

Summit S Bank

Ref: SMBL/CSD/2020/08-05

Date: 10.08.2020

Mr. Hafiz Maqsood Munshi
Manager
Companies & Securities Compliance
Regulatory Affairs Division (RAD)
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Subject: Continuation of Trading in the Shares of M/s. Summit Bank Limited

Dear Sir,

We write with reference to the Pakistan Stock Exchange (the 'Exchange'/'PSX') letter no. PSX/Gen-1450 dated July 27, 2020 seeking update with respect to holding of the overdue Annual General Meetings ('AGMs') for the calendar years 2018 and 2019 by August 15, 2020 and September 15, 2020 respectively in light of the Direction issued by the Securities and Exchange Commission of Pakistan ('Commission' or 'SECP') to Summit Bank Limited (the 'Bank') in terms of Section 147 of the Companies Act, 2017 (the 'Companies Act').

In this regard, we would like to apprise the Exchange that, subsequent to the issuance of the aforesaid Direction, the Bank's management had been able to fill-in the five (5) casual vacancies on the Board of Directors of the Bank that had fallen vacant after the resignation of the ex-Board Members on April 18, 2020 by convening, in terms of Section 176 (1) of the Companies Act, two (2) board meetings, each held on June 11, 2020 and June 24, 2020 respectively, In the first meeting held on June 11, 2020, the four (4) vacant positions were filled by the following persons who had consented to become Directors under Section 167 of the Companies Act:

1. Mr. Waseem Mehdi Syed
2. Syed Khawaja Maaz
3. Mr. Farrukh Shauket Ansari
4. Mr. Sikander Abbasi

After that, the fifth (5th)/last vacant position on the Board of Directors of the Bank was filled in the second consequent board meeting held on June 24, 2020, wherein Ms. Fauzia Hasnain was appointed to fill-in the last casual vacancy on the Board of Directors of the Bank (*copies of PSX announcements for filling up the casual vacancies on the Board of Directors of the Bank in each of the Board Meetings held on June 11, 2020 and June 24, 2020 are enclosed as per Annexure 'A' and 'B' respectively*). It is pertinent to mention that filling of these casual vacancies was subject to the necessary and mandatory prior clearance from the State Bank of Pakistan ('SBP').

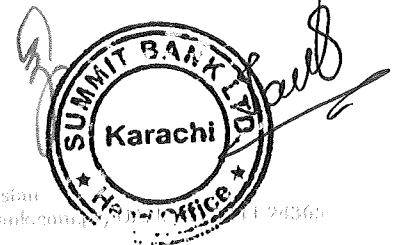
However, while the requisite FPT clearance was pending at SBP, the Bank remained unable to convene, by or before July 24, 2020, its meeting of the newly constituted Board of Directors to discuss, including amongst other agenda items, the re-constitution of all the Board Sub-Committees, including, without limitation, the Board Audit Committee wherein the financial statements for the year ended December 31, 2018 and December 31, 2019 could be placed for review and consideration before the same is placed for approval of the Board of Directors of the Bank.

COMMITTED TO YOU

Summit Bank Limited
Company Secretary Division
Summit Tower I Head Office

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Recently, three of the above appointed board members have submitted their resignation as a result of which the process for appointing the replacement directors to fill-in these casual vacancies is currently underway (*copy of the resignation letters and the PSX announcement enclosed as per Annexure 'C' and 'D' respectively*).

In the absence of the mandatory Audit Board Committee / necessary board composition for approval of the financial statements of the Bank for the financial year ended December 31, 2018, the Bank was unable to share with PSX, SECP and other concerned regulators, as well as its shareholders, its audited annual accounts as well as the notice of the Annual General Meeting (AGM), which is statutorily required to be submitted 21 days before the AGM scheduled earlier to be held on August 15, 2020 for the financial year ended December 31, 2018, in pursuance of the Commission's Direction granted in terms of the Commission's letter no. EMD/233/686/2007-729 dated June 16, 2020.

We would like to further apprise that, given the current exceptional, unfavourable and uncontrollable circumstances faced by the Bank, the management has approached and filed an application with the Commission to seek a further extension for holding of the said AGMs for the financial year ended December 31, 2018 and December 31, 2019 by October 15, 2020 and December 15, 2020 respectively (*copy of application attached herewith as Annex E*).

The Bank would like to reiterate that it continues to make *bona fide*, best efforts to comply with the requisite statutory requirements and directives of the Commission as laid down in the Direction letter issued to the Bank under Section 147 of the Companies Act, 2017 and further endeavors to rectify any non-compliance of the applicable provisions of the PSX Regulations. The above explained actions taken by the Bank to complete the required board composition is further reflective of the Bank's *bona fide* intention and firm commitment.

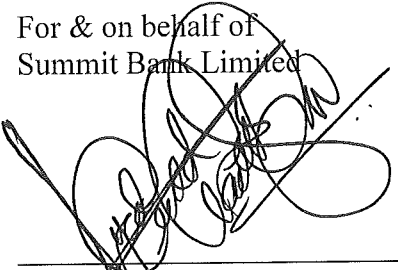
However, it must be appreciated that due to uncontrollable factors faced by the Bank in the form of frequent board member resignations, clearance of the elected/appointed directors by SBP and impact of COVID-19, the Bank has been unable to meet the timelines sought from the Commission in this regard.

We shall continue to keep the Exchange duly informed of all developments in this matter and remain thankful to the Exchange for all the support extended to the Bank in this regard.

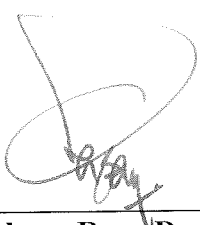
Thanking you,

Very truly yours,

For & on behalf of
Summit Bank Limited



Syed Muhammad Talib Raza
Company Secretary



Ahsan Raza Durrani
President and Chief Executive Officer (Acting)

Encl.: As above

