Haji Mohammad Ismail Mills Limited
409 Commerce Centre, Hasrat Mohani Road, Karachi- 74200
Tel:32638521-3 E.mail:info@hmiml.com, website:www.hmiml.com

Karachi: Nov.16, 2026

The General Manager,
Pakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
Karachi

Sub: ADDENDUM TO THE NOTICE OF HOLDING EOGM

Reference our Intimation of holding EOGM notice, posted ID 289215 dated 16th November, 2026.

Please read the date to hold EOGM on 2026-12-08 at 10.00 at Karachi instead of 2026-12-04.

Inconvenience is regretted

Yours truly

For Haji Mohammad Ismail Mills Ltd

Company Secretary

Haji Mohammad Ismail Mills Limited
409 Commerce Centre, Hasrat Mohani Road, Karachi, Pakistan
Tel:32638521-3 E.mail:info@hmiml.com, Website:www.hmiml.com

The General Manager,
Pakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
Karachi.

Through PUCARS
HMIM/PSX
13 November, 2026

NOTICE OF EXTRAORDINARY GENERAL MEETING

Dear Sir,

This is to announce that Haji Mohammad Ismail Mills Limited (the "**Company**") intends to hold its Extraordinary General Meeting on Tuesday, 08 December, 2026, in accordance with the order of the Honourable High Court of Sindh at Karachi dated 12 November, 2026 passed in J.C.M. No. 69 of 2026, at 409 Commerce Centre, Hasrat Mohani Road, Karachi, at 10:00 a.m. The Notice of Meeting is attached for information.

The Share Transfer Books of the Company will remain closed from 02 December, 2026 to 08 December, 2026 (both days inclusive). Please note that transfers received at the Company's Share Registrar, M/s. Najeeb Consultants (Private) Limited, 408 Commerce Centre, Hasrat Mohani Road, Karachi, at the close of business on Tuesday, 01 December, 2026 will be treated in time for the purpose of above entitlement to the transferees.

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Sincerely,

For Haji Mohammad Ismail Mills Limited

Muhammad Sarfraz
Company Secretary

Encl. As above

Haji Mohammad Ismail Mills Limited
409 Commerce Centre, Hasrat Mohani Road, Karachi, Pakistan
Tel:32638521-3 E.mail:info@hmiml.com, Website:www.hmiml.com

SCHEME OF ARRANGEMENT
IN TERMS OF PROVISIONS OF SECTIONS 279 TO 283 AND ALL OTHER ENABLING PROVISIONS OF THE COMPANIES ACT, 2017

BETWEEN

SEGO PAKISTAN (PRIVATE) LIMITED
(and its members)

AND

HAJI MOHAMMAD ISMAIL MILLS LIMITED
(and its members)

FOR

THE AMALGAMATION OF THE ENTIRE UNDERTAKING OF SEGO PAKISTAN (PRIVATE) LIMITED WITH AND INTO HAJI MOHAMMAD ISMAIL MILLS LIMITED, ALONG WITH ALL ANCILLARY MATTERS

NOTICE OF EXTRAORDINARY GENERAL MEETING
OF MEMBERS OF
HAJI MOHAMMAD ISMAIL MILLS LIMITED

TO BE HELD ON
TUESDAY, 08 DECEMBER, 2026 AT 10:00 A.M.

Haji Mohammad Ismail Mills Limited
409 Commerce Centre, Hasrat Mohani Road, Karachi, Pakistan
Tel:32638521-3 E.mail:info@hmiml.com, Website:www.hmiml.com

HAJI MOHAMMAD ISMAIL MILLS LIMITED

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that pursuant to the Order dated 12 November, 2026 of the Honourable High Court of Sindh at Karachi passed in J.C.M. No. 69 of 2026, an Extraordinary General Meeting (hereinafter the '**EOGM**') of Haji Mohammad Ismail Mills Limited (hereinafter the '**Company**' or '**HMIM**') will be held on Tuesday, 08 December, 2026 at 10:00 a.m. at 409 Commerce Centre, Hasrat Mohani Road, Karachi to transact the following business: -

Special Business:

To consider and, if thought fit, to pass, with or without modification, the following resolutions as special resolutions for, *inter alia*, the amalgamation of the entire undertaking of Sego Pakistan (Private) Limited with and into Haji Mohammad Ismail Mills Limited, along with all ancillary matters thereto, in accordance with the Scheme of Arrangement dated 06 November, 2026, as approved by the Board of Directors of Haji Mohammad Ismail Mills Limited on 03 November, 2026:

"**RESOLVED THAT** pursuant to the Order dated 12 November, 2026 passed by the High Court of Sindh at Karachi in J.C.M. No. 69 of 2026, sections 279 to 283 and 285 and all other applicable and enabling provisions of the Companies Act, 2017, and subject to the sanction of the High Court of Sindh at Karachi, the Scheme of Arrangement for the amalgamation of Sego Pakistan (Private) Limited ("SPL") with and into Haji Mohammad Ismail Mills Limited (the "Company"), made between the Company, SPL and their respective members (the "Scheme"), as placed before the meeting and initialled by the Chairman for identification, be and is hereby approved, adopted and agreed in its entirety, together with any modification or condition that the Court may impose (capitalised terms not defined herein having the meanings given to them in the Scheme).

RESOLVED FURTHER THAT upon the Scheme becoming effective in accordance with its terms, the amalgamation of SPL with and into the Company, with the Company continuing as the Surviving Company and SPL standing dissolved without winding up, be and is hereby approved, together with the issue and allotment, in the order provided in Article 15 of the Scheme, of fully paid ordinary shares of PKR 10 each of the Company as follows: (i) 244,831,768 shares to the SPL Shareholders, being 1.0875 shares for every SPL Share held after the sub-division under Article 10.10 of the Scheme; (ii) 15,371,247 Investor Shares to Mr. Azneem Bilwani in satisfaction of the Investor Loan of PKR 153,712,469, and 1,408,470 Advance Shares to him in satisfaction of the SPL Advance of PKR 14,084,700; and (iii) 2,800,000 IMS Shares to Intermarket Securities Limited in satisfaction of the IMS Loan of PKR 28,000,000, the shares under (ii) and (iii) being issued at the Conversion Price of PKR 10 per share.

RESOLVED FURTHER THAT the issue and allotment of the shares referred to in the preceding resolution, being made under the Scheme and the order of the Court sanctioning it and otherwise than by way of rights, be and is hereby approved for the purposes of section 83 of the Companies Act, 2017.

RESOLVED FURTHER THAT the Investor Loan and the SPL Advance, and their conversion into the Investor Shares and the Advance Shares, being related party transactions by reason of Mr. Azneem Bilwani being a director of SPL, be and are hereby approved for the purposes of section 208 of the Companies Act, 2017.

Haji Mohammad Ismail Mills Limited
409 Commerce Centre, Hasrat Mohani Road, Karachi, Pakistan
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RESOLVED FURTHER THAT upon the Scheme becoming effective, (i) the authorized capital of the Company shall stand increased to PKR 3,100,000,000 divided into 310,000,000 ordinary shares of PKR 10 each, as provided in Articles 10.1 and 10.2 of the Scheme; (ii) the name of the Company shall be changed to "Sego Pakistan Limited", as provided in Article 3.4 of the Scheme; (iii) the object clause of the Memorandum of Association of the Company shall be replaced as set out in Article 10.7 of the Scheme; and (iv) the Memorandum and Articles of Association of the Company shall stand altered accordingly; and this resolution shall also constitute the resolution of the members required under section 85, and the special resolution required under sections 12, 32 and 38, of the Companies Act, 2017 for those purposes, in each case in accordance with the Scheme.

RESOLVED FURTHER THAT the application made by the Company to the Pakistan Stock Exchange Limited under clause 5.22.7 of the PSX Regulations for relaxation of clause 5.22.4(b), and the Free Float Plan submitted with it under Articles 12.3 and 12.4 of the Scheme, together with any conditions imposed by the PSX in granting that relaxation, be and are hereby approved and ratified, and the Company shall attain its Free Float in the manner and within the periods provided in the Scheme, the Free Float Plan and that relaxation; provided that any further issue of shares by the Company under the Free Float Plan shall be subject to a separate approval of the members under section 83 of the Companies Act, 2017.

RESOLVED FURTHER THAT with effect from the Completion Date the directors of the Company in office immediately before that date shall cease to hold office, and the persons named in, or nominated under, Article 8.3 of the Scheme shall be the directors of the Company, as provided in that Article.

RESOLVED FURTHER THAT Mr. Muhammad Sarfraz, be and is hereby authorised, acting individually, to take all steps and do all acts, deeds and things necessary or expedient to give effect to the Scheme and these resolutions, including executing and filing petitions, applications, affidavits, statements, returns, forms and other documents; appearing or authorising representation before the High Court of Sindh at Karachi, the Securities and Exchange Commission of Pakistan, the Pakistan Stock Exchange Limited and any other authority; making the consequential entries in the statutory books and records of the Company; and issuing certified true copies or extracts of these resolutions wherever required."

On behalf of the Board

_____
Muhammad Sarfraz
Company Secretary

Karachi
13 November, 2026

Haji Mohammad Ismail Mills Limited
409 Commerce Centre, Hasrat Mohani Road, Karachi, Pakistan
Tel:32638521-3 E.mail:info@hmiml.com, Website:www.hmiml.com

Notes:

1. The Statement under Section 281 of the Companies Act, 2017 (hereinafter the '**Act**') read with the Statement of Material Facts under Section 134(3) of the Act (hereinafter the '**Statement**') setting forth, *inter alia*, the terms of the arrangement and explaining its effect, along with a copy of the Scheme of Arrangement along with all annexures including the Share Swap Ratio Certificate dated 16 October, 2026 issued by Sarvars Chartered Accountants (hereinafter the '**Scheme**') are being circulated along with Notice of the EOGM to the members and other person(s) entitled to receive notice of the EOGM.

2. Copies of the Scheme and the Statement can also be obtained, free of charge, from the registered office of the Company located at 409 Commerce Centre, Hasrat Mohani Road, Karachi during usual business hours i.e. 9:00 a.m. to 5:00 p.m. by the members and other persons entitled to attend the EOGM by making application addressed to the Company Secretary, Haji Mohammad Ismail Mills Limited, 409 Commerce Centre, Hasrat Mohani Road, Karachi.

3. Copies of the Scheme, the Statement, the latest annual/quarterly audited financial statements of the Company along with all published or otherwise required financial statements of all prior periods of the Company along with copies of its Memorandum and Articles of Association, other report(s) and related information/documents have been kept at the registered office of the Company which can be inspected during the business hours on any working day from the date of publication of this notice till the day before the EOGM by the members and other persons entitled to attend the EOGM. The same will also be available for inspection at the EOGM. In case of any difficulty, the same should be brought immediately to the notice of the Company Secretary.

4. Notice of the EOGM along with the Statement, the Scheme and the latest annual audited financial statements have also been placed on the website of the Company: http://www.hmiml.com/.

5. The Share Transfer Books of the Company will remain closed from 02 December, 2026 to 08 December, 2026 (both days inclusive). Transfers received at the Company's Share Registrar and Transfer Agent's Office, M/s Najeeb Consultants (Private) Limited, 408 Commerce Centre, Hasrat Mohani Road, Karachi, by the close of business hours on Tuesday, 01 December, 2026 will be treated as being in time for the purpose of attending and voting at the EOGM. In view of the T+2 settlement cycle, Friday, 27 November, 2026 shall be the last trading day for buyers of shares to be entered in the register of members for this purpose.

6. A member of the Company entitled to attend and vote at the EOGM may appoint another member as his / her proxy to attend and vote in place of him / her at the EOGM. Proxies in order to be effective must be received at the registered office of the Company duly stamped and signed not less than 48 hours before the time of the EOGM. A proxy must be a member of the Company. Proxy Forms in Urdu and English languages are available on the website of the Company: http://www.hmiml.com/.

7. Members who have deposited their shares into Central Depository Company of Pakistan Limited ("**CDC**") will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan in Circular No. 1 of 2000.

A. **For Attending the Meeting**

a. In case of individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity by showing his/her original CNIC or original Passport at the time of attending the Meeting.

b. In case of corporate entity, the Board's resolution / power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

B. **For Appointing Proxies**

a. In case of individuals, the account holder and/or sub-account holder whose registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per above requirements.

b. The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form.

c. Attested copies of the CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.

d. The proxy shall produce his original CNIC or original passport at the time of the Meeting.

e. In case of corporate entity, the Board's resolution / power of attorney with specimen signature shall be furnished (unless it has been provided earlier) along with proxy form to the Company.

8. The members can also participate in the EOGM through video link facility. To attend the EOGM through video link, members and their proxies are requested to register their following particulars by sending an e-mail at: info@hmiml.com.

Folio / CDC Account No.	No. of shares held	Name	CNIC No.	Cell No.	Email address

The video link and login credentials will be shared with the shareholders whose e-mails, containing all the requested particulars, are received at the given e-mail address by or before 01 December, 2026.

9. **Procedure for E-Voting**

a. In accordance with the Companies (Postal Ballot) Regulations, 2018 (the '**Regulations**'), the right to vote through electronic voting facility and voting by post shall be provided to members of every listed company for, *inter alia*, all businesses classified as special business under the Companies Act, 2017 in the manner and subject to conditions contained in the Regulations.

b. Details of the e-voting facility will be shared through e-mail with those members of the Company who have valid cell numbers / e-mail addresses (Registered e-mail ID) available in the Register of Members of the Company by the end of business on 01 December, 2026. Members who intend to exercise their right of vote through e-voting shall provide their valid cell numbers and e-mail addresses on or before 01 December, 2026.

c. Identity of the members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.

d. Members shall cast vote for the agenda items online from 9:00 a.m. till 3:30 p.m. on 07 December, 2026. Voting shall close on 07 December, 2026 at 3:30 p.m. A vote once cast by a member shall not be allowed to be changed.

10. **Procedure for Voting Through Postal Ballot**

a. Members may alternatively opt for voting through postal ballot. For convenience of the members, Ballot Paper is annexed to this notice and the same is also available on the Company's website http://www.hmiml.com/ to download.

b. The members must ensure that the duly filled and signed ballot paper, along with a copy of Computerized National Identity Card (CNIC), should reach the Company Secretary through post or e-mail at the following address:

Muhammad Sarfraz
Office: 409 Commerce Centre, Hasrat Mohani Road, Karachi
Email: info@hmiml.com

one day before the EOGM i.e. on 07 December, 2026 till 3:30 p.m. A postal ballot received after this time / date shall not be considered for voting. The signature on the Ballot Paper shall match with the signature on the CNIC.

11. **Appointment of E-Voting Service Provider**

In accordance with the applicable law, M/s. Digital Custodian Company Limited have been appointed as the e-voting service provider for special business.

12. Members are requested to notify immediately any change in their addresses. CDC beneficial owners maintaining their shares in electronic form should have their addresses updated with their participants or CDC Investor Account Services.

13. Pursuant to the requirement of Section 242 of the Companies Act, 2017 and the Companies (Distribution of Dividends) Regulations, 2017, the shareholders are requested to provide their bank details including International Bank Account Number (IBAN) of 24 digits in order to receive unclaimed e-dividends. Further, the shareholders may contact at the registered office of the Company to collect / enquire about their unclaimed physical dividends / physical shares.

Haji Mohammad Ismail Mills Limited
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Tel:32638521-3 E.mail:info@hmiml.com, Website:www.hmiml.com

14. Shareholders holding physical share certificates who have not yet submitted a copy of their valid CNIC/NTN are once again requested to send a copy of their valid CNIC/NTN to our Share Registrar, Najeeb Consultants (Private) Limited. The shareholders while sending a copy of CNIC/NTN must quote their respective folio numbers thereon enabling the Company to comply with the requirements of the Companies Act, 2017 and SROs issued thereunder in order to release the physical dividend warrants.

15. In view of the prohibition under Section 185 of the Companies Act, 2017, the Company will not distribute gifts in any form to its members at the meeting.

16. As per Section 72 of the Companies Act, 2017, members of the Company, in their best interest, are requested once again to convert their physical shares into book-entry form at the earliest possible.

17. Pursuant to the provisions of Section 134 of the Companies Act, 2017, if the Company receives consent from members holding aggregate 10% or more shareholding, residing in a geographical location, to participate in the meeting through video conference at least seven days prior to the date of meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city.

18. For any query / information, the shareholders may contact the Company Secretary at the above registered office and / or the Manager of the Share Registrar, Najeeb Consultants (Private) Limited, 408 Commerce Centre, Hasrat Mohani Road, Karachi, Ph. No. 021-32639843.

Haji Mohammad Ismail Mills Limited
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STATEMENT UNDER SECTION 281(1)(a) READ WITH SECTION 134(3) OF THE COMPANIES ACT, 2017

In J.C.M. No. 69 of 2026, the Honourable High Court of Sindh at Karachi (the '**Court**') has been petitioned under sections 279 to 283 and all other enabling provisions of the Companies Act, 2017 ('**Act**'), for sanction of and for other orders facilitating implementation of the Scheme of Arrangement (the '**Scheme**') between Sego Pakistan (Private) Limited ('**SPL**') and its members and Haji Mohammad Ismail Mills Limited ('**HMIM**') and its members for the amalgamation of the entire undertaking of Sego Pakistan (Private) Limited with and into Haji Mohammad Ismail Mills Limited, along with all ancillary matters (SPL and HMIM hereinafter collectively referred to as the '**Companies**' or '**Petitioners**' and individually as '**Petitioner**' or '**Company**'). In the abovementioned proceedings, the Honourable Court has, by its Order dated 12 November, 2026 passed on CMA No. 943 of 2026, directed the convening of separate extraordinary general meetings of the members of each Company to consider and approve the Scheme, and directed that the report of the meeting be submitted to the Court by the Chairman of the meeting.

Formal notice convening the EOGM as directed by the Honourable Court is attached herewith along with a copy of the Scheme. Copies of the Scheme may also be obtained from the respective registered offices of the Companies during normal office hours on application prior to the EOGM by members.

All terms defined in the Scheme have the same meaning in this document, unless the context otherwise requires.

The resolutions proposed for the consideration of the meeting as set forth in the accompanying notice convening the meeting are as follows: -

> "**RESOLVED THAT** pursuant to the Order dated 12 November, 2026 passed by the High Court of Sindh at Karachi in J.C.M. No. 69 of 2026, sections 279 to 283 and 285 and all other applicable and enabling provisions of the Companies Act, 2017, and subject to the sanction of the High Court of Sindh at Karachi, the Scheme of Arrangement for the amalgamation of Sego Pakistan (Private) Limited ("SPL") with and into Haji Mohammad Ismail Mills Limited (the "Company"), made between the Company, SPL and their respective members (the "Scheme"), as placed before the meeting and initialled by the Chairman for identification, be and is hereby approved, adopted and agreed in its entirety, together with any modification or condition that the Court may impose (capitalised terms not defined herein having the meanings given to them in the Scheme).
>
> **RESOLVED FURTHER THAT** upon the Scheme becoming effective in accordance with its terms, the amalgamation of SPL with and into the Company, with the Company continuing as the Surviving Company and SPL standing dissolved without winding up, be and is hereby approved, together with the issue and allotment, in the order provided in Article 15 of the Scheme, of fully paid ordinary shares of PKR 10 each of the Company as follows: (i) 244,831,768 shares to the SPL Shareholders, being 1.0875 shares for every SPL Share held after the sub-division under Article 10.10 of the Scheme; (ii) 15,371,247 Investor Shares to Mr. Azneem Bilwani in satisfaction of the Investor Loan of PKR 153,712,469, and 1,408,470 Advance Shares to him in satisfaction of the SPL Advance of PKR 14,084,700; and (iii) 2,800,000 IMS Shares to Intermarket Securities Limited in satisfaction of the IMS Loan of PKR 28,000,000, the shares under (ii) and (iii) being issued at the Conversion Price of PKR 10 per share.

RESOLVED FURTHER THAT the issue and allotment of the shares referred to in the preceding resolution, being made under the Scheme and the order of the Court sanctioning it and otherwise than by way of rights, be and is hereby approved for the purposes of section 83 of the Companies Act, 2017.

RESOLVED FURTHER THAT the Investor Loan and the SPL Advance, and their conversion into the Investor Shares and the Advance Shares, being related party transactions by reason of Mr. Azneem Bilwani being a director of SPL, be and are hereby approved for the purposes of section 208 of the Companies Act, 2017.

RESOLVED FURTHER THAT upon the Scheme becoming effective, (i) the authorized capital of the Company shall stand increased to PKR 3,100,000,000 divided into 310,000,000 ordinary shares of PKR 10 each, as provided in Articles 10.1 and 10.2 of the Scheme; (ii) the name of the Company shall be changed to "Sego Pakistan Limited", as provided in Article 3.4 of the Scheme; (iii) the object clause of the Memorandum of Association of the Company shall be replaced as set out in Article 10.7 of the Scheme; and (iv) the Memorandum and Articles of Association of the Company shall stand altered accordingly; and this resolution shall also constitute the resolution of the members required under section 85, and the special resolution required under sections 12, 32 and 38, of the Companies Act, 2017 for those purposes, in each case in accordance with the Scheme.

RESOLVED FURTHER THAT the application made by the Company to the Pakistan Stock Exchange Limited under clause 5.22.7 of the PSX Regulations for relaxation of clause 5.22.4(b), and the Free Float Plan submitted with it under Articles 12.3 and 12.4 of the Scheme, together with any conditions imposed by the PSX in granting that relaxation, be and are hereby approved and ratified, and the Company shall attain its Free Float in the manner and within the periods provided in the Scheme, the Free Float Plan and that relaxation; provided that any further issue of shares by the Company under the Free Float Plan shall be subject to a separate approval of the members under section 83 of the Companies Act, 2017.

RESOLVED FURTHER THAT with effect from the Completion Date the directors of the Company in office immediately before that date shall cease to hold office, and the persons named in, or nominated under, Article 8.3 of the Scheme shall be the directors of the Company, as provided in that Article.

RESOLVED FURTHER THAT Mr. Muhammad Sarfraz, be and is hereby authorised, acting individually, to take all steps and do all acts, deeds and things necessary or expedient to give effect to the Scheme and these resolutions, including executing and filing petitions, applications, affidavits, statements, returns, forms and other documents; appearing or authorising representation before the High Court of Sindh at Karachi, the Securities and Exchange Commission of Pakistan, the Pakistan Stock Exchange Limited and any other authority; making the consequential entries in the statutory books and records of the Company; and issuing certified true copies or extracts of these resolutions wherever required."

As required by Section 279(2) of the Act, the resolutions have to be passed at separate meetings of HMIM and SPL, convened under the orders of the Honourable Court, by a majority in number representing three-fourths in value of the members of HMIM and SPL, respectively, present and voting in person or by proxy at the meeting of each Company. The sanctioning of the Scheme and the making of other appropriate orders in connection therewith will be considered by the Honourable Court after the Scheme is approved by the requisite majority at the meetings being convened for this purpose.

In case you are unable to attend the meeting convened by the accompanying notice, you may appoint your proxy by completing the proxy form available on the website of the Company, http://www.hmiml.com/ (in which you can direct the proxy how you wish him to vote) and send the completed form as soon as possible to the registered office of the Company which, in this case, is 409 Commerce Centre, Hasrat Mohani Road, Karachi. Proxies for the meeting will not be treated as valid unless proxy forms are received at least 48 hours before the time of the meeting.

Business of HMIM and SPL

HMIM was incorporated as a private limited company on 05 February, 1980, subsequently converted to a public limited company on 15 October, 1987, and listed on the Pakistan Stock Exchange Limited ('**PSX**') on 29 November, 1994, and is existing under the laws of Pakistan, having its registered office at 409 Commerce Centre, Hasrat Mohani Road, Karachi. HMIM's principal business was the manufacture and sale of yarn and the generation of power, and its Memorandum of Association was amended in 2017 to add the trading and distribution of fast moving consumer goods and other lawful business. HMIM has carried on no business since 2015. A petition for its winding up, J.C.M. No. 42 of 2017, presented by the Securities and Exchange Commission of Pakistan ('**SECP**'), is pending before the Court, and trading in its shares on the PSX has been suspended since 2017.

SPL, a private company limited by shares, was incorporated on 27 June, 2023, and is existing under the laws of Pakistan, having its registered office at Plot No. 38-A, Behind KTC Bus Depot, Korangi Creek, Karachi. SPL is engaged in the business of assembling, manufacturing, importing, exporting, buying, selling and distributing mobile phones, mobile phone parts, accessories, batteries and allied telecommunication and electronic equipment, and of providing after-sales and other services in relation to them, under the SEGO brand.

Advantages of the Amalgamation / Benefits of the Scheme

A. Revival of the Listed Company

HMIM has carried on no business since 2015. A petition for its winding up, presented by the SECP, is pending before the Court, and trading in its shares has been suspended since 2017. Its net assets at 30 June, 2026 were negative, and it has no business of its own and no prospect of resuming one. The Scheme brings SPL, an operating company, into HMIM and restores HMIM to a going concern. The boards of both Companies consider this to be in the interests of their members and creditors.

B. Settlement of Liabilities and Discharge of Encumbrances

The Liabilities of HMIM will be settled and its Encumbrances discharged before the Completion Date out of the Investor Loan, in the manner stipulated in the Scheme.

C. Injection of an Operating Business

On the Effective Date the whole of the Undertaking of SPL vests in HMIM: its plant and equipment at Korangi, the SEGO brand and product lines, its contracts, stock and receivables, and its Employees. HMIM will from that date carry on SPL's business of assembling and selling mobile phones and allied devices, a business with revenue of PKR 5.6 billion in the year ended 30 June, 2026.

D. Benefits to Shareholders

The members of HMIM will hold shares in a company with an operating business instead of a company facing winding up. The members of SPL will hold shares in a listed company.

E. Continuity of Listing and Resumption of Trading

HMIM's listing on the PSX continues. Under Article 12 the Companies will apply for the listing of the new HMIM Shares and for the lifting of the suspension, so that the members of both Companies can trade their shares.

F. Access to Capital Markets

SPL's business will be carried on in a listed company, which can raise further capital from the public without a separate listing.

G. Continuity of Employment and Protection of Employees

All the Employees of SPL will become employees of HMIM on their existing terms and conditions of employment, with their period of service treated as continuous, in the manner stipulated in the Scheme.

H. Effect on the Existing Members of HMIM

The existing members will hold shares in a company whose business is valued in the Share Swap Ratio Certificate at about PKR 2.45 billion, in place of shares in a company with negative net assets; the further issue will bring fresh capital into HMIM at not less than par; and trading in their shares, suspended since 2017, will resume. The boards of both Companies consider that the existing members are better placed under the Scheme than they would be on a winding up of HMIM.

The above-mentioned advantages and benefits are sought to be achieved through the Scheme, and are in all respects subject to the satisfaction of the conditions set out in Article 11 and to the approvals of the Court and the relevant regulatory and other authorities.

The Scheme of Arrangement

Objects of the Scheme

The principal object of the Scheme is to amalgamate the entire undertaking of SPL with and into HMIM, as of the Effective Date, against the issue of HMIM Shares to the SPL Shareholders on the basis of the swap ratio, and to dissolve SPL without winding up, in the manner stipulated in the Scheme. HMIM shall continue as the surviving company and its listing on the PSX shall continue.

As part of the Scheme, the amounts advanced to HMIM and the amounts owed by SPL, as envisaged under the Scheme, shall be converted into HMIM Shares at PKR 10/- per share. The name of HMIM shall be changed to "Sego Pakistan Limited" and its object clause altered to reflect the business of SPL, in the manner stipulated in the Scheme.

The Scheme shall become operative when a certified copy of the order of the Court sanctioning it is filed with the Registrar of Companies, Karachi (the "**Completion Date**"), and the amalgamation shall then take effect from 01 July, 2026, or such other date as the Court may direct (the "**Effective Date**").

