

EAST WEST INSURANCE CO., LTD.

HEAD OFFICE:

EWI/KHO/CS/2024-

October 30, 2024.

Assistant Manager
Trading & TREC Holder's Affairs
Pakistan Stock Exchange Limited
Stock Exchange Building, Stock Exchange Road,
Karachi.

Subject: **Declaration of Right Shares**

Dear Sir,

In accordance with Sections 96 and 131 of the Securities Act, 2015, paragraph 5.6.1(a) of the Rule Book of the Pakistan Stock Exchange Limited and Regulation 3(1)(i) of the Companies (Further Issue of Shares) Regulations 2020, we hereby convey the following information:

Board of Director of East West Insurance Co., Limited (the "Company") in their meeting held on 30th October, 2024 have decided to increase the paid up capitl of the Company by issue of a further 33,375,390(thirty three million three hundred seventy five thaousand three hundred niety) ordinary shares, having face value of PKR 10/-(Pak Rupees Ten) each, as Right Shares, to be offered to the members in proportion of 15 Right Shares for every 100 ordinary shares held i.e. 15%, at a price of PKR 10/- (Pak Rupees Ten).

The dates of closure of the share transfer Books of the Company, to determine the entitlement of the Right Shares will be communicated in due course after finalization of the offer letter / documents in accordance with provisoin of the Companies (Further Issue of Shares) Regulations 2020.

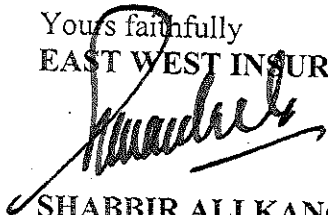
Following details are enclosed;

- 1.Statement with respect to the details of the Right Issue, including the quantum of issue, issue size, issue price, purpose of issue, utilization of proceeds, benefits of the issue to the Company and its shareholders, risk factors minimum subscription amount (Annexure A)
- 2.Certified true copy of the Extracts of the Resolutions passed by the Board of Directors of the Company dated 30th October, 2024 (Annexure B).
- 3.Draft copy of the notice of Right Issue and book closure to the Shareholders prior to its publication in the newspapers (Annexure C).

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Thanking you.

Yours faithfully
EAST WEST INSURANCE CO., LTD.

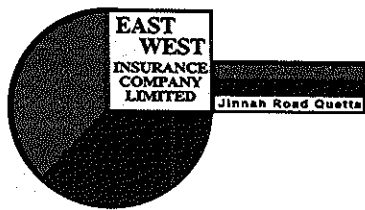

SHABBIR ALI KANCHWALA
COMPANY SECRETARY

Copy to: The Commissioner, Insurance Division, SECP, Islamabad

THE ONLY PUBLIC LIMITED INSURANCE COMPANY OF BALUCHISTAN

REGISTERED OFFICE : 27, Regal Plaza, Jinnah Road, Quetta. Phones : (081) 2822913, 2821397 Fax: (081) 2821460
HEAD OFFICE : 401 - 404, Block "B", 4th Floor, Lakson Square Building No. 3, Sarwar Shaheed Road, Karachi.
PABX : 021-35630400-11 Fax: 021-35630414-35630415 E-mail : info@eastwestinsurance.com.pk Web: www.eastwestinsurance.com.pk

BRANCHES ALL OVER PAKISTAN



Annexure A

East West Insurance Co., Ltd

Statement pertaining to Quantum of Issue, Issue Size, Issue Price, Purpose of Issue, Utilization of proceeds, Benefits of the Issue to the Company and the shareholders and Risk Factors under Rule 3 of the Companies (Further issue of Shares) Regulation, 2020.

(i) Quantum of the Right issue (i.e. as a percentage of existing paid-up capital)

The quantum of the Right Issue is 15 % of the existing paid-up capital of the company i.e. 15 right shares for every 100 ordinary shares held by the shareholders of the Company immediately prior to the close of the share transfer books of the Company.

(ii) Right Issue Size

The Company shall issue 33,375,390 (thirty-three million three hundred seventy five thousand three hundred ninety) ordinary shares, at a price of PKR 10/- (Ten Rupees) per share.

