

JSB-062-18
March 12, 2018

Mr. Muhammad Ghufraan
Deputy General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi.

Dear Sir,

Subject: Disclosure of Material Information

Reference your letter no. PSX/C-866-1130 dated March 1, 2018 on the captioned subject.

Please find enclosed herewith following documents requested in your above referred letter.

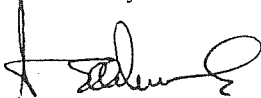
1. Certified true copy of Special Resolutions (Form 26) adopted by the shareholders in the EOGM held on November 23, 2013.
2. Return of Allotment i.e. Form-3 along with SECP's copy of received challan.
3. Copies of approval letters of the Securities & Exchange Commission of Pakistan and the State Bank of Pakistan.
4. A copy of Audit's Certificate confirming increase in Paid up Capital of the Bank after conversion of Preference Shares into 225 million Ordinary Shares.
5. Pay Order amounting to PKR 2,295,000 in favor of Pakistan Stock Exchange Limited being the additional listing fee on increased paid-up capital and the supervisory fee on additional listing fee, as per break-up below:

| | PKR | | |
|--|--------------|---------|------------|
| | Gross Amount | Tax @8% | Net Amount |
| Additional listing fee @1/10 of 1% | 2,250,000 | 180,000 | 2,070,000 |
| Supervisory fee @ 10% of additional listing fee. | 225,000 | - | 225,000 |
| Total | 2,475,000 | 180,000 | 2,295,000 |

You are requested to update paid-up capital of JS Bank in PSX record.

Thank you,

Yours truly,



Ashraf Shahzad
Company Secretary

Resolved That:

1. Subject to compliance with the provisions of all applicable laws and requisite regulatory approvals, permissions and sanctions, including the approval of the State Bank of Pakistan ("State Bank") and the Securities and Exchange Commission of Pakistan (the "SECP") under Section 90 of the Companies Ordinance, 1984 read with Rule 5 of the Companies' Share Capital (Variation in Rights and Privileges) Rules, 2000 and Section 84 of the Companies Ordinance, 1984, JS Bank Limited (the "Company") be and is hereby authorized to issue 150,000,000 (One Hundred Fifty Million) unlisted, perpetual, non-cumulative, non-voting, irredeemable and convertible preference shares having a face value of PKR 10 each ("Preference Shares") and amounting to PKR 1,500 million to the shareholders of the Company by way of a right issue and on the terms and conditions as set out in the term sheet circulated to the shareholders.

2. Subject to compliance with the provisions of all applicable laws, requisite regulatory approvals, including approval of the State Bank and SECP under Section 84 and Section 86 (1) of the Companies Ordinance, 1984, and confirmation of SECP that the provisions of Rule 8 of the Companies (Issue of Capital Rules), 1996 is not applicable, the issuance of 225,000,000 ordinary shares to the shareholders of JS Bank upon conversion of the Preference Shares at the end of the four (4) year period, at a discount to par at the rate of 66.67% and otherwise than by way of a right issue under the proviso of Section 86(1) of the Companies Ordinance, 1984, be and is hereby approved.

3. The following amendments proposed to the Memorandum and Articles of Association of the Company in order to specify the nature, rights and privileges of the Preference Shares be and are hereby approved without any amendment or modification of any nature whatsoever, subject to the same being approved by SECP.

"Clause V of the Memorandum of Association shall be deleted and replaced with the following:

V. The Authorized Share Capital of the Company is PKR 15,000,000,000/- (Rupees Fifteen Billion Only) divided into 1,350,000,000 (One Billion Three Hundred and Fifty Million Only) Ordinary Shares of PKR 10/- each and 150,000,000 (One Hundred Fifty Million Only) Preference Shares of PKR 10 each/- with such rights, preferences, privileges and conditions as are specified in the Articles of Association of the Company. The Company shall have the right and power to vary and modify any such rights, preferences, privileges and conditions in such manner as may be permitted by the Companies Ordinance, 1984 and the Articles of Association of the Company and to increase, reduce, reorganize, consolidate or subdivide the share capital in respect of the Ordinary Shares and Preference Shares on such terms and conditions as the Members of the Company may approve by way of a special resolution from time to time in accordance with the law."

