



January 27, 2023

The General Manager

Pakistan Stock Exchange Limited
Stock Exchange Building,
Karachi – 74000, Pakistan

Dear Sir,

Material Information - Reciprocal Due Diligence for Proposed Merger of FINCA Microfinance Bank Ltd and Apna Microfinance Bank Ltd.

In accordance with Sections 96 and 131 of the Securities Act, 2015 and Clause 5.6.1 of the Rule Book issued by the Pakistan Stock Exchange Limited, we hereby convey the following information:

Apna Microfinance Bank Limited ("APNA") and FINCA Microfinance Bank Limited ("FINCA") have entered into a Memorandum of Understanding in which APNA & FINCA are considering combining the operations of the two banks to create a more efficient microfinance bank. The resulting combined entity is expected to generate significant benefits for all stakeholders through economies of scale. The increased market share and cost competitiveness will strengthen the Bank's financial position to better serve the low-income segments across Pakistan by providing flexible micro-financing and saving schemes.

The State Bank of Pakistan has granted in-principle conditional approval to commence reciprocal due diligence to further explore the transaction contemplated in the MOU subject to compliance with applicable laws, rules, and regulations.

A disclosure form as required under S.R.O. 143/(1)/2012 dated 05 December 2012 read with Section 96 and 131 of the Securities Act, 2015 is attached herewith as "Annexure A".

Yours Faithfully




Rafat Abbas
Company Secretary

Cc: **Director/HOD(Enforcement Department)**
Securities and Exchange Commission of Pakistan
NIC Building, Jinnah Avenue
Islamabad – 44000 Pakistan

**DISCLOSURE FORM
IN TERMS OF SECTIONS 96 AND 131 OF THE SECURITIES ACT, 2015**

Name & Address of Company:	APNA Microfinance Bank Limited K-4/3 & 4/4 Ch. Khaliq-uz- Zaman Road, Gizri Karachi.
Date of Report:	January 27, 2023
Contact Information	Mr. Rafat Abbas Company Secretary APNA Microfinance Bank Limited K-4/3 & 4/4 Ch. Khaliq-uz- Zaman Road, Gizri Karachi. Tel Number: +92(21) 35865352-55 Email Address: rafat.abbas@apnabank.com.pk

✓ **Disclosure of price sensitive / inside information by listed company.**

Public disclosure of price sensitive / inside information, which directly concerns the listed securities:

The State Bank of Pakistan ("SBP") has granted in-principal conditional approval to APNA for commencing reciprocal due diligence to further explore the transaction contemplated in the Memorandum of Understanding with FINCA in which APNA & FINCA are considering combining the operations of the two banks to create a more efficient microfinance bank offering a much larger footprint & providing a one window solution to fulfilling the financial services needs of its customers. ("the Potential Transaction").

The Board of Directors of APNA had already, in its meeting held on 15th December 2022, accorded its in-principal approval to conduct a reciprocal due diligence for the Potential Transaction.

The Company has duly caused this form/statement to be signed on its behalf by the undersigned hereunto duly authorize.




Rafat Abbas
Company Secretary
January 27, 2023