

December 26, 2023/17

**The General Manager**

Pakistan Stock Exchange Limited.  
Stock Exchange Building, Stock Exchange Road,  
Karachi.

**MATERIAL INFORMATION**

Dear Sir,

We are pleased to inform you that the following Special Resolutions have been passed by the Certificate holders of Modaraba Al-Mali in the Extraordinary General Meeting (EOGM) of the Modaraba held on Tuesday, December 26<sup>th</sup>, 2023, at 11:30 A.M, conducted under the Order No. 78278/2023, dated, November 28<sup>th</sup>, 2023, of the Honorable Lahore High Court, Lahore through the Court appointed Co-Chairmen, to approve the Scheme of Compromises, Arrangement and Reconstruction for amalgamation / merger of LSE PROPTECH LIMITED and MODARABA AL-MALI with and into LSE CAPITAL LIMITED along with Partial Transfer of Designated Assets of LSE CAPITAL LIMITED with and into LSE FINANCIAL SERVICES LIMITED (in terms of provisions of Sections 279 to 283 and all other enabling provisions of the Companies Act, 2017):

**SPECIAL RESOLUTIONS:**


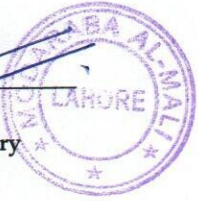
1. **“RESOLVED THAT** pursuant to the provisions of Section 279 to 283 of the Companies, Act, 2017 and other applicable provisions, if any, and subject to the approval of Registrar Modaraba and the Honorable Lahore High Court, the proposed merger (Part-1) of **LSE Proptech Limited** (‘Transferor Company’) with and into **LSE Capital Limited** (‘Transferee Company’) along with the draft Scheme of Amalgamation/ Merger/ as placed before the shareholders, be and are hereby approved.
2. **RESOLVED THAT** pursuant to the provisions of Section 279 to 283 of the Companies, Act, 2017 and other applicable provisions, if any, and subject to the approval of Registrar Modaraba and the Honorable Lahore High Court, the proposed merger (Part-1) of **Modaraba Al-Mali** (‘Transferor Company’) with and into **LSE Capital Limited** (‘Transferee Company’) along with the draft Scheme of Amalgamation/ Merger/ as placed before the shareholders/ certificate-holders, be and are hereby approved.
3. **RESOLVED THAT** pursuant to the provisions of Section 279 to 283 of the Companies, Act, 2017 and other applicable provisions, if any, and subject to the approval of Registrar Modaraba and the Honorable Lahore High Court, the proposed partial merger (Part-2) of **LSE Capital Limited** (‘Transferor Company’) with and into **LSE Financial Services Limited** (‘Transferee Company’) along with the draft Scheme of Amalgamation/ Merger/ as placed before the shareholders, be and are hereby approved.
4. **RESOLVED FURTHER THAT** approval be and is hereby accorded to implement the Scheme and accordingly application/petition shall be filed with the Securities and Exchange Commission of Pakistan, honorable Lahore High Court, Pakistan Stock Exchange Limited and any other competent authority(ies).
5. **RESOLVED FURTHER THAT** the approval of the shareholders and Modaraba certificate-holders, be and is hereby granted to the terms and conditions as set out in the draft Scheme of Amalgamation/ Merger, which includes, inter-alia, the following:
  - a) That all asset and liabilities including Income Tax and all other statutory liabilities of the Transferor Company (**LSE Proptech Limited**) will be transferred to and vest in the Transferee Company i.e. **LSE Capital Limited** (as described in Schedule – 1 of the Scheme);
  - b) That all asset and liabilities including Income Tax and all other statutory liabilities of the Transferor Company (**Modaraba Al-Mali**) will be transferred to and vest in the Transferee Company i.e. **LSE Capital Limited** (as described in Schedule – 2 of the Scheme);
  - c) That designated asset and liabilities including Income Tax and all other designated statutory liabilities of the Transferor Company (**LSE Capital Limited**) will be transferred to and vest in the Transferee Company i.e. **LSE Financial Services Limited** (as described in Schedule – 3 of the Scheme);