In Article 2(a) of the Articles of Association following definitions shall be inserted in alphabetical order:

| | |
|--------------|--|
| Business Day | "Business Day" means a calendar day on which banks are open for general banking business in Pakistan. |
| Capital | 'Capital' means the capital for the time being raised or authorized to be raised for the purpose of the Company. |

For J.S. BANK LIMITED


Company Secretary



| | |
|-----------------------|---|
| Preferred Shareholder | 'Preferred Shareholder' means every person to whom the Company has allotted or who becomes the holders of the Preference Shares and whose name is entered in the Register of Members. |
| Shares or shares | 'Shares' or 'shares' means the Ordinary Shares, and will include Preference Shares where the context so requires. |
| Share Capital Rules | 'Share Capital Rules' mean the Companies' Share Capital (Variation in Rights and Privileges) Rules, 2000. |

Article 6 of the Articles shall be deleted and replaced as follows:

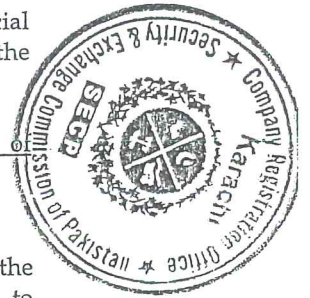
6. Share Capital

The Capital of the Company is PKR 15,000,000,000/- (Rupees Fifteen Billion Only) divided into 1,350,000,000 (One Billion Three Hundred and Fifty Million Only) Ordinary Shares of PKR 10/- each and 150,000,000 (One Hundred Fifty Million Only) Preference Shares of PKR 10 each/- with such rights, preferences, privileges and conditions as are specified in these Articles. The Company shall have the right and power to vary and modify any such rights, preferences, privileges and conditions in such manner as may be permitted by the Ordinance and these Articles and to increase, reduce, reorganize, consolidate or subdivide the share capital in respect of the Ordinary Shares and Preference Shares on such terms and conditions as the Members of the Company may approve by way of a special resolution from time to time in accordance with the law.

The following shall be inserted as Articles 6A, 6B and 6C in the Articles of Association of the Company:

6A. Issue of Preference Shares

- (a) Subject to the provisions of Articles 4, 6B and 6C, the Company may issue the Preference Shares to Preferred Shareholders in terms of these Articles.
- (b) The Preference Shares shall be offered to such persons as of the date of the offer are entitled to receive notices from the Company of General Meetings in proportion to the amount of existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to have been declined, and after expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may dispose of the same in such manner as they think most beneficial to the Company in exercise of their powers in terms of Rule 5(3) of the Share Capital Rules.
- (c) In the event of any inconsistency between the provisions of Articles 4, 6A, 6B and 6C on the one



For J.S. BANK LIMITED

[Handwritten Signature]
Company Secretary

| | |
|--|--|
| Conversion | 'Conversion' means the conversion of Preference Shares into Ordinary Shares in terms of these Articles, and the word "Converted" shall be construed accordingly. |
| Conversion Date | 'Conversion Date' means the earlier of: (a) the Business Day falling immediately after the expiry of the fourth (4 th) anniversary of the Preference Share Issue Date; or (b) such other date as the State Bank may direct under applicable laws. |
| Conversion Ratio | 'Conversion Ratio' means the following ratio which will be used for the Conversion: 1: 1.5 (In other words, for every one Preference Share of a face value of PKR 10, 1.5 Ordinary Shares of a face value of PKR 10 will be issued). |
| Distributable Profits | 'Distributable Profits' means the profit available for distribution as dividend subject to the provisions of Section 248 and Section 249 of the Ordinance, whereby the profits are determined in accordance with the generally accepted accounting principles and accounting policies of the Company and after allowing for retention of profits and transfer to reserves for continuing and expansion of operations of the Company. |
| Dividend Payment Date | 'Dividend Payment Date' means the last date of each Financial Year of the Company. |
| Financial Year' | Financial Year' means the date on which the annual audited accounts of the Company are prepared. |
| Ordinary Shares or ordinary shares | 'Ordinary Shares' or 'ordinary shares' mean the voting ordinary shares of the Company other than the Preference Shares. |
| Ordinary Shareholder | 'Ordinary Shareholder' means every person to whom the Company has allotted or who becomes the holder of the Ordinary Shares and whose name is entered in the Register of Members. |
| Preference Shares or preference shares | 'Preference Shares' or 'preference shares' not being Ordinary Shares, means convertible preference shares issued to Preferred Shareholders in accordance with the Ordinance and Share Capital Rules and with such rights, privileges, preferences and conditions as are provided in these Articles. |
| Preference Shares Issue Date' | Preference Shares Issue Date' means the date on which the Preference Shares are issued to Preferred Shareholders subject to the terms and conditions contained in these Articles. |



