



**NOTICE OF EXTRAORDINARY
GENERAL MEETING**

Notice is hereby given that the Extraordinary General Meeting ("EOGM") of TPL Corp Limited ("Company") will be held on Monday, December 21, 2020 at 3:00 p.m. to transact the following business:

(Members are requested to attend and participate in the EOGM through video link facility as there will be no venue to prevent pandemic outbreak of COVID-19 (Corona Virus)).

ORDINARY BUSINESS:

1. To approve the minutes of the Annual General Meeting held on October 28th, 2020.

"RESOLVED THAT the minutes of Annual General Meeting of TPL Insurance Limited held on May 29, 2020 at 11:00 a.m. be and are hereby approved."

SPECIAL BUSINESS:

2. To consider and if thought fit, to pass with or without modification, special resolution in terms of Section 199 of the Companies Act 2017 to authorize the Company to provide guarantee, being the Sponsors, for its subsidiary company, TPL Insurance Limited in respect of an equity investment by DEG – Deutsche Investitions- und Entwicklungsgesellschaft mbH ("DEG"), a wholly owned subsidiary of KfW Group based in Cologne, Germany, a major development finance institution, of up to 19.9% equity interest in TPL Insurance Limited (being an investment in associated undertaking).

"RESOLVED THAT pursuant to Section 199 of the Companies Act 2017, and Rules made there under and other applicable provisions, if any, approval of the members be and is hereby accorded to the Board of Directors of the Company, to provide guarantee, for its Subsidiary Company, TPL Insurance Limited (TPLI), to DEG – Deutsche Investitions- und Entwicklungsgesellschaft mbH ("DEG") in connection of an equity investment by DEG, of up to 19.9% equity interest in TPLI on terms and conditions as may be mutually agreed between the both parties (DEG and TPLI) under the relevant agreement.."

"RESOLVED FURTHER THAT for the purpose of giving effect to above resolution, approval of the members be and is hereby accorded to the Company to enter into the put and call option agreement:

granting a right to the Company (the Sponsor of TPLI) to acquire the Investor's (DEG's) shares at a valuation yielding the investor a minimum IRR of 15% in USD only exercisable after the 4th anniversary of the closing and until the 5th anniversary of the closing subject to approval of the State Bank of Pakistan (if required)"

granting a right to the Investor (DEG) to sell any part or all of the Investor's shares to the Company at the Put Price i.e. yielding the Investor a minimum IRR of 12% in USD on the basis of all net proceeds received including cash dividends, at any time during the Put Option Period, beginning after the 7th anniversary,

RESOLVED FURTHER that for the purpose of giving effect to resolutions, the Board of Directors of the Company be and is hereby authorized to negotiate and decide, from time to time, terms and conditions, to execute such documents, deeds, writings, papers and / or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit, necessary or appropriate and settle any questions, difficulty or doubt that may arise in this regard."

Statement of Material Facts under Section 134(3) of the Companies Act, 2017 relating to the said Special Business:

Investment in associated undertaking:

The Company is desirous of providing guarantee, being the Sponsors, for its subsidiary company, TPL Insurance Limited in respect of an equity investment by DEG, a wholly owned subsidiary of KfW Group based in Cologne, Germany, of up to 19.9% equity interest in TPL Insurance Limited and the same has been approved and recommended/proposed for the shareholders' approval by the Board of Directors of the Company in their meeting held on October 23, 2020.

The information required to be annexed to the Notice by Notification No. S. R. O. 1240(I)/2017 dated December 06, 2017 is set out below:

S. No.	Requirement	Information																																				
i.	Name of the associated company or associated undertaking	TPL Insurance Limited																																				
ii.	Basis of relationship	Subsidiary																																				
iii.	Earnings per share for the last three years of the Associated Company	Profit per shares for 2017, 2018 and 2019 are Rs. 1.12, Rs. 0.04 and Rs. (1.14) respectively.																																				
iv.	Break-up value per share, based on latest audited financial statements	Rs. 8.6 per share																																				
v.	Financial position of the associated company	<div>The extracts of the audited/reviewed consolidated balance sheet and profit and loss account of the associated company as at and for the period ended June 30, 2020 is as follows:</div> <table><tr><td>Balance Sheet</td><td>Rupees (000)</td></tr><tr><td>Non-current assets</td><td>413,714</td></tr><tr><td>Other assets</td><td>2,746,781</td></tr><tr><td>Total Assets</td><td>3,160,495</td></tr><tr><td>Total Liabilities</td><td>2,353,663</td></tr><tr><td colspan="2"><i>Represented by:</i></td></tr><tr><td>Paid up capital</td><td>938,662</td></tr><tr><td>Share Premium</td><td>8,034</td></tr><tr><td>Accumulated (loss)</td><td>(163,346)</td></tr><tr><td>Other Comprehensive Income- AFS</td><td>(35,339)</td></tr><tr><td>Equity</td><td>748,011</td></tr><tr><td>Profit and Loss</td><td></td></tr><tr><td>Profit before interest and taxation</td><td>96,126</td></tr><tr><td>Financial charges</td><td>(18,903)</td></tr><tr><td>Profit before taxation</td><td>77,222</td></tr><tr><td>Taxation</td><td>(18,845)</td></tr><tr><td>Profit after taxation</td><td>58,374</td></tr><tr><td></td><td></td></tr></table>	Balance Sheet	Rupees (000)	Non-current assets	413,714	Other assets	2,746,781	Total Assets	3,160,495	Total Liabilities	2,353,663	<i>Represented by:</i>		Paid up capital	938,662	Share Premium	8,034	Accumulated (loss)	(163,346)	Other Comprehensive Income- AFS	(35,339)	Equity	748,011	Profit and Loss		Profit before interest and taxation	96,126	Financial charges	(18,903)	Profit before taxation	77,222	Taxation	(18,845)	Profit after taxation	58,374		
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vi.	<div>In case of investment in a project of an associated company / undertaking that has not commenced operations, in addition to the information referred to above, the following further information is also required:</div> <div>a) a description of the project and its history since conceptualization;</div> <div>b) starting date and expected date of completion; c) time by which such project shall become commercially operational;</div> <div>d) expected return on total capital employed in the project; and</div> <div>e) funds invested or to be invested by the promoters distinguishing between cash and non-cash amounts;</div>	<div>Not applicable (N/A)</div>																																				

vii.	Maximum amount of investment to be made	PKR 466,500,000/-
viii.	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment;	The Investment will be utilized for strengthening capital base and funding expansion of the Subsidiary and meeting its strategic business plan.
ix.	Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,- (I) justification for investment through borrowings; (II) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and (III) cost benefit analysis;	N/A
x.	Salient features of the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment;	The salient features of the definite agreements among the investors (DEG), the Sponsor (TPLC) and associated undertaking (TPL I) are as follows: I. Subscription Agreement between TPLI and DEG in respect of subscription price, number and types of shares, valuation and condition to subscription, taxes/ costs, disclosure of information, covenant reporting, governing law and jurisdiction/arbitration. II. Shareholders Agreement between TPLC and DEG in respect of the composition of the Board of Directors and its meetings and rights (consent, pre-emptive, offer/re-fusal, exit, tag and drag), public offering, transfer of shares, share retention, corporate governance, covenant, reporting, governing law and jurisdiction/arbitration. III. Put and Call Option Agreement between TPLC and DEG in respect of the triggers for call option and put option, and all matters related thereto.
xi.	Direct or indirect interest, of directors, sponsors, majority shareholders and their relatives, if any, in the associated company/undertaking or the transaction under consideration	None
xii.	In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and	None
xiii.	Any other important details necessary for the members to understand the transaction;	<p>Call Option Exercisable Price: The Call Option exercise price shall be calculated based on 15% USD IRR on the investment, which shall be converted into Pakistani Rupees. The Call Price shall be subject to currency exchange rate difference and adjusted for any dividends paid to the investor during the investment tenor.</p> <p>Put Price: The put price shall be calculated based on 12% USD IRR on the investment, which shall be converted into Pakistani Rupees. The Put Price shall be subject to currency exchange rate difference and adjusted for any dividends paid to the investor during the investment tenor by TPLI</p> <p>In addition, irrespective of Put Option Period, the Investor shall be entitled to exercise its Put Option due to the occurrence of following events:</p> <ul style="list-style-type: none"> • Material misrepresentation by TPLI or the Company; • Bankruptcy, liquidation, insolvency and receivership of TPLI; • Nationalisation or other similar appropriation of TPLI; • Material breach of any covenants stated in the financing documents; and • Inability to receive the requisite security clearance for foreign shareholders.

