

WAVES SINGER PAKISTAN LIMITED

Date: March 19, 2021

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

Subject: Declaration of Right Shares

Dear Sir,

We have to inform you that the Board of Directors of Waves Singer Pakistan Limited (the "Company"), in their meeting held on March 19, 2021 at 11.30 am at 9 Km Multan Road, Hanjarwal, Lahore, have decided to increase the paid-up share capital of the Company by issue of a further 93,802,029 (Ninety Three Million Eight Hundred Two Thousand & Twenty Nine) ordinary shares, having face value of PKR 10/- (Pak Rupees Ten) each, as Right Shares, to be offered to the members in proportion of 50 Right Shares for every 100 ordinary shares held i.e. 50%, at a price of PKR 15/- (Pak Rupees Fifteen) per Right Share (inclusive of a premium of PKR 5/- (Pak Rupees Five) per Right Share).

The Share Transfer Books of the Company will be closed from April 16 2021, to April 23, 2021 (both days inclusive) to determine the entitlement of Right Shares.

Transfers received at our share registrar, **Corplink Private Limited, Wings Arcade 1-K Commercial Model Town Lahore, Tel: +92 42 35916714, Email: corplink786@gmail.com** at the close of the business on April 15, 2021 will be treated in time for the purpose of entitlement of Right Shares to the transferees.

Following details are enclosed:

1. Statement with respect to the details of the Right Issue, including the quantum of issue, issue size, issue price, purpose of issue, utilization of proceeds, benefits of the issue to the Company and its shareholders, risk factors and justification for issue of shares at premium (**Annexure A**).
2. Certified true copy of the Extracts of the Resolutions passed by the Board of Directors of the Company dated March 19, 2021 (**Annexure B**).
3. Draft copy of the notice of the Right Issue and book closure to the Shareholders prior to its publication in the newspapers (**Annexure C**).

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

Yours Sincerely,



Wasif Ali Rana
Company Secretary



Enclosed: As Above

Copy to:

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

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

Waves Singer Pakistan Limited

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

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

The quantum of the Right Issue is 50% of the existing paid-up capital of the Company i.e. 50 right shares for every 100 ordinary shares held by the shareholders of the Company.

Right Issue Size

The Company shall issue 93,802,029 (Ninety Three Million Eight Hundred Two Thousand & Twenty Nine) ordinary shares, at a price of PKR 15/- (Pak Rupees Fifteen) per share, aggregating to PKR 1,407,030,435 /- (Pak Rupees One Billion Four Hundred Seven Million Thirty Thousand & Four Hundred Thirty Five).

Right Issue Price

PKR 15/- (Pak Rupees Fifteen) per share (inclusive of a premium of PKR 5/- (Pak Rupees Five) per share).

Purpose of the Right Issue

The purpose of the Right Issue is to, *inter alia*, meet the capital requirements of the Company by financing the purchase of new property, construction of buildings at the said property and meeting the working capital requirements of the Company's operations and activities for effectively implementing its business plan to enhance the profitability of the Company and, consequentially, the returns to the shareholders.

Utilization of Proceeds of the Right Issue

The proceeds from the Right Issue will be primarily utilized for, *inter alia*, meeting the capital requirements of the Company by financing the purchase of new property and / or reimbursing the relevant amounts including costs and expenses incurred in connection with the same, construction of building at the said property and meeting the increased working capital requirements of the Company.

Benefits to the Company and Shareholders

The subscription amount from the Right Issue will enhance the Company's ability to smoothly and effectively implement its business plan and to make available the required liquidity in efficiently meeting its working capital requirements. Effective implementation of the business plan is expected to positively impact the profitability of the Company, which in consequence would benefit its shareholders.

Risk Factors associated with the Right Issue, if any

The Right Issue of the Company is being carried out at a price which is less than the current share price in the market and hence there is no major investment risk associated with the Right Issue. The substantial shareholders and directors of the Company have confirmed that they shall subscribe to (or arrange the subscription of) their respective right entitlements, while the balance portion of the Right Issue shall be fully underwritten as per requirements under the applicable regulations. Normal risks associated with the business will remain; however, the Company is well placed in the market which will help to mitigate such risk factors.

