



Thal Limited

Registered Office : 4th Floor, House of Habib
3-Jinnah C. H. Society, Block-7/8, Sharea Faisal, Karachi-75350
Tel : (92-21) 3431-2030 Fax : (92-21) 3439-0868
E-mail : tl@hoh.net Website : www.thalimited.com

TL/2022/3522

November 18, 2022

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road,
Karachi-74000

NOTICE OF EXTRAORDINARY GENERAL MEETING

Dear Sir,

In pursuance of clause 5.6.9(b) of PSX Regulations please find attached herewith a copy of the notice of Extraordinary General Meeting of Thal Limited, to be held on Tuesday December 13, 2022 at 4:00 PM at Jinnah Auditorium, The Institute of Bankers Pakistan, Moulvi Tamizuddin Khan Road, Karachi.

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

Yours faithfully,
For **Thal Limited**

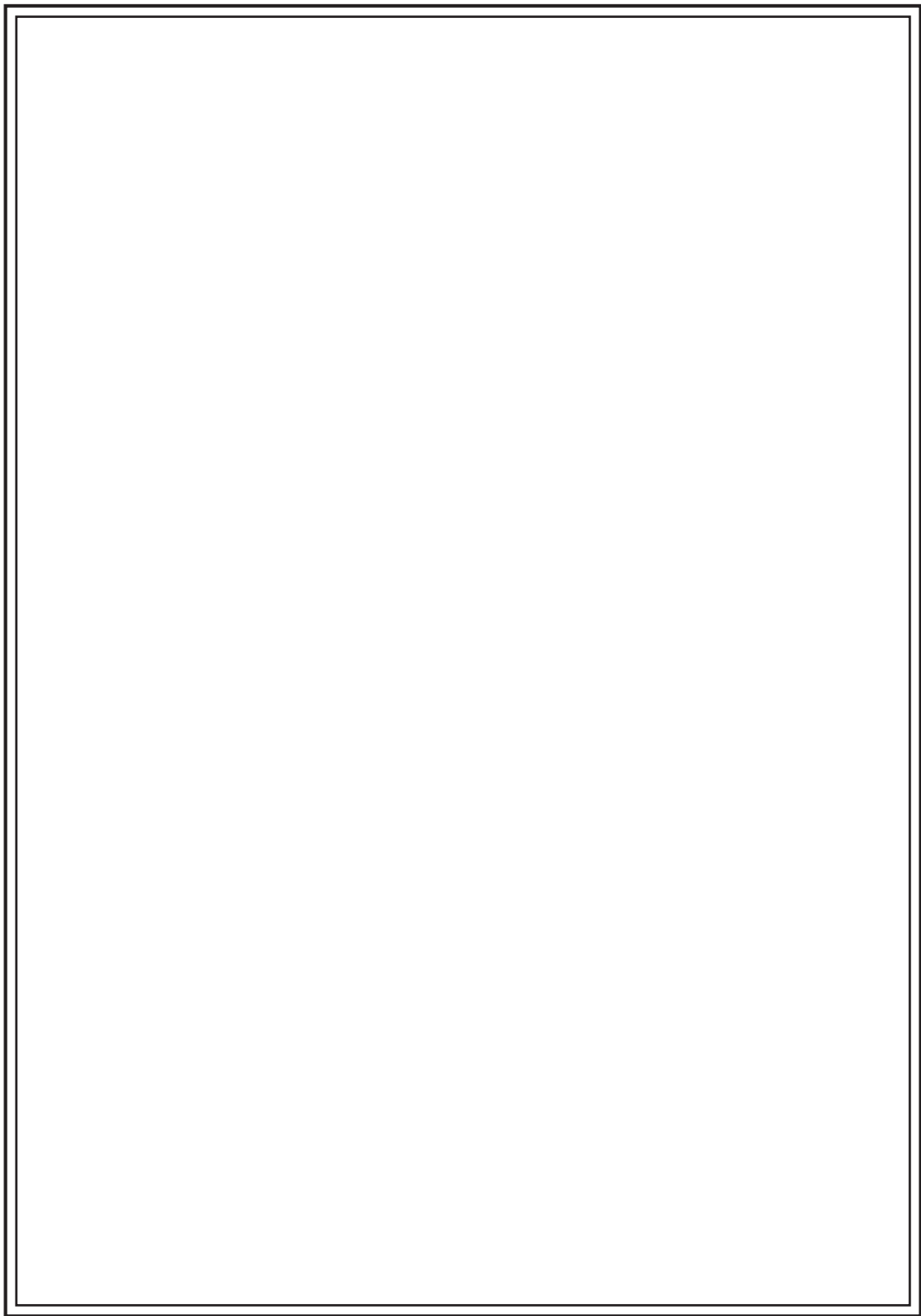
Salman Khalid
Company Secretary

Cc: Executive Director / HOD
Offsite-II Department,
Supervision Division,
Securities and Exchange Commission of Pakistan
63, NIC Building, Jinnah Avenue
Blue Area, Islamabad
Pakistan

Thal Limited

Notice of Extraordinary General Meeting
to be held on Tuesday December 13, 2022 at 4.00 pm
at The Institute of Bankers Pakistan, M.T. Khan Road, Karachi.





Thal Limited

Notice of Extraordinary General Meeting

Notice is hereby given that an Extraordinary General Meeting ("EOGM") of THAL LIMITED will be held on Tuesday, December 13, 2022 at 4 p.m. via video link and in person at Jinnah Auditorium of The Institute of Bankers Pakistan, Moulvi Tamizuddin Khan Road, Karachi, to transact the Special Business of considering and if thought fit, approving an investment under section 199 of the Companies Act 2017 in its associated company, Thal Boshoku Pakistan (Private) Limited by subscribing upto =55,000,000= ordinary shares of Rs. 10 each in the proposed rights issue of =100,000,000= ordinary shares of Thal Boshoku Pakistan (Private) Limited, whereupon the Company shall increase its investment to Rs. 929,500,000/- (Nine hundred twenty nine million five hundred thousand only).