Upon the sanction of the Scheme, the authorized share capital of SPL shall be merged with that of HMIM and further increased, so that the authorized share capital of HMIM shall be PKR 3,100,000,000/- divided into 310,000,000 ordinary shares of PKR 10/- each, and the Memorandum and Articles of Association of HMIM shall stand amended accordingly. Approval of the members of HMIM to the Scheme shall also constitute their approval, by way of special resolution, to the alterations to the Memorandum and Articles of Association of HMIM contemplated by the Scheme.

Approvals received and swap ratio

The Scheme has been approved by the Board of Directors of HMIM on 03 November, 2026 and by the Board of Directors of SPL on 30 October, 2026 for seeking the approval of the members and the sanction of the Honourable Court. As consideration for the amalgamation, HMIM shall issue 244,831,768 HMIM Shares to the SPL Shareholders, credited as fully paid, on the basis of a swap ratio of 1.0875 HMIM Shares for every 1 (one) SPL Share of PKR 10/- as adopted under the Scheme on the basis of the Share Swap Ratio Certificate dated 16 October, 2026, set out in Annexure "B", in the manner stipulated in the Scheme.

Upon the allotment of the HMIM Shares to the SPL Shareholders, the shares of SPL shall stand cancelled and SPL shall stand dissolved without winding up.

Scheme subject to sanction by the Court

The Scheme is subject to the sanction of the Honourable Court and may be sanctioned in its present form or with any modification therein or addition thereto as the Honourable Court may approve, and the Scheme, with such modification or addition, if any, is also subject to any conditions which the Honourable Court may impose. The Boards of Directors of HMIM and SPL may jointly assent, on behalf of the Companies, to any modification, amendment or variation of the Scheme, and to any term or condition, which the Honourable Court or the SECP may direct or impose.

The Scheme has been filed with the Honourable Court vide petition bearing J.C.M. No. 69 of 2026. By its Order dated 12 November, 2026, the Honourable Court has directed that notice of the petition be published in two leading daily newspapers (one Urdu and one English) and in the Official Gazette (except to the extent exempted), and that notice under Section 283 of the Act be issued to the Registrar of Companies, Company Registration Office, Securities and Exchange Commission of Pakistan, Karachi, with a direction to file comments before the next date of hearing on 01 December, 2026.

Haji Mohammad Ismail Mills Limited
409 Commerce Centre, Hasrat Mohani Road, Karachi, Pakistan
Tel:32638521-3 E.mail:info@hmiml.com, Website:www.hmiml.com

Assets, properties, rights, liabilities, obligations and legal proceedings

Transfer of the Assets

As of the Effective Date, all the Assets of SPL, including the licences, registrations and approvals held by it, shall, without any further act or deed, vest in and become the Assets of HMIM, subject to all Securities subsisting thereon, in the manner stipulated in the Scheme.

Transfer of Liabilities and Obligations

As of the Effective Date, all the Liabilities and obligations of SPL shall, without any further act or deed, be assumed by and become the Liabilities and obligations of HMIM, and all legal proceedings by or against SPL may be continued by or against HMIM, in the manner stipulated in the Scheme.

The Liabilities of HMIM shall be paid in full on or before the Completion Date out of the Investor Loan, and the Companies shall apply for the disposal or withdrawal of the winding-up petition against HMIM, in the manner stipulated in the Scheme.

Employees

On and from the Effective Date, all the employees of SPL shall become employees of HMIM on their existing terms and conditions of service, with continuity of service, in the manner stipulated in the Scheme.

Costs

All the costs, fees, charges and expenses incurred or to be incurred by the Companies in relation to or in connection with the Scheme, its implementation and the completion of the amalgamation, whether before or after the Completion Date, shall be borne and paid by HMIM.

Financial Information

HMIM

As of 30 June, 2026, the authorized share capital of HMIM is Rupees 120,000,000, divided into 12,000,000 ordinary shares of Rupees 10 each, out of which 11,975,040 ordinary shares have been issued, fully subscribed and paid-up.

The profit / (loss) after taxation of HMIM for each of the financial years 2022 to 2026 as shown in its audited accounts and the dividends declared on ordinary shares for each year were:

Year ended 30 June	After tax profit / (loss) (Rs. in thousand)	Ordinary share capital (Rs. in thousand)	Dividend declared (%)	Bonus shares (%)	Earnings / (loss) per share (Rs.)
2026	(3,035)	119,750	Nil	Nil	(0.25)
2025	(6,689)	119,750	Nil	Nil	(0.56)
2024	(5,379)	119,750	Nil	Nil	(0.45)
2023	(3,776)	119,750	Nil	Nil	(0.32)
2022	(3,603)	119,750	Nil	Nil	(0.30)

SPL

As of 30 June, 2026, the authorized share capital of SPL is Rupees 2,500,000,000, divided into 25,000,000 ordinary shares of Rupees 100 each, out of which 3,333,400 ordinary shares have been issued, fully subscribed and paid-up. Pursuant to Article 1.1 read with Article 10.10, the current issued, subscribed and paid-up share capital of SPL shall be sub-divided such that each ordinary share of Rupees 100 is sub-divided into ten ordinary shares of Rupees 10 each as stipulated under the Scheme.

The profit / (loss) after taxation of SPL for each of the financial years 2024 to 2026 as shown in its unconsolidated audited accounts and the dividends declared on ordinary shares for each year were:

Year ended 30 June	After tax profit / (loss) (Rs. in thousand)	Ordinary share capital (Rs. in thousand)	Dividend declared (%)	Bonus shares (%)	Earnings / (loss) per share (Rs.)
2026	(26,694)	333,340	Nil	Nil	(8.01)
2025	(181,022)	333,340	Nil	Nil	(54.31)
2024	(28,624)	333,340	Nil	Nil	(8.59)

Directors and Management

Directors of HMIM

Name
Mr. Gulzar Siddiq – Chairman; Independent Director
Mr. Muhammad Sarfraz – Executive Director; Company Secretary
Mr. Noman Mustafa Zuberi – Independent Director
Mr. Mohammad Sadiq – Non-Executive Director
Mr. Mohammad Irfan – Non-Executive Director
Mr. Ali Asghar – Non-Executive Director

Directors of SPL

Name
Mr. Zeeshan – Chief Executive
Mr. Azneem Bilwani – Non-Executive Director
Mr. Shehzad Hussain – Director
Mr. Haris Siddiqui – Director
Mrs. Sadaf Zeeshan – Director

Interest of Directors and Compensation for Loss of Office

The directors of HMIM shall cease to hold office on the Completion Date without any compensation for loss of office, and the persons named in or nominated under the Scheme shall be the directors of HMIM from that date, in the manner stipulated in the Scheme.

All the directors of HMIM and SPL are interested in the Scheme to the extent of their respective directorships and shareholdings in the Companies and of any amounts owed to them by SPL or HMIM, as stipulated in the Scheme. The directors of SPL named in the Scheme are also interested to the extent of their appointment as directors of HMIM. Save as aforesaid, the effect of the Scheme on the interest of

the directors does not differ from its effect on the like interest of the other members of the Companies.
The directors who perform full time executive functions are also interested to the extent of the remuneration, benefits and allowances payable to them under the respective policies of HMIM and SPL.

To the extent that any director of HMIM and / or SPL holds shares of SPL on the Record Date, such director shall be entitled to HMIM Shares on the basis of the swap ratio, in the same manner as the other SPL Shareholders.

Report of Expert with regard to valuation

The Share Swap Ratio Certificate dated 16 October, 2026 has been issued by Sarvars Chartered Accountants, pertaining to the amalgamation, and detailing, *inter alia*, the valuations of HMIM and SPL, along with the basis and calculation of the swap ratio. The Share Swap Ratio Certificate forms Annexure "B" to the Scheme, which is attached with the Notice of the EOGM.

Information pertaining to the Creditors of the Companies

In accordance with the Scheme, as of the Effective Date, all the liabilities and obligations of SPL, including towards its creditors, shall be assumed by and become the liabilities and obligations of HMIM, and the Liabilities of HMIM shall be paid in full on or before the Completion Date out of the Investor Loan. The Scheme does not affect the rights of the creditors of either Company or the ranking of their existing security interests.

Effect of the Amalgamation on Shareholding / Ownership Structure

On the allotment of all the shares to be issued under the Scheme, the issued share capital of HMIM shall increase from 11,975,040 to 276,386,525 ordinary shares of PKR 10/- each, as set forth in Annexure "A" to the Scheme.

HMIM shall attain the minimum free float required by the PSX Regulations in the manner and within the periods stipulated in the Scheme.

The acquisition of HMIM Shares under the Scheme is made pursuant to a scheme of arrangement sanctioned under the Act and is accordingly exempt from the requirements of Part IX of the Securities Act, 2015 by virtue of section 109 thereof, save as to reporting (Article 14.7).

General

The Scheme is conditional upon the matters set out in Article 11.1, and the resumption of trading in the shares of HMIM is subject to the approval of the PSX. Save as disclosed in this Statement, there are no significant / undisclosed risk factors whose impact needs to be assessed by the shareholders on the overall risk profile, consequent to the Scheme.

In case of sanction of the Scheme, the amalgamation shall be accounted for in the financial statements of HMIM for the year ending 30 June, 2027 in accordance with the applicable financial reporting framework, as confirmed by the auditors of the Companies.

The Companies shall seek the benefit of any relief available in respect of the amalgamation under the Income Tax Ordinance, 2001, including under sections 57A and 97A thereof.

There is no intention of possible purchase of shares of one Company involved in the Scheme by the other Company.
The Companies have only one class of members each.

Documents for Inspection

The following documents are available for inspection with the Company Secretary of the respective Company at the registered office of the respective Company at 409 Commerce Centre, Hasrat Mohani Road, Karachi and Plot No. 38-A, Behind KTC Bus Depot, Korangi Creek, Karachi, and may be inspected up to and including the day preceding the date of the meeting during normal office hours:

(a) Memorandum and Articles of Association
(b) Latest Audited Accounts
(c) Scheme of Arrangement along with all annexures including the Share Swap Ratio Certificate

Haji Mohammad Ismail Mills Limited

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Tel:32638521-3 E.mail:info@hmiml.com, Website:www.hmiml.com

POSTAL BALLOT PAPER

For voting through post for the Special Business at the Extraordinary General Meeting of Haji Mohammad Ismail Mills Limited to be held on Tuesday, 08 December, 2026 at 10:00 a.m. at 409 Commerce Centre, Hasrat Mohani Road, Karachi.

Contact Details of the Company Secretary, where duly filled-in ballot paper may be sent:

Business Address: 409 Commerce Centre, Hasrat Mohani Road, Karachi
Attention: Muhammad Sarfraz
Email: info@hmiml.com

Folio/CDS Account Number	
Name of shareholder / Joint shareholders / Proxy holder	
Registered Address of shareholder	
Number of shares held and folio number	
CNIC No. / Passport No. (in case of foreigner) (copy to be attached)	
Additional Information and enclosures (In case of representative of body corporate, corporation.)	
Name and CNIC/Passport No. (in case of foreigner) of Authorized Signatory (s) - (copy to be attached)	

INSTRUCTIONS FOR POLL
1. Please indicate your Vote by ticking √ the relevant box.
2. In case both the boxes are marked as √, your ballot paper shall be treated as "Rejected."
I/we hereby exercise my / our vote in respect of the below resolutions through postal ballot by conveying my/our assent or dissent to the below resolutions by placing tick √ mark in the appropriate box below.

Nature and Description of Resolution	**No. of Ordinary Shares for Which Votes Cast**	**I/We assent to the Resolution (FOR)**	**I/We dissent to the Resolution (AGAINST)**
Special Resolutions			

Haji Mohammad Ismail Mills Limited

409 Commerce Centre, Hasrat Mohani Road, Karachi, Pakistan

Tel:32638521-3 E.mail:info@hmiml.com, Website:www.hmiml.com

Nature and Description of Resolution	No. of Ordinary Shares for Which Votes Cast	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
"**RESOLVED THAT** pursuant to the Order dated 12 November, 2026 passed by the High Court of Sindh at Karachi in J.C.M. No. 69 of 2026, sections 279 to 283 and 285 and all other applicable and enabling provisions of the Companies Act, 2017, and subject to the sanction of the High Court of Sindh at Karachi, the Scheme of Arrangement for the amalgamation of Sego Pakistan (Private) Limited ("SPL") with and into Haji Mohammad Ismail Mills Limited (the "Company"), made between the Company, SPL and their respective members (the "Scheme"), as placed before the meeting and initialled by the Chairman for identification, be and is hereby approved, adopted and agreed in its entirety, together with any modification or condition that the Court may impose (capitalised terms not defined herein having the meanings given to them in the Scheme). **RESOLVED FURTHER THAT** upon the Scheme becoming effective in accordance with its terms, the amalgamation of SPL with and into the Company, with the Company continuing as the Surviving Company and SPL standing dissolved without winding up, be and is hereby approved, together with the issue and allotment, in the order provided in Article 15 of the Scheme, of fully paid ordinary shares of PKR 10 each of the Company as follows: (i) 244,831,768 shares to the SPL Shareholders, being 1.0875 shares for every SPL Share held after the sub-division under Article 10.10 of the Scheme; (ii) 15,371,247 Investor Shares to Mr. Azneem Bilwani in satisfaction of the Investor Loan of PKR 153,712,469, and 1,408,470 Advance Shares to him in satisfaction of the SPL Advance of PKR 14,084,700; and (iii) 2,800,000 IMS Shares to Intermarket Securities Limited in satisfaction of the IMS Loan of PKR 28,000,000, the shares under (ii) and (iii) being issued at the Conversion Price of PKR 10 per share. **RESOLVED FURTHER THAT** the issue and allotment of the shares referred to in the preceding resolution, being made under the Scheme and the order of the Court sanctioning it and otherwise than by way of rights, be and is hereby approved for the purposes of section 83 of the Companies Act, 2017. **RESOLVED FURTHER THAT** the Investor Loan and the SPL Advance, and their conversion into the Investor Shares and the Advance Shares, being related party transactions by reason of Mr. Azneem Bilwani being a director of SPL, be and are hereby approved for the purposes of section 208 of the Companies Act, 2017.			

Haji Mohammad Ismail Mills Limited

409 Commerce Centre, Hasrat Mohani Road, Karachi, Pakistan
Tel:32638521-3 E.mail:info@hmiml.com, Website:www.hmiml.com

Nature and Description of Resolution	No. of Ordinary Shares for Which Votes Cast	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
RESOLVED FURTHER THAT upon the Scheme becoming effective, (i) the authorized capital of the Company shall stand increased to PKR 3,100,000,000 divided into 310,000,000 ordinary shares of PKR 10 each, as provided in Articles 10.1 and 10.2 of the Scheme; (ii) the name of the Company shall be changed to "Sego Pakistan Limited", as provided in Article 3.4 of the Scheme; (iii) the object clause of the Memorandum of Association of the Company shall be replaced as set out in Article 10.7 of the Scheme; and (iv) the Memorandum and Articles of Association of the Company shall stand altered accordingly; and this resolution shall also constitute the resolution of the members required under section 85, and the special resolution required under sections 12, 32 and 38, of the Companies Act, 2017 for those purposes, in each case in accordance with the Scheme. **RESOLVED FURTHER THAT** the application made by the Company to the Pakistan Stock Exchange Limited under clause 5.22.7 of the PSX Regulations for relaxation of clause 5.22.4(b), and the Free Float Plan submitted with it under Articles 12.3 and 12.4 of the Scheme, together with any conditions imposed by the PSX in granting that relaxation, be and are hereby approved and ratified, and the Company shall attain its Free Float in the manner and within the periods provided in the Scheme, the Free Float Plan and that relaxation; provided that any further issue of shares by the Company under the Free Float Plan shall be subject to a separate approval of the members under section 83 of the Companies Act, 2017. **RESOLVED FURTHER THAT** with effect from the Completion Date the directors of the Company in office immediately before that date shall cease to hold office, and the persons named in, or nominated under, Article 8.3 of the Scheme shall be the directors of the Company, as provided in that Article. **RESOLVED FURTHER THAT** Mr. Muhammad Sarfraz, be and is hereby authorised, acting individually, to take all steps and do all acts, deeds and things necessary or expedient to give effect to the Scheme and these resolutions, including executing and filing petitions, applications, affidavits, statements, returns, forms and other documents; appearing or authorising representation before the High Court of Sindh at Karachi, the Securities and Exchange Commission of Pakistan, the Pakistan Stock Exchange Limited and any other authority; making the consequential entries in the statutory books and records of the Company; and issuing certified true copies or extracts of these resolutions wherever required."			

Signature of shareholder(s): _____

Place: _____ Date: _____

Haji Mohammad Ismail Mills Limited
409 Commerce Centre, Hasrat Mohani Road, Karachi, Pakistan
Tel:32638521-3 E.mail:info@hmiml.com, Website:www.hmiml.com

NOTES / PROCEDURES FOR SUBMISSION OF BALLOT PAPER:

1. Duly filled-in and signed original postal ballot should be sent to the Company Secretary, at the above-mentioned postal or email address.

2. Copy of CNIC/Passport (in case of foreigner) should be enclosed with the postal ballot form.

3. Postal ballot form should reach the Company Secretary by 3:30 p.m. on 07 December, 2026, being one day before the EOGM, during working hours, any postal ballot received after this date and time will not be considered for voting.

4. Signature on postal ballot should match the signature on CNIC/Passport (in case of foreigner).

5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, overwritten ballot papers will be rejected.

6. In the case of representative of body corporate and corporation, postal ballot must be accompanied with copy of CNIC of authorized person, along with a duly attested copy of Board Resolution, Power of Attorney, or Authorization Letter.

7. Ballot paper has also been placed at the website of the Company http://www.hmiml.com/. Members may also download the ballot paper from the website or use original/photocopy published in newspapers.

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SCHEME OF ARRANGEMENT

(Under sections 279 to 283 and 285 of the Companies Act, 2017)

BETWEEN

SEGO PAKISTAN (PRIVATE) LIMITED
(and its members)

AND

HAJI MOHAMMAD ISMAIL MILLS LIMITED
(and its members)

Scheme of Arrangement, under sections 279 to 283 and 285 read with other enabling provisions of the Companies Act, 2017, for amalgamation of the entire undertaking of Sego Pakistan (Private) Limited with and into Haji Mohammad Ismail Mills Limited

PLACE: Karachi

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SCHEME OF ARRANGEMENT

IN TERMS OF SECTIONS 279 TO 283 AND 285 read with other enabling provisions of the Companies Act, 2017.

BETWEEN

SEGO PAKISTAN (PRIVATE) LIMITED, a company incorporated under the laws of the Islamic Republic of Pakistan, having its registered office at Plot No. 38-A, Behind KTC Bus Depot, Korangi Creek, Karachi, (hereinafter referred to as **"SPL"**, which expression shall mean and include, where the context so permits, SPL's successors-in-interest, liquidators, legal representatives and permitted assigns).

AND

HAJI MOHAMMAD ISMAIL MILLS LIMITED, a company incorporated under the laws of the Islamic Republic of Pakistan, having its registered office at 409 Commerce Centre, Hasrat Mohani Road, Karachi, (hereinafter referred to as the **"HMIM"**, which expression shall mean and include, where the context so permits, HMIM's successors-in-interest, liquidators, legal representatives and permitted assigns).

AND

Their respective members.

(SPL and HMIM hereinafter collectively referred to as the **"Companies"** and individually as the **"Company"**)

Recitals

A. The Companies are validly incorporated and existing under the laws of Pakistan.

B. SPL is a private limited company engaged in the business of assembling, manufacturing, importing, exporting, buying, selling and distributing mobile phones, mobile phone parts, accessories, batteries and allied telecommunication and electronic equipment, and of providing after-sales and other services in relation to them, and to do all things incidental to that business. HMIM is a public limited company whose ordinary shares are listed on the PSX, trading in which is presently suspended. The share capital of each Company is set out in Article 1.1, and the existing boards of directors of the Companies are set out in Annexure "G".

C. Due to certain financial problems, HMIM disposed of almost all of its assets to pay off its liabilities.

D. In the meanwhile, HMIM also could not raise further funds,to carry on its operations, therefore, SECP and PSX raised various concerns on the state of affairs of HMIM, hence, in the absence of viable business plan by HMIM, SECP initiated winding-up proceedings of HMIM and PSX suspended shares trading of HMIM.

E. The boards of directors of the Companies have agreed on a revival plan, which includes a viable business plan and the course of action to revive the operation of HMIM, subject to the approval of their members.

F. The board of directors of each Company has considered the options available to it and has concluded and resolved that the amalgamation of SPL with and into HMIM, on the terms of this Scheme, is in the interest of that Company and of its members and creditors, and has approved this Scheme.

G. In order to record the said revival plan, the boards of directors of the Companies have approved this Scheme, to be placed before the members of the Companies for their approval and implemented pursuant to the provisions of the Act, mainly under sections 279 to 283 and 285 of the Act.

H. The principal object of this Scheme is to effectuate the amalgamation of SPL with and into HMIM, from the Effective Date.

I. The Investor, who is a director of SPL, has agreed to lend HMIM the Investor Loan on the terms of the Investor Loan Agreement, to be applied in discharging the Liabilities of HMIM and meeting its compliance requirements. The Investor Loan and its conversion into HMIM Shares, forms part of and is to be given effect under this Scheme in the manner provided in Article 14.

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J. The Companies are agreeing and entering into this Scheme to record and to implement their understanding.

Benefits of Amalgamation

A. Revival of the Listed Company

HMIM has carried on no business since 2015. A petition for its winding up, presented by the SECP, is pending before the Court, and trading in its shares has been suspended since 2017. Its net assets as at 30 June 2025 were negative, and it has no business of its own and no prospect of resuming one. The Scheme brings SPL, an operating company, into HMIM and restores HMIM to a going concern. The boards of both Companies consider this to be in the interests of their members and creditors.

B. Settlement of Liabilities and Discharge of Encumbrances

The Liabilities of HMIM will be paid in full before the Completion Date out of the Investor Loan, except for the retirement benefit obligation of PKR 4,613,762/-, which stands waived. The creditors of HMIM will therefore be paid in full, which they could not expect on a winding up.

C. Injection of an Operating Business

On the Effective Date the whole of the Undertaking of SPL vests in HMIM: its plant and equipment at Korangi, the SEGO brand and product lines, its contracts, stock and receivables, and its Employees. HMIM will from that date carry on SPL's business of assembling and selling mobile phones and allied devices, a business with revenue of PKR 5.6 billion in the year ended 30 June 2026.

D. Benefits to Shareholders

The members of HMIM will hold shares in a company with an operating business instead of a company facing winding up. The members of SPL will hold shares in a listed company. Neither Company makes any forecast of the price at which HMIM Shares will trade once trading resumes.

E. Continuity of Listing and Resumption of Trading

HMIM's listing on the PSX continues. Under Article 12 the Companies will apply for the listing of the new HMIM Shares and for the lifting of the suspension, so that the members of both Companies can trade their shares.

F. Access to Capital Markets

SPL's business will be carried on in a listed company, which can raise further capital from the public without a separate listing.

G. Continuity of Employment and Protection of Employees

All the Employees of SPL will become employees of HMIM on their existing terms and conditions of employment, with their period of service treated as continuous, in the manner provided in Article 9. The provident fund, gratuity fund, pension fund and other employee benefit arrangements maintained by SPL for its Employees will continue for their benefit in the manner provided in Article 9.3.

H. Effect on the Existing Members of HMIM

The existing members of HMIM hold 11,9[illegible],040 shares. Under the Scheme HMIM will issue 244,831,768 HMIM Shares to the SPL Shareholders. 15,371,247 Investor Shares, 1,408,470 Advance Shares and 2,800,000 IMS Shares, bringing its issued capital to 276,386,525 shares. The existing members will then hold about 4.33% of HMIM, the SPL Shareholders about 88.58%, the Investor about 6.07% in respect of the Investor Shares and the Advance Shares, and IMS about 1.01%.

HMIM must then bring its Free Float up to at least ten percent of its issued capital within the period allowed by the PSX on a relaxation sought under Article 12.3, and to fifteen percent within three years of the Completion Date, in accordance with the Free Float Plan. It expects to reach ten percent by a further issue of shares to the public under Article 12.4. If the whole of the ten percent is met in that way, HMIM will issue 30,709,614 further shares at not less than PKR 10/- each, raising not less than PKR 307,096,140/-, and the existing members will hold about 3.90% of an enlarged capital of 307,096,139 shares. The increase to fifteen percent is to come from offers for sale by the sponsors or a further issue of shares: an offer for sale by the sponsors would not reduce the existing members' percentage further.

Against that reduction, the existing members will hold shares in a company whose business is valued in the Share Swap Ratio Certificate at about PKR 2.45 billion, in place of shares in a company with negative net assets; the further issue will bring fresh capital into HMIM at not less than par; and trading in their shares, suspended since 2017, will resume. The boards of both Companies consider that the existing members are better placed under the Scheme than they would be on a winding up of HMIM.

The above-mentioned advantages and benefits are sought to be achieved through this proposed Scheme, and are in all respects subject to the satisfaction of the conditions set out in Article 11 and to the approvals of the Court and the relevant regulatory and other authorities.

NOW THEREFORE, THIS SCHEME HEREBY WITNESSETH AS FOLLOWS:

1. DEFINITIONS & INTERPRETATION

1.1. Definitions

In this Scheme, unless the context shall otherwise require, the following capitalized words shall have the meanings as assigned to them below:

1.1.1. **"Act"** shall mean the Companies Act, 2017.

1.1.2. **"Advance Shares"** shall mean the 1,408,470 (One Million Four Hundred Eight Thousand Four Hundred Seventy) HMIM Shares to be issued and allotted to the Investor under Article 14.16 in satisfaction of the SPL Advance.

1.1.3. **"Annexure"** shall mean the annexure(s) given in or attached to this Scheme.

1.1.4. **"Article"** shall mean a clause, sub-clause or article of this Scheme.

1.1.5. **"Assets"** shall mean all properties and rights of every nature, kind and description and the rights and obligations arising thereunder or related thereto or connected therewith (whether present or future) and shall include all rights, titles, interests, permits, authorities, sanctions, concessions, privileges, benefits, facilities, licenses, claims, contingent claims, and properties of all kinds and description and by whatever title held and whether movable or immovable, tangible or intangible, leasehold or freehold, including, but not limited to, stock-in-trade, stock-in-transit, inventories, raw materials, ingredients, office supplies, spares, consumable stores, works-in-progress, finished goods, actionable claims, bank accounts, utilities connections, telecommunication connections, internet, computer, software, applications, passwords, data, record, etc., cash and bank balances, funds of loans, funds finance facilities, investments, receivables, book debts, tax refunds, tax benefits, advances and deposits, prepayments, and all other rights and interests in and arising out of such properties in the ownership, possession, power or controls, whether within or outside Pakistan, and all books of account, registers, records, files, financial statements, receipts and all other documents of whatever nature relating or belonging thereto, and plants and machinery, together with all plants and equipment, spare parts, tools, equipment, motor vehicles, furniture, fixtures and fittings, offices and storehouses/warehouses, and all proprietary rights, titles and interests in any trademark, service mark, design, patent, copyright, whether registered or by way of passing-off, used in the business.

1.1.6. **"Assets of SPL"** shall mean the entire Assets of SPL, as of the Effective Date.

1.1.7. **"Assets of HMIM"** shall mean the entire Assets of HMIM, as of the Effective Date.

1.1.8. **"Business Day"** shall mean a day (other than a Saturday, Sunday or a gazette public holiday in Pakistan) on which banks are open for ordinary business in Karachi.

1.1.9. **"CDC"** shall mean the Central Depository Company of Pakistan Limited.

