



Bank for Life

SE-100(5F)2018/04

January 19, 2018

The General Manager

Pakistan Stock Exchange Limited

Stock Exchange Building

Stock Exchange Road

Karachi

Dear Sir,

NOTICE OF EXTRA-ORDINARY GENERAL MEETING

MCB BANK LIMITED

We enclose herewith the Notice of Extra-Ordinary General Meeting ("EOGM") of the Shareholders/ Members of **MCB Bank Limited**, scheduled to be held on **Saturday, February 10, 2018**, at 11:00 AM at Grand Ball Room-D, The Nishat Hotel, Trade and Finance Center Block, Near Expo Center, Abdul Haq Road, Johar Town, Lahore.

This is for your perusal, record and circulation amongst TRE Certificate Holders of the Exchange accordingly.

Yours truly,

Fida Ali Mirza

Company Secretary

Encl: **As above**

MCB Bank Limited

Registered Office: MCB Building, 15-Main Gulberg, Lahore - Pakistan, UAN: +92-42-111-000-111, Website: www.mcb.com.pk
Company Secretary Office: 6th Floor, MCB Building, 15-Main Gulberg, Lahore - Pakistan. Ph: +92-42-36041621 Fax: +92-42-35776616

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Bank for Life

NOTICE OF THE EXTRA-ORDINARY GENERAL MEETING

IN THE MATTER OF SCHEME OF COMPROMISES, ARRANGEMENTS AND RECONSTRUCTION BETWEEN MCB BANK LIMITED AND MCB ISLAMIC BANK LIMITED UNDER SECTIONS 279 TO 283 OF THE COMPANIES ACT, 2017

Notice is hereby given that pursuant to the Order dated December 11, 2017, of the honorable Lahore High Court, Lahore passed in C.O. No. 118405 of 2017, an Extra-Ordinary General Meeting ("EOGM") of MCB Bank Limited ("MCB") will be held on **Saturday, February 10, 2018, at 11:00 AM**, at Grand Ball Room-D, The Nishat Hotel, Trade and Finance Center Block, Near Expo Center, Abdul Haq Road, Johar Town, Lahore, to transact the following **Special Business**:

To consider and if thought fit, to approve the Scheme of Compromises, Arrangements and Reconstruction ("Scheme") between MCB and its wholly owned subsidiary, MCB Islamic Bank Limited ("MIB") for, *inter alia*, the separation of the banking business along with assets, liabilities and operations of 90 branches in accordance with the Scheme approved by the Board of Directors by passing the following resolution with requisite majority as provided under Section 279 of the Companies Act, 2017, with or without modification(s):

"RESOLVED THAT, subject to sanction by the honorable Lahore High Court, Lahore, the Scheme of Compromises, Arrangements and Reconstruction (the 'Scheme') between MCB Bank Limited and MCB Islamic Bank Limited, as placed before the Meeting, for inter alia, the separation of banking business, assets, liabilities and operations of 90 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 under Sections 279 to 283 of the Companies Act, 2017 in accordance with the Scheme be and is hereby, agreed, approved and adopted subject to any modification(s) or conditions as may be required/imposed by the State Bank of Pakistan and/or Securities and Exchange Commission of Pakistan and/or honorable Lahore High Court, Lahore".

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

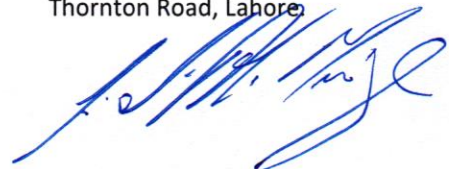
Joint Chairmen for the Extra-Ordinary General Meeting



Aurangzeb Mirza
Advocate Supreme Court
Room No. 6 & 7, Second Floor,
Imtiaz Plaza, 85-The Mall, Lahore.



