

**Head Office:**10th Floor, Shaheen Complex, M.R. Kayani Road,  
Karachi - 74200 P.O. Box. 707.

Tel : (9221) 32630370-75 (06 Lines) 32213950-51 (02 Lines)

Fax : (9221) 32626674 | UAN : 111 765 111

E-mail : sihifc@cyber.net.pk, Website : www.shaheeninsurance.com

**NOTICE OF EXTRA ORDINARY GENERAL MEETING**

Notice is hereby given that an Extra Ordinary General Meeting of the shareholders of **Shaheen Insurance Company Limited** ("Company") will be held on Thursday, February 16, 2017 at 10.00 A.M. at the head office of Shaheen Airport Services (SAPS) situated at SAPS Complex, Malir Avenue, Jinnah International Airport, Karachi to transact the following **Special Business**;

1. To consider and, if thought fit, to pass with or without modification(s), addition(s) or deletion(s), the following resolutions as special resolution(s), under first proviso to Section 86(1) of the Companies Ordinance, 1984 ("**Ordinance**"):

*"Resolved that, subject to compliance with the provisions of all applicable laws and requisite regulatory approvals, permissions and sanctions, including the approvals of the Securities and Exchange Commission of Pakistan (the "**SECP**") under first proviso to Section 86 (1) of the Companies Ordinance, 1984 ("**Ordinance**")*, approval be and is hereby accorded to the issuance of 15,000,000 Ordinary Shares of the face value of PKR 10 each of Shaheen Insurance Company Limited (the "**Company**") by way of otherwise than right shares at a price of PKR 10 each, total PKR. 150,000,000 to Shaheen Foundation PAF against consideration to be received in cash.

*Further resolved that the shares when issued shall from the date of their allotment, rank paripassu in all respects with the existing fully paid Ordinary Shares and the recipient of such shares shall enjoy similar rights and entitlements in respect of these shares as in respect of previously held shares, from the date of allotment.*

*Further resolved that the Chief Executive Officer and / or Company Secretary of the Company, be and are hereby authorized singly and / or jointly ("**Authorized Persons**") to enter into and execute such documents as may be required in relation to the further issue of shares otherwise than right shares.*

*Further resolved that the Authorized Persons, be and are hereby further authorized singly and / or jointly, to take all steps necessary, ancillary and incidental for the issuance of the shares otherwise than right shares including but not limited to obtaining all requisite regulatory approvals, preparation and circulation of the notice of the General Meeting, preparing the resolutions to be placed before the General Meeting; engaging legal advisor(s) and consultants for the purposes of the above; filing of the requisite application(s), statutory forms and all other documents as may be required to be filed with SECP and any other authority, submitting all such documents as may be required, executing all such certificates, applications, notices, reports, letters and any other document or instrument including any amendments or substitutions to any of the*

**Head Office:**10th Floor, Shaheen Complex, M.R. Kayani Road,  
Karachi - 74200 P.O. Box. 707.

Tel : (9221) 32630370-75 (06 Lines) 32213950-51 (02 Lines)

Fax : (9221) 32626674 | UAN : 111 765 111

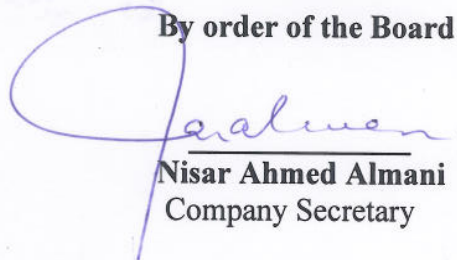
E-mail : sihfc@cyber.net.pk, Website : www.shaheeninsurance.com

*foregoing as may be required in respect of the issue of further shares without right shares and all other matters incidental or ancillary thereto.*

*Further resolved that the Company be and is hereby authorized to take all such actions including but not limited to the filing the requisite applications (through the Authorized Persons or their appointed consultants) for seeking permission from the Securities and Exchange Commission of Pakistan and such other regulatory authorities as may be required for issuance of further capital without right offering and all matters relating thereto.*

*Resolved further that all acts, deeds, and actions taken by the Authorized Persons pursuant to the above resolutions for and on behalf of and in the name of the Company shall be binding acts, deeds and things done by the Company.*

*Further resolved that the aforesaid special resolution(s) shall be subject to any amendment, modification, addition or deletion as may be suggested, directed and advised by the shareholders, SECP and / or any other regulatory body which suggestion, direction and advice shall be deemed to be part of these Special resolution(s) without the need of the shareholders to pass fresh Special Resolution(s)."*

**By order of the Board****Nisar Ahmed Almani**  
Company SecretaryJanuary 26, 2017  
Karachi**Notes:**

1. A statement of material facts under Section 160 of the Companies Ordinance, 1984 concerning the special business to be transacted at EOGM is being sent to the members with the notice.
2. The share transfer books of the Company will remain closed from February 09, 2017 to February 16, 2017 (both days inclusive). Transfers received at the Company's Share Registrar's Office by the close of the business on February 08, 2017 will be considered in time for the purpose of attending and voting at the EOGM.

