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**Jubilee Spinning
&
Weaving Mills Ltd.**

AO/08/ /2008

October 25, 2008

Muhammad Ghufan
Deputy General Manger
The Karachi Stock Exchange (Guarantee) Limited
Stock Exchange Building, Karachi.

Dear Sir,

Merger/Amalgamation of Jubilee Energy Limited with and into Jubilee Spinning & Weaving Mills Limited

Please refer to your letter No. KSE/C-30-a-a8550 dated September 23, 2008 on the captioned subject, we are enclosing the following:

- Copy of the resolution passed by the Board of Directors.
- Draft Scheme of Amalgamation/Merger approved by the Board of Director.
- About Swap ratio we justify as

Generally swap ratios are worked out on the basis of average weightage method of break up value of the share, average market value during last year and dividend paid by each company.

In our case break up value per share of Jubilee Spinning and Weaving Mills Limited is negative (Rupees 22.85) as compared to Rupees 12.84 per share of Jubilee Energy Limited. Further Jubilee Energy Limited is unlisted company and no market value can be assigned. Both companies have not paid any dividend during last three years. Keeping in view the status of Jubilee Spinning and Weaving Mills Limited as a listed company, directors and shareholders of Jubilee Energy Limited have scarified by accepting swap ratio of 1=1.

Financial statements of Jubilee Spinning and Weaving Mills Limited were sent along with the scheme of compromises, arrangements and reconstruction for merger. Important information and data regarding Jubilee Energy Limited are given in the scheme. Financial statements have been kept at the registered office for inspection and will also be available in the annual general meeting.

Thanking you

Sincerely yours,

Masood A. Sheikh
Jubilee Spinning & Weaving Mills Limited



Large Blue
Signature
27/10/08

K. M. A.
27/10/08