

Presented on 31/05/2025

Registrar Company Bench

**IN THE HIGH COURT OF SINDH AT KARACHI  
(COMPANIES JURISDICTION)**

J. C. M. PETITION NO. 24 OF 2025

In the matter of:

Sections 279 to 283 and 285(8) of the Companies Act, 2017

1. **SUPERNET TECHNOLOGIES LIMITED**, a public company limited by shares, incorporated under the provisions of the Companies Act, 1913, and existing under the provisions of the Companies Act, 2017, having its registered office at 4th Floor, Tower B, World Trade Center, Khayaban-e-Roomi, Block-5, Clifton, Karachi.
  
2. **SUPERNET LIMITED**, a public company limited by shares, incorporated under the provisions of the Companies Ordinance, 1984, and existing under the provisions of the Companies Act, 2017, having its registered office at 9th Floor, Tower - B, World Trade Center, Block 05, Clifton, Karachi.



.....PETITIONERS

PETITION UNDER SECTION 279 READ WITH  
SECTIONS 280 TO 283 AND 285(8) OF THE COMPANIES ACT, 2017

Order Sheet  
IN THE HIGH COURT OF SINDH, KARACHI  
J. C. M. No. 24 of 2025

Date Order with signature of Judge

For hearing of main petition.

24.02.2026

Mr. Michael Azmat Rahim, Advocate alongwith Ms. Heer Memon, Advocate for Petitioners.

Mr. Hafiz S. Ebad-ur-Rehsmn, Advocate for SECP.

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The Petitioners have filed the instant Petition under Section 279 to 283 and 285(8) of the Companies Act, 2017, seeking *inter-alia* sanction of a Scheme of Arrangement.

Under Section 279, 281, 282, 283 and 285 of the Companies Act, 2017, all formalities have been fulfilled. The Scheme of Arrangement sought is available at Page-189, Annexure "G" of the File.

The relevant Reports of the respective Petitioners are available on File<sup>1</sup>, as per Rule 57 of the Companies (Court) Rules, 1997.

Advertisement of the main Petition was ordered by this Court on 03.06.2025, and subsequently Publication was carried out in the daily Jang (Urdu) and The News (English) Newspapers both dated 06.06.2025. Publication was also issued to be printed in the Official Gazette on 25.06.2025. Creditors' Report has also been filed with the Chairman's Report<sup>2</sup>. Chairman's Report relating to Notice of Meeting of the Members of Petitioner No.2 held in compliance of the orders of this Court is also on record<sup>3</sup>.

Learned counsel for the Petitioners has further referred to Report of the Chartered Accountants being H.A.M.D. & Co.<sup>4</sup> towards the assessment for valuating the value of shareholding between the Petitioners.

Learned counsel submits that all legal formalities and compliance have been concluded, and therefore, there does not remain any serious objection

<sup>1</sup> Available at Pages-777, 881 & 829 of the file

<sup>2</sup> Available at Page-881 of the Court file

<sup>3</sup> Available at Page-829 of the court file

<sup>4</sup> Available at Page-235 of the court file





regarding the Scheme of Arrangement to be allowed. He has, however, pointed to the Comments filed by the Securities & Exchange Commission of Pakistan ("SECP")<sup>5</sup>, whereby, it was noted that a minuscule percentage of the membership, being less than 0.5% of the shareholders, has attempted to raise objections against a proposed Scheme of Arrangement. However, he submits that the same was done purely for nuisance value as such minority shareholding do not have any legal grounds to interfere with the Scheme of Arrangement. He further submits that the Stock Market prices have increased by 70% approximately, and that if such minute minority Shareholders had any issue, they could have sold their shareholding in the normal the course for massive profits, but have instead just attempted to cause undue harassment towards the Petitioners in a bid to unduly obstruct the Scheme of Arrangement. He reiterates the said minority are of no legal relevance since they hold less than 1% of the total shareholding.

The SECP is represented by Syed Hafiz Ebad-ur-Rehman, who submits that all codal formalities and legal requirements have been fulfilled, and there remains no impediment to grant of this Petition. He further submits that even the alleged objection raised by the 0.5% shareholder is not in any manner sufficient to legally halt the instant Scheme of Arrangement.

Considering that no objection has been received against this Petition, nor is there any material on record to suggest that same is contrary to law or in violation of any public interest, accordingly, the instant Petition is allowed as prayed, and the Scheme of Arrangement is hereby permitted subject to fulfillment of all legal requirements and formalities.

*Petition allowed.*

Ayaz

Sd/- Muhammad Osman Ali Hadi  
Judge

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COMPARED BY  
OFFICE ASSISTANT

(FARMAN ALI)  
ASSISTANT REGISTRAR (COPYING)

<sup>5</sup> Available at Page-911 of the file



**THE HIGH COURT OF SINDH, KARACHI**

**CERTIFIED TO BE TRUE COPY**

*[Handwritten Signature]*  
21/12/26

**(FARMAN ALI)**

**ASSISTANT REGISTRAR (COPYING)**

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**(FARMAN ALI)**

**ASSISTANT REGISTRAR (COPYING)**

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21/12/26

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Annexure.....G.....

## SCHEME OF ARRANGEMENT

UNDER SECTIONS 279 TO 283 AND 285(8) OF  
THE COMPANIES ACT, 2017

INVOLVING

SUPERNET TECHNOLOGIES LIMITED  
AND ITS MEMBERS

AND

SUPERNET LIMITED  
AND ITS MEMBERS

FOR

The corporate / capital re-organization of group companies involving, *inter alia*, the merger / amalgamation of the entire undertaking of Supernet Limited with and into Supernet Technologies Limited, along with all ancillary matters.



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SCHEME OF ARRANGEMENT

UNDER SECTIONS 279 TO 283 AND 285(8) OF THE COMPANIES ACT, 2017

BETWEEN

**SUPERNET TECHNOLOGIES LIMITED**, a public company limited by shares and listed on the Pakistan Stock Exchange Limited, incorporated and existing under the laws of Pakistan and having its registered office at 4<sup>th</sup> Floor, Tower B, World Trade Center, Khayaban-e-Roomi, Block-5, Clifton, Karachi (hereinafter referred to as "**STL**", which expression shall mean and include, where the context so requires or admits, its successors-in-interest and permitted assigns);

AND

**SUPERNET LIMITED**, a public company limited by shares and listed on the growth enterprise market board of the Pakistan Stock Exchange Limited, incorporated and existing under the laws of Pakistan and having its registered office at 9<sup>th</sup> Floor, Tower - B, World Trade Center, Block 05, Clifton, Karachi (hereinafter referred to as "**SNL**", which expression shall mean and include, where the context so requires or admits, its successors-in-interest and permitted assigns);

AND

THEIR RESPECTIVE MEMBERS.

RECITALS

WHEREAS by this Scheme of Arrangement ("**Scheme**"), it is, *inter alia*, proposed that:

1. The entire undertaking, comprising all the Assets, Liabilities and Obligations of SNL shall, as at the Effective Date, stand merged with, transferred to, vested in, and be assumed by STL.
2. There shall be a capital re-organization of STL, such that STL Shares shall be issued to the STL Shareholders.
3. As consideration for the Amalgamation, it is proposed that STL Shares shall be issued to the SNL Shareholders in accordance with this Scheme.
4. Upon the merger and transfer of SNL in the manner prescribed under this Scheme, SNL shall be dissolved without winding up, and shall stand de-listed from the PSX.
5. This Scheme, if approved through a resolution by the requisite majority of the respective members of STL and SNL, along with the requisite majority of creditors (as may be applicable), and sanctioned by the Court by an order passed in this respect, is to be binding on STL and SNL along with all the members, creditors, employees, Customers, contracting parties, government, tax and regulatory / statutory authorities, bodies and departments of or with respect to STL and SNL (as applicable) respectively.



