

**SCHEME OF AMALGAMATION  
OF  
Magura Paper Mills Limited (Transferor Company)  
WITH  
Paper Processing And Packaging Limited (Transferee Company)**

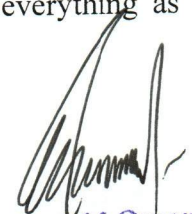
**A. GENERAL**

1. This Scheme of Amalgamation (hereinafter referred to as the "Scheme") provides for the amalgamation of Magura Paper Mills Limited ("MPML" or the "Transferor Company") with Paper Processing and Packaging Limited ("PPPL" or the "Transferee Company") pursuant to Sections 228 and 229 of the Companies Act, 1994 (the "Act") and other related provisions of this Act (the "Merger") in accordance with which the Transferee Company shall be the surviving corporation of the Merger and the separate corporate existence of the Transferor Company shall cease thereafter.
2. Definitions and Interpretations:

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:

- (a) **"The Act"** means the Companies Act, 1994 including any amendments thereto.
- (b) **"Appointed Date"** means June 30, 2022.
- (c) **"Assets" or "Undertaking"** means and includes all the undertakings, the entire business, all the properties (whether movable or immovable; tangible or intangible), lands, buildings, plant and machinery, 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, cash, balances with banks on any deposit or other accounts, financial assets, leases, 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, 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, programmes, data, catalogues, sales and advertising materials, software and other records, whether in Bangladesh or abroad.
- (d) **"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 and everything as stated in PART-D: TRANSFER AND VESTING.

  
Md. Zillur Rahman FCA  
Partner  
Muhammad Shaheedullah & Co  
Chartered Accountants

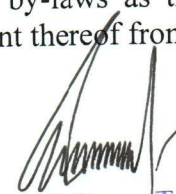
  
Syed M Omar Tayub  
Managing Director & CEO  
Prime Bank Investment Limited  
Head Office, Dhaka



- (e) **“Effective Date”** or **“coming into effect of this Scheme”** or **“effectiveness of this Scheme”** means the day on which the conditions specified in PART-H: GENERAL TERMS AND CONDITIONS of this Scheme have been fulfilled.
- (f) **“Record Date”** means the date fixed by the Board of Directors of the Transferor Company or any committee thereof in consultation with the Transferee Company, for the purpose of determining the names of the equity shareholders of the Transferor Company, who shall be entitled to receive consideration thereof from the Transferee Company upon coming into effect of this Scheme.
- (g) **“Scheme”** means this Scheme of Amalgamation in its present form or with any modifications, as approved or imposed or directed by the Board of Directors of the Transferor Company and the Transferee Company or by the members of each company or by the Hon’ble High Court Division, Supreme Court of Bangladesh.
- (h) **“BSEC”** means the Bangladesh Securities and Exchange Commission.
- (i) **“Transferee Company”** or **“PPPL”** means Paper Processing and Packaging Limited, a public company limited by shares, incorporated under the Act and having its registered office at BDG Corporate Building, Plot No. 314/A, Block-E, Road No. 18, Bashundhara R/A, Dhaka-1229, Bangladesh.
- (j) **“Transferor Company”** or **“MPML”** means Magura Paper Mills Limited, a public company limited by shares, incorporated under the Act and having its registered office at BDG Corporate Building, Plot No. 314/A, Block-E, Road No. 18, Bashundhara R/A, Dhaka-1229, Bangladesh.
- (k) **“Board of Directors”** means the Board of Directors of the Transferor Company or Transferee Company, as the case may be, and shall include a duly constituted committee thereof, if any.
- (l) **“Shareholders”** means the shareholders existing in Schedule X of the Transferor Company or Transferee Company, as the case may be.
- (m) **“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;
- (n) **“Encumbrance”** means any mortgage, lien, hypothecation, pledge, call on share, claim, demand right, interest, preference, charge, equity or any other kind of equity interest whatsoever.

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the contentor meaning thereof have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, by-laws as the case may be, including any statutory modifications or re-enactment thereof from time to time.

  
Md. Zillur Rahman FCA  
Partner  
Muhammad Shaheedullah & Co  
Chartered Accountants

  
Syed M Omar Tayub  
Managing Director & CEO  
Prime Bank Investment Limited  
Head Office, Dhaka



### 3. Methodology:

A methodology has been adopted for executing the proposed amalgamation exercise based on the Companies Act, 1994 of Bangladesh and International Financial Reporting Standards. A summarized version of the methodology is presented below:

- a) Audits should be carried as of the appointed' date by the statutory Auditors of the respective company.
- b) Ensure that fair valuation of the companies' affairs is reflected in the financial statements on the appointed date.
- c) Reconstruction & Amalgamation
  - 1) The accounting, component of the exercise has been structured in compliance with IAS/IFRS and other laws and regulations, as applicable.
  - 2) Section 229 of the Companies Act, 1994 read with Section 228 of the same, contains provisions for the reconstruction of any company or companies, including amalgamation and provides court power to approve and sanction a Scheme of Amalgamation to this effect, making provision for all or any of the following matters:
    - i. Transfer of the whole or any part of the undertaking and of the property or liabilities of one Company to the other.
    - ii. Allotting or appropriation by the transferee company of any shares or like interest in the company which under the amalgamation are to be allotted to any person such as shareholders.
    - iii. Continuation by or against the transferee company of any legal proceedings pending by or against the transferor company.
    - iv. Dissolution, without winding up of the transferor company.
    - v. Hence all assets and liabilities of the Transferor is to be vested into the Transferee at their fair valuation amount. All inter-company and other dues/receivables between the company is to be reconciled and netted. All agreements and other contracts between the involved party is to be nullified.

d) Exchange ratio considered in this case is provided below:

	PPPL	MPML
Fair Value (Average of all Valuation Methods) Per Share	Tk. 91.29	Tk. 45.61
EPS for the period ending June 30, 2022	Tk. 4.62	Tk. 23.49
Exchange Ratio	0.50 shares of PPPL against per ordinary share of MPML.	

Therefore, 1 share of MPML: 0.5000 shares of PPPL exchange ratio have been considered.

  
Md. Zillur Rahman FCA  
Partner  
Muhammad Shaheedullah & Co.  
Chartered Accountants

  
Syed M Omar Tayub  
Managing Director & CEO  
Prime Bank Investment Limited  
Head Office, Dhaka



## B. DESCRIPTION & RATIONALE FOR AMALGAMATION

### 4. TRANSFEREE COMPANY

Paper Processing and Packaging Ltd is a public company limited by shares incorporated with The Registrar of Joint Stock Companies and Firms (RJSC) in Bangladesh under the Companies Act, 1994 on February 6, 1989 vide registration no. (C-18233(87)/89). In 1990, the Company issued its share for public subscription and the Shares of the Company are listed in the Dhaka Stock Exchange Ltd. Paper Processing and Packaging Ltd. is one of the largest paper Printing Publication and Packaging projects in Bangladesh having long experience in hi-tech printing and packaging in private sector. Inception of the company was in 1989. Over the years the company attained the status of market leader of country's paper Printing Publication and Packaging industries.

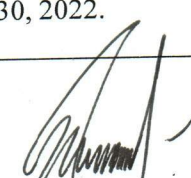
### 5. TRANSFEROR COMPANY

Magura Paper Mills Limited is a public company limited by shares incorporated with The Registrar of Joint Stock Companies and Firms (RJSC) in Bangladesh under the Companies Act, 1994 on July 20, 1981 vide registration no. C-9225/50 (1981-1982). It was incorporated in Bangladesh as a public limited company on 20th July 1981 and commenced its commercial operation in November 1998. It is engaged in manufacturing of import substitute industrial grade paper such as Kraft Liner, Fluting Media essentially required for manufacturing corrugated cartons. The demand of these grades of paper increased with the increase in export of garments. As manufacturer of import substitute products, the company is significantly contributing to the economic development of the country. The project is located at Meghnaghat, New Town, Sonargaon, Narayanganj around 38 KM away from Dhaka Zero point. The total area of the project land is around 17.1 acre (52 bighas). The area is a developed one and all infra-structural facilities like water, gas communication and labor are available there.

6. A table of existing status of the entitles under the merger scheme is presented below:

Particulars	Paper Processing and Packaging Limited (PPPL)	Magura Paper Mills Limited (MPML)
RJSC Registration no. and date	Registered as public limited company by shares in Bangladesh under Companies Act, 1913. The company was incorporated on February 06, 1989 vide registration no. C-18233(87)/89.	Registered as public limited company by shares in Bangladesh under Companies Act, 1913. The company was incorporated on July 20, 1981 vide registration no. C-9225/50 (1981-1982).
Present Status	a. The company is listed with DSE since 1990. b. 35% shares are held by Sponsors and 65% of the company's shares are held by general public and institutional shareholder as on June 30, 2022.	60% of the company's shares are held by Sponsors and 40% shares are held by general shareholders including institutional shareholder on June 30, 2022.

  
Md. Zillur Rahman FCA  
Partner  
Muhammad Shaheedullah & Co  
Chartered Accountants

  
Syed M Omar Tayub  
Managing Director & CEO  
Prime Bank Investment Limited  
Head Office, Dhaka



Particulars	Paper Processing and Packaging Limited (PPPL)	Magura Paper Mills Limited (MPML)
Primary Activities	Engaged in manufacturing, converting and printing of paper and paper products and sale of these products	Production and sales of industrial grade paper such as Kraft Liner, Fluting Media for Cartons, First grades paper
Paid Up-Capital as on June 30, 2022	104,49,600 Ordinary shares of BDT 10/- each totaling BDT 104,496,000/-	366,35,620 Ordinary shares of BDT 10/- each totaling BDT 366,356,200/-
Revenue for the year ended on June 30, 2022	BDT 414,055,473/-	BDT 899,287,406/-
Net Profit after tax for the year ended on 30 <sup>th</sup> June 2022	BDT 48,233,033/-	BDT 860,550,893/-
Retained Earnings as on 30 <sup>th</sup> June 2022	BDT 135,217,091/-	BDT 260,013,175/-

## 7. RATIONALE FOR AMALGAMATION


Paper Processing and Packaging Ltd. (PPPL) (Transferee Company) is engaged in manufacturing, converting and printing of paper and paper products and sale of these products, whereas Magura Paper Mills Ltd. (MPML) (Transferor Company) is involved in the production and sales of industrial grade paper such as Kraft Liner, Fluting Media for Cartons, First grade paper. The companies are in a similar line of paper business. Thus, the Merger of the Transferor Company and the Transferee Company is proposed in order to raise paid-up capital of Transferee Company to BDT 30 crore as per BSEC letter no. BSEC/ SRMIC/2021-208/527/21 dated 20-11-2022 and also 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.

