



KSML/01-2019/508
January 30, 2019

DGM - Company Affairs
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
KARACHI

Director / HOD
Enforcement Department
Securities & Exchange Commission of Pakistan,
NIC Building, 63-Jinnah Avenue,
ISLAMABAD

Commissioner
Securities Market Division
Securities & Exchange Commission of Pakistan,
NIC Building,
Jinnah Avenue, Blue Area
Islamabad

Dear Sirs

DISCLOSURE OF MATERIAL INFORMATION

In accordance with the requirements of the Rule Book of Pakistan Stock Exchange Limited, applicable provisions of the Securities Act, 2015 and the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017 (**"the Regulations"**), KHURSHID SPINNING MILLS LIMITED (**"the Company"**) hereby conveys the following information:

We would like to inform you that a notice of submission of proposed Offer Letter along with necessary enclosures with respect to the acquisition of upto 4,314,150 ordinary shares of the Company in accordance with the Securities Act, 2015 (**"Securities Act"**) and the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017 (**"Regulations"**) has been received by us from BMA Capital Management Limited, who are acting as Manager to the Offer, on behalf of Beacon Impex (Private) Limited.

Moreover, copies of the letter received along with the proposed Offer Letter have been enclosed herewith for your information.

A disclosure form under the Securities Act, 2015 is attached herewith.

You may please inform the members of your Exchange accordingly.

Sincerely
for KHURSHID SPINNING MILLS LIMITED

Ali Mudassar
Company Secretary



ISO 9002 CERTIFIED COMPANY

Registered Office: 133-134 Regency The Mall Faisalabad, Pakistan. Tel: +92-41-2610030, Fax: +92-41-2610027
Mills: 35-Kilometers, Sheikhpura Road, Faisalabad.

URL: www.khurshidgroup.com.pk E-mail: mail@khurshidgroup.com.pk



DISCLOSURE FORM

Faisalabad, 30 January 2019

Name of Company:

KHURSHID SPINNING MILLS LIMITED

Date of Report (date of earliest event reported if applicable):

30 January 2019

Exact name of the Company as specified in its Memorandum:

KHURSHID SPINNING MILLS LIMITED

Registered address of the Company:

133-134, Regency The Mall, Faisalabad

Contact Information:

Company Secretary

KHURSHID SPINNING MILLS LIMITED

Ph: +92-41-2610027, 2610028, 2610030

Disclosure of inside information by the Company in terms of the Securities Act, 2015

"We would like to inform you that a notice of submission of proposed Offer Letter along with necessary enclosures with respect to the acquisition of upto 4,314,150 ordinary shares of the Company in accordance with the Securities Act, 2015 ("Securities Act") and the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017 ("Regulations") has been received by us from BMA Capital Management Limited, who are acting as Manager to the Offer, on behalf of Beacon Impex (Private) Limited.

Moreover, copies of the letter received along with the proposed Offer Letter have been enclosed herewith for your information."

Ali Mudassar

Company Secretary



ISO 9002 CERTIFIED COMPANY

Registered Office: 133-134 Regency The Mall Faisalabad, Pakistan. Tel: +92-41-2610030, Fax: +92-41-2610027

Mills: 35-Kilometers, Sheikhpura Road, Faisalabad.

URL: www.khurshidgroup.com.pk E-mail: mail@khurshidgroup.com.pk

30 January 2019

Mr. Farrukh H. Sabzwari

Chairman
Securities & Exchange Commission of Pakistan,
NIC Building,
Jinnah Avenue, Blue Area
Islamabad

Mr. Muhammad Ghufuran

DGM - Trading
Pakistan Stock Exchange Limited
I.I. Chundrigar Road,
Karachi

Ms. Amina Aziz

Director & Head of Department
Market Supervision & Compliance Department
Securities & Exchange Commission of Pakistan,
NIC Building,
Jinnah Avenue, Blue Area
Islamabad

