

# THE UNITED INSURANCE COMPANY OF PAKISTAN LIMITED

PAKISTAN

RATED AA+ BY PACRA & VIS

## NOTICE OF THE 62nd ANNUAL GENERAL MEETING

NOTICE is hereby given that the 62nd Annual General Meeting of the shareholders of THE UNITED INSURANCE COMPANY OF PAKISTAN LIMITED will be held on Saturday the April 23, 2022 at 11:00 a.m. (through Video-link) from the Registered Office of the Company situated at Office # 204, 2nd Floor, Madina City Mall, Abdullah Haroon Road, Saddar Karachi, to transact the following business:

### ORDINARY BUSINESS

- To confirm the minutes of the 61st Annual General Meeting of the Company held on April 30, 2021.
- To receive, consider and adopt the Annual Audited Accounts of the Company for the year ended December 31, 2021 together with the Directors' and Auditors' reports thereon.
- To approve payment of Interim Dividend (Rs. 1.00/- per share (i.e. 10%) as recommended by the Board of Directors for the half year ended June 30, 2021 (already paid).
- To appoint auditors of the Company for the year ending December 31, 2022 and their remuneration. The present auditors, M/s. Ilyas Saieed & Co., Chartered Accountants, shall stand retired on the conclusion of AGM. The Board of Directors, based on the recommendation of Audit Committee, has recommended the appointment of M/s. RSM Awaiz Hyder Liaquat Nauman, Chartered Accountants, as auditors of the Company, for the year ending December 31, 2022 till conclusion of the next AGM.

### SPECIAL BUSINESS

- To ratify and approve transactions conducted with Related Parties for the year ended December 31, 2021 by passing the following special resolution with or without modification:  
**Resolved** that the transactions conducted with Related Parties as disclosed in the notes 36 & 32 of conventional & takful operations respectively for the year ended December 31, 2021 be and are hereby ratified, approved and confirmed.
- To authorize the Board of Directors of the Company to approve transactions with Related Parties for the financial year ending December 31, 2022 by passing the following special resolution with or without modification:  
**Resolved** that the Board of Directors of the Company be and is hereby authorized to approve the transactions to be conducted with Related Parties on case to case basis for the financial year ending December 31, 2022.
- To consider and if deemed fit, pass with or without modification, the following special resolutions in accordance with the provision 199 of the Companies Act, 2017 read with section 183(3) for the purposes of authorizing the Company to disinvest 34.5% shares of its associated company namely Apna Microfinance Bank Limited by way of sale and transfer of sponsors shares to other group companies.  
**RESOLVED** That the Company be and is hereby authorized, in accordance with Section 199 and Section 183(3) of the Companies Act, 2017 to disinvest 147,999,812 ordinary shares of Rs. 10/- each of Apna Micro finance Bank Limited i.e. 34.5% of the total paid up capital of the Company by way of sale and transfer of sponsor shares to its associated companies at Rs. 6/- per share in Said proportionate i.e. 46,898,492 shares to be sold to United Software & Technologies International (Pvt.) Limited, 48,818,469 shares to be sold to Tawassul Healthcare FPA (Pvt.) Limited and 53,282,831 shares to be sold to Tawassul Risk Management Services (Pvt.) Limited respectively.  
**RESOLVED FURTHER** that Mr. Muhammad Akram Shahid, Chief Executive Officer of the Company, be and is hereby authorized and empowered to take all necessary steps, to make the requisite disinvestment from time to time, to do all such deeds, deeds and things and to execute and deliver all such deeds, agreements declaration, undertaking and guarantees, including any ancillary documents for and on behalf of the Company for the purpose of carrying out the proposed resolutions.
- To consider and approve the remuneration of the Executive Directors (including Chief Executive Officer) and fee to the non-executive/independent Directors for attending the Board and its Committees meetings.  
**RESOLVED** That the approval be and is hereby granted to pay remuneration, perquisite and other fringe benefits to the Chief Executive Officer, Executive Director(s) and Fee to the Non-executive/independent Directors, in addition to boarding, lodging and travelling expenses on actual basis as per Company Policy.
- To transact any other business may be brought forward with the permission of the Chair.  
A Statement of material facts under section 134(3) of the Companies Act, 2017, pertaining to the special business contained in Agenda Items 5, 6 & 7 is annexed to this Notice of Meeting.

