

# BEXIMCO SYNTHETICS LIMITED

17, Dhanmondi, Road No.2, Dhaka-1205

## PUBLIC ANNOUNCEMENT

This is for information of all concerned that Bangladesh Securities and Exchange Commission vide their letter No. BSEC/SRMIC/174/2020/466 dated December 30, 2021, has accorded its consent-in-principle to the proposed Exit Plan of the ordinary securities of Beximco Synthetics Limited under condition 4(5) of the Directive No. BSEC/CMRRCD/2020-379/17/Admin/114- dated 28 December, 2020.

### Detail of the Exit Plan is follows:

- Name and registered/contact address of the issuer of securities:  
**Beximco Synthetics Limited, 17 Dhanmondi, Road No # 2, Dhaka-1205**
- Code of the Securities:  
**DSE: Trading Code - BXSYNTH, Scrip Code-18470**  
**CSE: Trading Code - BXSYNTH, Scrip Code-12008**
- Total Paid up Capital: **BDT. 867,123,590/-**
- Date of Board of Directors' meeting at which such exit plan has been passed: **November 24, 2021**
- Date of the Commission's consent-in-principle: **December 30, 2021**
- Details of listing, such as date of listing and name of the exchange:  
**Dhaka Stock Exchange Limited: November 04, 1993**  
**Chittagong Stock Exchange Limited: November 06, 1995**
- Details of delisting status (date of delisting, whether traded at OTC plat form or ATB or not):  
**Trading of the shares of BXSYNTH has been suspended with effect from September 08, 2020 as per BSEC Directive No. BSEC/SMRIC/174-2020/52 dated September 07, 2020. It will be delisted after accomplishing the procedure of exit plan.**
- Reasons for exit plan [explained all the reasons as mentioned at direction No. 1(2) with present status, non compliance/defaulters for how many years, last dividend, outstanding coupon/interest/principal, etc.):  
**Since 2013, the Company could not declare any dividend as the Company passed through extremely difficult times since smooth business operations were hampered again and again due to the reduction of duties on imported DUTY by the Government. This allowed cheap Chinese products to take over the market and making the production of this type of yarn in Bangladesh completely unviable.**  
**Unfortunately, despite its best efforts, the company could not maintain targeted production**

**and profitability during the last 7 (seven) years which resulted in the company accumulating huge losses. This has resulted in the shares of the company being traded below face value for a number of years.**

**Finally, the company was forced to cease production and to close down the plant. It retrenched all the workers and most of the officers and staff after paying all their dues as per law.**

**Also, the plant and machineries are 26 (twenty-six) years old and have only scrap value. Presently, the company's liabilities consist of outstanding tax payable to the government and a loan with Sonali Bank. The assets of the company are mortgaged to Sonali Bank against the loan. The only asset of value which the company has is the land on which the factory is located. However, it is unlikely that from sale of land alone the liabilities of the company will be met and alternate measures may be required which the Board of Directors are considering.**

- Date of agreement made with the stock exchange(s) for execution of the exit plan: **January 4, 2022**
- Summary of the exit plan:
  - The purpose of the exit plan;  
**Delisting from Dhaka Stock Exchange Limited & Chittagong Stock Exchange Limited;**
  - Type & No. of securities to be bought under the exit plan:  
**Total 55,778,623 (five crore fifty-seven lakhs seventy-eight thousand six hundred and twenty-three) number of ordinary shares of BDT. 10/- (ten) each;**
  - Total securities outstanding under the exit plan (No. of share/securities and face value and issue price):  
**Total 55,778,623 (five crore fifty-seven lakhs seventy-eight thousand six hundred and twenty-three) number of ordinary shares of BDT. 10/- (ten) each issued at par in cash;**
  - Total holdings of the securities by the Offeror and the Concert Party (No. of shares/securities and total at face value with percentage):  
**30,933,736 (three crore nine lakhs thirty-three thousand seven hundred and thirty-six) number of ordinary shares of BDT. 10/- (ten) each amounting to BDT. 309,337,360/- (thirty crore ninety-three lakhs thirty-seven thousand three hundred and sixty) being 35.67% of total paid up capital;**

