



MCB Bank Limited
Company Secretary Office
6th Floor, MCB Building,
15-Main Gulberg, Jail Road
Lahore, Pakistan

T: +92 42 36041998-9
E: corporate.affairs@mcb.com.pk

PSX-100(5F)2024/50
October 08, 2024

General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building,
Stock Exchange Road,
Karachi.

Dear Sir,

Sub: Disclosure of Material Information – Sanction of Scheme of Compromises, Arrangements and Reconstruction (Demerger of business and operations of 39 branches)

In accordance with the requirements of 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 (“PSX”) and in continuation of our letter No. PSX-100(5F)2024/25, dated April 24, 2024, MCB Bank Limited (the “Bank”) hereby conveys the following information:

“The Scheme of Compromises, Arrangements and Reconstruction (the “Scheme”) under Section 279 to 283 & 285 of the Companies Act, 2017, between MCB Bank Limited and its wholly owned subsidiary, MCB Islamic Bank Limited has been sanctioned by the Honorable Lahore High Court, Lahore (“the Court”). A copy of the Order passed by the Court has also been enclosed herewith.

The **Effective Date** of the Scheme is close of business on “**November 15, 2024**”.

A disclosure form as required under S.R.O. 143/(1)/2012 dated December 05, 2012 read with Sections 96 and 131 of the Securities Act, 2015 is also enclosed as **Annexure “A”** hereto.

You may please inform the Trading Right Entitlement (“TRE”) Certificate Holders of the Exchange accordingly.

Yours sincerely,

Farid Ahmad
Company Secretary



Encl: **As Above**

Cc: Executive Director/HOD,
Offsite-II Department, Supervision Division,
Securities & Exchange Commission of Pakistan,
63, NIC Building, Jinnah Avenue, Blue Area,
Islamabad.



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Annexure – A

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

Name & Address of Company:	MCB Bank Limited MCB Building, 15 - Main Gulberg, Jail Road, Lahore
Date of Report:	October 08, 2024
Contact Information	Mr. Farid Ahmad Company Secretary MCB Bank Limited MCB Building, 15-Main Gulberg, Jail Road, Lahore Tel Number: +92-42-36041621 Fax Number: +92-42-35776616 Email Address: farid.ahmad@mcb.com.pk

[*] Disclosure of price sensitive / inside information by MCB Bank Limited.

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

“The Scheme of Compromises, Arrangements and Reconstruction (the “Scheme”) under Section 279 to 283 & 285 of the Companies Act, 2017, between MCB Bank Limited and its wholly owned subsidiary, MCB Islamic Bank Limited has been sanctioned by the Honorable Lahore High Court, Lahore (“the Court”). A copy of the Order passed by the Court has also been enclosed herewith.

The **Effective Date** of the Scheme is close of business on “**November 15, 2024**”.

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



Farid Ahmad
Company Secretary

October 08, 2024

Judgment Sheet.

IN THE LAHORE HIGH COURT LAHORE
 JUDICIAL DEPARTMENT.

C.o. No.29338/2024.

In the matter of:-

MCB Bank Limited and one other.

JUDGMENT

Date of hearing	26.09.2024.
Petitioner by	M/S Imtiaz Rashid Siddiqui, Barrister Shehryar Kasuri, Raza Imtiaz Siddiqui and Muhammad Azeem Rashid, Advocates.
SECP by	Hafiz Talha. Advocate.

Abid Aziz Sheikh, J.- This is a joint application by applicants under section 279 to 282 and 285 of the Companies Act, 2017 (Act) and all other enabling provisions of law for sanction of the Scheme of Compromises, Arrangements and Reconstruction.

MERGER ORDER

2. Through this application, the applicants seek sanction of the Scheme of Compromises, Arrangements and Reconstruction (Scheme) and transfer of the assets, liabilities, operations of 39 conventional branches of the Applicant No.1/MCB Bank Limited (Transferor Company) to Applicant No.2/MCB Islamic Bank Limited (Transferee Company). The proposed Scheme upon sanction will

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 (Special Branch)
 Lahore High Court

demerge, transfer and vest the mentioned assets, liabilities and undertakings of Applicant No.1 to Applicant No.2, as per terms and conditions of the Scheme.

OBJECTS OF THE SCHEME

3. The objects and salient feature of the Scheme are as follow:-

- (i) As per terms and conditions entailed in the Scheme, the primary objective of the Scheme is to segregate as well as to demerge the Demerged Undertaking of MCB Bank Limited/Applicant No.1 (MCB) and to merge as well as vest the same into MCB Islamic Bank Limited/Applicant No.2 (MCB Islamic Bank) against payment of consideration as provided in the Scheme.

The Scheme upon approval and subsequent implementation thereof, will rationalize and/or streamline the branch network of MCB and enhance the existing branch network of MCB Islamic Bank. As per the modality of the Scheme, the 'Demerged Undertaking' will stand converted into Islamic Banking branches and merge/vest into MCB Islamic Bank on the Effective Date, pursuant to compliance of applicable regulatory compliances and sanction of the Scheme.

- (iii) The 'Demerged Undertaking' will stand converted into Islamic Banking branches and merge and vest into

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MCB Islamic Bank. Consequently, all assets as well as liabilities associated with the Islamic branches will become the assets and liabilities of MCB Islamic Bank. The same will substantially increase its portfolio and Islamic Bank, will increase its outreach to a vast number of customers and in turn, MCB Islamic Bank will achieve an optimum level of utilization with reference to its inherent potential.

STATUS OF APPLICANTS COMPANIES

4. The status of the Applicants companies are as under:-

(i) That MCB was incorporated on 09.07.1947 as a public limited company. MCB is engaged in the business of banking and is listed on the Pakistan Stock Exchange, (Copies of MCB's Memorandum and

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Articles of Association are appended with the petition).

(ii) MCB has an authorized share capital of Rs.15,000,000,000/- divided into 1,500,000,000 ordinary shares of Rs.10/- each; its paid-up capital is Rs.11,850,600,060/- divided into 1,185,060,006 ordinary shares of Rs.10/- each. (A copy of MCB's last audited accounts as well as a copy of its latest Form 29 and Form-A are appended with petition).

(iii) The MCB Islamic Bank was incorporated on 15.05.2014. It is a wholly owned subsidiary of MCB

and is engaged in business of Islamic banking. (Copies of MCB Islamic Bank's Memorandum and Articles of Association are appended with the petition).

- (iv) MCB Islamic Bank has an authorized share capital of Rs.20,000,000,000/- divided into 2,000,000,000 ordinary shares of Rs.10/- each. Its paid-up capital is Rs.15,550,000,000/- divided into 1,555,000,000 ordinary shares of Rs.10/- each. (A copy of MCB Islamic Bank's latest audited accounts as well as a copy of its latest Form 29 and Form-A are appended with the petition).

