

Dated: November 20, 2018

Mr. Muhammad Ghufraan
Deputy General Manager
Trading and TREC Holders Affairs
Pakistan Stock Exchange Limited
Stock Exchange Building,
Stock Exchange Road
Karachi, Pakistan

SUBJECT: Allotment of Shares to TPL Holdings (Pvt.) Limited under the Scheme of Arrangement-TPL Corp Limited

Dear Sir,

We are writing to you with reference to the subject matter.

We would like to inform you that by virtue of Clause 11.4 of Article 11 of the Scheme of Arrangement sanctioned by the Hon'ble High Court of Sindh (copies of Scheme of Arrangement and Judgment are attached), TPL Corp Limited is, *inter alia*, required to allot new shares of 20,048,800 on the basis of a swap ratio of 0.95 TPLT shares (now TPL Corp Limited) for every one share of TPL Properties Limited (i.e. total 21,104,000 shares), to TPL Holdings (Pvt.) Limited.

In the light of the above, please note that new shares 20,048,800 of TPL Corp Limited have been allotted to TPL Holdings (Pvt.) Limited and consequently paid up capital of TPLT has been increased from 217,248,963 to **237,297,763**. We are attaching the Auditor Certificate for TREC Certificate Holders which is confirming increasing of paid-up capital of TPL Corp Limited.

We would request Pakistan Stock Exchange to update its record accordingly.

Regards,



Danish Qazi
Company Secretary
Cell No. 03008241394

TPL Corp Ltd.

12th Floor, Center Point Building off Shaheed-e-Millat Expressway, Adjacent KPT Interchange, Karachi Postal Code 74900
PABX (021) 34390300 Fax: (021) -35316032 Email: info@tplcorp.com Website: www.tplcorp.com

AA/FB/2049/18
01 October 2018

The Company Secretary
TPL Corp Limited (the Company)
Karachi

Agreed upon procedures report on the Revised Paid-up capital as of 30 June 2018

Dear Sir

We have performed the procedures as agreed with you vide our engagement letter AA/FB/2048/18 dated 01 October 2018 and enumerated below with respect to the revised paid-up capital of the Company as at 30 June 2018 after allotment of 20,048,800 ordinary shares of Rs.10/- each by the Company. We have been informed that the above report is required for the purposes of onward submission to Central Depository Company of Pakistan Limited (CDC) in terms of procedures prescribed by CDC for shares upload.

2. Our engagement was undertaken in accordance with the International Standards on Related Services (ISRS) - 4400, "Engagement to Perform Agreed-upon Procedures Regarding Financial Information", applicable to agreed upon procedures engagements. The procedures were performed solely to assist you to confirm the purpose as stated above and are summarised as follows:

2.1 Check the revised paid-up capital of the Company as at 30 June 2018 after allotment of 20,048,800 ordinary shares (having face value of Rs.10/- each) for consideration other than cash by the Company from the audited financial statements of the Company for the year end 30 June 2018 and Form 3 filed with Securities and Exchange Commission of Pakistan.

3. We report our factual findings below:

3.1 With respect to procedure 2.1, we have checked the revised paid-up capital of the Company i.e. Rs.2,372,977,630 (equivalent to 237,297,763 ordinary shares having face value of Rs.10/- each) as at 30 June 2018, after allotment of 20,048,800 ordinary shares (having face value of Rs.10/- each aggregating to Rs. 200,488,000) for consideration other than cash by the Company from the audited financial statements of the Company for the year end 30 June 2018 and Form 3 filed with Securities and Exchange Commission of Pakistan. In this regard, no exception noted.

Based on the above procedures performed, we report that an amount of Rs.2,372,977,630/- is the revised paid-up capital of the Company, after allotment of Rs.200,488,000/- ordinary shares for consideration other than cash, as at 30 June 2018. In this regard, we have been given to understand that above referred 20,048,800 ordinary shares will be recorded in members' register in the name of CDC and the conditions imposed by concerned regulatory bodies including but not limited to the Pakistan Stock Exchange Limited have been complied with by the Company applicable at this stage.

4. Because the above procedures do not constitute an audit or review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance in respect of above.

5. Had we performed additional procedures or had we performed an audit or review of the financial statements including compliance of above referred provisions in accordance with International Standards on Auditing or International Standards on Review Engagements, other matters might have come to our attention that would have been reported to you.





EY

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6. Our report is being issued in the capacity of statutory auditor of the Company on the specific request of the Company's management and is solely for the purpose set forth in the first paragraph of this report. Our report is for your information and is not to be used for any other purpose or to be distributed to any other parties without our prior consent. This report relates only to the items specified above and does not extend to any financial statements of the Company, taken as a whole.

Yours faithfully

EY Parul Chohan

AN/FB:ah.

SCHEME OF ARRANGEMENT

UNDER SECTIONS 284 TO 288 OF THE COMPANIES ORDINANCE, 1984

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BETWEEN

TPL TRAKKER LIMITED, a public company limited by shares and listed on the Pakistan Stock Exchange Limited, incorporated and existing under the laws of Pakistan and having its registered office at 12th Floor, Centrepont, Off Shaheed-e-Millat Expressway, Near KPT Interchange Flyover, Karachi (hereinafter referred to as "TPLT", which expression shall mean and include, where the context so requires or admits, its successors-in-interest and permitted assigns);

AND

TPL MAPS (PRIVATE) LIMITED, a private company limited by shares, incorporated and existing under the laws of Pakistan and having its registered office at 12th Floor, Centrepont, Off Shaheed-e-Millat Expressway, Near KPT Interchange Flyover, Karachi (hereinafter referred to as "TPLM", which expression shall mean and include, where the context so requires or admits, its successors-in-interest and permitted assigns);

AND

TPL VEHICLE TRACKING (PRIVATE) LIMITED, a private company limited by shares, incorporated and existing under the laws of Pakistan and having its registered office at 12th Floor, Centrepont, Off Shaheed-e-Millat Expressway, Near KPT Interchange Flyover, Karachi (hereinafter referred to as "TPLV", which expression shall mean and include, where the context so requires or admits, its successors-in-interest and permitted assigns);

AND

TPL HOLDINGS (PRIVATE) LIMITED, a private company limited by shares, incorporated and existing under the laws of Pakistan and having its registered office at 12th Floor, Centrepont, Off Shaheed-e-Millat Expressway, Near KPT Interchange Flyover, Karachi (hereinafter referred to as "TPLH", which expression shall mean and include, where the context so requires or admits, its successors-in-interest and permitted assigns).

RECITALS

WHEREAS by this Scheme of Arrangement ("Scheme"), it is, *inter alia*, proposed that:-

1. The undertaking comprising the Assets, Liabilities and Obligations of TPLT shall be split into 3 (three) separate segments i.e. the Maps Undertaking, the Trakker Undertaking and the Retained Undertaking.
2. The segment comprising all the Assets, Liabilities and Obligations of the Maps Undertaking shall be carved out and, as at the Effective Date (as defined below), stand merged with, transferred to, vested in, and be assumed by TPLM.

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3. As consideration for the above, it is proposed that TPLM Shares shall be issued to TPLT in accordance with this Scheme.
 4. The segment comprising all the Assets, Liabilities and Obligations of the Trakker Undertaking shall be carved out and, as at the Effective Date, stand merged with, transferred to, vested in, and be assumed by TPLV.
 5. As consideration for the above, it is proposed that TPLV Shares shall be issued to TPLT in accordance with this Scheme.
 6. Upon the merger and transfer of the Maps Undertaking and Trakker Undertaking to TPLM and TPLV respectively in the manner prescribed under this Scheme, TPLT shall continue to own and operate the Retained Undertaking, TPLM shall own and operate the Maps Undertaking and TPLV shall own and operate the Trakker Undertaking, each as independent companies without any company being wound up.
 7. Simultaneously, the undertaking comprising the Assets, Liabilities and Obligations of TPLH shall be split into 2 (two) separate segments i.e. the Properties Undertaking and the Holdings Undertaking.
 8. The segment comprising all the Assets, Liabilities and Obligations of the Properties Undertaking shall be carved out and, as at the Effective Date, stand merged with, transferred to, vested in, and be assumed by TPLT.
 9. As consideration for the above, it is proposed that TPLT Shares shall be issued to TPLH in accordance with this Scheme.
 10. Upon the merger and transfer of the Properties Undertaking to TPLT in the manner prescribed under this Scheme, TPLH shall continue to own and operate the Holdings Undertaking, while TPLT shall own and operate the Properties Undertaking, each as independent companies without any company being wound up.
 11. This Scheme, if approved by the respective shareholders of TPLT, TPLM, TPLV and TPLH, through a special resolution, along with the requisite majority of creditors (as may be applicable), and sanctioned by the Court by an order passed in this respect, is to be binding on TPLT, TPLM, TPLV and TPLH along with all the shareholders, creditors, employees, Customers, contracting parties, tax authorities and any other regulatory / statutory bodies of or with respect to TPLT, TPLM, TPLV and TPLH (as applicable) respectively.

BENEFITS OF THIS SCHEME

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A. Separation of businesses of TPLT being distinct in nature

The existing business of TPLT can be categorized under 3 (three) broad separate heads i.e. (i) maps and navigation; (ii) trakker / vehicle tracking services; and (iii) miscellaneous, including investments, which are completely distinct in nature, require different approaches and separate facilities and managements.

The business segment pertaining to maps carries on the business of, *inter alia*, navigation, maps and surveys, which primarily involves software and applications. On the other hand, the segment pertaining to trakker / vehicle tracking services carries on the business of installation and sale of tracking devices, providing vehicle tracking services and fleet management, which is very different from the other business segments.

Since each of the business undertakings / segments of TPLT are completely different from one another, it is prudent and beneficial to separate these segments so that the same can be managed, operated and developed independently and effectively. Furthermore, by separating the business segments, the individual companies shall have unique identities and a more focussed business and customer base, while remaining under the holding of TPLT.

B. Objectives of Long Term Growth and Expansion

Separation of the Maps Undertaking and the Trakker Undertaking from TPLT, and merger of the same with and into TPLM and TPLV respectively, will allow the management of each of the latter companies to focus on the business segments intended to be carried out by the respective companies, resulting in better performance of the same (particularly since TPLM and TPLV have been incorporated for such specific purposes). At the same time the respective managements shall be able to apply their skills and experience towards the long term growth of their respective companies and even expand the businesses, which will ultimately benefit the stakeholders of TPLT. The separation of the business segments will also allow the companies to direct their efforts towards the applicable segments allowing the respective companies to thrive in the upcoming market which will benefit the shareholders and the companies.

C. Distribution of Risk

The separation of the Maps Undertaking and the Trakker Undertaking from TPLT, and the amalgamation of the same with and into TPLM and TPLV respectively, shall distribute the risk of carrying on business. Subsequent to the Maps Amalgamation and Trakker Amalgamation, loss, damage, market variation or other potential risks arising out of any adverse and uncertain operating environment with respect to one business segment will not undermine or have a detrimental impact on the other. This shall provide greater stability to each company as well as protection to the shareholders of TPLT.