Justification for issue of shares at premium

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



WASIF ALI RANA
Company Secretary
Waves Singer Pakistan Limited
Certified True Copy

Annexure B

Extract of the Resolutions passed by the Board of Directors of Waves Singer Pakistan Limited (the "Company") at its meeting held on March 19, 2021 at 9 Km Multan Road, Hanjarwal, Lahore.

A meeting of the Board of Directors of the Company was held at March 19, 2021 at 11.30 am at 9 Km Multan Road, Hanjarwal, Lahore.

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

For the purposes of the right issue, the management has received confirmations from the substantial shareholders and all the directors of the Company that they will (i) subscribe to the right shares offered to them (or shall arrange for the subscription thereof) and that they shall deposit the amount of their subscription at least 3 (three) days before the commencement of trading; and (ii) ensure that the balance of the right issue, not being subscribed by the substantial shareholders and directors will be adequately underwritten in accordance with the applicable laws. The substantial shareholders and directors of the Company shall issue the requisite undertakings in such respect.

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

RESOLVED THAT the ordinary paid up share capital of the Company be increased from PKR 1,876,040,590 /- (Pak Rupees One Billion Eight Hundred Seventy Six Million Forty Thousand Five Hundred & Ninety) to PKR 2,814,060,880 /- (Pak Rupees Two Billion Eight Hundred Fourteen Million Sixty Thousand Eight Hundred & Eighty) by issue of further 93,802,029 (Ninety Three Million Eight Hundred Two Thousand & Twenty Nine) ordinary shares of the Company of PKR 10/- (Pak Rupees Ten) each, to be offered to the shareholders of the Company in proportion to the number of shares held by each shareholder (i.e. as right shares) in accordance with the provisions of Section 83 of the Companies Act, 2017 and all applicable laws, at a price of PKR 15/- (Pak Rupees Fifteen) per share (i.e. inclusive of a premium of PKR 5/- (Pak Rupees Five) per share), in the ratio of approximately 50 right shares for every 100 existing ordinary shares of PKR 10/- (Pak Rupees Ten) each held (i.e. 50%), against payment to the Company of the price of the shares subscribed, which shares shall rank *pari passu* in all respects with the existing ordinary shares of the Company (the "Right Issue").

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

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

The quantum of the Right Issue is 50% of the existing paid up capital of the Company i.e. approximately 50 right shares for every 100 ordinary shares held by the shareholders of the Company.

Right Issue Size

The Company shall issue 93,802,029 (Ninety Three Million Eight Hundred Two Thousand & Twenty Nine) ordinary shares, at a price of PKR 15/- (Pak Rupees Fifteen) per share, aggregating to PKR 1,407,030,435 /- (Pak Rupees One Billion Four Hundred Seven Million Thirty Thousand & Four Hundred Thirty Five).

Right Issue Price

PKR 15/- (Pak Rupees Fifteen) per share (inclusive of a premium of PKR 5/- (Pak Rupees Five) per share).

Purpose of the Right Issue

The purpose of the Right Issue is to, *inter alia*, meet the capital requirements of the Company by financing the purchase of new property, construction of buildings at the said property and meeting the working capital requirements of the Company's operations and activities for effectively implementing its business plan to enhance the profitability of the Company and, consequentially, the returns to the shareholders.

Utilization of Proceeds of the Right Issue

The proceeds from the Right Issue will be primarily utilized for, *inter alia*, meeting the capital requirements of the Company by financing the purchase of new property and / or reimbursing the relevant amounts including costs and expenses incurred in connection with the same, construction of building at the said property and meeting the increased working capital requirements of the Company.

Benefits to the Company and its Shareholders

The subscription amount from the Right Issue will enhance the Company's ability to smoothly and effectively implement its business plan and to make available the required liquidity in efficiently meeting its working capital requirements. Effective implementation of the business plan is expected to positively impact the profitability of the Company, which in consequence would benefit its shareholders.

