

NOTICE OF THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

Notice is hereby given that the Extraordinary General Meeting of the Shareholders of Sapphire Textile Mills Limited (The "Company") will be held on Monday, June 15, 2026, at 02:30 pm at ICAP Auditorium, Institute of Chartered Accountants of Pakistan, Chartered Accountants Avenue, Clifton, Karachi as well as through Video Conferencing (VC) to transact the following business:

Ordinary Business:

1. To confirm the minutes of the last General Meetings held on October 27, 2025.
2. To elect Ten (10) Directors as fixed by the Board for a period of three (3) years in accordance with the provisions of Section 159(1) of the Companies Act, 2017. The name of the retiring Directors are as follows:

1. Mr. Mohammad Abdullah	2. Mr. Shahid Abdullah
3. Mr. Nadeem Abdullah	4. Mr. Amer Abdullah
5. Mr. Yousuf Abdullah	6. Mr. Umer Abdullah
7. Mr. Nabeel Abdullah	8. Mr. Mirza Saleem Baig
9. Mr. Shahid Shafiq	10. Ms. Mashmooma Zehra Majeed

Any other Business:

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

Statements under Section 166 (3) and 134 (3) of the Companies Act 2017 pertaining to the material facts are being sent to the shareholders along with this notice.

Karachi
Dated: 22nd May, 2026

By Order of the Board


Zeeshan
Company Secretary



Sapphire Textile Mills Limited

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Karachi - Pakistan

4th Floor, Tricon Corporate Center
73-E Main Jail Road, Gulberg II,
Lahore - Pakistan

UAN: (+92-42) 111-000-091
E-mail: info@sapphiretextiles.com.pk
Website: www.sapphire.com.pk/stml

NOTE

1. Closure of Share Transfer Books:

The Share Transfer Books of the Company will remain closed and no transfer of shares will be accepted for registration from 09th June, 2026 to 15th June, 2026 (both days inclusive). Transfers received in order, by the M/s. Hameed Majeed Associates (Private) Limited Company Registrar, 4th Floor, Karachi Chambers, Hasrat Mohani Road, Karachi, up to 08th June, 2026, will be considered in time to vote and to attend the meeting.

2. Right to Appoint Proxy:

A member entitled to attend and vote at this meeting is entitled to appoint another member as his/her proxy to attend and vote on his /her behalf. Proxies in order, to be valid must be deposited at the Company Share Registrar Office not less than 48 hours before the time of the meeting. If a member appoints more than one proxy and more than one instrument of proxy is deposited by a member, all such instruments of proxy shall be rendered invalid.

3. Proxy Form Availability & CDC Guidelines:

An instrument of proxy applicable for the Meeting is being provided with the notice sent to the members. Further copies of the instrument may be obtained from the Company Share Registrar Office during normal office hours. The proxy form can also be downloaded from the Company's website: www.sapphire.com.pk/stml

CDC shareholders will further have to follow the below mentioned guidelines as laid down in Circular 1, dated 26 January, 2000 issued by Securities and Exchange Commission of Pakistan:

A. For attending the meeting:

- i) In case of individuals, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his identity by showing his original computerized national identity card (CNIC) or original passport at the time of attending the meeting.
- ii) In case of corporate entity, the board of directors' resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting.

B. For appointing proxies;

- i) In case of individuals, the account holder or sub account holder and/or the person whose securities are in group account and their registration details are uploaded as per the above Regulations, shall submit the proxy form as per the above requirement.
- ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the proxy form.

4. Change of Address:

Any change of address of members should immediately be notified to the Company's Share Registrar, M/s. Hameed Majeed Associates (Private) Limited, 4th Floor, Karachi Chambers, Hasrat Mohani Road, Karachi.

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5. Participation in EOGM via Zoom (Electronic Means):

In order to comply with the directives of the Securities and Exchange Commission of Pakistan, including in terms of Circular No. 4 of 2021, the Company has also arranged video conference facility for those members who are interested in participating virtually in the EOGM.