D. **Specialization**

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TPLM and TPLV, by specializing in the respective business segments will be able to use the facilities and management available to each company more effectively. At the same time such specialization is expected to allow each company to improve the products / services offered, allowing them to become leading suppliers / service providers, resulting in greater revenue.

E. **Preferable for Investors**

Business strategies involving the specialization of fields, particularly where the business segments have potential and / or are large enough to diversify and expand within the field, are also more attractive to investors, which may potentially result in more equity and growth for the respective companies (and ultimately benefit TPLT and its shareholders). This will benefit the shareholders of TPLT, including in the event TPLT invites persons to invest in the shares of TPLM or TPLT or sell the same.

F. **Larger Asset Base for TPLT**

The Properties Amalgamation would lead to an increased asset base of TPLT, which is a listed company. This would in turn assist the management to have access to more external funds at competitive rates. The larger size of equity and asset base would also provide greater comfort to existing and potential creditors of TPLT.

G. **Consolidation of Shareholding**

The Properties Amalgamation would allow TPLT to hold the shares of TPL Properties, without having to pay upfront cash consideration for the same. Pursuant to the Properties Amalgamation, the shareholders of TPLT would benefit from additional shareholding of TPL Properties, which is a listed company, and TPLT would have greater control over the said company.

H. **Holding Company**

The Amalgamations would allow TPLT to act as a holding company in respect of various businesses / entities; accordingly, while TPLT can oversee, supervise and control the same (to the extent applicable), the management of the respective businesses / subsidiaries shall operate the businesses on a regular basis. This structure would result in the businesses / entities being managed and carried out in a more effective and efficient manner, thus benefitting TPLT's shareholders.

NOW THEREFORE, this Scheme is presented as follows:

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ARTICLE 1

DEFINITIONS

1.1. In this Scheme, unless the subject or context otherwise requires, the following expression shall bear the meanings specified below:

"Amalgamations" means collectively the Maps Amalgamation, the Properties Amalgamation and the Trakker Amalgamation;

"Annexure A" is the annexure attached hereto which contains the details of the Maps Undertaking;

"Annexure B" is the annexure attached hereto which contains the details of the Trakker Undertaking;

"Annexure C" is the annexure attached hereto which contains the details of the Properties Undertaking;

"Annexure D" is the annexure attached hereto which lists the members of the Board of Directors of TPLT;

"Annexure E" is the annexure attached hereto which lists the members of the Board of Directors of TPLM;

"Annexure F" is the annexure attached hereto which lists the members of the Board of Directors of TPLV;

"Annexure G" is the annexure attached hereto which lists the members of the Board of Directors of TPLH;

"Annexure H" is the annexure attached hereto which lists the Particulars of the Creditors of TPLT and the TPLT Loans;

"Annexure I" is the annexure attached hereto which lists the Maps Employees;

"Annexure J" is the annexure attached hereto which lists the Trakker Employees;

"Annexure K" is the annexure attached hereto of the balance sheet of TPLT as of June 30, 2016, including a break-up of the Maps Undertaking, Trakker Undertaking and the Retained Undertaking;

"Annexure L" is the annexure attached hereto containing the E&Y Report;

"Annexure M" is the annexure attached hereto containing the KPMG Letter;

"Assets" mean assets, properties and rights of every description and kind (whether present or future, actual or contingent, tangible or intangible) and includes properties held on trust and benefit of securities obtained from Customers, benefits, powers, rights, authorities, privileges, contracts, Government consents, tax refunds / credits, sanctions and authorizations, including all registrations, licences, permits, categories, entitlements, sanctions, permissions and benefits relating to the business, all trademarks, patents, copyrights, licences, liberties, secret processes, know-how, good-will and confidential information belonging / pertaining to a company. Without in any way limiting or prejudicing the generality of the foregoing, it is hereby clarified that the Assets shall include: (i) all properties, immovable and movable, real, corporeal or incorporeal, in possession or reversion, present or contingent of whatsoever nature and wheresoever situated belonging to a company; (ii) all choses-in-action, instruments, decretal amounts, bank and other accounts, cash balances, reserve funds, revenue balances, investments, loans, advances, guarantees, deposits, prepayments, receivables, book debts, trade debts and all other rights and interest in and arising out of such property in the ownership, possession, power or control of a company, whether legal or beneficial, whether within or out of Pakistan, and all books of accounts, registers, records and all other documents of whatever nature relating thereto; (iii) all the connections and facilities for telecommunications, electricity, gas and other installations, owned by, leased or licensed to a company (including related deposits); and (iv) the Contingent Claims, tax credits / carry forward losses and proceeds realized from the Liquidation of the Contingent Claims;

"CDC" means the Central Depository Company of Pakistan Limited;

"CDS" means the Central Depository System (an electronic book entry system for the recording and transfer of securities, established under the Central Depositories Act, 1997 and maintained by the CDC;

"Claim" means claim, counter-claim, demand or cause of action and includes a Contingent Claim;

"Completion Date" has the same meaning as prescribed thereto in Article 3.1. of this Scheme;

"Contingent Claims" means any potential Claim that a company may have against any person prior to the Effective Date which may not be disclosed or reflected as part of its Assets on its books or records;

"Contract" means any contracts, agreements, deeds, instruments, letters or undertakings of every description, creating any obligations enforceable against the parties, including any finance agreements;

"Court" means the High Court of Sindh at Karachi;

"Creditors of TPLT" means the secured creditors of TPLT as particularized in Annexure H attached hereto;

"Customer" means any person having entered into a transaction, arrangement or other dealing with a company;

"E&Y Report" means the report dated December 24, 2016, issued by EY Ford Rhodes, Chartered Accountants, attached hereto as Annexure L;

"Effective Date" shall have the same meaning as prescribed thereto in Article 3.1 of this Scheme;

"existing" means existing, outstanding or in force immediately prior to the Effective Date;

"Holdings Undertaking" means all the Assets, Liabilities and Obligations of TPLH, excluding the Properties Undertaking;

"KPMG Letter" means the letter dated December 23, 2016, issued by KPMG Taseer Hadi & Co., attached hereto as Annexure M, containing, *inter alia*, the TPLT Swap Ratio;

"Liabilities and Obligations" includes all borrowings, liabilities, duties, commitments and obligations of every description (whether present or future, actual or contingent) arising out of any Contract or otherwise whatsoever and the term **"Liabilities"** and **"Obligations"** are used interchangeably and / or in conjunction with each other;

"Liquidation" means the release, compromise, satisfaction, settlement or reduction to judgment of any Claim by a competent court of law;

"Maps Amalgamation" shall have the same meaning as prescribed thereto in Article 2.1.(i) of this Scheme;

"Maps Employees" means all employees of TPLT who are employed wholly or principally for the purposes of the business segment pertaining to the Maps Undertaking as listed in Annexure I attached hereto;

"Maps Undertaking" means the specific Assets, Liabilities and Obligations of TPLT, pertaining to its maps / navigation undertaking / segment, as more specifically described in Annexure A attached hereto;

"Ordinance" means the Companies Ordinance, 1984;

"Properties Amalgamation" shall have the same meaning as prescribed thereto in Article 2.1.(iii) of this Scheme;

"Properties Undertaking" means the specific Assets, Liabilities and Obligations of TPLH, pertaining to its shareholding of TPL Properties, as more specifically described in Annexure C attached hereto;

"Retained Undertaking" means all the Assets, Liabilities and Obligations of TPLT, excluding the Maps Undertaking and the Trakker Undertaking;

"Scheme" means this Scheme of Arrangement in its present form with any modifications thereof or additions thereto, approved or with any conditions imposed by the Court;

“Security” or “Securities” means interest, right or title in and to any and all mortgages or charges (whether legal or equitable), debentures, bill of exchange, promissory note, guarantee, lien, pledge (whether actual or constructive), hypothecation, assignment by way of security, right of set-off, undertaking or other means of securing payment or discharge of any liabilities and obligations;

“TPL Properties” means TPL Properties Limited, a public company, listed on the Pakistan Stock Exchange Limited, incorporated and existing under the laws of Pakistan and having its registered office at 12th Floor, Centrepont, Off Shaheed-e-Millat Expressway, Near KPT Interchange Flyover, Karachi;

“TPLH” shall have the meaning as prescribed in the Preamble above;

“TPLM” shall have the meaning as prescribed in the Preamble above;

“TPLM Shares” means the ordinary shares of PKR 10/- (Pak Rupees Ten) each in the share capital of TPLM to be issued and allotted to TPLT, in accordance with Article 11.1. of this Scheme;

“TPLT” shall have the meaning as prescribed in the Preamble above;

“TPLT Loans” means the loans / financing availed by TPLT as of June 30, 2016 from the Creditors of TPLT as detailed in Annexure H attached hereto;

“TPLT Shares” means the ordinary shares of PKR 10/- (Pak Rupees Ten) each in the share capital of TPLT to be issued and allotted to TPLH, in accordance with Article 11.4. of this Scheme;

“TPLT Swap Ratio” shall have the same meaning as prescribed thereto in Article 11.4. of this Scheme;

“TPLV” shall have the meaning as prescribed in the Preamble above;

“TPLV Shares” means the ordinary shares of PKR 10/- (Pak Rupees Ten) each in the share capital of TPLV to be issued and allotted to TPLT, in accordance with Article 11.2. of this Scheme;

“Trakker Amalgamation” shall have the same meaning as prescribed thereto in Article 2.1.(ii) of this Scheme;

“Trakker Employees” means all employees of TPLT who are employed wholly or principally for the purposes of the business segment pertaining to the Trakker Undertaking as listed in Annexure J attached hereto; and

“Trakker Undertaking” means the specific Assets, Liabilities and Obligations of TPLT, pertaining to its trakker / vehicle tracking undertaking / segment, as more specifically described in Annexure B attached hereto.

ARTICLE 2

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OBJECTS OF THE SCHEME

- 2.1. The principal object of this Scheme is to give effect to the following:
- (i) separate / demerge the Maps Undertaking from TPLT and amalgamate the same with and into TPLM by transferring to, merging with and vesting in TPLM the whole of the Maps Undertaking, including all Assets, Liabilities and Obligations of the Maps Undertaking, as of the Effective Date, against the allotment and issue of TPLM Shares to TPLT in accordance with the provisions of this Scheme (the "Maps Amalgamation");
 - (ii) simultaneously, separate / demerge the Trakker Undertaking from TPLT and amalgamate the same with and into TPLV by transferring to, merging with and vesting in TPLV the whole of the Trakker Undertaking, including all Assets, Liabilities and Obligations of the Trakker Undertaking, as of the Effective Date, against the allotment and issue of TPLV Shares to TPLT in accordance with the provisions of this Scheme (the "Trakker Amalgamation"); and
 - (iii) simultaneously, separate / demerge the Properties Undertaking from TPLH and amalgamate the same with and into TPLT by transferring to, merging with and vesting in TPLT the whole of the Properties Undertaking, including all Assets, Liabilities and Obligations of the Properties Undertaking, as of the Effective Date, against the allotment and issue of TPLT Shares to TPLH in accordance with the provisions of this Scheme (the "Properties Amalgamation").
- 2.2. It is hereby clarified that although all of the above steps will take place on the same date, the same shall be deemed to be effective as of the Effective Date.
- 2.3. The Retained Undertaking shall not at any time be transferred to or vest in either TPLM or TPLV and the same shall at all times remain part of TPLT.
- 2.4. The Holdings Undertaking shall not at any time be transferred to or vest in TPLT and the same shall at all times remain part of TPLH.