(iii) Right Issue Price Per Share

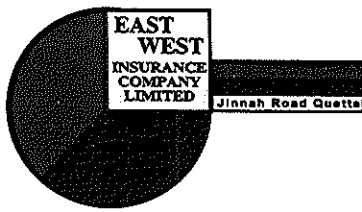
PKR 10/- (Pak Rupees ten only) per share.

(iv) Purpose of Right Issue

The purpose of the Right Issue is to strengthen the Company's capital base and working capital, which is crucial for its future growth and expansion, boosting profitability and delivering greater returns to the shareholders. The capital increase supports the company's broader strategy for business, securing better reinsurance terms, enhancing its capacity to underwrite risks, improving retention, improved insurer financial strength rating, and overall strengthening its solvency to maintain the confidence of investors, policyholders and other stakeholders.

(v) Utilization of Proceeds of the Right Issue

The proceeds from the right issue shall be primarily used to strengthen the capital reserves of the Company necessary to secure more favorable reinsurance terms to increase capacity, to enhance company solvency and financial stability, whilst boosting working capital to ensure smooth operations and support ongoing business activities.



(vi) Benefits to the Company and Shareholders

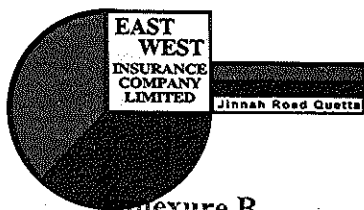
The right issue will strengthen the Company's capital reserves and working capital which will lead to favorable reinsurance terms, greater underwriting capacity, improved retention rates, enhanced financial strength rating and a stronger solvency position. As a result, the Company's profitability and shareholder confidence will increase.

(vii) Risk Factors

The right issue has been announced at a price below current market price; hence there is minimal investment risk associated with the Rights issue. Furthermore, the substantial shareholders and directors (other than independent directors) have confirmed that they shall subscribe to (or to arrange the subscription of) their respective right entitlements while the balance of right issue shall be fully underwritten as per requirement of applicable regulations. Normal business risks associated with the business will remain.

(viii) Minimum Subscription Amount

Not Applicable



Annexure B

EXTRACT FROM THE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF EAST WEST INSURANCE COMPANY LIMITED HELD AT HEAD OFFICE 401-404, BLOCK 'B' 4TH FLOOR LAKSON SQUARE BUILDING NO. 3 SARWAR SHAHEED ROAD, KARACHI ON THE 30TH DAY OF OCTOBER 2024.

During the meeting, the Board of Directors of the Company discussed and approved the proposed issuance of further share capital by the company by way of right shares issue. The Board of Directors of the Company stated that all requirements of the Companies Act, 2017 and the Companies (Further issue of Shares) Regulations, 2020 have been considered by the Board of Directors of the Company and shall be duly complied by the Company.

Accordingly, the following resolutions were passed by the Board of Directors:

“RESOLVED THAT the ordinary paid up share capital of the Company be increased from 2,225,026,050 (Pak Rupees Two billion two hundred twenty five million twenty six thousand fifty only) to PKR 2,558,779,950 (Pak Rupees Two billion five hundred fifty eight million seven hundred seventy nine thousand nine hundred fifty only) by issue of further 33,375,390- (thirty three million three hundred seventy thousand three hundred ninety) ordinary shares of the company having face value of PKR 10/- (Pak Rupees ten) each, to be offered to the shareholders (i.e. as right share) in accordance with the provision of Section 83 of the Companies Act 2017 and all applicable laws, at a price of PKR 10/- (Pak Rupees ten) per share in the ratio of 15 right shares for every 100 shares ordinary of PKR 10/- (Pak Rupees ten) each held immediately prior to the book closure date (i.e. 15%), against payment in cash to the Company of the price for the shares subscribed, which shall rank pari passu in all respects with the existing ordinary shares of the Company (the “Right Issue”).

