

BUSINESS RECORDED

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NOTICE OF 26th ANNUAL GENERAL MEETING

Notice is hereby given that the 26th Annual General Meeting of the shareholders of Askari Bank Limited (the "Bank") will be held on Friday, March 30, 2018, at 10:30 am at Pearl Continental Hotel, Rawalpindi to transact the following business:

- Ordinary Business:**
- To confirm the minutes of the 25th Annual General Meeting held on March 31, 2017.
 - To receive, consider and adopt the financial statements of the Bank for the year ended December 31, 2017 together with the Directors and Auditors' Reports thereon.
 - To appoint statutory auditors of the Bank for the year ending December 31, 2018 and to fix their remuneration. The present auditors M/s A. F. Ferguson & Co., Chartered Accountants, being eligible, have offered themselves for re-appointment.
 - To approve the interim cash dividend @ 10% i.e., Re. 1 per share already declared and paid to the shareholders of the Bank for the year ended December 31, 2017.

Special Business:

5. INCREASE IN AUTHORIZED SHARE CAPITAL.

To consider and, if thought fit, to approve an increase in Authorized Share Capital of the Bank and to pass the following resolution as special resolution with or without amendments:

"RESOLVED that the authorized share capital of the Company be and is hereby increased from PKR 16,000,000,000/- (Pak Rupees Sixteen Billion) divided into 1,600,000,000 (One Billion six hundred million) ordinary shares of PKR 10/- (Pak Rupees ten) each to 20,000,000,000/- (Pak Rupees Twenty Billion) divided into 2,000,000,000 (Two Billion) ordinary shares of PKR 10/- (Pak Rupees ten) each and that the Clause V of the Memorandum of Association and Article 4 of the Articles of Association of the Bank be and is hereby amended accordingly and read as follows:

Clause V of the Memorandum of Association:

The Authorized Capital of the Company is PKR 20,000,000,000/- (Pak Rupees Twenty Billion) divided into 2,000,000,000 ordinary shares of PKR 10/- (Pak Rupees ten) each. The Company shall have the power to increase, reduce or reorganize the capital of the Company and divide its shares in the capital for time being into several classes consisting ordinary shares in accordance with the provisions of the Companies Act, 2017.

Article 4 of the Articles of Association:

The Authorized Capital of the Company is PKR 20,000,000,000/- (Pak Rupees Twenty Billion) divided into 2,000,000,000 ordinary shares of PKR 10/- (Pak Rupees ten) each with power to the Company from time to time to increase, reduce or reorganize the said capital and divide the shares in the capital for the time being into several classes in accordance with the provisions of the Companies Act, 2017.

FURTHER RESOLVED that the President & Chief Executive and Company Secretary of the Bank be and are hereby authorized to either singly or jointly, take all steps necessary, ancillary and incidental for registering and amending the Memorandum and Articles of Association of the Bank, including but not limited to filing of all the requisite statutory forms and all other documents as may be required to be filed with the Companies Registration Office, Securities and Exchange Commission of Pakistan and the State Bank of Pakistan, including all such certificates, applications, notices, reports, letters and any other document or instrument including any amendments or substitutions to any of the foregoing as may be required in respect of the amendment in the Memorandum and Articles of Association."

6. CONVERSION OF TFCs INTO ORDINARY SHARES OF THE BANK UPON THE OCCURRENCE OF A CONVERSION EVENT IN RESPECT OF TFC-V AND TFC ADT 1

Given the features of the below mentioned TFC-V and TFC ADT-1, upon the occurrence of a conversion event, it is proposed that the maximum number of shares to be issued for the purposes of the same be capped at 330,723,328 (three hundred thirty million seven hundred twenty three thousand three hundred twenty eight) additional ordinary shares being issued and in this respect the following special resolutions with or without amendments are being proposed:

6A. CONVERSION OF TFCs INTO ORDINARY SHARES OF THE BANK UPON THE OCCURRENCE OF A POINT OF NON-VIABILITY AS DETERMINED BY THE STATE BANK OF PAKISTAN - TFC V

"RESOLVED that with respect to the Term Finance Certificate Issue (TFC V) of Askari Bank Limited ("Bank") in the amount of PKR 4,000,000,000/- (Pak Rupees Four Billion) pursuant to the terms of the Trust Deed dated September 24, 2014 and in accordance with the directions of the State Bank of Pakistan's ("SBP") instructions regarding loss absorbency as provided under the "Instructions for Basel III Implementation in Pakistan" ("Basel III Rules") issued under BPRD circular # 06 dated August 15, 2013, in the event SBP exercises its option to convert TFC V issue into ordinary shares of the Bank upon the occurrence of a Point of Non-Viability ("PONV"), such ordinary shares shall be issued other than by way of rights in accordance with Section 83(1)(b) of the Companies Act, 2017 ("Additional Shares - TFC V").