1.1.10. **"CCP"** shall mean the Competition Commission of Pakistan established under the Competition Act, 2010.

1.1.11. **"SPL"** shall mean SEGO PAKISTAN (Private) Limited, a private limited company, incorporated and existing under the laws of Pakistan, engaged in the business of assembling, manufacturing, importing, exporting, buying, selling, and distributing mobile phones, mobile phone parts, accessories, batteries and allied telecommunication and electronic equipment, and of providing after-sales and other services in relation to them, and to do all things incidental to that business, having the following corporate information:

Registered Office:

Plot 38-A, Behind KTC Bus Depot, Korangi Creek, Karachi

Authorized Share Capital:

PKR 2,500,000,000/- (Pak Rupees Two Billion Five Hundred Million Only) divided into 25,000,000 (Twenty Five Million) ordinary shares of PKR 100/- (Pak Rupees One Hundred) each, which on the sub-division under Article 10.10 become 250,000,000 (Two Hundred Fifty Million) ordinary shares of PKR 10/- (Pak Rupees Ten) each.

Issued, Subscribed and Paid-up Share Capital:

PKR 2,251,326,600/- (Pak Rupees Two Billion Two Hundred Fifty One Million Three Hundred Twenty Six Thousand Six Hundred Only) divided into 22,513,266 (Twenty Two Million Five Hundred Thirteen Thousand Two Hundred Sixty Six) ordinary shares of PKR 100/- (Pak Rupees One Hundred) each, which on the sub-division under Article 10.10 become 225,132,660 (Two Hundred Twenty Five Million One Hundred Thirty Two Thousand Six Hundred Sixty) ordinary shares of PKR 10/- (Pak Rupees Ten) each.

SPL's audited financial statements for the year ended 30 June 2026 record issued capital of PKR 333,340,000/- (3,333,400 ordinary shares of PKR 100/- each) and an advance against issue of shares of PKR 1,932,071,320/-. On 24 September 2026 SPL converted PKR 1,917,986,600/- of that advance into 19,179,866 ordinary shares of PKR 100/- each, bringing its issued capital to the amount stated above. The balance of PKR 14,084,700/- (the SPL Advance) remains an advance against shares from the Investor and is dealt with under Article 14.16.

1.1.12. **"SPL Share"** shall mean an ordinary share in the share capital of SPL, of PKR 100/- each before the sub-division under Article 10.10 and of PKR 10/- each after it.

1.1.13. **"SPL Advance"** shall mean the sum of PKR 14,084,700/- (Pak Rupees Fourteen Million Eighty Four Thousand Seven Hundred Only) received by SPL from the Investor through Intermarket International and recorded in the books of SPL as an advance against the issue of shares, which had not been converted into SPL Shares at the Signing Date.

1.1.14. **"SPL Shareholders"** shall mean the members of SPL whose names appear in its register of members on the Record Date, being at the date of this Scheme the following:

i. Mr. Zeeshan holding CNIC No. 4230141812625
ii. Mr. Azneem Bilwani holding CNIC No. 4230155854407
iii. Mr. Shehzad Hussain holding CNIC No. 4230113401475
iv. Mrs. Sadaf Zeeshan holding CNIC No. 4220104766612
v. Mr. Haris Siddiqui holding CNIC No. 4230119059303

1.1.15. **"Companies"** shall mean Sego Pakistan (Private) Limited and Haji Mohammad Ismail Mills Limited, collectively.

1.1.16. "Completion Date" shall have the meaning as ascribed thereto in Article 3.1 of this Scheme

1.1.17. **"Contracts"** shall mean all contracts, agreements, deeds, instruments, letters and undertakings of every description, creating any obligations, rights, titles, interests, etc. enforceable against the parties thereto, including any financial agreements.

1.1.18. **"Contracts of SPL"** shall mean the entire Contracts of SPL, subsisting as of the Effective Date.

1.1.19. **"Contracts of HMIM"** shall mean the entire Contracts of HMIM, subsisting as of the Effective Date.

1.1.20. **"Conversion Price"** shall mean PKR 10/- (Pak Rupees Ten) per HMIM Share, being the par value of an HMIM Share, at which the Investor Loan, the SPL Advance and the IMS Loan are converted into HMIM Shares under Article 14.

1.1.21. **"Court"** shall mean the High Court of Sindh or any other court of competent jurisdiction for the time being having jurisdiction under sections 279 to 283 and 285 of the Companies Act, 2017 in connection with this Scheme.

1.1.22. **"Effective Date"** shall have the meaning as ascribed thereto in Article 3.1 of this Scheme.

1.1.23. **"Employees"** shall mean all the employees, staff and workmen on the payroll of the relevant Company as of the Effective Date, whether permanent, contractual, probationary or otherwise, and "Employees of SPL" and "Employees of HMIM" shall be construed accordingly.

1.1.24. **"Encumbrances"** shall mean and include the Securities, any mortgage, charge by way of hypothecation (whether fixed or floating), pledge (whether actual or constructive), lien, hypothecation, trust, right of set-off or other third party right or interest (whether legal or equitable), assignment by way of security, reservation of title or other security interest of any kind whatsoever, created or arising, or any other agreement or arrangement (including a sale and re-purchase agreement) having similar effect.

1.1.25. **"Encumbrances of SPL"** shall mean the entire Encumbrances of SPL, subsisting as of the Effective Date, including the first charge over the present and future current assets of SPL for PKR 667,000,000/- registered with the SECP in favour of Dubai Islamic Bank Pakistan Limited, and the mortgages and guarantees securing the Wakala Istithmar facility described in note 22 to the Financial Statements of SPL.

1.1.26. **"Encumbrances of HMIM"** shall mean the entire Encumbrances of HMIM, subsisting as of the Effective Date.

1.1.27. **"Financial Statements"** shall mean the financial statements of the relevant Company for the year ended 30.06.2026, on the basis of which the proforma balance sheets referred to in Article 7 have been prepared.

1.1.28. **"Free Float"** shall bear the meaning assigned to that expression in the PSX Regulations, being the number of ordinary shares readily available for trading through the PSX, excluding (among other categories) shares held by the Government, by directors, sponsors, and senior management officers and their associates, shares held in physical form, cross-holdings of associate and group companies, treasury shares, and any shares barred from sale at the review date.

1.1.29. **"Free Float Plan"** shall mean the plan for the attainment and maintenance of the Free Float referred to in Article 12.4.

1.1.30. **"HMIM"** shall mean Haji Mohammad Ismail Mills Limited, a public limited company, incorporated and existing under the laws of Pakistan, whose principal business was the manufacture and sale of yarn and the generation of power, and whose Memorandum of Association was amended in 2017 to add the trading and distribution of fast moving consumer goods and other lawful business, having the following corporate information:

Registered Office:

409 Commerce Centre, Hasrat Mohani Road, Karachi

Authorized Share Capital:

PKR 120,000,000/- divided into 12,000,000 ordinary shares of PKR 10/- each.

Issued, Subscribed and Paid-up Share Capital:

PKR 119,750,400/- divided into 11,975,040 ordinary shares of PKR 10/- each.

1.1.31. "**HMIM Share**" shall mean the ordinary shares of PKR 10/- (Pak Rupees Ten Only) each in the share capital of HMIM.

1.1.32. "**HMIM Shareholders**" shall mean all the shareholders of HMIM as recorded in its register of members.

1.1.33. "**IMS**" shall mean INTERMARKET SECURITIES LIMITED, a listed company incorporated under the laws of Pakistan bearing CUIN 0040559, having its registered office at Bahria Complex – IV, 5th Floor, Extension Block, Ch Khalique-uz-Zaman Road, Gizri Karachi – 75600, Pakistan.

1.1.34. "**IMS Loan**" shall mean the sum of PKR 28,000,000 (Pak Rupees Twenty Eight Million Only) advanced by IMS to SPL on the terms of the IMS Loan Agreement, being a Liability of SPL subsisting as of the Effective Date.

1.1.35. "**IMS Loan Agreement**" shall mean the agreement between IMS and SPL recording the terms of the IMS Loan, as amended by the Consent and Addendum dated 5 November 2026 between IMS and SPL (the "Consent and Addendum"), a copy of each of which is attached hereto as Annexure "F".

1.1.36. "**IMS Shares**" shall mean the HMIM Shares to be issued and allotted to IMS upon conversion of the IMS Loan in accordance with Article 14.14.

1.1.37. "**Investor**" shall mean Mr. Aznee[illegible] Bilwani, holding CNIC No. 42301-5585440-7, resident of House No. 71/2, Street No. 5, Khayaban-e-Badr, DHA Phase 6, Karachi, Pakistan, who is a director of SPL.

1.1.38. "**Investor Loan**" shall mean the sum of PKR 153,712,469/- (Pak Rupees One Hundred Fifty Three Million Seven Hundred Twelve Thousand Four Hundred Sixty Nine Only) advanced or to be advanced by the Investor to HMIM on the terms of the Investor Loan Agreement.

1.1.39. "**Investor Loan Agreement**" shall mean the agreement between the Investor and HMIM recording the terms of the Investor Loan, a copy of which is attached hereto as Annexure "E".

1.1.40. "**Investor Shares**" shall mean the HMIM Shares to be issued and allotted to the Investor upon conversion of the Investor Loan in accordance with Article 14.

1.1.41. **"Liabilities"** shall mean debts and other liabilities including all borrowings, debts, credits, related party loans, all sums of money payable including duties and obligations of every nature, kind and description (whether present or future, actual contingent, current or deferred).

1.1.42. **"Liabilities of SPL"** shall mean the entire Liabilities of SPL, subsisting as of the Effective Date.

1.1.43. **"Liabilities of HMIM"** shall mean the entire Liabilities of HMIM, subsisting as of the Effective Date.

1.1.44. **"Litigations"** shall mean, both by and against, the suits, appeals, arbitrations, governmental investigations, judicial or quasi-judicial proceedings, tribunal proceedings, alternate dispute resolution proceedings, and any other legal proceedings, etc. of whatever nature and by whatever name called, which are pending in respect of either of the Companies.

1.1.45. **"Litigations of SPL"** shall mean the entire Litigations of SPL, subsisting as of the Effective Date, including the petition filed by SPL before the High Court of Sindh challenging the mobile handset levy on smartphones imported in semi-knocked down condition under the Finance Act, 2018, and the penalty of PKR 1,848,000/- upheld by the Commissioner Inland Revenue (Appeals-III), Karachi by order dated 12 March 2026.

1.1.46. **"Litigations of HMIM"** shall mean the entire Litigations of HMIM, subsisting as of the Effective Date, including (if applicable) the following:

i. Appeal under section 23-C of the Foreign Exchange Regulation Act, 1947 R/W Adjudication Proceedings and Appeal Rules 1988.

ii. HCA, Case No. 185 of 2018, Karachi, in the matter of Haji Mohammad Ismail Mills Limited vs. Federation of Pakistan & Others.

iii. J.C.M No. 42 of 2017 (Winding Up Petition) in High Court of Sindh, Karachi.

iv. CMA No. 5012/2018 in SMC No. 26/2017 in Supreme Court of Pakistan.

1.1.47. **"Record Date"** shall mean the date fixed by the board of directors of HMIM in accordance with Article 6.14 for the purpose of determining the SPL Shareholders entitled to the HMIM Shares to be issued under Article 6.

1.1.48. **"SECP"** shall mean the Securities and Exchange Commission of Pakistan established under the provisions of the Securities and Exchange Commission of Pakistan Act, 1997.

1.1.49. **"PSX"** shall mean the Pakistan Stock Exchange Limited.

1.1.50. **"PSX Regulations"** shall mean the Pakistan Stock Exchange Limited Regulations, as amended from time to time.

1.1.51. **"Securities Act"** shall mean the Securities Act, 2015.

1.1.52. **"Scheme"** shall mean this Scheme of Arrangement, including any addendums, if agreed and executed between the Companies in this regard.

1.1.53. **"Security"** or **"Securities"** means interest, right or title in and to any and all mortgages or charges (whether legal or equitable), debenture, 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.

1.1.54. **"Signing Date"** shall mean the later of the dates on which this Scheme is signed by the authorized signatories on behalf of SPL and on behalf of HMIM.

1.1.55. **"Share Swap Ratio Certificate"** shall mean the certificate as to the share swap ratio and the valuation of the Companies referred to in Article 6.3 and attached hereto as Annexure "B".

1.1.56. **"Surviving Company"** shall mean HMIM, being the company which survives the amalgamation effected by this Scheme, in which the Undertaking of SPL vests and which continues in existence after the dissolution of SPL, and shall bear the same meaning as that expression bears in clause 5.22 of the PSX Regulations.

1.1.57. **"Takeover Regulations"** shall mean the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017.

1.1.58. **"Tax"** or **"Taxes"** shall mean all present and future taxes, including income tax, sales tax, federal excise duty, customs duty, stamp duty, advance tax, withholdings, levies, imposts and other charges of a similar nature imposed by any governmental or statutory authority, together with any interest, mark-up, additional tax, default surcharge or penalty payable in connection with any failure to pay or delay in paying any of the foregoing.

1.1.59. **"Undertaking"** shall mean and include the Assets, the Contracts, the Employees, the Encumbrances, the Liabilities, and the Litigations.

1.1.60. **"Undertaking of SPL"** shall mean the entire Undertaking of SPL, subsisting as of the Effective Date.

1.1.61. "**Undertaking of HMIM**" shall mean the entire Undertaking of HMIM, subsisting as of the Effective Date.

1.2. **Interpretation**

In this Scheme, unless the context shall otherwise require:

1.2.1. The singular includes the plural and vice versa.

1.2.2. A reference to an individual or person includes a company, firm, trust, authority or government and vice versa.

1.2.3. A reference to any gender includes all genders.

1.2.4. A recital or Annexure forms part of this Scheme.

1.2.5. A reference to any agreement or document is to that agreement or document (and, where applicable, any of its provisions) as amended, novated, restated or replaced from time to time.

1.3. **Headings**

In this Scheme, headings are for convenience of reference only and they shall not affect the interpretation of the terms of this Scheme.

1.4. **Business Day**

If the day on which any act, matter or thing is to be done under or pursuant to this Scheme is not a Business Day, that act, matter or thing:

1.4.1. If it involves a payment other than a payment which is due on demand, shall be done on the immediately succeeding Business Day; and

1.4.2. In all other cases, shall be done no later than the immediate succeeding Business Day.

2. **AMALGAMATION AND VESTING OF UNDERTAKING**

2.1. **Transfer of SPL to HMIM**

Subject to the provisions of this Scheme, the entire Undertaking of SPL shall, without further act or deed , be transferred to and vest in HMIM on the Effective Date, and shall be deemed to have been so transferred and vested.

2.2. **HMIM to be the Surviving Company**

Upon this Scheme becoming effective, HMIM shall be and continue as the Surviving Company. The amalgamation effected by this Scheme is of SPL with and into HMIM; the corporate existence and the listed status of HMIM shall continue uninterrupted; and SPL shall stand dissolved in accordance with Article 5. HMIM is the Listed Shell Company and, on this Scheme becoming effective, the Surviving Company for the purposes of clause 5.22 of the PSX Regulations. The information and documents required by Annexure-II to Chapter 5 of the PSX Regulations relate to both Companies and to the Surviving Company. HMIM shall furnish them to the PSX in the manner provided in Article 12.8 and SPL shall supply its part of the form to HMIM for the purpose.

2.3. **Transfer as per Book Value**

The transfer of the Undertaking of SPL shall be made at its book value on the Effective Date.

2.4. **Transfer not to affect Proceedings**

The transfer of the Undertaking of SPL and continuance of business operations by HMIM shall not affect any transactions or proceedings already concluded by SPL in the ordinary course of business during the period from the Signing Date to the later of the Completion Date and the Effective Date. HMIM accepts on behalf of itself all acts, deeds and things done and executed by SPL.

2.5. **Recording in Books**

The Undertaking of SPL being transferred from SPL shall form part of the Undertaking of HMIM of corresponding nature in the books of HMIM.

2.6. **Transfer of Assets**

As of the Effective Date, all the Assets comprised in the Undertaking of SPL, shall immediately without any conveyance or transfer and without any further act or deed be vested in and become the Undertaking and Assets of HMIM, which shall have, hold and enjoy the same in its own right as fully as the same were possessed, held and enjoyed by SPL prior to the Effective Date.

2.7. **Discharge of Liabilities**

As of the Effective Date, HMIM shall undertake, pay, satisfy, discharge, perform and fulfil the Liabilities, Contracts, Encumbrances, engagements and commitments whatsoever of SPL with respect to the Undertaking of SPL.

Moreover, HMIM hereby undertakes and confirms that it shall pay-off, settle, and satisfy the payment obligations and penalty amounts in respect of the Appeal under section 23-C of the Foreign Exchange Regulation Act, 1947 read with Adjudication Proceedings and Appeal Rules 1988, prior to the Completion Date, and such payment shall be funded in the manner provided in Article 13.

2.8. **Right to Execute Documents**

Deeds, assignments, documents or similar instruments to evidence the aforesaid transfer of Undertaking of SPL may, if required, at any time be executed by officers and/or directors of HMIM authorized in this regard.

2.9. **Assets held in Trust**

Any Asset comprised in the Undertaking of SPL, which immediately before the Effective Date was held by SPL as trustee or custodian or agent 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 as judicial trustee appointed by order of any court, or in any other fiduciary capacity, shall, as of the Effective Date, be held by HMIM in the same capacity upon the trusts etc., subject to the powers, provisions and Liabilities applicable thereto.

2.10. **Instructions**

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

2.11. **Securities**

2.11.1. Any Security held immediately before the Effective Date by SPL or by a nominee or agent of or trustee for SPL, as security for the payment or discharge of any liability and obligation of a person/entity, with respect to the Undertaking of SPL, shall, as of the Effective Date, be held by HMIM or, as the case may require, by that nominee, agent or trustee for HMIM and be available to HMIM (whether for its own benefit or, as the case may be, for the benefit of any person) as security for the payment or discharge of that liability and obligation.

2.11.2. In relation to any Security vested in HMIM in accordance with provisions of this Scheme and any liabilities and obligations thereby secured, HMIM shall be entitled to the rights and priorities to which SPL would have been entitled if it had continued to hold the Security.

2.11.3. Any Security referred to in the foregoing provisions of this Article which extends to future advances or liabilities (pertaining to the Undertaking of SPL) shall, as of the Effective Date, be available to HMIM (whether for its own benefit or as the case may 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 respect as future advances by or liabilities to, SPL or, as the case may be, HMIM were secured thereby immediately before that time.

2.12. **Legal Proceedings**

Where by virtue of this Scheme any right, claim or Liability of SPL pertaining to the Undertaking of SPL, becomes a right, claim or Liability of HMIM as of the Effective Date, HMIM 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 application 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 HMIM, and any legal proceedings or application to any authority existing or pending immediately before the Effective Date by or against SPL may be continued by or against HMIM.

2.13. **Judgments**

Any judgment or award obtained by or against SPL and not fully satisfied before the Effective Date shall at that time, to the extent to which it is enforceable by or against SPL, becomes enforceable by or against HMIM.

2.14. **Evidence**

All books and other documents which would, before the Effective Date, have been admissible in evidence in respect of any matter, for or against SPL, shall be admissible in evidence in respect of the same matter for or against HMIM.

2.15. **Specific Items Comprised in the Undertaking of SPL**

Without limiting the generality of the expressions "Undertaking", "Assets", "Contracts" and "Liabilities", the Undertaking of SPL transferred to and vested in HMIM under this Scheme shall include: (i) all insurance policies issued to or for the benefit of SPL, and the benefit thereof; (ii) all registrations, licences, permits, approvals, consents, entitlements and authorizations held by or granted to SPL by any governmental, regulatory or statutory authority in connection with its business, together with all renewals thereof, to the extent permitted by applicable law; (iii) all credits, refunds, rebates, exemptions and concessions in respect of any Tax, including the right to adjust input tax against output tax and to claim refund or adjustment of advance Tax, and the benefit of all capital allowances; (iv) the accumulated losses, depreciation and other tax attributes of SPL, to the extent that their carry-forward and set-off is permitted by applicable law; (v) all bank accounts and mandates of SPL, and all credit and debit balances therein; (vi) all utility and telecommunication connections, meters and installations owned by or leased or licensed to SPL, and the benefit of all deposits made in connection therewith; (vii) all records, documents of title, and customer and supplier lists and data of SPL, whether in physical or electronic form; and (viii) all liabilities of SPL to its Employees and former employees, including on account of gratuity, provident fund, pension or otherwise, and all liabilities of SPL for Tax.

Where the transfer to or vesting in HMIM of any item referred to in clause (ii) above requires the consent or approval of any authority, SPL and HMIM shall use their reasonable endeavours to obtain the same and, pending receipt thereof, SPL shall hold such item for and on account of, and in trust for, HMIM in accordance with Article 8.1.

3. EFFECTIVENESS OF SCHEME

3.1. Completion Date and Effective Date

This Scheme shall be operative and binding on the Companies and their respective members, creditors and all other third parties as soon as a certified copy of an order of the Court under Section 279/282 of the Act sanctioning the Scheme and making any necessary provisions under Section 282 and 285 of the Act have been filed with the Registrar of Companies, Karachi (the **"Completion Date"**). When the Scheme becomes operative on the Completion Date, the amalgamation in accordance with this Scheme shall be treated as having effect from 01.07.2026, or such other date as the Court may direct (the **"Effective Date"**).

3.2. Transactions for Benefit of HMIM

Accordingly, as of the Effective Date and thereafter, until the Undertaking of SPL is actually transferred to and vested in HMIM in terms of this Scheme, the business of SPL will be deemed to have been carried for and on account for and for the benefit of HMIM. If this Scheme does not become effective, this Article 3.2 and Articles 3.3 and 8.1 shall be treated as never having had effect, and everything done by SPL on or after the Effective Date shall be treated as done for its own account.

3.3. Reserves and Un-Appropriated Profits/Losses

The reserves and un-appropriated profits/losses of SPL up to and immediately preceding the Effective Date shall constitute and be treated as reserves/losses of a corresponding nature in HMIM, and shall be accounted for on that basis in the books of account of HMIM accordingly, provided that this Article 3.3 shall apply subject to the accounting treatment determined under Article 16.3.

3.4. Change of Name of HMIM – Post Merger

Upon this Scheme coming into force, the name of HMIM shall be changed to "Sego Pakistan Limited". Such change shall be subject to the passing of a special resolution and the approval of the registrar signified in writing under section 12 of the Act, and shall take effect, on or after the Completion Date, upon the registrar issuing a certificate of incorporation on change of name under section 13 of the Act. The Companies shall request the Court to give such directions under section 282(3)(f) of the Act as may be necessary to give effect to the said change of name. HMIM shall forthwith notify the PSX and the SECP of the change and of any consequent change in its trading symbol.

3.5. **Change of Object Clause and Constitutional Amendments – Post Merger**

Upon the Completion Date, once this Scheme comes into force, the main business of HMIM shall stand amended and accordingly object clause of the Memorandum of Association of HMIM shall stand substituted to enable HMIM to carry on the business of assembling, manufacturing, importing, exporting, buying, selling, and distributing mobile phones, mobile phone parts, accessories, batteries and allied telecommunication and electronic equipment, and of providing after-sales and other services in relation to them, and to do all things incidental to that business. The substitution and related amendments to the Memorandum of Association and Articles of Association of the HMIM shall take effect pursuant to the Court's sanction and applicable statutory requirements.

4. CONTRACTS, DEEDS, INSTRUMENTS AND LITIGATIONS

4.1. **Performance of Contracts by HMIM**

HMIM undertakes, from the Completion Date, to ...y, perform and fulfil all contracts, engagements and obligations whatsoe... of SPL forming part of the Undertaking of SPL transferred to it under this Scheme, including those entered into by SPL on or after the Effective Date in accordance with Article 3.2, and the same shall be enforced or acted upon as fully and effectively as if, instead of SPL, HMIM had been a party thereto and as if the same formed part of the Undertaking of HMIM.

4.2. **All Encumbrances Effective**

All the agreements entered into and all the Encumbrances created by or to secure the Liabilities of SPL, with SPL's respective bankers, creditors, companies, persons, agents, etc. if any, regarding the Undertaking of SPL being transferred shall continue to be in full force and effect till their respective expiries and shall be enforced by or against HMIM as if the said Encumbrances were created by or to secure the Liabilities of HMIM towards such persons.

4.3. **Litigations Effective Against HMIM**

All the Litigations of SPL, pending on or immediately before the Effective Date shall be treated as suits, appeals, arbitration, governmental investigations and legal proceedings (whether judicial, quasi-judicial, tribunal, etc.) by or against HMIM, and may be continued, pursued and enforced by or against HMIM accordingly.

4.4. **Ranking of Charges Remain Same**

The status/ranking (i.e. whether pari passu or ran...ng or exclusive, etc.) of all the Encumb...ances with respect to SPL and ...IIM shall remain same upon or after the Effective Date, as the same was before the Effective Date.

4.5. **Creditors**

The debts, Liabilities, contingent liabilities and obligations of SPL comprised in the Undertaking of SPL shall, upon being transferred to and vested in HMIM, be treated as the debts, Liabilities, contingent liabilities and obligations of HMIM as if originally incurred by HMIM instead of SPL, and HMIM shall pay and discharge the same and perform all such obligations accordingly. Nothing in this Scheme shall prejudice the rights of any creditor of either Company, and the ranking of the existing security interests of the creditors of each Company over its assets shall not be affected by the amalgamation.

4.6. **Receivables and Debtors**

All receivables, book debts, advances, deposits and other sums due or owing to SPL and comprised in the Undertaking of SPL shall, upon being transferred to and vested in HMIM, be treated as receivables of HMIM as if originally owing to HMIM instead of SPL, and HMIM shall be entitled to receive the same and to give a valid discharge therefor accordingly.

4.7. **Customers, Suppliers and Counterparties**

On and from the Effective Date, all customers, suppliers, distributors and other counterparties of SPL shall continue to be dealt with by HMIM on the terms and conditions applicable to them in SPL immediately before the Effective Date.

5. **DISSOLUTION OF SPL WITHOUT WINDING UP**

5.1. **Dissolution of SPL**

Upon the Scheme becoming effective in accordance with the terms hereunder, and subject to Article 15, SPL shall *ipso facto* stand dissolved without following the process of winding up under the Act.

6. **ISSUANCE OF SHARES BY SURVIVING COMPANY**

6.1. **Issuance of Fully Paid Shares**

In consideration of vesting of the Undertaking of SPL in HMIM, HMIM shall issue ordinary shares at par value and allot the ordinary shares having an aggregate nominal value of PKR 2,448,317,680/- (Pak Rupees Two Billion Four Hundred Forty Eight Million Three Hundred Seventeen Thousand Six Hundred Eighty Only), credited as fully paid up to the registered members of SPL.

6.2. **Share Swap Ratio**

In consideration of vesting of the Undertaking of SPL in HMIM, HMIM shall issue an aggregate of 244,831,768 (Two Hundred Forty Four Million Eight Hundred Thirty One Thousand Seven Hundred Sixty Eight) HMIM Shares to the SPL Shareholders, that is, 1.0875 HMIM Shares for every 1 (one) SPL Share of PKR 10/- held by them after the sub-division under Article 10.10. If the ratio produces a different total because of rounding, the aggregate number stated in this Article prevails and fractions are dealt with under Article 6. . Based on the above, and taking into account fractional shares (if any) HMIM shall issue said HMIM Shares to SPL Shareholders in the manner detailed in Annexure "A" attached hereto.

