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## **Agreed-Upon Procedures Report pursuant to Central Depository Company Procedure for Merger**

Syed Manzoor Hussain Zaidi  
Chief Financial Officer  
United Bank Limited (the "Bank")  
UBL Tower, I.I. Chundrigar Road,  
Karachi

### ***Scope and purpose***

We, the statutory auditor of the Bank, have performed the procedures enumerated below, which were agreed to by the Bank (the "Engaging Party") and the Central Depository Company of Pakistan Limited (the "CDC") [together "Acknowledging Parties"], solely to assist you in your determination of compliance with the requirements of the aforementioned procedure to submit an Auditor's Certificate on the Allotment Confirmation letter for issue of shares (the "Allotment Confirmation Letter"), and may not be suitable for another purpose.

### ***Restricted use***

This agreed-upon procedures report (the "AUP Report") is intended solely for the information and use of the Acknowledging Parties and Pakistan Stock Exchange, and is not intended to be and should not be used by anyone else.

### ***Responsibilities of the Engaging Party***

The Bank has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement. The sufficiency of these procedures is solely the responsibility of the Acknowledging Parties.

### ***Responsibilities of the Practitioner***

We have conducted the agreed-upon procedures engagement in accordance with the International Standard on Related Services (ISRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with the Engaging Party, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness, or the sufficiency of the agreed-upon procedures described below either for the purpose for which this AUP Report has been requested or for any other purpose.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

### ***Our independence and quality management***

In performing the Agreed-Upon Procedures engagement, we complied with the ethical requirements in the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA) as adopted by the Institute of Chartered Accountants

of Pakistan (the “Code”). We are not required to be independent for the purpose of this engagement. We are the independent auditor of the Entity and therefore we also complied with the independence requirements of the Code that apply in context of the financial statement audit.

EY applies International Standard on Quality Management 1, which requires us to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Description of procedures performed**

We have performed the procedures described below, which were agreed upon with the Acknowledging Parties on the Request. Our procedures and findings included:

Procedure	Findings
<p>We obtained a copy of the following documents transmitted to CDC, to confirm whether the requirement for allotment of shares has been fulfilled by the Bank:</p> <ul style="list-style-type: none"> <li>i. Corporate Action Notice,</li> <li>ii. Scheme of Amalgamation (the “Scheme”),</li> <li>iii. Sanction Order of the State Bank of Pakistan (the “SBP”) [the “Order”],</li> <li>iv. Certified true copy of the Board resolution wherein amalgamation was approved, and</li> <li>v. Allotment confirmation letter for new shares to be issued as per the Scheme.</li> </ul>	<p>We confirmed that the requirement for allotment of shares was fulfilled by the Bank by obtaining a copy of and inspecting the following documents:</p> <ul style="list-style-type: none"> <li>i. Corporate Action Notice prepared by the Bank, on the prescribed template, dated 12 March 2025 and referenced UBL/CDC/Corp Action/Merger/25, specifying the Book Closure Date, Swap Ratio and Date of Allotment,</li> <li>ii. Scheme,</li> <li>iii. Order of SBP sanctioning the Scheme dated 10 March 2025 and referenced BPRD/ABLD/2025/1249,</li> <li>iv. Certified true copy of Board resolution passed in its meeting held on 06 December 2024, and</li> <li>v. Allotment Confirmation Letter to CDC, on the prescribed template, dated 21 March 2025 and referenced UBL/CDC-Merger-001/25.</li> </ul>
<p>We obtained the letter of the Share Registrar of the Bank to confirm the revised paid-up capital of the Bank.</p> <p>We also re-calculated the revised paid-up capital by adding up paid-up capital reported in the latest audited financial statements of the Bank and number of new shares issued as per the Scheme.</p>	<p>The revised paid-up capital is 1,252,123,875 ordinary shares of Rs. 10 as per the letter of Share Registrar (dated 21 March 2025 reference THK-SR-UBL-CST-MR-25-03-012). This is also mathematically accurate.</p>

<p>We obtained a reconciliation between the number of new shares and the number of shares to be allotted in the name of CDC as per the Allotment confirmation letter.</p>	<p>The number of shares to be allotted in the name of CDC as per Allotment confirmation letter is 27,928,963 whereas number of shares to be issued is 27,944,188. We have given to understand that the difference is because of</p> <ul style="list-style-type: none"> <li>(i) new physical shares to be issued against physical shares of SBL, and</li> <li>(ii) fractional entitlements, to be dealt with in accordance with Clause 6.2 of the Scheme.</li> </ul>
<p>We obtained from the Bank a confirmation of its external legal advisor that:</p> <ul style="list-style-type: none"> <li>i) requirements of Section 48 of the Banking Companies Ordinance, 1962 (the “BCO”), have been fulfilled by the Bank, and;</li> <li>ii) conditions imposed by the SBP through its sanction order have been satisfied by the Bank in every respect.</li> </ul>	<p>The external legal advisor of the Bank has confirmed that the requirements of Section 48 of the BCO and the conditions imposed by the SBP have been satisfied by the Bank through their letter referred HM-U438 dated 21 March 2025.</p>
<p>We obtained the emails circulated to the dissenting shareholders of UBL and SBL giving them an option to either receive cash equivalent to the value of their shares determined by SBP under Section 48(3) of the BCO or continue as a shareholder of Bank or receive new shares of the Bank in accordance with the Swap Ratio entailed in the Scheme.</p>	<p>The emails were circulated to dissenting shareholders of the Bank and SBL on 19 March 2025 by the Company Secretary. The email required the shareholders to respond latest by 21 March 2024, otherwise they will continue to be shareholders of the Bank or receive new shares of the Bank in accordance with the Swap Ratio entailed in the Scheme.</p> <p>The Bank has represented to us that none of the dissenting shareholders opted to receive cash in lieu of their shares.</p>
<p>We inspected the Scheme to confirm whether all moveable and immovable assets against issuance of shares have been transferred to the Bank.</p>	<p>Clause 5.1 of the Scheme states that “all property, assets and liabilities and all the rights and obligations of Silk Bank Limited (SBL), including its branches, as at the Effective Date shall, without any further act, action or deed and notwithstanding the terms of any contract or other document or any rule of law; stand amalgamated with and vest in UBL and as a consequence thereof SBL shall stand amalgamated and vested with and into UBL.”</p>

***Restrictions on the performance of the procedures***

Information included in, or attached to, the AUP Report was not subjected to any procedures performed by us and is not meant to modify, in any way, the procedures or related findings.

We do not have responsibility to update the AUP Report for events and circumstances occurring after the issuance of AUP Report.

You are responsible for the documentation and evidence subject to our procedures (“source documents”), and as such, we have not verified, nor do we make any representation as to, the accuracy, completeness, or reasonableness of the source documents.

Our work does not include the provision of legal advice and we make no representations regarding questions of legal interpretation / views in respect of the Bank’s compliance with the Companies Act, 2017, Banking Companies Ordinance, 1962, and the CDC Procedures or any other applicable laws in this regard.

Yours truly,



**EY Ford Rhodes**  
**Chartered Accountants**  
**Karachi**

**AC/MWN/227/25**  
**24 March 2025**