Risk Factors associated with the Right Issue, if any

The Right Issue of the Company is being carried out at a price which is less than the current share price in the market and hence there is no major investment risk associated with the Right Issue. The substantial shareholders and directors of the Company have confirmed that they shall subscribe to (or arrange the subscription of) their respective right entitlements, while the balance portion of the Right Issue shall be fully underwritten as per requirements under the applicable regulations. Normal risks associated with the business will remain; however, the Company is well placed in the market with proven track record which will help to mitigate such risk factors.

Justification for issue of shares at premium

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

WAVES SINGER PAKISTAN LIMITED

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

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


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

FURTHER RESOLVED THAT the Company be and is hereby authorized to close its share transfer books from April 16, 2021, to April 23, 2021 (both days inclusive) to determine entitlements of the shareholders of the Company with respect to the Right Issue.

FURTHER RESOLVED THAT the Chief Executive Officer and / or the Company Secretary be and are hereby severally authorized to do the following on behalf of the Company:

- (i) Appoint / negotiate with consultants / advisors / auditors and underwriter(s) to the Right Issue, to finalize terms and conditions and sign underwriting agreements(s), other documents and settle / finalize fees, underwriting commission, take up commission and third party expenses and / or any other expenses relating to the Right Issue;
- (ii) To prepare the schedule for issue of right shares including date of payment, and to make any amendment in the said schedule, appointment of banker(s) to the issue, announce book closure dates, and to take all necessary actions, in respect of the Right Issue and ancillary matters thereto, as required by the Securities and Exchange Commission of Pakistan ("SECP") / Pakistan Stock Exchange Limited ("PSX") / Central Depository Company of Pakistan Limited ("CDC") (including, but not limited to, induction of the offer for right shares in the Central Depository System of the CDC) or any other authority;
- (iii) To open, maintain, operate and close bank accounts for the purpose of amounts received from subscription of shares;
- (iv) To allot / credit right shares and file returns / documents as required by SECP / PSX / CDC along with the auditors' certificates; and
- (v) To take all other necessary steps, and do all other acts, deeds and things, to prepare the offer letter, circular and schedule for issue of right shares and any other documents and to make any amendment in the said documents and schedule and to take all necessary action as may be required in this regard including execution of any documents and agreements or any ancillary or incidental actions to give effect to the above resolutions.

Certified that the above mentioned is a true and valid extract from the meeting of the Board of Directors of Waves Singer Pakistan Limited held on March 19, 2021 at 9 Km Multan Road, Hanjarwal, Lahore.



Company Secretary
Dated: March 19, 2021



NOTICE OF RIGHT ISSUE AND BOOK CLOSURE

Members are hereby notified that the Board of Directors of Waves Singer Pakistan Limited (the "Company") in their meeting held on March 19, 2021 at 11.30 am at 9 Km Multan Road, Hanjarwal, Lahore, has decided to issue further capital by offering 93,802,029 (Ninety Three Million Eight Hundred Two Thousand & Twenty Nine) ordinary right shares of PKR 10/- (Pak Rupees Ten) at a price of PKR 15/- (Pak Rupees Fifteen) per share (inclusive of a premium of PKR 5/- (Pak Rupees Five) per shares), in the ratio of approximately 50 right shares for every 100 existing ordinary share of PKR 10/- each (i.e. 50%), against payment to the Company of the price of the shares subscribed by the shareholders, which shares shall rank *pari passu* in all respects with the existing ordinary shares of the Company.

The Share Transfer Books of the Company will remain closed from April 16 2021, to April 23, 2021 (both days inclusive) to determine the entitlements of the shareholders of the Company. Physical transfers / CDS Transaction IDs received at the Company's share registrar **Corplink Private Limited, Wings Arcade 1-K Commercial Model Town Lahore, Tel: +92 42 35916714 , Email: corplink786@gmail.com** at the close of the business on April 15, 2021 will be considered in time for entitlement of right shares.



Company Secretary
March 19, 2021