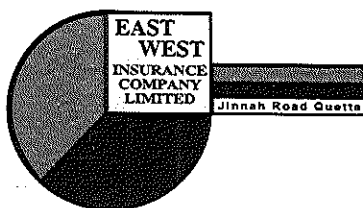
FURTHER RESOLVED THAT the following are the quantum, size, prize, use of funds and purpose of the Right issue, along with the utilization of proceeds, benefits of the same to the Company and its shareholders, the risk factors associated with the Right Issue, minimum subscription amount and the justification for the issue of shares at par in accordance with Regulation 3(1)(iii) of the Companies (Further issue of Shares) Regulation, 2020.

(i) Quantum of the Right issue (i.e. as a percentage of existing paid -up capital)

The quantum of the Right Issue is 15 % of the existing paid-up capital of the company i.e. 15 right shares for every 100 ordinary shares held by the shareholders of the Company immediately prior to the close of the share transfer books of the Company.

(i) Right Issue Size

The Company shall issue 33,375,390- (thirty three million three hundred seventy five thousand three hundred ninety) ordinary shares, at a price of PKR 10/- (Ten Rupees) per share



(ii) Right Issue Price Per Share

PKR 10/- (Pak Rupees ten only) per share.

(iii) Purpose of Right Issue

The purpose of the Right Issue is to strengthen the Company's capital base and working capital, which is crucial for its future growth and expansion, boosting profitability and delivering greater returns to the shareholders. The capital increase supports the company's broader strategy for business, securing better reinsurance terms, enhancing its capacity to underwrite risks, improving retention, improved insurer financial strength rating, and overall strengthening its solvency to maintain the confidence of investors, policyholders and other stakeholders.

(iv) Utilization of Proceeds of the Right Issue

The proceeds from the right issue shall be primarily used to strengthen the capital reserves of the Company necessary to secure more favorable reinsurance terms to increase capacity, to enhance company solvency and financial stability, whilst boosting working capital to ensure smooth operations and support ongoing business activities.

(v) Benefits to the Company and Shareholders

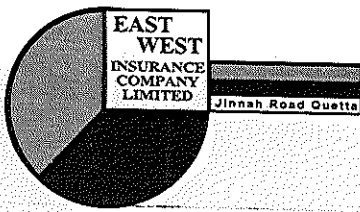
The right issue will strengthen the Company's capital reserves and working capital which will lead to favorable reinsurance terms, greater underwriting capacity, improved retention rates, enhanced financial strength rating and a stronger solvency position. As a result, the Company's profitability and shareholder confidence will increase.

(vi) Risk Factors

The right issue has been announced at a price below current market price; hence there is minimal investment risk associated with the Rights issue. Furthermore, the substantial shareholders and directors (other than independent directors) have confirmed that they shall subscribe to (or to arrange the subscription of) their respective right entitlements while the balance of right issue shall be fully underwritten as per requirement of applicable regulations. Normal business risks associated with the business will remain.

(vii) Minimum Subscription Amount

Not Applicable



FURTHER RESOLVED THAT the letter of offer, as prescribed under Section 83(2) of the Companies Act, 2017 shall be issued / signed by any two directors of the Company in compliance with applicable laws.

FURTHER RESOLVED THAT that Mr. Saad Yunus Director and Mr. Ahsan Mahmood Alvi Directors, be and are hereby authorized by all the directors of the Company, to sign the circular accompanying the letter of offer, once finalized in accordance with the procedure stipulated under the Companies (Further Issue of shares) Regulations, 2020,

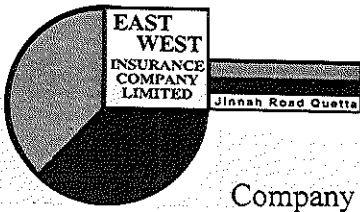
FURTHER RESOLVED THAT all fractional entitlements, if any, will be consolidated in the name of Company Secretary, and unpaid letters of right in respect thereof shall be sold on the Pakistan Stock Exchange Limited, the net proceeds from which sale, once realized, shall be distributed / paid to the entitled shareholders in accordance with their respective entitlements, as per applicable regulation.

FURTHER RESOLVED THAT any unsubscribed shares may be offered and allotted such person as the directors may deem fit in accordance with section 83(1)(a)(iv) of the Companies Act, 2017 including the sponsors / substantial shareholders, directors or associated undertakings of the Company or any third party, before calling upon the underwriters to subscribe to any unsubscribed shares.