Company Secretary

Khurshid Spinning Mills Limited
133-134, Regency The Mall,
Faisalabad

Dear Sir / Madam,

SUBJECT: SUBMISSION OF PROPOSED OFFER LETTER WITH RESPECT TO THE ACQUISITION OF UP TO 4,314,150 ORDINARY SHARES (32.7455%) OF KHURSHID SPINNING MILLS LIMITED ("the Target Company")

On behalf of Beacon Impex (Private) Limited, a private company limited by shares incorporated under the laws of Pakistan (the "**Acquirer**"), BMA Capital Management Limited as the Manager to the Offer ("**MTO**") is pleased to submit the proposed Offer Letter along with necessary enclosures to acquire upto 4,314,150 ordinary shares of the Target Company in accordance with the Securities Act, 2015 ("**Act**") and the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017 ("**Regulations**"). The same will be sent to all shareholders of the Target Company except for those who are party to the Share Purchase Agreement (SPA) in accordance with the requirement of Section 117 of the Securities Act.

Yours sincerely,

For and behalf of **BMA Capital Management Limited** (Manager to the Offer):



Zain Abbas
Analyst
Investment Banking



Salman Virani
Senior Vice President, Head
Investment Banking

BMA CAPITAL MANAGEMENT LTD (HEAD OFFICE)

Unitower, Level 8 I.I. Chundrigar Road, Karachi - 74000, Pakistan | Tel: +92 21 111 262 111 | Fax: +92 21 3243 0748
www.bmacapital.com | info@bmacapital.com

PAKISTAN STOCK EXCHANGE (Karachi)

Room 141,
Pakistan Stock Exchange,
Stock Exchange Road,
Karachi-74000, Pakistan
Tel: +92 21 3241 4206
Fax: +92 21 3243 0748

BAHADURABAD: (Karachi)

Office # 3, Mezzanine Floor,
Akber Manzil,
Main Bahadurabad Roundabout,
Karachi, Pakistan
Tel: +92 21 3486 0392-4
Fax: +92 21 3493 1396

ISLAMABAD:

Office # 104, 1st Floor,
Gulistan Khan House Plaza,
Fazal-e-Haq Road, Blue Area,
Islamabad, Pakistan
Tel: +92 51 280 2354-5
Fax: +92 51 280 2356

LAHORE Cavalry

2nd Floor,
74-Commercial Area,
Main Cavalry Ground,
Lahore, Pakistan
Tel: +92 42 3667 6614-20
Fax: +92 42 3661 9912

Lahore Gulberg

Commercial Office
No. 402, 7th Floor,
Mega Tower 63-B,
Main Boulevard,
Gulberg II, Lahore.
Tel: +92 42 3576 2953-7
Fax: +92 42 3576 2958

Sialkot

Plot 16-S-71/A/1, First Floor,
Opposite Christian Memorial
Hospital Paris Road,
Sialkot

Gulshan-e-Iqbal (Karachi)

Commercial Office premises bearing,
B-29 Mezzanine Floor 13/D/1,
Main University Road,
Karachi

Multan

Office No. 607/A, 6th Floor,
The United Mall, Plot No. 74,
Abdali Road, Multan.

Faisalabad

Mezzanine Floor,
State Life Building #2,
Plot No. 833, Liaquat Road
Faisalabad

Gujranwala

Office No. 51, "H" Block,
Ground Floor, Trust Plaza,
Gujranwala.
Tel: +92 35 324 8881

Encl:

Specimen copy of Offer Letter

Specimen copy of Public Offer Acceptance Letter

Specimen copy of authorization to split and conversion of shares certificates

Specimen copy of authority letter for pick-up of excess shares

Copy of Transfer Deed

BMA CAPITAL MANAGEMENT LTD (HEAD OFFICE)

Unitower, Level 8 I.I. Chundrigar Road, Karachi - 74000, Pakistan | Tel: +92 21 111 262 111 | Fax: +92 21 3243 0748
www.bmacapital.com | info@bmacapital.com

