

Habib Insurance Company Limited

Notice of Extra Ordinary General Meeting

NOTICE is hereby given that the Extra Ordinary General Meeting of the Shareholders of the Company will be held at Institute of Bankers Pakistan located at Moulvi Tamizuddin Khan Road, Sultanabad, Karachi on Thursday, October 27, 2022 at 10:00 am to transact the following business. The shareholders may also attend the meeting through video conference facility managed by the Company as per instructions given in the notes section.

Special Business

1. To consider and if thought fit, pass the following Special Resolution for authorising investment by way of purchase of shares of the under-mentioned associated companies:

“RESOLVED that the Company be and is hereby authorised to invest the under-mentioned amounts by way of purchase of ordinary shares of the under-mentioned associated companies.

S. No	Name of the Company	Rs in Million
1.	Habib Metropolitan Bank Limited	200
2.	Bank AL Habib Limited	100

FURTHER RESOLVED that the Chief Executive and the Chief Financial Officer be and are hereby authorised jointly to make the aforesaid investments as and when deemed appropriate and to delegate the aforesaid powers to any officers of the Company as he may deem fit.

FURTHER RESOLVED that the Company Secretary be and is hereby authorised and empowered to issue certified true copy of the extract of the above-mentioned resolution to all the concerned authorities and institutions as and when required.”

A statement under Section 134(3) of the Companies Act, 2017 relating to the aforesaid Special Business to be transacted at the said Extra Ordinary General Meeting is attached.

By order of the Board

Muhammad Maaz Akbar
Company Secretary

Karachi: October 04, 2022

Habib Insurance Company Limited

Notes:

1. Participation in the Extra Ordinary General Meeting through Video Link Facility:

The entitled shareholders who are interested to attend EOGM through online platform and whose names appeared in the Books of the Company by the close of business on October 19, 2022 are hereby requested to get themselves registered with the Company Secretary Office by providing the following details at the earliest but not later than 48 hours before the time of EOGM (no account shall be taken of any part of the day that is not a working day) at investor.relations@habibinsurance.net.

Name of shareholder	CNIC No.	Folio No. / CDS No.	Cell Number	Email address

Upon receipt of the above information from interested shareholders, the Company will send the login details at their email addresses. On the EOGM day, shareholders will be able to login and participate in the EOGM proceedings through their smartphones or computer devices from any convenient location.

The login facility will be opened 30 minutes before the meeting time to enable the participants to join the meeting after identification and verification process.

The entitled shareholders (whose names appeared in the Books of the Company by the close of business on October 19, 2022) along with the details mentioned above may send their comments / suggestions for the proposed Agenda items at the above email address at least 48 hours before the time of EOGM (no account shall be taken of any part of the day that is not a working day).

- The share transfer books of the Company will remain closed from Thursday, October 20, 2022 to Thursday, October 27, 2022 (both days inclusive) for the purpose of Extra Ordinary General Meeting.
- A member entitled to attend and vote at this meeting is entitled to appoint another member of the Company as his/her proxy to attend and vote on his/her behalf. Proxy form, in order to be effective, must be received at the Registered Office of the Company duly stamped and signed not less than 48 hours before the meeting.
- The entitled shareholders are requested to keep with them their original Computerized National Identity Cards (CNICs) / Passport along with their folio numbers / participant(s) ID numbers and CDC account numbers at the time of attending the Extra Ordinary General Meeting in order to facilitate identification of the respective shareholders. The proxy shall also produce his/her original CNIC or Passport at the time of the meeting. In case of a corporate entity, the Board of Directors' Resolution/Power of Attorney with specimen signatures shall be submitted along with Proxy Form
- Members are requested to promptly communicate any change in their address to our Share Registrar, M/s. CDC Share Registrar Services Limited
- 6. Deposit of Physical Shares into CDC Accounts**

As per section 72 of the Companies Act, 2017 every existing shareholder shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of Companies Act, 2017.

The shareholder having physical shareholding may open CDC sub-account with any of the brokers or investor account directly with CDC to place their physical shares into scrip less form, this will facilitate them in many ways including safe custody and sale of shares, anytime they want as the trading of physical shares is not permitted as per existing regulations of Pakistan Stock Exchange.

For any query / clarification / information, the shareholder may contact the Share Registrar at the following address:

M/s. CDC Share Registrar Services Limited

CDC House, 99-B, Block-B
SMCHS, Main Shahrah-e-Faisal
Karachi-74400

Habib Insurance Company Limited

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

The statement is annexed to the Notice of the Extra Ordinary General Meeting to be held on October 27, 2022 at which certain business are to be transacted. The purpose of this statement is to set forth material facts concerning such special business.

ITEM NUMBER 3 OF THE AGENDA

As recommended by the Board of Directors through resolution by Circular on October 04, 2022, it is proposed to make investment by way of purchase of shares of our associated companies. In this regard the Company seeks the approval of the shareholders under section 208 of the Companies Act, 2017.

In compliance with Regulations No. 8 of Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2012 the following information is annexed with the notice for approval of investment in associated companies.

