



FIRST TREET MANUFACTURING MODARABA

Managed by: Treet Holdings Limited NTN : 2551646-9 Sales Tax No. 03-02-4819-105-55

HEAD OFFICE: 72-B Industrial Area Kot Lakhpat, Lahore - 54770, Pakistan.
Ph : +92 (42) 35830881, 35122296, 35865907, Fax: +92 (42) 35114127 & 35215825
E-mail: info@treetonline.com URL : www.treetonline.com

FACTORY: 22-KM, Ferozepur Road, Rohi Nala Kacha Tibba, Lahore. E-mail: info@paksol.com.pk www.paksol.com.pk

Packaging Solutions Corrugation

February 02, 2022

The General Manager

Pakistan Stock Exchange Limited
Stock Exchange building/ road,
Karachi.

Subject: Complete Detail of Swap Ratio Determined by the External Auditor

Dear Sir,

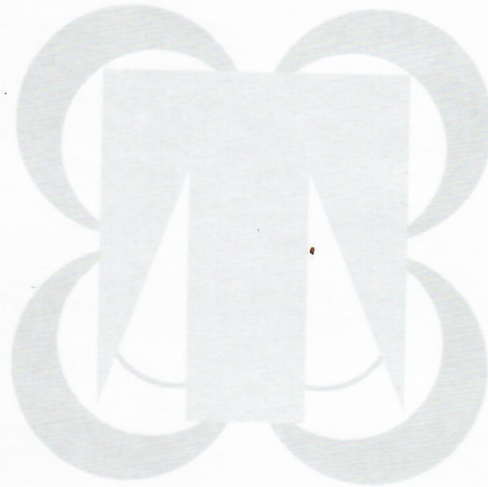
Reference to your letter No. PSX/C-1203-187 dated January 28, 2022. Please find enclosed herewith data regarding swap ratio determined by the External Auditor of First Treet Manufacturing Modaraba.

Thanking you,

Yours faithfully,

For First Treet Manufacturing Modaraba (FTMM)
Managed by Treet Holdings Limited


Zunaira Dar
Head of Legal and Company Secretary



TREET GROUP OF COMPANIES

**AUDITORS CERTIFICATE
ON SHARE SWAP RATIO**

AS ON DECEMBER 31, 2018

HB/22-45

The Board of Directors,
Treet Holdings Limited
(The Management Company of FTMM)
72-B, Kot Lakhpat, Lahore

AUDITORS CERTIFICATE ON SHARE SWAP RATIO

We, been requested to certify the share swap ratio as on December 31, 2018 of First Treet Manufacturing Modaraba(FTMM) Battery Project with the shares of Treet Battery Limited.

Scope of the Certificate

FTMM is in the process of filing the scheme of Demerging of its battery project to a newly formed associated company namely Treet Battery Limited (TBL) and all the related assets and liabilities of this project shall be transferred to TBL subject to the approval of the Honourable Lahore High Court, Lahore on the Scheme of Arrangement between First Treet Manufacturing Modaraba and Treet Battery Limited in terms of provisions of sections 279 to 282 and all other enabling provisions of the Companies Act, 2017.

Management's Responsibility

It is the management's responsibility to prepare the share swap ratio in accordance with the Scheme of Arrangement under sections 279 to 282 and all other enabling provisions of the Companies Act, 2017. This certificate does not relieve the management from its responsibility.

Auditor's Responsibility

Our responsibility is to certify that the share swap ratio has been properly computed on the basis of Audited Accounts of FTMM for the period ended December 31, 2018 for the purpose of issuance of new shares of Treet Battery Limited (Transfree) to the existing certificate holders of FTMM against the net assets transferred to TBL.

Our verification was limited to the following procedures:

1. We have obtained information about the net assets of the FTMM battery project from the audited financial statements of the FTMM (Transferor) as on December 31, 2018, duly audited by us.
2. We have obtained the pattern of shareholding of the FTMM as at December 31, 2018 for the purpose of determination of the party wise shares to be issued to each respective certificate holder.
3. We have verified the computation of the swap ratio prepared by the management of the FTMM (attached as **Annexure - A**).
4. We have checked that all the financial information used in the swap ratio regarding the assets and liabilities is solely related to the battery project of FTMM.

Certificate

Based on the procedures mentioned above, we certify that certificate premium reserve in the sum of Rs. 1,952,870,000 pertaining to battery project shall be utilized under the scheme of demerger for the issuance of shares in the newly formed company namely Treet Battery Limited to the certificate holders of the FTMM in a swap ratio of 0.99840:1 i.e. 0.99840 ordinary share in Treet Battery Limited against every 1 certificate held in FTMM (Referred to Annexure - A).

Our certificate is in accordance with the "Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms" issued by the Institute of Chartered Accountants of Pakistan (ICAP). Our verification was limited to the information as mentioned above.

Restriction on use and distribution

This certificate is being issued on the specific request of the management company of FTMM for the purpose of submission to the Honourable Lahore High Court, Lahore in connection with the Scheme of Arrangement between First Treet Manufacturing Modaraba and Treet Battery Limited in terms of provisions of sections 279 to 282 and all other enabling provisions of the Companies Act, 2017 and shall not be used for any other purpose specified therein.

Lahore: January 24, 2022

1425 Open Book 76
KHB
KRESTON HYDER BHIMJI & CO.
CHARTERED ACCOUNTANTS

FIRST TREET MANUFACTURING MODARABA (FTMM)
STATEMENT OF ASSETS AND LIABILITIES OF FTMM BATTERY PROJECT AS AT DECEMBER 31, 2018

Rs. in 000s

Assets**Non-current assets**

Property, plant and equipment
Long term deposits

7,830,751

1,167

7,831,918

Current assets

Stores and spares
Stock in trade
Trade debts
Advances, deposits, prepayments and other receivables
Tax refunds due from the Government
Cash and bank balances

4,510

1,648,606

30,962

97,129

982,719

40,437

2,804,363

Total assets

10,636,281

Current liabilities

Current maturity of liability against purchase of land
Retention money payable
Short term borrowings
 From banking companies
 Treet Corporation Limited - Holding company
 Intra company payable
Trade and other payables

28,213

30,053

3,273,641

6,143,140

493,474

53,370

10,021,891

Net Assets

614,390

Accumulated loss

1,338,480

Share premium

1,952,870

SWAP Ratio

Issued, subscribed and paid up certificate capital
195,599,994 certificate of Rs. 10 each

1,956,000

Certificate premium

1,952,870

SWAP Ratio per share

0.9984

0.9984 share of Treet Battery Limited shall be issued against every One Certificate held in First Treet Manufacturing Modaraba


Chief Financial Officer


Director


Chief Executive