For J.S. BANK LIMITED

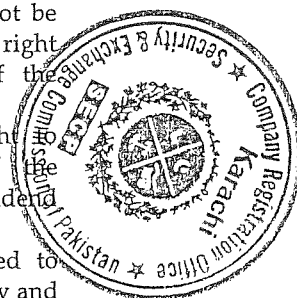
[Handwritten Signature]
Company Secretary

hand, and any other Article contained herein on the other hand, the former shall prevail.

6B. Rights of Preference Shareholders

Subject to the provisions of the Ordinance, the Preference Shareholders shall have the following rights:

- (a) A Preferred Shareholder shall be entitled to cash Dividends in priority over any Dividends declared by the Company on Ordinary Shares. The Dividends payable to a Preferred Shareholder shall be non-cumulative and paid on each Dividend Payment Date at a fixed rate of 12% per annum on each Preference Share.
- (b) Payment of Dividends to a Preferred Shareholder shall not be obligatory and shall be payable on each Dividend Payment Date only out of current year's Distributable Profits of the Company and subject to compliance with Section 19 of the Banking Companies Ordinance.
- (c) If on any Dividend Payment Date, Distributable Profits of the current year are not sufficient for payment of Dividends on Preference Shares and/or if the Company is not in compliance with Section 19 of the Banking Companies Ordinance, the right to receive Dividend by a Preferred Shareholder shall stand lapsed. A Preferred Shareholder shall not be entitled to cash dividend, bonus shares and right shares declared on the Ordinary Shares of the Company.
- (d) A Preferred Shareholder shall have no right to participate in the Distributable Profits of the Company except to the extent of the Dividend payable in accordance with this Article.
- (e) A Preferred Shareholder shall not be entitled to notice of any general meeting(s) of the Company and further shall have no right to attend and vote at such general meeting(s), except on matters affecting his/her substantive rights as provided under the Ordinance and the Share Capital Rules.
- (f) A Preferred Shareholder shall, on winding up, have the first right, before the Ordinary Shareholders, over the assets of the Company, limited to the nominal value of the shares held by a Preferred Shareholders plus dividend unpaid till the commencement of the winding up proceedings.
- (g) A Preferred Shareholder shall be free to trade and transfer the Preference Shares (either in part or completely), subject to any restrictions as set out in these Articles and/or the Ordinance.
- (h) Following the first issue and allotment of the Preference Shares, where the Directors decide to increase the Capital by issuance of either Ordinary Shares or Preference Shares, then such further Shares of the Company shall only be offered to the Ordinary



For J.S. BANK LIMITED


Company Secretary

Shareholders of the Company (and not to the Preferred Shareholders) in proportion to their existing shareholding in the Capital of the Company. Where any shares forming part of the new share issue are not subscribed to by the existing Ordinary Shareholders of the Company, then the Board shall allot and issue such declined shares in such manner as they deem fit in exercise of the powers of the Directors under Section 86(7) of the Ordinance.

