Sakrand Sugar Mills Limited

SSML/Acct/205/2019
August 6, 2019

Pakistan Stock Exchange Limited
Stock Exchange Building,
Stock Exchange Road,
Karachi.

Dear Sir,

Ref : Establishing Overseas Branches in Gulf Countries for Export of Organic Compost Fertilizer "Go Green"

In accordance with Section 96 of the Securities Act, 2015 and Clause 5.6.1(a) of PSX Regulations, we are pleased to convey the following information:

The Board of Directors of M/s Sakrand Sugar Mills Limited (herein under stated as **the Company**") in their meeting held on August 05, 2019, has approved setting up of branch Offices of the Company in gulf countries namely Qatar and UAE.

The main purpose of this setup is to initiate **Export of Organic Compost Fertilizer "Go Green"** to Gulf countries. Focusing on organic farming in gulf countries, there exist a business opportunity to supply organic compost fertilizer that is suitable to the needs of organic farming keeping in view their climatic conditions.

The branch offices shall facilitate the import in respective countries with logistics, storage and distribution activities carried out in house. The contracts shall be executed between Sakrand Sugar mills and the customers, with the overseas branches working as executioners of delivery. All payments under export contracts shall be in US Dollars and will be received directly by Sakrand Sugar Mills in its bank accounts maintained in Pakistan.

The Company is under talks with various prospective customers and expects to export 300,000 bags at an average rate of US $ 15. This business shall attract profits of approximately 30% on export sales.

The company expects to realize handsome profits under this line of business given the inflationary effect on dollar exchange rates in Pakistan. This is in addition to local sales via farmer loans to registered growers.

Yours Sincerely,

SAKRAND SUGAR MILLS LIMITED

Amad Uddin
Executive Director

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