Karachi,

April 02, 2022

### NOTES:

#### Video Link Facility for Attending the Meeting

In pursuance of SECP's circulars nos. 4 & 8 of 2021, pertaining to Regulatory Relief to dilute the impact of COVID-19 for the Corporate Sector, Company has been advised to modify their usually practice for Annual General Meeting for the well-being of the shareholders and avoid large gatherings by provision of video-link facilities. Considering the restriction imposed by the Government on public gatherings and SECP's directives, the Company convenes this AGM virtually via video-link facilities managed from the Registered Office of the Company. To attend the AGM through video link, members are required to register their particulars by sending an email to [shareholders@theunitedinsurance.com](mailto:shareholders@theunitedinsurance.com). The members registering to connect through video link facility are requested to mention their full name, CNIC number, folio/cdc account no., valid email address, cell no. and no. of shares in the email with subject "Registration for UIC's AGM". Video link and login credentials will be shared with those Members whose email, containing all the required particulars are received at the given email address before 5:00 p.m. on Monday 18th April 2021. Shareholders can also provide their comments and questions for the agenda items of the AGM on the same email address.

#### Closure of Share Transfer Books

The register of members and the share transfer books of the Company will remain closed as of April 18th 2022 to April 23rd 2022 (both days inclusive). Transfer received in order at the office of our Shares Registrar M/s. F.D. Registrar Services (Pvt.) Limited, Suit # 1705, 17th Floor, Saima Trade Center, I.I. Chundrigar Road, Karachi by the close of business (2:00 p.m.) on Friday, April 15, 2022 will be treated in time for the purpose of any entitlement and to attend, participate and vote at the Meeting.

#### Participant in the Annual General Meeting

A member entitled to attend and vote at the Meeting may appoint any other member as his/her proxy to attend and vote. Proxies must be received at the registered office of the Company not later than forty-eight (48) working hours before the Meeting. A blank Proxy Form is attached at the end of the report and also available at Company's website: [www.theunitedinsurance.com](http://www.theunitedinsurance.com) for downloading. CDC account holders will further have to follow the under mentioned guidelines as laid down by the Securities and Exchange Commission of Pakistan:

#### A. For Attendance:

- Individuals should be account or sub-account holder(s) and their registration details should be uploaded according to the CDC Regulations. They must establish their identity by providing a copy of their CNIC or passport.
- Corporate entities must provide a certified copy of a resolution of their respective boards of directors, or a power of attorney for attending the Meeting, which should bear the attorney's specimen signature.

#### B. For Appointing Proxies:

- Individuals should be account or sub-account holder(s) whose registration details should be uploaded according to CDC Regulations and their forms of proxy must be lodged at the registered office of the Company not later than 48 hours before the time for holding the Meeting.
- The form of proxy must be attested by two men, or any one man and two women, whose names, addresses and CNIC numbers should be given underneath their signatures.
- Attested copies of CNIC or passport of the member and proxy must be submitted with the form of proxy.

#### Unclaimed Dividend

Shareholders, who by any reason, could not claim their dividend, if any, are advised to contact our Share Registrar to collect/enquire about their unclaimed dividend.

In compliance with Section 244 of the Companies Act, 2017, after having completed the stipulated procedure, all such dividend outstanding for a period of 3 years or more from the date due and payable shall be deposited to the Federal Government in case of unclaimed dividend.

#### Change of Address (if any)

Shareholders are requested to immediately notify change in address, if any to the Company's Share Registrar, M/s. F.D. Registrar Services (Pvt.) Limited, Suit # 1705, 17th Floor, Saima Trade Tower, A.I.I. Chundrigar Road, Karachi 74000.

#### Deposit of Physical Shares in CDC Account:

As per Section 72 of the Companies Act, 2017 every existing listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of this Act, i.e., May 31, 2017.

The Shareholders having physical shareholding are encouraged to open CDC sub-account with any of the brokers or Investor Account directly with CDC to place their physical shares into scrip less form, this will facilitate them in many ways, not the least of which is the trading of physical shares is not permitted as per existing regulations of the Pakistan Stock Exchange.