RESOLVED as and by way of Special Resolution **THAT** the Company do make a further investment in its associated company Thal Boshoku Pakistan (Private) Limited by subscribing to the Company's proportionate share of the proposed rights issue of =100,000,000=ordinary shares of Thal Boshoku Pakistan (Private) Limited, that is, an investment of Rs. 550,000,000/- (Rupees Five hundred fifty million only) for =55,000,000= ordinary shares of Rs. 10 each, thereby continuing to maintain the Company's current shareholding of 55% in the share capital of Thal Boshoku Pakistan (Private) Limited, all on such terms and subject to such conditions as may be determined by the Board of Directors of the Company or by such person or persons as may be authorised by the Board of Directors of the Company, with each such person as may be authorised by the Board of Directors of the Company being authorised to do all such acts, deeds and things and to execute and deliver all such documents, agreements, declarations, undertakings for and on behalf of and in the name of the Company as may be necessary or required or as they or any of them may think fit for or in connection with the investment aforesaid, including without limiting the generality of the foregoing the preparation, finalization, execution and delivery of all agreements, deeds and other undertakings.

A statement under Section 134(3) of the Companies Act 2017 relating to the aforesaid Special Business to be transacted at the said Extraordinary General Meeting is attached.

By Order of the Board



(Salman Khalid)
Company Secretary

Karachi.

Dated: November 16, 2022

Thal Limited

NOTES:

1. Participation in the EOGM proceeding via the video conference facility

In light of the continuing threats posed due to COVID-19 pandemic and to protect wellbeing of the shareholders, the Securities and Exchange Commission of Pakistan ("SECP") has, vide its Circulars issued from time to time, directed the listed companies to hold their general meetings virtually in addition to the requirements of holding physical meetings. In order to facilitate the shareholders, the Company in addition to convening a physical meeting has also arranged attendance of shareholder virtually via video link facility.

