

INVEST CAPITAL INVESTMENT BANK LTD

Notice of Extraordinary General Meeting

Notice is hereby given that an Extraordinary General Meeting ("EOGM") of Invest Capital Investment Bank Limited (the "Company" / "ICIBL") will be held on 26th September, 2024 at 10:30a.m. at the Auditorium, ICMAP, Main Campus, NIPA Choralangi, Gulshan-e-Iqbal, Karachi and via video link facility to transact the following special business:

- Special Business:**
- To consider and if deemed fit, to approve reduction of the ordinary share capital of the Company to the extent of Rs. 2,418,139,120/- (Rupees Two Billion Four Hundred Eighteen Million One Hundred Thirty-Nine One Thousand One Hundred Twenty Only) and cancellation of 2,813,912 ordinary shares of the Company, by adjustment of accumulated losses and negative capital reserve on amalgamation, which are no longer represented by available assets and to pass a resolution as a special resolution as given in the statement of material facts.
- Attached to this notice is a circular containing a statement of material facts along with draft resolution proposed to be passed as special resolution in relation to the aforesaid special business, as required under Section 134(3) of the Companies Act, 2017.

Date: 5th September, 2024

BY ORDER OF THE BOARD
Muhammad Naim Ashraf
Company Secretary

Notes:

- Book Closure:**
The Share Transfer Books of the Company will remain closed from 19th September, 2024 to 26th September 2024 (both days inclusive). Transfers received in order at the office of our Share Registrar, Corptec Associates (Private) Limited, 503-E, Johar Town Lahore, by the close of business on 18th September, 2024 will be treated in time to determine the entitlement of members to attend, speak and vote at the EOGM.
- Polling on Special Business:**
The members of the Company will be allowed to exercise their right to vote through electronic voting facility or voting by post for the special business in the EOGM in accordance with the requirements and subject to the conditions contained in the Companies (Postal Ballot) Regulations, 2018.
- Procedure for E-voting:**
 - E-voting facility will be provided by M/s Corptec Associates (Private) Limited, acting as E-Voting Service Provider, appointed by the Board of Directors of ICIBL;
 - Details of the e-voting facility will be shared through an e-mail to those members of the Bank who have their valid CNIC numbers, cell numbers, and e-mail addresses (Registered email ID) available in the register of members of the Bank on or before 18th September, 2024.
 - Identity of the members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login;
 - Members' votes for special business as mentioned in the Notice of EOGM through the web portal provided by E-Voting Service Provider from 09:00 AM 23rd September, 2024 till 5:30 PM 25th September, 2024. Votes shall only be casted during this schedule; and
 - Once the vote on a resolution is casted by a member, he/she shall not be allowed to change it subsequently.
- Procedure for voting through Postal Ballot:**
 - Members may alternatively opt for voting through Ballot Paper. As per the requirements of Postal Ballot Regulations, the Ballot Paper will be published in the newspapers and will also be uploaded on Company's website. Members are requested to receive the ballot paper seven days before the EOGM.
 - Members shall cast their votes for the special Businesses as mentioned in the Notice of EOGM and send the postal ballot, duly filed-in, signed and accompanied with a copy of valid Computerized National Identity Card to the Chairman of the EOGM at Flat No. 2 First Floor, Karachi, or email at naim.ashraf@icibl.com by 23rd September, 2024. The Postal Ballot should reach the aforementioned office on or before 05:00 PM, 25th September, 2024;
 - Any Ballot Paper received after this time/date will not be considered for voting;
 - In case of an individual, his signature on Ballot Paper should match with signature on CNIC. In case of a company (or proxy for foreigner); however, in case of a representative of a body corporate, corporation, the Ballot Paper must be accompanied by a copy of the CNIC of an authorized person, an attested copy of Board Resolution / Power of Attorney / Authorization Letter etc., in accordance with Section (s) 138 of the Act.
 - Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written Ballot Paper will be rejected. Please note that in case of any dispute in voting including the casting of more than one vote, the Chairman shall be the deciding authority.
- Online Participation in the Extra Ordinary General Meeting:**
As per instructions of Securities and Exchange Commission of Pakistan, the Company has arranged video link facility for online participation of members in the EOGM. The meeting can be attended using smart phones/tablets/computers. To attend the meeting through video link, the members are requested to provide the following information along with valid copy of CNIC / passport/ certified copy of board resolution/power of attorney in case of corporate shareholders with the subject "Registration for Invest Capital Investment Bank Limited EOGM" through email naim.ashraf@icibl.com on or before 24th September, 2024.

