

**NOTICE OF THE
EXTRAORDINARY
GENERAL MEETING**

**SAPPHIRE TEXTILE
MILLS LIMITED**

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the Extraordinary General Meeting of the Shareholders of Sapphire Textile Mills Limited (The "Company") will be held on Thursday, June 15, 2023, at 02: 30 pm at Conference Room 312- Cotton Exchange Building, I. I Chundrigar Road, Karachi as well as through Video Conference (VC), to transact the following business:

Ordinary Business:

1. To confirm the minutes of the last General Meetings held on October 26, 2022 and December 27, 2022.
2. To elect Ten (10) Directors as fixed by the Board for a period of three (3) years in accordance with the provisions of Section 159(1) of the Companies Act, 2017. The name of the retiring Directors are as follows:

1. Mr. Mohammad Abdullah	2. Mr. Shahid Abdullah
3. Mr. Nadeem Abdullah	4. Mr. Amer Abdullah
5. Mr. Yousuf Abdullah	6. Mr. Umer Abdullah
7. Mr. Nabeel Abdullah	8. Mr. Nadeem Karamat
9. Mr. Shahid Shafiq	10. Ms. Mashmooma Zehra Majeed

Special Business

3. To approve by way of ordinary resolutions with or without modification the transmission of Annual Audited Accounts of the company to members through QR enable code and weblink as allowed by Security and Exchange Commission of Pakistan vide its' S.R.O. 389(i)/ 2023 dated March 21, 2023 instead of CD/DVD/USB.
 - (i) **RESOLVED THAT** the consent of the members be and is hereby accorded to circulate the Annual Audited Financial Statements including auditor's report, Directors' report, Chairman's review and other reports contained therein to the Members of Sapphire Textile Mills Limited through QR enable code and weblink.
4. To consider and, if thought fit, pass, with or without modification, the following special resolution to incorporate a new company in Singapore which will be a holding company of Jomo Technologies (Pvt.) Ltd, an associated company.
 - (i) **RESOLVED THAT** the Company be and is hereby authorized to complete legal formalities for incorporation of a holding company of Jomo Technologies (Pvt.) Ltd in Singapore (proposed associated company) with equity investment of 8.83% for consideration other than Cash by way of Share Swap.
 - (ii) **RESOLVED THAT** Mr. Nabeel Abdullah, Director be and is hereby authorized to take necessary steps towards incorporation of a holding company of Jomo Technologies (Pvt.) Ltd in Singapore (proposed associated company) and do all such acts and things as are incidental thereto.

Any other Business:

5. To transact any other business with the permission of the Chair.

Statements under Section 166 (3) and 134 (3) of the Companies Act, 2017 pertaining to the material facts are being sent to the shareholders along with this notice.

By Order of the Board

Karachi
Dated: 24th May, 2023

Zeeshan
Company Secretary

NOTE:

1. The share transfer books of the Company shall remain closed from June 09, 2023 to June 15, 2023 (both days inclusive). Transfers received in order at the office of the Company's Share Registrar i.e., Hameed Majeed Associates (Private) Limited, situated at 4th Floor, Karachi Chambers, Hasrat Mohani Road, Karachi, before the close of business on June 08, 2023 will be treated in time for the purpose of entitlement of attending at the EOGM.
2. All members, whose names appear in the register of members of the Company as on June 08, 2023, are entitled to participate and vote at the meeting.
3. A member of the Company entitled to attend and vote at the EOGM may appoint another member as his / her proxy to attend, speak and vote for him / her. Proxies in order to be effective must be received at the registered office of the Company not later than 48 hours before the time for holding the EOGM. Copies of the instrument may be obtained from the registered office of the Company during normal office hours. Furthermore, the proxy form can also be downloaded from the Company's website: www.sapphire.com.pk/stml.
4. If proxies are granted by the members, the same must be accompanied by notarized certified copies of the CNICs or the Passports of the beneficial owners. In the case of a corporate entity, the Board of Directors' resolution/power of attorney with specimen signatures of the nominee shall be produced at the time of the meeting.
5. If a member appoints more than one proxy and more than one instrument of proxy is deposited by a member, all such instruments of proxy shall be rendered invalid.
6. In order to comply with the directives of the Securities and Exchange Commission of Pakistan, including in terms of Circular No. 4 of 2021, the Company has also arranged video conference facility for those members who are interested in participating virtually in the EOGM.