## BENEFITS OF THIS SCHEME

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### A. Arrangements Between STL, SNL and their Respective Members

The Amalgamation shall allow STL and SNL to effectuate the arrangement envisaged by the parties, including the companies and their respective members, through the provisions of sections 279 to 283 and 285(8) of the Act, in a seamless and tax efficient manner.

### B. Larger Asset Base

The Amalgamation would lead to an increase in the asset base and the size of the surviving entity i.e. STL. This would in turn allow the surviving / merged entity access to a combined pool of assets which are likely to provide better investment opportunities. The larger size of the equity and asset base would provide greater comfort to existing and potential creditors of the surviving / merged entity.

### C. Optimized Legal Structure and Tax Efficiencies

The Amalgamation would lead to a more streamlined and efficient organizational structure by, *inter alia*, reducing the number of legal entities in the structure having similar business lines, improving governance and decision-making processes, which would result in better management of the operations and business. In addition to reducing the multiplicity of legal and regulatory compliances required to be carried out, such a structure is expected to result in business growth and long-term business continuation.

For STL, and the members of the merged / surviving entity (including the STL Shareholders and SNL Shareholders), the vesting of SNL's undertaking and business therein will result in enhanced tax efficiency, preventing double taxation on the same profits which are received by SNL and thereafter distributed to STL under the existing structure of the companies.

### D. Increase in Risk Absorption Capacity

The larger size of STL (as the merged / amalgamated entity) would increase its risk absorption capacity, thus enhancing the capacity to manage any potential risks arising out of adverse and / or uncertain operating environments. In the long run, this factor would provide greater stability as well as sustainability in the business and operations for STL.

### E. Reduction in Administrative Costs

The Amalgamation would enable the merged entity i.e. STL to carry out the business / operations of SNL and STL through single / consolidated operations, accounts / finance, treasury, administration, human resources and management information system departments, under one management, as well as sharing of office space, thus resulting in considerable cost savings and economies of scales, as well as better and more efficient coordination and use of resources.



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**F. Single Corporate and Tax Reporting**

The Amalgamation will make single corporate and tax reporting possible for the merged entity. The same will entail elimination of maintenance of separate records for business operations, selling, purchasing, marketing, legal, administrative, and secretarial and other records under the various laws resulting in duplication of work and higher costs.

**G. Leveraging Against the Assets of SNL**

The Amalgamation will allow STL to acquire the benefit of the Assets of SNL without having to pay cash consideration in respect of such Assets, and leverage the same for raising further capital (potentially at lower cost) for growing the business and enhancing shareholder value.

**H. Cost Savings and Rationalization**

The Amalgamation would enable the companies and their respective members to rationalize and save costs under the applicable laws while effectuating the envisaged arrangement.

**I. Benefits to Shareholders**

The Amalgamation, along with the capital re-organization of STL and SNL (being group companies, is likely to (in the context of the benefits set out above) enhance shareholder value as well as future returns for all shareholders of STL (including the shareholders of SNL upon their becoming shareholders of STL upon the effectuation of the Amalgamation). The merged entity will have larger market capitalization, including pursuant to the capital reorganization arrangement, and improved market position with the potential for better performance. Furthermore, and taking into account that STL is listed on the main board of the PSX, the merged / surviving entity will allow for more liquidity of shares, allowing shareholders (especially minority shareholders) to trade in their shares with more ease. Additionally, a robust company may attract more investors, further improving shareholder returns and shareholder value.



NOW THEREFORE, this Scheme is presented as follows:

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## ARTICLE 1

### DEFINITIONS AND INTERPRETATION

1.1. In this Scheme, including in the recitals and benefits above, unless the subject or context otherwise requires, the following expression shall bear the meanings specified against them below:

“Act” means the Companies Act, 2017;

“Amalgamation” shall have the same meaning as prescribed thereto in Article 2.1;

“Annexure A” is the annexure attached hereto which lists the current members of the Board of Directors of STL;

“Annexure B” is the annexure attached hereto which lists the current members of the Board of Directors of SNL;

“Annexure C” is the annexure attached hereto containing the Swap Letter;

“Assets” mean assets, properties and rights of every description and kind (whether present or future, actual or contingent, tangible or intangible) and includes properties held on trust and benefit of securities obtained from Customers, benefits, interests, powers, rights, authorities, privileges, Contracts, Government consents, Government subsidies, tax refunds / credits, tax protections, remissions and exemptions (including holding period of such assets and liabilities along with all the rights attached and accrued thereto including, but not limited to, equity-based tax credits for unexpired period), sanctions and authorizations, including all registrations, licences, certifications, approvals, Claims, no objection certificates / letters, permits, categories, exemptions, quotas, entitlements, sanctions, empowerments, dispensations, charters, immunities, grants, prerogatives, permissions and benefits relating to the business / company, all trademarks, patents, copyrights, intellectual property rights (whether registered or not), licences, liberties, secret processes, know-how, good-will, data and confidential information belonging / pertaining to a company. Without in any way limiting or prejudicing the generality of the foregoing, it is hereby clarified that the term ‘Assets’ shall include: (i) all properties, immovable and movable, real, corporeal or incorporeal, in possession or reversion, present or contingent of whatsoever nature and wheresoever situated belonging to a company, as well as equity, stocks, debentures, bonds, rights under futures, options, derivative contracts, commodities etc. (and all rights, titles, interests and easements associated therewith); (ii) all inventory, stock-in trade, raw materials, ingredients, packaging, consignments from shipments, consumable stores, plant, machinery, equipment, furniture and fixtures, work-in-progress, computer hardware and software, software applications and licences, motor vehicles, office and laboratory equipment and supplies, appliances and accessories, spare parts and tools; (iii) all Claims, choses-in-action, instruments, decretal amounts, bank and other accounts, cash balances, goodwill, revaluation surplus, reserve funds, revenue balances, investments (together with control in subsidiary and associated companies), other investments, interest / profit / dividends accrued on investments, loans; advances, guarantees, deposits, prepayments, receivables, book debts, trade debts and all other rights and interest in and arising out of such property in the



ownership, possession, power or control of a company, whether legal or beneficial, whether within or out of Pakistan; (iv) all books of accounts, registers, records, information, data, documents of title, reports, policies, surveys, research, advertising or other promotional material, and all other documents of whatever nature relating thereto, in every form; (v) all benefits and rights under Contracts, including rights under or relating to Contracts; (vi) all the utilities connections, equipment, installations and facilities for telecommunications, electricity, gas, water, sewerage and other installations, owned by, leased or licensed to a company (including related deposits); (vii) the Contingent Claims, tax credits / carry forward losses and proceeds realized from the Liquidation of the Contingent Claims; (viii) unadjusted tax receivables / losses and tax refunds; (ix) sales tax carry forward balance and sales tax refunds; (x) any subsidy receivable claims; and (xi) registrations, approvals, certifications and licenses with / from any and all regulatory authorities and bodies, Federal Board of Revenue, Provincial Boards of Revenue, including in respect of income tax, sales tax, excise duty and otherwise;

