



Pakistan Reinsurance Company Limited

NOTICE OF THE 22nd ANNUAL GENERAL MEETING

Notice is hereby given that the 22nd Annual General Meeting of Pakistan Reinsurance Company Limited (PRCL) will be held at **Jasmine Hall, Ground Floor, Beach Luxury Hotel, Karachi, and virtually through the video-conference facility on Friday, April 23, 2022, at 11: am**, to transact the following business:

ORDINARY BUSINESS:

- To confirm the Minutes of 21st Annual General Meeting of the Company held on May 24, 2021.
- To consider, adopt, and approve the audited Annual Accounts of the Company for the year ended 31st December 2021 and the reports of Directors and Auditors thereon.
- To consider and approve the payment of final cash dividend @ 20% i.e. Rs.2. per ordinary share of Rupees Ten (10.00) and by way of issue of fully paid bonus shares @ 200% in the proportion of 200 share for every 100 shares of Rs.10 each held by the members as recommended by the Board of Directors.
- To appoint External Auditors and fix their remuneration for the year ending December 31, 2022.

SPECIAL BUSINESS:

5. Issuance of Fully Paid Bonus Shares

To Consider, subject to the declaration of the final dividend as above, to capitalize a sum of Rs. 6,000,000,000 By way of issue of 600,000,000 fully paid bonus share of Rs.10 each if thought fit to pass an ordinary resolution in the matter.

6. Alteration in the Memorandum and Articles of Association of the Company

To consider and, if thought fit, with or without modification pass the special resolution to make suitable alteration in the Memorandum and Articles of Association of the Company in order to align the same as per new Companies Act 2017.
(A statement of Material Facts under Section 134(3) of the Companies Act 2017, relating to the aforesaid Special Business to be transacted at the said Annual General Meeting is attached with this Notice).

OTHER BUSINESS:

- To consider any other business with the permission of the Chair.

By Order of the Board

(Sumeet Kumar)
Company Secretary

Place: Karachi.
Dated: April 08, 2022.

NOTES:

Pursuant to circular 6 of 2021 dated March 3, 2021, and further issued "Clarification on circulars issued on corona virus contingency planning for general meetings of listed companies" dated December 15, 2021, of Securities and Exchange Commission of Pakistan, the board has decided to hold the 22nd AGM physically at Jasmine Hall, Ground Floor, Beach Luxury Hotel, Karachi and in addition provide members with the option to attend the meeting through the video-conference facility. Keeping in mind the health and safety of our members, physical attendance at the venue will be restricted to the limited members. Therefore, members are encouraged to attend the meeting through the video-conference facility arranged by the Company.

- To attend the AGM through video-link, the members are requested to register themselves by providing the following information through email: allhyder@pakre.org.pk at least 48 hours before the AGM.

Name of Shareholder	CNIC Number	Folio Number / CDC Account No.	Cell Number	Email Address

The registered Members, after necessary verification (as per the above requirement) will be provided a video link by the Company via email.

The login facility will remain open 10 minutes before the meeting time to enable the participants to join the meeting.

Members can also share their suggestions/comments on the agenda on WhatsApp number 0310-3496465 one hour before the meeting schedule.

Please note that only those shareholders, who have registered themselves by sending a request to the aforementioned email address, will be able to participate in the Meeting through the video link.

- The share transfer books of the Company shall remain closed for eight days i.e. from **April 22, 2022, to April 29, 2022**; (both days inclusive) no transfer will be accepted for registration during the period.
- A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend the meeting and vote for him/her. A proxy must be deposited at the Company not less than 48 hours before the meeting and in case of default; a form of proxy will not be treated as valid.
- CDC Account holders are advised to follow the following guidelines of the Securities and Exchange Commission of Pakistan.

A. For attending the meeting:

- In the case of individuals, the account holder or sub-account holder and/or the person whose securities are in a group account and their registration details are uploaded as per the Regulations, shall authenticate his/her identity by showing his/her original Computerized National Identity Card (CNIC) or original passport at the time of attending the meeting.
- In the case of a corporate entity, the Board of Director's Resolution/ Power of attorney with specimen signature of the nominee, shall be produced (Unless it has been provided earlier) at the time of the meeting.

B. For appointing proxies:

- In the case of individuals, the account holder or sub-account holder and/or the person whose securities are in a group and their registration details are uploaded as per the CDC Regulation, shall submit the proxy form (provided at Company's website) as per the above requirement.
- The proxy form shall be witnessed by two persons whose names, addresses, and CNIC numbers shall be mentioned on the form.
- Attested copies of the CNIC or the Passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- The proxy shall produce his/her original CNIC or original Passport at the time of the meeting.
- In the case of a corporate entity, the Board of Directors' Resolution/Power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

- Shareholders are requested to communicate to Company's Share Registrar, M/s. CDC Pakistan Limited, CDC House, 99-B, Block-B, SMCHS, Main Shahrah-e-Faisal, Karachi, in case of any change in their address immediately along with contact details.

6. PAYMENT OF CASH DIVIDENDS ELECTRONICALLY-COMPULSORY

Members of the Company are hereby requested to comply with the provisions of Section 242 of the Companies Act, 2017 and provide the particulars of their bank accounts through E-Dividend Form (annexed at the end of the annual report as well as available at the Company's website: www.pakre.org.pk) as dividends payable in cash shall only be paid through electronic mode directly into the bank account designated by the entitled shareholders instead of, through the issuance of Dividend Warrants. In the absence of bank account details or in case of incomplete details, the Company will be constrained to withhold the payment of cash dividend to those shareholders who have not provided the same.

