

316, Cotton Exchange Building,  
I.I.Chundrigar Road, Karachi (Pakistan)  
UAN:92 021 111000100 Fax: 92 021 32416705  
E-mail: contact@sapphiretextiles.com.pk



**Sapphire Fibres Limited**

7-A/K, Main Boulevard, Gulberg-II,  
Lahore (Pakistan)  
UAN: 92 042 111 000 100 Fax: 92 042 35758783, 35713753

**SAPPHIRE FIBRES LIMITED  
NOTICE OF EXTRA ORDINARY GENERAL MEETING**

NOTICE IS HEREBY GIVEN THAT an Extra Ordinary General Meeting of SAPPHIRE FIBRES LIMITED will be held at Trading Hall, Cotton Exchange Building, I.I.Chundrigar Road, Karachi on Tuesday the 24th day of March, 2015 at 04:00 p.m. to transact the following business:

**ORDINARY BUSINESS:**

1. To confirm the minutes of the last General Meeting of the shareholders.

**SPECIAL BUSINESS:**

2. To consider and, if thought fit, pass the following Special Resolution with or without modification(s):-
  - a) **“Resolved That** pursuant to the requirements of Section 208 of the Companies Ordinance, 1984, the Company be and is hereby authorized to make further Long Term Equity Investment up to Rs. 245.00 Million (Rupees Two hundred forty five Million Only) by way of purchase of upto 12,000,000 shares of Sapphire Electric Company Limited (SECL from the existing shareholders at a price not exceeding Rs. 20.40 per share in one or more tranches within three (3) years. The said investment will enhance the Equity Investment of the Company in SECL up to Rs.3,260 Million”
  - b) **Further Resolved That** the Chief Executive of the company be and is hereby authorized to take all necessary actions which may be required for the purchase of said ordinary shares of Sapphire Electric Company Ltd.

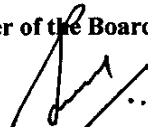
A Statement under Section 160(1) (b) of the Companies Ordinance, 1984, along with the information required under Clause (a) of sub-regulation (1) of Regulation 3 of Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2012 is annexed to the Notice of the Meeting send to the shareholders.

**OTHER BUSINESS:**

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

Karachi.  
Dated : 26th February, 2015

By order of the Board

  
(SHAUKAT MAHMUD)  
Secretary

**NOTE**

1. The share transfer books of the Company will remain closed and no transfer of shares will be accepted for registration from 18th March, 2015 to 24th March, 2015 (both days inclusive).
2. A member entitled to attend and vote at this meeting is entitled to appoint another member/any other person as his/her proxy to attend and vote.
3. Duly completed instrument of proxy, and the other authority under which it is signed, thereof, must be lodged with the secretary of the company at the company's registered office 316, Cotton Exchange Building I.I.Chundrigar Road, Karachi at least 48 hours before the time of the meeting.

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4. Any change of address of Members should be immediately notified to the company's share registrars, THK Associates (Private) Limited, Second Floor, State Life Building No:3, Dr. Ziauddin Ahmed Road, Karachi.
5. The CDC account holders will further have to follow the under-mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan:
  - A. For attending the meeting:
    - i) In case of individual, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per Regulations, shall authenticate his identity by showing his original computerized national identity card (CNIC) or original passport at the time of attending the meeting
    - ii) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced at the time of the meeting.
  - B. For appointing proxies:
    - i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall submit the proxy form accordingly.
    - ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
    - iii) Attested copies of CNIC or the passport.
    - iv) The proxy shall produce his/her original CNIC or original passport at the time or meeting.
    - v) In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted along with proxy form to the company.
6. Accounts of the company for the year ended June 30, 2014 has been provided on the website [www.sapphire.com.pk/sfl](http://www.sapphire.com.pk/sfl)

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### STATEMENT OF MATERIAL FACTS UNDER SECTION 160(1) (B) OF THE COMPANIES ORDINANCE, 1984 REGARDING SPECIAL BUSINESS