**"CDC"** means the Central Depository Company of Pakistan Limited;

**"CDS"** means the Central Depository System (an electronic book entry system for the recording and transfer of securities, established under the Central Depositories Act, 1997 and maintained by the CDC);

**"Claim"** means claim, counter-claim, demand or cause of action and includes a Contingent Claim;

**"Completion Date"** has the same meaning as prescribed thereto in Article 3.1;

**"Contingent Claim(s)"** means any potential Claim that a company may have against any person prior to the Effective Date which may not be disclosed or reflected as part of its Assets on its books or records;

**"Contracts"** means any contracts, agreements, deeds, instruments, insurance policies, letters or undertakings of every description, creating any obligations enforceable against the parties thereto, including any finance agreements;

**"Court"** means the High Court of Sindh at Karachi, or any other Court / authority for the time being having jurisdiction under the Act in connection with the arrangements under this Scheme (including the Amalgamation);

**"Customer"** means any person having entered into a transaction, arrangement or other dealing with a company;

**"Effective Date"** shall have the same meaning as prescribed thereto in Article 3.1;

**"existing"** means existing, outstanding or in force immediately prior to the Effective Date (unless stated otherwise);

**"Liabilities and Obligations"** includes all borrowings, liabilities, duties, commitments and obligations of every description (whether present or future, actual or contingent) arising out of any Contract, law or otherwise whatsoever, and all Securities, and the terms **"Liabilities"** and **"Obligations"** are used interchangeably and / or in conjunction with each other;



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"Liquidation" means the release, compromise, satisfaction, settlement or reduction to judgment of any Claim by a competent court of law;

"PSX" means the Pakistan Stock Exchange Limited;

"Scheme" means this Scheme of Arrangement, in its present form with any modifications thereof or additions thereto, approved or with any conditions imposed by the Court;

"Security" or "Securities" means interest, right or title in and to any and all mortgages, encumbrances 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;

"SNL" shall have the meaning as prescribed in the Preamble above;

"SNL Record Date" means the (book closure) date to be fixed by the directors of SNL, after the Completion Date, in accordance with the provisions of this Scheme, to determine the identities and entitlements of the SNL Shareholders;

"SNL Shareholders" means the members of SNL, other than STL (including its nominees, if any), as determined on the SNL Record Date, to whom STL Shares shall be issued in accordance with the provisions of this Scheme;

"STL" shall have the meaning as prescribed in the Preamble above;

"STL Record Date" means the (book closure) date to be fixed by the directors of STL, after the Completion Date, in accordance with the provisions of this Scheme, to determine the identities and entitlements of the STL Shareholders;

"STL Shareholders" means the members of STL, as determined on the STL Record Date, to whom STL Shares shall be issued in accordance with Article 9.1;

"STL Shares" means the ordinary shares, having face value of PKR 10/- (Pak Rupees Ten) each, in the share capital of STL;

"Swap Letter" means the letter dated May 16, 2025, issued by H.A.M.D. & Co., Chartered Accountants, to the respective Board of Directors of STL and SNL, attached hereto as Annexure C, pertaining to the Amalgamation, and detailing, *inter alia*, the valuations of STL and SNL, along with the basis and calculation of the Swap Ratio; and

"Swap Ratio" shall have the same meaning as prescribed thereto in Article 9.5.

1.2. In this Scheme, unless specified otherwise:

- (i) the headings in this Scheme are for convenience only and shall not affect the construction or interpretation thereof;
- (ii) a reference to any legislation or legislative provision includes any statutory modification of, or re-enactment of, or legislative provision substituted for, and any subordinate legislation under that legislation or legislative provision;



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- (iii) 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;
  - (iv) a reference to an Article or Annexure is to an article or annexure of or to this Scheme;
  - (v) words denoting the singular shall include the plural and vice versa;
  - (vi) a reference to a person includes a company, firm, trust, authority or government and vice versa;
  - (vii) a reference to any person includes that person's executors, administrators, successors, legal heirs, and permitted assigns;
  - (viii) "including" and "include" shall be deemed to mean "including, without limitation" and "include, without limitation"; and
  - (ix) the word "hereof", "herein", "hereto" and "hereunder" and words of similar import when used, with the required linguistic and / or grammatical derivation, in this Scheme refer to this Scheme as a whole and not to any particular provision thereof.

## ARTICLE 2

### OBJECTS OF THE SCHEME

- 2.1. The principal object of this Scheme is to amalgamate the entire undertaking of SNL with and into STL, by transferring to, merging with and vesting in STL the whole of SNL, as a going concern, including all the Assets, Liabilities and Obligations of SNL, as of the Effective Date (the "Amalgamation"), against the allotment and issue of STL Shares to the SNL Shareholders based on the Swap Ratio, and dissolving of SNL without winding up, along with carrying out a capital re-organization of STL involving the allotment and issue of STL Shares to the STL Shareholders, in each case in accordance with the provisions of this Scheme.
- 2.2. It is hereby clarified that although all of the above steps will take place on the same date, and unless otherwise stipulated in this Scheme, the same shall be deemed to be effective as of the Effective Date.

## ARTICLE 3

### EFFECTIVE DATE

- 3.1. This Scheme shall become operative and bind STL and SNL as soon as an order is passed by the Court under Sections 279 / 282 of the Act, sanctioning this Scheme and making the necessary provisions under Section 282 of the Act (hereinafter referred to as the "Completion Date"). When this Scheme becomes operative on the Completion Date, the Amalgamation (along with other matters), in accordance with this Scheme, will be treated as having effect from the start of business at 00:00 hours on January 1, 2025, or such other date as may be stated by the Court (hereinafter referred to as the "Effective Date"). Each company shall file



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a certified copy of the order passed by the Court with the Registrar of Companies in accordance with Section 279 of the Act.

- 3.2. Accordingly, as of the Effective Date and thereafter, until the undertaking of SNL (including the Assets, Liabilities and Obligations thereof) is actually transferred to and vested in STL in terms of this Scheme, the business of SNL, as well as any transactions, operations or activities in relation thereto, will be deemed to have been carried for and on account and for the benefit of STL.
- 3.3. All income, profits, gains and losses accruing or arising to, or incurred by, SNL (including any taxes paid or deducted or collected or withheld, all credits and refunds on account of sales tax, customs duty and other taxes, including the right to adjust the amount of sales tax paid in connection with the undertaking of SNL) from the Effective Date shall be treated as the income, profits, gains or losses (including any taxes paid or deducted or collected or withheld, all credits and refunds on account of sales tax, customs duty and other taxes including the right to adjust the amount of sales tax paid in connection with the undertaking of SNL), as the case may be, of STL. The reserves including unappropriated profits / losses of SNL, up to and immediately preceding the Effective Date, if any, shall constitute and be treated as reserves / losses of a corresponding nature in STL and shall be accounted for on that basis in the books of account of STL. Subsequent to the Completion Date, and as consequence of the Amalgamation, the financial statements of STL will be prepared in accordance with the applicable laws, including the Act (and other regulations and notifications), and the relevant accounting and reporting standards applicable in Pakistan.
- 3.4. Notwithstanding the provisions of Articles 3.2 and 3.3, during the period from the Effective Date up to the Completion Date, each of STL and SNL shall continue to operate independently in the ordinary course and as per past practice, and further be entitled (without being obliged) to declare and distribute dividends from the profits earned during this period to its respective shareholders as determined by its respective Board of Directors in the ordinary course.

