



AZGARD-9

May 15, 2008

The General Manager
 Karachi Stock Exchange (g) Limited
 Stock Exchange Building
 Stock Exchange Road
 Off I.I.Chundrigar Road
Karachi

MATERIAL INFORMATION

This is to inform that the State Bank of Pakistan has permitted Azgard Nine Limited to remit Euro 23.758 Million for acquisition of foreign company which has ownership of registered brands. The acquisition will be completed through acquisition of 100% stake of FARITAL AB, a special purpose vehicle/holding company, which is incorporated under the laws of Sweden. FARITAL AB, is currently holding 100% stake of MONTEBELLO ("Target Company"), a company incorporated under the laws of Italy with their offices located in Verona, Italy. Therefore, once Azgard acquires FARTITAL AB, it will have the 100% ownership of Target Company as well.

The Target Company is a specialist in the global denim space supplying many different types of special denim. It markets and sells the same under its own registered trade marks (brands). It has a global distribution network through own sales force and brand- exclusive agents. Approximately 85 % of the sales are in the PAN European market. It has also invested significant amounts in Research & Developments and in 2005 has registered an international patent on a particular process for controlling the dyeing of Denim products. It is expected that as a result of acquisition of Target Company, Azgard 9 will be able to increase its annual export by 20% per annum each year with higher value addition and profit margins.

Through this acquisition Azgard Nine will become the first Multinational Branded Textile/Apparel business in Pakistan. The Indians and the Chinese have successfully following such a strategy. We believe its time for "Made in Pakistan" to stand up and be counted with pride, internationally.

Once the acquisition process is completed, we will inform the Exchange accordingly.

Thanking you

Yours faithfully
 For Azgard Nine Limited



(Muhammad Ijaz Haider)
 Company Secretary



Azgard Nine Limited

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