

MCB Bank Limited

Company Secretary Office
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SE-100(5F)2019/55
October 30, 2019

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Dear Sir,

NOTICE OF EXTRAORDINARY GENERAL MEETING
MCB BANK LIMITED

We enclose herewith the Notice of Extraordinary General Meeting ("EOGM") of **MCB Bank Limited**, scheduled to be held on **Thursday, November 21, 2019 at 11:00 AM (PST)** at Grand Ball Room-A, The Nishat Hotel, Emporium Mall, Near Expo Center, Abdul Haq Road, Johar Town, Lahore.

This is for your perusal, record and circulation amongst TRE Certificate Holders of the Exchange accordingly.

Yours truly,

Fida Ali Mirza
Company Secretary

Encl: **As above**

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting (the "Meeting" or "EOGM") of MCB Bank Limited will be held on **Thursday, November 21, 2019 at 11:00 AM (PST)** at Grand Ball Room-A, The Nishat Hotel, Emporium Mall, Near Expo Center, Abdul Haq Road, Johar Town, Lahore, to transact the following business:

SPECIAL BUSINESS:

To consider and if deemed fit, to pass the following resolutions, with or without modification, as Ordinary Resolutions:

"RESOLVED THAT approval of the members of MCB Bank Limited ('MCB' or the 'Bank') be and is hereby accorded in terms of Section 183 of the Companies Act, 2017 ('Companies Act') and other applicable provisions of the law, and MCB be and is hereby authorized to dispose of its wholly owned subsidiary, MCB Financial Services Limited ('MCBFSL') to ISE Towers REIT Management Company Limited ('ISE RMC') and its co-purchaser, Infotech (Private) Limited ('Infotech'), subject to all applicable regulatory approvals, including the Securities and Exchange Commission of Pakistan ('SECP'), Competition Commission of Pakistan ('CCP') and/or any other relevant authority."

"RESOLVED FURTHER THAT approval of the Members of MCB be and is hereby accorded in terms of Section 183 of the Companies Act and other applicable legal provisions, and MCB be and is hereby authorized to dispose of MCBFSL for a total consideration of PKR 89,459,258/- (Pakistani Rupees Eighty-Nine Million Four Hundred Fifty-Nine Thousand Two Hundred and Fifty-Eight only), calculated at a value of PKR 32.53 per share."

"RESOLVED FURTHER THAT the Chief Executive Officer / the Chief Financial Officer/ the Company Secretary of the Bank be and are hereby singly empowered and authorized to do all acts, matters, deeds and things, take any or all necessary actions including signing and execution of agreement(s) and to complete all the regulatory, legal and other formalities including filing of applications to the State Bank of Pakistan ('SBP'), the SECP or any other authority as may be necessary or incidental or expedient for the purpose of implementing the aforesaid resolutions."

A Statement of Material Facts covering the above mentioned Special Business, as required under Section 134(3) of the Companies Act, 2017 and a Statement of Material Facts covering the sale of the subsidiary of the Bank as required under S.R.O. 423 (I)/2018 dated April 03, 2018 are annexed to the Notice of Meeting circulated to the Members of the Bank.

By Order of the Board,



FIDA ALI MIRZA
Company Secretary



October 31, 2019
Lahore.

Notes:

1. Copies of the Minutes of the 71st Annual General Meeting MCB Bank Limited (the "Bank" or "MCB") held on March 29, 2019 are available for inspection by Members as required under Section 152 of the Companies Act, 2017.
2. The Share Transfer Books of the Bank will remain closed from **November 14, 2019 to November 21, 2019** (both days inclusive). Transfers received at the Bank's Share Registrar and Transfer Agent's Office at the below mentioned address, at the close of business hours on **November 13, 2019** will be treated as being in time for the purpose to attend, speak and vote at the Extraordinary General Meeting (the "Meeting" or "EOGM") of the Bank.
3. All Members are entitled to attend, speak and vote at the Meeting. A member entitled to attend, speak and vote at the EOGM is entitled to appoint another member as a proxy to attend, speak and vote on his/her behalf. A corporate entity, being a member, may authorize an individual to act as its representative and the individual so authorized shall be entitled to exercise the same powers on behalf of the corporate entity which he represents.
4. The proxies and in case of corporate entity, the power of attorney or resolution of the board of directors or other governing body (if any) under which it is signed, a notarized/certified copy of the same in order to be effective must be deposited at the Share Registrar and Transfer Agent Office of the Bank not less than 48 hours (no account shall be taken of any part of the day that is not a working day) before the time for holding the Meeting, and must be duly stamped, signed and witnessed.
5. Members having physical scrip of shares are requested to immediately notify the change, if any, in their registered and/or e-mail addresses, in writing, to the Share Registrar and Transfer Agent of the Bank, whereas, CDC Account holders are requested to contact their CDC Participant/CDC Account Services.
6. Central Depository Company of Pakistan ("CDC") Accountholders will further have to follow the under mentioned guidelines as laid down by Circular No. 01, dated 26 January, 2000, issued by the SECP:

For Attending the Meeting:

- i. In case of individuals, the accountholder or sub-acountholder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his identity by showing his original Computerized National Identity Card ("CNIC") or original passport at the time of attending the Meeting.
- ii. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of the Meeting.

For Appointing of Proxies:

- i. In case of individuals, the accountholder or sub-acountholder and/or the person whose securities are in group account and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per the above requirement.
- ii. The proxy form shall be witnessed by the two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii. Attested copy of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv. The proxy shall produce his/her original CNIC or passport at the time of the meeting.
- v. In case of corporate entity, the Board of Directors resolution/power of attorney with specimen signature shall be submitted along with proxy form of the Bank.

7. A Proxy Form, both in English and Urdu language, is being separately sent to the Members, along with a Notice of the EOGM.
8. Copies of the Notice of EOGM, the latest annual audited/quarterly financial statements and the Memorandum and Articles of Association of the Bank have been kept at the Registered Office of the Bank which can be obtained and/or inspected during the business hours on any working day from the date of publication of this Notice till the conclusion of the EOGM by the Members and other persons entitled to attend the Meeting. Notice of EOGM has also been placed on website of the Bank: www.mcb.com.pk
9. Members can attend and participate in the EOGM through Video-Link. Pursuant to the provisions of the Companies Act, 2017 the shareholders residing in a city and holding at least 10% of the total paid up share capital may demand the Bank to provide the facility of video-link for participating in the EOGM. The demand for video-link facility shall be received by the Company Secretary at the Registered Office of the Bank located at MCB Building, 15-Main Gulberg, Jail Road, Lahore, at least seven (7) days prior to the date of EOGM. In this regard, a 'Standard Request Form for Video-Link Facility' is available on the Bank's website. www.mcb.com.pk

STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017
IN RESPECT OF SPECIAL BUSINESS

This statement sets out the material facts pertaining to the special business to be transacted at the Extraordinary General Meeting (the "Meeting" or "EOGM") of MCB Bank Limited (the "Bank" or "MCB") scheduled to be held on November 21, 2019.

MCB Financial Services Limited (the "Company" or "MCBFSL") is a wholly-owned subsidiary of the Bank. MCBFSL was incorporated on February 12, 1992 under the Companies Ordinance, 1984 (replaced with the Companies Act, 2017) as a private limited company and converted its status from Private Limited Company to Unlisted Public Limited Company on June 19, 2009. The principal objects of the Company are to act as Trustee of investment trust scheme, voluntary pension scheme, and real estate investment trust schemes, to provide custodian services and to act as transfer agent/share registrar of securities of listed and unlisted companies and mutual funds etc.

MCB Board, subject to the provisions of Section 183 of the Companies Act, 2017 and all other applicable provisions of the law, approved the disposal of MCBFSL and the process of due diligence for the disinvestment and sale of the Company. After an extensive due diligence process, appropriate buyers, namely, ISE Towers REIT Management Company Limited ("ISE RMC") and Infotech (Private) Limited ("Infotech") as co-purchasers have been selected to complete the transaction.

ISE RMC and Infotech, by virtue of the share purchase agreement executed with the Bank, have agreed to purchase 100% shares of MCBFSL, for a total consideration of **PKR 89,459,258/-** (Pakistani Rupees Eighty-Nine Million Four Hundred Fifty-Nine Thousand Two Hundred and Fifty-Eight only), subject to Members' and all applicable corporate and regulatory consents and approvals, including the SECP and the CCP.

The Directors of the Bank have certified that they have carried out necessary due diligence for the proposed divestment before making recommendation for approval of the Members and duly signed recommendation of the due diligence report shall be made available for inspection of members in the EOGM along with the latest financial statements of MCBFSL.

The Directors of the Bank have no personal interest in above business, save to the extent of their respective shareholding in the Bank and payment of remuneration.

The Board of Directors of the Bank have confirmed that the proposed sale of MCBFSL is in line with the applicable provisions of the law and regulatory framework. The decision was taken purely on commercial considerations.

