



The Pakistan Credit Rating Agency Limited

Rating Report

TPL Corp Limited | PPTFC | Jun-22

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Rating History					
Dissemination Date	Long Term Rating	Short Term Rating	Outlook	Action	Rating Watch
14-Jul-2023	AA-	-	Stable	Maintain	-
14-Jul-2022	AA-	-	Stable	Initial	-
30-Nov-2021	AA-	-	Stable	Preliminary	-

Rating Rationale and Key Rating Drivers

The ratings encapsulate the strength of the security structure of Privately Placed Term Finance Certificates (PPTFCs). PPTFC has a multi-layered protection mechanism that provides intrinsic mitigation against unforeseen risks. PPTFC is secured by way of i) shares of TPL Properties, shares of TPL Insurance, and shares of TPL Trakker with 30% margin to be maintained at all times ii) Debt Payment Accounts (DPA) and iii) insurance guarantee. However, due to dwindling stock market performance the margins have fluctuated, which the Company has managed to comply by adding additional shares of TPL Properties and TPL Insurance. Resultantly, the margin requirement is improved. The DPA is being held under exclusive lien for the benefit of the Participating Institution(s). DPA is being funded by a) the dividends from group companies, b) proceeds from the sale of Sponsor shares in TPL Trakker, TPL Life Insurance, and c) Right share issuance of the Company. For the latest payment made, the DPA is funded by the dividend from group companies. The cash entrapment threshold for the proceeds from the sale of shares of TPL Trakker and TPL Life Insurance is two upcoming installments. Similarly, the cash entrapment threshold for the proceeds from Right Share issuance is three upcoming installments. The insurance guarantee is indeed the first resort for the issue agent in case of non-payment risk is about to materialize. This covers the quarterly profit payments of up to ~PKR 103mln each quarter. As last resort, the issue agent has the right to liquidate the shares, in case, before the payment date, DPA is not funded. In case the issuer does not build the requisite amount of upcoming installment in DPA on the desired date, the issue agent would initiate the process for the realization of the underlying security on an immediate basis. The first call for realization would be made for encashment of the Insurance Guarantee. In case the proceeds from the insurance company do not fall through within the pre-agreed timeframe or there is some degree of shortfall, the Trustee would initiate the process for the realization of the appropriate quantum of under-lien shares. This event would initiate a cure period, without invoking the event of default, to manage all modalities and transfer of installment in DPA promptly. The maximum length of the cure period can be 15 days. The cure period availed would attract markup at the rate of 3MK + 275bps while the instrument carries markup at the rate of 3MK +250 bps. The rating would remain contingent on the compliance with the security structure.

Disclosure	
Name of Rated Entity	TPL Corp Limited PPTFC Jun-22
Type of Relationship	Solicited
Purpose of the Rating	Debt Instrument Rating
Applicable Criteria	Methodology Debt Instrument Rating(Jun-22),Methodology Rating Modifiers(Jun-22),Methodology Holding Company Rating(Jun-22)
Related Research	Sector Study Holding Company(Aug-22)
Rating Analysts	Muhammad Atif Chaudhry Atif.Chaudhry@pacra.com +92-42-35869504

Issuer Profile

Profile TPL Trakker Limited was incorporated in Pakistan on 04-Dec-08, as a private limited company under the repealed Companies Ordinance 1984 (now Companies Act, 2017). The Company was converted into Public company in 2009 and got listed on the Pakistan Stock Exchange Limited on 16-Jul-12. The name of the Company was changed to TPL Corp Limited ('TPL Corp' or 'the Company') w.e.f. 24-Nov-17 TPL Corp is the only investment arm of TPL Group; however, is held through TPL Holdings (Pvt.) Ltd. ('TPL Holdings'), the parent holding Company of the Group. The principal activity of the Company is to make investments in the Group and other companies. The Company holds investments in 7 subsidiaries (out of which 3 are listed, 3 are unlisted, and 1 is an associate) operating across insurance, tracking, real estate, security, navigation, mapping solutions, fintech, and financial sectors. As of 3QFY23, the Company's investment book stands at PKR 10.44bln and constitutes ~95% of the Company's total assets.

