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MALEK SPINNING MILLS LIMITED

Head Office : 'Tower 117', 117/A Tejgaon I/A Dhaka-1208, GPO BOX No. 931
Bangladesh, IPT : + 8809612111177-92, Phone : +880-2-8878062-63
Fax : +880-2-8878064, E-mail : allabj@dhaka.net

Ref: MSML/BSEC/2022/13
June 22, 2022

The Chairman

Bangladesh Securities and Exchange Commission
Securities Commission Bhaban
Plot-E/6C, Agargaon
Sher-e-Bangla Nagar Administrative Area
Dhaka-1207

Fax: 880-2-55007106

Sub: **Decision of the Board of Directors Meeting held on Wednesday, the 22nd June 2022 at 2.45 P.M. regarding Price Sensitive Information.**

Dear Sir,

We would like to inform you that the Board of Directors of the Company held its meeting today on 22nd June, 2022 at 2.45 P.M at its Corporate Office at Tower-117, 117/A, Tejgaon Industrial Area, Dhaka-1208. The Meeting started at 2.45 P.M. and continued up to 3.30 P.M. and decided the followings:

Agenda-03. To consider issuing of Zero Coupon Bond for Tk.290,00,00,000/- (Two hundred ninety crore) and to apply to Bangladesh Securities and Exchange Commission (BSEC).

The Board of Directors of the Company decided that the Company shall apply to Bangladesh Securities and Exchange Commission (BSEC) for its proposal of issuing a Zero Coupon Bond amounting Tk.290.00 crore to finance expansion and to reduce debts related to the expansion of the Company be and is hereby approved, subject to approval of the Bangladesh Securities and Exchange Commission (BSEC).

Agenda-04. To approve the proposal of purchase of land from Directors/related parties for new plant at Bhaluka, Mymensingh.

The Board passed the following resolutions unanimously:

- (1) **RESOLVED that** the Management of Malek Spinning Mills Limited (MSML) be and is hereby authorized to execute the proposal of purchase of 55.00 (Bigha) i.e 1,815.00 decimal land at a consideration of approximately Tk.55.00 crore at Bhaluka, Mymensingh from its Directors/Related parties on fair market price basis, which may exceed 1% (one percent) or above of the total tangible assets shown in the statement of financial position as of end of the immediate preceding financial year.
- (2) **RESOLVED that** the Board of Directors of the company and the Directors/Related parties (land sellers) hereby give guarantees to the above transaction as per regular terms and conditions and declare that no conflict of interest would arise regarding the transaction.

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Agenda-05. To consider the proposal of the Board of Directors of J. M. Fabrics Limited for purchase of land.

J.M. Fabrics Ltd. a subsidiary Company of Malek Spinning Mills Limited (99.9975% shares held by MSML) had decided to purchase land measuring an area of 954.94 decimals situated at Mouza: Dogri and Bahadurpur, Upazila: Gazipur Sadar, District: Gazipur at a total consideration of approximately Tk.47.70 crore only including registration cost for the future expansion of the business of J.M. Fabrics Limited. The investment of Tk.47.70 crore would be met from internal generation of funds by JMFL. The Company, Malek Spinning Mills Ltd. (MSML) will not be required to provide any funds in this regard.

Agenda-06. To consider the proposal of the Board of Directors of Salek Textile Ltd. for recovery of Insurance claim from Insurance Company.

The decision of the Board of Directors of Salek Textile Limited (STL) a subsidiary Company of Malek Spinning Mills Limited (97.925% shares held by MSML) for recovery of insurance claim for Tk.21,12,88,104.00 as final settlement against the claim was Tk.30,47,91,187.00 for losses by fire at Fabric Unit be and is hereby noted/approved. The above amount will be utilized against repayment of term loan of the company.

Thanking you,


(A. Mahmud Chowdhury)
Managing Director

Copy to:

1. The Chief Regulatory Officer, Dhaka Stock Exchange Ltd. Fax: 880-2-41040096, 41040097
2. The Chief Regulatory Officer, Chittagong Stock Exchange Ltd. Fax: 02333326810