The shareholders interested in attending the EOGM virtually are requested to get themselves registered by sending their following particulars at the designated email address tl@hoh.net for their appointment and proxy's verification by close of business on December 09, 2022. The log-in credentials and link to participate in the EOGM would be provided to the registered shareholders.

Shareholder Name	Folio/CDC No.	CNIC Number	Cell Number	Registered Email Address

As always, Thal Limited intends, and undertakes, to hold the captioned meeting in compliance with all applicable laws while ensuring the safety of its shareholders, employees, directors and the public at large.

Video conference link details and login credentials will be shared with ONLY those shareholders, whose particulars are received on or before December 09, 2022, from their registered email addresses. The shareholders can also provide their comments and questions for the agenda item of the EOGM on tl@hoh.net by December 09, 2022.

2. Closure of Share Transfer Books

The Share Transfer Books of the Company will be closed from December 06, 2022 to December 13, 2022 (both days inclusive) for the purpose of the EOGM. Transfer requests received by our Share Registrar, M/S. FAMCO Associates (Private) Ltd., 8-F, next to Hotel Faran, Nursery, Block-6, PECHS, Sharah-e-Faisal Karachi. Tel: 0092-21-34380101-5, 0092-21-34384621-3 (Ext-103) Fax: 0092-21-34380106 at the close of business on December 05, 2022 will be treated in time for the purpose of the EOGM.

3. Proxy

A member entitled to attend and vote at this EOGM is entitled to appoint a Proxy to attend, speak and vote in his/her place at the Meeting. A 'Proxy Form' appointing a proxy must be deposited at the Registered Office of the Company or at the above-mentioned address of Company's Share Registrar at least forty-eight hours before the time of the meeting along with the copy of CNIC of Proxy. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee along with his/her copy of CNIC shall be provided at least 48 hours before the time of the meeting. The Form of Proxy in English and Urdu is attached with this Notice and should be witnessed by two persons whose names, addresses and CNIC numbers should be mentioned on the Forms. The Form of Proxy is also available on the Company's website (www.thallimited.com).

4. Updating of particulars

The shareholders are requested to promptly notify change in their address, if any, to the Company's Share Registrar. In case of corporate entity, the shareholders are requested to promptly notify change in their particulars of their authorized representative, if applicable.

5. Submission of copies of CNIC not provided earlier

Individual shareholders are once again reminded to submit a copy of their valid CNIC, if not provided earlier to the Company's Share Registrar, FAMCO Associates (Private) Limited. In case of non-availability of a valid copy of the shareholders' CNIC in the records of the Company, the company shall withhold the dividend under the provisions of Section 243 of the Companies Act 2017.

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STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT 2017

This statement sets out the material facts concerning the Special Business to be transacted at the Extraordinary General Meeting of the Company to be held on December 13, 2022.

Investment under section 199 of the Companies Act 2017 in its associated company, Thal Boshoku Pakistan (Private) Limited

Thal Boshoku Pakistan (Private) Limited ("TBPL"), an associated company, has recently indicated that in line with its business expansion strategy, it has successfully secured the addition of a new business for an upcoming model of an Original Equipment Manufacturer ("OEM"). TBPL, in order to fund this expansion, in terms of increasing the current covered area and procurement of machines, requires additional capital. The expansion costs have been estimated to be approximately Rs. 1 billion for which TBPL has decided to increase its issued share capital by way of a rights issue of 100,000,000 ordinary shares at par value of Rs. 10 per ordinary share. The Company will be offered 55,000,000 ordinary shares at Rs.10 each, in proportion to its current shareholding in TBPL.

During the Board of Directors meeting held on October 28, 2022, the Company decided to take steps to facilitate TBPL's proposed investment for the upcoming new model of the OEM and hence the Board of Directors of the Company has approved the further investment in due course of up to Rs. 550,000,000/- (Rupees Five hundred fifty million only) by subscribing 55,000,000 ordinary shares of Rs. 10 each. The approval of shareholders of the Company is accordingly being sought to make such further investment in due course.

