

## Notice of 60<sup>th</sup> Annual General Meeting

Notice is hereby given that the 60<sup>th</sup> Annual General Meeting (“AGM”) of the Shareholders of United Bank Limited (the “Bank” or “UBL”) will be held on Thursday, 28 March 2019 at 09:30 a.m. at Islamabad Marriott Hotel, Islamabad to transact the following business:

### Ordinary Business:

1. To confirm the minutes of the 59<sup>th</sup> Annual General Meeting held on 31 March 2018.
2. To receive, consider and, if thought fit, adopt the Annual Audited Financial Statements (consolidated and unconsolidated), Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2017 of the Bank for the year ended 31 December 2018 together with the Directors’ Report and Auditors’ Reports thereon.
3. To consider and, if thought fit, approve and declare as recommended by the Board of Directors, final cash dividend at the rate of Rs. 3/- per share i.e. 30%, in addition to 80% interim dividend already declared/paid for the year ended 31 December 2018.
4. To consider and, if thought fit, appoint single External Auditors to hold office from this AGM till the conclusion of the next AGM of the Bank and to fix their remuneration. The retiring External Auditors namely, M/s. A.F. Ferguson & Company, Chartered Accountants have consented to be so appointed and the Board of Directors has recommended its appointment.

### Special Business:

5. To consider and, if thought fit, approve/ratify the revision of the amount of remuneration paid/to be paid to the Non-Executive Directors of the Bank for attending the Board and/or Committees meetings and in that connection to pass the following resolutions, as ordinary resolutions, with or without modification, addition or deletion:

“RESOLVED that USD 12,500/- will be paid to each Non-Executive Member of the Board of Directors of UBL including Chairman upon their attending per set of meetings which includes Board meeting and / or Committee(s) meeting(s), as well as meetings of Special Committees of the Board, provided all the meetings are held consecutively before or after the regular Board meeting.

FURTHER RESOLVED that if a meeting of some Special Committee of the Board is held at a place and time other than the regular Board meeting, then a fee of USD 5,000/- will be paid separately to each member of the Special Committee upon their attending the meeting.

AND FURTHER RESOLVED that the following Daily Allowance will be paid to each Non-Executive Member of the Board of Directors of UBL including Chairman upon their attending per set of meetings which includes Board meeting and / or Committee(s) meeting(s), as well as meetings of Special Committees of the Board:

- A. Where UBL makes boarding and lodging arrangements in respect of the above meetings:
  - i. If meeting is held in Pakistan: PKR 5,000/- per day per person for maximum 03 days
  - ii. If meeting is held outside Pakistan: USD 250/- per day per person for maximum 03 days
- B. Where Directors make their own boarding and lodging arrangements in respect of the above meetings:
  - i. If meeting is held in Pakistan: PKR 10,000/- per day per person for maximum 03 days
  - ii. If meeting is held outside Pakistan: USD 750/- per day per person for maximum 03 days

AND FURTHER RESOLVED that the travelling expenses in respect of per set of meetings which includes Board meeting and / or Committee(s) meeting(s) will be borne by the Bank in Business Class of any airline for each Non-Executive Member of the Board of Directors including Chairman for their attending the above meetings.

AND FURTHER RESOLVED that the remuneration paid to the Non-Executive Directors of UBL including the Chairman during the year 2018, for attending the Board and / or Committees meetings as disclosed in the Note 41 of the Audited Financial Statements of the Bank for the year ended 31 December 2018, be and is hereby confirmed and approved on post facto basis."