Notwithstanding anything contained herein, upon the Completion Date, once the SPL Shareholders would have become entitled to the HMIM Shares as mentioned in the preceding paragraph (the **"Entitled Shares"**), then each such SPL Shareholder shall have the right to instruct HMIM to allot/issue all or any of the Entitled Shares to any other person/entity (the **"Nominee"**) and in its consideration, such SPL Shareholder may receive cash/kind consideration from such Nominee. Any such instruction shall be subject to (i) the prior written approval of the SECP and the PSX, and (ii) compliance with the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017 and all other applicable law. Such SPL Shareholder shall be bound to issue such instruction to HMIM in writing along with complete identification and contact details of such nominee, within thirty (30) days from the Completion Date, and thus, upon receipt of such instructions, HMIM shall proceed further accordingly. Any HMIM Shares allotted to a Nominee shall be subject to the freeze in clause 5.22.4(i) of the PSX Regulations in the same way as if they had been allotted to the SPL Shareholder, and no instruction shall be given that would reduce the holding of the SPL Shareholders and the Investor below that required by Article 12.3.

6.3. **Calculation of Share Swap Ratio**

The number of HMIM Shares to be issued to the SPL Shareholders, in the manner prescribed above, including the swap ratio, has been approved by the board of directors of each of the Companies, and is based on the calculations of Sarvars Chartered Accountants as stated in their letter, copy of which is attached hereto as Annexure "B".

6.4. **Share Swap Ratio to Remain Unchanged**

It is clarified that in the event that the Assets, Liabilities or obligations of SPL increase or decrease between date of issuance of said Share-Swap Ratio Certificate and the Effective Date, the number of HMIM Shares to be issued to the SPL Shareholders shall not change.

6.5. **Allotment of HMIM Shares**

The HMIM Shares to be allotted to the SPL Shareholders shall be issued in book-entry form and credited to the respective accounts maintained with the CDC by or on behalf of the SPL Shareholders. Being shares of the sponsors of HMIM, the HMIM Shares so allotted shall be inducted into the CDS in freeze status for a period of not less than one (1) year in accordance with clause 5.22.4(i) of the PSX Regulations, and the SPL Shareholders shall not sell or transfer them during that period. Where any HMIM Shares fall to be issued in physical form the share certificates shall be made ready for delivery as soon as practicable after the Effective Date or the Completion Date (whichever is later) and notices of their readiness for their delivery shall be given to the SPL Shareholders in the manner provided in the Articles of Association of HMIM (and/or the Act). Share certificates not collected within the time specified in any such notice shall be sent by post in prepaid envelopes addressed to the persons entitled thereto at their respective registered addresses. In the case of joint shareholders, share certificates may be delivered to or may be sent to the address of one of the joint holders whose name appears first in respect of such joint holding. HMIM shall not be responsible for loss of the share certificates in such transmission. All such allotments shall be carried out in accordance with the rules and regulations of the CDC.

6.6. **Fractional Entitlements**

Fractional entitlements of 0.5 of a share or above shall be rounded up to one whole share and fractional entitlements below 0.5 shall be disregarded. The aggregate number of HMIM Shares stated in Article 6.2 shall prevail, as provided in that Article.

6.7. **Cancellation of Cross-Holdings**

At the time of allotment of HMIM Shares, the shares held by HMIM in SPL or vice versa shall stand cancelled and be of no further effect thereafter.

6.8. **Time Period of Allotment**

The allotment of HMIM Shares shall be made by HMIM within ninety (90) days from the Completion Date.

6.9. **Cancellation of Share Certificates of SPL**

Upon the allotment of HMIM Shares to the SPL Shareholders in the manner provided above, all shares/share certificates representing the ordinary shares of SPL shall stand cancelled and be of no further effect thereafter.

6.10. **Ranking of HMIM Shares**

The HMIM Shares upon allotment and issuance to SPL Shareholders pursuant to this Scheme shall rank *pari passu* with the existing ordinary shares of HMIM in all respects and shall be entitled to all dividends, bonuses, rights issue, etc. declared after the Effective Date.

6.11. **Commencement of Effectiveness**

The terms of this Scheme shall be effective and binding by operation of law and shall become effective on the Effective Date.

6.12. **Scheme Binding on Companies and Others**

The terms of this Scheme shall be binding on the Companies and also on the members, creditors, utility service providers, contractors, suppliers, customers, advisors, third persons, etc. of the Companies or on any other person having any right or liability in relation to any of them.

6.13. **Valid Consideration**

The HMIM Shares to be issued and allotted under this Article shall constitute full and valid consideration to the SPL Shareholders for the vesting of the Undertaking of SPL in HMIM.

6.14. **Record Date and Notice**

The HMIM Shares shall be allotted to those SPL Shareholders whose names appear in the register of members of SPL on the Record Date, being a date fixed for that purpose by the board of directors of HMIM on or after the Completion Date. The entitlement of each SPL Shareholder to the HMIM Shares under Article 6.2 shall be determined in proportion, to his or her existing shareholding in SPL on the Record Date.

Not less than seven (7) days' notice of the Record Date shall be given by HMIM to the registered members of SPL in the manner provided in the Articles of Association of SPL, and HMIM shall at the same time notify the PSX and the SECP of the Record Date.

7. FINANCIAL STATEMENTS AND PROFORMA BALANCESHEETS

7.1. **Proforma Balance Sheet of SPL**

The Assets, Liabilities and Encumbrances comprising of the Undertaking of SPL are based on the financial statements of SPL for the year ended 30.06.2026. A proforma balance sheet, indicative as of 30.06.2026 and 01.07.2026, has been prepared by SPL, attached hereto as Annexure "C", illustrating, inter alia, the positions (i) prior to the effect of the Scheme, and (ii) subsequent to the effect of the Scheme, respectively. The said proforma balance sheet of SPL will be updated for actual balances of the relevant line items of the balance sheet as on the Effective Date.

7.2. **Proforma Balance Sheet of HMIM**

The Assets, Liabilities and Encumbrances comprising of the Undertaking of HMIM are based on the financial statements of HMIM for the year ended 30.06.2026. A proforma balance sheet, indicative as of 30.06.2026 and 01.07.2026, has been prepared by HMIM, attached hereto as Annexure "D", illustrating, inter alia, the positions (i) prior to the effect of the Scheme, and (ii) subsequent to the effect of the Scheme. The said proforma balance sheet of HMIM will be updated for actual balances of the relevant line items of the balance sheet as on the Effective Date.

8. CONDUCT OF BUSINESS BY SPL TILL COMPLETION DATE OR EFFECTIVE DATE

8.1. Conduct of Business

SPL, till the Completion Date or the Effective Date (whichever is later):

8.1.1. Shall be deemed to have been carrying on and to be carrying on all business and activities relating to the Undertaking and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all the estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions of the Undertaking of SPL for and on account of, and in trust for HMIM.

8.1.2. All profits and income accruing or arising to SPL and losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income) based on the financial statements shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditures, as the case may be, of HMIM.

8.1.3. Any of the rights, powers, authorities, privileges, attached related or pertaining to the Undertaking of SPL exercised by SPL shall be deemed to have been exercised for and on behalf of, and in trust for and as an agent of HMIM. Similarly, any of the obligations, duties and commitments attached, related or pertaining to SPL that have been undertaken or discharged by SPL shall be deemed to have been undertaken for and on behalf of and as an agent of HMIM.

8.2. Carrying On of Business

Under the Scheme and till the Completion Date or the Effective Date (whichever is later), SPL undertakes that it will preserve and carry on its business with reasonable diligence and business prudence and shall not undertake financial commitments or sell transfer, alienate, charge, mortgage, or encumber the Undertaking or any part thereof save and except:

8.2.1. If the same is in its ordinary course of business as carried on by it; or

8.2.2. If the same is expressly permitted by this Scheme; or

8.2.3. If the prior written consent has been obtained from HMIM's board of directors and/or representatives of HMIM.

8.3. **Directors of Companies**

As and from the Completion Date or the Effective Date (whichever is later):

8.3.1. The directors of SPL shall cease to hold office as directors of SPL and the following persons shall be appointed/deemed to be appointed to be the directors of HMIM:

Name	Designation
Mr. Azneem Bilwani	Director and Chairman
Mr. Shehzad Hussain	Director
Mr. Uraib Bilwani	Director
Mr. Haris Siddiqui	Director
Mr. Zeeshan	Director and CEO
[To be named]	Independent Director
[To be named]	Independent Director
[To be named]	Independent Director

8.3.2. The three seats shown as "[To be named]" in Article 8.3.1 are for independent directors. Before the Completion Date SPL shall nominate the persons to fill them from the databank maintained under section 166 of the Act, and the Companies shall notify their names to the Court before the hearing of the petition for sanction of this Scheme. Those persons shall be appointed as independent directors of HMIM with effect from the Completion Date. From the Completion Date the board of HMIM shall comply with section 154 of the Act and the Listed Companies (Code of Corporate Governance) Regulations, 2019, including as to independent directors and the inclusion of at least one female director.

8.3.3. Every director of HMIM in office immediately before the Completion Date shall cease to hold office on that date. The directors appointed under this Article 8.3 shall hold office until the next election of directors of HMIM under section 159 of the Act.

8.4. **Release of SPL**

On and from the Effective Date, SPL shall stand released and discharged from its all the Liabilities and Encumbrances transferred to and vested in HMIM under this Scheme.

8.5. **Restriction on Dividends, Bonus Shares and Alteration of Capital**

From the Signing Date until the later of the Completion Date and the Effective Date, neither of the Companies shall declare or pay any dividend, issue any bonus shares or rights shares, or alter its share capital in any manner, except as expressly provided for in this Scheme (including the sub-division of the share capital of SPL into ordinary shares of PKR 10/- each, whether by special resolution of SPL before the Completion Date or under Article 10.10, the issue of the Investor Shares, the Advance Shares and the IMS Shares under Article 14, and any step contemplated by Article 12), or with the prior written consent of the other Company and, where required, the approval of the SECP and the PSX. Pending the Completion Date, the profits and reserves (if any) of each Company shall be utilised only in the ordinary course of its business and not for the declaration of dividends or the issue of bonus shares.

8.6. **Existing Boards of Directors**

The names and designations of the existing directors of each of the Companies are set out in Annexure "G". The proposed constitution of the board of directors of HMIM upon and after the Completion Date is as set out in Article 8.3.

9. TRANSFER OF STAFF, WORKMEN AND EMPLOYEES

9.1. **Transfer of Employees**

All the Employees of SPL shall become employees of HMIM from the Effective Date on their existing terms and conditions of employment.

9.2. **Settlement of Benefits**

The services of the Employees shall be treated as continuous and without break or interruption, and their period of service with SPL shall be reckoned as services with HMIM for the purposes of length-of-service entitlements, which shall be assumed and discharged by HMIM.

9.3. **Employees' Funds and Retirement Benefits**

All trust deeds, rules and other instruments relating to any provident fund, gratuity fund, pension fund or other employee benefit fund or arrangement established or maintained by SPL for the benefit of the Employees of SPL shall, as of the Effective Date, continue in full force and effect for the benefit of those Employees as if HMIM were the party thereto and were mentioned therein instead of SPL, and HMIM may enforce all rights and shall perform all obligations and discharge all liabilities arising thereunder accordingly. All contributions made to, and all balances standing to the credit of, any such fund shall continue to be held for the benefit of the Employees of SPL entitled thereto.

3.913.

10. SHARE CAPITAL

10.1. Consolidation of Authorized Capital

On the Completion Date or the Effective Date (whichever is later), the aggregate authorized capital of SPL shall *ipso facto* stand consolidated, merged and aggregated with the authorized capital of HMIM.

10.2. Increase in Authorized Capital

On this Scheme becoming effective, the authorized capital of HMIM, as consolidated under Article 10.1 to PKR 2,620,000,000/- (Pak Rupees Two Billion Six Hundred Twenty Million Only) divided into 262,000,000 ordinary shares of PKR 10/- each, shall stand increased by PKR 480,000,000/- (Pak Rupees Four Hundred Eighty Million Only), divided into 48,000,000 (Forty Eight Million) ordinary shares of PKR 10/- each, to PKR 3,100,000,000/- (Pak Rupees Three Billion One Hundred Million Only), divided into 310,000,000 (Three Hundred Ten Million) ordinary shares of PKR 10/- each. No SECP fee is payable on the consolidated capital of PKR 2,620,000,000/-, the fee having been paid by SPL when it obtained its authorized capital. HMIM shall pay the SECP fee on the increase of PKR 480,000,000/-.

10.3. Decision with Mutual Agreement

Any questions pertaining to the Undertaking of SPL shall be decided by mutual agreement between the boards of directors of the Companies and/or the duly authorized representatives of the Companies.

10.4. Interest of Directors

The directors of SPL are interested in this Scheme to the extent of the SPL Shares held by them and of any amounts advanced by them to either Company that are converted into HMIM Shares under Article 14, and the directors of HMIM to the extent of the shares of HMIM held by them and of any amounts owing to them by HMIM that are dealt with under this Scheme. No person is a director of both Companies. The directors of SPL named in Article 8.3.1 are also interested in their appointment as directors of HMIM, and the directors of HMIM in their ceasing to hold office under Article 8.3.3. Save as aforesaid, the effect of this Scheme on the interest of the directors does not differ from its effect on the like interest of the other shareholders of the Companies.

10.5. No Compensation

No compensation is payable to any director for the loss of office as director of SPL.

10.6. **No Transfer**

To the fullest extent permitted by applicable law, and as between the Companies, 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 Encumbrance (except to the extent stipulated in this Scheme); and (iv) give rise to any right of first refusal or pre-emptive right that any person may have in respect of any investment by such person in any of the Companies.

10.7. **Alteration of Memorandum and Articles of Association**

Upon this Scheme becoming effective, and without any further act, deed, matter or thing, Clause V of the Memorandum of Association and the corresponding provision of the Articles of Association of HMIM, relating to its authorized share capital, shall stand replaced by the following: "The authorized share capital of the Company is PKR 3,100,000,000/- (Pak Rupees Three Billion One Hundred Million Only) divided into 310,000,000 (Three Hundred Ten Million) ordinary shares of PKR 10/- (Pak Rupees Ten) each."

Upon this Scheme becoming effective, the object clause of the Memorandum of Association of HMIM shall, in accordance with Article 3.5, stand replaced by the following: "To carry on the business of assembling, manufacturing, importing, exporting, buying, selling and distributing mobile phones, mobile phone parts, accessories, batteries and allied telecommunication and electronic equipment, and of providing after-sales and other services in relation to them, and to do all things incidental to that business.", and the name clause of the Memorandum of Association and the corresponding provision of the Articles of Association of HMIM shall stand altered, in accordance with Article 3.4, to reflect the name "Sego Pakistan Limited".

The approval of this Scheme by the members of HMIM shall include and constitute the approval, by way of special resolution, of the alterations to the Memorandum and Articles of Association of HMIM contemplated by this Scheme (including under this Article, Article 3.4 and Article 3.5), and the Memorandum and Articles of Association of HMIM shall stand amended accordingly.

10.8. **Sufficiency of Authorized Capital**

If at any time the authorized capital provided for in Article 10.2 is not sufficient for an issue of shares contemplated by this Scheme, HMIM shall increase it by the amount required in accordance with the Act before making that issue.

10.9. **Post-Merger Issued and Paid-up Capital**

On the allotment of the HMIM Shares under Article 6 and of the Investor Shares, the Advance Shares and the IMS Shares under Article 14, the issued, subscribed and paid-up share capital of HMIM shall be PKR 2,763,865,250/- (Pak Rupees Two Billion Seven Hundred Sixty Three Million Eight Hundred Sixty Five Thousand Two Hundred Fifty Only), divided into 276,386,525 (Two Hundred Seventy Six Million Three Hundred Eighty Six Thousand Five Hundred Twenty Five) ordinary shares of PKR 10/- each.

10.10. **Sub-division of the Share Capital of SPL**

On this Scheme becoming effective, and before any other step under Article 15.1, each ordinary share of PKR 100/- in the capital of SPL, authorized and issued, shall stand sub-divided into ten ordinary shares of PKR 10/- each. The authorized capital of SPL will then be 250,000,000 ordinary shares of PKR 10/- each and its issued capital 225,132,660 ordinary shares of PKR 10/- each, without change in the amount of either. The sub-divided shares rank equally with one another. Clause V of the Memorandum of Association of SPL and the corresponding provision of its Articles of Association shall stand altered accordingly, and the approval of this Scheme by the members of SPL shall constitute the special resolution required for the sub-division under section 85 of the Act. The swap ratio in Article 6.2 applies to the sub-divided shares. If SPL has sub-divided its shares in this manner before the Completion Date, this Article shall not apply and the swap ratio in Article 6.2 shall apply to the shares so sub-divided.

11. CONDITIONS PRECEDENT AND REGULATORY APPROVALS

11.1. The coming into effect of this Scheme is conditional upon each of the following having been obtained or satisfied: (i) the approval of this Scheme by the requisite majorities of the members and, where so required, the creditors of each of the Companies at meetings convened by or under the directions of the Court, by special resolutions substantially in the form set out in Annexure "H"; (ii) the sanction of this Scheme by the Court under sections 279 to 283 and 285 of the Act; (iii) such approval, consents, clearances and no-objections of the SECP as may be required in respect of this Scheme; (iv) the approval of the PSX, and such clearances as the PSX may require in respect of the matters provided for in Article 12; (v) to the extent the amalgamation contemplated by this Scheme constitutes a notifiable merger, clearance from the CCP under the Competition Act, 2010 and the Competition (Merger Control) Regulations, 2016; (vi) the confirmation of the PSX under clause 5.22.5 of the PSX Regulations, and the relaxation of clause 5.22.4(b) applied for under Article 12.3, each obtained before the approval of the members of HMIM is sought; (vii) the no-objection of Dubai Islamic Bank Pakistan Limited to the vesting of the Undertaking of SPL in HMIM under this Scheme, as the holder of the first charge over the current assets of SPL; (viii) the execution of the Investor Loan Agreement and the advance of the Investor Loan in full by the Investor; (ix) the passing by the Court of an order to the contrary for the purposes of section 391(a) of the Act as contemplated by Article 14.4, or the prior disposal or withdrawal of J.C.M No. 42 of 2017 as contemplated by Article 13.1; (x) the reservation or approval of the name "Sego Pakistan Limited" in favour of HMIM by the registrar for the purposes of Article 3.4; (xi) the nomination by SPL under Article 5.3.2 of the persons to be appointed as independent directors of HMIM; and (xii) the filing of a certified copy of the order of the Court sanctioning this Scheme with the Registrar of Companies, Karachi.

11.2. Co-operation

Each of the Companies shall use its reasonable endeavors to procure the satisfaction of the conditions set out in Article 11.1 as soon as reasonably practicable, shall make all filings and applications required for that purpose, and shall keep the other informed of the progress of each such application.

12. LISTING, RESUMPTION OF TRADING AND CONTINUED COMPLIANCE

12.1. Listing of HMIM Shares

HMIM shall make application to the PSX for the formal listing of the HMIM Shares to be issued and allotted under Articles 6 and 14, and shall do all such acts and things and furnish all such information as the PSX may require for that purpose.

12.2. Resumption of Trading

The Companies shall jointly apply to the PSX and, where required, to the SECP for the revocation of the suspension of trading in the shares of HMIM and for the restoration of the shares of HMIM to normal trading, and shall take all steps and remedy all defaults necessary to the end.

12.3. **Minimum Free Float and Sponsor Retention**

Clause 5.22.4(b) of the PSX Regulations requires the Surviving Company to have a Free Float of not less than ten percent of its issued share capital and, its paid-up capital being more than PKR 2.5 billion and not more than PKR 5 billion, to enhance its Free Float to fifteen percent within three years. As the HMIM Shares, the Investor Shares, the Advance Shares and the IMS Shares are issued under this Scheme to the SPL Shareholders, the Investor and IMS rather than offered to the public, HMIM shall, together with the Free Float Plan and before the approval of its members to this Scheme is sought, apply to the PSX under clause 5.22.7 of the PSX Regulations for relaxation of clause 5.22.4(b), so that a Free Float of not less than ten percent is attained within twelve (12) months of the Completion Date, or such other period as the PSX may allow, and a Free Float of not less than fifteen percent within three (3) years of the Completion Date. HMIM shall attain its Free Float in the manner and within the periods set out in the Free Float Plan and any relaxation granted by the PSX, and shall comply with the conditions of that relaxation. The SPL Shareholders, as the sponsors of HMIM after the Completion Date, shall, between them retain not less than twenty-five percent of its issued capital for three years, as clause 5.22.4(j) of the PSX Regulations requires.

12.4. **Free Float Plan**

HMIM shall, before the approval of its members to this Scheme is sought, prepare and submit to the PSX, together with the application for relaxation under Article 12.3, a written plan for the attainment and maintenance of the Free Float (the "Free Float Plan"). The Free Float Plan shall state the Free Float as at its date and as expected on the Completion Date, and shall provide for: (a) a Free Float of not less than ten percent of the issued share capital of HMIM within twelve (12) months of the Completion Date, or such other period as the PSX may allow, to be attained by any one or more of the following: (i) the conversion into book-entry form of ordinary shares of HMIM held in physical form, in accordance with Article 12.5; (ii) an offer for sale by the SPL Shareholders, as the sponsors of HMIM, of such number of HMIM Shares as may then be permitted, having regard to the freeze in clause 5.22.4(i) and the retention requirement in clause 5.22.4(j) of the PSX Regulations; (iii) a further issue of shares by HMIM to the public in accordance with the Public Offering Regulations, 2017 and section 83 of the Act; and (iv) such other steps as the PSX may approve; (b) the increase of the Free Float to not less than fifteen percent of the issued share capital of HMIM within three (3) years of the Completion Date, in stages of not less than twelve and a half percent by the second anniversary of the Completion Date and not less than fifteen percent by the third anniversary, to be attained by any one or more of the following: (i) offers for sale by the SPL Shareholders of HMIM Shares after the expiry of the freeze in clause 5.22.4(i) of the PSX Regulations, consistently with the retention requirement in clause 5.22.4(j); (ii) a further issue of shares by HMIM to the public in accordance with the Public Offering Regulations, 2017 and section 83 of the Act; and (iii) such other steps as the PSX may approve; and (c) the reporting of progress against paragraphs (a) and (b) to the PSX with the quarterly input and annual certificate under Article 12.7. The SPL Shareholders each undertake to HMIM to do all such acts and things, including participating in any offer for sale under paragraph (a) or (b), as may be necessary to enable HMIM to comply with the Free Float Plan, subject always to the said freeze and retention requirement.

12.5. **Conversion of Physical Shares into Book-Entry Form**

Shares held in physical form are excluded from Free Float under the PSX Regulations. HMIM shall accordingly, as soon as practicable after the Completion Date, write to every member whose ordinary shares are held in physical form, and shall cause notice to be published in the manner provided in the Act, requesting the conversion of such shares into book-entry form in the CDC, and shall bear the reasonable costs of such conversion. HMIM shall report the process of such conversion to the PSX at quarterly intervals.

12.6. **Shortfall and Relaxation**

If, notwithstanding the steps taken under the Free Float Plan, the Free Float required by Article 12.3 is not attained within a period allowed by the PSX, HMIM shall forthwith apply to the PSX for a further relaxation under clause 5.22.7 of the PSX Regulations, stating the steps taken and the reasons why compliance has not been practicable, and shall comply with such conditions as the PSX may impose.

12.7. **Free Float Reporting**

HMIM shall enter the requisite input into the CDC free-float functionality within fifteen (15) days of the close of each quarter, and shall submit to the PSX an annual Free Float certificate duly verified by its auditor within one hundred and twenty (120) days following the close of each financial year, in each case in accordance with clause 5.7.2 of the PSX Regulations.

12.8. **Compliance with Reverse Merger Requirements**

HMIM shall comply with clause 5.22 of the PSX Regulations, and in particular shall (i) upload through PRIDE the information and documents specified in Part A of Annexure-II to Chapter 5 of the PSX Regulations before seeking the approval of its shareholders to this Scheme, (ii) obtain the confirmation of the PSX under clause 5.22.5 of the PSX Regulations that it has complied with the requirements of that clause, having regard to any relaxation granted under clause 5.22.7, before seeking such approval, and (iii) upload through PRIDE the information and documents specified in Part B of that Annexure after such approval is obtained.

12.9. **Corporate Governance**

HMIM shall procure that, as from the Completion Date, its board of directors is constituted in compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019, including as to the number of independent directors and the composition of its committees.

13. PENDING PROCEEDINGS AND LIABILITIES OF HMIM

13.1. Winding-Up Petition

The Companies shall, before or upon the sanction of this Scheme by the Court, jointly apply for the disposal or withdrawal of J.C.M No. 42 of 2017 (Winding Up Petition) pending before the High Court of Sindh at Karachi, and for the vacation of any order made therein, on the basis that the revival of HMIM provided for by this Scheme renders the winding up of HMIM unnecessary.

13.2. Settlement of the Liabilities of HMIM

The Liabilities of HMIM, together with the payment obligations referred to in Article 2.7, shall be paid in full on or before the Completion Date out of the Investor Loan, in the manner provided in Article 14. The retirement benefit obligation of PKR 4,613,762/- stands waived and will not be paid. HMIM shall furnish to the Court, the SECP and the PSX evidence of each such payment and of the waiver.

13.3. Other Proceedings

The Companies shall use their reasonable endeavours to procure the disposal, withdrawal or settlement of the remaining Litigations of HMIM specified in Article 1.1, and shall keep each other informed of the progress of each such proceeding.

14. THE INVESTOR LOAN, THE IMS LOAN AND THEIR CONVERSION

14.1. Acknowledgement of the Investor Loan

The Investor has agreed to lend HMIM PKR 153,712,469/- (Pak Rupees One Hundred Fifty Three Million Seven Hundred Twelve Thousand Four Hundred Sixty Nine Only) (the Investor Loan) on the terms of the Investor Loan Agreement. Each amount advanced under it is recorded in the books of HMIM as a loan owing to the Investor.

14.2. Application of the Investor Loan

The Investor Loan is to be applied in paying the Liabilities of HMIM and in meeting HMIM's statutory obligations and its obligations under Article 12. It is a loan and not an advance against shares. No shares in HMIM will be allotted for it except under this Scheme or, if this Scheme does not become effective, in the manner provided in the Investor Loan Agreement and subject to the approvals required by law. Until conversion under Article 14.3, the Investor has no right to any share in, or vote at any meeting of, HMIM on account of it.

14.3. **Conversion into HMIM Shares**

In consideration of the Investor Loan, and as a step forming part of this Scheme, the whole of the Investor Loan shall, upon this Scheme becoming effective and in the order provided in Article 15, be converted into and satisfied in full by the issue and allotment to the Investor of the Investor Shares, credited as fully paid up. The Companies shall request the Court to make provision for the said issue and allotment under section 282(3)(b) of the Act, and the Investor Shares shall be issued and allotted pursuant to and under the authority of the order of the Court sanctioning this Scheme. Upon such issue and allotment the Investor Loan shall stand fully discharged and no amount shall remain owing by HMIM to the Investor in respect of it.

14.4. **Order under Section 391 of the Act**

A petition for the winding up of HMIM presented by the SECP, being J.C.M No. 42 of 2017, is pending before the Court, and by virtue of section 306 of the Act a winding up by the Court is deemed to commence at the time of the presentation of the petition. Accordingly, the Companies shall request the Court, in sanctioning this Scheme, to pass an order to the contrary for the purpose of section 391(a) of the Act, so that the issue and allotment of the Investor Shares under Article 14.3, of the Advance Shares under Article 14.16, of the IMS Shares under Article 14.14, the issue and allotment of the HMIM Shares to the SPL Shareholders under Article 6, and every consequent alteration in the status of any member of HMIM, shall be valid and effective notwithstanding the pendency of that petition.