BENEFITS OF MERGER

5. As per the averment of the petition, reconstruction would be beneficial, *inter alia*, for the following reasons:-

a) That sanction of the Scheme will allow MCB Islamic Bank to further harness and capitalize the Islamic Banking business in Pakistan. The same will facilitate as well as expand Islamic Banking operation within Pakistan in accordance with the applicable rules and regulations of the State Bank of Pakistan (SBP).

b) That implementation of the Scheme will allow for a better market image with reference to the Islamic banking business, facilitate customers who are desirous of availing only Islamic Banking/allied services and proper business and administrative regimes to be

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implemented by streamlining operations, assets and liabilities within MCB as well as MCB Islamic Bank.

- c) That sanction of the Scheme, in addition to the aforementioned, will enable MCB Islamic Bank to further penetrate the market vis-à-vis Islamic banking, operations, will increase MCB Islamic Bank's market share with respect to the relevant market and will allow MCB Islamic Bank to be more competitive and enhance its profitability.
- d) That the Scheme will result in a better, efficient and economical management, control and running of the business of the Applicants; it will further develop and grow the business.
- e) That the sanction of the Scheme is in the interest of the shareholders, creditors, employees and all concerned. The Scheme will unlock significant value for the shareholders of the Applicants.
- f) That because of the Scheme, there will be streamlined operations of the Applicants. There will be an increase in personnel efficiency by way of concordant control. The consequential improvement in the operations of the Applicants will eventually inure to the benefit of the shareholders, employees, consumers and other in general.
- g) That in the context of the Scheme, the business of the Applicants will be augmented so as to achieve an

optimum level of utilization of their inherent potential. This would result in the Applicants being more result-oriented, efficient and marketable.

- h) That upon a sanction of the Scheme, a reorganization of the Applicants will provide better opportunities for improving their business operation; in furtherance thereto, there will also be a high probability of diversification.
- i) That the reorganization of the Applicants will result in an overall improvement in administration and personnel affairs of the Applicants, since administration and staff regulating policies will be streamlined and simpler to administer.

PROCESS ADOPTED BY THE COURT

6. On 27.05.2024, this Court directed that notices be issued through publication in the national edition of daily "Dang", daily "The Dawn" and daily "The Business Recorder" in terms of Rule 61 of the Companies (Court) Rules, 1997, for the purpose of informing the general public of the presented Scheme inter-se Applicants and objections were invited from members, certificate-holders and creditors as well as from any person having an interest in the affairs of the Applicants. In addition thereto, notices were also to be issued to the State Bank of Pakistan, Securities and Exchange Commission of

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Pakistan, the Competition Commission of Pakistan and the creditors of the Applicants.

7. Through order dated 27.05.2024, the Court also ordered for holding of the extra-ordinary general meetings of the Applicants to present the proposed Scheme to their shareholders for purposes of sanctioning the same or otherwise. The meeting were directed to be held under the supervision of the Joint Chairmen namely Mr. *Muhammad Almas* (Advocate) and Mr. *Ali Hussain Gillani* (Advocate). The said Joint Chairmen were directed to preside over the meetings and submit a report thereof.

8. In compliance with the afore-mentioned order, public notices by the office of this Court were issued on 20.08.2024 in daily "The Business Recorder", on 21.08.2024 in daily "Jang" and on 28.08.2024 in daily "The Dawn".

9. The Joint Chairmen have tendered a comprehensive report dated 12.07.2024 and received by this Court on 18.07.2024, which is duly supported by the relevant record. According to the report, the extra-ordinary general meetings of the Applicants were scheduled and notified for 06.07.2024. In this regard notices were issued to the shareholders of the Applicants, which were published on 14.06.2024 in the national editions of Dailies "Jang" and "The Dawn". (Copies of the published notices and all relevant record

for purposes of the meetings are annexed with the report of the Joint Chairmen).

10. As per the report, the meetings were convened and held as scheduled under the Supervision of Joint Chairmen. The relevant record in relation to the extra-ordinary general meetings of the shareholders of the Applicants have been placed on record; the same manifests the participation of the shareholders in the meeting of the Applicants, personally and through proxy. As per the Report, on the basis of deliberations and sanction of the members of the respective Applicants, the Scheme was unanimously approved by the shareholders of the Applicants.

OBJECTIONS TO MERGER/SCHEME

11. The Securities and Exchange Commission of Pakistan (SECP) filed its para-wise comments dated 08.08.2024 and therein raised certain observations/objections. The same were addressed by the Applicant vide C.M. Nos.3 & 4 of 2024, through which all documents as required by the Securities & Exchange Commission of Pakistan were placed on record of this Court. In view of the same, learned counsel for SECP, on instructions, submits today that SECP has no objection to the sanction of the Scheme. None of the shareholders, regulators, creditors, account holders of Applicant No.1 and Applicant No.2 and other interested parties have raised any objection to the Scheme.

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STAMP DUTY/TAXES

12. Transfer of any moveable and immovable property under the Scheme shall be subject to applicable taxes and duties including of stamp duty. Further if the Provincial Government discovers that any immovable property is being transferred under the said sanctioned Scheme of arrangement, it will be at liberty to raise the question regarding imposition of stamp duty in accordance with law/Rules.

SANCTION OF THE SCHEME OF ARRANGEMENT/MERGER

13. The Scheme of Arrangement for Merger/reconstruction, *prima-facie*, is not prejudicial to the interest of members, account holders and creditors of the applicants companies. This Court is, therefore, satisfied with the merits of the Scheme (which is placed on record as Annexure-Q) and also been duly stamped and signed by the Additional Registrar (Court) of this Court. The Scheme is, therefore, sanctioned and it will take effect in terms thereof.

14. The applicants are directed to submit certified copy of this order with the SECP as required under Section 279 to 281, 282(3) and 285 of the Act.

15. The petition stands disposed of in the above terms.

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Qanun-e-Shahadat Order 1984

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C.O. No. 29338/2024
Examiner (Special Branch)
Lahore High Court, Lahore
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(Abid Aziz Sheikh)
Judge

ANNEXURE Q

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SCHEME OF COMPROMISES, ARRANGEMENTS AND RECONSTRUCTION

(UNDER SECTION 279 TO 283 AND 285 OF THE COMPANIES ACT, 2017)

BETWEEN

MCB BANK LIMITED

Muhammad Asad
Muhammad Asad
Addl. Registrar (Court)
Lahore High Court Lahore

AND

MCB ISLAMIC BANK LIMITED

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Scheme of Compromises, Arrangement and Reconstruction under Section 279 to 283 and 285 read with other enabling provisions of the Companies Act, 2017 for transfer of assets, liabilities and operations of Thirty-Nine (39) branches of MCB Bank Limited to MCB Islamic Bank Limited.

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HAMMAD KHALID
Chief Financial Officer
Financial Control Group
MCB Bank Limited

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PRELIMINARY

1. DEFINITIONS

1.1 In this Scheme of Compromises, Arrangement and Reconstruction (hereinafter referred to as the "Scheme"), unless the subject or context otherwise requires, the following expressions shall bear the meanings specified against them here below:

"Companies" mean MCB Bank Limited (MCB) and MCB Islamic Bank Limited (MCB Islamic Bank) collectively.

