

**Certified Copy of Resolution Passed and Adopted by the Shareholders in Extra Ordinary General Meeting of the EFU Life Assurance Limited held on October 23, 2023 at Islamabad**

**SPECIAL BUSIENSS:**

1. To consider and if thought fit, authorize the issuance of shares without rights of the Company consisting of 5,000,000 ordinary shares of face value PKR 10 each ("**Subscription Shares**" or "**Non-Cash Consideration**") to: EFU Services (Pvt) Ltd. ("**EFU Services**"), Jahangir Siddiqui, Saifuddin N. Zoomkawala, Rafique R. Bhimjee, Hasanali Abdullah, Daanish Bhimjee, and Mahwash Bhimjee ("**EFU Health Sponsors**"), in satisfaction of the consideration equal to PKR 500,000,000 to be paid to the EFU Health Sponsors for the Company's acquisition of 50,000,000 shares ("**Sale Shares**") in EFU Health Insurance ("**Issue Other Than Right Offer**") pursuant to the terms of the two draft Share Subscription and Purchase Agreements; the first proposed to be entered into between the Company and EFU Services and the second between the Company and the remaining EFU Health Sponsors ("**SSPAs**") ("**Proposed Transaction**"), the value of said Non-Cash Consideration being based on a swap ratio derived from a duly issued swap computation letter dated 21 September 2023 based on the valuation conducted by Yousuf Adil, Chartered Accountants ("**the Valuer**") ("**Valuation Report**"). Therefore, to pass the following resolution as and by way of a Special Resolution, namely, in accordance, with Section 83 of the Companies Act, 2017, with or without modification(s), addition(s) or deletion(s):

**RESOLVED THAT** the Company be and is hereby authorized to enter the Proposed Transaction and the Company has empowered its Chief Executive Officer, Chief Financial Officer, and Company Secretary, such that any two of them are hereby authorized to execute the SSPAs on behalf of the Company

**FURTHER RESOLVED THAT** the quantum of the Non-Cash Consideration based on the swap ratio calculated pursuant to the Valuation Report be and is hereby approved.

**FURTHER RESOLVED THAT** subject to applicable regulatory approvals and in accordance with the provisions of Section 83 of the Companies Act, 2017, the Company be and is hereby authorized (acting through the Authorized Representative) to issue the Subscription Shares to the EFU Health Sponsors, to the extent of 5,000,000 new ordinary shares of face value PKR 10 each, by way of other than rights issues for non-cash consideration in the form of the Sale Shares, in favor of the EFU Health Sponsors pursuant to the terms of the SSPAs and that such shares shall rank pari passu with the existing shares of the Company.

**FURTHER RESOLVED THAT** the following are the relevant details pertaining to the Issue Other Than Right Offer:

**Certified True Copy**



**EFU LIFE ASSURANCE LTD**

EFU Life House, Plot No. 112, 8<sup>th</sup> East Street, Phase I, DHA, Karachi. Email: info@efulife.com, csd@efulife.com

**a. Quantum of the issue both in terms of the number of shares and percentage of paid-up capital before and after the issue:**

In total, 5,000,000 ordinary shares of PKR 10 each, amounting to PKR 50,000,000 will be issued.

EFU Life has an authorized share capital of PKR 1,500,000,000 divided into 150,000,000 ordinary shares of PKR 10 each and an issued share capital of PKR 1,000,000,000 divided into 100,000,000 ordinary shares of PKR 10 each.

Subsequent to the Issue, the issued and paid-up share capital of EFU Life shall be PKR 1,050,000,000. The Subscription Shares will form 3.3% of the authorized share capital of EFU Life.

**b. Issue price per share and justification for the same:**

The per share issue price of the Subscription Shares is PKR 100 which shall be settled in the form of the Non-Cash Consideration (the "Issue Price").

The Issue Price is based on a swap ratio derived from a duly issued swap computation letter dated 21 September 2023 based on a valuation conducted by the Valuer.

The Share-Swap Ratio for the Proposed Transaction has been computed by the Valuer as at the cut-off date of June 30th, 2023, based on an income based approach and asset based approach (which took into account reported and revalued net asset values).


These methods resulted in a share swap range of 0.091 - 0.101. While the share swap range provides a comprehensive perspective on each company's worth it is proposed to settle at a swap ratio of 0.10 for transparency and straightforward communication i.e. each share of EFU Health is valued at 0.10 shares of EFU Life.

**c. Consideration against which shares are proposed to be issued i.e. cash or other than cash:**

The Subscription Shares shall be issued against non-cash consideration in satisfaction of the consideration equal to PKR 500,000,000 to be paid for the Sale Shares.

**d. Name of person(s), their brief profile, existing shareholding, if any, in the company, to whom the shares are proposed to be issued:**

Brief profiles of the EFU Health Sponsors who have shareholding in EFU Life Assurance Limited is enclosed separately.

