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# ASSET PURCHASE AGREEMENT

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By and Between

**MUGHAL IRON & STEEL INDUSTRIES LIMITED**

(As the Seller)

And

**PAK-OMAN INVESTMENT COMPANY LIMITED**

(As the Issue Agent)

Executed at Karachi on February 24<sup>th</sup>, 2021

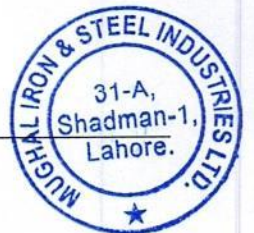
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**MOHSIN TAYEBALY & CO.**

Corporate Legal Consultants | Barristers & Advocates  
High Courts & Supreme Court

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MUHAMMAD DANISH STAMP VENDOR

Licence # 28 Shop # 56, Sita Market  
H-40488 Chowrang, S.I.T.E., Karachi

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PURPOSE.....  
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STAMP VENDOR'S SIGNATURE.....

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RUPEES ONE HUNDRED

### ASSET PURCHASE AGREEMENT

This **ASSET PURCHASE AGREEMENT** (hereinafter referred to as the "Agreement") is made at Karachi on February 24th, 2021;

BY AND BETWEEN

- MUGHAL IRON & STEEL INDUSTRIES LIMITED**, a company incorporated under the laws of Islamic Republic of Pakistan and having its registered office at 31- A, Shadman- I, Lahore (hereinafter referred to as the "Seller", which expression shall mean and include, where the context so requires or admits, its successors-in-interest and assigns);

AND

- PAK-OMAN INVESTMENT COMPANY LIMITED**, a development finance institution established under the laws of Pakistan and having its registered office at 1<sup>st</sup> Floor, Tower-A, Finance and Trade Center, Shahrah-e-Faisal, Karachi (hereinafter referred to as the "Issue Agent", which expression shall mean and include where the context so requires or admits its successors-in-interest and assigns).

(The Seller and the Issue Agent are hereinafter collectively referred to as the "Parties" and individually as the "Party").

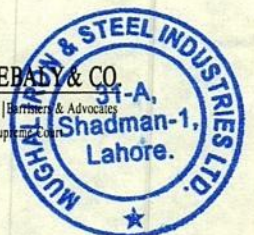
#### WHEREAS:

- The Seller and the Issue Agent have entered into a Musharaka Agreement dated February 24th, 2021 (the "Musharaka Agreement").



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- b. The Seller has 100% ownership in the Musharaka Assets and wishes to sell 77.88% undivided share in the ownership of the Musharaka Assets in terms of this Agreement as detailed under Annexure A (the "Relevant Assets") to the Issue Agent and the Issue Agent has agreed to purchase the same subject to and on the terms and conditions set out in this Agreement.

**NOW, THEREFORE**, in consideration of the foregoing and the provisions set forth below, and subject to the terms and conditions set forth herein, the Parties agree as follows:

**1. DEFINITIONS**

**1.1 Definitions**

- 1.1.1 Unless the context otherwise does not so admit, terms defined in the Musharaka Agreement have the same meaning when used in this Agreement (including its Recitals).

**2. SALE AND PURCHASE**

**2.1 Sale and Purchase**

- 2.1.1 The Seller hereby sells the Relevant Assets to the Issue Agent pursuant to the terms and conditions of this Agreement and the Issue Agent purchases the Relevant Assets against the Purchase Price (as defined in Clause 3.1.1 below).

- 2.1.2 The beneficial ownership of the Relevant Assets shall vest in the Issue Agent on the date of this Agreement. During the Musharaka, legal title to the Issue Agent's Musharaka Share will be held by the Seller on behalf of the Issue Agent.

**3. CONSIDERATION**

**3.1 Consideration**

- 3.1.1 The total price ("Purchase Price") to be paid by the Issue Agent in consideration of the sale of the Relevant Assets shall be PKR 3,000,000,000/- (Pak Rupees Three Billion) which shall be paid into the Seller's account no. 3386787000000336 maintained with Faysal Bank Limited on the proposed Musharaka Contribution Date as advised in the Musharaka Contribution Request dated February 24th, 2021

**4. WARRANTIES**

**4.1 The Seller warrants that:**

- 4.1.1 The Seller has all necessary authority and power to enter into this Agreement and to carry out the transaction contemplated hereby. The execution, delivery and performance by the Seller of this Agreement and the consummation by the Seller of the transaction contemplated hereby has been duly authorized by all necessary corporate action of the Seller (where applicable), and no other action on the part of the Seller is required in connection therewith.