PAKISTAN STOCK EXCHANGE (Karachi)

Room 141,
Pakistan Stock Exchange,
Stock Exchange Road,
Karachi-74000, Pakistan
Tel: +92 21 3241 4206
Fax: +92 21 3243 0748

BAHADURABAD: (Karachi)

Office # 3, Mezzanine Floor,
Akber Manzil,
Main Bahadurabad Roundabout,
Karachi, Pakistan
Tel: +92 21 3486 0392-4
Fax: +92 21 3493 1396

ISLAMABAD:

Office # 104, 1st Floor,
Gulistan Khan House Plaza,
Fazel-e-Haq Road, Blue Area,
Islamabad, Pakistan
Tel: +92 51 280 2354-5
Fax: +92 51 280 2356

LAHORE Cavalry

2nd Floor,
74-Commercial Area,
Main Cavalry Ground,
Lahore, Pakistan
Tel: +92 42 3667 6614-20
Fax: +92 42 3661 9912

Lahore Gulberg

Commercial Office
No. 402, 7th Floor,
Mega Tower 63-B,
Main Boulevard,
Gulberg II, Lahore.
Tel: +92 42 3576 2953-7
Fax: +92 42 3576 2958

Sialkot

Plot 16-S-71/A/1, First Floor,
Opposite Chrislan Memorial
Hospital Paris Road,
Sialkot

Gulshan-e-Iqbal (Karachi)

Commercial Office premises bearing,
B-29 Mezzanine Floor 13/D/1,
Main University Road,
Karachi.

Multan

Office No. 607/A, 6th Floor,
The United Mall, Plot No. 74,
Abdali Road, Multan.
Tel: +92 61 457 6611-4

Faisalabad

Mezzanine Floor,
State Life Building #2,
Plot No. 833, Liaquat Road
Tel: +92 41 2612261-5

Gujranwala

Office No. 51, "H" Block,
Ground Floor, Trust Plaza,
Gujranwala.
Tel: +92 55 384 8501-5

OFFER LETTER

Date: 15 March 2019

To: [Name of the eligible shareholder]

SUBJECT: PURCHASE OF SHARES OF KHURSHID SPINNING MILLS LIMITED

Dear Sir,

1. In pursuance of the Public Announcement of Offer made by Beacon Impex (Private) Limited (the “**Acquirer**”) and published in the daily Nawa-i-Waqt (Urdu) and The Nation (English) Nationwide editions on **30 January 2019 (“Public Offer”)** this is to inform you that we intend to acquire 32.7455% of the total issued capital of Khurshid Spinning Mills Limited, a public listed company incorporated under the laws of Pakistan (the “**Target Company**”) comprising of 4,314,150 Ordinary shares of face/par value PKR 10/- each. Therefore, we are making an offer to you for the acquisition of your _____ shares of the Target Company.
2. By way of necessary background, the Acquirer has entered into a Share Purchase Agreement dated 15 October 2018 (the “**SPA**”) with Mr. Khawaja Amer Khurshid and Khawaja Asem Khurshid (the “**Sponsor Sellers**”) for the purchase of 4,546,500 Ordinary Shares representing 34.5091% of the total issued ordinary share capital of the Target Company (“**Sponsors Sale Shares**”) at an aggregate sale price of PKR 9,093,000/- (Rupee nine million ninety three thousand only) calculated at the rate of PKR 2/- per ordinary voting share. Thus, pursuant to the Securities Act, 2015 (the “**Act**”) and the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017 (“**Regulations**”), the Acquirer is offering to acquire by way of public offer 4,314,150 (32.7455%) Ordinary Shares having a par value of Rupees 10/- each (the “**Public Shares**”) in the Target Company from shareholders on the terms set out in the Public Offer and summarized below.
3. In pursuance of our obligations under the Act and the Regulations, you are hereby, being made an offer to sell your _____ shares of Target Company at **PKR 2/- per share** to the Acquirer. In accordance with sub-section (2) of Section 112 of the Act, in case the numbers of voting shares offered for sale by shareholders are more than the voting shares to be acquired by the Acquirer, the Acquirer shall, in consultation with the Manager to the Offer, accept the public offer or offers received from the shareholders on proportional basis. The Public Offer containing detailed information can be viewed at the following websites:

Acquirer – Beacon Impex (Private) Limited:

<http://www.beaconimpex.com/>

Manager to the Offer – BMA Capital Management Limited:

<http://www.bmacapital.com/>

4. This offer is valid until **25 March 2019**. You may accept the offer between **19 March 2019 to 25 March 2019** during business hours from 9:00 am to 5:00 pm by completing and sending the Letter of Acceptance (in the form attached hereto) and providing the complete requisite documents stated therein (including tendering your shares to the Manager to the Offer in the Central Depository Company Account 01826; however, in case of physical shares, the original shares certificates with signed and verified transfer deeds must be submitted to the Manager to the Offer, whose contact details are provided below, by or before 5:00 pm on the Closing Date. In the event that the Letter of Acceptance and the complete requisite documents are delivered within the stipulated time, the Manager to the Offer will issue confirmation of the receipt of documents (Provisional Receipt).
5. All payments through bank draft/pay order/cheque against shares accepted by the Acquirer will be made within a period of not more than 10 days from date of closure of the acceptance period.
6. In case of any query regarding the Public Offer, you may contact the Acquirer or the Manager to the Offer at the following addresses:

| ACQUIRER | MANAGER TO THE OFFER |
|--|--|
| Beacon Impex (Private) Limited 1 st Floor, Universal House, 17/1 New Civil Lines, Bilal Road, Faisalabad Phones: +92 41 2635576 | BMA Capital Management Limited, Level 8, Unitower, I.I. Chundrigar Road, Karachi - 74000 Mr. Zain Abbas Analyst Email: zain.abbas@bmacapital.com Contact No: +92 21 3246 9636 |

The Acquirer accepts all responsibility for the information contained in this Offer Letter.

Yours truly,
For and on behalf of the Acquirer
Beacon Impex (Private) Limited

Muhammad Shakeel Afridi
Chief Executive

Binyamin
General Manager (Finance)

PUBLIC OFFER ACCEPTANCE LETTER

The Manager to the Offer

BMA Capital Management Limited,
Level 8, Unitower, I.I. Chundrigar Road,
Karachi – 74000

SUBJECT: IRREVOCABLE ACCEPTANCE OF OFFER TO PURCHASE SHARES OF KHURSHID SPINNING MILLS LIMITED

Dear Sir/Madam

I/ we the undersigned refer to the offer letter dated **15 MARCH 2019** (“Offer Letter”) received from **BMA CAPITAL MANAGEMENT LIMITED** (“Manager to the Offer”) on behalf of Beacon Impex (Private) Limited (“Acquirer”) with respect to the proposed acquisition by the Acquirer (through Public Offer) of **4,314,150** Ordinary Shares representing **32.7455%** of the total issued and paid up share capital of Khurshid Spinning Mills Limited (the “Target Company”), at PKR 2/- per Ordinary Share of Target Company (the “Offer Price”) on the terms and conditions set out in the Offer Letter.

I / we the undersigned do hereby communicate my / our Irrevocable Acceptance with respect to the sale to the Acquirer of the shares of the Target Company tendered below (“Tendered Shares”) at the Offer Price and request you to kindly process my / our application, on the terms and conditions set out in the Offer Letter and the Securities Act, 2015 (“Act”) and the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017 (“Regulations”).

