



# THE UNIVERSAL INSURANCE CO. LTD.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extra-ordinary General Meeting (EOGM) of The Universal Insurance Company Limited will be held on Friday November 10, 2023 at 11:00 a.m. at the Company's registered office, Universal Insurance House, 63-Shahrah-e-Quaid-e-Azam, Lahore, to transact the following businesses:

### A. Ordinary Business:

- To confirm the minutes of the Annual General Meeting of the Company held on May 25, 2023 at Lahore.

### B. Special Business:

- To consider and approve disinvestment made in an associated company and to pass the following Special Resolution(s) with or without modification(s) in accordance with provisions of Section 199 of the Companies Act, 2017 (the Act).

**RESOLVED THAT** approval of the members of the Company be and is hereby accorded, in terms of the provision of Section 199 sub section (3) of the Act, to disinvest its stake in Ghandhara Industries Limited made with the approval of the members in their meeting held on August 30, 2006.

**RESOLVED FURTHER THAT** Director and/or Principal Officer and/or Company Secretary be and is/are hereby singly and/or jointly authorized to do all the acts, deeds, things and to execute agreements, take any or all necessary actions to complete all legal formalities and to file all necessary documents as may be necessary or incidental for the purpose of implementing the aforesaid resolutions.

**RESOLVED FURTHER THAT** the Board be and is hereby empowered to agree upon modification in these resolutions that may be directed/required by the Securities and Exchange Commission of Pakistan (SECP) or the registrar of Companies concerned without the need for passing any fresh resolution by the members.

**RESOLVED FURTHER THAT** certified copy of the resolutions be filed with the concerned authorities, wherever required.

- To consider and if thought fit, to approve following special business seeking disposal of freehold land, building on freehold land, office premises and disinvestment in associated company by passing following resolution(s) as ordinary resolution(s) with or without any modification, addition or deletion in terms of Section 183(3)(a) of the Companies Act, 2017:

**RESOLVED THAT** approval of the members be and is hereby accorded in terms of Section 183(3)(a) of the Act, to dispose off the Company's assets comprising of freehold land, building on freehold land, office premises along with or without furniture and fixture, equipment and other assets ("the Assets") held by the Company as per details provided in statement of material facts under Section 134 of the Act.

**RESOLVED FURTHER THAT** approval of the members of the Company be and is hereby accorded in terms of Section 183(3)(a) of the Act, to disinvest (partially or completely) its stake in the Ghandhara Industries Limited (GIL), an associated company, by way of sale of the shares of GIL to any interested party through negotiated deal or to general public through the Pakistan Stock Exchange at a price not less than fair market value of prevailing in the Stock Exchange as per details provided in statement of material facts under Section 134 of the Act.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to dispose off the Assets / disinvestments (partially or completely) of shares as deemed fit and delegate any or all of its powers in this regard to the Director and/or Principal Officer and/or Company Secretary on such terms and conditions as they deem fit, to act on behalf of the Company in carrying out and performing all acts, matters, things and deeds to implement and/or give effect to the sale of the Assets and the transaction contemplated by it.

**RESOLVED FURTHER THAT** the Company be and is hereby authorized to take all actions incidental or ancillary thereto with regard to disposal of Assets and disinvestments of shares held by the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby empowered to agree upon modification in these resolutions that may be directed/required by SECP without the need for passing any fresh resolution by the members.

**RESOLVED FURTHER THAT** these resolutions as in present form or modified shall remain in force for the period of one year from the date of approval of the shareholders.

**RESOLVED FURTHER THAT** certified copy of the resolutions be communicated to the concerned authorities, wherever required.

Statement under Section 134(3) of the Companies Act, 2017, pertaining to the Special Business referred to the above is annexed to this notice of meeting, being sent to the shareholders.

By Order of the Board

Date: October 19, 2023  
Lahore

(Liaqat Ali Shaukat)  
Company Secretary

### Notes:

1. **Video Link Facility** In the light of the guidelines issued by SECP vide circular No. 4 of 2021 dated February 15, 2021, the Company has decided to facilitate its shareholders by also allowing the shareholders to attend the meeting through video link. For this, the shareholders are requested to register themselves by sending an email along with the following particulars at info@uic.com.pk before close of business hours on November 06, 2023.

Name of shareholder	CNIC No.	Folio No./ CDC Account No.	Contact No.	Email Address

The shareholders can also provide their comments / questions for the proposed agenda items of the EOGM at the email address info@uic.com.pk.

