



SAIF GROUP

SAIF POWER LIMITED

Ref: SPL/PSX/08/260/2023

Dated: August 21, 2023

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building Stock Exchange Road,
Karachi.

Subject: **Notice of Extraordinary General Meeting**

Dear Sir,

Please find enclosed notice of Extraordinary General Meeting to be held on Monday, September 11, 2023 at 12:00 pm at Islamabad, published in "The Nation" (English) and Nawa-i-Waqat (Urdu) newspapers on Monday, August 21, 2023.

You may please inform the members of the Exchange, accordingly.

Yours Sincerely,

for SAIF POWER LIMITED


Waseemullah
Company Secretary

CC: Director/HOD-Surveillance,
Supervision and Enforcement Department,
Securities & Exchange Commission of Pakistan,
NIC Building, 63 Jinnah Avenue, Blue Area, Islamabad.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the Extraordinary General Meeting (EOGM) of Shareholders of Saif Power Limited ("the Company") will be held on Monday, September 11, 2023, at 12:00 pm at 4th Floor, Kashmir Commercial Complex, Fazal-e-Haq Road, Blue Area, Islamabad.

ORDINARY BUSINESS:

1. To confirm the minutes of Annual General Meeting held on April 28, 2023.

SPECIAL BUSINESS:

2. *To consider and approve circulation/dissemination of the Annual Audited Financial Statements through QR enabled code and web link and to pass the following ordinary Resolution(s) with or without modification(s):*

"Resolved that approval of the shareholders of Saif Power Limited (the "Company") be and is hereby accorded and the Company be and is hereby authorized to circulate the Annual Audited Financial Statements of the Company together with the reports and documents required to be annexed thereto under the Companies Act, 2017 through QR enabled code and web link instead of circulation through CD/DVD/USB."

"Further resolved that Chief Executive Officer and the Company Secretary are hereby empowered and authorized to do all acts, deeds and things, take or cause to be taken all necessary action for the purposes of implementing this resolution."

3. *To consider and, if thought fit, approve winding-up of Saif Cement Limited (SCL), unlisted subsidiary Company, as approved and recommended by the Board of Directors of SAIF Power Limited, and pass the following ordinary Resolution(s) with or without modification(s):*

"RESOLVED that the winding up of Saif Cement Limited, a subsidiary Company of Saif Power Limited, be and is hereby approved."

"FURTHER RESOLVED that the Board of Directors of Saif Cement Limited (SCL) and management of Saif Power Limited be and are hereby authorized to initiate and complete the process for the winding up of SCL and all the related regulatory, legal and other formalities including the authorization of person(s) to deal and negotiate, execute and implement the winding up with the party(ies) involved."

4. *To consider and, if thought fit, pass with or without modification, the following special resolutions under section 199 of the Companies Act, 2017 and the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 for the purpose of approving loan upto PKR. 1 (one) billion, either directly or through Corporate Guarantee to any interested lender, for a period of 7 (seven) years with grace period of 2(two) years, subject to terms and conditions disclosed to the*

members in the statement under Section 134(3) of the Companies Act, 2017 to *Saif Textile Mills Limited, an associated Company*.

"Resolved, that the consent and approval be and is hereby accorded under Section 199, all applicable provision of the Companies Act, 2017, and Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 to Saif Power Limited ("the Company") for providing a long term loan facility upto PKR. 1 (one) billion to Saif Textile Mills Limited, an associated Company, to be disbursed in one or more trenches, either directly or through Corporate Guarantee to any interested lender, for a period of 7 (seven) years with grace period of 2 (two) years, subject to terms and conditions disclosed to the members in the statement under Section 134(3) of the Companies Act, 2017."

"Further resolved that the Chief Executive Officer or any director of the Company be and is hereby singly authorized to take and and/or all actions to implement and give effect to the above resolution and complete any or all necessary required corporate and legal formalities including signing and execution of Agreement(s)/documents for the purpose of the implementation of above resolution."

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

A Statement of Material Facts as required by the Section 134(3) of the Companies Act, 2017 in respect of above said special business to be considered at the Extraordinary General Meeting is annexed with the Notice of the Meeting.

