

NOTICE OF EXTRA ORDINARY GENERAL MEETING

Notice is hereby given that an Extra Ordinary General Meeting of TPL Properties Limited (the “**Company**”) will be held at Registered office of the Company, Centrepoint, Off Shaheed -e- Millat Expressway, Adjacent KPT interchange, Karachi, on May 4, 2017 at 11 a.m. to transact the following business:

1. ORDINARY BUSINESS:

To approve the minutes of the Annual General Meeting of the Company held on October 28, 2016.

2. SPECIAL BUSINESS:

A. To consider and, if thought fit, increase the authorized share capital of the Company from PKR 2,200,000,000/- (Pak Rupees Two billion two hundred million) to PKR 3,000,000,000/- (Pak Rupees Three billion) by creation of 80,000,000 (eighty million) new ordinary shares of PKR 10/- (Pak Rupees Ten) each and in that connection to make the necessary amendments to the Memorandum and Articles of Association of the Company.

B. To consider and, if thought fit, to pass with or without modification, Special Resolutions pursuant to Section 86(1) of the Companies Ordinance, 1984 for:

(i) the issuance of 47,600,919 (Forty Seven Million Six Hundred Thousand Nine Hundred Nineteen) ordinary shares of the Company, directly and other than by way of rights, to Heritage Chambers Limited – Mauritius and Alpha Beta Capital Markets (Private) Limited, against either (a) the transfer of 8,532,000 (Eight Million Five Hundred Thirty Two Thousand) ordinary shares of HKC Limited (“**HKC**”), constituting 90% of the issued and paid up share capital of HKC, to the Company; or (b) cash consideration in the amount of PKR 797,315,400/- (Pak Rupees Seven Hundred Ninety Seven Million Three Hundred Fifteen Thousand Four Hundred); and

(ii) the issuance of 17,910,448 (Seventeen Million Nine Hundred Ten Thousand Four Hundred Forty Eight) additional ordinary shares of the Company, directly and other than by way of rights, to Alpha Beta Capital Markets (Private) Limited, against cash consideration in the amount of PKR 300,000,000/- (Pak Rupees Three Hundred Million),

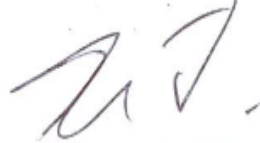
which shall be subject to the approval of the Securities and Exchange Commission of Pakistan.

(A statement of Material Facts under Section 160 of the Companies Ordinance 1984 relating to the aforesaid Special Business to be transacted at the said Extra Ordinary General Meeting is attached to this notice).

3. ANY OTHER BUSINESS:

To consider any other business with the permission of Chairman

By order of the **Board**



Muhammad Ali Jameel
Chief Executive

Date April 13, 2017

Notes:

1. The Share Transfer Books of the Company will be closed from April 28, 2017 to May 4, 2017 (both days inclusive).
2. A member entitled to attend and vote at the Extra Ordinary General Meeting is entitled to appoint another person as proxy to attend and vote instead of him. The proxy Forms, in order to be effective, must be received at the Registrar of the Company M/s THK Associates (Pvt.) Ltd., 1st Floor, 40-C, Block-6, PECHS, Karachi, not less than 48 hours before the meeting.
3. For identification, CDC account holders should present the participant's Computerized National Identity Card and CDC Account Number and in case of proxy, must enclose an attested copy of his/her CNIC. The representatives of corporate bodies should bring attested copy of Board of Directors Resolution/ Power of Attorney and/or all such documents as are required under Circular No. 1 dated 26 January 2000 issued by Securities & Exchange Commission of Pakistan for this purpose.
4. In case of a corporate entity, the Board of Directors' resolution / power of attorney with specimen signatures of the nominee shall be produced (unless it has been provided earlier) at the time of the meeting. If proxies are granted by such corporate shareholders the same must be accompanied with the Board of Directors' resolution / power of attorney with specimen signatures.
5. If a member appoints more than one proxy and more than one instrument of proxy is deposited by a member, all such instruments of proxy shall be rendered invalid.
6. Members are requested to immediately notify the change, if any, in their registered address/contact numbers to the Share Registrar on the following address:

THK Associates (Pvt.) Limited, 1st Floor, 40-C, Block-6, PECHS, Karachi.

**STATEMENT OF MATERIAL FACTS UNDER SECTION 160(1)(B) OF THE COMPANIES ORDINANCE, 1984
REGARDING SPECIAL BUSINESS**

Agenda Item 2 A

The Board of Directors of the Company, during their meeting held on March 30, 2017, have approved the direct issuance of shares of the Company, subject to obtaining all necessary corporate and regulatory approvals.

In light of the same and for future potential issuance of shares, the Company seeks to increase its authorized share capital from PKR 2,200,000,000/- (Pak Rupees Two billion Two Hundred Million) to PKR 3,000,000,000/- (Pak Rupees Three billion), and make the necessary amendments to the Memorandum and Articles of Association of the Company.