| 1. Shareholder Details | 1.1. Joint Registered Holders (if any) |
|--|---|
| Name: _____ (As shown on the share certificate/CDC account title) | 1. Name: _____ (As shown on the share certificate/CDC account title) |
| Address: _____ _____ _____ | 2. Name: _____ (As shown on the share certificate/CDC account title) |
| Telephone #: _____ | |
| Email : _____ | |
| CNIC/ NTN No. _____ (CNIC No. for individuals and NTN No. for corporates) | |
| UIN No. _____ (For Corporates only) | |

| 2. Share Details | | | |
|--|--|--|--------------------------|
| (a) No. of Shares to be tendered | | | |
| (b) Form of Shares (Please tick and fill the appropriate boxes) | | | |
| Physical Shares <div style="border: 1px solid black; height: 50px; width: 100%;"></div> | Folio # <div style="border: 1px solid black; height: 50px; width: 100%;"></div> | Certificate # <div style="border: 1px solid black; height: 50px; width: 100%;"></div> | |
| CDC <div style="border: 1px solid black; height: 30px; width: 100%;"></div> | Participant ID Sub Account # <div style="border: 1px solid black; height: 30px; width: 100%;"></div> | Investor Account # <div style="border: 1px solid black; height: 30px; width: 100%;"></div> | |
| 3. Signatures | | | |
| * Signatures of Individuals or authorized Director/Secretary along with company stamp for Companies | | | |
| 1. _____ 2. _____ 3. _____ | | | |
| 4. Required documents to be attached with Letter of Acceptance | | | |
| (a) For Individual Applicants | | | |
| 1. An attested copy of Computerized National Identity Card | | | <input type="checkbox"/> |
| 2. Share Certificate and verified Transfer Deeds (for physical shares) | | | <input type="checkbox"/> |
| 3. Share splitting authorization letter (attached as Annexure-A) | | | <input type="checkbox"/> |
| 4. Authority Letter to pick-up excess shares through a representative (for physical shares) (attached as Annexure-B) (if a separate person is to be given authority) | | | <input type="checkbox"/> |
| 5. Copy of CDC transfer slips (for CDC Shares only) | | | <input type="checkbox"/> |
| (b) For Corporate Applicants | | | |
| 1. Certified Memorandum and Articles of Association | | | <input type="checkbox"/> |
| 2. A certified copy of (i) Certificate of Incorporation; and | | | <input type="checkbox"/> |
| (ii) for public companies only, Certificate of Commencement of Business | | | <input type="checkbox"/> |
| 3. Certified copies of latest (i) Form-29 (giving particulars of the directors); and (ii) Form-A. | | | <input type="checkbox"/> |
| 4. Certified copies of Computerized National Identity Card of the signatories | | | <input type="checkbox"/> |
| 5. Certified copy of Board Resolution authorizing persons to sell the Shares and to receive back excess shares, with specimen signature of such authorized persons | | | <input type="checkbox"/> |
| 5. Original Share Certificates and verified Transfer Deeds (for physical shares only) | | | <input type="checkbox"/> |
| 6. Share splitting authorization letter (attached as Annexure-A) | | | <input type="checkbox"/> |
| 7. Authority Letter to pick-up excess shares through a representative (for physical shares) (attached as Annexure-B) | | | <input type="checkbox"/> |
| 8. Copy of CDC transfer slips (for CDC shares only) | | | <input type="checkbox"/> |
| 9. Copy of NTN Certificate | | | <input type="checkbox"/> |

Letter of Acceptance furnished by the shareholder(s) without the requisite documents may be rejected by the Manager to the Offer as being incomplete and invalid.

Procedures for accepting the Public Offer:

1. In order to accept the Public Offer, the Shareholders are required to send the Letter of Acceptance, duly completed and signed, along with the requisite documents (as set out above) to the Manager to the Offer at its address given above by so as to reach by or before 5:00 pm on **25 March 2019** (the Closing Date). Please ensure that while filling the Letter of Acceptance, all the information required is provided, including the number of Shares to be tendered. In the event that the Letter of Acceptance and the complete requisite documents are delivered within the stipulated time, the Manager to the Offer will issue confirmation of the receipt of documents (Provisional Receipt).
2. Receipt by the Manager to the Offer by the Closing Date of the duly completed and signed Letter of Acceptance along with the required documents will constitute acceptance of the Public Offer.
3. Completed Acceptance Forms once submitted cannot be revoked by Shareholders selling in the public offer.