**Head Office:**10th Floor, Shaheen Complex, M.R. Kayani Road,  
Karachi - 74200 P.O. Box. 707.

Tel : (9221) 32630370-75 (06 Lines) 32213950-51 (02 Lines)

Fax : (9221) 32626674 | UAN : 111 765 111

E-mail : sihifc@cyber.net.pk, Website : www.shaheeninsurance.com

3. The Proxy Form duly completed and signed along with attested copies of CNIC/Passport of the member, Proxy holder and the witnesses must be deposited at the Registered Office of the Company not later than 48 hours before the time of holding of the meeting. Original CNIC/Passport will be produced by the Proxy holder at the time of the meeting.
4. No persons shall be appointed as a Proxy unless he/she is a member of the company.
5. In case of corporate entity, Board of Directors' Resolution/Power of Attorney with specimen signature of the representative shall be submitted along with Proxy Form to the Company.
6. CDC account holders and their proxies must attach attested photocopy of their CNIC/Passport with the Proxy Form.
7. For any query / difficulty / information, the member may contact the Company's Share Registrar and Share Transfer Agent, at M/s. Corplink (Pvt.) Ltd., 1-K Commercial, Model Town, Lahore Phone No. 042-35916714 – 042-35916719 Fax No. 042-35869037

**STATEMENT UNDER SECTION 160 OF THE COMPANIES ORDINANCE 1984****CONCERNING THE SPECIAL BUSINESS**

1. Shaheen Insurance Company Limited (the “**Company**”) is a subsidiary of Shaheen Foundation PAF which holds majority of the shares of the Company. Due to losses suffered in the past, the equity of the Company has eroded and its equity net of losses amounts to PKR 385.29 million as per the published quarterly accounts as of 30 September, 2016. Its paid up share capital is PKR 450 million divided into 45 million shares of PKR 10 each. Securities and Exchange Commission of Pakistan (“**SECP**”) vide SRO 828 (I)/2015 dated 18 August 2015 has inserted a new rule 9 in the SECP (Insurance), Rules, 2002 (“**Insurance Rules**”) whereby the requirement for baseline paid up capital of non-life insurance companies has been increased to PKR 500 million to be accomplished by 31 December, 2017. Further, due to legal complications/disputes, balance sheet of the Company also carries non-earning assets approximating to PKR 257 million, thereby creating gaps in the liquidity and solvency profile of the Company. Credit Rating and ultimately business of the Company is also being affected due to abovementioned challenges.

2. In order to comply with the 1) aforesaid revised paid up share capital requirement, 2) to strengthen the liquidity / solvency position of the Company 3) and to take on short and long terms future business challenges / growth curve, the Board of directors have decided to raise the

**Head Office:**

10th Floor, Shaheen Complex, M.R. Kayani Road,  
Karachi - 74200 P.O. Box. 707.

Tel : (9221) 32630370-75 (06 Lines) 32213950-51 (02 Lines)

Fax : (9221) 32626674 | UAN : 111 765 111

E-mail : sihfc@cyber.net.pk, Website : www.shaheeninsurance.com

paid up capital of the Company to PKR 600 million by issue of 15 million ordinary shares of PKR 10 each to Shaheen Foundation PAF without any offer and issue of right shares, as per proposed special resolution, subject to the approval of the shareholders of the Company and the Securities and Exchange Commission of Pakistan ("SECP").

3. The scrip of the Company, at the close of trading hours of the Pakistan Stock Exchange Limited on 17 January, 2017 was PKR 8.7 per share. The preceding six-month average price of the share is PKR 6.91 per share. As the share of the Company is trading at Pakistan Stock Exchange Limited below its Par value of PKR 10 with thin trading volumes, therefore, it is highly unlikely that the shareholders will subscribe any right offering particularly in view of the fact that the Company has not been able to declare any distribution for the shareholders during past several years. In this regard, Shaheen Foundation PAF is willing to inject the requisite equity of PKR 150 million, if approved by the shareholders and the SECP in terms of first proviso to Section 86 of the Companies Ordinance, 1984.