6. To consider and, if thought fit, approve transaction of asset and liability sale of UBL Bank (Tanzania) Limited to EXIM Bank Tanzania Limited, as approved and recommended by the Board of Directors of UBL, and pass the following resolutions, as special resolutions, with or without modification, addition or deletion:

"RESOLVED that the binding Letter of Intent received from EXIM Bank Tanzania Limited for an asset and liability sale of UBL Bank (Tanzania) Limited for TZs 9.1B (equal to \$3.96m) be and is hereby accepted. (The said price is subject to adjustment on the closing date of the transaction)

FURTHER RESOLVED that the Board of Directors of UBL be and are hereby authorized to complete all the related regulatory, legal and other formalities of this transaction and to further authorize person(s) to deal and negotiate, execute and implement the transaction with the party(ies) involved.

AND FURTHER RESOLVED that the Board of Directors be and are hereby authorized to initiate and complete the process for the winding up of UBL Bank (Tanzania) Limited subsequent to the consummation of this transaction."

7. To transact any other business with the permission of the Chairman.

A Statement of Material Facts covering the above mentioned Special Business, as required under Section 134(3) of the Companies Act, 2017 and Statement of Material Facts covering the sale of the assets and liabilities of UBL Bank (Tanzania) Limited as required under S.R.O. 423 (I)/2018 dated 3 April 2018 is being sent to the members with the Notice of AGM. Proxy forms in English and Urdu language are also being sent to the members along with Annual report.

By order of the Board

Aqeel Ahmed Nasir  
Company Secretary &  
Chief Legal Counsel

Karachi, 07 March 2019

**Notes:**

1. The Share Transfer Books of the Bank shall remain closed from 20 March 2019 to 28 March 2019 (both days inclusive). Transfers received at M/s. THK Associates (Pvt.) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S, Karachi-75400, the Registrar and Share Transfer Agent of the Bank, by the close of the business on 19 March 2019 will be treated in time for the purpose of the above entitlement.
2. A member entitled to attend and vote at this AGM is entitled to appoint a person as a proxy to attend and vote for and on his/her behalf. A proxy need not be a member. The instrument appointing a proxy and the power of attorney/board resolution or other authority (if any) under which it is signed or a notarized certified copy of the power or authority shall be deposited at the office of M/s. THK Associates (Pvt.) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S, Karachi-75400, the Registrar and Share Transfer Agent of the Bank, not later than forty eight (48) hours before the time of holding the AGM, and must be duly stamped, signed and witnessed.
3. The CDC Account Holders and Sub-account Holders, whose registration details are available in the Share Book Details Report, shall be required to produce their respective original Computerized National Identity Card (CNIC) or original Passport at the time of attending the Annual General Meeting to facilitate identification. Such Account Holders and Sub-Account Holders should also bring / know their respective participation I.D. No. and the CDC Account No. and in case of proxy, he/she must enclose an attested copy of his/her CNIC or Passport. Representative(s) of corporate member(s) should bring attested copy of Board Resolution / Power of Attorney and/ or all such documents that are required for such purpose under Circular No.1 dated 26<sup>th</sup> January 2000 issued by the Securities and Exchange Commission of Pakistan ("SECP").
4. Members are requested to timely notify any change in their addresses and provide copies of their CNIC /NTN (if not provided earlier) to Bank's Registrar / Share Transfer Agent, M/s. THK Associates (Pvt.) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S, Karachi-75400.
5. Deduction of Withholding Tax on the Amount of Dividend:

As per the provisions of Section 150 of the Income Tax Ordinance, 2001 ("Ordinance"), different rates are prescribed for deduction of withholding tax on the amount of dividend paid by the companies. The current withholding tax rates are as under:

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

To enable the Bank to make tax deduction on the amount of cash dividend @ 15.00% instead of 20.00%, all the shareholders whose names are not entered into the Active Taxpayers List (ATL) provided on the website of the Federal Board of Revenue ("FBR"), despite the fact that they are filers, are advised to make sure that their names are entered into ATL, otherwise tax on their cash dividend will be deducted @ 20.00%.