ARTICLE 3

EFFECTIVE DATE

- 3.1. This Scheme shall become operative and bind TPLT, TPLM, TPLV and TPLH as soon as the certified copies of the order of the Court under Section 284 of the Ordinance, sanctioning this Scheme and making any necessary provisions under Section 287 of the Ordinance, have been filed with the Registrar of Companies, Karachi (hereinafter referred to as the "Completion Date"). When this Scheme becomes operative on the Completion Date, the Arrangement, in accordance with the Scheme, will be treated as having effect from the close of business on December 31, 2016 or at such other date as may be stated by the Court (hereinafter referred to as the "Effective Date").

- 3.2. Accordingly, as of the Effective Date and thereafter, until the Maps Undertaking, Trakker Undertaking and Properties Undertaking are actually transferred to and vested in TPLM, TPLV and TPLT respectively in terms of this Scheme, the business of (i) TPLT will be deemed to have been carried for and on account and for the benefit of TPLM (to the extent of the Maps Undertaking) and TPLV (to the extent of the Trakker Undertaking); and (ii) TPLH, to the extent of the Properties Undertaking, will be deemed to have been carried for and on account and for the benefit of TPLT.
- 3.3. The reserves including un-appropriated profits / losses of TPLT up to and immediately preceding the Effective Date shall constitute and be treated as reserves / losses of a corresponding nature in (i) TPLM, to the extent of the Maps Undertaking; (ii) TPLV, to the extent of the Trakker Undertaking; and (iii) TPLT, to the extent of the Retained Undertaking, and shall be accounted for on that basis in the books of account of TPLM, TPLV and TPLT respectively.

ARTICLE 4

CAPITAL

- 4.1. The authorized share capital of TPLT is PKR 2,300,000,000/- (Pak Rupees Two Billion Three Hundred Million) divided into 230,000,000 (Two Hundred Thirty Million) shares of PKR 10/- (Pak Rupees Ten) each, out of which 217,248,963 (Two Hundred Seventeen Million Two Hundred Forty Eight Thousand Nine Hundred Sixty Three) shares have been issued, fully subscribed to and paid up.
- 4.2. The authorized share capital of TPLM is PKR 1,000,000/- (Pak Rupees One Million) divided into 100,000 (One Hundred Thousand) shares of PKR 10/- (Pak Rupees Ten) each, out of which 10 (Ten) shares have been issued, fully subscribed to and paid up.
- 4.3. The authorized share capital of TPLV is PKR 1,000,000/- (Pak Rupees One Million) divided into 100,000 (One Hundred Thousand) shares of PKR 10/- (Pak Rupees Ten) each, out of which 10 (Ten) shares have been issued, fully subscribed to and paid up.
- 4.4. The authorized share capital of TPLH is PKR 50,000,000/- (Pak Rupees Fifty Million) divided into 5,000,000 (Five Million) shares of PKR 10/- (Pak Rupees Ten) each, out of which 3,774,400 (Three Million Seven Hundred Seventy Four Thousand Four Hundred) shares have been issued, fully subscribed to and paid up.
- 4.5. Upon the sanction of this Scheme, and subject to the payment of the requisite fee, the authorized share capital of TPLT shall stand enhanced to PKR 2,500,000,000/- (Pak Rupees Two Billion Five Hundred Million) divided into 250,000,000 (Two Hundred Fifty Million) shares of PKR 10/- (Pak Rupees Ten) each and accordingly the Memorandum and Articles of Association of TPLT shall stand amended. Approval of the shareholders of TPLT to this Scheme shall also include and constitute an approval by way of special resolution from the shareholders of TPLT, to the alteration of the Memorandum and Articles of Association of TPLT for the increase of the authorized share capital of TPLT to PKR 2,500,000,000/- (Pak Rupees Two Billion Five Hundred Million), as required in terms of the Ordinance.

- 4.6. Upon the sanction of this Scheme, and subject to the payment of the requisite fee, the authorized share capital of TPLM shall stand enhanced to PKR 225,000,000/- (Pak Rupees Two Hundred Twenty Five Million) divided into 22,500,000 (Twenty Two Million Five Hundred) shares of PKR 10/- (Pak Rupees Ten) each and accordingly the Memorandum and Articles of Association of TPLM shall stand amended. Approval of the shareholders of TPLM to this Scheme shall also include and constitute an approval by way of special resolution from the shareholders of TPLM, to the alteration of the Memorandum and Articles of Association of TPLM for the increase of the authorized share capital of TPLM to PKR 225,000,000/- (Pak Rupees Two Hundred Twenty Five Million), as required in terms of the Ordinance.
- 4.7. Upon the sanction of this Scheme, and subject to the payment of the requisite fee, the authorized share capital of TPLV shall stand enhanced to PKR 1,150,000,000/- (Pak Rupees One Billion One Hundred Fifty Million) divided into 115,000,000 (One Hundred Fifteen Million) shares of PKR 10/- (Pak Rupees Ten) each and accordingly the Memorandum and Articles of Association of TPLV shall stand amended. Approval of the shareholders of TPLV to this Scheme shall also include and constitute an approval by way of special resolution from the shareholders of TPLV, to the alteration of the Memorandum and Articles of Association of TPLV for the increase of the authorized share capital of TPLV to PKR 1,150,000,000 /- (Pak Rupees One Billion One Hundred Fifty Million), as required in terms of the Ordinance.
- 4.8. It is hereby clarified that consequent upon the Scheme becoming effective, the authorized share capital of TPLH shall remain unchanged.

ARTICLE 5

BOARD OF DIRECTORS

- 5.1. The present directors of TPLT are listed in Annexure D attached hereto.
- 5.2. The present directors of TPLM are listed in Annexure E attached hereto.
- 5.3. The present directors of TPLV are listed in Annexure F attached hereto.
- 5.4. The present directors of TPLH are listed in Annexure G attached hereto.
- 5.5. The respective directors of TPLT, TPLM, TPLV and TPLH are expected to continue as the directors after the Amalgamations / Completion Date, subject to their ceasing to be directors in the meantime due to any reason(s) and appointments being made to the vacancies thus created.
- 5.6. All the directors of TPLT, TPLM, TPLV and TPLH have interest in the Amalgamations to the extent of their respective directorships and shareholdings in TPLT, TPLM, TPLV and TPLH (to the extent applicable). The effect of this Scheme on the interest of these directors does not differ from the respective interests of the shareholders of TPLT, TPLM, TPLV and TPLH (except as specified in this Scheme). Notwithstanding the above, it is added that Mr.

Mohammad Ali Jameel, Mr. Jameel Yusuf and Mr. Bilal Alibhai are the majority shareholders of TPLH.

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ARTICLE 6

MAPS AMALGAMATION

6.1. General Description

- (i) As of the Effective Date, the entire Maps Undertaking shall be demerged / separated from TPLT and amalgamated with, stand transferred to and vest in TPLM upon the terms and conditions set forth in this Scheme without any further act, deed, matter or thing, process or procedure.
- (ii) TPLM shall be able to carry out all the business with respect to the Maps Undertaking and shall be entitled to all the rights and the benefits thereof.
- (iii) In consideration of the Maps Amalgamation, TPLM shall allot and issue TPLM Shares to TPLT.

6.2. Transfer of the Assets

- (i) As of the Effective Date, all the Assets comprised in the Maps Undertaking, shall immediately without any conveyance or transfer and without any further act or deed be vested in and become the undertaking and Assets of TPLM, which shall have, hold and enjoy the same in its own right as fully as the same were possessed, held and enjoyed by TPLT prior to the Maps Amalgamation.
- (ii) Furthermore, since the Liabilities and Obligations with respect to the Creditors of TPLT shall not be transferred to or stand vested in TPLM, the transfer of Assets with respect to the Maps Undertaking shall be free from all mortgages, charges or other encumbrances subsisting thereon, and the same shall automatically stand released on the Completion Date.

6.3. Transfer of Liabilities and Obligations

As of the Effective Date, all the Liabilities and Obligations, to the extent relevant to the Maps Undertaking, and specifically excluding any Liabilities and Obligations towards the Creditors of TPLT, shall immediately and without any further act or deed be assumed by and become the Liabilities and Obligations of TPLM, which shall pay, undertake, satisfy, discharge and perform, when due, all such Liabilities and Obligations.

6.4. TPLM's Right to Execute Deeds

Deeds, assignments or similar instruments to evidence the aforesaid transfer of Assets and / or assumption of Liabilities and Obligation with respect to the Maps Undertaking, if required at any time, may be executed by officers of TPLM authorized in this regard.

6.5. References to Assets and Liabilities and Obligations

Any reference in this Scheme to Assets or Liabilities and Obligations comprised in the Maps Undertaking is a reference to Assets or Liabilities and Obligations comprised in the Maps Undertaking to which TPLT is for the time being entitled or subject to (whether beneficially or in any fiduciary capacity) immediately preceding the Effective Date, wherever such Assets or Liabilities are situated or arise and whether or not capable of being transferred or assigned to or by TPLT under any applicable law or instrument.

6.6. Assets held in Trust, etc.

Any Asset comprised in the Maps Undertaking which immediately before the Effective Date was held by TPLT as trustee or custodian in the form of any trust deed, settlement, covenant, agreement or will or as executor of the will, or administrator of the estate of a deceased person or as judicial trustee appointed by order of any court, or in any other fiduciary capacity, shall, as of the Effective Date, be held by TPLM in the same capacity upon the trusts, subject to the powers, provisions and Liabilities applicable thereto.

6.7. Contracts

Every Contract to which TPLT is a party, which pertains to the Maps Undertaking, shall have effect as of the Effective Date as if:

- (i) TPLM had been a party thereto instead of TPLT; and
- (ii) Any reference (however worded and whether express or implied) to TPLT therein shall stand substituted, as respects anything to be done as of the Effective Date, to a reference to TPLM.

6.8. Instructions

Any existing instruction, order, direction, mandate, power of attorney, authority, undertaking or consent given to TPLT (pertaining to the Maps Undertaking) in writing shall have effect, as of the Effective Date, as if given to TPLM.

6.9. Negotiable Instruments

Any negotiable instrument or order for payment of money drawn on or given to, or accepted or endorsed by, TPLT, or payable at any place of business of TPLT, whether so drawn, given, accepted or endorsed before, as of the Effective Date, with respect to matters comprising the Maps Undertaking, shall have the same effect as of the Effective Date, as if it had been drawn on, or given to, or accepted or endorsed by TPLM, or were payable at the same place of business of TPLM.

