



KPMG Taseer Hadi & Co.
Chartered Accountants
Sheikh Sultan Trust Building No. 2, Beaumont Road
Karachi 75530 Pakistan
+92 (21) 35685847, Fax +92 (21) 35685095

The Board of Directors
JS Bank Limited
Shaheen Commercial Complex
Dr. Ziauddin Ahmed Road
Karachi – 75500

Our ref KA-ZS-116
Contact Muhammad Taufiq

18 August, 2023

Dear Board Members,

Agreed-upon procedures report over receipt of shares of BankIslami Pakistan Limited against shares of JS Bank Limited

Purpose of this Agreed-Upon Procedures Report

Our report is solely for the purpose of assisting JS Bank Limited (The Bank) to file auditor's certificate with Securities and Exchange Commission of Pakistan (SECP), Pakistan Stock Exchange Limited (PSX) and Central Depository Company of Pakistan Limited (CDC) certifying the possession of voting shares of BankIslami Pakistan Limited (BIPL) against ordinary shares of the Bank. This report may not be suitable for another purpose.

Responsibilities of the Bank

The Bank has acknowledged that the agreed-upon procedures are appropriate for the purpose of engagement.

The Bank is responsible for accepting the voting shares of BIPL on which agreed-upon procedures are performed.

Practitioner's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the International Standard on Related Services (ISRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with the Bank, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.



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Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Control

We have complied with the ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior. For the purpose of this engagement, there are no independence requirements with which we are required to comply.

Our firm applies International Standard on Quality Control (ISQC) 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Procedures and Findings

We have performed the procedures described below, which were agreed upon with the Bank in terms of engagement letter reference no. KA-AQ-113A dated 16 August 2023. The related findings against each procedure are enlisted below:

S.No.	Procedures	Findings
1	Checked the minutes of Board of Directors meeting for proposal of acquiring the voting shares of BIPL against ordinary shares of the Bank.	We noted that Board of Directors in its 107 th meeting held on 03 March 2023 proposed to acquire voting shares of BIPL through share purchase agreement by issuing the shares of the Bank to be paid as consideration.
2	Checked the minutes of shareholders meeting for approval of acquiring the voting shares of BIPL against ordinary shares of the Bank.	We noted that shareholders in its 17 th annual general meeting held on 29 March 2023 approved to acquire voting shares of BIPL by issuing the shares of the Bank to be paid as consideration.



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S.No.	Procedures	Findings
3	Obtained the copy of independent valuer provided by the Bank, certifying the price and ratio for voting shares of BIPL against ordinary shares of the Bank.	We noted that the price per share used to calculate the value of total consideration of 532,629,349 ordinary shares offered by the Bank as the shares' consideration in respect of purchase of 470,603,772 voting shares of BIPL, is as per the valuer's report issued by the independent valuer of the Bank.
4	Inspected the share purchase agreement (SPA) made by the Bank with the major shareholders of BIPL for agreeing to accept the shares of the Bank as consideration against shares of BIPL.	We noted that the share purchase agreements were agreed with the shareholders of BIPL who accepted the offer of ordinary shares of the Bank as the consideration against voting shares of BIPL.
5	Inspected the account statement of Manager to the offer, for receipt of shares from major shareholders of BIPL against ordinary shares of the Bank.	We inspected the JS Bank ESCROW account statement of Next Capital Limited, bearing account number – 12484-30106 and noted the receipt of voting shares from major shareholders of BIPL against ordinary shares of the Bank.



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Certificate

Based on the procedures mentioned above, we certify that 532,629,349 shares of the Bank are offered against 470,603,772 voting shares of BIPL. Details of shares purchase agreements are as under:

Parties Name	No. of JSBL shares offered	No. of BIPL shares acquired
Jahangir Siddiqui & Co. Ltd.	266,747,498	235,684,306
Ahmed Goolam Mohamed Randeree	99,559,050	87,965,233
Shabir Ahmed Randeree	144,831,051	127,965,233
Sumya Builders & Developers	21,491,750	18,989,000
Total	532,629,349	470,603,772

We confirm that 470,603,772 shares of BIPL have been received in JS Bank ESCROW account statement of Next Capital Limited in CDC, bearing account number – 12484-30106.

The change in paid-up capital, considering other than right shares issuance is as follows:

Description	Pre-Issue	Post-Issue	Change in Paid-up Capital	% Change in Paid-up Capital
Paid-up Capital	1,518,033,187	2,050,662,536	532,629,349	35.09%

We confirm that all requirements with regards to allotment of shares in the name CDC have been fulfilled by the Bank

We further confirm that conditions (if any) imposed by the regulatory body have been fulfilled by the Bank in every respect.

We also confirm that we are the Statutory Auditor of the Bank.

Restriction on use and distribution

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties.

Yours faithfully,

KAMR Taseer - 1



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APPENDIX TO FORM 3

**AUDITOR'S CERTIFICATE VERIFYING RECEIPT OF SHARES OF BANKISLAMI
PAKISTAN LIMITED (BIPL) AGAINST SHARES CONSIDERATION OF JS BANK
LIMITED [Section 70(1) and Regulations 4 & 12 of the Companies
(General Provisions and Forms) Regulations, 2018]**

We have examined the records of **M/S JS Bank Limited** ('the Bank'), and it is, hereby, reported that a total number of 470,603,772 shares of BankIslami Pakistan Limited (BIPL) has been received on account of shares consideration against allotment of 532,629,349 shares of JS Bank Limited, each at Rs.20.4099/- by the Bank.

Signature:

KAMR Taseer - 1

Name:

Muhammad Taufiq

Date:

18 August 2023