FURTHER RESOLVED that the issuance of such Additional Shares - TFC V shall be based on the market value of the shares of the Bank on the date of trigger of PONV as declared by SBP and shall be subject to a cap of 50,659,789 (fifty million six hundred fifty nine thousand seven hundred eighty nine) additional ordinary shares being issued, or such other number as may be agreed to in consultation with SBP and shall further be subject to approval of the Securities and Exchange Commission of Pakistan in accordance with Section 83(1)(b) of the Companies Act, 2017.

FURTHER RESOLVED that the President & Chief Executive of the Bank, singly, or any two executives of the Bank nominated by him, acting jointly, be and are hereby authorized to take all steps, necessary, ancillary and incidental to the above and are further authorized to sign execute and deliver all necessary documents, agreements and letters on behalf of the Bank, as may be deemed appropriate and as may be required for the purposes aforesaid.

6B. CONVERSION OF TFCs INTO ORDINARY SHARES OF THE BANK UPON THE OCCURRENCE OF A CONVERSION EVENT - TFC ADT 1

"RESOLVED that with respect to the proposed Additional Tier 1 Capital intended to be raised by Askari Bank Limited ("Bank") in the amount of up to PKR 6,000,000,000/- (Pak Rupees Six Billion) in the form of Term Finance Certificate ("TFC ADT 1") approved by the Board of Directors in their meeting held on December 8, 2017 and in accordance with the directions of the State Bank of Pakistan's ("SBP") instructions regarding loss absorbency as provided under the "Instructions for Basel III implementation in Pakistan" ("Basel III Rules") issued under BPRD circular # 06 dated August 15, 2013, in the event (i) all or part of the TFC ADT 1 are subject to a mandatory conversion into common shares at the discretion of SBP in case of the Bank's inability to exercise the non-cumulative feature in respect of the TFC ADT 1, or (ii) all or part of the TFCs are converted into common shares upon the declaration by the SBP of the occurrence of a Point of Non-Viability event, or (iii) all or part of the TFCs are converted into common shares by the Bank upon the occurrence of a Pre-specified Trigger Event (collectively the "Conversion Events"), such ordinary shares shall be issued other than by way of rights in accordance with Section 83(1)(b) of the Companies Act, 2017 ("Additional Shares - TFC ADT 1").

FURTHER RESOLVED that the issuance of such Additional Shares - TFC ADT 1 shall be based on the market value of the shares of the Bank prevailing at the relevant time and shall be subject to a cap of 280,063,539 (two hundred eighty million sixty three thousand five hundred thirty nine) additional ordinary shares in aggregate being issued, or such other number as may be agreed to in consultation with SBP and shall further be subject to approval of the Securities and Exchange Commission of Pakistan in accordance with Section 83(1)(b) of the Companies Act, 2017.

FURTHER RESOLVED that the President & Chief Executive, and / or GH-CIBG of the Bank, or their delegates, be and hereby, singly authorized to take all steps, necessary, ancillary and incidental to the above and are further authorized to sign, execute and deliver all necessary documents, agreements and letters on behalf of the Bank, as may be deemed appropriate and as may be required for the purposes aforesaid."

7. To consider and if thought fit, to approve the alteration in Articles of Association of the Bank by inserting new Articles for the purpose of E-voting / postal ballot and to pass the following resolutions as special resolutions with or without amendments:

"RESOLVED that, subject to obtaining requisite approvals, Articles of Association of the Bank be and are hereby altered in the following manner:

- After the existing Article 77, the following new Articles 77(a) be inserted:
 - The Company shall comply with the mandatory e-voting / postal ballot requirements under the provisions of SEC's Regulations issued on e-voting / postal ballot (including any statutory modification thereof), as amended from time to time and in the case of e-voting, both members and non-members can be appointed as proxy. The members opting for e-voting will be required to communicate their intention to opt for e-voting and demand of poll for resolutions through an instrument of e-voting to the Company according to SEC's regulations. The Company will arrange for e-voting if the Company receives demand for poll from such number of members as prescribed in SEC's regulations."

b. After the existing Article 90, the following new Article 90(a) be inserted:

"An instrument of proxy in relation to e-voting shall be in the following form:

I/We, _____ of _____ being a member of Askari Bank Limited, holder of _____ Shares(s) as per Registrar Folio No. _____ hereby opt for e-voting through intermediary and hereby consent the appointment of Execution Officer _____ as proxy and will exercise e-voting as per SEC's Regulations and hereby demand for poll for resolutions.