Special arrangements for participating in the EOGM through electronic means will be as under:

- Members who wish to participate virtually in the EOGM are requested to share below information at contact@sapphiretextiles.com.pk not later than 48 hours before the time for holding the EOGM.

Name of shareholder	CNIC Number	Folio/CDC Account Number	Registered Email address	Cell No.

- Video conference link details and login credentials shall be shared with those members whose information has been received through their registered e-mail address within the specified time. Furthermore, the said facility shall be login from the registered email address only.
 - On the day of EOGM, the members will be able to login and participate in the EOGM proceedings through their smart phone or computer devices from any convenient location.
 - The login facility will be opened thirty (30) minutes before the meeting to enable the participants to join the meeting after the identification process and verification process.
7. Members holding shares in physical form, are requested to notify any change in their addresses immediately to the Share Registrar of the Company. Members having shares in their CDC accounts are required to have their addresses updated with their respective participants.
 8. Deposit of physical certificate(s) in CDC Account: As per section 72 of Companies Act, 2017, every company shall be required to replace its physical certificates with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the Companies Act, 2017.

Accordingly, a member having physical shares are encouraged to open a CDC sub-account with a broker or Investor Account directly with CDC to place their physical certificates into scrip less form.

9. In compliance with regulatory directives issued from time to time, members who have not yet submitted copy of their valid CNIC/NTN are requested to submit the same to the Company, with the respective member's folio number mentioned thereon for updating record.
10. An updated list of unclaimed dividends/shares of the Company is available on the Company's website www.sapphire.com.pk/stml. These are unclaimed dividends/shares which have remained unclaimed or unpaid for three years from the date these have become due and payable.
11. Pursuant to Companies (Postal Ballot) Regulations 2018 read with Sections 143 to 145 of the Companies Act, 2017, members can exercise their right to vote through e-voting or postal ballot.
 - a) The schedule and procedure of postal ballot / E-voting will be placed on the company's website i.e., www.sapphire.com.pk/stml before seven (7) days of the meeting.
 - b) In case of Election of Directors, if the number of persons who offer themselves to be elected is more than the number of directors fixed under section 159(1) of the Act, members may also exercise their right to vote through e-voting or postal ballot, as per the requirements and procedures contained in the aforesaid regulation.
12. The Company shall provide a video conference facility to its members for attending the EOGM at places other than the town in which the EOGM is taking place, provided that if members, collectively holding 10% or more shareholding residing at a geographical location, provide their consent to participate in the meeting through video conference at least 7 days prior to date of the EOGM, the Company shall arrange video conference facility in that city, subject to availability of such facility in that city.

In this regard, please fill the following form and submit the same to the registered address of the Company (7) days before holding of the EOGM:

"I/We, _____ of _____ being a member of Sapphire Textile Mills Limited, holder of _____ Ordinary Shares as per registered folio # _____ hereby opt for video conference facility at _____."

Signature of Member

Important for contesting Election of Directors:

Any member who seeks to contest the election to the office of Director shall, whether he/she is a retiring Director or otherwise, file with the Company at its Registered Office not later than fourteen days before the date of the Meeting, the following details/documents:

- i Notice of intention to offer himself/herself for election as a Director in terms of section 159 (3) of the Companies Act, 2017.
- ii Consent to act as a Director on duly signed and completed Form-28 under Section 167(1) of the Companies Act, 2017.
- iii Detailed profile along with his/her office address for placement on Company's website.
- iv Attested copy of valid CNIC/Passport and National Tax Number (NTN).