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

### i. Efficiency of Management and Manpower

Both the Transferor & Transferee Company are under the same management. Thus, the amalgamation will ensure focused management in combined entity thereby resulting efficiency of management. The amalgamation will result in pooling of efficient human resources and putting them to optimal utilization for the growth of the merged entity keeping interests of the existing employees of the Transferor Company protected with continuity of employment and an opportunity for enhancement of technical knowledge and expertise being provided.

  
Md. Zillur Rahman FCA  
Partner  
Muhammad Shaheedullah & Co.  
Chartered Accountants

  
Syed M Omar Tayub  
Managing Director & CEO  
Prime Bank Investment Limited



ii. Optimal Utilization of various resources

The amalgamation will result in administrative and operational rationalization, organization efficiencies, reduction in overheads and other expenses and optimal utilization of various resources.

iii. Focus on going concern with core competences

The scheme envisages transfer of entire undertaking of the Transferor Company as a going concern to the Transferee Company and is in the interest of its shareholders, creditors, employees and all other concerned. 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 and enabling focus on core competencies.

iv. Creation of job opportunities

Through merger efficient human resources will be pooled and their utilization will be optimized to ensure growth in production and sales of the company. In such expansion goodwill and business of the company will increase and additional job opportunities will be created.

v. Produce export oriented and import substitute products.

After merger, the merged company will be targeted for production of industrial grade paper and papers of other descriptions in bulk quantity for use in the export-oriented industries as import substitute products to save foreign currency of significant amount. Besides, the company will target to maximize shareholders' value by producing export quality paper and paper products to earn foreign currency and add prestige to the company. Export benefits from the government will also be derived.

vi. Contribute towards sustainable growth of the capital market.

The merged company will create greater value for the shareholders, the employees, suppliers and the customers. The employees, suppliers and the customers benefits will be enhanced for their motivation to contribute to the company for further growth and expansion of the market of its products, to improve synergies, optimize resources and corporate governance for upgrading the company to make contributory towards sustainable growth of the capital market.

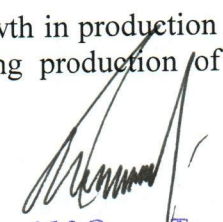
vii. Attract foreign investors to import products of the company

The transferee company after merger, under the management of the experienced Board of Directors, will be properly manned and through better utilization of the manpower will be equipped to produce export quality paper and paper products for exporting abroad as per demand of the foreign investors.

viii. Achieving the status of Developed country

Through continuing business activities with yearly growth in production with addition of diversified quality products i.e. through introducing production of high quality

  
Md. Zillur Rahman FCA  
Partner  
Muhammad Shaheedullah & Co.  
Chartered Accountants

  
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Managing Director & CEO  
Prime Bank Investment Limited  
Head Office, Dhaka



biodegradable/green products increase turnover of the company and attain the objective of creating job opportunities and payment of substantial amount in the ex-chequer of the Government. Accordingly, become a contributory reputed enterprise of the 1st row in the transitional process of Bangladesh to achieve the status of Developed country by 2041.

ix. Lead in the 4<sup>th</sup> industrial revolution

Through maintaining steady growth in the capital market by paying attractive dividend and depositing substantial amount in the national ex-chequer the company will attain the status of a blue cheeps company and lead in the 4<sup>th</sup> industrial revolution.

x. Marketing benefit

The Transferee Company will be benefited from the combined marketing networks distribution channel, customer groups of both the companies with substantial expansion of the market share through the Expert Marketing Teams of both the companies. Thus, the Transferee company will increase the revenue from present amount of Tk. 41.40 crore to Tk. 151.00 crore and more.

xi. Dividend payout ability

The Transferee Company will be able to pay more dividend to the shareholders from the profit earned and sufficient cash flow up to the satisfaction of the shareholders and the Regulatory Authorities.

xii. Increase of ability to pay Creditors and Bank liability.

After merger financial position and performance of the Transferee Company will be healthier and stronger. Resultantly, payment of debt obligations will be regular and satisfactory and the Creditors and Banks liabilities will be more secured with the Transferee Company.


xiii. Greater value for the shareholders

The Transferee Company will have the potential to increase its paid-up capital, asset, revenue, profitability as well as earnings per share (EPS) resulting in maximizing shareholders' value.

## C. SHARE CAPITAL

8. The summary of share capital of the Transferee Company as of June 30, 2022 is as under:

(a) Authorized Capital:		
6,00,00,000 Ordinary Shares @ Tk. 10.00 each		Tk. 600,000,000
(b) Issued, Subscribed and Paid-up Capital:		
104,49,600 ordinary shares of Tk. 10.00 each		Tk. 104,496,000

  
Md. Zillur Rahman FCA  
Partner  
Muhammad Shaheedullah & Co.

  
Syed M Omar Tayub  
Managing Director & CEO  
Prime Bank Investment Limited  
Head Office, Dhaka



A description of the share capital (schedule X dated December 8, 2022) and balance sheet are enclosed herewith as **Schedule I**. There has been no change in the capital structure of the Transferor Company subsequent to June 30, 2022.

9. The summary of share capital of the Transferor Company as of June 30, 2022 is as under:

(a) Authorized Capital:	
40,000,000 ordinary shares of Tk. 10.00 each	Tk. 400,000,000
(b) Issued, Subscribed and Paid-up Capital:	
36,635,620 ordinary shares of Tk. 10.00 each	Tk. 366,356,200

A description of the share capital (schedule X dated December 10, 2022) and balance sheet are enclosed herewith as **Schedule II**. There has been no change in the capital structure of the Transferor Company subsequent to June 30, 2022.

#### D. TRANSFER AND VESTING

##### 9.1 Vesting of the Business:

Upon coming into effect of this Scheme and with effect from the Appointed Date and subject to the provisions of this Scheme, the Undertakings of the Transferor Company 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 and/or be deemed to have been transferred to and vested in the Transferee Company as a going concern so as to become as and from the Appointed Date, a part and parcel of the assets, rights, titles and interests and authorities of the Transferee Company.

##### 9.2 Vesting of Assets:

Without prejudice to the generality of Section 9.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date

- All assets, rights, title, interests, authorities and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the Transferor Company, and all assets and properties which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be, and shall become, the assets and properties of the Transferee Company, and shall under the provisions of Section 229(2) of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the Transferee Company upon the coming into effect of this Scheme pursuant to the provisions of Section 229(2) of the Act;
- In respect of such assets owned and belonging to the Undertaking of the Transferor Company as are movable in nature or are otherwise capable of transfer by manual delivery or by endorsement and delivery, the same shall be so transferred by the Transferor Company and shall become the property of the Transferee Company in pursuance of the provisions of Section 229(2) and other applicable provisions of the Act;

  
Md. Zillur Rahman FCA  
Partner  
Muhammad Shaheedullah & Co.  
Chartered Accountants

  
Syed M Omar Tayub  
Managing Director & CEO  
Prime Bank Investment Limited  
Head Office, Dhaka





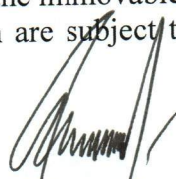
- (c) In respect of movables other than those dealt with in Section 9.2(b) above including without any further act, instrument or deed of the Transferor Company, the sundry debts, receivables, bills, credits, loans and advances, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Government, quasi-government, local or other authority or body or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company;
- (d) All consents, permissions, licences, permits, quotas, approvals, certificates, clearances, authorities, leases, tenancies, assignments, allotments, registrations, incentives, subsidies, concessions, grants, rights, intellectual property rights, claims, liberties, special status, other benefits or privileges and any power of attorney given by, issued to or executed in favour of the Transferor Company including in relation to the Undertaking, and all rights and benefits, which have accrued or may be accrued in between the Appointed Date and the Effective Date, to the Transferor Company shall, under the provisions of Section 229(2) of the Act, stand transferred to and vested in, or shall be deemed to be transferred to or vested in, the Transferee Company, as if the same were originally given by, issued to or executed in favor of the Transferee Company, so as to become, as and from the Appointed Date, consents, permissions, licences, permits, quotas, approvals, certificates, clearances, authorities, leases, tenancies, assignments, allotments, registrations, incentives, subsidies, benefits or privileges of the Transferor Company and any powers of attorney of the Transferor Company which are valid, binding and enforceable, shall be transferred to the Transferee Company who shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.