Islamabad
August 21, 2023

BY ORDER OF THE BOARD



Waseemullah
Company Secretary

Notes:

- i. Share Transfer Books of the Company shall remain closed from **September 06, 2023 to September 8, 2023** (both days inclusive). Transfers received at M/s. THK Associates (Pvt.) Limited, Plot No. 32-C, Jami Commercial Street 2, D.H.A., Phase VII, Karachi-75500. Pakistan, the Registrar and Share Transfer Agent of the Company, by the close of the business on **September 05, 2023** will be treated in time for the purpose of the entitlement.
- ii. A shareholder entitled to attend and vote at this EOGM is entitled to appoint a person as a proxy to attend and vote for and on his/her behalf. The instrument appointing a proxy and the power of attorney/Board Resolution or other authority (if any) under which it is signed or a notarized certified copy of the power or authority shall be deposited at the office be received at the Company's Registered Office not later than 48 hours before the time of holding of the meeting
- iii. CDC individual Account holders or Sub-account holders are required to bring with them their original CNIC / Original Passport along with participant's ID number and their Account number in order to facilitate identification. In case of Corporate entity, resolution of the Board of Directors/Power of attorney with specimen signature of nominees shall be required to be produced (unless provided earlier) at the time of meeting.
- iv. Shareholders are requested to immediately notify their change in address, if any to share registrar.

SPECIAL NOTES TO SHAREHOLDERS:

1. Consent for video conference facility:

Shareholders can also avail video conference facility under the provision of Section 134 of the Companies Act, 2017 to participate in EOGM. Shareholders must hold in aggregate 10% or more shareholding residing in that city and consent of shareholders must reach at the registered address of the Company at least 10 days prior to the Extraordinary General Meeting in order to participate in the meeting through video conference facility.

2. Deposit of Physical Shares into CDC Account:

The Shareholder having physical shareholding may open CDC sub-account with any of the brokers or Investor Account directly with CDC to place their physical shares into book-entry form, this will facilitate them in many ways including safe custody and sale of shares, any time they want. Further, Section 72 of the Companies Act, 2017 ("The Act") states that after the commencement of the Act from a date notified by SECP, a company having shares capital, shall have shares in book-entry form only.

3. Participation of Shareholders through Online Facility:

To facilitate and ensure the safety and health of the shareholders, the Company will also be providing the online platform / facility to participate in the EOGM in the shape of webinar/webex/zoom after completing all the formalities required for the verification and identification of the shareholders. The login facility will be opened at 11:45 a.m. on September 11, 2023 enabling the participants to join the proceedings which will start at 12:00 p.m. sharp. For this purpose, shareholders are requested to register themselves by providing the following information through email at info.spl@saifgroup.com at least 48 hours before the time of EOGM: Name of member/proxy holders, CNIC, Folio Number/CDC account no, Cell no/WhatsApp no, and Email address.

This Statement set out the material facts concerning the special business to be transacted at the Extraordinary General Meeting

Agenda Item no. 02: Circulation/dissemination of Annual Audited Financial Statements through QR enabled code and web link.

The Securities and Exchange Commission of Pakistan ("SECP") vide SRO 389(1)/2023 dated March 21, 2023 has allowed the listed companies to circulate the Annual Audited Financial Statements including Annual Balance Sheet and Profit and Loss Account, Auditor's Report and Directors Report, etc. ("annual audited financial statements") to its members through QR enabled code and web link. This will enable the company to use of technological advancements and cost saving.

The company shall circulate the annual audited financial statements through email in case email address has been provided by the member to the company and the consent of member to receive the copies through email is not required.

The company shall send the complete financial statements with relevant documents in hard copy to the shareholders, at their registered addresses, free of cost, within one week, if a request has been made by the member on the standard request form available on the website of the company.

None of the Directors of the Company have any personal interest in the aforesaid Special Business except in their capacity as Shareholders or Directors of the Company.

Agenda Item no. 03: Members Voluntary Winding Up of Saif Cement Limited

Saif Cement Limited ("SCL"), an unlisted Company is a subsidiary of Saif Power Limited which holds shares 96.39% . SCL was incorporated to undertake the business of production and sale of cement. SCL is in a stage of dormant and is not performing any activities/function.