#### Transmission of Annual Financial Statements through Email

The Securities and Exchange Commission of Pakistan (SECP) through its Notification S.R.O. 787(I)/2014 dated 8th September 2014 has permitted companies to circulate Audited Financial Statements along with Notice of Annual General Meeting to its members through e-mail. Accordingly, members are hereby requested to convey their consent and e-mail address for receiving Audited Financial Statements and Notice through e-mail. In order to avail this facility a Standard Request Form is available at the Company's website [www.theunitedinsurance.com](http://www.theunitedinsurance.com) to be sent along with copy of his/her ID CNIC/Passport to the Company's Share Registrar. Please note that giving email address for receiving of Annual Financial Statements instead of receiving the same by post is optional, in case you do not wish to avail this facility please ignore this notice.

#### Placement of Financial Accounts on Website

Pursuant to the notification of the SECP (SRD 1196)(Y019) dated October 3, 2019, the financial statement of the Company have been placed on the Company's website at [www.theunitedinsurance.com](http://www.theunitedinsurance.com)

#### Details of Beneficial Ownership

Attention of corporate entities/legal persons is also invited towards SECP Circular No. 16 and 20 of 2018. Respective shareholders (corporate entities/legal persons) are advised to provide the information pertaining to ultimate beneficial owners and/or other information as prescribed in the subject SECP Circulars to the Share Registrar of the Company.

#### STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017 IN RESPECT OF MATERIAL FACTS

The statement sets out material facts concerning "Special Business" to be transacted at the Annual General Meeting of the Company to be held on April 23, 2022. The approval of the Members of the Company will be sought for:

#### Item No. 5 (a) Related Party Transactions

The transactions carried out in normal course of business with associated companies (Related parties) were being approved by the Board as recommended by the Audit Committee on quarterly basis pursuant to clause 15 of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

The transactions conducted during the financial year ended December 31, 2021 with associated companies as shown in relevant notes of the Audited Financial Statements are being placed before the shareholders for their consideration and approval/ratification. The Directors are interested in the resolution only to the extent of their common directorships in such related parties.

#### Item No. 5 (b) Authorization for the Board of Directors to approve the related party transactions during the year ending December 31, 2022

The Company shall be conducting transactions with its related parties during the year ending December 31, 2022 on an arm's length basis as per the approved policy with respect to transactions with related parties in the normal course of business. The majority of Directors are interested in these transactions due to their common directorship in the holding/associated companies. In order to promote transparent business practices, the shareholders desire to authorize the Board of Directors to approve transactions with the related parties from time-to-time on case to case basis for the year ending December 31, 2022, which transactions shall be deemed to be approved by the Shareholders. The nature and scope of such related party transactions is explained above. These transactions shall be placed before the shareholders in the next AGM for their formal approval/ratification.

The Directors are interested in the resolution only to the extent of their common directorships in such related parties.

#### Item No. 6. Disinvest of Equity Investment in Apna Microfinance Bank Limited

Statement under section 134(3) of the Company Act, 2017 and Information required under Companies (Investment in Associate Companies or Associated Undertakings) Regulations 2017 are appended below:

#### Regulation No 3(1) (a) Disclosure for all types of investment:

##### Disclosure regarding associated company

##### A. Regarding Associated Company or Associated Undertakings

(i) Name of Associated Company	Apna Microfinance Bank Limited
(ii) Basis of Relationship	Associated Company
(iii) Earnings/(Loss) per share for the last three years	Year ended December, 2019 0.17 Year ended December, 2020 0.10 Year ended December, 2021 (0.15) (Unaudited)
(vi) Break-up value per share, based on latest financial statement	Break-up value per share on the basis of latest unaudited financial statement as at December 31, 2021 is Rs./- 5.48/- (2020: Rs. 6.57)
(v) Financial position, including main items of statement of financial position and profit and loss account on the basis of latest financial statement	As per unaudited financial statements for the year ended December 31, 2021: Total Assets =Rs. 24,671 Million Total Liabilities =Rs. 22,518 Million Total Revenue =Rs. 1,966 Million (Loss)/Profit After Tax =Rs. (59,784) Million
(vi) In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely: I Description of the project and its history since conceptualization II Starting date and expected date of completion of work III Time by which such project shall become commercially operational IV Expected time within which the project shall paying return on investment V Funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amount	Not Applicable Not Applicable Not Applicable Not Applicable Not Applicable
<b>B. General Disclosures:</b>	
(i) Maximum amount of investment to be made	Shareholders approval is being sought to sell 147,999,812/- shares of Apna Microfinance Bank Limited to other associated concerns at Rs. 6/- per share for a total consideration of Rs. 887,999/-million.
(ii) Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	The purpose and benefit of such disinvestment is the realization of sale proceeds by the company to further invest in more liquid investments to improve solvency & liquidity of UIC.
(iii) Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds.	
(i) Justification for investment through borrowings	
(ii) Detail of collateral, guarantees provided and asset pledged for obtaining such funds	Not Applicable
(iii) Cost benefit analysis	
(iv) Salient features on the agreement(s), if any, with associated company or associated undertaking with regards to the proposed investment	Share purchase agreements are made between UIC and its associated companies as mentioned in Note No. 12 of the financial statements annexed to the notice. As per terms of agreement, UIC shall transfer all the shares to the its associated companies together with all rights or claims of whatsoever nature for a price equal to the sale consideration of Rs. 887,999/-million. Transfer of shares shall be completed as per agreement and after obtaining all necessary regulatory approvals.
(v) Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking under consideration	Following Directors of the company are also holding following positions in AMLB: I. Mian Muhammad Akram Shahid (Chairman) (Sponsor/Major Shareholder)/UBO
(vi) In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information justification for any impairment or write-offs	Apna Micro Finance Bank Limited is associated undertaking of The United Insurance Co of Pakistan Limited. Bank recovered from its loss making operations in 2020 & 2019 by posting profit of Rs. 37,219 & Rs. 53,525 million respectively. During the year 2021 AMLB has posted Loss of 59,783 million due to covid pandemic.
(vii) Any other important details necessary for the members to understand the transaction	Not Applicable
<b>(b) Additional disclosure regarding Equity Investment</b>	
(i) Maximum price at which securities will be acquired	While, no securities are being acquired by the company, the 34.5% shareholding of UIC in AMLB is sold at price of Rs. 887,999/-million.
(ii) In case the purchase price is higher than the market value in case of limited securities and fair value in case of unlimited securities, justification thereof	No purchase is being made, shares are sold to associated companies at sale price of Rs. 6/- per share which is negotiated on the basis of fair value.
(iii) Maximum number of securities to be acquired	No Securities has been acquired by the company. 34.5% shareholding of UIC in AMLB is sold to associated companies.
(iv) Number of securities and percentage thereof held before and after the proposed investment	After disinvestment, Balance of Shareholding of UIC in AMLB is 12%.
(v) Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities	Current Market Value is Rs. 25 per share Weighted Avg Market Price of preceding twelve weeks is Rs. 22.78/- per share.
(vi) Fair value determined in terms of sub-regulation (1) regulation 5 for investment in unlisted securities	Fair value of transaction is Rs. 887,999 million.

#### Information Required in Accordance with Section B(5)(iii) of SRO(Y)2018

(i) Name of the Subsidiary	Not Applicable
(ii) Cost of book value of investment in subsidiary	Not Applicable
(iii) Total market value of subsidiary based on value of the Shares of the subsidiary company: a) In case of listed subsidiary company: quoted price of shares of subsidiary on day of decision of the Board for disposal. b) In case of non-listed subsidiary: value determined by a registered valuer who is eligible to carry out such valuation along with the name of valuer.	Not Applicable
(iv) Net worth of subsidiary as per latest audited financial statements and subsequent interim financial statement, if available.	Not Applicable
(v) Total consideration for disposal or investment in subsidiary, basis of determination of the consideration and its utilization.	Not Applicable
(vi) Quantitative and qualitative benefits expected to accrue to the members.	Not Applicable

#### Item No. 7. Remuneration of Directors

Approval of the House is required for remuneration, perquisite and other fringe benefits to the Chief Executive Officer, Executive Director(s) and fee of the Non-Executive/Independent Directors, in addition to boarding, lodging and travelling expenses on actual basis as per Company Policy.

By Order of the Board

Athar A. Khan

(Company Secretary)