**Certified True Copy**  






Details of the EFU Health Sponsors current shareholding in the Company and the Subscription Shares proposed to be issued to them are outlined in the table below:

EFU HEALTH SPONSORS	CURRENT SHAREHOLDING IN EFU LIFE	SUBSCRIPTION SHARES PROPOSED TO BE ISSUED
EFU Services (Pvt) Ltd.	N/A	2,350,001
Jahangir Siddiqui	28,000	1,690,899
Saifuddin N. Zoomkawala	243,300	420,099
Rafique R. Bhimjee	4,089,106	344,399
Hasanali Abdullah	187,146	194,500
Daanish Bhimjee	500	51
Mahwash Bhimjee	N/A	51
<b>Total</b>	<b>4,548,052</b>	<b>5,000,000</b>

**e. Purpose of the issue:**

As stated above, the Company intends to purchase the Sale Shares from the EFU Health Sponsors the consideration for which will be satisfied by the Issue in favor of the EFU Health Sponsors.

The issue allows for a unification of the life and health offerings already marketed under the EFU trademark.

**f. Justification for issue of the shares by way of other than rights:**

Issuing shares permits EFU Life to preserve its cash reserves for other purposes, such as operational needs, capital expenditures and solvency.

**g. Benefits of the issue to the company and its members:**

The substantial market and cost synergies following the merger will strengthen profitability and growth, ultimately leading to increased shareholder value.

**h. Breakup value per share as per the latest available audited and reviewed accounts:**

The breakup value of per share as per the latest available audited and reviewed financial statements of EFU Life is PKR 59.94.

**i. Consent of the person(s) to whom the shares are to be issued is(are) obtained:**

The consent of the EFU Health Sponsors has been obtained.

**j. The proposed new shares shall rank pari passu in all respects with the existing ordinary shares of the company:**

The Subscription Shares shall rank pari passu in all respects with the existing

**Certified True Copy**

ordinary shares of EFU Life.

- k. **Average market price of the share, in case of a listed company, during the last three months preceding the board's decision as well as the latest available market price:**

The average market price of a share of EFU Life during the last three (3) months preceding the date of these resolutions is **192.87** and the latest available market price of a share of EFU Life is **193**

- l. **Where shares are proposed to be issued for consideration other than in cash, the value of non-cash assets or services or intangible assets shall be determined by a valuer:**

The value of said Non-Cash Consideration is based on a swap ratio derived from a duly issued swap computation letter dated 21 September 2023 based on a valuation conducted by the Valuer.

The Share-Swap Ratio for the Proposed Transaction has been computed by the Valuer as at the cut-off date of June 30<sup>th</sup>, 2023, based on an income based approach and asset based approach (which took into account reported and revalued net asset values).

These methods resulted in a share swap range of 0.091 - 0.101. While the share swap range provides a comprehensive perspective on each company's worth it is proposed to settle at a swap ratio of 0.10 for transparency and straightforward communication i.e. each share of EFU Health is valued at 0.10 shares of EFU Life.

**FURTHER RESOLVED THAT** Chief Executive Officer, Chief Financial Officer, and Company Secretary of the company such that any two of them be and are hereby [jointly and / or severally authorised], to take all steps and acts necessary, ancillary and incidental for the completion of the Proposed Transaction, including without limitation, obtaining all regulatory approvals and preparing, executing and delivering any related document including, inter alia, any instruments, agreements, letters, applications, approvals, notices, certificates, acknowledgements, receipts, resolutions, authorisations, instructions, releases, waivers, appointments as may in the opinion and discretion of the Authorised Signatories be necessary, desirable or ancillary for the purpose of the foregoing resolutions, including but not limited to, approvals required from the Securities and Exchange Commission of Pakistan and the Competition Commission of Pakistan.

**Certified True Copy**

A handwritten signature in black ink, appearing to be 'Hassam', written over a horizontal line.



2. To consider and if thought fit, approve, and authorize the acquisition by the Company of the Sale Shares from the EFU Health Sponsors pursuant to the terms of the SSPAs. Therefore, to pass the following resolution as and by way of a Special Resolution, namely, in accordance with Section 199 of the Companies Act 2017 read with the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017, with or without modification(s), addition(s) or deletion(s):

**RESOLVED THAT** approval of the members of the Company be and is hereby accorded in terms of Section 199 of the Companies Act, 2017 read with the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 for the Company to acquire the Sale Shares in EFU Health Insurance Limited from the EFU Health Sponsors for the Non-Cash Consideration pursuant to the terms of the SSPAs and as per the terms and conditions disclosed to the members.

**FURTHER RESOLVED THAT** Chief Executive Officer, Chief Financial Officer, and Company Secretary of the company such that any two of them, be and hereby [jointly and / or severally authorised] is authorized to take all such steps and to do all such acts, deeds, and things and to sign, execute, and file all such applications, forms, receipts, documents and papers, for and on behalf of the Company, as may be necessary or deemed appropriate for giving effect to the letter and spirit of these resolutions, including without limitation, filing of all the requisite statutory forms and all other documents as may be required to be filed with the Securities and Exchange Commission of Pakistan, executing all such certificates, applications, notices, reports, letters and any other document or instrument including any amendments or substitutions to any of the foregoing as may be required in respect of the issue of shares by way of other than rights under Section 83 of the Companies Act, 2017 and all other matters incidental or ancillary thereto.



Hasan Jivani  
Company Secretary



**Certified True Copy**