#### ARTICLE 4

##### CAPITAL

- 4.1. The authorized share capital of STL is PKR 1,500,000,000/- (Pak Rupees One Billion Five Hundred Million), divided into 150,000,000 (One Hundred Fifty Million) ordinary shares of PKR 10/- (Pak Rupees Ten) each, out of which 500,000 (Five Hundred Thousand) ordinary shares have been issued, fully subscribed to and paid up.
- 4.2. The authorized share capital of SNL is PKR 1,500,000,000/- (Pak Rupees One Billion Five Hundred Million), divided into 150,000,000 (One Hundred Fifty Million) ordinary shares of PKR 10/- (Pak Rupees 10) each, out of which 123,444,455 (One Hundred Twenty Three Million Four Hundred Forty Four Thousand Four Hundred Fifty Five) ordinary shares have been issued, fully subscribed to and paid up.
- 4.3. Upon the sanction of this Scheme, the authorized share capital of SNL shall be merged and combined with the authorized share capital of STL. Resultantly, as a consequence of the above, the authorized share capital of STL shall thus stand enhanced to PKR 3,000,000,000/- (Pak Rupees Three Billion), divided into 300,000,000 (Three Hundred Million) ordinary shares of PKR 10/- (Pak Rupees Ten) each, and accordingly the Memorandum and Articles of



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Association of STL shall stand amended (to the extent required). Approval of the members of STL to this Scheme shall also include and constitute an approval, by way of special resolution, from the members of STL to the alteration of the Memorandum and Articles of Association of STL for the increase of the authorized share capital of STL to PKR 3,000,000,000/- (Pak Rupees Three Billion), as required in terms of the Act.

#### ARTICLE 5

##### BOARD OF DIRECTORS

- 5.1. The present directors of STL are listed in Annexure A.
- 5.2. The present directors of SNL are listed in Annexure B.
- 5.3. The directors of STL are expected to continue as the directors after the Amalgamation / Completion Date, subject to compliance with the applicable laws and / or their ceasing to be directors in the meantime due to any reason(s) and appointments being made to the vacancies thus created and / or fresh elections being held prior to the Completion Date in compliance with applicable laws.
- 5.4. The directors of SNL (comprising the Board of Directors of SNL at the relevant time) shall cease to hold office as directors without any rights to any compensation for loss of office upon the dissolution of SNL in accordance with the provisions of this Scheme.
- 5.5. All the respective directors of STL and SNL have interest in the Amalgamation, and the arrangements under this Scheme, to the extent of their respective directorships and (direct and / or indirect) shareholdings in the said companies (to the extent applicable). The effect of this Scheme on the interest of these directors does not differ from the respective interests of the members of each of STL and SNL, except to the extent stipulated in this Scheme or otherwise disclosed. Certain of these directors are also directors and / or shareholders of the holding company / ultimate holding company of STL and SNL i.e. Telecard Limited.

#### ARTICLE 6

##### AMALGAMATION

###### 6.1. General Description

- (i) As of the Effective Date, SNL, as a going concern (without discontinuation) for the purpose of all laws, shall be amalgamated with and vest in STL upon the terms and conditions set forth in this Scheme without any further act, deed, matter or thing, process or procedure.
- (ii) STL shall be able to carry out all the business of SNL and shall be entitled to all the rights and the benefits thereof.
- (iii) As consideration of the Amalgamation, STL shall allot and issue STL Shares to the SNL Shareholders, while all the shares of SNL (including those held by STL) shall stand cancelled, in each case in accordance with Article 9.



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- (iv) SNL shall be dissolved, without winding up, from the date on which all the STL Shares to be allotted by STL to the SNL Shareholders, as prescribed in Article 9, have been so allotted, or on such later date as the Court may prescribe. Consequently, SNL shall stand de-listed from the PSX.

**6.2. Transfer of the Assets**

- (i) As of the Effective Date, all the Assets of SNL shall immediately, without any conveyance or transfer, and without any further act or deed, or payment of any duties or other amounts, be vested in and become the undertaking and Assets of STL, which shall have, hold and enjoy the same in its own right as fully as the same were possessed, held and enjoyed by SNL prior to the Amalgamation.
- (ii) The vesting / transfer of the Assets shall be subject to all Securities subsisting thereon (if any), including in the manner stipulated in this Scheme.
- (iii) All licences, permits, quotas, rights, permissions, concessions, privileges, sanctions, approvals, certifications, registrations, empowerments, dispensations, charters, immunities, grants, exceptions, entitlements etc. in relation to the business or undertaking of SNL (including rights and control over subsidiaries and associated companies with respect to investments of SNL), the benefit of which SNL may be eligible and which are subsisting or having effect immediately prior to the Effective Date, shall, from the Effective Date, stand vested in and transferred to STL without any further act or deed, and shall be appropriately mutated by the relevant authorities in favour of STL.

**6.3. Transfer of Liabilities and Obligations**

As of the Effective Date, all the Liabilities and Obligations of SNL, including towards the creditors of SNL (if any), shall immediately, and without any further act or deed, be assumed by and become the Liabilities and Obligations of STL, which shall pay, undertake, satisfy, discharge and perform, when due, all such Liabilities and Obligations.

**6.4. STL's Right to Execute Deeds**

Deeds, assignments or similar instruments to evidence the aforesaid transfer of Assets and / or assumption of Liabilities and Obligations of SNL may, if required at any time, be executed by officers of STL authorized to do so in this regard.

**6.5. References to Assets and Liabilities and Obligations**

Any reference in this Scheme to Assets or Liabilities and Obligations of SNL is a reference to Assets or Liabilities and Obligations to which SNL is, for the time being, entitled or subject to (whether beneficially or in any fiduciary capacity) immediately preceding the Effective Date, wherever such Assets or Obligations and Liabilities are situated or arise and whether or not the same are capable of being transferred or assigned to or by SNL under any applicable law or instrument.



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6.6. **Assets held in Trust, etc.**

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

6.7. **Contracts**

Every Contract to which SNL is a party shall have effect as of the Effective Date as if:

- (i) STL had been a party thereto instead of SNL; and
- (ii) Any reference (however worded and whether express or implied) to SNL therein shall stand substituted, as respects anything to be done as of the Effective Date, to a reference to STL.

6.8. **Bank Accounts**

Any and all account(s) maintained by SNL with any bank and / or financial institution shall, as of the Effective Date, become account(s) between STL and such bank and / or financial institution, subject to the same conditions and incidents as therefore; provided that nothing herein shall affect any right of STL to vary the conditions or incidents subject to which any account is kept.

6.9. **Instructions**

Any existing instruction, order, direction, mandate, power of attorney, authority, undertaking or consent given to SNL in writing shall have effect, as of the Effective Date, as if given to STL.

6.10. **Negotiable Instruments**

Any negotiable instrument or order for payment of money drawn on or given to, or accepted or endorsed by SNL, or payable at any place of business of SNL, whether so drawn, given, accepted or endorsed before, as of the Effective Date, shall have the same effect as of the Effective Date, as if it had been drawn on, or given to, or accepted or endorsed by STL, or were payable at the same place of business of STL.

6.11. **Custody of Documents**

The custody of any document, record or goods held by SNL as bailee and duly recorded in their books that pass to SNL under any Contract of bailment relating to any such document, record or goods shall on that day become rights and obligations of STL.