Ownership TPL Holdings holds a major stake of ~62% in TPL Corp. Meanwhile, ~0.5% of shares of the Company are held by mutual funds. The Company has a free float of ~31% through local and foreign individuals. Ownership is seen as stable as sponsor's respective holding in the Company is through its corporate entity, TPL Holdings. The ultimate sponsors of the Group possess strong knowledge of technology, investments, insurance, and the financial sector. TPL Holdings' main investments are consolidated in TPL Corp. As of 3QFY23, TPL Corp had a strong consolidated asset base of over ~PKR 31bln, supported by an equity base of ~PKR 13.55bln and a debt of ~PKR 7.1bln. The Company posted a consolidated topline of ~PKR 9.09bln with a bottomline of ~PKR 2.28bln during 3QFY23.

Governance The Company's Board comprises eight Directors of which two are Independent Directors, Mr. Mark Dean and Mr. Nadeem Arshad having an experience of 9 and 23 years respectively, and associated with the board since Jan-01 and Jan-14. Four Non-Executive Directors including Mr. Jameel Yusuf, Mr. Syed Zafar-ul-Hasan Naqvi, Mr. Bilal Alibhai, and Mr. Muhammad Shafi. Having experience over 2 decades and association in Board since Jan-99. Two Executive Directors include Ms. Sabiha Sultan (one female Director on Board, since Jan-19 with experience of 2 decades) and Mr. Ali Jameel. Mr. Jameel Yusuf is the Chairman of the Board and holds a diverse experience of over two decades. The Board include finance, marketing, business experts and respected retired armed forces personnel. Their diverse backgrounds and varied expertise provide holistic guidance to the Company. The Board governs the affairs of the Company through Audit Committee (BAC), which meets on quarterly basis, and HR and Remuneration Committee, which meets twice a year. Both Committees have four members and are chaired by Mr. Nadeem Arshad Elahi - an Independent Director. BDO Ebrahim & Co is the auditor of the company and the firm is QCR rated and on SBP's panel of auditors in category of 'A'. The Company's investment decisions are taken by the Board. TPL Corp's investment strategy primarily focuses on capital appreciation. However, for the latest payment of instruments made, DPA is funded by dividend from group companies. The Board is presented with investment highlights on the performance of investee companies on a quarterly basis. Moreover, new initiatives and plans identified by the management are also discussed. However, there is no formal investment committee set up at TPL Corp.

Management TPL Corp institutes a well-designed organizational structure divided across various functional divisions, headed by the CEO. The subsidiaries have its own CEO reporting directly to TPL Corp's CEO, Mr. Ali Jameel. The subsidiaries have established independent operational roles and reporting lines to oversee performance. However, Legal and IT functions are centralized at the Group level. While, HR and Finance functions, placed at the Group level, provide holistic guidance and a wide range of operating platforms to the corresponding division at the subsidiaries. Mr. Ali Jameel, the CEO is an FCA and holds about two decades of experience. Mr. Amjad Waqar, having 19 years of experience joined the Company as CFO in Mar-22. Lately, Mr. Hashim Sadiq Ali joined the Company as the Chief Internal Auditor. The entire management team are experienced individuals. Management team's long association with the Company, barring few new positions, with the Group, bodes well for overall growth. TPL Corp practices fortnightly performance review meetings attended by respective department heads. The internal audit function is placed at Group level and reports to the Chairman of BAC. The function monitors the efficacy of internal control systems, its compliance with operating systems, accounting procedures, and policies of the Company and its subsidiaries. Significant audit observations and corrective actions are presented to BAC.

Business Risk The Company's investment portfolio is inclined towards the real estate sector, as ~37% of total investments comprise of investment in real estate (TPL Properties). ~44% of the total investments consist of investment in insurance sector (TPL Insurance and TPL Life Insurance), while the remaining investment book consists of investments in technology (~18%) and security sectors (~1%) The Company has a well-balanced portfolio. The Company's core investments are in listed subsidiaries and strategic investments are in unlisted related parties (subsidiaries and associate). The Company does not hold a trading portfolio. Thus, the marketability/liquidity element of the portfolio constitutes of listed companies only with the market value of ~PKR 6,404mln as of 3QFY23, providing a cushion to generate liquidity. The Company's standalone income comprises dividends from its subsidiaries. On a consolidated basis, revenue stood at ~PKR 9.094bln during 3QFY23 depicting an increase of ~140.7% as compared to the corresponding period. The increase is attributable to the topline growth in TPL properties, TPL Insurance, and TPL Trakker.