14.5. **Conversion Price and Number of Investor Shares**

The Conversion Price is PKR 10/- per HMIM Share, being the par value of an HMIM Share, which is higher than the value of PKR 0.0245 per HMIM Share certified in the Share Swap Ratio Certificate referred to in Article 6.3. The number of Investor Shares is the Investor Loan of PKR 153,712,469/- divided by the Conversion Price, being 15,371,247 (Fifteen Million Three Hundred Seventy One Thousand Two Hundred Forty Seven) HMIM Shares, the fraction having been rounded under Article 6.6.

14.6. **Status of the Investor Shares**

The Investor Shares shall rank pari passu with the existing ordinary shares of HMIM in all respects. The Investor Shares shall be issued in book-entry form and credited to the account of the Investor maintained with the CDC, shall be inducted into the CDS in freeze status for a period of not less than one (1) year in accordance with clause 5.22.4(i) of the PSX Regulations, and the Investor shall not sell or transfer the Investor Shares during that period.

14.7. **Disclosure and the Takeover Regime**

The acquisition of the Investor Shares and the Advance Shares under Articles 14.3 and 14.16, the acquisition of the IMS Shares under Article 14.14, and the acquisition of HMIM Shares by the SPL Shareholders under Article 6, are each made pursuant to a scheme of arrangement sanctioned under the Act and are accordingly exempt from the requirements of Part IX of the Securities Act by virtue of section 109 thereof, save as to reporting. The Investor, IMS, and each SPL Shareholder shall, within two (2) working days of the acquisition, make the disclosure required by regulation 4(1) of the Takeover Regulations, in the form prescribed by Schedule II thereto, to HMIM, the PSX and the SECP, including any representation on the board of directors of HMIM. For the avoidance of doubt, the IMS Shares shall not be aggregated with the holdings of the SPL Shareholders or the Investor for the purposes of Part IX of the Securities Act.

14.8. **Board Representation**

Save for his appointment as a director of HMIM under Article 8.3, any appointment of the Investor, or of any person nominated by the Investor, to the board of directors of HMIM shall be effected in accordance with section 159 of the Act and the Listed Companies (Code of Corporate Governance) Regulations, 2019, and shall be disclosed in the manner provided in Article 14.7. Nothing in this Scheme, other than Article 8.3, shall be construed as conferring upon the Investor any right to appoint a director of HMIM otherwise than in accordance with applicable law.

14.9. **No Acquisition Outside the Scheme**

Neither the Investor nor any person acting in concert with the Investor shall acquire any voting shares in, or control of, HMIM otherwise than under and in accordance with this Scheme, save with the prior written approval of the SECP and the PSX and in compliance with the Takeover Regulations.

14.10. **Related Party Transaction**

The Investor being a director of SPL, the Investor Loan and the SPL Advance, and their conversion into the Investor Shares and the Advance Shares, constitute related party transactions, and shall be approved, recorded and disclosed in accordance with section 208 of the Act and the Listed Companies (Code of Corporate Governance) Regulations, 2019.

14.11. **Consequences if the Scheme does not become Effective**

If this Scheme fails to become effective, the Investor Loan shall not convert under Article 14.3 and shall remain outstanding in full as a debt due and owing from HMIM to the Investor upon the terms of the Investor Loan Agreement. HMIM acknowledges the Investor Loan as such a debt, advanced for valuable consideration and applied for the benefit of HMIM, and that acknowledgement shall continue to apply if this Scheme does not become effective. HMIM shall not contend that the Investor advanced the Investor Loan otherwise than as a lender for valuable consideration. If the Scheme fails to become effective, the IMS Loan shall not convert under Article 14.14 and shall remain outstanding in full as a debt due and owing from SPL to IMS upon the terms of the IMS Loan Agreement, and the SPL Advance shall remain an advance against shares in the books of SPL.

14.12. **Subrogation**

To the extent that any part of the Investor Loan has been or is applied in discharge of a Liability of HMIM, the Investor shall be subrogated to all rights, remedies, security, and priority which the creditor in respect of the Liability held immediately before its discharge, and shall be entitled to enforce the same as if that Liability had been assigned to the Investor rather than discharged. HMIM shall, at the request and cost of the Investor, execute all such assignments, transfers and other documents and do all such things as may be necessary to give effect to this Article. This Article shall continue to apply if this Scheme does not become effective, but shall cease to have effect on the issue of the Investor Shares under Article 14.3.

14.13. **Acknowledgement of the IMS Loan**

SPL acknowledges and confirms that IMS has advanced to SPL the IMS Loan, being PKR 28,000,000/- (Pak Rupees Twenty Eight Million Only), which stands recorded in the books of SPL as a loan owing to IMS on the terms of the IMS Loan Agreement. The IMS Loan forms part of the Liabilities of SPL and shall, as of the Effective Date, be transferred to and assumed by HMIM in accordance with Article 2.7; provided that, notwithstanding Article 2.7, the IMS Loan shall not be discharged by payment but shall be satisfied in full by the issue and allotment of the IMS Shares in accordance with Article 14.14. IMS and SPL have consented in writing, under clause 7 (Conversion into Equity) of the IMS Loan Agreement, to the conversion of the IMS Loan into HMIM Shares in the manner provided in Article 14.14.

14.14. **Conversion of the IMS Loan into HMIM Shares**

In consideration of the IMS Loan, and as a step forming part of this Scheme, the whole of the IMS Loan shall, upon this Scheme becoming effective and in the order provided in Article 15, be converted into and satisfied in full by the issue and allotment to IMS of the IMS Shares, credited as fully paid-up. The Companies shall request the Court to make provision for the said issue and allotment under section 282(3)(b) of the Act, and the IMS Shares shall be issued and allotted pursuant to and under the authority of the order of the Court sanctioning this Scheme. Upon such issue and allotment the IMS Loan shall stand fully discharged and, save for the profit accrued on the IMS Loan up to the date of allotment pursuant to the Consent and Addendum, no amount shall remain owing by SPL or HMIM to IMS in respect of it.

14.15. **Conversion Price, Number and Status of the IMS Shares**

The number of IMS Shares shall be the aggregate amount of the IMS Loan divided by the Conversion Price of PKR 10/- per HMIM Share, being 2,800,000 (Two Million Eight Hundred Thousand) HMIM Shares. Any fractional entitlement shall be dealt with in the manner provided in Article 6.6. The IMS Shares shall rank pari passu with the existing ordinary shares of HMIM in all respects and shall be issued in book-entry form and credited to the account of IMS maintained with the CDC.

14.16. **The SPL Advance and the Advance Shares**

SPL received the SPL Advance of PKR 14,084,700/- from the Investor through Intermarket International as an advance against the issue of SPL Shares. It is recorded in the books of SPL as advance against issue of shares and had not been converted into SPL Shares at the Signing Date. On the Effective Date SPL's obligation to issue shares for the SPL Advance passes to HMIM and, in the order provided in Article 15, is satisfied in full by the issue and allotment to the Investor of 1,408,470 (One Million Four Hundred Eight Thousand Four Hundred Seventy) HMIM Shares at the Conversion Price, credited as fully paid up (the Advance Shares). The Companies shall request the Court to provide for that issue under section 282(3) of the Act. The Advance Shares rank equally with the existing ordinary shares of HMIM, shall be issued in book-entry form to the Investor's account with the CDC, and are subject to the freeze under clause 5.22.4(i) of the PSX Regulations in the same way as the Investor Shares. On allotment of the Advance Shares the SPL Advance stands fully satisfied.

15. ORDER OF IMPLEMENTATION

15.1. Sequence

Notwithstanding anything to the contrary in this Scheme, the steps provided for herein shall take effect in the following order: (i) the sub-division of the share capital of SPL under Article 10.10; (ii) the vesting of the Undertaking of SPL in HMIM under Article 2; (iii) the consolidation and increase of the authorized capital of HMIM under Articles 10.1, 10.2 and 10.7; (iv) the conversion of the Investor Loan and the issue of the Investor Shares under Article 14.3, the issue of the Advance Shares under Article 14.16, and the conversion of the IMS Loan and the issue of the IMS Shares under Article 14.14; (v) the issue and allotment of the HMIM Shares to the SPL Shareholders under Article 6; and thereafter (vi) the dissolution of SPL under Article 5.

15.2. Dissolution Not to Precede Allotment

For the avoidance of doubt, SPL shall not stand dissolved under Article 5 until the HMIM Shares to be issued to the SPL Shareholders under Article 6 have been duly issued and allotted, and the dissolution of SPL shall take effect only upon completion of that allotment.

16. TAXATION, STAMP DUTY AND ACCOUNTING TREATMENT

16.1. Taxation

The Companies shall make such applications and filings as may be required to obtain the benefit of any relief available in respect of the amalgamation under the Income Tax Ordinance, 2001, including under sections 57A and 97A of that Ordinance, and shall co-operate in establishing the position as to the carry-forward and set-off of the assessed losses and unabsorbed depreciation of SPL and of HMIM. Until its dissolution SPL shall file its returns for any period after the Effective Date in its own name, and HMIM shall make any revision of those returns that the vesting under Article 2 requires. Nothing in this Scheme shall be construed as a representation by either Company as to the tax treatment of the amalgamation or of any member.

16.2. **Stamp Duty**

Any stamp duty assessed as payable on this Scheme or on the vesting of the Undertaking of SPL effected by it shall be borne and paid by HMIM, and the Companies shall make such applications for exemption or remission as may be available under applicable law.

16.3. **Accounting Treatment**

The amalgamation shall be accounted for in the financial statements of HMIM in accordance with the applicable financial reporting framework as notified under the Act, as confirmed by the auditors of the Companies. Article 3.3 shall apply subject to that treatment, and any difference between the book value of the assets vested under Article 2.3 and the nominal value of the HMIM Shares issued under Article 6.1 shall be recorded in the books of HMIM in such manner as that framework requires.

17. **MISCELLANEOUS**

17.1. **Modifications**

This Scheme shall be subject to such modifications and conditions as the Court may deem expedient to impose. The boards of directors of the Companies may jointly assent, on behalf of the Companies, to any modification, amendment or variation of this Scheme, and to any term or condition, which the Court or the SECP may direct or impose under any law or regulation, or which the boards consider necessary or desirable for settling any question, doubt or difficulty that may arise in implementing or carrying out this Scheme, and may do all acts, deeds and things necessary, desirable or expedient for putting this Scheme into effect.

17.2. **Authorized Persons**

For the purposes of giving effect to this Scheme or any modification, amendment or variation thereof, the persons authorized in the respective board resolutions are hereby authorized by the Companies respectively to give such directions and/or to take all such steps and actions as may be necessary or desirable including any direction for setting any question or doubt or difficulty whatsoever that may arise.

17.3. **Expenses**

All the costs, fees, charges and expenses incurred or to be incurred by the Companies in relation to or in connection with this Scheme, its implementation and the completion of the amalgamation, whether before or after the Completion Date, shall be borne and paid by HMIM.

17.4. **Severability**

If any provision of this Scheme is found to be unlawful or unenforceable, then to the fullest extent possible, all of the remaining provisions of this Scheme shall remain in full force and effect and bind the Companies and their respective members, creditors and other persons/entities at all times.

17.5. **Annexures**

Notwithstanding anything to the contrary contained herein, the annexures to this Scheme shall be subject to revision (to the extent permitted under this Scheme) so as to reflect the position existing as of the Effective Date and all provisions contained therein shall be interpreted and construed accordingly.

17.6. **Act to Supersede**

Notwithstanding anything contained in the Scheme, it is hereby confirmed that the provisions of the Act shall always supersede over the terms of this Scheme.

17.7. **Governing Law**

This Scheme shall be governed by, construed and interpreted in accordance with the substantive and procedural laws of Pakistan.

17.8. **Filing of Scheme with SECP**

A copy of the Scheme duly approved by the board of directors of each of the companies shall be filed with the SECP on behalf of the Companies, and a copy shall simultaneously be furnished to the PSX. A certified copy of the order of the Court sanctioning this Scheme shall be filed with the Registrar of Companies, Karachi within the period prescribed under the Act.

IN WITNESS WHEREOF the board of directors of the Companies have assented to this Scheme through their authorized representatives, on the dates written below.

FOR AND ON BEHALF OF
SEGO PAKISTAN (PRIVATE) LIMITED

1.	Signature: _____		2.	Signature: _____
	Name: _____			Name: _____
	CNIC No.: _____			CNIC No.: _____
	Designation: _____			Designation: _____
	Date: _____			Date: _____

WITNESSES:

1.	Signature: _____		2.	Signature: _____
	Name: _____			Name: _____
	CNIC No.: _____			CNIC No.: _____

FOR AND ON BEHALF OF
HAJI MOHAMMAD ISMAIL MILLS LIMITED

1.	Signature: _____		2.	Signature: _____
	Name: _____			Name: _____
	CNIC No.: _____			CNIC No.: _____
	Designation: _____			Designation: _____
	Date: _____			Date: _____

WITNESSES:

1.	Signature: _____		2.	Signature: _____
	Name: _____			Name: _____
	CNIC No.: _____			CNIC No.: _____

ANNEXURE "A"

Details of HMIM Shares to be issued to SPL Shareholders upon approval of Merger

Particulars	Number / Amount
SPL Shares in issue after the sub-division under Article 10.10	225,132,660
Swap ratio (HMIM Shares for every 1 SPL Share)	1.0875
HMIM Shares to be issued to the SPL Shareholders	244,831,768
Aggregate nominal value (PKR)	2,448,317,680

Each SPL Shareholder on the register of members of SPL at the Record Date receives 1.0875 HMIM Shares for every SPL Share held, fractions being dealt with under Article 6.6. The other shares to be issued under the Scheme, and the resulting capital of HMIM, are:

Holder	Shares	%
Existing members of HMIM	11,975,040	4.33
SPL Shareholders (Article 6)	244,831,768	88.58
Investor – Investor Shares (Article 14.3)	15,371,247	5.56
Investor – Advance Shares (Article 14.16)	1,408,470	0.51
IMS – IMS Shares (Article 14.14)	2,800,000	1.01
Total issued capital after the Scheme	276,386,525	100.00

Percentages are rounded to two decimal places.

ANNEXURE "B"

Copy of Certificate of Share Swap Ratio issued by Sarvars Chartered Accountants

Particulars	As determined by the valuer	As adopted under the Scheme
Value of SPL (PKR)	2,448,225,736	2,448,225,736
Value of HMIM (PKR)	293,639	119,750,400
Value per SPL Share of PKR 10 (PKR)	10.875	10.875
Value per HMIM Share (PKR)	0.0245	10.00 (par value)
Share swap ratio	0.0023	0.919 (1.0875 HMIM Shares per SPL Share)
HMIM Shares to be issued to the SPL Shareholders	97,883,765,217	244,831,768

Summary of the share swap computation in the letter of Sarvars Chartered Accountants dated 16 October 2026, which values both Companies as at 30 June 2026 on the audited financial statements for the year then ended, SPL on a weighted average of the discounted cash flow and net asset value methods and HMIM on adjusted net assets. The signed letter is reproduced in full on the following pages.

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Chartered Accountants

Head Office: Off # 12 - 14, 2nd Floor,
Lahore Center, 17-D, Main Boulevard,
Gulberg III, Lahore, Punjab
Phone: 35760029

October 16, 2020

Board of Directors
Sego Pakistan (Private) Limited
Plot 38-A, behind [illegible] Bus Depot
Sector 39 Korangi
Karachi

Board of Directors
Haji Mohammad Ismail Mills Limited
409-Commerce Center
Hasrat Mohani Road
Karachi 74200

Gentlemen

PROPOSED MERGER / AMALGAMATION OF SEGO PAKISTAN (PRIVATE) LIMITED AND HAJI MOHAMMAD ISMAIL MILLS LIMITED – CALCULATION OF SHARE SWAP RATIO

We ("**Sarwars** Chartered Accountants") refer to our engagement by Sego Pakistan (Private) Limited ("SPL") and Haji Mohammad Ismail Mills Limited ("HMIM") to carry out the [illegible] assignment for the proposed merger of following companies in term of Scheme of Arrangement:

a) **Sego Pakistan (Private) Limited - the merging entity**

b) **Haji Mohammad Ismail Mills Limited - the surviving entity**

1. Our understanding of the transaction

We understand that the **Scheme, which has been shared with us, proposed** to be **entered into between** SPL **and** HMIM (hereinafter **collectively** referred to as "**Companies**") under sections 279 to 283 and 285 of the Companies Act, 2017, principally envisages the following points:

(i) The entire undertaking of SPL shall be amalgamated with and into HMIM at book value, with HMIM as the **Surviving** Company. SPL shall be dissolved without winding up, after the allotment of shares to its shareholders.

(ii) In consideration, HMIM shall issue ordinary shares of Rs. 10 each, credited as fully paid up, to the shareholders of SPL on the basis of the share swap ratio, which shall remain unchanged up to the Effective Date.

(iii) HMIM's liabilities, including those under its winding up petition, shall be settled through the Investor Loan, of Rs. 153,712,469. This loan, along with the Rs. 28,000,000 IMS Loan of SPL and the SPL Advance of Rs. 14,084,700 received from Mr. Azeem Dilwani, shall be converted into HMIM shares.

(iv) Name of surviving **entity shall** be changed to "**Sego Pakistan Limited**", and its object clause shall be amended.

For this purpose, the Companies **have jointly** engaged **us to assist them** in the determination of the share swap **ratio** for the proposed **merger based** on the fair market valuation of the respective **entities**. The share swap **ratio** is based on information and explanations provided to us by the [illegible]

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Shahrah-e-Faisal Karachi.
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JPA INTERNATIONAL
Member
[illegible]

4.27

SARWARS

2. About the Companies

2.1 Brief Overview

A. Sego Pakistan (Private) Limited

Sego Pakistan (Private) Limited (formerly Azure Tech (Private) Limited) ("SPL"), **a company limited by shares, was incorporated in Pakistan on 27** June 2023 **as a private** limited company **under the Companies Act, 2017.** The name **of the company** was changed **from Azure Tech** (Private) **Limited to** Sego Pakistan **(Private)** Limited with **effect from** 31 October 2025, **upon issuance** of the certificate of incorporation on change of name by the **Securities and** Exchange Commission of Pakistan (SECP). **The** registered office of **SPL** is situated at Plot 38-A, Korangi Creek, Karachi.

SPL is principally engaged in the assembly, trading and import of mobile phones, mobile phone parts, accessories, batteries and related telecommunication equipment.

B. Haji Mohammad Ismail Mills Limited

Haji Mohammad Ismail Mills Limited ("HMIM") was incorporated in Pakistan as a private limited company on 5 February 1958 under the Companies Act, 1913 and subsequently converted into a public limited company on 15 October 1987 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). Shares of the company were subsequently listed on the Stock Exchange on 29 November 1994. The registered office of HMIM is situated at 409 Commerce Centre, Hasrat Mohani Road, Karachi 74200.

The main object of HMIM was manufacturing and sale of yarn and power generation. Subsequently, during the year ended 30 June 2017, the shareholders added new object clause in the Memorandum of Association for sale of power generation, transmission, distribution of electricity to consumer generally and other lawful business.

2.2 Share Capital

S.No.	Particulars	No. of Issued Shares as at 30 June 2026	Per Value (Rs.)	Issued Share Capital (Rs.)
1.	SPL – shares issued	13,333,400	10	133,342,000
	SPL – shares issued subsequently against advance against equity (against 19,179,866 shares)	19,179,866	100	1,917,986,600
	SPL – Total	**22,513,266**	**100**	**2,251,326,600**
2.	HMIM	11,972,040	10	119,720,400

2.3 Share Swap Computation

The swap ratio for the Amalgamation has been computed **based on the** values determined **for** SPL of Rupees 2,448,223,730 and **Rupees** 265,620 for HMIM **using** scope and methodology mentioned **hereunder.**

2.3.1 Scope of work and methodology

We have carried out the **valuation of** SPL and HMIM **respectively** as at 30 June **2026 on** a standalone **basis in order** to calculate **the share** swap ratio. We **used the** audited financial **statements** of SPL and HMIM for the period **ended 30** June 2026.

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Further, we were provided with other related information and explanations as and when required in order to carry out the valuation. We have not conducted any due diligence of SPL and HMIM.

3.2.2 Valuation details for **HMIM**:

As per the audited financial statements of HMIM for the period ended [illegible] 2026, HMIM has no business and its net assets are negative by Rupees 4,320,123 as at 30 June 2026.

The liabilities of HMIM as at 30 June 2026 include staff retirement benefits. We have been explained by the management of HMIM that part of the liability reflected in staff retirement benefits shall be waived off, whereas the amount actually payable has been transferred to trade payables amounting to Rs 1,980,000. In order to address the aforesaid, we have considered the corresponding effect of the waiver of Rupees 4,612,762 in our valuation, which makes the adjusted net assets of HMIM positive at Rupees 293,639 as at 30 June 2026. We have further been explained that there shall be no consequences of this write back under the provisions of the Income Tax Ordinance, 2001. Assuming the aforesaid in valuation of HMIM, Fair Rupees value per share stands to 0.02 per ordinary share.

Note: Other methods like Discounted Cash Flow, Dividend Discount Model or Market Multiple Approach have not been used as HMIM is not a going concern and the proposed scheme is amalgamation, is a reverse merger transaction as prescribed in Clause 5.2.3 of the Pakistan Stock Exchange Limited Regulations. Moreover, quote share price of HMIM at the date of this letter is Rupees 4.75 per ordinary shares which is not reflective of its fair value due to the foregoing reasons.

Note: The Supporting details of Adjusted Net Assets can be referred from "**Annexure A**".

3.2.3 Valuation details for **SPL**:

For the above-mentioned exercise, we considered a hybrid valuation model comprising the Discounted Cash Flow (DCF) Method and the Net Assets Valuation (NAV) Method, and determined a weighted average of the two.

DCF Method: Under the DCF Method, the value of SPL as at 30 June 2026 has been worked out at Rupees 2,587,681,110, which equates to Rupees 11.48 per ordinary share (*assuming a par value per share of Rs. 10 rather than Rs. 100 for the purpose of comparison with the value per ordinary share of HMIM*).

NAV Method: As per the audited financial statements of SPL for the period ended 30 June 2026, its net assets are Rupees 2,031,308,192 as at 30 June 2026, which equates to Rupees 9.02 per ordinary share.

Weighted average: We have assigned a weightage of 75% to the DCF Method and 25% to the NAV Method, as DCF has been considered the primary method of valuation and has therefore been given the higher weightage. Factoring the aforesaid in the valuation of SPL, the Fair Rupees value per share comes to **Rs. 10.875 per ordinary share.** The per share values have been computed on the basis of a par value of Rs. 10 per share, i.e. 225,122,660 ordinary shares.

Note: The Supporting details of DCF, NAV and weighted average valuation can be referred from "**Annexure B**".

3. Share Swap Ratio

Based on the aforesaid valuation, the share swap ratio is as follows:

	Fair Rupees Per Share	
	SPL	HMIM
Value Per Share	10.875	0.020

One share of HMIM may be issued in exchange for 0.0025 share of SPL.

4. Post-Merger Share Capital

According to the share swap ratio determined, one share of HMIM may be issued in exchange for 0.0025 share of SPL, which is impracticable as highlighted by the working below. Hence under the terms of the proposed Scheme, it has been proposed by the Board of Directors of SPL that new shares may be issued to shareholders of SPL using face value per ordinary share of HMIM i.e. Rupees 10 per ordinary share instead of Rupees 0.0745 per ordinary share and the resultant share swap ratio would be 0.9195 (i.e. One share of HMIM may be issued in exchange for 0.92 share of SPL). Calculations are as follows:

Particulars	As determined by Share Valuation Report	As adopted by Audit Committee
Total issued & paid-up shares of HMIM	11,375,049	11,375,049
Total issued & paid-up shares of SPL	77,577,266	77,577,266
Valuation of SPL	2,419,225,736	2,419,225,736
Valuation of HMIM	293,607	113,750,490
Value / ordinary share – SPL*	10.875	10.875
Value / ordinary share - HMIM	0.0258	10
Share swap ratio	0.0025	0.9195
Number of shares to be issued to current shareholders of SPL as per the proposed Scheme	97,800,765.21	244,831,768

** Assuming a par value per ordinary share of Rs. 10 rather than Rs. 100 for the purpose of comparison with the value per ordinary share of HMIM, as the par value of the said swap share of SPL is Rs. 10.*

Number of shares of the Surviving Company

Particulars	As determined by Share Valuation Report	As adopted by Audit Committee
Existing issued, subscribed and paid-up capital – shares	11,375,049	11,375,049
New shares to be issued to Mr Anwarin Dhanani against Investor Loan of Rs. 185,715,167	18,571,247	18,571,247
New shares to be issued to Mr Azeem Bilwani against SPL Advance of Rs. 14,094,700	1,409,470	1,409,470
New shares to be issued to Investwise Securities Limited against BPA Loan of Rs. 20,000,000	2,000,000	2,000,000
Number of shares to be issued to current shareholders of SPL as per the proposed Scheme	97,883,765.21	244,831,768
Total	97,915,319.07	276,286,529

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According to the Share Swap Ratio as detailed above, in exchange of total issued, subscribed and fully paid up 22,313,266 shares of SPL, the total number of ordinary shares of HMIM having face value of Rupees 10 each, are worked out to be 244,331,788, which would be issued to existing shareholders of SPL as a consequence of the amalgamation of the proposed Scheme.

Accordingly, post-merger share capital of the surviving entity shall be as given below:

Number of shares	Post-Merger
Total number of issued shares of HMIM	11,975,040
Number of shares to be issued to shareholders of SPL as per Share Swap Ratio	244,331,788
New shares to be issued to Mr Azmeen Bilwani against Investor Loan	15,371,247
New shares to be issued to Mr Azmeen Bilwani against SPL Advance	1,400,170
New shares to be issued to Intermarket Securities Limited against IMS Loan	5,101,300
Total number of shares after amalgamation	276,179,545
Total share capital after Amalgamation (Rupees)	2,761,795,450

This letter is intended for use only by the party to whom it has been addressed. Mere possession of this letter does not convey the right of reliance, nor may reliance be placed by any third party for any other purpose than that for which it was prepared.

Information provided to us by the management forms the basis upon which our workings were conducted. Omission of any material information provided to us would have a significant impact on our workings. Further, it is our assumption that the workings of the Companies provided to us are approved from senior officials of the Companies for this exercise.

We have relied on the accuracy and completeness of information obtained from the Management of the Companies and have not verified independently various information.

This letter should not be considered as investment or accounting advice and does not constitute a fairness opinion.