Habib Metropolitan Bank Limited

Regulation No. 3 (1) a

Sr. No.	Description	Information Required
1	Name of the associated company or associated undertaking along with criteria based on which the associated relationship is established	Habib Metropolitan Bank Limited being associated on the basis of common directorship. Mr. Muhammad Hyder Habib, Director of the Company is also Director of Habib Metropolitan Bank Ltd.
2	Purpose, benefits and period of investment	Long term investment to earn dividend income as well as prospective capital gains
3	Maximum amount of investment	Rs. 200 Million
4	Maximum price at which securities will be acquired	Not more than the price quoted on the stock exchange
5	Maximum number of securities to be acquired	Equivalent to the amount of investment
6	Number of securities and percentage thereof held before and after the proposed investment	5,665,924 shares (0.54%) held before proposed investment. Number of shares and percentage after proposed investment will depend on the prevailing prices at the time of actual acquisition of shares which could vary with the market price at which shares are purchased in future
7	In case of investment in listed securities, average of the preceding twelve weekly average price of the security intended to be acquired	Rs. 42.39 per share
8	In case of investment in unlisted securities, fair market value of such securities determined in terms of regulation 6(1)	Not Applicable
9	Break-up value of securities intended to be acquired on the basis of the latest audited financial statements	December 31, 2021: Rs 60.10 per share
10	Earning per share of the associated company or associated undertaking for the last three years	2021: Rs. 12.84 per share 2020: Rs. 11.46 per share 2019: Rs. 6.28 per share
11	Sources of fund from which securities will be acquired	Own source
12	Where the securities are intended to be acquired using borrowed funds: i) Justification for investment through borrowings; and ii) Detail of guarantees and assets pledged for obtaining such funds	Not Applicable
13	Salient features of the agreement(s), if any, entered into with its associated company or associated undertaking with regards to the proposed investment	Not Applicable

Habib Insurance Company Limited

Sr. No.	Description	Information Required
14	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration	No Director or Chief Executive has any interest in the proposed investment, except in their individual capacities as Directors/ Chief Executive and/ or as shareholders of the Company
15	Any other important details necessary for the members to understand the transaction	None
16	In case of investment in securities of a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above, the following further information, is required, namely: i) Description of the project and its history since conceptualisation; ii) Starting and expected dates of completion of work; iii) Time by which such project shall become commercially operational; and iv) Expected time by which the project shall start paying return on investment	

Regulation No. 3 (3)

Sr. No.	Description	Information Required
1	The directors of the investing company while presenting the special resolution for making investment in its associated company or associated undertaking shall submit an undertaking to the members of the investing company that they have carried out necessary due diligence for the proposed investment	The Directors of the Company submit that they have carried out necessary due diligence for the proposed investment in shares of Habib Metropolitan Bank Ltd.

Habib Insurance Company Limited

Bank AL Habib Limited

Regulation No. 3 (1) a

Sr. No.	Description	Information Required
1	Name of the associated company or associated undertaking along with criteria based on which the associated relationship is established	Bank AL Habib Limited being associated on the basis of common directorship. Mr. Abbas D. Habib and Mr. Qumail R. Habib, Directors of the Company are also Chairman and Director of Bank AL Habib Limited.
2	Purpose, benefits and period of investment	Long term investment to earn dividend income as well as prospective capital gains
3	Maximum amount of investment	Rs. 100 Million
4	Maximum price at which securities will be acquired	Not more than the price quoted on the stock exchange
5	Maximum number of securities to be acquired	Equivalent to the amount of investment
6	Number of securities and percentage thereof held before and after the proposed investment	2,000,000 shares (0.18%) held before proposed investment. Number of shares and percentage after proposed investment will depend on the prevailing prices at the time of actual acquisition of shares which could vary with the market price at which shares are purchased in future
7	In case of investment in listed securities, average of the preceding twelve weekly average price of the security intended to be acquired	Rs. 66.53 per share
8	In case of investment in unlisted securities, fair market value of such securities determined in terms of regulation 6(1)	Not Applicable
9	Break-up value of securities intended to be acquired on the basis of the latest audited financial statements	December 31, 2021 : Rs. 80.99 per share
10	Earning per share of the associated company or associated undertaking for the last three years	2021: Rs. 16.83 per share 2020: Rs. 16.03 per share 2019: Rs. 10.05 per share
11	Sources of fund from which securities will be acquired	Own source
12	Where the securities are intended to be acquired using borrowed funds: i) Justification for investment through borrowings; and ii) Detail of guarantees and assets pledged for obtaining such funds	Not Applicable
13	Salient features of the agreement(s), if any, entered into with its associated company or associated undertaking with regards to the proposed investment	Not Applicable
14	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration	No Director or Chief Executive has any interest in the proposed investment, except in their individual capacities as Directors/ Chief Executive and/ or as shareholders of the Company
15	Any other important details necessary for the members to understand the transaction	None

Habib Insurance Company Limited

Sr. No.	Description	Information Required
16	<p>In case of investment in securities of a project of an associated company or associated undertaking that has not commenced operations, in addition to the information referred to above, the following further information, is required, namely:</p> <ul style="list-style-type: none">i) Description of the project and its history since conceptualisation;ii) Starting and expected dates of completion of work;iii) Time by which such project shall become commercially operational; andiv) Expected time by which the project shall start paying return on investment	

Regulation No. 3 (3)

Sr. No.	Description	Information Required
	<p>The directors of the investing company while presenting the special resolution for making investment in its associated company or associated undertaking shall submit an undertaking to the members of the investing company that they have carried out necessary due diligence for the proposed investment</p>	<p>The Directors of the Company submit that they have carried out necessary due diligence for the proposed investment in shares of Bank AL Habib Limited.</p>