Financial Risk TPL Corp experienced further improvement of coverages (0.1x) at 3QFY23 (3QFY22: (0.3x)), however same is impacted due to high finance cost (3QFY23: ~PKR 692mln and 3QFY22: ~PKR 273mln) and negative FCFO from operations ~PKR (47)mln (3QFY22: ~PKR (73)mln). The Company's coverages may come under pressure with the debt instruments if matching cashflows are not realized. TPL Corp has a moderately leveraged capital structure with the leveraging ratio standing at ~53.5% as at 3QFY23 (3QFY22: ~41.3%). The Company has issued two long-term instruments (PP Sukuk and PPTFC) of PKR 2.2bln and PKR 2.3bln from its balance sheet. Both instruments issued for a tenor of 5 years to reprofile the existing debt and invest in other Group companies. The leveraging ratio shows an incline from issuance of the instruments. The Company intends to repay the instruments through dividend income and proceeds from strategic divestiture of its investments. Total debt of the Company stood at ~PKR 4.9bln (3QFY22: ~PKR 4.1bln) due to issuance of instrument with the equity base of PKR 4.32bln (3QFY22: PKR 5.88bln). On a consolidated basis, revenue stood at ~PKR 9.09bln during 3QFY23 (3QFY22: ~PKR 3.78bln) reflecting a growth of ~140% compared to 3QFY22. The increase is attributable to the topline growth of TPL Properties by manifold, TPL insurance by ~13% and TPL Trakker by ~22%. The Company derives financial strength from its Sponsors.

Instrument Rating Considerations

About The Instrument TPL Corp have issued a PPTFC of ~PKR 2,265mln to contribute towards reprofiling of existing debt and acquisition of additional shares of group companies. PPTFC carries markup of 3M KIBOR plus 2.5% per annum. Profit is being paid quarterly in arrears calculated on a 365 day year basis on the outstanding principal amount. Principal redemption shall commence from the 3rd year of the issue date in 6 equal installments. PPTFC is secured by 90.8mln shares of TPLP, 52.96mln shares of TPLT and 70.54mln shares of TPLI. TPL Corp plans to repay the issue through a right issue and dilution of investment in its underlying subsidiaries.

Relative Seniority/Subordination Of Instrument The claims of the instrument holders will rank superior to the claims of ordinary shareholders.

Credit Enhancement PPTFC has a multi-layered protection mechanism that provides intrinsic mitigation against unforeseen risks. PPTFC is secured by way of i) shares of TPL Properties, shares of TPL Insurance, and shares of TPL Trakker ii) Debt Payment Accounts (DPA) and iii) insurance guarantee. PPTFC is secured against shares of TPL Properties (90.8mln), shares of TPL Insurance (70.54mln) and shares of TPL Trakker (52.96mln) with initial margin maintained at 50% while the Company is required to maintain at least 30% at all times. However, due to dwindling stock market performance the margins have fluctuated, which the Company has managed to comply by adding additional shares of TPL Properties and TPL Insurance. Resultantly, the margin requirement is improved. The DPA is being held under exclusive lien for the benefit of the Participating Institution(s). DPA is being funded by a) the dividends from group companies, b) proceeds from the sale of Sponsor shares in TPL Trakker, TPL Life Insurance, and c) Right share issuance of the Company. The cash entrapment threshold for the proceeds from the sale of shares of TPL Trakker is two upcoming installments. Similarly, the cash entrapment threshold for the proceeds from Right Share issuance is three upcoming installments. The insurance guarantee is indeed the first resort for the issue agent in case of non-payment risk is about to materialize. This covers the quarterly profit payments of up to ~PKR 103 mln each quarter. The 15-day cure period is encompassing these two pre default mechanisms which initiates without invoking the event of default. In case the issuer does not build the requisite amount of upcoming installment in DPA on the desired date, first call of realization will be initiated by the issue agent for encashment of Takaful Guarantee. In case the proceeds from insurance company does not fall through within the pre-agreed timeframe or there is some degree of shortfall, the Trustee would initiate the process for realization of appropriate quantum of under-lien shares. The cure period availed would attract mark-up at the rate of 3M KIBOR + 275bps.