- v His/her Folio Number/CDC Investor Account Number/CDC Participant ID Number/Sub Account Number. A person must have qualifying shares of the Company at the time of filing of his/her consent to act as Director. The aforesaid qualification shall not be applicable to persons mentioned in provision to Section 153(i) of this Act.
- vi Detail of other directorship and offices held.
- vii Signed declaration to the effect that he/she is aware of duties and powers of Directors under the Companies Act, 2017, Memorandum and Articles of Association of the Company, Rule Book of Pakistan Stock Exchange Limited, the Listed Companies (Code of Corporate Governance) Regulations, 2019 and other relevant laws and regulations.
- viii Signed declaration to the effect that he/she is compliant with requirements and eligibility/qualification criteria as set out in the Companies Act, 2017, Listed Companies (Code of Corporate Governance) Regulations, 2019 and other relevant laws and regulations for appointment as Director/Independent Director of a listed company.
- ix Declaration by Independent Director(s) under Clause 6(3) of the Listed Companies (Code of Corporate Governance) Regulation 2019; and
- x Undertaking on non-judicial stamp paper that he/she meets the requirements of sub-regulation (1) of Regulation 4 of the Companies (Manner and selection of Independent Directors) Regulations, 2018.

STATEMENT UNDER SECTION 166(3) OF THE COMPANIES ACT, 2017

Any person who is eligible under section 153 and meets the criteria under section 166 of the Companies Act, 2017, may submit a nomination to be elected as Independent Director. However, it is noteworthy to mention here that Independent Director shall be elected in the same manner as other directors are elected in terms of section 159 of the Companies Act, 2017. The company shall exercise due diligence before selecting a person from the data bank that the contestant meets the independence criteria as mentioned in Section 166(2) of the Companies Act, 2017.

The list of contesting directors will be published in Newspapers not later than seven days before the date of the said meeting in terms of section 159(4). Further website of the company will also be updated with the required information for each Director.

No Director has direct interest in the above said business except they may contest for election of directors accordingly.

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

Agenda # 3:

Circulation/Dissemination of Annual Audited Financial Statements through QR enabled code and weblink.

In view of technological advancements, and taking into account that old technology is becoming obsolete, SECP vide S.R.O. 389 (I)/2023 dated March 21, 2023, subject to the approval of the members of the Company, has allowed listed companies to circulate the Annual Report including audited financial statements, auditor's report and Directors report, etc to its members through QR enabled code and weblink and also permitted that the circulation of annual financial statements through CD/DVD/USB may be discontinued.

Agenda #4

Jomo Technologies (Pvt.) Limited, associated company of Sapphire Textile Mills Limited due to common directorship with 8.83% shareholding, is an e-commerce company. A holding company of Jomo Technologies (Pvt.) Ltd is proposed to be incorporated in Singapore. The existing shareholding of Sapphire Textile Mills Ltd in Jomo Technologies (Pvt.) Ltd (8.83%) will be swapped by way of Shares Swap with 8.83% shareholding in holding company of Jomo Technologies (Pvt.) Ltd in Singapore. Mr. Nabeel Abdullah, Director of Sapphire Textile Mills Ltd, will also be director in the proposed holding company of Jomo Technologies (Pvt.) Ltd in Singapore.

Statement under Rule 4(2) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017

Company / Date of Resolution	Amount of Investment approved	Amount of Investment made to date	Reason
Sapphire Wind Power Company (SWPCL) Limited 17 th February, 2014 & subsequently amended on 26 th Oct, 2015.	Collateral/security as may be required by the issuing bank to issue a Stand by Letter of Credit (SBLC) in PKR equivalent up to approximately USD 10 Million in order to secure certain obligations of SWPCL.	Nil	This amount was amended in AGM held on 26 th Oct, 2015 in order to secure the obligation of SWPCL in relation to the required balance of the Debt Service Reserve.
Triconboston Consulting Corporation (Private) Limited (TBCCPL), 27 th March 2017	Security / collateral as may be required by the issuing banks in order for the same to issue debt service reserve standby letters of credit together with any replacement standby letters of credit in order to secure the amount up-to USD 24 Million (United States Dollars Twenty-Four Million);.	SBLC = USD 291,147	This amount was approved in the EOGM Dated 27 th March, 2017 and is in the process of implementation as and when required.
Triconboston Consulting Corporation (Private) Limited (TBCCPL), 27 th March 2017	Security / collateral as may be required by the issuing banks in order for the same to issue excess debt standby letters of credit together with any replacement standby letters of credit in order to secure the amount up-to USD 15 Million (United States Dollars Fifteen Million); and.	Nil	This amount was approved in the EOGM Dated 27 th March, 2017 and is in the process of implementation as and when required.
Triconboston Consulting Corporation (Private) Limited (TBCCPL), 27 th March 2017.	To invest by way of loans and advances in the PKR equivalent upto USD 11.3 Million (United States Dollars Eleven Million Three Hundred Thousand) for a period of up-to five (5) years from the commercial operations date of the last of the three (approximately) 150MW wind power project, and to arrange and deliver: (i) standby letters of credit together with any replacement standby letters of credit in order to secure the Available Contingency Commitment Amount, in favour of the agent/security trustee.	Nil	This amount of loan was approved in the EOGM Dated 27 th March, 2017 and is in the process of implementation as and when required.