6.10. Custody of Documents

The custody of any document, record or goods held by TPLT as bailee and duly recorded in their books that pass to TPLT under any Contract of bailment relating to any such document,

record or goods, which pertain to the Maps Undertaking, shall on that day become rights and obligations of TPLM.

6.11. **Securities:**

- (i) Any Security held immediately before the Effective Date by TPLT or by a nominee or agent of or trustee for TPLT, as security for the payment or discharge of any liability and obligation of a Customer, with respect to the Maps Undertaking, shall, as of the Effective Date, be held by, or, as the case may require, by that nominee, agent or trustee for TPLM and be available to TPLM (whether for its own benefit or, as the case may be, for the benefit of any other person) as security for the payment or discharge of that liability and obligation.
- (ii) In relation to any Security vested in TPLM in accordance with provisions of this Scheme and any liabilities and obligations thereby secured, TPLM shall be entitled to the rights and priorities to which TPLT would have been entitled if they had continued to hold the Security.
- (iii) Any Security referred to in the foregoing provisions of this paragraph which extends to future advances or liabilities (pertaining to the Maps Undertaking) shall, as of the Effective Date, be available to TPLM (whether for its own benefit or as the case may be, for the benefit of any other person) as security for the payment or discharge of future advances and future liabilities to the same extent and in the same manner in all respects as future advances by or liabilities to, TPLT or, as the case may be, TPLM were secured thereby immediately before that time (to the extent applicable to the Maps Undertaking).
- (iv) Any Security granted / created by TPLT over the Assets comprising the Maps Undertaking, including in favour of any Creditor of TPLT, as security for payment or discharge of any Liability and Obligation, shall automatically stand released and discharged on to the Completion Date.

6.12. **Legal Proceedings**

Where by virtue of this Scheme any right, Claim or Liability of TPLT pertaining to the Maps Undertaking, becomes a right, Claim or Liability of TPLM as of the Effective Date, TPLM shall have the same rights, claims, powers and remedies (and in particular the same rights, Claims and powers as to taking or resisting legal proceedings or making or resisting applications to any authority) for ascertaining, perfecting or enforcing that right, Claim or Liability as if it had at all times been a right, Claim or Liability of TPLM, and any legal proceedings or application to any authority existing or pending immediately before the Effective Date by or against TPLT with respect to the Maps Undertaking may be continued by or against TPLM.

6.13. **Judgments**

Any judgment or award obtained by or against TPLT with respect to the Maps Undertaking and not fully satisfied before the Effective Date shall at that time, to the extent to which it is enforceable by or against TPLT with respect to the Maps Undertaking, become enforceable by or against TPLM.

6.14. Evidence

All books and other documents which would, before the Effective Date, have been evidenced in respect of any matter, for or against TPLT with respect to the Maps Undertaking, shall be admissible in evidence in respect of the same matter for or against TPLM.

6.15. Authorizations

Any authorizations / powers of attorney granted by TPLT to any persons (and particularly the Maps Employees) with respect to matters pertaining to the Maps Amalgamation shall continue to subsist subsequent to the Maps Undertaking and shall be deemed to be authorizations / powers of attorney granted by TPLM to such persons, until or unless otherwise revoked or modified by TPLM.

6.16. Clarification

The provisions contained in Articles 6.2 to 6.15. above are without prejudice to the generality of any other provisions in this Scheme, but subject to any provisions in this Scheme to the contrary effect.

ARTICLE 7**TRAKKER AMALGAMATION****7.1. General Description**

- (i) As of the Effective Date, the entire Trakker Undertaking shall be demerged / separated from TPLT and amalgamated with, stand transferred to and vest in TPLV upon the terms and conditions set forth in this Scheme without any further act, deed, matter or thing, process or procedure.
- (ii) TPLV shall be able to carry out all the business with respect to the Trakker Undertaking and shall be entitled to all the rights and the benefits thereof.
- (iii) The Retained Undertaking shall be retained by TPLT.
- (iv) In consideration of the Trakker Amalgamation, TPLV shall allot and Issue TPLV Shares to TPLT.

7.2. Transfer of the Assets

- (i) As of the Effective Date, all the Assets comprised in the Trakker Undertaking, shall immediately without any conveyance or transfer and without any further act or deed be vested in and become the undertaking and Assets of TPLV, which shall have, hold and enjoy the same in its own right as fully as the same were possessed, held and enjoyed by TPLT prior to the Trakker Amalgamation.

- (ii) Furthermore, since the Liabilities and Obligations with respect to the Creditors of TPLT (i.e. the TPLT Loans) shall be entirely transferred to and stand vested in TPLV, the transfer of Assets with respect to the Trakker Undertaking shall be subject to such mortgages, charges or other encumbrances subsisting thereon.

7.3. **Transfer of Liabilities and Obligations**

As of the Effective Date, all the Liabilities and Obligations, to the extent relevant to the Trakker Undertaking, and specifically including the Liabilities and Obligations towards the Creditors of TPLT, shall immediately and without any further act or deed be assumed by and become the Liabilities and Obligations of TPLV, which shall pay, undertake, satisfy, discharge and perform, when due, all such Liabilities and Obligations.

7.4. **TPLV's Right to Execute Deeds**

Deeds, assignments or similar instruments to evidence the aforesaid transfer of Assets and / or assumption of Liabilities and Obligation with respect to the Trakker Undertaking, if required at any time, may be executed by officers of TPLV authorized in this regard.

7.5. **References to Assets and Liabilities and Obligations**

Any reference in this Scheme to Assets or Liabilities and Obligations comprised in the Trakker Undertaking is a reference to Assets or Liabilities and Obligations comprised in the Trakker Undertaking to which TPLT is for the time being entitled or subject to (whether beneficially or in any fiduciary capacity) immediately preceding the Effective Date, wherever such Assets or Liabilities are situated or arise and whether or not capable of being transferred or assigned to or by TPLT under any applicable law or instrument.

7.6. **Assets held in Trust, etc.**

Any Asset comprised in the Trakker Undertaking which immediately before the Effective Date was held by TPLT as trustee or custodian in the form of any trust deed, settlement, covenant, agreement or will or as executor of the will, or administrator of the estate of a deceased person or as judicial trustee appointed by order of any court, or in any other fiduciary capacity, shall, as of the Effective Date, be held by TPLV in the same capacity upon the trusts, subject to the powers, provisions and Liabilities applicable thereto.

7.7. **Contracts**

Every Contract to which TPLT is a party, which pertains to the Trakker Undertaking, shall have effect as of the Effective Date as if:

- (i) TPLV had been a party thereto instead of TPLT; and
- (ii) Any reference (however worded and whether express or implied) to TPLT therein shall stand substituted, as respects anything to be done as of the Effective Date, to a reference to TPLV.

7.8. Bank Accounts

Any account(s) maintained by TPLT with any bank or financial institution shall, with respect to the Trakker Undertaking, as of the Effective Date, become account(s) between TPLV and such bank or financial institution, subject to the same conditions and incidents as therefore; provided that nothing herein shall affect any right of TPLV to vary the conditions or incidents subject to which any account is kept.

7.9. Instructions

Any existing instruction, order, direction, mandate, power of attorney, authority, undertaking or consent given to TPLT (pertaining to the Trakker Undertaking) in writing shall have effect, as of the Effective Date, as if given to TPLV.

7.10. Negotiable Instruments

Any negotiable instrument or order for payment of money drawn on or given to, or accepted or endorsed by, TPLT, or payable at any place of business of TPLT, whether so drawn, given, accepted or endorsed before, as of the Effective Date, with respect to matters comprising the Trakker Undertaking, shall have the same effect as of the Effective Date, as if it had been drawn on, or given to, or accepted or endorsed by TPLV, or were payable at the same place of business of TPLV.

7.11. Custody of Documents

The custody of any document, record or goods held by TPLT as bailee and duly recorded in their books that pass to TPLT under any Contract of bailment relating to any such document, record or goods, which pertain to the Trakker Undertaking, shall on that day become rights and obligations of TPLV.

7.12. Securities:

- (i) Any Security held immediately before the Effective Date by TPLT or by a nominee or agent of or trustee for TPLT, as security for the payment or discharge of any liability and obligation of a Customer, with respect to the Trakker Undertaking, shall, as of the Effective Date, be held by, or, as the case may require, by that nominee, agent or trustee for TPLV and be available to TPLV (whether for its own benefit or, as the case may be, for the benefit of any other person) as security for the payment or discharge of that liability and obligation.
- (ii) In relation to any Security vested in TPLV in accordance with provisions of this Scheme and any liabilities and obligations thereby secured, TPLV shall be entitled to the rights and priorities to which TPLT would have been entitled if they had continued to hold the Security.
- (iii) Any Security referred to in the foregoing provisions of this paragraph which extends to future advances or liabilities (pertaining to the Trakker Undertaking) shall, as of the Effective Date, be available to TPLV (whether for its own benefit or as the case may be, for the benefit of any other person) as security for the payment or discharge

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of future advances and future liabilities to the same extent and in the same manner in all respects as future advances by or liabilities to, TPLT or, as the case may be, TPLV were secured thereby immediately before that time (to the extent applicable to the Trakker Undertaking).

- (iv) Securities granted / created by TPLT over the Assets comprising the Trakker Undertaking, in favour of the Creditors of TPLT, shall continue to remain operative and effective as Securities granted and created by TPLV in favour of its own creditors. To the extent that TPLT has granted any pari passu charge over the Assets of TPLT in favour of the Creditors of TPLT, upon the Trakker Amalgamation, the same shall be treated as a pari passu charge over the all the Assets of TPLV. It is clarified that any charge or security interest granted to a Creditor of TPLT by TPLT over specific Assets pertaining to the Trakker Undertaking, will continue to remain restricted to such specific assets upon the Trakker Amalgamation.

7.13. Legal Proceedings

Where by virtue of this Scheme any right, Claim or Liability of TPLT pertaining to the Trakker Undertaking, becomes a right, Claim or Liability of TPLV as of the Effective Date, TPLV shall have the same rights, claims, powers and remedies (and in particular the same rights, Claims and powers as to taking or resisting legal proceedings or making or resisting applications to any authority) for ascertaining, perfecting or enforcing that right, Claim or Liability as if it had at all times been a right, Claim or Liability of TPLV, and any legal proceedings or application to any authority existing or pending immediately before the Effective Date by or against TPLT with respect to the Trakker Undertaking may be continued by or against TPLV.

7.14. Judgments

Any judgment or award obtained by or against TPLT with respect to the Trakker Undertaking and not fully satisfied before the Effective Date shall at that time, to the extent to which it is enforceable by or against TPLT with respect to the Trakker Undertaking, become enforceable by or against TPLV.

7.15. Evidence

All books and other documents which would, before the Effective Date, have been evidenced in respect of any matter, for or against TPLT with respect to the Trakker Undertaking, shall be admissible in evidence in respect of the same matter for or against TPLV.

7.16. Authorizations

Any authorizations / powers of attorney granted by TPLT to any persons (and particularly the Trakker Employees) with respect to matters pertaining to the Trakker Undertaking shall continue to subsist subsequent to the Trakker Amalgamation and shall be deemed to be authorizations / powers of attorney granted by TPLV to such persons, until or unless otherwise revoked or modified by TPLV.

