



KPMG Taseer Hadi & Co.  
Chartered Accountants  
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Islamabad, Pakistan  
Telephone 92 (51) 282 3558, Fax 92 (51) 282 2671

Company Secretary  
Askari general insurance company limited  
AWT plaza, Mall road  
Rawalpindi

Our ref I-832-2019

13 March 2019

Dear Sir,

**AUDITORS' CERTIFICATE ON FREE RESERVE AS REQUIRED UNDER COMPANIES (FURTHER ISSUE OF SHARES) REGULATIONS, 2018.**

We have been requested to provide you with a certificate under the Rule 4 of the Companies (Further Issue of Shares) Regulations, 2018 ('the Regulations'), that free reserves of askari general insurance company limited ('the Company') will be more than 15 percent of the issued paid up capital after issuance of 15 percent bonus shares.


**Scope of certificate**

We understand that pursuant to the requirements of Rule 4 of the Regulations, our certificate is required to be filed with the Pakistan Stock Exchange and the Securities and Exchange Commission of Pakistan (SECP).

**Management responsibility**

It is the management responsibility to comply with the requirements of the Regulations.

**Auditors' responsibility**

Our responsibility is to certify the Company's compliance with the requirement of the Rule 3 of the Regulations in accordance with the 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms' issued by the Institute of Chartered Accountants of Pakistan. Our verification was limited to the procedures as mentioned below: 



KPMG Taseer Hadi & Co.

- a) Obtained working of free reserves of the Company after proposed issue of bonus shares, based on financial statements for the year ended 31 December 2018;
- b) Obtained details of all contingent liabilities as at 31 December 2018;
- c) Obtained a representation letter from the Company that free reserves of the Company are at least 15% of the enhanced capital after issue of bonus shares and all contingent liabilities, provision for taxation and intangibles have been deducted while calculating the minimum free reserve as required under Rule 3 of the Regulations;
- d) Checked the working of free reserve to ensure that same is drawn up as required by the Rule 3 of the Regulations and is based on the financial statements of the Company for the year ended 31 December 2018; and
- e) Checked that all contingent liabilities as disclosed to us by the Company as at 31 December 2018 have been deducted while calculating the minimum residual reserve.

Certificate

Based on the procedures mentioned above, we report that the free reserve of the Company as per financial statements for the year ended 31 December 2018, will be more than 15 percent of the increased paid-up capital of the Company after the proposed issue of 9,378,510 bonus shares of Rs. 10 each and contingent liabilities, provision for taxation and intangibles as at 31 December 2018, as disclosed to us by the management of the Company, have been deducted while calculating the minimum residual reserve.

Restriction on use and distribution

Our report is given in our capacity as statutory auditors of the Company and is issued solely for the purpose set forth in the scope paragraph and is not to be used or distributed for any other purpose. This certificate is restricted to the facts stated herein.

Yours faithfully