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SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

SECP

Adjudication Department

Adjudication Division

ORDER	
Name of the Noticee:	M/s. Optimus Capital Management (Private) Limited – *in its capacity as Manager to the Public Offer*
Name of Target Company:	M/s. Rafhan Maize Products Limited
Number and Date of Show Cause Notice (SCN):	SCN/LCD/ADJ-I/165068-382 dated May 06, 2026
Date of Hearing:	June 15, 2026
Case represented by:	i. Mr. Sarfraz Khan *Head of Compliance, Optimus Capital Management (Pvt.) Ltd.* *ii. Mr. Hammad Hussain* *Head of Investment Banking, Optimus Capital Management (Pvt.) Ltd.*
Provisions of law involved:	Regulation 21(1)(e) and 26 of the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017 read with Section 126(3)(c) of the Securities Act, 2015.
Date of the Order:	June 30, 2026

This Order shall dispose of the proceedings initiated through the Show Cause Notice No. SCN/LCD/ADJ-I/165068-382 dated May 06, 2026 (the "**SCN**") against M/s. Optimus Capital Management (Private) Limited hereinafter referred to as the "**Noticee**" or the "**Manager to the Offer (MTO)**" for its alleged failure to timely withdraw the Public Announcement of Intention (**PAI**) announced by M/s. Sapphire Fibres Limited (**the Acquirer**) dated May 15, 2025 to acquire 75.69% shares of M/s. Rafhan Maize Products Company Limited (the "**Target Company**") in contravention of the requirements of Regulation 21(1)(e) and 26 of the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017 (the "**Regulations**") read with Section 126(3)(c) of the Securities Act, 2015 (the "**Act**")

2. The provisions of Regulation 21(1)(e) of the Regulations mandates that a PAI shall be withdrawn where the time period for making the Public Announcement of Offer ("**PAO**") and extension thereof, if availed, has lapsed, and such withdrawal notice shall be submitted to the Securities & Exchange Commission of Pakistan (the "**Commission**") and the securities exchange not later than one (1) working day of such lapse. Furthermore, the provisions of Regulation 26(1) of the Regulations stipulates that the manager to the offer shall deemed to be the agent of the acquirer. Furthermore, Regulation 26(2)(e) of the Regulations also require the MTO to ensure that the public announcement is made in accordance with the Act and the Regulations.

3. Brief facts of the case are that the Acquirer, through the Noticee, made a PAI dated May 15, 2025 to acquire 75.69% shares of the Target Company, which was subsequently published in newspapers on May 17, 2025 in accordance with the applicable provisions of the Regulations. Whereas, as per the provisions of regulation 7 of the Regulations, the time period of one hundred eighty (180) days for making the PAO commenced from the date of publication of the PAI, i.e., May 17, 2025, and accordingly expired on November 13, 2025. Consequently, the Noticee, being the MTO and a regulated intermediary acting as agent of the Acquirer, was under a statutory obligation to ensure withdrawal of the PAI on or before November 14, 2025. However, it was observed that the Noticee, *prima facie*, failed to comply with the aforesaid mandatory requirement and the withdrawal of the PAI

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was made only on December 31, 2025, resulting in a delay of approximately forty-eight (48) days beyond the prescribed timeline.

4. The Commission, in view of the, *prima facie*, non-compliance, sought explanation from the Noticee vide letter dated December 23, 2025. In response, the Noticee vide letter dated January 08, 2026, *inter alia*, submitted that the validity of the PAI stood extended on account of corrigendum dated July 16, 2025, and that the time period of 180 days was to be reckoned from the date of such corrigendum. The submissions made by the Noticee were examined and found not to be cogent and contrary to the express provisions of the Regulations as regulation 21(1)(e) of the Regulations imposes a clear, mandatory and time-bound obligation for withdrawal of the PAI immediately upon lapse of the prescribed period, without envisaging an automatic extension or re-computation of such period on account of issuance of a corrigendum.

5. In view of the above, the Noticee, *prima facie*, contravened the provisions of Regulation 21(1)(e) and 26 of the Regulations, which attracts penal action under Section 126(3)(c) of the Act, reproduced below for ready reference

> *"**126. Penalties for non-compliance...(3) if any person...***
>
> *(c) contravenes or otherwise fails to comply with the provisions of Part IX of the Act,*
>
> *the Commission may, if satisfied, after giving the person an opportunity of being heard, that the refusal, failure or contravention was willful, impose a penalty which may extend to one hundred million rupees as may be specified in the order."*

6. Cognizance in the matter was taken and the SCN was served upon the Noticee to explain its position with regard to the afore-said default. The Noticee vide letter dated May 18, 2026 submitted a written response to the SCN, *inter alia* stating that:

> *"... At the outset, the MTO respectfully submits that it has, at all relevant times, acted in good faith and in accordance-with its bona fide understanding of the Act and the Regulations and is not in contravention of any applicable laws. The alleged non-compliance was neither wilful nor deliberate, nor was it intended to avoid or disregard any requirement of the Act or the Regulations. The MTO's submissions in response to the SCN are set out below.*
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> ***(1) Background of the Transaction***
> *Optimus Capital Management (Private) Limited, acting as the MTO, published a Public Announcement of Intention (PAI) on May 17, 2025 on behalf of Sapphire Fibres Limited (the "Acquirer"), to acquire 75.69% shares of Rafhan Maize Products Company Limited (the "Target Company"). Subsequently, a corrigendum was issued on July 16, 2025, to provide essential updates to the public and potential investors regarding the acquisition after the Commission held, through its letter dated July 7, 2025, that the original PAI did not provide all required information and was thus materially deficient and misleading.*
>
> *It is therefore respectfully submitted that the Corrigendum was not a voluntary or cosmetic amendment. It was issued to address the material deficiencies pointed out by the Commission and to ensure that complete and updated information was available to the shareholders of the Target Company and the market.*

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(2) Clarification on the Re-computation of Timeline

It is submitted that the MTO acted in good faith based on a technical interpretation of the Regulations. Our understanding, following consultation with various other advisors and consultants, was as follows:

a) *Since the corrigendum dated July 16, 2025, modified the initial PAI by including crucial information, we were of the view that the 180-day period for making the Public Announcement of Offer (PAO) should be reckoned from the date of the corrigendum to ensure that the 180-day window reflected the most accurate information available. Our interpretation was also influenced by the proviso to Regulation 12 of the Regulations, which recognises that where an addendum or corrigendum is issued in relation to a PAO, the relevant offer period re-commences from the date of publication of such addendum or corrigendum. Although Regulation 12 relates to a PAO, the MTO understood, by reasonable interpretation, that the same principle would apply to a public announcement of intention where a material corrigendum had been issued, based on the interpretation rule 'argumentum a simili', i.e., an argument by similarity. Accordingly, the MTO proceeded on the bona fide understanding that the relevant timeline was to be computed from July 17, 2025, and therefore did not consider that a separate extension notification or withdrawal was required prior to that time.*

b) *The MTO notes that, as reflected in the SCN, the Commission does not agree with this interpretation. However, it is respectfully submitted that our interpretation of the legal requirement was bona fide and practical in nature, and was not intended to avoid or disregard Regulation 21(1)(e), Regulation 26 or any other requirement of the Regulations.*

c) *The delay of forty-eight (48) days was not a deliberate attempt to circumvent Regulation 21(1)(e). Instead, it was an effort to remain compliant with the spirit of full disclosure for the benefit of the Target Company's shareholders. In the MTO's interpretation, it remained fully compliant with the Regulations.*

d) *Under the proviso of Regulation 7(1), the requirement for an extension, as understood, is procedural in nature and does not involve any formal approval process or satisfaction of substantive conditions, but only the submission of an intimation / notification for extension. However, based on our bona fide interpretation of the applicable legal framework at the relevant time, we did not consider that a separate intimation / notification for extension was required in the circumstances. Indeed, compliance would have been a routine and a procedural matter if we believed that we were inadvertently being non-compliant.*

(3) Mitigating Factors and Absence of Wilful Default

We pray the following factors be considered:

a) *We were acting at all times in good faith and only with the intent of ensuring full compliance with the Regulations in both letter and spirit. Our interpretation was made after consultation with other advisors and consultants, and any error in such interpretation should be viewed as a technical oversight rather than a "wilful" act under Section 126(3)(c) of the Act.*

b) *The delay in the formal withdrawal notice (submitted on December 31, 2025) did not result in any market disruption or financial loss to the minority shareholders of the Target Company.*

c) *Following the Commission's letter dated December 23,2025, we moved immediately to finalize the withdrawal process by December 31, 2025.*

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d) Section 126(3)(c) of the Act contemplates imposition of penalty where the Commission is satisfied that the refusal, failure or contravention was wilful. In the present matter, the alleged non-compliance, if any, was based on a bona fide interpretation of the Regulations and not on any willful refusal to comply with the laws. Accordingly, the ingredients for imposition of penalty under Section 126(3)(c), particularly willfulness, are not attracted.

e) Without prejudice to the above, we have reviewed our internal processes and will ensure that, going, forward, all PAI-related timelines, including extension and withdrawal timelines, are separately diarised from the original date of publication as well as from any subsequent corrigendum /addendum date.."

