

## MATERIAL INFORMATION

In furtherance of the Scheme of Arrangement the Board of Directors of Suhail Jute Mills Limited in its meeting on 28 April 2017 ~~the Company~~ has authorized the issuance and allotment of shares as follows:

1. As a consequence of the Scheme of Arrangement, involving a merger, duly sanctioned and approved by the Hon. Lahore High Court, 155,050 fully paid up ordinary shares of RS 10 each of Suhail Jute Mills Limited, are to be issued and allotted as fully paid up to the registered shareholders of (Colony) Sarhad Textile Mills Limited, at par, in consideration of the Merger
2. As a consequence of the Scheme of Arrangement, involving a merger, duly sanctioned and approved by the Hon. Lahore High Court, 932,769 fully paid up ordinary shares of RS 10 each of Suhail Jute Mills Limited, are to be issued and allotted to designated creditors of Colony Sarhad Textile Mills Limited, at par, in consideration of the settlement of the liability of RS.167,240,275.

Additionally, the Board has resolved that, as a consequence of the Scheme of Arrangement, involving a merger, duly sanctioned and approved by the Hon. Lahore High Court, 500,000 fully paid up ordinary shares of RS 10 each of Suhail Jute Mills Limited, that were in the ownership of (Colony) Sarhad Textile Mills Limited at par, are to be cancelled.

A notice to all registered shareholders of (Colony) Sarhad Textile Mills Limited is being issued on 29 April 2017 to exchange their existing shares for their entitlement of fully paid shares of Suhail Jute Mills Limited. (Copy of Notice- attached.)

## NOTICE TO SHAREHOLDERS OF (COLONY) SARHAD TEXTILE MILLS LIMITED

Dear Shareholder,

Pursuant to the Order of the Honorary Lahore High Court, dated 04 July 2016 sanctioning the scheme of Arrangement involving the Merger of (Colony) Sarhad Textile Mills Limited with and into Suhail Jute Mills Limited, and the acknowledgement of Filing dated 15 February 2017, issued by Company Registration Office, SECP, Islamabad, Notice is hereby given to all shareholders of (Colony) Sarhad Textile Mills Limited, as follows:

As consideration for the transfer to and vesting in Suhail Jute Mills Limited of the undertaking and business of (Colony) Sarhad Textile Mills Limited, Suhail Jute Mills Limited shall issue shares at par and allot one (1) share of RS. 10 each, credited as fully paid-up for every 25.8 Shares of (Colony) Sarhad Textile Mills Limited, held by each registered shareholder of (Colony) Sarhad Textile Mills Limited.

The basis of calculation is the swap ratio that was duly approved by the shareholders of both Companies in Extraordinary General Meeting held on 19 March 2016, and duly sanctioned by the Court in approving the Scheme of Arrangement and sanctioning the Petition filed as CO No 2 of 2013.

You are requested to send the original scrips held by you along with the following information to the registered office of Suhail Jute Mills Limited at 14B Civil Lines, Rawalpindi by 5:00 PM on Wednesday, 31<sup>st</sup> day of May, 2017.

1	2	3	4	5	6	7
Name	Father's/ Husband's Name	Occupation	Address	CNIC/ Passport Number	Number of Shares	Folio Number

Any fractional entitlements of and above 0.5 shall be rounded up to one share and below 0.5 share shall be ignored. The allotment of shares shall be made within 45 days of the receipt of scrips.

The new shares of Suhail Jute Mills Limited issued pursuant to the Scheme of Arrangement shall rank *paripassu* with the existing shares in all respects and will be entitled to all dividends, bonus, rights issues after the completion date of the Scheme.

We look forward to welcoming you as a member of the Company.

Please contact the Company's Secretarial Department on phone Number: 051-514-6534.

We look forward to welcoming you as a member of the Company.

**Company Secretary**

**Suhail Jute Mills Limited, 14B Civil Lines Rawalpindi**

**Dated: 28 April 2017**