xiv.	Category-wise amount of investment;	Nil
xv.	Average borrowing cost of the investing company or in case of absence of borrowing the KIBOR (Karachi Inter Bank Offered Rate) for the relevant period	N/A
xvi.	Rate of interest, mark up, profit, fees or commission etc. to be charged by investing company;	Nil
xvii.	Particulars of collateral or security to be obtained in relation to the proposed investment;	Nil
xviii.	If the investment carries conversion feature i.e. it is convertible into securities, this fact along with terms and conditions including conversion formula, circumstances in which the conversion may take place and the time when the conversion may be exercisable; and	Nil
xix.	Repayment schedule and terms and conditions of loans or advances to be given to the associated company or associated undertaking.	N/A

ANY OTHER BUSINESS

3. To transact any other business with the permission of the Chairman.

By Order of the Board

Danish Qazi
Company Secretary

Karachi, November 30, 2020

NOTES

1. Coronavirus Contingency Planning

In view of the pandemic outbreak of COVID-19 (Corona Virus) and directives of the Securities and Exchange Commission of Pakistan (SECP) vide Circular No. 05 of 2020 dated March 17, 2020, and extension of the applicability thereof vide Circular No. 33 of 2020 dated November 05, 2020, requiring listed companies to modify their usual planning for general meetings to protect the wellbeing of shareholders, the Company requests its members to attend and participate in the EOGM through video link facility only to avoid large gathering at one place and prevent pandemic outbreak of Corona Virus.

Therefore, to attend and participate in the EOGM through video link facility, members are requested to register their particulars (Name, Folio/CDS Account Number, CNIC Number and Cell Phone Number) with the Company Secretary by emailing to company.secretary@tplholdings.com at least 24 hours before the time of EOGM.

The members can also provide comments/suggestions for the proposed agenda items of the Extraordinary General Meeting by emailing the same to company.secretary@tplholdings.com.

2. Closure of Share Transfer Books:

The Share Transfer Book of the Company will remain closed from December 15, 2020 to December 21, 2020 (both days inclusive). Share Transfers received at M/s THK Associates (Pvt.) Ltd, 1st Floor, 40-C, Block-6, P.E.C.H.S, KARACHI-75400 by the close of business hours (5:00 PM) on December 14, 2020, will be treated as being in time for the purpose of above entitlement to the transferees.

3. Participation in the Meeting:

As per directives of Securities and Exchange Commission of Pakistan to convene the general meeting with minimum members ensuring quorum of the meeting, the members are requested to consolidate their attendance and voting at the Extraordinary General Meeting through proxies.

All members of the Company are entitled to attend the meeting and vote there at through Proxy. A proxy duly appointed shall have such rights as respect to the speaking and voting at the meeting as are available to a member. Duly filled and signed Proxy Form must be received at the Registrar of the Company M/s THK Associates (Pvt.) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S, KARACHI-75400, not less than 48 hours before the Meeting.

4. For Attending the Meeting:

- i. In case of individual, the Account holder and/or Sub-account holder whose registration details are uploaded as per the CDC regulations, shall authenticate his/her identity by providing copy of his/her valid CNIC or passport along with other particulars (Name, Folio/CDS Account Number, Cell Phone Number) via email to aforementioned id and in case of proxy must enclose copy of his/her CNIC or passport.
- ii. In case of corporate entity, the Board of Directors' resolution / power of attorney with specimen signature of the nominee shall be provided via email to aforementioned id.

5. Change of Address:

Members are requested to immediately notify the change, if any, in their registered address to the Share Registrar M/s. THK Associates (Pvt.) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S, Karachi-75400.