



# CHAKWAL SPINNING MILLS LTD.



7/1 E-3, Main Boulevard, Gulberg - III, Lahore, Pakistan.  
Tel: 92-42-5757108, 5717510-17 Fax: 92-42-5764036, 5764043, 5757105  
E.mail: ksml@pol.com.pk

September 4, 2024

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

Subject: **News Circulating on Social Media Regard Chakwal Spinning Mills Ltd (CLOUD)**

With reference to the subject matter, Chakwal Spinning Mills Ltd (CLOUD) strongly denies the news that management of the company was involved in inside trading with certain investors and did not disclose all material information regarding the new Technology setup.

Please note the following facts for further clarification:

1. Company wrote letter to PSX on August 23, 2024 for the clarification of material information announced on 9<sup>th</sup> January, 2024 (Attached)
2. Company approved the change in business line to Technology and approved new name of "Quantum Cloud & AI Technologies Ltd" on board meeting held on 12<sup>th</sup> July, 2024 (Attached)
3. Company's new Cloud business plan was shared with all shareholders prior to EOGM meeting and is available on Company's website.
4. EOGM adopted Resolutions was posted on August 2, 2024 in which shareholders of the company approved the new name and change in line of business into Technology (Attached)
5. Company appointed new CEO who is Cloud and Data Centre expert on 5<sup>th</sup> August, 2024 and is process of hiring further staff for this.
6. Company applied new name "Quantum Cloud & AI Technologies Ltd" and change in line of business at SECP CRO Lahore office with paid challan and documents on 7<sup>th</sup> August, 2024
7. Company has signed termed sheet with the SECP regulated and registered fund.
8. Company, its directors and management have no link with the persons circulating in the news and social media. Its extremely disappointed to create link without any proof and just based on market judgements.

Concussively, Company is just waiting for the regulatory approval from SECP CRO Lahore office to issue new company certificate so the Company may start technology business immediately.

Thanking you

Yours Truly  
For Chakwal Spinning Mills Limited

Khawaja Muhammad Kaleem  
Director



# CHAKWAL SPINNING MILLS LTD. ISO 9001:2000 CERTIFIED

7/1 E-3, Main Boulevard, Gulberg - III, Lahore, Pakistan.  
Tel: +92 - 42 - 5757108, 5717510 - 17 Fax: +92 - 42 - 5764036, 5764043, 5757105  
E.mail: bashirkhalid@chakwalgroup.com.pk

August 23, 2014

Hafiz Maqsood Munshi  
Unit Head  
Listed Companies Compliance Department-RAD  
Pakistan Stock Exchange Limited,  
Stock Exchange Building,  
Stock Exchange Road,  
Karachi.

**SUBJECT: EXPLANATION ON MATERIAL INFORMATION DISSEMINATED THROUGH PUCARS ON JANUARY 09, 2024, REGARDING DECISION OF BOARD OF DIRECTORS' MEETING**

Dear Sir,

This refers to your letter No.PSX/GEN-1114 dated August 13th, 2024 on the subject noted above. Our point-wise reply is as follows:

1-2. In software industry, the relationship of buyer and supplier is being termed as Strategic Alliance/Partners. In the light of decisions of BOD held on 12<sup>th</sup> July 2024 and subsequent approval by the shareholders in EOGM held on 02nd August 2024, the management started establishing contacts with prospective multinational vendors/partners for purchase of IT servers and other equipment/services. The Company has not released any news to the media. That news was published on behalf of the vendor/partner.

SECP has yet not issued the Company Certificate despite all documents along with paid challan were submitted on 7<sup>th</sup> August, 2024 and due to this, Company is waiting for the Partnership Certificate from Huawei and Dell Technologies. Please note, there is a digital way to apply and approve these types of partnerships with multinationals like Huawei, Dell, Microsoft, Amazon Web Services etc.

We, therefore, have not disseminated this information through PUCARS.

Also, the management signed a term sheet of Rs. 7.784 billion with PNO Capital Limited for the launch of Cloud Data Center. In our opinion, this information was price sensitive and we disclosed the same to the Exchange immediately.

3. The company was pursuing all efforts for its revival as it suffered heavy business losses in the past and forced to shut down its operations. This merger opportunity was looked as an effort to put the company again on the path of business operation leading towards profitability and prosperity with ultimate benefit to shareholders. Keeping the fragile business opportunity for the company in merger there was some reluctance to share information which may damage the ultimate outcome. Unfortunately, this happened and merger could not prevail over the decided time span and stand withdrawn / lapsed.

