



## THE UNIVERSAL INSURANCE CO. LTD.

HEAD OFFICE: UNIVERSAL INSURANCE HOUSE 63, SHAHRAH-E-QUAID-E-AZAM,  
LAHORE - 54000, PAKISTAN. TEL: (042) 37353458 - 37355426 - 37324194 - 37313878 - 37311608  
FAX: (92-42) 37230326, (92-42) 37353209, E-MAIL: info@uic.com.pk WEB: www.uic.com.pk



August 29, 2017

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

**Subject: Declaration of Ordinary Right Issue**

Dear Sir,

This is to inform you that the Board of Directors of the Company in their meeting held on Tuesday August 29, 2017 at Gammon House, Rawalpindi have discussed and approved the issuance of 8,382,023 Ordinary shares of Rs. 10/- each to be offered as Right Shares at the subscription price of Rs. 10/- per share. These Ordinary shares are to be offered to all the Company's existing ordinary shareholders whose names would appear on the member register before the book closures.

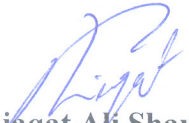
The share Transfer Books of the company will be closed from 22-09-2017 to 28-09-2017 (both days inclusive) to determine the entitlement of Right Shares.

Extract of the resolution of Board of Directors authorizing issuance of the aforementioned right issue, financial plan and projection by the directors are enclosed herewith.

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

For and on behalf of  
The Universal Insurance Company Limited

Your faithfully,

  
**Liaqat Ali Shaukat**  
(Company Secretary)



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### EXTRACT OF MINUTES OF MEETING OF BOARD OF DIRECTORS HELD ON AUGUST 29, 2017 AT GAMMON HOUSE RAWALPINDI

#### To Offer Right Shares @ 20.1404% at par value of Rs. 10/-

**Resolved that** “the ordinary paid-up capital of the Universal Insurance Company Limited (the Company) be and is hereby increased from Rs. 416,179,770/- to Rs. 500,000,000/- by issue of further 8,382,023 ordinary shares of the Company of Rs. 10/- each to be offered as 20.1404% Right Share in the ration of 20.1404 new shares for every 100 shares held at par value of Rs. 10 per share under the provisions of Section 83 of Companies Act 2017 read with the Companies (Issue of Capital) Rules, 1996 against payment to the Company of the price of the shares subscribed by the shareholders. Such Right Shares shall rank pari-passu in all respects with the existing shares of the Company and will be offered to those shareholders whose names appear in the member’s register of the Company at the close of business day on September 21, 2017”.

**Further Resolved that** “the CEO, Principal Officer and/ or Company Secretary be and are hereby singly authorized to appoint/negotiate with the underwriter(s) for the allotment of unsubscribed portion of Right Shares to any/ or all of the underwriter(s) and to appoint consultant/ advisor for Right Issue”.

**Further Resolved that** “the CEO, Principal Officer and/ or Company Secretary be and are hereby singly authorized to complete all the necessary legal and corporate formalities with regard to the above resolution and to take such actions as they may consider necessary or expedient to complete the process. Further resolved that in case of any omission or mistake if pointed out by the SECP, PSX or any other competent authority in the aforesaid resolution the CEO, Principal Officer and/ or Company Secretary be and are hereby singly authorized to make necessary corrections as permitted under the law in letter & spirit, to file all necessary documents and to appear before all relevant authorities, including the Court, SECP and/ or any other competent body and/ or authorities to give effect to the foregoing resolutions”.



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### Statement to be submitted under Section 5(ii) of The Companies (Issue of Capital) Rules, 1996

<b>Quantum of the Right Issue</b>	<ul style="list-style-type: none"> <li>➤ 8,382,023 ordinary shares of the Company of Rs. 10/- each, constituting 20.1404% i.e approximately 20.1404 ordinary shares for every 100 ordinary shares</li> </ul>
<b>Issue price per share</b>	<ul style="list-style-type: none"> <li>➤ At par value of Rs. 10 per share</li> </ul>
<b>Purpose of the right issue</b>	<ul style="list-style-type: none"> <li>➤ To meet the minimum paid-up capital requirement as laid down by the SECP for non-life insurers in its S.R.O No. 828(I)/2015 dated August 18, 2015.</li> <li>➤ To support the business growth</li> </ul>
<b>Benefits to the Company and use of the proceeds of the issue</b>	<ul style="list-style-type: none"> <li>➤ Company will be able to meet minimum paid-up capital requirements.</li> <li>➤ It will enhance the risk retention capacity of the Company thereby allowing it to undertake high volume and better quality business.</li> <li>➤ A stronger balance sheet will also provide additional comfort to all stakeholders and may also result in improved credit rating of the Company.</li> <li>➤ It will increase our investment portfolio and consequently investment income.</li> <li>➤ It will help Management to effectively execute expansion plans.</li> </ul>
<b>Risk factors associated with the Right Issue</b>	<ul style="list-style-type: none"> <li>➤ The directors &amp; sponsors of the Company will be subscribing to more than 87% of the Right Issue, Moreover, the Right Issue will be underwritten in accordance with the applicable laws which will ensure financial close.</li> </ul> <p>Although no significant risk factors are anticipated, these factors will mitigate any potential risk to the success of the Right Issue.</p>



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### The Universal Insurance Company Limited Financial Projection for Three Years

	2018	2019	2020
	----- Rupees in thousands -----		
Gross Premium	150,000	300,000	500,000
Net Premium Revenue	75,000	150,000	250,000
Underwriting Results	52,500	105,000	175,000
Investment Income	45,000	75,000	115,000
Profit before interest and tax	71,250	127,500	202,500
Profit after tax	49,875	87,975	139,725
Accumulated Profit/ (Loss)	215	88,190	227,915
Total Assets	849,079	937,054	1,076,779
Total Liabilities	404,375	404,375	404,375
Net Equity	444,704	532,679	672,404
Paid-up Share Capital	500,000	500,000	500,000
EPS - Basic and diluted	1.00	1.76	2.79
Cash Dividend payout (Rs./share)	-	1.00	1.50

#### Disclaimer:

*The financial projections provided herein above are based on bona fide business perceptions of the Directors regarding performance of the business in the current business environment and policies of the government. The Universal Insurance Co. Ltd. and/ or its directors do not accept any responsibility for the conclusions drawn and/ or any investment decisions by any person on the basis of above financial projections.*

For and on behalf of  
The Universal Insurance Company Limited

  
**Liaqat Ali Shaukat**  
Company Secretary