Information to be disclosed under SRO 423 (I)/2018 dated 3rd April 2018 ("SRO")

The information required to be disclosed under the SRO is set out below:

- | | |
|---|---|
| i) Name of the subsidiary; | Saif Cement Limited (SCL), unlisted Company |
| ii) Cost and book value of investment in subsidiary;
(Unaudited 30 th June, 2023) | Investment in PKR. 789.179 million |

iii) Total market value of subsidiary based on value of the shares of the subsidiary company:	30th June 2023 (un-Audited) Breakup value PKR. 14.49 per share. 30th June 2022 (Audited) Breakup value PKR. 12.40 per share. (Valuation is not required as the whole assets of SCL consists of liquid cash & cash equivalent)
(iv) Total consideration for disposal of investment in subsidiary, basis of determination of the consideration and its utilization;	The asset base of SCL has cash and bank balance that on disposal will realize circa PKR. 1.1 billion.
(v) Net worth of subsidiary as per latest audited financial statements and subsequent interim financial statements, if available;	30th June 2022 (Audited) PKR. 1,015,636,031 30th June 2023 (Un-Audited) PKR. 1,187,556,151
(vi) Quantitative and qualitative benefits expected to accrue to the members.	Qualitative factors: <ol style="list-style-type: none"> 1. SCL is being considered in a stage of dormant and no economic activity being performed; 2. SCL being unlisted public company is required to comply with all regulatory guidelines and instructions. 3. Upon winding up, the proceeds from subsidiary will go back to the Company which will utilize received fund. Quantitative factors: <ol style="list-style-type: none"> 1. After winding up, the Company will save the essential costs required to keep SCL compliant with various regulatory and taxation laws/regulations, if any.

None of the Directors of the Company have any personal interest in the aforesaid Special Business except in their capacity as Shareholders or Directors of the Company.

Item No. 4: Investment (Loan) in Saif Textile Mills Limited, a listed company, an associated company.

Saif Textile Mills Limited (STM) is a Public Limited Company incorporated in Pakistan on December 24, 1989 under the Companies Ordinance, 1984 (now the Companies Act, 2017) and its shares are quoted on Pakistan Stock Exchange. STM has made a formal request to the Company, seeking long term financing facility of up to PKR. **1 (One)** billion for a period of 7 (seven) years with grace period of 2 (two) years or corporate Guarantee up to **PKR. 1 (One)** billion to any lending bank. This initiative aims to fulfill STM's financial requirements for liquidity need, ensuring sufficient cash flows as necessary.

In compliance of Regulation 3(3) of Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 issued by SECP, the Directors of the Company have certified that they have carried out necessary due diligence for the proposed investment and has kept along with audited/unaudited accounts of STM as required under regulation.

The information about the Material Facts covering the above-mentioned special business, in compliance with the relevant provisions of the Companies Act, 2017 and Companies (Investment in Associated Companies or Associated Undertakings) Regulations 2017, as per SRO 1240 (1)/2017 dated 06 December, 2017 is as under:

S.no	Requirements	Information																		
	(a)Disclosure for all types of Investments																			
	(A) DISCLOSURE REGARDING ASSOCIATED COMPANY																			
(i)	Name of associated company or associated undertaking	Saif Textile Mills Limited ("STM")																		
(ii)	Basis of relationship	Due to common directorship and shared management role by the following: 1. Mr. Osman Saifullah Khan, director 2. Mrs. Hoor Yousafzai, director 3. Mr. Assad Saifullah Khan, director 4. Rana Muhammad Shafi, director 5. Mr. Rashid Ibrahim, director 6. Mr. Sohail H. Hydari, CEO																		
(iii)	Earnings/(loss) per share for the last three years	June 30, ----- 2022 2021 2020 Rs. Rs. Rs. 10.68 19.95 (25.43)																		
(iv)	Break-up value per share, based on latest audited financial statements	Rupees 148.86																		
(v)	Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements.	Main Items of Balance Sheet: <div><div>Un-audited March 31, 2023 3rd Quarter</div><table><tr><td></td><td>Amount (Rs.)</td></tr><tr><td>Paid up Capital</td><td>264,128,800</td></tr><tr><td>Unappropriated Profits & Reserves</td><td>1,613,342,000</td></tr><tr><td>Surplus on revaluation of property, plant and equipment</td><td>1,229,062,000</td></tr><tr><td>Sponsors' loan (Convertible)</td><td>770,000,000</td></tr><tr><td>Current Liabilities</td><td>8,338,908,000</td></tr><tr><td>Current Assets</td><td>6,315,807,000</td></tr><tr><td>Non-Current Liabilities</td><td>1,406,134,000</td></tr><tr><td>Non-Current Assets</td><td>6,535,769,000</td></tr></table></div>		Amount (Rs.)	Paid up Capital	264,128,800	Unappropriated Profits & Reserves	1,613,342,000	Surplus on revaluation of property, plant and equipment	1,229,062,000	Sponsors' loan (Convertible)	770,000,000	Current Liabilities	8,338,908,000	Current Assets	6,315,807,000	Non-Current Liabilities	1,406,134,000	Non-Current Assets	6,535,769,000
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(vi)	In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations.	Not Applicable										
	(B)GENERAL DISCLOSURE											
(i)	Maximum amount of investment to be made.	PKR. 1 (One) billion in the form of long term loan or a corporate Guarantee up to PKR. 1 (one) billion to any interested lending bank.										
(ii)	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	<p>The investment amount will be utilized by STM for debt servicing and to meet its working capital requirement.</p> <p>Saif Power Limited (“the Company”) will earn markup income from the associated company.</p>										
(iii)	<p>Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds:</p> <p>(I) Justification for investment through borrowings;</p> <p>(II) Detail of collateral, guarantees provided and assets pledged for obtaining such funds and;</p> <p>(III) Cost benefit analysis</p>	<p>The Company shall use its internally generated funds after dividends payments as well as its un-utilized financing lines.</p> <p>The profits of the investing company have been held by NTDC/CPPA due to circular debt situation. The Company will use existing banks facilities.</p> <p>Banks facilities are secured by way of mortgage charge on the fuel stocks inventory and energy payments receivables.</p> <p>The Company will charge 0.1% over and above the average borrowing cost to STM on outstanding balances.</p>										
(iv)	Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment.	Some terms are stated above, while other terms of the agreement shall be in accordance with those approved by the shareholders.										
(v)	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration.	<p>The directors, Chief Executive and their relatives have no interest directly or indirectly, in STM or transaction under consideration except in their capacity as being director, Chief Executive and shareholder of STM.</p> <p>STM holds 100 shares (0.00%) in the Company</p> <p>Following are the present shareholding of directors in the Company:</p> <table><tr><td>Name of Director</td><td>Shareholding</td><td>Percentage</td></tr><tr><td>Mrs. Hoor Yousafzai</td><td>314</td><td>0.00</td></tr></table>	Name of Director	Shareholding	Percentage	Mrs. Hoor Yousafzai	314	0.00				
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(vi)	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs.	Not applicable.																																										
(vii)	Any other important details necessary for the members to understand the transaction.	None																																										
(C) ADDITIONAL DISCLOSURE REGARDING LOAN																																												
(i)	Category-wise amount of investment.	Long term Loan up to PKR. 1 (one) billion																																										
(ii)	Average borrowing cost of the investing company, the Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, rate of return for <i>Shariah</i> compliant products and rate of return for unfunded facilities, as the case may be, for the relevant period.	Average borrowing cost of the Company ranges from 1Month KIBOR plus spread ranges from 0.6% to 0.75% and 3 Month KIBOR plus spread ranges from 0.6% to 0.8%.																																										
(iii)	Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company;	The Company will charge 0.1% over and above the average borrowing cost to investee/associated company on outstanding balances.																																										
(iv)	Particulars of collateral or security to be obtained in relation to the propose investment	No collateral is considered necessary since STM is an associated company of the Company.																																										
(v)	If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion	Not applicable.																																										

	may take place and the time when the conversion may be exercisable.	
(vi)	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.	Repayment after 2 (two) years grace period plus 7 (seven) years on quarterly markup. Other terms of the agreement shall be in accordance with those approved by the shareholders.

The directors of the Company undertake that they carried out necessary due diligence for the proposed loan/investment in Saif Textiles Mills Limited.

Contact information

For any query/problem/information, the investors may contact the company/or share registrar at the following:

Waseemullah
Company Secretary
051-2271378-83

Share Registrar, THK Associates (Pvt) Ltd
Plot No. 32-C, Jami Commercial Street 2,, Plot No. 32-C
Jami Commercial Street 2, D.H.A Phase VII, Karachi
Tel: 021 111 000 322 Email: sfc@thk.com.pk