7.17. **Clarification**

The provisions contained in Articles 7.2 to 7.16. above are without prejudice to the generality of any other provisions in this Scheme, but subject to any provisions in this Scheme to the contrary effect.

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ARTICLE 8

PROPERTIES AMALGAMATION

8.1. **General Description**

- (i) As of the Effective Date, the whole of the Properties Undertaking shall be demerged / separated from TPLH and amalgamated with, stand transferred to and vest in TPLT upon the terms and conditions set forth in this Scheme without any further act, deed, matter or thing, process or procedure.
- (ii) TPLT shall be able to carry out all the business with respect to the Properties Undertaking and shall be entitled to all the rights and the benefits thereof.
- (iii) The Holdings Undertaking shall be retained by TPLH.
- (iv) In consideration of the Properties Amalgamation, TPLT shall allot and issue TPLT Shares to TPLH.

8.2. **Transfer of the Assets**

- (i) As of the Effective Date, all the Assets comprised in the Properties Undertaking, shall immediately without any conveyance or transfer and without any further act or deed be vested in and become the undertaking and Assets of TPLT, which shall have, hold and enjoy the same in its own right as fully as the same were possessed, held and enjoyed by TPLH prior to the Properties Amalgamation.
- (ii) Furthermore, although the Liabilities and Obligations with respect to any secured creditors of TPLH shall not be transferred to or stand vested in TPLT as a consequence of the Properties Amalgamation, the transfer of Assets with respect to the Properties Undertaking shall continue to be subject to the mortgages, charges or other encumbrances subsisting thereon till such time that the same are vacated / released in accordance with the applicable laws.

8.3. **Transfer of Liabilities and Obligations**

- (i) As of the Effective Date, all the Liabilities and Obligations, to the extent relevant to the Properties Undertaking, and specifically excluding any Liabilities and Obligations towards any creditors of TPLH, shall immediately and without any further act or deed be assumed by and become the Liabilities and Obligations of TPLT, which shall pay, undertake, satisfy, discharge and perform, when due, all such Liabilities and Obligations.

- (ii) Additionally, no Liabilities or Obligations with respect to any secured creditor of TPLH are being transferred to TPLT pursuant to the Properties Amalgamation.

8.4. TPLT's Right to Execute Deeds

Deeds, assignments or similar instruments to evidence the aforesaid transfer of Assets and / or assumption of Liabilities and Obligation with respect to the Properties Undertaking, if required at any time, may be executed by officers of TPLT authorized in this regard.

8.5. References to Assets and Liabilities and Obligations

Any reference in this Scheme to Assets or Liabilities and Obligations comprised in the Properties Undertaking is a reference to Assets or Liabilities and Obligations comprised in the Properties Undertaking to which TPLH is for the time being entitled or subject to (whether beneficially or in any fiduciary capacity) immediately preceding the Effective Date, wherever such Assets or Liabilities are situated or arise and whether or not capable of being transferred or assigned to or by TPLH under any applicable law or instrument.

8.6. Assets held in Trust, etc.

Any Asset comprised in the Properties Undertaking which immediately before the Effective Date was held by TPLH as trustee or custodian in the form of any trust deed, settlement, covenant, agreement or will or as executor of the will, or administrator of the estate of a deceased person or as judicial trustee appointed by order of any court, or in any other fiduciary capacity, shall, as of the Effective Date, be held by TPLT in the same capacity upon the trusts, subject to the powers, provisions and Liabilities applicable thereto.

8.7. Contracts

Every Contract to which TPLH is a party, which pertains to the Properties Undertaking, shall have effect as of the Effective Date as if:

- (i) TPLT had been a party thereto instead of TPLH; and
- (ii) Any reference (however worded and whether express or implied) to TPLH therein shall stand substituted, as respects anything to be done as of the Effective Date, to a reference to TPLT.

8.8. Instructions

Any existing instruction, order, direction, mandate, power of attorney, authority, undertaking or consent given to TPLH (pertaining to the Properties Undertaking) in writing shall have effect, as of the Effective Date, as if given to TPLT.

8.9. Securities:

Any Security granted / created by TPLH over the Assets comprising the Properties Undertaking shall continue to remain operative and effective as Securities granted and created by TPLH.

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8.10. Legal Proceedings

Where by virtue of this Scheme any right, Claim or Liability of TPLH pertaining to the Properties Undertaking, becomes a right, Claim or Liability of TPLT as of the Effective Date, TPLT shall have the same rights, claims, powers and remedies (and in particular the same rights, Claims and powers as to taking or resisting legal proceedings or making or resisting applications to any authority) for ascertaining, perfecting or enforcing that right, Claim or Liability as if it had at all times been a right, Claim or Liability of TPLT, and any legal proceedings or application to any authority existing or pending immediately before the Effective Date by or against TPLH with respect to the Properties Undertaking may be continued by or against TPLT.

8.11. Judgments

Any judgment or award obtained by or against TPLH with respect to the Properties Undertaking and not fully satisfied before the Effective Date shall at that time, to the extent to which it is enforceable by or against TPLH with respect to the Properties Undertaking, become enforceable by or against TPLT.

8.12. Evidence

All books and other documents which would, before the Effective Date, have been evidenced in respect of any matter, for or against TPLH with respect to the Properties Undertaking, shall be admissible in evidence in respect of the same matter for or against TPLT.

8.13. Clarification

The provisions contained in Articles 8.2 to 8.12. above are without prejudice to the generality of any other provisions in this Scheme, but subject to any provisions in this Scheme to the contrary effect.

ARTICLE 9

CERTAIN OBLIGATIONS AND REPRESENTATIONS

9.1. Upon the Maps Amalgamation, TPLM shall take all necessary and expedient steps to properly and efficiently manage the entire business pertaining to the Maps Undertaking and affairs thereof, and shall operate and promote its entire business and affairs in the normal course.

9.2. As of the Completion Date (but with effect from the Effective Date), TPLM shall undertake, pay, satisfy, discharge, perform and fulfil all the Liabilities and Obligations, Contracts, engagements and commitments whatsoever of TPLT with respect to the Maps Undertaking.

- 9.3. Upon the Trakker Amalgamation, TPLV shall take all necessary and expedient steps to properly and efficiently manage the entire business pertaining to the Trakker Undertaking and affairs thereof, and shall operate and promote its entire business and affairs in the normal course.
- 9.4. As of the Completion Date (but with effect from the Effective Date), TPLV shall undertake, pay, satisfy, discharge, perform and fulfil all the Liabilities and Obligations, Contracts, engagements and commitments whatsoever of TPLT with respect to the Trakker Undertaking.
- 9.5. Upon the Properties Amalgamation, TPLT shall take all necessary and expedient steps to properly and efficiently manage the entire business pertaining to the Properties Undertaking and affairs thereof, and shall operate and promote its entire business and affairs in the normal course.
- 9.6. As of the Completion Date (but with effect from the Effective Date), TPLT shall undertake, pay, satisfy, discharge, perform and fulfil all the Liabilities and Obligations, Contracts, engagements and commitments whatsoever of TPLH with respect to the Properties Undertaking.

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ARTICLE 10

THE SCHEME'S EFFECT

- 10.1. The provisions of this Scheme shall be effective and binding by operation of law and shall become effective in terms of Article 3 above.
- 10.2. The execution 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 TPLT and / or TPLM and / or TPLV and / or TPLH.
- 10.3. Upon the sanction of this Scheme, as of the Effective Date, the terms of this Scheme shall be binding on TPLT, TPLM, TPLV and TPLH, and also on all the respective shareholders of TPLT, TPLM, TPLV and TPLH, the Customers of each of TPLT, TPLM, TPLV and TPLH, the creditors of the companies (to the extent applicable) and on any other person having any right or liability in relation to either of them.

ARTICLE 11

CONSIDERATION FOR THE AMALGAMATIONS

- 11.1. As consideration for the Maps Amalgamation, TPLM shall allot and issue, at par, an aggregate of 20,461,229 (Twenty Million Four Hundred Sixty One Thousand Two Hundred Twenty Nine) TPLM Shares to TPLT, credited as fully paid up, approved by the Board of Directors of each of

TPLT and TPLM, based on the valuations / calculations of EY Ford Rhodes, Chartered Accountants as stated in the E&Y Report.

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- 11.2. As consideration for the Trakker Amalgamation, TPLV shall allot and issue, at par, an aggregate of 110,253,284 (One Hundred Ten Million Two Hundred Fifty Three Thousand Two Hundred Eighty Four) TPLV Shares to TPLT, credited as fully paid up, approved by the Board of Directors of each of TPLT and TPLV, based on the valuations / calculations of EY Ford Rhodes, Chartered Accountants as stated in the E&Y Report.
- 11.3. The TPLM and TPLV shares to be issued to TPLT in the manner stipulated above have been determined on the basis of the annual audited accounts of TPLT for the year ended June 30, 2016, and the valuation of TPLT as carried out by EY Ford Rhodes, Chartered Accountants as of the said date, which have been approved by the Board of Directors of TPLT, TPLM and TPLV.
- 11.4. As consideration for the Properties Amalgamation, TPLT shall allot and issue, at par, an aggregate of 20,048,800 (Twenty Million Forty Eight Thousand Eight Hundred) TPLT Shares to TPLH, credited as fully paid up, on the basis of a swap ratio of 0.95 TPLT Shares for every 1 (one) share of TPL Properties (forming part of the Properties Undertaking) (the "TPLT Swap Ratio"), approved by the Board of Directors of each of TPLT and TPLH, based on the calculations / recommendation of KPMG Taseer Hadi & Co. as stated in the KPMG Letter.
- 11.5. The TPLT Swap Ratio has been determined on the basis of audited financial statements of TPL Properties and TPLT for the year ended June 30, 2016 along with their five year financial projections, and the relative calculations / recommendation of KPMG Taseer Hadi & Co. in terms of the KPMG Letter, as approved by the Board of Directors of each of TPLT and TPLH.
- 11.6. The allotment of the TPLM Shares, TPLV Shares and TPLT Shares (in accordance with the provisions of this Article 11) shall be made by the respective companies within 30 (Thirty) days from the Completion Date, subject to compliance with any legal formalities. The share certificates for such shares shall be made ready for delivery as soon as practicable thereafter and notices of their readiness for their delivery shall be given to TPLT / TPLH (as applicable) in the manner provided in the Articles of Association of respective companies. Share certificates not collected within the time specified in any such notice shall be sent by post in prepaid envelopes addressed to the parties entitled thereto at their respective registered addresses. Neither TPLM nor TPLV nor TPLT shall be responsible for loss of the share certificates in such transmission. Alternatively, where the shares of any of the companies are or have been inducted in book entry form through the CDS, book entries relating to the shares to be issued in terms of this Article 11 shall be credited into the respective CDC accounts / sub-accounts of the relevant shareholder entitled to TPLM Shares / TPLV Shares / TPLT Shares. Such allotment shall be carried out in accordance with the rules and regulations of the CDC.
- 11.7. The TPLM Shares, TPLV Shares and TPLT Shares, issued and allotted to TPLT or TPLH (as applicable) in accordance with the provisions of this Scheme shall, in all respect, rank pari passu with the ordinary shares of TPLM, TPLV and TPLT respectively and shall be entitled to all dividends declared by the respective companies after the Completion Date.