(e) Total holdings of general/public shareholders/securities holders other than the Offeror and the Concert Party (No. of shares/securities and total at face value with percentage):

**Total 55,778,623 (five crore fifty-seven lakhs seventy-eight thousand six hundred and twenty-three) number of ordinary shares of BDT. 10/- (ten) each amounting to BDT. 557,786,230/- (fifty-five crore seventy-seven lakhs eighty-six thousand two hundred and thirty) being 64.33% of total paid up capital;**

(f) The offer price;

**Face Value of BDT. 10/- (ten) each in cash shall be paid through escrow bank account maintained with stock exchanges;**

(g) Justification of the offer price as per direction No.7;

**I. Face Value BDT. 10/- (ten) or**

**II. Issue price at the time of initial public offer (IPO) BDT. 10/- (ten) or**

**III. Last trade price on the date of suspension of trade: BDT. 8.50/- (BDT. eight & fifty paise) or**

**IV. Net Asset Value (NAV) per share as per the last audited financial statements: BDT. (2.78)/- (BDT. two & seventy-eight paise) or**

**V. The volume weighted average price (VWAP) for one year immediately preceding the date of suspension of trade: BDT. 4.80/- (BDT. four & eighty paise)**

**Out of the above 5 (five) values, BDT. 10.00 (ten) is the highest value and is being offered.**

(h) Stock price data:

(i) Yearly high, low and average market prices of the securities of the issuer for one year immediately preceding the date of suspension of trade (trade suspended from September 8, 2020);

Exchanges	High	Low	Average
DSE	10.60	2.90	4.98
CSE	9.70	3.00	4.80

• Prices are in BDT.

(ii) Monthly high, low and average market prices of the securities of the issuer for one year immediately preceding the date of suspension of trade (trade suspended from September 8, 2020);

Year	Month Name	DSE			CSE		
		Monthly High Price	Monthly Low Price	Monthly Average Price	Monthly High Price	Monthly Low Price	Monthly Average Price
2019	September	4.90	3.90	4.28	4.70	3.90	4.30
2019	October	4.50	3.20	3.89	4.60	3.60	4.08
2019	November	3.90	3.40	3.62	3.90	3.20	3.62
2019	December	3.80	3.40	3.58	3.90	3.40	3.66
2020	January	4.10	3.40	3.72	4.10	3.30	3.63
2020	February	4.00	3.30	3.65	4.10	3.40	3.74
2020	March	3.80	2.90	3.39	3.80	3.00	3.42
2020	May	3.50	3.20	3.33	3.60	3.40	3.45
2020	June	7.20	3.60	5.55	6.90	3.40	5.50
2020	July	7.60	5.80	6.68	7.50	5.70	6.67
2020	August	10.60	7.70	9.06	9.70	7.00	8.73
2020	September	10.10	8.10	9.04	9.10	7.90	8.31

• Prices are in BDT.

(iii) The volume of securities traded in each month for one year immediately preceding the date of suspension of trade; or the date of delisting, as applicable.

Particulars	Month Name	DSE	CSE
		Monthly Traded Volume	Monthly Traded Volume
2019	September	526,702	37,769
2019	October	962,575	80,699
2019	November	710,992	79,470
2019	December	821,951	81,638
2020	January	933,421	68,070
2020	February	994,526	76,769
2020	March	1,048,936	89,362
2020	May	197,501	19,440
2020	June	14,573,943	549,491
2020	July	4,567,411	122,972
2020	August	3,998,310	192,946
2020	September	3,317,397	213,392

(i) 'Cut-off date' for determining the names of shareholders to whom the offer letter shall be sent: September 08, 2020

(j) A draft of offer letter for buying the securities under the exit plan is presented hereunder:

## OFFER LETTER TO THE SHAREHOLDERS OF BEXIMCO SYNTHETICS LIMITED

OFFER LETTER FOR EXIT PLAN OPPORTUNITY ON DELISTING OF ORDINARY SHARES OF BEXIMCO SYNTHETICS LIMITED FROM DHAKA STOCK EXCHANGE LIMITED AND CHITTAGONG STOCK EXCHANGE LIMITED.