"Conversion Date" means the Effective Date on which the Demerged Undertaking of MCB will be converted into Islamic Banking Branches of MCB Islamic Bank pursuant to the sanction of this Scheme as per terms given herein.

"Court" means the Lahore High Court, Lahore or any other Court for the time being having jurisdiction under the Companies Act, 2017 and / or applicable laws herein.

"SBP" means the State Bank of Pakistan, constituted under the State Bank of Pakistan Act, 1956.

Muhammad Asad
Addl. Registrar (Court)
Lahore High Court, Lahore

"SECP" means the Securities and Exchange Commission of Pakistan, constituted under the Securities and Exchange Commission of Pakistan Act, 1997.

"Stock Exchange" means the Pakistan Stock Exchange Limited, operating under the laws of Pakistan.

"Completion Date" means 120 days after the "Effective Date" or any date thereafter as may be mutually agreed between the two companies.

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"Effective Date" means any date within 45 days of the sanction of this Scheme by the Court."

"Existing" means existing, outstanding or in force immediately prior to the Completion Date.

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HAMMAD KHALID
Chief Financial Officer
Financial Control Group
MCB Bank Limited

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"Financial Statements" mean the last financial statements of MCB and MCB Islamic Bank, respectively.

"MCB" means MCB Bank Limited; a public limited company listed on Stock exchange of Pakistan and is engaged in commercial banking and related services, with the following corporate information:

- Registered Office : MCB House, 15- Main Gulberg, Jail Road, Lahore
- Authorized Share Capital : PKR 15,000,000,000 divided into 1,500,000,000 ordinary shares of Rupees 10 each.
- Issued, Subscribed and Paid up Share Capital : PKR 11,850,600,060 divided into 1,185,060,006 ordinary shares of Rupees 10 each.

"MCB Islamic Bank" means MCB Islamic Bank Limited, a banking company incorporated in Pakistan as a wholly owned subsidiary of MCB and engaged in Islamic banking and related services, with the following corporate information:

- Registered Office : T-59, Phase II, DHA, Lahore.
- Authorized Share Capital : PKR 20,000,000,000 divided into 2,000,000,000 ordinary shares of Rupees 10 each.
- Issued, Subscribed and Paid up Share Capital : PKR 15,550,000,000 divided into 1,555,000,000 ordinary shares of Rupees 10 each.

"Scheme" means this Scheme of Compromises, Arrangements and Reconstruction with its Annexures/Attachments submitted to the Court for

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HAMMAD KHALID
 Chief Financial Officer
 Financial Control Group
 MCB Bank Limited

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sanction with or without any change(s) or modification(s) thereto as may be approved or ordered by the Court.

"Demerged Undertaking" means the banking business of Thirty-Nine (39) branches of MCB (listed at Annexure "A"), or their successors thereof converted into Islamic Banking Branches on the Effective Date including and comprising of their earmarked assets, liabilities, operations, systems and staff at the Thirty-Nine (39) branches on a going concern basis, and includes, without any limitation the following:

- (i) All types of Current, Saving and Term Deposit Accounts, as detailed at Annexure "B" attached to this Scheme;
- (ii) All other business assets relating exclusively to the Thirty-Nine (39) branches listed at Annexure "A" including systems, any immovable assets if any, as particularly detailed at Annexure "C";
- (iii) All liabilities including bills payable, taxes payable, due to financial institutions, deposits and other accounts including current accounts, saving accounts, term deposits and others, deposit from financial institutions - remunerative, deposits from financial institutions - non remunerative, deferred liabilities, other liabilities, contingencies etc., as more particularly described in Annexure "D";
- (iv) Without prejudice to the generality of the above, Demerged Undertaking shall include all rights, powers, authorities, privileges, contracts, benefits of Government, consents, sanctions and authorizations, licenses, liberties and all properties except immovable properties if any, real, corporeal or incorporeal, in possession or reversion, present or contingent of whatsoever nature and where so ever situated, including in particular software and all other authorities, operation, licenses, rights or interests in or arising out of such property as may belong to or be in the possession or claim of MCB on the Effective Date, duties and obligations of MCB of whatever kind, including liabilities for payment of compensation in the event of retrenchment of employees and all books of accounts and documents relating exclusively to the thirty nine (39) Branches being transferred by MCB to MCB Islamic Bank as listed at Annexure "A".

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Additional Registrar (Court)
Lahore High Court Lahore

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Chief Financial Officer
Financial Control Group
MCB Bank Limited

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1.2 In this Scheme, unless the context otherwise requires:

- References to persons shall include individuals, bodies corporate (wherever incorporated), unincorporated associations, entities etc.;
- The headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
- References to one gender include all genders; and
- Words in the singular shall include the plural and vice versa.

1.3 Any references in the Scheme to "upon the Scheme becoming effective" or "upon coming into effect" or "effectiveness of the Scheme" shall mean the Completion Date.

1.4 The Annexures attached hereto are integral part of this Scheme.

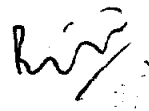

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Addl. Registrar (Court)
Lahore High Court Lahore

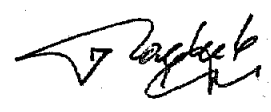
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HAMMAD KHALID
Chief Financial Officer
Financial Control Group
MCB Bank Limited

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THE SCHEME

OBJECT OF THE SCHEME

2.1 The principal object of this Scheme is to segregate as well as to demerge the Demerged Undertaking of MCB and to merge as well as vest the same into MCB Islamic Bank against payment of cash consideration as provided herein without further act or deed or documents being required to be executed, registered or filed in respect thereof. The Scheme on sanction and implementation will rationalize the branch network of MCB and increase the existing network of MCB Islamic Bank, 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 of applicable regulatory permissions and sanction of this Scheme by SBP and the Court.

3. DEMERGER AND TRANSFER AND VESTING OF THE DEMERGED UNDERTAKING

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 Addl. Registrar (Court)
 Lahore High Court Lahore

3.1 Subject to the provisions of the Scheme and sanction thereof, the Demerged Undertaking, as defined in clause 1.1, with assets and liabilities presented in Annexure "B", "C" and "D" without further act or deed, be transferred to and vested in and is deemed to be transferred to and vested in MCB Islamic Bank.

3.2 The transfer of assets and liabilities of Demerged Undertaking will be made at their book values on the Effective Date. The unaudited financial position of the Demerged Undertaking as of March 31, 2024 is presented at Annexure "E" which shall be subject to adjustments on the Effective Date and shall be certified by the auditors of the Company.

3.3 The transfer of Demerged Undertaking and continuance of business operations by MCB hereof shall not affect any transactions or proceedings already concluded by MCB in the ordinary course of business and after the transfer date to the end and MCB Islamic Bank accepts on behalf of itself all acts, deeds and things done and executed by MCB.

