, excise and VAT returns, other statutory returns, and to claim refunds, rebates, set off, credits, pursuant to the provisions of this Scheme for avoidance of doubt, it is hereby declared that all accumulated/accrued loss of income over the past years that are due and attributable to the S.F. Textile Industries Limited be vested, by virtue of this Scheme, in the FAR Chemical Industries Limited as if the said accrued loss has been inherited by operation of law under section 229 of the Companies Act, 1994 and the said amount shall be adjustable against the total income of the FAR Chemical Industries Limited after coming into effect of the Scheme.

- (g) The FAR Chemical Industries Limited shall also be permitted to claim refunds/credits in respect of any transaction between the S.F. Textile Industries Limited and FAR Chemical Industries Limited without prejudice to the generality of sub-clause (a) above upon the Scheme becoming effective the S.F. Textile Industries Limited shall be permitted to revise, if it becomes necessary, its income tax returns and related withholding tax certificates, including withholding tax/VAT certificates relating to transactions between the FAR Chemical Industries Limited and S.F. Textile Industries Limited, and to claim refunds, advance tax, VAT/AT and withholding tax credits, and carry forward of accumulated losses (including any unabsorbed depreciation) etc, pursuant to this Scheme.
- (h) All withholding tax, if any paid by the S.F. Textile Industries Limited under the Income Tax Ordinance, Value Added Tax Act or any other statute in respect of income of the S.F. Textile Industries Limited assessable for the period commencing from Appointed Date shall be deemed to be the tax deducted from/advance tax paid by the FAR Chemical Industries Limited and credit for such withholding tax shall be allowed to the FAR Chemical Industries Limited notwithstanding that certificates or receipts or challans for withholding tax/advance tax are in the name of the S.F. Textile Industries Limited and not in the name of the FAR Chemical Industries Limited.

11. Community of Legal Proceedings

- (a). Upon the Effective Date, all suits, actions and proceeding by or against the S.F. Textile Industries Limited pending and/or arising on or before the Effective Date shall be continued and be enforced by or against the FAR Chemical Industries Limited as effectually and in the same manner and to the same extent as if the same had been pending and/or arising by or against the FAR Chemical Industries Limited.
- (b). The FAR Chemical Industries Limited undertakes to have all legal, taxation or other proceedings initiated by or against the S.F. Textile Industries Limited referred to in Sub-clause 11(a) above transferred to its name and to have the same continued, prosecuted and enforce by or against the FAR Chemical Industries Limited.



12. *Contrasts, Deeds and other Instruments*

Upon the Effective Date, and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, arrangements and other instruments (including all tenancies, leases, licenses and other assurances in favor of the S.F. Textile Industries Limited or powers or authorities granted by or to it) of whatsoever nature to which the S.F. Textile Industries Limited is a party or to the benefit of which the S.F. Textile Industries Limited is a party or to the benefit of which the S.F. Textile Industries Limited may be eligible, and which are subsisting or having effect immediately before the Effect Date, shall without any further act, instrument or deed, be, in full force and effect against or in favor of the FAR Chemical Industries Limited, as the case may be, and may be enforced fully and effectually as if, instead of the S.F. Textile Industries Limited, the FAR Chemical Industries Limited had been a party or beneficiary or obligee thereto. The FAR Chemical Industries Limited shall, at any time prior to the Effective Date, wherever necessary, enter into, and/or issue and/or execute deeds, writing, confirmation, any tripartite arrangements or omissions to which the S.F. Textile Industries Limited will, if necessary also be a party in order to give formal effect to the provisions of this Clause.

13. *Further Assurances*

To the extent that the Scheme is not effective in transforming any part of the Business, Assets or Liabilities to the FAR Chemical Industries Limited, at any time after the Effective Date in accordance with the provision hereof, if so required under any law or otherwise, the S.F. Textile Industries Limited and/or the FAR Chemical Industries Limited shall, enter into, issue or execute deeds, writing, confirmations, any tripartite arrangements, innovations, declarations or other documents with, or in favor of any party to any contract or arrangement to which the S.F. Textile Industries Limited or any writings as may be necessary to be executed in order to give formal effect to the provisions of this Scheme. The FAR Chemical Industries Limited shall be deemed to be authorized to execute any such writings on behalf of the S.F. Textile Industries Limited to carry out or perform all such formalities or compliances required for the purposes referred to above on the part of the S.F. Textile Industries Limited.

14. *Saving of concluded transactions*

For the avoidance of doubt, the transfer of liabilities and properties and the continuance of proceedings by or against the FAR Chemical Industries Limited shall not affect any transaction already concluded by the S.F. Textile Industries Limited on or after the Appointed Date till the Effective Date, to the end and intent that the FAR Chemical Industries Limited accepts and adopts all acts, deeds and things done and executed by the S.F. Textile Industries Limited in respect thereto as done and executed as done and on behalf of itself.

15. Staff and Employees

(a). Subject to approval of the Merger Scheme by the High Court of Bangladesh, employees of the S.F. Textile Industries Limited in service on the Effective Date shall become the employees of the FAR Chemical Industries Limited on such date without any break or interruption in service and on such terms and conditions that were agreed between the employees and the S.F. Textile Industries Limited and subject to business requirements of the FAR Chemical Industries Limited. The FAR Chemical Industries Limited undertakes to continue to abide by any agreement/settlement, if any, entered into by the S.F. Textile Industries Limited with any of employees.

(b). The existing provident, gratuity, workers' profit participation fund (if any) or other employee-related funds created by the S.F. Textile Industries Limited shall, upon the Effective Date and with effect from the Appointed Date, be transferred to the relevant fund of the FAR Chemical Industries Limited and till such time shall be maintained separately and thereafter, the FAR Chemical Industries Limited shall be responsible for all purpose whatsoever in relation to the administration or operation of such funds or in relative to the obligation to make contributions to such funds. The FAR Chemical Industries Limited undertakes to continue to abide by the provisions of any "Trust Deeds" of any such funds.

(c). Subject to any separate agreement of the Shareholders of the parties, upon the Effective Date, all directors of the S.F. Textile Industries Limited, will be entitled to directorship in the Post-Merger Company, FAR Chemical Industries Limited, by virtue of the provisions of the Scheme. This Scheme will not affect the directorship of a person who is already a director in the FAR Chemical Industries Limited as of the Effective Date.

E. RE- ORGANIZATION OF CAPITAL

16. Following the Effective Date, and in consideration of the vesting of the Business and Assets in accordance with the terms of this Scheme, the FAR Chemical Industries Limited, the post-merger entity shall without further application, act, instrument or deed, issue and allot to the Shareholders of S.F. Textile Industries Limited whose names are recorded in the register of members of the S.F. Textile Industries Limited or to any other person as may be nominated by the Shareholders(s), on a date (hereinafter referred to as the "Record Date") to be fixed by the Board of Directors of the S.F. Textile Industries Limited, up to 80,399,525 ordinary shares of Tk 10 each, credited as fully diluted paid-up, in against exchange of up to 157,695,630 shares of the S.F. Textile Industries Limited's total fully paid up equity capital at the Effective Date at a share consideration exchange ratio of 3 : 1.9614, i.e.; 1 new share of FARCHEM (post-merger) for existing 1.9614 shares held in SFTIL or such adjusted number of ordinary shares as may be agreed upon by the Shareholders of both the parties, subject to any amendments required pursuant to Clause 23. Accordingly, subject to the provisions of Clause 7 to 14 and 23 hereof, the Shareholders of the FAR Chemical Industries Limited shall be entitled up to 72,697,808 of ordinary shares of Tk 10 each, in against exchange of up to 218,093,423 no. of shares of the FAR Chemical Industries Limited's total fully paid up equity capital at the Effective Date at a share consideration exchange ratio of 3 : 1.9614 i.e.; 1 new shares of FARCHEM (post-merger) for existing 3

shares held in FARCHEM (pre-merger) or such adjusted number of ordinary shares as may be agreed upon by the Shareholders of both the parties the ("**Consideration Shares**") in determining the value of the shares of each entity, the Board of Directors of the respective entity has relied on the Valuation Reports dated 19.12.2021 prepared by FAMES & R, Chartered Accountants and the said Valuation Reports of the S.F. Textile Industries Limited and FAR Chemical Industries Limited are hereby made part of the Scheme and annexed hereto as Schedule "A".

- i) Based on the share exchange ratio, the shares to be issued by FARCHEM (post-merger), to the existing shareholders of the SFTIL (pre-merger), shall be as set forth in the table below:

Shareholders Name	S.F Textile Industries Limited (SFTIL)	FAR Chemical Industries Limited (FARCHEM)
	Existing (Pre-merger) number of shares held by different shareholders as of 30 June, 2021	Number of new shares (Post merger) to be issued by FARCHEM at Exchange Ratio 1 for existing 1.9614 shares held
	(No. of paid-up Shares)	(No. of shares in (FARCHEM)- Post-Merger Entity)
Abdul Kader Faruk	4,550,000	2,319,772
Abdul Quddus Amin	305,000	155,501
Md. Abid Mustafizur Rahman	7,940,000	4,048,129
Rezaur Rahman Rajon	3,642,520	1,857,102
Md. Abdul Quyum Mamun	418,000	213,113
Mrs. Shirin Faruk	1,050,000	535,332
Sajadul Mabut Khabir	2,693,600	1,373,305
Mohibullah Khabir	2,000	1,020
Faiaz Kader	3,645,800	1,858,774
Kazi Hosne Ara Begum	6,941,340	3,538,972
Nasreen Akther Banu	7,668,900	3,909,911
Rezwana Rahman Rini	6,949,500	3,543,132
Habiba Begum	10,000	5,098
Better Life Hospital Limited	8,940,000	4,557,969
Md. Arif Billah	452,700	230,805
F.A.R Homes Limited	8,519,200	4,343,428
Total Spinning Mills Limited.	8,940,000	4,557,969
Rajon Textile Mills Limited	8,917,600	4,546,548
Lutfunnesa Begum	2,124,380	1,083,094
Jahadha Khondoker	500,000	254,920
Chong Won ARS Sweater Ltd.	8,014,800	4,086,265
Nazmul Sakhawat Hossain	10,000	5,098

Samin Food & Beverage Ind. and Textile Mills Ltd	17,000,000	8,667,278
Another Life Hospital and Research Center Ltd.	13,300,000	6,780,871
Sadman Textile Mills Ltd	15,636,200	7,971,959
Hasina Begum	2,872,300	1,464,413
Md. Abul Khair Manik	3,509,700	1,789,385
Neptune Hospital & Research Centre Ltd	5,000	2,549
Neptune Textile Mills Ltd	8,924,590	4,550,112
Fatin Kader Fardin	2,000,500	1,019,935
Abdul Mabut Masum	2,000,000	1,019,680
Md. Atiqul Haque	212,000	108,086
Total	157,695,630	80,399,525

- ii) On the other hand, based on the share exchange ratio @ 3 : 1.9614, the shares to be issued by FARCHEM, the post-merger entity to the existing shareholders of the FARCHEM shall be as set forth in the table below:

Shareholders Name	FAR Chemical Industries Limited (FARCHEM)	FAR Chemical Industries Limited (FARCHEM)
	Existing (Pre-merger) number of shares held by different shareholders as of 30 June, 2021	Number of new shares (Post merger) to be issued by FARCHEM at Exchange Ratio 1 for existing 3 shares held
	(No. of paid-up Shares)	(No. of shares in (FARCHEM))
Abid Mustafizur Rahman	8,025,930	2,675,310
Far Pharmaceuticals Ltd.	14,645,658	4,881,886
S.S Energy Explosion Ltd.	14,645,658	4,881,886
Rezaur Rahman Rajon	8,345,370	2,781,790
Faiaz Kader	16,637,416	5,545,805
Mrs. Shirin Faruk	3,657,588	1,219,196
General Shareholder	152,135,803	50,711,935
Total numbers of Shares	21,80,93,423	72,697,808

Note: Figures have been rounded-off to Zero.

iii) **Post-merger Shareholders in the re-structured entity, FAR Chemical Industries Ltd.:**

Following re-organization of capital, as on the Effective Date, the shareholding structure of the **FARCHEM** post-amalgamation would be as set forth in the table below:

Shareholders Name	Pre-merger number of shareholdings (existing shares of SFTIL + FARCHEM)		Post-merger shareholdings (FARCHEM new shares)	
	No. of shares	%	No. of shares	%
Abdul Kader Faruk	4,550,000	1.21%	2,319,772	1.52%
Abdul Quddus Amin	305,000	0.08%	155,501	0.10%
Md. Abid Mustafizur Rahman	15,965,930	4.25%	6,723,439	4.39%
Rezaur Rahman Rajon	11,987,890	3.19%	4,638,892	3.03%
Md. Abdul Quayum Mamun	418,000	0.11%	213,113	0.14%
Mrs. Shirin Faruk	4,707,588	1.25%	1,754,528	1.15%
Sajadul Mabut Khabir	2,693,600	0.72%	1,373,305	0.90%
Mohibullah Khabir	2,000	0.00%	1,020	0.00%
Faiaz Kader	20,283,216	5.40%	7,404,579	4.84%
Kazi Hosne Ara Begum	6,941,340	1.85%	3,538,972	2.31%
Nasreen Akther Banu	7,668,900	2.04%	3,909,911	2.55%
Rezwana Rahman Rini	6,949,500	1.85%	3,543,132	2.31%
Habiba Begum	10,000	0.00%	5,098	0.00%
Better Life Hospital Limited	8,940,000	2.38%	4,557,969	2.98%
Md. Arif Billah	452,700	0.12%	230,805	0.15%
F.A.R Homes Limited	8,519,200	2.27%	4,343,428	2.84%
Total Spinning Mills Limited.	8,940,000	2.38%	4,557,969	2.98%
Rajon Textile Mills Limited	8,917,600	2.37%	4,546,548	2.97%
Lutfunnesa Begum	2,124,380	0.57%	1,083,094	0.71%
Jahadha Khondoker	500,000	0.13%	254,920	0.17%
Chong Won ARS Sweater Ltd.	8,014,800	2.13%	4,086,265	2.67%
Nazmul Sakhawat Hossain	10,000	0.00%	5,098	0.00%
Samin Food & Beverage Ind. and Textile Mills Ltd	17,000,000	4.52%	8,667,278	5.66%
Another Life Hospital and Research Center Ltd.	13,300,000	3.54%	6,780,871	4.43%
Sadman Textile Mills Ltd	15,636,200	4.16%	7,971,959	5.21%
Hasina Begum	2,872,300	0.76%	1,464,413	0.96%
Md. Abul Khair Manik	3,509,700	0.93%	1,789,385	1.17%
Neptune Hospital & Research Centre Ltd.	5,000	0.00%	2,549	0.00%
Neptune Textile Mills Ltd	8,924,590	2.37%	4,550,112	2.97%
Fatin Kader Fardin	2,000,500	0.53%	1,019,935	0.67%

Abdul Mabut Masum	2,000,000	0.53%	1,019,680	0.67%
Md. Atiqul Haque	212,000	0.06%	108,086	0.07%
FAR Pharmaceuticals Ltd.	14,645,658	3.90%	4,881,886	3.19%
S.S. Energy Explosion Ltd.	14,645,658	3.90%	4,881,886	3.19%
General Shareholders	152,135,803	40.48%	50,711,935	33.12%
Total	375,789,053	100.00%	153,097,333	100.00%

Note: Figures have been rounded-off to Zero.

iv) **Post-merger Shareholding status by Sponsors & Directors in the re-structured entity, FAR Chemical Industries Ltd.:**

All of the Sponsors & Directors of both the pre-merger entities will continue as Sponsors & Directors in the post-merger entity. Following re-organization of capital and management board would be held by Sponsors & Directors to comply 30% shareholdings, as on the Effective Date. The shareholding structure of Sponsors & Directors of the **FARCHEM** post-amalgamation would be as set forth in the table below:

Sponsors & Directors Name	Status	Pre-merger number of shareholdings (existing shares of SFTIL + FARCHEM)		Post-merger shareholdings (FARCHEM new shares)	
		No. of shares	%	No. of shares	%
Abdul Kader Faruk	Sponsor	4,550,000	1.21%	2,319,772	1.52%
Mrs. Shirin Faruk	Sponsor	4,707,588	1.25%	1,754,528	1.15%
Rezaur Rahman Rajon	Sponsor	11,987,890	3.19%	4,638,892	3.03%
Md. Abid Mustafizur Rahman	Director	15,965,930	4.25%	6,723,439	4.39%
Faiaz Kader	Director	20,283,216	5.40%	7,404,579	4.84%
Samin Food & Beverage Ind. and Textile Mills Ltd	Director	17,000,000	4.52%	8,667,278	5.66%
Another Life Hospital and Research Center Ltd.	Director	13,300,000	3.54%	6,780,871	4.43%
Sadman Textile Mills Ltd	Director	15,636,200	4.16%	7,971,959	5.21%
FAR Pharmaceuticals Ltd.	Director	14,645,658	3.90%	4,881,886	3.19%
S.S. Energy Explosion Ltd.	Director	14,645,658	3.90%	4,881,886	3.19%
Total		132,722,140	35.32%	56,025,090	36.59%

Note: Figures have been rounded-off to Zero.

The position of Chairman and Managing Director of the post-merger entity will be decided upon discussion among the above Board of Directors. Independent Directors are eliminated from the above list for not holding any shares. Required Independent Directors will be appointed or continued as per post-merger requirement in compliance to the Commission's Notification no. SEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018.