6C. Conversion of Preference Shares

The Preference Shares issued to a Preferred Shareholder pursuant to Articles 4, 6A and 6B shall be converted into Ordinary Shares of the Company on the Conversion Date at a discount on the following terms and conditions:

- (a) the Ordinary Shares shall be issued at a discount to par at the rate of 66.67%.
- (b) the Company shall within 30 calendar days of the Conversion Date issue Ordinary Shares in respect of the Conversion.
- (c) the number of Ordinary Shares to be allotted and issued by the Company as a result of the Conversion shall be determined by multiplying the number of Preference Shares to be converted by the Conversion Ratio.
- (d) upon issuance of Ordinary Shares as a result of the Conversion, such Ordinary Shares shall in all respect rank pari passu with Ordinary Shares already existing, issued and allotted.
- (e) no fractional Ordinary Shares shall be issued upon Conversion; instead of fractional Ordinary Shares, the Company shall pay cash to the Preferred Shareholders in respect of their fractional interest.
- (f) Preference Shares converted pursuant to this Article shall not be resold and shall stand cancelled forthwith.



Article 99 of the Articles shall be deleted and replaced as follows:

"99. Declaration of Dividend

Subject to the provisions of Section 19 of the Banking Companies Ordinance, the Company in General Meeting may declare a Dividend to be paid to the Members according to their rights and interests in the Distributable Profits, but no Dividend shall exceed the amount recommended by the Directors. "

Article 101 of the Articles shall be deleted and replaced as follows:

"101. Dividend out of Profits only

Subject to Article 6B, no Dividend shall be paid otherwise than out of Distributable Profits or any other undistributed profits."

For J.S. BANK LIMITED


Company Secretary

Article 104 of the Articles shall be deleted and replaced as follows:

"104. Dividend in Specie

Subject to Article 6B, any general meeting declaring a Dividend may resolve that such Dividends be paid wholly or in part by the distribution of specific assets and in particular, of paid up shares or debentures either of the Company or in any one or more such ways."

Article 131 of the Articles shall be deleted and replaced as follows:

"131. Division of Assets in Specie

Subject to Article 6B, if the Company is wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Ordinance, divide amongst the Members, in specie or kind, the whole or any part of the assets of the Company, whether they consist of property of the same kind or not."

5. The Company be and is hereby authorized and empowered to take all such actions, including but not limited to the filing of requisite applications (through the Authorized Persons (as defined below) for seeking permission from the SECP, the State Bank, the Competition Commission of Pakistan and such other regulatory authorities as may be required for issuance of the Preference Shares and all matters relating thereto.
6. Any two of the President & CEO, Chief Operating Officer, Group Head Treasury, FI & IBG and Chief Financial Officer & Company Secretary of the JS Bank, be and are hereby jointly authorized ("Authorized Persons") to enter into and execute such documents as may be required in relation to the issue of Preference Shares.
7. The Authorized Persons, be and are hereby authorized, to take all steps necessary, ancillary and incidental for the issuance of the Preference Shares, the issuance of the ordinary shares at a discount upon conversion of the Preference Shares, including but not limited to obtaining all requisite regulatory approvals; engaging legal counsel and consultants for the purposes of the above; filing of all the requisite statutory forms and all other documents as may be required to be filed with the SECP, the State Bank and any other regulatory authority; executing all such certificates, applications, notices, reports, letters and any other documents or instruments, including any amendments or substitutions to any of the foregoing, as may be required in respect of the Preference Shares issue and all other matters incidental or ancillary thereto.
8. All acts, deeds, and actions taken by the Authorized Persons pursuant to the above resolution for and on behalf of and in the name of the Company shall be binding acts, deeds and things done by the Company.
9. The aforesaid amendments in the Memorandum and Articles of Association of the Company shall be subject to any amendment, modification, addition or deletion as may be deemed appropriate by the Authorised Persons or as may be suggested, directed and advised by the SECP and/or State Bank and/or any other regulatory body which suggestion, direction and advise shall be deemed to be have been approved as part of these Special Resolutions without the need of the shareholders to pass a fresh Special Resolution.



