

Moonlite (Pak) Ltd.

MANUFACTURERS AND EXPORTERS OF CARPET WOOLEN YARN



Dated: 18th April, 2016

Mr. Akbar Ali
Assistant Manager - TMAD
Pakistan Stock Exchange

BOARD MEETING

We are enclosing, Minutes of Board of Directors. Held on April 15th, 2016.

A handwritten signature in black ink, appearing to read "Sohail Umer", is written over a horizontal line.

Sohail Umer
(Company Secretary)

**MINUTES OF BOARD OF DIRECTORS' MEETING OF MOONLITE (PAK)
LIMITED (THE "COMPANY") HELD ON APRIL 15, 2016 AT 3:00 P.M. AT
M-05, MEZZANINE FLOOR, 172-L, BLOCK-II, P.E.C.H.C.S., KARACHI**

The meeting was chaired by Mr. Muhammad Ashraf and attended by the following directors:

1. Muhammad Sohail.
2. Shahid Umer.
3. Parsa Sohail
4. Muhammad Ashraf

1. APPROVAL OF SCHEME OF ARRANGEMENT/AMALGAMATION FOR MERGER OF MOONLITE (PAK) LIMITED WITH THE COMPANY

The draft Scheme of Arrangement/Amalgamation for merger of Bunny's Limited ("BPL") with the Company has already been circulated amongst all directors. Chairman briefed the meeting that BPL is a public limited company inter alia, engaged in the business of bakery food and allied products. Meeting was further conveyed that the merger shall reverse the winding up proceedings and breathe a new life into the Company and the proposed merger of BPL with the Company, subject to approval of shareholders and honourable Lahore High Court, Lahore, will accrue the following benefits for the Company:

- a) The merger/amalgamation provides the Company and its members an opportunity to reverse the winding up proceedings, reviving the Company, as result of which the Company shall survive.
- b) The Company shall immediately after the merger/amalgamation begin to receive a return on the investment.
- c) The major contribution to profitability will arise from economies of scale. Further, reduction in operating costs is projected immediately upon merger/amalgamation.
- d) The business set up under a single company would be enlarged with a larger asset base, with more opportunities and options for employment of funds.

e) The Company had obtained expertise in the snack product market which it intended to pursue by establishing its own plant. The merger/amalgamation shall allow fulfillment of this vision of the Company to diversify and expand at considerably reduced cost and additional benefits of an up and running business with experienced workforce at all levels.

f) The administrative costs incurred by the Companies will be considerably reduced as:

i) Only a single Board of Directors will be required to administer the merged/amalgamated entity;

ii) Subsequent to the merger/amalgamation, only one Annual General Meeting will be required to be held;

iii) Only one register of shareholders, one set of books and records will be required to be maintained and one set of forms etc. will be filed with various government agencies;

iv) Only one administrative office would be required for managing the affairs of the merged/amalgamated company;

g) As a result of the said transfer, re-organization of capital and amalgamation, there will be considerable cost saving through streamlined procedures and reduction in overhead and working expenses. There will also be an increase in efficiency by reason of unified control. The consequent improvement in the operations shall ultimately ensure the benefit of the shareholders, employees, customers and others generally.

h) In the context of the aforesaid, the business of the Companies will be integrated so as to achieve an optimum level of utilization of their combined inherent potential. This would make the new entity market-competitive, more result orientated and, hence, more profitable.

i) The said transfer of undertaking and, amalgamation of capital will be to the advantage of shareholders, creditors and employees of the Companies for the following reasons:

i) Reduced overhead costs and unified business is likely to result in enhanced revenues and lower costs, hence the prospects of higher profitability with its likely consequences of higher dividends to shareholders shall also increase;

ii) The pooling of the assets and resources will enhance the security available to the creditors;

iii) The enhanced commercial viability is likely to benefit the employees of the Companies.

The meeting was further conveyed that in evaluation of the scheme of arrangement/amalgamation due care has been taken so that it reflect a generous basis for proposed amalgamation of the companies. The Chairman invited comments with respect to scheme of arrangement/amalgamation for merger of BPL with the Company and further queries raised by directors were duly replied by the Chairman.

The official liquidator has authorized the directors in term of Section 364(6) of the Companies Ordinance, 1984 to consider and if deemed fit approve the scheme.

The matter regarding approval of scheme of arrangement/amalgamation for merger of BPL with the Company was discussed at length and it was unanimously resolved as follows:

a) **UNANIMOUSLY RESOLVED THAT** the draft Scheme of Arrangement for inter alia merger and amalgamation (the "**Scheme**") by and between the Bunny's Limited and its members, and the Company and its members, tabled at the meeting, and for purposes of identification initialled by the Chairman, be and is hereby approved.

b) **UNANIMOUSLY FURTHER RESOLVED THAT** Mr. Muhammad Sohail & Muhammad Ashraf (the "**Authorised Officer(s)**"), or such one or more persons as may from time to time be specifically designated by the Authorised Officer for this purpose, be and is hereby authorized to approach as he may deem fit government authorities, Securities and Exchange Commission of Pakistan, State Bank of Pakistan, Competition Commission of Pakistan, major shareholders and creditors of the Company and/or other concerned persons, authorities and officers and to take such action as he may consider necessary or expedient with a view to obtaining their consent for the Scheme and for facilitating the eventual issue of all sanctions, approvals, and permissions that may be required in connection with the merger/amalgamation and in that connection to do all such acts, deeds and things as they may deem necessary.

c) **UNANIMOUSLY FURTHER RESOLVED THAT** the filing of a petition by the Company jointly with Bunny's Limited before the honorable Lahore High Court, Lahore for obtaining sanction of the Scheme of Arrangement and other orders facilitating the merger/amalgamation of the said companies be and is hereby approved.

d) **UNANIMOUSLY FURTHER RESOLVED THAT** the Authorised Officer, or such one or more persons as may from time to time be specifically designated by the Authorised Officer for this purpose, be and is hereby authorised to:

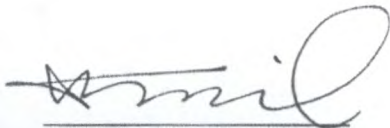
i) negotiate the terms of, execute and deliver agreements, contracts or other documents and do all acts, things and deeds as may be required or expedient for the proposed merger/amalgamation.

ii) sign, verify and present, and appoint advocates in connection with the applications and petitions aforesaid and all other applications, petitions, affidavits, statements and other papers and documents relating to obtaining sanction of the honorable Lahore High Court, Lahore or any other authority (including Competition Commission of Pakistan) to the aforesaid Scheme of Arrangement, including without limitation, review applications and appeals.

e) **UNANIMOUSLY FURTHER RESOLVED THAT** all acts, deeds, and things done by the Authorised Officer for and on behalf of and in the name of the Company shall be binding acts, deeds, and things done by the Company.

THERE BEING NO OTHER BUSINESS THE MEETING ENDED WITH A VOTE OF THANKS TO THE CHAIR.

For M/s. MOONLITE (PAK) LIMITED



MUHAMMAD SOHAIL
(Company Secretary)