Set out below are the required details of the further investment proposed to be made by the Company in TBPL, an associated company:

Sr. No.	Description	Information Required
1.	Name of the associated company or associated undertaking and basis of relationship.	Thal Boshoku Pakistan (Private) Limited, a private company, in which Thal Limited owns 55% of the issued share capital.
2.	Earnings per share of the associated company or associated undertaking for the last three years.	<ul style="list-style-type: none">• Year ended 30 June 2020: Rs (3.98) per share• Year ended 30 June 2021: Rs 0.47 per share• Year ended 30 June 2022: Rs (0.66) per share
3.	Break-up value of securities intended to be acquired on the basis of the latest audited financial statements.	As at June 30, 2022: Rs 10.79 per share, based on the annual audited financial statements for the year ended June 30, 2022.
4.	Financial Position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements.	As at and for the year ended June 30, 2022: <ul style="list-style-type: none">• Total Assets:Rs. 1,825,182,000/-• Issued Share Capital: Rs.690,000,000/-• Current Liabilities:Rs. 1,075,507,000/-• Non-current Liabilities: Rs. 5,251,000• Profit/(Loss) after Tax: Rs.(45,557,000)/-
5.	Maximum amount of investment.	Equity investment up to Rs. 550,000,000/- (Rupees Five hundred fifty million only).

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Sr. No.	Description	Information Required
6.	Purpose, benefits and period of investment.	<p>The purpose of further investment is to allow TBPL to expand its existing facility and fund the investment relating to the new model of the OEM. It will enable TBPL to allocate its fixed costs efficiently as well as reduce its financial cost going forward.</p> <p>The new investment would result in increased sales revenue for TBPL and reduced external borrowings, thereby enhancing profitability (EPS) through a dividend stream to Thal Limited in the coming years.</p> <p>The investment by the Company in TBPL will be a long-term investment.</p>
7.	Maximum price at which securities will be acquired.	At par value of Rs. 10 per share.
8.	Maximum number of securities to be acquired.	Thal Limited will be allotted and issued 55,000,000 ordinary shares of TBPL at Rs. 10 each at par, which will be exactly in proportion to the company's shareholding in TBPL.
9.	Number of securities and percentage thereof held before and after the proposed investment.	<p>Before the proposed investment:</p> <p>=37,950,000= ordinary shares of Rs. 10 each, equal to 55% of paid up capital of TBPL, are held by the Company.</p> <p>After the proposed investment:</p> <p>=92,950,000= ordinary shares of Rs. 10 each, equal to 55% of paid up capital of TBPL, will be held by the Company.</p>
10.	In case of investment in unlisted securities, fair market value of such securities.	The company believes that the fair market value of TBPL securities is equivalent to its break-up value per share, which is Rs.10.79 as per latest financial statements for the year ended on June 30, 2022 audited by external auditors.
11.	Sources of fund from which securities will be acquired.	The Company will utilise its own funds for the investment. However, if there is any shortage of funds, the same will be met through credit lines, already in existence, from various banks.
12.	Direct or indirect interest of directors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration.	The Directors / Chief Executive would be interested to the extent of their shareholding in TBPL.

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Sr. No.	Description	Information Required
13.	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs	Equity investment already made of Rs. 104.5 million in 2013 and Rs. 275 million in 2018 for the expansion projects which have been undertaken successfully. After navigating through the turbulent period of global uncertainty and impact of COVID-19, TBPL is back on track to invest further in new projects for upcoming OEM models. There have been no impairments or write-offs of TBPL's equity investment and the investment is considered good by all means.

The directors of the Company hereby certify that they have carried out the necessary due diligence for the proposed investment. The recommendations of the due diligence report are available to the members upon request and are also available for inspection at the registered offices of the Company.

For the purpose of seeking the approval of the shareholders of the Company to the investment discussed above, the Board of Directors have proposed that the resolution set forth in the notice convening the EOGM of the Company be passed as and by way of a Special Resolution.