### 9.3 *Transfer of Liabilities:*

Without prejudice to the generality of Section 9.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

- (a) All liabilities, sundry creditors, contingent liabilities, duties, obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized for its business activities and operations shall, pursuant to the provisions of Section 229(2) of the Act, without any further act, instrument or deed, be and the same shall stand transferred to and vested in or deemed to have been transferred to and vested in the Transferee Company without any further act, instrument or deed, along with charge, lien, encumbrance, or security thereon, and the same shall be assumed to the extent they are outstanding on the Effective Date so as to become as and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company and further that it shall not be necessary to obtain consent of any third party or other person who is a party to the consent or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen, in order to give effect to the provisions of this Scheme. In addition, the immovable properties, plant and machineries of the Transferor Company which are subject to mortgages and

  
Md. Zillur Rahman ACA  
Partner  
Muhammad Shaheedullah & Co.  
Chartered Accountants

  
Syed M. Omar Fayub  
Managing Director & CEO  
Prime Bank Investment Limited  
Head Office, Dhaka



- charges (fixed and floating) as on the Effective Date, shall remain available for enforcement only to such specific lenders in whose favor such mortgages and charges have been created and no other lenders. Moreover, all debts and loans raised and duties, liabilities and obligations incurred or which arise or accrue to the Transferor Company on or after the Appointed Date till the Effective Date, shall be deemed to be and shall become the debts, loans raised, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme;
- (b) Without prejudice to the provisions of Section 9.3(a) above, the charges over the assets and business undertaking of the Transferee Company shall continue to exist in such form and manner as it is on the Effective Date;
- (c) Without prejudice to the foregoing provisions of this section, upon the coming into effect of the Scheme, all debentures, bonds or other debt securities and other instruments of like nature whether convertible into equity shares or not of the Transferor Company, shall, pursuant to the provisions of Section 229(2) of the Act, without any further act, instrument or deed, become the debt securities of the Transferee Company on the same terms and conditions except to the extent modified under the provisions of this Scheme and all rights, powers, duties and obligations in relation thereto shall be and stand transferred to and vested in or be deemed to have been transferred to and vested in and shall be exercised by or against the Transferee Company as if it was the issuer of such debt securities, so transferred and vested;
- (d) Where any of the debts, liabilities, loans raised and used, obligations incurred and duties of the Transferor Company as on the Appointed Date deemed to be transferred to the Transferee Company have been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company;
- (e) All loans raised or used and all liabilities and obligations incurred by the Transferor Company for the operations of the Transferor Company after the Appointed Date and prior to the Effective Date shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Transferee Company in which the Undertaking shall vest in terms of this Scheme and to the extent they are outstanding on the Effective Date, shall, upon coming into effect of this Scheme pursuant to the provisions of Section 229(2) of the Act, without any further act or deed be and stand transferred to and be deemed to be transferred to the Transferee Company and shall become the debts, liabilities, duties and obligations of the Transferee Company which shall meet, discharge and satisfy the same;
- (f) The Transferor Company may, if required, give notice in such form as it may deem fit and proper to each party, debtor or borrower as the case may be that pursuant to the High Court Division sanctioning the Scheme, the said debt, loan, advance, etc. be paid or made good or held on account of the Transferee Company as the person entitled thereto;


  
Md. Zillur Rahman FCA  
Partner  
Muhammad Shaheedullah & Co  
Chartered Accountants

  
Syed M Omar Tayub  
Managing Director & CEO  
Prime Bank Investment Limited  
Head Office, Dhaka



- (g) The Transferee Company may, if required, give notice in such form as it may deem fit and proper to each person, debtor or borrower that pursuant to the High Court Division having sanctioned the Scheme, the said person, debtor or borrower shall pay the debt, loan or advance or make good the same or hold the same to its account and that the right of the Transferee Company to recover or realize the same is in substitution of the right of the Transferor Company;
- (h) The transfer and vesting of the assets comprised in the Undertaking to and in the Transferee Company under this Scheme shall be subject to the mortgages and charges, if any, affecting the same. All Encumbrances, if any, existing as on the Effective Date over the assets of the Transferor Company which secure or relate to the liabilities of the Transferor Company shall, after the Effective Date, without any further act, instrument or deed, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as transferred to the Transferee Company. In addition, the immovable properties, plant and machineries of the Transferor Company which are subject to mortgages and charges (fixed and floating) as on the Effective Date, shall remain available for enforcement only to such specific lenders in whose favour such mortgages and charges have been created and no other lenders, other than such specific lenders. Without prejudice to the preceding sentence, it is hereby stated that if any of the assets of the Transferor Company have not been encumbered in respect of the liabilities of the Transferor Company, such asset shall remain unencumbered and the existing Encumbrances referred to above shall not be extended to and shall not operate over such assets. In addition, such unencumbered assets shall, be free to be encumbered by the Transferee Company as and when required and existing encumbrances shall not cover such unencumbered assets;
- (i) Without prejudice to the provisions of the foregoing Sections and upon the effectiveness of this Scheme, the Transferor Company and the Transferee Company shall execute any instruments or documents or do all the acts and deeds as may be required including the filing of necessary particulars and/or modification(s) of charge, with the Registrar of Joint Stock Companies and Firms (RJSC) and other regulatory bodies, if required by law, having jurisdiction to give formal effect to the above provisions, if required;
- (j) It is expressly provided that no other term or condition of the liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required by necessary implication. Specific direction upon the Registrar of Joint Stock Companies and Firms (RJSC) shall be sought from the Hon'ble High Court Division for making appropriate inclusion of the charges presently registered against the name of the Transferor Company in the register of charges of the Transferee Company.
- 9.4 Subject to the necessary consents being obtained in accordance with the terms of this Scheme, the provisions of this Section 9 shall operate, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or any security document, all of which instruments, deeds or writings shall stand modified and/or superseded by the foregoing provisions.

  
Md. Zillur Rahman FCA  
Partner  
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Prime Bank Investment Limited  
Head Office, Dhaka



9.5 Subject to the terms of this Scheme, the transfer and vesting of the Undertaking of the Transferor Company under this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or concluded after the Appointed Date till the Effective Date, and the Transferee Company accepts and adapts all acts, deeds and things made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.


9.6 *Conduct of Business:*

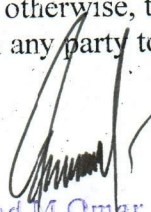
With effect from the Appointed Date and up to the Effective Date:

- (a) The Transferor Company shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed if and shall be deemed to have held and stood possessed of the Undertaking on account of, and for the benefit of and in trust for, the Transferee Company;
- (b) All the profits or incomes accruing or arising to the Transferor Company, or expenditures or losses arising or incurred (including the effect of taxes, if any, thereon) by the Transferor Company shall be treated and be deemed to be and accrue as the profits or incomes or expenditures or losses of the Transferee Company, as the case may be;
- (c) Notwithstanding anything contained in sub-sections (a) and (b) above, import of capital machineries and raw materials by the Transferor Company under cover of Letter of Credit Authorization, Letter of Credit and Statutory Regulatory Orders (SROs) issued from time to time under the provisions of the Customs Act, 1969 after the Appointed Date and prior to the Effective Date shall stand transferred to and vested in or deemed to have been transferred to and vested in and available to the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions to the extent permissible under the Customs Act, 1969.

**E. CONTRACTS, DEEDS AND OTHER INSTRUMENTS**

10. Upon the coming into effect of this Scheme and subject to all the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements, assurances, leases and other instruments of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect by, for or against or in favour of the Transferor Company, as the case may be, and may be enforced as fully and effectively as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary thereto;
11. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and writings or tripartite agreements or arrangements with any party to any contract or

  
Md. Zillur Rahman FCA  
Partner  
Muhammad Shaheedullah & Co  
Chartered Accountants

  
Syed M Omar Tayub  
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Prime Bank Investment Limited  
Head Office, Dhaka



arrangement to which the Transferor Company is a party of any writings as may be necessary in order to give formal effect to the provisions of this Scheme. The Transferee Company shall, under the provisions of the Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed;

12. The Transferee Company shall be entitled to the benefit of all insurance policies, if any, issued in respect of the Transferor Company and the name of the Transferee Company, shall be substituted as "Insured" in the policy as if the Transferee Company was initially a party. For the avoidance of doubt, it is stated that, if any insurance coverage of the Assets of the Transferor Company expires after the sanctioning of the Scheme by the High Court but before the Effective Date, the Transferee Company shall obtain insurance coverage with a reputable insurance company in the same terms and conditions as those of the expired insurance coverage.

#### F. STANDSTILL PROVISIONS TILL EFFECTIVE DATE

For the period from the Appointed Date and up to the Effective Date:

13. All taxes (including Income Tax, excise duty, customs duty, VAT, etc.) paid or payable by the Transferor Company in respect of its operations and/or the profits of its business before the Appointed Date, shall be on account of the Transferor Company and, in so far as it relates to the tax payment (including without limitation, excise duty, customs duty, income tax, VAT, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of its business after the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly;
14. Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of and as agent for the Transferee Company. Similarly, any of the Undertaking that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company;
15. The Transferor Company 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 Undertaking on account of, and for the benefit of and in trust for the Transferee Company;
16. The Transferor Company shall carry on their business and activities with reasonable diligence and business prudence and shall not alter or diversify their respective businesses nor venture into any new businesses, nor alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business without the prior consent of the Transferee Company or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the respective Boards of Directors of each of the Transferor Company and the

  
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Head Office, Dhaka



Transferee Company.