My secured e-mail address is _____ please send login details, password and electronic signature through e-mail."

Signature of member

Signed in the presence of

Signature of witness # 1 _____ Name of witness # 1 _____ CNIC # of witness # 1 _____

Signature of witness # 2 _____ Name of witness # 2 _____ CNIC # of witness # 2 _____

The proxy e-voting form shall be required to be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form."

8. To consider any other business as may be placed before the meeting, with the permission of the Chair.

By Order of the Board

Umar Shahzad
Company Secretary

Rawalpindi
March 06, 2018

NOTES:

- The statement of material facts under section 134 (3) of the Companies Act 2017 is being dispatched to all members alongwith printed copy of the Notice of AGM.
- The Share Transfer books of the Bank will remain closed from March 22, 2018 to March 30, 2018 (both days inclusive). Transfers received at the Bank's Share Registrar Department, Central Depository Company of Pakistan Limited, Mezzanine Floor, South Tower, LSE Plaza, 19-Khayaban-e-Awam-e-Iqbal, Lahore the Registrar and Share Transfer Office of the Bank at the close of the business hours on March 21, 2018 will be treated in time.
- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote for him/her. No person shall act as a proxy, who is not a member of the Bank except that Government of Pakistan (GoP) or SBP or corporate entity may appoint a person who is not a member.
- The instrument appointing a proxy should be signed by the member or his/her attorney duly authorized in writing. If the member is a corporate entity (other than GoP and SBP), its common seal should be affixed on the instrument.
- The instrument appointing a proxy together with attested copy of Power of Attorney or Board Resolution, if any, under which it is signed, or a notary certified copy thereof, should be deposited, with the Company Secretary, Askari Bank Limited, 4th Floor, NPT Building, F-8 Markaz, Islamabad not less than 48 hours before the time of holding the meeting.
- If a member appoints more than one proxy, and more than one instrument of proxy is deposited by a member, all such instruments of proxy shall be rendered invalid. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- Copy of the CNIC or passport of the beneficial owners shall be furnished with the proxy form. The proxy shall produce his / her original CNIC or original passport at the time of attending the meeting.
- In case of individual shareholder, original Computerized National Identity Card (CNIC) or original passport while for the CDC account holder or sub-account holder and of the person whose securities are in group account and their registration details are updated as per the regulations, his / her authentication would be made by showing his / her Original CNIC or original passport along with participant(s) ID Number and their account numbers. In case of GoP / SBP / corporate entity, the Board of Directors' resolution / power of attorney with specimen signature shall be submitted along with proxy form to the Bank.
- The Government of Pakistan through the Finance Act, 2017 has made certain amendments in terms of Section 150 of the Income Tax Ordinance, 2001 whereby the rates are enhanced for deduction of withholding tax on the amount of dividend paid by the companies/banks. These rates are as follows:

a) For filers of income tax returns	15.00 %
b) For non-filers of income tax returns	20.00 %

And to enable the Bank to make tax deductions on the amount of cash dividend @ 15.00% instead of 20.00%, all shareholders whose names are not entered into the Active Tax payers List (ATL) provided on the website of Federal Board of Revenue (FBR), despite the fact that they are filers, are advised to make sure that their names are entered into ATL before the date of payment of the cash dividend, otherwise tax on their cash dividend (as and when declared) will be deducted @ 20.00% instead of 15.00%.

According to FBR, withholding tax will be determined separately on filer/non-filer status of principal shareholder as well as joint-shareholder(s) based on their shareholding proportions. In case of joint accounts, shareholders, who hold shares jointly, are requested to provide shareholding proportions of principal shareholder and joint holder(s) in respect of shares held by them to our Share Registrar, M/s Central Depository Company of Pakistan Limited, Lahore, in writing as follows:

Name of Principal Shareholder/Joint Holders	Shareholding (%)	CNIC No. (copy attached)	Signature

The required information must reach our Share Registrar by March 21, 2018 otherwise it will be assumed that the shares are equally held.

Special Notes to the Shareholders

- Submission of Copies of CNIC (Mandatory)**
In compliance of instructions issued by the Securities & Exchange Commission of Pakistan (SECP) vide its SRO 779 (02/21) dated August 18, 2011, SRO 83(1)(b) dated July 5, 2012 and SRO 19 (02/14) dated January 10, 2014 which has made it mandatory that the dividend warrants should bear the Computerized National Identity Card Number (CNIC) of the registered member or authorized person, except in the case of minor(s) and corporate members. Therefore individual members or their authorized representatives holding shares in physical or through CDC Accounts, who have not yet provided an attested copy of their valid CNICs to the Shares Registrar / CDC participant respectively, are requested to provide the same at their earliest. The corporate entities holding shares in physical or through CDC account are requested to provide their National Tax Number (NTN) / NTN Certificates to Shares Registrar / CDC Participants respectively. Members while sending copies of CNICs / NTN Certificates must quote their respective folio numbers and company name.