FROM

SPONSORS AND ASSOCIATES OF BEXIMCO SYNTHETICS LIMITED

This offer is being made to the shareholders of Beximco Synthetics Limited, pursuant to Bangladesh Securities and Exchange Commission Directive No. BSEC/CMRRCD/2020-379/17/Admin/114- dated 28 December 2020 on Exit Plan of securities for delisting from the Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited, to provide an exit opportunity to the shareholders of Beximco Synthetics Limited.

### REGISTRARS TO THE OFFER

DHAKA STOCK EXCHANGE LIMITED  
DSE Tower, Level-3, House-46  
Road-21, Nikunja-2, Dhaka-1229  
Phone: +88 02223384601 - 07  
Fax: +88 02223384727  
E-mail: info@dse.com.bd,  
Website : www.dse.com.bd, www.dsebd.org

CHITTAGONG STOCK EXCHANGE LIMITED  
CSE Building, 1080, SK. Mujib Road,  
Agrabad, Chittagong  
Phone: (+880) 2333314632-3, 2333320871-2, 2333326801-5  
Fax : (+880) 2333314101, 2333326810  
E-mail : info@cse.com.bd, Web Site : www.cse.com.bd

ALL FUTURE CORRESPONDENCE, IF ANY, SHOULD BE ADDRESSED TO THE REGISTRARS TO THE OFFER AT THEIR ABOVE MENTIONED ADDRESS.

THIS OFFER IS RESTRICTED/VALID TO THE SHAREHOLDERS OF BEXIMCO SYNTHETICS LIMITED, WHOSE NAMES APPEARED ON THE REGISTER OF MEMBERS OF BEXIMCO SYNTHETICS LIMITED AS ON THE RECORD DATE. IN CASE YOU REQUIRE ANY ASSISTANCE IN THIS MATTER, PLEASE CONTACT REGISTRARS TO THE OFFER.

### RECORD DATE:

The Offerors hereby make an offer to acquire the ordinary shares at Face Value of BDT. 10/- (ten) each in cash from the shareholders of Beximco Synthetics Limited whose name(s) appeared in the Register of

Members of the Company on September 08, 2020, being the Record Date i.e. trade suspension date by the BSEC Directive No. BSEC/SMRIC/174-2020/52 dated September 07, 2020 for the purpose of this Offer.

To

The Shareholders of Beximco Synthetics Limited of Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited.

Dear Sir(s)/Madam,

### 1. BACKGROUND OF THE OFFER

Since 2013, the Company could not declare any dividend as the Company passed through extremely difficult times since smooth business operations were hampered again and again due to the reduction of duties on imported DUTY by the Government. This allowed cheap Chinese products to take over the market and making the production of this type of yarn in Bangladesh completely unviable.

Unfortunately, despite its best efforts, the company could not maintain targeted production and profitability during last 7 (seven) years which resulted in huge accumulated losses. This has resulted in the shares of the company being traded below face value for a number of years.

Finally, the company was forced to cease production and to close down the plant. It retrenched all the workers and most of the officers and staffs after paying all their dues as per law.

Also, the plant and machineries are twenty-six years old and have only scrap value. Presently, the company's liabilities consist of outstanding tax payable to the government and a loan with Sonali Bank Limited. The assets of the company are mortgaged to Sonali Bank Limited against the loan. The only asset of value which the company has is the land on which the factory is located. However, it is unlikely that from sale of land alone, the liabilities of the company will be met and alternative measures may be required which the Board of Directors are considering.

However, The Management of the Company had requested the BSEC vide its letter dated August 27, 2020 seeking permission to delist Beximco Synthetics Ltd. from Dhaka and Chittagong Stock Exchange Ltd. In response, BSEC issued directive No. BSEC/SMRIC/174-2020/52 dated September 07, 2020 to the both Stock Exchanges for suspension of trade of Beximco Synthetics Limited and accordingly the DSE vide their letter No. DSE-

MOPS-LC-159/2020 dated September 08, 2020 informed us that they have suspended the trade of shares of Beximco Synthetics Limited with effect from September 08, 2020.