Note: In case the number of Shares tendered in acceptance of the Offer exceeds **4,314,150** Shares, the Manager to the Offer (as defined herein above) on behalf of the Acquirer will adjust (reduce) the number of Shares for each selling Shareholder on a pro-rata basis provided that the minimum number of shares acquired from a single shareholder shall be 500 shares or, if the holding of a shareholder is less than 500 shares, the entire holding of that shareholder will be accepted, and the excess tendered Shares for each selling Shareholder shall be returned/re-transferred (as the case may be) to the relevant selling Shareholder.

CDC Shares: CDC Account Holders shall follow the procedure set forth above, as applicable. Additionally, the CDC Account Holders must transfer these Shares to the CDC account of the Manager to the Offer in accordance with the conditions contained herein and provide the CDC transfer slip to the Manager to the Offer.

Shares Transfer from CDC Participant Account: Investors maintaining CDC Sub Accounts with participants shall request the concerned participant to transfer shares to CDC Account # 01826 (Manager to the Offer – Beacon Impex (Pvt.) Limited). The participant should clearly mention the name of the account holder in the remarks column of the CDC Shares transfer transaction.

Shares Transfer from CDC Investor Account: Investors maintaining CDC Investor account shall deposit shares transfer slips to CDC Investor Account Services and send the Manager to the Offer (BMA Capital Management Limited) by or before 5:00 pm on **25 March 2019** a copy of the CDC investor account slip along with the Acceptance Form.

Physical Shares: Shareholders with physical share certificate(s) are requested to provide the physical share certificate(s) along with duly verified transferred deed(s).

Date: _____

The Manager to the Offer

BMA Capital Management Limited,
Level 8, Unitower, I.I. Chundrigar Road,
Karachi - 74000

Subject: Authorization to split Shares Certificate(s)

Dear Sir,

Pursuant to my irrevocable acceptance, with respect to the Public Offer by Beacon Impex (Private) Limited (the **“Acquirer”**) to purchase shares of Khurshid Spinning Mills Limited (the **“Target Company”**), submitted to BMA Capital Management Limited (**“BMA”**) as the Manager to the Offer (**“MTO”**), please find enclosed herewith _____ shares of Target Company in physical form. If the Public Offer is oversubscribed, I/we hereby unconditionally authorize you to split the share certificates pro rata in the denominations determined by BMA.

Name (s): _____

Signature(s): _____

Folio #: _____

Encl: Original Share Certificate(s)
 Verified Transfer Deed(s)

Date: _____

The Manager to the Offer

BMA Capital Management Limited,
Level 8, Unitower, I.I. Chundrigar Road,
Karachi - 74000

Subject: Authorization to pick-up excess physical shares

Dear Sir,

This is with reference to the _____ physical shares of Khurshid Spinning Mills Limited (the **“Target Company”**) submitted by me / us to BMA Capital Management Limited (as the Manager to the Offer) pursuant to the Public Offer by Beacon Impex (Private) Limited (the **“Acquirer”**) to purchase the shares of the Target Company.

I, _____, holding CNIC No. _____, (OR [insert name of company], duly incorporated under the laws of Pakistan and having its registered office at _____) hereby authorize _____, son/daughter/wife of _____ holding CNIC No. _____, to pick up on my / our behalf, from BMA Capital Management Limited, Level 8, Unitower, I.I. Chundrigar Road, Karachi - 74000, any left-over physical shares of the Target Company that were not purchased by the Acquirer under the Public Offer and continue to be owned by me / us.

Name (s): _____

Signature(s): _____

Encl: Copy of CNIC of Shareholder
 Copy of Board Resolution / Power of Attorney in favor of authorized person, if shareholder is a body corporate.
 Copy of CNIC of Authorized Person

Certificate/s Number _____

[illegible]