The Pakistan Credit Rating Agency Limited

PKR mln

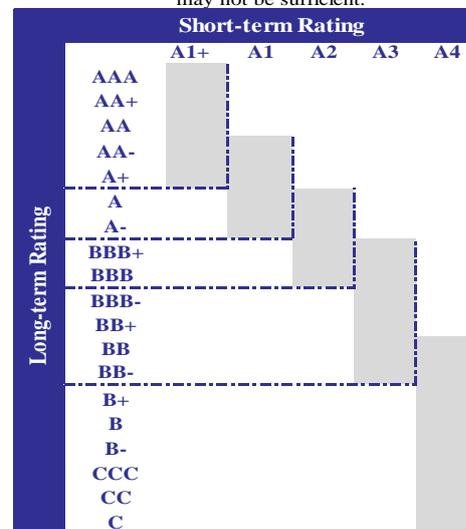
TPL Corp Limited Holding Company	Mar-23	Jun-22	Mar-22	Jun-21	Jun-20
	9M	12M	9M	12M	12M
	Management	Audited	Management	Audited	Audited
A BALANCE SHEET					
1 Investments	192	138	37	12	3
2 Related Party Investments	10,282	11,332	10,459	10,345	4,815
3 Non-Current Assets	235	287	288	32	2
4 Current Assets	241	315	178	31	41
5 Total Assets	10,950	12,073	10,962	10,420	4,860
6 Current Liabilities	685	410	787	460	53
7 Borrowings	4,963	5,095	4,139	1,874	183
8 Related Party Exposure	981	250	153	1,048	1,794
9 Non-Current Liabilities	-	-	-	-	-
10 Net Assets	4,320	6,319	5,883	7,039	2,831
11 Shareholders' Equity	4,320	6,319	5,883	7,039	2,831
B INCOME STATEMENT					
1 Total Investment Income	18	29	9	146	14
a Cost of Finance	(692)	(463)	(274)	(207)	(325)
2 Net Investment Income	(674)	(434)	(265)	(61)	(312)
a Other Income	-	-	-	-	-
b Operating Expenses	(139)	(166)	(99)	(194)	(108)
4 Profit or (Loss) before Interest and Tax	(813)	(601)	(364)	(255)	(420)
a Taxation	8	(8)	(4)	(17)	-
6 Net Income Or (Loss)	(805)	(608)	(368)	(272)	(420)
C CASH FLOW STATEMENT					
a Total Cash Flow	(47)	(134)	(73)	(25)	(69)
b Net Cash from Operating Activities before Working Capital Changes	(757)	(496)	(294)	(357)	(193)
c Changes in Working Capital	691	(1,138)	(730)	(572)	797
1 Net Cash available From Operating activities	(66)	(1,634)	(1,024)	(929)	604
2 Net Cash available From Investing activities	(68)	(941)	(812)	(750)	143
3 Net Cash (Used in) or Available From Financing Activities	(139)	2,864	1,915	1,685	(749)
4 Net Cash generated or (Used) during the period	(273)	289	79	7	(2)
D RATIO ANALYSIS					
1 Performance					
a Asset Concentration (Market Value of Largest Investment / Market Value of Equity Investments)	43.2%	43.2%	40.8%	31.4%	40.0%
2 Coverages					
a TCF / Finance Cost	-0.1	-0.3	-0.3	-0.1	-0.2
b TCF / Finance Cost + CMLTB	-0.1	-0.3	-0.2	-0.1	-0.2
c Loan to Value (Funding / Market Value of Equity Investments)	0.4	0.4	0.3	0.2	0.0
3 Capital Structure (Total Debt/Total Debt+Equity)					
a Leveraging [Funding / (Funding + Shareholders' Equity)]	53.5%	44.6%	41.3%	21.0%	6.1%
b (Funding + Off Balance Sheet Exposure) / Shareholders' Equity	114.9%	80.6%	70.4%	26.6%	6.5%

Credit Rating

Credit rating reflects forward-looking opinion on credit worthiness of underlying entity or instrument; more specifically it covers relative ability to honor financial obligations. The primary factor being captured on the rating scale is relative likelihood of default.