17. Upon the Effective Date and the issuance of the consideration shares, existing ordinary shares of the FAR Chemical Industries Limited including those held by the S.F. Textile Industries Limited, if any and ordinary shares of the S.F. Textile Industries Limited including those held by the FAR Chemical Industries Limited, if any on the Record Date shall be cancelled and deemed to have been cancelled without any further act or deed, and shall be of no effect on and from the Record Date and no further shares of the FAR Chemical Industries Limited are required to be issued in lieu thereof, except the shares to be issued as per clause- 16 above.
18. The Consideration Shares issued and allotted by the FAR Chemical Industries Limited, the post-merger entity, in terms of this Scheme and/or any other agreement between the Shareholders of the Parties shall be subject to the provisions of the memorandum and articles of association of the FAR Chemical Industries Limited and shall rank pari-passu in all respects with the then existing ordinary shares (converted at 1 for 3 shares held) of the FAR Chemical Industries Limited, including in respect of dividend, if any, that may be declared by the FAR Chemical Industries Limited, on or after the Effective Date. The issue and allotment of Consideration Shares to the shareholders of the S.F. Textile Industries Limited as provided in this Scheme is an integral part of this Scheme and shall be deemed to have been carried out without requiring any further act on the part of the FAR Chemical Industries Limited or its shareholders and as if all the relevant procedure laid down in all applicable statute has been complied with.

E. DISSOLUTION OF S.F. TEXTILE INDUSTRIES LIMITED

19. Following the Effective Date, all existing equity shares of the FAR Chemical Industries Limited and S.F. Textile Industries Limited (including those held by the FAR Chemical Industries Limited and S.F. Textile Industries Limited either directly or through nominees) shall stand cancelled without any further application, act or deed. It is clarified that no more new shares shall be issued or payment made in cash whatsoever by the post-merger Company in lieu of such shares of the S.F. Textile Industries Limited.
20. Following the Effective Date and the issue of ordinary shares in accordance with clauses 16 to 17 above, the S.F. Textile Industries Limited shall stand dissolved without winding up, without any further act or deed and the S.F. Textile Industries Limited shall be removed from the register of the Registrar of Joint Stock Companies and Firms.



F. GENERAL TERMS AND CONDITIONS

21. Dividends

With effect from the date of filing of this Scheme with the High Court Division of the Supreme Court of Bangladesh (hereinafter called the "High Court") and up to and including the Effective Date, the S.F. Textile Industries Limited shall not be entitled to declare and pay dividends, whether interim or final, to its ordinary shareholders in respect of the accounting period prior to the Appointed Date. Upon approval of the Scheme by the Hon'ble High Court Division, the FAR Chemical Industries Limited shall be entitled to declare dividends including any reserve or income accrued for the past period by aggregating the income of the S.F. Textile Industries Limited as that of the FAR Chemical Industries Limited.

22. Accounting Treatment

- (a) From the Effective Date and with effect from the Appointed Date, for the purposes of accounting and dealing with the value of the assets and liabilities of the S.F. Textile Industries Limited in the books of the FAR Chemical Industries Limited, the assets and liabilities of the S.F. Textile Industries Limited as appear in their respective financial statements as of the Appointed Date shall be accounted following the accepted applicable accounting principles as prescribed by International Accounting Standards (IAS) and/or International Financial Reporting Standards (IFRS).
- (b) The FAR Chemical Industries Limited shall record the assets and liabilities of the S.F. Textile Industries Limited pursuant to this Scheme at their respective book values as appearing in the books of the S.F. Textile Industries Limited and necessary adjustment will be made following the accepted applicable accounting principles as prescribed by International Accounting Standards (IAS) and/or International Financial Reporting Standards (IFRS).
- (c) Any excess/surplus of the net assets of the S.F. Textile Industries Limited over the paid-up value of the shares to be issued and allotted by the FAR Chemical Industries Limited, the post merger survival entity, pursuant to this Scheme shall be transferred and credited to the "Capital Reserve/Goodwill" in the books of the FAR Chemical Industries Limited.
- (d) In case of any difference in accounting policy between the FAR Chemical Industries Limited and S.F. Textile Industries Limited, a uniform set of accounting policies shall be adopted following the amalgamation. The effects on the financial statements of any changes in accounting policies will be reported in accordance with International Accounting Standards (IAS) and/or International Financial Reporting Standards (IFRS).

- (e) Notwithstanding anything contained in this clause 22, in preparing the financial statements, the accounts of SFTIL will be closed and completed whereas the existing shareholders of SFTIL will hold 52.52% shares of FARCHEM after the merger effective. On the other hand, the accounts of FARCHEM will be completed accordingly whereas the existing shareholders of FARCHEM will hold 47.48% shares of FARCHEM after the merger effective. The profit of S.F. Textile Industries Limited will be included in the accounts of FAR Chemical Industries Limited, whereas the dividend of post-merger entity, FAR Chemical Industries Limited, when declared will be distributed among the post-merger shareholdings status of FARCHEM.

23. Modifications / Amendments of Scheme

- a) This Scheme is subject to the approval of the shareholders and the Board of Directors of the FAR Chemical Industries Limited and S.F. Textile Industries Limited may assent on behalf of all concerned from time to time, any modifications or amendments or additions to this Scheme or to any conditions, which the Shareholders of the parties (as mutually agreed), and/or the High Court, may think fit to approve or impose.
- b) The Board of Directors of the FAR Chemical Industries Limited and S.F. Textile Industries Limited may do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or to review a position relating to the satisfaction of the conditions to this Scheme, and if necessary, to waive any of those (to the extent permissible under the law) for bringing this Scheme into effect.
- c) In relation to A condition, limitation, reduction or withdrawal of an existing authorization imposed by a Governmental Authority that could reasonably be expected to have a material adverse impact on the FAR Chemical Industries Limited as the surviving entity, the Board of Directors of the FAR Chemical Industries Limited and S.F. Textile Industries Limited may, on a mutual consent basis agree to proceed with implementing the Scheme. In such event, if the parties agree on a mutual consent basis to proceed with implementing the Scheme, such a condition, limitation, reduction or withdrawal of an existing authorization by a Governmental Authority, shall not constitute a Burdensome Condition.

24. Conditionality of the Scheme

This Scheme is conditional upon the following being satisfied:

- (a) The Scheme being agreed to by the requisite majority of the members of the FAR Chemical Industries Limited and S.F. Textile Industries Limited as required under the Act and the sanction by the Hon'ble High Court under Section 228 read with Section 229 of the Act and to requisite orders made by the Hon'ble High Court pursuant to Section 228 read with Section 229 of the Act for amalgamation of the FAR Chemical Industries Limited and S.F. Textile Industries Limited and for implementation of this Scheme;



- (b) Such other sanctions and approvals including sanctions and approvals including sanctions of any governmental or regulatory authority including the Bangladesh Securities and Exchange Commission, waiver of requirements under Securities and Exchange (Substantial Acquisition and Takeover) Rules, 2002 (if applicable), creditor, lessor or contracting party as may be required by law or contract in respect of the scheme being obtained; and
- (c) The S.F. Textile Industries Limited has complied with the conditions, if any, set out in the no objection certificates of banks and/or financial institutions with whom the S.F. Textile Industries Limited has outstanding Liabilities;

each a "Condition" and together, the "Conditions".

25. Effective Date

The Merger shall be deemed to have been effective on the date that all the Conditions have been satisfied and the certified copy of the Order made by the High Court Division is filed with the RJSC for Merger (the "Effective Date").

26. Failure to take effect

In the event of this Scheme failing to take effect finally by 30 June 2021 or any other later date as may be determined by the Board of Directors of the FAR Chemical Industries Limited, the Scheme shall become null and void and in that event, no rights and liabilities wherever shall accrue to or be incurred inter se by parties or their shareholders or creditors or employees or any other person(s), unless the period of validity is extended by the High Court at its discretion.

27. Severability

If any part of the Scheme is found to be unworkable for any reason, the same shall not, subject to the decision of the FAR Chemical Industries Limited and S.F. Textile Industries Limited, affect the validity and implementation of the other parts and/or provisions of this Scheme.

28. Withdrawal, Revocations or Cancellation of the Scheme

The Boards of Directors of the FAR Chemical Industries Limited and S.F. Textile Industries Limited shall be entitled to withdraw this Scheme prior to the Effective Date. The Boards of Directors of the FAR Chemical Industries Limited and S.F. Textile Industries Limited shall be entitled to revoke, cancel and declare the Scheme of no effect if they are of the view that they coming into effect of the Scheme with effect from the Appointed Date could have adverse implications on the FAR Chemical Industries Limited and / or S.F. Textile Industries Limited.

29. *Costs, Charges and Expenses connected with the Scheme*

All costs, charges and expenses, including any taxes and duties of the FAR Chemical Industries Limited and S.F. Textile Industries Limited respectively in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the FAR Chemical Industries Limited in pursuance of this Scheme shall be borne and paid by the S.F. Textile Industries Limited.



Chairman
S.F. Textile Industries Ltd.




Chairman
FAR Chemical Industries Ltd.



Managing Director
S.F. Textile Industries Ltd.



Managing Director
FAR Chemical Industries Ltd.



Md. Abdur Rashid, FCA
Partner
ICAB Enroll. No.: 474
FAMES & R
Chartered Accountants

Place: Dhaka
Dated: December 19, 2021

SCHEDULE - A



Report on
Calculation of Merger Consideration
And
Independent Valuation of Shares of
FAR Chemical Industries Limited &
S.F. Textile Industries Limited
(Cut-off Date: 30 June, 2021)



Ref: FAMES/S-FARCHEM/M-2021/13

19 December, 2021

The Board of Directors
FAR Chemical Industries Limited
House No: 11 (Floor:5-A), Road No: 12
Niketon, Gulshan-1, Dhaka

The Board of Directors
S.F. Textile Industries Limited
House No: 11, Road No: 12
Niketon, Gulshan-1, Dhaka

Report on "Calculation of Merger Consideration and Independent Valuation of Shares" of FAR Chemical Industries Limited (FARCHEM) and S.F. Textile Industries Limited (SFTIL).

Reference: Appointment letter SFTIL/2021/021 dated 10 November, 2021 & FARCHEM/2021/014 dated 10 November, 2021.

Dear Sir(s),

We are pleased to submit the reports for the purpose of merger of S.F. Textile Industries Limited (SFTIL) and FAR Chemical Industries Limited (FARCHEM) based on the Independent Share Valuations of FARCHEM and SFTIL.

The report contains following 3 (Three) Sections-

1. Section-A: Calculation of Merger Consideration.
2. Section-B: Independent Valuation of Shares of FAR Chemical Industries Limited as of 30 June 2021.
3. Section-C: Independent Valuation of Shares of S.F. Textile Industries Limited as of 30 June 2021.

We would like to take the opportunity to express our sincere thanks and deep appreciation to the management of S.F. Textile Industries Limited (SFTIL) and FAR Chemical Industries Limited (FARCHEM) for the courtesy and cooperation extended to our representatives in the successful accomplishment of our assignment.

Thanking you.
Yours faithfully,

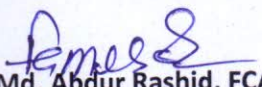

Md. Abdur Rashid, FCA
Partner
ICAB Enrollment No.: 474
FAMES & R
Chartered Accountants



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Section: C	Independent Valuation of Shares of S.F. Textile Industries Limited (SFTIL)	31-43



1. Introduction
 The management of S.F. Textile Industries Limited and FAR Chemical Industries Limited engaged FAMES & R Chartered Accountants to calculate the merger consideration for the purpose of merger of S.F. Textile Industries Limited and FAR Chemical Industries Limited based on the Independent Share Valuations of FARCHEM and SFTIL as of 30 June 2021 for the purpose mentioned in the following section of this report:

SECTION: A

2. Purpose of the Independent Valuation

The purpose of the independent valuation is as follows:

Calculation of Merger Consideration

The Board of Directors of both the Companies decided to merge S.F. Textile Industries Limited and FAR Chemical Industries Limited. For the purpose of merger of the name and title of FAR Chemical Industries Limited:

For the purpose of merger of

**S.F. Textile Industries Limited
 and**

FAR Chemical Industries Limited.

3. Cut-off date

The cut-off date for the purpose of the Independent Share Valuation is 30 June 2021.

4. Summary of Share Price and Exchange Ratio

The Independent Valuation of Shares of FAR Chemical Industries Limited as of 30 June 2021 has been done and the fair value arrived at BDT 17,4700 per share.

(Refer to "Section B" of this Report)

The independent valuation of shares of S.F. Textile Industries Limited as of 30 June 2021 has been done and the fair value arrived at BDT 15,4720 per share.

(Refer to "Section C" of this Report)

Particulars	FARCHEM	SFTIL
Fair Value of Shares as on 30 June 2021	BDT 17,4700	BDT 15,4720
Exchange Ratio (FARCHEM/SFTIL)	1.06538 or 1.1-5376 or 3.11-8614	

Note: Figures have been rounded-off to four digits after the decimal point.

The exchange ratio for 15th Share of FAR Chemical Industries Limited with 14th shares of S.F. Textile Industries Limited has been arrived at 1 : 0.95311 or 1.0514



1. Introduction

The management of S.F. Textile Industries Limited and FAR Chemical Industries Limited engaged FAMES & R, Chartered Accountants to calculate the merger consideration for the purpose of merger of S.F. Textile Industries Limited and FAR Chemical Industries Limited based on the Independent Share Valuations of FARCHEM and SFTIL as of 30 June 2021 for the purpose mentioned in the following section of this report.

2. Purpose of the Independent Valuation Share

The purpose of this assignment read as follows:-

"The Board of Directors of both the Companies decided to merge S.F. Textile Industries Limited and FAR Chemical Industries Limited ". The post merge Company will operate in the name and style of 'FAR Chemical Industries Limited'.

3. Cut-off date

The cut-off date for the purpose of the Calculation of Purchase Consideration is 30 June 2021.

4. Summary of Share Price and Exchange ratio:

The independent Valuation of Shares of FAR Chemical Industries Limited as of 30 June 2021 has been done and the fair value arrived at BDT **12.4700** per share.
(Refer to "Section: B" of this Report).

The Independent Valuation of Shares of S.F. Textile Industries Limited as of 30 June 2021 has been done and the fair value arrived at BDT **19.0720** per share.
(Refer to "Section: C" of this Report).

Particulars	FARCHEM	SFTIL
Fair Value of Shares as on 30 June 2021	BDT 12.4700	BDT 19.0720

Exchange Ratio (FARCHEM : SFTIL)	1 : 0.6538 or
	2 : 1.3076 or
	3 : 1.9614

Note: Figures have been rounded-off to four digits after the decimal point.

The exchange ratio for each share of FAR Chemical Industries Limited with the shares of S.F. Textile Industries Limited has been arrived at **1 : 0.6538 or 2 : 1.3076 or 3 : 1.9614**.

5. Merger Considerations:

The exchange ratio as determined above may be used for exchange of the shares of S.F. Textile Industries Limited and FAR Chemical Industries Limited with that of the Post-Merger Entity named FAR Chemical Industries Limited. The list of shareholders with their possible holding of shares in the Post-Merger Entity named FAR Chemical Industries Limited for S.F. Textile Industries Limited in exchange of their shares and for FAR Chemical Industries Limited in exchange of their shares respectively with the agreed exchange ratio is shown in the following table by Alternative Result- A, Alternative Result- B, Alternative Result- C. Details as per individual shareholders holding of both entity in the post-merger entity as per 'Alternative Result- A' (as required by both entity's management) also presented below:

Alternative Result-A:

SFTIL new 1 for existing 1.9616 and FARCHEM new 1 for existing 3:

Capital Structure:	Existing share in Tk.	Proposed share in Tk.
SFTIL	1,576,956,300	803,995,250
FARCHEM	2,180,934,230	726,978,080
Total	3,757,890,530	1,530,973,330

Proposed Capital Structure:	Existing Taka	%	After Merge Taka	%
SFTIL:				
Sponsor/director & allied	1,576,956,300	41.96%	803,995,250	52.52%
FARCHEM:				
Sponsors/Directors	659,576,200	17.55%	219,858,730	14.36%
General Shareholders	1,521,358,030	40.48%	507,119,350	33.12%
	2,180,934,230		726,978,080	
Total	3,757,890,530	100%	1,530,973,330	100%

Alternative Result- B:

SFTIL new 1 for existing 1.3076 and FARCHEM new 1 for existing 2:

Capital Structure:	Existing share in Tk.	Proposed share in Tk.
SFTIL	1,576,956,300	1,205,992,880
FARCHEM	2,180,934,230	1,090,467,110
Total	3,757,890,530	2,296,459,990

Proposed Capital Structure:	Existing Taka	%	After Merge Taka	%
SFTIL:				
Sponsor/director & allied	1,576,956,300	41.96%	1,205,992,880	52.52%
FARCHEM:				
Sponsors/Directors	659,576,200	17.55%	329,788,100	14.36%
General Shareholders	1,521,358,030	40.48%	760,679,010	33.12%
	2,180,934,230		1,090,467,110	
Total	3,757,890,530	100%	2,296,459,990	100%



Alternative Result- C:

SFTIL new 1 for existing 0.6538 and FARCHEM new 1 for existing 1:

Capital Structure:	Existing share in Tk.	Proposed share in Tk.
SFTIL	1,576,956,300	2,411,985,770
FARCHEM	2,180,934,230	2,180,934,230
Total	3,757,890,530	4,592,920,000

Proposed Capital Status:	Existing Taka	%	After Merge Taka	%
SFTIL:				
Sponsor/director & allied	1,576,956,300	41.96%	2,411,985,770	52.52%
FARCHEM:				
Sponsors/Directors	659,576,200	17.55%	659,576,200	14.36%
General Shareholders	1,521,358,030	40.48%	1,521,358,030	33.12%
	2,180,934,230		2,180,934,230	
Total	3,757,890,530	100%	4,592,920,000	100%

