



31 October 2017

Deptt: Compliance Dept
Ref #: 3rd Quarter / 2017

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

ISSUE OF BONUS SHARES

We are enclosing herewith a Free Reserve Certificate issued by our auditors, for your information and record.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Rao Ali Zeeshan', is written over a rectangular stamp that has been crossed out with a diagonal line.

Rao Ali Zeeshan
Company Secretary

Encl: Auditor's certificate

16-78 /0810
November 2, 2017

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www.deloitte.com

Mr. Rao Ali Zeeshan
Chief Financial Officer
Premier Insurance Limited (the Company)
Karachi.

Dear Sir

CERTIFICATE ON RESIDUAL FREE RESERVES AS REQUIRED UNDER RULE 6 (iii) OF THE COMPANIES (ISSUE OF CAPITAL) RULES, 1996

We have been requested to provide you with a certificate on the annexed computation of residual free reserves for the purpose of issue of bonus shares by the Company, as required under Rule 6 (iii) of the Companies (Issue of Capital) Rules, 1996.

Scope of certificate

This certificate is issued in terms of the requirement of Rule 6 (iii) read with the definition of free reserves as contained in Rule 5 of the Companies (Issue of Capital) Rules, 1996.

Management's responsibility

It is the management's responsibility to prepare and submit to Pakistan Stock Exchange the computation of residual free reserves for the issue of bonus shares in compliance with the Rule 6 of the Companies (Issue of Capital) Rules, 1996.

Auditors' responsibility

Our responsibility is to certify the compliance of the requirement of Rule 6 (iii) of the Companies (Issue of Capital) Rules, 1996 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 procedures were limited to verifying the factual accuracy of computation of residual free reserves on the basis of audited financial statements for the year ended December 31, 2016.

Certificate

We certify that the residual free reserves of the Company, in terms of the meaning given to free reserves in the Companies (Issue of Capital) Rules, 1996 after the proposed issue of bonus shares of face value of Rs. 45,968,234 would be higher than fifteen percent of the enhanced paid-up capital of Rs. 505,650,574.

Restriction on use and distribution

This certificate is issued in relation to the Rule 6 (iii) of the Companies (Issue of Capital) Rules, 1996 and is not to be used or distributed for any other purpose. This certificate is restricted to the facts stated herein and the attachment.

Yours truly,


Chartered Accountants

Premier Insurance limited
Working of free reserves
September 30, 2017

(Rs. in '000)

Issued Subscribed and Paid-up Capital before bonus issue	459,682
Proposed Bonus issue (10%)	45,968
Enhanced Capital	505,650
15% of Enhanced Capital	75,848

General Reserve	1,042,469
Accumulated losses	(312,717)
	729,752
Less: Proposed Bonus issue	(45,968)
Free Reserves after bonus issue	683,784

DYA

Conclusion: Free reserves after bonus issue are more than 15% of enhanced capital.

Premier Insurance limited
Paid up capital Requirements
September,30 2017

(Rs. in '000)

Paid up capital before proposed bonus issue as at 30 September 2017	459,682
Required paid up capital as at 31 December 2017	500,000
Paid up capital after proposed bonus issue (See working)	505,650

DYA