Scale	Long-term Rating Definition
AAA	Highest credit quality. Lowest expectation of credit risk. Indicate exceptionally strong capacity for timely payment of financial commitments
AA+	
AA	Very high credit quality. Very low expectation of credit risk. Indicate very strong capacity for timely payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.
AA-	
A+	
A	High credit quality. Low expectation of credit risk. The capacity for timely payment of financial commitments is considered strong. This capacity may, nevertheless, be vulnerable to changes in circumstances or in economic conditions.
A-	
BBB+	
BBB	Good credit quality. Currently a low expectation of credit risk. The capacity for timely payment of financial commitments is considered adequate, but adverse changes in circumstances and in economic conditions are more likely to impair this capacity.
BBB-	
BB+	
BB	Moderate risk. Possibility of credit risk developing. There is a possibility of credit risk developing, particularly as a result of adverse economic or business changes over time; however, business or financial alternatives may be available to allow financial commitments to be met.
BB-	
B+	
B	High credit risk. A limited margin of safety remains against credit risk. Financial commitments are currently being met; however, capacity for continued payment is contingent upon a sustained, favorable business and economic environment.
B-	
CCC	
CC	Very high credit risk. Substantial credit risk "CCC" Default is a real possibility. Capacity for meeting financial commitments is solely reliant upon sustained, favorable business or economic developments. "CC" Rating indicates that default of some kind appears probable. "C" Ratings signal imminent default.
C	
D	Obligations are currently in default.

Scale	Short-term Rating Definition
A1+	The highest capacity for timely repayment.
A1	A strong capacity for timely repayment.
A2	A satisfactory capacity for timely repayment. This may be susceptible to adverse changes in business, economic, or financial conditions.
A3	An adequate capacity for timely repayment. Such capacity is susceptible to adverse changes in business, economic, or financial conditions.
A4	The capacity for timely repayment is more susceptible to adverse changes in business, economic, or financial conditions. Liquidity may not be sufficient.



*The correlation shown is indicative and, in certain cases, may not hold.

Outlook (Stable, Positive, Negative, Developing) Indicates the potential and direction of a rating over the intermediate term in response to trends in economic and/or fundamental business/financial conditions. It is not necessarily a precursor to a rating change. 'Stable' outlook means a rating is not likely to change. 'Positive' means it may be raised. 'Negative' means it may be lowered. Where the trends have conflicting elements, the outlook may be described as 'Developing'.

Rating Watch Alerts to the possibility of a rating change subsequent to, or, in anticipation of some material identifiable event with indeterminable rating implications. But it does not mean that a rating change is inevitable. A watch should be resolved within foreseeable future, but may continue if underlying circumstances are not settled. Rating watch may accompany rating outlook of the respective opinion.

Suspension It is not possible to update an opinion due to lack of requisite information. Opinion should be resumed in foreseeable future. However, if this does not happen within six (6) months, the rating should be considered withdrawn.

Withdrawn A rating is withdrawn on a) termination of rating mandate, b) the debt instrument is redeemed, c) the rating remains suspended for six months, d) the entity/issuer defaults, or/and e) PACRA finds it impractical to surveil the opinion due to lack of requisite information.

Harmonization A change in rating due to revision in applicable methodology or underlying scale.

Surveillance. Surveillance on a publicly disseminated rating opinion is carried out on an ongoing basis till it is formally suspended or withdrawn. A comprehensive surveillance of rating opinion is carried out at least once every six months. However, a rating opinion may be reviewed in the intervening period if it is necessitated by any material happening.

Note. This scale is applicable to the following methodology(s):

- a) Broker Entity Rating
- b) Corporate Rating
- c) Debt Instrument Rating
- d) Financial Institution Rating
- e) Holding Company Rating
- f) Independent Power Producer Rating
- g) Microfinance Institution Rating
- h) Non-Banking Finance Companies Rating

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Rating Team Statements

(1) Rating is just an opinion about the creditworthiness of the entity and does not constitute recommendation to buy, hold or sell any security of the entity rated or to buy, hold or sell the security rated, as the case may be | Chapter III; 14-3-(x)

2) Conflict of Interest

i. The Rating Team or any of their family members have no interest in this rating | Chapter III; 12-2-(j)

ii. PACRA, the analysts involved in the rating process and members of its rating committee, and their family members, do not have any conflict of interest relating to the rating done by them | Chapter III; 12-2-(e) & (k)

iii. The analyst is not a substantial shareholder of the customer being rated by PACRA [Annexure F; d-(ii)] Explanation: for the purpose of above clause, the term "family members" shall include only those family members who are dependent on the analyst and members of the rating committee

Restrictions

(3) No director, officer or employee of PACRA communicates the information, acquired by him for use for rating purposes, to any other person except where required under law to do so. | Chapter III; 10-(5)