## G. RE-ORGANIZATION OF CAPITAL

17. Upon the coming into effect of this Scheme, and in consideration of the transfer of and vesting of the Undertaking and the Liabilities of the Transferor Companies in terms of this Scheme, the Transferee Company shall without any further application, act, instrument or deed, issue and allot to the ordinary shareholders of the Transferor Companies whose names are recorded in the Register of Members (the “Members”), on the date (hereinafter referred to as the “Record Date”) to be fixed by the Board of Directors of the Transferee Company, ordinary shares of Tk. 10.00 (Taka ten), credited as fully paid-up, in the ratio of 0.50 (zero point fifty) ordinary share in the Transferee Company for every 1 (one) ordinary shares of the face value of Tk. 10.00 (Taka ten) held in the Transferor Company. 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 June 30, 2022 prepared by Prime Bank Investment Limited (PBIL), a Merchant Banker and the said Valuation Reports of the Transferor Company and the Transferee Company are hereby made part of the Scheme and annexed hereto as Schedule “A”. Based on the share exchange ratio, the shares to be issued by Transferee Company to the existing shareholders of the Transferor Company shall be as set forth in the table below:

### Capital Structuring

Existing Paid-up Capital of Magura Paper Mills Limited	366,356,200
Add: Bonus Issue	-
Add: Increase of Paid-up through Capital Raising	-
<b>Total Paid-up</b>	<b>366,356,200</b>
No. of shares outstanding of MPML after capital raising	36,635,620
Exchange of shares - PPPL against per ordinary share of MPML	0.50
<b>New Shares to be issued by PPPL</b>	<b>18,317,810</b>

Magura Paper Mills Limited (MPML)		
Name of the Shareholders	Existing Share holders of the Transferor Company	Shares to be Issued by Transferee Company
Mr. Mustafa Kamal Mohiuddin	5,920,600	2,960,300
Mr. Mustafa Jamal Mohiuddin	1,610,980	805,490
Magura Group	6,157,830	3,078,915
Bangladesh Development Group Ltd.	8,215,840	4,107,920
Multi Co-operative Credit Society Ltd.	25,340	12,670
Investment Consultant and Share Management Ltd.	3,500	1,750
Kores Bangladesh Ltd.	4,785,000	2,392,500
Bangladesh Dredging Company Ltd.	2,700,000	1,350,000
Magura Group Ltd.	500,000	



		250,000
Bangladesh Development Company Ltd.	945,000	472,500
Magura Recycled Paper Industries Ltd.	255,000	127,500
Shukran Foods Ltd.	100,000	50,000
Bangladesh Press Holdings Ltd.	2,130,000	1,065,000
Md. Kamruzzaman	100,000	50,000
Md. Ashraf Hossain	400,000	200,000
Mamunur Rashid	200,000	100,000
Rubina Akter	200,000	100,000
Shipak Kumer Saha	100,000	50,000
Yamin Dewan	100,000	50,000
Md. Abul Hasnat	100,000	50,000
Nuri Fatima Siddike	100,000	50,000
Gopal Basu	100,000	50,000
Laila Masuda	100,000	50,000
Green Delta Securities Ltd	100,000	50,000
Md. Bahauddin Miah	200,000	100,000
Md. Masudur Rahman Chowdhury	100,000	50,000
Gulam Mustafa	400,000	200,000
Masduzzaman	400,000	200,000
Md. Nurul Alam	100,000	50,000
Jesmin Sultana	168,000	84,000
Rasedul Islam	100,000	50,000
Others (Enslosure 1)	218,530	109,265
	<b>36,635,620</b>	<b>18,317,810</b>

18. As the Transferor Company is not listed entity, therefore it is agreed by all the parties that it will be equitable and rational to determine the transfer price considering the methods of valuations used. Transferee company will issue 18,317,810 shares of Tk.10 each totaling Tk. 18,317,8100 for the minority shareholders of the Transferor Company.



19. No certificate(s) shall be issued in respect of fractional entitlements, if any, by the Transferee Company, to which the Members may be entitled on issue an allotment of shares of the Transferee Company as aforesaid in Clause 17 above. The Board of Directors of the Transferee Company shall, instead consolidate all such fractional entitlements and thereupon issue and allot shares in lieu thereof of the Company Secretary or such other persons as the Board of Directors of the Transferee Company shall appoint in this behalf who shall hold the shares in trust on behalf of the Members entitled to fractional entitlements with the express understanding that such Company Secretary or person shall sell the same in the market at such time or times; at such price or prices; and at such exchange or exchanges as he may deem fit, and pay to the Transferee Company, the net sale proceed thereof, whereupon the Transferee Company shall distribute such net sale proceeds to the Members in Proportion to their respective fractional entitlements.
20. (a) Ordinary shares of the Transferor Companies, if any, held by the Transferee Company on the Record Date shall be cancelled and deemed to have been cancelled without any further act or deed, and no shares of the Transferee Company are required to be issued in lieu thereof.
- (b) Ordinary shares of the Transferee Company, if any, held by the Transferor Companies on the Record Date shall be cancelled and deemed to have been cancelled without any further act or deed, and no shares of the Transferee Company are required to be issued in lieu thereof.
21. Ordinary shares issued and allotted by the Transferee Company in terms of this Scheme shall be subject to the provisions of the Memorandum and Articles of Associations of the Transferee Company and shall rank pari-passu in all respects with the then existing ordinary shares of the Transferee Company, including in respect of dividends, if any, that may be declared by the Transferee Company, on or after the Effective Date.
22. Upon the coming into effect of this Scheme, ordinary shares of the Transferor Companies shall, without further application, act or deed, be and deemed to have been delisted from the relevant stock exchanges in Bangladesh where the existing ordinary shares of the Transferor Companies are presently listed; and the ordinary shares of the Transferee Company issued in terms of this Scheme without further application, act or deed, be and deemed to have been listed on the relevant stock exchanges in Bangladesh where the existing ordinary shares of the Transferee Company are presently listed.

#### H. GENERAL TERMS AND CONDITIONS:

#### 23. ACCOUNTING TREATMENTS OF ASSETS, LIABILITIES AND RESERVES AND SURPLUS OF THE TRANSFEROR COMPANY IN THE BOOKS OF THE TRANSFEE COMPANY

- 23.1. Upon the coming into effect of this Scheme and with effect from the Appointed Date, for the purposes of accounting for and dealing with the value of the assets and liabilities of the Transferor Company in the books of the Transferee Company, the



assets and liabilities of the Transferor Company transferred to and vested in the Transferee Company pursuant to this Scheme shall be recorded at their respective carrying values where the exchange ratio has been calculated by Prime Bank Investment Limited (PBIL), a Merchant Banker which has been subsequently verified by Muhammad Shaheedullah & Co. Chartered Accountancy Firm.

- 23.2. The carrying amount of investments in the shares of the Transferor Company to the extent held by the Transferee Company, shall stand cancelled in the books of the Transferee Company, without any further act, deed or instrument.
- 23.3. If considered appropriate for the purpose of application of uniform accounting methods and policies between the Transferor Company and the Transferee Company, the Transferee Company may make suitable adjustments and reflect the effect thereof in its Capital Reserve/Goodwill account, as the case may be.
- 23.4. Upon the coming into effect of this Scheme and with effect from the Appointed Date, inter-company transaction balances between the Transferor Company and Transferee Company in the books of the Transferee Company will be eliminated while consolidating accounts with the Transferor Company. Unrealized profit, if any, existing in the books of the Transferee Company will similarly be eliminated.
- 23.5. The deficit between: (A) the aggregate value of net assets of the Transferor Company acquired and recorded by the Transferee Company in terms Section 23.1 above after making necessary adjustment for Sections 23.3 and 23.4; and (B) the value of investments cancelled in terms of Section 23.2 above should be debited to "Goodwill Account". The surplus, if any, should be credited to "Capital Reserve" Account.

#### 24. DIVIDENDS

From the date of filing of the Scheme to the Effective Date:

- (a) Except as expressly contemplated or permitted by any decision of the Board of Directors of the Transferee Company, the Transferor Company shall not declare/or pay dividends or other distribution payable in cash, stock, property or otherwise with respect to any of its capital stock;
- (b) The Transferor Company, except as mentioned otherwise in this Scheme, shall not issue or allot any shares, rights, bonus shares or any other security converting into equity or other share capital or obtain any other financial assistance converting into equity or other share capital, unless agreed to by the Board of Directors of the Transferee Company;
- (c) The Transferee Company shall be entitled to declare and pay dividends, whether interim or final, to their ordinary shareholders in respect of the accounting period after the Appointed Date and prior to the Effective Date
- (d) Until the coming into effect of the Scheme, the holders of equity shares of the Transferor Company and the Transferee Company shall, save as expressly provided otherwise in this Scheme, continue to enjoy their existing respective rights under their



respective Articles of Association. It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any member of the Transferor Company and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the respective Articles of Association, shall be entirely at the discretion of the respective boards of the companies and subject to, where necessary, the approval of the shareholders of the Transferor Company and the Transferee Company, respectively.

## 25. LEGAL PROCEEDINGS

- (a) Upon the coming into effect of this Scheme, all suits, claims, actions and proceedings by or against the Transferor Company and/or on or the Effective Date shall be continued and be enforced by or against the Transferee Company as effectually as the same had originally been instituted and/or pending and/or arising by or against the Transferee Company.
- (b) The Transferee Company will undertake to have all legal or other proceedings initiated by or against the Transferor Company referred to in Section 25(a) above transferred to its name and to have the same continued, prosecuted and enforced by or against the Transferee Company.

## 26. OPERATIVE DATE OF THE SCHEME

This Scheme shall be operative from the Effective Date with effect from the Appointed Date.

## 27. STAFF AND EMPLOYEES

- (a) Upon the Scheme coming into effect and with effect from the Appointed Date, all employees of the Transferor Company shall become employees of the Transferee Company on such date as if they were in continuous service without any break or interruption in service and on terms and conditions as to employment and remuneration not less favorable than those on which they were engaged or employed by the Transferor Company, so as to become as and from the Effective Date, the employees of the Transferee Company. The Transferee Company undertakes to continue to abide by any agreement/settlement, if any, validly entered into by the Transferor Company with any employees of the Transferor Company. The position and hierarchy of the employees of the Transferor Company in the Transferee Company will be decided by the management of the Transferee Company.
- (b) It is provided that so far as provident fund, gratuity fund, or any other special scheme(s)/fund(s), or other benefits if any, created or existing for the benefit of the existing or past employees of the Transferor Company are concerned, upon the coming into effect of this Scheme, the Transferee Company shall stand substituted at an appropriate stage for the Transferor Company for all purposes whatsoever related to the administration or operation of such schemes, funds or benefits or in relation to the obligation to make contributions to the said schemes, funds or benefits in accordance with the provisions of such schemes, funds or benefits as per the terms provided in the respective trust deeds or employee benefit plans or policies, to the end and intent that



the rights, duties, powers and obligations of the Transferor Company in relation to such schemes, funds or benefits shall become those of the Transferee Company.

- (c) Subject to any separate agreement of the Shareholders of the parties, upon the Effective Date, all directors of the Transferor Company, will be entitled to directorships in the Transferee Company 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 Transferee Company as of the Effective Date.