Special arrangements for participating in the EOGM through electronic means will be as under:

- a. EOGM will be held through Zoom application – a video link facility.
- b. Members interested in attending the EOGM through Zoom application are hereby requested to get themselves registered with the Company Secretary by sending an e-mail with subject: "Registration for STML EOGM" at the earliest but not later than 48 hours before EOGM on E-mail: contact@sapphiretextiles.com.pk along with a valid copy of both sides of CNIC.

Members are advised to mention their Name, Folio/CDC Account Number, CNIC Number, Valid email address and cell number. Upon receipt of the above information from the interested members, the Company will send the login credentials at their e-mail address. On the date of EOGM, members will be able to login and participate in the EOGM proceedings through their smartphone/computer devices. The login facility shall be opened thirty (30) minutes before the meeting time to enable the participants to join the meeting after identification/ verification process.

6. Submission of CNIC:

The members are requested to submit a copy of their Computerized National Identity Card (CNIC), if not already provided and immediately notify changes if any to the registrar of the company M/s. Hameed Majeed Associates (Private) Limited, situated at 4th Floor, Karachi Chambers, Hasrat Mohani Road, Karachi.

7. Voting through E-Voting and Postal Ballot:

Pursuant to Companies (Postal Ballot) Regulations 2018, in case of special business & election of directors (if the number of persons who offer themselves to be elected is more than the number of directors fixed under sub-section (1) of section 159 of the Act), members will be allowed to exercise their right to vote through postal ballot, that is voting by post or through E-voting, in accordance with the requirements and procedures contained in the aforesaid regulations. The procedure of postal ballot [e-voting and voting by post] is hereby given below:

E-voting Procedure:

- (a) Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of members of the company by the close of business on **05th June, 2026**.
- (b) The web address, login details, will be communicated to members via email. The security codes will be communicated to members through SMS from web portal of Hameed Majeed Associates (Private) Limited (being the e-voting service provider).
- (c) Identity of the members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.
- (d) E-Voting lines will start from **10 June 2026, 09:00 a.m.** and shall close on **13 June, 2026 at 5:00 p.m.** Members can cast their votes any time during this period. Once the vote on a resolution is cast by a member, he / she shall not be allowed to change it subsequently.

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Procedure for voting through Postal Ballot:

Pursuant to Companies (Postal Ballot) Regulations 2018 read with Sections 143 to 145 of the Companies Act, 2017, members can exercise their right to vote through postal ballot. The procedure for postal ballot is given below.

The members shall ensure that duly filled and signed ballot paper, along with copy of CNIC, should reach the Chairman of the meeting through post at the Company Share Registrar Office or through email at contact@sapphiretextiles.com.pk, by close of business on **13 June, 2026**. The signature on the ballot paper shall match with the signature on CNIC.

Note: Under the provision of SRO 451 (I)/ 2025 issued by SECP to be read in conjunction with section 134 of the Companies Act, 2017, for all business classified as "Special Business", the voting by the members of the listed company shall only be through postal ballot and therefore there shall be no voting by show of hands by members of the listed company who attend the general meeting physically.

Further, the members who did not cast their vote through electronic voting facility or by post prior to the date of the general meeting, shall be allowed to cast his/ her vote on the day of the meeting by way of ballot paper only.

8. Appointment of Scrutinizer

In accordance with the regulation 11 of the Company (Postal Ballot) Regulation 2018 (the Regulation), the Board of the company has appointed M/s. Shinewing Hameed Chaudhri & Company., a QCR rated audit firm to act as scrutinizer of the Company.

9. Conversion of Physical Shares to CDC Account:

Deposit of physical certificate(s) in CDC Account: As per section 72 of Companies Act, 2017, every company shall be required to replace its physical certificates with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the Companies Act, 2017, Accordingly, a member having physical shares are encouraged to open a CDC sub-account with a broker or Investor Account directly with CDC to place their physical certificates into scrip less form.