(4) PACRA does not disclose or discuss with outside parties or make improper use of the non-public information which has come to its knowledge during business relationship with the customer | Chapter III; 10-7-(d)

(5) PACRA does not make proposals or recommendations regarding the activities of rated entities that could impact a credit rating of entity subject to rating | Chapter III; 10-7-(k)

Conduct of Business

(6) PACRA fulfills its obligations in a fair, efficient, transparent and ethical manner and renders high standards of services in performing its functions and obligations; | Chapter III; 11-A-(a)

(7) PACRA uses due care in preparation of this Rating Report. Our information has been obtained from sources we consider to be reliable but its accuracy or completeness is not guaranteed. PACRA does not, in every instance, independently verifies or validates information received in the rating process or in preparing this Rating Report | Clause 11-(A)(p).

(8) PACRA prohibits its employees and analysts from soliciting money, gifts or favors from anyone with whom PACRA conducts business | Chapter III; 11-A-(q)

(9) PACRA ensures before commencement of the rating process that an analyst or employee has not had a recent employment or other significant business or personal relationship with the rated entity that may cause or may be perceived as causing a conflict of interest; | Chapter III; 11-A-(r)

(10) PACRA maintains principal of integrity in seeking rating business | Chapter III; 11-A-(u)

(11) PACRA promptly investigates, in the event of a misconduct or a breach of the policies, procedures and controls, and takes appropriate steps to rectify any weaknesses to prevent any recurrence along with suitable punitive action against the responsible employee(s) | Chapter III; 11-B-(m)

Independence & Conflict of interest

(12) PACRA receives compensation from the entity being rated or any third party for the rating services it offers. The receipt of this compensation has no influence on PACRA's opinions or other analytical processes. In all instances, PACRA is committed to preserving the objectivity, integrity and independence of its ratings. Our relationship is governed by two distinct mandates i) rating mandate - signed with the entity being rated or issuer of the debt instrument, and fee mandate - signed with the payer, which can be different from the entity

(13) PACRA does not provide consultancy/advisory services or other services to any of its customers or to any of its customers' associated companies and associated undertakings that is being rated or has been rated by it during the preceding three years unless it has adequate mechanism in place ensuring that provision of such services does not lead to a conflict of interest situation with its rating activities; | Chapter III; 12-2-(d)

(14) PACRA discloses that no shareholder directly or indirectly holding 10% or more of the share capital of PACRA also holds directly or indirectly 10% or more of the share capital of the entity which is subject to rating or the entity which issued the instrument subject to rating by PACRA; | Reference Chapter III; 12-2-(f)

(15) PACRA ensures that the rating assigned to an entity or instrument is not be affected by the existence of a business relationship between PACRA and the entity or any other party, or the non-existence of such a relationship | Chapter III; 12-2-(i)

(16) PACRA ensures that the analysts or any of their family members shall not buy or sell or engage in any transaction in any security which falls in the analyst's area of primary analytical responsibility. This clause shall, however, not be applicable on investment in securities through collective investment schemes. | Chapter III; 12-2-(l)

(17) PACRA has established policies and procedure governing investments and trading in securities by its employees and for monitoring the same to prevent insider trading, market manipulation or any other market abuse | Chapter III; 11-B-(g)

Monitoring and review

(18) PACRA monitors all the outstanding ratings continuously and any potential change therein due to any event associated with the issuer, the security arrangement, the industry etc., is disseminated to the market, immediately and in effective manner, after appropriate consultation with the entity/issuer; | Chapter III | 18-(a)

(19) PACRA reviews all the outstanding ratings on semi-annual basis or as and when required by any creditor or upon the occurrence of such an event which requires to do so; | Chapter III | 18-(b)

(20) PACRA initiates immediate review of the outstanding rating upon becoming aware of any information that may reasonably be expected to result in downgrading of the rating; | Chapter III | 18-(c)

(21) PACRA engages with the issuer and the debt securities trustee, to remain updated on all information pertaining to the rating of the entity/instrument; | Chapter III | 18-(d)

Probability of Default

(22) PACRA's Rating Scale reflects the expectation of credit risk. The highest rating has the lowest relative likelihood of default (i.e, probability). PACRA's transition studies capture the historical performance behavior of a specific rating notch. Transition behavior of the assigned rating can be obtained from PACRA's Transition Study available at our website. (www.pacra.com). However, actual transition of rating may not follow the pattern observed in the past | Chapter III | 14-(F-VII)