Recommendation:

Considering possible restructured capital as set out in above calculations, steady of future dividend payout and optimal capital structure, we recommend "Alternative-A" while choose the best alternative. Accordingly, the capital structure may be as set forth subject to the approval of competent approval authorities as per "Alternative- A" are presented as below:

Based on the share exchange ratio as per the **Alternative- A (ratio at 3 : 1.9614)**, the shares to be issued by the post-merger entity, FAR Chemical Industries Limited, to the existing shareholders of the SFTIL, shall be as set forth in the table below:

Shareholders Name	S.F Textile Industries Limited (SFTIL)	FAR Chemical Industries Limited (FARCHEM)
	Existing (Pre-merger) number of shares held by different shareholders as of 30 June, 2021	Number of new shares (Post merger) to be issued by FARCHEM at Exchange Ratio 1 for existing 1.9614 shares held
	(No. of paid-up Shares)	(No. of shares in (FARCHEM)-Post-Merger Entity)
Abdul Kader Faruk	4,550,000	2,319,772
Abdul Quddus Amin	305,000	155,501
Md. Abid Mustafizur Rahman	7,940,000	4,048,129
Rezaur Rahman Rajon	3,642,520	1,857,102
Md. Abdul Quyum Mamun	418,000	213,113
Mrs. Shirin Faruk	1,050,000	535,332
Sajadul Mabut Khabir	2,693,600	1,373,305
Mohibullah Khabir	2,000	1,020
Faiaz Kader	3,645,800	1,858,774
Kazi Hosne Ara Begum	6,941,340	3,538,972
Nasreen Akther Banu	7,668,900	3,909,911
Rezwana Rahman Rini	6,949,500	3,543,132
Habiba Begum	10,000	5,098
Better Life Hospital Limited	8,940,000	4,557,969
Md. Arif Billah	452,700	230,805
F.A.R Homes Limited	8,519,200	4,343,428
Total Spinning Mills Limited.	8,940,000	4,557,969
Rajon Textile Mills Limited	8,917,600	4,546,548
Lutfunnesa Begum	2,124,380	1,083,094
Jahadha Khondoker	500,000	254,920
Chong Won ARS Sweater Ltd.	8,014,800	4,086,265

Nazmul Sakhawat Hossain	10,000	5,098
Samin Food & Beverage Ind. and Textile Mills Ltd	17,000,000	8,667,278
Another Life Hospital and Research Center Ltd.	13,300,000	6,780,871
Sadman Textile Mills Ltd	15,636,200	7,971,959
Hasina Begum	2,872,300	1,464,413
Md. Abul Khair Manik	3,509,700	1,789,385
Neptune Hospital & Research Centre Ltd	5,000	2,549
Neptune Textile Mills Ltd	8,924,590	4,550,112
Fatin Kader Fardin	2,000,500	1,019,935
Abdul Mabut Masum	2,000,000	1,019,680
Md. Atiqul Haque	212,000	108,086
Total	157,695,630	80,399,525

On the other hand, based on the share exchange ratio @ 3 : 1.9614, the shares to be issued by FARCHEM, the post-merger entity to the existing shareholders of the FARCHEM shall be as set forth in the table below:

Shareholders Name	FAR Chemical Industries Limited (FARCHEM)	FAR Chemical Industries Limited (FARCHEM)
	Existing (Pre-merger) number of shares held by different shareholders as of 30 June, 2021	Number of new shares (Post merger) to be issued by FARCHEM at Exchange Ratio 1 for existing 3 shares held
	(No. of paid-up Shares)	(No. of shares in (FARCHEM))
Abid Mustafizur Rahman	8,025,930	2,675,310
Far Pharmaceuticals Ltd.	14,645,658	4,881,886
S.S Energy Explosion Ltd.	14,645,658	4,881,886
Rezaur Rahman Rajon	8,345,370	2,781,790
Faiaz Kader	16,637,416	5,545,805
Mrs. Shirin Faruk	3,657,588	1,219,196
General Shareholder	152,135,803	50,711,935
Total numbers of Shares	21,80,93,423	72,697,808

Note: Figures have been rounded-off to Zero.

6. Post-merger Shareholders in FAR Chemical Industries Limited (FARCHEM):

Following re-organization of capital, as on the Effective Date, the shareholding structure of the FARCHEM post-amalgamation would be as set forth in the table below:

Shareholders Name	Pre-merger number of shareholdings (existing shares of SFTIL + FARCHEM)		Post-merger shareholdings (FARCHEM new shares)	
	No. of shares	%	No. of shares	%
Abdul Kader Faruk	4,550,000	1.21%	2,319,772	1.52%
Abdul Quddus Amin	305,000	0.08%	155,501	0.10%
Md. Abid Mustafizur Rahman	15,965,930	4.25%	6,723,439	4.39%
Rezaur Rahman Rajon	11,987,890	3.19%	4,638,892	3.03%
Md. Abdul Quyum Mamun	418,000	0.11%	213,113	0.14%
Mrs. Shirin Faruk	4,707,588	1.25%	1,754,528	1.15%
Sajadul Mabut Khabir	2,693,600	0.72%	1,373,305	0.90%
Mohibullah Khabir	2,000	0.00%	1,020	0.00%
Faiaz Kader	20,283,216	5.40%	7,404,579	4.84%
Kazi Hosne Ara Begum	6,941,340	1.85%	3,538,972	2.31%
Nasreen Akther Banu	7,668,900	2.04%	3,909,911	2.55%
Rezwana Rahman Rini	6,949,500	1.85%	3,543,132	2.31%
Habiba Begum	10,000	0.00%	5,098	0.00%
Better Life Hospital Limited	8,940,000	2.38%	4,557,969	2.98%
Md. Arif Billah	452,700	0.12%	230,805	0.15%
F.A.R Homes Limited	8,519,200	2.27%	4,343,428	2.84%
Total Spinning Mills Limited.	8,940,000	2.38%	4,557,969	2.98%
Rajon Textile Mills Limited	8,917,600	2.37%	4,546,548	2.97%

Lutfunnesa Begum	2,124,380	0.57%	1,083,094	0.71%
Jahadha Khondoker	500,000	0.13%	254,920	0.17%
Chong Won ARS Sweater Ltd.	8,014,800	2.13%	4,086,265	2.67%
Nazmul Sakhawat Hossain	10,000	0.00%	5,098	0.00%
Samin Food & Beverage Ind. and Textile Mills Ltd	17,000,000	4.52%	8,667,278	5.66%
Another Life Hospital and Research Center Ltd.	13,300,000	3.54%	6,780,871	4.43%
Sadman Textile Mills Ltd	15,636,200	4.16%	7,971,959	5.21%
Hasina Begum	2,872,300	0.76%	1,464,413	0.96%
Md. Abul Khair Manik	3,509,700	0.93%	1,789,385	1.17%
Neptune Hospital & Research Centre Ltd	5,000	0.00%	2,549	0.00%
Neptune Textile Mills Ltd	8,924,590	2.37%	4,550,112	2.97%
Fatin Kader Fardin	2,000,500	0.53%	1,019,935	0.67%
Abdul Mabut Masum	2,000,000	0.53%	1,019,680	0.67%
Md. Atiqul Haque	212,000	0.06%	108,086	0.07%
FAR Pharmaceuticals Ltd.	14,645,658	3.90%	4,881,886	3.19%
S.S. Energy Explosion Ltd.	14,645,658	3.90%	4,881,886	3.19%
General Shareholders	152,135,803	40.48%	50,711,935	33.12%
Total	375,789,053	100.00%	153,090,649	100.00%

7. Disclaimer


The resulting shareholding situation within the group after the proposed merger activities may require legal attention since the increase or decrease of shareholding of the companies in to each other may affect the controlling of one in to another.

Under this engagement, FAMES & R, Chartered Accountants is not responsible to form any legal explanation or opinion to this connection. Our responsibility is to calculate the purchase consideration based on the valuation of shares of the two companies to be merged and post-merger shareholders in FARCHEM. As such, we suggest that advice from competent legal experts should be obtained by S.F. Textile Industries Limited and FAR Chemical Industries Limited to avoid any possible regulatory complexity.

8. General

We would like to place on record our appreciation of the courtesy and cooperation extended to us by the concerned officials of the companies in particular to carry out the assignment.

Thank you,
Yours faithfully



Md. Abdur Rashid, FCA
Partner
ICAB Enrollment No.: 474
FAMES & R
Chartered Accountants



1. Introduction

FAR Chemical Industries Limited engaged Chartered Accountants to conduct the independent valuation of its shares as of 30 June 2021. The purpose mentioned in the following section of this report.

SECTION: B

The user of this report is **Independent Valuation of Shares of FAR Chemical Industries Limited**. The nature of the subject is subjective, variable and that it is subject to change. The Chartered Accountants do not depend on different assumptions, methodology and conditions being considered.

FAR Chemical Industries Limited

2. Purpose of the assignment

The purpose of this assignment is mentioned in FAMES & R appointment letter # FAMES/2021/011 dated 10 September 2021 as follows:
"The Board of Directors of both the Companies decided to merge S.F. Textile Industries Limited and FAR Chemical Industries Limited."

3. Cut-off date

The cut-off date for the purpose of the independent valuation of shares of FAR Chemical Industries Limited is 30 June 2021.

4. About the Company

FAR Chemical Industries Limited is a public company limited by shares, it is domiciled in Bangladesh. The Company was formed and incorporated with the Registrar of Joint Stock Companies and Firms in Bangladesh on 21 March 2007 vide the certificate C-65241 under Companies Act 1994 as a private company limited by share. The company was converted into a public limited company on 25 June 2011 under the Companies Act 1994. The company is listed with Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE) as a publicly traded company. Trading of the shares of the company has been in two stock exchanges since 08 July 2014.

Capital structure:

Particulars	No. of Shares	Face Value (Tk.)	Amount in Taka
Authorized Capital	100,000,000	10.00	1,000,000,000
Paid up capital	218,000,000	10.00	2,180,000,000



1. Introduction

FAR Chemical Industries Limited engaged FAMES & R, Chartered Accountants to conduct the independent valuation of its shares as of 30 June 2021 for the purpose mentioned in the following section of this report.

The user of this report is expected to take in to consideration that the valuation of this nature is a subjective exercise and that it is unlikely to arrive at the same value by other Consultants as it depends on different assumptions, methodology and conditions being considered.

2. Purpose of the Independent Valuation of Share

The purpose of this assignment as mentioned in FARCHEM appointment letter # FARCHEM/2021/014 dated 10 November 2021 reads as follows-

“The Board of Directors of both the Companies decided to merge S.F. Textile Industries Limited and FAR Chemical Industries Limited.”

3. Cut-off date

The cut-off date for the purpose of the independent valuation of shares of FAR Chemical Industries Limited is 30 June 2021.

4. About the Company

FAR Chemical Industries Limited is a public company limited by shares is domiciled in Bangladesh. The Company was formed and incorporated with the Registrar of Joint Stock Companies and Firms in Bangladesh on 22 March 2007 vide the certificate C-66261 under Companies Act 1994 as a private company limited by share. The company was converted into a public limited company on 19 June 2012 under the Companies Act 1994. The company is listed with Dhaka Stock Exchange Limited (DSE) and Chittagong Stock Exchange Limited (CSE) as a publicly quoted company. Trading of the shares of the company has been in two stock exchanges since 08 July 2014.

Capital structure:

Particulars	No. of Shares	Face Value (Tk.)	Amount in Taka
Authorized Capital	300,000,000	10.00	3,000,000,000
Paid up capital	218,093,423	10.00	2,180,934,230

Name of the Sponsors and Directors:

Sl. No.	Name	Position
1	Mrs. Shirin Faruk	Sponsor
2	Faiaz Kader	Sponsor
3	Rezaur Rahman Rajon	Sponsor
4	Mr. Md. Abid Mustafizur Rahman	Chairman
5	Mr. Md. Shirazul Haque (Representative Director of FAR Pharmaceuticals Ltd.)	Managing Director
6	Mr. Mohammad Mehedi Hasan (Representative Director of S.S. Energy Explosion Ltd.)	Director
7	Mr. Sayed Md. Tajon Islam	Independent Director
8	Mr. Md. Abdullah	Independent Director

5. Business Set-up of the company

Far Chemical Industries Limited is the pioneer in manufacturer and exporter of chemical products to different export oriented Textiles, dyeing and apparels industries in the country and the bearer of the brand name of "FAR CHEMICAL". It has set up its Chemical Factory at plot # 135-136 in CEPZ, Cumilla Export Processing Zone, Cumilla, Bangladesh and commenced commercial production from 2009. The Corporate office is located at House- 11 (Floor: 5-A), Road No: 12, Niketon, Gulshan-1, Dhaka, Bangladesh. Both of the premises for factory and corporate office as stated above are rented.

The main activity of the company is to manufacture and export softening agent, scouring agent, anti-foaming agent, leveling agent, fixing agent, stabilizer, retarding agent, bleaching agent and other chemical products.

Business Expansion:

The company has procured 342.46 decimal land at Rupganj, Narayanganj where it has almost constructed a Chemical factory building on that land and also has almost completed construction work for its spinning unit factory building.

i) Expansion of Spinning Unit:

Expansion of spinning unit of the company has been under progress in company's own Premises at Rupganj, Narayanganj. The company has almost completed construction work of its spinning unit at Rupganj Narayanganj in its own premises. All Machineries LCs has already opened; production is estimated to start by August, 2022. Estimated production capacity of the spinning unit is 33,600 spindles cotton spinning having 17,808 kg production per day in count variation.

ii) **Expansion of Chemical factory and Shifting of Cumilla EPZ's Chemical factory's Plant, Equipment and Machineries:**

The Company has also almost constructed a chemical factory in its own premises at Rupgonj, Narayagonj. As per the decision of shareholders at the last AGM held on 22 December 2020 Chemical factory's plant, equipment and machineries shifting is under way from Cumilla EPZ to newly constructed own premises at Rupgonj, Narayagonj.

iii) **Details of Land of the company:**

Deed No.	Date of purchase	C.S. & SA Dag No.	RS Dag	Area of land (Decimal)	Current use
5245	07/06/2015	290,294	873	27	Under construction of spinning factory
8011	07/09/2015	303	890	20.12	Under construction of spinning factory
1242	08/02/2016	306	898	5	Under construction of chemical factory
11154	21/12/2015	303	890	11.86	Under construction of spinning factory
1144	04/02/2016	305	899	9.78	Vacant land
4865	31/05/2016	303	890	40	Under construction of spinning factory
5275	09/06/2016	306	898	18	Under construction of chemical factory
7941	01/09/2016	303	890	20.12	Under construction of spinning factory
8714	02/10/2016	306	898	10.5	Under construction of chemical factory
9678	26/10/2016	307	906	7.5	Vacant land
11847	20/12/2016	304	891	10.78	Under construction of spinning factory
847	23/01/2017	307	906	10.5	Vacant land
1254/17	01/02/2017	303	890	37.37	Under construction of spinning factory
3183/17	21/03/2017	306	898	9.5	Under construction of chemical factory
4299/17	17/04/2017	306	898	4.5	Under construction of chemical factory
9923	11/09/2017	306	898	2.67	Under construction of chemical factory
10681	27/09/2017	303	890	4.13	Under construction of spinning factory
12140	02/11/2017	296	874	30	Under construction of spinning factory
13634	07/12/2017	306	898	59	Under construction of chemical factory
2729	12/03/2018	303	890	4.13	Under construction of spinning factory

6. Disclaimer

This report is produced on a strictly confidential basis and is intended for the sole use of the management and to their desire and is not to be published, used, circulated, quoted or otherwise referred to for any purpose nor is this report to be filed with, reproduced, copied, disclosed or referred to in whole or in part in any document.

Except where we have agreed expressly in writing to the contrary, we will not accept any liability or responsibility to any other party to whom our report shown or into whose hands may come. Furthermore, we accept no duty or responsibility and deny any liability to the company in relation to this report whether or not this report influences any of your decisions.

7. Scope of Work

The scope of work for the independent valuation of shares of the company considered to be the related clause of the Public Issue Rules 2015 issued by Bangladesh Securities and Exchange Commission (BSEC). According to clause 14 (D) of Annexure-E of the rules, price of a share should be valued considering following four methods:

- I. Net Asset Value of Historical or Current Costs.
- II. Earning Based Value calculated on the basis of weighted average of net profit after tax for immediate preceding five years or such shorter period during which the issuer was in commercial operation.
- III. Projected Earnings for the next three accounting year with rational of the projection if not in commercial operation and
- IV. Average Market price per share of similar stocks for the last one year immediately prior to the offer for common stocks, market price per share of common stock of the issuer for the aforesaid period.

We found and considered Net Asset Value (NAV), Earning Based Valuation (EBV) and Average market price per share of FARCHEM for the last one year more effective to attain the purpose of the share valuation assignment.

8. Limitation to scope of work

Projected/Forecasted Earnings is not used for the valuation as the company is in commercial operation since long. In addition, the following reasons for not considering the Projected/Forecasted Earnings can be listed-

- Forecasted Financial Information is uncertain and depending on several uncontrollable economic factors.
- One may perform the quantitative and qualitative forecasting methods but it is impossible to foresee the unforeseeable.
- One can use as sophisticated technique as possible but it will still may not give an accurate prediction.
- Complex regression analysis and neural network methods are often used to determine a forecast but none of them are precisely accurate.

For the matters discussed above, conservatively, we can avoid Projected/Forecasted Earnings to determine the share price of the company.