4. The proposed issuance of shares shall be at PAR value of PKR 10 each and against cash consideration.

5. In this regard, additional information is being appended hereunder;

(a) **Justification for Issue of Shares Otherwise than Right Shares:**

Due to losses suffered in the past, the equity of the Company has eroded and its equity net of losses amounts to PKR 385.29 million as per the published quarterly accounts as of September 30, 2016. Further, due to legal complications/disputes, balance sheet of the Company also carries non-earning assets approximating to PKR 257 million, thereby creating gaps in the liquidity and solvency profile of the Company. Credit Rating and ultimately business of the Company is also being affected due to abovementioned challenges. Further, the scrip of the Company, at the close of trading hours of the Pakistan Stock Exchange Limited on January 17, 2017 was PKR 8.7 per share. The preceding six-month average price of the share is PKR 6.91 per share. As the share of the Company is trading at Pakistan Stock Exchange Limited below its Par value of PKR 10 with thin trading volumes, therefore, it is highly unlikely that the shareholders will subscribe any right offering particularly in view of the fact that the Company has not been able to declare any distribution for the shareholders during past several years.

(b) **Name of the Organization to whom shares will be issued**

Shaheen Foundation PAF.

**Head Office:**

10th Floor, Shaheen Complex, M.R. Kayani Road,  
Karachi - 74200 P.O. Box. 707.

Tel : (9221) 32630370-75 (06 Lines) 32213950-51 (02 Lines)

Fax : (9221) 32626674 | UAN : 111 765 111

E-mail : sihifc@cyber.net.pk, Website : www.shaheeninsurance.com

**(c) Price at which shares will be issued:**

The shares will be issued at PAR value of PKR 10 per share.

**(d) Latest Market Price of Share**

Rs. 8.7 per share as of January 17, 2017 as per closing rate at Pakistan Stock Exchange Limited.

**(e) Break-up value per Share:**

Break-up value per share as per published quarterly accounts as of September 30, 2016 is Rs 8.56. The Break-up value is less than Par value due to accumulated losses.

**(f) Purpose, Utilization and benefits:**

**Purpose:** To meet the minimum capital requirement for insurance companies and to strengthen the liquidity and solvency position of the Company.

**Utilization:** The proceeds of the issuance of the Shares shall be utilized by the Company to strengthen the liquidity/solvency position of the Company.

**Benefits:** While the Company will become compliant with the Minimum Capital Requirement for insurance companies as prescribed by the Securities and Exchange Commission of Pakistan, the injection of further equity will strengthen the equity base, and liquidity/solvency position of the Company and will have healthy impact on the Company's financial position and increase in earnings which will result in improved profitability and returns to the shareholders in future.

**(g) Existing shareholding of Shaheen Foundation PAF:**

26,565,422 ordinary shares which is 59.03% of the current paid up share capital of the Company i.e., PKR 450 million divided into 45 million ordinary shares of PKR 10 each.

**(h) Total shareholding of Shaheen Foundation PAF after the proposed issuance of Shares:**

41,565,422 ordinary shares which would be 69.28 % of the enhanced paid up share capital of the Company i.e., PKR. 600 million divided into 60 million ordinary shares of PKR 10 each.

**Head Office:**

10th Floor, Shaheen Complex, M.R. Kayani Road,  
Karachi - 74200 P.O. Box. 707.

Tel : (9221) 32630370-75 (06 Lines) 32213950-51 (02 Lines)

Fax : (9221) 32626674 | UAN : 111 765 111

E-mail : sihifc@cyber.net.pk, Website : www.shaheeninsurance.com

**(i) Consent of Shaheen Foundation PAF:**

Shaheen Foundation has consented in writing to the acquisition of proposed shares if approved by the shareholders and the Securities and Exchange Commission of Pakistan.

**(j) Ranking of shares:**

The proposed shares when issued will rank *paripassu* in all respect with the existing ordinary shares of the Company.

**(k) Approval:**

The proposed issuance of shares shall be subject to approval of the Securities and Exchange Commission of Pakistan.

7. The Board of Directors of the Company has recommended that the special resolutions as set out in the notice are passed at the Extraordinary General Meeting.
8. The Directors of the Company have no interest in the issue of shares whether directly or indirectly.

**PROXY FORM**

I/We, \_\_\_\_\_ of \_\_\_\_\_  
 being member of Shaheen Insurance Company Limited and holder of \_\_\_\_\_  
 ordinary shares as per Share Register Folio No. \_\_\_\_\_ and/or CDC Participant ID  
 No. \_\_\_\_\_ and Account/Sub-Account No. \_\_\_\_\_  
 hereby appoint \_\_\_\_\_ of \_\_\_\_\_ as  
 my /our proxy to attend and vote for me/ us and on my/our behalf at the Extra Ordinary General Meeting  
 of the Company to be held on Thursday, February 16, 2017 at 10.00 a.m. at the Head Office of Shaheen  
 Airport Services (SAPS) situated at SAPS Complex, Malir Avenue, Jinnah International Airport, Karachi and  
 at any adjournment thereof.  
 Signed this \_\_\_\_\_ day of, \_\_\_\_\_ 2017.

