

NOTICE OF THE FOURTEENTH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF SUMMIT BANK LIMITED

NOTICE is hereby given that the Fourteenth Annual General Meeting of the Shareholders (the "Shareholders") of Summit Bank Limited (the "Bank") will be held on November 04, 2021 at 11:00 a.m. at Serena Hotel, Islamabad to transact the following business:

AGENDA

Ordinary Business:

- To confirm the minutes of the Annual General Meeting of the Bank held on October 26, 2020.
- To receive, consider and adopt the audited financial statements of the Bank together with the Directors' and Auditors' Reports for the year ended December 31, 2019.
- To appoint External Auditors of the Bank for the financial year ended December 31, 2020 till the conclusion of the next Annual General Meeting and fix their remuneration (present Auditors, M/s. Baker Tilly Mehmood Idrees Qamar, Chartered Accountants being eligible, have offered themselves for re-appointment).

Special Business:

- To consider and approve the increase in the Authorized Share Capital of the Bank together with the necessary changes in the relevant clauses of the Memorandum and Articles of Association of the Bank by passing the following resolutions, with or without modification, as a Special Resolution:

'RESOLVED THAT in compliance with section 85 of the Companies Act, 2017 read with other applicable provisions, the Authorized Capital of the Bank be and is hereby increased from PKR 28,000,000,000/- (Rupees Twenty-Eight Billion Only) divided into 2,800,000,000 shares of PKR 10/- (Rupees Ten) to PKR 90,000,000,000/- (Rupees Ninety Billion Only) divided into 9,000,000,000 shares of PKR 10/- (Rupees Ten) each and the Memorandum and Articles of Association be amended and read as under:

Clause V of the Memorandum of Association:

The Share Capital of the Bank is PKR 90,000,000,000/- (Rupees Ninety Billion Only) divided into 9,000,000,000 shares of PKR 10/- (Rupees Ten) each with power to the Bank from time to time increase, reduce or reorganize its capital or to sub-divide the shares in the capital for the time being into several classes. The share capital shall comprise of one or more kinds of shares and different classes of shares under each kind as permitted by the Companies Share Capital (Variation in Rights and Privileges) Rules, 2000 as amended from time to time, with such rights and privileges attached thereto as may be approved by the members from time to time by a Special Resolution.

Article 6 of the Articles of Association:

The Capital of the Bank is PKR 90,000,000,000/- (Rupees Ninety Billion Only) divided into 9,000,000,000 shares of PKR 10/- (Rupees Ten) each with power to increase or reduce the capital and to divide the share in the capital for the time being into several classes provided however, that rights as between various classes of ordinary shares (if any) as to profits, votes and other benefits shall be strictly proportionate to the paid-up value of the shares.

- To consider and if thought fit, to pass with or without modification, addition or deletion, the following resolution as Special Resolution:

'RESOLVED THAT subject to acquiring requisite regulatory approvals and ensuring compliance with Section 82 of the Companies Act, 2017 read with applicable requirements of Companies (Further Issue of Shares), Regulations, 2020 (Regulations) and the Guidelines issued by the Securities and Exchange Commission of Pakistan for Issue of Shares at a Discount (Guidelines), the Bank be and is hereby authorized to issue 5,976,095,618 new ordinary shares (Five Billion Nine Hundred Seventy-Six Million Ninety-Five Thousand Six Hundred Eighteen) by way of without rights offer to His Excellency Nasser Abdulla Hussain Lootah (the Acquirer) and the minority shareholders at a discounted price of PKR 2.51 (Rupees Two and Fifty-One Paisas Only) per share for fresh equity injection in the Bank (the Transaction).

'FURTHER RESOLVED THAT the President and CEO and/or the Company Secretary of the Bank, be and are hereby jointly and / or severally authorized, to take all steps necessary, ancillary and incidental for the issuance of new ordinary shares of the Bank at a Discount, including but not limited to obtaining all requisite regulatory approvals; filing of all the requisite statutory forms and all other documents as may be required to be filed with the Companies Registration Office of the Securities and Exchange Commission of Pakistan, submitting all such documents as may be required with the State Bank of Pakistan, executing all such certificates, applications, notices, reports, letters and any other document or instrument including any amendments or substitutions to any of the foregoing as may be required in respect of the issue of shares at Discount under Section 82 of the Companies Act, 2017, the related Regulations and Guidelines and all other matters incidental or ancillary thereto for the Transaction.

