

Summit S Bank

Ref: SMBL/CSD/2020/05-13

May 21, 2020

Mr. Abbas Mirza
GM & Acting Chief Regulatory Officer
Pakistan Stock Exchange Limited
Stock Exchange Building, Stock Exchange Road
Karachi

Re: Non-Compliance of Clauses 5.11.1.(c)&(d) of PSX Regulations by M/S. Summit Bank Limited.

Dear Sir,

We write with reference to PSX Notice No. PSX/N-633 dated May 20, 2020 on the captioned subject matter.

In this regard we would like to apprise that the external auditors Messers Baker Tilly Mehmood Idrees Qamar, Chartered Accountants have completed their review / audit of financial statements of Summit Bank Limited (the "Bank") for the financial year ended December 31, 2018 and have provided the initialed account for the half year ended June 30, 2018 and financial year ended December 31, 2018 for onward approval of the Board of Directors of the Bank. Accordingly, the audit work is currently underway for half yearly review of the financial statements for the period ended June 30, 2019 and annual audit of the financial statements for the year ended December 31, 2019.

However, due to unforeseeable and uncontrollable events pertaining to the resignation of the four (4) members of the Board of Directors i.e. two (2) non-executive directors and two (2) independent directors already intimated to PSX on April 20, 2020, the Bank is unable to proceed further and to hold the audit committee meeting and board meeting for consideration and approval of the pending financial statements for the year ended December 31, 2018.

The best efforts are currently underway to fill the casual vacancies on the Board to ensure the constitution of a functional Board of Directors at the earliest, subject to the required FPT clearance from the State Bank of Pakistan which ordinarily require two to three months' time.

Keeping in view the above status of recently announced casual vacancies on the Board and the unusual slowdown of business/economic activities due to recent COVID-19 pandemic situation and uncertain city lockdown situation, the Bank has requested the Honourable Securities & Exchange Commission of Pakistan to allow the Bank to submit the pending financial statements of the Bank for both FY-2018 & FY-2019 and also applied for seeking direction under section 147 of the Companies Act, 2017 pertaining to the holding of the Annual General Meeting of the Bank for financial years ended December 31, 2018 & December 31, 2019 within an extended time period till at least August 15, 2020 and September 15, 2020 respectively. A similar request has also been made to SBP seeking relaxation in submission of pending financial statements of the Bank for FY18 & FY19 till the above mentioned dates.

In light of the above, we hereby request PSX to hold any further action under clause 5.11.2 of the PSX Regulations and not suspend the trading of shares of Summit Bank on PSX.

Yours truly,

For and on behalf of
Summit Bank Limited

Syed Muhammad Talib Raza
Company Secretary

COMMITTED TO YOU

Summit Bank Limited

Company Secretary Division

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