Mian Asif Mumtaz
Advocate Supreme Court
Gardee Trust Building,
Thornton Road, Lahore



Fida Ali Mirza
Company Secretary
MCB Bank Limited

January 19, 2018
Lahore

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Notes:-

1. The Statement under Section 281 of the Companies Act, 2017 ("**Act**") read with Statement of material facts under Section 134(3) of the Act ("**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 ("**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 Bank Limited ("**MCB**") located at MCB Building, 15-Main Gulberg, Lahore during usual business hours by the members and other persons entitled to attend the EOGM by making application addressed to the Company Secretary-MCB, MCB Building, 15-Main Gulberg, Lahore.
2. Copies of the Scheme, the Statement, the latest annual audited/quarterly financial statements of MCB along with all published or otherwise required accounts of all prior periods of MCB along with copies of its 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 which can be inspected during the business hours on any working day from the date of publication of this notice till the conclusion of the EOGM by the members and other persons entitled to attend the EOGM. 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.
3. The Shares Transfer Books of MCB will remain closed from **February 03, 2018 to February 10, 2018** (both days inclusive). Transfers received at MCB's Share Registrar and Transfer Agent's Office at the close of business hours on **February 02, 2018** will be treated as being in time for the purpose to attend, speak and vote at EOGM.
4. A member eligible to attend and vote at EOGM may appoint another member as proxy to attend and vote in the EOGM. Proxies in order to be effective must be received at the Registered Office of MCB not later than 48 hours before the time for holding the EOGM.
5. Members are requested to immediately notify the change, if any, in their registered addresses to the Share Registrar and Transfer Agent of MCB.
6. Central Depository Company of Pakistan ("**CDC**") Account holders will further have to follow the under mentioned guidelines as laid down by Circular No. 01, dated January 26, 2000, issued by the Securities and Exchange Commission of Pakistan:

Attending the Meeting:

- i. In case of individuals, the account holder 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 EOGM.
- ii. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signatures of the nominee shall be produced (unless it has been provided earlier) at the time of EOGM.

Appointing of Proxies:

- i. In case of individuals, the account holder 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 submit the proxy form as per the above requirement.
 - ii. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
 - iii. Attested copies of CNIC or passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - iv. The proxy shall produce his original CNIC or original passport at the time of EOGM.
 - v. In case of corporate entity, the Board of Directors' resolution/power of attorney with specimen signatures shall be submitted (unless it has been provided earlier with proxy form to the company).
7. A proxy form, both in English and Urdu language, is being separately sent to the members, along with Notice of EOGM.
 8. Pursuant to the provisions of the Act, the shareholders residing in a city and holding at least 10% of the total paid up share capital may demand the Company to provide the facility of video-link for participating in EOGM. The demand for video-link facility shall be received by the Company Secretary-MCB at the Registered Office of MCB at least 07 days prior to the date of EOGM on the *Standard Request Form* which is available on the MCB's website.



**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 including the interests of the Directors of MCB Bank Limited ("**MCB**") and the effect on those interests and other ancillary information.

Pursuant to the order dated December 11, 2017 passed by the honorable Lahore High Court, Lahore ("**Court**") in C.O No. 118405/2017 filed under Sections 279 to 283 and 285 of the Companies Act, 2017 ("**Act**") the honorable Court has directed *inter alia* that special meetings of the members of MCB and MCB Islamic Bank Limited ("**MIB**") be convened for presenting the proposed Scheme to the shareholders of both the companies for sanctioning of the same or otherwise under the supervision of the Joint Chairmen appointed by the honorable Court.

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, free of charge during usual business hours. 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, operations, assets and liabilities of 90 branches of MCB i.e., Demerged Undertaking as detailed and defined in the Scheme and to transfer the Demerged Undertaking to MIB, which is wholly owned subsidiary of MCB against payment of net assets by MCB/MIB in cash without further act or documents being required to be executed, registered or filed in respect of such transfer, vesting and / or assumption. Copy of the Scheme is enclosed herewith.

Approval of the Scheme:

The Board of Directors has approved the Scheme between MCB and MIB. 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, is being presented to members of MCB for considering, adopting and approving the Scheme. 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.

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 MIB are contained in the Scheme enclosed herewith.

Report adopted by the Board of Directors:

The Board of Directors of MCB and MIB have approved the Scheme enclosed herewith. 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. The Statement of net assets of 90 branches as of September 30, 2017 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.