Sincerely yours

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Chartered Accountants

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Annexure A

Table I – NAV per share of HMIM as at June 30, 2026

The NAV based on the **standalone** figures on book values of HMIM is as follows:

Description	NAV as at June 2026 – Amount (₹'000)
Non-Current Assets	
Long-term deposits	[illegible]
Total Non-Current Assets	[illegible]
Current Assets	
Investments – [illegible]	[illegible]
Tax refund due [illegible]	[illegible]
Other receivable	[illegible]
Cash and bank [illegible]	[illegible]
Total Current Assets	[illegible]
Total Assets	[illegible]
Non-Current Liabilities	
Retirement benefit [illegible] cost	[illegible]
Total Non-Current Liabilities	[illegible]
Current Liabilities	
Trade and other payables	[illegible]
Total Current Liabilities	[illegible]
Total Liabilities	[illegible]
Net Assets Value	[illegible]

Table II – Adjusted NAV per share of HMIM as at June 30, 2026

The adjusted NAV of HMIM is as follows:

Particulars	Amount (₹'000)
Net assets as per audited financial statements as at 30 June 2026	[illegible]
Add: staff retirement benefits payable to be waived off	48,02,702
Adjusted net assets	2954539

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Annexure B

Table 1 – NAV of SPL, **as at June 30,** 2016

The NAV based on the standalone figures as per book values of SPL is as follows:

Non-Current Assets	
Property, plant and equipment	446,138,942
Intangible assets	12,120,401
Long-term deposits	1,971,000
Long-term prepayment	24,495,873
Investment in subsidiary	10,000,000
Deferred tax asset – net	92,014,814
Total Non-Current Assets	586,741,030
Current Assets	
Stock-in-trade	[illegible]
Trade debts – unsecured	[illegible]
Due from a related [illegible]	[illegible]
Loans, advances [illegible]	[illegible]
Prepayments and [illegible]	[illegible]
Taxation – net	[illegible]
Cash and bank balances	[illegible]
Total Current Assets	2,537,658,626
Total Assets	3,124,399,656
Non-Current Liabilities	
Provision for [illegible]	9,870,195
Total Non-Current Liabilities	9,870,195
Current Liabilities	
Trade and other payables	672,941,685
Provision	90,000,000
Short-term borrowings	258,717,000
Due to related parties	50,000,000
Current maturity	52,871,032
Total Current Liabilities	2,054,129,717
Total Liabilities	1,933,177,912
Net Assets Value	2,031,221,744

Table II – Valuation under DCF model

Operating Cash Flow	41,7,11,219	[illegible]	[illegible]	[illegible]	[illegible]
PPE	(80,056,294)	-	-	-	-
Intangibles	(3,188,500)				
CapEx	(10,244,394)	-	-	-	-
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	348,741,031	[illegible]	344,234,847	[illegible]	[illegible]
[illegible]					[illegible]
	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Present value	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Table III – Weighted average value

[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]
			[illegible]

Table IV – Significant assumptions used in determination of values

Assumption	[illegible]
Terminal Growth [illegible]	[illegible]
Beta	[illegible]
Risk Free Rate	[illegible]
Market Risk Premium	[illegible]
Cost of Equity	[illegible]

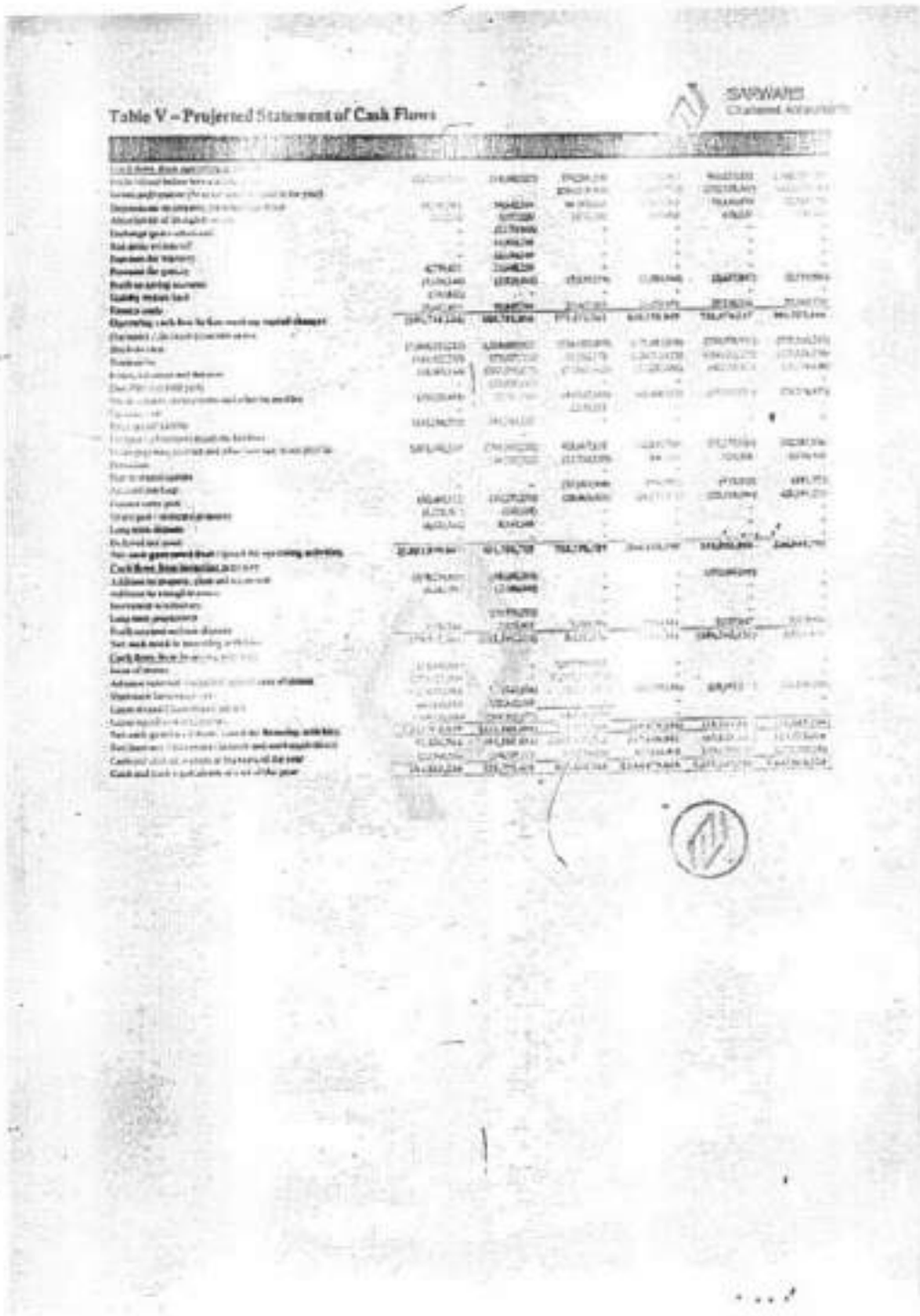


Table V – Projected Statement of Cash Flows

SARWARI
Chartered Accountants

Table VI – Projected Statement of Profit or Loss



Table VII – Projected Statement of Financial Position



ANNEXURE "C"

A proforma balance sheet of SPL

Particulars	30.06.2026 (audited) PKR	0 .07.2026 after the Scheme PKR
Property, plant and equipment	446,038,942	–
Intangible assets	10,105,401	–
Long-term deposits	1,975,000	–
Long-term prepayment	25,972,222	–
Investment in subsidiary	10,000,000	–
Deferred tax asset – net	92,039,916	–
Total non-current assets	586,131,481	–
Stock-in-trade	722,644,445	–
Trade debts – unsecured	1,065,249,408	–
Due from a related party	13,559,543	–
Loans, advances and deposits	590,466,130	–
Prepayments and other receivables	25,577,946	–
Taxation – net	2,059,053	–
Cash and bank balances	118,779,420	–
Total current assets	2,538,335,945	–
Total assets	3,124,467,426	–
Issued, subscribed and paid-up capital	333,340,000	–
Advance against issue of shares	1,902,071,320	–
Accumulated losses	(234,103,128)	–
Total equity	2,031,308,192	–
Provision for gratuity	9,050,195	–
Trade and other payables	642,961,685	–
Provisions	90,031,939	–
Short-term borrowings	224,213,150	–
Due to related parties	62,971,083	–
Accrued markup	63,931,182	–
Total liabilities	1,093,159,234	–
Total equity and liabilities	3,124,467,426	–

Prepared from the audited financial statements of SPL as at 30 June 2026; PKR 1,917,986,600 of the advance against issue of shares was converted into share capital on 24 September 2026 and the SPL Advance of PKR 14,084,700 remains, as described in Article 1.1. After the Scheme SPL has no assets or liabilities: its whole Undertaking vests in HMIM and SPL stands dissolved under Article 5.

ANNEXURE "D"

A proforma balance sheet of HMIM

Particulars	30.06.2026 (audited) PKR	01.07.2026 after the Scheme (indicative) PKR
Non-current assets	50,000	586,181,481
Current assets	3,647,766	2,695,696,180
Total assets	3,697,766	3,281,877,661
Issued, subscribed and paid-up share capital	119,750,400	2,763,865,250
Reserves / reserve arising on amalgamation	(124,070,523)	(550,550,950)
Total equity	(4,320,123)	2,213,314,300
Non-current liabilities	4,613,762	9,050,195
Current liabilities	3,404,127	1,059,513,166
Total liabilities	8,017,889	1,068,563,361
Total equity and liabilities	3,697,766	3,281,877,661

Prepared from the audited financial statements of HMIM and SPL as at 30 June 2026. The second column combines both Companies at book value and gives effect to the Scheme as at 1 July 2026, including the Investor Loan, the conversions under Article 14 and the issue of HMIM Shares under Article 6; the reserve arising on amalgamation is the difference between the nominal value of the shares issued and the net assets received.

ANNEXURE "E"

Copy of the Investor Loan Agreement*

The Investor Loan Agreement between the Investor and HMIM is annexed in full.



INVESTOR LOAN AGREEMENT

This Investor Loan Agreement (the "Agreement") is made at Karachi on this 09th day of November, 2026.

BETWEEN

MR. AZNEEM BILWANI, son of Mr. Abdul Aziz, holding CNIC No. 42301-6585440-7, resident of House No. 71/2, Street No. 5, Khayaban-e-Badr, DHA Phase 6, Karachi, Pakistan (the **"Investor"**, which expression shall include his heirs, executors, administrators, legal representatives and permitted assigns);

AND

HAJI MOHAMMAD ISMAIL MILLS LIMITED, a public limited company incorporated under the laws of Pakistan, having its registered office at Ismail Commerce Centre, Hasrat Mohani Road, Karachi, acting through Mr. Mohammad Sarfraz, its Executive Director, duly authorised by a resolution of its board of directors dated 03rd November, 2026 (**"HMIM"**, which expression shall include its successors-in-interest and permitted assigns, and HMIM under any name it bears after a change of name under the Scheme).

The Investor and HMIM are together referred to as the "Parties" and each as a "Party".

RECITALS

A. HMIM is a public limited company whose ordinary shares are listed on the Pakistan Stock Exchange Limited. Trading in its shares is suspended, and a petition for its winding up presented by the Securities and Exchange Commission of Pakistan, being J.C.M No. 42 of 2017, is pending before the High Court of Sindh at Karachi.

B. HMIM, Sapo Pakistan (Private) Limited ("SPL") and their respective members have agreed a Scheme of Arrangement under sections 279 to 283 and 285 of the Companies Act, 2017 for the amalgamation of SPL with and into HMIM (the "Scheme"), to be presented to the High Court of Sindh at Karachi for its sanction.

C. The Investor is a director and shareholder of SPL. He has agreed to lend HMIM the sum set out in this Agreement to settle the liabilities of HMIM and to meet its statutory and compliance obligations, so that HMIM may be revived under the Scheme.

D. The Parties intend the money to be a loan, and not an advance against shares, which is to be converted into ordinary shares of HMIM under the Scheme or, if the Scheme does not become effective only in the manner and subject to the approvals set out in this Agreement.

E. This Agreement is the Investor Loan Agreement referred to in the Scheme, and Article 14 of the Scheme gives effect to the loan and its conversion.

NOW, THEREFORE, the Parties agree as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement, unless the context otherwise requires:

"Act" means the Companies Act, 2017.

"Business Day" means a day (other than a Saturday, Sunday or gazetted public holiday) on which banks are open for ordinary business in Karachi.

"Conversion Price" means PKR 10/- (Pak Rupees Ten) per ordinary share of HMIM, being the par value of an ordinary share of HMIM.

"Court" means the High Court of Sindh at Karachi, or any other court having jurisdiction in respect of the Scheme.

"Fallback Conversion" has the meaning given in Clause 7.5.

"Interest Rate" means the three-month Karachi Inter-Bank Offered Rate (offer side) as published by the State Bank of Pakistan on the first Business Day of each calendar quarter, plus two percent (2%) per annum.

"Investor Shares" means 15,371,247 (Fifteen Million Three Hundred Seventy One Thousand Two Hundred Forty Seven) ordinary shares of HMIM of PKR 10/- each, being the Loan divided by the Conversion Price, the fraction having been rounded as provided in the Scheme.

"Loan" means the sum of PKR 153,712,469/- (Pak Rupees One Hundred Fifty Three Million Seven Hundred Twelve Thousand Four Hundred Sixty Nine Only) advanced or to be advanced by the Investor to HMIM under this Agreement, or so much of it as is for the time being outstanding, being the "Investor Loan" referred to in the Scheme.

"PSX Regulations" means the Pakistan Stock Exchange Limited Regulations, as amended from time to time.

"Repayment Period" means the period of twelve (12) months from the Scheme Failure Date.

"Scheme Failure Date" has the meaning given in Clause 7.1.

"Takeover Regulations" means the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017.

1.2 Capitalised terms used but not defined in this Agreement have the meanings given to them in the Scheme.

1.3 If there is any conflict between this Agreement and the Scheme as sanctioned by the Court, the Scheme shall prevail.

1.4 References to Clauses are to clauses of this Agreement, and references to Articles are to articles of the Scheme. Headings are for convenience only.

2. THE LOAN

2.1 The Investor agrees to lend to HMIM, and HMIM agrees to borrow from the Investor, the sum of PKR 153,712,469/- (Pak Rupees One Hundred Fifty Three Million Seven Hundred Twelve Thousand Four Hundred Sixty Nine Only) on the terms of this Agreement.

2.2 The Loan, to the extent not advanced before the date of this Agreement, shall be advanced in full within fifteen (15) days after the Court passes an order permitting it, and in any event before a certified copy of the order of the Court sanctioning the Scheme is filed with the Registrar of Companies, Karachi.

2.3 Every advance shall be made through banking channels by transfer to the following account of HMIM, or to such other account of HMIM as HMIM notifies to the Investor in writing: Bank: Habib Bank Limited; Branch: HBL Annexe, Hasrat Mohani Road, Karachi; IBAN: PK40 HABB 0000477900272001.

2.4 HMIM shall record each advance in its books of account as a loan owing to the Investor and shall, within three (3) Business Days of receipt, acknowledge each advance to the Investor in writing.

3. PURPOSE

3.1 HMIM shall apply the Loan only (a) to settle the Liabilities of HMIM, including the payment obligations referred to in Article 2.7; (b) to meet its statutory obligations, including those arising under clause 5.22 of the PSX Regulations; and (c) to meet the costs of complying with Article 12, including listing fees, the clearance of dues owed to the Pakistan Stock Exchange Limited, the Central Depository Company of Pakistan Limited and other regulators, the conversion of physical shares into book-entry form, and the costs of any offer of shares to the public made to attain the Free Float.

3.2 HMIM shall not apply any part of the Loan for any other purpose without the prior written consent of the Investor, and shall on request give the Investor evidence of the application of the Loan.

4. NATURE OF THE LOAN

4.1 The Loan is not an advance against shares. Until it is converted in accordance with Clause 5 or Clause 7.5, the Investor shall have no right to any share in HMIM, to vote at any meeting of HMIM, or to receive any dividend or other distribution from HMIM on account of the Loan.

4.2 Nothing in this Agreement confers on the Investor any right to appoint a director of HMIM or to control the management or policy decisions of HMIM, save for his appointment as a director of HMIM under Article 8.3.

4.3 The Loan is unsecured.

4.4 No interest shall accrue on the Loan before the Scheme Failure Date. If the Loan is converted under Clause 5, no interest shall be payable on it at any time.

5. CONVERSION UNDER THE SCHEME

5.1 Upon the Scheme becoming effective, and in the order provided in Article 15, the whole of the Loan shall be converted into and satisfied in full by the issue and allotment to the Investor of the Investor Shares at the Conversion Price, credited as fully paid up, pursuant to and under the authority of the order of the Court sanctioning the Scheme, including any provision made under section 282(3)(b) of the Act.

5.2 The Investor consents to the conversion of the Loan in the manner provided in Clause 5.1 and in Article 14, and shall sign such applications, forms and other documents as may be required for that purpose.

5.3 HMIM shall issue the Investor Shares in book-entry form and credit them to the account of the Investor maintained with the Central Depository Company of Pakistan Limited, the particulars of which the Investor shall notify to HMIM.

5.4 Upon the issue and allotment of the Investor Shares, the Loan shall stand fully discharged and no amount shall remain owing by HMIM to the Investor in respect of it.

6. THE INVESTOR SHARES

6.1 The Investor Shares shall rank pari passu with the other ordinary shares of HMIM in all respects.

6.2 The Investor Shares shall be inducted into the Central Depository System in freeze status for a period of not less than one (1) year in accordance with clause 5.22.4(i) of the PSX Regulations, and the Investor shall not sell or transfer them during that period.

6.3 The Investor shall, together with the other SPL Shareholders as sponsors of HMIM, comply with the requirement to retain not less than twenty-five percent (25%) of the issued capital of HMIM for three (3) years under Article 12.3 and clause 5.22.4(j) of the PSX Regulations, and shall do all such acts as may be required of him under the Free Float Plan referred to in Article 12.4.

6.4 The Investor acknowledges that its acquisition of the Investor Shares is made pursuant to a scheme of arrangement sanctioned under the Act and is exempt from Part IX of the Securities Act, 2015 by virtue of section 10 thereof, save as to reporting. The Investor shall make the disclosure required by regulation 4(1) of the Takeover Regulations, in the form prescribed by Schedule I to those Regulations, within two (2) working days of the allotment of the Investor Shares.

6.5 Save under the Scheme or by a Fallback Conversion, the Investor shall not acquire any voting shares in, or control of, HMIM except with the prior written approval of the Securities and Exchange Commission of Pakistan and the Pakistan Stock Exchange Limited and in compliance with the Takeover Regulations.

7. IF THE SCHEME DOES NOT BECOME EFFECTIVE

7.1 The "Scheme Failure Date" is the earliest of: (a) the date on which the Court finally refuses to sanction the Scheme; (b) the date on which the Scheme is withdrawn by the Companies; and (c) the date on which the Parties agree in writing that the Scheme will not become effective.

7.2 If the Scheme does not become effective, the Loan shall not convert under Clause 5 and shall remain outstanding as a debt due and owing from HMIM to the Investor on the terms of this Agreement. HMIM acknowledges that the Loan is advanced for valuable consideration and applied for the benefit of HMIM, and shall not contend that the Investor advanced the Loan otherwise than as a lender for valuable consideration.

Investor Loan Agreement – Page 4

7.3 From the Scheme Failure Date, interest shall accrue on the outstanding Loan at the Interest Rate, calculated daily on the basis of a 365-day year, until the date on which the Loan is repaid in full or converted under Clause 7.5. Accrued interest shall be paid together with the repayment of the Loan or, on a Fallback Conversion, on its completion.

7.4 HMIM shall repay the outstanding Loan, together with accrued interest, within the Repayment Period. HMIM may repay the Loan in whole or in part at any time during the Repayment Period without penalty.

7.5 Within the Repayment Period the Parties may agree in writing that all or part of the outstanding Loan shall instead be converted into ordinary shares of HMIM (a "Fallback Conversion"). A Fallback Conversion shall not take effect unless and until:

(a) the members of HMIM have approved the issue of the shares otherwise than by way of rights by special resolution, and the Securities and Exchange Commission of Pakistan has given any approval required, under section 83 of the Act and the Companies (Further Issue of Capital) Regulations, 2020;

(b) the requirements of Part IX of the Securities Act, 2015 and the Takeover Regulations have been complied with, including the making of any public offer that may be required;

(c) while any petition for the winding up of HMIM is pending, the Court has granted such leave or passed such order as may be required for the issue of the shares to be valid, including for the purpose of section 391 of the Act; and

(d) the requirements of the Pakistan Stock Exchange Limited have been met,

and the shares shall be issued at not less than their par value. On completion of a Fallback Conversion the Loan shall stand discharged to the extent converted, and any accrued interest shall be paid in cash unless the approvals obtained permit its conversion.

7.6 To the extent that any part of the Loan has been or is applied in discharge of a liability of HMIM, the Investor shall be subrogated to all rights, remedies, security and priority which the creditor in respect of that liability held immediately before its discharge, and may enforce them as if that liability had been assigned to the Investor rather than discharged. HMIM shall, at the request and cost of the Investor, execute all documents and do all things necessary to give effect to this Clause. This Clause shall cease to have effect on the issue of the Investor Shares under Clause 5 and, otherwise, when the Loan and accrued interest have been repaid in full or converted.

8. EVENTS OF DEFAULT

8.1 Each of the following is an event of default: (a) HMIM fails to repay the Loan and accrued interest within the Repayment Period, and the Loan has not been converted under Clause 7.5; (b) HMIM applies any part of the Loan otherwise than in accordance with Clause 3; (c) an order is made by a court for the winding up of HMIM, other than in proceedings disposed of or withdrawn under the Scheme; and (d) HMIM commits a material breach of this Agreement which, if capable of remedy, is not remedied within fifteen (15) Business Days of written notice from the Investor.

8.2 On the occurrence of an event of default, and at any time while it continues, the Investor may by written notice to HMIM declare the outstanding Loan and all accrued interest immediately due and payable, and may exercise any right or remedy available to him under this Agreement or by law.

APPROVALS AND RELATED PARTY TRANSACTION

9. 9.1 The Investor being a director of SPL, the Loan and its conversion constitute a related party transaction. HMIM shall have the Loan and its conversion approved, recorded and disclosed in accordance with section 208 of the Act and the Listed Companies (Code of Corporate Governance) Regulations, 2019, including by its board of directors and by its members in the manner provided in the Scheme.

9.2 HMIM shall disclose this Agreement to the Pakistan Stock Exchange Limited, the Securities and Exchange Commission of Pakistan and its members to the extent required by law, the PSX Regulations or the Scheme.

10. REPRESENTATIONS

10.1 HMIM represents that it is duly incorporated and validly existing under the laws of Pakistan and that, subject to the approvals referred to in Clause 9 and the order of the Court, it has the power and authority to enter into and perform this Agreement, which has been approved by its board of directors.

10.2 The Investor represents that the money advanced under this Agreement is his own, derived from legitimate sources, and is paid through banking channels.

11. TAXES, STAMP DUTY AND COSTS

11.1 HMIM shall bear the stamp duty payable on this Agreement.

11.2 Where any tax is required by law to be deducted from interest payable under this Agreement, HMIM shall deduct it, pay it to the relevant authority within the time allowed, and give the Investor the certificate of deduction.

11.3 Save as provided in Clauses 3.6 and 11.1, each Party shall bear its own costs in connection with this Agreement.

12. GENERAL

12.1 Notices under this Agreement shall be in writing and delivered by hand, courier or email to the address of the recipient set out above, or to such other address as a Party notifies to the other in writing.

12.2 Neither Party may assign or transfer any of its rights or obligations under this Agreement without the prior written consent of the other. The vesting of the Undertaking of SPL in HMIM under the Scheme, and any change of HMIM's name, shall not be an assignment for this purpose.

12.3 This Agreement may be amended only in writing signed by both Parties. Any amendment that would affect the Scheme shall be subject to the sanction of the Court where required.

12.4 This Agreement, read with the Scheme, constitutes the entire agreement between the Parties in respect of the Loan. If any provision of this Agreement is held invalid, the remaining provisions shall continue in full force. No failure or delay in exercising any right shall operate as a waiver of it.

12.5 This Agreement shall come to an end when the Loan has been discharged by the issue of the Investor Shares under Clause 5, or has been repaid in full or converted under Clause 7 together with all accrued interest, save for any provision expressed to continue.

12.6 This Agreement may be executed in counterparts, each of which shall be an original.

13. GOVERNING LAW AND JURISDICTION

13.1 This Agreement shall be governed by and construed in accordance with the laws of Pakistan and the courts at Karachi shall have exclusive jurisdiction in respect of any dispute arising out of or in connection with it.

IN WITNESS WHEREOF the Parties have signed this Agreement at Karachi on the date first written above.

For and on behalf of
HAJI MOHAMMAD ISMAIL MILLS LIMITED

Mr. Muhammad Sarfraz
Executive/Director

WITNESS

Name: M. Asad Ajzal
CNIC No.: 42201-9500550-9

The INVESTOR

Mr. Azeem Bilwani
CNIC No. 42301-5585440-7

WITNESS

Name: Shoaib Khan
CNIC No.: 42102-0378026-7

Term ... covered – Part 1

ANNEXURE "F"

Copy of the IMS Loan Agreement

The IMS Loan Agreement dated 1 October 2025 between IMS and SPL (then named AzureTech (Private) Limited), together with the Consent and Addendum dated 5th November, 2026 by which IMS and SPL consented under clause 7 of that agreement to the conversion of the IMS Loan, is annexed in full.

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INTERGROUP LOAN AGREEMENT

THIS INTERGROUP LOAN AGREEMENT ("Agreement") **is made and entered into on this 01 day of** October, 2018 **("Effective Date")**, by and between:

(1) INTERMARKET SECURITIES LIMITED, a **company incorporated** under the **laws of** Pakistan and **its registered office** at 5th Floor, Eat Block, Rahia Corporate Ctr, Ch. Khaliq-uz-Zaman Road, Clifton, Karachi (hereinafter referred to as the "Lender") through Mr. Wajid Hussain **its duly authorized Chief Executive Officer;**

AND

(2) AZURETECH (PRIVATE) LIMITED, a **company incorporated** under the **laws of Pakistan** with its **registered office** at Plot No. **B-85 & B-86, Sector** 21A, Korangi, Karachi (hereinafter referred to as the "Borrower") through Mr. **Shahzad** Hussain its duly authorized director for this agreement.

The Lender and Borrower are collectively referred to as the "Parties" and individually as a "Party".

RECITALS

WHEREAS, the Borrower is known to the lender and engages in import and assembly of smart mobile phone in Pakistan **and for** that purpose approached the lender for temporary finance facilities and the Lender **has after due** deliberation and in the interest of promoting the assembly of said phone and required arrangement expressed its **willingness** to meet the requirement of working capital on such terms

NOW, THEREFORE, the Parties agree as follows:

1. LOAN AMOUNT AND DISBURSEMENT:

1.1. The Lender has provided a sum of PKR 28,000,000 (Pakistani Rupees Twenty-Eight Million) by way of loan to the Borrower for the purpose of the cell phone assembly and marketing.

1.2 The Loan has been disbursed in a single tranche to the Borrower's designated bank account, details of which are stated hereunder:

Bank Name	Branch Name	IBAN

2. TERM AND REPAYMENT:

2.1 The Loan amount disbursed by the Lender to the Borrower shall be subject to Profit on and repayable in full by 30th September 2023 (the "Maturity Date") by the Borrower to the lender along with any accrued profit thereon at such rate as shall be mutually agreed in line with applicable bank rate in full by the Borrower. The Borrower shall be able to make repayment in such instalments as may be agreed between the Parties or as well as on demand as and when made by the lender. Any part of the Loan along with the accrued interest not paid by the Borrower prior to the Maturity Date shall become repayable in full on the Maturity Date. The date of repayment may be extended to an additional six (6) months subject to the mutual consent of the Parties, through the execution of an addendum.

2.2 The Lender hereby agrees and vests the Borrower with option to repay the Loan by the Maturity Date in full, along with all arrear of accrued profit, on or before the Maturity Date. The Borrower hereby agrees that Lender shall have the option to convert the said loan into equity as is provided in Section 7 of this agreement on or before the maturity date.

3. PROFIT RATE:

3.1. The Loan shall carry a profit return rate of KIBOR + 2% per annum, which reflects an arm's length market rate for similar loans in Pakistan.

3.2. Profit shall be calculated on the basis of a 365-day year and shall be payable on a quarterly basis.

4. PURPOSE OF THE LOAN:

4.1. The Loan shall be used by the Borrower exclusively for business operations and working capital requirements.

5. REPRESENTATIONS AND WARRANTIES:

5.1. The Borrower represents and warrants that:

(a) It is duly incorporated and validly existing under the laws of Pakistan;

(b) It has the authority to enter into this Agreement and perform its obligations;

(c) The Loan will be used solely for lawful purposes and in accordance with this agreement.

6. ARM'S LENGTH BASIS:

6.1. The Parties acknowledge that the terms and conditions of this Agreement is consistent with terms that would be agreed upon by unrelated third parties under similar circumstances.

6.2. The Parties have taken independent advice, if any, to ensure compliance with applicable laws and transfer pricing regulations.