6.12. **Securities:**

- (i) Any Security held immediately before the Effective Date by SNL or by a nominee or agent of or trustee for SNL, as security for the payment or discharge of any liability and obligation of a Customer shall, as of the Effective Date, be held by, or, as the case



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may require, by that nominee, agent or trustee for STL and be available to STL (whether for its own benefit or, as the case may be, for the benefit of any other person) as security for the payment or discharge of that liability and obligation.

- (ii) In relation to any Security vested in STL, pursuant to and / or in accordance with the provisions of this Scheme, and any liabilities and obligations thereby secured, STL shall be entitled to the rights and priorities to which SNL would have been entitled if they had continued to hold the Security.
- (iii) Any Security referred to in the foregoing provisions of this paragraph which extends to future advances or liabilities shall, as of the Effective Date, be available to STL (whether for its own benefit or, as the case may be, 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 respects as future advances or liabilities to SNL or, as the case may be, STL, were secured thereby immediately before that time.
- (iv) All Securities of any nature (whether legal or equitable) granted / created by SNL in favour of its secured creditors, if any, and unless the same have been vacated prior to the Completion Date, will continue to remain operative and effective as Securities in the manner detailed below. In this respect, upon the Amalgamation:
  - (a) the *pari passu* Security holders of SNL, having Securities over the present and future Assets (excluding land and building), or any part or class thereof, of SNL, shall rank *pari passu* with the *pari passu* Security holders of STL, if any, having Securities over the same (class of) combined present and future Assets (excluding land and building) of STL;
  - (b) the ranking Security holders of SNL, having ranking charges / Securities over the present and future Assets (excluding land and building), or any part or class thereof, of SNL, shall continue to be treated as ranking charges / Securities over the combined Assets (or same class thereof) of STL. The ranking of such charges / Securities, along with the ranking of Securities created by STL in favour of its creditors, if any, shall be organized and determined based on the date on which the same were registered with the Securities and Exchange Commission of Pakistan, irrespective of which company had created the same;
  - (c) any mortgage over an immovable property of SNL, granted in favour of a creditor of SNL, if any, shall continue to remain as is (i.e. over such immovable property which stands transferred to and vested in STL upon the Amalgamation);
  - (d) any mortgage over an immovable property of STL, granted in favour of a creditor of STL, if any, shall continue to remain as is; and
  - (e) any first exclusive charge or Security interest granted to a creditor of SNL, by SNL, over specific assets of SNL, if any, will continue to remain and retain its priority over such specific Assets (which stand merged with and into STL upon the Amalgamation), notwithstanding the time of creation and registration of any other charge / Security.



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6.13. **Legal Proceedings**

Where by virtue of this Scheme any right, Claim or Liability of SNL becomes a right, Claim or Liability of STL as of the Effective Date, STL 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 applications 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 STL, and any legal proceedings or application to any authority existing or pending immediately before the Effective Date by or against SNL may be continued by or against STL.

6.14. **Judgments**

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

6.15. **Evidence**

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

6.16. **Authorizations**

Any authorizations / powers of attorney granted by SNL to any persons with respect to the undertaking / business / operations / Assets etc. of SNL shall continue to subsist subsequent to the Amalgamation and shall be deemed to be authorizations / powers of attorney granted by STL to such persons, until or unless otherwise revoked or modified by STL.

6.17. **Clarification**

The provisions contained in Articles 6.2 to 6.16 are without prejudice to the generality of any other provisions in this Scheme, but subject to any provisions in this Scheme to the contrary effect.

**ARTICLE 7**

**CERTAIN OBLIGATIONS AND REPRESENTATIONS**

7.1. Upon the Amalgamation, STL shall take all necessary and expedient steps to properly and efficiently manage its entire business and affairs and shall operate and promote its entire business and affairs in the normal course (to the extent applicable).

7.2. As of the Completion Date, but with effect from the Effective Date, STL shall undertake, pay, satisfy, discharge, perform and fulfil the Liabilities and Obligations, Contracts, engagements and commitments whatsoever of SNL.



ARTICLE 8

THE SCHEME'S EFFECT

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- 8.1. The provisions of this Scheme shall be effective and binding by operation of law and shall become effective in terms of Article 3.
- 8.2. The execution and / or sanction of this Scheme, and the implementation of the Amalgamation, 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 Security (except to the extent stipulated in this Scheme); (iv) give rise to any right of first refusal or pre-emptive right that any person may have in respect of any investment made by such person in STL and / or SNL; and / or (v) constitute a contractual transfer, but a vesting by operation of law.
- 8.3. Upon the sanction of this Scheme, as of the Effective Date, the terms of this Scheme shall be binding on STL and SNL, and also on all the respective shareholders / members of STL and SNL, the Customers of each of STL and SNL, the creditors of each of the companies (to the extent applicable), and on any other person having any right or liability in relation to either of them.
- 8.4. On the Completion Date, and with effect from the Effective Date, this Scheme will override the constitution / constitutive documents of each of STL and SNL, to the extent of any inconsistency.

ARTICLE 9

CAPITAL RE-ORGANIZATION, CONSIDERATION FOR THE AMALGAMATION AND RELATED MATTERS

- 9.1. As part of the arrangements envisaged under this Scheme, including the capital re-organization of STL to achieve the commercial objectives hereunder, STL shall allot and issue an aggregate of 5,500,000 (Five Million Five Hundred Thousand) STL Shares to the STL Shareholders, credited as fully paid up, at par, by capitalizing a portion of the accumulated profits of STL, available as at December 31, 2024, to the extent of PKR 55,000,000/- (Pak Rupees Fifty Five Million), in the ratio of 11 (eleven) STL Shares for every 1 (one) STL Share held by each STL Shareholder. All entitlements resulting in fractions less than a STL Share, if any, shall be consolidated into whole STL Shares which shall be disposed of / dealt with by STL in a manner determined by the Board of Directors of STL. All entitlements of the STL Shareholders shall be determined in the proportion aforesaid. Approval of the members of STL to this Scheme shall also include and constitute an approval for the issuance of the STL Shares to the STL Shareholders against the aforementioned capitalization.
- 9.2. Subsequent to the Completion Date, at least 7 (seven) days' notice shall be given to the members of STL, by STL, specifying the STL Record Date in order to determine the identities of the STL Shareholders and their entitlements (with respect to the STL Shares to be issued in terms of Article 9.1).
- 9.3. The allotment of the STL Shares to the STL Shareholders shall be made by STL within 30 (thirty) days from the STL Record Date. The share certificates for such STL Shares shall be made ready for delivery as soon as practicable thereafter and notices of their readiness for their delivery shall be given to the STL Shareholders in the manner provided in the Articles of Association of



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STL 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 that one of the joint holders whose name appears first in respect of such joint holding. STL shall not be responsible for loss of the share certificates in such transmission.