ARTICLE 12

DETERMINATION OF THE MAPS UNDERTAKING, TRAKKER UNDERTAKING AND RETAINED UNDERTAKING

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- 12.1. The Assets, Liabilities, and Obligations comprising the Maps Undertaking, Trakker Undertaking and Retained Undertaking including, but not limited to, the reserves, accumulated profits and losses of the said undertakings, are based on the audited financial statements of TPLT for the year ended June 30, 2016. The basis of allocation of the Assets, Liabilities and Obligations with respect to the said undertakings has been stipulated in detail in the E&Y Report.
- 12.2. A balance sheet has been prepared by TPLT of the Assets, Liabilities and Obligations of TPLT comprising the Maps Undertaking, the Trakker Undertaking and the Retained Undertaking, and a break-up of the same, as reflected in the books of accounts of TPLT as of June 30, 2016, which has been reviewed by EY Ford Rhodes, Chartered Accountants and attached hereto as Annexure K.
- 12.3. Furthermore, a (segment wise) balance sheet shall be prepared by TPLT with respect to the Assets, Liabilities and Obligations of TPLT comprising the Maps Undertaking, Trakker Undertaking and the Retained Undertaking, as reflected in the books of accounts of TPLT as at the Completion Date, which shall be reviewed by EY Ford Rhodes, Chartered Accountants within 120 (one hundred twenty) from the Completion Date.
- 12.4. Any changes in the Assets, Liabilities and Obligations comprising the Maps Undertaking, the Trakker Undertaking and the Retained Undertaking, including the value thereof between June 30, 2016 and the Effective Date shall be adjusted after the Completion Date in such manner as may be deemed fit between TPLT, TPLM and TPLV.

ARTICLE 13

BOOKS AND ACCOUNTS

- 13.1. On and from the Effective Date, TPLT shall maintain separate books and accounts with respect to the Maps Undertaking, Trakker Undertaking and the Retained Undertaking. The same shall be based on the separation of Assets, Liabilities and Obligations determined in accordance with this Scheme.
- 13.2. On and from the Effective Date, TPLH shall maintain separate books and accounts with respect to the Properties Undertaking and the Holdings Undertaking. The same shall be based on the separation of Assets, Liabilities and Obligations determined in accordance with this Scheme.

ARTICLE 14

ARRANGEMENTS WITH RESPECT TO CREDITORS OF TPLT

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- 14.1. The Liabilities and Obligations of TPLT with respect to the Creditors of TPLT i.e. the TPLT Loans, including all financing arrangements and Securities provided by TPLT against such financing arrangements, shall be transferred to, stand vested in or be assumed by TPLV. Furthermore, any financing arrangements are availed by TPLT on or after the June 30, 2016 (subject to the provisions of Articles 14.3 and 14.4 below) shall also stand transferred to, vested in and assumed by TPLV as a consequence of this Scheme.
- 14.2. Although the Liabilities and Obligations with respect to the Creditors of TPLT shall no longer remain part of TPLT as a consequence of the Trakker Amalgamation, the Assets comprising the Retained Undertaking shall remain subject to all charges, mortgages and encumbrances subsisting thereon till such time that the same are vacated / released in accordance with the applicable laws.

ARTICLE 14

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ARRANGEMENTS WITH RESPECT TO CREDITORS OF TPLT

- 14.1. The Liabilities and Obligations of TPLT with respect to the Creditors of TPLT i.e. the TPLT Loans, including all financing arrangements and Securities provided by TPLT against such financing arrangements, shall be transferred to, stand vested in or be assumed by TPLV. Furthermore, any financing arrangements are availed by TPLT on or after the June 30, 2016 (subject to the provisions of Articles 14.3 and 14.4 below) shall also stand transferred to, vested in and assumed by TPLV as a consequence of this Scheme.
- 14.2. Although the Liabilities and Obligations with respect to the Creditors of TPLT shall no longer remain part of TPLT as a consequence of the Trakker Amalgamation, the Assets comprising the Retained Undertaking shall remain subject to all charges, mortgages and encumbrances subsisting thereon till such time that the same are vacated / released in accordance with the applicable laws.
- 14.3. Notwithstanding anything contained in this Scheme, in the event any financing arrangements are availed by TPLT with respect to the Maps Undertaking only on or after the Effective Date, which shall appear in the books and accounts of the Maps Undertaking (as prescribed under Article 13.1. above), the same shall stand transferred to, vested in and assumed by TPLM as a consequence of this Scheme.
- 14.4. Notwithstanding anything contained in this Scheme, in the event any financing arrangements are availed by TPLT with respect to the Retained Undertaking only on or after the Effective Date, which shall appear in the books and accounts of the Retained Undertaking (as prescribed under Article 13.1. above), the same shall stand not be transferred to, vested in and assumed by either TPLM or TPLV, and the same shall be retained by TPLT as a consequence of this Scheme.

ARTICLE 15

EMPLOYEES

- 15.1. On and from the Effective Date, all whole time officers and employees (including workmen) comprising the Maps Employees shall become the employees of TPLM at the same level of remuneration and under the same terms and conditions of service which they were receiving or, as the case may be, by which they were governed immediately before the Effective Date, including those relating to entitlements and benefits arising upon termination of services, on the basis of continuation of service.
- 15.2. On the Completion Date, proportionate amounts of TPLT's provident fund relating to the Maps Employees shall be transferred from such fund and vest in the trustees of a similar fund established by TPLM for the benefit of its employees, including the Maps Employees.
- 15.3. On the Completion Date, amounts standing to the credit of the Maps Employees with respect to TPLT's provident fund shall be transferred to and vest in the trustees of a similar fund established by TPLM for the benefit of its employees, including the Maps Employees.

- 15.4. On and from the Effective Date, all whole time officers and employees (including workmen) comprising the Trakker Employees shall become the employees of TPLV at the same level of remuneration and under the same terms and conditions of service which they were receiving or, as the case may be, by which they were governed immediately before the Effective Date, including those relating to entitlements and benefits arising upon termination of services, on the basis of continuation of service.
- 15.5. On the Completion Date, proportionate amounts of TPLT's provident fund relating to the Trakker Employees shall be transferred from such fund and vest in the trustees of a similar fund established by TPLV for the benefit of its employees, including the Trakker Employees.
- 15.6. On the Completion Date, amounts standing to the credit of the Trakker Employees with respect to TPLT's provident fund shall be transferred to and vest in the trustees of a similar fund established by TPLV for the benefit of its employees, including the Trakker Employees.

ARTICLE 16

CHANGE OF NAME OF TPLT

- 16.1. Upon the sanction of this Scheme, the name of TPLT shall stand changed / altered from "TPL Trakker Limited" to "TPL Corp Limited".
- 16.2. Without prejudice to the provisions of Article 16.1. above, TPLT shall fulfil any documentary formalities / requirements for the change of its name.

ARTICLE 17

GENERAL

17.1. Modifications by the High Court

This Scheme shall be subject to such modification of conditions, as the Court may deem expedient to impose. The Board of Directors of TPLT, TPLM, TPLV and TPLH respectively may consent to any modifications or additions to this Scheme or to any conditions which the Court may think fit. In case of any difficulty in implementation of any aspect of this Scheme, clarifications, directions and / or approval may be obtained from the Court. Notwithstanding the above, in the event that the terms of this Scheme are not approved by the shareholders and / or creditors of TPLT and / or TPLM and / or TPLV and / or TPLH (as may be applicable) in its entirety and / or the Scheme, as approved by the respective companies, is modified by the Court, the Board of Directors of TPLT and / or TPLM and / or TPLV and / or TPLH shall be entitled to withdraw this Scheme (whether or not approval from the shareholders and creditors of the respective companies has been obtained).

17.2. Headings

Article headings are not to be considered part of this Scheme, but are solely for convenience of reference, and shall not affect the meaning or interpretation of this Scheme or any of its provisions.

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17.3. Severability

If any provision of this Scheme is found to be unlawful and unenforceable by a competent court of law, then to the fullest extent possible, all of the remaining provisions of the Scheme shall remain in full force and effect.

17.4. Costs and expenses

All costs, charges and expenses in respect of the preparation of this Scheme and carrying the same into effect shall initially be borne by TPLT and subsequently will be apportioned to the group companies.

Karachi.

Dated: December 30, 2016.



For and on behalf of
TPL TRAKKER LIMITED

Name: YOUSUF ZOHAI B ALI

Designation: CFO

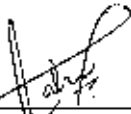
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For and on behalf of
TPL MAPS (PRIVATE) LIMITED

Name: MEHAR AMMER

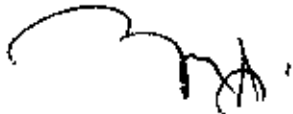
Designation: COMPANY SECRETARY



For and on behalf of
TPL VEHICLE TRACKING (PRIVATE) LIMITED

Name: MEHAR AMMER

Designation: COMPANY SECRETARY



For and on behalf of
TPL HOLDINGS (PRIVATE) LIMITED

Name: YOUSUF ZOHAI B ALI

Designation: CFO

ORDER SHEET
HIGH COURT OF SINDH AT KARACHI

J.C.M. No.48 of 2016



DATE ORDER WITH SIGNATURE OF JUDGE

Present:-
Mr. Justice Muhammad Ali Mazhar

TPL Trakker Limited & others.....Petitioners

Date of hearing: 12.09.2017.

M/s. Arshad Tayyabley and Mikael Azmat Rahim,
Advocates for the Petitioners.

Mr. Imran Shamsi, Deputy Director Law, SECP.

Muhammad Ali Mazhar, J: This petition has been put forward under Section 284 read with Sections 285 to 288 of the Companies Ordinance, 1984 for an order under Section 287(1) of the Companies Ordinance for transferring to and vesting in the specific segments of the petitioner No.1 business enterprise together with petitioner No.2 by means of envisioned Scheme for Arrangement.

2. The transitory facts are that the petitioners have moved this petition for sanction of the scheme of arrangement dated 30.12.2016. The demerger of specific portions of the undertaking of Maps undertaking and Trakker undertaking as described in the Scheme of Arrangement and its merger with the petitioner No.2 and petitioner No.3 and the demerger of a specific portion of the undertaking of the petitioner No.4 as described in the



Registered Office at 12th Floor,
Centrepoint, Off Shaheed-e-Millat
Expressway, Near KPT Interchange
Flyover, Karachi.



.....PETITIONERS

PETITION UNDER SECTION 284 READ WITH
SECTIONS 285 TO 288 OF THE COMPANIES ORDINANCE, 1984



Presented on... 31-12-16

Deputy Registrar (C.S.)