For J.S. BANK LIMITED


Company Secretary



Enforcement Department
Company Law Division



THROUGH COURIER

No. EMD/CI/102/2010-

December 19, 2013

Mr. Rashid Sadiq
RS Corporate Advisory
First Floor, Plot No. 62, Central Commercial Area
Block T, Phase 2,
Defence Housing Authority
Lahore Cantt. (Tel: 042 3574 7904; Fax: 042 3574 7905)

Re: Application for Issuance of Shares – JS Bank Limited

Dear Sir,

Please refer to the subject application dated November 25, 2013, submitted by you on behalf of the JS Bank Limited (the "Bank") under rule 5 of the Companies' Share Capital (Variation in Rights and Privileges) Rules, 2000 ("Share Capital Rules") read with section 90 of the Companies Ordinance, 1984 (the "Ordinance"), under section 84 of the Ordinance and proviso of section 86(1) of the Ordinance.

2. In connection with this, I am pleased to inform you that the competent authority on the basis of special resolution passed by the shareholders of the Bank in the Extraordinary General Meeting (EOGM) held on November 23, 2013 and considering the circumstances of the case has allowed the Bank, as under:

(a) to issue, as a right to the existing shareholders of the Bank, 150,000,000 (one hundred fifty million) unlisted, perpetual, non-cumulative, non-voting, irredeemable and convertible Preference Shares, having preferred dividend rate of 12% per annum on non-cumulative basis, under rule 5 of the Share Capital Rules read with section 90 of the Ordinance; and

(b) to issue 225,000,000 ordinary shares of the Bank to the holders of Preference Shares upon conversion at the end of 4 years period in terms of section 84 (1) (d) of the Ordinance, at Rs6.67 per share i.e. at a discount of 33.33% in terms of section 84 (2) of the Ordinance and otherwise than right in terms of section 86 (1) of the Ordinance.

3. This approval has been accorded by the competent authority subject to the following conditions:

(i) The aforementioned right issue of Preference Shares and subsequent conversion to ordinary shares at discount shall be governed by the terms and conditions as approved by the shareholders in the EOGM and at the time of conversion the requirement of the Listed Companies (Substantial Acquisition of Voting Shares and Take-Overs) Ordinance, 2002, shall be complied (wherever applicable). Further, the Bank shall intimate the Commission along with complete details, within 15 days of the issue; and

SECURITIES & EXCHANGE
COMMISSION OF PAKISTAN
NIC Building, 63 Jinnah Avenue,
Islamabad, Pakistan

For J.S. BANK LIMITED

Company Secretary

PABX: +92-51-9207091-4, Fax: +92-51-9218592, 9204915, Email: webmaster@secp.gov.pk, Website: www.secp.gov.pk



SECURITIES & EXCHANGE COMMISSION OF PAKISTAN

Enforcement Department
Company Law Division

Continuation Sheet - 1 -

(ii) The issue of Preference shares shall be fully and firmly underwritten and a certified true copy of the underwriting agreement shall be submitted to the Commission.

4. Please acknowledge receipt.

Regards,

AQEEL ZEESHAN
Joint Director (Enforcement)

19/12/13

Cc: The Company Secretary
JS Bank Limited
Shaheen Commercial Complex, Dr. Ziauddin Ahmed Road
P.O.Box 4847, Karachi-74200

For J.S. BANK LIMITED

Company Secretary



31 DEC 2013

RECEIVED

STATE BANK OF PAKISTAN
BANKING POLICY AND REGULATIONS DEPARTMENT
I. I. CHUNDRIGAR ROAD
KARACHI



M/A *[Signature]*

No. BPRD/BA&CP/649/19755/2013

December 30, 2013

The President
JS Bank Ltd.
Shaheen Complex,
Dr. Ziauddin Ahmed Road,
Karachi.

Dear Sir,

Minimum Capital Requirement (MCR)- Issuance of Preference Shares by JS Bank Ltd.

Please refer to your letter No. JSB-151-13 dated December 20, 2013 on the captioned subject.

In this regard, the competent authority has granted final approval to JS Bank Limited for issuance of unlisted, convertible, irredeemable, perpetual, non-cumulative, non-voting preference shares of up to Rs. 1.5 billion, having face value of Rs. 10 per share, to the shareholders of the bank in the ratio of 1:1.50 subject to fulfillment of criteria for Additional Tier-1 capital instruments as mentioned under Basel III capital instructions issued vide BPRD circular No. 6 of 2013.

