

MCB ISLAMIC BANK LIMITED

NOTICE OF EXTRA-ORDINARY GENERAL MEETING

IN THE MATTER OF SCHEME OF COMPROMISES, ARRANGEMENTS AND RECONSTRUCTION BETWEEN MCB BANK LIMITED AND MCB ISLAMIC BANK LIMITED

Notice is hereby given that pursuant to the Order dated 27 May, 2024, of the honorable Lahore High Court, Lahore passed in C.O. No. 29338 of 2024, an Extra-Ordinary General Meeting ("EOGM" / "Meeting") of MCB Islamic Bank Limited ("MCB ISLAMIC BANK LIMITED" / "Bank") will be held on **Saturday, July 06, 2024, at 12:00 PM**, at Imperial Ball Room B, 4th Floor, The Nishat Hotel adjacent to Emporium Mall, Abdul Haq Road, Johar Town, Lahore, to transact the following **Special Business**:

To consider and if thought fit, to approve and adopt the Scheme of Compromises, Arrangements and Reconstruction (the "Scheme") between MCB Islamic Bank Limited ("MCB ISLAMIC BANK LIMITED") and its holding company, MCB by passing or otherwise the following resolution with requisite majority, with or without modification(s), addition(s) or deletion(s):

"RESOLVED THAT, the Scheme of Compromises, Arrangements and Reconstruction (the 'Scheme') between MCB Bank Limited and its members and its wholly owned subsidiary, MCB Islamic Bank Limited and its members, as placed before and considered by this Meeting, for inter alia, transfer of banking business including assets, liabilities and operations of 39 branches of MCB Bank Limited along with all rights and obligations pertaining thereto ('Demerged Undertaking') as detailed in the Scheme and vesting of the Demerged Undertaking with and into MCB Islamic Bank Limited in accordance with the Scheme be and is hereby approved, adopted and agreed subject to any modification(s) or conditions as may be required/imposed by the honorable Lahore High Court, Lahore".

"FURTHER RESOLVED THAT the President & CEO and/or the Company Secretary and/or the Chief Financial Officer of MCB Islamic Bank Limited, singly, be and are hereby authorized to take any steps/measures for the implementation and completion of the Scheme".

Chairpersons of the Meeting

Mr. Muhammad Almas
Advocate Supreme Court
410-Alfaluh Building, Mall Road, Lahore
0300-4166625
almas.advocate@gmail.com

Mr. Ali Hussain Gilani
Advocate High Court
House No. 169, Block G-II, WAPDA Town, Lahore
0334-2222010
ali.gilani@axislaw.pk

Maimoona Cheema
Company Secretary
MCB Islamic Bank Limited

June 14, 2024
Lahore

Notes:

- The Statement under Section 281 of the Companies Act, 2017 (the "Act") read with statement of material facts under Section 134(3) of the Act (the "Statement") setting forth, inter alia, the terms of the compromises, arrangements and reconstruction and explaining its effect, along with a copy of the Scheme of Compromises, Arrangements and Reconstruction (the "Scheme") are being circulated along with Notice of the EOGM to the members and other person(s) entitled to receive notice of EOGM.
- Copies of the Scheme can also be obtained, free of charge, from the Registered Office of MCB Islamic Bank Limited ("MCB ISLAMIC BANK LIMITED" / "Bank") located at 59-T Phase II DHA, Lahore during usual business hours (9:00 am to 05:30 pm Monday to Friday) by the members and other persons by making application addressed to the Company Secretary-MCB Islamic Bank Limited, 59-T Phase II DHA, Lahore.
- Copies of the Scheme, the Statement, the latest annual audited/quarterly financial statements of MCB / MCB ISLAMIC BANK LIMITED along with all published or otherwise required accounts of all prior periods of MCB and MCB Islamic Bank Limited along with copies of Memorandum and Articles of Association, Statement of net assets of Demerged Undertaking along with auditors factual findings report thereon, requisite approval(s) and other related information/documents have been kept at the Registered Office of MCB Islamic Bank Limited which can be inspected during the business hours (9:00 am to 05:30 pm) on any working day (Monday to Friday) from the date of publication of this notice till the day before the EOGM by the members and other persons. In case of any difficulty, the same should be brought to the notice of the mentioned Chairpersons.
- Notice of EOGM along with the Statement, the Scheme and the latest annual audited/quarterly financial statements have also been placed on website of MCB and MCB Islamic Bank Limited.
- The Shares Transfer Books of MCB Islamic Bank Limited will remain closed from **June 29, 2024 to July 06, 2024** (both days inclusive). Transfers received at MCB Islamic Bank Limited Company Secretary's Office at T-59, DHA Phase II, Lahore at the close of business hours on **June 28, 2024** will be treated as being in time for the purpose of attending, speaking and voting at EOGM.
- A member entitled to attend and vote at EOGM may appoint another member as his/her proxy to attend and vote on his/her behalf at the EOGM. A corporate entity, being a member, may authorize through resolution of its board or other governing body, 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.
- In order to be effective, the proxies and in case of corporate entity, a notarized/certified copy of the power of attorney or resolution of the board of directors or other governing body (if any) under which it is signed, must be deposited at the Registered Office of the Bank T-59, DHA Phase II, Lahore not later than 48 hours before the time for holding the Meeting, and must be duly stamped, signed and witnessed.
- If a member appoints more than one proxy, and more than one instrument of proxy is deposited by a member, all such instruments of proxy shall be rendered invalid.
- Proxy Forms, both in English and Urdu languages, are being sent to the members, along with Notice of EOGM. The Proxy Forms are also available on website of the Bank i.e., <https://www.mcbislamicbank.com/>
- Members are requested to immediately notify the change, if any, in their registered addresses and e-mails, in writing, to the Share Registrar and Transfer Agent of the Bank.