9. Our Work Approach and Valuation Mythology

Work Approach

Our approach to the accomplishment of the assignment included:

- a. Entrance meeting with key officials of the company to start the assignment.

- b. FAMES & R team was given reasonable understanding of the functionalities of the company, its goals and achievements.
- c. Developed a work plan and work strategy on the basis of the understanding gained from the discussion meeting.
- d. Mobilized resource persons and organized the team for efficient conduct of the assignment.
- e. Briefed FAMES & R team members so that all the members of the team can understand as to what are their specific duties and responsibilities regarding the accomplishment of said assignment.
- f. The team started collecting all relevant data and work on those.
- g. The Engagement Partner, Consultants, Engagement Manager and the team held in-house discussion to select suitable methodology among the practiced valuation methodologies across the business world.
- h. Studied widely used international share valuation methods and selected suitable methods for this assignment.
- i. Prepared a draft report under direct guidance of the Engagement Partner and shared with the management.
- j. Finalized the report incorporating necessary inputs came out during discussion on draft.

Valuation Methodology

- a. FAMES & R considered required methods to determine the value of the shares of the company considering the valuation purpose, operation of the company and other relevant surrounding situations or facts.
- b. We found and considered historical information based valuation viz, Net Asset Value (NAV) method of valuation and Earning Based Valuation (EBV) method of valuation and Average market price per share of FARCHEM for the last one year more effective to attain the purpose of the valuation.
- c. As each valuation method requires specific procedure to calculate the share value and no one share valuation method is definitive, the best way to determine overall value is to use a number of relevant methods and find out suitable weighted average value from the outcome of different valuation methods.
- d. The calculation of valuation of shares is subject to a number of assumptions and judgment.
- e. During the valuation work, FAMES & R team used audited financial statements of the company. FAMES & R team collected, analyzed and processed financial data and other non-financial information that were required to carry-out the assignment
- f. FAMES & R estimated the value of the shares of the company by applying the methods which we deemed appropriate.
- g. Historical financial information were collected from Audited Financial Statements of the company and market information were collected from official website of Dhaka Stock Exchange Limited (DSE) and published report /reviews by the Dhaka Stock Exchange Limited.
- h. The results of our valuation analysis is expressed as the Conclusion of Value.

10. Statement of Assumptions and Limiting Conditions

This independent valuation of shares of the company is subject to the following assumptions and limiting conditions:

- a. The information presented to the audited financial statements considered for the purpose of the valuation assignment reflects the results of FAR Chemical Industries Ltd. for the year 2016-17, 2017-18, 2018-19, 2019-2020 and 2020-2021.
- b. The information provided by the company has been accepted as correct without further verification and we express no opinion on that information.
- c. This valuation is valid only for the purpose specified in this report.
- d. This valuation assumes that Far Chemical Industries Limited will continue to operate as a going concern and that the character of its present business will remain intact.
- e. The valuation contemplated facts and conditions existing in the valuation date.
- f. Events and conditions occurring after that date have not been considered and we have no obligations to update our report for such events and conditions.
- g. We have assumed the company is compliant with all applicable laws and regulations prevailing in the country.
- h. We have assumed that no hazardous conditions or materials exist which could affect the subject business. We are not qualified to establish the absence of such conditions or materials nor do we assume the responsibility for discovering the same.
- i. The valuation analysis and conclusion of value presented in the report are for the purpose of this engagement only.
- j. We are not required to give testimony in court or be present during any hearings or depositions with reference to the company being valued unless previous arrangements have been made.
- k. This report is valid only for the date specified herein.

11. Sources of Information

The following Audited Financial Statements were considered as source of the financial information for the share valuation assignments:

Accounting Year	Accounting Period	Auditor	Data used for Share Valuation	Source of Data
2016-2017	July to June	Shiraz Khan Basak & Co.	2016-2017	Audited FS
2017-2018	July to June	AHMAD & AKHTAR	2017-2018	Audited FS
2018-2019	July to June	Shiraz Khan Basak & Co.	2018-2019	Audited FS
2019-2020	July to June	Shiraz Khan Basak & Co.	2019-2020	Audited FS
2020-2021	July to June	Kazi Zahir Khan & Co.	2020-2021	Audited FS

In addition, FAMES & R team collected market information from official website of Dhaka Stock Exchange Limited and published report/reviews by the Dhaka Stock Exchange Limited.

12. Share Valuation Methods Used

As indicated in the preceding paragraph, we had very meticulous study on the selection of methodology that might be applicable for the assignment under consideration. After careful review of different methods, we have considered Net Asset Value (NAV) method, Earning Based Valuation (EBV) method and Average market price per share of FARCHEM for the last one year of valuation. We believe that under the given circumstances, these three methods of share valuation would give effective result to attain the purpose of the valuation of shares of FAR Chemical Industries Limited.

13. Summary of Valuation

We have used the results obtained from three methods of share valuation mentioned above and assigned equal weights to each result and calculated our estimate of the business value as the sum of these weighted values. The independent value per share of FAR Chemical Industries Limited as at 30 June 2021 may be considered as follows:-

Valuation of Shares	Amount	References
Net Asset Value per Share (NAV)	BDT 13.708	Annexure- A
Earning Based Value (EBV) per share	BDT 13.963	Annexure- B
Average of Market Price of FARCHEM for last one year (01.07.2020-30.06.2021)-quoted	BDT 9.739	Annexure- C
Average Price per share	<u>BDT 12.4700</u>	

We may consider BDT 12.4700 per share value for FAR Chemical Industries Limited as at the valuation cut-off date may be considered.



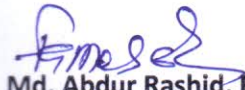
14. Concluding Remarks

We have arrived at the per share value for FAR Chemical Industries Limited based on data provided by the Management and have used our best professional judgments in reaching conclusion. This conclusion is subject to the Statement of Assumptions and Limiting Conditions presented earlier in this report.

Based on the results of these valuation methods along with consideration of other relevant data, we have estimated the value per share of FAR Chemical Industries Limited at BDT 12.4700 as at the valuation cut-off date.

Thanking you.

Yours faithfully,



Md. Abdur Rashid, FCA

Partner

ICAB Enrollment No.: 474

FAMES & R

Chartered Accountants



ANNEXURE- A

Share Valuation Method: Net Asset Value (NAV) Method

Particulars	Amount (in BDT.)
Total Assets as on 30 June, 2021	3,207,235,020
Less: Total Liabilities as on 30 June, 2021	(217,524,537)
Net Assets	2,989,710,483
Total Number of Shares Outstanding as of 30 June, 2021	218,093,423
Net Asset Value per Share (NAV)	13.708

Source: Audited Financial Statements as of 30 June, 2021

Month End	Sector P/E
January 31, 2021	20.81
February 28, 2021	20.24
March 31, 2021	19.57
April 30, 2021	20.38
May 31, 2021	20.44
June 30, 2021	20.44
Total of 6 months	20.44
Average P/E for 6 months	20.44



ANNEXURE- B

Share Valuation Method: Earning Based Valuation (EBV) Method

Year	No. of Shares	Net Profit After Tax	Weight of No. of Shares	Weighted Average of Net Profit after tax
30-Jun-17	163,856,816	292,605,512	0.1674	48,996,234
30-Jun-18	180,242,498	266,730,270	0.1842	49,129,822
30-Jun-19	198,266,748	209,159,288	0.2026	42,378,221
30-Jun-20	218,093,423	72,143,637	0.2229	16,078,898
30-Jun-21	218,093,423	(34,125,897)	0.2229	(7,605,755)
Total	978,552,908	806,512,810	1.0000	148,977,421
No. of Shares outstanding				218,093,423
Diluted EPS based on weighted Average of Net Profit After Tax				0.683
Six months average sector P/E **				20.442
Earnings based value per share				13.963

**Calculation of Average Price Earnings Ratio of Sector P/E:

Sl #	Month End	Sector P/E
1	January 31, 2021	20.61
2	February 28, 2021	20.21
3	March 31, 2021	19.67
4	April 30, 2021	20.58
5	May 31, 2021	20.44
6	June 30, 2021	21.14
Total of 6 months		122.65
Average P/E for 6 months		20.442

Source: DSE Monthly Review.



ANNEXURE- C

Share Valuation Method: Average of Market Price of FARCHEM for last one year (01.07.2020-30.06.2021)-quoted

FARCHEM

Last one year market price

Sl#	DATE	TRADING CODE	CLOSEP*
1	6/30/2021	FARCHEM	11.9
2	6/29/2021	FARCHEM	10.9
3	6/28/2021	FARCHEM	10.5
4	6/27/2021	FARCHEM	10.2
5	6/24/2021	FARCHEM	10.7
6	6/23/2021	FARCHEM	11
7	6/22/2021	FARCHEM	10.2
8	6/21/2021	FARCHEM	9.8
9	6/20/2021	FARCHEM	9.3
10	6/17/2021	FARCHEM	9.5
11	6/16/2021	FARCHEM	9.5
12	6/15/2021	FARCHEM	9.5
13	6/14/2021	FARCHEM	9.6
14	6/13/2021	FARCHEM	9.8
15	6/10/2021	FARCHEM	10
16	6/9/2021	FARCHEM	10.1
17	6/8/2021	FARCHEM	9.2
18	6/7/2021	FARCHEM	9.3
19	6/6/2021	FARCHEM	9.4
20	6/3/2021	FARCHEM	9.5
21	6/2/2021	FARCHEM	8.9
22	6/1/2021	FARCHEM	8.9
23	5/31/2021	FARCHEM	8.8
24	5/30/2021	FARCHEM	8.8
25	5/27/2021	FARCHEM	8.9
26	5/25/2021	FARCHEM	8.9
27	5/24/2021	FARCHEM	9

28	5/23/2021	FARCHEM	9
29	5/20/2021	FARCHEM	9.1
30	5/19/2021	FARCHEM	9.2
31	5/18/2021	FARCHEM	9.3
32	5/17/2021	FARCHEM	9.4
33	5/16/2021	FARCHEM	9.5
34	5/12/2021	FARCHEM	9
35	5/11/2021	FARCHEM	8.3
36	5/9/2021	FARCHEM	8.3
37	5/6/2021	FARCHEM	8.1
38	5/5/2021	FARCHEM	8
39	5/4/2021	FARCHEM	8.1
40	5/3/2021	FARCHEM	8.2
41	5/2/2021	FARCHEM	8.3
42	4/29/2021	FARCHEM	7.6
43	4/28/2021	FARCHEM	7.6
44	4/27/2021	FARCHEM	7.7
45	4/26/2021	FARCHEM	7.8
46	4/25/2021	FARCHEM	7.9
47	4/22/2021	FARCHEM	8
48	4/21/2021	FARCHEM	8.1
49	4/20/2021	FARCHEM	8.2
50	4/19/2021	FARCHEM	8.3
51	4/18/2021	FARCHEM	8.4
52	4/15/2021	FARCHEM	8.5
53	4/13/2021	FARCHEM	8.6
54	4/12/2021	FARCHEM	8.7
55	4/11/2021	FARCHEM	8.8
56	4/8/2021	FARCHEM	8.9
57	4/7/2021	FARCHEM	9.8
58	4/6/2021	FARCHEM	9.8
59	4/5/2021	FARCHEM	9.8
60	4/4/2021	FARCHEM	9.8
61	4/1/2021	FARCHEM	9.8
62	3/31/2021	FARCHEM	9.8
63	3/29/2021	FARCHEM	9.8
64	3/28/2021	FARCHEM	9.8
65	3/25/2021	FARCHEM	9.8

66	3/24/2021	FARCHEM	9.8
67	3/23/2021	FARCHEM	9.8
68	3/22/2021	FARCHEM	9.8
69	3/21/2021	FARCHEM	9.8
70	3/18/2021	FARCHEM	9.8
71	3/16/2021	FARCHEM	9.8
72	3/15/2021	FARCHEM	9.8
73	3/14/2021	FARCHEM	9.8
74	3/11/2021	FARCHEM	9.8
75	3/10/2021	FARCHEM	9.8
76	3/9/2021	FARCHEM	9.8
77	3/8/2021	FARCHEM	9.8
78	3/7/2021	FARCHEM	9.8
79	3/4/2021	FARCHEM	9.8
80	3/3/2021	FARCHEM	9.8
81	3/2/2021	FARCHEM	9.8
82	3/1/2021	FARCHEM	9.8
83	2/28/2021	FARCHEM	9.8
84	2/25/2021	FARCHEM	9.8
85	2/24/2021	FARCHEM	9.8
86	2/23/2021	FARCHEM	9.8
87	2/22/2021	FARCHEM	9.8
88	2/18/2021	FARCHEM	9.8
89	2/17/2021	FARCHEM	9.8
90	2/16/2021	FARCHEM	9.8
91	2/15/2021	FARCHEM	9.8
92	2/14/2021	FARCHEM	9.8
93	2/11/2021	FARCHEM	9.8
94	2/10/2021	FARCHEM	9.8
95	2/9/2021	FARCHEM	9.8
96	2/8/2021	FARCHEM	9.8
97	2/7/2021	FARCHEM	9.8
98	2/4/2021	FARCHEM	9.8
99	2/3/2021	FARCHEM	9.8
100	2/2/2021	FARCHEM	9.8
101	2/1/2021	FARCHEM	9.8
102	1/31/2021	FARCHEM	9.8
103	1/28/2021	FARCHEM	9.8

104	1/27/2021	FARCHEM	9.8
105	1/26/2021	FARCHEM	9.8
106	1/25/2021	FARCHEM	9.8
107	1/24/2021	FARCHEM	9.8
108	1/21/2021	FARCHEM	9.8
109	1/20/2021	FARCHEM	9.8
110	1/19/2021	FARCHEM	9.9
111	1/18/2021	FARCHEM	9.8
112	1/17/2021	FARCHEM	9.9
113	1/14/2021	FARCHEM	10.2
114	1/13/2021	FARCHEM	10.4
115	1/12/2021	FARCHEM	10.9
116	1/11/2021	FARCHEM	10.6
117	1/10/2021	FARCHEM	11.1
118	1/7/2021	FARCHEM	11
119	1/6/2021	FARCHEM	10
120	1/5/2021	FARCHEM	9.9
121	1/4/2021	FARCHEM	9.8
122	1/3/2021	FARCHEM	9.9
123	12/30/2020	FARCHEM	9.8
124	12/29/2020	FARCHEM	9.8
125	12/28/2020	FARCHEM	9.8
126	12/27/2020	FARCHEM	9.8
127	12/24/2020	FARCHEM	9.8
128	12/23/2020	FARCHEM	9.8
129	12/22/2020	FARCHEM	9.8
130	12/21/2020	FARCHEM	9.8
131	12/20/2020	FARCHEM	9.8
132	12/17/2020	FARCHEM	9.8
133	12/15/2020	FARCHEM	9.8
134	12/14/2020	FARCHEM	9.8
135	12/13/2020	FARCHEM	9.8
136	12/10/2020	FARCHEM	9.8
137	12/9/2020	FARCHEM	9.8
138	12/8/2020	FARCHEM	9.8
139	12/7/2020	FARCHEM	9.8
140	12/6/2020	FARCHEM	9.8
141	12/3/2020	FARCHEM	9.8

142	12/2/2020	FARCHEM	9.8
143	12/1/2020	FARCHEM	9.8
144	11/30/2020	FARCHEM	9.8
145	11/29/2020	FARCHEM	9.8
146	11/26/2020	FARCHEM	9.8
147	11/25/2020	FARCHEM	9.8
148	11/24/2020	FARCHEM	9.8
149	11/23/2020	FARCHEM	9.8
150	11/22/2020	FARCHEM	9.8
151	11/19/2020	FARCHEM	9.8
152	11/18/2020	FARCHEM	9.8
153	11/17/2020	FARCHEM	9.8
154	11/16/2020	FARCHEM	9.8
155	11/15/2020	FARCHEM	9.8
156	11/12/2020	FARCHEM	9.8
157	11/11/2020	FARCHEM	9.8
158	11/10/2020	FARCHEM	9.8
159	11/9/2020	FARCHEM	9.8
160	11/8/2020	FARCHEM	9.8
161	11/5/2020	FARCHEM	9.8
162	11/4/2020	FARCHEM	9.8
163	11/3/2020	FARCHEM	9.8
164	11/2/2020	FARCHEM	9.8
165	11/1/2020	FARCHEM	9.8
166	10/29/2020	FARCHEM	9.8
167	10/28/2020	FARCHEM	9.8
168	10/27/2020	FARCHEM	9.8
169	10/25/2020	FARCHEM	9.8
170	10/22/2020	FARCHEM	9.8
171	10/21/2020	FARCHEM	9.9
172	10/20/2020	FARCHEM	9.9
173	10/19/2020	FARCHEM	9.8
174	10/18/2020	FARCHEM	9.8
175	10/15/2020	FARCHEM	9.8
176	10/14/2020	FARCHEM	9.8
177	10/13/2020	FARCHEM	9.8
178	10/12/2020	FARCHEM	9.8
179	10/11/2020	FARCHEM	9.8