## 28. DISSOLUTION OF THE TRANSFEROR COMPANY

- (a) Upon the effectiveness of this Scheme, the Transferor Company shall stand dissolved without winding up from the Appointed Date, and the Board of Directors and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand dissolved and the Transferor Company shall be removed from the register of the Registrar of Joint Stock Companies and Firms (RJSC). The Undertaking of the Transferor Company shall be amalgamated with that of the Transferee Company, which will continue to operate as a going concern.
- (b) Following the Effective Date and the issue of ordinary shares in accordance with clauses 17 and 18 above, the Transferor Company shall stand dissolved without winding up, without any further act or deed and the Transferor Company shall be removed from the register of the Registrar of Joint Stock Companies and Firms.

## 29. APPLICATION BEFORE THE HON'BLE HIGH COURT DIVISION

The Transferor Company and the Transferee Company shall make all applications/petitions under Sections 228 and 229 of the Act and other applicable provisions of the Act before the High Court Division, Supreme Court of Bangladesh for sanctioning of this Scheme.

## 30. MODIFICATIONS/AMENDMENTS TO THE SCHEME


This Scheme is subject to the approval of the shareholders in an EGM under the supervision of the Hon'ble Court, the Board of Directors of the Transferor Company and the Transferee Company may assent on behalf of all concerned including the shareholders from time to time to any modifications or amendments or additions to this Scheme or to any conditions, which the High Court Division may under law think fit to approve or impose; and 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.

## 31. CONDITIONALITY OF THE SCHEME

This Scheme is conditional upon and subject to:

- (a) The Scheme being agreed to by the requisite majority members of the Transferor Company and the Transferee Company 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 High Court pursuant to Section 228 read with Section 229 of the

  
Md. Zillur Rahman FCA  
Partner  
Muhammad Shaheedullah & Co.  
Chartered Accountants

  
Syed M Omar Tayub  
Managing Director & CEO  
Prime Bank Investment Limited  
Head Office, Dhaka



Act for amalgamation of the Transferor Company with the Transferee Company and for implementation of this Scheme;

- (b) Such other sanctions and approvals including sanction and approvals of any government or regulatory authority, creditor, lessor or contracting party as may be required by law or contract in respect of the Scheme being obtained; and
- (c) The Transferor Company has complied with the conditions, if any, set out in the no objection certificates of banks and/or financial institutions with whom the Transferor Company has outstanding Liabilities;

### 32. EFFECTIVE DATE:


The aforementioned amalgamation shall be, and be deemed to have been, effective on the date a certified copy of the Order made by the Hon'ble High Court Division is filed with the Registrar of Joint Stock Companies and Firms (RJSC), Dhaka, Bangladesh.

### 33. TAXES/DUTIES, ETC.

- (a) The Transferee Company will be the successor of the Transferor Company. Any unutilized credit relating to excise duties paid on inputs lying to the account of the Transferor Company as well as any unutilized credits relating to Value Added Tax (VAT) paid on input services consumed by the Transferor Company shall be transferred to the Transferee Company automatically without any specific approval or permission as an integral part of the Scheme.
- (b) Income taxes of whatsoever nature including advance tax, self-assessment tax, regular assessment taxes, tax deducted at source, wealth tax, if any, paid by the respective Transferor Company shall be treated as paid by the Transferee Company and it shall be entitled to claim the credit, refund, rebate or adjustment for the same as may be applicable.
- (c) If the Transferor Company is entitled to any benefits under incentive schemes and policies, it is declared that the benefits under all such incentive schemes and policies shall be transferred to and vested in the Transferee Company.
- (d) Upon this Scheme being effective, the Transferee Company is expressly remitted to revise and file its income tax returns and other statutory returns, including returns relating to tax deducted/collected at source, excise duty returns, VAT returns, as may be applicable, and has expressly reserved the right to make such provision in its returns and to claim refunds or credits, if any. Such returns may be revised and filed notwithstanding that the statutory period for such revision and filing may have expired.

### 34. SEVERABILITY

If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the mutual agreement of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.

  
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Partner  
Muhammad Shaheedullah & Co  
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### 35. WITHDRAWAL, REVOCATION OR CANCELLATION OF THE SCHEME

The Board of Directors of the Transferor Company and the Transferee Company shall be entitled to withdraw this Scheme prior to the Effective Date. The Boards of Directors of the Transferor Company and the Transferee Company shall be entitled to revoke, cancel and declare the Scheme of no effect if they are of the view that the coming into effect of the Scheme with effect from the Appointed Date could have adverse implications on the Transferor Company and/or the Transferee Company.

### 36. COSTS, CHARGES AND EXPENSES CONNECTED WITH THE SCHEME

All costs, charges and expenses, including any taxes and duties of the Transferor Company and the Transferee Company respectively in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the Transferor Company in pursuance of this Scheme shall be borne and paid by the Transferee Company.

### 37. FAILURE TO TAKE EFFECT

In the event of this Scheme failing to take effect finally by \_\_\_\_\_ or by such later date as maybe agreed by the respective Board of Directors of the Transferor Company and the Transferee Company, this Scheme shall become null and void and in that event, no rights and liabilities whatsoever shall accrue to or be incurred 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.

In witness whereof the parties have affixed their respective signature unto this present this the day month year first above written.

Witnesses:

1. Md. Humayun Bhuiyan  
ASst. Manager (Share)  
Magura Paper Mills Ltd.

2. Naimul Islam  
Chief Finance Officer

Paper Processing and Packaging Ltd.

Signature of the Parties:

1. Engineer Muhammad Enayet Ali  
Managing Director  
Magura Paper Mills Ltd.

2. Md. Mobarok Hossain  
Managing Director

Paper Processing and Packaging Ltd.

Md. Zillur Rahman FCA  
Partner  
Muhammad Shaheedullah & Co.  
Chartered Accountants

Syed M Omar Tayub  
Managing Director & CEO  
Prime Bank Investment Limited  
Head Office, Dhaka



**Calculation of Exchange Ratio**  
**Magura Paper Mills Limited & Paper Processing and Packaging Limited**

Valuation of MPML		2022
Method 1	A. Net Asset Value (NAV) per share without revaluation reserve	18.35
	B. Net Asset Value (NAV) per share with revaluation reserve	43.70
Method 2	A. Historical Earnings based valuation (considering Market P/E)	126.27
	B. Historical Earnings based valuation (considering Paper & Printing Sector P/E)	632.62
Method 3	Average market price of similar stock-based valuation	106.11
<b>Average of All Valuation Method</b>		<b>185.41</b>
Less: 75.40% discount as per management approval		<b>139.80</b>
<b>Average Net Asset Value Per Share after discount</b>		<b>45.61</b>

Valuation of PPPL		2022
Method 1	A. Net Asset Value (NAV) per share without revaluation reserve	22.94
	B. Net Asset Value (NAV) per share with revaluation reserve	31.59
Method 2	A. Historical Earnings based valuation (considering Market P/E)	49.22
	B. Historical Earnings based valuation (considering Paper & Printing Sector P/E)	246.59
Method 3	Average market price of similar stock-based valuation	106.11
<b>Average of All Valuation Method</b>		<b>91.29</b>

<b>Exchange ratio =</b>	Weighted value per share of MPML	45.61
	Weighted value per share of PPPL	91.29

= 0.50 shares of PPPL against per ordinary share of MPML

**Share position after merger**

Existing Share of MPML	36,635,620
<b>Total Shares of MPML before Merger</b>	<b>36,635,620</b>
Exchange Ratio	0.5000
<b>New Shares to be issued by PPPL</b>	<b>18,317,810</b>

**Paper Processing and Packaging Limited**

Existing Number of shares	10,449,600
New Share to be issued due to merger	18,317,810
<b>Total Number of Shares</b>	<b>28,767,410</b>
<b>Paid-up capital of PPPL after merger with MPML</b>	<b>287,674,100</b>

  
Md. Zillur Rahman FCA  
Partner  
Muhammad Shaheedullah & Co  
Chartered Accountants





মুহম্মদ শহীদুল্লাহ এন্ড কোং  
Muhammad Shaheedullah & Co.  
Chartered Accountants



A Member Firm of  
IAPA INTERNATIONAL, UK



Magura Paper Mills Limited

Valuation of Securities

Method 1	A. Net Asset Value (NAV) per share without revaluation	18.35
	B. Net Asset Value (NAV) per share with revaluation reserve	43.70
Method 2	A. Historical Earnings Valuation (considering Market P/E)	126.27
	B. Historical Earnings Valuation (considering Paper & Printing)	632.62
Method 3	Average market price of similar stock-based valuation	106.11
<b>Average</b>		<b>185.41</b>

Method 1: Net Asset Value (NAV) Method

Particulars	30-Jun-22
a) Paid-up capital as on June 30, 2022	366,356,200
b) Revaluation surplus	928,505,883
c) Share Premium	46,020,000
d) Retained earnings on June 30, 2022	260,013,175
<b>Total Shareholders' Equity (A) without revaluation surplus</b>	<b>672,389,375</b>
<b>Total Shareholders' Equity (B) with revaluation surplus</b>	<b>1,600,895,258</b>
Number of share outstanding as on June 30, 2022 (B)	36,635,620
<b>Net Asset Value Per share without revaluation surplus</b>	<b>18.35</b>
<b>Net Asset Value Per share with revaluation surplus</b>	<b>43.70</b>

Source: Audited Financial Statement June 30, 2022

Method 2: Earning Based Valuation (EBV) Method

A. Historical Earnings Valuation (considering Market P/E)

Year	No. of Share	Weight (%)	Profit after Tax	Weighted Avg NPAT
30-Jun-18	15,823,300	16%	4,363,616	690,960
30-Jun-19	15,823,300	16%	7,967,787	1,261,665
30-Jun-20	15,823,300	16%	7,048,915	1,116,165
30-Jun-21	15,823,300	16%	18,797,587	2,976,517
30-Jun-22	36,635,620	37%	860,550,893	315,492,723
<b>Total</b>	<b>99,928,820</b>	<b>100%</b>	<b>898,728,798</b>	<b>321,538,030</b>
A. Weighted average profit after tax				321,538,030
B. Number of share outstanding as on June 30, 2022				36,635,620
C. EPS based on weighted Average of Net Profit after Tax (A/B)				8.78

