

SC/106/2019

February 27, 2019

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi.

FORM-3Subject: **Financial Results for the year ended December 31, 2018**

Dear Sir,

We have to inform you that the Board of Directors of our company in their meeting held on February 27, 2019 at 11:00 a.m. at Federation House, Clifton, Karachi, recommended the following:

(i) CASH DIVIDEND

A final Cash Dividend for the year ended December 31, 2018 at Rs.7.00 per share i.e. 70%.

And**(ii) BONUS SHARES**

It has been recommended by the Board of Directors to issue Bonus Shares in the proportion of One (1) share for every Ten (10) shares held i.e. 10%.

And**(iii) RIGHT SHARES****Nil**

The financial results of the Company are attached.

The Annual General Meeting of the Company will be held on April 26, 2019 at 3:00 p.m. at Registered Office of the Company, situated 63/A, Block-XX, Phase-III (Commercial), Khayban-e-Iqbal, DHA, Lahore.

*The above entitlement will be paid to the shareholders whose names will appear in the Register of Members close of business on April 18, 2019.

**Atlas Insurance Ltd.**

ZONAL OFFICE: Federation House, Shahrah-e-Firdousi, Main Clifton, Karachi-75600. **Phones:** +92 (21) 3536 9394-6, 3537 8806-7 **UAN:** 021-111-245-000
Fax: +92 (21) 3537 8515

HEAD OFFICE: 63/A, Block-XX, Phase-III (Commercial), Khayaban-e-Iqbal, Defence House Authority, Lahore, Pakistan. **Phones:** +92 (42) 37132611-18
UAN: 042-111-245-000 **Fax:** +92 (42) 37132622 **Email:** info@ail.atlas.pk **Website:** www.ail.atlas.pk **N.T.N.** 2396345-0

The share transfer books of the Company will be closed from April 19, 2019 to April 26, 2019 (both days inclusive). Transfers received at company's share Registrar Office, M/s. Hameed Majeed Associates, H. M. House, 7 – Bank Square, Shahrah-e-Quaid-e-Azam, Lahore at the close of business on April 18, 2019 will be treated in time for the purpose of above entitlement to the transferees.

The Annual Report of the Company will be transmitted through PUCARS atleast 21 before holding of Annual General Meeting.

Yours Sincerely,

For Atlas Insurance Limited

Muhammad Afzal
Company Secretary



CC: The Director / HOD
Surveillance, Supervision and Enforcement Department
Securities & Exchange Commission of Pakistan
NIC Building, 63Jinnah Avenue, Blue Area,
Islamabad.
Fax No. 051-9100474 / TCS

The Director
Insurance Division
Securities & Exchange Commission of Pakistan
NIC Building, 63Jinnah Avenue, Blue Area,
Islamabad.
Fax No. 051-9205837 / TCS

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ATLAS INSURANCE LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED DECEMBER 31, 2018

	Note	2018	2017
		Rupees in thousand	
Net insurance premium	20	1,473,915	1,274,543
Net insurance claims expense	21	(488,305)	(432,519)
Net commission and other acquisition income	22	159,963	165,556
Insurance claims and acquisition expenses		(328,342)	(266,963)
Management expenses	23	(461,250)	(429,085)
Underwriting results		684,323	578,495
Investment income	24	230,857	321,547
Rental income		1,235	2,570
Other income	25	73,710	98,953
Other expenses	26	(16,576)	(13,428)
Results of operating activities		973,549	988,137
Finance costs	27	(1,627)	(137)
Profit before tax from window takaful operations - Operator's fund	30	17,107	847
Profit before tax		989,029	988,847
Income tax expense	28	(323,461)	(324,860)
Profit after tax		665,568	663,987
Earnings (after tax) per share - Rupees	29	9.49	9.46



The annexed notes 1 to 42 form an integral part of these financial statements.

**EXTRACT OF THE RESOLUTIONS PASSED
IN THE BOARD OF DIRECTORS MEETING
HELD ON FEBRUARY 27, 2019**

DIVIDEND

The Board of Directors has recommended cash dividend @ 70% (Rs.7.00 per share), Bonus Shares @ 10% in the proportion of one ordinary share of Rs. 10/- each for every Ten ordinary shares held by a shareholder and transfer of Rs. 93,000 thousand to the general reserve out of the net profit for the financial year ended December 31, 2018 and passed the following resolutions:

Resolved:

"that cash dividend at the rate of 70% (Rs. 7.00 per share) be and is hereby recommended for payment to those shareholders of the Company, whose names shall appear in the register of the members at the close of business on April 18, 2019."