But the management did not put down its hands. The Board of Directors realized the great potential in growing IT sector under the new and improvised initiatives by the Government. The Board of Directors remained focused for the revival and discussed the possibilities in scenario with merger's absence and successfully versioned the cloud journey of Pakistan. The BOD meeting held on 12th July 2024 determined the diversification by indulgence in digital journey within its own ambit, means and efforts. Chakwal Spinning Mills then decided to change its name





# CHAKWAL SPINNING MILLS LTD. ISO 9001:2000 CERTIFIED

7/1 E-3, Main Boulevard, Gulberg - III, Lahore, Pakistan.  
Tel: +92 - 42 - 5757108, 5717510 - 17 Fax: +92 - 42 - 5764036, 5764043, 5757105  
E.mail: bashirkhalid@chakwalgroup.com.pk

into Quantum Cloudsand & AI Technologies Limited, Pakistan's first multi cloud company with partnership of global players with new object and principal clause of business. We may skip to inform in this process the elimination of merger but get informed the new ultimate to the shareholders on PUCAR.

The company aims to establish cloud data centers in Pakistan for first time in the history of Pakistan. Current size of Cloud business is around 800M USD in Pakistan out of which small portion of 50 M USD is being managed within Pakistan and there is a huge gap of USD 750 M and no multinational exists in Pakistan to do so. We believe that Quantum Cloud will only be the Multi cloud in Pakistan.

With the approval of the Board dated 12th July the members of the company in its EOGM held on August 02, 2024 has approved the change of the name of company and its principal line of business. We have shared with members in shape of statement of material facts a detailed synopsis including market analysis, investment, revenue and project feasibility including a summary of the project.

4. Not applicable

5. Already Cancelled. MOU was signed with Khazana Enterprise (Private) Limited in January 2024 with validity of 60 days.

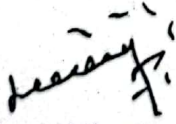
6. As already informed that the Company was forced to shut down its operations. Subsequent to the approval of shareholders in EOGM dated 02nd August 2024, our main focus was to complete all regulatory requirements without any delay. To do so, we were required to submit requisite documents/forms etc. to the regulator (i.e. Securities & Exchange Commission of Pakistan). We were actively busy in these regulatory submissions and overlooked this deadline. We apologize to this unwanted delay and reiterate that we shall comply with all the deadlines in future.

7. Not applicable

We believe that we have adequately explained the observations However, if you need further information, we may be pleased to provide the same.

Thanking you in anticipation.

Yours truly  
For Chakwal Spinning Mills Limited

  
(Khawaja Muhammad Kaleem)  
Director



# CHAKWAL SPINNING MILLS LTD. ISO 9001:2000 CERTIFIED

7/1, E-3, Main Boulevard, Gulberg - III, Lahore-64560, Pakistan.  
Tel: +92-42-35757108, 35717510 - 17 Fax: +92-42-35764036, 35764043, 35757105  
Email: bashirkhalid@chakwalgroup.com.pk

July 12, 2024

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

## DECISIONS OF THE BOARD MEETING

Dear Sir,

In pursuance of Section 96 of the Securities Act, 2015 read with Clause 5.6.1 of the PSX Regulations, we hereby convey the following information:

With the Grace of Allah Almighty, The Board of Directors (BOD) of the company in their meeting held on Friday 12<sup>th</sup> July 2024 at 12:00 p.m at the registered office of the Company. The Board has approved the new name of the Company as "**Quantum Cloud & AI Technologies Limited**" and has further approved the change in the key / primary line of business of CWSM to information Technology (IT) sector as new management will take place soon.

You may please inform the TRE Certificate holders of the Exchange accordingly.

Yours truly,

For Chakwal Spinning Mills Limited

for / Khawaja Muhammad Jahangir  
Chief Executive Officer





# CHAKWAL SPINNING MILLS LTD. ISO 9001:2000 CERTIFIED

7/1 E-3, Main Boulevard, Gulberg - III, Lahore, Pakistan.  
Tel: +92 - 42 - 5757108, 5717510 - 17 Fax: +92 - 42 - 5764036, 5764043, 5757105  
E.mail: bashirkhalid@chakwalgroup.com.pk

**CERTIFIED TRUE COPY OF RESOLUTIONS PASSED AT EOGM HELD ON  
FRIDAY, AUGUST 02, 2024 AT 10:30 A.M. AT THE REGISTERED OFFICE OF THE COMPANY  
AT 7/1 E-3, MAIN BOULEVARD GULBERG-3, LAHORE.**

**"RESOLVED UNANIMOUSLY THAT** the Twenty-one (21) days' notice at least (exclusive of the day on which the notice is served or deemed to be served, but inclusive of the day for which notice is given) as per relevant provisions of the Companies Act, 2017 is hereby waived and shorter notice period for EOGM is hereby rectified".