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 by MCB/MIB within 45 days from the Effective Date.

Financial Statements:

Auditors reviewed financials for the period ended June 30, 2017 have been placed on website of MCB and can also be obtained, free of charge, from the Registered Office of MCB.



MCB Bank Limited



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Benefits of the Merger:

MIB having business of Islamic banking is a wholly owned subsidiary of MCB. The demerger of 90 branches from MCB will rationalize the branch network of MCB and increase the network of MIB, 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 both banks will be enhanced.

Interest of Directors/Chief Executive:

All the Directors of MCB and MIB are interested to the extent of their respective shareholdings (as applicable and mentioned herein) that are held by them in MCB and MIB. 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.

Shareholding of Directors:

Following are the present shareholdings in MCB and MIB by the Directors / Presidents/CEOs of MCB and MIB, respectively:

DIRECTORS AND THEIR SPOUSES	SHAREHOLDINGS	
	MCB	MIB
	As on 31-12-17	As on 31-12-17
MCB Bank Limited		
Mian Mohammad Mansha	7,834	Nil
Mrs. Naz Mansha	6,424,057	Nil
Mr. S. M. Muneer	2,059	Nil
Mrs. Saeeda Parveen	2,147,186	Nil
Mr. Tariq Rafi	32,191,004	Nil
Mrs. Nighat Tariq	5,715,093	Nil
Mr. Shahzad Saleem	902	Nil
Mian Umer Mansha	31,986,378	Nil
Mrs. Iqraa Hassan Mansha	8,000	Nil
Mian Hassan Mansha	43,363,671	Nil
Mr. Ahmad Alman Aslam	665	Nil
Mr. Muhammad Ali Zeb	550	Nil
Mr. Mohd Suhail Amar Suresh	884	Nil
Mr. Irfan Ahmad Hashmi	500	Nil
Mr. Samir Iqbal Saigol	500	Nil
Mr. Imran Maqbool (President & CEO)	Nil	Nil
MCB Islamic Bank Limited		
Mian Raza Mansha	12,719,985	01
Mrs. Ammil Raza	28,461,365	Nil
Mr. Ibrahim Shamsi	22,644	01
Mrs. Rehma Ibrahim	278,610	Nil
Mr. Aftab Ahmad Khan	914	01
Mrs. Sajida Aftab	4,428	Nil
Mr. Omair Safdar	Nil	01
Mr. M.U.A Usmani	5,636	01
Mr. Ahmed Ebrahim Hasham	Nil	01
Mr. Muhammad Ali Mahoon (President & CEO)	Nil	Nil



MCB Bank Limited



Attention of Shareholders is drawn towards Circulars/Notifications:

The following Circulars/Notifications require special attention of shareholders of MCB Bank Limited ("MCB").

1. Withholding of Payment of Dividend – CNIC Requirement:

The Securities and Exchange Commission of Pakistan ("SECP") has made it mandatory for listed companies to mention, in the case of Individuals, Computerized National Identity Card ("CNIC"), National Identity Card for Overseas Pakistanis ("NICOP") or Passport number and in the case of Corporate Entity, National Tax Number ("NTN") of the shareholders or their authorized persons, on dividend warrants. In the absence of such information payment of dividend will be withheld in terms of the provisions of the Companies Act, 2017 ("Act") stating that a company may withhold the payment of dividend of a member where the member has not provided the complete information or documents as specified by SECP. Therefore, shareholders who have not yet provided such information are once again advised to provide the same to the Share Registrar and Transfer Agent of MCB.

2. Payment of Cash Dividend Electronically (e-Dividend Mechanism):

Section 242 of the Act requires that the listed companies shall pay cash dividend only through electronic mode directly into the bank account designated by the shareholders. SECP vide its notification S.R.O.1145 (I)/2017 has also issued the Companies (Distribution of Dividends) Regulations, 2017 whereby every shareholder shall be responsible to provide valid information pertaining to its designated bank account to disburse any dividend payable in cash only through electronic mode directly into the bank account designated by the entitled shareholders.