Magura Paper Mills Limited

D. Overall Market P/E (Average of last 3-months)	14.39
<b>Earnings based value per share (C*D)</b>	<b>126.27</b>

Calculation of Average

Particulars	Jul-22	Aug-22	Sep-22	Average
Market P/E	13.83	14.42	14.91	14.39

Source: DSE Monthly Review

B. Historical Earnings Valuation (considering Paper & Printing Sector P/E)

Year	No. of Share	Weight (%)	Profit after Tax	Weighted Avg NPAT
30-Jun-18	15,823,300	16%	4,363,616	690,960
30-Jun-19	15,823,300	16%	7,967,787	1,261,665
30-Jun-20	15,823,300	16%	7,048,915	1,116,165
30-Jun-21	15,823,300	16%	18,797,587	2,976,517
30-Jun-22	36,635,620	37%	860,550,893	315,492,723
<b>Total</b>	<b>99,928,820</b>	<b>100%</b>	<b>898,728,798</b>	<b>321,538,030</b>
A. Weighted Average Profit after Tax				321,538,030
B. Number of share outstanding as on June 30, 2021				36,635,620
C. EPS based on weighted Average of Net Profit after Tax (A/B)				8.78
D. Overall Paper Sector P/E (Average of last 3-months)				72.08
<b>Earnings based value per share (C*D)</b>				<b>632.62</b>

Calculation of Average

Particulars	Jul-22	Aug-22	Sep-22	Average
Paper & Printing Sector P/E	62.17	74.09	79.98	72.08

Method 3:

Average market price of similar stock-based valuation

Month end close price

Date	BPML	HAKKANIPUL	KPPL	MONOSPOOL	PAPERPROC
29-Sep-22	88.00	69.10	8.90	230.00	233.20
31-Aug-22	66.30	69.50	10.00	180.70	232.30
31-Jul-22	48.80	56.50	8.80	140.00	159.30
30-Jun-22	54.00	61.40	9.40	169.00	181.00
31-May-22	52.00	52.80	8.80	185.30	188.60
28-Apr-22	56.40	55.80	9.40	220.70	236.60
31-Mar-22	55.50	59.80	9.80	253.70	291.90
28-Feb-22	52.70	58.60	9.90	248.80	284.20
31-Jan-22	63.20	54.80	9.50	189.30	231.70
30-Dec-21	43.10	57.80	9.30	193.10	216.80
30-Nov-21	45.10	47.20	9.00	140.90	134.30
31-Oct-21	46.60	60.80	10.60	170.60	165.50
<b>Average Price</b>	<b>55.98</b>	<b>58.68</b>	<b>9.45</b>	<b>193.51</b>	<b>212.95</b>
<b>Average of all</b>					<b>106.11</b>

  
Md. Zillur Rahman FCA  
Partner  
Muhammad Shaheedullah & Co  
Chartered Accountants



**National Office:** Golden Sun (Level-4 & 6), House-A, Road-2, Block-L, Banani, Capital City Dhaka-1213, Bangladesh. Cell: +88 01712641640

+88 01712-797042, +88 01787-452482, +88 01749-479102, Tel: 02 55040652, E-mail: mrzillur@gmail.com, www.msc.cabd.com

**Regional Office:** A R Towe (Level-3), 229/A, Sadarghat, Port City, Chattogram-4000, Bangladesh, Cell: +88 01787-452482, +88 01749-479102

+88 01712-797042, +88 01711-381388, +88 01814-504256, Tel: 02 621110, E-mail: mscauditfirm@yahoo.com

**Capacity Building Centre:** House-11, Road-4, Sector-1, Uttara Model Town, Dhaka-1230, (Waling distance from shahjalal Int'l Airport, Dhaka, Bangladesh



### Magura Paper Mills Limited

#### Statement of Financial Position

	30-Jun-22	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18
<b>Assests</b>					
<b>Non-Current Assets</b>	<b>3,680,408,313</b>	<b>3,511,559,750</b>	<b>3,511,894,473</b>	<b>3,529,841,501</b>	<b>3,491,547,087</b>
Property, Plant & Equipment	1,300,943,313	2,127,119,750	2,127,454,473	2,145,401,501	2,107,107,087
Investment Property	2,379,465,000	1,384,440,000	1,384,440,000	1,384,440,000	1,384,440,000
<b>Current Assets</b>	<b>622,695,712</b>	<b>331,916,708</b>	<b>160,679,471</b>	<b>129,311,183</b>	<b>141,330,123</b>
Inventories	141,905,078	89,691,758	91,952,586	83,618,882	92,665,469
Trade Receivables	146,472,703	41,018,609	34,092,057	13,121,418	10,287,490
Investment in FDR	28,073,057	8,325,940	7,767,855	7,000,000	-
Advance, Deposits & Prepayments	109,793,966	29,256,735	20,385,450	17,154,287	19,390,507
Inter Company Account	167,423,500	157,603,500	4,447,100	4,355,800	16,383,335
Cash & Cash Equivalents	29,027,408	6,020,166	2,034,423	4,060,796	2,603,322
<b>Total Assets</b>	<b>4,303,104,025</b>	<b>3,843,476,458</b>	<b>3,672,573,944</b>	<b>3,659,152,684</b>	<b>3,632,877,210</b>
<b>Equity and Liabilities</b>					
<b>Equity</b>	<b>1,600,895,258</b>	<b>1,848,603,928</b>	<b>1,827,543,113</b>	<b>1,820,494,199</b>	<b>1,812,526,411</b>
Share Capital	366,356,200	158,233,000	158,233,000	158,233,000	158,233,000
Share Premium	46,020,000	-	-	-	-
Retained Earnings/(Loss)	260,013,175	75,551,705	54,490,890	47,441,976	39,474,188
Revaluation Surplus	928,505,883	1,614,819,223	1,614,819,223	1,614,819,223	1,614,819,223
<b>Non-Current Liabilities</b>	<b>2,344,383,643</b>	<b>1,674,126,349</b>	<b>1,683,260,012</b>	<b>1,688,399,546</b>	<b>1,696,130,730</b>
Sanali Bank Project Loan	1,802,875,469	1,128,899,851	1,131,152,797	1,131,152,797	1,136,152,797
Long-term Liability	-	27,017,788	32,274,499	35,651,520	40,775,614
Deffered Tax Liability	541,508,174	518,208,710	519,832,716	521,595,229	519,202,319
<b>Current Liabilities</b>	<b>357,825,124</b>	<b>320,746,181</b>	<b>161,770,819</b>	<b>150,258,939</b>	<b>124,220,068</b>
Trade Creditors	45,727,048	9,996,459	11,701,498	33,639,676	39,650,607
Liabilities for Expenses	17,161,198	22,439,473	33,326,800	33,207,682	75,010,852
BCIC Current Account	-	-	-	-	-
Liabilities for Other Finance	-	-	-	-	-
Provision for Income Tax	28,273,902	19,004,232	11,404,503	8,863,564	6,966,127
Inter Company Account	266,662,976	269,306,017	105,338,017	74,548,017	2,592,482
Short-term Loan	-	-	-	-	-
<b>Total Equity and Liabilities</b>	<b>4,303,104,025</b>	<b>3,843,476,458</b>	<b>3,672,573,944</b>	<b>3,659,152,684</b>	<b>3,632,877,209</b>
<b>Net Assets Value per share (NAV)</b>	<b>43.70</b>	<b>50.46</b>	<b>115.50</b>	<b>115.05</b>	<b>114.55</b>

#### Statement of Profit or Loss and Other Comprehensive Income

Particulars	30-Jun-22	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18
Sales Revenue	899,287,406	455,996,862	355,601,082	299,917,784	526,804,301
Cost of Goods Sold	(657,861,745)	(388,110,195)	(302,998,641)	(255,597,665)	(479,550,614)
<b>Gross Profit</b>	<b>241,425,661</b>	<b>67,886,667</b>	<b>52,602,441</b>	<b>44,320,119</b>	<b>47,253,687</b>
Administrative Expenses	(30,468,634)	(25,039,189)	(28,028,957)	(23,095,822)	(28,149,458)
Selling & Distribution Expenses	(15,505,636)	(14,317,590)	(16,629,942)	(7,432,024)	(9,506,110)
<b>Operating Profit (Loss)</b>	<b>195,451,391</b>	<b>28,529,888</b>	<b>7,943,542</b>	<b>13,792,273</b>	<b>9,598,119</b>
Fair Value Gain/ (Loss)	980,032,459	-	-	-	-
Finance Incomes	276,002	630,780	842,418	9,915	61,940
Finance Expenses	(159,815,622)	(701,154)	(546,654)	(1,544,054)	(520,935)
<b>Net Profit (Loss) Before WPPF</b>	<b>1,015,944,230</b>	<b>28,459,514</b>	<b>8,239,306</b>	<b>12,258,134</b>	<b>9,139,124</b>
Contribution to Workers Profit Particip	(1,710,084)	(1,422,976)	(411,965)	-	-
<b>Net Profit (Loss) Before Taxation</b>	<b>1,014,234,146</b>	<b>27,036,538</b>	<b>7,827,341</b>	<b>12,258,134</b>	<b>9,139,124</b>
Income Tax Expenses	(9,269,670)	(7,599,729)	(2,540,939)	(1,897,437)	(3,167,476)
Adjustment for Short Provision	-	-	-	-	(1,576,815)
Deffered Tax Expenses	(144,413,583)	(639,222)	1,762,513	(2,392,910)	(31,217)
<b>Net Profit After Tax</b>	<b>860,550,893</b>	<b>18,797,587</b>	<b>7,048,915</b>	<b>7,967,787</b>	<b>4,363,616</b>
<b>Earnings Per Share (EPS)</b>	<b>23.49</b>	<b>0.51</b>	<b>0.45</b>	<b>0.50</b>	<b>0.28</b>