- 9.4. With respect to the STL Shareholders holding shares of STL in book entry form through the CDS, STL shall (cause CDC to) credit the respective CDC accounts / sub-accounts of the relevant STL Shareholders with book entries relating to the corresponding number of STL Shares which the relevant STL Shareholder is entitled to in accordance with this Article 9. Such allotment shall be carried out in accordance with the rules and regulations of the CDC.
- 9.5. As consideration for the Amalgamation, and taking into account / factoring in the STL Shares to be allotted and issued to the STL Shareholders in terms of Article 9.1, STL shall allot and issue an aggregate of 101,619,475 (One Hundred One Million Six Hundred Nineteen Thousand Four Hundred Seventy Five) STL Shares to the SNL Shareholders, credited as fully paid up, at par, on the basis of a swap ratio of approximately 1.68 STL Share for every 1 (one) ordinary share of SNL, of the face value of PKR 10/- (Pak Rupees Ten) each, held by each SNL Shareholder (the "Swap Ratio"). All entitlements resulting in fractions less than a STL Share shall be consolidated into whole STL Shares which shall be disposed of / dealt with by STL in a manner determined by the Board of Directors of STL. All entitlements of the SNL Shareholders shall be determined in the proportion aforesaid.
- 9.6. The Swap Ratio has been determined and approved by the respective Board of Directors of STL and SNL, based on the calculations and valuations stated in the Swap Letter, based, *inter alia*, on the respective special purpose audited financial statements of STL and SNL for the period ended December 31, 2024, under the adjusted net asset value based approach (including taking into account the STL Shares to be issued to the STL Shareholders in terms of this Scheme). The Swap Letter has been adopted by the respective Board of Directors of each of STL and SNL.
- 9.7. Subsequent to the Completion Date, at least 7 (seven) days' notice shall be given to the members of SNL, by SNL, specifying the SNL Record Date (being the final book closure date) in order to determine the identities of the SNL Shareholders and their entitlements. Such notice shall also specify the date by which the SNL Shareholders shall deliver to SNL (or its share registrar, as directed by SNL), for cancellation, all the share certificates representing ordinary shares (in physical form) in SNL held by them and such share certificates shall be delivered to SNL on or before that date. No trading in the shares of SNL shall be permitted after the SNL Record Date, including through the PSX.
- 9.8. SNL shall, within 10 (ten) days of the SNL Record Date, provide STL with the list of the SNL Shareholders along with details of their respective entitlements (based on the Swap Ratio).
- 9.9. The share certificates delivered / to be delivered by the SNL Shareholders in accordance with Article 9.7 shall stand cancelled (whether or not the same have been surrendered to SNL by the prescribed date) and the SNL Shareholders shall be entitled to share certificates / CDC book-entries representing the number of fully paid up STL Shares to which the respective SNL Shareholder is entitled to in accordance with the provisions of this Scheme. In relation to those SNL Shareholders who hold shares of SNL in book entry form through the CDS, on the date specified in the notice, the book entries relating to the shares of SNL in the CDC accounts of



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such SNL Shareholders shall stand cancelled in accordance with the rules and regulations of the CDC. Additionally, as a consequence of the Amalgamation, all the shares of SNL held by STL (and its nominees, if any) shall stand cancelled in the same manner detailed above.

- 9.10. The allotment of the STL Shares to the SNL Shareholders (in accordance with the provisions of this Article 9) shall be made by STL within 30 (thirty) days from the date notified above. The share certificates for such STL Shares shall be made ready for delivery as soon as practicable thereafter and notices of their readiness for their delivery shall be given to the SNL Shareholders in the manner provided in the Articles of Association of STL. 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 that one of the joint holders whose name appears first in respect of such joint holding. STL shall not be responsible for loss of the share certificates in such transmission. The SNL Shareholders, holding physical share certificates of SNL, shall have the option of receiving their entitlement of STL Shares in book entry form through the CDS, which they shall intimate in writing to SNL in advance (which in turn will intimate STL of the same at the time of sharing details pertaining to the SNL Shareholders in accordance with Article 9.8).
- 9.11. With respect to the SNL Shareholders holding shares of SNL in book entry form through the CDS, such persons (along with other SNL Shareholders who have requested to receive STL Shares in book entry form), STL shall (cause CDC to) credit the respective CDC accounts / sub-accounts of the relevant SNL Shareholders with book entries relating to the corresponding number of STL Shares which the relevant SNL Shareholder is entitled to in accordance with this Article 9. Such allotment shall be carried out in accordance with the rules and regulations of the CDC.
- 9.12. The STL Shares allotted and issued to the STL Shareholders and SNL Shareholders, in accordance with the provisions of this Scheme, shall, in all respect, rank *pari passu* with the ordinary shares of STL and shall be entitled to all dividends declared by STL after the Completion Date.
- 9.13. Any STL Shares to be allotted and issued in accordance with the provisions of this Article 9 in favour of foreign / non-resident STL Shareholders and / or SNL Shareholders, against the shares of STL / SNL (as applicable) held by each of them (that have been registered and / or are held and / or are in the process of being registered with the State Bank of Pakistan, on repatriable basis), shall be deemed to be issued and held on repatriable basis (or deemed to be in the same process of registration), and shall be registered by STL (to the extent applicable) with the State Bank of Pakistan upon issuance thereof.
- 9.14. The Assets of SNL, including its communication equipment and trade receivables, shall be recorded in the books of STL (as the merged / surviving entity) at the amounts used in calculation of the Swap Ratio in the Swap Letter, and the difference arising on amalgamation (vis-à-vis the par value of the STL Shares issued in favour of the SNL Shareholders) shall be recorded as a 'merger reserve' in the books of STL in accordance with the pooling of interests method under the applicable financial reporting standards.
- 9.15. Upon the allotment of the STL Shares in favour of the STL Shareholders and SNL Shareholders in accordance with the provisions of this Scheme, the entitlements of the STL Shareholders and SNL Shareholders (to the extent applicable) under this Scheme shall stand satisfied.



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- 9.16. Subject to the sanction of this Scheme by the Court, SNL shall, without winding up, stand dissolved from the date on which all the STL Shares, to be allotted by STL to the SNL Shareholders as prescribed above, have been so allotted. Consequently, SNL shall automatically stand de-listed from the PSX.

#### ARTICLE 10

#### EMPLOYEES

- 10.1. On and from the Completion Date, but with effect from the Effective Date, all full time officers and employees (including workmen) of SNL shall become the employees of STL (in lieu of their employment with SNL) at the same level of remuneration and under similar terms and conditions of service, for the time being, which they were receiving or, as the case may be, by which they were governed immediately before the Completion Date, including those relating to entitlements and benefits arising upon termination of services, on the basis of continuation of service (which shall be taken into account for the purposes of all benefits to which such Employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other terminal benefits), except where the employment of any such person(s) is terminated (including pursuant to resignation or otherwise) between the Effective Date and the Completion Date.
- 10.2. On and from Completion Date, all deeds, rules and other instruments relating to the provident fund (or any other funds / schemes pertaining to the relevant employees) established by SNL and / or its associated company(ies) (including all amounts / funds in the nature of monies, investments and otherwise, and including amounts standing to the credit of such provident fund (or other schemes) on the Completion Date, held by the trustees for the benefit of SNL's eligible employees who are members and / or beneficiaries thereof), including with respect to the Telecard Limited Employees' Provident Fund (which the eligible employees of SNL are members of), shall remain in full force and effect, for the benefit of the eligible employees of SNL who shall be employees of STL (in accordance with Article 10.1), with STL being replaced therein instead of SNL (as the associated company of Telecard), and STL may enforce all rights and shall perform all obligations and discharge all liabilities arising thereunder accordingly. The trustees of such fund(s) shall take necessary steps, including making the necessary / appropriate revisions, amendments and arrangements for the purposes of the above.
- 10.3. On and from the Completion Date, and as a consequence of the Amalgamation, all amounts / entries pertaining to the gratuity scheme maintained by SNL for its relevant employees shall stand transferred to STL, and shall be accounted for in its books and accounts accordingly for the benefit of such employees.