2. **Closure of Share Transfer Books** The Share Transfer Books of the Company will remain closed from November 03, 2023 to November 10, 2023 (both days inclusive). Transfers received in order at the office of the Company's Share Registrar, M/s Hameed Majeed Associates (Private) Limited, H.M House, 7-Bank Square, Lahore Phone # 042-37235081-82 by close of business on November 02, 2023, will be treated as being in time for the purposes of attending and voting at the EOGM.

Only those persons whose names appear in the Register of Members of the Company as at November 02, 2023 are entitled to attend and vote at the EOGM.

3. **Proxy** A member entitled to attend and vote at the meeting may appoint another member as his/her proxy to attend and vote for him/her provided that a corporation may appoint as its proxy a person who is not a member but is duly authorized by the corporation. A proxy form is attached with this notice. The proxy form to be signed by the appointer, or attorney duly, be authorized in writing, or if the appointer is a corporate entity, be under its seal or signed by an officer or an attorney duly authorized by it. Proxies must be received at the Registered Office of the Company not later than 48 hours before the time of the holding of the EOGM.

A corporate entity being a member of the company may, by resolution of its board act as its representative at the meeting, and the individual so authorized shall be entitled to exercise the same powers on behalf of the corporate entity which he represents.

A member or proxy shall authenticate his/her identity by showing original CNIC/passport at the time of attending the meeting.

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 attending the meeting:

- In case of individuals, the account holders and/or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall authenticate his/her identity by showing his original CNIC or Passport of the time of attending the Meeting.
- In case of corporate entity, the Board of Directors' 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 case of individuals, the account holders and/or sub-account holder and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form as per the above requirements.
- The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- Attested copies of CNIC or the passport of the beneficial owner 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 meeting.
- In case of 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.

### 4. Electronic voting

- Details of the e-voting facility will be shared through an e-mail with those members of the Company who have their valid CNIC numbers, cell numbers, and e-mail addresses available in the register of Members of the Company by the close of business on November 02, 2023.
- The web address, login details, and password, will be communicated to members via email from the web portal of M/s Hameed Majeed Associates (Private) Limited, H.M House, 7-Bank Square, Lahore (being the e-voting service provider).
- Identity of the members intending to cast vote through e-voting shall be authenticated through electronic signature or authentication for login.
- Members shall cast vote online at any time from November 06, 2023, 9:00 a.m. (PST) to November 09, 2023 till 5:00 p.m. (PST). Voting shall close on November 09, 2023, at 5:00 p.m. Once the vote on the resolution is cast by a Member, he/she shall not be allowed to change it subsequently.

### 5. Procedure for Voting through Postal Ballot

5.1 Members may alternatively opt for voting through postal ballot. For convenience of the members, Ballot Paper will be available on the Company's website www.uic.com.pk within stipulated time to download.

5.2 The Members must ensure that the duly filled and signed ballot paper, along with a copy of Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post at the Company's registered address, Universal Insurance House, 63-Shahrah-e-Quaid-e-Azam, Lahore, or email at chairman@uic.com.pk one day before the meeting i.e., on November 09, 2023 before 05:00 pm. A postal ballot received after this time/date shall not be considered for voting. The signature on the ballot paper shall match with the signature on CNIC.

6. Members are requested to immediately notify the Company's Shares Registrar of any change in their registered address.

7. In case of joint holders, only one member whose name will appear as main title shareholder in our list of shareholders, will be allowed to attend the EOGM.

8. Members can exercise their right to demand a poll subject to meeting requirements of Section 143-145 of the Companies Act, 2017 and applicable clauses of the Companies (Postal Ballot) Regulations, 2018.

9. **Consent for Video Conference Facility** Pursuant to section 132(2) of the Companies Act, 2017, if the Company receives consent from members holding in aggregate 10% or more shareholding, residing at geographical location, to participate in the meeting through video conference at least seven (7) days prior to the date of meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city. In order to avail this facility please provide following information to the registered office of the Company:

I/We \_\_\_\_\_ of \_\_\_\_\_ being a member of The Universal Insurance Co. Ltd., holder of \_\_\_\_\_ Ordinary Share(s) as per Folio/CDC Account No. \_\_\_\_\_ hereby opt for video conference facility at \_\_\_\_\_ Signature of Member(s) \_\_\_\_\_

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

This statement sets out the material facts pertaining to the special business to be transacted at the EOGM of the Company to be held on November 10, 2023.

### Agenda Item No. 2

#### To disinvest the Company's stake in M/s. Ghandhara Industries Limited under Section 199 and Section 183(3) of the Companies Act, 2017

The Company is desirous to disinvest (partially or completely) its stake investment in M/s. Ghandhara Industries Limited (GIL), an associated company which was made with the approval of the shareholders under Section 199 of the Companies Act, 2017 (the Act) as to change in terms and conditions to approval accorded by the shareholders at the time of making investment in GIL. There is no other change in terms and conditions except of disinvestment of shares in associated company GIL.