Paper Processing and Packaging Limited

Valuation of Securities

Method 1	A. Net Asset Value (NAV) per share without revaluation	22.94
	B. Net Asset Value (NAV) per share with revaluation	31.59
Method 2	A. Historical Earnings Valuation (considering Market P/E)	49.22
	B. Historical Earnings Valuation (considering Paper & Print)	246.59
Method 3	Average market price of similar stock-based valuation	106.11
	<b>Average</b>	<b>91.29</b>

Method 1: Net Asset Value (NAV) Method

Particulars	30-Jun-22
a) Paid-up capital as on June 30, 2022	104,496,000
b) Revaluation surplus	90,353,373
c) Share Premium	-
d) Retained earnings on June 30, 2022	135,217,091
<b>Total Shareholders' Equity (A) without revaluation surplus</b>	<b>239,713,092</b>
<b>Total Shareholders' Equity (B) with revaluation surplus</b>	<b>330,066,965</b>
Number of share outstanding as on June 30, 2022 (B)	10,449,600
<b>Net Asset Value Per share without revaluation surplus</b>	<b>22.94</b>
<b>Net Asset Value Per share with revaluation surplus</b>	<b>31.59</b>

Source: Audited Financial Statement June 30, 2022

Method 2

A. Historical Earnings Valuation (considering Market P/E)

Year	No. of Shares	Weight (%)	Profit after Tax	Weighted Avg NPAT
30-Jun-18	3,360,000	10.85%	61,316,289	6,650,357
30-Jun-19	3,360,000	10.85%	50,896,206	5,520,196
30-Jun-20	3,360,000	10.85%	23,840,081	2,585,692
30-Jun-21	10,449,600	33.73%	14,001,114	4,722,718
30-Jun-22	10,449,600	33.73%	48,233,033	16,269,494
<b>Total</b>	<b>30,979,200</b>	<b>100%</b>	<b>198,286,723</b>	<b>35,748,457</b>
A. Weighted average profit after tax				35,748,457
B. Number of share outstanding as on June 30, 2022				10,449,600
C. EPS based on weighted Average of Net Profit after Tax (A/B)				3.42
D. Overall Market P/E (Average of last 3-months)				14.39
<b>Earnings based value per share (C*D)</b>				<b>49.22</b>

Particulars	Jul-22	Aug-22	Sep-22	Average
Market P/E	13.83	14.42	14.91	14.39

Source: DSE Monthly Review

B. Historical Earnings Valuation (considering Paper & Printing Sector P/E)

Year	No. of Share	Weight (%)	Profit after Tax	Weighted Avg NPAT
30-Jun-18	3,360,000	10.85%	61,316,289	6,650,357
30-Jun-19	3,360,000	10.85%	50,896,206	5,520,196
30-Jun-20	3,360,000	10.85%	23,840,081	2,585,692
30-Jun-21	10,449,600	33.73%	14,001,114	4,722,718
30-Jun-22	10,449,600	33.73%	48,233,033	16,269,494
<b>Total</b>	<b>30,979,200</b>	<b>100%</b>	<b>198,286,723</b>	<b>35,748,457</b>
A. Weighted Average Profit after Tax				35,748,457
B. Number of share outstanding as on June 30, 2021				10,449,600
C. EPS based on weighted Average of Net Profit after Tax (A/B)				3.42
D. Overall Banking Sector P/E (Average of last 3-months)				72.08
<b>Earnings based value per share (C*D)</b>				<b>246.59</b>

Particulars	Jul-22	Aug-22	Sep-22	Average
Paper & Printing Sector P/E	62.17	74.09	79.98	72.08

Method 3:

Average market price of similar stock-based valuation

Month end close price

Date	BPML	HAKKANIPUL	KPPL	MONOSPOOL	PAPERPROC
29-Sep-22	88.00	69.10	8.90	230.00	233.20
31-Aug-22	66.30	69.50	10.00	180.70	232.30
31-Jul-22	48.80	56.50	8.80	140.00	159.30
30-Jun-22	54.00	61.40	9.40	169.00	181.00
31-May-22	52.00	52.80	8.80	185.30	188.60
28-Apr-22	56.40	55.80	9.40	220.70	236.60
31-Mar-22	55.50	59.80	9.80	253.70	291.90
28-Feb-22	52.70	58.60	9.90	248.80	284.20
31-Jan-22	63.20	54.80	9.50	189.30	231.70
30-Dec-21	43.10	57.80	9.30	193.10	216.80
30-Nov-21	45.10	47.20	9.00	140.90	134.30
31-Oct-21	46.60	60.80	10.60	170.60	165.50
<b>Average Price</b>	<b>55.98</b>	<b>58.68</b>	<b>9.45</b>	<b>193.51</b>	<b>212.95</b>
<b>Average of all</b>					<b>106.11</b>

Source: DSE Data Archive

  
Md. Zillur Rahman FCA  
Partner  
Muhammad Shaheedullah & Co  
Chartered Accountants





Est-1975

# মুহম্মদ শহীদুল্লাহ এন্ড কোং

## Muhammad Shaheedullah & Co.

### Chartered Accountants



A Member Firm of  
IAPA INTERNATIONAL, UK



### Paper Processing and Packaging Limited

#### Statement of Financial Position

	30-Jun-22	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18
<b>Assests</b>					
<b>Non-Current Assets</b>	<b>374,558,571</b>	<b>364,177,873</b>	<b>307,608,364</b>	<b>317,916,788</b>	<b>276,623,908</b>
Property, Plant & Equipment	374,473,871	364,093,173	307,523,664	317,916,788	217,703,459
Investment Property	84,700	84,700	84,700	-	-
Capital Work-in-Progress	-	-	-	-	58,920,449
<b>Current Assets</b>	<b>518,951,569</b>	<b>454,977,157</b>	<b>448,549,146</b>	<b>384,415,282</b>	<b>359,072,933</b>
Inventories	141,817,824	94,035,279	91,042,228	86,305,949	72,752,212
Trade and Other Receivable	78,784,696	37,989,154	34,622,191	47,015,345	58,006,634
Short Term Investment	-	-	-	-	-
Advance, Deposits & Prepayments	125,147,981	73,484,344	36,984,443	19,387,583	58,658,690
Inter Company Account	127,233,302	215,689,950	217,797,950	169,447,950	134,831,480
Advance Income Tax	37,446,902	27,979,487	56,326,294	46,317,708	33,562,096
Cash & Cash Equivalents	8,520,864	5,798,943	11,776,040	15,940,747	1,261,822
<b>Total Assets</b>	<b>893,510,140</b>	<b>819,155,030</b>	<b>756,157,510</b>	<b>702,332,070</b>	<b>635,696,840</b>
<b>Equity and Liabilities</b>					
<b>Equity</b>	<b>330,066,965</b>	<b>292,275,673</b>	<b>282,158,884</b>	<b>258,225,640</b>	<b>207,320,648</b>
Share Capital	104,496,000	104,496,000	33,600,000	33,600,000	33,600,000
Revaluation Reserve	90,353,873	90,398,407	90,444,607	90,492,557	90,542,344
Retained Earnings/(Loss)	135,217,091	97,381,266	158,114,277	134,133,083	83,178,304
<b>Non-Current Liabilities</b>	<b>164,379,388</b>	<b>220,637,648</b>	<b>220,184,766</b>	<b>187,479,934</b>	<b>205,391,832</b>
Long Term Bank Loan	57,494,164	77,826,118	77,960,024	48,375,677	71,636,866
Long-term Liability	76,202,310	111,730,850	111,730,850	111,730,850	111,730,850
Deffered Tax Liability	30,682,914	31,080,680	30,493,892	27,373,407	22,024,116
<b>Current Liabilities</b>	<b>399,063,787</b>	<b>306,241,709</b>	<b>253,813,860</b>	<b>256,626,496</b>	<b>222,984,360</b>
Trade Payable and others payable	57,634,701	44,928,516	27,317,338	21,896,337	27,488,211
Liabilities for Expenses	7,304,663	7,479,947	7,792,513	9,315,847	8,803,496
Short Term Bank Loan	188,328,732	190,732,962	146,292,426	142,214,140	129,135,567
Long Term Bank Loan-Current Portion	25,028,666	5,699,352	-	-	-
Inter Company Account	75,484,550	24,570,264	14,341,884	34,031,838	19,301,404
Provision for WPPF and Welfare Fund	2,941,098	1,029,088	1,848,861	3,393,080	4,087,753
Provision for Income Tax	39,382,367	28,403,538	55,783,443	45,775,255	34,167,929
Un-paid Dividend	2,959,011	3,398,042	437,395	-	-
<b>Total Liabilities</b>	<b>563,443,175</b>	<b>526,879,357</b>	<b>473,998,626</b>	<b>444,106,430</b>	<b>428,376,192</b>
<b>Total Equity and Liabilities</b>	<b>893,510,140</b>	<b>819,155,030</b>	<b>756,157,510</b>	<b>702,332,070</b>	<b>635,696,840</b>
<b>Net Assets Value per share (NAV)</b>	<b>31.59</b>	<b>27.97</b>	<b>83.98</b>	<b>76.85</b>	<b>61.70</b>