Please note that in case of non-availability of valid copy of CNIC of members, their dividend warrant(s) will be withheld. In this regard, a list of shareholders without CNIC in our record has been made available on the website of the Bank.

11. Payment of Cash Dividend Electronically (e-Dividend)

Section 242 of Companies Act 2017, requires that in case of a listed company, any dividend payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders. Please note that provision of bank mandate for cash dividend payments is mandatory and in order to comply with this regulatory requirement of direct credit of dividend amount in shareholder's bank account, shareholders are requested to provide the relevant information to:

- Their respective CDC Participant / CDC Investor Account Services (in case their shareholding is in Book Entry Form) OR
- Our Share Registrar M/s Central Depository Company of Pakistan Limited, Share Registrar Department, Mezzanine Floor, South Tower, LSE Plaza, 19-Khayaban-e-Awam-e-Iqbal, Lahore (in case their shareholding is in Physical Form)

12. Transmission of Audited Financial Statements & Notices to Members through email (Optional)
In compliance of S.R.O. 787(1)(24) of SECP dated September 8, 2014, which has allowed the circulation of soft copies of Audited Financial Statements along with Notice of Annual General Meeting through e-mail instead of sending the same through post to those members who desire to avail this facility. The members who wish to receive soft copies of Audited Financial Statements along with Notice of AGM through email are requested to provide their written consent on the Standard Request Form available on the Bank's website (www.askaribank.pk) to Bank's Share Registrar. The Bank has placed the audited financial statements for the year ended December 31, 2017 along with Auditors and Directors' reports thereon on its website, www.askaribank.pk.

13. Consent for Video Conference Facility

In compliance of Circular No. 19 dated May 21, 2014 of SECP read with section 134(1)(b) of the Companies Act 2017, shareholders of the Bank are informed that they can avail video conference facility in branch offices. In this regard, please fill the following form and submit the same with the Company Secretary, Askari Bank Limited, 4th Floor, NPT Building, F-8 Markaz, Islamabad at least ten (10) days before holding of general meeting. If the Bank receives consent from members holding in aggregate ten percent (10%) or more shareholding residing at a geographical location, to participate in the meeting through video conference at least ten (10) days prior to the date of meeting, the Bank will arrange video conference facility in that city subject to availability of such facility in that city. The Bank will intimate members regarding video of Video Conference Facility at least five (5) days before the date of general meeting along with complete information necessary to enable them to access such facility.

I/We, _____ of _____ being a member of Askari Bank Limited, holder of _____ Ordinary Share(s) as per Registered Folio No/CDC Sub-Account No. _____ hereby opt for video conference facility at _____.

Signature of Member

14. Change of Address / Particulars

Members are requested to immediately notify any change in their addresses to the Bank's Shares Registrar, M/s Central Depository Company of Pakistan Limited, Mezzanine Floor, South Tower, LSE Plaza, 19-Khayaban-e-Awam-e-Iqbal, Lahore. To facilitate the shareholders, a Form for Change of Particulars of Shareholders has been made available on the website of the Bank.

15. Zakat Declaration (ZC-50)

Zakat will be deducted from the dividends at source at the rate of 2.5 % of the paid-up value of the share (Rs. 10/- each) and will be deposited within the prescribed period with the relevant authority. In case of claiming exemption, please submit your Zakat Declarations under Zakat and Ushr Ordinance, 1980 and Rule 4 of Zakat (Deduction and Refund) Rules, 1981 ZC-50 Form with our Share Registrar. Physical shareholders are requested to submit self declaration to our Share Registrar in the proper manner. The shareholders must write Askari Bank's name and their respective CDC Account number or folio numbers on Zakat Declarations at relevant place.

16. Unclaimed/Unpaid Dividend and Share Certificates

In compliance of Section 244 of the Companies Act 2017, a Final Notice was given by the Bank on January 26, 2018 that the shares of Askari Bank Limited/dividends declared by Askari Bank Limited, details thereof are appearing on the Bank's website www.askaribank.com.pk have remained undistributed or unpaid for a period of three years from the date these have become due and payable. In case no claim is received within the 90 days of above referred Final Notice, the Bank shall proceed to deposit the undistributed/unpaid amount with the Federal Government pursuant to the provisions of sub-section (2) of section 244 of the Companies Act, 2017.