

April 21, 2016
SPLC/Secy/02/Apr/2016.

The Secretary
Pakistan Stock Exchange (G) Ltd
Karachi

Dear Sir,

This is to inform you that Saudi Pak Industrial & Agricultural Investment Company (SAPICO) Islamabad, a public Limited Company vide their letter No. PMD-0353/16 dated Feb 04, 2016 under signatures of Sheikh Aftab Ahmad-SVP PMD and addressed to 'Company Secretary SPLC' has required us to intimate the PSX about their 'Termination of the Shareholder Agreement dated May 26, 1997' under the disclosure of material information. Copies of their letters dated 04/02/16 and 27/01/16 are enclosed herewith for your reference and review.

Please note that subject agreement as quoted by SAPICO Islamabad and required by them for reporting to PSX is not under the knowledge/information of SPLC, a legal and corporate independent entity, as it is not considered or approved by SPLC Board and AGM etc. This position was also clarified to SAPICO Islamabad vide SPLC reply letter dated Feb 08, 2016 (Copy enclosed). It is further clarified that SPLC has not been provided by SAPICO Islamabad, a copy of this reported Agreement and NOCs etc obtained by SAPICO if required under their governing Regulations from SBP, SECP, Competitive Commission of Pakistan etc., etc.

In view of position explained above, we are therefore forwarding you the requirement as raised by SAPICO-Islamabad for notification at PSX and other necessary actions at your end if any.

Kind Regards,



Zahiruddin Kazi
Acting Company Secretary

C.C. 1) **Mr. Zafar Abdullah.**
Commissioner
Securities & Exchange Commission of Pakistan
NIC Building, Blue Area, Islamabad.

- 2) **Mr. Shahid Naseem**
Executive Director
Securities & Exchange Commission of Pakistan
5th Floor State Life Building # 2,
I.I. Chundrigar Road
Karachi.

- 3) **Mr. Shaikh Aftab Ahmad**
SVP – PMD
Saudi Pak Ind. & Agr. Inv Company
17th Floor Saudi Pak Tower,
61-A, Jinnah Avenue, Blue Area
Islamabad.

- 4) **Company Secretary**
Saudi Pak Ind & Agr Investment Company
19th Floor Saudi Pak Tower,
61-A, Jinnah Avenue, Blue Area
Islamabad.





SAUDI PAK INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED

الشركة السعودية للصناعات والاستثمارات الزراعية المحدودة

WITHOUT PREJUDICE

Ref. No. PMD/SPLC/257/2016

TCS

Date: January 27, 2016

1. Mr. Ihsan ul Haq Piracha
Piracha House, House No. 276
Gomal Road, Sector E-7
Islamabad (representing Piracha Group).
2. The Chief Executive Officer
Premier Mercantile Services (Private) Limited
2nd Floor, Business Plaza, Mumtaz Hassan Road,
Karachi.

Handwritten notes:
1-2-16
GM
Zakheer

Subject: Notice of Termination of the Shareholders' Agreement dated 26 May 1997 of Saudi Pak Leasing Limited.

Dear Sirs,

This is with reference to the Shareholders' Agreement dated 26 May 1997 (the "Shareholders Agreement") by and between Saudi Pak Industrial and Agricultural Investment Company Limited ("Saudi Pak"), Mr. Ihsan ul Haq Piracha representative of Piracha Group ("Piracha Group") and Premier Mercantile Services (Private) Limited ("PMSL") in connection with the shareholdings in Saudi Pak Leasing Company Limited ("SPLC") and other related matters thereof.

By virtue of the Shareholders Agreement, the parties thereof were required to maintain equity ratio viz-a-viz Saudi Pak at 30%, Piracha Group at 20% and PMSL at 10% by holding shares in SPLC. The audited accounts of SPLC for the year ending June, 2014 envisage that in addition to Preference Shares, equity of Saudi Pak in SPLC raised to 35% whereas equity of Piracha Group was not maintained and reduced to 14.77% instead of 20% besides 10% equity of PMSL. SPLC is facing liquidity crunch since long. License of the SPLC has also been suspended by SECP since 2010. No serious efforts were made by Piracha Group and PMSL for the revival of SPLC and Saudi Pak was deliberately left alone to encounter the strategic challenges for rehabilitation of SPLC. It is matter of record that it was Saudi Pak alone who injected equity in SPLC more than the agreed terms of the Shareholders Agreement and borne huge financial cost. In addition a huge amount of Saudi Pak stuck in preference shares of SPLC is also at stake.