IN THE HIGH COURT OF SINDH AT KARACHI
(COMPANIES JURISDICTION)

J. C. M. PETITION NO. 48 OF 2016

In the matter of:
Sections 284 to 288 of the Companies Ordinance, 1984



10 DEC 2016

1. **TPL TRAKKER LIMITED**, a public company limited by shares, incorporated under the provisions of the Companies Ordinance, 1984, having its Registered Office at 12th Floor, Centrepoint, Off Shaheed-e-Millat Expressway, Near KPT Interchange Flyover, Karachi.

2. **TPL MAPS (PRIVATE) LIMITED**, a private company limited by shares, incorporated under the provisions of the Companies Ordinance, 1984, having its Registered Office at 12th Floor, Centrepoint, Off Shaheed-e-Millat Expressway, Near KPT Interchange Flyover, Karachi.

TPL VEHICLE TRACKING (PRIVATE) LIMITED, a private company limited by shares, incorporated under the provisions of the Companies Ordinance, 1984, having its Registered Office at 12th Floor, Centrepoint, Off Shaheed-e-Millat Expressway, Near KPT Interchange Flyover, Karachi.

4. **TPL HOLDINGS (PRIVATE) LIMITED**, a private company limited by shares, incorporated under the provisions of the Companies Ordinance, 1984, having its



Scheme of Arrangement and merger of the same with the petitioner No.1 bearing in mind the diagram depicting the existing structure of the petitioners (as part of the group) and the proposed structure.

3. The learned counsel for the petitioners argued that petitioner No.1 is a listed company generally engaged in the business of installation and sale of tracking devices and fleet management as well as holding shares in various companies whereas the petitioner No.2 and 3 have been incorporated specifically for the purposes of the reorganization/restructuring intended to be carried out pursuant to the scheme. Upon sanction of the scheme, the petitioner No.2 will carry on the maps business, while the petitioner No.3 will carry on the business pertaining to vehicle tracking, which are both currently being carried out by the petitioner No.1. The petitioner No.4 is authorized to carry on the business of manufacturing, assembling and providing vehicle and fleet management systems, as well as acquiring and holding shares in other companies. The learned counsel demonstrated that under the court orders separate meeting of the petitioners shareholders/members were convened and the scheme was sanctioned by majority without any demur or opposition. Not a single shareholder or secured creditor objected to the Scheme of Arrangement.

4. The Additional Registrar of Companies, SECP filed comments. The Deputy Registrar, SECP argued that NOCs of the creditors with respect to charge/mortgage registered with SECP of petitioner No.2 and petitioner No.4 have not been provided. Under the Scheme the undertaking of petitioner No.1 which is a listed company



will be demerged into petitioner No.2 and petitioner No.3 which are private limited companies. Hence, effectively, the major undertaking/assets of the petitioner No.1 will be transferred to two private limited companies which fall under lower regulatory regime with no code of corporate governance and lesser regulatory supervision and scrutiny. The demerger should only be allowed subject to subsequent mandatory listing of the petitioners 2 and 3 within six months' time after the order. Through the Scheme, the petitioners also seek approval for acquisition of TPL Properties Limited (TPLP's) shares by petitioner No.1 from petitioner 4. The petitioner 1 had earlier disclosed under Note 18.1 to its Account for the year ended June, 30, 2016 that it is considering divesting its shareholding in TPLP. Therefore, acquisition of further shares for greater control of TPLP by the petitioner 1 against its own shares as envisaged in the scheme of arrangements is not in line with the disclosure given in the Accounts. Further, petitioner No.4 is already the ultimate parent company of all other petitioners and TPLP. The acquisition of TPLP's shares by petitioner No.1, which is a listed company from petitioner No.4, which is private company may affect the interest of minority shareholders.

5. In rebuttal, the learned counsel for the petitioners argued that the necessary approvals/NOCs of the creditors of the Petitioners No. 1 and 4 have already been obtained at the respective meetings of the secured creditors of the Petitioners No. 1 and 4 in accordance with the provisions of the Ordinance. The copies of the NOCs issued by the creditors are attached to the Chairman's Reports. He added that there is no legal requirement under the Ordinance or the Companies Act,



2017 which mandates that a listed company's subsidiaries are also required to be listed companies. In the past, numerous demergers have taken place where a portion of a listed company merges into a private limited company for which reference can be made to 2015 CLD 2010. Since the petitioners No.2 and 3 shall be subsidiaries of the petitioner No.1, the annual audited accounts of the petitioner No. 1, which are made available to the public and submitted to the SECP are prepared on a stand-alone basis as well as a consolidated basis. Any decision in future to list the shares of the petitioner No.3 will be subject to complying with the applicable laws. He also pointed out that the shares of TPL Properties Limited which are held by the Petitioner No. 4 will vest in its subsidiary i.e. the Petitioner No. 1 that will have no impact on the market. Notwithstanding the above, subsequent to the discussions with the SECP, the minimum marketable lot size of the shares of TPL Properties Limited has been reduced by the SECP to 500 shares. The suit filed by TPL Properties Limited with respect to the lot size of the shares has been withdrawn. The proposed arrangement can validly and legally be carried out under Sections 284 to 288 of the Ordinance; accordingly, the issue of bypassing the requirements of Section 208 of the Ordinance does not arise. In response to the court query regarding the approval from Competition Commission of Pakistan, the learned counsel replied that the approval of the Competition Commission of Pakistan is not required for the subject de-mergers/mergers under the Competition Act, 2010 as the petitioners are exempt from the same. He referred to Regulation 5(1) (ii) of the Competition (Merger Control) Regulations, 2016, which provides that "*a transaction in which a holding company (whether incorporated in or*



outside Pakistan), merges, amalgamates, combines or ventures jointly with its subsidiary or the subsidiaries thereof ..." is exempt from filing a pre-merger notification and obtaining the approval of the Competition Commission of Pakistan. He maintained that petitioners No. 2 and 3 are wholly owned subsidiaries of the petitioner No. 1 and that the petitioner No.1 is a subsidiary of the Petitioner No.4, resultantly, the petitioners and the de-mergers/mergers envisaged under the Scheme of Arrangement fall within the ambit of exemption provided under Regulation 5(1) (ii).

6. Heard the arguments. To start with I would like to preview and foretaste the recital of the scheme of arrangements which for the ease of reference reproduced as under:-

"1. The undertaking comprising the Assets, Liabilities and Obligations of TPLT shall be split into 3 (three) separate segments i.e. The Maps Undertaking, the Trakker Undertaking and the Retained Undertaking.

2. The segment comprising all the Assets, Liabilities and Obligations of the Maps Undertaking shall be carved out and, as at the Effective Date stand merged with, transferred to, vested in, and be assumed by TPLM.

3. As consideration for the above, it is proposed that TPLM Shares shall be issued to TPLT in accordance with this Scheme.

4. The segment comprising all the Assets, Liabilities and Obligations of the Trakker Undertaking shall be carved out and, as at the effective date, stand merged with transferred to, vested in, and be assumed by TPLV.

5. As consideration for the above, it is proposed that TPLV Shares shall be issued to TPLT in accordance with this Scheme.

6. Upon the merger and transfer of the Maps Undertaking and Takker Undertaking to TPLM and TPLV respectively in the manner prescribed under this Scheme, TPLT shall continue to own and operate the Retained Undertaking, TPLM shall own and operate the Maps Undertaking and TPLV shall own and operate the Trakker Undertaking, each as independent companies without any company being wound up.

7. Simultaneously, the undertaking comprising the Assets, Liabilities and Obligations of TPLH shall be split into 2 (two) separate segments i.e. the properties undertaking and the holdings undertaking.



8. The segment comprising all the Assets, Liabilities and Obligations of the properties undertaking shall be carved out and, as at the effective date, stand merged with, transferred to, vested in, and be assumed by TPLT.

9. As consideration for the above, it is proposed that TPLT shares shall be issued to TPLH in accordance with this scheme.

10. Upon the merger and transfer of the properties undertaking to TPLT in the manner prescribed under this scheme, TPLH shall continue to own and operate the holdings undertaking, while TPLT shall own and operate the properties undertaking, each as independent companies without any company being wound up.

11. This scheme if approved by the respective shareholders of TPLT, TPLM, TPLV and TPLH, through a special resolution, along with the requisite majority of creditors (as may be applicable) and sanctioned by the court by an order passed in this respect, is to be binding on TPLT, TPLM, TPLV and TPLH along with all the shareholders, creditors, employees, Customers, contracting parties, tax authorities and any other regulatory/statutory bodies of or with respect to TPLT, TPLM, TPLV and TPLH respectively.

The demergers contemplated under the scheme of arrangement would have significant benefits for the petitioner companies and their respective stakeholders, which are stipulated in the scheme of arrangement under the heading benefits of scheme including separation of business which are distinct in nature, fulfillment of objectives of long term growth and expansion, distribution of risk, achieving specialization, creating a larger asset base, and achieving the structure of a holding company.”

7. Article 2 of the scheme of arrangement furthermore stipulates and lay down the aspirations and objects of the scheme as follows:



- 2.1 The principal object of this Scheme is to give effect to the following:
- (i) separate / demerge the Maps Undertaking from TPLT and amalgamate the same with and into TPLM by transferring to, merging with and vesting in TPLM the whole of the Maps Undertaking, including all Assets, Liabilities and Obligations of the Maps Undertaking, as of the Effective Date, against the allotment and issue of TPLM Shares to TPLT in accordance with the provisions of this Scheme (the “Maps Amalgamation”);
 - (ii) simultaneously, separate / demerge the Trakker Undertaking from TPLT and amalgamate the same with and into TPLV by transferring to, merging with and vesting in TPLV the whole of the Trakker Undertaking, including all Assets, Liabilities and Obligations of the Trakker Undertaking, as of the Effective Date, against the allotment and issue of TPLV Shares to TPLT in accordance with the provisions of this Scheme (the “Trakker Amalgamation”); and
 - (iii) simultaneously, separate / demerge the Properties Undertaking from TPLH and amalgamate the same with and into TPLT by transferring to, merging with and vesting in

TPLT the whole of the Properties Undertaking, including all Assets, Liabilities and Obligations of the Properties Undertaking, as of the Effective Date, against the allotment and issue of TPLT Shares to TPLH in accordance with the provisions of this Scheme (the "Properties Amalgamation").

- 2.2 It is hereby clarified that although all of the above steps will take place on the same date, the same shall be deemed to be effective as of the Effective Date.
- 2.3 The Retained Undertaking shall not at any time be transferred to or vest in either TPLM, or TPLV and the same shall at all times remain part of TPLT.
- 2.4 The Holdings Undertaking shall not at any time be transferred to or vest in TPLT and the same shall at all times remain part of TPLH.