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HAMMAD KHALID
 Chief Financial Officer
 Financial Control Group
 MCB Bank Limited

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Assets and liabilities being transferred to MCB Islamic Bank shall form assets and liabilities of corresponding nature in the books of MCB Islamic Bank.

CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

1. MCB Islamic Bank shall undertake to, pay, perform and fulfill all contracts, engagements and obligations whatsoever of MCB regarding assets and liabilities including deposits and other accounts of Thirty-Nine (39) branches being transferred as at the Effective Date, and all contracts, deeds, bonds, agreements, powers of attorney, grants of legal representation and all other instruments of whatever kind, subsisting or having effect immediately before the Effective Date to which MCB may be a party or which shall be in favor of MCB as they were before the Effective Date and may be enforced or acted upon as fully and effectively as if instead of MCB, MCB Islamic Bank had been a party thereto.

4.2. Agreements entered into by MCB with their respective bankers, deposit and account holders, companies, persons, agents, etc., if any, regarding assets and liabilities being transferred shall continue to be in full force and effect till their respective renewal dates and may be enforced by or against MCB Islamic Bank.

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Addl. Registrar (Court)
Lahore High Court Lahore

5. **LEGAL PROCEEDINGS**

5.1 All causes, suits, appeals, petitions/revisions or other judicial, quasi-judicial and/or administrative proceedings of whatever nature by or against MCB relating to the Demerged Undertaking likely to arise and or subsisting and or pending on the Effective Date in or before any court, tribunal forum or other authority in relation to any person may or will be continued, prosecuted and enforced in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against MCB Islamic Bank regarding assets and liabilities being transferred herein as if this Scheme had not been made, and the same will not suffer on any reason and or neither abate, be discontinued and or any way be prejudiced or affected by the provisions of this Scheme.

6. **CONDUCT OF BUSINESS BY MCB TILL EFFECTIVE DATE**

6.1 MCB, till the Effective Date:

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Chief Financial Officer
Financial Control Group
MCB Bank Limited

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(a) shall be deemed to have been carrying on and to be carrying on all business and activities relating to Demerged Undertaking and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all the estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions of the Demerged Undertaking for and on account of, and in trust for MCB Islamic Bank;

(b) All profits and income accruing or arising to MCB from the Demerged Undertaking, and losses and expenditure arising or incurred by it (including taxes, if any, accruing or paid in relation to any profits or income) relating to the Demerged Undertaking based on the financial statements shall, for all purposes, be treated as and be deemed to be the profits, income, losses and expenditures, as the case may be of MCB; and

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Addl. Registrar (Civil)
Lahore High Court, Lahore

(c) Any of the rights, powers, authorities, privileges, attached, related or pertaining to the Demerged Undertaking exercised by MCB shall be deemed to have been exercised by the Demerged Undertaking for and on behalf of, and in trust for and as an agent of MCB Islamic Bank. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Demerged Undertaking that have been undertaken or discharged by MCB shall be deemed to have been undertaken for and on behalf of and as an agent for MCB Islamic Bank.

6.2 Under the Scheme and till the Effective Date, MCB undertakes that it will preserve and carry on the business of the Demerged Undertaking with reasonable diligence and business prudence and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber of the Demerged Undertaking or any part thereof save and except:

- (a) If the same is in its ordinary course of business as carried on by it as on the date of filing this scheme with the Court; or
- (b) If the same is expressly permitted by this Scheme; or
- (c) If the prior written consent has been obtained from the MCB Islamic Bank's Board of Directors and/or representatives of MCB Islamic Bank, duly authorized by Board of Directors of MCB Islamic Bank.

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Chief Financial Officer
Financial Control Group
MCB Bank Limited

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6.3 As and from the Effective Date and till the Completion Date:

(a) All debts and liabilities, raised and used, liabilities and obligations incurred, duties and obligations as on the close of business on Effective Date, whether or not provided in the books of the Demerged Undertaking, and all debts and liabilities raised and used, liabilities and obligations incurred, duties and obligations relating thereto which arise or accrue to MCB on or after the Effective Date in accordance with this Scheme, shall be deemed to be the debts and liabilities raised and used, liabilities and obligations incurred, duties and obligations of MCB Islamic Bank to which that Demerged Undertaking is transferred and vested.

(b) All assets of the Demerged Undertaking as on the date immediately preceding the Effective Date, whether or not included in the books relating thereto, and all assets relating thereto, which are acquired by MCB in relation to Demerged Undertaking, on or after the Effective Date, in accordance with this Scheme, shall be deemed to be the assets of MCB Islamic Bank.

(c) MCB shall continue to provide all Information Technology (IT) related services including but not limited to hosting and management of their Core Banking System, reporting systems, digital channels and other support systems till such time that MCB Islamic Bank migrates the data from MCB system to MCB Islamic Bank system.

(d) MCB and MCB Islamic Bank may execute Service Level Agreements during this phase to clearly set out the services required from MCB and MCB Islamic Bank during this phase. This may involve support on Shari'ah compliance, IT, Infrastructure, Operations, staffing, product definitions etc.

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Addl. Registrar (Court)
Lahore High Court, Lahore

6.4 On and from Completion Date, MCB shall stand released and discharged from all obligations to pay and discharge all obligations and liabilities relating to Demerged Undertaking transferred to and vested in MCB Islamic Bank under this Scheme.

TRANSFER OF STAFF, WORKMEN AND EMPLOYEES

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HAMMAD KHALID
Chief Financial Officer
Financial Control Group
MCB Bank Limited

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The employees of Demerged Undertaking shall become employees of MCB Islamic Bank from the Effective Date subject to their acceptance of an employment offer from MCB Islamic Bank. Any employee, who chooses not to join MCB Islamic Bank or is not made an offer by MCB Islamic Bank, shall remain an employee of MCB.

All staff retirement benefits on account of provident fund, benevolent scheme, pension fund, post-retirement medical benefit or any other amount of approved retirement benefits of the employees of Demerged Undertaking will be determined on the Effective Date and settled / paid to the respective employees covered under clause 7.1.

CONSIDERATION FOR DEMERGER AND TRANSFER

Upon coming into effect of the Scheme and in consideration for 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.

The statement of unaudited financial position of the Demerged Undertaking as of March 31, 2024 placed at Annexure "E" shall be subject to adjustment on Effective Date, if any, which shall be certified by the auditors of MCB.

Any questions that may arise as to whether a specified asset or liability pertains or does not pertain to the Demerged Undertaking or arises out of the or operations of the vesting orders shall be decided by mutual agreement between the Boards of Directors of MCB and MCB Islamic Bank and/or representatives of MCB and MCB Islamic Bank duly authorized by their respective Board of Directors.