FURTHER RESOLVED that the Chief Executive Officer, Company Secretary and the Chief Financial Officer be and is/are hereby severally authorized to prepare, revise and finalize the draft offer document/letter and share it with the Securities and Exchange Commission of Pakistan (“SECP”) and Pakistan Stock Exchange Limited (“PSX”) and revise the same based on the observation and changes of the SECP and PSX as may be deemed fit by them, in the manner prescribed under the Regulations, along with preparing and submitting other necessary documents in this respect. While the draft offer letter shall be placed on the PSX website, public comments on the same shall not be required to be solicited.

FURTHER RESOLVED that the Chief Executive Officer, Chief Financial Officer and the Company Secretary, be and each of them is hereby authorized such that any one of them may do all or any of the following for and on behalf and in the name of the Company:


- (i) Appoint / negotiate with consultants / advisors, auditors and underwriter(s) to the Right Issue, to finalize terms and conditions and sign underwriting agreement(s), other documents and settle, finalize fees, underwriting commission, take up commission and third-party expenses or any other expenses relating to the Right Issue.
- (ii) To prepare the schedule for issue of right shares including date of payment, and to make and amendment in the said schedule, appointment of banker(s) to the issue, announce book closure dates, and to take all necessary actions, in this respect of the Right Issue and ancillary matters thereto, as required by Securities and Exchange Commission of Pakistan (“SECP”) / Pakistan Stock Exchange Limited (“PSX”) or Central Depository



Company of Pakistan Limited (“CDC”) (including, but not limited to, induction of the offer for right shares in the Central Depository System of the CDC) or any other authority;

- (iii) to decide and close its share transfer books including dated thereof to determine entitlements of the shareholders of the Company with respect to the Right Issue.
- (iv) To open, maintain, operate and close bank accounts for the purpose of amounts received from subscription of right shares;
- (v) Credit right shares once allotted by the Board and file returns / documents as required by SECP, PSX and CDC along with auditors’ certificates; and
- (vi) To take all other necessary steps, and do all other acts and deeds and things, to prepare the offer letter, circular and schedule for issue of right shares and any other documents and to make any amendment in the said documents and schedule and take all necessary actions as may be required in this regard including execution of any documents and agreements or any ancillary or incidental actions to give effect to the above resolutions.

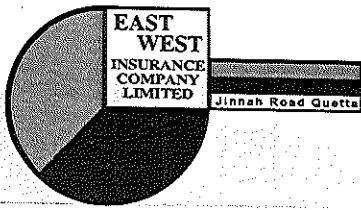
Certified that the above mentioned is a true and valid extract from the meeting of the Board of Directors of East West Insurance Co., Ltd, held at the head office Karachi on October 30, 2024.

 *Shabbir Ali Kanchwala*
Secretary

Shabbir Ali Kanchwala
Company Secretary

East West Insurance Co., Ltd

Dated: 30th October, 2024



Annexure C

NOTICE OF RIGHT ISSUE

Members are hereby notified that the Board of Directors of East West Insurance Co., Ltd, (the "Company") in their meeting held on 30th October, 2024 has decided to issue further capital by offering 33,375,390 33,375,390 (thirty three million three hundred seventy five thousand three hundred ninety) ordinary right shares of PKR 10/-(Pak Rupees ten) each, in the ratio of 15 right shares for every 100 existing ordinary shares of PKR 10/-(Pak Rupees ten) each held (i.e. 15%), against payment to the Company of the price of the shares subscribed by the shareholders, which shares shall rank pari passu in all respects with the existing ordinary shares of the Company.

The dates of closure of the share transfer Books of the Company, to determine the entitlement of the Right Shares will be communicated in due course after finalization of the offer letter / document in accordance with the provisions of the Company (Further Issue of Shares) Regulations, 2020.

Shabbir A. Kanchwala
East West Insurance Co. Ltd.
Shabbir A. Kanchwala
Secretary.

Shabbir Ali Kanchwala
Company Secretary