#### ARTICLE 11

#### GENERAL

##### 11.1. Modifications by the Court

This Scheme shall be subject to such modification of conditions, as the Court may deem expedient to impose. The Board of Directors of STL and SNL respectively may consent to any modifications or additions to this Scheme or to any conditions which the Court may think fit.



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In case of any difficulty in implementation of any aspect of this Scheme, clarifications, directions and / or approval may be obtained from the Court. Notwithstanding the above, in the event that the terms of this Scheme are not approved by the members and / or creditors of STL and / or SNL (as applicable) in its entirety and / or the Scheme, as approved by the respective companies, is modified by the Court, or otherwise, the Board of Directors of STL and / or SNL shall be entitled to withdraw this Scheme (whether or not approval from the members and creditors of the respective companies has been obtained).

**11.2. Severability**

If any provision of this Scheme is found to be unlawful and unenforceable by a competent court of law, then to the fullest extent possible, all of the remaining provisions of the Scheme shall remain in full force and effect.

**11.3. Costs and expenses**

All costs, charges and expenses in respect of the preparation of this Scheme and carrying the same into effect shall be borne by SNL. Subsequent to the sanction of this Scheme, costs, charges and expenses, including for the implementation of the Amalgamation and the arrangements hereunder, shall be borne by STL (being the surviving company).

**11.4. Implementation of this Scheme**

The respective Board of Directors of STL and SNL, to the extent applicable, are hereby authorized and empowered to take all necessary steps and execute all documents, as they may consider necessary, expedient or appropriate, to give effect to the provisions of this Scheme and for the implementation hereof, including to delegate any powers from time to time.



Karachi.  
Dated: MAY 27<sup>th</sup>, 2025.

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Ahmed



For and on behalf of  
SUPERNET TECHNOLOGIES LIMITED

Name: WASEEM AHMAD

Designation: CHIEF EXECUTIVE OFFICER.

[Signature]



For and on behalf of  
SUPERNET LIMITED

Name: JAMAL NASIR KHAN

Designation: CHIEF EXECUTIVE OFFICER.



LIST OF ANNEXURES

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"Annexure A" – List of current members of Board of Directors of STL.

"Annexure B" – List of current members of Board of Directors of SNL.

"Annexure C" – Swap Letter dated May 16, 2025, issued by H.A.M.D. & Co., Chartered Accountants.



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ANNEXURE A

LIST OF CURRENT MEMBERS OF THE BOARD OF DIRECTORS OF SUPERNET TECHNOLOGIES LIMITED

Mr. Asad Mujtaba Naqvi

Mr. Syed Imran Haider Jaffery

Mr. Syed Aamir Hussain

Mr. Jamal Nasir Khan

Mrs. Fabzia Ahsen Pakistan

Ms. Naureen Ahmed

Mr. Waseem Ahmad



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ANNEXURE B

LIST OF CURRENT MEMBERS OF THE BOARD OF DIRECTORS OF SUPERNET LIMITED

Mrs. Fabzia Ahsen

Ms. Naureen Ahmed

Mr. Syed Hashim Ali

Mr. Asad Mujtaba Naqvi

Mr. Ahmer Qamar

Mr. Waseem Ahmed

Mr. Syed Aamir Hussain

Mr. Jamal Nasir Khan



## ANNEXURE C



**H.A.M.D. & Co.**

Chartered Accountants



A Division of TAG Alliances

Globally Connected Locally Respected

May 16, 2025

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The Board of Directors  
Supernet Limited  
9<sup>th</sup> Floor, Tower B, World Trade Centre  
Khayaban-e-Roomi, Block 5, Clifton  
Karachi

The Board of Directors  
Supernet Technologies Limited  
4<sup>th</sup> Floor, Tower B, World Trade Centre  
Khayaban-e-Roomi, Block 5, Clifton  
Karachi

Dear Sirs,

**Re: PROPOSED MERGER / AMALGAMATION OF SUPERNET LIMITED WITH AND INTO SUPERNET TECHNOLOGIES LIMITED – CALCULATION OF SWAP RATIO**

We have been requested to provide the respective Board of Directors of Supernet Limited [SNL] and Supernet Technologies Limited [STL] [collectively referred to as the Companies] with a letter / certificate regarding a proposed swap ratio in relation to the proposed merger / amalgamation of Supernet Limited with and into Supernet Technologies Limited.

We understand that the Scheme of Arrangement under Sections 279 to 283 and 285(8) of the Companies Act, 2017 pertaining to the proposed merger [the Scheme], the draft which has been shared with us, envisages the following:

- (i) The merger, by way of amalgamation, of SNL with and into STL, by transferring to, merging with and vesting in STL, the entire undertaking of SNL, including all assets, liabilities and obligations of SNL.
- (ii) Cancellation of all shares of SNL, including SNL's shares held by STL on its balance sheet as a long-term investment.
- (iii) Issuance of ordinary shares of STL to the existing shareholders of STL (as per the process stipulated in the Scheme).
- (iv) Issuance of ordinary shares of STL to the shareholders of SNL (other than STL itself) pursuant to the Swap Ratio.
- (v) Dissolution of SNL without winding up

The Scheme is envisaged to be effective from the start of business at 00:00 hours on January 1, 2025, or such other date as may be stated by the Honorable High Court of Sindh at Karachi. The Scheme is intended to be filed before the Sindh High Court at Karachi [Court], under the provisions of Sections 279 to 283 and 285(8) of the Companies Act, 2017, which shall require the approval of the requisite majority of the shareholders and creditors of the Companies (to the extent applicable) and the sanction of the Court.



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**H.A.M.D. & Co.**  
Chartered Accountants

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**1. About the Companies**

**a) Supernet Technologies Limited**

Supernet Technologies Limited, was incorporated as a Public Limited Company on 31 October, 1981 under the repealed Companies Act, 1913 (now the Companies Act, 2017). The company operates as a subsidiary of Telecard Limited and is primarily engaged in providing Information technology-enabled services.

**b) Supernet Limited**

Supernet Limited was incorporated in Pakistan on March 14, 1995, under Companies Ordinance, 1984 (repealed with the enactment of Companies Act, 2017). The company is an indirect subsidiary of Telecard Limited. The company is a Fixed Local Loop Operator licensed by Pakistan Telecommunication Authority and engaged in providing satellite and microwave communication services.

**c) Corporate reorganization transaction**

Based on the records and representations from the managements of the respective Companies, as of the date of this certificate, we understand that STL and SNL both are subsidiaries of Telecard Limited. Resultantly, the arrangements envisaged under the Scheme effectively constitute a corporate reorganization of group companies, without the involvement of unrelated third parties.

**d) Shareholding information as at December 31, 2024**

The authorized share capital of STL is Rs 1,500,000,000/-, divided into 150,000,000 ordinary shares of Rs 10/- each. The issued, subscribed and paid-up share capital is Rs. 5,000,000/-, consisting of 500,000 shares.

The authorized share capital of SNL is 1,500,000,000/-, divided into 150,000,000 ordinary shares of Rs 10/- each. The issued, subscribed and paid-up share capital is Rs. 1,234,444,550/- consisting of 123,444,455 shares.

**e) Cross shareholding**

STL holds 62,956,672 ordinary shares in SNL, representing 51.00% of its total shareholding.