Meanwhile, BSEC issued a directive No. BSEC/CMRRCD/2020-379/17Admin/114- dated 28 December 2020 for making an application as per their format for the Commission's consent-in-principle for the exit plan. Accordingly, Beximco Synthetics Limited submitted an application along with the exit plan of 55,778,623 (five crore fifty-five lakhs seventy-eight thousands six hundred and twenty-three) number of ordinary shares of the Company to Bangladesh Securities and Exchange Commission (BSEC) for Commission's consent for delisting of the Company from Dhaka Stock Exchange Limited and Chittagong Stock exchange Limited.

The Commission has accorded its consent-in-principle to the proposed exit plan of the securities of Beximco Synthetics Limited under condition No. 4(5) of the Directive No. BSEC/CMRRCD/2020-379/17/Admin/114- dated 28 December 2020.

## 2. THE OFFERORS :

The Sponsors and Associates of Beximco Synthetics Limited has intended to purchase the following shares mentioned against each from the Shareholders of the Company under the exit plan:

Name of the Sponsors/Associates	No. of Shares	%
Mr. A S F Rahman	26,179,190	46.93
Mr. Salman F Rahman	24,237,780	43.45
Beximco Holdings Limited	2,763,685	04.95
New Dacca Industries Ltd.	2,479,472	04.45
Shinepukur Ceramics Ltd.	118,496	00.21
<b>Total :</b>	<b>55,778,623</b>	<b>100%</b>

## 3. THE OFFER :

Pursuant to BSEC directive on Exit Plan for delisting of the ordinary shares of Beximco Synthetics Limited from Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited, the shareholder of the Company whose names appeared in the Register of Members as on September 08, 2020, being the Record Date fixed for this purpose, are entitled to participate in this offer.

## 4. OFFER PRICE :

Face Value of BDT.10/- (ten) each in cash shall be paid through escrow bank account maintained with the Stock Exchanges.

## 5. CONSIDERATION:

The purchase price of Face Value of BDT.10/- (ten) each for every fully paid-up ordinary shares of Beximco Synthetics Limited will be paid in cash in the manner laid down herein.

The Offer Price referred to above is firm and fixed for the duration of this Offer and shall not be varied, increased or reduced for any reasons.

## 6. PROCEDURE OF SETTLEMENT OF SECURITIES:

(1) The stock exchange (s) shall maintain and operate a BO account for consolidation of securities bought or acquired under the exit plan as well as clearing and settlement of such securities.

(2) If a securities holder accepts the offer under the exit plan and is willing to surrender or sell his securities at a price of the offer, the securities holder shall duly fill up and sign a transfer/sale request form (Form 14-1 as per CDBL bye laws 11.4.1), or any form as prescribed by the stock exchange(s);

Provided that in case of securities in paper form, the securities holder shall surrender or deposit his securities certificate(s) as well as submit a securities transfer form (Form-117) or any form as prescribed by the stock exchange(as) duly filled up and signed to the designated counter of the stock exchange(s) under the exit plan.

(3) The form under clause (2) above shall be submitted to the stock exchange(s) for execution of transfer or sale of his securities from his BO account to the BO account as maintained by the stock exchange(s) under clause (1) above for consolidation of securities as transferred/brought under the exit plan.

(4) All transactions made in the BO account maintained under clause (1) above shall be outside the trading system of the stock

exchange(s) and considered outside the purview of the compliance of substantial acquisition process.

(5) Upon receiving the acceptance of offer letter as well as duly filled up and signed transfer/sale request form under clause (2) above, all the securities as submitted for surrender or transfer by the securities holders in acceptance of the offer under the exit plan shall be deposited or transferred or transmitted in demat form to the BO Account as maintained by the stock exchange(s) under clause (1) above:

Provided that total fees for dematerialization/re-materialization of securities under the exist plan shall not be charged by CDBL exceeding BDT. 25,000 (twenty thousand).

(6) The stock exchange(s) shall settle the consideration or amount payable to the respective securities holders in cash from the escrow bank account mentioned for making full and final payment of the securities surrendered or transferred under the exit plan as well as the compliance with the provisions of the clearing and settlement regulations.

