



SAIF POWER LIMITED

SAIF GROUP

Ref: SPL/PSX/03/11/2024

Dated: March 22, 2024

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

Subject: **Notice of Extra Ordinary General Meeting (Pre-Publication)**


Dear Sir,

Please find enclosed a copy of notices of the Extra Ordinary General Meeting of Saif Power Limited prior to publication in newspapers. Attached notices will be published in newspapers namely "The Nation" (English) and Nawa-i-Waqt (Urdu) on Monday, March 25, 2024.

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

Yours Sincerely,

for SAIF POWER LIMITED


Waseemullah
Company Secretary





SAIF POWER LIMITED

1st Floor, Kashmir Commercial Complex, Fazal-ul-Haq Road, Block E, Blue Area, Islamabad.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that the Extra Ordinary General Meeting (EOGM) of Shareholders of Saif Power Limited ("the Company") will be held on Monday, April 15, 2024, at 11:00 am at Kehakshan Hall 2 ground floor at the Islambad Hotel, G-6 Civic Centre, Melody Chowk, Islamabad.

ORDINARY BUSINESS:

1. To confirm the minutes of Extra Ordinary General Meeting held on October 31, 2023.

SPECIAL BUSINESS:

2. To consider and, if thought fit, pass with or without modification(s), 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 providing unsecured Running finance facility of Rs. 1.5 billion to associated company namely Saif Textile Mills Limited for a period of one year. The purpose of approving running finance facility of PKR.1.5 billion is subject to terms and conditions disclosed to the members in the statement under Section 134(3) of the Companies Act, 2017.

"Resolved, that the consent and approval be and is hereby accorded under Section 199 of the companies Act, 2017 and Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 to extend the unsecured Running Finance Facility limit to Saif Textile Mills Limited, an associated company, PKR 1.5 billion for a period of one year on terms as are noted in the statement of material facts annexed herewith and subject to the condition that the limit in the nature of Running Finance Facility shall be renewable by the members for a further period(s) of one year."

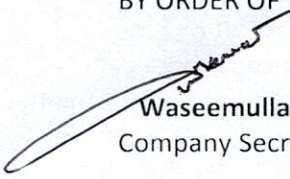
"Further resolved that the Chief Executive Officer or any director of the Company be and is hereby singly authorized to take and /or all actions to implement and give effect to the above resolution and complete any or all necessary required corporate and legal formalities including signing and execution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

3. 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 businesses to be considered at the Extraordinary General Meeting is annexed with the Notice of the Meeting.

Islamabad
March 25, 2024

BY ORDER OF THE BOARD


Waseemullah
Company Secretary

Notes:

- i. Share Transfer Books of the Company shall remain closed from **April 09, 2024 to April 15, 2024** (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 **April 08, 2024** will be treated in time for the purpose of the above 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 the 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 07 days prior to the EOGM in order to participate in the meeting through video conference facility.

2. Participation of Shareholders through Online Facility:

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 10:50 a.m. on April 15, 2024 enabling the participants to join the proceedings which will start at 11:00 a.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.

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

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

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 running financing facility of up to PKR. 1.5 billion for a period of one year. 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: <ol style="list-style-type: none"> 1. Mr. Osman Saifullah Khan, director 2. Mrs. Hoor Yousafzai, director 3. Mr. Assad Saifullah Khan, director 4. Mr. Rashid Ibrahim, director 5. Mr. Sohail H. Hydari, CEO 														
(iii)	Earnings/(loss) per share for the last three years	<p style="text-align: center;">Year ended June 30,</p> <p style="text-align: center;">-----</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;"></th> <th style="width: 33%; text-align: center;">2023</th> <th style="width: 33%; text-align: center;">2022</th> <th style="width: 33%; text-align: center;">2021</th> </tr> </thead> <tbody> <tr> <td style="text-align: right;">Rs.</td> <td style="text-align: center;">Rs.</td> <td style="text-align: center;">Rs.</td> <td style="text-align: center;">Rs.</td> </tr> <tr> <td style="text-align: right;">(42.93)</td> <td style="text-align: center;">10.68</td> <td style="text-align: center;">19.95</td> <td style="text-align: center;">19.95</td> </tr> </tbody> </table>		2023	2022	2021	Rs.	Rs.	Rs.	Rs.	(42.93)	10.68	19.95	19.95		
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(42.93)	10.68	19.95	19.95													
(iv)	Break-up value per share, based on latest audited financial statements	Rupees 147.54 for the half year ended December 31, 2023.														
(v)	Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements.	<p>Main Items of Balance Sheet:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: right;">Audited</th> </tr> <tr> <th colspan="2" style="text-align: right;">Dec 31, 2023</th> </tr> <tr> <th colspan="2" style="text-align: right;">2nd Quarter</th> </tr> <tr> <th style="width: 70%;"></th> <th style="text-align: right;">Amount (Rs.)</th> </tr> </thead> <tbody> <tr> <td>Paid up Capital</td> <td style="text-align: right;">264,128,800</td> </tr> <tr> <td>Unappropriated Profits & Reserves</td> <td style="text-align: right;">1,105,648,000</td> </tr> <tr> <td>Surplus on revaluation of property, plant and equipment</td> <td style="text-align: right;">2,527,070,000</td> </tr> </tbody> </table>	Audited		Dec 31, 2023		2nd Quarter			Amount (Rs.)	Paid up Capital	264,128,800	Unappropriated Profits & Reserves	1,105,648,000	Surplus on revaluation of property, plant and equipment	2,527,070,000
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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. 1.5 billion by way of running finance facility.																				
(ii)	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	The investment amount will be utilized by STM for debt servicing and to meet its working capital requirement. Saif Power Limited ("the Company") will earn markup income from the associated company.																				
(iii)	Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds: (I) Justification for investment through borrowings; (II) Detail of collateral, guarantees provided and assets pledged for obtaining such funds and; (III) Cost benefit analysis	Profits funds available in Saif Power Limited as well as its un-utilized financing funds / lines. Banks facilities are secured by way of mortgage charge on the fuel stocks inventory and energy payments receivables. The Company will charge 0.1% over and above the average borrowing cost to STM on outstanding balances or Karachi Inter Bank Offered Rate (KIBOR) for the relevant period which ever higher.																				
(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.	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. STM holds 100 shares (0.00%) in the Company Following are the present shareholding of directors in the Company:																				

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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.	<p>PKR one billion long term loan already granted to Saif Textile Mills Limited (STM) in September 2023 against which an amount PKR 850.981 million appearing as outstanding balance against the loan disbursement amount.</p> <p>During the half-year ended on December 31, 2023, STM experienced a 15% turnover growth. Gross profit margin rose from 4% to 13%, driven by improved product margins. Despite challenges, the first half of the current fiscal year has shown a positive trend and an improvement over the losses incurred, leading to a reduction in loss before tax to Rs. 235 million from Rs. 612 million in the previous year's corresponding period.</p> <p>There is no impairment or write-offs for this loan.</p>																																																
(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.	Running finance facility PKR. 1.5 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 1.0%																																																

(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 or Karachi Inter Bank Offered Rate (KIBOR) for the relevant period, whichever is higher.
(iv)	Particulars of collateral or security to be obtained in relation to the proposed 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 may take place and the time when the conversion may be exercisable.	Not applicable.
(vi)	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.	The loan is unsecured and will be renewed every year by the mutual consent of the parties, provided shareholders of Saif Power Limited approve any renewal.

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