For this purpose, it is proposed to consider and, if thought fit, to pass the following resolutions as special resolutions, with or without modification:

“RESOLVED THAT the authorized share capital of the Company be and is hereby increased from PKR 2,200,000,000/- (Pak Rupees Two billion Two Hundred Million) to PKR 3,000,000,000/- (Pak Rupees Three billion) and that:

Clause V of the Memorandum of Association be and is hereby amended to read as follows:

“The authorized share capital of the Company is Rs. 3,000,000,000/- (Rupees Three billion only) divided into 300,000,000 ordinary shares of Rs. 10/- each, with power to the Company to increase or reduce its capital and to divide the shares in the capital for the time being into several classes.”

Article 7 of the Articles of Association be and is hereby amended to read as follows:

“The authorized Capital of the Company is Rs.3,000,000,000/- (Rupees Three billion only) divided into 300,000,000 ordinary shares of Rs. 10/- each with the power to the company to increase or reduce, consolidate, sub-divide or otherwise reorganize the share capital of the company in accordance with the provisions of the Companies Ordinance, 1984 and subject to any permission required under the law.”

FURTHER RESOLVED THAT Mr. Muhammad Ali Jameel, the Chief Executive and Mr. Ali Asgher, the Executive Director of the Company be and is hereby authorized to do all acts, deeds and things, take any or all necessary actions to complete all legal formalities and file all necessary documents as may be necessary or incidental for the purpose of implementing the aforesaid resolution, as well as carry out any other act or step which may be ancillary and/or incidental to do the above and necessary to fully achieve the object of the aforesaid resolution.”

The Directors of the Company have no personal interest in the Resolutions except in their capacity as shareholders of the Company to the extent of their respective shareholding.

Agenda Item 2 B

The Company is desirous of:

- (i) issuing 47,600,919 (Forty Seven Million Six Hundred Thousand Nine Hundred Nineteen) ordinary shares of the Company, directly and other than by way of rights, to Heritage Chambers Limited – Mauritius (“**Heritage**”) and Alpha Beta Capital Markets (Private) Limited (“**ABC**”) (Heritage and ABC shall collectively be referred to as the “**HKC Sponsors**”), against either (a) the transfer of 8,532,000 (Eight Million Five Hundred Thirty Two Thousand) ordinary shares of HKC Limited (“**HKC**”), constituting 90% of the issued and paid up share capital of HKC, to the Company; or (b) cash consideration in the amount of PKR 797,315,400/- (Pak Rupees Seven Hundred Ninety Seven Million Three Hundred Fifteen Thousand Four Hundred) by the HKC Sponsors; and
- (ii) issuing 17,910,448 (Seventeen Million Nine Hundred Ten Thousand Four Hundred Forty Eight) additional ordinary shares of the Company, directly and other than by way of rights, to ABC, against cash consideration in the amount of PKR 300,000,000/- (Pak Rupees Three Hundred Million) by ABC,

(collectively the “**Direct Issuance**”).

As a consequence of the above the HKC Sponsors will collectively own 65,511,367 (Sixty Five Million Five Hundred Eleven Thousand Three Hundred Sixty Seven) ordinary shares of the Company representing 29.07% of the post-issue paid up and issued share capital.

The purpose of the Direct Issuance is to (i) raise additional funding for the purposes of residential cum commercial project and (ii) allow the Company to acquire a 90% (ninety percent) stake in HKC without having to pay cash consideration.

The Company’s interest in acquiring a controlling stake in HKC is due to the fact that HKC owns a property measuring 2539.32 square yards, located at Homie Katarak Chambers, CL 9-227, Civil Lines Quarters, Hoshang Road, Karachi, which the Company is very keen on developing into a residential cum commercial project on a joint venture basis with the HKC Sponsors.

For this purpose, it is proposed to consider and, if thought fit, to pass the following resolution as a special resolution, with or without modification:

“Resolved that, that subject to compliance with all applicable laws and obtaining approval of the Securities and Exchange Commission of Pakistan pursuant to s. 86(1) of the Companies Ordinance, 1984 (along with other applicable laws), the Company be and is hereby authorized to:

- (i) *issue 47,600,919 (Forty Seven Million Six Hundred Thousand Nine Hundred Nineteen) ordinary shares of the Company, directly and other than by way of rights, to Heritage Chambers Limited – Mauritius (“**Heritage**”) and Alpha Beta Capital Markets (Private) Limited (“**ABC**”) (Heritage and ABC shall collectively be referred to as the “**HKC Sponsors**”), against either (a) the transfer of 8,532,000 (Eight Million Five Hundred Thirty Two Thousand) ordinary shares of HKC Limited (“**HKC**”), constituting 90% (ninety percent) of the issued and paid up share capital of HKC, to the Company; or (b) cash consideration in the amount of PKR 797,315,400/- (Pak Rupees Seven Hundred Ninety Seven Million Three Hundred Fifteen Thousand Four Hundred) by the HKC Sponsors; and*

- (ii) *issue 17,910,448 (Seventeen Million Nine Hundred Ten Thousand Four Hundred Forty Eight) additional ordinary shares of the Company, directly and other than by way of rights, to ABC, against cash consideration in the amount of PKR 300,000,000/- (Pak Rupees Three Hundred Million),*

(collectively the “Direct Issuance”).