In this regard, MCB has already communicated through its letters addressed to the shareholders individually along with newspapers publications requesting to provide the International Bank Accounts Number ("IBAN") designated by the shareholders to receive the cash dividends electronically. Hence, shareholders are requested to fill the required fields of MCB's letter enclosed with the Notice of EOGM and send the same to the Share Registrar and Transfer Agent of MCB.

3. Circulation of Annual Audited Financial Statements and Notice of AGM to Members through E-mail:

SECP through its Notification No. SRO 787 (I)/2014, dated September 08, 2014, has allowed companies to circulate Annual Audited Financial Statements along with Notice of Annual General Meeting ("AGM") to its members through email. The shareholders who desire to receive Annual Audited Financial Statements and Notice of AGM through email are requested to fill the requisite form titled 'Standard Request Form' placed on the website and dispatch it to MCB's Share Registrar and Transfer Agent. In case any member, subsequently, requests for hard copy of Annual Financial Statements, the same shall be provided free of cost within seven days of receipt of such request.

4. Deduction of Withholding Tax on the Amount of Dividend:

The Government of Pakistan through Finance Act, 2017, has made amendment in Section 150 of the Income Tax Ordinance, 2001, whereby, withholding tax on dividends has been enhanced as follows:

- For Filers of Income Tax Returns: 15.0%
- For Non-Filers of Income Tax Returns: 20.0%

In case of joint-shareholders, tax is to be deducted as per ratio of their respective share in the ownership.

Federal Board of Revenue ("FBR") has provided the Active Tax-Payer List ("ATL"), for identification on the basis of NTN/CNIC number; hence, in case of non-availability of valid NTN/CNIC number with MCB's Share Registrar and Transfer Agent, the shareholder will be treated as 'Non-Filer' and accordingly tax at the rate of 20% would be deducted. Therefore, shareholders who have not yet provided such information are requested to ensure that their valid NTN/CNIC number is available with the Share Registrar and Transfer Agent of MCB. Shareholders having CDC Accounts are required to provide their valid NTN/CNIC number to their respective participants.



5. **Deduction of Withholding Tax on Joint Account Holder(s):**

The Joint Account Holders whose shareholding details as to Principal Shareholder have not yet been determined for deduction of withholding tax on the upcoming dividend of MCB, are requested to please furnish to the Share Registrar and Transfer Agent of MCB the shareholding details of yourself as Principal Shareholder and your Joint Holder(s) in the following manner, enabling MCB to compute withholding tax of each shareholder accordingly:

CDC Account No./ Folio No.	Name of Principal Shareholder/Joint Holders	Shareholding Proportion	CNIC No. (copy attached)	Signature

Kindly note that in case of non-receipt of the information each Account Holder will be assumed to hold equal proportion of shares and the deduction will be made accordingly.

6. **Requirement of Approval for Claim of Exemption U/S 150 of the Income Tax Ordinance, 2001:**

In the wake of recent judgment of honorable Lahore High Court, the Bank requires approval of respective Fund from FBR in order to provide exemption on the basis of Clause 47B of Part IV of Second Schedule to the Income Tax Ordinance, 2001. In case of non-availability of such approval, deduction of tax under relevant sections shall be made accordingly.

7. **Deposit of Physical Shares into CDC Account:**

The Shareholders having physical shareholding may open CDC sub-account with any of the brokers or Investor Account directly with CDC to place their physical shares into script-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 Stock Exchange. Further, Section 72 of the Act states that after the commencement of the Act from a date notified by SECP, a company having share capital, shall have shares in book-entry form only. Every existing 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 SECP, within a period not exceeding four years from the commencement of the Act.

8. **Merger of Different Folios into One Folio:**

As per record, some of the shareholders are maintaining more than one folio under the same particulars. Carrying two different folios may be a hassle for the shareholders to reconcile and receive different benefits in the shape of dividends/ bonus. In order to provide better services and convenience, such shareholders are requested to send requests to the MCB's Share Registrar and Transfer Agent to merge their folios into one folio.

While sending the copy of NTN/CNIC/NICOP number, shareholders are requested to quote their respective Folio/CDC Account Numbers for identification purpose.