Proprietary Information

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Regulatory and Supplementary Disclosure

Nature of Instrument	Size of Issue (PKR)	Tenor	Security	Trustee
Rated, Secured, Privately Placed, Listed, Term Finance Certificates ("TFCs")	PKR 2,265mln	Five years (5 years starting from the Issue Date inclusive of grace period of Two years (2 years))	<p>1) Pledge of equity securities with initial fifty percent (50%) margin. Initially, following securities would be pledged with the Trustee:</p> <p>i) TPL Properties Limited (90,800,000 shares)</p> <p>ii) TPL Trakker Limited (52,960,000 shares)</p> <p>iii) TPL Insurance (70,540,000 shares)</p> <p>The Issuer shall at all times be required to maintain at least Thirty percent (30%) margin. The companies and number of shares pledged initially may not be amended without prior written approval of the TFC holders.</p> <p>2) The Company will establish and maintain 'Debt Payment Accounts' ("DPA") with the [Account Bank (TBU)]. The DPA will be held under exclusive lien for the benefit of the Participating Institution(s).</p> <p>3) Takaful guarantee to cover the first year quarterly profit payments each quarter. If the Issuer is unable to fund the DPA as mentioned above, the Investment agent will have the power to call the</p>	Pak Oman Investment Company Limited

Name of Issuer	TPL Corp Limited
Issue Date	28-Jun-22
Maturity	28-Jun-27
Profit Rate	3M KIBOR + 2.5%

TPL Corp Limited | PPTFC June-22 | Redemption Schedule

Sr.	Due Date Principal	Opening Principal	3M Kibor	Markup/Profit Rate (3MK + 2.5%)	Markup/Profit Payment	Principal Payment	Total	Principal Outstanding
		PKR						
Issue Date	28-Jun-22	2,265,000,000			-		-	2,265,000,000
1	28-Sep-22	2,265,000,000	14.79%	17.29%	98,709,321		98,709,321	2,265,000,000
2	28-Dec-22	2,265,000,000	15.91%	18.41%	103,961,018		103,961,018	2,265,000,000
3	28-Mar-23	2,265,000,000	17.01%	19.51%	108,962,014		108,962,014	2,265,000,000
4	28-Jun-23	2,265,000,000	21.93%	24.43%	139,471,874		139,471,874	2,265,000,000
5	28-Sep-23	2,265,000,000	22.91%	25.41%	145,066,734		145,066,734	2,265,000,000
6	28-Dec-23	2,265,000,000	22.91%	25.41%	145,066,734		143,489,922	2,265,000,000
7	28-Mar-24	2,265,000,000	22.91%	25.41%	145,066,734		143,489,922	2,265,000,000
8	28-Jun-24	2,265,000,000	22.91%	25.41%	145,066,734		145,066,734	2,265,000,000
9	28-Sep-24	2,265,000,000	22.91%	25.41%	145,066,734		145,066,734	2,265,000,000
10	28-Dec-24	2,265,000,000	22.91%	25.41%	145,066,734	377,500,000	520,989,922	1,887,500,000
11	28-Mar-25	1,887,500,000	22.91%	25.41%	118,260,925		118,260,925	1,887,500,000
12	28-Jun-25	1,887,500,000	22.91%	25.41%	120,888,945	377,500,000	498,388,945	1,510,000,000
13	28-Sep-25	1,510,000,000	22.91%	25.41%	96,711,156		96,711,156	1,510,000,000
14	28-Dec-25	1,510,000,000	22.91%	25.41%	95,659,948	377,500,000	473,159,948	1,132,500,000
15	28-Mar-26	1,132,500,000	22.91%	25.41%	70,956,555		70,956,555	1,132,500,000
16	28-Jun-26	1,132,500,000	22.91%	25.41%	72,533,367	377,500,000	450,033,367	755,000,000
17	28-Sep-26	755,000,000	22.91%	25.41%	48,355,578		48,355,578	755,000,000
18	28-Dec-26	755,000,000	22.91%	25.41%	47,829,974	377,500,000	425,329,974	377,500,000
19	28-Mar-27	377,500,000	22.91%	25.41%	23,652,185		23,652,185	377,500,000
20	28-Jun-27	377,500,000	22.91%	25.41%	24,177,789	377,500,000	401,677,789	-
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					2,035,800,616	2,265,000,000	4,300,800,616	