Material Changes in Financial Statements of Associated Company

1. Sapphire Wind Power Company Limited

The Company is 70% owned by Sapphire Textile Mills Ltd and 30% by Bank Alfalah Limited. The Company has set up a wind farm with capacity of 52.80 MW at Jhimpir Sindh, which started Commercial operations in Nov 2015 – the project is operating following best industry practices and is yielding satisfactory results.

Financial Results	Financial Year Ended June 30, 2022 Rupees	Financial Year Ended June 30, 2021 Rupees	Financial Year Ended June 30, 2016 Rupees
Net Sales	3,799,025,266	3,012,817,111	1,584,896,926
Gross Profit	2,468,368,601	1,715,180,871	1,020,332,620
Profit Before Tax	2,041,321,505	1,236,705,165	678,614,077
Profit After Tax	2,038,017,669	1,236,705,165	678,235,929

2. Triconboston Consulting Corporation (Private) Limited

Triconboston Consulting Corporation (Private) Limited was incorporated under the laws of Pakistan and operating (3) three projects (Project A, Project B and Project C) having capacity of 49.735 MW each in Jhimpir Sindh. The Company has achieved Commercial Operations Date ('COD') on August 16, 2018, September 14, 2018 and September 11, 2018 by Project A, Project B and Project C respectively. The projects are operating following best industry practice and is yielding satisfactory results.

Financial Results	Financial Year Ended June 30, 2022 Rupees	Financial Year Ended June 30, 2021 Rupees	Financial Year Ended June 30, 2017 Rupees
Net Sales	11,814,570,375	9,203,400,224	-
Gross Profit /(Loss)	8,361,189,562	5,844,000,975	(93,798,217)
Profit / (Loss) Before Tax	6,608,971,350	4,146,851,260	(94,039,713)
Profit /(Loss) After Tax	6,576,681,639	4,120,734,125	(95,055,582)

نوٹس برائے غیر معمولی اجلاس عام

1 26 اکتوبر 2022 کو ہونے والے گزشتہ اجلاسوں، عامہ کارروائی کے انعقاد اور

- خصوصی امور

(۱) قرار پایا کہ اراکین کی طرف سے سٹائز ٹیکسٹائل ملز لمیٹڈ کے اراکین کو کیو آف اور دیپ لنک کے ذریعے کمپنی کے سالانہ ہسٹل شدہ مالی گوشواروں بشمول آڈیٹرز رپورٹ، ڈائریکٹرز رپورٹ، چیئرمین کا جائزہ اور دیگر رپورٹس کی ترسیل کی منظوری دی جاتی ہے۔

- کراچی

سکرٹریز

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2 تمام اراکین جن کے نام 8 جون، 2023ء تک جلی کے راج میں درج ہوں گے اجلاس میں شرکت اور رائے دی کے اہل ہوں گے۔

3 غیر معمولی اجلاس عام میں شرکت اور رائے دی کا ایک ایجنڈا کیلئے دوسرے نمبر کو انبار کو مقرر کر سکتا ہے۔ یہ اجلاس ہر کوئی عام اور راجہ ایجنڈا کے انعقاد سے کم از کم ایک ماہ (48) گھنٹے قبل کیجئے، گرجا آفس میں، راجہ