- d) That all the employees of the Transferor Company (i.e. **LSE Proptech Limited**), if any, in service on the date immediately preceding the date on which Scheme finally takes effect i.e. the Effective Date, shall become the employees of the Transferee Company i.e. **LSE Capital Limited** (as described in Schedule – 6 of the Scheme) on such date without any break or interruption in service and upon terms and conditions not less favorable than those subsisting in the concerned Transferor Company on the said date;
- e) That all the employees of the Transferor Company (i.e. **Modaraba Al-Mali**), if any, in service on the date immediately preceding the date on which Scheme finally takes effect i.e. the Effective Date, shall become the employees of the Transferee Company i.e. **LSE Capital Limited** (as described in Schedule – 6 of the Scheme) on such date without any break or interruption in service and upon terms and conditions not less favorable than those subsisting in the concerned Transferor Company on the said date;
- f) No transfer of employee shall be made from **LSE Capital Limited** (as Transferor Company) to **LSE Financial Services Limited** (as Transferee Company);
- g) That the Scheme of Amalgamation / Merger shall be effective from **Effective Date**, the provisions of the Scheme, so far as they relate to transfer and vesting of the business and undertaking(s) of the Transferor Company(ies) (as described in Schedule – 1, Schedule – 2 and Schedule - 3 of the Scheme) into the Transferee Company(ies), shall be applicable and come into operation from the Sanction Date or such other date as the Honorable Lahore High Court may approve;
- h) That the **LSE Capital Limited** shall allot shares to the shareholders of the **LSE Proptech Limited** in accordance to the **SWAP Ratio** as per the Valuation Report given by the **Kreston Hyderbhimji & Co., Chartered Accountants** (or any other renowned practicing-chartered accounting firm), as tabled before the meeting and taken note of; and
- i) That the **LSE Capital Limited** shall allot shares to the certificate-holders of the **Modaraba Al-Mali** in accordance to the **SWAP Ratio** as per the Valuation Report given by the **Kreston Hyderbhimji & Co., Chartered Accountants** (or any other renowned practicing-chartered accounting firm), as tabled before the meeting and taken note of; and
- j) That the **LSE Financial Services Limited** shall allot shares to the shareholders of the **LSE Capital Limited**, to the certificate-holders of **Modaraba Al-Mali** and to the **LSE Capital Limited** in accordance to the **SWAP Ratio** as per the Valuation Report given by the **Kreston Hyderbhimji & Co., Chartered Accountants** (or any other renowned practicing-chartered accounting firm), as tabled before the meeting and taken note of; and
- k) That **LSE Capital Limited** shall allot shares to **LSE Financial Services Limited** in accordance to the Scheme.
- l) That the distribution of shares of **LSE Proptech Limited** owned by **Modaraba Al-Mali** to be distributed to the certificate-holders of **Modaraba Al-Mali**.
- m) That the distribution of certificates of **Modaraba Al-Mali** owned by **LSE Capital Limited** to be made to the shareholders of **LSE Capital Limited**.
- n) That the listing status of the **LSE Proptech Limited (LSEPL)** with the Pakistan Stock Exchange Limited (PSX) and eligibility status (of **LSEPL**) with Central Depository Company of Pakistan Limited (CDC) along with all privileges, rights and liabilities of the Transferor Company with PSX and CDC shall be transferred in the names of the **LSE Capital Limited** (as described in the Scheme).
- o) That the listing status of the **Modaraba Al-Mali (MODAM)** with the Pakistan Stock Exchange Limited (PSX) and eligibility status (of **MODAM**) with Central Depository Company of Pakistan Limited (CDC) along with all privileges, rights and liabilities of the Transferor Company with PSX and CDC shall be transferred in the names of the **LSE Financial Services Limited** (as described in the Scheme).
- p) Effective date of the Scheme is **June 30, 2023** or any other date which is determined by the honorable Lahore High Court. However, this will not affect the SWAP ratio determined in the Scheme. Any difference, if any, will be adjusted either in goodwill or merger reserves, as the case may be. Moreover, actual transfer will be effectuated on sanctioned date, when the Scheme shall become the operative (as defined in Article – 3 of the Scheme). No further approval shall be required from the shareholders of the Company.
- q) SWAP ratio will not be changed unless directed (and accepted by the Company) by the honorable Lahore High Court or the Securities and Exchange Commission of Pakistan, as the case may be. Any difference, if any, will be adjusted either in goodwill or merger reserves, as the case may be. No further approval shall be required from the shareholders of the Company.