8. Vide order dated 12.01.2017, this court directed the petitioners to hold separate meetings of the shareholders and creditors of the petitioner companies in terms of Rule 55 of the Companies (Court) Rules, 1997 and submit reports accordingly. In compliance, the Director and CEO of the petitioner No.1 submitted a report on 21.04.2017 and confirmed that the meeting was convened on 14.04.2017 with the requisite quorum present to discuss the Scheme of Arrangement and after due contemplation and consideration, the members/shareholders of the petitioner No. 1 resolved as under:

"RESOLVED THAT the Scheme of Arrangement dated December 30, 2016, for, inter alia, (i) the bifurcation/separation of TPL Trakker Limited into three segments/undertakings i.e. the maps undertaking, the trakker undertaking and the retained undertaking; (ii) the merger, by way of amalgamation, of the maps undertaking with and into TPL Maps (Private) Limited and the trakker undertaking with and into TPL Vehicle Tracking (Private) Limited; (iii) the bifurcation/separation of TPLP Holdings (Private) Limited into 2 segments/undertakings i.e. the properties undertaking and the holdings undertaking, and merger, by way of amalgamation, of the properties undertaking with and into TPL Trakker Limited, along with all ancillary matters thereto, placed before the meeting for consideration and approval, be and is hereby approved and adopted, along with any modifications/amendments required or conditions imposed by the High Court of Sindh at Karachi, subject to sanction by the Honorable High Court of Sindh at Karachi, in terms of the provisions of the Companies Ordinance, 1984.

FURTHER RESOLVED THAT subject to fulfilling any documentary formalities/requirements, the name of the company be altered/changed from "TPL Trakker Limited" to "TPL Corp Limited" upon the sanction of the Scheme of Arrangement by the Honorable High Court of Sindh, in the manner prescribed thereunder, and consequently the name



be changed in the Memorandum and Articles of Association of the company."

The Chief Financial Officer of the Petitioner No.1, submitted a report on 16.05.2017 confirming that notices of the meeting of the secured creditors of the petitioner No.1 were dispatched to the secured creditors on 19.04.2017 while the meeting was convened on 09.05.2017. After due contemplation and consideration of the Scheme of Arrangement, the secured creditors of the petitioner No. 1 resolved as under:

"RESOLVED THAT the Scheme of Arrangement dated December 30, 2016, for, inter alia, (i) the bifurcation/separation of TPL Trakker Limited into three segments/undertakings i.e. the maps undertaking, the trakker undertaking and the retained undertaking; (ii) the merger, by way of amalgamation, of the maps undertaking with and into TPL Maps (Private) Limited and the trakker undertaking with and into TPL Vehicle Tracking (Private) Limited; (iii) the bifurcation / separation of TPLP Holdings (Private) Limited into 2 segments/ undertakings i.e. the properties undertaking and the holdings undertaking, and merger, by way of amalgamation, of the properties undertaking with and into TPL Trakker Limited, along with all ancillary matters thereto, placed before the meeting for consideration and approval, be and is hereby approved and adopted, along with any modifications/amendments required or conditions imposed by the High Court of Sindh at Karachi, subject to sanction by the Honorable High Court of Sindh at Karachi, in terms of the provisions of the Companies Ordinance, 1984."

The Director of the petitioner No. 2, submitted the report on 16.05.2017. He also confirmed that notices were dispatched to the members and that the meeting was held on 15.05.2017. The members/shareholders of the Petitioner No. 2 resolved as under:

"RESOLVED THAT the Scheme of Arrangement dated December 30, 2016, for, inter alia, the bifurcation / separation of TPL Trakker Limited into three segments / undertakings i.e. the maps undertaking, the trakker undertaking and the retained undertaking, and the merger, by way of amalgamation, of the maps undertaking with and into TPL Maps (Private) Limited, along with all ancillary matters thereto, placed before the meeting for consideration and approval, be and is hereby approved and adopted, along with any modifications / amendments required or conditions imposed by the High Court of Sindh at Karachi, subject to sanction by the Honorable High Court of Sindh at Karachi, in terms of the provisions of the Companies Ordinance, 1984."



The Director of the petitioner No. 3, submitted the report on 16.05.2017. He also confirmed that notices were dispatched to the members of the petitioner No. 3 and the meeting was held on 15.05.2017 where the members/shareholders of the petitioner No. 3 had resolved as under:

"RESOLVED THAT the Scheme of Arrangement dated December 30, 2016, for, inter alia, the bifurcation/

separation of TPL Trakker Limited into three segments/undertakings i.e. the maps undertaking, the trakker undertaking and the retained undertaking, and the merger, by way of amalgamation, of the trakker undertaking with and into TPL Vehicle Tracking (Private) Limited, along with all ancillary matters thereto, placed before the meeting for consideration and approval, be and is hereby approved and adopted, along with any modifications/amendments required or conditions imposed by the High Court of Sindh at Karachi, subject to sanction by the Honorable High Court of Sindh at Karachi, in terms of the provisions of the Companies Ordinance, 1984."

The Director of the petitioner No. 4 submitted the report on 16.05.2017. He confirmed that notices were dispatched to the members of the petitioner No. 4 on 24.04.2017, The meeting was convened on 15.05.2017 with the requisite quorum and after due contemplation and consideration, the members/shareholders of the Petitioner No. 4 resolved as under:

"RESOLVED THAT the Scheme of Arrangement dated December 30, 2016, for, inter alia, the bifurcation/separation of TPLP Holdings (Private) Limited into two segments/undertakings i.e. the properties undertaking and the holdings undertaking, and merger, by way of amalgamation, of the properties undertaking with and into TPL Trakker Limited, along with all ancillary matters thereto, placed before the meeting for consideration and approval, be and is hereby approved and adopted, along with any modifications/amendments required or conditions imposed by the High Court of Sindh at Karachi, subject to sanction by the Honorable High Court of Sindh at Karachi, in terms of the provisions of the Companies Ordinance, 1984."

He also submitted a report confirming that notice of the meeting of the secured creditor of the petitioner No.4 was also dispatched to the secured creditor who resolved as under:

"RESOLVED THAT the Scheme of Arrangement dated December 30, 2016, for, inter alia, (i) the bifurcation/separation of TPL Trakker Limited into three segments/undertakings i.e. the maps undertaking, the trakker undertaking and the retained undertaking; (ii) the merger, by way of amalgamation, of the maps undertaking with and into TPL Maps (Private) Limited and the trakker undertaking with and into TPL Vehicle Tracking (Private) Limited; (iii) the bifurcation/separation of TPLP Holdings (Private) Limited into 2 segments/undertakings i.e. the properties undertaking and the holdings undertaking, and merger, by way of amalgamation, of the properties undertaking with and into TPL Trakker Limited, along with all ancillary matters thereto, placed before the meeting for consideration and approval, be and is hereby approved and adopted, along with any modifications/amendments required or conditions imposed by the High Court of Sindh at Karachi, subject to sanction by the Honorable High Court of Sindh at Karachi, in terms of the provisions of the Companies Ordinance, 1984."



9. The Mergers and acquisitions are the businesses in which the ownership of companies or their operating

units are conveyed or conjoined which is an amalgamation of two entities into one entity. This represents and epitomizes in accordance with which one company takes over one or more company's assets, rights and obligations as a whole in return for the shareholders of the latter company receiving a consideration in the form of shares in the transferee company whereas demerger connotes and designates some or all of the transferor company's assets, rights and obligations which are to be divided between one or more transferee companies in return for the shareholders in the transferor company receiving consideration in the form of shares in the company. The de-merger is a business stratagem in which a single business is broken into components. This allows a conglomerate to split off its different varieties to invite or prevent an acquisition, to raise capital by selling off components that are no longer part of the business's fundamental merchandise line or to generate distinct lawful entities to manage diverse managements. It is in fact is a method of corporate streamlining and restructuring by dint of which business operations are segregated into one or more components.



10. In the proceedings of **International Complex Projects Limited & another** reported in **2017 CLD 1468, (authored by me)** I have conversed and delineated that the role and character of the court in identical matter is reminiscent of supervisory nature which is also close to judicial review of administrative action. However, in case court finds that the scheme is fraudulent or intended to be cloak to recover the misdeeds of the directors, the court may reject the scheme in the beginning. The court can lift the corporate veil for the purpose of ascertaining the real motive behind the

scheme. In the case of Sidhpur Mills Co. Ltd. (AIR 1962 Guj. 305), the learned Judge while pointing out the correct approach for sanctioning of scheme held that the scheme should not be scrutinized in the way a carping critic, a hairsplitting expert, a meticulous accountant or a fastidious counsel would do it, each trying to find out from his professional point of view what loopholes are present in the scheme, what technical mistakes have been committed, what accounting errors have crept in or what legal rights of one or the other sides have or have not been protected. But it must be tested from the point of view of an ordinary reasonable shareholder acting in a business-like manner taking with his comprehension and bearing in mind all the circumstances prevailing at the time when the meeting was called upon to consider the scheme in question.

11. Where the scheme is found to be reasonable and fair, at that juncture it is not the sense of duty or province of the court to supplement or substitute its judgment against the collective wisdom and intellect of the shareholders of the companies involved. Nevertheless, it is the duty of the court to find out and perceive whether all provisions of law and directions of the court have been complied with and when the scheme seems like in the interest of the company as well as in that of its creditors, it should be given effect to. The court has to satisfy and reassure the accomplishment of some foremost and rudimentary stipulations that is to say, the meeting was appropriately called together and conducted; the compromise was a real compromise; it was accepted by a competent majority; the majority was acting in good faith and for common advantage of the whole class; what they did was reasonable, prudent and proper; the court



should also satisfy itself as to whether the provisions of the statute have been complied with, whether the scheme is reasonable and practical or whether there is any reasonable objection to it; whether the creditors acted honestly and in good faith and had sufficient information; whether the court ought in the public interest to override the decision of the creditors and shareholders. Where all the requisite formalities were complied with including shareholders' approval, the court would not question the commercial wisdom behind the scheme.

12. Being a sanctioning court, I have noticed that all requisite statutory procedure and formalities have been complied with by the petitioners including the holding/convening the requisite meetings as contemplated under the relevant provisions and rules of Companies Ordinance 1984. The scheme set up for sanction has been reinforced and fortified by the requisite majority which decision seems to be just and fair. The report/minutes of meetings unequivocally convey that all essential and fundamental characteristics and attributes of scheme of arrangement were placed before the voters at the concerned meetings to live up to statutory obligations. The proposed scheme of compromise and arrangement is not found to be violative of any provision of law and or contrary to public policy. The scheme as a whole look like evenhanded and serviceable from the point of view of prudent men of business taking a commercial decision beneficial to the class represented by them for whom the scheme is meant. Once the requirements of a scheme for getting sanction of the court are found to have been met, the court will have no further jurisdiction to sit in appeal



over the commercial wisdom of the majority of the class of persons who with their open eyes have given their approval of the scheme.

13. As a result of above discussion, the Scheme of Arrangement is sanctioned as prayed. The petition is disposed of accordingly.



CERTIFIED TO BE TRUE



HIGH COURT OF SINDH AT ~~Hydrabad~~

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FEES ESTIMATED ON 13-09-2018

ESTIMATED FEES DEPOSITED ON 13

COPY MADE READY ON 13

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 Assistant Registrar (Copyist)

13-09-2018
 Assistant Registrar (Copyist)

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