The bank must also ensure completion/ fulfillment of all the relevant legal and regulatory requirements stipulated by Companies Ordinance 1984, Banking Companies Ordinance 1962, SECP guidelines and SBP Prudential Regulations, and any other applicable law and regulation.

Furthermore, the bank is granted extension in meeting the MCR up to February 28, 2014 to complete the process of issuance of preference shares.

For J.S. BANK LIMITED

[Signature]
Company Secretary

Yours truly,

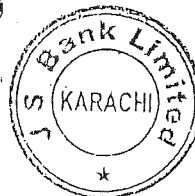
[Signature]

(Faraz Abbas)

Assistant Director

For J.S. BANK LIMITED

[Signature]
Company Secretary





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EY Ford Rhodes
Chartered Accountants
Progressive Plaza, Beaumont Road
P.O. Box 15541, Karachi 75530
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ey.khi@pk.ey.com
ey.com/pk

AC/AR/613/18
27 February 2018

Mr. Ashraf Shahzad
Company Secretary
JS Bank Limited (the Bank)
Shaheen Commercial Complex
Dr. Ziauddin Ahmed Road
Karachi-74200

Dear Sirs

CERTIFICATE ON THE CONFIRMATION OF REVISED PAID UP CAPITAL OF THE BANK AFTER CONVERSION OF PREFERENCE SHARES

We have been requested to provide you with the certificate confirming the revised paid up capital of the Bank as per the requirements of the Central Depository Company (CDC) of Pakistan Limited Regulations (the Regulations) and the Central Depository System (CDS) standard operating procedures manual.

Scope of Certificate

This certificate is being issued in terms of the requirement of the Central Depository Company (CDC) of Pakistan Limited Regulations (the Regulations) and the Central Depository System (CDS) standard operating procedures manual. We are required to certify the following:

- a) The revised paid-up capital of the Bank after the conversion of preference shares;
- b) The conversion is in line with and permissible under the clauses of Articles of Association of the Bank;
- c) All requirements with regards to allotment of securities in the name of CDC have been fulfilled by the Bank; and
- d) The conditions (if any) imposed by the competent authority / Court have been satisfied by the Bank in every respect.

Management Responsibility

It is the management's responsibility to ensure compliance with all legal and regulatory requirements with respect to the conversion and allotment of preference shares. The management's responsibilities include causing the maintenance of adequate accounting records and internal controls in relation to paid-up capital of the Bank, conversion of preference shares and to comply with the requirement of CDC and conditions imposed (if any) by any component authority / Court thereto. This certificate does not relieve the management of its responsibilities. As part of our engagement, we will request from management written confirmation concerning representations made to us in connection with the above certification.



For J.S. BANK LIMITED


Company Secretary



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-: 2 :-

Auditors' Responsibility

Our responsibility is to certify that the revised paid up capital of the Bank after conversion of preference shares is in accordance with the Articles of Association and, based on the representation received from the management, confirm that all requirements with regards to allotment of securities in the name of CDC have been fulfilled by the Bank and conditions, if any, imposed by the competent authority / Court have been satisfied by the Bank. Our verification was limited to checking the amount of the revised paid-up capital of the Bank based on the unaudited books and records of the Bank and other supporting documents made available to us by the management.

Certificate

Based on the procedures mentioned above, we are pleased to certify that as per the unaudited books and records of the Bank:

1. The revised paid up capital of the Bank after the conversion of Preference shares is Rs.12,974,642,620 (Annexure A).
2. The conversion is in line with and permissible under clause 6c of the Articles of Association of the Bank.
3. All requirements with regards to allotment of securities in the name of CDC have been fulfilled by the Bank.
4. We have been informed by the management that no conditions were imposed by the competent authority / Court.

Restriction on use and distribution

This certificate is being issued in the capacity of statutory auditor of the Bank and on the specific request of the management of the Bank for onward submission to the Central Depository Company (CDC) of Pakistan Limited and is not to be used or distributed for any other purpose. This certificate is restricted to the facts stated herein.

Yours faithfully

SYK:ARK:MA.

For J.S. BANK LIMITED

Company Secretary