#### Statement of Profit or Loss and Other Comprehensive Income

	30-Jun-22	30-Jun-21	30-Jun-20	30-Jun-19	30-Jun-18
Revenue	414,055,473	169,545,458	200,163,768	389,883,210	348,323,244
Cost of Goods Sold	(270,975,507)	(105,056,853)	(113,286,646)	(270,750,718)	(222,816,156)
<b>Gross Profit</b>	<b>143,079,966</b>	<b>64,488,605</b>	<b>86,877,122</b>	<b>119,132,492</b>	<b>125,507,088</b>
<b>Operating expenses</b>	<b>(48,993,574)</b>	<b>(12,520,561)</b>	<b>(16,536,888)</b>	<b>(21,648,225)</b>	<b>(19,939,781)</b>
Office and Administrative Expenses	(22,927,961)	(5,455,074)	(5,738,959)	(6,826,992)	(6,532,005)
Marketing & Distribution Expenses	(26,065,612)	(7,065,487)	(10,797,929)	(14,821,233)	(13,407,776)
<b>Profit (Loss) from operation</b>	<b>94,086,392</b>	<b>51,968,044</b>	<b>70,340,234</b>	<b>97,484,267</b>	<b>105,567,307</b>
Financial Expenses	(32,387,575)	(30,389,431)	(31,529,153)	(26,257,590)	(19,743,908)
Non Operating Income	64,234	32,244	14,996	28,011	19,404
<b>Profit (Loss) Before WPPF</b>	<b>61,763,051</b>	<b>21,610,857</b>	<b>38,826,077</b>	<b>71,254,688</b>	<b>85,842,803</b>
Contribution to Workers Profit Participati	(2,941,098)	(1,029,088)	(1,848,861)	(3,393,080)	(4,087,752)
<b>Net Profit (Loss) Before Taxation</b>	<b>58,821,954</b>	<b>20,581,769</b>	<b>36,977,216</b>	<b>67,861,608</b>	<b>81,755,051</b>
<b>Income Tax Expenses</b>	<b>(10,588,921)</b>	<b>(6,580,655)</b>	<b>(13,137,135)</b>	<b>(16,965,402)</b>	<b>(20,438,762)</b>
Current Tax	(10,978,829)	(4,532,406)	(10,008,188)	(12,312,663)	(17,558,752)
Deffered Tax	389,908	(2,048,249)	(3,128,947)	(4,652,739)	(2,880,010)
<b>Net Profit After Tax</b>	<b>48,233,033</b>	<b>14,001,114</b>	<b>23,840,081</b>	<b>50,896,206</b>	<b>61,316,289</b>
<b>Earnings Per Share (EPS)</b>	<b>4.62</b>	<b>1.34</b>	<b>2.28</b>	<b>15.15</b>	<b>18.25</b>



**National Office:** Golden Sun (Level-4 & 6), House-A, Road-2, Block-L, Banani, Capital City Dhaka-1213, Bangladesh. Cell: +88 01712641640  
+88 01712-797042, +88 01787-452482, +88 01749-479102, Tel: 02 55040652, E-mail: mrzillur@gmail.com, www. msc. cabd. com

**Regional Office:** A R Towe (Level-3), 229/A, Sadarghat, Port City, Chattogram-4000, Bangladesh, Cell: +88 01787-452482, +88 01749-479102  
+88 01712-797042, +88 01711-381388, +88 01814-504256, Tel: 02 621110, E-mail: mscauditfirm@yahoo.com

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**Md. Zillur Rahman FCA**  
Partner  
Muhammad Shaheedullah & Co.  
Chartered Accountants



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### Capital Structuring

#### Capital Structuring

Existing Paid-up Capital of Magura Paper Mills Limited	366,356,200
No. of shares outstanding of MPML after capital raising	36,635,620
Exchange of shares - PPPL against per ordinary share of MPML	0.5000
New Shares to be issued by PPPL	<u>18,317,810</u>

Magura Paper Mills Limited (MPML)	Existing Paid-up Capital			Bonus Issue	Capital Rasing		After Merger with PPPL	
	Name of the Shareholders	% of holding	% of holding Category-wise	No. of Shares held in MPML	Bonus Share	New shares through capital raising	After capital raised	% of holding after capital raising
Mr. Mustafa Kamal Mohiuddin	16%	Sponsor (60%)	5,920,600	-	-	5,920,600	16.16%	2,960,300
Mr. Mustafa Jamal Mohiuddin	4%		1,610,980	-	-	1,610,980	4.40%	805,490
Magura Group	17%		6,157,830	-	-	6,157,830	16.81%	3,078,915
Bangladesh Development Group Ltd.	22%		8,215,840	-	-	8,215,840	22.43%	4,107,920
Multi Co-operative Credit Society Ltd.	0%		25,340	-	-	25,340	0.07%	12,670
Investment Consultant and Share Management Ltd.	0%		3,500	-	-	3,500	0.01%	1,750
Kores Bangladesh Ltd.	13%	Shareholders (40%)	4,785,000	-	-	4,785,000	13.06%	2,392,500
Bangladesh Dredging Company Ltd.	7%		2,700,000	-	-	2,700,000	7.37%	1,350,000
Magura Group Ltd.	1%		500,000	-	-	500,000	1.36%	250,000
Bangladesh Development Company Ltd.	3%		945,000	-	-	945,000	2.58%	472,500
Magura Recycled Paper Industries Ltd.	1%		255,000	-	-	255,000	0.70%	127,500
Shukran Foods Ltd.	0%		100,000	-	-	100,000	0.27%	50,000
Bangladesh Press Holdings Ltd.	6%		2,130,000	-	-	2,130,000	5.81%	1,065,000
Md. Kamruzzaman	0%		100,000	-	-	100,000	0.27%	50,000
Md. Ashraf Hossain	1%		400,000	-	-	400,000	1.09%	200,000
Mamunur Rashid	1%		200,000	-	-	200,000	0.55%	100,000
Rubina Akter	1%		200,000	-	-	200,000	0.55%	100,000
Shipak Kumer Saha	0%		100,000	-	-	100,000	0.27%	50,000
Yamin Dewan	0%		100,000	-	-	100,000	0.27%	50,000
Md. Abul Hasnat	0%		100,000	-	-	100,000	0.27%	50,000
Nuri Fatima Siddike	0%		100,000	-	-	100,000	0.27%	50,000
Gopal Basu	0%		100,000	-	-	100,000	0.27%	50,000
Laila Masuda	0%		100,000	-	-	100,000	0.27%	50,000
Green Delta Securities Ltd	0%		100,000	-	-	100,000	0.27%	50,000
Md. Bahauddin Miah	1%		200,000	-	-	200,000	0.55%	100,000
Md. Masudur Rahman Chowdhury	0%		100,000	-	-	100,000	0.27%	50,000
Gulam Mustafa	1%		400,000	-	-	400,000	1.09%	200,000
Masuduzzaman	1%		400,000	-	-	400,000	1.09%	200,000
Md. Nurul Alam	0%		100,000	-	-	100,000	0.27%	50,000
Jesmin Sultana	0%		168,000	-	-	168,000	0.46%	84,000
Rasedul Islam	0%	100,000	-	-	100,000	0.27%	50,000	
Others (Enslosure 1)	1%	218,530	-	-	218,530	0.60%	109,265	
	<b>100%</b>	<b>100%</b>	<b>36,635,620</b>	-	-	<b>36,635,620</b>	<b>100.00%</b>	<b>18,317,810</b>

  
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### Capital Structuring

#### Paper Processing and Packaging Limited

Existing Number of shares	10,449,600
Bonus Issue	
New Share Issue	18,317,810
<b>Total Number of Shares</b>	<b>28,767,410</b>

New Paid-up capital of PPPL 287,674,100

#### Shareholding of PPPL after Merger

Shareholders	Before Amalgamation			After Amalgamation				% of holding Category-wise before merger
	% of holding	% of holding Category-wise before merger	No. of shares	Issuance of Bonus Shares	Shares issued in exchange of MPML shares	Total shareholding	% of holding	
Mr. Mustafa Kamal Mohiuddin	12.53%	Sponsor (35%)	1,309,716	-	2,960,300	4,270,016	14.84%	51%
Mr. Mustafa Jamal Mohiuddin	2.83%		296,072	-	805,490	1,101,562	3.83%	
Bangladesh Development Group Ltd.	5.31%		554,970	-	4,107,920	4,662,890	16.21%	
Magura Group	4.99%		521,306	-	3,078,915	3,600,221	12.51%	
Mohiuddin Ahmed	8.33%		870,800	-	-	870,800	3.03%	
Abu Bakar Siddique	0.75%		78,372	-	-	78,372	0.27%	
Abirbhab Multimedia Ltd	0.08%		8,708	-	-	8,708	0.03%	
Investment Consultants & Share Management Ltd.	0.17%		17,416	-	-	17,416	0.06%	
Multi Co-operative Credit Society Ltd.					12,670	12,670	0.04%	
Investment Consultant and Share Management Ltd.					1,750	1,750	0.01%	
Kores Bangladesh Ltd.		Shareholders (0%)			2,392,500	2,392,500	8.32%	25.6%
Bangladesh Dredging Company Ltd.					1,350,000	1,350,000	4.69%	
Magura Group Ltd.					250,000	250,000	0.87%	
Bangladesh Development Company Ltd.					472,500	472,500	1.64%	
Magura Recycled Paper Industries Ltd.					127,500	127,500	0.44%	
Shukran Foods Ltd.					50,000	50,000	0.17%	
Bangladesh Press Holdings Ltd.					1,065,000	1,065,000	3.70%	
Md. Kamruzzaman					50,000	50,000	0.17%	
Md. Ashraf Hossain					200,000	200,000	0.70%	
Mamunur Rashid					100,000	100,000	0.35%	
Rubina Akter					100,000	100,000	0.35%	
Shipak Kumer Saha					50,000	50,000	0.17%	
Yamin Dewan					50,000	50,000	0.17%	
Md. Abul Hasnat					50,000	50,000	0.17%	
Nuri Fatima Siddique					50,000	50,000	0.17%	
Gopal Basu					50,000	50,000	0.17%	
Laila Masuda					50,000	50,000	0.17%	
Green Delta Securities Ltd					50,000	50,000	0.17%	
Md. Bahauddin Miah					100,000	100,000	0.35%	
Md. Masudur Rahman Chowdhury					50,000	50,000	0.17%	
Gulam Mustafa					200,000	200,000	0.70%	
Masuduzzaman					200,000	200,000	0.70%	
Md. Nurul Alam					50,000	50,000	0.17%	
Jesmin Sultana					84,000	84,000	0.29%	
Rasedul Islam					50,000	50,000	0.17%	
Others (Enclosure 1)					109,265	109,265	0.38%	
General Public & Financial Ins.	65.00%		GP & FI (65%)	6,792,240	-	-	6,792,240	
	100%	100%	10,449,600	-	18,317,810	28,767,410	100%	100%

*Z. HV*  
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