180	10/8/2020	FARCHEM	9.8
181	10/7/2020	FARCHEM	9.9
182	10/6/2020	FARCHEM	9.8
183	10/5/2020	FARCHEM	9.8
184	10/4/2020	FARCHEM	10
185	10/1/2020	FARCHEM	9.9
186	9/30/2020	FARCHEM	9.9
187	9/29/2020	FARCHEM	9.9
188	9/28/2020	FARCHEM	10
189	9/27/2020	FARCHEM	10
190	9/24/2020	FARCHEM	10.1
191	9/23/2020	FARCHEM	10.1
192	9/22/2020	FARCHEM	10.1
193	9/21/2020	FARCHEM	10.1
194	9/20/2020	FARCHEM	10.2
195	9/17/2020	FARCHEM	10.4
196	9/16/2020	FARCHEM	10.5
197	9/15/2020	FARCHEM	10.4
198	9/14/2020	FARCHEM	10.6
199	9/13/2020	FARCHEM	10.8
200	9/10/2020	FARCHEM	10.3
201	9/9/2020	FARCHEM	10.2
202	9/8/2020	FARCHEM	10.3
203	9/7/2020	FARCHEM	10.2
204	9/6/2020	FARCHEM	10.5
205	9/3/2020	FARCHEM	10.3
206	9/2/2020	FARCHEM	10
207	9/1/2020	FARCHEM	10
208	8/31/2020	FARCHEM	10.2
209	8/27/2020	FARCHEM	10.2
210	8/26/2020	FARCHEM	10.2
211	8/25/2020	FARCHEM	10.3
212	8/24/2020	FARCHEM	10.4
213	8/23/2020	FARCHEM	10.7
214	8/20/2020	FARCHEM	11
215	8/19/2020	FARCHEM	10.5
216	8/18/2020	FARCHEM	10.5
217	8/17/2020	FARCHEM	11

218	8/16/2020	FARCHEM	10.7
219	8/13/2020	FARCHEM	10.2
220	8/12/2020	FARCHEM	10.4
221	8/10/2020	FARCHEM	10.2
222	8/9/2020	FARCHEM	10.3
223	8/6/2020	FARCHEM	10.1
224	8/5/2020	FARCHEM	9.8
225	8/4/2020	FARCHEM	10.2
226	8/3/2020	FARCHEM	9.9
227	7/30/2020	FARCHEM	9.8
228	7/29/2020	FARCHEM	9.8
229	7/28/2020	FARCHEM	9.8
230	7/27/2020	FARCHEM	9.8
231	7/26/2020	FARCHEM	9.8
232	7/23/2020	FARCHEM	9.8
233	7/22/2020	FARCHEM	9.8
234	7/21/2020	FARCHEM	9.8
235	7/20/2020	FARCHEM	9.8
236	7/19/2020	FARCHEM	9.8
237	7/16/2020	FARCHEM	9.8
238	7/15/2020	FARCHEM	9.8
239	7/14/2020	FARCHEM	9.8
240	7/13/2020	FARCHEM	9.8
241	7/12/2020	FARCHEM	9.9
242	7/9/2020	FARCHEM	10
243	7/8/2020	FARCHEM	9.8
244	7/7/2020	FARCHEM	9.8
245	7/6/2020	FARCHEM	9.8
246	7/5/2020	FARCHEM	9.8
247	7/2/2020	FARCHEM	9.8
Total			2,405.60
Trading Days in the year			247
Average market price			9.739



2. Introduction

S.F. Textile Industries Limited engaged FAMES & R, Chartered Accountants to conduct the independent valuation of its shares as of 30 June 2021 in order to get the result for the purpose to merge with S.F. Textile Industries Limited and F&R Chemical Industries Limited as mentioned in the following section of this report:-

The user of this report is expected to take in to consideration that the valuation of this nature is a subjective exercise and that it is unlikely to arrive at the same value by other Consultants as it depends on different assumptions, methodology and conditions being considered.

2.1 Purpose of the Independent Valuation of Share

The purpose of this assignment as mentioned in SFIL appointment letter # SF/IL/2021/021 dated 10 September 2021 reads as follows:-

"The Board of Directors of both the Companies decided to merge S.F. Textile Industries Limited and F&R Chemical Industries Limited."

SECTION: C

2.2 Valuation date

The valuation date for the purpose of the independent valuation of shares of S.F. Textile Industries Limited is 30 June 2021.

Independent Valuation of Shares of

about the Company

Legal form	As Private Limited Company	October 15, 2010 & Reg. no. C-37467/10
Registered as Public Limited		2017
Registration of Memorandum of Association		June 2016
Registered Office & Factory Address	Vill. Korangop, Post Office: Rupshi, Upazila: Rupsha, District: Narayanganj	
Business Office Address	House # 11 (Floor # 6B), Road # 12, Block # F, Niraton, Gulshan-1, Dhaka-1212.	
Nature of business	The principal activities of the company are to carry on the business of spinning mills to manufacture all types of Cotton, Viscose and CVC yarn for export to 100% export oriented dyeing/textiles industries and export thereof.	

2.3 Structure and history of capital raising:

Particulars	No. of Shares	Face Value (Tk.)	Amount in Tk.
Authorized Capital		10 Tk.	1,00,000.00 Tk.
Issued Capital		10.00	1,376,956.300



1. Introduction

S.F. Textile Industries Limited engaged FAMES & R, Chartered Accountants to conduct the independent valuation of its shares as of 30 June 2021 in order to use the result for the purpose to merge with S.F. Textile Industries Limited and FAR Chemical Industries Limited as mentioned in the following section of this report.

The user of this report is expected to take in to consideration that the valuation of this nature is a subjective exercise and that it is unlikely to arrive at the same value by other Consultants as it depends on different assumptions, methodology and conditions being considered.

2. Purpose of the Independent Valuation of Share

The purpose of this assignment as mentioned in SFTIL appointment letter # SFTIL/2021/021 dated 10 November 2021 reads as follows-

"The Board of Directors of both the Companies decided to merge S.F. Textile Industries Limited and FAR Chemical Industries Limited."

3. Cut-off date

The cut-off date for the purpose of the independent valuation of shares of S.F. Textile Industries Limited is 30 June 2021.

4. About the Company

Incorporation	As Private Limited Company	October 05, 2010 & Reg. no. C- 87367/10
Converted to Public Limited Company	December 24, 2017	
Commencement of Commercial Operation	June 01, 2016	
Registered Office & Factory Address	Vill: Kornogop, Post Office: Rupshi, Upazila: Rupgonj, District: Narayanganj.	
Corporate Office Address	House # 11 (Floor # 6B), Road # 12, Block # F, Niketon, Gulshan-1, Dhaka-1212.	
Nature of Business	The principal activities of the company are to carry on the business of spinning mills to manufacture all types of Cotton, Viscose and CVC yarn for export to 100% export oriented dyeing/textiles industries and export thereof.	

Capital structure and history of capital raising:

Particulars	No. of Shares	Face Value (Tk.)	Amount in Taka
Authorized Capital	201,000,000	10.00	2,010,000,000
Paid up capital	157,695,630	10.00	1,576,956,300

The Company has raised its paid-up capital in following phases:

Particulars of Allotment	Date of Allotment	Form of Consideration (No. of Shares)			Considering Face Value Tk.10 each	Paid-up Capital Taka
		In cash	Other than in cash	Bonus		
First (subscriber to the Memorandum & Articles of Association at the time of incorporation)	05-Oct-10	100,000	-	-	10.00	1,000,000
Second	03-Jul-11	960,000	-	-	10.00	9,600,000
Third	11-Aug-11	8,640,000	-	-	10.00	86,400,000
Fourth	15-Apr-15	70,000	-	-	10.00	700,000
Fifth	12-Aug-15	170,000	-	-	10.00	1,700,000
Sixth	19-Dec-17	147,755,630	-	-	10.00	1,477,556,300
Total		157,695,630	-	-	10.00	1,576,956,300

Name of the Sponsors and Directors:

Sponsors:

Sl. No	Sponsors	Current status
1	Alhaj Abdul Kader Faruk	Sponsor Shareholder
2	Mrs. Shirin Faruk	

Directors:

Sl. No.	Name	Position
1	Faiaz Kader	Chairman
2	Mr. Md. Jamal Hossain (Representative Director of Another Life Hospital & Research Center Ltd.)	Managing Director
3	Mrs. Jahadha Khondoker, (Representative Director of Sadman Textile Mills Ltd.)	Director
4	Mr. Md. Hamidul Haque, Director (Representative Director of Samin Food & Beverage Inds. And Textile Mills Ltd.)	Director
5	Mr. Rafiquddin Ahmed	Independent Director

5. Business Set-up of the company

S.F. Textile Industries Ltd. has been incorporated in 2010 for the production of Viscose, CVC, and Cotton yarn having 42250 spindles capable of manufacturing 8,312,500 Kg. of yarn per year. SFTIL's registered office and factory is situated at Vill: Kornogop, Post Office: Rupshi, Upazila: Rupgonj, District: Narayanganj and its corporate office is situated at House # 11 (Floor-6B), Road # 12, Block-F, Niketon, Gulshan-1, Dhaka-1212. Bangladesh. S.F. Textile Industries Ltd. uses sophisticated machinery and equipment mostly imported from Germany, Switzerland, Vietnam, Belgium, India, Korea, UAE and China to spin the finest quality Viscose, CVC, and Cotton yarn conforming to global standards.

All of the Property, Plant & Equipments of the Company are in working condition.

Particular	Location & Area	Condition of the Property												
Land	Vill: Kornogop, P.O: Rupshi, P.S: Rupganj District: Narayanganj, Bangladesh. (Factory area: 417.66 Decimal land used for existing factory out of Total 782.12 Decimal land)	Position hold by the Company												
Factory Building: <table border="1"> <thead> <tr> <th>Building</th> <th>No. of Floor</th> </tr> </thead> <tbody> <tr> <td>Building-1</td> <td>1</td> </tr> <tr> <td>Building-2</td> <td>3</td> </tr> <tr> <td>Building-3</td> <td>6</td> </tr> <tr> <td>Building-4</td> <td>1</td> </tr> <tr> <td>Building-5</td> <td>1</td> </tr> </tbody> </table>	Building	No. of Floor	Building-1	1	Building-2	3	Building-3	6	Building-4	1	Building-5	1	Vill: Kornogop, P.O: Rupshi, P.S: Rupganj District: Narayanganj, Bangladesh. (Factory Area)	Good condition
Building	No. of Floor													
Building-1	1													
Building-2	3													
Building-3	6													
Building-4	1													
Building-5	1													
Plant & Machinery: Blow Room machine, Carding Machine, Breaker Draw Frame, Finisher Draw Frame, Roving frame, Ring Frame, Auto Coner, Yarn Conditioning Plant, Uster Tester, Fiber Testing Machine, AC Plant, Laboratory Equipment etc.	Vill: Kornogop, P.O: Rupshi, P.S: Rupganj District: Narayanganj, Bangladesh. (Factory Area)	Working in good condition												
Office Equipment: Computer, Printer, Scanner, Fax machine, Phone system, Internet connectivity etc.	At Factory and Corporate Office	Good condition												
Furniture & Fixture: Table, Chair, Sofa, Steel rake, Wooden cabinet		Good condition												
Motor Car	At Factory	Running												



Details of Land of the company:

Deed No.	Date of purchase	C.S. Dag No.	Area of land (Decimal)	Current use
3201/14	25.03.14	575	45	Vacant
5285	22.05.14	481	1.40	Factory Building & Administration Building
16174	21.12.11	475	29	Factory Building & Administration Building
9163	01.08.13	469,481,479	19.21	Factory Building & Administration Building
10486	12.07.12	301,302	15	Vacant
10661	16.07.12	574,300,301,302,583,304,576,575	305	Vacant
5560	15.05.17	463,468,467,480,481,479,482, 484,469,470,471,472,473,466	332.51	Factory Building & Administration Building
8049	24.07.17	476	35	Factory Building & Administration Building

Factory Building: The factory has total five buildings. Details of the buildings status are discussed below:

Sl. No.	Particulars	Building Type	Area per Floor -SF (S. Feet)	No. of Floor	Total Area (S.Feet)
1	Building No. - 1	Steel structure industrial building used as production floor which is a pre-fabricated steel structure building along with RCC grade beam, RCC floor slab, RCC pillar, RCC slab with beam, RCC lintel, brick wall, plaster, wall paint, Thai aluminium & 5mm glass in window and door, MS grill in window. On the basement RCC Return Air Ducting Tunnel line which is made for air circulation to maintain proper temperature & humidity of the inside air to keep the cotton fiber water proof (Humidity Free).	86,931.30	1	86,931.30
2	Building No. - 2	R.C.C building, AC Plant Building, RCC-Grade Beam, RCC-Floor Slab, RCC-Pillar, RCC-Slab with Beam, RCC-Stair, RCC-Lintel, Brick Wall, Plaster, Wall Paint, Inside wall- Plastic Paint, Outside Wall-Weather Coat Thai Aluminum & 5mm Glass in window, Door, M.S Grill in Window.	12,363.09	3	37,089.28
3	Building No. - 3	R.C.C building- Office Building, RCC-Grade Beam, RCC-Floor Slab, RCC-Pillar, RCC-Slab with Beam, RCC-Stair, RCC-Lintel, Brick Wall, Plaster, Wall Paint, Inside wall- Plastic Paint, Outside Wall-Weather Coat Thai Aluminum & 5mm Glass in window, Door, M.S Grill in Window.	3,491.59	6	20,949.56
4	Building No. - 4	Steel Structure Raw Material Godown, Pre-	6,958.43	1	6,958.43

		fabricated steel structured building			
5	Building No. - 5	Steel Structure Finished Goods Godown, Pre-fabricated steel structured building	11,055.92	1	11,055.92

6. Disclaimer

This report is produced on a strictly confidential basis and is intended for the sole use of the management and to their desire and is not to be published, used, circulated, quoted or otherwise referred to for any purposes nor is this report to be filed with, reproduced, copied, disclosed or referred to in whole or in part in any document.

Except where we have agreed expressly in writing to the contrary, we will not accept any liability or responsibility to any other party to whom our report shown or into whose hands may come. Furthermore, we accept no duty or responsibility and deny any liability to the company in relation to this report whether or not this report influences any of your decisions.

7. Scope of Work

The scope of work for the independent valuation of shares of the company considered to be the related clause of the Public Issue Rules 2015 issued by Bangladesh Securities and Exchange Commission (BSEC). According to clause 14 (D) of Annexure-E of the rules, price of a share should be valued considering following four methods:

- V. Net Asset Value of Historical or Current Costs.
- VI. Earning Based Value calculated on the basis of weighted average of net profit after tax for immediate preceding five years or such shorter period during which the issuer was in commercial operation.
- VII. Projected Earnings for the next three accounting year with rational of the projection if not in commercial operation and
- VIII. Average Market price per share of similar stocks for the last one year immediately prior to the offer for common stocks, market price per share of common stock of the issuer for the aforesaid period.

We found and considered Net Asset Value (NAV) and Earning Based Valuation (EBV) more effective to attain the purpose of the share valuation assignment.

8. Limitation to scope of work

Projected/Forecasted Earnings is not used for the valuation as the company is in commercial operation since 2016. In addition, the following reasons for not considering the Projected/Forecasted Earnings can be listed-

- Forecasted Financial Information is uncertain and depending on several uncontrollable economic factors.
- One may perform the quantitative and qualitative forecasting methods but it is impossible to foresee the unforeseeable.
- One can use as sophisticated technique as possible but it will still may not give an accurate prediction.

- Complex regression analysis and neural network methods are often used to determine a forecast but none of them are precisely accurate.

For the matters discussed above, conservatively, we can avoid Projected/Forecasted Earnings to determine the share price of the company.

S.F. Textile Industries Limited is a non-listed public limited company and as such there is no published market price for the shares. The value of the ordinary shares will need to be calculated based on other available information using formulae, estimates and judgements. So conservatively, we can avoid independent valuation of shares of the company as per Average Market Price.

9. Our Work Approach and Valuation Methodology

Work Approach

Our approach to the accomplishment of the assignment included:

- Entrance meeting with key officials of the company to start the assignment.
- FAMES & R team was given reasonable understanding of the functionalities of the company, its goals and achievements.
- Developed a work plan and work strategy on the basis of the understanding gained from the discussion meeting.
- Mobilized resource persons and organized the team for efficient conduct of the assignment.
- Briefed FAMES & R team members so that all the members of the team can understand as to what are their specific duties and responsibilities regarding the accomplishment of said assignment.
- The team started collecting all relevant data and work on those.
- The Engagement Partner, Consultants, Engagement Manager and the team held in-house discussion to select suitable methodology among the practiced valuation methodologies across the business world.
- Studied widely used international share valuation methods and selected suitable methods for this assignment.
- Prepared a draft report under direct guidance of the Engagement Partner and shared with the management.
- Finalized the report incorporating necessary inputs came out during discussion on draft.

Valuation Methodology

- FAMES & R considered required methods to determine the value of the shares of the company considering the valuation purpose, operation of the company and other relevant surrounding situations or facts.
- We found and considered historical information based valuation viz, Net Asset Value (NAV) method of valuation and Earning Based Valuation (EBV) method of valuation more effective to attain the purpose of the valuation.

- c. As each valuation method requires specific procedure to calculate the share value and no one share valuation method is definitive, the best way to determine overall value is to use a number of relevant methods and find out suitable weighted average value from the outcome of different valuation methods.
- d. The calculation of valuation of shares is subject to a number of assumptions and judgment.
- e. During the valuation work, FAMES & R team used audited financial statements of the company. FAMES & R team collected, analyzed and processed financial data and other non-financial information that were required to carry-out the assignment
- f. FAMES & R estimated the value of the shares of the company by applying the methods which we deemed appropriate.
- g. Historical financial information were collected from Audited Financial Statements of the company and market information were collected from official website of Dhaka Stock Exchange Limited (DSE) and published report /reviews by the Dhaka Stock Exchange Limited.
- h. The results of our valuation analysis is expressed as the Conclusion of Value.