The corporate shareholders having CDC account are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificates to the Bank or Bank's Share Registrar and Share Transfer Agent, M/s. THK Associates (Pvt.) Limited. The shareholders while sending NTN or NTN certificates, as the case may be, must quote company name and their respective Folio numbers. Without the NTN, the Bank would not be in a position to check filer status on the Active Taxpayers List and hence higher tax of 20% may be applied in such cases.

As per FBR's clarification letters C.No. 1(29) WHT/2006 dated June 30, 2010 and C.No.1(43) DG(WHT)/2008-Vol-II.664 17-R dated May 12, 2015, a valid Exemption Certificate under Section 159 of the Ordinance is mandatory to claim exemption of withholding tax under Clause 47(B) of Part-IV of Second Schedule to the Ordinance. Those who fall in the category mentioned in above Clause must provide valid Tax Exemption Certificate to our Registrar and Share Transfer Agent, otherwise tax will be deducted on dividend amount as per rates prescribed in Section 150 of the Ordinance.

For shareholders holding their shares jointly as per the clarification issued by the FBR, withholding tax will be determined separately on “Filer / Non-Filer” status of principal shareholder as well as joint-holder(s) based on their shareholding proportions. Therefore, all shareholders who hold shares jointly are required to provide shareholding proportions of principal shareholder and Joint-holder(s) in respect of shares held by them to the Registrar and Share Transfer Agent in writing as follows:

Folio / CDC Account No.	Total shares	Principal Shareholder		Joint Shareholder(s)	
		Name and CNIC No.	Shareholding Proportion (No. of Shares)	Name and CNIC No.	Shareholding Proportion (No. of Shares)

The required information must reach the Bank’s Share Registrar and the Share Transfer Agent within ten (10) days of this Notice, otherwise it will be assumed that the shares are equally held by Principal shareholder and Joint Holder(s).

For any query/difficulty/information, the members may contact the Bank’s Share Registrar and Share Transfer Agent, at the following address, phone/fax numbers or e-mail address:

THK Associates (Pvt.) Limited  
 Head Office, 1st Floor, 40-C,  
 Block-6, P.E.C.H.S, Karachi-75400.  
 UAN: 021-111-000-322.  
 Direct: 021- 34168270  
 Fax: 021- 34168271  
 Email: [secretariat@thk.com.pk](mailto:secretariat@thk.com.pk)  
 Web: [www.thk.com.pk](http://www.thk.com.pk)

6. Urgent Provision of Valid CNIC Copy (Mandatory)

CNIC numbers of shareholders are mandatorily required for dividend distribution. Shareholders are therefore requested to submit a copy of their CNIC (if not already provided) to the Bank’s Share Registrar and Share Transfer Agent within ten (10) days of the date of this Notice. In case of nonreceipt of the copy of a valid CNIC, the company would be unable to comply with SRO 831(1)/2012 dated July 05, 2012 of SECP and therefore will be constrained to withhold the payment of dividend of such shareholders. The shareholders while sending CNIC must quote their respective folio number and name of the Company.

7. Submission of Bank Mandate with International Bank Account Number (IBAN) for payment of Cash Dividend Electronically into the Bank Accounts of the Shareholders (Mandatory Requirement)

Under the provisions of Section 242 of the Companies Act, 2017 and the Companies (Distribution of Dividends) Regulations, 2017, it is mandatory for a listed Company to pay cash dividend to its shareholders only through electronic mode directly into bank account designated by the entitled shareholders.

Shareholders who have not yet submitted their International Bank Account Number (IBAN) are requested to fill in Electronic Credit Mandate Form available on Company’s website and send it duly signed along with a copy of CNIC to the Share Registrar and Share Transfer Agent of the Bank, THK Associates (Pvt.) Limited, 1st Floor, 40-C, Block-6, P.E.C.H.S, Karachi, Pakistan in case of physical shares. In case shares are held in CDC then Electronic Credit Mandate Form must be submitted directly to shareholder’s broker/participant/CDC account services.