7. CONVERSION INTO EQUITY

7.1 Conversion Option: By mutual written consent of both Parties, the Lender shall have the option to convert all or part of the outstanding Loan Amount into equity in the Borrower.

7.2 Conversion Terms:

(a) The conversion shall be based on a mutually agreed valuation of the Borrower at the time of conversion.

(b) The Parties shall execute all necessary documents and obtain any required regulatory approvals to effect the conversion.

(c) The conversion shall not affect any accrued profit, which shall be payable in full at the time of conversion.

7.3. The Borrower agrees to cooperate and facilitate the conversion process.

8. DEFAULT AND REMEDIES

8.1 Events of Default: The following shall constitute an event of default:

(a) The Borrower fails to pay any amount due under this Agreement within ten (10) business days of the due date;

(b) The Borrower breaches or fails to perform any covenant, representation, warranty, or other obligation under this Agreement and such breach remains unremedied for a period of fifteen (15) business days after written notice from the Lender.

(c) The Borrower becomes insolvent, makes an assignment for the benefit of creditors, or is the subject of any bankruptcy, insolvency, or winding-up proceedings.

8.2 Remedies: Upon the occurrence of an event of default and at any time thereafter, the Lender may, by written notice to the Borrower, declare that all amounts outstanding under this Agreement, including principal, accrued profit, and any other amounts payable, shall immediately become due and payable.

In addition:

(a) All outstanding amounts shall accrue profit at an accelerated rate, which shall be the agreed profit rate plus an additional 1% per month, from the date of default until such amounts are fully repaid; and

(b) The Lender may exercise any and all other rights and remedies available under applicable law, including the right to enforce any security interests or guarantees provided in connection with this Agreement.

9. GOVERNING LAW AND DISPUTE RESOLUTION

9.1 This Agreement shall be governed by and construed in accordance with the laws of Pakistan.

9.2. Any dispute arising out of or in connection with this Agreement shall be resolved through mutual consultation. If no resolution is reached within thirty (30) days, the dispute shall be referred to arbitration in accordance with the Arbitration Act, 1940 of Pakistan and its rules thereof.

9.3 The seat of arbitration shall be at Karachi and the proceedings shall be conducted in the English language.

10. MISCELLANEOUS:

10.1. Amendments: **This Agreement** may only be **amended** by a written agreement **signed by** both Parties.

10.2. Entire Agreement: **This Agreement constitutes the entire** agreement **between the Parties** and supersedes **all prior** negotiations **and understandings**.

10.3. Severability: **If any** provision of **this Agreement** is held to be invalid, the remaining provisions **shall** remain in full force **and effect**.

10.4. Notices: Any notice required under this Agreement shall be in writing and delivered to the addresses and form above.

10.5 Waiver: The **waiver** of **any breach** or failure to enforce **any** term or condition of this **Agreement shall not in any way, affect**, limit or **waive the affected** Party's right, at any time to enforce strict **compliance with** every term **and condition** hereof or of the relevant Schedule to be construed as a waiver of any other **breach** of the same or any other term or condition of this **Agreement**.

10.6. Assignment: The **Borrower shall** not assign or **delegated** any right, duty or obligation here under **without** prior **written** consent of the Lender.

10.7 Indemnity: The **Borrower** indemnifies the **Lender and any** officer, director, **shareholder**, agent, or attorney, or employee of Lender **harmless from** any and all claims, **causes** of action, damages, **expenses** and liabilities **of any type** whatsoever, including **but** not limited to legal fees, **suffered** or incurred as a result **of or** in connection with the Loan or from the repayment **of the Loan**.

IN WITNESS WHEREOF, the Parties have **executed this** Agreement as of the **date first** written above.

For and on behalf of Telcommerce Securities Limited

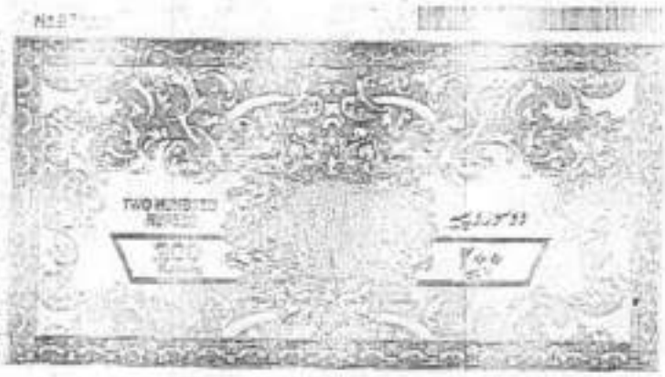
Name/
Designation

For and on behalf of AzureTech (Private) Limited

Name:
Designation

Witness 01
Name:
CNIC:

Witness 02
Name:
CNIC:



CONSENT AND ADDENDUM TO INTERGROUP LOAN AGREEMENT

This Consent and Addendum (this "**Addendum**") is made at Karachi on this 29th day of November, 2016

BY AND BETWEEN:

(1) **INTERMARKET SECURITIES LIMITED**, a listed company incorporated under the laws of Pakistan, bearing CUIN 0049280, having its registered office at 9th Floor, Extension Block, Ahmed Chambers IV, Cl. Khaliq-uz-Zaman Road, Gizri, Karachi, acting through Mr. Waqif Hussain, its duly authorized Chief Executive Officer ("CEO", being the Lender under the Loan Agreement;

AND

(2) **SPEL PAKISTAN (PRIVATE) LIMITED** (formerly [illegible] (Private) Limited), a private limited company incorporated under the laws of Pakistan, having its registered office at [illegible], Karangi Creek, Karachi, acting through Mr. Farrukh Hussain, its duly authorized director ("SPL", being the Borrower under the Loan Agreement).

IMS and SPL are together referred to as the "**Parties**" and each as a "**Party**".

RECITALS

A. Under the Intergroup Loan Agreement dated 3 October 2013 between IMS, as Lender, and SPL (then named AsiaTech (Private) Limited), as Borrower (the "**Loan Agreement**"), IMS has lent SPL PKR [illegible] (Pak Rupees Twelve Eight Million Only) (the "**Loan**").

B. Haji Mohammad Ismail Mills Limited ("**HMIML**"), IPM and their respective members have entered a Scheme of Arrangement under section 279 to 283 and 285 of the Companies Act, 2017 for the amalgamation of SPL with and into HMIML (the "**Scheme**"), to be presented to the High Court of Sindh at Karachi (the "**Court**") for sanction. The Loan is the "IMS Loan" referred to in the Scheme.

Consent and Addendum – Page 1

C. The Parties wish to record their mutual written consent for clause 7.1 of the Loan Agreement to the conversion of the Loan into shares in HMIM under the Scheme, and to amend the Loan Agreement under clause 10.1 of it, on the terms of this Addendum.

NOW, THEREFORE, the Parties agree as follows:

1. **Interpretation.** Terms defined in the Scheme and not defined in this Addendum have the meanings given to them in the Scheme. References to paragraphs are to paragraphs of this Addendum, and references to clauses are to clauses of the Loan Agreement.

2. **Consent to conversion.** In accordance with clause 7.1 of the Loan Agreement, IMS and SPL mutually consent to the conversion of the whole of the Loan, once the Scheme becoming effective and in the order provided in Article 45 of the Scheme, into 2,800,000 (Two Million Eight Hundred Thousand) ordinary shares of HMIM of PKR 10/- par each (the "IMS Shares") at the Conversion Price of PKR 10/- per share, constant as fully paid up in the manner provided in clauses 40.1 to 14.13 of the Scheme. The IMS Shares will be issued and allotted under the authority of the order of the Court sanctioning the Scheme, including the provisions made under section 208(3)(k) of the Companies Act, 2017.

3. **Terms of conversion.** For the purposes of clause 7.1 of the Loan Agreement, IMS and SPL agree that: (a) the Conversion Price of PKR 10/- per share and the number of IMS Shares stated in paragraph 2 are the mutually agreed basis of conversion, in place of a valuation of SPL; (b) the conversion will be into shares of HMIM, as the company in which the undertaking of SPL vests under the Scheme, and not into shares of SPL; and (c) each of them will sign all such documents and do all such acts as may be required to give effect to the conversion under the Scheme.

4. **Transfer of the Loan to HMIM. IMS consents,** for the purposes of clause 10.1 of the Loan Agreement and otherwise, to the transfer to and vesting in HMIM under the Scheme, as of the Effective Date, of the loan and of the rights and obligations of SPL under the Loan Agreement, and to acts that from such vesting those obligations, as amended by this Addendum, fall to be performed by HMIM.

5. **Profit.** Profit shall continue to accrue on the Loan at the rate provided in clause 3.1 of the Loan Agreement until the date on which the IMS Shares are allotted (the "Allotment Date"). Notwithstanding clause 3.2 of the Loan Agreement, profit shall not be payable quarterly. In accordance with clause 7.1(c) of the Loan Agreement, all profit accrued on the Loan up to the Allotment Date, to the extent not already paid, shall be paid to IMS in cash by SPL or HMIM, as the case may be, on the Allotment Date. The conversion does not extend to such profit, and no shares shall be issued in respect of it.

6. **Discharge.** Upon the allotment of the IMS Shares the Loan shall stand fully discharged, and upon payment of the profit under paragraph 5 no amount shall remain owing by SPL or HMIM to IMS under the Loan Agreement.

7. **Conversion of the Loan.** IMS and SPL agree that clauses 2.2 and 7 of the Loan Agreement, requiring security (save as provided in paragraph 5) or repayment on the Allotment Date and at the option of IMS to convert the Loan under clauses 2.2 and 7 of the Loan Agreement shall not apply. IMS confirms that no event of default has occurred under clause 9.1(k) of the Loan Agreement by reason of the Loan not having been repaid on September 2018, or of any profit not having been paid quarterly, and waives any profit at the accelerated rate under clause 8.2(a) and any right to declare the Loan due in that respect.

Consent and Addendum – page 2

8. **Winding-up petition.** INS acknowledges that a petition for the winding up of HMIM, being J.C.M No. 42 of 2017, is pending before the Court, and agrees that neither that petition nor the amalgamation of SPL with and into HMIM and the dissolution of SPL under the Scheme shall constitute an event of default under clause 8.1(e) of the Loan Agreement.

9. If the **Scheme does** not become **effective.** If the Scheme does not become effective, the Loan shall not convert under the Scheme and **shall**, mutatis mutandis as a debt due from SPL to IMR on the terms of the Loan Agreement, as provided in Article 13.1 of the Scheme, save that the Maturity Date shall be the date falling six (6) months after the earliest of: (a) the date on which the Court finally refuses to sanction the Scheme; (b) the date on which the Scheme is withdrawn; and (c) the date on which HMIM and IMR agree in writing that the Scheme will not take effect. Profit shall continue to accrue at the rate provided in clause 3.1 of the Loan Agreement until the Loan is repaid and all profit accrued and unpaid shall be paid in cash together with the Loan.

10. **Disclosure.** INS acknowledges that its acquisition of the INS Shares under the Scheme is exempt from Part IX of the Securities Act, and by virtue of section 129 of that Act, save as to reporting, and shall, within two (2) working days of the allotment, make the disclosure required by regulation 4(1) of the Takeover Regulations, in the form prescribed by Schedule II thereto, as provided in Article 14.7 of the Scheme.

11. CDC account. INS shall, before the Allotment Date, give to SPL the details of its account with the Central Depository Company of Pakistan Limited to which the INS Shares are to be credited.

12. Date of this **Addendum.** INS and SPL agree that this Addendum may be executed to the Scheme with the Loan Agreement and presented to the Court, the Securities and Exchange Commission of Pakistan, the Pakistan Stock Exchange Limited and any other authority. INS confirms that it has obtained all corporate approvals required to give this consent.

13. **General. This Addendum** is the written consent of the Parties **under clause** 9.1 of the **Loan Agreement**, the addendum contemplated by clause 2.1 **and** an **amendment of the Loan** Agreement **under clause** 9.1, whereby it **is read as one** with the **Loan Agreement**. Save as set out in this Addendum, the Loan Agreement **continues in** full force. This **Addendum** is governed by the laws of Pakistan and clause 9 of the Loan Agreement applies to any dispute arising out of or in connection with it.

IN WITNESS WHEREOF the Parties have executed this Addendum as hereinabove the date first written above.

For and on behalf of
INTERMARKET SECURITIES LIMITED

Mr. Waqar Hussain
Chief Executive Officer

WITNESS

Name:
CNIC No.:

For and on behalf of SEGO PAKISTAN (PRIVATE) LIMITED

Mr. Ejaz ul Haq Hussain
Director

WITNESS

Name:
CNIC No.:

Consent and Addendum – Page 2

ANNEXURE "G"

Existing Boards of Directors of the Companies

The directors and officers of HMIM are:

Haji Mohammad Ismail Mills Limited – directors and officers	**Designation**
Mr. Gulzar Siddiq	Chairman; Independent Director
Mr. Muhammad Sarfraz	Executive Director; Company Secretary
Mr. Noman Mustafa Zuberi	Independent Director
Mr. Mohammad Sadiq	Non-Executive Director
Mr. Mohammad Irfan	Non-Executive Director
Mr. Ali Asghar	Non-Executive Director
Mr. Suhail Ahmed	Chief Financial Officer

The directors of SPL are:

Sego Pakistan (Private) Limited – board of directors	**Designation**
Mr. Zeeshan	Chief Execu
Mr. Azneem Bilwani	Non-Executi Director
Mr. Shehzad Hussain	Director
Mr. Haris Siddiqui	Director
Mrs. Sadaf Zeeshan	Director

ANNEXURE "H"

Form of Special Resolutions to be passed at the Extraordinary General Meetings of the Members of the Companies convened under the directions of the Court

If the Court directs meetings of the creditors of either Company, a separate form of resolution will be settled for each such meeting.

PART I – HAJI MOHAMMAD ISMAIL MILLS LIMITED
FORM OF SPECIAL RESOLUTION TO BE PASSED AT THE EXTRAORDINARY GENERAL MEETING OF THE MEMBERS TO BE HELD ON _____ 202_

SPECIAL RESOLUTION

RESOLVED THAT pursuant to the Order dated _____ passed by the High Court of Sindh at Karachi in J.C.M. No. ____ of 2026, sections 279 to 283 and 285 and all other applicable and enabling provisions of the Companies Act, 2017, and subject to the sanction of the High Court of Sindh at Karachi, the Scheme of Arrangement for the amalgamation of Sego Pakistan (Private) Limited ("SPL") with and into Haji Mohammad Ismail Mills Limited (the "Company"), made between the Company, SPL and their respective members (the "Scheme"), as placed before the meeting and initialled by the Chairman for identification, be and is hereby approved, adopted and agreed in its entirety, together with any modification or condition that the Court may impose (capitalised terms not defined herein having the meanings given to them in the Scheme).

RESOLVED FURTHER THAT upon the Scheme becoming effective in accordance with its terms, the amalgamation of SPL with and into the Company, with the Company continuing as the Surviving Company and SPL standing dissolved without winding up, be and is hereby approved, together with the issue and allotment, in the order provided in Article 15 of the Scheme, of fully paid ordinary shares of PKR 10 each of the Company as follows: (i) 244,831,768 shares to the SPL Shareholders, being 1.0875 shares for every SPL Share held after the sub-division under Article 10.10 of the Scheme; (ii) 15,371,247 Investor Shares to Mr. Azneem Bilwani in satisfaction of the Investor Loan of PKR 153,712,469, and 1,408,470 Advance Shares to him in satisfaction of the SPL Advance of PKR 14,084,700; and (iii) 2,800,000 IMS Shares to Intermarket Securities Limited in satisfaction of the IMS Loan of PKR 28,000,000, the shares under (ii) and (iii) being issued at the Conversion Price of PKR 10 per share.

RESOLVED FURTHER THAT the issue and allotment of the shares referred to in the preceding resolution, being made under the Scheme and the order of the Court sanctioning it and otherwise than by way of rights, be and is hereby approved for the purposes of section 83 of the Companies Act, 2017.

RESOLVED FURTHER THAT the Investor Loan and the SPL Advance, and their conversion into the Investor Shares and the Advance Shares, being related party transactions by reason of Mr. Azneem Bilwani being a director of SPL, be and are hereby approved for the purposes of section 208 of the Companies Act, 2017.

RESOLVED FURTHER THAT upon the Scheme becoming effective, (i) the authorized capital of the Company shall stand increased to PKR 3,100,000,000 divided into 310,000,000 ordinary shares of PKR 10 each, as provided in Articles 10.1 and 10.2 of the Scheme; (ii) the name of the Company shall be changed to "Sego Pakistan Limited", as provided in Article 3.4 of the Scheme: (iii) the object clause of the Memorandum of Association of the Company shall be replaced as set out in Article 10.7 of the Scheme; and (iv) the Memorandum and Articles of Association of the Company shall stand altered accordingly; and this resolution shall also constitute the resolution of the members required under section 85, and the special resolution required under sections 12, 32 and 38, of the Companies Act, 2017 for those purposes, in each case in accordance with the Scheme.

RESOLVED FURTHER THAT the application made by the Company to the Pakistan Stock Exchange Limited under clause 5.22.7 of the PSX Regulations for relaxation of clause 5.22.4(b), and the Free Float Plan submitted with it under Articles 12.3 and 12.4 of the Scheme, together with any conditions imposed by the PSX in granting that relaxation, be and are hereby approved and ratified, and the Company shall attain its Free Float in the manner and within the periods provided in the Scheme, the Free Float Plan and that relaxation; provided that any further issue of shares by the Company under the Free Float Plan shall be subject to a separate approval of the members under section 83 of the Companies Act, 2017.

RESOLVED FURTHER THAT with effect from the Completion Date the directors of the Company in office immediately before that date shall cease to hold office, and the persons named in, or nominated under, Article 8.3 of the Scheme shall be the directors of the Company, as provided in that Article.

RESOLVED FURTHER THAT _____, _____, be and is hereby authorised, acting individually, to take all steps and do all acts, deeds and things necessary or expedient to give effect to the Scheme and these resolutions, including executing and filing petitions, applications, affidavits, statements, returns, forms and other documents; appearing or authorising representation before the High Court of Sindh at Karachi, the Securities and Exchange Commission of Pakistan, the Pakistan Stock Exchange Limited and any other authority; making the consequential entries in the statutory books and records of the Company; and issuing certified true copies or extracts of these resolutions wherever required.

[To be completed after the meeting] CERTIFIED to be a true and correct extract of the special resolution passed at the Extraordinary General Meeting of the members of the Company, convened under the directions of the Court, held on _____ 202_, by a majority in number of the members present and voting in person or by proxy, representing three-fourths in value of the shares held by them, being _____ members holding _____ shares voting in favour and _____ members holding _____ shares voting against.

For and on behalf of the Company

_____

Name: _____

Designation: Director / Company Secretary

Date: _____

PART II – SEGO PAKISTAN (PRIVATE) LIMITED
FORM OF SPECIAL RESOLUTION TO BE PASSED AT THE EXTRAORDINARY GENERAL MEETING OF THE MEMBERS TO BE HELD ON _____ 202_

SPECIAL RESOLUTION

RESOLVED THAT pursuant to the Order dated _____ passed by the High Court of Sindh at Karachi in J.C.M. No. _____ of 2026, sections 279 to 283 and 285 and all other applicable and enabling provisions of the Companies Act, 2017, and subject to the sanction of the High Court of Sindh at Karachi, the Scheme of Arrangement for the amalgamation of Sego Pakistan (Private) Limited (the "Company") with and into Haji Mohammad Ismail Mills Limited ("HMIM"), made between the Company, HMIM and their respective members (the "Scheme"), as placed before the meeting and initialled by the Chairman for identification, be and is hereby approved, adopted and agreed in its entirety, together with any modification or condition that the Court may impose (capitalised terms not defined herein having the meanings given to them in the Scheme).

RESOLVED FURTHER THAT upon the Scheme becoming effective in accordance with its terms, and unless the Company has already done so before the Completion Date, each ordinary share of PKR 100 of the Company, authorized and issued, shall stand sub-divided into ten ordinary shares of PKR 10 each under Article 10.10 of the Scheme, so that the authorized capital of the Company shall be PKR 2,500,000,000 divided into 250,000,000 ordinary shares of PKR 10 each and its issued, subscribed and paid-up capital PKR 2,251,326,600 divided into 225,132,660 ordinary shares of PKR 10 each; Clause V of the Memorandum of Association and the corresponding provision of the Articles of Association of the Company shall stand altered accordingly; and this resolution shall constitute the special resolution required for the sub-division under section 85 of the Companies Act, 2017.

RESOLVED FURTHER THAT upon the Scheme becoming effective in accordance with its terms, (i) the entire Undertaking of the Company shall stand transferred to and vested in HMIM; (ii) each SPL Shareholder on the register of members of the Company on the Record Date shall be allotted 1.0875 fully paid ordinary shares of PKR 10 each of HMIM for every share of PKR 10 of the Company held, being 244,831,768 shares of HMIM in aggregate, whereupon all shares of the Company shall stand cancelled; and (iii) the Company shall stand dissolved without winding up on completion of that allotment, in each case without any further act, deed or instrument and in accordance with the Scheme and the order sanctioning it.

RESOLVED FURTHER THAT the transfer to and assumption by HMIM, under the Scheme, of (i) the IMS Loan of PKR 28,000,000 owing by the Company to Intermarket Securities Limited, to be satisfied by the issue of 2,800,000 IMS Shares by HMIM under Articles 14.13 to 14.15 of the Scheme; and (ii) the Company's obligation to issue shares for the SPL Advance of PKR 14,084,700 received from Mr. Azneem Bilwani, to be satisfied by the issue of 1,408,470 Advance Shares by HMIM under Article 14.16 of the Scheme, be and are hereby approved.

RESOLVED FURTHER THAT the SPL Advance of PKR 14,084,700 received from Mr. Azneem Bilwani, a director of the Company, and its satisfaction by the issue of 1,408,470 Advance Shares by HMIM under Article 14.16 of the Scheme, being a related party transaction, be and is hereby approved for the purposes of section 208 of the Companies Act, 2017.

RESOLVED FURTHER THAT _____, _____, be and is hereby authorised, acting individually, to take all steps and do all acts, deeds and things necessary or expedient to give effect to the Scheme and these resolutions, including executing and filing petitions, applications, affidavits, statements, returns, forms and other documents; appearing or authorising representation before the High Court of Sindh at Karachi, the Securities and Exchange Commission of Pakistan and any other authority; making the consequential entries in the statutory books and records of the Company; and issuing certified true copies or extracts of these resolutions wherever required.

[To be completed after the meeting] CERTIFIED to be a true and correct extract of the special resolution passed at the Extraordinary General Meeting of the members of the Company, convened under the directions of the Court, held on _____ 202_, by a majority in number of the members present and voting in person or by proxy, representing three-fourths in value of the shares held by them, being _____ members holding _____ shares voting in favour and _____ members holding _____ shares voting against.

For and on behalf of the Company

_____

Name: _____

Designation: Director / Company Secretary

Date: _____

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SARWARS
Chartered Accountants

Head Office: Off # 12 - 14, 2nd Floor,
Lahore Centre, 77-D, Main Boulevard,
Gulberg-III, Lahore, Punjab
Ph: 0303-7240029

October 16, 2026

Board of Directors
Sego Pakistan (Private) Limited
Plot 38-A, behind KTC Bus Depot
Sector 39 Korangi
Karachi

Board of Directors
Haji Mohammad Ismail Mills Limited
409-Commerce Centre
Hasrat Mohani Road
Karachi 74200

Gentlemen

PROPOSED MERGER / AMALGAMATION OF SEGO PAKISTAN (PRIVATE) LIMITED AND HAJI MOHAMMAD ISMAIL MILLS LIMITED - CALCULATION OF SHARE SWAP RATIO

We ("Sarvars Chartered Accountants") refer to our engagement by Sego Pakistan (Private) Limited **("SPL")** and Haji Mohammad Ismail Mills Limited **("HMIM")** to carry out the captioned assignment for the proposed merger of following companies in term of Scheme of Arrangement;

a) Sego Pakistan (Private) Limited - **the merging entity**

b) Haji Mohammad Ismail Mills Limited - **the surviving entity**

1. Our understanding of the transaction

We understand that the Scheme, which has been shared with us, proposed to be entered into between SPL and HMIM (hereinafter collectively referred to as "Companies") under sections 279 to 283 and 285 of the Companies Act, 2017, principally envisages the following points:

(i) The entire undertaking of SPL shall be amalgamated with and into HMIM at book value, with HMIM as the Surviving Company. SPL shall be dissolved without winding up, after the allotment of shares to its shareholders.

(ii) In consideration, HMIM shall issue ordinary shares of Rs. 10 each, credited as fully paid up, to the shareholders of SPL on the basis of the share swap ratio, which shall remain unchanged up to the Effective Date.

(iii) HMIM's liabilities, including those under its winding-up petition, shall be settled through the Investor Loan, of Rs. 153,712,469. This loan, along with the Rs. 28,000,000 IMS Loan of SPL and the SPL Advance of Rs. 14,084,700 received from Mr Azneem Bilwani, shall be converted into HMIM shares.

(iv) Name of surviving entity shall be changed to "Sego Pakistan Limited", and its object clause shall be amended.

For this purpose, the Companies have jointly engaged us to assist them in the determination of the share swap ratio for the proposed merger based on the fair market valuation of the respective entities. The share swap ratio is based on information and explanations provided to us by the management.

2. About the Companies

2.1 Brief Overview

A. Sego Pakistan (Private) Limited

Sego Pakistan (Private) Limited (formerly Azure Tech (Private) Limited) ("SPL"), a company limited by shares, was incorporated in Pakistan on 27 June 2023 as a private limited company under the Companies Act, 2017. The name of the company was changed from Azure Tech (Private) Limited to Sego Pakistan (Private) Limited with effect from 31 October 2025, upon issuance of the certificate of incorporation on change of name by the Securities and Exchange Commission of Pakistan (SECP). The registered office of SPL is situated at Plot 38-A, Korangi Creek, Karachi.

SPL is principally engaged in the assembly, trading and import of mobile phones, mobile phone parts, accessories, batteries and related telecommunication equipment.

B. Haji Mohammad Ismail Mills Limited

Haji Mohammad Ismail Mills Limited ("HMIM") was incorporated in Pakistan as a private limited company on 5 February 1980 under the Companies Act, 1913 and subsequently converted into a public limited company on 15 October 1987 under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). Shares of the company were subsequently listed on the Stock Exchange on 29 November 1994. The registered office of HMIM is situated at 409-Commerce Centre, Hasrat Mohani Road, Karachi 74200.

The main object of HMIM was manufacturing and sale of yarn and power generation. Subsequently, during the year ended 30 June 2017, the management added new object clauses in the Memorandum of Association from textile / power generation to trading / distribution of fast moving consumer goods and other lawful business objects.

2.2 Share Capital

S. No.	Companies	Number of Issued Shares as at 30 June 2026	Par Value (Rs.)	Issued Share Capital (Rs.)
1.	SPL – shares issued	3,333,400	100	333,340,000
	SPL – shares issued subsequently against advance against equity (against 19,179,866 shares)	19,179,866	100	1,917,986,600
	SPL – Total	**22,513,266**	**100**	**2,251,326,600**
2.	HMIM	11,975,040	10	119,750,400

2.3 Share Swap Computation

The swap ratio for the Amalgamation has been computed based on the values determined for SPL of Rupees 2,448,225,736 and Rupees 293,639 for HMIM using scope and methodology mentioned hereunder.

2.3.1 Scope of work and methodology

We have carried out the valuation of SPL and HMIM respectively as at 30 June 2026 on a standalone basis in order to calculate the share swap ratio. We used the audited financial statements of SPL and HMIM for the period ended 30 June 2026.