7. Subsequently, in order to meet the ends of justice and to conclude the matter in an efficacious manner, a hearing in the matter was fixed for June 15, 2026, which was attended by Mr. Sarfraz Khan, *Head of Compliance* and Mr. Hammad Hussain, *Head of Investment Banking* as the Authorized Representative on behalf of the Noticee, hereinafter referred to as "the **Authorized Representatives**" while Mr. Jawad Amjad, *Chief Executive Officer*, one of the Authorized Representatives remained absent. During the course of hearing, the Authorized Representatives reiterated its written response dated May 18, 2026 and, *inter alia*, submitted that:

i. the delay in compliance was purely technical in nature and was neither deliberate nor willful. The delay occurred due to a misunderstanding of the applicable legal requirements, which the representatives candidly admitted during the hearing;
ii. They had assumed that the issuance of the corrigendum would automatically extend or reset the prescribed timeline for compliance. At the relevant time, the Respondent did not have the benefit of any formal legal opinion and had acted only on the basis of verbal guidance received through informal channels; and
iii. Prayed that, considering the bona fide nature of the lapse and subsequent compliance, no monetary penalty may be imposed.

8. I have carefully examined the record available before me, including the contents of the SCN, the written response submitted by the Noticee, the submissions advanced by the Authorized Representatives during the course of hearing, and the relevant provisions of the Act and the Regulations. The principal contention raised by the Noticee is that the delay in withdrawal of the PAI was a result of its bona fide understanding that the issuance of the corrigendum dated July 16, 2025 had the effect of recommencing the statutory timeline prescribed for issuance of the PAO and, consequently, for withdrawal of the PAI. It has further been contended that such understanding was formed after consultation with advisors, that the lapse was technical and inadvertent in nature, and that there was neither any intention to circumvent the law nor any prejudice caused to investors or the market.

9. The aforesaid submissions, do not hold any ground in light of clear provisions of the law. Regulation 21(1)(e) of the Regulations unequivocally mandates withdrawal of the PAI immediately upon lapse of the prescribed period for making the PAO and any extension thereof, where applicable, and requires such withdrawal to be notified to the Commission and the Securities Exchange within one (1) working day of such lapse. Likewise, Regulation 26 of the Regulations expressly impose an independent statutory responsibility upon the MTO, being the agent of the Acquirer, to ensure that the public announcement process is carried out strictly in accordance with the Act and the Regulations. The Regulations, neither contemplate nor allow that issuance of a corrigendum to a PAI would automatically extend or recommence the statutory timelines, nor can such a consequence be inferred by analogy from provisions governing a PAO, particularly where the legislative framework has consciously drawn a distinction between the two. The obligation imposed upon the Noticee was clear, mandatory and unambiguous,

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and the admitted delay of approximately forty-eight (48) days in withdrawal of the PAI, therefore, constitutes a contravention of Regulations 21(1)(e) and 26 of the Regulations.

10. Having observed as above, while the fact of contravention stands established, the material available on record does not support a conclusion that such contravention was wilful so as to warrant imposition of monetary penalty under Section 126(3)(c) of the Act. In this regard, it is pertinent to note that the Noticee has consistently maintained that the lapse stemmed from an erroneous, *albeit,* bona fide, interpretation of the applicable legal provisions, has candidly acknowledged during the hearing that such understanding was mistaken, and has also represented that no formal legal opinion had been obtained at the relevant time. Furthermore, the Noticee promptly proceeded to withdraw the PAI after the Commission highlighted the non-compliance vide its letter dated December 23, 2025 and has undertaken to strengthen its internal compliance mechanisms to ensure that similar lapses do not recur in future. These mitigating circumstances lend credence to the Noticee's assertion that the default was not deliberate or intentional but arose from an incorrect appreciation of the legal requirements.

11. In view of the foregoing facts and circumstances, although the contravention of Regulation 21(1)(e) and 26 of the Regulations stands established against the Noticee, I am of the considered view that the ends of justice would be adequately served by taking a lenient view in the matter. Therefore, I, in exercise of the powers conferred under Section 126(3)(c) of the Act, am included to conclude the instant proceedings with a **WARNING** to the Noticee to exercise greater diligence and ensure meticulous and timely compliance with the provisions of the Act and the applicable regulations in letter as well as spirit. The Noticee is further cautioned that any similar non-compliance in future may invite appropriate enforcement action under the applicable provisions of law.

12. Without prejudice to the above, in case the Acquirer is aggrieved by this Order, he may, within thirty days of the Order, prefer to file review application in terms of Section 32B of the SECP Act, 1997 or may file an appeal to Appellate Bench of the Commission in terms of Section 33 of the SECP Act in accordance with the procedure for filing an appeal as laid down under the Securities and Exchange Commission of Pakistan (Appellate Bench Procedure) Rules, 2003.

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(Sohail Qadri)
Director / Adjudicating Officer
(Adjudication Department)

Announced:
June 30, 2026
Islamabad
Order No. 165068 -382