**2. Fair value methodologies**

As detailed above, the Scheme envisages a corporate reorganization of group companies, i.e. STL and SNL. Therefore, the methodologies to be used for calculating the swap ratio have to be applicable to the aforementioned Companies.



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**H.A.M.D. & Co.**

Chartered Accountants

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There are three generally accepted valuation methodologies which are utilized for determining the fair value of shares of a company. These are as follows:

- Discounted Cashflows [DCF]
- Capitalized earnings / market price methodology [Comparable Companies / Comparable Transactions]
- Adjusted net asset value

#### Weightage assigned to the methodologies

##### a) Discounted cash flow methodology

As part of the generally accepted principles of conducting valuations, the methodology which is adopted has to be applicable to all the companies that are part of the scheme. STL operates as an IT Enabled Services company and has no significant business operations for preceding quarters. It has no operating cash flows, and its noncash income arises only from its investment in the shares of SNL. The DCF methodology has therefore not been used due to STL's business model stated above, as the same would not be applicable.

##### b) Capitalized earnings methodology

STL is listed on the main board of the Pakistan Stock Exchange, while SNL is listed on the growth enterprise market board of the Pakistan Stock Exchange. The shares of both Companies are thinly traded, with no sizable volumes in place. As stated above, STL's income is driven by its only asset i.e. investment in SNL.

On the other hand, while SNL's business operations consist of ICT, infrastructure and security solutions, Pakistan Telecommunication Limited [PTCL] is the only listed entity which has a similar business model. Having said that, due to the difference in their relative sizes and additional revenue streams of PTCL, both companies are not directly comparable.

There have also not been any transactions, whose data is publicly available, within the telecommunication industry sector, which pertains to the market sector in which both the Companies operate. Previous transactions, whose data is publicly available, were related to acquisition of spectrum and acquisition of telecommunication operators.

The capitalized earnings methodology has therefore not been used for the purposes of calculating the swap ratio, as the same would not be applicable.

##### c) Adjusted net asset value

The adjusted net asset value is determined by marking every asset and liability on (including off balance sheet) a company's balance sheet to current market values. Net asset values, as per

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the audited financial statements as at December 31, 2024 of the respective Companies, have been used to determine the adjusted net asset values of each company.

Based on a review of the financial statements for Supernet Limited, it was noted that property, plant and equipment of Supernet Limited includes fully depreciated assets, which are still in use as on December 31, 2024. Further, the trade receivable balances were reviewed to assess the impact on the net assets of the company.

Based on the work performed, the net asset value of Supernet Limited was adjusted for fixed assets and receivables, while the remaining assets and liabilities were carried out at the same values.

M/s Sadruddin Associates (Pvt.) Ltd, a valuation firm who is on the approved panel of the Pakistan Banks' Association, was engaged for purposes of revaluing the fixed assets of SNL as at December 31, 2024.

No adjustments were required in the net asset value of Supernet Technologies Limited.

**3. Swap ratio based on adjusted net asset value**

Based on the procedures mentioned above, the swap ratio based on the respective adjusted net asset values of the Companies, is as follows:

S. No.	Head	STL	SNL
1	Net asset value – as reported	64,760,000	1,949,198,000
2	Adjusted net asset value	64,760,000	2,236,580,550
3	Number of shares	500,000	123,444,455
4	Breakup value per share	129.52	18.12
5	Swap ratio working	18.12 / 129.52	
6	Swap ratio [rounded off to three decimal places]	0.140	

**4. Swap ratio based on enhanced issued and paid-up share capital of STL**

As communicated to us, the management of STL is of the viewpoint that calculating a swap ratio based on the existing issued and paid-up share capital of STL results in a substantially lower number of shares in the merged / surviving entity. This treatment does not align with a capitalization strategy that reflects a balanced and substantial equity base and would be prejudicial to the interests of the shareholders both Companies.

In order to avoid a situation where the post-merger capital structure of STL (being the surviving company) would result in a situation where the shares of STL would be illiquid owing to a low



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volume of shares being issued to the shareholders of SNL (other than STL) pursuant to the Scheme, the management has decided—as part of the Scheme and the arrangement thereunder—to enhance the issued and paid up share capital of STL to Rs. 60.0 million, from the existing capital of Rs. 5.0 million, by utilizing a portion of the existing accumulated profits of STL (as existing on December 31, 2024). The management of STL is of the view point that this approach will ensure an equitable treatment for the shareholders of SNL (to whom shares of STL will be issued in terms of the Scheme) without any loss of value to the current shareholders of STL.

In light of the above, and based on the provisions of the Scheme shared with us, in terms of which ordinary shares of STL shall be issued to the shareholders of STL (prior to the issuance of ordinary shares of STL to the shareholders of SNL (other than STL)), as suggested by the management, the swap ratio based on the enhanced issued and paid up issued capital of STL is worked out as follows:

S. No.	Head	STL	SNL
1	Net asset value – as reported	64,760,000	1,949,198,000
2	Adjusted net asset value	64,760,000	2,236,580,550
3	Number of shares existing	500,000	123,444,455
4	New shares to be issued, as part of the Scheme, to the shareholders of STL	5,500,000	N/A
5	Adjusted number of shares	6,000,000	N/A
6	Breakup value	10.79	18.12
7	Swap ratio working	18.12 / 10.79	
8	Swap ratio [rounded off to two decimal places]	1.68	
9	Number of shares of SNL held by the shareholders of SNL (other than STL)	N/A	60,487,783
10	New shares of STL to be issued, as part of the Scheme, to the shareholders of SNL (other than STL i.e. after cancellation of cross shareholding).	101,619,475	N/A





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**Post Merger Share Capital of STL**

S. No.	Particulars	Number of Shares	Share Capital Amount (Rs.)
1	Number of shares existing	500,000	5,000,000
2	New shares to be issued, as part of the Scheme, to the shareholders of STL	5,500,00	55,000,000
3	New shares to be issued, as part of the Scheme, to the shareholders of SNL (other than STL i.e. after cancellation of cross shareholding).	101,619,475	1,016,194,750
4	<b>Post merger Share Capital of STL</b>	<b>107,619,475</b>	<b>1,076,194,750</b>

**Caveats**

The Scheme shall be subject to fulfilment of regulatory steps, including obtaining the requisite approvals of the members and secured creditors (to the extent applicable) of the respective Companies, and the sanction thereof by the Honorable High Court of Sindh at Karachi in accordance with the provisions of Sections 279 to 283 and 285(8) of the Companies Act, 2017.

This certificate is intended to assist the respective Board of Directors of STL and SNL in determining the fair values of the shares of their respective Companies and forming a view on the swap ratio. The ultimate decision with respect to the appropriate share swap ratio rests with the Board of Directors and the shareholders of each company.

We have not conducted any independent verification of the audited financial statements of the respective Companies.

Regards  
Yours sincerely

*M. A. Dawson*

(Chartered Accountants)  
Idrees Dawson (FCA)  
Encls: Annexure 'A'



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PHOTO COPY(S) FROM ANNEXURE

**THE HIGH COURT OF SINDH, KARACHI**  
CERTIFIED TO BE TRUE COPY

*(Signature)*  
(FARMAN ALI)  
ASSISTANT REGISTRAR (COPYING)

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ESTIMATED FEES DEPOSITED ON do  
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COMPALED BY  
OFFICE ASSOCIATE

09/03/2022

*(Signature)*  
(FARMAN ALI)  
ASSISTANT REGISTRAR (COPYING)