- To consider and if thought fit, to pass with or without modification, addition or deletion, the following resolution as Special Resolution:

'RESOLVED THAT subject to applicable regulatory approvals and in accordance with the provisions of Section 83 of the Companies Act, 2017, the Bank be and is hereby authorized (acting through the authorized representative) to issue further share capital of the Bank, to the extent of PKR 59,760,956,180 (Rupees Fifty-Nine Billion Seven Hundred Sixty Million Nine Hundred Fifty-Six Thousand One Hundred Eighty only) by the issuance of 5,976,095,618 new ordinary shares (Five Billion Nine Hundred Seventy-Six Million Ninety-Five Thousand Six Hundred Eighteen) by way of other than Rights Issue at the discounted price of PKR 2.51 (Rupees Two and Fifty-One Paisas Only) per share in favour of the Acquirer and the minority shareholders pursuant to the share subscription agreement entered into between the Acquirer and the Bank (the Subscription Agreement) and that such new shares shall rank pari passu with the existing shares of the Bank for fresh equity injection in the Bank (the Transaction).

'FURTHER RESOLVED THAT the President and CEO and/or the Company Secretary of the Bank, be and are hereby jointly and / or severally authorized, to take all steps necessary, ancillary and incidental for the issuance of further shares of the Bank, including but not limited to obtaining all requisite regulatory approvals; filing of all the requisite statutory forms and all other documents as may be required to be filed with the Companies Registration Office of the Securities and Exchange Commission of Pakistan, submitting all such documents as may be required with the State Bank of Pakistan, executing all such certificates, applications, notices, reports, letters and any other document or instrument including any amendments or substitutions to any of the foregoing as may be required in respect of the issue of shares by way of other than Rights under Section 83 of the Companies Act, 2017 and all other matters incidental or ancillary thereto for the Transaction.

Other Business:

- To transact any other business with the permission of the chair.

By order of the Board

Place: Karachi
Date: October 14, 2021

Syed Muhammad Talib Raza
Company Secretary

Notes:

- The share transfer books of the Bank will be closed from October 29, 2021 to November 04, 2021 (both days inclusive). Transfers received by our Shares Registrar, M/s. THK Associates (Private) Limited, 32-C, Jami Commercial Street No.2, D.H.A, Phase 7, Karachi at the close of business i.e. October 28, 2021 shall be treated in time for the purpose of entitlement to attend the said AGM.
- A member entitled to attend and vote at this meeting may appoint another member as his / her proxy to attend, speak and vote on his / her behalf. A corporation being a member may appoint as its proxy any of its official or any other person whether a member of the Bank or otherwise.
- An instrument of proxy and Power of Attorney or other authority (if any) under which it is signed or notarized, copy of such Power of Attorney must be valid and deposited with the Share Registrar of the Bank, M/s. THK Associates (Private) Limited, 32-C, Jami Commercial Street No.2, D.H.A, Phase 7, Karachi duly stamped, signed and witnessed not less than 48 hours before the time of the meeting.
- Members are requested to notify any change in their addresses immediately.
- In accordance with SECP's directives, it is mandatory for all the shareholders to have their valid CNIC number recorded with the Bank. Members who have not yet submitted photocopies of their CNICs to the Registrar are requested once again to submit a valid attested copy of their CNICs with our Share Registrar, M/s. THK Associates (Private) Limited.
- Those shareholders whose shares are deposited with Central Depository Company of Pakistan Limited (CDC) are requested to bring their original Computerized National Identity Card (CNIC) along with the participant ID number and their account/sub-account numbers in CDC to facilitate identification at the time of AGM. In case of proxy, attested copies of proxy CNIC or passport, Account and Participant ID number must be deposited along with the Form of Proxy with our Share Registrar. In case of proxy for corporate members, the Board of Directors' Resolution / Power of Attorney with specimen signature of the nominee shall be produced at the time of the meeting unless it has been provided earlier to the Share Registrar.
- Shareholders having physical scrip of shares are requested to promptly notify change in their postal address and / or email address if any, to our Share Registrar, in writing, whereas CDC account holders are requested to contact their CDC Participant / CDC Account Services.
- Pursuant to SECP S.R.O No. 43(I)/2016 dated January 22, 2016, members can also exercise their right to vote through e-voting by giving their consent in writing at least 10 days before the date of the meeting to the Bank on the appointment by the Intermediary as a Proxy.

For Attending the Meeting:

- In case of individuals, the account holders or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the Regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity Card ("CNIC") or original passport at the time of attending the Meeting.
- 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:

- 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.
- The proxy form shall be witnessed by the two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- Attested copy of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- The proxy shall produce his/her original CNIC or passport at the time of the meeting.
- 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.
- A Proxy Form, both in English and Urdu language, is being separately sent to the members, along with the Notice of AGM.
- In accordance with SECP Circular No. 10 of 2014 dated May 21, 2014 (the Circular), member holding in an aggregate of 10% or more shareholding in the paid-up capital of the Bank residing in a city, may avail video conference facility to attend the meeting.

Requirement and procedure for availing video conference facility as stipulated in the Circular are detailed here as under:

The member should provide their consent as per the following format and submit to the registered address of the Bank 10 days before holding of general meeting.

Consent Form for Video Conference Facility

I/We _____ of _____ being a member of Summit Bank Limited, holder of _____ ordinary shares as per Register Folio / CDC Account No _____ hereby opt for video conference facility at _____ (geographical location).