**"FURTHER RESOLVED THAT** the name of the Company be and is hereby changed from Chakwal Spinning Mills Limited to the proposed name of "Quantum Cloud & AI Technologies Limited", subject to the availability of name from SECP.

**"FURTHER RESOLVED THAT** approval be and is hereby accorded to Chief Executive to Suggest and adopt and execute any other suitable name in case of non-availability due to any reason(s) or circumstances.

**"FURTHER RESOLVED THAT** in consequence of the aforesaid change of name the relevant clauses of Memorandum and Articles of Association are hereby accordingly be changed."

**"FURTHER RESOLVED THAT** approval of the members of the Company for the change of principal line of business in Memorandum of Association of the Company, and to adopt Table B of First Schedule of the Companies Act 2017 and accordingly alter, by replacing, its existing object Clause III of Memorandum of Association of the Company in accordance with the provisions of the Companies Act, 2017 be substituted by adopting following main new object clause III and its sub-clauses numbers (i) to (iv) (a, b, c),

accordingly:

III. (i) "The principal line of business of the Company is to provide information technology (IT) and IT enabled services including importing, exporting, selling, purchasing, trading, production, distribution, customization, establishment, development or otherwise deal in all types of applications, programs, software packages, internet programs, software programs, mobile applications, web applications, products, portals, the marketplace, services, applications, web design, cloud based data centres and all other related/allied Services/Products."

(ii) Except for the businesses mentioned in sub-clause (iii) hereunder, the company may engage in all the lawful businesses and shall be authorized to take all necessary steps and actions in connection therewith and ancillary thereto.

(iii) Notwithstanding anything contained in the foregoing sub-clauses of this clause nothing contained herein shall be construed as empowering the Company to undertake or indulge, directly or indirectly in the business of a Banking Company, Non-banking Finance Company (Mutual Fund, Leasing, investment Company, investment Advisor, Real Estate investment Trust management company, Housing Finance Company, Venture Capital Company, Discounting Services, Microfinance or Microcredit business), Insurance Business, Modaraba management company, Stock Brokerage business, forex, managing agency, business of providing the services of security guards or any other business restricted under any law for the time being in force or as may be specified by the Commission.





# CHAKWAL SPINNING MILLS LTD. ISO 9001:2000 CERTIFIED

7/1 E-3, Main Boulevard, Gulberg - III, Lahore, Pakistan.  
Tel: +92 - 42 - 5757108, 5717510 - 17 Fax: +92 - 42 - 5764036, 5764043, 5757105  
E.mail: bashirkhalid@chakwalgroup.com.pk

(iv) It is hereby undertaken that the company shall not

- (a) Engage in any of the business mentioned in sub-clause (iii) above or any unlawful operation;
- (b) Launch multi-level marketing (MLM), Pyramid and Ponzi Schemes, or other related activities/businesses or any lottery business;
- (c) Engage in any of the permissible business unless the requisite approval, permission, consent or license is obtained from competent authority as may be required under any law for the time being in force,

**"FURTHER RESOLVED THAT** the approval be and is hereby accorded to replace the existing Object clause under Clause III of the Memorandum of Association to change its principal line of business as mentioned above"

**"FURTHER RESOLVED THAT** each of the Chief Executive, and the Company Secretary of the Company, acting singly, be and is hereby authorized to take all necessary steps and execute all necessary documents towards fulfillment of all legal and corporate requirements involved, and to file all requisite documents with the Securities and Exchange Commission of Pakistan, as may be necessary or expedient for the purpose of fully giving effect to and implementing the letter, spirit and intent of the foregoing resolutions.

**"FURTHER RESOLVED THAT** the aforesaid special resolution(s) shall be subject to any amendment, addition or deletion as may be suggested; directed and advised by the SECP and/or any other regulatory body which suggestion, direction or advice shall be deemed to be part of these Special Resolution(s) without the need of the Shareholders to pass fresh Resolution(s)."

Certified to be true copy

Chairman