(7) The stock exchange(s) shall provide all relevant data and information to the CDBL for the purpose of clearing and settlement of such securities.

(8) Upon completion of all process of clearing and settlement of related securities and money, all securities as surrendered or transferred or sold by the securities holders under the exit plan that are held in the BO account maintained with the stock exchange(s) shall be transferred or transmitted to the suspense BO account of the applicant outside the trading system of the stock exchange(s) for the purpose of distribution of securities among "Offeror" and "Concert Party" as per their consideration or contribution:

Provided that transfer/distribution of the securities from the suspense BO account of the applicant to the individual BO account of the Offeror and Concert Party shall be outside of the trading system of the stock exchange.

(9) For the aforesaid purpose, the Issuer Company or the applicant shall open and maintain a suspense BO account with the CDBL.

### Procedure of disposing off holding who did not accept the Offer:

(1) The securities holders who have not accepted the offer under the exit plan shall have right to dispose off their securities held at their BO Account or paper securities at hand outside the trading system of the stock exchange(s) at the offer price by surrendering their securities in dematerialized format or paper format to the stock exchange(s) within next 1 (one) year of final declaration of completion of the exit plan, with an intimation to the applicant or the Offeror and/Concert Party.

(2) The Stock Exchange (s) shall make payment to the respective securities holder following compliance of the settlement.

(3) After 2 (two) years of running of escrow bank account from the date of issuance of the offer letter, the escrow bank account shall be closed.

(4) If any balance left in the escrow bank account, the balance shall be transferred to the Investors' Protection and Market Stabilization Fund at the time of closure of escrow bank account.

## 7. OFFER PERIOD:

This offer will remain open from March 14, 2022 to April 28, 2022 (both days inclusive).

## 8. POWER OF ATTORNEY :

The Board of Director of the Company hereby authorizes Mr. O. K. Chowdhury, Director to execute the necessary papers/documents and do all other things on their behalf, incidental to or connected with this offer.

## 9. DECLARATION BY THE OFFEROR :

The Offeror accepts full responsibility of the information given in this Letter of Offer.

Sd/-

(O K CHOWDHURY)

DIRECTOR

(k) The dates of opening and closing of the offer; Opening Date: March 14, 2022;

Closing Date: April 28, 2022

(l) The manner in which the offer can be accepted by the shareholders; See-10(n)

(m) Acceptance condition for success of the offer; See-10(n)(5)

(n) Procedures for Settlement of securities and Payment of consideration;

(1) The stock exchange(s) shall maintain and operate a BO account for consolidation of securities bought or acquired under the exit plan as well as clearing and settlement of such securities.

(2) If a securities holder accepts the offer under the exit plan and is willing to surrender or sell his securities at a price of the offer, the securities holder shall duly fill up and sign a transfer/sale request form (Form 14-1 as per CDBL bye laws 11.4.1), or any form as prescribed by the stock exchange(s);

Provided that in case of securities in paper form, the securities holder shall surrender or deposit his securities certificate(s) as well as submit a securities transfer form (Form-117) or any form as prescribed by the stock exchange(as) duly filled up and signed to the designated counter of the stock exchange(s) under the exit plan.

(3) The form under clause (2) above shall be submitted to the stock exchange(s) for execution of transfer or sale of his securities from his BO account to the BO account as maintained by the stock exchange(s) under clause (1) above for consolidation of securities as transferred/bought under the exit plan.

(4) All transactions made in the BO account maintained under clause (1) above shall be outside the trading system of the stock exchange(s) and considered outside the purview of the compliance of substantial acquisition process.

(5) Upon receiving the acceptance of offer letter as well as duly filled up and signed transfer/sale request form under clause (2) above, all the securities as submitted for surrender or transfer by the securities holders in acceptance of the offer under the exit plan shall be deposited or transferred or transmitted in demat form to the BO Account as maintained by the stock exchange(s) under clause (1) above:

Provided that total fees for dematerialization/re-materialization of securities under the exit plan shall not be charged by CDBL exceeding BDT. 25,000 (twenty-five thousand).