MISCELLANEOUS

MODIFICATIONS / AMENDMENTS TO THE SCHEME

The respective board of directors of MCB and MCB Islamic Bank have given their assent to any modification or amendment to this Scheme or to any terms and / or conditions which the Court and / or any other regulating authority under law may deem fit to direct or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for

Muhammad Asad
Addl. Registrar (Court)
Lahore High Court Lahore

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HAMMAD KHALID
Chief Financial Officer
Financial Control Group
MCB Bank Limited

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implementing and / or carrying out the scheme and to do all acts, deed and things as may be necessary, desirable or expedient for putting this Scheme into effect.

9.2 For the purpose of giving effect to this Scheme or to any modification thereof, the Directors of MCB and MCB Islamic Bank have authorized their respective Chief Executives / Company Secretaries / Chief Financial Officers to take such decisions and / or to give such directions and / or to take such steps as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

Muhammed Asad
Addl. Registrar (Court)
Lahore High Court Lahore

10. SCHEME CONDITIONAL ON APPROVAL / SANCTIONS

10.1 This Scheme is subject to sanction by the Court, with or without any modification or addition thereto as may be imposed by the Court. This Scheme shall also be subject to:

- Approval by the respective board of directors of MCB and MCB Islamic Bank;
- Passing of requisite resolution(s) under the applicable provisions of the Companies Act, 2017 by the shareholders of MCB and MCB Islamic Bank;
- Endorsement by the SBP;
- Consents of depositors and customers of the Demerged Undertaking to be obtained as may be directed by the Court;
- Any other No Objection of the appropriate authorities concerned, as may be necessary and required but not limited to SECP;

11. EXPENSES CONNECTED WITH THE SCHEME

11.1 All costs, charges and expenses of MCB and MCB Islamic Bank respectively in relation to or in connection with this scheme and of carrying out and implementing / completing the terms and provisions of this scheme and / or incidental to the completion of the objects of the scheme shall be borne and paid equally by MCB and MCB Islamic Bank.

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HAMMAD KHALID
Chief Financial Officer
Financial Control Group
MCB Bank Limited

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EFFECT OF NON-RECEIPT OF APPROVALS / SANCTIONS

12.1 In the event this Scheme is not sanctioned by the Court for any reason or if for any other reason this Scheme cannot be implemented by or before December 31, 2024 or within such further period or periods as may be agreed upon between MCB and MCB Islamic Bank through their respective Board of Directors, this Scheme shall become null and void and in that event no rights or liabilities shall accrue to or be incurred inter se by the parties in terms of this Scheme.

COMPLETION DATE OF THE SCHEME

13.1 The Scheme, although operative from the effective date, shall take effect finally upon and from the Completion Date.

APPLICATION TO THE COURT


14.1 MCB and MCB Islamic Bank shall make a joint application to the Court for sanctioning of this Scheme.

Date: _____

Lahore

Petitioner No. 1

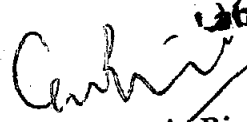
For MCB Bank Limited


Hammad Khalid
(CHIEF FINANCIAL OFFICER)

HAMMAD KHALID
Chief Financial Officer
Financial Control Group
MCB Bank Limited

Petitioner No. 2

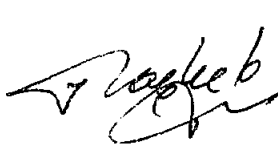
For MCB Islamic Bank Limited


Syed Iftikhar Hussain Rizvi
(CHIEF FINANCIAL OFFICER)

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Muhammad Asad
Addl. Registrar (Court)
Lahore High Court Lahore

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C.O. No. _____
3/2/24
Examiner: Jib (Commercial Branch)
Lahore High Court, Lahore

IN THE LAHORE HIGH COURT, LAHORE
(Company Jurisdiction)

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C.O. No. 28338 /2024

In the matter of:

MCB Bank Limited
with its registered office at MCB House,
15-Main Gulberg, Jail Road, Lahore
through Mr. Hammad Khalid.

..... Applicant No. 1

AND

MCB Islamic Bank Limited
with its registered office at
T-59, DHA Phase II, Lahore
through Mr. Syed Iftikhar Hussain Rizvi.

..... Applicant No. 2

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C.O. No. 28338/2024
Examiner: Mr. Syed Iftikhar Hussain Rizvi
Lahore High Court, Lahore

JOINT APPLICATION by the Applicants under sections 279 to 282 and 285 of the Companies Act, 2017 read with SRO No. 840(I)/2017 dated 24.08.2017 and all other enabling provisions of law for sanction of the Scheme of Compromises, Arrangements and Reconstruction

Respectfully submitted:

1. The Applicants move the titled joint application before this honourable Court in order to obtain sanction of the attached Scheme of Compromises, Arrangements and Reconstruction ("Scheme"). The application is being moved before this honourable Court under sections 279 to 282 read with section 285(8) of the Companies Act, 2017 ("Act of 2017") read with SRO No. 840(I)/2017 dated 24.08.2017, issued by the Finance Division, Government of Pakistan. This honourable Court has the jurisdiction to entertain the titled application and sanction the Scheme.

2.

As per terms and conditions entailed in the Scheme, the primary objective of the Scheme is to segregate as well as to demerge the Demerged Undertaking of MCB Bank Limited/Applicant No. 1 ("MCB") and to merge as well as vest the same into MCB Islamic Bank Limited/Applicant No. 2 ("MCB Islamic Bank") against payment of consideration as provided in the Scheme.

3.

For purposes of background, it is submitted before this honourable Court that MCB was incorporated on 09.07.1947 as a public limited company. MCB is engaged in the business of banking and is listed on the Pakistan Stock Exchange. Copies of MCB's Memorandum and Articles of Association are appended herewith.

MCB has an authorized share capital of Rs. 15,000,000,000 divided into 1,500,000,000 ordinary shares of Rs. 10 each; its paid-up capital is Rs. 11,850,600,060 divided into 1,185,060,006 ordinary shares of Rs. 10 each.

A copy of MCB's last audited accounts is appended herewith as well as a copy of its latest Form 29 and Form A.

This application is being instituted and filed by the duly authorized representative of MCB namely Mr. Hammad Khalid, who is fully conversant with the facts of the case and able to depose.

4.

In furtherance to the above, MCB Islamic Bank was incorporated on 15.05.2014. It is a wholly owned subsidiary of MCB and is engaged in the business of Islamic banking. Copies of MCB Islamic Bank's Memorandum and Articles of Association are appended herewith.

MCB Islamic Bank has an authorized share capital of Rs. 20,000,000,000 divided into 2,000,000,000 ordinary shares of Rs. 10 each. Its

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paid-up capital is Rs. 15,550,000,000 divided into 1,555,000,000 ordinary shares of Rs. 10 each.

A copy of MCB Islamic Bank's last audited accounts is appended herewith as well as a copy of its latest Form 29 and Form A.

This application is being instituted and filed by the duly authorized representative of MCB Islamic Bank namely Mr. Syed Iftikhar Hussain Rizvi, who is fully conversant with the facts of the case and able to depose.