10. Statement of Assumptions and Limiting Conditions

This independent valuation of shares of the company is subject to the following assumptions and limiting conditions:

- a. The information presented to the audited financial statements considered for the purpose of the valuation assignment reflects the results of S. F. Textile Industries Ltd. for the year 2016-17, 2017-18, 2018-19, 2019-2020 and 2020-2021.
- b. The information provided by the company has been accepted as correct without further verification and we express no opinion on that information.
- c. This valuation is valid only for the purpose specified in this report.
- d. This valuation assumes that S.F. Textile Industries Limited will continue to operate as a going concern and that the character of its present business will remain intact.
- e. The valuation contemplated facts and conditions existing in the valuation date.
- f. Events and conditions occurring after that date have not been considered and we have no obligations to update our report for such events and conditions.
- g. We have assumed the company is compliant with all applicable laws and regulations prevailing in the country.
- h. We have assumed that no hazardous conditions or materials exist which could affect the subject business. We are not qualified to establish the absence of such conditions or materials nor do we assume the responsibility for discovering the same.
- i. The valuation analysis and conclusion of value presented in the report are for the purpose of this engagement only.
- j. We are not required to give testimony in court or be present during any hearings or depositions with reference to the company being valued, unless previous arrangements have been made.
- k. This report is valid only for the date specified herein.

11. Sources of Information

The following Audited Financial Statements were considered as source of the financial information for the share valuation assignments:

Accounting Year	Accounting Period	Auditor	Data used for Share Valuation	Source of Data
2016-2017	July to June	Mahfel Huq & Co.	2016-2017	Audited FS
2017-2018	July to June	Mahfel Huq & Co.	2017-2018	Audited FS
2018-2019	July to June	Shiraz Khan Basak & Co.	2018-2019	Audited FS
2019-2020	July to June	Kazi Zahir Khan & Co.	2019-2020	Audited FS
2020-2021	July to June	Kazi Zahir Khan & Co.	2020-2021	Audited FS

In addition, FAMES & R team collected market information from official website of Dhaka Stock Exchange Limited and published report/reviews by the Dhaka Stock Exchange Limited.

12. Share Valuation Methods Used

As indicated in the preceding paragraph, we had very meticulous study on the selection of methodology that might be applicable for the assignment under consideration. After careful review of different methods, we have considered Net Asset Value (NAV) method and Earning Based Valuation (EBV) method of valuation. We believe that under the given circumstances, these two methods of share valuation would give effective result to attain the purpose of the valuation of shares of S.F. Textile Industries Limited.

13. Summary of Valuation

We have used the results obtained from two methods of share valuation mentioned above and assigned equal weights to each result and calculated our estimate of the business value as the sum of these weighted values. The independent value per share of S.F. Textile Industries Limited as at 30 June 2021 may be considered as follows:-

Valuation of Shares	Amount	References
Net Asset Value per Share (NAV)	BDT 15.219	Annexure- D
Earning Based Value (EBV) per share	BDT 22.925	Annexure- E

Average Price per share BDT 19.0720

We may consider BDT 19.0720 per share value for S.F. Textile Industries Limited as at the valuation cut-off date may be considered.

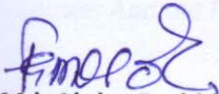
14. Concluding Remarks

We have arrived at the per share value for S.F. Textile Industries Limited based on data provided by the Management and have used our best professional judgments in reaching conclusion. This conclusion is subject to the Statement of Assumptions and Limiting Conditions presented earlier in this report.

Based on the results of these valuation approach and methods along with consideration of other relevant data, we have estimated the value per share of S.F. Textile Industries Limited at BDT 19.0720 as at the valuation cut-off date.

Thanking you.

Yours faithfully,



Md. Abdur Rashid, FCA
Partner
ICAB Enrollment No.: 474
FAMES & R
Chartered Accountants



ANNEXURE - E

ANNEXURE - D

Share Valuation Method: Net Asset Value (NAV) Method

Particulars	Amount (in BDT.)
Total Assets as on 30 June, 2021	3,516,309,550
Less: Total Liabilities as on 30 June, 2021	(1,116,314,808)
Net Assets	2,399,994,742
Total Number of Shares Outstanding as of 30 June, 2021	157,695,630
Net Asset Value per Share (NAV)	15.219

Source: Audited Financial Statements as of 30 June, 2021

****Calculation of Average Price Earnings Ratio of Sector P/E:**

Sl. No.	Month End	Sector P/E
1	January 31, 2021	17.54
2	February 28, 2021	17.20
3	March 31, 2021	16.75
4	April 30, 2021	15.27
5	May 31, 2021	13.45
6	June 30, 2021	23.46
	Total of 6 months	104.23
	Average P/E for 6 months	17.37

Source: DSE Monthly Review.



ANNEXURE- E

Share Valuation Method: Earning Based Valuation (EBV) Method

Year	No. of Shares	Net Profit After Tax	Weight of No. of Shares	Weighted Average of Net Profit after tax
30-Jun-17	9,940,000	199,993,632	0.0155	3,102,648
30-Jun-18	157,695,630	216,962,215	0.2461	53,399,080
30-Jun-19	157,695,630	213,324,938	0.2461	52,503,868
30-Jun-20	157,695,630	157,286,768	0.2461	38,711,666
30-Jun-21	157,695,630	206,664,903	0.2461	50,864,690
Total	640,722,520	994,232,456	1.0000	198,581,952
No. of Shares outstanding				157,695,630
Diluted EPS based on weighted Average of Net Profit After Tax				1.26
Six months average sector P/E **				18.21
Earnings based value per share				22.925

**Calculation of Average Price Earnings Ratio of Sector P/E:

Sl #	Month End	Sector P/E
1	January 31, 2021	17.64
2	February 28, 2021	17.20
3	March 31, 2021	16.75
4	April 30, 2021	15.27
5	May 31, 2021	18.43
6	June 30, 2021	23.94
	Total of 6 months	109.23
	Average P/E for 6 months	18.21

Source: DSE Monthly Review.



SCHEDULE - I

[Schedule- X, Form- 117 and Balance Sheet of S.F. Textile Industries Limited]



Summary of share capital and share of S.F. TEXTILE INDUSTRIES LTD., Reg. No. C-87367, Reg. Date: 05-Oct-2010, Address: Village: Kornogop, Post Office: Rupshi, Upazila: Rupgonj, District: Narayanganj

Narayanganj made up to the 14th day of November, 2021 (being the day of the first general meeting in.....)

Nominal share capital Tk 201,00,00,000.00 divided into 20,10,00,000 shares of Tk 10 each.

Sl.	Share Class	Value of each share (BDT)	Shares (No.)	Amount (BDT)
1	Ordinary Share	10.00	20,10,00,000	201,00,00,000.00

15,76,95,630

Sl.	Share Class	Shares Taken up (No.)
1	Ordinary Share	15,76,95,630

15,76,95,630

157,69,56,300.00

1. Total number of shares taken up to the **14th day of November, 2021** which (number must agree with total shown in the list as held by existing)
2. Number of shares issued subject to payment wholly in cash
3. Number of shares issued as fully paid-up otherwise than in cash.....
4. (a) Number of shares issued as partly paid-up to the extent of per Share otherwise than in cash

 5,6,7 There has been called up on each of shares 10.00 of class Ordinary Share
8. Total amount received on calls
9. (a) Total amount received along with application for Shares
- (b) Numbers of Shares allotted on application
10. Total amount; if any, agreed to be considered as paid on shares which have been issued a fully paid up otherwise than in cash
11. Total amount, if any, agreed to be considered as paid on Shares which have been issued as partly paid up to the extent of per share
12. Total amount of calls unpaid
13. Total amount if any, of sums paid or allowed in respected of shares or debentures since date of last summary
- (a) as commission
14. (a) Total number of shares forfeited if any
- (b) Total money paid thereon
15. Total amount of shares and stock for which share-warrants are outstanding
16. Total amount of share-warrants issued and surrendered respectively since date of last summary
17. Number of shares or amount of stock comprised in each share-warrant
18. Total amount of debt due from the Company in respect of all mortgages and shares which are required to be registered with the Registrar under the Companies Act, 1994

Notes:

- (a) When there are shares of different kinds or amounts (e.g. preference and ordinary of Tk. 200 or Tk. 100) state the numbers and nominal value separately.
- (b) Where various amounts have been called there are shares of different kinds, state separately.



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19. List of persons holding shares in S.F. TEXTILE INDUSTRIES LTD. on the 14th day of November, 2021 and of persons who have held shares therein at any time since the date of the last return, showing their names and addresses and an account of the shares so held.

NAMES ADDRESSES AND OCCUPATIONS

ACCOUNTS OF HARES

Sl.	Folio in Register Ledger containing particulars	Name	Father's/Husband's Name	Address and Nationality	Occupation / Caste	Number of shares held by existing members at the date of return	Particulars of shares transferred since the date of the last return by persons who are still members		Remarks
							Number	Date of Registration of transfer	
1		AL-HAJ ABDUL KADER FARUK	S/O- AL-HAJ MOSTAFIZUR RAHMAN	22/A, Chamalbag, Shantinagar, Dhaka, Dhaka, Bangladesh	Business	4550000			
2		MRS. SHIRIN FARUK	W/O- AL- HAJ ABDUL KADER FARUK,	22/A, Chamalbag, Shantinagar, Dhaka, Dhaka, Bangladesh	Business	1050000			
3		MD. ABID MUSTAFIZUR RAHMAN	S/O AL-HAJ ABDUL KADER FARUK	22/A, Chamalbag, Shantinagar, Dhaka, Dhaka, Bangladesh	Business	7940000			
4		MD. ABDUL QUYUM MAMUN	S/O- AL-HAJ MOSTAFIZUR RAHMAN	32/6 East Noyatola, Maghbazar, Dhaka, Dhaka, Bangladesh	Business	418000			
5		Rezaur Rahman Rajon	S/O AL-HAJ ABDUL KADER FARUK	22/A, Chamalbag, Shantinagar, Dhaka, Dhaka, Bangladesh	Business	3642520			
6		Mr. Shajadul Mabut Khabir	S/O- AL-HAJ MOSTAFIZUR RAHMAN	M.L. Tower, 1 East Rampura, Dhaka, Bangladesh	Business	2693600			
7		Mr. Faiaz Kader	S/O AL-HAJ ABDUL KADER FARUK	M.L. Tower, 1 East Rampura, Dhaka, Dhaka, Bangladesh	Business	3645800			
8		Mrs. Nasreen Akhter Banu	W/O AL-HAJ ABDUL KADER FARUK	286, East Rampura, Dhaka, Bangladesh	Business	7668900			
9		Kazi Hosne Ara Begum	W/O AL-HAJ ABDUL KADER FARUK	208, Shohid Nazrul Islam Soroni, Bijoynagar, Dhaka, Bangladesh	Business	6941340			
10		Rajon Textile Mills Ltd.		M.L. Tower (15th Floor), 1 East Rampura, D.I.T. Road, Dhaka, Bangladesh	Business	8917600			
11		Total Spinning Mills Ltd.		M.L. Tower (15th Floor), 1 East Rampura, D.I.T. Road, Dhaka, Bangladesh	Business	8940000			
12		Jahadtha Khondoker	D/O Khondoker Jafar Shadque	Flat 5/C, Plot No. 37, Road No. 1, Block-A, Banasree, Rampura, Dhaka, Bangladesh	Business	500000			
13		Sweater Farms Limited		M. L. Tower, 1 East Rampura, DIT Road, Dhaka, Bangladesh	Business	10000			
14		Chong Won ARS Sweater Ltd.		63, North Jatrabari, Dhaka, Dhaka, Bangladesh	Business	8014800			
15		F. A. R. Homes Ltd.		147, Shantinagar, Dhaka, Bangladesh	Business	8519200			
16		FAR Apparel Ltd.		63, North Jatrabari, Dhaka-1204, Dhaka, Bangladesh	Business	10000			
17		Md. Arife Billah	S/O- AL-HAJ MOSTAFIZUR RAHMAN	House 32/6, East Noyatola, Shantinagar, Ramna, Dhaka-1217, Dhaka, Bangladesh	Business	2127700			



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18	Habiba Begum	D/O- AL-HAJ MOSTAFIZUR RAHMAN	House 32/6, East Noyatola, Shantinagar, Ramna, Dhaka-1217, Dhaka, Bangladesh	Business	10000		
19	Rezwana Rahman Rini	D/O AL-HAJ ABDUL KADER FARUK	35/7/A, Pirshaber Goli, Motijheel, Dhaka, Bangladesh	Business	6949500		
20	Lutfunnesa Begum	W/O- AL-HAJ MOSTAFIZUR RAHMAN	House No. 32/6, East Noyatola, Post: Shantinagar, Ramna, Dhaka, Bangladesh	Business	2124380		
21	Nazmul Sakhawat Hossain		Village+Post+Upzilla-Monohordi, Narsingdi, Bangladesh	Business	10000		
22	HASINA BEGUM	D/O- AL-HAJ MOSTAFIZUR RAHMAN	M.L. Tower, 1 East Rampura, Dhaka, Dhaka, Bangladesh	Business	2872300		
23	Better Life Hospital Limited		M.L. Tower, 1 East Rampura, Dhaka, Dhaka, Bangladesh	Business	8940000		
24	Neptune Hospital & Research Center Ltd		House-11, Road-12, Block-F, Niketon, Gulshan, Dhaka, Bangladesh	Business	5000		
25	Neptune Textile Mills Ltd.		House-11, Road-12, Block-F, Niketon, Gulshan, Dhaka, Bangladesh	Business	8924590		
26	Abdul Mabut Masum		1 East Rampura, D.I.T. Road Dhaka-1219, Dhaka, Bangladesh	Business	305000		
27	Abdul Quddus Amin		1 East Rampura, D.I.T. Road Dhaka-1219, Dhaka, Bangladesh	Business	305000		
28	Md. Atiqul Haque		2 East Rampura, D.I.T. Road Dhaka-1219, Dhaka, Bangladesh	Business	212000		
29	Md. Kabir Uddin Ahmed		House- Shikder bari, Village-Horipur, P.O-Mazigacha, P.S. Kachua, Chandpur, Bangladesh	Business	500100		
30	Md. Foysal Ahamed		22/7 Bijli Mohollah, Mohammadpur, Dhaka, Bangladesh	Business	500100		
31	Asif Iqbal Chowdhury		House-B-58/F-5, A.G.B. Colony, Dhaka, Bangladesh	Business	250100		
32	Md. Saroar Hossain		39/C, Senpara Parbata, Flat-3/A, Shwapnochura Apptt., Mirpur, Dhaka, Bangladesh	Business	250100		
33	Shanzida Akhter Khanam		3.Kabi Jasimuddin Road, Kamlapur, Dhaka, Bangladesh	Business	500100		



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34	Sadman Textile Mills Ltd. (Rep. by JAHADHA KHONDOKER) MD. ABUL KHAIR MANIK	M.L. Tower (15th Floor), 1 East Rampura, D.I.T. Road, Dhaka, Bangladesh	Business	15636200	
35	Mr. Mohibullah Kabir	GPI. 41, Middle Badda, Dhaka, Bangladesh	Business	3509700	
36	S/O. AL-HAJ MOSTAFIZUR RAHMAN	M.L. Tower, 1 East Rampura, Dhaka, Bangladesh	Business	2000	
37	Another Life Hospital & Research Center Ltd. (Rep. by MD. JAMAL HOSSAIN.)	147, Shantinagar, Dhaka, Bangladesh	Business	13300000	
38	Samin Food & Beverage Ind. and Textile Mills Ltd. (Rep. by Md. Hamidul Haque)	M.L. Tower, 1 East Rampura, Dhaka, Bangladesh	Business	17000000	

20. Names and addresses of the persons who are the Directors of the S.F. TEXTILE INDUSTRIES LTD. on the 14th day of November, 2021

Name	Address
Mr. Faiaz Kader	M.L. Tower, 1 East Rampura, Dhaka, Dhaka
Sadman Textile Mills Ltd. (Rep. by JAHADHA KHONDOKER)	M.L. Tower (15th Floor), 1 East Rampura, D.I.T. Road, Dhaka
Another Life Hospital & Research Center Ltd. (Rep. by MD. JAMAL HOSSAIN.)	147, Shantinagar, Dhaka
Rafiquddin Ahmed	House: 688/3, Baro Mogh Bazar, Ramna, Shantinagar, Dhaka- 1217, Dhaka
Samin Food & Beverage Ind. and Textile Mills Ltd. (Rep. by Md Hamidul Haque)	M.L. Tower, 1 East Rampura, Dhaka

21. Names and addresses of the persons who are the Managing Director, Managing Agents or Managers and Auditors of the S.F. TEXTILE INDUSTRIES LTD. on the 14th day of November, 2021

Name	Address
Another Life Hospital & Research Center Ltd. (Rep. by MD. JAMAL HOSSAIN.)	147, Shantinagar, Dhaka
Kazi Zahir Khan & Co.	Shamsunnahar Complex, 8 th Floor, Flat-9B, 31/C/1, Topkhana Road, Segunbagicha, Dhaka-1000

I MD. JAMAL HOSSAIN do hereby certify that -

- The above list and summary truly and correctly states the facts as they stood on the 14th day of November, 2021
- The Company has not since the date of its incorporation last Return issued any invitation to the public to subscribe for any shares or debentures of the Company (in case of private company);

Second SignatorySD/-.....
Name: Mr. Faiaz Kader

Signed bySD/-.....
Name: MD. JAMAL HOSSAIN





FORM-112

INSTRUMENT OF TRANSFER OF SHARES

Position: Managing Director
Address: 147, Shantinagar
Dhaka, Dhaka

Chairman
M.L. Tower, 1 East Rampura, Dhaka, Dhaka
Position:
Address:



... Please find the soft copy to verify the signature.