Further Resolved:

"that a sum of Rs. 70,161 thousand out of Company's profit be capitalized for issuing 7,016,138 fully paid ordinary shares of Rs.10/- each as bonus shares to be allotted to those shareholders of the Company, whose names shall appear in the register of members at the close of business on April 18, 2019 @ 10 % in the proportion of One ordinary share of Rs. 10/- each for every Ten ordinary shares held by a shareholder. The said shares shall rank pari passu with the existing shares of the Company as regards future dividend and in all other respects."

Further Resolved:

"that an amount of Rs. 93,000 thousand be transferred to general reserve out of the profit of the Company for the financial year ended December 31, 2018."

CERTIFIED TRUE COPY

Muhammad Afzal
Company Secretary

Atlas Insurance Ltd.

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February 27, 2019

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The Board of Directors
Atlas Insurance Limited
Lahore

Lady and Gentlemen

AUDITOR'S CERTIFICATE ON FREE RESERVES RETAINED AFTER ISSUE OF BONUS SHARES FOR THE YEAR ENDED DECEMBER 31, 2018

We have been requested to provide Atlas Insurance Limited (the Company) with a certificate on whether the residual "free reserves", in terms of the meaning given to 'free reserves' in the Companies (further issue of shares) Regulations, 2018, after the proposed issue of bonus shares for the year ended December 31, 2018, are not less than fifteen percent of the increased paid up capital thereafter.

Scope of Certificate

The Companies (further issue of shares) Regulations, 2018 requires a company issuing bonus share to obtain a certificate from the Company's auditor, for onwards submission to the Securities and Exchange Commission of Pakistan (the Commission) for information and the respective stock exchange on the day of decision by the Board of Directors (the board) for the public dissemination, certifying that;

- a) the free reserves retained after the issue of bonus shares are not less than fifteen per cent of the increased paid up capital of the company; and
- b) all contingent liabilities have been deducted while calculating the minimum residual reserve of fifteen per cent.

Managements' responsibility

It is the managements' responsibility to prepare the computation of free reserves retained after issue of bonus shares for the year ended December 31, 2018 in accordance with the meaning given to 'free reserves' in the Companies (further issue of shares) Regulations, 2018 and manner as specified under regulation 3.

Auditors' responsibility

Our responsibility is to certify that the free reserves retained after the issue of bonus shares are not less than fifteen per cent of the increased paid up capital of the Company and all contingent liabilities have been deducted while calculating the minimum residual reserve of fifteen per cent.

Our verification procedure include obtaining such evidence and explanations about the information as contained in the computation of residual free reserves prepared by the management of the Company. We believe that the evidence we have obtained in this regard is sufficient and appropriate to provide a basis for the certification. Our verification was limited to the procedures as mentioned below:

*A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
23-C, Aziz Avenue, Canal Bank, Gulberg-V, P.O.Box 39, Lahore-54660, Pakistan
Tel: +92 (42) 3571 5868-71 / 3577 5747-50 Fax: +92 (42) 3577 5754 www.pwc.com/pk*



- a) Obtained certified copies of the Board of Director's resolution approving the issue of bonus shares and other appropriation from the free reserves of the Company;
- b) Compared the amount of bonus shares and other appropriation approved by the Company's Board of Directors with the computation of free reserves retained after issue of bonus shares; and
- c) Verified that all contingent liabilities have been deducted while calculating the minimum residual reserve of fifteen per cent based on the Company's audited financial statements for the year ended December 31, 2018.

Certificate

Based on the procedures mentioned above, we certify that the free reserves retained after the issue of bonus shares are not less than fifteen per cent of the increased paid up capital of the Company and all contingent liabilities have been deducted while calculating the minimum residual reserve of fifteen per cent.

Restriction on use and distribution

This certificate is issued in relation to Clause (v) of Chapter III of the Companies (further issue of shares) Regulations, 2018 and is not to be used or distributed for any other purpose. This certificate is restricted to the facts stated herein. It is intended solely for the information and use by the Company, the Commission and respective stock exchange, and should not be distributed to other party.

Yours truly

**Chartered Accountants,
Lahore**