Further resolved that, the Chief Executive (Muhammad Ali Jameel) and Executive Director (Mr. Ali Asgher) of the Company be jointly and severally authorized to take all necessary actions for the purposes of implementing the above resolution, including but not limited to negotiating and finalizing the terms and conditions of the Direct Issuance, and making of filings / applications other relevant documents with the Securities and Exchange Commission of Pakistan and the Pakistan Stock Exchange Limited.”

The information required to be annexed to the notice is set out below:

<p>Name of the Company to whom shares will be issued</p>	<p>Heritage Chambers Limited – Mauritius (“Heritage”) and Alpha Beta Capital Markets (Private) Limited (“ABC”) (collectively the “HKC Sponsors”)</p>
<p>Price at which the proposed shares will be issued</p>	<p>(i) 47,600,919 (Forty Seven Million Six Hundred Thousand Nine Hundred Nineteen) ordinary shares of the Company, are intended to be issued to Heritage and ABC against either (a) the transfer of 8,532,000 (Eight Million Five Hundred Thirty Two Thousand) ordinary shares of HKC Limited (“HKC”), constituting 90% of the issued and paid up share capital of HKC (based on a swap ratio of 5.58), to the Company; or (b) cash consideration / injection in the amount of PKR 797,315,400/- (Pak Rupees Seven Hundred Ninety Seven Million Three Hundred Fifteen Thousand Four Hundred) by the HKC Sponsors (i.e. approximately PKR 16.75/- per ordinary share); and</p> <p>(ii) 17,910,448 (Seventeen Million Nine Hundred Ten Thousand Four Hundred Forty Eight) additional ordinary shares of the Company, are intended to be issued to ABC against cash consideration in the amount of PKR 300,000,000/- (Pak Rupees Three Hundred Million) by ABC (i.e. approximately PKR 16.75/- per ordinary share).</p>

<p>Purpose of the issue, utilization of the proceeds of the issue and benefits to the Company and its shareholders with necessary details</p>	<p>The purpose of the Direct Issuance is to (i) raise additional funding for the purposes of residential cum commercial project and (ii) allow the Company to acquire a 90% stake in HKC without having to pay cash consideration.</p> <p>The Company's interest in acquiring a controlling stake in HKC is due to the fact that HKC owns a property measuring 2539.32 Square Yards, located at Homie Katarak Chambers, CL 9-227, Civil Lines Quarters, Hoshang Road, Karachi,, which the Company is keen on developing into a residential cum commercial project on a joint venture basis with the HKC Sponsors.</p>
<p>Existing shareholding of the Company to whom the proposed shares will be issued</p>	<p>Not Applicable</p>
<p>Total shareholding of the Company after the proposed issue of shares</p>	<p>As a consequence of the share issuance, the HKC Sponsors will collectively own 65,511,367 (Sixty Five Million Five Hundred Eleven Thousand Three Hundred Sixty Seven) ordinary shares of the Company representing 29.07% of the post-issue paid up and issued share capital of the Company.</p>
<p>Whether the Company has received a written consent for purchase of such shares</p>	<p>The Company and HKC Sponsors have entered into a Joint Venture Agreement on April 7, 2017, for, <i>inter alia</i>, the purposes of the proposed share issuance and the joint development of the property owned by HKC.</p>
<p>Justification as to why proposed shares are to be issued otherwise than rights and not as rights shares</p>	<p>To allow the Company to be able to directly issue shares to the HKC Sponsors and without burdening the minority shareholders, who can benefit from the equity injection and growth of the Company through development of the property owned by HKC.</p>
<p>Justification, with details of the latest available market price and break-up value per share, if such price differs from par value</p>	<p>Latest available Market Price: Rs. 12.50 per share Breakup Value as of December 31, 2016 Rs. 15.47 The Company seeks to issue shares above par, market and breakup value i.e. at Rs. 16.75 per share which will be beneficial to the company and will result in less dilution to the existing shareholders.</p>

The shares issued will rank pari passu in all respects with the existing shares of the Company. The issue of shares without rights is subject to approval from the Securities and Exchange Commission of Pakistan.

The Directors of the Company have no personal interest in the Resolutions except in their capacity as shareholders of the Company to the extent of their respective shareholding.