

ARTICLE 7**SCHEME'S EFFECT**

1. The provisions of this Scheme shall be effective and binding by operation of law and shall become effective in terms of Article "5" above.
2. The Amalgamation in terms of this Scheme shall not: (i) constitute any assignment, transfer, devolution, conveyance, alienation, parting with possession, or other disposition under any law for the time being in force; (ii) give rise to any forfeiture; (iii) invalidate or discharge any Contract or Security; and (iv) give rise to any right of first refusal or pre-emptive right that any person may have in respect of any investment made by such person in Johnson & Phillips (Pakistan) Limited.
3. As of the Effective Date, the terms of this Scheme shall be binding on Johnson & Phillips (Pakistan) Limited and the Merging Entities and also on all the shareholders of Johnson & Phillips (Pakistan) Limited and the Merging Entities and the Customer and the Creditors of each of the Johnson & Phillips (Pakistan) Limited and the Merging Entities and on any other person having any right or Liability in relation to either of them.

ARTICLE 8**CONSIDERATION AND RELATED MATTERS**

1. It is agreed to between the parties hereto that as on the Effective Date, the Johnson & Phillips (Pakistan) Limited held **13,236,000** shares (Thirteen Million Two Hundred Thirty Six Thousand Only) of the Merging Entities (hereinafter referred to as "Agreed Transferable Shares") shall stand transferred to Johnson & Phillips (Pakistan) Limited as consideration of amalgamation under this scheme. The transfer of the Agreed Transferable Shares will take place subject to the encumbrance and pledge in favour of the relevant Creditors and without in any way affecting the security interest of the relevant Creditors. The Agreed Transferable Shares shall be transferred by Johnson & Phillips (Pakistan) Limited at the Effective Date.
2. The Agreed Transferable Shares shall be treated as held by Johnson & Phillips (Pakistan) Limited instead of Johnson & Phillips (Pakistan) Limited for the purpose of Article 8 Clause 1 above.
3. As consideration for the Amalgamation, Johnson & Phillips (Pakistan) Limited shall issue at par and allot 22.60 ordinary shares of Johnson & Phillips (Pakistan) Limited credited as fully paid up for every 1 share of the face value of Rs.10/- each to persons who on a day to be fixed by the directors of Johnson & Phillips (Pakistan) Limited after the Effective Date, are registered holder of the ordinary shares in the Merging Entities, including Johnson & Phillips (Pakistan) Limited on the basis of swap ratio of 22.06 shares of Johnson & Phillips (Pakistan) Limited for every 1 share of the Elmetec (Private) Limited held ("Swap Ratio") and all entitlement of the registered holders of the ordinary shares of the Merging Entities shall be determined in the



Shehryar Shah

Samyad Khan