Following are the present shareholdings of the Directors of MCB Bank Limited:

Share held by Directors and their Spouses of MCB Bank Limited	As at September 30, 2019
Mian Mohammad Mansha	7,834
Mrs. Naz Mansha	6,424,057
Mr. S. M. Muneer	2,059
Mr. Muhammad Tariq Rafi	32,094,304
Mrs. Nighat Tariq	5,715,093
Mian Umer Mansha	31,986,378
Mrs. Iqraa Hassan Mansha	8,000
Mian Hassan Mansha	43,363,671
Mr. Muhammad Ali Zeb	550
Mr. Mohd Suhail Amar Suresh Bin Abdullah	884
Mr. Yahya Saleem	500
Mr. Salman Khalid Butt	1,000
Mr. Masood Ahmed Puri	1,000

Material Facts covering the sale of MCBFSL as required under S.R.O. 423 (I)/2018 dated April 03, 2018 issued by the Securities & Exchange Commission of Pakistan ("SECP") are as under:

i).	Name of the subsidiary:	MCB Financial Services Limited ("MCBFSL").
ii).	Cost and book value of investment in subsidiary:	As at June 30, 2019: Cost: PKR 27,500,120/- Net Book Value: PKR 27,500,120/-
iii).	Total market value of subsidiary based on value of the shares of the subsidiary company: <i>(In case of non-listed subsidiary: value determined by a registered valuer, who is eligible to carry out such valuation along with name of the valuer)</i>	As at June 30, 2019: Value of the Shares of MCBFSL as determined by the Registered Valuer: PKR 87,060,576/- Name of the Valuer: HLB Ijaz Tabassum & Co., Chartered Accountants
iv).	Net worth of subsidiary as per latest audited financial statements and subsequent interim financial statements, if available:	As at December 31, 2018: PKR 81,511,914/- As at June 30, 2019: PKR 87,371,189/-
v).	Total consideration for disposal of investment in subsidiary, basis of determination of the consideration and its utilization:	[PKR 89,459,258/-] price determined on the basis of due diligence and mentioned in share purchase agreement executed between the buyer, the co-purchaser and the seller. The amount realized will be paid back to the holding company for the utilization as working capital.
vi).	Quantitative and qualitative benefits expected to accrue to the members:	The proposed sale of subsidiary will result in capital gain of PKR 61.96 million approximately for the holding company. The Board of Directors believes that the proposed sale will provide additional liquidity to the holding company for the utilization of other profitable business avenues.



Attention of Shareholders is drawn towards Circulars/Notifications:

The following Circulars/Notifications require special attention of shareholders of the Bank:

1. Requirement of Valid CNIC and IBAN:

As per the requirements of the Companies (Distribution of Dividends) Regulations, 2017 issued by the Securities and Exchange Commission of Pakistan ("SECP") and SRO 275 (I)/2016, dated March 31, 2016 issued by the SECP, the payment of cash dividend shall only be made to the Shareholders who have provided copies of their valid CNIC/ NICOP/ Passport (in the case of Individuals) and NTN (in the case of Corporate Entities) and valid details of designated International Bank Account Number ("IBAN"). Therefore, in order to comply with the above regulatory requirements, the Bank has withheld and shall be withholding the payment of cash dividend to those shareholders who have not yet provided copies of their valid CNIC/NICOP/NTN/Passport and details of valid IBAN.

2. Requirement of FBR's Approval or Valid Tax Exemption Certificate for Claim of Exemption U/S 150 of the Income Tax Ordinance, 2001:

The Honorable Lahore High Court, Lahore, in its recent decision has advised that the Mutual Funds as approved by the Federal Board of Revenue ("FBR"), would not be required to provide exemption certificate under Section 159 of the Income Tax Ordinance, 2001 ("Ordinance") to claim tax immunity as per clause (47B) of Part-IV of the Second Schedule to the Ordinance. It is, therefore, requested to provide either approval certificate or valid exemption certificate under Section 159 (1) of the Ordinance issued by the concerned Commissioner of the Income Tax, Inland Revenue, FBR. In case of non-availability of approval / exemption certificate(s), the deduction of advance tax on dividend shall be made as per the relevant provisions of the Ordinance.