5. The Applicants *raison d'être* for preferring the titled application before this honourable Court is that the Scheme upon approval and subsequent implementation thereof, will rationalize and/or streamline the branch network of MCB and enhance the existing branch network of MCB Islamic Bank. As per the modality of the Scheme, the 'Demerged Undertaking' will stand converted into Islamic banking branches and merge/vest into MCB Islamic Bank on the Effective Date, pursuant to compliance of applicable regulatory compliances and sanction of the Scheme.

6. The strategy and the consequent Scheme of the Applicants have been analysed and perused by the State Bank of Pakistan ("SBP"). In the stated context, a 'No Objection Certificate' dated 29.04.2024 has been granted by the SBP.

7. The Scheme has been considered and approved by the respective Board of Directors of MCB Islamic Bank and MCB in their board meetings held on 22.04.2024 and 24.04.2024 respectively. The Scheme has also been considered and approved by the Shariah Board of MCB Islamic Bank. Copies of the Board Resolutions passed and the approval of the Shariah Board are appended herewith. As per the Scheme, the same has to achieve

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LAHORE HIGH COURT

the requirements set forth by the SBP, as contained in the SBP's NOC referred afore.

8. After fulfilment of all statutory as well as other requirements and subject to sanction by this honourable Court, the Scheme will take effect as per the terms and conditions therein. The circumstances which justify and/or have necessitated the sanction of the Scheme are inter alia as follows:

GROUNDS

- A. That sanction of the Scheme will allow MCB Islamic Bank to further harness and capitalize the Islamic banking business in Pakistan. The same will facilitate as well as expand Islamic banking operations within Pakistan in accordance with the applicable rules and regulations of the SBP.
- B. That implementation of the Scheme will allow for a better market image with reference to the Islamic banking business, facilitate customers who are desirous of availing only Islamic banking/allied services and proper business and administrative regimes to be implemented by streamlining operations, assets and liabilities within MCB as well as MCB Islamic Bank.
- C. That in the context of the aforesaid, by way of this honourable Court's sanction of the Scheme and as a result thereof, the 'Demerged Undertaking' will stand converted into Islamic banking branches and merge and vest into MCB Islamic Bank. Consequently, all assets as well as liabilities associated with the Islamic branches will become the assets and liabilities of MCB Islamic Bank. The same will substantially increase its portfolio as

an Islamic bank, will increase its outreach to a vast array of customers and in turn, MCB Islamic Bank will achieve an optimum level of utilization with reference to its inherent potential.

D. That sanction of the Scheme by this honourable Court, in addition to the afore-mentioned, will enable MCB Islamic Bank to further penetrate the market vis-à-vis Islamic banking operations, will increase MCB Islamic Bank's market share with respect to the relevant market and will allow MCB Islamic Bank to be more competitive and enhance its profitability.

E. That the Scheme will result in a better, efficient and economical management, control and running of the business of the Applicants; it will further develop and grow the business.

F. That the sanction of the Scheme is in the interest of the shareholders, creditors, employees and all concerned. The Scheme will unlock significant value for the shareholders of the Applicants and would also provide a greater business focus for them.

G. That because of the Scheme, there will be streamlined operations of the Applicants. There will be an increase in personnel efficiency by way of concordant control. The consequential improvement in the operations of the Applicants will eventually inure to the benefit of the shareholders, employees, consumers and others in general.

H. That in the context of the Scheme, the business of the Applicants will be augmented so as to achieve an optimum level of utilization of their inherent potential. This would result in the Applicants being more result-oriented, efficient and marketable.

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- I. That upon a sanction of the Scheme, a reorganization of the Applicants will provide better opportunities for improving their business operations; in furtherance thereto, there will also be a high probability of diversification.
- J. That the reorganization of the Applicants will result in an overall improvement in administration and personnel affairs of the Applicants, since administration and staff regulating policies will be streamlined and simpler to administer.
- K. That there does not exist any investigation against the Applicants under the provisions of the Act of 2017 before any forum or court.
- L. That the provisions of the Competition Act, 2010 are inapplicable to the Scheme. The Scheme/transaction inter se MCB and MCB Islamic Bank, the former being a holding company and the latter being a wholly owned subsidiary, is excluded/exempted from the purview of the Competition Act, 2010/the regulations thereunder.
- M. That under the Act of 2017, in order to seek information and/or any objection/observation/comment with reference to the Scheme, this honourable Court may issue notices to:
- i. The Registrar of Companies, the Securities and Exchange Commission of Pakistan.
 - ii. The SBP.
 - iii. The secured creditors as per the list appended herewith.
 - iv. The Public at Large.
- N. That the Applicants under the supervision of this honourable Court and/or any of its authorized representative(s) will accomplish the

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requirements as contained in the SBP's No Objection Certificate dated 29.04.2024.

- O. That no prejudice shall be caused to anyone if the Scheme is sanctioned, as the sanction of the Scheme will benefit and is in the interest of the Applicants, their shareholders, employees and the general public.
- P. That it is just and equitable that this honourable Court may graciously be pleased to confirm and sanction the Scheme with effect from the Effective Date as mentioned in the Scheme.

PRAYER

In view of the foregoing, it is most respectfully prayed that this honourable Court may be pleased:

- a. To direct that joint meeting(s) of the members of the Applicants be called, to consider and approve the Scheme appended herewith and the meeting(s) so called may kindly be held under the supervision of this honourable Court.
- b. To direct that notices through publication or otherwise of the aforesaid meeting(s) be given to the members of the Applicants, the Registrar of Companies, the State Bank of Pakistan, the account holders/customers of the Demerged Undertaking, the creditors and the general public at large.
- c. Upon approval of the Scheme by the respective members of the Applicants, to approve and sanction the same.
- d. To pass all requisite vesting orders for giving effect to the Scheme of Compromises, Arrangements and Reconstruction including vesting orders pursuant to the provisions of the Companies Act, 2017 so as to transfer

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and vest the 'Demerged Undertaking' with and into MCB Islamic Bank Limited as per the terms and conditions of the Scheme.

- e. To order that the cost and incidental expenses to this application be paid by the Applicants as per the Scheme.
- f. To pass such further order or orders and to issue all consequential and necessary directions, as this honourable Court may deem fit and proper in the facts and circumstances of the case.

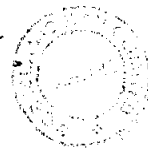
Applicant No. 1

Applicant No. 2

Through:

[Signature]
HAMMAD KHALID
 Chief Financial Officer
 Financial Control Group
 MCB Bank Limited

[Signature]



[Signature]
Imtiaz Rashid Siddiqui
 Advocate Supreme Court

[Signature]
Shehryar Kasuri
 Barrister Shehryar Kasuri
 Advocate Supreme Court

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Raza Imtiaz Siddiqui

[Signature]
M. Azeem Rashid

Advocates High Court

[Signature]
Jamshid Alam

[Signature]
Fasih ur Rehman
 Advocates High Court

[Signature]
Muhammad Usama Aqil

Imtiaz Siddiqui & Associates

179/180-A Scotch Corner, Upper Mall Scheme, Lahore.