6. **RESOLVED FURTHER THAT** pursuant to the provision of Section 279 to 283 of the Companies, Act, 2017 and other applicable provisions, necessary joint/separate application(s), petition(s) and may be moved by the Chief Executive Officer or the Company Secretary of **LSE Capital Limited** singly before the Honorable Lahore High Court, for seeking its directions as to convening, holding and conducting of any meeting(s) of the shareholders and creditors (if any) or dispensation thereof, as the case may be, including for the appointment of Chairman, issuance and dispatch of notices and placement of advertisements and for seeking any other directions as the Honorable Lahore High Court may deem fit and proper and for seeking the approval of the proposed amalgamation/ merger and the proposed Scheme of Amalgamation / Merger.”
7. **RESOLVED FURTHER THAT** approval be and is hereby given to the Board of Directors of **LSE Proptech Limited** and **LSE Capital Limited** to amend the swap ratio, if advised or directed by the Securities and Exchange Commission of Pakistan or honorable Lahore High Court, as the case may be, for the issuance of shares of **LSE Capital Limited** to the shareholders of the **LSE Proptech Limited**.
8. **RESOLVED FURTHER THAT** approval be and is hereby given to the Board of Directors of **Modaraba Al-Mali** and **LSE Capital Limited** to amend the swap ratio, if advised or directed by the Securities and Exchange Commission of Pakistan or honorable Lahore High Court, as the case may be, for the issuance of shares of **LSE Capital Limited** to the shareholders of the **LSE Proptech Limited**.
9. **RESOLVED FURTHER THAT** approval be and is hereby given to the Board of Directors of **LSE Capital Limited** and **LSE Financial Services** to amend the swap ratio, if advised or directed by the Securities and Exchange Commission of Pakistan or honorable Lahore High Court, as the case may be, for the issuance of shares of **LSE Financial Services Limited** to the shareholders of the **LSE Capital Limited** and to the **LSE Capital Limited**.
10. **RESOLVED FURTHER THAT** approval be and is hereby given to the Board of Directors of **LSE Financial Services** and **LSE Capital Limited** to amend the swap ratio, if advised or directed by the Securities and Exchange Commission of Pakistan or honorable Lahore High Court, as the case may be, for the issuance of shares of **LSE Capital Limited** to the **LSE Financial Services Limited**.
11. **RESOLVED FURTHER THAT** the shareholders, be and hereby authorize singly the Chief Executive or the Company Secretary of the Company (i.e. respective company/ corporate undertaking), to undertake and implement all relevant steps/actions, required to be completed, as a consequence of the approval of the above special resolutions.
12. **RESOLVED FURTHER THAT** the Chief Executive Officer or the Company Secretary of the **LSE Capital Limited**, be and are hereby singly authorized to submit the certified true copies of the resolutions passed by the shareholders of the Company (i.e. respective company/ corporate undertaking) to the Honorable Lahore High Court, the Registrar of Companies, the Securities and Exchange Commission of Pakistan, Pakistan Stock Exchange Limited and such other competent authorities, if necessary.”
13. **RESOLVED FURTHER THAT** the Chief Executive Officer, or the Company Secretary of the **LSE Capital Limited**, be and are hereby singly authorized:
  - a) To sign, submit or present necessary applications, petitions, supplementary applications/petitions, summons, deeds, documents, instruments, rejoinders, replies, and to swear affidavits or execute bonds for the above-mentioned amalgamation/ merger;
  - b) To engage any counsel(s)/advocate(s)/consultant(s) to file the application(s) and petition(s) before the Honorable Lahore High Court, and to do other needful tasks;
  - c) To appear [in person or through representative(s)] before the Honorable Lahore High Court; the Offices of the Registrar of the Companies; the Securities and Exchange Commission of Pakistan; Pakistan Stock Exchange Limited and/or before any other authority or person in connection with the aforesaid amalgamation/merger; and

- d) To do any other act, deed or thing which may be ancillary or incidental to the above-mentioned matter or which may otherwise be required for the aforesaid purpose."

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

  
**Inam Ullah**  
Company Secretary  


CC:

1. Executive Director / HOD, Offsite-II Department, Supervision Division, the Securities and Exchange Commission of Pakistan, Islamabad.