

Amalgamation/Merger Information for the General Shareholders

FAR Chemical & Textile Ind. PLC name changed from FAR Chemical Industries Limited
and
S.F. Textile Industries Limited

This is for information to all concerned that The Honorable High Court Division of the Supreme Court of Bangladesh has given final Judgment and Order on the 28th November, 2022 vide COMPANY MATTER NO. 83 OF 2022 for amalgamation of S.F. Textile Industries Limited (SFTIL) with FAR Chemical Industries Limited (FARCHEM) according to the terms of the Scheme of Amalgamation.

Bangladesh Securities and Exchange Commission (BSEC) has also given consent On 01 October, 2023 to follow the said Judgment and Order, comply with the provisions of securities laws, rules, regulations and the Companies Act 1994 as well as other laws in force in force in Bangladesh.

Among others, following information are given for understanding of the General Shareholders regarding merger/amalgamation:

1. Upon this amalgamation coming into effect, S.F. Textile Industries Limited (the Transferor Company) shall stand dissolve without winding up and all of its assets and liabilities shall be transferred to and vested in FAR Chemical Industries Limited (the Transferee Company).
2. All existing equity shares of the S.F. Textile Industries Limited (SFTIL) and FAR Chemical Industries Limited (FARCHEM) held either directly or through nominees shall be stand cancelled.
3. In the amalgamation, the exchange ratio for the shares of FAR Chemical Industries Limited with the shares of S.F. Textile Industries Limited, as per the terms of the Scheme and the Court Order has been arrived at 3 : 1.9614 for paid up capital.
4. FAR Chemical Industries Limited, the post-merger entity, shall 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) up to 80,399,525 ordinary shares of Tk 10 each in against exchange of 157,695,630 shares of the S.F. Textile Industries Limited's total fully paid up equity capital at a share consideration exchange ratio of 1 for 1.9614 shares held, i.e.; 1 new share of FAR Chemical Industries Limited (post-merger) to be issued for existing 1.9614 shares held in S.F. Textile Industries Limited.
5. The existing Shareholders of the FAR Chemical Industries Limited shall be entitled up to 72,697,808 ordinary shares of Tk 10 each, in against exchange of existing 218,093,423 no. of shares of the FAR Chemical Industries Limited at a share consideration exchange ratio of 1 for 3 shares held i.e.; 1 new shares of FAR Chemical Industries Limited (post-merger) to be issued for existing 3 shares held in FAR Chemical Industries Limited (pre-merger).
6. Hence, the re-structured Paid-up Capital Structure will be as following:
SFTIL new 1 for existing 1.9616 and FARCHEM new 1 for existing 3:

Capital Structure:	Existing share in Tk.	Post-merger share in Tk.
S.F. Textile Industries Limited (SFTIL)	1,576,956,300	803,995,250
FAR Chemical Industries Ltd. (FARCHEM)	2,180,934,230	726,978,080
Total	3,757,890,530	1,530,973,330

7. Post-merger Authorized share capital of FAR Chemical Industries Limited will be Tk.5,010,000,000/- (Taka Five Hundred and One Crore) only encompassing Tk.3,000,000,000/- of FAR Chemical Industries Ltd. and Tk.2,010,000,000/- of S.F. Textile Industries Ltd. as per the Judgment and Order.
8. The following decisions have been taken by The Board of Directors to comply as per the Judgment and Order in terms of the Scheme of Amalgamation and for entitlement of shares:
 - i) Record date for entitlement of shares : 31 October, 2023
 - ii) Date of appointment : 31 October, 2023

Following works will be done at the appointment date:

- 1)** Formation of new Board of Directors (From Existing Board of Directors of both companies)
- 2)** Amalgamated Accounts (transferor & Transferee) as on 31st October, 2023 will be prepared.