CERTIFICATE: As per instructions of the Applicants it is certified that this is the first joint application inter se the Applicants under sections 279 to 282 read with section 285(8) of the Companies Act, 2017 to effectuate the appended Scheme of Compromises, Arrangement and Reconstruction.

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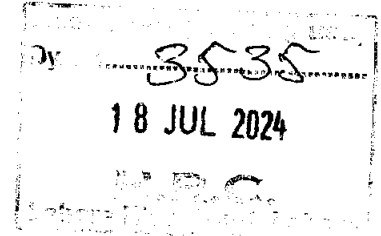
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Lahore

IN THE LAHORE HIGH COURT, LAHORE

(Company Jurisdiction)

Company Original No.29338 of 2024



In the matter of:

1. **MCB Bank Limited** with its registered office at MCB House, 15-Main Gulberg, Jail Road, Lahore through Mr. Hammad Khalid.

..... Applicant No. 1

AND

2. **MCB Islamic Bank Limited** with its registered office at T-5, DHA, Phase-II, Lahore through Syed Iftikhar Hussain Rizvi.

.....Applicant No. 2

(Joint Application by the Applicants under Sections 279 to 282 and 285 of the Companies Act, 2017 read with SRO No. 840(1)/2017 dated 24.08.2017 and all other enabling provisions of law for sanction of the Scheme of Compromise, Arrangements and Reconstruction).

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Examiner (Commercial Branch)
Lahore

REPORT OF THE CHAIRMEN IN RESPECT OF EXTRA-ORDINARY GENERAL MEETINGS OF BOTH THE APPLICANTS HELD ON 06.07.2024 SEPARATELY AS PER ORDER OF THIS HONOURABLE COURT DATED 27.05.2024 PASSED IN THE TITLED CASE TO OBTAIN APPROVAL / SANCTION OR OTHERWISE OF THE MEMBERS OF BOTH THE APPLICANTS FOR THE PROPOSED SCHEME OF COMPROMISES, ARRANGEMENTS AND RECONSTRUCTION BETWEEN THE APPLICANTS.

It is respectfully submitted as under:

1. The titled case had been filed before this Hon'ble Court by the Applicants jointly for sanction of the Scheme of Compromise, Arrangement and Reconstruction between the Applicants as per sections 279 to 282 and 285 of the Companies Act, 2017 read with SRO No. 840(1) / 2017 dated 24.08.2017 and all other enabling provisions of law.
2. Vide order dated 27.05.2024, this Honorable Court was pleased to appoint the undersigned advocates as Joint Chairmen to chair / preside over the separate Extra Ordinary General Meetings of Applicant No.1 – MCB Bank Limited (a public limited listed company) and

of Applicant No. 2 - MCB Islamic Bank Limited (a public limited company) in order to obtain sanction or otherwise of both the Applicants-Companies with respect to the proposed Scheme of Compromises, Arrangements and Reconstruction filed in this Honorable Court for approval (hereinafter referred to as "**the Scheme**").

3. That in pursuance thereof, and in compliance of the order dated 27.05.2024 passed by this Honorable Court, the Applicant No. 1 - MCB Bank Limited convened its Extra-Ordinary General Meeting (hereinafter the '**EOGM**') on 06.07.2024 at 11:00 AM at Grand Ball Room-A, 4th Floor, Nishat Hotel, Lahore and Applicant No.2 – MCB Islamic Bank Ltd. convened its EOGM on 06.07.2024 at 12:00 PM at Grand Ball Room-B, 4th Floor, Nishat Hotel, Lahore by issuing, in accordance with applicable law(s), notices to the shareholders of both the Companies and publication in the newspapers. The Company Secretaries of both the Companies submitted to the Chairmen their separate Compliance Reports along with relevant record regarding completion of all requisite legal requirements for calling of the Extra-Ordinary General Meetings of their Companies, those are enclosed as ANNEXURES – "A" and "B" for ready reference of this Hon'ble Court.
4. The Applicant No. 1 – MCB Bank Limited, as per instructions of the State Bank of Pakistan (SBP) and Order of this Hon'ble Court dated 27.05.2024, also published the Public Notice in the national daily English newspaper "**The Dawn**" and national daily Urdu newspaper "**Jang**" both dated 14.06.2024 under the supervision of the Chairmen for information to the account holders of 39-branches of the MCB Bank Limited those are being transferred to Applicant No.2 – MCB Islamic Bank Ltd. under the Scheme applied for by the Applicants for sanction of this Hon'ble Court. Copies of the newspapers having published notices, were provided by MCB Bank Limited to the undersigned Chairmen, those are enclosed as Annexures "C" & "D".

PROCEEDINGS OF THE EXTRA ORDINARY GENERAL MEETINGS

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A. MCB BANK LIMITED – APPLICANT NO. 1:

- i. As stated above, Applicant No. 1 - MCB Bank Ltd. (hereinafter the "**MCB Bank**") had convened its EOGM on 06.07.2024 at 11:00 AM at Grand Ball Room-A, 4th Floor, Nishat Hotel, Lahore.

- ii. The meeting was started with the permission of undersigned Chairmen exactly at the given time viz. 11:00 AM with the recitation from the Holy Quran.
- iii. The Chairmen were informed by MCB Bank that MCB Bank had total voting power/strength of 1,185,060,006 votes having a number of 1,185,060,006 shares.
- iv. In EOGM, a total number of 240 members/shareholders of MCB Bank, attended the meeting in person and through video-link. Out of which 76 shareholders/members attended the meeting on their own account and a total number of 164 shareholders/members attended the EOGM through proxies. The Company Secretary informed the Chairmen about the number of votes held by the 240 members/shareholder who were attending the EOGM in person and through video-link as under:

- Collective number of votes held by 76 members/ shareholders attending EOGM on their own account:	89,519,412 votes
- Collective number of votes held by 164 members/ shareholders attending EOGM as proxies:	<u>928,918,363 votes</u>
Total:	<u>1,018,437,775 votes</u>

- v. The presence of the above-stated 240 members in the EOGM in person and through video-link, led to complete the quorum of the EOGM as required by section 135 of the Companies Act, 2017 (i.e. at least 10 members who represent not less than 25% voting power of MCB Bank, be present in the EOGM in person or through video-link).

vi. Mr. Farid Ahmad, Company Secretary of MCB Bank welcomed the shareholders at the EOGM of MCB Bank and informed the shareholders/members that the EOGM had been called in compliance with the Order dated 27.05.2024 passed by the Honorable Lahore High Court, Lahore in C.O. No. 29338/2024 and that the court had appointed Mr. Muhammad Almas, Advocate Supreme Court, Lahore and Mr. Ali Hussain Gilani, Advocate High Court, Lahore as Joint Chairmen to preside over the EOGM. The undersigned Chairmen introduced themselves to the house/shareholders and informed them about the purpose of holding the EOGM of MCB Bank.