7. PAYMENT DEDUCTION OF INCOME TAX FROM DIVIDEND

- The rates of deduction of income tax from dividend payments under Section 150 of the Income Tax Ordinance, 2001 have been revised as follows:
 - Persons appearing on the Active Taxpayers List (ATL) 15%
 - Persons not appearing in the Active Taxpayers List (ATL) 30%
 To enable the Company to make tax deduction on the amount of cash dividend @ 15% instead of 30%, shareholders whose names are not entered into the Active Taxpayers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered in ATL before the first day of book closure, otherwise, tax on their cash dividend will be deducted @ 30% instead of 15%.
- Withholding Tax exemption from the dividend income shall only be allowed if the copy of a valid tax exemption certificate or stay order from a competent court of law is made available to Central Depository Company of Pakistan Limited, by the first day of Book Closure.
- Further, according to clarification received from the Federal Board of Revenue (FBR), withholding tax will be determined separately on the "Filer/Non-Filer" status of Principal shareholder as well as joint holder(s) based on their shareholding proportions, in case of joint accounts.

In this regard, all shareholders who hold shares jointly are requested to provide shareholding Proportions of Principal shareholders and Joint holder(s) in respect of shares held by them (only if not already provided) to our Shares Registrar, in writing as follows:

Company Name	Folio/CDS Account #	Principal Shareholder		Joint Shareholder		
		Name and CNIC Number	Shareholding Proportion (No of Shares)	Name and CNIC number	Shareholding Proportion (No of Shares)	
The required information must reach our Shares Registrar within 10 days of this notice; otherwise, it will be assumed that the shares are equally held by the principal shareholder and Joint holder(s).						
d. For any query/problem/information, the investors may contact the Corporate Secretariat Department at phone: 0310-3496465 and address: allhyder@pakre.org.pk						
e. Corporate shareholders having CDC accounts 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 certificate to the Company or CDC Pakistan Limited. Shareholders while sending NTN or NTN certificates, as the case may be, must quote the Company name and their respective folio numbers. Without the NTN Company would not be in a position to check filer status on the ATL and hence higher tax of 30% may be applied in such cases.						
f. Members who desire to stop the deduction of Zakat from their dividends may submit a declaration on non-judicial stamp paper duly signed as required under the law (if not submitted earlier).						
8. AVAILABILITY OF AUDITED FINANCIAL STATEMENTS ON THE COMPANY'S WEBSITE						
The audited financial statements of the Company for the year ended December 31, 2021, have been placed at the Company's website: www.pakre.org.pk						

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STATEMENT OF MATERIAL FACTS CONCERNING SPECIAL BUSINESS PURSUANT TO SECTION 134 OF THE COMPANIES ACT, 2017

This statement sets out the material facts concerning the Special Business to be transacted at the Annual General Meeting of the Company to be held on April 29, 2022.

Item No.5 of the Agenda - Issuance of Fully Paid Bonus Shares

The Board of Directors in their 168th meeting held on April 8, 2022 have recommended issue of bonus shares in proportion of 200 Ordinary Shares for every 100 Ordinary Shares held by the Members (i.e. 200%).

*RESOLVED THAT:

A sum of Rs. 6,000,000,000 (Rupees Six Billion) out of the free reserves of the Company be capitalized and applied towards issue of 600,000,000 Ordinary Shares of Rs. 10 each as bonus shares in the proportion of 200 Ordinary Shares for every 100 Ordinary Shares (i.e. @200%) held by every Member whose name appears on the Members' Register at the close of business on April 21, 2022.

These bonus shares shall rank pari passu in all respects with the existing shares but shall not be eligible for the final cash dividend declared for the year ended December 31, 2021.

Members entitled to fractions of shares shall be given the sale proceeds of their fractional entitlements for which purpose the fractions shall be consolidated into whole shares and sold on the Pakistan Stock Exchange Limited.

The Chief Executive Officer or any Director or Company Secretary be and is hereby authorized singly to give effect to this resolution and to do or cause to be done all acts, deeds and things that may be necessary or required for issue, allotment and distribution of the said bonus shares, sale of fractions and payment of the sale proceeds of the fractional shares."

Item No.6 of the Agenda - Alteration in the Memorandum and Articles of Association of the Company

The Board of Directors of the Company has decided vide its 168th meeting dated April 8, 2022 to make suitable alteration in the Memorandum and Articles of Association of the Company. Subject to sections 38 and 41 of the Companies Act 2017, the Company hereby notifies the shareholders that the Memorandum and Articles of Association of the Company is being altered as per the prescribed format mentioned therein.

The alterations in the Memorandum and Articles of Association of the Company are being proposed to bring in line with the requirements of various S.R.O's/Regulations/ Directives issued by the SECP and enactment of the Companies Act, 2017 to replace the Companies Ordinance, 1984.

*RESOLVED THAT:

The approval of shareholders be and is hereby accorded for making suitable alteration in the Memorandum and Articles of Association of Pakistan Reinsurance Company Limited in order to align the same as per the new Companies Act 2017.

Chief Executive Officer, Chief Financial Officer, and Company Secretary be and are hereby authorized to do all acts, deeds, and things, take any or all necessary actions to complete all legal formalities and file all necessary documents as may be necessary or incidental for the purpose of implementing the aforesaid resolutions, as well as carry out any other acts or steps which may be ancillary and/or incidental to do the above and necessary to fully achieve the objectives of the aforesaid resolutions.

Director's Interest:

The Directors are interested in this business only to the extent of their entitlement of dividend and bonus shares as ordinary shareholders.

Pakistan Reinsurance Company Limited

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