10. Unclaimed Dividends/Shares:

An updated list of unclaimed dividends/shares of the Company is available on the Company's website www.sapphire.com.pk/stml. These are unclaimed dividends/shares which have remained unclaimed or unpaid for three years from the date these have become due and payable.

11. Mandatory Electronic Dividend Payment:

Under the provisions of Section 242 of the Companies Act, 2017, it is mandatory for a listed Company to pay cash dividend to its shareholders only through electronic mode directly into bank account designated by the entitled shareholders.

In order to receive dividends directly into their bank account, shareholders are requested to fill in Electronic Credit Mandate Form available on Company's website and send it duly signed along with a copy of CNIC to the Shares Registrar of the Company M/s. Hameed Majeed Associates (Private) Limited, in case of physical shares.

In case shares are held in CDC then the Electronic Credit Mandate Form must be submitted directly to the shareholder's broker/participant/CDC account services. No further action is required if

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IBAN has already been incorporated/updated in the CDC account or the physical folio of the shareholder.

12. Prohibition on companies for providing gifts or incentives

The SECP, through its Circular 2 of 2018, dated February 9, 2018, has strictly prohibited companies from providing gifts or incentives, in lieu of gifts (tokens/coupons/lunches/takeaway packages) in any form or manner, to Shareholders at or in connection with general meetings. Under Section 185 of the Act, any violation of this directive is considered an offense, and companies failing to comply may face penalties

13. Video Conference Facility for Shareholders in Other Cities:

The Company shall provide a video conference facility to its members for attending the General Meeting at places other than the town in which the general meeting is taking place, provided that if members, collectively holding 10% or more shareholding residing at a geographical location, provide their consent to participate in the meeting through video conference at least 07 days prior to the date of the meeting, the Company shall arrange video conference facility in that city subject to availability of such facility in that city.

In this regard, please fill the following form and submit to the Company Share Registrar Office (7) days before holding of the General Meeting:

"I/We, _____ of _____ being a member of Sapphire Textile Mills Limited, holder of _____ Ordinary Shares as per registered folio # _____ hereby opt for video conference facility at _____."

Signature of Member

Important for contesting Election of Directors:

Any member who seeks to contest the election to the office of Director shall, whether he/she is a retiring Director or otherwise, file with the Company Share Registrar Office not later than fourteen days before the date of the Meeting, the following details/documents:

- i Notice of intention to offer himself/herself for election as a Director in terms of section 159 (3) of the Companies Act. 2017.
- ii Consent to act as a Director under Section 167(1) of the Companies Act, 2017.
- iii Detailed profile along with his/her office address for placement on Company's website.
- iv Attested copy of valid CNIC/Passport and National Tax Number (NTN).
- v His/her Folio Number/CDC Investor Account Number/CDC Participant ID Number/Sub Account Number. A person must have qualifying shares of the Company at the time of filing of his/her consent to act as Director. The aforesaid qualification shall not be applicable to persons mentioned in provision to Section 153(i) of this Act.
- vi Detail of other directorship and offices held.
- vii Signed declaration to the effect that he/she is aware of duties and powers of Directors under the Companies Act, 2017, Memorandum and Articles of Association of the Company, Rule Book of Pakistan Stock Exchange Limited, the Listed Companies (Code of Corporate Governance) Regulations, 2019 and other relevant laws and regulations.
- viii Signed declaration to the effect that he/she is compliant with requirements and eligibility/qualification criteria as set out in the Companies Act, 2017, Listed Companies (Code of Corporate Governance) Regulations, 2019 and other relevant laws and regulations for appointment as Director/Independent Director of a listed company.