Statement under Section 281 (1) (a) read with Section 134 (3) of the Companies Act, 2017

This Statement sets out the material facts concerning the special business to be transacted at the EOGM and the terms of the Scheme of Compromises, Arrangements and Reconstruction ("Scheme") and explains its effect in particular, the material interest if any of the directors including the chief executive of MCB Islamic Bank Limited ("MCB ISLAMIC BANK LIMITED" / "Bank") whether in their capacity as such or as members or creditors or otherwise and the effect on those interests of compromise or arrangement if, and in so far as, it is different from the effect on the like interest of other persons and other ancillary information.

MCB and MCB Islamic Bank Limited ("MCB ISLAMIC BANK LIMITED") through Joint Petition (Civil original No. 29338/2024) under Section 279 to 283 and 285 of the Companies Act, 2017 (the "Act") filed with the honorable Lahore High Court Lahore (the "Court") have prayed for the sanction of the Scheme for inert alia demerger of 39 branches of MCB and merger of the same with and into MCB ISLAMIC BANK LIMITED. The honorable Court vide its order dated 27 May, 2024 as directed inter alia that special meetings of the members of MCB and MCB ISLAMIC BANK LIMITED may be convened under the supervision of the Chairpersons, appointed by the honorable Court, for seeking their approvals to the Scheme by passing the resolution proposed in the notice of the Meeting with requisite majority.

State Bank of Pakistan has issued No Objection dated 29 April, 2024 approving the Scheme for filing before the Honorable Lahore High Court, Lahore for sanction / approval.

A copy of the Scheme has been enclosed with the Notice of EOGM circulated to the members. A copy of the same can be obtained from the Registered Office of MCB ISLAMIC BANK LIMITED, free of charge during usual business hours 48 on application prior to the date of EOGM. The notice issued and published in the newspapers is for convening the special meeting of the members as directed by the honorable Court for the purpose of presenting the proposed Scheme to the members and passing inter alia of resolution sanctioning the Scheme by a majority representing three-fourth in value of the issued ordinary shares held by the members as are present in person or by proxy and voting at the EOGM.

The Scheme:

The principal object of the Scheme is to separate and demerge banking business including assets, liabilities and operations of 39 branches of MCB i.e., Demerged Undertaking as detailed and defined in the Scheme and to transfer the Demerged Undertaking to MCB ISLAMIC BANK LIMITED, which is wholly owned subsidiary of MCB against payment of net assets by MCB/MCB ISLAMIC BANK LIMITED in cash without further act or documents being required to be executed, registered or filed in respect of such transfer, vesting and / or assumption.

The Scheme is subject to the sanction of the Lahore High Court, Lahore in its present form or with any modification therein or addition thereto as the honorable Court may approve.

Approval of the Scheme:

The resolution specified in the Notice of EOGM has to be passed by a majority representing three-fourth in value of the issued shares held by the shareholders present in person or by proxy and voting at the EOGM. Notice of EOGM along

with Statement under Section 282(1)(a) read with Section 134(3) of the Act has been circulated to the members and other entitled persons. The sanctioning of the Scheme and the making of other appropriate orders in connection therewith will be considered by honorable Court after the members have approved the Scheme by requisite majority at the meetings of MCB and MCB ISLAMIC BANK LIMITED convened for this purpose.

Filing of the Scheme:

A copy of the Scheme has been filed with the Registrar, Company Registration Office, Securities and Exchange Commission of Pakistan, Lahore.

Proposed Terms adopted by the Board of Directors:

The proposed terms of the Scheme drawn up and adopted by the Board of Directors of MCB and MCB ISLAMIC BANK LIMITED are contained in the Scheme enclosed herewith.

Report adopted by the Board of Directors:

The Board of Directors of MCB and MCB ISLAMIC BANK LIMITED have approved the Scheme enclosed herewith. MCB and MCB ISLAMIC BANK LIMITED have only one class of members. The effect of the Scheme on the interests of Directors / CEO does not differ from the effect on the like interest of other members except as stated herein and under the Scheme and that the directors of MCB ISLAMIC BANK LIMITED are nominees of the MCB / Independent Directors.