Sapphire Electric Company Limited (SECL) is a public limited company formed for the purpose of Electric Power Generation and supply business. It is a subsidiary Company of Sapphire Fibres Limited (SFL) having Authorized Capital of Rs.4,500,000,000 divided into 450,000,000 shares of Rs.10 each and the Issued and Paid-Up Capital of the SECL is Rs.4,240,213,570 divided into 424,021,357 ordinary shares of Rs.10 each. Four (4) Directors of SECL are also the Directors in SFL. Other information as required under S.R.O No. 27(1)/2012 dated January 16, 2012 Companies (Investment in Associated Companies Undertakings) Regulation 2012 is as under:

(i)	Name of the associated company or associated undertaking along with criteria based on which the associated relationship is established	Sapphire Electric Company Limited (SECL) is a Subsidiary Company of Sapphire Fibres Limited. SFL holds 67.83% shares of SECL and have common directors.
(ii)	Purpose, benefits and period of Investment	Long Term Equity Investment, benefit is to earn better returns and is a strategic investment.
(iii)	Maximum Amount of the Investment	Rs.245,000,000/- for purchase of 12,000,000 shares at Rs.20.40 each. The Company has already invested Rs.3,015 million and now approval for investment of Rs.245 million is required.
(iv)	Maximum Price at which securities will be acquired	Rs.:20.40 per share
(v)	Maximum Number of Securities to be acquired	12,000,000 shares of SECL.
(vi)	Number of securities and percentage held before and after investment	<b>Before Investment</b> 287,618,348 Ordinary shares of Rs.10 each (67.83%)  <b>After Investment</b> 299,618,348 Ordinary shares of Rs.10 each (70.66 %)
(vii)	In case of investment in listed securities, average of the preceding twelve weekly average price of the security intended to be acquired;	Not Applicable
(viii)	Fair market value of these securities	SECL is an unlisted Company. Fair Market Value of securities is Rs. 20.40 per Share.
(ix)	Break-up value of securities intended to be acquired on the basis of latest audited financial statements	Rs.15.54 per Share

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(x)	Earnings per share of the associated company or associated undertaking for the last three years	Earnings per share for the year: 2014 - Rs.2.44 2013 - Rs.3.48 2012 - Rs.2.18
(xi)	Sources of funds from which shares will be acquired	Internally Generated Funds
(xii)	Where the securities are intended to be acquired using borrowed funds,- (I) justification for investment through borrowings; and (II) detail of guarantees and assets pledged for obtaining such funds;	I) Not Applicable  II) Not Applicable
(xiii)	Salient features of all agreements	Not Applicable
(xiv)	Interest of directors, majority shareholders and their relatives	Mr. Mohammad Abdullah, Mr. Shahid Abdullah, Mr. Nadeem Abdullah & Mr. Amer Abdullah, Directors of the Company are also Directors of M/s Sapphire Electric Company Limited; however, they have no direct or indirect interest except to the extent of shareholding in the investing company.
(xv)	Any other important details necessary for the members to understand the transaction	The company will purchase these shares from the existing shareholders.
(xvi)	Description of the project and its history since conceptualization.	SECL was incorporated on January 18, 2005 to build, own, operate and maintain a combined cycle dual fuel power project of 212 M.W which has been in commercial operation since October 05, 2010 and is a profitable project.
(I)	Starting and expected date of completion of work	The project is already in operation.
(II)	Time by which such project shall become commercially operational	N/A
(III)	Expected time by which the project shall start paying return on investment	The project is already in operation and has a history of paying dividend.

As per the disclosure requirement of Para 4(1) of the Companies (Investment in Associated Undertakings) Regulations, 2012, it is informed that the following directors of the company are also the directors in the investee company; however, they have no direct or indirect interest except to the extent of shareholding in the investee company:

Mr. Mohammad Abdullah  
Mr. Shahid Abdullah  
Mr. Nadeem Abdullah  
Mr. Amer Abdullah