- یہ سرکاری اجلاس عام میں بدلیا گیا ہے تاکہ سروسز کے کسی سسٹم کو نقصان نہ ہو اور اجلاس عام ہر آٹھ ماہ کے بعد ہوتا ہے۔ اگر آپ کو اس کے بارے میں سب سے زیادہ معلومات چاہیں تو contact@sapphiretextiles.com.pk پر ارسال کریں

* کہنی کے چھمی حصص یا فینچان کی طرف سے ان کے رجسٹریڈ ای میل ایڈریس سے مندرجہ بالا معلومات کی بروقت موصولی پر کہنی ان کے ای میل ایڈریس پر لاگ ان تخصیصات ارسال کر دے گی۔ مذکورہ سہولت سے رجسٹریڈ ای میل ایڈریس سے الاگ ان کی جائے گی۔

انتخاب لڑ

(۱) کمپینز ایکٹ 2017 کا دفعہ (3) 159 کے تحت ڈائریکٹر کے عہدے

(ii) کمپنیز ایکٹ 2017 کی دفعہ 167 کے تحت فارم 28 پر رضامندی کے ساتھ ڈائریکٹر کی حیثیت سے کام کرنے پر رضامندی کا اظہار۔

- (viii) دیکھنا کہ 2017 سالہ پھیلاؤ ایکٹ 2019 اور دیگر متعلقہ قوانین اور ریگولیشنز میں درج شدہ پھیلاؤ کے ذرائع اور اثرات کیلئے نئے اور موزوں معیار پر پورا اترتا ہے۔

کمپنیز ایکٹ 2017 کی دفعہ (3) 166 کے تحت بیان

ڈائریکٹر کا انتخاب لڑنے والوں کی ختمی فہرست دفعہ (4) 159 کے مطابق، غیر معمولی اجلاس عام کے افتتاح کی تاریخ سے

کسی بھی ڈائریکٹر کی مذکورہ کارروائی میں براہ راست دلچسپی نہیں ہے سوائے اس کے کہ وہ اس کے مطابق ڈائریکٹرز کے انتخاب میں حصہ لے سکتے ہیں۔

کیوبا، کوکڑا اور یوپی لنک کے ذریعے سالانہ تجارتی شدہ مالی گوشواروں کی ترسیل / تقسیم

ایجنڈا نمبر 4

سہماڑی کے مسائل حلزولینڈ کی منسلک کمپنی جو مینیکوٹا لوجسٹکس (پرائیویٹ) لمیٹڈ، 8.83% فیصد شیئر ہولڈنگ کے ساتھ مشترکہ انڈیکسٹر شپ کی وجہ سے ایک اعلیٰ کامرس کمپنی ہے۔ جو مینیکوٹا لوجسٹکس (پرائیویٹ) لمیٹڈ کی ایک ہولڈنگ کمپنی کو سٹاک ہاؤس میں قائم کرنے کی تجویز دی گئی ہے۔ جو مینیکوٹا لوجسٹکس (پرائیویٹ) لمیٹڈ

کمپنیز (انویسٹمنٹ ان ایسوسی ایٹڈ انڈر ٹیکنگز) ریگولیشنز مجریہ 2017ء کے قاعدے 4(2) کے تحت بیان

منسلکہ کمیٹی کے مالی گوشواروں میں ٹھوس تبدیلیاں

- | | | | |
|---------------------------------|---------------------------------|---------------------------------|----------------|
| 30 جون 2016ء سے 30 جون 2016ء تک | 30 جون 2021ء سے 30 جون 2021ء تک | 30 جون 2022ء سے 30 جون 2022ء تک | مجموعی سالانہ |
| 1,584,896,926 | 3,012,817,111 | 3,799,025,266 | مناصرت اور وقت |

678,614,077	1,236,705,165	2,041,321,505	منافع من الارض
678,235,929	1,236,705,165	2,038,017,669	منافع بعد الخصومات