



PAKISTAN STOCK EXCHANGE LIMITED

PSX/N-1338

NOTICE

October 22, 2019

Reproduced hereunder letter dated October 16, 2019 received from **SAPPHIRE TEXTILE MILLS LIMITED** alongwith the relevant details/information pertaining to issuance of Right letters by the Company and the schedule of trading, for information of all concerned.

212-Cotton Exch. Building,
I.I Chundrigar Road, Karachi (Pakistan)
UAN: +92 21 111-000-100 Fax: +92 21 32416705

7-A/K, Main Boulevard, Gulberg-II,
Lahore (Pakistan)
UAN: +92 42 111-000-100 Fax: +92 42 35817583



Sapphire Textile Mills Limited

October 16, 2019

The Deputy General Manager,
Trading & TREC Holder's Affairs
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road,
Karachi.

Sub: 8% Right Issue at a Premium of Rs. 390 (i.e. Rs. 400) Per Share

Dear Sir,

With reference to our application for issuance of Right Shares, we hereby further confirm as under:

We shall abide by the CDC and PSX procedures relating to Right Shares and shall deposit the unpaid right in (Book Entry) within the time frame as stipulated under the CDC procedures letter OPS/RS/2016-64 as well as PSX Regulations.

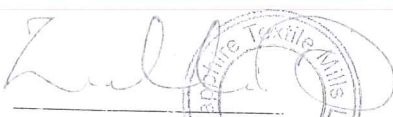
The payment of unpaid Right Letter will be made by cash or crossed cheque or demand draft or pay order made out to the credit of "SAPPHIRE TEXTILE MILLS LIMITED - RIGHT SHARES SUBSCRIPTION ACCOUNT" through all branches of Habib Bank Limited in Pakistan as per tentative schedule submitted to you.

The Shareholders holding shares of the Company in physical form should please note that under the CDC Applicable Right Shares procedure, physical shareholder can renounce his / her letter of right (LOR) by routing through his / her own CDS IAS Account / Sub-Account to a shareholder who is the IAS account holder or sub account holder with CDC and no credit of Right Share will be allowed in book entry for against subscription of physical Letter of Right (LOR).

We shall request you to please approve the letter of intimation, Letter of Right to Physical Shareholders, Schedule I to the Companies (Further Issue of Shares), Regulations, 2018 and the tentative schedule of right issue and Right Subscription Request which were earlier provided to you.

Should you need any other documentation / information, please contact the undersigned.

Thanking you.
Yours truly,


Company Secretary



Sapphire Textile Mills Limited

REGISTERED OFFICE: 212 – Cotton Exchange Building, I.I. Chundrigar Road, Karachi
Telephone+92 (21) 111-000-100, URL: <http://www.sapphire.com.pk/stml>

R-03

COMPANY SHARES REGISTRAR: M/s Hameed Majeed Associates (Private) Limited 4th Floor Karachi Chambers Hasrat Mohani Road, Karachi,
Tel: 021-32424826 & 021-32469573, URL: www.hmaconsultants.com

INTIMATION LETTER REGARDING RIGHT ENTITLEMENT

IMPORTANT NOTES AND INSTRUCTIONS ARE GIVEN ON PAGE 2, WHICH SHOULD BE CAREFULLY READ AND FOLLOWED
ISSUE OF 1606,651 ORDINARY SHARES (8%) OF RS. 10/- EACH TO BE ISSUED AT RS. 400/- PER SHARE (INCLUDING SHARE PREMIUM OF RS. 390
PER SHARE) PAYABLE IN FULL ON ACCEPTANCE ON OR BEFORE 29-11-2019

NAME AND ADDRESS OF SHAREHOLDER(S)	JOINTHOLDER(S)

Dear Shareholder(s),
In accordance with the provisions of Section 83 of the Companies Act, 2017 and the provisions of the Companies (Further Issue of Shares) Regulations, 2018 and the decision of the Board of Directors of the Company, we are pleased to inform you that your Right Shares in the ratio of 8 (Eight) Right Offers for every 100 (Hundred) Shares/ Certificate(s) registered in your name as at the close of business on 18th October, 2019 have been credited into your CDS Account.. Thus, physical Letter of Offer is not required to be issued to you.

CDS Account #	No. of securities	Right Offer credited*

*This Right Offer is now available for trading & settlements in book entry form as per scheduled dates of trading i.e. from 31-10-2019 to 22-11-2019.

The Right offer (at the rate of Rs. 400 per share) must be accepted and paid for in full to the extent of such subscription on or before 29-11-2019. For the purpose of exercising the Right Offer, you will have to request the CDC participant / Investor Account Services (IAS) department (on behalf of IAS account holders) to initiate Right Subscription Request transaction into CDS on your behalf. Upon execution of right subscription request, CDC participant / IAS department will provide two copies of Right Subscription Request printouts to you to make the payment with authorized banker(s) to the Rights Issue for shares as mentioned in the right subscription request printout.

The Right shares are being offered at Rs. 400 per share which is less than the average of the preceding twelve week price of share of the Company at Pakistan Stock Exchange further the breakup value and as well as the current market price of the Company justifies the Right price at a premium.