- 4.1.2 This Agreement constitutes the valid and binding obligation of the Seller, enforceable against the Seller in accordance with its terms and conditions. The execution, delivery and performance by the Seller of this Agreement do not, and the performance by the Seller of the transaction contemplated hereby, will not:

- (i) violate any laws of Pakistan or require Seller to obtain any approval, consent or waiver of, or make any filing with, any person or entity (governmental or otherwise) that has not been obtained or made;

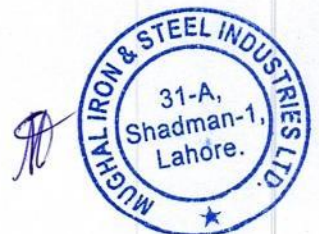


- (ii) result in a violation or any breach of, constitute a default (or an event which with notice or lapse of time or both would become a default) under, result in the acceleration of any indebtedness under or performance required by, result in any right of termination of, increase any amounts payable under, decrease any amounts receivable under, change any other rights pursuant to, or conflict with, any material contract, agreement, lease, license, permit, franchise or other instrument or obligation to which Seller is a party or by which it or its assets is bound; or
- (iii) result in the creation or imposition of any lien, charge, encumbrance or restriction upon the Relevant Assets or any part thereof other than the Security.
- 4.1.3 The Seller is authorized to sell the Musharaka Assets free from any charge, mortgage, lien or any other encumbrance whatsoever except for the Security Interest in favour of the Existing Creditors.
- 4.1.4 The Seller is authorized to sell and transfer the Relevant Assets to the Issue Agent according to the principles of Shariah and on the terms and conditions set out in this Agreement and on signing this Agreement, the Seller transfers good and valid interest in the Relevant Assets to the Issue Agent. The Issue Agent shall be entitled to take possession of the Relevant Assets. Notwithstanding the foregoing, the Issue Agent hereby authorizes the Seller to retain possession on behalf of the Issue Agent.
- 4.1.5 The Relevant Assets are in good condition and satisfactory for the purposes contemplated by the Seller and the Issue Agent.
- 4.1.6 There is no legal, administrative, arbitration or other proceeding, or any governmental investigation, current or pending or, to the knowledge of Seller, threatened against or otherwise affecting the Seller, or the Relevant Assets or any part thereof, and the Seller is not aware of any fact that might reasonably be expected to form the basis for any such proceeding or investigation relating in any way to the Seller.
- 4.1.7 It will, subject to the rights of any charges over the property and assets of the Seller, upon an Event of Default & Termination, at its own cost and expense, execute and do (or procure to be executed and done by any other necessary party) all such deeds, documents, acts and things (including but not limited to transfer of possession, delivery and transfer of title documents in the name of the Issue Agent in accordance with the applicable law) as the Issue Agent may from time to time require in order to vest the Relevant Assets in the Issue Agent or its assignee or as otherwise may be necessary to give full effect to this Agreement.
- 4.1.8 The Issue Agent will be entitled to claim actual losses and/or damages incurred by it from the Seller in case of misrepresentation or breach of any of the abovementioned representations and warranties.

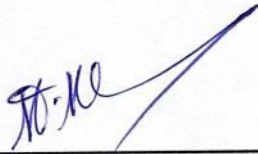
## 5. GOVERNING LAW

### 5.1 Governing Law

- 5.1.1 This Agreement shall be governed by the laws of Pakistan and the competent courts at Lahore shall have non-exclusive jurisdiction in respect of any dispute arising hereunder.



IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed on the date and year first aforementioned.

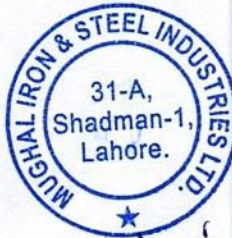


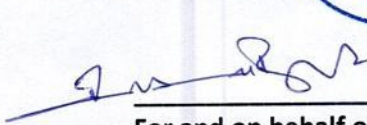
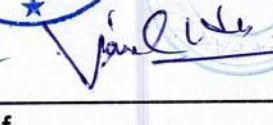
For and on behalf of  
MUGHAL IRON & STEEL INDUSTRIES LIMITED

Name: Muhammad Mubeen Tariq Mughal

Designation: Director

CNIC No.: 35201-0221455-5



For and on behalf of  
PAK-OMAN INVESTMENT COMPANY LIMITED  
(As the Issue Agent)

Name: Hasan Raza

Designation: Head (RD)

CNIC No.: 42001-1587296-7

In presence of the following Witnesses:

1 Signature: Fahad Hafeez

Name: Muhammad Fahad Hafeez

CNIC No.: 35202-8284943-9

2 Signature: Rashid

Name: Rashid Nadeem

CNIC No.: 14203-4078075-7

In presence of the following Witnesses:

1 Signature: Shif

Name: TARU HASAN

CNIC No.: 42201-0612185-9

2 Signature: Azeem

Name: M Azeem Dahi

CNIC No.: 62301-6204767-5

ANNEXURE A

Sr. No.	Asset Description	Asset Value (PKR)
1.	Bar Mill 3 (96000 MT)	287,420,400/-
2.	Dedicated Bar Mill	555,010,000/-
3.	Grider Mill	3,009,497,778/-
<b>Total Assets</b>		<b>3,851,928,178/-</b>

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