FORM-117

INSTRUMENT OF TRANSFER OF SHARES

Name of the Company: S.F. TEXTILE INDUSTRIES LTD.

৯০০০/- টাকা
শেয়ার হস্তান্তর পত্র
নগদায়িত
১১/১১/২০

STAMP

Tk. _____/-

75015

Transfer No.

I/We, Md. Kabir Uddin Ahmed of House- Sikder Bari, Village- Horipur, P.O.- Mazigacha, P.S.- Kachua, District- Chandpur- 3633, Bangladesh in consideration of the sum of Taka 5,001,000/- paid to me/ us by Mr. Fatin Kader Fardin of House # 56, Road # 01, Block # A, Niketon, Gulshan- 1, Dhaka-1212, Bangladesh (hereinafter called "the said Transferee") do hereby bargain/ assign and transfer the said Transferee 500,100 (five lac and one hundred) Shares of Tk. 10/- each Tk. 5,001,000/- Paid up numbered from -----to----- inclusive in the S.F. TEXTILE INDUSTRIES LTD. to hold up to the said transferee his/ her executors administrators and assign subject to the several conditions on which I hold the same at the time/ execution hereof and I the said transferee, do hereby agree to accept and take the said shares subject to the conditions aforesaid.

As witness out hands this 21 day of November 20 21 .

Signed by the above named
in the Presence of:

- (i) Witness to :
Sign here :
Occupation :
Address:

Adv. Md. Rahimul Islam (Rinku)
MAA LL.B.
Chamber
MAA Associates
Shah Ali Tower
33, Karwan Bazar (5th Floor)
Dhaka-1215
Mob: 01712-285945

Signature of Transferor
(Md. Kabir Uddin Ahmed)

Signed by the above named
in the Presence of:

- (ii) Witness to :
Sign here :
Occupation :
Address:

Md. Mahmud Hasan
B.A
MAA Associates
Shah Ali Tower
33, Karwan Bazar (5th Floor)
Dhaka-1215
Mob-01713214328

Signature of Transferee
(Fatin Kader Fardin)

Approved-vide Resolution of the Board of Directors in the Meeting held on 21 / 11 / 20 21.

Chairman/ Managing Director/ Director



FORM-117

INSTRUMENT OF TRANSFER OF SHARES

Name of the Company: S.F. TEXTILE INDUSTRIES LTD.

২০০ টকা
শেয়ার হস্তান্তর বন্ধ
নগদায়িত
০৩/১১/২১

STAMP

Tk. _____/-

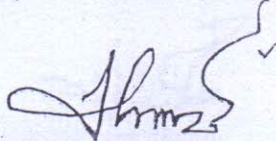
1500

Transfer No.

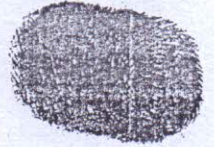
_____ of M. L. Tower, 1 East Rampura, DIT Road, Dhaka, Bangladesh in
sum of Taka 100,000/- paid to me/ us by Mr. Abdul Mabut Masum of 1 East
Road, Dhaka-1219, Dhaka, Bangladesh (hereinafter called "the said
Transferee") do hereby bargain/ assign and transfer the said Transferee 10,000 (ten thousand)
shares of Tk. 10/- each Tk. 100,000/- Paid up numbered from _____ to _____
_____ inclusive in the S.F. TEXTILE INDUSTRIES LTD. to hold up to the said transferee his/ her
executors administrators and assign subject to the several conditions on which I hold the same at
the time/ execution hereof and I the said transferee, do hereby agree to accept and take the said
shares subject to the conditions aforesaid.

As witness out hands this 21 day of November, 2021.

Signed by the above named
in the Presence of:



Signature of Transferor
(Golam Azam Chowdhury)



(i) Witness to
Sign here
Occupation
Address:

Adv. Md. Rabiul Islam (Rin) Representative from 'Sweater Farms Limited'
M.A. LL.B.
Chamber
MAA-Associates
Shah Ali Tower
33, Karwan Bazar (5th Floor)
Dhaka-1215
Mob: 01712-245945

Signed by the above named
in the Presence of:



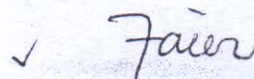
Signature of Transferee
(Abdul Mabut Masum)



(ii) Witness to
Sign here
Occupation
Address:

Md. Mahmud Hasan
B.A
MAA Associates
Shah Ali Tower
33, Karwan Bazar (5th floor)
Dhaka-1215
Mob-01713914369

Approved-vide Resolution of the Board of Directors in the Meeting held on 21/11/2021.



Chairman/ Managing Director/ Director



FORM-117

INSTRUMENT OF TRANSFER OF SHARES

Name of the Company: S.F. TEXTILE INDUSTRIES LTD.

STAMP

Tk. _____/-

1500

Transfer No.

I/We, FAR Apparel Ltd. of 63, North Jatrabari, Dhaka- 1204, Dhaka, Bangladesh in consideration of the sum of Taka 100,000/- paid to me/ us by Mr. Abdul Mabut Masum of 1 East Rampura, D.I.T. Road, Dhaka-1219, Dhaka, Bangladesh (hereinafter called "the said Transferee") do hereby bargain/ assign and transfer the said Transferee 10,000 (ten thousand) Shares of Tk. 10/- each Tk. 100,000/- Paid up numbered from -----to----- inclusive in the S.F. TEXTILE INDUSTRIES LTD. to hold up to the said transferee his/ her executors administrators and assign subject to the several conditions on which I hold the same at the time/ execution hereof and I the said transferee, do hereby agree to accept and take the said shares subject to the conditions aforesaid.

As witness out hands this 21 day of November, 2021.

Signed by the above named
In the Presence of:

Adv. Md. Rabiul Islam (Rinku)
M.A. LL.B.
Chamber
MAA- Associates
Shah Ali Tower
33, Karwan Bazar (5th Floor)
Dhaka-1215.
Mob: 01712-285945

(i) Witness to :
Sign here :
Occupation :
Address:

Signed by the above named
in the Presence of:

Md. Mahmud Hasan
B.A
MAA Associates
Shah Ali Tower
33, Karwan Bazar (5th Floor)
Dhaka-1215
Mob-01713914359

(ii) Witness to :
Sign here :
Occupation :
Address:

Signature of Transferor
(Golam Azam Chowdhury)
Representative from 'FAR Apparel Ltd.'

Signature of Transferee
(Abdul Mabut Masum)

Approved-vide Resolution of the Board of Directors in the Meeting held on 21/11/2021.

Chairman/ Managing Director/ Director

FORM-117

INSTRUMENT OF TRANSFER OF SHARES

Name of the Company: S.F. TEXTILE INDUSTRIES LTD.

২০২১ টাকা
শেয়ার হস্তান্তর স্মারক
নং: ১১৩
০২/১১/২০

STAMP

Tk. _____/-

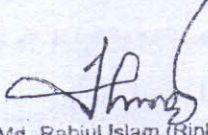
257250
Transfer No.

I/We, Md. Arife Billah of House 32/6, East Noyatola, Shantinagar, Ramna, Dhaka- 1217, Bangladesh, in consideration of the sum of Taka 16,750,000/- paid to me/ us by Mr. Abdul Mabut Masum of 1 East Rampura, D.I.T. Road, Dhaka-1219, Dhaka, Bangladesh (hereinafter called "the said Transferee") do hereby bargain/ assign and transfer the said Transferee 1,675,000 (sixteen lac seventy five thousand) Shares of Tk. 10/- each Tk. 16,750,000/- Paid up numbered from -----to----- inclusive in the S.F. TEXTILE INDUSTRIES LTD. to hold up to the said transferee his/ her executors administrators and assign subject to the several conditions on which I hold the same at the time/ execution hereof and I the said transferee, do hereby agree to accept and take the said shares subject to the conditions aforesaid.

As witness out hands this 21 day of November, 2021.

Signed by the above named
In the Presence of:

(i) Witness to :
Sign here :
Occupation :
Address:

✓

Adv. Md. Rabiul Islam (Rinku)
M.A. LL.B.
Chamber
MAA- Associates
Shah Ali Tower
33, Karwan Bazar (5th Floor)
Dhaka-1215
Mob: 01712-285945

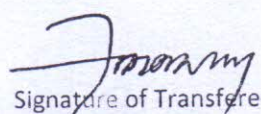
✓
Md. Arife Billah
Signature of Transferor
(Md. Arife Billah)

Signed by the above named
in the Presence of:

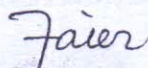
(ii) Witness to :
Sign here :
Occupation :
Address:

✓

Md. Mahmud Hasan
B.A
MAA Associates
Shah Ali Tower
33, Karwan Bazar (5th Floor)
Dhaka-1215
Mob-01713914359

✓

Signature of Transferee
(Abdul Mabut Masum)

Approved-vide Resolution of the Board of Directors in the Meeting held on 21/11/2021.

✓

Chairman/ Managing Director/ Director



FORM-117

INSTRUMENT OF TRANSFER OF SHARES

Name of the Company: S.F. TEXTILE INDUSTRIES LTD.

৩৭৬২৬
শেয়ার হস্তান্তর পত্র
নগদায়িত
৩১/১১/২০

STAMP

Tk. _____/-

37515

Transfer No.

I/We, Asif Iqbal Chowdhury of House # B-58/F-5, A.G.B. Colony, Dhaka, Bangladesh in consideration of the sum of Taka 2,501,000/- paid to me/ us by Mr. Fatin Kader Fardin of House # 56, Road # 01, Block # A, Niketon, Gulshan- 1, Dhaka-1212, Bangladesh (hereinafter called "the said Transferee") __do hereby bargain/ assign and transfer the said Transferee 250,100 (two lac fifty thousand and one hundred) Shares of Tk. 10/- each Tk. 2,501,000/- Paid up numbered from ----- to----- inclusive in the S.F. TEXTILE INDUSTRIES LTD. to hold up to the said transferee his/ her executors administrators and assign subject to the several conditions on which I hold the same at the time/ execution hereof and I the said transferee, do hereby agree to accept and take the said shares subject to the conditions aforesaid.

As witness out hands this 21 day of November 2021 .

Signed by the above named
In the Presence of:

(i) Witness to :
Sign here :
Occupation :
Address:

Adv. Md. Rabiul Islam (Rinku)
M.A. LL.B.
Chamber
MAA- Associates
Shah Ali Tower
33, Karwan Bazar (5th Floor)
Dhaka-1215
Mob: 01712-285945

[Signature]

Signature of Transferor
(Asif Iqbal Chowdhury)

Signed by the above named
in the Presence of:

(ii) Witness to :
Sign here :
Occupation :
Address:

Md. Mahmud Hasan
B.A.
MAA Associates
Shah Ali Tower
33, Karwan Bazar (5th Floor)
Dhaka-1215
Mob-01713914359

[Signature]

Fatin
Signature of Transferee
(Fatin Kader Fardin)



Approved-vide Resolution of the Board of Directors in the Meeting held on 21/11/2021.

Faiier

Chairman/ Managing Director/ Director



FORM-117

INSTRUMENT OF TRANSFER OF SHARES

Name of the Company: S.F. TEXTILE INDUSTRIES LTD.

৭০০০/-
শেয়ার হস্তান্তর চুক্তি
নগদায়িত
০৩/১১/২০২০

STAMP

Tk. _____/-

75015/-

Transfer No.

I/We, **Md. Foyzal Ahamed** of 22/7, Bijli Moholla, Mohammadpur, Dhaka, Bangladesh in consideration of the sum of Taka 5,001,000/- paid to me/ us by **Mr. Fatin Kader Fardin** of House # 56, Road # 01, Block # A, Niketon, Gulshan- 1, Dhaka-1212, Bangladesh (hereinafter called "the said Transferee") do hereby bargain/ assign and transfer the said Transferee 500,100 (five lac and one hundred) Shares of Tk. 10/- each Tk. 5,001,000/- Paid up numbered from ----- to ----- inclusive in the S.F. TEXTILE INDUSTRIES LTD. to hold up to the said transferee his/ her executors administrators and assign subject to the several conditions on which I hold the same at the time/ execution hereof and I the said transferee, do hereby agree to accept and take the said shares subject to the conditions aforesaid.

As witness out hands this 21 day of November, 2021

Signed by the above named
in the Presence of:

Adv. Md. Rabiul Islam (Rinku)
M.A. LL.B.
Chamber
MAA- Associates
Shah Ali Tower
33, Karwan Bazar (5th Floor)
Dhaka-1215
Mob: 01712-285945

(i) Witness to :
Sign here :
Occupation :
Address:

Signature of Transferor
(Md. Foyzal Ahamed)



Signed by the above named
in the Presence of:

Md. Mahmud Hasan
B.A.
MAA Associates
Shah Ali Tower
33, Karwan Bazar (5th Floor)
Dhaka-1215
Mob-01713914359

(ii) Witness to :
Sign here :
Occupation :
Address:

Signature of Transferee
(Fatin Kader Fardin)



Approved-vide Resolution of the Board of Directors in the Meeting held on 21/11/2021.

Chairman/ Managing Director/ Director

Chairman/ Managing Director/ Director



FORM-117

INSTRUMENT OF TRANSFER OF SHARES

Name of the Company: S.F. TEXTILE INDUSTRIES LTD.

STAMP

Tk. _____/-

75015f

Transfer No.

I/We, Shanzida Akhter Khanam of 3, Kabi Jasimuddin Road, Kamlapur, Dhaka, Bangladesh in consideration of the sum of Taka 5,001,000/- paid to me/ us by Mr. Fatin Kader Fardin of House # 56, Road # 01, Block # A, Niketon, Gulshan- 1, Dhaka-1212, Bangladesh (hereinafter called "the said Transferee") do hereby bargain/ assign and transfer the said Transferee 500,100 (five lac and one hundred) Shares of Tk. 10/- each Tk. 5,001,000/- Paid up numbered from ----- to----- inclusive in the S.F. TEXTILE INDUSTRIES LTD. to hold up to the said transferee his/ her executors administrators and assign subject to the several conditions on which I hold the same at the time/ execution hereof and I the said transferee, do hereby agree to accept and take the said shares subject to the conditions aforesaid.

As witness out hands this 21 day of November, 2021.

Signed by the above named
In the Presence of:

- (i) Witness to :
Sign here :
Occupation :
Address:

Adv. Md. Rabiul Islam (Rinku)
M.A., LL.B.
Chamber
MAA Associates
Shah Ali Tower
33, Karwan Bazar (5th Floor)
Dhaka-1215
Mob: 01712-285945

Signed by the above named
in the Presence of:

- (ii) Witness to :
Sign here :
Occupation :
Address:

Md. Mahmud Hasan
B.A.
MAA Associates
Shah Ali Tower
33, Karwan Bazar (5th Floor)
Dhaka-1215
Mob-01713914359

Signature of Transferor
(Shanzida Akhter Khanam)

Signature of Transferee
(Fatin Kader Fardin)

Approved-vide Resolution of the Board of Directors in the Meeting held on 21/11/2021.

Chairman/ Managing Director/ Director



STATEMENT OF FINANCIAL POSITION
AS AT DATE 30.09.2021

FORM-117

INSTRUMENT OF TRANSFER OF SHARES

Name of the Company: S.F. TEXTILE INDUSTRIES LTD.

৬৭৩৩৭
শেয়ার হস্তান্তর বুক
নংদায়িত্ব
২৩/১১/২১

STAMP

Tk. _____/-

37515/-

Transfer No.

I/We, Md. Saroar Hossain of 39/C, Senpara Parbata, Flat # 3/A, Shwapnochura Apptt., Mirpur, Dhaka- 1216, Bangladesh in consideration of the sum of Taka 2,501,000/- paid to me/ us by Mr. Fatin Kader Fardin of House # 56, Road # 01, Block # A, Niketon, Gulshan- 1, Dhaka-1212, Bangladesh (hereinafter called "the said Transferee") __do hereby bargain/ assign and transfer the said Transferee 250,100 (two lac fifty thousand and one hundred) Shares of Tk. 10/- each Tk. 2,501,000/- Paid up numbered from -----to----- inclusive in the S.F. TEXTILE INDUSTRIES LTD. to hold up to the said transferee his/ her executors administrators and assign subject to the several conditions on which I hold the same at the time/ execution hereof and I the said transferee, do hereby agree to accept and take the said shares subject to the conditions aforesaid.

As witness out hands this 21 day of November, 2021

Signed by the above named
In the Presence of:

Adv. Md. Rabiul Islam (Rinku)
M.A. LL.B.
Chamber

(i) Witness to : MAA Associates
Sign here : Shah Ali Tower
Occupation : -3, Karwan Bazar (5th Floor)
Address: Dhaka-1215
Mob: 01712-285945

Signed by the above named
in the Presence of:

Md. Mahmud Hasan
B.A

(ii) Witness to : MAA Associates
Sign here : Shah Ali Tower
Occupation : 33, Karwan Bazar (5th Floor)
Address: Dhaka-1215
Mob-01713914359

✓
Signature of Transferor
(Md. Saroar Hossain)

✓
Fatin
Signature of Transferee
(Fatin Kader Fardin)

Approved-vide Resolution of the Board of Directors in the Meeting held on 21/11/2021.