The resolution passed by the shareholders at the time of making investment does not empower the board to divest the investment; therefore, the approval is being sought from the shareholders under Section 199 of the Companies Act, 2017 (the Act) as to change in terms and conditions to approval accorded by the shareholders at the time of making investment in GIL. There is no other change in terms and conditions except of disinvestment of shares in associated company GIL.

The Company's investment is considered as sizable part of the undertaking; the Board has sought approval of the shareholders under Section 183 (3) of the Companies Act, 2017 under Agenda 3 and required information under SRO 423(I)/2018 of April 03, 2018 is given in Agenda No. 3.

**Inspection of documents** Information pertaining to company's Memorandum and Articles of Association, notice of EOGM along with material information and other related information of the Company may be inspected during the business hours on any working day at the Registered Office of the Company from the date of publication of this notice till the conclusion of the EOGM.

**Interest of directors and their relatives** The Directors of the Company and their relatives (if any) are interested to the extent of their shareholdings in the Company and the following Directors are interested in the resolution to the extent of their relation, common directorships and their shareholding in the associated Company:

- Lt. Gen (Retd.) Ali Kuli Khan Khattak
- Mr. Ahmad Kuli Khan Khattak
- Mrs. Shahnaz Sajjad Ahmad

### Agenda Item No. 3

#### Disposal of freehold land, building on freehold land, office premises and disinvestment of shares in associated company

The Company intends to seek shareholders' approval to dispose off: 1) freehold land, building on freehold land, office premises with or without furniture and fixture, equipment and other assets ("the Assets") and 2) disinvestment of shares (partially or completely) in associated company to restructure its financial statements and improve its business to utilize its funds in core business activities. The Company is facing increasing competition in the insurance sector and has a limited product offering; therefore, the Company needs to differentiate itself and communicate its value proposition to potential policyholders. Thus, additional finances are required to develop a strategic business plan that will diversify its portfolio and stay ahead of the industry trends. The board of directors aims to create a long-term sustainable profitable business plan that will benefit both the Company and its shareholders.

#### a) The information required under SRO 423(I)/2018 of April 03, 2018 with regard to "Sale of the Assets" is as under:

i) Detail of assets to be sold, leased or disposed of shall include the following:	63-Shahrah-e-Quaid-e-Azam, Lahore		Deans Trade Center, Peshawar Cantt.
	Land	Building	Office
a) Acquisition date of the asset	1968	1968 and onward	2008
b) Cost - Rupees in million	0.059	4.753	12.497
c) Revalued amount / Carrying value - Rupees in million	115.600	21.468	9.297
d) Date of revaluation / valuation	December 31, 2021		December 31, 2021
e) Book value - Rupees in million	0.059	1.202	5.960
f) Approximate current market price/fair value - Rupees in million*	106.311	23.654	9.680
g) In case of sale, if the expected sale price is lower than book value or fair value, then the reasons thereof	Due to present economic conditions of the Country especially towards real estate sector, there is probability that property may not fetch the amount at which property is being carried by the Company but it shall not be significant as compared to carrying value of the property.		Not Applicable
h) In case of lease of assets, tenure, lease rentals, increment rate mode / basis of determination of lease rentals; and other important terms and conditions of the lease	Not Applicable		Not Applicable
i) Additional information in case of disposal of land			
(i) Location	63-Shahrah-e-Quaid-e-Azam, Lahore		Not Applicable
(ii) Nature of land	Commercial		Land: Not Applicable
(iii) Area proposed to be sold	Freehold land: 09 Marla 55 Square Feet Building 11,150 square feet		Covered Area: 1,760 square feet
ii) The proposed manner of disposal of the said assets	Tender through Newspapers		Tender through Newspapers
iii) In case the company has identified a buyer, who is a related party the fact shall be disclosed in the statement of material facts.	Not Applicable		Not Applicable

\*Fair values of the Assets were determined by an independent valuer on October 10, 2023

#### Purpose of the sale, lease or disposal of assets / investment along with following details - For both (a) and (b)

a) Utilization of the proceeds received from the transaction;	The proceed from disposal of these assets and investment would be utilized for the purchase of new building for Head office at suitable place in Lahore and to meet working capital requirements.
b) Effect on operational capacity of the company, if any; and	Improved earnings of the Company to maximize revenues, profitability and wealth of the Company and its shareholders.
c) Quantitative and qualitative benefits expected to accrue to the members	To improve / enhance revenue from direct insurance market and surplus funds will be invested for increase in investment income.