- vii. Thereafter matter of approval of the Scheme was taken up and considered. Mr. Farid Ahmad, Company Secretary of MCB Bank, firstly explained the objective

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and salient features of the Scheme to the house. He also informed the shareholders about the effects and benefits of the Scheme.

- viii. On question of some of the shareholders to the Chairmen, Mr. Muhammad Almas, advocate one of the Chairmen also explained to the shareholders about the Scheme in detail in his own easy words in Urdu.
- ix. The members/shareholders present in the meeting after understanding the Scheme, started asking questions about the benefits and effects of the Scheme on their shareholding etc. Those questions were addressed by the Company Secretary/Management of MCB Bank to the satisfaction of the shareholders.
- x. After conclusion of question answer session to the satisfaction of the shareholders/members of MCB Bank. Mr. Farid Ahmad, Company Secretary of MCB Bank read out the already notified proposed resolution for approval of the Scheme which is as under:

"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"

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

- xi. The above-reproduced proposed resolution was then tendered for voting of the shareholders present in person or through video-link. The undersigned Chairmen requested the shareholders to cast their votes for or against the resolution/Scheme according to their own free will. That voting led to the following result:

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VOTING RESULT

Descriptions	Number of Votes casted in favour of the Scheme	Number of Votes casted against the Scheme	Number of Members who casted the Votes
Votes casted by the members on their own account	89,519,412	Nil	76 Members
Votes casted through Proxies	928,918,363	Nil	164 Members
Total	1,018,437,775	Nil	240 Members

- xii. On completion of above voting, the Company Secretary of MCB Bank informed the Chairmen that some of the members/shareholders had casted their votes through postal ballots (that is by post and e-voting).
- xiii. A total number of 05 members/shareholders cast their votes through post. The result along with record of the votes cast through post was put before the Chairmen and 01-page printed result sheet of votes casted through post duly signed by MCB Bank, was provided to the chairmen which is reproduced as under and original thereof is attached with Annexure "A" enclosed with this report.

RESULT OF POSTAL BALLOTES

Total Number of Votes casted	Number of Votes casted in favour of the Scheme	Number of Votes casted against the Scheme
4,330,231	4,330,231	Nil

In e-voting/e-balloting, only 49 members/shareholders of MCB Bank had participated. To read out the result of e-voting, the concerned officer of E-Voting Service provider of MCB Bank put the laptop before Mr. Ali Hussian Gilani one of the Chairmen to unblock the e-balloting. Mr. Ali Hussain Gilani unblocked the same and read out the result thereof to members present in the EOGM which is as under. The MCB Bank officer provided a print of the e-balloting/e-voting result duly signed by MCB Bank which is part of the Annexure - "A" enclosed to this report.

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RESULT OF E-VOTING

Total Number of Votes casted	Number of Votes casted in favour of the Scheme	Number of Votes casted against the Scheme
180,459	177,788	2,671

- xv. The consolidated result of the total voting of MCB Bank was announced in the EOGM by the Chairmen one by one which is as under:

CONSOLIDATED RESULT OF THE VOTING OF MCB BANK

Total No. of Votes held by MCB Bank	Total No. of Votes casted	Total No. of Votes casted in favour	Total No. of Votes casted against	% of Votes casted in favour	Final Result of Voting
1,185,060,006	1,022,948,465	1,022,945,794	2,671	99.9997%	Resolution passed to approve the Scheme.

It is imperative to highlight that the above-reproduced table is reflective of all votes casted in person, through proxies, video-link, e-balloting and postal balloting.

- i. The members of MCB Bank approved the Scheme by passing the above-mentioned proposed resolution without any change therein with more than three - fourth majority of the members who attended the EOGM.

- vii. Since there was no other business for the meeting, it was concluded with a vote of thanks to the undersigned.

B. MCB ISLAMIC BANK LIMITED – APPLICANT NO. 2:

- i. As stated above, Applicant No. 2 - MCB Islamic Bank Limited (hereinafter the "MCB Islamic Bank" had convened its EOGM on 06.07.2024 at 12:00 PM at Grand Ball Room-B, 4th Floor, Nishat Hotel, Lahore.

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 Copy of the resolution
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- ii. The EOGM was started with delay of about 15 minutes after permission of the Chairmen.
- iii. A total number of 05 members/shareholders of MCB Islamic Bank attended the EOGM out of which 04 members, holding 01 share/vote each, attended the EOGM on their own account and 01 member/shareholder named MCB Bank, holding 1,554,999,993 shares/votes, attended the EOGM through proxy.
- iv. The quorum of the EOGM as required by Section 135 of the Companies Act, 2017 (i.e. at least 02 members who represent not less than 25% voting power of MCB Islamic Bank, be present in the EOGM), was complete and in order.
- v. Ms. Maimoona Cheema, Company Secretary of MCB Islamic Bank welcomed the members/shareholders at the EOGM of MCB Islamic Bank and informed the members/shareholders that the EOGM had been called/held in compliance with the order dated 27.05.2024 passed in C.O. No. 29338/2024 by the Honorable Lahore High Court, Lahore and that the court has appointed Mr. Muhammad Almas, Advocate Supreme Court, Lahore and Mr. Ali Hussain Gilani, Advocate High Court, as Joint Chairmen for this EOGM.
- vi. The undersigned Chairmen introduced themselves to the house/shareholder and informed them about the motive of holding the EOGM.

vii. Thereafter matter of approval of the Scheme was taken up and considered. Ms. Maimoona Cheema, Company Secretary of MCB Islamic Bank firstly explained the motive and salient features of the Scheme to the house. She read out the already notified proposed resolution for approval of the Scheme which is as under:

"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"

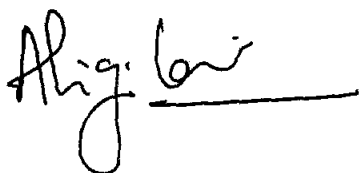
ATTESTED
 Copy of the Scheme
 Section 135
 Lahore High Court, Lahore

"**FUTHER 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."

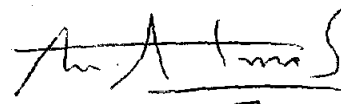
- viii. The above-reproduced resolution was then tendered for voting of the members/shareholders present in the EOGM. One of the Chairmen, Mr. Muhammad Almas requested the members/shareholder present in EOGM to raise their hands who are in favour to adopt the proposed resolution to approve the Scheme. All the five (05) members present in the EOGM, raised their hands and thereby adopted the proposed resolution to approve the Scheme unanimously.
- ix. Since there was no other business for the meeting, it was concluded with a vote of thanks to the undersigned.

In light of the above, the undersigned are submitting the instant report for the kind perusal of this Honorable Court and further necessary action.

CHAIRPERSONS



ALI HUSSAIN GILANI
Advocate High Court
5-S Gulberg, Lahore



MUHAMMAD ALMAS
Advocate Supreme Court
409-Alfalah Building, Mall Road, Lahore

Dated: 12.07.2024

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