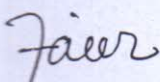
✓
Fatin
Chairman/ Managing Director/ Director

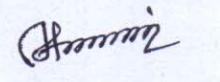


S.F. TEXTILE INDUSTRIES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2021

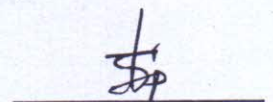
Particulars	Notes	Amount in Taka	
		30-06-2021	30-06-2020
ASSETS			
Non Current Assets			
Property, Plant & Equipment	4	2,171,594,759	2,233,503,717
Total Non-Current Assets		2,171,594,759	2,233,503,717
Current Assets			
Inventories	5	293,239,535	244,826,295
Trade Receivables	6	827,363,671	643,456,136
Advance, Deposits and Prepayments	7	26,374,945	16,581,852
Investment in Shares	8	133,398,342	134,221,066
Cash and Cash equivalents	9	64,338,298	42,380,213
Total Current Asset		1,344,714,791	1,081,465,562
Total Assets		3,516,309,550	3,314,969,279
EQUITY AND LIABILITIES			
Capital and Reserves			
Share Capital	10	1,576,956,300	1,576,956,300
Retained Earnings	11	823,038,442	627,477,006
		2,399,994,742	2,204,433,306
Non Current Liabilities			
Deferred Tax	12	101,334,683	90,335,463
		101,334,683	90,335,463
Current Liabilities			
Trade Payables	13	115,250,514	140,552,369
Short Term Borrowings	14	860,001,408	842,909,166
Accrued interest	15	-	7,510,935
Income Tax Payable	16	18,013,387	7,423,235
Creditor & Accrues	17	21,714,816	21,804,805
Total Current Liabilities		1,014,980,125	1,020,200,510
Total Equity and Liabilities		3,516,309,550	3,314,969,279
Net Asset Value per share	26	15.22	13.98

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


Chairman


Managing Director

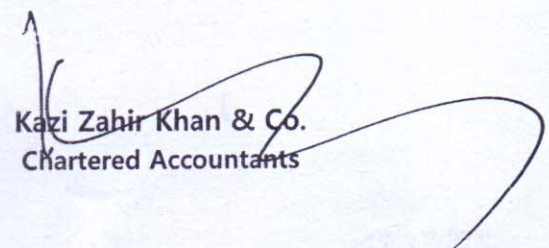

Company Secretary


Chief Financial Officer

Signed as per our annexed report on even date.

Place : Dhaka
Dated : October 28, 2021




Kazi Zahir Khan & Co.
Chartered Accountants

SCHEDULE - II

[Schedule- X and Balance Sheet of FAR Chemical Industries Limited]



Schedule - X

(See Section 36)

ANNUAL SUMMARY OF SHARE CAPITAL AND LIST OF SHAREHOLDERS
DIRECTORS AS REQUIRED BY PART I OF THE ORDINANCE

Summary of share capital and share of FAR CHEMICAL INDUSTRIES LTD., Reg No. C-66261, Reg Date: 22-MAR-07, Entity Address: Plot No. 135-136, Comilla Export Processing Zone, Comilla, Bangladesh, Cumilla made up to the 22nd day of December 2020
(being the day of the first general meeting in)

Nominal share capital Tk. 300,00,00,000.00 divided into 30,00,00,000 shares of Tk. 10.00 each.

1.	Total number of shares taken up to the 22nd day of December, 2020 which (number must agree with total shown in the list as held by existing members).	21,80,93,423
2.	Number of shares issued subject to payment wholly in cash	21,80,93,423
3.	Number of shares issued as fully paid-up otherwise than in cash.....	21,80,93,423
4.	(a) Number of shares issued as partly paid-up to the extent of per Share otherwise than in cash	
	(b) Extent payment to be made per share otherwise than in cash	
5,6,7	There has been called up on each of shares 10.00 of Class Ordinary Share	
8.	Total amount received on calls	218,09,34,230.00
9.	(a) Total amount received along with application for Shares	
	(b) Numbers of Shares allotted on application	
10.	Total amount; if any, agreed to be considered as paid on Shares which have been issued a fully paid up otherwise than in cash	218,09,34,230.00
11.	Total amount, if any, agreed to be considered as paid on Shares which have been issued as partly paid up to the extent of per share.....	
12.	Total amount of calls unpaid	
13.	Total amount if any, of sums paid or allowed in respected of shares or debentures since date of last summary	
	(a) as commission	
	(b) as discount	
14.	(a) Total number of shares forfeited if any	
	(b) Total money paid thereon	



- 15 Total amount of shares and stock for which share-warrants are outstanding
- 16 Total amount of share-warrants issued and surrendered respectively since date of last summary.....
- 17 Number of Shares or amount of stock comprised in each share-warrant
- 18 Total amount of debt due from the Company in respect of all mortgages and shares which are required to be registered with the Registrar under the Companies Act, 1994 218,09,34,230.00

Notes :

- (a) When there are shares of different kinds or amounts (e.g. preference and ordinary of Tk. 200 or Tk. 100) state the numbers and nominal value separately.
- (b) Where various amounts have been called there are shares of different kinds, state separately.
- (c) Where various amounts have been received or forfeited, as well as on existing shares. State the agree gate number of share forfeite

19. List of persons shares in on **FAR CHEMICAL INDUSTRIES LTD.** the 22nd day of December, 2020 and of persons who have held shares therein at any time since the date of the Last Return. showing their names and addresses and an account of the shares so held.

NAMES ADDRESS AND OCCUPATIONS				ACCOUNTS OF SHARES				Remarks	
Sl.	Folio in Register Ledger containing Particulars	Name	Father's/ Husband's Name	Address and Nationality	Occupation/ Caste	Number of Shares held by Existing Members at the Date of Return.	Particulars of Shares Transferred since the Date of Last Return by Persons who are Still Members		
							Number		Date of Registration of Transfer
							Particulars of Shares Transferred since the Date of Last return by Persons who have Ceased to be Members.	Date of Registration of Transfer	
1		Abid Mustafizur Rahman	Abdul Kader Faruk	4, Nowratan Koloni, New Baily road, 1/B, Monoroma Apartment, Shantinagar, Dhaka, Bangladesh	Business	8025930			
2		General Shareholder		Dhaka, Bangladesh	Business	152135803			
3		Far Pharmaceuticals Ltd. Represented by Md. Shirazul Haque	N/A	ML Tower, 1, East Rampura, Dhaka-1219, Dhaka, Bangladesh	Business	14645658			



4	S.S. Energy Explosion Ltd. Represent by Mohammad Mehedi Hasan	N/A	ML Tower, 1, East Rampura, Dhaka-1219, Dhaka, Bangladeshi	Business	14645658			
5	Rezaur Rahman Rajon	Abdul Kader Faruk	House No. 35/7/A, Shantinagar, Pirshaber Goli, P.O: Shantinagar, Dhaka, Bangladeshi	Business	8345370			
6	Faijaz Kader Sadman	Abdul Kader Faruk	House- 22/A, Chamlibagh, P.O:Shantinagar, Dhaka, Bangladeshi	Business	16637416			
7	Mrs. Sahirin Faruk	W/O. Abdul Kader Faruk	House- 22/A, Chamlibagh, P.O:Shantinagar, Dhaka, Bangladeshi	Business	3657588			

20. Names and Addresses of the persons who are the Directors of the **FAR CHEMICAL INDUSTRIES LTD.** on the **22nd** day of **December**, **2020**

Name	Address
Abid Mustafizur Rahman	4, Nowratan Koloni, New Baily road, 1/B, Monorama Apartment, Shantinagar, Dhaka.
Md. Abdullah	House No. 89/G, East Rampura, Post- Khilgaon, Dhaka
Far Pharmaceuticals Ltd. Represent by Md. Shirazul Haque	ML Tower, 1, East Rampura, Dhaka-1219, Dhaka
S.S. Energy Explosion Ltd. Represent by Mohammad Mehedi Hasan	ML Tower, 1, East Rampura, Dhaka-1219, Dhaka
Sayed Md. Tajon Islam	House No-143/B, Khilgaon Chowdhury Para, p/o-Khilgaon, Dhaka

21. Names and Addresses of the persons who are the Managing Director, Managing Agents or Managers and Auditors of the **FAR CHEMICAL INDUSTRIES LTD.** on the **22nd** day of **December**, **2020**

Name	Address
Md. Shirazul Haque	676/2, East Monipur, Mirpur, Dhaka-1216.
Shiraz Khan Basak & Co Chartered Accountants	R.K Tower (Level-10) 86, BirUttam C.R Datta Road (312, Sonargaon Road) Hatirpool, Dhaka- 1205.





ANNUAL SUMMARY OF SHARE CAPITAL AND LIST OF SHAREHOLDERS
DIRECTORS AS REQUIRED BY PART I OF THE ORDINANCE

Summary of share capital and share of FAR CHEMICAL INDUSTRIES LTD., Reg No. C-66261, Reg Date: 22-MAR-07,
Entity Address: Plot No. 135-136, Comilla Export Processing Zone, Comilla, Bangladesh, Comilla made up to the 22nd day of
December 2019
(being the day of the first general meeting in)

Nominal share capital Tk. 300,00,00,000.00 divided into 30,00,00,000 shares of Tk. 10.00 each.

1.	Total number of shares taken up to the 22nd day of December, 2019 which (number must agree with total shown in the list as held by existing members).	21,80,93,423
2.	Number of shares issued subject to payment wholly in cash	21,80,93,423
3.	Number of shares issued as fully paid-up otherwise than in cash.....	21,80,93,423
4.	(a) Number of shares issued as partly paid-up to the extent of per Share otherwise than in cash	
	(b) Extent payment to be made per share otherwise than in cash	
5,6,7	There has been called up on each of shares 10.00 of Class Ordinary Share	
8.	Total amount received on calls	218,09,34,230.00
9.	(a) Total amount received along with application for Shares	
	(b) Numbers of Shares allotted on application	
10.	Total amount; if any, agreed to be considered as paid on Shares which have been issued a fully paid up otherwise than in cash	
11.	Total amount, if any, agreed to be considered as paid on Shares which have been issued as partly paid up to the extent of per share.....	
12.	Total amount of calls unpaid	
13.	Total amount if any, of sums paid or allowed in respect of shares or debentures since date of last summary	218,09,34,230.00
	(a) as commission	
	(b) as discount	
14.	(a) Total number of shares forfeited if any	
	(b) Total money paid thereon	
15.	Total amount of shares and stock for which share-warrants are outstanding	
16.	Total amount of share-warrants issued and surrendered respectively since date of last summary.....	
17.	Number of Shares or amount of stock comprised in each share-warrant	
	Total amount of debt due from the Company in respect of all mortgages and shares which are	.00



18 required to be registered with the Registrar under the Companies Act, 1994 |.00

***Notes :**

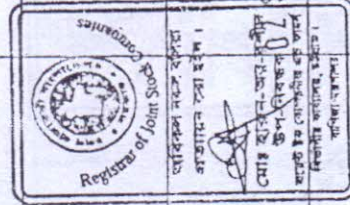
(a) When there are shares of different kinds or amounts (e.g. preference and ordinary of Tk. 200 or Tk. 100) state the numbers and nominal value separately.

(b) Where various amounts have been called there are shares of different kinds, state separately.

(c) Where various amounts have been received or forfeited, as well as on existing shares, state the agree gate number of share forfeite

19. List of persons shares in on **FAR CHEMICAL INDUSTRIES LTD.** the 22nd day of **December, 2019** and of persons who have held shares therein at any time since the date of the Last Return. showing their names and addresses and an account of the shares so held.

Sl.	NAMES ADDRESS AND OCCUPATIONS				ACCOUNTS OF SHARES				Remarks
	Folio in Register Ledger containing Particulars	Name	Father's/Husband's Name	Address and Nationality	Occupation/Caste	Number of Shares held by Existing Members at the Date of Return.	Particulars of Shares Transferred since the Date of the Last Return by Persons who are Still Members	Particulars of Shares Transferred since the Date of the Last return by Persons who have Ceased to be Members.	
1		Abid Mustafizur Rahman	Abdul Kader Faruk	4, Nowratan Koloni, New Baily road, 1/B, Monorama Apartment, Shantinagar, Dhaka, Bangladesh	Business	8025930			
2		General Shareholder		, Dhaka, Bangladesh	Business	152135803			
3		Far Pharmaceuticals Ltd. Represent by Md. Shirazul Haque	N/A	ML Tower, 1, East Rampura, Dhaka-1219, Dhaka, Bangladesh	Business	14645658			
4		S.S. Energy Explosion Ltd. Represent by Mohammad Mehedi Hasan	N/A	ML Tower, 1, East Rampura, Dhaka-1219, Dhaka, Bangladesh	Business	14645658			
5		Rezaur Rahman Rajon	Abdul Kader Faruk	House No. 35/7/A, Shantinagar, Pirshaber Goli, P.O.:	Business	8345370			



RJSC : Schedule X

			Shantinagar, Dhaka, Bangladesh			
6	Faiyaz Kader Sadman	Abdul Kader Faruk	House- 22/A, Chamillibagh, P.O:Shantinagar, Dhaka, Bangladesh	Business	16637416	
7	Mrs. Sahirin Faruk	W/O. Abdul Kader Faruk	House- 22/A, Chamillibagh, P.O:Shantinagar, Dhaka, Bangladesh	Business	3657588	

20. Names and Addresses of the persons who are the Directors of the FAR CHEMICAL INDUSTRIES LTD. on the 22nd day of December, 2019

Name	Address
Akik Habibuzzaman (Independent Director)	House No. 2/2, North Madartak, Post- Basaboo, Dhaka
Abid Mustafizur Rahman	4, Nowratan Koloni, New Bally road, 1/B, Monoroma Apartment, Shantinagar, Dhaka
Md. Shirazul Haque (Nominee Director of Far Pharmaceuticals Ltd.)	ML Tower, 1, East Rampura, Dhaka
Md. Abdullah (Independent Director)	House No. 89/G, East Rampura, Post- Khilgaon, Dhaka
Mohammad Mehedil Hasan (Nominee Director of S.S. Energy Explosion Ltd.)	House -167, Tin Sheed Kolony, Section-13, Kafrul, Mirpur, Dhaka

21. Names and Addresses of the persons who are the Managing Director, Managing Agents or Managers and Auditors of the FAR CHEMICAL INDUSTRIES LTD. on the 22nd day of December, 2019

Name	Address
Md. Shirazul Haque (Nominee Director of Far Pharmaceuticals Ltd.)	ML Tower, 1, East Rampura, Dhaka
SHIRAZ KHAN BASAK & CO.	R.K Tower, 86 Bir Uttam C.R Datta Road (312 Sonargaon Road) Level-10, Hatirpool, Dhaka-1205, Dhaka

I **ABM Gloam Mostafa FCMA** do hereby certify that --

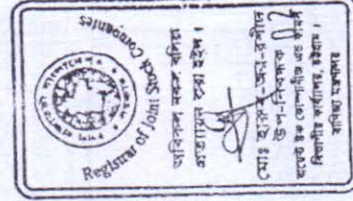
- The above list and Summary truly and correctly states the facts as they stood on the 22nd day of December, 2019
- The Company has not since the date of its incorporation last Return issued any invitation to the public to subscribe for any shares or debentures of the Company (in case of private company); and
- The excess of the number of its members beyond fifty shown in the list are the persons who are in the employment of the Company, (in case of private company).

Second SignatorySD/-.....

Name : Abid Mustafizur Rahman
Position : Chairman
Address : 4, Nowratan Koloni, New Bally road, 1/B, Monoroma Apartment,
District : Dhaka

Signed bySD/-.....

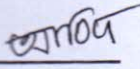
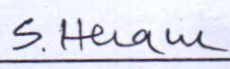
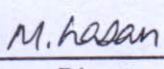
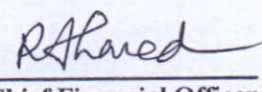
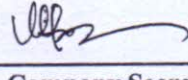
Name : ABM Gloam Mostafa FCMA
Position : Company Secretary
Address : Dhaka
District : Dhaka



FAR Chemical Industries Limited
Statement of Financial Position
As at June 30, 2021

	Notes	Amount in Taka	
		30-06-2021	30-06-2020
Assets			
Non-current assets		2,324,807,921	1,935,940,443
Property, plant & equipment	4.00	2,323,259,450	1,934,391,972
Security deposit	5.00	1,548,471	1,548,471
Current assets		882,427,099	1,156,145,135
Inventories	6.00	24,788,277	535,592,517
Trade receivables	7.00	545,775,447	581,905,470
Advances, deposits and prepayments	8.00	59,399,046	23,608,225
STD Account (IPO)	9.00	2,945,000	2,945,000
STD Account (Dividend)	10.00	617,827	718,079
Cash and cash equivalents	11.00	248,901,502	11,375,844
Total Assets		3,207,235,020	3,092,085,578
Shareholder Equity and Liabilities			
Shareholders' equity		2,989,710,483	3,045,645,723
Share capital	12.00	2,180,934,230	2,180,934,230
Retained earnings	13.00	808,776,253	864,711,493
Non-Current Liabilities		5,460,252	5,603,529
Lease Liability	14.00	5,460,252	5,603,529
Deferred Tax Liability	15.00	-	-
Current Liabilities		212,064,285	40,836,326
Trade payables	16.00	-	32,426,095
Short term borrowings	17.00	195,734,277	131,076
Provision for Income tax	18.00	3,176,822	-
Refundable Deposits (IPO)	19.00	2,945,000	2,945,000
Dividend payables	20.00	617,827	718,079
Creditors and accruals	21.00	9,590,359	4,616,076
Total Shareholder Equity and Liabilities		3,207,235,020	3,092,085,578
Net Assets Value (NAV) per share	32.00	13.71	13.96

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

				
Chairman	Managing Director	Director	Chief Financial Officer	Company Secretary

As per our annexed report of even date



Dated: October 31, 2021
Place: Dhaka

Kazi Zahir Khan & Co.
Chartered Accountants