Witness: 1

Signature \_\_\_\_\_  
 Name \_\_\_\_\_  
 CNIC No. \_\_\_\_\_  
 Address \_\_\_\_\_

Signature on Revenue Stamp of Rs. 5/-
---

Witness: 2

Signature \_\_\_\_\_  
 Name \_\_\_\_\_  
 CNIC No. \_\_\_\_\_  
 Address \_\_\_\_\_

**Notes:**

1. The Proxy Form duly completed and signed along with attested copies of CNIC/Passport of the member, Proxy holder and the witnesses must be deposited at the Registered Office of the Company not later than 48 hours before the time of holding of the meeting. Original CNIC/Passport will be produced by the Proxy holder at the time of the meeting.
2. No persons shall be appointed as a Proxy unless he/she is a member of the company.
3. In case of corporate entity, the Board of Directors Resolution/Power of Attorney with specimen signature of the representative shall be submitted along with Proxy Form to the Company.
4. CDC account holders and their proxies must attach attested photocopy of their CNIC/Passport with the Proxy Form.

## مختار نامہ

میں / ہم ----- کا / کے -----  
 بحیثیت رکن شاہین انشورنس کمپنی لمیٹڈ اور حاصل حصص، ----- بمطابق شیئرز رجسٹرڈ فولیو نمبر ----- اور / یا سی  
 ڈی سی پارٹیسپنٹ (شرکت) آئی ڈی نمبر ----- اور اکاؤنٹ (کھاتہ) سب اکاؤنٹ (ذیلی کھاتہ) نمبر -----  
 محترم / محترمہ ----- کا / کے -----  
 کو اپنے / ہمارے ایماء پر بروز جمعرات مورخہ 16 فروری، 2017، بوقت صبح 10 بجے کو بمقام ہیڈ آفس شاہین انشورنس سروسز (سپس) واقع سپس کمپلیکس  
 ملیئریونیو، جناح انٹرنیشنل انشورنس پورٹ، کراچی پر منعقد ہونے والے کمپنی کے غیر معمولی اجلاس میں حق رائے دہی استعمال کرنے یا کسی بھی التوا کی صورت میں اپنا / ہمارا مختار  
 (پراسی) مقرر کرتا ہوں / کرتے ہیں۔  
 آج بروز ----- بتاریخ ----- 2017 کو دستخط کیے گئے۔

گواہان

پانچ روپے مالیت کے رسیدی ٹکٹ پر دستخط

دستخط کمپنی کے نمونہ دستخط سے مماثل ہونے چاہئیں

1- دستخط: -----  
 نام: -----  
 پتہ: -----  
 کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ نمبر: -----  
 2- دستخط: -----  
 نام: -----  
 پتہ: -----  
 کمپیوٹرائزڈ شناختی کارڈ یا پاسپورٹ نمبر: -----

نوٹ

- 1- اس فارم کو پُر اور دستخط کر کے ممبر، پراسی (مختار) اور گواہان کے کمپیوٹرائزڈ قومی شناختی کارڈ / پاسپورٹ کی مصدقہ نقول کے ہمراہ اجلاس شروع ہونے سے کم از کم 48 گھنٹے پہلے کمپنی کے رجسٹرڈ پتے پر جمع کرایا جائے۔ مختار (پراسی فارم) کو اصل شناختی کارڈ / پاسپورٹ اجلاس کے وقت پیش کرنا ہوگا۔
- 2- کسی بھی شخص کو مختار (پراسی) مقرر نہیں کیا جاسکتا الا یہ کہ وہ کمپنی کارکن ہو۔
- 3- کارپوریٹ ادارہ ہونے کی صورت میں مختار نامہ (پراسی فارم) کے ہمراہ بورڈ آف ڈائریکٹرز کی قرارداد / مختار نامہ اور نمائندے کے دستخط کے نمونہ بھی جمع کرائے جائیں گے۔
- 4- سی ڈی سی اکاؤنٹ ہولڈر اور ان کے مختار کیلئے ضروری ہے کہ مختار نامہ (پراسی فارم) کے ہمراہ اپنے کمپیوٹرائزڈ شناختی کارڈ / پاسپورٹ کی مصدقہ نقول بھی جمع کرائیں۔