#### b) The information with regard to disinvestment of shares in associated company is as under:

Requirement	Relevant Information
Description of Investment	Equity investment in M/s. Ghandhara Industries Limited
Date of the Investment made	Investment was made pursuant to special resolution passed by the shareholders on August 30, 2006
Amount of investment / Cost	Rupees 12,078,550
Fair value (market value) of investment and date of fair valuation (if applicable);	October 16, 2023
Book value/carrying value as at June 30, 2023	Rupees 369.404 million
Current market price/fair value as of October 16, 2023	Rupees 337.435 million
<b>Total market value of associated company on value of the shares of the associated company:</b>	
a) In case of listed associated company: quoted price of shares of associated on day of decision of the board for disposal;	Rupees 337,434,814 (Rupees 142.48 per share) as of October 16, 2023
b) In case of non-listed associated: value determined by a registered valuer, who is eligible to carry out such valuation along with name of the valuer.	Not Applicable
Net worth of associated company as per latest audited financial statements and subsequent interim financial statements, if available;	Rupees 8,222,135,000 as of June 30, 2023 having book value of Rupees 192.97 per share.
Total consideration for disposal of investment in associated company, basis of determination of the consideration and its utilization;	Investment would be disposed off either negotiated deal or through open market rate as applicable in Pakistan Stock Exchange (PSX) at the time and date of disposal. The proceed from disposal of investment and the assets would be utilized for purchase of new building for Head office at suitable place in Lahore and to meet working capital requirements, to improve / enhance revenue from direct insurance market and surplus funds will be placed with the financial institution/ capital market for increase in investment income.
In case of sale, if the expected sale price is lower than book value or fair value, then the reasons thereof;	It is pertinent to mention current market value of shares does not reflect fair value of the investment owing to political unrest has in last couple of years; the fair value of investment has fallen by more than 50% over the said period. The management is of the view that fair value of investment is value in use which is more than carrying value. The Company's investment is currently carried under equity method and approximates to break up value of the GIL whereas quoted market value as per PSX is much lower than the carrying value owing to economic and capital market condition of the Pakistan. In case shares be sold through PSX; there is a possibility that disinvestment might not fetch the amount at which investment is carried but, in any case, the amount of dis-investment shall not be less fair market value being traded on PSX.

**Benefits expected to accrue to the shareholders** In addition to purchase new building for Head office, working capital would be used for hiring of sales team for procurement of direct insurance business resultant generate more revenue/ profit for the Company and surplus funds will be invested for reasonable earning to generate maximum revenues and to maximize the wealth of Shareholders of the Company.

**Inspection of documents** Information pertaining to company's Memorandum and Articles of Association, latest fair valuation of freehold land, building on freehold land and office premises, fair market value of the investment in the share of GIL, Notice of EOGM along with material information and other related information of the Company may be inspected during the business hours on any working day at the Registered Office of the Company from the date of publication of this notice till the conclusion of the EOGM.

**Interest of directors and their relatives** The directors of the Company and their relatives (if any) are interested to the extent of their shareholdings in the Company.

### Scrutinizer

In accordance with the Regulation 11 of the (Postal Ballot) Regulation, 2018 below is the information regarding the scrutinizer for the purpose of upcoming EOGM

1. Name of Scrutinizer	M/s. Junaidy Shoaib Asad Chartered Accountants (Statutory Auditors)
2. Qualification and experience	The firm was established as Shoaib Asad & Co in 2007 and was later renamed as Junaidy Shoaib Asad (JSA). The firm is a member of Morison Global. The firm is providing audit, taxation, corporate and other laws, accounting outsourcing, consultancy and business management advisory services. The firm is delivering professional services to its valued clientele with strong professional team lead by its partners and professional staff through its offices in Karachi, Lahore & Islamabad. The firm holds a satisfactory Quality Control Review (QCR) status from the Institute of Chartered Accountants of Pakistan (ICAP) which demonstrates the quality standards maintained by the firm. The firm has made its presence felt in the market and has built strong reputation as provider of quality services with utmost respect for the Ethical & Moral Standards. The list of our clients to whom we provide professional services includes Financial Institutions, Non-Banking Financial Institutions, State-owned Corporations, Public Listed Companies and Private Limited Companies.
3. Purpose of appointment	The company is a leading provider of expert services in areas such as audit and assurance, accounting, tax, risk management and advisory, and corporate services to a diverse clientele, including publicly traded and economically influential organizations. It operates through its various offices situated throughout Pakistan. As the company is required to appoint a scrutinizer for the purpose of voting in the Extra Ordinary General Meeting to transact a Special business. Therefore, a scrutinizer has been appointed to observe that satisfactory procedures of the voting process including adequate precautionary measures are ensured and reported as mentioned under regulation 11.