In this regard UBL has sent letters to its shareholders. Besides, the Bank has published notices in newspapers requesting the shareholder to provide IBAN.

The link to get the Electronic Credit Mandate Form is as under:

<http://www.ubldirect.com/Corporate/InvestorRelations/BankMandateFormfore-dividend.aspx>

8. Consent for Video Link Facility:

Members can attend and participate in the AGM through video-link. The Bank will provide the facility of video-link on demand of members residing in a city, collectively holding 10% or more shareholding in the Bank. Members who wish to avail this facility are requested to fill the below Video Link Form and submit it to the Company at its registered office at least seven (7) days prior to date of the AGM.

The Bank will intimate members regarding venue of video-link facility at least five (5) days before the date of the AGM along with complete information necessary to enable them to access such facility.

<u>Video-Link Form</u>	
I/We, _____ of _____, being a member of United Bank Limited, holder of _____ Ordinary Share(s) as per Register Folio No./CDC Account No. _____ hereby opt for video-link facility at _____ (Name of City) _____ .	_____ Signature of the Member

9. Placement of Financial Statements on Website:

The financial statements of the Bank for the year ended December 31, 2018 along with reports have been placed on the website of the Bank: <http://www.ubldirect.com/Corporate/InvestorRelations/FinancialStatement.aspx>.

## COMPANIES ACT, 2017, CONCERNING TO THE SPECIAL BUSINESS:

This statement sets out the material facts pertaining to the special business to be transacted at the Annual General Meeting of United Bank Limited (“UBL”) to be held on March 28, 2019.

### **Item No. 5: REMUNERATION OF THE NON-EXECUTIVE DIRECTORS OF UBL**

As required under SBP Prudential Regulation G-1, total amount of remuneration paid/payable to the non-executive directors including the Chairman for attending the Board meetings and/or Committees meetings is submitted.

### **Item No. 6: ASSET AND LIABILITY SALE OF UBL BANK (TANZANIA) LIMITED**

UBL Bank (Tanzania) Limited (UBTL) is a wholly owned subsidiary of United Bank Limited (UBL). UBL and UBTL have entered into a Letter of Intent (LOI) with EXIM Bank Tanzania Limited (EXIM) for the sale of the undertaking of UBTL as an asset/liabilities sale, subject to all applicable corporate compliances and the regulatory approvals at both places i.e. Pakistan and Tanzania.

The entity of UBTL and its banking license will remain intact for the time being. Upon the disposal of all assets and liabilities of UBTL, the winding up process will be initiated under the laws of Tanzania.

This decision is a part of UBL’s strategy for global repositioning and realignment based on purely commercial considerations.

Material Facts covering the sale of the assets and liabilities of UBL Bank (Tanzania) Limited as required under S.R.O. 423 (I)/2018 dated 3 April 2018) are as under:

i.	Name of the subsidiary:	UBL Bank (Tanzania) Limited
ii.	Cost and book value of investment in subsidiary:	As at 31 December 2018 Cost: PKR 1,831 million Net book value: PKR 948 million
ii.	Total market value of subsidiary based on value of the shares of the subsidiary company:	Not Applicable
iv.	Value determined by a registered valuer and name of the registered valuer:	UBL has written to SECP regarding this requirement
v.	Net worth of subsidiary as per latest audited financial statements and subsequent interim financial statements, if available:	31 December 2017 – audited financial statements: TZs 15,717 million 31 December 2018 - Interim unaudited financial statements: TZs 21,511 million
vi.	Total consideration for disposal of investment in subsidiary, basis of determination of the consideration and its utilization:	TZs 9,107 million based on adjusted balance sheet value of assets and liabilities.  This will be utilized to pay for any winding up expenses and residual amounts to be repatriated back to Pakistan.
ii.	Quantitative and qualitative benefits expected to accrue to the members:	The Directors believe the proposed sale is in the best interest of the company as it will facilitate an expedited winding up of the loss making subsidiary.