Name of member	CNIC No.	CDC Account No./Folio No.	Cell Number.	Email Address
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The members who are registered after the necessary verification shall be provided a video link by the Company on the same email address that they emailed to the Company. The Login facility will remain open from start of the meeting till its proceedings are concluded.

- Proxy:**
A member entitled to attend and vote at this meeting may appoint any other member as his/her proxy to attend and vote instead of him/her. A proxy must be a member of the Company. A proxy so appointed shall have such rights, as respects attending, speaking and voting at the Meeting as are available to the Member. The proxy shall produce his/her original Computerized National Identity Card (CNIC) or passport to prove his identity.
- Time for depositing Proxy:**
The instrument appointing a proxy and the power of attorney or other authority under which it is signed or a notarial attested copy of the power of attorney must be deposited at the Registered Office of the Company at least forty-eight (48) hours before the time of the meeting. Form of proxy in English and Urdu languages are attached to the notice of meeting sent to the shareholders.
- Members of CDC:**
Members who deposited their shares into Central Depository Company of Pakistan Limited ("CDC") will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan.
 - For Attending Meetings:**
 - In case of individuals, the account holder and/or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity as per above procedure.
 - In case of corporate entity, the Board's resolution/power of attorney with specimen signature of the nominee shall be as per above procedure.
 - For Appointing Proxies:**
 - In case of individuals, the account holder and/or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per above requirements.
 - The proxy form shall be witnessed by two persons, whose names, addresses and CNIC numbers shall be mentioned on the form.
 - Attestation of the CNIC or the passport of beneficial owners and the proxy shall be furnished with the proxy form.
 - In case of corporate entity, the Board's resolution/power of attorney with specimen signature shall be furnished along with proxy form to the Company.

Statement of Material Facts under Section 134(3) of the Companies Act, 2017.
This statement sets out the material facts pertaining to the special business to be transacted in the Extraordinary General Meeting of the Company to be held on 26th September, 2024.

Reduction of Ordinary paid-up share capital:

Reasons and purpose of Reduction:
To eliminate losses: The company has accumulated losses (Rs. 509.39 million as of 30 June, 2023) and negative amalgamation capital reserve (Rs 2,022.08 million as of 30 June, 2023) which are being funded by share capital. The paid-up capital, thus, is not represented by available assets. The proposed reduction of capital will eliminate accumulated losses/negative amalgamation capital reserve against paid-up share capital.
The reduction of capital will improve book value per share resulting in better market value per share.
The reduction of capital will increase earnings per share and improve dividend payout ratio.
Paying dividends: The Company has experienced some difficult trading conditions in previous years resulting in accumulated losses on the balance sheet. This has made it impossible to pay dividends to its shareholders. The reduction of capital will enable us to pay dividends to the shareholders.
Reduction of expenses: Some fees and subscriptions are based on the amount of Paid-up Capital which will be reduced with the reduction of capital.

Brief details of terms and conditions associated with reduction of share capital:

The reduction of capital will be achieved by cancellation of the proportionate share capital of the existing shareholders. For every 100 shares held, the shareholders will get 15,113,368,595 ordinary shares while balance of 2,813,912 shares shall be cancelled pursuant to the formation of the Company. The Company will announce a book closure date within 15 days of the receipt of copy of the order of the Court confirming the reduction of capital.