If any Right Offer is not taken up by the CDS account holder on or before 29-11-2019, then these Right Offers shall be deemed to have declined by you and will be treated as cancelled. In that event these will be offered to and taken up as decided by the Board of Directors of the Company as per requirement of Section 83(7) of the Companies Act, 2017.

The fractional right entitlements will be consolidated and sold on the Pakistan Stock Exchange Limited and the proceeds of such sale will be distributed among the shareholders entitled to such fractions in proportion to their respective entitlements in accordance with the procedures of Pakistan Stock Exchange Limited.

Please note that once the Right Subscription Request has been initiated by CDC Participant / IAS Department into CDS, Right Offer to the extent included in such request will be blocked and therefore cannot be traded further.

Please also note that Ordinary Shares against paid Right Subscription Request will be credited into your respective CDS account within 14 Calendar days from the last payment date.

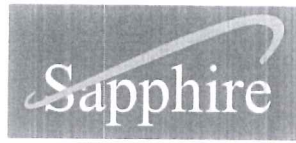
A schedule 1 of Companies (further issue of Shares) Regulation, 2018 along with trading and payment details are enclosed.

Yours sincerely

Chief Executive Officer

Director

Karachi
Date: _____, 2019



Sapphire Textile Mills Limited

REGISTERED OFFICE: 212 – Cotton Exchange Building, I.I. Chundrigar Road, Karachi
Telephone+92 21 111-000-100, URL: <http://www.sapphire.com.pk/stml>

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Tel: 021-32424826 & 021-32469573, URL: www.hmaconsultants.com

OFFER LETTER REGARDING RIGHT ENTITLEMENT

PAYMENT OF RIGHT OFFER BY CDS ACCOUNT HOLDERS

Details of Trading, Subscription and Credit of Right securities for CDS Account holders:

Activities	Date
Subscription of Right Offer start date	31-10-2019
Date of commencement of trading of unpaid right at Pakistan Stock Exchange	31-10-2019
Last date of trading of unpaid right	22-11-2019
Last date of subscription of Right Offer	29-11-2019
Date of credit of right securities into CDS	19-12-2019

PAYMENT PROCEDURES:

1) **BANKER(S) TO THE RIGHT ISSUE:**

- Habib Bank Limited A/C No: 00427991933903

2) **EXERCISING THE RIGHT OFFER IN CDS:**

- For subscription of Right Offer, CDS account holder will request in writing to his/her CDC participant / IAS Department to initiate Right Subscription Request into CDS on his/her behalf and CDC participant / IAS Department will provide him/her two copies of Right Subscription Request printouts enabling him/her to make the payment with authorized banker(s) to the Right Issue.
- Right Subscription Request can be initiated for full or partial Rights Offer.

3) **PAYMENT:**

- Payment as indicated on **Right Subscription Request** should be made by cash or crossed cheque or demand draft or pay order made out to the credit of "**Sapphire Textile Mills Limited - Right Shares Subscription Account**" through any branch of Banker(s) to the issue on or before 29-11-2019 along with Right Subscription Request duly filled in and signed by the subscriber(s).
- In case of Non-Resident Pakistani / Foreign shareholder, the demand draft of equivalent amount in Pak Rupees should be sent to the Company Secretary, Sapphire Textile Mills Limited at the registered office of the company along with Right Subscription Request (both copies) duly filled and signed by the subscriber(s) with certified copy of NICOP / Passport well before the last date of payment.
- All cheques and drafts must be drawn on a bank situated in the same city where Right Subscription Request is deposited. Cheque is subject to realization.
- The Bank will not accept Right Subscription Request delivered by post which may reach after the closure of business on 29-11-2019, unless evidence is available that these have been posted before the last date of payment.

4) **ACCEPTANCE OF PAYMENT THROUGH RIGHT SUBSCRIPTION REQUEST:**

- Payment of the amount indicated on Right Subscription Request to the Company's Banker(s) to the Issue on or before 29-11-2019 shall be treated as acceptance of the Right Offer.
- Two copies of Right Subscription Requests should be handed over to the Company's Banker(s) to the Issue intact. Client's copy of Right Subscription Request will be returned to the subscriber whilst Issuer's copy will be retained by the Banker for onward transmission to the Company. The Client's copy must be preserved and retained safely by the subscriber.

(4)

Sapphire Textile Mills Limited

Schedule for Issuance of Letter of Rights

Book Closure: From 19.10.2019 to 25.10.2019 (both days inclusive)

	Procedure	Day	Date
1	Date of credit of unpaid Rights into CDC in Book Entry Form	Monday	28.10.2019
2	Dispatch of Letter of Right (LOR) to physical shareholders	Wednesday	30.10.2019
3	Intimation to Stock Exchange(s) for dispatch of physical Letter of Rights	Wednesday	30.10.2019
4	Commencement of trading of unpaid Rights on the Karachi Stock Exchange	Thursday	31.10.2019
5	Last date for splitting and deposit of requests into CDS	Wednesday	13.11.2019
6	Last date of trading of Rights Letter	Friday	22.11.2019
7	Last date for acceptance and payment of shares in CDC and physical form	Friday	29.11.2019
8	Allotment of shares and credit of book entry of shares into CDC	Thursday	19.12.2019
9	Date of dispatch of physical shares certificates	Friday	27.12.2019
10	Date of dispatch of physical shares certificates	Friday	27.12.2019