It is also relevant to mention, that despite repeated requests neither Piracha Group nor PMSL have attempted for rehabilitation of SPLC by injecting more equity, meeting minimum capital requirement (MCR) and getting the License of SPLC restored. Both Piracha Group and PMSL were showing no interest in strategic planning for the revival of SPLC besides assisting in running the affairs of SPLC smoothly. Representatives of both the groups also avoided: (i) to sign the minutes of the meeting of the shareholders of the SPLC held at Islamabad on 19 January 2015 despite written reminders of Saudi Pak; (ii) to allow Saudi Pak to implement the decisions taken in the said meeting, particularly to sign and execute the amendment in the Shareholders Agreement and to inject fresh equity in SPLC being its major shareholders or in alternate to identify strategic investor/buyer of SPLC. In this manner, efforts of Saudi Pak for rehabilitation of SPLC were hampered.

SPLC	
Dairy No.	427
Time:	10:30

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SAUDI PAK INDUSTRIAL AND AGRICULTURAL
INVESTMENT COMPANY LIMITED

CONTINUATION SHEET..... 2

In view the above, the Shareholders Agreement has gone unenforceable. Therefore, Saudi Pak hereby terminates the Shareholders Agreement effective 27.01.2016 (the "Termination Date"). Saudi Pak shall not be bound to act under the terms and conditions of the Shareholders Agreement from the Termination Date.

It is however relevant to mention here that this termination notice is without prejudice to the legal rights and remedies available to Saudi Pak to safe-guard its interest. Nothing in this notice shall be construed to waiver regarding exercise of any rights or legal remedies available to Saudi Pak under the laws.

Sincerely,

For and on behalf of
Saudi Pak Industrial and Agricultural
Investment Company Limited
(thru. authorized representative)

(Sheikh Aftab Ahmad)
SVP/Head-Portfolio Management Division

✓ Cc to the Company Secretary, SPLC, 6th Floor, Lakson Square Building No.1, Sarwar Shaheed Road, Saddar, Karachi.



SAUDI PAK INDUSTRIAL AND AGRICULTURAL
INVESTMENT COMPANY LIMITED

الشركة السعودية للاستثمار الصناعي والزراعي المحدودة

Ref: PMD-0353/16

Date: Feb 4, 2016

Ref:.....

Date:.....

Company Secretary
Saudi Pak Leasing Company Limited
6th Floor, Lakson Square Building No1,
Sarwar Shaheed Road, Saddar
Karachi.

Fax/Courier

Re: Termination of the Shareholder's Agreement dated 26 May 1997 of Saudi Pak Leasing Company Limited – Disclosure of material information

Dear Sir,

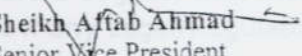
Please refer to Saudi Pak letter No.PMD/SPLC/284/2016, dated January 27, 2016 on the above subject.


In the above context we understand that Saudi Pak Leasing Company Limited (SPLC) has not disclosed the contents of the abovementioned letter to the Pakistan Stock Exchange.

We are of the considered view that our above referred letter dated Jan.27 2016 contains material information regarding the termination of SPLC's Shareholder's Agreement dated 26 May 1997 which in accordance with listing Regulations of Pakistan Stock Exchange needs to be shared with shareholders of the SPLC.

You are requested to please look into the above and take necessary action in the matter in line with listing regulations of Pakistan Stock Exchange/ Companies Ordinance 1984.

Regards,


Sheikh Affab Ahmad
Senior Vice President
Portfolio Management Division


Zaheruddin Yaqub
Company Secretary

L E A S I N G

SAUDI PAK LEASING COMPANY LIMITED

Mr. Aftab Sheikh
Senior Vice President
Portfolio Management Div,
Saudi Pak Ind & Agricultural
Investment Company Limited,
61-A, Jinnah Avenue
Saudi Pak Tower
Islamabad.

Date: February 08, 2016

Fax/Courier

**Sub: Termination of the Shareholder's Agreement dated May 26, 1997-
Discloser of material information.**

Dear Sir,

Please refer to your letter No.PMD-0353/16 dated Feb 4, 2016 on the above subject. In this regard we would like to apprise you as under:

1. SPLC being a public Ltd and listed Company is not aware of any such agreement in between its some shareholders, since company has no information or record of any such agreement.
2. The agreement referred in your letter does not appear to be ever considered or approved by SPLC Board and AGM.
3. Since SPLC has its independent Board and it appears, the matter has never been considered and approved by its Board and nor has been considered and approved in its any AGM, we are of the opinion, that SPLC may not require for disclosure of your above referred subject matter to the Pakistan Stock Exchange.
4. In our opinion, the subject agreement referred by you may be a private matter in between two or three shareholders, whereas quite a large number of other shareholders of SPLC may not be aware of the same.

We therefore suggest that matter may kindly be looked by Saudi Pak Islamabad at their end if any Legal/Regulatory requirement is needed to be fulfilled by them.

Regards



Zaheeruddin Kazi
Company Secretary

6th Floor, Laksan Square Building # 1, Sarwar Shaheed Road,
Saddar, Karachi - 74200, Pakistan.
Ph : 111-888-999, 021-35655181-82-83
Fax : (021) 35210678