The amount and number of shares proposed to be cancelled or paid off?

Amount Rs. 2,418,139,120/-
Number of shares to be cancelled - 241,813,912 ordinary shares.
Effect of reduction of share capital along with comparison of existing and post cancellation share capital:
The reduction of capital will have positive impact of the balance sheet of the Company. The existing and post cancellation capital is detailed as follows:

Share Capital Position as on

Description	Existing Share Capital 30 June, 2023	Share Capital after reduction of share capital
Authorized Capital	4,850,000,000	4,850,000,000
Number of Shares	284,866,896	43,052,984
Issued, subscribed and paid-up capital	2,848,668,960	430,529,838
Capital reserve on amalgamation	(2,022,075,992)	0
General Reserve	102,976,444	102,976,444
Accumulated loss	(509,391,449)	(113,328,319)
Fair value reserve	10,351,875	10,351,875
Total Equity	430,529,838	430,529,838
Book Value Per Share (Total Equity - Directors Loan)	1.51	10.00

Detail of assets, liabilities and shareholders' equity as per latest annual financial statements and subsequent interim financial statements, if any.

Detail of assets, liabilities and shareholders' equity as per audited financial statements as of 30 June, 2023 and interim financial statements for the half year ended 31 December, 2023 are available at our website www.icibl.com.

List of creditors of the company along with information on nature and amount involved, if substantial or material:
Bank Islami Pakistan Limited loan is Rs. 18.63 Million which is payable in 23 equal quarterly installments (27 Sept, 27 Dec, 27 March, 27 June), the last installment will be paid on 27 June 2029 when outstanding liability will be NIL.

Brief details of qualification, reservations, adverse remarks or disclaimer, if any, made by the auditors in his reports on the latest annual financial statements relevant to the reduction of capital.
The emphasis of matter paragraph is given on Material Uncertainty related to Going Concern in latest Audit Report for the financial year ended 30 June 2023. The emphasis paragraph is reproduced below:

"We draw attention to Note 1.3 in the financial statements, which indicates that the Company has suffered operation losses in prior years, and as at the statement of financial position date, the accumulated loss of the company is Rs. 509.39 million. The events or conditions, along with other matters as set out in the note, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter."

Details of any pending inspection, inquiry or investigation against the company under the Companies Act, 2017
No inspection, inquiry or investigation matter is pending against the company under the companies Act, 2017.

The following resolution is proposed to be passed as special resolution:

"Resolved that pursuant to Section 89 of the Companies Act, 2017 and such other applicable provisions of the Companies Act, 2017 read with the Articles of Association of the Company and subject to the approval by members of the Company, approval be and is hereby accorded that the Company's issued and subscribed share capital of Rs. 2,848,668,960/- (consisting of 284,866,896 ordinary shares of Rs. 10/- each fully paid) be and is hereby reduced to Rs 430,529,838/- (consisting of 43,052,984 issued, subscribed and paid-up ordinary shares of 10/- each fully paid up) by reduction of issued subscribed and paid-up share capital amounting to Rs. 2,418,139,120/- such that such reduction be effected by cancelling and extinguishing 241,813,912 ordinary shares of Rs. 10/- each.

Resolved further that for the purpose of giving effect to the above resolution, any one of Mr. Muhammad Asif, Chief Executive Officer and Mr. Muhammad Naim Ashraf, Company Secretary be and are hereby authorized to do all such acts and things as may be necessary or deemed necessary or desirable for effectively implementation of the resolution and to settle any questions, difficulties or doubts that may arise in this regard as they may in their absolute discretion deem fit."

Availability of Documents and Inspection:
All the relevant documents pertaining to proposed reduction of capital are available for inspection at the registered office of the Company from 9.00 a.m. to 5.00 p.m. on any working day, up to the last working day before the date of the extraordinary general meeting.