(6) The stock exchange(s) shall settle the consideration or amount payable to the respective securities holders in cash from the escrow bank account for making full and final payment of the securities surrendered or transferred under the exit plan as well as in compliance with the provisions of the clearing and settlement regulations.

(7) The stock exchange(s) shall provide all relevant data and information to the CDBL for the purpose of clearing and settlement of such securities.

(8) Upon completion of all process of clearing and settlement of related securities and money, all securities as surrendered or transferred or sold by the securities holders under the exit plan that are held in the BO account maintained with the stock exchange(s) shall be transferred or transmitted to the suspense BO account of the applicant outside the trading system of the stock exchange(s) for the purpose of distribution of securities among "Offeror" and "Concert Party" as per their consideration or contribution:

Provided that transfer/distribution of the securities from the suspense BO account of the applicant to the individual BO account of the Offeror and Concert Party shall be outside of the trading system of the stock exchange.

(9) For the aforesaid purpose, the issuer company or the applicant shall open and maintain a suspense BO account with the CDBL.

### Procedure of disposing off holding who did not accept the Offer:

(1) The securities holders who have not accepted the offer under the exit plan shall have right to dispose off their securities held at their BO Accounts or paper securities at hand outside the trading system of the stock exchange(s) at the offer price by surrendering their securities in dematerialized format or paper format to the stock exchange(s) within next 1 (one) year of final declaration of completion of the exit plan, with an intimation to the applicant or the Offeror and Concert Party.

(2) The Stock Exchange (s) shall make payment to the respective securities holder following the compliance of settlement requirements.

(3) After 2 (two) years of running of escrow bank account from the date of issuance of the offer letter, the escrow bank account shall be closed.

(4) If any balance left in the escrow bank account, the balance shall be transferred to the Investors' Protection and Market Stabilization Fund at the time of closure of escrow bank account.

(o) Detail of the escrow bank account and the amount deposited therein:

Account Title: DHAKA STOCK EXCHANGE LIMITED (BXSYNTH)

A/C Number: 1131000049361

Mercantile Bank Limited

Amount Deposited: BDT. 278,893,115 (twenty seven crore eighty-eight lakhs ninety-three thousands one hundred and fifteen)

(p) Present securities holding pattern/structure;

### The shareholdings of Beximco Synthetics Ltd are as follows:

	No. of Shares	%
Sponsors and Associates	30,933,736	35.67%
Foreign, Local Institutions, ICB & General Public	55,778,623	64.33%
Total:	86,712,359	100.00%

(q) Expected post-exit plan securities holding pattern / structure;

Sponsors and Associates: 100% shares

(r) Summary of immediate past five years' audited financial data including net asset value per share (with revaluation & without revaluation), earnings per share (basic, diluted & restated), net operating cash flow per share & rate of dividend (cash or stock), etc.;

	2020-21	2019-20	2018-19	2017-18	2016-17
NAV per Share	(2.78)	(1.40)	14.13	17.59	20.71
Earnings Per Share (EPS)	(1.38)	(9.20)	(3.46)	(3.12)	(2.62)
Net Operating Cash Flow (NOCF) per share	(1.42)	2.19	0.58	(3.33)	(0.04)
Rate of Dividend	Nil	Nil	Nil	Nil	Nil

\* All amounts are in BDT.

(s) List of Offeror and Concert party with number of securities intended to buy by each of them;

Name of the Sponsors/Associates	No. of Shares	%
Mr. A S F Rahman	26,179,190	46.93
Mr. Salman F Rahman	24,237,780	43.45
Beximco Holdings Limited	2,763,685	04.95
New Dacca Industries Ltd.	2,479,472	04.45
Shinepukur Ceramics Ltd.	118,496	00.21
<b>Total :</b>	<b>55,778,623</b>	<b>100%</b>

(t) Declaration by the Offeror and Concert Party for purchasing of intended securities under the exit plan; and

**The above Sponsors and Associates intended to acquire the above shares mentioned against each.**

(u) Contact No. of the stock exchange (s) with which agreement made for execution of the exit plan:

DSE Contact Info: +880 9666702070

CSE Contact Info: +880 2333314632-3

Sd/-

A S F Rahman  
Chairman

Sd/-

O K Chowdhury  
Director