- As per Section 72 of the Companies Act, 2017, every existing listed 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 the Commission, within a period not exceeding four years from the commencement of this Act, i.e., May 30, 2017.
The Shareholders having physical shareholding are encouraged to open CDC sub-account with any of the brokers or Investor Account directly with CDC to place their physical shares into scrip less 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 Pakistan Stock Exchange.
- Shareholders who could not collect their dividend / physical shares are advised to contact our Share Registrar to collect/enquire about their unclaimed dividend or shares, if any. In compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all such dividend and shares outstanding for a period of three (3) years or more from the date due and payable shall be deposited to the credit of the Federal Government in case of unclaimed dividend and in case of shares, shall be delivered to the SECP.
- Copies of the Notice of AGM and the latest annual audited/quarterly financial statements 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 AGM by the members and other persons entitled to attend the Meeting. Notice of the Fourteenth (14th) AGM and the latest annual audited/quarterly financial statements have further been placed on the website of the Bank: www.summitbank.com.pk.
- The Securities & Exchange Commission of Pakistan (SECP) through its SRO 470(1)/2016 dated May 31, 2016 has allowed the companies to circulate its Annual Audited Financial Statements to its members through CD/DVD/USB or any electronic media at their registered addresses.
However, shareholders who wish to receive the hard copy of the Financial Statements shall have to fill out the 'Standard Request Form' available on the Bank's website and send to us at the given addresses.

Statement of Material Facts under Section 134 (3) of the Companies Act, 2017 relating to Special Business

Agenda Item No. 4

The increase in authorized capital of the Bank is necessitated to absorb the increase in the paid up capital and to have sufficient cushion available for new ordinary shares accruing out of issue of shares by way of other than rights and at discount to His Excellency Nasser Abdulla Hussain Lootah (the Acquirer) and the minority shareholders for fresh equity injection in the Bank (the Transaction) pursuant to the share subscription agreement entered into between the Acquirer and the Bank (the Subscription Agreement) subject to the approval of the competent authorities and the shareholders of the Bank.

The Board of Directors of the Bank in their meeting held on October 08, 2021 have recommended for the increase in the authorized capital from PKR 28 BN to PKR 90 BN subject to the approval of the regulatory authorities and the shareholders of the Bank in their general meeting.

The proposed increase in the authorized capital of the Bank shall be followed with the changes in the relevant capital clauses of the Memorandum and Articles of Association of the Bank which shall accordingly be amended.

Agenda Item No. 5

In order to facilitate the Bank in increasing its paid-up capital, His Excellency Nasser Abdulla Hussain Lootah, as the Acquirer, conveyed his Offer for fresh equity injection in the Bank through subscribing new ordinary shares by way of other than rights and at a discount together with acquiring at least 51% voting shares and controlling interest of the Bank in accordance with the provisions of the Companies Act, 2017, Securities Act, 2015, the PSX Rule Book and the Listed Companies (Substantial Acquisition of Voting Shares and Takeovers) Regulations, 2017.

The justification for the issuance of shares at a discount is as follows:

- the strategic value of the proposed Transaction by the Acquirer is for achieving financial viability of the Bank;
- to give a positive signal to the banking sector / market from such investment;
- to inject the substantial equity aiming to assist the Bank in achieving its growth plans.

The Board of Directors of the Bank in their meeting held on October 08, 2021 have recommended for the issue of shares at discount subject to the approval of the regulatory authorities and the shareholders of the Bank in their general meeting.

Agenda item No. 6

The Board of Directors approved the Offer and the subscription of new ordinary shares for fresh equity injection in the Bank (the Transaction) by issue of shares other than rights and at a discount price pursuant to the share subscription agreement entered into between the Acquirer and the Bank (the Subscription Agreement).

The details of issue of shares by way of other than rights are as follows:

- the quantum of the issue of shares is to the extent of 5,976,095,618 new ordinary shares (Five Billion Nine Hundred Seventy-Six Million Ninety-Five Thousand Six Hundred Eighteen) by way of other than Rights Issue.
- the new shares shall be issued at the discounted price of PKR 2.51 (Rupees Two and Fifty-One Paisas Only) per share.
- the consideration for the issue of new shares shall be cash.
- the new ordinary shares shall be issued to the Acquirer and the minority shareholders.

Interest of Directors

The Directors of the Bank have no direct or indirect interest in the Special Resolution, except and to the extent of their shareholding in the Bank.

Inspection of Documents

The copies of the Memorandum and Articles of Association of the Bank and the minutes of the last AGM may be inspected / procured free of cost during the business hours on any working day from the Registered Office / Head Office of the Bank from the date of publication of the accompanying notice till the conclusion of the Annual General Meeting of the Bank.

Summit Bank
Committed to you

www.summitbank.com.pk, 021-111-124365