Further, we were provided with other related information and explanations as and when required in order to carry out the valuation. We have not conducted any due diligence of SPL and HMIM.

2.3.2 Valuation details for HMIM

As per the audited financial statements of HMIM for the period ended 30 June 2026, HMIM has no business and its net assets are negative by Rupees 4,320,123 as at 30 June 2026.

The liabilities of HMIM as at 30 June 2026 include staff retirement benefits. We have been explained by the management of HMIM that part of the liability reflected in staff retirement benefits shall be waived off, whereas the amount actually payable has been transferred to trade payables amounting to Rs 1,980,000. In order to address the aforesaid, we have considered the corresponding effect of the waiver of Rupees 4,613,762 in our valuation, which makes the adjusted net assets of HMIM positive at Rupees 293,639 as at 30 June 2026. We have further been explained that there shall be no tax consequences of this write back under the provisions of the Income Tax Ordinance, 2001. Factoring the aforesaid in valuation of HMIM, Pak Rupees value per share comes to 0.0245 per ordinary share.

Note: Other methods like Discounted Cash Flow, Dividend Discount Model or Market Multiple Approach have not been used as HMIM is not a going concern and the proposed merger / amalgamation, is a reverse merger transaction as prescribed in Clause 5.22 of the Pakistan Stock Exchange Limited Regulations. Moreover, quote share price of HMIM at the date of this letter is Rupees 8.75 per ordinary share which is not reflective of its fair value due to the foregoing reasons.

Note: The Supporting details of Adjusted Net Assets can be referred from **'Annexure A'**.

2.3.3 Valuation details for SPL

For the above-mentioned exercise, we considered a hybrid valuation model comprising the Discounted Cash Flow (DCF) Method and the Net Assets Valuation (NAV) Method, and determined a weighted average of the two.

DCF Method: Under the DCF Method, the value of SPL as at 30 June 2026 has been worked out at Rupees 2,587,402,117, which equates to Rupees 11.49 per ordinary share *(assuming a par value per share of Rs. 10 rather than Rs. 100 for the purpose of comparison with the value per ordinary share of HMIM)*.

NAV Method: As per the audited financial statements of SPL for the period ended 30 June 2026, its net assets are Rupees 2,031,308,192 as at 30 June 2026, which equates to Rupees 9.02 per ordinary share.

Weighted average: We have assigned a weightage of 75% to the DCF Method and 25% to the NAV Method, as DCF has been considered the primary method of valuation and has therefore been given the higher weightage. Factoring the aforesaid in the valuation of SPL, the Pak Rupees value per share comes to **Rs. 10.875 per ordinary share**. The per share values have been computed on the basis of a par value of Rs. 10 per share, i.e. 225,132,660 ordinary shares.

Note: The Supporting details of DCF, NAV and weighted average valuation can be referred from **'Annexure B'**.

3. Share Swap Ratio

Based on the aforesaid valuation, the share swap ratio is as follows:

	Pak Rupees value per share	
	SPL	**HMIM**
Value Per Share	10.875	0.0245

One share of HMIM may be issued in exchange for 0.0023 share of SPL.

4. Post-Merger Share Capital

According to the share swap ratio determined, one share of HMIM may be issued in exchange for 0.0023 share of SPL which is impracticable as highlighted by the working below, hence under the terms of the proposed Scheme, it has been proposed by the Board of Directors of SPL that new shares may be issued to shareholders of SPL using face value per ordinary share of HMIM i.e. Rupees 10 per ordinary share instead of Rupees 0.0245 per ordinary share and the resultant share swap ratio would be 0.9195 (i.e. One share of HMIM may be issued in exchange for 0.92 share of SPL). Calculations are as follows:

Particulars	Share swap ratio	
	As determined by Sarvars Chartered Accountants	As adopted under the scheme
Total issued & paid-up shares of HMIM	11,975,040	11,975,040
Total issued & paid-up shares of SPL	22,513,266	22,513,266
Valuation of SPL	2,448,225,736	2,448,225,736
Valuation of HMIM	293,639	119,750,400
Value / ordinary share – SPL*	10.875	10.875
Value / ordinary share - HMIM	0.0245	10
Share swap ratio	0.0023	0.9195
Number of shares to be issued to current shareholders of SPL as per the proposed Scheme	97,883,765,217	244,831,768

** Assuming a par value per ordinary share of Rs. 10 rather than Rs. 100 for the purpose of comparison with the value per ordinary share of HMIM, as the par value of an ordinary share of HMIM is Rs. 10*

Number of shares of the Surviving Company

Particulars	As determined by Sarvars Chartered Accountants	As adopted under the scheme
Existing issued, subscribed and paid-up capital – shares	11,975,040	11,975,040
New shares to be issued to Mr Azneem Bilwani against Investor Loan of Rs. 153,712,469	15,371,247	15,371,247
New shares to be issued to Mr Azneem Bilwani against SPL Advance of Rs. 14,084,700	1,408,470	1,408,470
New shares to be issued to Intermarket Securities Limited against IMS Loan of Rs. 28,000,000	2,800,000	2,800,000
Number of shares to be issued to current shareholders of SPL as per the proposed Scheme	97,883,765,217	244,831,768
Total	97,915,319,974	276,386,525

According to the Share Swap Ratio as detailed above, in exchange of total issued, subscribed and fully paid-up 22,513,266 shares of SPL, the total number of ordinary shares of HMIM having face value of Rupees 10 each, are worked out to be 244,831,768, which shall be issued to existing shareholders of SPL as a consequence of the consummation of the proposed Scheme.

Accordingly, post-merger share capital of the surviving entity shall be as given below:

Number of Shares	Post-Merger
Total number of issued shares of HMIM	11,975,040
Number of shares to be issued to shareholders of SPL as per Share Swap Ratio	244,831,768
New shares to be issued to Mr Azneem Bilwani against Investor Loan	15,371,247
New shares to be issued to Mr Azneem Bilwani against SPL Advance	1,408,470
New shares to be issued to Intermarket Securities Limited against IMS Loan	2,800,000
Total number of shares after amalgamation	276,386,525
Total share capital after Amalgamation (Rupees)	2,763,865,250

This letter is intended for use only by the party to whom it has been addressed. Mere possession of this letter does not convey the right of reliance, nor may reliance be placed by any third party for any other purpose than that for which it was prepared.

Information provided to us by the management forms the basis upon which our workings were conducted. Omission of any material information provided to us would have a significant impact on our workings. Further, it is our assumption that the workings of the Companies provided to us are approved from senior officials of the Companies for this exercise.

We have relied on the accuracy and completeness of information obtained from the Management of the Companies and hence did not independently verify such information.

This letter should not be considered as investment, tax or accounting advice and does not constitute a fairness opinion.

Sincerely yours

SARWARS
Chartered Accountants

SARWARS
Chartered Accountants

Annexure A

Table I – NAV per share of HMIM as at June 30, 2026

The NAV based on the standalone figures on book values of HMIM is as follows:

Description	NAV as at June 2026 – Amount in PKR
Non-Current Assets	
Long-term deposits	50,000
Total Non-Current Assets	**50,000**
Current Assets	
Investments – available for sale	1,137,500
Tax refund due from Government	963,073
Other receivables	1,056,323
Cash and bank balances	490,870
Total Current Assets	**3,647,766**
Total Assets	**3,697,766**
Non-Current Liabilities	
Retirement benefit obligation	4,613,762
Total Non-Current Liabilities	**4,613,762**
Current Liabilities	
Trade and other payables	3,404,127
Total Current Liabilities	**3,404,127**
Total Liabilities	**8,017,889**
Net Assets Value	**(4,320,123)**

Table II – Adjusted NAV per share of HMIM as at June 30, 2026

The adjusted NAV of HMIM is as follows:

Particulars	Rupees
Net assets as per audited financial statements as at 30 June 2026	(4,320,123)
Add: staff retirement benefits payable to be waived off	4,613,762
Adjusted net assets	**293,639**

Annexure B

SARWARS
Chartered Accountants

Table I – NAV of SPL as at June 30, 2026

The NAV based on the standalone figures on book values of SPL is as follows:

Description	NAV as at June 2026 – Amount in PKR
Non-Current Assets	
Property, plant and equipment	446,038,942
Intangible assets	10,105,401
Long-term deposits	1,975,000
Long-term prepayment	25,972,222
Investment in subsidiary	10,000,000
Deferred tax asset – net	92,039,916
Total Non-Current Assets	**586,131,481**
Current Assets	
Stock-in-trade	722,644,445
Trade debts – unsecured	1,065,249,408
Due from a related party	13,559,543
Loans, advances and deposits	590,466,130
Prepayments and other receivables	25,577,946
Taxation – net	2,059,053
Cash and bank balances	118,779,420
Total Current Assets	**2,538,335,945**
Total Assets	**3,124,467,426**
Non-Current Liabilities	
Provision for gratuity	9,050,195
Total Non-Current Liabilities	**9,050,195**
Current Liabilities	
Trade and other payables	642,961,685
Provisions	90,031,939
Short-term borrowings	224,213,150
Due to related parties	62,971,083
Accrued markup	63,931,182
Total Current Liabilities	**1,084,109,039**
Total Liabilities	**1,093,159,234**
Net Assets Value	**2,031,308,192**

SARWARS
Chartered Accountants

Table II – Valuation under DCF model

Valuation	FY2026 0	FY2027F 1	FY2028F 2	FY2029F 3	FY 2030F 4
Operating Cash Flow	431,751,719	723,758,789	364,435,190	118,893,984	336,949,791
PPE	(88,056,394)	-	-	(170,000,000)	-
Intangibles	(2,188,000)	-	-	-	-
CapEx	**(90,244,394)**	-	-	**(170,000,000)**	-
Borrowings	(745,834)	(22,421,315)	(20,179,184)	(18,161,265)	(16,345,139)
Free Cash Flow	**340,741,491**	**701,337,474**	**344,256,007**	**(69,267,281)**	**320,604,652**
Terminal value					**2,523,837,697**
	340,741,491	**701,337,474**	**344,256,007**	**(69,267,281)**	**2,844,442,350**
Present value	340,741,491	592,655,109	245,828,088	(41,797,769)	1,450,431,047

Table III – Weighted average value

Valuation Method	Value per share	Weightage	Adjusted value per share
DCF	11.49	75%	8.62
NAV	9.03	25%	2.26
			10.875

Table IV – Significant assumptions used in determination of values

Assumption	Value
Terminal Growth rate	5.00%
Beta	1.27716
Risk Free Rate	11.80%
Market Risk Premium	5.11%
Cost of Equity	18.33%

Table V – Projected Statement of Cash Flows

SARWARS
Chartered Accountants

Particulars	Notes	FY21 Actual	FY22 Actual	FY23 Forecast	FY24 Forecast	FY25 Forecast	FY26 Forecast
Cash flows from operating activities							
Profit / (loss) before levies and taxation		1267,295,333)	(34,600,027)	779,206,556	885,904,965	969,637,332	1,162,778,995
Levies and taxation (forecast assessed paid in the year)		-	-	(294,038,608)	(334,013,794)	(350,588,466)	(356,773,106)
Depreciation on property, plant and equipment		46,641,041	54,642,214	46,005,841	56,869,965	73,829,670	62,763,530
Amortization of intangible assets		267,553	1,077,020	1,010,540	909,486	818,537	736,684
Exchange gain - unrealized		-	(2,179,946)	-	-	-	-
Bad debts written off		-	15,804,558	-	-	-	-
Provision for warranty			22,114,339	-	-	-	-
Provision for gratuity		6,779,821	21,940,239	-	-	-	-
Profit on saving accounts		(3,036,246)	(2,825,405)	(3,133,574)	(3,386,044)	(3,657,847)	(3,950,686)
Liability written back		(535,802)	-	-	-	-	-
Finance costs		26,032,800	93,849,764	26,465,456	24,278,471	22,318,244	20,589,229
Operating cash flow before working capital changes		**(191,738,160)**	**169,741,956**	**571,476,561**	**630,558,049**	**712,470,267**	**886,535,606**
(Increase) / decrease in current assets							
Stock-in-trade		(3,896,771,247)	1,354,689,965	(136,881,689)	(135,561,535)	(299,973,761)	(295,160,243)
Trade debts		(986,321,250)	(77,977,158)	60,286,178	(129,713,633)	(198,802,232)	(727,324,278)
Loans, advances and deposits		(86,089,146)	(301,591,315)	(33,906,415)	(37,257,056)	(40,978,262)	(45,076,198)
Due from a related party		-	(13,559,543)	-	-	-	-
Trade deposits, prepayments and other receivables		(79,020,958)	(2,731,549)	(49,817,403)	(42,469,151)	(63,287,512)	(34,258,470)
Taxation - net		-	-	2,059,053	-	-	-
Sales tax refundable		(181,286,592)	181,286,592	-	-	-	-
Increase / (decrease) in current liabilities							
Trade payables, accrued and other liabilities, taxes payable		3,471,410,519	(394,040,278)	428,467,815	142,640,789	(55,272,829)	192,187,976
Provisions		-	(46,603,762)	(13,714,599)	840,000	924,000	1,016,400
Due to related parties		-	-	-	-	-	-
Accrued mark-up		-	-	(57,580,368)	(594,781)	(531,203)	(481,772)
Finance costs paid		(10,989,112)	(45,237,830)	(26,465,456)	(24,278,471)	(22,318,244)	(20,589,229)
Taxes paid / deducted at source		(1,228,567)	(349,698)	-	-	-	-
Long-term deposits		(8,824,448)	8,349,448	-	-	-	-
Deferred tax asset		-	-	-	-	-	-
Net cash generated from / (used in) operating activities		**(1,891,899,867)**	**431,731,719**	**723,758,789**	**364,435,198**	**168,893,984**	**330,949,781**
Cash flows from investing activities							
Additions to property, plant and equipment		(178,214,920)	(88,086,394)	-	-	(170,000,000)	-
Additions to intangible assets		(4,543,700)	(2,188,000)	-	-	-	-
Investment in subsidiary		-	-	-	-	-	-
Long-term prepayment			(25,972,225)	-	-	-	-
Profit received on bank deposits		3,036,345	2,825,405	3,133,574	3,384,044	3,657,847	3,950,556
Net cash used in investing activities		**(179,542,364)**	**(113,291,211)**	**3,133,574**	**3,384,044**	**(166,342,153)**	**3,950,686**
Cash flows from financing activities							
Issue of shares		333,340,000	-	1,917,996,820	-	-	-
Advance received / (adjusted) against issue of shares		1,295,523,596	-	(1,900,901,920)	-	-	-
Short-term borrowings - net		734,958,984	(343,834)	(22,421,315)	(20,179,184)	(18,161,265)	(16,345,139)
Loans obtained from related parties		699,806,355	125,302,000	-	-	-	-
Loans repaid to related parties		(169,680,000)	(378,403,572)	(8,336,615)	-	-	-
Net cash generated from / (used in) financing activities		**2,133,978,935**	**(413,846,406)**	**718,555,848**	**(20,179,184)**	**(18,161,265)**	**(16,345,139)**
Net increase / (decrease) in cash and cash equivalents		**72,536,704**	**(95,505,898)**	**1,445,447,711**	**347,640,058**	**(65,629,434)**	**324,515,328**
Cash and cash equivalents at beginning of the year		122,006,530	214,285,318	118,779,420	837,334,968	1,184,975,019	1,119,345,586
Cash and cash equivalents at end of the year		**194,543,234**	**118,779,420**	**837,334,968**	**1,184,975,019**	**1,119,345,586**	**1,443,860,914**

SARWARS
Chartered Accountants

Table VI – Projected Statement of Profit or Loss

Particulars	Direct	FY25 Actual	FY26 Actual	FY27 Forecast	FY28 Forecast	FY29 Forecast	FY30 Forecast
Revenue - net		4,346,607,226	5,613,924,263	10,049,632,296	11,346,360,023	13,287,080,784	15,559,574,520
Cost of sales		(3,828,007,975)	(5,495,317,980)	(9,899,225,931)	(11,166,292,431)	(13,082,868,867)	(15,304,860,739)
Gross profit		**518,599,251**	**118,606,218**	**150,406,364**	**180,476,592**	**204,142,477**	**254,484,788**
Gross profit margin		11.9%	2.1%	1.5%	1.6%	1.5%	1.6%
Administrative expenses		(244,950,166)	(223,443,891)	(257,317,545)	(296,814,920)	(416,202,874)	(482,783,409)
Selling and distribution expenses		(312,378,163)	(398,365,229)	(55,722,984)	(60,842,795)	(70,130,454)	(76,891,917)
Operating profit / (loss)		**(238,728,950)**	**(503,486,499)**	**(162,634,165)**	**(177,181,123)**	**(280,190,431)**	**(305,190,819)**
Other income		4,229,926	634,955,544	964,864,063	1,080,962,592	1,273,832,961	1,490,327,771
Other expenses		(6,753,981)	(72,350,968)	(1,497,937)	(1,602,793)	(1,706,974)	(1,817,923)
Finance costs		(26,042,400)	(50,849,764)	(26,465,403)	(24,273,471)	(22,318,244)	(20,589,229)
Profit / (loss) before levies and taxation		**(267,295,533)**	**(24,690,827)**	**774,266,556**	**885,904,965**	**969,637,353**	**1,162,729,995**
Levies		-	-	-	-	-	-
Profit / (loss) before taxation		**(267,295,533)**	**(24,690,827)**	**774,266,556**	**885,904,965**	**969,637,353**	**1,162,729,995**
Taxation		86,273,240	7,993,302	(294,018,488)	(334,015,794)	(380,505,468)	(450,373,566)
Profit / (loss) after taxation		**(181,022,293)**	**(26,684,525)**	**480,248,148**	**551,889,171**	**619,131,863**	**726,356,429**
Net profit margin		(4.2%)	(0.5%)	4.8%	4.9%	4.7%	4.7%
Other comprehensive income - remeasurement of gratuity (net of tax)		-	2,297,896	-	-	-	-
Total comprehensive income / (loss)		**(181,022,293)**	**(24,486,730)**	**480,248,148**	**551,889,171**	**619,131,863**	**726,356,429**

Table VII – Projected Statement of Financial Position

Particulars	Direct	FY25 Actual	FY26 Actual	FY27 Forecast	FY28 Forecast	FY29 Forecast	FY30 Forecast
Non-current assets							
Property, plant and equipment		412,624,862	660,018,940	879,133,101	922,260,156	418,423,668	395,660,115
Intangible assets		8,994,423	10,109,492	9,098,861	8,188,375	7,366,537	6,630,154
Long-term deposits		10,324,340	1,975,000	1,975,000	1,975,000	1,975,000	1,975,000
Long-term prepayment		-	25,972,222	25,972,222	25,972,222	25,972,222	25,972,222
Investment in subsidiary		-	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Deferred tax asset - net		84,958,584	92,059,916	92,059,916	92,059,916	92,059,916	92,059,916
Total non-current assets		**516,902,215**	**566,131,483**	**518,215,100**	**460,455,648**	**555,777,641**	**492,277,407**
Current assets							
Stock-in-trade		2,077,234,408	722,644,445	879,328,134	1,054,887,649	1,291,863,411	1,590,023,693
Trade debts		986,922,250	1,965,249,408	1,944,961,295	1,334,676,902	1,328,709,174	1,355,933,453
Due from a related party		-	13,559,543	13,559,543	13,559,543	13,559,543	13,559,543
Loans, advances and deposits		288,834,985	336,096,108	372,580,303	409,780,519	450,761,981	495,838,179
Trade deposits, prepayments and other receivables		59,000,958	293,179,928	337,197,331	369,606,482	432,993,994	507,232,664
Taxation - net (due from government)		1,939,563	2,039,053	-	-	-	-
Sales tax refundable		181,386,592	-	-	-	-	-
Cash and bank balances		194,543,234	118,779,451	803,250,268	1,170,896,519	1,105,260,886	1,429,776,254
Total current assets		**3,789,491,492**	**3,538,333,945**	**3,430,829,068**	**4,153,404,615**	**4,626,148,988**	**5,592,343,515**
TOTAL ASSETS		**4,286,393,707**	**4,104,465,428**	**3,949,044,167**	**4,613,860,263**	**5,181,926,629**	**6,084,620,923**
Equity							
Issued, subscribed and paid-up capital		333,340,000	333,340,000	2,251,326,620	2,251,326,620	2,251,326,620	2,251,326,620
Advance against issue of shares		1,997,986,620	1,992,071,320	14,084,700	14,084,700	14,084,700	14,084,700
Accumulated profit / (loss)		(290,646,398)	(294,103,128)	265,125,070	798,014,190	1,417,146,054	2,143,502,861
Total equity		**2,040,680,222**	**2,031,308,192**	**2,531,536,390**	**3,063,425,512**	**3,682,557,374**	**4,408,914,204**
Non-current liabilities							
Provision for gratuity		4,759,423	9,050,195	9,050,195	9,050,195	9,050,195	9,050,195
Current liabilities							
Trade payables		1,517,465,477	560,192,223	997,035,340	1,130,907,576	1,094,272,453	1,280,331,515
Accrued and other liabilities		-	27,670,568	18,505,264	22,263,817	31,606,110	37,745,027
Provisions		-	90,031,939	36,217,600	77,157,400	78,081,400	79,047,800
Sales tax payable		-	12,305,855	12,305,855	12,305,855	12,305,855	12,305,855
Sindh sales tax payable		-	42,110,578	42,110,578	42,110,578	42,110,578	42,110,578
Withholding taxes payable		-	682,463	682,463	682,463	682,463	682,463
Due to related parties		486,156,255	62,971,080	62,971,080	62,971,080	62,971,080	62,971,080
Accrued mark-up		18,353,280	63,981,182	5,947,814	5,353,033	4,817,730	4,335,957
Short-term borrowings		274,958,984	224,213,150	200,791,885	181,572,692	163,451,386	147,106,248
Total liabilities		**2,244,713,485**	**1,093,159,234**	**1,427,507,827**	**1,550,414,651**	**1,499,369,254**	**1,675,746,719**
TOTAL EQUITY AND LIABILITIES		**4,286,393,707**	**3,124,467,426**	**3,959,044,167**	**4,613,840,163**	**5,181,926,639**	**6,084,660,923**

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Haji Mohammad Ismail Mills Limited
409 Commerce Centre, Hasrat Mohani Road, Karachi- 74200
Tel:32638521-3 E.mail:info@hmiml.com, website:www.hmiml.com

Karachi: Nov.03, 2026

The General Manager,
Pakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
Karachi

Sub: **DISCLOSURE OF MATERIAL INFORMATION**

Dear Sirs

In accordance with the requirements of the Rule Book of Pakistan Stock Exchange Limited and applicable provisions of the Securities Act, 2015, HAJI MOHAMMAD ISMAIL MILLS LIMITED **("the Company")** hereby conveys the following information: -

"Subject to approval of the shareholders and requisite permissions / approvals and sanction of the Scheme of Arrangement by the Honorable High Court of Sindh at Karachi and subject to fulfillment of all legal requirements, the Board of Directors of Haji Mohammad Ismail Mills Limited (hereinafter the 'Company') in its meeting held 03 November, 2026 has approved the Draft Scheme of Arrangement in terms of provisions of sections 279 to 283 and all other enabling provisions of the Companies Act, 2017 between the Company and its members and Sego Pakistan (Private) Limited ("SPL") and its members for the Merger / Amalgamation of the entire undertaking of SPL with and into the Company ("the Scheme"), along with all ancillary matters put before the meeting, subject to any modification which may be required by the Honorable High Court of Sindh at Karachi.

In terms of the Scheme it is intended, inter alia, that the entire undertaking of SPL (including its assets, liabilities, privileges, obligations, rights and business) shall be merged, by way of amalgamation, with and into the Company, in consideration for which an aggregate of 244,831,768 ordinary shares of the Company of Rs. 10/- each shall be allotted and issued to the shareholders of SPL, based on a swap ratio of 1.0875 ordinary shares of the Company for every 1 ordinary share of SPL of Rs. 10/- each held by the shareholders of SPL. As a consequence of the merger, SPL shall stand dissolved without winding up, and all the shares of SPL shall stand cancelled.

The Scheme further provides, the change of name of the Company to 'Sego Pakistan Limited' and the change of its principal line of business to assembling, manufacturing, importing, exporting, buying, selling and distributing mobile phones, mobile phone parts, accessories, batteries, and allied telecommunication and electronic equipment, and of providing after-sales and other services in relation to them, and to do all things incidental to that business.

A joint petition with regard to the proposed Scheme will be filed with the Honorable High Court of Sindh at Karachi in due course. Effective date of the Scheme is 01 July 2026. The Scheme will also be circulated to Pakistan Stock Exchange Limited and the shareholders subject to directions/order of the Honorable High Court of Sindh at Karachi."

A disclosure form under the Securities Act, 2015 is attached herewith.

You may please inform the members of your Exchange accordingly.

Yours sincerely,
for **Haji Mohammad Ismail Mills** Limited

([Muhammad Sarfraz])
Company Secretary

Encl: As Above

The Director / HOD
Listed and Unlisted Companies Supervision Department
Supervision Division
Securities & Exchange Commission of Pakistan,
NIC Building, 63-Jinnah Avenue,
ISLAMABAD

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DISCLOSURE FORM
IN TERMS OF SECTIONS 96 AND 131 OF THE SECURITIES ACT, 2015

Name of the Company and Registered Office	Haji Mohammad Ismail Mills Limited 409-Commerce Centre, Hasrat Mohani Road, Karachi 74200
Date of Report	03 November, 2026
Contact Information	[Mr. Muhammad Sarfraz] Company Secretary Phone No. [021-32638521 Email: sarfrazinfo@hotmail.com

Disclosure of Price Sensitive / Inside Information in Terms of the Securities Act, 2015:

"Subject to approval of the shareholders and requisite permissions / approvals and sanction of the Scheme of Arrangement by the Honorable High Court of Sindh at Karachi and subject to fulfillment of all legal requirements, the Board of Directors of Haji Mohammad Ismail Mills Limited (hereinafter the 'Company') in its meeting held 03 November, 2026 has approved the Draft Scheme of Arrangement in terms of provisions of sections 279 to 283 and all other enabling provisions of the Companies Act, 2017 between the Company and its members and Sego Pakistan (Private) Limited ("SPL") and its members for the Merger / Amalgamation of the entire undertaking of SPL with and into the Company ("the Scheme"), along with all ancillary matters put before the meeting, subject to any modification which may be required by the Honorable High Court of Sindh at Karachi.

In terms of the Scheme it is intended, inter alia, that the entire undertaking of SPL (including its assets, liabilities, privileges, obligations, rights and business) shall be merged, by way of amalgamation, with and into the Company, in consideration for which an aggregate of 244,831,768 ordinary shares of the Company of Rs. 10/- each shall be allotted and issued to the shareholders of SPL, based on a swap ratio of 1.0875 ordinary shares of the Company for every 1 ordinary share of SPL of Rs. 10/- each held by the shareholders of SPL. As a consequence of the merger, SPL shall stand dissolved without winding up, and all the shares of SPL shall stand cancelled.

The Scheme further provides, the change of name of the Company to 'Sego Pakistan Limited' and the change of its principal line of business to assembling, manufacturing, importing, exporting, buying, selling and distributing mobile phones, mobile phone parts, accessories, batteries, and allied telecommunication and electronic equipment, and of providing after-sales and other services in relation to them, and to do all things incidental to that business.

A joint petition with regard to the proposed Scheme will be filed with the Honorable High Court of Sindh at Karachi in due course. Effect as date of the Scheme is 01 July 2026. The Scheme will also be circulated to Pakistan Stock Exchange Limited and the shareholders subject to directions/order of the Honorable High Court of Sindh at Karachi."

The Company has duly caused this form / statement to be signed on its behalf by the undersigned.

For Haji Mohammad Ismail Mills Limited

([Muhammad Sarfraz])
Company Secretary