Consideration:

Upon coming into effect of the Scheme and in consideration of the Demerged Undertaking, the payment of net worth as certified by the auditors of MCB shall be paid within 45 days from the Effective Date.

Statement of Net Assets:

The Statement of net assets of 39 branches as of March 31, 2024 duly certified by external auditors of MCB is enclosed. The net assets shall be subject to adjustments on the Effective Date and shall be certified by the auditors of MCB.

Benefits of the Scheme:

MCB ISLAMIC BANK LIMITED having business of Islamic banking is a wholly owned subsidiary of MCB. The demerger of 39 branches from MCB will rationalize the branch network of MCB and increase the network of MCB ISLAMIC BANK LIMITED, which is striving to promote Islamic banking as per strategy of the State Bank of Pakistan. The Demerged Undertaking will stand converted into Islamic banking branches on the Effective Date pursuant to the compliance with the applicable regulatory permissions and sanctions. The business performance and shareholders' value of the Bank will be enhanced.

Interest of Directors/Chief Executive:

All the Directors of MCB and MCB ISLAMIC BANK LIMITED (who are nominees of MCB) are interested to the extent of their respective shareholdings (as applicable and mentioned herein) that are held by them in MCB. The directors who are performing full time executive functions are also interested to the extent of remuneration, benefits and allowances as per the respective policies of both banks.

The effect of the Scheme on the interests of Directors / CEO does not differ from the effect on the like interest of other members except as stated herein and under the Scheme.

No director of MCB and MCB ISLAMIC BANK LIMITED will be relinquishing their respective offices in the said companies as a result of the sanction of the Scheme.

Shareholding of Directors:

MCB Islamic is a wholly owned subsidiary of MCB which holds its 100% shares including shares held in the name of directors of MCB Islamic. Following are the present shareholdings in MCB and MCB ISLAMIC BANK LIMITED by the Directors / Presidents / CEOs of MCB and MCB ISLAMIC BANK LIMITED, respectively:

DIRECTORS AND THEIR SPOUSES	SHAREHOLDINGS	
	MCB	MCB Islamic
	As on May 07, 2024	As on May 07, 2024
MCB Bank Limited		
Mian Mohammad Mansha	10,007,834	Nil
Mrs. Naz Mansha (Spouse of Mian Mohammad Mansha)	28,680,944	Nil
Mr. Muhammad Tariq Rafi	35,691,395	Nil
Mrs. Nighat Tariq (Spouse of Mr. Muhammad Tariq Rafi)	5,715,093	Nil
Mian Umer Mansha	34,216,616	Nil
Mrs. Iqraa Hassan Mansha	9,037,167	Nil
Mian Hassan Mansha (Spouse of Mrs. Iqraa Hassan Mansha)	34,539,042	Nil
Mr. Muhammad Ali Zeb	550	Nil
Mr. Mohd Suhail Amar Suresh Bin Abdullah	884	Nil
Mr. Yahya Saleem	500	Nil
Mr. Salman Khalid Butt	49,000	Nil
Mr. Shahzad Hussain	500	Nil
Mr. Masood Ahmed Puri	1,000	Nil
Shaikh Muhammad Jawed	2,909	Nil
Mrs. Uneza Jawed (Spouse of Shaikh Muhammad Jawed)	3,242,251	Nil
Mr. Shoaib Mumtaz (President & CEO)	Nil	Nil
MCB Islamic Bank Limited		
Mian Raza Mansha	25,938,069	01
Mrs. Ammil Raza Mansha (Spouse of Mian Raza Mansha)	22,804,177	Nil
Mr. Ibrahim Shamsi	77,518	01
Mrs. Rehma Ibrahim (Spouse of Mr. Ibrahim Shamsi)	278,610	Nil
Mr. Omair Safdar	Nil	01
Ms. Seema Aziz	Nil	01
Mr. Hammad Khalid	Nil	01
Mr. Ahmed Ebrahim Hasham	150,333	01
Mrs. Anushey A. Hasham (Spouse of Mr. Ahmed Ebrahim Hasham)	100,000	Nil
Mr. Jawaid Iqbal	5,024,067	01
Mr. Zargham Khan Durrani (President & CEO)	Nil	Nil

Inspection of documents:

Copies of the Scheme, the Statement, the latest annual audited / quarterly financial statements of MCB / MCB Islamic Bank Limited along with all audited and unaudited accounts of all prior periods of MCB and MCB ISLAMIC BANK LIMITED along with copies of Memorandum and Articles of Association, Statement of net assets of Demerged Undertaking along with auditors factual findings report thereon, requisite approval(s) / and other related information /documents have been kept at the Registered Office of MCB Islamic Bank Limited T-59, DHA Phase II, Lahore which can be inspected during the business hours 09:00 am to 5:30 pm on any working day (Monday to Friday) from the date of publication of this notice till the day before the EOGM by the members and other entitled persons. In case of any difficulty, the same should be brought to the notice of the mentioned Chairpersons.