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- ix Declaration by Independent Director(s) under Clause 6(3) of the Listed Companies (Code of Corporate Governance) Regulation 2019; and
- x Undertaking on non-judicial stamp paper that he/she meets the requirements of sub-regulation (1) of Regulation 4 of the Companies (Manner and selection of Independent Directors) Regulations, 2018.

STATEMENT UNDER SECTION 166(3) AND 134 (3) OF THE COMPANIES ACT, 2017

Any person who is eligible under section 153 and meets the criteria under section 166 of the Companies Act, 2017, may submit a nomination to be elected as Independent Director. However, it is noteworthy to mention here that Independent Director shall be elected in the same manner as other directors are elected in terms of section 159 of the Companies Act, 2017. The company shall exercise due diligence before selecting a person from the data bank that the contestant meets the independence criteria as mentioned in Section 166(2) of the Companies Act, 2017.

The list of contesting directors will be published in Newspapers not later than seven days before the date of the said meeting in terms of section 159(4). Further website of the company will also be updated with the required information for each Director.

No Director has direct interest in the above said business except they may contest for election of directors accordingly.

STATEMENT UNDER RULE 4(2) OF THE COMPANIES (INVESTMENT IN ASSOCIATED COMPANIES OR ASSOCIATED UNDERTAKINGS) REGULATIONS, 2017

Company / Date of Resolution	Amount of Investment approved	Amount of Investment made to date	Reason
Triconboston Consulting Corporation (Private) Limited (TBCCPL), 27 th March 2017	Security / collateral as may be required by the issuing banks in order for the same to issue debt service reserve standby letters of credit together with any replacement standby letters of credit in order to secure the amount up-to USD 24 Million (United States Dollars Twenty-Four Million);	Nil	This amount was approved in the EOGM Dated 27 th March, 2017 and is in the process of implementation as and when required.
Triconboston Consulting Corporation (Private) Limited (TBCCPL), 27 th March 2017	Security / collateral as may be required by the issuing banks in order for the same to issue excess debt standby letters of credit together with any replacement standby letters of credit in order to secure the amount up-to USD 15 Million (United States Dollars Fifteen Million); and	Nil	This amount was approved in the EOGM Dated 27 th March, 2017 and is in the process of implementation as and when required
Triconboston Consulting Corporation (Private) Limited (TBCCPL), 27 th March 2017	To invest by way of loans and advances in the PKR equivalent upto USD 11.3 Million (United States Dollars Eleven Million Three Hundred Thousand) for a period of up-to five (5) years from the commercial operations date of the last of the three (approximately) 150MW wind power Project, and to arrange and deliver: (i) standby letters of credit together with any replacement standby letters of credit in order to secure the Available Contingency Commitment Amount, in favour of the agent/security trustee.	Nil	This amount of loan was approved in the EOGM Dated 27 th March, 2017 and is in the process of implementation as and when required

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MATERIAL CHANGES IN FINANCIAL STATEMENTS OF ASSOCIATED COMPANY

TRICONBOSTON CONSULTING CORPORATION (PRIVATE) LIMITED

Triconboston Consulting Corporation (Private) Limited was incorporated under the laws of Pakistan and operating (3) three projects (Project A, Project B and Project C) having capacity of 49.735 MW each in Jhimpir Sindh. The Company has achieved Commercial Operations Date ('COD') on August 16, 2018, September 14, 2018 and September 11, 2018 by Project A, Project B and Project C respectively. The projects are operating following best industry practice and is yielding satisfactory results.

Financial Results	Financial Year Ended June 30, 2025 Rupees	Financial Year Ended June 30, 2024 Rupees	Financial Year Ended June 30, 2017 Rupees
Net Sales	15,489,962,130	20,936,160,649	-
Gross Profit / (Loss)	9,804,399,130	15,280,063,609	(93,798,217)
Profit / (Loss) Before Tax	7,094,569,999	11,771,025,852	(94,039,713)
Profit / (Loss) After Tax	6,809,977,348	11,455,972,112	(95,055,582)

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