3. Deduction of Withholding Tax on the Amount of Dividend:

The Government of Pakistan through the Finance Act, 2019, has made amendment in Section 150 of the Income Tax Ordinance, 2001, whereby, withholding tax on dividends has been enhanced as follows:

- For Filers of Income Tax Returns: 15%
- For Non-Filers of Income Tax Returns: 30%

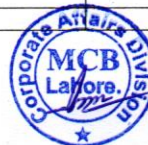
In case of joint-shareholders, tax is to be deducted as per ratio of their respective share in the ownership.

Federal Board of Revenue ("FBR") has provided the Active Tax-Payer List ("ATL"), for identification on the basis of NTN/CNIC number; hence, in case of non-availability of valid NTN/CNIC number with MCB's Share Registrar and Transfer Agent, it would not be possible to identify the same in ATL and the shareholder will constraint to be treated as 'Non-Filer' to qualify for tax at higher rate of 30%. Therefore, shareholders who have not yet provided such information are requested to ensure that their valid NTN/CNIC number is available with the Share Registrar and Transfer Agent of MCB. In case of shares held as book-entry securities, the said information would be required to be provided to CDS, through CDS Participants.

4. Deduction of Withholding Tax on Joint Account Holder(s):

The Joint Account Holders whose shareholding details as to Principal Shareholder have not yet been determined for deduction of withholding tax on the upcoming dividend of the Bank, are requested to please furnish to the Share Registrar and Transfer Agent of the Bank; the shareholding details of yourself as Principal Shareholder and your Joint Holder(s) in the following manner, enabling MCB to compute withholding tax of each shareholder accordingly:

CDC Account No./ Folio No.	Name of Principal Shareholder/Joint Holders	Shareholding Proportion	CNIC No. (copy attached)	Signature



Kindly note that in case of non-receipt of the information each Account Holder will be assumed to hold equal proportion of shares and the deduction will be made accordingly.

5. **Circulation of Annual Audited Financial Statements and Notice of AGM to Members through E-mail:**

SECP through its Notification No. SRO 787 (I)/2014, dated September 08, 2014, has allowed companies to circulate Annual Audited Financial Statements along with Notice of Annual General Meeting ("AGM") to its members through email. The shareholders who desire to receive Annual Audited Financial Statements and Notice of AGM through email are requested to fill the requisite form titled 'Standard Request Form for Annual Audited Financial Statements and Notice of AGM' placed on the website and send it to the Company Secretary at the Registered Office of the Bank located at MCB Building, 15-Main Gulberg, Jail Road, Lahore. In case any member, subsequently, requests for hard copy of Annual Financial Statements, the same shall be provided free of cost within seven (7) days of receipt of such request.

6. **Transmission of Annual Audited Accounts through DVD:**

The Bank as allowed by SECP Notification No. SRO 470 (I)/2016, dated May 31, 2016, has circulated the Annual Audited Financial Statements for the year ended December 31, 2017 to shareholders through electronic medium, i.e., DVD at their registered addresses instead of transmitting the said annual accounts in hard copies. However, a shareholder may request to the Company Secretary at the Registered Office of the Bank located at MCB Building, 15-Main Gulberg, Jail Road, Lahore to provide hard copy of Annual Audited Accounts instead of DVD and the same will be provided at his/her registered address, free of cost, within one week of the demand. In this regard, a 'Standard Request Form' has been placed on website of the Bank for shareholders to communicate the need of hard copies of the Annual Audited Accounts instead of sending the same through DVD. A shareholder may also prefer to receive hard copies for all future Annual Audited Accounts.

7. **Deposit of Physical Shares into CDC Account:**

The Shareholders having physical shareholding may open CDC sub-account with any of the brokers or Investor Account directly with CDC to place their physical shares into scripless form, this will facilitate them in many ways including safe custody and sale of shares, any time they want, as the trading of physical shares is not permitted as per existing regulations of the Stock Exchange. Further, Section 72 of the Act states that after the commencement of the Act from a date notified by SECP, a company having share capital, shall have shares in book-entry form only. Every existing company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by SECP, within a period not exceeding four years from the commencement of the Act.

8. **Merger of Different Folios into One Folio:**

As per record, some of the shareholders are maintaining more than one folio(s) under the same particulars. Carrying two different folios may be a hassle for the shareholders to reconcile and receive different benefits in the shape of dividends/ bonus. In order to provide better services and convenience, such shareholders are requested to send requests to the MCB's Share Registrar and Transfer Agent to merge their folios into one folio.

While sending the copy of NTN/CNIC/NICOP number, shareholders are requested to quote their respective Folio/CDC Account Numbers for identification purpose.

M/s THK Associates (Pvt) Ltd.,
Share Registrar and Transfer Agent-MCB Bank Limited
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