SILKBANK

CS - 277/STOCKS/2015
September 3, 2015

Mr. Muhammad Ghufran
DGM-Companies Affairs Department
Karachi Stock Exchange Ltd
Stock Exchange Building
I. I. Chundrigar Road
Karachi.

The General Manager
Islamabad Stock Exchange Limited
ISE Tower, 55-B, Jinnah Avenue
Islamabad.

The General Manager
Lahore Stock Exchange Limited
19, Khyaban-e- Aiwan Iqbal
Lahore.

Subscription against 239.9403% Right Issue of Silkbank Limited

Dear Sir,

Reference to your letter No. KSE / C-995 -5398 dated July 08, 2015.

We are pleased to inform you that we have received the following subscription amounts in respect of 239.9403% Rights issue of Rs. 10 Billion through issuance of 6,410,256,410 Rights Shares at Rs. 1.56 per share, (at a discount of Rs. 8.44 per share) as announced by the Bank.

Right Shares Subscribed By	No of shares to be allotted	Amount in Rs.
General Public	768,412,599 shares	Rs. 1,198,723,654/-

The above amount is subject to the verification from CDC. Furthermore, we would also like to inform that the Bank has received Rs. 3.706 billion from prospective investors, as advance against shares, and since the post allotment shareholding of the prospective investors would be more than 5% therefore, in compliance of Prudential Regulations, Fit & Proper Test (FPT) documents of the prospective investors, as sponsor shareholders of the Bank, have been submitted to the State Bank of Pakistan for their prior clearance. Shares would be allotted to the prospective investors after receiving approval from the State Bank of Pakistan.

Moreover, under Section 86(7) of the Companies Ordinance, 1984, the Board in its meeting held on August 28, 2015, has allotted 701,939,965 right shares amounting to Rs. 1,095,026,346/- to Mr. Shaukat Tarin to subscribe and/or allot/transfer all or part of the 701,939,965 rights shares to such new investor/ investors as Mr. Shaukat Tarin may deem fit.

As informed earlier, the rights issue of the Bank has been underwritten by M/s. Arif Habib Limited to the extent of Rs. 6.00 billion. Under Section 86(7) of the Companies Ordinance, 1984, the Board in its meeting held on August 28, 2015, has also called upon the Underwriters M/s. Arif Habib Limited to subscribe the remaining/ unsubscribed portion of the Rights Issue as per the Underwriting Agreement. The Board has further authorized Mr. Azmat Tarin, President & CEO of the Bank to correspond with the Underwriters, in completing all steps necessary, ancillary and incidental as per the Underwriting Agreement, for taking up the remaining/ unsubscribed portion of the Rights Issue.

In compliance of the time line schedule as stated in your above referred letter, rights shares to general public will be credited in their respective accounts maintained with CDC on or before September 11, 2015.

We are very much grateful to our valued shareholders / investors for the trust and confidence reposed in us.

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

Yours truly,

Uzman Naveed Chaudhary
Company Secretary/Head of
Investors Relations & Legal Affairs